



Consolidated Financial Results (Tanshin)
for the Three Months Ended June 30, 2021 (Based on IFRS)

August 13, 2021

Name of listed company	:CYBERDYNE, INC.	Stock exchange listing	:Mothers Section of TSE
Stock code	:7779	URL	:https://www.cyberdyne.jp/english
Representative (title)	:President and CEO	Name	:Yoshiyuki Sankai
Contact (title)	:Director and CFO	Name	:Shinji Uga Tel. +81-29-869-9981
Scheduled date for release of three-month report	:August 13, 2021	Scheduled start of dividend payment	:—
Additional materials for the financial results	:None		
Information meeting for the financial results	:None		

(Millions of yen: Rounded to the nearest one million yen)

I . Consolidated financial results for the three months ended June 30, 2020 (April 1, 2021-June 30, 2021)

1. Consolidated result of operations (percentages denote year-on-year change)

	Revenue		Operating profit (loss)		Profit (loss) before tax		Profit (loss) attributable to owners of parent	
		%		%		%		%
Apr.1-June 30, 2021	380	5.9	(283)	—	(265)	—	(276)	—
Apr.1-June 30, 2020	359	(8.8)	(230)	—	(66)	—	(129)	—

	Basic earnings (loss) per share	Diluted earnings (loss) per share
	Yen	Yen
Apr.1-June 30, 2021	(1.28)	(1.28)
Apr.1-June 30, 2020	(0.60)	(0.60)

2. Consolidated financial position

	Total assets	Total equity	Total equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets
	Millions of yen	Millions of yen	Millions of yen	%
As of June 30, 2021	47,792	43,513	43,509	91.0
As of March 31, 2021	48,119	43,786	43,776	91.0

II . Dividends

	Dividend payments for each term and the year				
	End of 1st quarter (June.30)	End of 2nd quarter (September.30)	End of 3rd quarter (December.31)	Fiscal year end (March.31)	Total
Fiscal year ended March 31, 2021	Yen —	Yen 0.00	Yen —	Yen 0.00	Yen 0.00
Fiscal year ending March 31, 2022	—	—	—	—	—

Notes:

(i) Changes from the latest released dividend forecasts: none

(ii) The table of “Dividends” indicates dividend payments on Common Shares. Dividends on Class Share (non-listed) for which the number of share units differs from Common Shares are shown below as “Dividends on Class Shares”.

III. Forecast of consolidated financial results for the fiscal year ending March 31, 2022 (April 1, 2021-March 31, 2022)

As the business of CYBERDYNE Inc. and its group companies (collectively referred to as the "Group") is based on a new market with innovative technologies, there are many uncertain factors that could have an impact on its performance and make it difficult for CYBERDYNE Inc. (the "Company") to provide a forecast with accurate figures. As such the Company will not announce the forecast of consolidated financial results.

Notes:

1. Changes in key subsidiaries during the consolidated three month period (changes in specific subsidiaries resulting in changes of consolidation scope): none

new: — (company name: —), excluded: — (company name: —)

2. Changes in accounting policies, accounting estimates, and restatement of error corrections

(i) Changes in accounting policies required by IFRS : none

(ii) Changes in accounting policies due to reasons other than (i) : none

(iii) Changes in accounting estimates: none

3. Total number of issued shares (Common Shares)

(i) Total number of issued shares at the end of each period (including treasury shares)

As of June 30, 2021	215,145,809 shares	As of March 31, 2021	215,145,809 shares
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(ii) Total number of treasury shares at the end of each period

As of June 30, 2021	8,771 shares	As of March 31, 2021	8,771 shares
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(iii) Average number of shares during each three month period

Apr.1-June 30, 2021	215,137,038 shares	Apr.1-June 30, 2020	215,137,720 shares
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Note: Class B Shares are ranked the same as Common Shares and paid the same amount as Common Shares with regard to dividends of surplus and distribution of residual assets. Therefore the total number of issued shares at each end of period and the average number of shares during each period include Class B Shares as Common Shares.

*This quarterly consolidated financial report is not subject to the quarterly review procedure by the scope of audit.

Dividends on Class Shares

Details of dividends on the Company's class shares for which the number of share units differs from its Common Shares are as below.

	Dividend payments for each term and the year				
	End of 1st quarter (June.30)	End of 2nd quarter (September.30)	End of 3rd quarter (December.31)	Fiscal year end (March.31)	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2021	—	0.00	—	0.00	0.00
Fiscal year ending March 31, 2022	—				

Note:

The Company issued Class B Shares which were accorded the same rights as its Common Shares with regard to dividends and distribution of residual assets, but for which share units differ from Common Shares.

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1. Qualitative information regarding the settlement of accounts for the three months ended June 30, 2021

(1) Explanation of operating result

All forward-looking statements included in this explanation were determined reasonable by CYBERDYNE Inc. (the "Company") and its group companies (collectively referred to as the "Group") based on currently available information for the consolidated three months ended June 30, 2021, and certain assumptions made by the Group.

The Group aims to realize Society 5.0/5.1, a new vision of society based on Techno-Peer Support. To realize this society, the Group works to create an industry based on innovative Cybernics Technology capable of fusing "humans" and cyberspace (virtual world)/physical space (real world).

Endeavor to create "Cybernics Industry"

The foundation of Cybernics Technology is the Internet of Humans/Internet of Things ("IoH/IoT"), Robots, and AI. The technology connects various fields such as medicine, nursing-care, production, and other workplaces with households. The Group aims to create a new industry based on this technology to solve various problems that exist in our society today. The Group's business has a unique advantage in accessing and integrating information inside the human body (such as Brain-nerve and vital systems) and information outside the human body (such as behavioral, life, and environmental). The information obtained will be sent to a supercomputer for analysis and AI Processing to discover innovative solutions to social problems. The Group simultaneously works on research and development, business development, and business alliances to establish such a system that could realize the future society of Society 5.0/5.1.

Status of business operation

<<Effects of COVID-19 >>

During the consolidated three-month period, the onsite service in Robocare Center in Japan and treatment service in Germany were recovering. However, the Group continues to experience a short-term impact on the revenue due to the temporary suspension of new opportunities, contracts, and shipments, especially towards medical institutions.

On the other hand, the Group regards the changes in social structure due to the pandemic of COVID-19 as an opportunity for further acceleration of Cybernics Industries. Under the keywords of Remote, Home, and Digital, the Group will conduct initiatives to realize the fusion of Human + Cyber/Physical Space. For example, Neuro HALFIT at Home, a contactless service for households, can transmit data obtained from HAL to Cloud. This service helps elderly users to prevent frailty amid the COVID-19 pandemic. The Group also introduced disinfection features to its next-generation Cleaning Robot CL02, such as disinfection sprayers and UV disinfection unit. The Group continues to promote Neuro HALFIT at Home and Disinfection/Cleaning Robot CL02 as a solution towards COVID-19.

<<Business operation around the medical application>>

The Group continues to establish Cybernics Treatment as the global standard of treatment, a treatment program using Medical Cybernics Systems such as HAL to induce improvement and regeneration of the functions of the brain, nerves, and muscles.

For Medical HAL Lower Limb Type, the Group completed a performance test for progressive neuromuscular disease patients in Japan in November 2020. Twenty hospitals took part in the test, delivering a total of 6,486 treatment sessions to 218 patients. The result of the test suggests very high efficacy and safety in a clinical setting as well. The Group will utilize this result to list Cybernics Treatment for insurance worldwide to establish this new treatment technology as a global standard towards progressive neuromuscular

disease, as there were no effective treatment methods towards this before HAL. Furthermore, regarding the investigator-initiated clinical trial for stroke patients in Japan finished in December 2020, the Group will discuss with the regulator (Japanese PMDA) to prepare for the application of medical device approval in Japan. The Group also considers the result to be compelling data to apply for medical insurance worldwide.

In Europe, in addition to the new installations in Spain and France, several large-scale projects are in progress. In the U.S., the Group succeeded in obtaining expanding clearance from the U.S. Food and Drug Administration ("U.S. FDA") for stroke and neuromuscular diseases in October 2020. In addition, the Group conducts initiatives to get the treatment covered by insurance and designs new medical services that the patient will pay out of their pockets.

The Group succeeded in obtaining approvals in major countries of the Asia Pacific Region ("APAC"). The Group will continue to disseminate the technology further in the region.

<<Business operation around applications to support care givers and care receivers>>

The Group has developed various types of HAL, mainly for elderly users, to improve their physical conditions, preventing frailty, and improve their independence from care.

(Business on service offered at a facility)

The Group operates 16 Robocare Centers around Japan, run by the Company subsidiaries and business partners in each region. At Robocare Centers, Neuro HALFIT is offered as a service to induce improvement of the brain-nerve and musculoskeletal system through HAL. To improve accessibility to Neuro HALFIT, the Group continue to ally with self-paid rehab service operators. The Group formed a connection with Y's, Inc., a company known to be the leader in the field of chronic stage self-paid rehabilitation. The Group also allied with J-Workout Inc. to offer Neuro HALFIT and Neuro HALFIT at Home through the support of J-Workout staff specialized in training people with disabilities caused by spinal cord injury.

(Neuro HALFIT at Home for individual users)

The Group offers Neuro HALFIT at Home to enable individuals to work out at home using HAL. By connecting HAL with Cyberdyne Cloud, users can see their bio-electrical signals, postures, and many more on the connected tablets. In addition, the tablet monitor allows users to obtain visual feedback on their training and receive feedback from their therapists and trainers remotely. The user can sign up for this service through CYBERDYNE STORE that opened last November, and as of the end of June 2021, there was an accumulation of 247 contracts.

<<Business operation around applications for workplace and households>>

(HAL Lumbar Type for Labor Support)

The Group develops HAL Lumbar Type for Labor Support to support workers involved with heavy lifting. This waterproof/dustproof product reduces the stress applied to the lumbar region upon lifting. The Group rents this type of HAL to major companies in aviation, construction, and the logistics industry.

(Autonomous navigated robots)

The Group rents next-generation Cleaning Robot CL02 equipped with cutting-edge SLAM technology to airports, public facilities, and office buildings. The Group also launched an expansion feature, mounting disinfection functions to prevent the infection of COVID-19. The automation of disinfection enables workers to conduct this risky work without direct contact with the disinfected parts or with other people. The Group also developed an Interface Unit that allows CL02 to ride elevators automatically.

<<Status of Research and Development>>

The Group develops a small palm-sized vital sensor designed to detect arteriosclerosis and arrhythmia at an early stage. Additional functions are being developed for this sensor to improve usability. The Group also works on a small sensor to check electrocardiograms and photoacoustic imaging devices to image micro-vessels in real-time.

Furthermore, the Group works on various technologies to promote independence for the elderly and disabled people. For example, the Group develops cloth-type HAL to maintain and improve ambulatory functions and guardian/communication robots to retain and enhance ADL (activities of daily living) by interacting with people while acquiring vital and environmental information. The Group also develops a personal mobility robot for users who have difficulty walking. Furthermore, the Group has been working on an Integrated Cybernics System to accumulate, analyze, and AI process IoH/IoT Big Data from various Cybernics Devices. As the first step, the Group launched Cyberdyne Cloud in November 2020.

The Group plans to construct a base for the innovative medical industry in Kingsky Front, Tonomachi, Kawasaki. The base will promote the clinical research of bio-related technologies such as Wearable Cyborg HAL, regenerative medicine, drug discovery, etc. The construction of this facility started in December 2020, and it will complete at the end of the fiscal year ending March 31, 2022.

Numbers of operating units

As of the end of June 2021, 353 Medical HAL Lower Limb Type units were in operation worldwide, including those used for clinical research. Out of the 353 HALs, 81 were rent to Japanese hospitals for Cybernics Treatment. Medical HAL Lower Limb Type increased mainly due to increased rented units towards hospitals in the APAC region. In addition, 417 HAL Single Joint Type were in operation. The number of HAL Single Joint Type increased mainly from the medical models. There were also eight units rented to individual users.

As of the end of June 2021, adding the numbers of HAL for Well-being Lower Limb Type and HAL for Living Support Lower Limb Type (older model), 334 were in operation. There were 1,082 units of HAL Lumbar Type for Well-being. Despite the decrease in the number of operating units because of the disposal of older models that met its service life, the total numbers increased as the contract towards individual users grew. Out of 1,082 HAL Lumbar Types, 81 were rented to individual users for Neuro HALFIT at Home.

As of the end of June 2021, 467 HAL Lumbar Type for Labor Support were in operation. Adding the numbers of Cleaning Robot and Transportation Robot, 143 is currently in action.

In the consolidated three months ended June 30, 2021, revenue from training and treatment services recovered from the impact of COVID-19, resulting in the revenue recorded at ¥380 million (5.9% increase year on year). In addition, the Group recorded gross profit at ¥277 million (10.0% increase year on year).

Research and development expenses were recorded at ¥188 million (4.1% increase year on year), mainly due to the development of new products at the Company's own cost and consigned research projects. In addition, the Group recorded other selling, general and administrative expenses at ¥391 million (12.8% increase year on year).

Other income was recorded at ¥19 million (59.9% decrease year on year), mainly from a consigned research project, resulting in the operating loss of ¥283 million (23.2% increase year on year).

The Group recorded gains related to CEJ Fund at ¥23 million and income tax expense at ¥17 million from deferred tax expenses, resulting in the posting of loss attributable to owners of the parent at ¥276 million.

(2) Explanation of financial position

① Assets

For the consolidated three months ended June 30, 2021, assets decreased ¥327 million to ¥47,792 million compared to the end of the previous fiscal year. Changes were mainly due to an increase of ¥341 million in other financial assets (non-current), partially offset by a decrease of ¥537 million in cash and cash equivalents and ¥194 million in trade and other receivables.

② Liabilities

For the consolidated three months ended June 30, 2021, liabilities increased ¥53 million to ¥4,279 million compared to the end of the previous fiscal year. The changes were mainly due to an increase of ¥36 million in deferred tax liability, partially offset by a decrease of ¥43 million in third-party interest in CEJ Fund and ¥20 million in trade and other payables.

③ Equity

For the consolidated three months ended June 30, 2021, equity decreased ¥273 million to ¥43,513 million compared to the end of the previous fiscal year. Changes were mainly due to a decrease of retained earnings resulting from the recording of a loss attributable to owners of the parent.

(3) Status of cashflow

For the consolidated three months ended June 30, 2021, cash and cash equivalents decreased ¥537 million to ¥6,167 million compared to the end of the previous fiscal year. The main influence factors for the cash flow status within the consolidated three months ended June 30, 2021, are stated below.

(Cash flows from operating activities)

For the consolidated three months ended June 30, 2021, net cash provided by operating activities recorded an outflow of ¥135 million (outflow of ¥263 million in the previous fiscal year). Changes were mainly due to an inflow of ¥158 million from the decrease of trade and other receivables profit and depreciation and amortization posted at ¥112 million. However, these were partially offset by loss before tax posted at ¥265 million, an outflow of ¥69 million from an increase in inventories, gains related to CEJ Fund posted at ¥23 million, and outflow of ¥20 million from the decrease of trade and other payables.

(Cash flows from investment activities)

For the consolidated three months ended June 30, 2021, net cash provided by investing activities recorded an outflow of ¥384 million (outflow of ¥682 million in the previous fiscal year). The changes were mainly due to proceeds of redemption of investment posted at ¥3,000 million, partially offset by the payment of ¥1,999 million from the purchase of investments, ¥1,000 million from payments into time deposits, and ¥300 million from the purchase of investment securities.

(Cash flows from financing activities)

For the consolidated three months ended June 30, 2021, net cash used in financing activities recorded an outflow of ¥21 million (outflow of ¥16 million in the previous fiscal year). The changes were mainly due to the outflow of ¥18 million from lease liabilities paid.

2. Condensed quarterly consolidated financial statement

(1) Condensed quarterly consolidated statement of financial position (Unaudited)

	As of March 31, 2021	As of June 30, 2021
	Millions of yen	Millions of yen
Assets		
Current assets		
Cash and cash equivalents	6,704	6,167
Trade and other receivables	352	193
Other financial assets	19,007	19,009
Inventories	808	877
Other current assets	350	348
Total current assets	27,220	26,595
Non-current assets		
Operating lease assets	475	455
Property, plant and equipment	12,206	12,216
Right of use assets	337	321
Goodwill	57	57
Intangible assets	38	33
Investments accounted for using equity method	454	444
Other financial assets	7,271	7,612
Other non-current assets	61	59
Total non-current assets	20,898	21,197
Total assets	48,119	47,792

	As of March 31, 2021	As of June 30, 2021
	Millions of yen	Millions of yen
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	268	247
Bonds and borrowings	31	31
Lease liabilities	61	61
Other current liabilities	276	269
Total current liabilities	635	608
Non-current liabilities		
Bonds and borrowings	49	46
Third-party interests in CEJ Fund	2,429	2,386
Lease liabilities	280	263
Provisions	93	93
Deferred tax liabilities	847	883
Total non-current liabilities	3,697	3,671
Total liabilities	4,332	4,279
Equity		
Share capital	10	10
Capital surplus	42,861	42,863
Treasury shares	(0)	(0)
Other components of equity	(1,272)	(1,265)
Retained earnings	2,177	1,901
Total equity attributable to owners of the parent	43,776	43,509
Non-controlling interests	10	4
Total equity	43,786	43,513
Total liabilities and equity	48,119	47,792

(2) Condensed quarterly consolidated statement of profit or loss and condensed quarterly consolidated statement of comprehensive income (Unaudited)

Condensed year to quarter end consolidated statement of profit or loss

	Three months ended June 30, 2020	Three months ended June 30, 2021
	Millions of yen	Millions of yen
Revenue	359	380
Cost of sales	(107)	(103)
Gross profit	252	277
Selling, general and administrative expenses		
Research and development expenses	(180)	(188)
Other selling, general and administrative expenses	(347)	(391)
Total selling, general and administrative expenses	(527)	(579)
Other income	47	19
Other expenses	(2)	(0)
Operating profit (loss)	(230)	(283)
Finance income	54	5
Finance costs	(1)	(1)
Gains related to CEJ Fund	121	23
Share of profit (loss) of investments accounted for using equity method	(10)	(10)
Profit (loss) before tax	(66)	(265)
Income tax expense	(74)	(17)
Profit (loss)	(140)	(283)
Profit (loss) attributable to		
Owners of parent	(129)	(276)
Non-controlling interests	(11)	(6)
Profit (loss)	(140)	(283)
Earnings (loss) per share		
Basic earnings (loss) per share (yen)	(0.60)	(1.28)
Diluted earnings (loss) per share (yen)	(0.60)	(1.28)

Condensed year to quarter end consolidated statement of comprehensive income

	Three months ended June 30, 2020	Three months ended June 30, 2021
	Millions of yen	Millions of yen
Profit (loss)	(140)	(283)
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	1	9
Total of items that will not be reclassified to profit or loss	1	9
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(10)	(2)
Total of items that may be reclassified to profit or loss	(10)	(2)
Total other comprehensive income, net of tax	(9)	7
Comprehensive income	(149)	(275)
Comprehensive income attributable to		
Owners of parent	(138)	(269)
Non-controlling interests	(11)	(6)
Comprehensive income	(149)	(275)

(3) Condensed quarterly consolidated statement of changes in equity (Unaudited)

Three months ended June 30, 2020 (from April 1, 2020 to June 30, 2020)

	Equity attributable to owners of parent					
	Share capital	Capital surplus	Treasury shares	Other components of equity		
				Financial assets measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations	Stock acquisition rights
Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	
April 1, 2020	26,753	26,494	(0)	(880)	6	19
Profit (loss)	—	—	—	—	—	—
Other comprehensive income	—	—	—	1	(9)	—
Total comprehensive income	—	—	—	1	(9)	—
Share-based payment transactions	2	—	—	—	—	—
Disposal of subsidiaries	—	—	—	—	2	—
Total transactions with owners	2	—	—	—	2	—
June 30, 2020	26,755	26,494	(0)	(879)	(1)	19

	Equity attributable to owners of parent				
	Other components of equity	Retained earnings	Total	Non-controlling interests	Total equity
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
April 1, 2020	(854)	(8,124)	44,268	(9)	44,259
Profit (loss)	—	(129)	(129)	(11)	(140)
Other comprehensive income	(9)	—	(9)	(0)	(9)
Total comprehensive income	(9)	(129)	(138)	(11)	(149)
Share-based payment transactions	—	—	2	—	2
Disposal of subsidiaries	2	5	8	—	8
Total transactions with owners	2	5	10	—	10
June 30, 2020	(861)	(8,248)	44,139	(20)	44,120

Three months ended June 30, 2021 (from April 1, 2021 to June 30, 2021)

	Equity attributable to owners of parent					
	Share capital	Capital surplus	Treasury shares	Other components of equity		
				Financial assets measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations	Stock acquisition rights
Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	
April 1, 2021	10	22,861	(0)	(1,286)	(6)	19
Profit (loss)	—	—	—	—	—	—
Other comprehensive income	—	—	—	9	(2)	—
Total comprehensive income	—	—	—	9	(2)	—
Share-based payment transactions	—	2	—	—	—	—
Total transactions with owners	—	2	—	—	—	—
June 30, 2021	10	22,863	(0)	(1,277)	(7)	19

	Equity attributable to owners of parent				
	Other components of equity	Retained earnings	Total	Non-controlling interests	Total equity
	Total				
Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	
April 1, 2021	(1,272)	2,177	43,776	10	43,786
Profit (loss)	—	(276)	(276)	(6)	(283)
Other comprehensive income	7	—	7	—	7
Total comprehensive income	7	(276)	(269)	(6)	(275)
Share-based payment transactions	—	—	2	—	2
Total transactions with owners	—	—	2	—	2
June 30, 2021	(1,265)	1,901	43,509	4	43,513

(4) Condensed quarterly consolidated statement of cash flows (Unaudited)

	Three months ended June 30, 2020	Three months ended June 30, 2021
	Millions of yen	Millions of yen
Cash flows from operating activities		
Profit (loss) before tax	(66)	(265)
Depreciation and amortization	119	112
Finance income	(54)	(5)
Finance costs	1	1
Loss (gains) on CEJ Fund	(121)	(23)
Share of loss (profit) of investments accounted for using equity method	10	10
Decrease (increase) in inventories	(20)	(69)
Decrease (increase) in trade and other receivables	115	158
Increase (decrease) in trade and other payables	(61)	(20)
Other	(188)	(34)
Subtotal	(265)	(136)
Interest received	2	2
Interest paid	(0)	(0)
Income taxes paid	(0)	—
Income taxes refund	—	0
Net cash provided by (used in) operating activities	(263)	(135)
Cash flows from investing activities		
Purchase of investments	—	(1,999)
Proceeds from redemption of investments	—	3,000
Payments into time deposits	—	(1,000)
Purchase of property, plant and equipment	(80)	(84)
Purchase of intangible assets	(2)	—
Purchase of investment securities	(600)	(300)
Other	0	(0)
Net cash provided by (used in) investing activities	(682)	(384)
Cash flows from financing activities		
Repayments of short-term borrowings	(5)	—
Repayments of long-term borrowings	—	(3)
Repayments of lease obligation	(11)	(18)
Other	(0)	(0)
Net cash provided by (used in) financing activities	(16)	(21)
Effect of exchange rate changes on cash and cash equivalents	(2)	2
Net increase (decrease) in cash and cash equivalents	(964)	(537)
Cash and cash equivalents at beginning of fiscal year	9,636	6,704
Cash and cash equivalents at end of year	8,672	6,167

(5) Notes to condensed quarterly consolidated financial statements

(Notes on premise of going concern)

There are no items to report.

(Changes in accounting policy)

Significant accounting policies applied to the condensed consolidated financial statements for the consolidated three months ended June 30, 2021 are the same as those applied to the consolidated financial statements for the fiscal year ended March 31, 2021

The income tax expense for the consolidated three months ended June 30, 2021 has been calculated based on the estimated annual effective income tax rate.

(Revenue)

Disaggregation of revenue

Details of disaggregation of revenue are set forth below.

	Three months ended June 30, 2020	Three months ended June 30, 2021
	Millions of yen	Millions of yen
Timing of revenue recognition		
Service transferred over time	302	325
Asset transferred at a point of time	32	13
Service transferred at a point of time	26	43
Total	359	380

(Note) Since the Group operates under a single segment of business, segment information on revenue is omitted.

Service transferred over time

Service transferred over time includes rental income based on the individual rental contract and maintenance income based on the maintenance contract in relation to finance lease income where the Group acts as a lessor of right-of-use asset.

The Group recognizes rental income as income generated throughout the rental period after the customer acceptance of the relevant product, by either of the following method. Pay-per-use model based on times of product usage in the relevant month and base fee model based on fixed monthly price.

The Group recognizes maintenance income as performance obligation satisfied over time. The Company records this revenue during this contract period based on average amount during the period.

Asset transferred at a point of time

Asset transferred at a point of time includes revenue from sales of commodities and products based on sales contract. The Group mainly determines that performance obligation of sales of commodities as well as products are satisfied at the point of customer acceptance the relevant product. The Group receives most of the payment within one month from the point of satisfying the performance obligation. With regards to transaction price, there is no significance in the amount of sales revenue that includes variable consideration. Furthermore, there are no significant financial components in the amount of promised consideration.

Furthermore, if the Group acts as a lessor of right-of-use of its devices such as HAL, the Group classifies the relevant lease as finance lease. Finance lease income is processed in the same way as cases where the Group acts as a lessor of manufacturer or distributor of sales of goods. The Group determines that performance obligation is satisfied at the point of customer acceptance and the revenue is recognized at a point of time.

Service transferred at a point of time

Service transferred at a point of time includes revenue from offering Cybernics Treatment and training service at Cybernic Treatment Center and Robocare Centers, to end users (such as patients). It also includes revenue received in return of providing outcomes of consigned research projects.

The Group determines that performance obligation of Cybernics Treatment as well as training services are satisfied at the point of completion of such services. The Group determines that performance obligation of providing outcomes of consigned research projects are satisfied at the point when the customer inspects and accepts the outcome.