

October 30, 2024

Consolidated Financial Results for the Second Quarter (Semi-annual) of the Fiscal Year Ending March 31, 2025 [Japan GAAP]

Company name: **Mitsubishi Motors Corporation**

Listing: Prime Market, the Tokyo Stock Exchange

Stock code: 7211

URL: <https://www.mitsubishi-motors.co.jp/>

Representative: Takao Kato, Representative Executive Officer, President and Chief Executive Officer

Contact: Keiko Sasaki, Vice President and General Manager, IR Office, Corporate Strategy
Management Div.

TEL: +81-3-3456-1111 (from overseas)

Scheduled date to file semi-annual securities report: November 7, 2024

Scheduled date to deliver cash dividends: December 3, 2024

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

1. Consolidated performance for the second quarter (Semi-annual) of fiscal year ending March 31, 2025 (April 1, 2024 to September 30, 2024)

(Figures less than one million yen are rounded down)

(1) Consolidated operating results

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen
September 30, 2024	1,307,382	(1.8)	90,737	(12.9)	69,235	(42.8)	37,951 (43.8)
September 30, 2023	1,330,817	14.9	104,189	23.1	120,947	19.4	67,489 (18.4)

Note: Comprehensive income For the six months ended September 30, 2024: ¥39,582 million ((62.8)%)

For the six months ended September 30, 2023: ¥106,449 million ((18.2)%)

	Net income per share-basic	Net income per share-diluted
Six months ended	Yen	Yen
September 30, 2024	25.52	25.52
September 30, 2023	45.34	45.34

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
September 30, 2024	2,356,814	1,073,951	44.0
March 31, 2024	2,454,470	1,044,456	41.2

Reference: Net assets excluding share subscription rights and non-controlling interests

As of September 30, 2024: ¥1,036,203 million As of March 31, 2024: ¥1,010,213 million

2. Cash dividends

Record Date	Cash dividend per share				
	First quarter	Second quarter	Third quarter	Fiscal year end	Annual
	Yen	Yen	Yen	Yen	Yen
FY2023	-	5.00	-	5.00	10.00
FY2024	-	7.50			
FY2024 (Forecast)			-	7.50	15.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated earnings forecasts for fiscal year 2024 (from April 1, 2024 to March 31, 2025)

(Percentages indicate changes from the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	2,880,000	3.2	190,000	(0.5)	190,000	(9.1)	144,000	(6.9)	96.85

Note: Modifications in the consolidated earnings forecasts from the latest announcement: None

Notes

(1) Significant changes in the scope of consolidation during the period: None

(2) Application of accounting treatment specific to the preparation of semi-annual consolidated financial statements: Yes

Note: Please refer to "2. Semi-annual consolidated financial statements (4) Notes to semi-annual consolidated financial statements -Notes to accounting treatment specific to the preparation of semi-annual consolidated financial statements" in page 9 for details.

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations : Yes

(ii) Changes in accounting policies other than (i): None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

Note: Please refer to "2. Semi-annual consolidated financial statements (4) Notes to semi-annual consolidated financial statements -Notes to changes in accounting policies" in page 9 for details.

(4) Number of shares issued and outstanding (common shares)

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

As of September 30, 2024: 1,490,282,496 shares

As of March 31, 2024: 1,490,282,496 shares

(ii) Number of shares of treasury shares at the end of the period

As of September 30, 2024: 3,131,313 shares

As of March 31, 2024: 3,474,193 shares

(iii) Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2024: 1,486,962,402 shares

Six months ended September 30, 2023: 1,488,442,958 shares

Note: The number of treasury shares at the end of each period includes shares of the Company held by the BIP Trust Account (2,325,526 shares as of September 30, 2024 and 2,668,506 shares as of March 31, 2024). The shares of the Company held by the BIP Trust Account is included in the number of treasury shares deducted in the calculation of average number of shares during each period (2,514,357 shares as of September 30, 2024 and 1,016,471 shares as of September 30, 2023).

* Second Quarter (Semi-annual) financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters:

(Note for the description about financial forecast)

This material contains forward-looking statements, based on judgments and estimates that have been made on the basis of currently available information. By nature, such statements are subject to uncertainty and risk. Therefore, you are advised that the final results might be significantly different from the aforementioned statements due to changes in economic environments related to our business, market trends, fluctuations in interest rates and exchange rate, changes in laws, regulations and government policies, etc.

Potential risks and uncertainties are not limited to the above and Mitsubishi Motors Corporation (MMC) is not under any obligation to update the information in this material to reflect any developments or events in the future.

If you are interested in investing in MMC, you are requested to make a final investment decision at your own risk, taking the foregoing into consideration. Please note that neither MMC nor any third party providing information shall be responsible for any damage you may suffer due to investment in MMC based on the information shown in this material.

(How to obtain additional information materials / details of the earnings release conference)

Additional information materials are disclosed on the MMC web site on the same day as publication of the results. In addition, an audio recording of the earnings release conference held on the same day will, together with the material used for the conference, be posted on the MMC website promptly following the conference.

Table of Contents of Attachments

1. Overview of Financial Results, etc.	2
(1) Overview of Financial Results	2
(2) Financial Position	2
(3) Overview of Cash Flow	2
(4) Summary of earnings forecasts	2
2. Semi-annual consolidated financial statements	3
(1) Semi-annual consolidated balance sheets	3
(2) Semi-annual consolidated statements of income and comprehensive income	5
Semi-annual consolidated statements of income	5
Semi-annual consolidated statements of comprehensive income	6
(3) Semi-annual consolidated statements of cash flows	7
(4) Notes to semi-annual consolidated financial statements	9
Notes to changes in accounting policies	9
Notes to accounting treatment specific to the preparation of semi-annual consolidated financial statements ..	9
Notes on segment information	10
Notes on significant changes in the amount of shareholders' equity	12
Notes on the going concern assumption	12

1. Overview of Financial Results, etc.

(1) Overview of Financial Results

The sales environment surrounding our company remains severe, due to intensifying competition caused by an increase in vehicle supply throughout the entire automobile industry, as well as a slow recovery in the macro economy, particularly in Thailand and Indonesia, which has led to sluggish demand for automobiles.

The number of vehicles sold for the six months ended September 30, 2024 was 408,000 units globally, up 5% year on year, and consolidated net sales were down 2% year on year to 1,307.4 billion yen. Consolidated operating profit was 90.7 billion yen (a decrease of 13.5 billion yen year on year). Consolidated ordinary profit was 69.2 billion yen (a decrease of 51.7 billion yen year on year) and net income attributable to the owners of the parent company was 38.0 billion yen (a decrease of 29.5 billion yen year on year).

The operating status by business segment is as shown below.

(i) Automobile business

Net sales for the six months ended September 30, 2024 were 1,296.6 billion yen (a decrease of 23.9 billion yen year on year), and operating profit was 88.8 billion yen (a decrease of 14.0 billion yen year on year).

(ii) Financial service business

Net sales for the six months ended September 30, 2024 were 22.4 billion yen (an increase of 4.8 billion yen year on year), and operating profit was 2.2 billion yen (an increase of 0.1 billion yen year on year).

(2) Financial Position

Total assets as of September 30, 2024 amounted to 2,356.8 billion yen (down 97.7 billion yen from the end of the previous fiscal year). Cash and deposits amounted to 569.0 billion yen (down 105.2 billion yen from the end of the previous fiscal year). Total liabilities amounted to 1,282.9 billion yen (down 127.1 billion yen from the end of the previous fiscal year). Of total liabilities, the interest-bearing debt balance was 405.9 billion yen (down 86.5 billion yen from the end of the previous fiscal year). Net assets amounted to 1,074.0 billion yen (up 29.5 billion yen from the end of the previous fiscal year). As a result, the equity ratio was 44.0% (41.2% at the end of the previous fiscal year).

(3) Overview of Cash Flow

The balance of cash and cash equivalents as of September 30, 2024 decreased by 105.3 billion yen from 674.2 billion yen at the end of the previous fiscal year to 568.9 billion yen. The status of each cash flow for the six months ended September 30, 2024 and their factors are as follows:

(Cash flows from operating activities)

Net cash provided by operating activities was 59.6 billion yen. This net inflow is mainly attributable to profit before income taxes and depreciation. Net cash provided by operating activities decreased by 26.9 billion yen from the same period of the previous fiscal year. This decrease was mainly due to a decrease in profit before income taxes.

(Cash flows from investing activities)

Net cash used in investing activities amounted to 52.8 billion yen. This net outflow was mainly due to payments for capital expenditures. Net cash used in investing activities decreased by 25.5 billion yen from the same period of the previous fiscal year. This decrease was mainly due to a decrease in short-term loans receivable and a decrease in the purchase of property, plant and equipment.

(Cash flows from financing activities)

Net cash used in financing activities amounted to 98.4 billion yen. The net outflow was mainly due to the repayment of long-term debt. Net cash used in investing activities increased by 108.6 billion yen from the same period of the previous fiscal year. This increase was mainly due to an increase in the repayment of loans payable.

(4) Summary of earnings forecasts

MITSUBISHI MOTORS CORPORATION has decided to leave unchanged its consolidated forecasts announced on May 8, 2024 for the full fiscal year 2024 (April 1, 2024 through March 31, 2025).

2. Semi-annual consolidated financial statements

(1) Semi-annual consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	674,234	568,969
Notes and accounts receivable - trade, and contract assets	151,006	166,924
Finance receivables	240,517	243,618
Merchandise and finished goods	317,485	322,071
Work in process	24,684	23,825
Raw materials and supplies	69,717	68,987
Other	151,538	136,907
Allowance for doubtful accounts	(1,333)	(1,199)
Total current assets	1,627,849	1,530,104
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	92,079	90,716
Machinery, equipment and vehicles, net	187,469	191,529
Tools, furniture and fixtures, net	66,496	66,326
Land	122,506	122,853
Construction in progress	29,583	35,902
Total property, plant and equipment	498,135	507,328
Intangible assets	44,904	45,309
Investments and other assets		
Investment securities	104,094	106,582
Other	183,996	172,144
Allowance for doubtful accounts	(4,511)	(4,656)
Total investments and other assets	283,579	274,070
Total non-current assets	826,620	826,709
Total assets	2,454,470	2,356,814

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	337,434	341,888
Electronically recorded obligations - operating	102,141	94,203
Short-term borrowings	68,053	53,712
Commercial papers	43,500	38,500
Current portion of long-term borrowings	224,612	66,207
Accounts payable - other, and accrued expenses	232,510	194,071
Income taxes payable	9,540	9,996
Provision for product warranties	68,048	66,338
Other	89,360	88,999
Total current liabilities	1,175,202	953,918
Non-current liabilities		
Long-term borrowings	127,781	218,696
Retirement benefit liability	20,367	20,588
Other	86,662	89,660
Total non-current liabilities	234,811	328,944
Total liabilities	1,410,014	1,282,863
Net assets		
Shareholders' equity		
Share capital	284,382	284,382
Capital surplus	199,585	199,585
Retained earnings	478,239	508,743
Treasury shares	(1,688)	(1,562)
Total shareholders' equity	960,518	991,148
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,045	446
Deferred gains or losses on hedges	(739)	(469)
Foreign currency translation adjustment	35,454	31,931
Remeasurements of defined benefit plans	12,933	13,146
Total accumulated other comprehensive income	49,694	45,055
Share acquisition rights	23	23
Non-controlling interests	34,219	37,724
Total net assets	1,044,456	1,073,951
Total liabilities and net assets	2,454,470	2,356,814

(2) Semi-annual consolidated statements of income and comprehensive income

Semi-annual consolidated statements of income

(Millions of yen)

	Six months ended September 30, 2023 (from Apr.1,2023 to Sep.30,2023)	Six months ended September 30, 2024 (from Apr.1,2024 to Sep.30,2024)
Net sales	1,330,817	1,307,382
Cost of sales	1,050,402	1,024,266
Gross profit	280,415	283,116
Selling, general and administrative expenses		
Advertising and promotion expenses	28,454	29,193
Freight costs	44,404	47,621
Provision of allowance for doubtful accounts	(259)	5
Remuneration, salaries and allowances for directors (and other officers)	40,086	43,566
Retirement benefit expenses	2,169	2,053
Depreciation	7,826	9,114
Research and development expenses	26,548	31,461
Other	26,995	29,362
Total selling, general and administrative expenses	176,225	192,378
Operating profit (loss)	104,189	90,737
Non-operating income		
Interest income	6,784	7,012
Dividend income	575	659
Foreign exchange gains	13,999	-
Share of profit of entities accounted for using equity method	2,406	-
Gain on reversal of accounts payable for overseas customs duties and others	-	2,555
Other	851	2,098
Total non-operating income	24,618	12,325
Non-operating expenses		
Interest expenses	2,733	3,431
Foreign exchange losses	-	25,732
Litigation expenses	3,301	991
Share of loss of entities accounted for using equity method	-	214
Other	1,825	3,457
Total non-operating expenses	7,860	33,828
Ordinary profit (loss)	120,947	69,235
Extraordinary income		
Gain on sale of non-current assets	49	660
Gain on liquidation of subsidiaries	824	-
Other	10	14
Total extraordinary income	884	675

(Millions of yen)

	Six months ended September 30, 2023 (from Apr.1,2023 to Sep.30,2023)	Six months ended September 30, 2024 (from Apr.1,2024 to Sep.30,2024)
Extraordinary losses		
Loss on retirement of non-current assets	539	1,540
Loss related to the Russian business	495	-
Loss related to the Chinese business	26,230	-
Other	658	405
Total extraordinary losses	27,923	1,945
Profit (loss) before income taxes	93,907	67,964
Income taxes	24,966	23,033
Profit (loss)	68,940	44,930
Profit (loss) attributable to non-controlling interests	1,450	6,979
Profit (loss) attributable to owners of parent	67,489	37,951

Semi-annual consolidated statements of comprehensive income

(Millions of yen)

	Six months ended September 30, 2023 (from Apr.1,2023 to Sep.30,2023)	Six months ended September 30, 2024 (from Apr.1,2024 to Sep.30,2024)
Profit (loss)	68,940	44,930
Other comprehensive income		
Valuation difference on available-for-sale securities	416	(1,598)
Deferred gains or losses on hedges	(126)	274
Foreign currency translation adjustment	31,989	(7,058)
Remeasurements of defined benefit plans, net of tax	(1,343)	219
Share of other comprehensive income of entities accounted for using equity method	6,571	2,815
Total other comprehensive income	37,508	(5,348)
Comprehensive income	106,449	39,582
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	102,532	33,311
Comprehensive income attributable to non-controlling interests	3,916	6,270

(3) Semi-annual consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2023 (from Apr.1,2023 to Sep.30,2023)	Six months ended September 30, 2024 (from Apr.1,2024 to Sep.30,2024)
Cash flows from operating activities		
Profit (loss) before income taxes	93,907	67,964
Depreciation	32,020	36,433
Loss related to the Russian business	495	-
Loss related to the Chinese business	26,230	-
Loss (gain) on liquidation of subsidiaries	(824)	-
Increase (decrease) in allowance for doubtful accounts	(852)	(170)
Increase (decrease) in retirement benefit liability	1,465	822
Interest and dividend income	(7,360)	(7,671)
Interest expenses	2,733	3,431
Foreign exchange losses (gains)	(6,712)	6,059
Share of loss (profit) of entities accounted for using equity method	(2,406)	214
Loss (gain) on sales and retirement of non-current assets	595	892
Decrease (increase) in trade receivables	24,817	(15,248)
Decrease (increase) in financial receivables	(5,131)	(3,052)
Decrease (increase) in inventories	(3,268)	(9,852)
Increase (decrease) in trade payables	(46,921)	1,434
Increase (decrease) in accounts payable - other, and accrued expenses	(12,167)	(24,511)
Other, net	395	12,125
Subtotal	97,016	68,871
Interest and dividends received	11,406	9,200
Interest paid	(2,601)	(3,421)
Income taxes paid	(19,319)	(15,059)
Net cash provided by (used in) operating activities	86,502	59,591
Cash flows from investing activities		
Purchase of property, plant and equipment	(65,336)	(53,020)
Proceeds from sale of property, plant and equipment	1,450	2,878
Purchase of intangible assets	(5,841)	(6,898)
Decrease (increase) in short-term loans receivable	(7,851)	7,258
Other, net	(731)	(3,039)
Net cash provided by (used in) investing activities	(78,309)	(52,822)

(Millions of yen)

	Six months ended September 30, 2023 (from Apr.1,2023 to Sep.30,2023)	Six months ended September 30, 2024 (from Apr.1,2024 to Sep.30,2024)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	8,941	(13,218)
Increase (decrease) in commercial papers	15,500	(5,000)
Proceeds from long-term borrowings	43,290	123,392
Repayments of long-term borrowings	(46,255)	(190,735)
Dividends paid	(7,420)	(7,434)
Dividends paid to non-controlling interests	(1,257)	(2,670)
Other, net	(2,572)	(2,723)
Net cash provided by (used in) financing activities	10,225	(98,388)
Effect of exchange rate change on cash and cash equivalents	31,197	(13,643)
Net increase (decrease) in cash and cash equivalents	49,615	(105,262)
Cash and cash equivalents at beginning of period	595,930	674,204
Cash and cash equivalents at end of period	645,545	568,942

(4) Notes to semi-annual consolidated financial statements

Notes to changes in accounting policies

(Application of the “Accounting Standard for Current Income Taxes,” etc.)

The “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the “Revised Accounting Standard 2022”) and other relevant ASBJ regulations have been applied from the beginning of the six months ended September 30, 2024.

The amendment to categories for recording current income taxes (taxes on other comprehensive income) conforms to the transitional treatment prescribed in the proviso of paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment prescribed in the proviso (2) of paragraph 65-2 of the Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the “Revised Implementation Guidance 2022”). This change in accounting policies has no impact on the semi-annual consolidated financial statements.

For the amendment related to the revised accounting treatment for consolidated financial statements when gains or losses on sale of shares in subsidiaries resulting from transactions between consolidated companies were deferred for tax purposes, the Revised Implementation Guidance 2022 has been applied from the beginning of the six months ended September 30, 2024. This change in accounting policies was applied retrospectively. Hence, the semi-annual consolidated financial statements for the six months ended September 30, 2023 and the consolidated financial statements for the prior fiscal year have been modified retrospectively. This change in accounting policies has no impact on the semi-annual consolidated financial statements for the six months ended September 30, 2023 and the consolidated financial statements for the prior fiscal year.

Notes to accounting treatment specific to the preparation of semi-annual consolidated financial statements

(Tax expense calculation)

Tax expenses are calculated first by reasonably estimating the effective tax rate after applying tax effect accounting against profit (loss) before income taxes for the fiscal year including the six months ended September 30, 2024, and next by multiplying the profit (loss) before income taxes by such estimated effective tax rate. In case where the estimated effective tax rate is unavailable, statutory effective tax rate is used.

Notes on segment information

(Segment information)

I. For the Six months ended September 30, 2023 (from April 1, 2023 to September 30, 2023)

1. Net sales and profit (loss) for each reportable segment

(Millions of yen)

	Automobiles	Financial services	Total	Adjustment (Note 1)	Grand total (Note 2)
Net sales					
(1) External customers					
Revenue from contracts with customers	1,314,987	5,280	1,320,267	-	1,320,267
Other income	261	10,287	10,549	-	10,549
Subtotal	1,315,248	15,568	1,330,817	-	1,330,817
(2) Intersegment sales & transfers	5,237	1,982	7,220	(7,220)	-
Total	1,320,485	17,551	1,338,037	(7,220)	1,330,817
Segment profit (loss)	102,784	2,080	104,864	(674)	104,189

Notes: 1. Adjustment represents the elimination of intersegment transactions.

2. Segment profit (loss) agrees to the amount of operating profit (loss) presented in the semi-annual consolidated statement of income.

(Supplementary information about geographic information)

1. Change in geographic information

For geographic information, please refer to "II. For the Six months ended September 30, 2024 (Supplementary information about geographic information) - "1. Change in geographic information."

2. Net sales to the external customers, classified by the geographic location of the external customers

(Millions of yen)

	Japan	North America	Europe	Asia	Oceania	Other	Total
Net sales							
Net sales to external customers							
Revenue from contracts with customers	260,111	345,517	103,964	274,585	134,668	201,420	1,320,267
Other income	10,340	183	-	-	25	-	10,549
Total	270,452	345,700	103,964	274,585	134,693	201,420	1,330,817

Note: Main countries and regions outside Japan are grouped as follows:

- (1) North America..... The United States, Canada, Mexico
- (2) Europe..... Germany, Spain, the Netherlands, France
- (3) Asia..... Indonesia, Thailand, the Philippines, Vietnam
- (4) Oceania..... Australia, New Zealand
- (5) Other..... U.A.E., Brazil

II. For the Six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

1. Net sales and profit (loss) for each reportable segment

(Millions of yen)

	Automobiles	Financial services	Total	Adjustment (Note 1)	Grand total (Note 2)
Net sales					
(1) External customers					
Revenue from contracts with customers	1,286,554	9,264	1,295,819	-	1,295,819
Other income	284	11,278	11,563	-	11,563
Subtotal	1,286,839	20,543	1,307,382	-	1,307,382
(2) Intersegment sales & transfers	9,774	1,821	11,595	(11,595)	-
Total	1,296,614	22,364	1,318,978	(11,595)	1,307,382
Segment profit (loss)	88,839	2,222	91,061	(323)	90,737

Notes: 1. Adjustment represents the elimination of intersegment transactions.

2. Segment profit (loss) agrees to the amount of operating profit (loss) presented in the semi-annual consolidated statement of income.

(Supplementary information about geographic information)

1. Change in geographic information

National and regional groupings have been classified by “geographical proximity and mutual relevance of business activities.” However, for the consistency with in-house management, Ukraine and Kazakhstan, which had been included in “Europe” until the previous fiscal year are reclassified in “Other” from the six months ended September 30, 2024. As a result of this change, the reclassified geographic information is presented for the six months ended September 30, 2023.

2. Net sales to the external customers, classified by the geographic location of the external customers

(Millions of yen)

	Japan	North America	Europe	Asia	Oceania	Other	Total
Net sales							
Net sales to external customers							
Revenue from contracts with customers	261,574	367,928	53,421	267,094	161,208	184,592	1,295,819
Other income	11,331	217	—	—	13	—	11,563
Total	272,906	368,145	53,421	267,094	161,222	184,592	1,307,382

Note: Main countries and regions outside Japan are grouped as follows:

- (1) North America..... The United States, Canada, Mexico
- (2) Europe..... Germany, France, Spain, the Netherlands
- (3) Asia..... the Philippines, Indonesia, Thailand, Vietnam
- (4) Oceania..... Australia, New Zealand
- (5) Other..... U.A.E., Brazil

Notes on significant changes in the amount of shareholders' equity

There is no item to be reported.

Notes on the going concern assumption

There is no item to be reported.