

# Financial Review

## Long Term Financial Performance Trend (From FY2010 to FY2020)

	2010	2011	2012	2013	2014
Sales	154.2	148.6	153.8	163.7	171.2
Operating Profit	19.8	15.5	19.5	22.2	25.3
Ordinary Income	19.4	15.9	20.5	23.7	26.4
Net Income	13.0	11.0	13.9	16.7	18.2
EBITDA	30.2	25.9	29.0	30.8	33.8
OP Margin	12.9%	10.4%	12.7%	13.6%	14.8%
ROE	11.9%	9.5%	11.4%	12.7%	12.7%
EPS (¥/share)	75.94	64.52	83.74	102.11	113.99
Dividend (¥/share)	24	24	26	30	36
Dividend Payout Ratio	31.6%	37.2%	31.0%	29.4%	31.6%
Share Repurchase	2.8	-	5.0	5.0	6.0
Total Assets	183.4	190.1	199.2	208.0	223.9
Net Assets	112.4	119.6	126.7	137.8	151.3
Cash	21.1	27.9	31.9	30.8	31.3
Liabilities with Interest	39.9	38.9	38.1	36.1	35.1
Equity Ratio	60.7%	62.4%	63.0%	65.7%	66.9%
Capex	9.6	8.3	8.1	8.8	9.8
Depreciation	10.4	10.5	9.5	8.5	8.5
R&D Expenses	12.6	13.6	13.7	14.2	15.0
R&D Expenses/Sales	8.2%	9.2%	8.9%	8.7%	8.7%

(Billions of yen)

2015	2016	2017	2018	2019	2020
176.9	180.3	193.4	204.9	206.8	209.1
28.6	31.4	35.0	37.1	38.6	42.5
29.5	31.7	36.2	39.1	40.0	43.9
22.4	24.0	27.1	29.4	30.8	33.5
38.3	40.3	45.5	48.0	49.2	53.0
16.2%	17.4%	18.1%	18.1%	18.7%	20.3%
14.6%	15.1%	16.1%	16.6%	16.9%	17.5%
143.37	156.97	180.30	197.67	210.09	231.73
44	52	68	82	90	104
30.7%	33.1%	37.7%	41.5%	42.8%	44.9%
9.0	9.0	9.0	9.0	10.0	10.0
228.2	231.7	246.0	247.0	249.5	265.5
156.9	163.7	176.4	182.1	185.5	200.6
35.3	35.7	37.7	36.2	30.6	32.4
33.1	30.8	28.6	26.6	24.6	22.7
68.1%	69.9%	71.0%	73.0%	73.7%	74.9%
10.2	14.3	13.7	9.9	15.7	15.8
9.7	8.9	10.5	10.9	10.5	10.4
15.8	16.1	17.2	17.8	17.2	16.5
8.9%	8.9%	8.9%	8.7%	8.3%	7.9%

## Financial Review of the Year Ended March 31, 2021

### Overview

In the current fiscal year (April 1, 2020 to March 31, 2021), the domestic economy recorded significant negative growth due to the spread of COVID-19 infections. Though exports have been partially picked up towards the latter half of the year, the severe situation continued such as prolonged stagnation of consumer spending. Under these circumstances, sales of Basic Chemicals decreased in the Chemicals Division. In the Performance Materials Division, Display Materials and Semiconductor Materials performed well. Sales of the Agricultural Chemicals Division were unchanged from the previous fiscal year. In the Pharmaceuticals Division, although sales of Finetech® (custom manufacturing and process researching services for pharmaceutical companies) increased, sales of drug discovery decreased.

### Operating Results

As a result, the Company's results for the current fiscal year were net sales 209,121 million yen (an increase of 2,283 million yen), operating income 42,530 million yen (an increase of 3,883 million yen) and ordinary income 43,893 million yen (an increase of 3,889 million yen), and net income attributable to owners of parent 33,470 million yen (an increase of 2,690 million yen). Operating and ordinary income achieved record highs for the seven consecutive years and net income attributable to owners of parent for the eight consecutive years, exceeding the earnings outlook announced in November.

ROE was 17.5% and we have achieved the Mid-Term Plan Stage II target (maintain above 16%) in the current fiscal year.

Dividend was 104 yen and dividend payout ratio became 44.9%. We have repurchased share of 10.0 billion yen and total payout ratio was 74.6%.

### Financial Position

Total assets as of March 31, 2021 were 265,509 million yen (an increase of 15,987 million yen from the previous year). It is mainly due to the increase of merchandise and finished goods, intangible assets, and investment securities.

Total liabilities as of March 31, 2021 were 64,947 million yen (an increase of 953 million yen). It is mainly due to the increase of deferred tax liabilities.

Net assets as of March 31, 2021 were 200,562 million yen (an increase of 15,033 million yen).

As a result of these factors, equity ratio was 74.9% (an increase of 1.2% from March 31, 2020).

### Position of Cash Flow

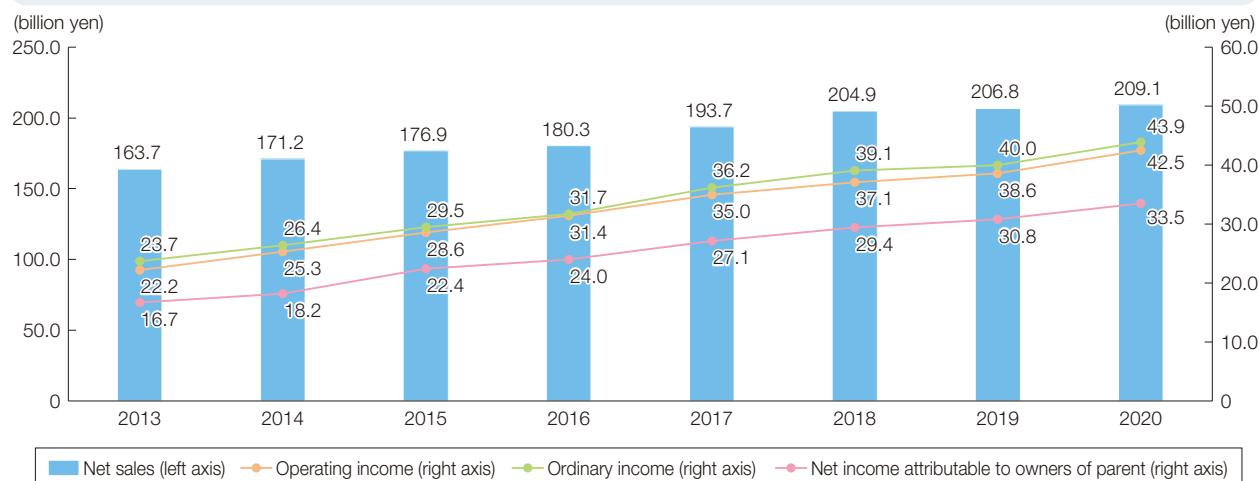
Deducting income taxes paid from income before income taxes and non-controlling interests, depreciation and gain and loss in working capital, net cash provided by operating activities for the consolidated fiscal year ended March 31, 2021 was 39,939 million yen (35,550 million yen for the previous year).

Due to investment on plant and equipment, net cash used in investing activities for the consolidated fiscal year ended March 31, 2021 was 12,854 million yen (15,624 million yen for the previous year).

Due to share repurchase, payment for dividends and of long-term loans payable, net cash used in financing activities for the consolidated fiscal year ended March 31, 2021 was 25,629 million yen (25,186 million yen for the previous year).

As a result of these factors, cash and cash equivalents for the consolidated fiscal year ended March 31, 2021 were 32,380 million yen (30,639 million yen for the previous year), reflecting exchange of 284 million yen. It increased by 1,741 million yen compared to the previous year.

### Business Results and Outlook



## Overview by segments

### The Chemicals Division

In Basic Chemicals, although sales of high purity sulfuric acid (agent used for cleaning semiconductor) increased, sales of melamine (adhesives agent for particle board) declined due to market conditions. In Fine Chemicals, sales of TEPIC® (powder coating agent for paint, sealants, etc.) were basically unchanged from the previous fiscal year, while sales for environmental chemicals (sterilizing and disinfecting agents for pools and septic tanks, etc.) decreased.

As a result, sales of this division were 31,908 million yen (a decrease of 2,427 million yen) and operating income was 1,482 million yen (an increase of 186 million yen). Compared to the outlook, net sales were above 0.2 billion yen and operating income was above 0.3 billion yen.

As outlook of business result for the next term, we assume net sales will be 34.6 billion yen and operating income will be 2.4 billion yen.

### The Performance Materials Division

In Display Materials, sales of SUNEVER® (LCD alignment coating) for tablets and notebook PCs performed well. In Semiconductor Materials, sales of ARC®\* (anti-reflection coating materials for semiconductors) and OptiStack®\* (multilayer materials) increased, reflecting the strong operation of customers. In Inorganic materials, sales of Organosilicasol / Monomer sol (various kinds of coating materials, resin additive) decreased, while sales of SNOWTEX® for polishes for electronic materials were firm.

As a result, sales of this division were 71,648 million yen (an increase of 6,187 million yen) and operating income was 22,416 million yen (an increase of 5,429 million yen). Compared to the outlook, net sales were above 1.8 billion yen and operating income was above 1.8 billion yen.

As outlook of business result for the next term, we assume net sales will be 75.8 billion yen and operating income will be 23.8 billion yen.

\* ARC® and OptiStack® are registered trademarks of Brewer Science, Inc.

### The Agricultural Chemicals Division

Sales of Fluralaner (active ingredients for veterinary pharmaceuticals) decreased due to the impact of inventories of customers. In the domestic agrochemicals segment, sales of ALTAIR® (paddy rice herbicide) and DITHANE® (fungicide) acquired in the third quarter of FY2020 contributed to sales. On the other hand, sales of ROUNDUP® (non-selective leaf

treatment herbicide) were firm, and shipments of GRACIA® (insecticide) declined due to moderate insect pests outbreaks. In the overseas agrochemicals segment, sales of GRACIA®, ALTAIR® and PERMIT® (herbicide) were robust.

As a result, sales of this division were 63,848 million yen (a decrease of 189 million yen) and operating income was 18,202 million yen (a decrease of 1,050 million yen). Compared to the outlook, net sales were below 0.8 billion yen and operating income was below 0.5 billion yen.

As outlook of business result for the next term, we assume net sales will be 66.2 billion yen and operating income will be 17.6 billion yen.

### The Pharmaceuticals Division

Sales of LIVALO® (anti-cholesterol drug) declined due to increased sales of generic drugs. In Finetech®, sales of active pharmaceutical ingredients (generics) increased.

As a result, sales of this division were 6,652 million yen (a decrease of 310 million yen) and operating income was 357 million yen (a decrease of 575 million yen). Compared to the outlook, net sales were below 0.1 billion yen and operating income was below 0.2 billion yen.

As outlook of business result for the next term, we assume net sales will be 6.1 billion yen and operating income will be 0.3 billion yen.

### Trading

Sales of this segment were 69,820 million yen (an increase of 1,912 million yen) and operating income was 2,498 million yen (an increase of 385 million yen). Compared to the outlook, net sales were above 0.7 billion yen and operating income was above 0.4 billion yen.

As outlook of business result for the next term, we assume net sales will be 70.1 billion yen and operating income will be 2.2 billion yen.

### Others

Sales of this segment were 23,763 million yen (an increase of 1,369 million yen) and operating income was 831 million yen (an increase of 146 million yen).

As outlook of business result for the next term, we assume net sales will be 23.4 billion yen and operating income will be 0.7 billion yen.

## Consolidated Balance Sheets

(For FY2020 and FY2019)

Assets	(Millions of yen)		(Thousands of U.S. dollars)
	FY2020	FY2019	FY2020
<b>Current assets</b>			
Cash and deposits	¥32,380	¥30,639	\$292,449
Notes and accounts receivable - trade	73,937	72,509	667,784
Merchandise and finished goods	33,774	33,131	305,040
Work in process	23	153	208
Raw materials and supplies	12,853	10,590	116,086
Accounts receivable - other	2,534	2,765	22,887
Short-term loans receivable	1,223	2,045	11,046
Other	2,892	2,387	26,120
Allowance for doubtful accounts	(31)	(26)	(280)
Total current assets	159,588	154,196	1,441,366
<b>Non-current assets</b>			
<b>Property, plant and equipment</b>			
Buildings and structures	68,438	67,110	618,118
Accumulated depreciation and impairment loss	(43,601)	(42,260)	(393,795)
Buildings and structures, net	24,837	24,850	224,323
Machinery, equipment and vehicles	140,790	135,476	1,271,586
Accumulated depreciation and impairment loss	(128,053)	(123,035)	(1,156,548)
Machinery, equipment and vehicles, net	12,736	12,440	115,029
Tools, furniture and fixtures	39,775	39,625	359,240
Accumulated depreciation and impairment loss	(36,742)	(35,829)	(331,846)
Tools, furniture and fixtures, net	3,033	3,796	27,393
Land	8,996	8,995	81,250
Construction in progress	2,233	1,499	20,168
Total property, plant and equipment	51,837	51,581	468,181
<b>Intangible assets</b>			
Software	548	566	4,949
Other	11,581	6,812	104,597
Total intangible assets	12,129	7,379	109,547
<b>Investments and other assets</b>			
Investment securities	35,894	30,873	324,187
Deferred tax assets	205	721	1,852
Net defined benefit asset	2,478	1,609	22,381
Other	3,485	3,244	31,476
Allowance for doubtful accounts	(110)	(84)	(993)
Total investments and other assets	41,953	36,364	378,911
Total non-current assets	105,921	95,325	956,656
<b>Total assets</b>	¥265,509	¥249,522	\$2,398,022

Liabilities	(Millions of yen)		(Thousands of U.S. dollars)
	FY2020	FY2019	FY2020
<b>Current liabilities</b>			
Notes and accounts payable - trade	¥16,298	¥16,876	\$147,200
Short-term loans payable	20,937	22,898	189,099
Current portion of long-term loans payable	552	640	4,986
Income taxes payable	7,113	6,167	64,243
Provision for bonuses	2,250	2,151	20,322
Provision for directors' bonuses	7	26	63
Other	12,585	11,254	113,665
Total current liabilities	59,744	60,015	539,595
<b>Non-current liabilities</b>			
Long-term loans payable	1,184	1,076	10,694
Deferred tax liabilities	1,310	76	11,832
Provision for business structure improvement	171	284	1,544
Provision for loss on business of subsidiaries and affiliates	-	309	-
Provision for share-based remuneration for directors (and other officers)	91	46	822
Net defined benefit liability	249	208	2,249
Other	2,196	1,976	19,834
Total non-current liabilities	5,202	3,978	46,983
<b>Total liabilities</b>	¥64,947	¥63,993	\$586,588
<b>Net assets</b>			
<b>Shareholders' equity</b>			
Capital stock	¥18,942	¥18,942	\$171,080
Capital surplus	13,613	13,613	122,950
Retained earnings	161,708	146,997	1,460,513
Treasury shares	(7,340)	(2,470)	(66,293)
Total shareholders' equity	186,923	177,082	1,688,250
<b>Accumulated other comprehensive income</b>			
Valuation difference on available-for-sale securities	11,359	7,782	102,592
Foreign currency translation adjustment	81	(896)	732
Remeasurements of defined benefit plans	463	(51)	4,182
Total accumulated other comprehensive income	11,904	6,834	107,514
<b>Non-controlling interests</b>	1,733	1,610	15,652
Total net assets	200,562	185,528	1,811,434
<b>Total liabilities and net assets</b>	¥265,509	¥249,522	\$2,398,022

## Consolidated Statements of Income

(For FY2020 and FY2019)

	(Millions of yen)		(Thousands of U.S. dollars)
	FY2020	FY2019	FY2020
<b>Net sales</b>	<b>¥209,121</b>	¥206,837	<b>\$1,888,737</b>
<b>Cost of sales</b>	<b>121,376</b>	122,379	<b>1,096,243</b>
<b>Gross profit</b>	<b>87,745</b>	84,458	<b>792,495</b>
<b>Selling, general and administrative expenses</b>	<b>45,214</b>	45,810	<b>408,363</b>
<b>Operating income</b>	<b>42,530</b>	38,647	<b>384,122</b>
<b>Non-operating income</b>			
Interest income	16	26	145
Dividend income	981	785	8,860
Equity in earnings of affiliates	1,123	945	10,143
Other	668	852	6,033
Total non-operating income	2,790	2,609	25,199
<b>Non-operating expenses</b>			
Interest expenses	69	123	623
Loss on disposal of non-current assets	696	443	6,286
Plant stop losses	177	298	1,599
Foreign exchange losses	52	235	470
Other	431	151	3,893
Total non-operating expenses	1,427	1,252	12,888
<b>Ordinary income</b>	<b>43,893</b>	40,003	<b>396,432</b>
<b>Extraordinary income</b>			
Gain on sales of investment securities	1,588	1,834	14,342
Total extraordinary income	1,588	1,834	14,342
<b>Extraordinary losses</b>			
Licensing arrangement fee	-	834	-
Total extraordinary losses	-	834	-
<b>Income before income taxes and non-controlling interests</b>	<b>45,481</b>	41,003	<b>410,775</b>
Income taxes - current	12,037	10,102	108,716
Income taxes - deferred	(50)	36	(452)
Total income taxes	11,986	10,138	108,255
<b>Net income</b>	<b>33,495</b>	30,864	<b>302,520</b>
Net income attributable to non-controlling interests	25	84	226
<b>Net income attributable to owners of parent</b>	<b>¥33,470</b>	¥30,779	<b>\$302,294</b>

## Consolidated Statements of Comprehensive Income

(For FY2020 and FY2019)

	(Millions of yen)		(Thousands of U.S. dollars)
	FY2020	FY2019	FY2020
<b>Net income</b>	<b>¥33,495</b>	¥30,864	<b>\$302,520</b>
<b>Other comprehensive income</b>			
Valuation difference on available-for-sale securities	3,575	(2,851)	32,289
Foreign currency translation adjustment	1,075	(976)	9,709
Remeasurements of defined benefit plans, net of tax	514	(309)	4,642
Share of other comprehensive income of entities accounted for using equity method	1	(0)	9
Total other comprehensive income	5,167	(4,137)	46,667
<b>Comprehensive income</b>	<b>38,663</b>	26,726	<b>349,196</b>
(Comprehensive income attributable to)			
Owners of parent	38,540	26,733	348,085
Non-controlling interests	¥122	(¥6)	\$1,102

## Consolidated Statements of Changes in Net Assets (For FY2020)

(Millions of yen)

	Total shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	¥18,942	¥13,613	¥146,997	(¥2,470)	¥177,082
Changes of items during period					
Dividends of surplus			(13,629)		(13,629)
Net income attributable to owners of parent			33,470		33,470
Share repurchase				(10,002)	(10,002)
Disposal of treasury shares				1	1
Cancellation of treasury shares			(5,130)	5,130	-
Net changes of items other than shareholders' equity					-
Total changes of items during period	-	-	14,710	(4,870)	9,840
Balance at end of current period	¥18,942	¥13,613	¥161,708	(¥7,340)	¥186,923

### Accumulated other comprehensive income

(Millions of yen)

	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Non-controlling interests	Total net assets
	Balance at beginning of current period	¥7,782	(¥896)	(¥51)	¥6,834	¥1,610
Changes of items during period						
Dividends of surplus						(13,629)
Net income attributable to owners of parent						33,470
Share repurchase						(10,002)
Disposal of treasury shares						1
Cancellation of treasury shares						-
Net changes of items other than shareholders' equity	3,577	978	514	5,070	123	5,193
Total changes of items during period	3,577	978	514	5,070	123	15,033
Balance at end of current period	¥11,359	¥81	¥463	¥11,904	¥1,733	¥200,562



## Consolidated Statements of Changes in Net Assets (For FY2019)

(Millions of yen)

	Total shareholders' equity				Total shareholders' equity
	Capital stock	Capital surplus	Retained earnings	Treasury shares	
Balance at beginning of current period	¥18,942	¥13,613	¥143,200	(¥6,291)	¥169,464
Changes of items during period					
Dividends of surplus			(12,360)		(12,360)
Net income attributable to owners of parent			30,779		30,779
Share repurchase				(10,801)	(10,801)
Disposal of treasury shares			(0)	0	0
Cancellation of treasury shares			(14,622)	14,622	-
Net changes of items other than shareholders' equity					-
<b>Total changes of items during period</b>	-	-	3,797	3,821	7,618
Balance at end of current period	¥18,942	¥13,613	¥146,997	(¥2,470)	¥177,082

### Accumulated other comprehensive income

(Millions of yen)

	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Non-controlling interests	Total net assets
	Balance at beginning of current period	¥10,634	(¥11)	¥258	¥10,880	¥1,728
Changes of items during period						
Dividends of surplus						(12,360)
Net income attributable to owners of parent						30,779
Share repurchase						(10,801)
Disposal of treasury shares						0
Cancellation of treasury shares						-
Net changes of items other than shareholders' equity	(2,851)	(884)	(309)	(4,046)	(117)	(4,164)
<b>Total changes of items during period</b>	(2,851)	(884)	(309)	(4,046)	(117)	3,454
Balance at end of current period	¥7,782	(¥896)	(¥51)	¥6,834	¥1,610	¥185,528

## Consolidated Statements of Changes in Net Assets (For FY2020)

(Thousands of U.S. dollars)

	Total shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	\$171,080	\$122,950	\$1,327,646	(\$22,309)	\$1,599,368
Changes of items during period					
Dividends of surplus			(123,094)		(123,094)
Net income attributable to owners of parent			302,294		302,294
Share repurchase				(90,336)	(90,336)
Disposal of treasury shares				9	9
Cancellation of treasury shares			(46,333)	46,333	-
Net changes of items other than shareholders' equity					-
<b>Total changes of items during period</b>	-	-	132,858	(43,985)	88,873
<b>Balance at end of current period</b>	<b>\$171,080</b>	<b>\$122,950</b>	<b>\$1,460,513</b>	<b>(\$66,293)</b>	<b>\$1,688,250</b>

### Accumulated other comprehensive income

(Thousands of U.S. dollars)

	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Non-controlling interests	Total net assets
	Balance at beginning of current period	\$70,285	(\$8,092)	(\$461)	\$61,723	\$14,541
Changes of items during period						
Dividends of surplus						(123,094)
Net income attributable to owners of parent						302,294
Share repurchase						(90,336)
Disposal of treasury shares						9
Cancellation of treasury shares						-
Net changes of items other than shareholders' equity	32,307	8,833	4,642	45,791	1,111	46,902
<b>Total changes of items during period</b>	<b>32,307</b>	<b>8,833</b>	<b>4,642</b>	<b>45,791</b>	<b>1,111</b>	<b>135,775</b>
<b>Balance at end of current period</b>	<b>\$102,592</b>	<b>\$732</b>	<b>\$4,182</b>	<b>\$107,514</b>	<b>\$15,652</b>	<b>\$1,811,434</b>

## Consolidated Statements of Changes in Net Assets (For FY2019)

(Thousands of U.S. dollars)

	Total shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	\$174,051	\$125,085	\$1,315,814	(\$57,806)	\$1,557,144
Changes of items during period					
Dividends of surplus			(113,572)		(113,572)
Net income attributable to owners of parent			282,817		282,817
Share repurchase				(99,247)	(99,247)
Disposal of treasury shares			(0)	0	0
Cancellation of treasury shares			(134,356)	134,356	-
Net changes of items other than shareholders' equity					-
<b>Total changes of items during period</b>	-	-	34,889	35,110	69,999
Balance at end of current period	\$174,051	\$125,085	\$1,350,703	(\$22,696)	\$1,627,143

### Accumulated other comprehensive income

(Thousands of U.S. dollars)

	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Non-controlling interests	Total net assets
	Balance at beginning of current period	\$97,712	(\$101)	\$2,371	\$99,972	\$15,878
Changes of items during period						
Dividends of surplus						(113,572)
Net income attributable to owners of parent						282,817
Share repurchase						(99,247)
Disposal of treasury shares						0
Cancellation of treasury shares						-
Net changes of items other than shareholders' equity	(26,197)	(8,123)	(2,839)	(37,177)	(1,075)	(38,262)
<b>Total changes of items during period</b>	(26,197)	(8,123)	(2,839)	(37,177)	(1,075)	31,738
Balance at end of current period	\$71,506	(\$8,233)	(\$469)	\$62,795	\$14,794	\$1,704,751

## Consolidated Statements of Cash Flows (For FY2020 and FY2019)

	(Millions of yen)		(Thousands of U.S. dollars)
	FY2020	FY2019	FY2020
<b>Cash flows from operating activities</b>			
Income before income taxes and non-controlling interests	¥45,481	¥41,003	\$410,775
Depreciation and amortization	10,346	10,516	93,443
Amortization of goodwill	78	28	704
Interest and dividend income	(997)	(811)	(9,005)
Loss (gain) on sales of investment securities	(1,588)	(1,834)	(14,342)
Interest expenses	69	123	623
Loss (gain) on disposal of non-current assets	696	443	6,286
Decrease (increase) in notes and accounts receivable - trade	(1,016)	(3,656)	(9,176)
Decrease (increase) in inventories	(2,398)	(2,352)	(21,658)
Increase (decrease) in notes and accounts payable - trade	(842)	(715)	(7,605)
Other	(671)	(263)	(6,060)
Subtotal	49,159	42,481	443,994
Interest and dividend income received	1,925	1,565	17,386
Interest expenses paid	(69)	(123)	(623)
Income taxes paid	(11,076)	(8,373)	(100,036)
Net cash provided by (used in) operating activities	39,939	35,550	360,721
<b>Cash flows from investing activities</b>			
Purchase of investment securities	(159)	(657)	(1,436)
Proceeds from sales of investment securities	3,063	3,206	27,664
Purchase of shares of subsidiaries	(1,209)	(330)	(10,919)
Purchase of property, plant and equipment	(8,254)	(8,904)	(74,548)
Payments for retirement of property, plant and equipment	(598)	(391)	(5,401)
Purchase of intangible assets	(688)	(285)	(6,214)
Payments for transfer of business	(5,384)	(6,335)	(48,627)
Net decrease (increase) in short-term loans receivable	522	(1,538)	4,715
Purchase of long-term prepaid expenses	(222)	(645)	(2,005)
Other	77	256	695
Net cash provided by (used in) investing activities	(12,854)	(15,624)	(116,095)
<b>Cash flows from financing activities</b>			
Net increase (decrease) in short-term loans payable	(2,017)	(653)	(18,217)
Proceeds from long-term loans payable	660	600	5,961
Repayments of long-term loans payable	(640)	(1,860)	(5,780)
Cash dividends paid	(13,629)	(12,360)	(123,094)
Dividends paid to non-controlling interests	0	(111)	0
Share repurchase	(10,002)	(10,801)	(90,336)
Other	-	0	0
Net cash provided by (used in) financing activities	(25,629)	(25,186)	(231,476)
<b>Effect of exchange rate change on cash and cash equivalents</b>	284	(283)	2,565
<b>Net increase (decrease) in cash and cash equivalents</b>	1,741	(5,544)	15,724
<b>Cash and cash equivalents at beginning of period</b>	30,639	36,183	276,725
<b>Cash and cash equivalents at end of period</b>	¥32,380	¥30,639	\$292,449

(Note 1) The consolidated financial statements are a translation of the Japanese annual securities report's consolidated financial statements.

(Note 2) The consolidated financial statements are expressed in Japanese yen as of and for the year ended March 31, 2021 after being converted from the currency of the country in which the Company operates. The translation of Japanese yen amounts to United States dollar amounts is included solely for the convenience of the readers outside Japan, and has been made at the rate of ¥110.72 to US \$1, which is the approximate closing exchange rate reported by the Tokyo Foreign Exchange Market on March 31, 2021. This translation should not be construed to indicate that the Japanese yen amounts shown can be converted to United States dollars at the above rate.