

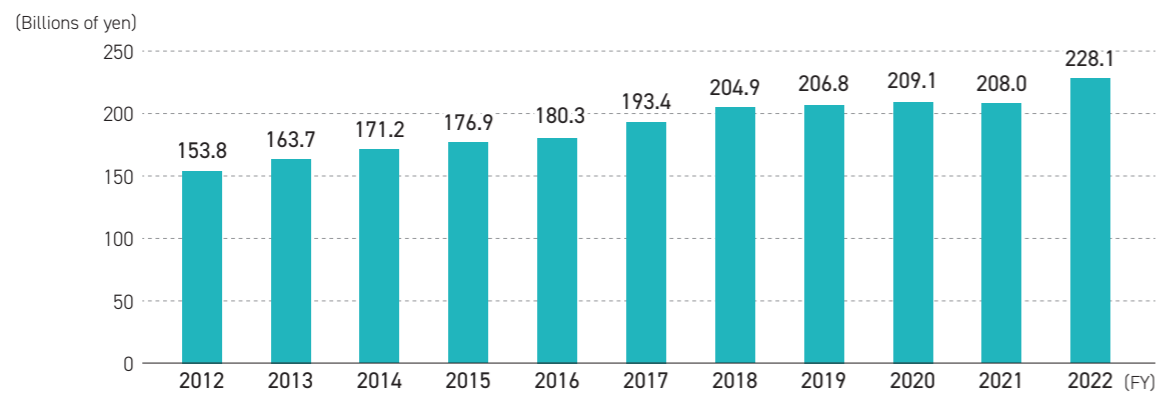
## Long-term Financial Performance Trend

(Billions of yen)

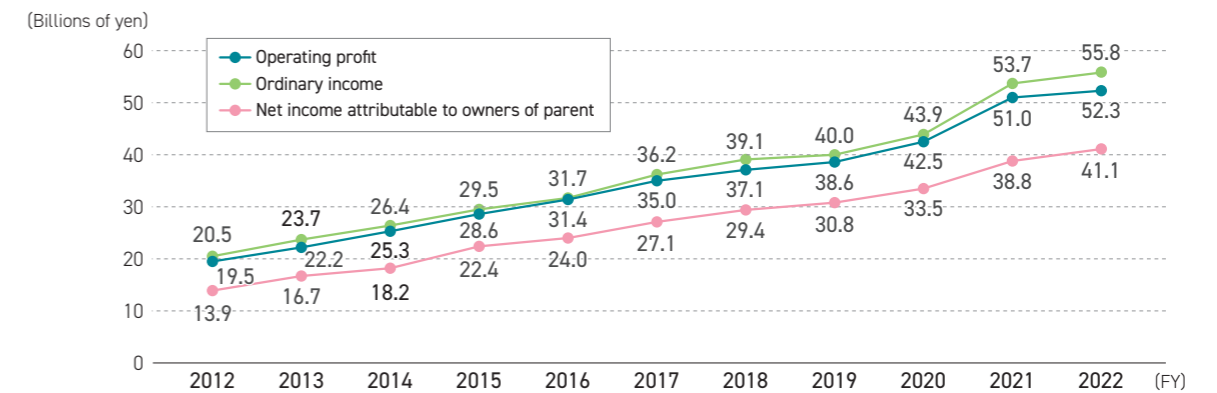
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Sales	153.8	163.7	171.2	176.9	180.3	193.4	204.9	206.8	209.1	208.0	228.1
Operating Profit	19.5	22.2	25.3	28.6	31.4	35.0	37.1	38.6	42.5	51.0	52.3
Ordinary Income	20.5	23.7	26.4	29.5	31.7	36.2	39.1	40.0	43.9	53.7	55.8
Net Income	13.9	16.7	18.2	22.4	24.0	27.1	29.4	30.8	33.5	38.8	41.1
EBITDA	29.1	30.8	33.8	38.3	40.3	45.5	48.0	49.2	53.0	61.2	63.3
Operating Margin	12.7%	13.6%	14.8%	16.2%	17.4%	18.1%	18.1%	18.7%	20.3%	24.5%	22.9%
ROE	11.4%	12.7%	12.7%	14.6%	15.1%	16.1%	16.6%	16.9%	17.5%	19.2%	19.4%
EPS(¥/share)	83.74	102.11	113.99	143.37	156.97	180.30	197.67	210.09	231.73	271.88	291.36
Dividend(¥/share)	26	30	36	44	52	68	82	90	104	122	164
Dividend Payout Ratio	31.0%	29.4%	31.6%	30.7%	33.1%	37.7%	41.5%	42.8%	44.9%	44.9%	56.3%
Share Repurchase	5.0	5.0	6.0	9.0	9.0	9.0	9.0	10.0	10.0	12.0	9.0
Total Assets	199.2	208.0	223.9	228.2	231.7	246.0	247.0	249.5	265.5	279.7	298.7
Net Assets	126.7	137.8	151.3	156.9	163.7	176.4	182.1	185.5	200.6	208.0	221.5
Cash	31.9	30.8	31.3	35.3	35.7	37.7	36.2	30.6	32.4	34.7	29.6
Liabilities with Interest	38.1	36.1	35.1	33.1	30.8	28.6	26.6	24.6	22.7	22.7	27.3
Equity Ratio	63.0%	65.7%	66.9%	68.1%	69.9%	71.0%	73.0%	73.7%	74.9%	73.6%	73.1%
Capex	7.9	8.8	9.8	10.2	14.3	13.7	9.9	15.7	15.8	11.0	20.3
Depreciation	9.5	8.5	8.5	9.7	8.9	10.5	10.9	10.5	10.4	10.2	11.0
R&D Expenses	13.7	14.2	15.0	15.8	16.1	17.2	17.8	17.2	16.5	16.0	16.8
R&D Expenses/Sales	8.9%	8.7%	8.7%	8.9%	8.9%	8.9%	8.7%	8.3%	7.9%	7.7%	7.4%

(Accounting policy has changed since FY2021)

### ● Sales (over time)



### ● Key financial indicators (over time)



## Financial Review of the Year Ended March 31, 2023

### Overview

In the current fiscal year (April 1, 2022 to March 31, 2023), although consumer spending showed a recovery trend due to the relaxation of behavioral restrictions, the domestic economy did not achieve a full-fledged recovery due to soaring raw fuel material prices, inflation, as well as continued weak exports against the backdrop of sluggish overseas economies. Under these circumstances, in the Chemicals Segment, sales of both Basic Chemicals and Fine Chemicals increased. In the Performance Materials Segment, although sales of Display Materials declined, Semiconductor Materials and Inorganic Materials performed well. In the Agricultural Chemicals Segment, sales increased. In the Healthcare Segment, sales of “Custom Chemicals” (custom manufacturing and solution proposal business for pharmaceutical companies) increased.

As a result, sales, operating income and net income attributable to owners of parent fell short of the forecasts announced in February. However, compared to the same period last year, sales and each income increased. In addition, operating and ordinary income achieved record highs for the ninth consecutive year, and net income attributable to owners of parent for the tenth consecutive year exceeding the earnings outlook announced in November.

### Operating Results

As a result, the Company’s results for the current fiscal year were net sales 228,065 million yen (an increase of 20,093 million yen), operating income 52,283 million yen (an increase of 1,323 million yen) and ordinary income 55,793 million yen (an increase of 2,103 million yen), and net income attributable to owners of parent 41,087 million yen (an increase of 2,311 million yen).

ROE was 19.4% and we have achieved the Mid-Term Plan “Vista2027” Stage I target (maintain above 18%) in the current fiscal year.

Dividend was 164 yen and dividend payout ratio became 56.3%. We have repurchased share of 9.0 billion yen and total payout ratio was 78.0%.

### Financial Position

#### ● Position of Assets, Liabilities and Net Assets

Total assets as of March 31, 2023 were 298,715 million yen (an increase of 19,027 million yen from the previous year). It is mainly due to the increase of merchandise and finished goods, raw materials and supplies, and construction in progress.

Total liabilities as of March 31, 2023 were 77,188 million yen (an increase of 5,510 million yen). It is mainly due to the increase of short-term loans payable.

Net assets as of March 31, 2023 were 221,526 million yen (an increase of 13,516 million yen).

As a result of these factors, equity ratio was 73.1% (a decrease of 0.5% from March 31, 2022).

#### ● 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, 2023 was 35,226 million yen (41,949 million yen for the previous year).

Due to investment on plant and equipment, etc. net cash used in investing activities for the consolidated fiscal year ended March 31, 2023 was 19,643 million yen (12,395 million yen for the previous year).

Due to share repurchase, payment for dividends and the decrease in loans payable, net cash used in financing activities for the consolidated fiscal year ended March 31, 2023 was 25,030 million yen (27,868 million yen for the previous year).

As a result of these factors, cash and cash equivalents for the consolidated fiscal year ended March 31, 2023 were 29,647 million yen (34,658 million yen for the previous year), reflecting exchange of 1,320 million yen. It decreased by 5,010 million yen compared to the previous year.

## Overview by segments

### The Chemicals Segment

In Basic Chemicals, sales of urea and AdBlue®\* (high-grade urea solution) increased due to price revisions in response to higher raw material and fuel. Sales of melamine (adhesives agent for particle board) declined as a result of the termination of sales in the third quarter under the structural reforms announced in August 2021.

In Fine Chemicals, sales of TEPIC® (powder coating agent for paint, sealants, etc.) decreased, but environmental chemicals (sterilizing and disinfecting agents for pools and septic tanks, etc.) and FINEOXOCOL® (raw materials for cosmetics, etc.) increased.

As a result, sales of this segment were 39,034 million yen (an increase of 1,385 million yen) and operating income was 1,379 million yen (a decrease of 2,408 million yen). Compared to the outlook, sales were below 0.7 billion yen and operating income was below 0.3 billion yen.

\* AdBlue® is a registered trademark of the Verband der Automobilindustrie (VDA).

### The Performance Materials Segment

In Display Materials, sales of SUNEVER® (LCD alignment coating) declined. In Semiconductor Materials, sales of ARC®\* (anti-reflective coating for semiconductors) increased due to strong sales through the first half of the year, however, customer utilization declined from the third quarter of the year. In Inorganic Materials, sales of SNOWTEX® for polishing electronic materials and hard coating and Oilfield materials (solvents to improve the efficiency of shale oil and gas extraction) were steady.

As a result, sales of this segment were 82,606 million yen (an increase of 941 million yen) and operating income was 25,449 million yen (a decrease of 2,171 million yen). Compared to the outlook, sales were below 0.9 billion yen and operating income was below 0.8 billion yen.

\* ARC® is registered trademark of Brewer Science, Inc.

### The Agricultural Chemicals Segment

Sales of Fluralaner (active ingredients for veterinary pharmaceuticals) increased due to the completion of customer inventory adjustments in the previous fiscal year. In Japanese domestic market, sales of ROUNDUP® (non-selective foliar application herbicide), ALTAIR® (paddy rice herbicide) and GRACIA® (insecticide) were firm. In the overseas market, sales increased significantly due to strong sales of LEIMAY® (fungicide), GRACIA® and “TARGA” (herbicide).

As a result, sales of this segment were 81,584 million yen (an increase of 15,765 million yen) and operating income was 23,130 million yen (an increase of 5,002 million yen). Compared to the outlook, sales were above 0.2 billion yen and operating income was below 0.4 billion yen.

### The Healthcare Segment

Sales of LIVALO® (anti-cholesterol drug) were at the same level as the FY2021. In “Custom Chemicals”, sales increased due to steady sales of generic active pharmaceutical ingredients.

As a result, sales of this segment were 6,673 million yen (an increase of 83 million yen) and operating income was 2,990 million yen (an increase of 176 million yen). Compared to the outlook, sales were above 0.1 billion yen and operating income was above 0.1 billion yen.

### Trading

Sales of this segment were 99,066 million yen (an increase of 18,629 million yen) and operating income was 3,701 million yen (an increase of 797 million yen). Compared to the outlook, sales were above 0.1 billion yen and operating income was above 0.4 billion yen.

### Others

Sales of this segment were 26,384 million yen (an increase of 2,789 million yen) and operating income was 879 million yen (an increase of 187 million yen).

Consolidated Balance Sheets [1] (For FY2022 and FY2021)

◎ Assets	(Millions of yen)		(Thousands of U.S. dollars)
	FY2022	FY2021	FY2022
<b>Current assets</b>			
Cash and deposits	29,647	34,658	222,008
Notes and accounts receivable - trade, and contract assets	82,670	79,979	619,065
Merchandise and finished goods	46,950	37,664	351,580
Work in process	18	15	135
Raw materials and supplies	17,703	14,496	132,567
Accounts receivable - other	2,113	2,824	15,823
Short-term loans receivable	3,088	1,541	23,124
Other	7,305	4,140	54,703
Allowance for doubtful accounts	(44)	(41)	(329)
<b>Total current assets</b>	<b>189,454</b>	<b>175,279</b>	<b>1,418,706</b>
<b>Non-current assets</b>			
<b>Property, plant and equipment</b>			
Buildings and structures	72,520	69,443	543,058
Accumulated depreciation and impairment loss	(46,567)	(45,158)	(348,712)
Buildings and structures, net	25,952	24,284	194,339
Machinery, equipment and vehicles	151,653	145,129	1,135,637
Accumulated depreciation and impairment loss	(136,861)	(132,567)	(1,024,869)
Machinery, equipment and vehicles, net	14,792	12,561	110,768
Tools, furniture and fixtures	42,153	41,345	315,658
Accumulated depreciation and impairment loss	(38,379)	(37,384)	(287,397)
Tools, furniture and fixtures, net	3,774	3,960	28,261
Land	8,817	8,809	66,025
Leased assets	149	—	1,116
Accumulated depreciation and impairment loss	(10)	—	(75)
Leased assets (Net)	139	—	1,041
Construction in progress	11,176	3,561	83,690
<b>Total property, plant and equipment</b>	<b>64,653</b>	<b>53,177</b>	<b>484,147</b>
<b>Intangible assets</b>			
Software	1,722	1,736	12,895
Other	9,813	10,044	73,484
<b>Total intangible assets</b>	<b>11,535</b>	<b>11,780</b>	<b>86,379</b>
<b>Investments and other assets</b>			
Investment securities	27,322	30,217	204,598
Long-term loans receivable	0	3,323	0
Deferred tax assets	531	918	3,976
Net defined benefit asset	2,140	1,844	16,025
Other	3,186	3,256	23,858
Allowance for doubtful accounts	(110)	(110)	(824)
<b>Total investments and other assets</b>	<b>33,071</b>	<b>39,450</b>	<b>247,649</b>
<b>Total non-current assets</b>	<b>109,260</b>	<b>104,408</b>	<b>818,182</b>
<b>Total assets</b>	<b>298,715</b>	<b>279,687</b>	<b>2,236,895</b>

Consolidated Balance Sheets [2] (For FY2022 and FY2021)

◎ Liabilities	(Millions of yen)		(Thousands of U.S. dollars)
	FY2022	FY2021	FY2022
<b>Current liabilities</b>			
Notes and accounts payable - trade	19,942	19,043	149,334
Short-term loans payable	25,327	20,981	189,659
Current portion of long-term loans payable	624	552	4,673
Income taxes payable	7,879	8,710	59,001
Provision for bonuses	2,413	2,285	18,069
Provision for business structure improvement	418	—	3,130
Other	15,556	14,398	116,489
<b>Total current liabilities</b>	<b>72,161</b>	<b>65,971</b>	<b>540,370</b>
<b>Non-current liabilities</b>			
Long-term loans payable	1,338	1,182	10,019
Deferred tax liabilities	98	69	734
Provision for business structure improvement	—	698	—
Provision for loss on business of subsidiaries and affiliates	626	626	4,688
Provision for share awards for directors (and other officers)	256	200	1,917
Net defined benefit liability	377	290	2,823
Other	2,331	2,638	17,455
<b>Total non-current liabilities</b>	<b>5,027</b>	<b>5,706</b>	<b>37,644</b>
<b>Total liabilities</b>	<b>77,188</b>	<b>71,678</b>	<b>578,014</b>

◎ Net assets	(Millions of yen)		(Thousands of U.S. dollars)
	FY2022	FY2021	FY2022
<b>Shareholders' equity</b>			
Capital stock	18,942	18,942	141,845
Capital surplus	13,613	13,613	101,939
Retained earnings	182,400	172,393	1,365,883
Treasury shares	(6,111)	(8,261)	(45,762)
<b>Total shareholders' equity</b>	<b>208,844</b>	<b>196,688</b>	<b>1,563,906</b>
<b>Accumulated other comprehensive income</b>			
Valuation difference on available-for-sale securities	7,678	8,304	57,496
Foreign currency translation adjustment	1,735	898	12,992
Remeasurements of defined benefit plans	159	21	1,191
<b>Total accumulated other comprehensive income</b>	<b>9,574</b>	<b>9,223</b>	<b>71,694</b>
<b>Non-controlling interests</b>	<b>3,107</b>	<b>2,097</b>	<b>23,266</b>
<b>Total net assets</b>	<b>221,526</b>	<b>208,009</b>	<b>1,658,874</b>
<b>Total liabilities and net assets</b>	<b>298,715</b>	<b>279,687</b>	<b>2,236,895</b>

(Note 1) This is an English translation of the consolidated financial statements of the Japanese annual securities report.  
 (Note 2) The consolidated financial statements are expressed in Japanese yen as of and for the year ended March 31, 2023 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 ¥133.54 to US \$1, which is the approximate closing exchange rate reported by the Tokyo Foreign Exchange Market on March 31, 2023. 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.

Consolidated Statements of Income and Consolidated Statements of Comprehensive Income (For FY2022 and FY2021)

Consolidated Statements of Income	(Millions of yen)		(Thousands of U.S. dollars)
	FY2022	FY2021	FY2022
Net sales	228,065	207,972	1,707,840
Cost of sales	121,262	106,883	908,058
Gross profit	106,803	101,089	799,783
Selling, general and administrative expenses	54,519	50,129	408,260
Operating income	52,283	50,959	391,516
Non-operating income			
Interest income	203	49	1,520
Dividend income	1,323	768	9,907
Equity in earnings of affiliates	1,485	950	11,120
Foreign exchange gains	1,296	1,134	9,705
Other	694	918	5,197
Total non-operating income	5,004	3,821	37,472
Non-operating expenses			
Interest expenses	252	73	1,887
Loss on disposal of non-current assets	817	682	6,118
Loss on sales of non-current assets	5	116	37
Plant stop losses	198	108	1,483
Other	220	109	1,647
Total non-operating expenses	1,493	1,090	11,180
Ordinary income	55,793	53,690	417,800
Extraordinary income			
Gain on sales of investment securities	1,461	3,366	10,941
Total extraordinary income	1,461	3,366	10,941
Extraordinary losses			
Loss on valuation of investment securities	650	477	4,867
Business restructuring expenses	—	1,792	—
Loss on business of subsidiaries and associates	—	626	—
Total extraordinary losses	650	2,896	4,867
Income before income taxes and non-controlling interests	56,605	54,160	423,880
Income taxes - current	14,554	14,713	108,986
Income taxes - deferred	633	312	4,740
Total income taxes	15,187	15,026	113,726
Net income	41,417	39,134	310,147
Net income attributable to non-controlling interests	329	357	2,464
Net income attributable to owners of parent	41,087	38,776	307,676

Consolidated Statements of Comprehensive Income	(Millions of yen)		(Thousands of U.S. dollars)
	FY2022	FY2021	FY2022
Net income	41,417	39,134	310,147
Other comprehensive income			
Valuation difference on available-for-sale securities	(625)	(3,055)	(4,680)
Foreign currency translation adjustment	760	875	5,691
Remeasurements of defined benefit plans, net of tax	138	(442)	1,033
Share of other comprehensive income of entities accounted for using equity method	0	0	0
Total other comprehensive income	273	(2,622)	2,044
Comprehensive income	41,690	36,511	312,191
(Comprehensive income attributable to)			
Owners of parent	41,270	36,095	309,046
Non-controlling interests	420	416	3,145

Consolidated Statements of Changes in Net Assets (For FY2022)

	(Millions of yen)				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	¥18,942	¥13,613	¥172,393	(¥8,261)	¥196,688
Changes of items during period					
Dividends of surplus			(20,084)		(20,084)
Net income attributable to owners of parent			41,087		41,087
Change in scope of consolidation			101		101
Share repurchase				(9,002)	(9,002)
Disposal of treasury shares				55	55
Cancellation of treasury shares			(11,097)	11,097	—
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	10,006	2,150	12,156
Balance at end of current period	¥18,942	¥13,613	¥182,400	(¥6,111)	¥208,844

	(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	¥8,304	¥898	¥21	¥9,223	¥2,097	¥208,009
Changes of items during period						
Dividends of surplus						(20,084)
Net income attributable to owners of parent						41,087
Change in scope of consolidation						101
Share repurchase						(9,002)
Disposal of treasury shares						55
Cancellation of treasury shares						—
Net changes of items other than shareholders' equity	(625)	837	138	350	1,009	1,360
Total changes of items during period	(625)	837	138	350	1,009	13,516
Balance at end of current period	¥7,678	¥1,735	¥159	¥9,574	¥3,107	¥221,526

Consolidated Statements of Changes in Net Assets (For FY2021)

(Millions of yen)

	Shareholders' equity				Total shareholders' equity
	Capital stock	Capital surplus	Retained earnings	Treasury shares	
Balance at beginning of current period	¥18,942	¥13,613	¥161,708	(¥7,340)	¥186,923
Cumulative effects of changes in accounting policies			(1,548)		(1,548)
Restated balance	¥18,942	¥13,613	¥160,160	(¥7,340)	¥185,375
Changes of items during period					
Dividends of surplus			(15,468)		(15,468)
Net income attributable to owners of parent			38,776		38,776
Share repurchase				(12,003)	(12,003)
Disposal of treasury shares		0		8	8
Cancellation of treasury shares		(0)	(11,074)	11,074	—
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	12,233	(920)	11,313
Balance at end of current period	¥18,942	¥13,613	¥172,393	(¥8,261)	¥196,688

(Millions of yen)

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Non-controlling interests	
Balance at beginning of current period	¥11,359	¥81	¥463	¥11,904	¥1,733	¥200,562
Cumulative effects of changes in accounting policies						(1,548)
Restated balance	¥11,359	¥81	¥463	¥11,904	¥1,733	¥199,013
Changes of items during period						
Dividends of surplus						(15,468)
Net income attributable to owners of parent						38,776
Share repurchase						(12,003)
Disposal of treasury shares						8
Cancellation of treasury shares						—
Net changes of items other than shareholders' equity	(3,055)	816	(442)	(2,680)	363	(2,317)
Total changes of items during period	(3,055)	816	(442)	(2,680)	363	8,995
Balance at end of current period	¥8,304	¥898	¥21	¥9,223	¥2,097	¥208,009

Consolidated Statements of Changes in Net Assets (For FY2022)

(Thousands of U.S. dollars)

	Shareholders' equity				Total shareholders' equity
	Capital stock	Capital surplus	Retained earnings	Treasury shares	
Balance at beginning of current period	\$141,845	\$101,939	\$1,290,947	(\$61,862)	\$1,472,877
Changes of items during period					
Dividends of surplus			(150,397)		(150,397)
Net income attributable to owners of parent			307,676		307,676
Change in scope of consolidation			756		756
Share repurchase				(67,411)	(67,411)
Disposal of treasury shares				412	412
Cancellation of treasury shares			(83,099)	83,099	—
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	74,929	16,100	91,029
Balance at end of current period	\$141,845	\$101,939	\$1,365,883	(\$45,762)	\$1,563,906

(Thousands of U.S. dollars)

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Non-controlling interests	
Balance at beginning of current period	\$62,184	\$6,725	\$157	\$69,065	\$15,703	\$1,557,653
Changes of items during period						
Dividends of surplus						(150,397)
Net income attributable to owners of parent						307,676
Change in scope of consolidation						756
Share repurchase						(67,411)
Disposal of treasury shares						412
Cancellation of treasury shares						—
Net changes of items other than shareholders' equity	(4,680)	6,268	1,033	2,621	7,556	10,184
Total changes of items during period	(4,680)	6,268	1,033	2,621	7,556	101,213
Balance at end of current period	\$57,496	\$12,992	\$1,191	\$71,694	\$23,266	\$1,658,874

Consolidated Statements of Changes in Net Assets (For FY2021)

(Thousands of U.S. dollars)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	\$154,742	\$111,208	\$1,321,036	(\$59,962)	\$1,527,024
Cumulative effects of changes in accounting policies			(12,646)		(12,646)
Restated balance	\$154,742	\$111,208	\$1,308,390	(\$59,962)	\$1,514,378
Changes of items during period			0		0
Dividends of surplus			(126,362)		(126,362)
Net income attributable to owners of parent			316,772		316,772
Share repurchase				(98,056)	(98,056)
Disposal of treasury shares		0		65	65
Cancellation of treasury shares		(0)	(90,466)	90,466	—
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	99,935	(7,516)	92,419
Balance at end of current period	\$154,742	\$111,208	\$1,408,324	(\$67,486)	\$1,606,797

(Thousands of U.S. dollars)

	Accumulated other comprehensive income					
	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	\$92,795	\$662	\$3,782	\$97,247	\$14,157	\$1,638,445
Cumulative effects of changes in accounting policies						(12,646)
Restated balance	\$92,795	\$662	\$3,782	\$97,247	\$14,157	\$1,625,790
Changes of items during period						(126,362)
Dividends of surplus						316,772
Net income attributable to owners of parent						(98,056)
Share repurchase						65
Disposal of treasury shares						—
Cancellation of treasury shares						
Net changes of items other than shareholders' equity	(24,957)	6,666	(3,611)	(21,894)	2,965	(18,928)
Total changes of items during period	(24,957)	6,666	(3,611)	(21,894)	2,965	73,483
Balance at end of current period	\$67,838	\$7,336	\$172	\$75,345	\$17,131	\$1,699,281

Consolidated Statements of Cash Flows (For FY2022 and FY2021)

(Millions of yen) (Thousands of U.S. dollars)

	FY2022	FY2021	FY2022
<b>Cash flows from operating activities</b>			
Income before income taxes and non-controlling interests	56,605	54,160	423,880
Depreciation and amortization	10,878	10,119	81,459
Business restructuring expenses	—	1,792	—
Loss on business of subsidiaries and associates	—	626	—
Loss on valuation of investment securities	650	477	4,867
Amortization of goodwill	101	103	756
Interest and dividend income	(1,527)	(817)	(11,435)
Loss (gain) on sales of investment securities	(1,461)	(3,366)	(10,941)
Interest expenses	252	73	1,887
Loss (gain) on disposal of non-current assets	817	682	6,118
Decrease (increase) in notes and accounts receivable - trade	(2,360)	(5,704)	(17,673)
Decrease (increase) in inventories	(12,382)	(6,230)	(92,721)
Increase (decrease) in notes and accounts payable - trade	217	2,523	1,625
Other	(3,057)	(1,163)	(22,892)
Subtotal	48,734	53,277	364,939
Interest and dividend income received	2,153	1,913	16,123
Interest expenses paid	(251)	(73)	(1,880)
Income taxes paid	(15,408)	(13,168)	(115,381)
Net cash provided by (used in) operating activities	35,226	41,949	263,786
<b>Cash flows from investing activities</b>			
Purchase of investment securities	(506)	(190)	(3,789)
Proceeds from sales of investment securities	2,499	4,248	18,713
Purchase of shares of subsidiaries	(25)	(22)	(187)
Purchase of property, plant and equipment	(18,236)	(11,253)	(136,558)
Payments for retirement of property, plant and equipment	(716)	(466)	(5,362)
Purchase of intangible assets	(1,221)	(1,133)	(9,143)
Payments of long-term loans receivable	—	(3,322)	—
Net decrease (increase) in short-term loans receivable	(1,505)	(262)	(11,270)
Purchase of long-term prepaid expenses	(282)	(188)	(2,112)
Other	352	196	2,636
Net cash provided by (used in) investing activities	(19,643)	(12,395)	(147,095)
<b>Cash flows from financing activities</b>			
Net increase (decrease) in short-term loans payable	3,940	(345)	29,504
Proceeds from long-term loans payable	780	550	5,841
Repayments of long-term loans payable	(552)	(552)	(4,134)
Cash dividends paid	(20,084)	(15,468)	(150,397)
Dividends paid to non-controlling interests	(105)	(48)	(786)
Share repurchase	(9,002)	(12,003)	(67,411)
Other	(6)	0	(45)
Net cash provided by (used in) financing activities	(25,030)	(27,868)	(187,434)
Effect of exchange rate change on cash and cash equivalents	1,320	591	9,885
Net increase (decrease) in cash and cash equivalents	(8,126)	2,277	(60,851)
Cash and cash equivalents at beginning of period	34,658	32,380	259,533
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	3,116	—	23,334
Cash and cash equivalents at end of period	29,647	34,658	222,008

(Note 1) This is an English translation of the consolidated financial statements of the Japanese annual securities report.  
 (Note 2) The consolidated financial statements are expressed in Japanese yen as of and for the year ended March 31, 2023 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 ¥133.54 to US \$1, which is the approximate closing exchange rate reported by the Tokyo Foreign Exchange Market on March 31, 2023. 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.