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## Consolidated Financial Results for the Year Ended March 31, 2022 [Japanese GAAP]

May 13, 2022

Company name: PROTO CORPORATION

Stock exchange listing: Tokyo, Nagoya

Code number: 4298

URL: <https://www.proto-g.co.jp/>

Representative: Kenji Kamiya

President

Contact: Takehito Suzuki

Executive officer

Phone: +81-52-934-2000

Scheduled date of Annual General Meeting of Shareholders: June 29, 2022

Scheduled date of commencing dividend payments: June 08, 2022

Scheduled date of filing annual securities report: June 30, 2022

Availability of supplementary briefing material on annual financial results: Yes

Schedule of annual financial results briefing session: Yes

(Amounts of less than one million yen are rounded down)

### 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 01, 2021 to March 31, 2022)

#### (1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2022	57,446	3.0	6,422	8.1	6,622	8.2	5,880	21.2
March 31, 2021	55,787	-	5,941	15.7	6,118	14.3	4,853	(2.8)

(Note) Comprehensive income: Fiscal year ended March 31, 2022: ¥ 5,619 million [ 11.2%]  
Fiscal year ended March 31, 2021: ¥ 5,055 million [ 3.0%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2022	146.34	-	15.4	12.7	11.2
March 31, 2021	120.86	-	14.3	13.0	10.7

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2022: ¥ 0 million  
Fiscal year ended March 31, 2021: ¥ - million

(Note) The Company has adopted the "accounting standard regarding revenue recognition" (Corporate Accounting Standards No. 29, March 31, 2020), etc. from the beginning of the current first quarter consolidated accounting period. The figures for the fiscal year ended March 31, 2021 are after the retroactive application of the said accounting standard. As a result, the rate of increase or decrease in the fiscal year ended March 31, 2021 compared to the same period of the previous fiscal year is not stated.

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2022	54,525	40,397	74.0	1,004.13
March 31, 2021	49,388	35,934	72.7	893.97

(Reference) Equity: As of March 31, 2022: ¥ 40,361 million

As of March 31, 2021: ¥ 35,901 million

#### (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2022	4,533	1,458	(1,547)	25,939
March 31, 2021	6,574	(898)	(1,530)	21,485

## 2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2021	-	12.50	-	12.50	25.00	1,003	20.7	3.0
March 31, 2022	-	17.50	-	17.50	35.00	1,406	23.9	3.7
Fiscal year ending March 31, 2023 (Forecast)	-	17.50	-	17.50	35.00		31.6	

(Note) Breakdown of the year-end dividend for the fiscal year ended March 31, 2022 :

Commemorative dividend	- yen
Special dividend	- yen

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 01, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ended September 30, 2022	40,586	54.3	2,887	(6.4)	2,951	(8.6)	1,946	(46.3)	48.41
Full year	85,681	49.1	6,500	1.2	6,650	0.4	4,450	(24.3)	110.71

### \* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): Yes

New	1	(Company name: PROTO Ventures 2 Investment Limited Partnership	)
Exclusion:	1	(Company name: PROTO MEDICAL CARE	)

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

- 1) Changes in accounting policies due to the revision of accounting standards: Yes
- 2) Changes in accounting policies other than 1) above: No
- 3) Changes in accounting estimates: No
- 4) Retrospective restatement: No

(3) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

March 31, 2022:	41,925,300 shares
March 31, 2021:	41,925,300 shares

2) Total number of treasury shares at the end of the period:

March 31, 2022:	1,729,997 shares
March 31, 2021:	1,766,217 shares

3) Average number of shares during the period:

Fiscal Year ended March 31, 2022:	40,181,360 shares
Fiscal Year ended March 31, 2021:	40,159,300 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 01, 2021 to March 31, 2022)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2022	28,910	6.0	5,681	17.4	5,683	16.3	6,412	54.0
March 31, 2021	27,266	-	4,839	15.1	4,885	14.9	4,164	6.3

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2022	159.60	-
March 31, 2021	103.70	-

(Note) The Company has adopted the "accounting standard regarding revenue recognition" (Corporate Accounting Standards No. 29, March 31, 2020), etc. from the beginning of the current first quarter consolidated accounting period. The figures for the fiscal year ended March 31, 2021 are after the retroactive application of the said accounting standard. As a result, the rate of increase or decrease in the fiscal year ended March 31, 2021 compared to the same period of the previous fiscal year is not stated.

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
March 31, 2022	42,433	37,175	87.6	924.88
March 31, 2021	36,698	31,850	86.8	793.10

(Reference) Equity: As of March 31, 2022: ¥ 37,175 million  
As of March 31, 2021: ¥ 31,850 million

**\* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporations.**

**\* Explanation for appropriate use of forecasts and other notes**

1. The forward-looking statements such as operational forecasts contained in this statements summary are based on the information currently available to the Company and certain assumptions which are regarded as legitimate. Actual results may differ significantly from these forecasts due to various factors.
2. The company will have a financial results briefing for institutional investors and analysts on May 23, 2022. The document to use on the day for the financial briefing will be posted on the company website.

## **1. Business Performance Overview**

### **(1) Business Performance Overview for the Current Term**

#### **① Business Performance Overview for the Current Term**

In the current consolidated fiscal year, the Japanese economy remained on a recovery trend, but the business environment remained harsh due to the COVID-19, so the future outlook is still uncertain.

In this economic environment, the automobile sale industry, including major clients of the PROTO Group, saw the number of new cars sold dropping from the previous year, due to the shortage of semiconductors. The number of registered used cars, too, declined from the previous year, due to the decrease of new cars sold, despite the high demand for automobiles as a transportation means for avoiding the risk of infection with the novel coronavirus.

In this situation, the PROTO Group has been offering private brand products and services to mainly used car dealers, maintenance shops, and new car dealers, in order to actualize comprehensive support for a life with cars by “establishing a service platform” set as a vision in the “mid-term management plan (FY 3/2020 to FY 3/2022),” which was formulated while considering diversifying needs from users and the future market environment.

As a result, the sales in the current consolidated fiscal year reached 57,446 million yen, up 3.0% year on year. The primary reason for the sales growth is the healthy provision of services related to platforms, such as MOTOR GATE and DataLine. Operating income was 6,422 million yen, up 8.1% year on year, and ordinary income was 6,622 million yen, up 8.2% year on year, thanks to the above-mentioned sales growth, etc. Profit attributable to owners of parent was 5,880 million yen, up 21.2% year on year, due to the posting of gain on sale of shares of affiliates through the transfer of shares of PROTO MEDICAL CARE. ROE stood at 15.4%, while the target value in our mid-term management plan was 12.0%.

The performance of each business segment is as described below.

#### **② Overview of each segment**

##### **Automobile-related information**

With the aim of establishing the largest service platform in this industry, we have strived to expand its share in each business field, maintain and increase the average spending per customer, and have strengthened services covering needs from users in their lives with cars. In the current consolidated fiscal year, we have continuously developed and provided DX products in order to meet diversifying needs from users.

In the field of used cars, we have worked on the maximization of content volume of Goo-net, the improvement of convenience for users through the provision of MOTOR GATE, which is a background system of Goo-net and the enhancement of its functions, and the support for management of used car dealers.

In the field of car maintenance, we have enriched the contents of Goo-net Pit and started offering MOTOR GATE PIT IN as a car entry management system, which would contribute to the DX of automobile maintenance shops, to increase the number of fee-paying maintenance shops listed in our media.

In the field of new cars, we have promoted DataLine SalesGuide. We also strived to improve the value of services by offering DX products, such as “videos for proposing the change of cars in DataLine SalesGuide” and “DataLine AI Assessment.”

Regarding the sale of tires, wheels, etc., we have continuously enhanced the sale of major brands and the combined sale of tires and wheels, and strived to expand sales opportunities by pursuing synergy with Goo-net, Goo-net Pit, MOTOR GATE Shopping, etc. In addition, we have engaged in activities for improving our business model, by cementing the alliances with major used car exporters, etc.

As a result, sales were 53,159 million yen, up 7.6% year on year. The primary factor in the sales growth is the healthy performance of the business related to platforms, such as MOTOR GATE and DataLine. Operating income was 7,903 million yen, up 12.3% year on year, thanks to the above-mentioned growth the platform-related business and the improvement in profitability through the alliances between GOONET Exchange Co., Ltd. and major used car exporters.

##### **Lifestyle-related information**

On June 1, 2021, we transferred all shares of PROTO MEDICAL CARE, which was a consolidated subsidiary. As a result, sales were 856 million yen, down 78.1% year on year, and operating income was 60 million yen, down 78.0% year on year.

## **Real estate**

As PROTO CORPORATION conducted the lease management for its real estate, net sales were 147 million yen, up 3.4% year on year, and operating income was 140 million yen, unchanged year on year.

## **Others**

PROTO SOLUTION developed more software products and sold them to external customers, and Onion Inc., which was acquired as a subsidiary in October 2021, contributed to our performance. As a result, sales were 3,282 million yen, up 40.0% year on year, and operating income was 168 million yen, up 29.1% year on year.

## **(2) Financial Standing Overview for Current Term**

Total assets at the end of the current consolidated fiscal year stood at 54,525 million yen, up 5,137 million yen from the end of the previous consolidated fiscal year. The situation of assets, liabilities, and net assets is as follows.

### **i. Assets**

Current assets stood at 37,635 million yen, up 6,011 million yen from the end of the previous consolidated fiscal year, due to the increases in cash & deposits and accounts receivable, etc. Fixed assets were 16,890 million yen, down 874 million yen from the end of the previous consolidated fiscal year, due to the decline in tangible fixed assets through depreciation and the decrease in goodwill caused by the exclusion of PROTO MEDICAL CARE from the scope of consolidation through the transfer of shares.

### **ii. Liabilities**

Current liabilities stood at 13,035 million yen, up 909 million yen from the end of the previous consolidated fiscal year, due to the augmentation of accounts payable and short-term debt, etc. Fixed liabilities were 1,093 million yen, down 234 million yen from the end of the previous consolidated fiscal year, due to the repayment of long-term debt, etc.

### **iii. Net assets**

Net assets stood at 40,397 million yen, up 4,462 million yen from the end of the previous consolidated fiscal year, as 1,205 million yen was posted as dividends from surplus, 5,880 million yen was posted as profit attributable to owners of parent, and valuation difference on available-for-sale securities increased through fair value adjustments at the end of the term.

## **(3) Consolidated Cash Flows**

The cash & cash equivalents at the end of the current consolidated fiscal year amounted to 25,939 million yen, up 4,454 million yen from the end of the previous consolidated fiscal year. The main factors in the increase in cash and cash equivalents are as follows.

### **i. Cash flow from operating activities**

The cash flow from operating activities yielded 4,533 million yen, as net income before taxes and other adjustments was 9,163 million yen, although we paid 2,115 million yen as income taxes.

### **ii. Cash flow from investment activities**

The cash flow from investment activities yielded 1,458 million yen, as we earned 2,854 million yen by selling the shares of our subsidiary, although we spent 1,133 million yen for acquiring tangible and intangible fixed assets.

### **iii. Cash flow from financial activities**

The cash flow from financial activities stood at the expenditure of 1,547 million yen, as we spent 295 million yen for repaying long-term debt and 1,205 million yen for paying dividends.

#### (Reference) Cash Flow Indicators

	Year Ended March 31, 2018	Year Ended March 31, 2019	Year Ended March 31, 2020	Year Ended March 31, 2021	Year Ended March 31, 2022
Equity ratio (%)	58.5	63.8	71.3	72.7	74.0
Equity ratio based on market value (%)	75.2	91.4	77.0	95.2	76.2
Interest-bearing debts/ Operating cash flow (year)	2.1	1.9	0.6	0.5	0.7
Interest coverage ratio (times)	138.1	139.7	305.5	533.5	448.9

Equity ratio : Equity capital/Total assets  
Equity ratio based on market value : Total stock based on market/Total assets  
Interest-bearing debts/Operating cash flow : Interest-bearing debt/Cash flow  
Interest coverage ratio : Operating cash flow/Interest paid

#### Notes:

1. Each index is calculated based on consolidated financial figures.
2. Market capitalization is calculated by multiplying the closing stock price at the end of the year by the number of shares outstanding at the end of the year (after deducting the number of treasury shares).
3. Cash flow and interest paid are calculated using the operating cash flow and interest payment amount recorded in the Consolidated Statement of Cash Flows.
4. Interest-bearing debts refer to all debts with interest (listed in the Consolidated Balance Sheet).

#### (4) Future Forecast

PROTO CORPORATION carries out business administration under the ethos: "to convert the information of today into the wisdom of tomorrow, and contribute to society with dreams, inspirations, and joy." The company hopes to remain a corporate group demanded truly by society, by valuing the connections with all stakeholders related to the company, sharing dreams, and creating impressive content.

In addition, for attaining the corporate goal "CHANGING COMPANY," the company will try to "establish a brand" and strive to improve corporate value through mid/long-term growth by satisfying users and clients with useful information and services. Furthermore, we will strive to establish a transparent, sound management system for winning social trust, through the initiatives for tightening corporate governance.

The PROTO Group produced a "mid-term management plan (FY 3/2023 to FY 3/2025)," while considering the diversifying needs and the changes in the market environment. Based on this mid-term management plan, we will develop and offer new products and services that would contribute to DX in the mobility field by utilizing data and AI technologies we possess. Furthermore, we will build a platform in the mobility field while further expanding our market shares in the fields of used cars, car maintenance, and new cars, and offer data-related services based on that platform. In addition, we will enhance our activities for establishing a new business domain by utilizing our know-how for our existing businesses, to grow our business further.

The PROTO Group defined return on equity (ROE) as well as the growth potential of sales and operating income as important management indicators, as we aim to improve our corporate value sustainably, and set a goal of achieving sales of 125 billion yen, an operating income of 10 billion yen, and an ROE of 12.0% or higher in the term ending Mar. 2025 in the mid-term management plan.

Regarding the consolidated earnings forecast for the next term ending Mar. 2023, it is projected that sales will be 85,681 million yen, operating income will be 6,500 million yen, ordinary income will be 6,650 million yen, and profit attributable to owners of parent will be 4,450 million yen.

#### 2. Basic Principle of Selecting Accounting Standard

The Group intends to develop consolidated financial statements based on the Japanese standard for the time being, in consideration for the financial statements' comparability between periods and comparability between companies.

Appropriate actions will be taken to apply IFRS in the future based on careful consideration of various domestic and international situations

# Consolidated Financial Statements

## Consolidated Balance Sheets

(Million yen)

	As of March 31,2021	As of March 31,2022
<b>Assets</b>		
Current assets		
Cash and deposits	21,705	26,159
Notes and accounts receivable - trade	5,010	-
Notes receivable - trade	-	249
Accounts receivable - trade	-	5,362
Inventories	3,703	4,208
Other	1,211	1,662
Allowance for doubtful accounts	(6)	(7)
Total current assets	31,623	37,635
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,756	5,433
Land	4,570	4,588
Other, net	692	723
Total property, plant and equipment	11,019	10,744
Intangible assets		
Goodwill	1,124	547
Other	1,094	1,403
Total intangible assets	2,218	1,950
Investments and other assets		
Investment securities	2,127	2,343
Deferred tax assets	1,056	263
Other	1,359	1,647
Allowance for doubtful accounts	(17)	(58)
Total investments and other assets	4,525	4,195
Total non-current assets	17,764	16,890
Total assets	49,388	54,525

(Million yen)

	As of March 31,2021	As of March 31,2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	2,219	2,666
Short-term borrowings	2,400	2,550
Current portion of long-term borrowings	295	224
Accrued expenses	2,608	2,387
Income taxes payable	1,253	1,594
Contract liabilities	-	33
Provision for bonuses	158	165
Provision for merchandise warranties	25	18
Provision for point card certificates	32	-
Provision for loss on disaster	-	41
Other	3,132	3,353
Total current liabilities	12,126	13,035
Non-current liabilities		
Long-term borrowings	385	230
Provision for retirement benefits for directors (and other officers)	225	238
Retirement benefit liability	8	91
Asset retirement obligations	300	281
Other	407	251
Total non-current liabilities	1,327	1,093
Total liabilities	13,453	14,128
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,849	1,849
Capital surplus	2,036	2,058
Retained earnings	32,447	37,121
Treasury shares	(1,306)	(1,279)
Total shareholders' equity	35,026	39,750
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	543	610
Foreign currency translation adjustment	330	0
Total accumulated other comprehensive income	874	611
Non-controlling interests	33	35
Total net assets	35,934	40,397
Total liabilities and net assets	49,388	54,525

# Consolidated Statements of Income and Comprehensive Income

## Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Net sales	55,787	57,446
Cost of sales	30,956	32,819
Gross profit	24,830	24,627
Reversal of provision for sales returns	10	-
Provision for sales returns	-	-
Gross profit - net	24,841	24,627
Selling, general and administrative expenses	18,899	18,205
Operating profit	5,941	6,422
Non-operating income		
Interest and dividend income	8	7
Share of profit of entities accounted for using equity method	-	0
Foreign exchange gains	145	250
Other	99	59
Total non-operating income	254	318
Non-operating expenses		
Interest expenses	12	10
Loss on investments in investment partnerships	32	20
Loss on valuation of derivatives	16	69
Other	15	18
Total non-operating expenses	76	117
Ordinary profit	6,118	6,622
Extraordinary income		
Gain on sale of non-current assets	0	18
Gain on sale of shares of subsidiaries and associates	-	2,146
Gain on liquidation of subsidiaries	-	476
Other	3	1
Total extraordinary income	3	2,642
Extraordinary losses		
Loss on sale and retirement of non-current assets	12	58
Impairment losses	37	-
Provision for loss on disaster	-	41
Other	3	1
Total extraordinary losses	53	101
Profit before income taxes	6,068	9,163
Income taxes - current	2,072	2,531
Income taxes - deferred	(860)	749
Total income taxes	1,211	3,281
Profit	4,857	5,882
Profit attributable to non-controlling interests	3	2
Profit attributable to owners of parent	4,853	5,880

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Profit	4,857	5,882
Other comprehensive income		
Valuation difference on available-for-sale securities	344	66
Foreign currency translation adjustment	(146)	(330)
Total other comprehensive income	197	(263)
Comprehensive income	5,055	5,619
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,050	5,616
Comprehensive income attributable to non-controlling interests	4	2

Consolidated Statements of Changes in Net Assets

For the fiscal year ended March 31,2021

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,849	2,036	28,647	(1,306)	31,227
Changes during period					
Dividends of surplus			(1,054)		(1,054)
Profit attributable to owners of parent			4,853		4,853
Purchase of treasury shares					-
Disposal of treasury shares					-
Net changes in items other than shareholders' equity					
Total changes during period	-	-	3,799	-	3,799
Balance at end of period	1,849	2,036	32,447	(1,306)	35,026

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	199	477	676	28	31,932
Changes during period					
Dividends of surplus					(1,054)
Profit attributable to owners of parent					4,853
Purchase of treasury shares					-
Disposal of treasury shares					-
Net changes in items other than shareholders' equity	344	(146)	197	4	202
Total changes during period	344	(146)	197	4	4,001
Balance at end of period	543	330	874	33	35,934

For the fiscal year ended March 31,2022

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,849	2,036	32,447	(1,306)	35,026
Changes during period					
Dividends of surplus			(1,205)		(1,205)
Profit attributable to owners of parent			5,880		5,880
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		22		26	49
Net changes in items other than shareholders' equity					
Total changes during period	-	22	4,674	26	4,723
Balance at end of period	1,849	2,058	37,121	(1,279)	39,750

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	543	330	874	33	35,934
Changes during period					
Dividends of surplus					(1,205)
Profit attributable to owners of parent					5,880
Purchase of treasury shares					(0)
Disposal of treasury shares					49
Net changes in items other than shareholders' equity	66	(330)	(263)	2	(261)
Total changes during period	66	(330)	(263)	2	4,462
Balance at end of period	610	0	611	35	40,397

## Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
<b>Cash flows from operating activities</b>		
Profit before income taxes	6,068	9,163
Depreciation	898	877
Impairment losses	37	-
Amortization of goodwill	422	360
Increase (decrease) in contract liabilities	-	1
Increase (decrease) in allowance for doubtful accounts	10	42
Increase (decrease) in provision for sales returns	(10)	-
Increase (decrease) in provision for bonuses	7	24
Increase (decrease) in provision for merchandise warranties	(9)	(6)
Increase (decrease) in provision for point card certificates	2	-
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(55)	12
Increase (decrease) in retirement benefit liability	4	16
Increase (decrease) in provision for loss on disaster	-	41
Interest and dividend income	(8)	(7)
Interest expenses	12	10
Foreign exchange losses (gains)	(5)	(10)
Share of loss (profit) of entities accounted for using equity method	-	(0)
Loss (gain) on investments in investment partnerships	32	20
Loss (gain) on valuation of derivatives	16	69
Loss (gain) on sale and retirement of non-current assets	12	40
Loss (gain) on sale of shares of subsidiaries and associates	-	(2,146)
Decrease (increase) in trade receivables	(128)	(652)
Decrease (increase) in inventories	214	(477)
Increase (decrease) in trade payables	502	194
Increase (decrease) in accrued expenses	290	(132)
Other, net	470	(789)
Subtotal	8,784	6,650
Interest and dividends received	8	7
Interest paid	(12)	(10)
Income taxes refund (paid)	(2,205)	(2,115)
Net cash provided by (used in) operating activities	6,574	4,533

(Million yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
<b>Cash flows from investing activities</b>		
Proceeds from withdrawal of time deposits	500	-
Purchase of property, plant and equipment	(189)	(359)
Proceeds from sale of property, plant and equipment	0	90
Payments for retirement of property, plant and equipment	-	(2)
Purchase of intangible assets	(475)	(774)
Purchase of long-term prepaid expenses	(30)	(16)
Purchase of investment securities	(607)	(119)
Payments for investments in capital	(120)	(359)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	-	89
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	-	2,854
Other, net	23	56
Net cash provided by (used in) investing activities	(898)	1,458
<b>Cash flows from financing activities</b>		
Increase (decrease) in short-term borrowings	-	50
Repayments of long-term borrowings	(388)	(295)
Purchase of treasury shares	-	(0)
Dividends paid	(1,053)	(1,205)
Repayments of lease liabilities	(88)	(96)
Net cash provided by (used in) financing activities	(1,530)	(1,547)
Effect of exchange rate change on cash and cash equivalents	1	10
Net increase (decrease) in cash and cash equivalents	4,148	4,454
Cash and cash equivalents at beginning of period	17,336	21,485
Cash and cash equivalents at end of period	21,485	25,939