

## Summary of Consolidated Financial Results for the Year Ended March 31, 2019

### (Japan GAAP)

April 26, 2019

Listed company:	Maxell Holdings, Ltd.	Stock exchange: Tokyo (first section)
Code number:	6810	URL: <a href="http://www2.maxell.co.jp/ir/">http://www2.maxell.co.jp/ir/</a>
Representative:	Yoshiharu Katsuta (President)	
Contact person:	Hiroshi Obara (General Manager)	
Planned date of submittal of financial statement report	June 25, 2019	Planned date of beginning payment of dividends June 5, 2019

(Figures are rounded off to the nearest 1 million yen)

### 1. Consolidated Business Results and Financial Position for the Year Ended March 31, 2019 (April 1, 2018 through March 31, 2019)

#### (1) Consolidated Operating Results (% change compared with the same term of the previous year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2019	150,584	1.6	5,424	(38.7)	6,591	(23.1)	5,311	(25.5)
March 31, 2018	148,198	9.7	8,848	16.9	8,567	16.0	7,127	24.5

Note: Comprehensive income : March 31, 2019 4,499 millions of yen (31.5 %);  
Comprehensive income : March 31, 2018 6,569 millions of yen (5.0 %)

	Net income per share	Net income per share (Diluted)	Return on equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
March 31, 2019	100.51	-	4.4	3.6	3.6
March 31, 2018	134.88	-	6.0	5.3	6.0

References: Equity in profits of affiliates: March 31, 2019 546 millions of yen; March 31, 2018 346 millions of yen

#### (2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2019	199,385	125,505	61.7	2,328.41
March 31, 2018	168,230	122,794	71.9	2,290.22

References: Shareholders' equity: March 31, 2019 123,035 millions of yen; March 31, 2018 121,017 millions of yen

Note: The Company has applied the "Partial Amendments to Accounting Standard for Tax Effect Accounting" from the fiscal year ended March 31, 2019. Accordingly, for the fiscal year ended March 31, 2018, the figures have been revised retroactively based on the Accounting Standard and presented in this report.

#### (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2019	573	(46,326)	22,608	22,685
March 31, 2018	7,797	(8,920)	(2,127)	45,539

## 2. Dividend

	Dividend per share					Total dividend paid (Full year)	Consolidated dividend payout ratio	Dividend to net assets (consolidated)
	1Q	2Q	3Q	Year end	Full year			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2018	-	18.00	-	26.00	44.00	2,325	32.6	2.0
March 31, 2019	-	18.00	-	18.00	36.00	1,902	35.8	1.6
March 31, 2020 (Forecast)	250.00	18.00	-	18.00	286.00		503.8	

Note: Detail of dividend for 1Q, March 31, 2020 (Forecast) Special Dividend 250.00 yen

## 3. Consolidated Business Forecast for the year ending March 31, 2020 (April 1, 2019 through March 31, 2020)

(% change from the previous year)

	Net sales		Operating income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	167,000	10.9	5,000	(7.8)	3,000	(43.5)	56.77

## Notes

- (1) Changes in significant subsidiaries during the period: Yes  
(Changes in specified subsidiaries resulting in changes in the scope of consolidation)  
Additions: 1 company (Name) Izumi Products Company  
The Company agreed with shareholders of Izumi Products Company (hereinafter “Izumi Products”), TMCAP2011 Limited Partnership managed by Tokyo Marine Capital Co., Ltd. and Mercuria Japan Industrial Growth Fund managed by Mercuria Investment Co., Ltd. regarding acquisition of the shares of Izumi Products. And the Company acquired the shares of Izumi Products through Maxell Special Purpose Co., Ltd. and included Izumi Products as its consolidated subsidiary as of October 1, 2018.  
Izumi Products is classified as a specified subsidiary of the Company.  
For the details, please refer to the announcements “Announcement on acquisition of shares of Izumi Products Company (new subsidiary) by joint investment” on August 6, 2018 and “Announcement about completion of acquisition of shares of Izumi Products Company and change of corporate name” on October 1, 2018.
- (2) Changes in accounting policies, accounting estimates and restatement  
1) Changes as a result of revision of accounting standards: None  
2) Changes other than 1: None  
3) Changes in accounting estimates: None  
4) Restatement: None
- (3) Number of shares issued (common stock)  
1) Number of shares issued at end of period (Including treasury share):  
March 31, 2019 53,341,500 shares; March 31, 2018 53,341,500 shares  
2) Number of shares of treasury share at end of period :  
March 31, 2019 500,666 shares; March 31, 2018 500,664 shares  
3) Average number of shares during the term :  
March 31, 2019 52,840,835 shares; March 31, 2018 52,841,285 shares

## **\* This Summary of Consolidated Financial Results falls outside the scope of audit procedures for financial statements**

## **\* Explanation regarding the appropriate use of forecasts of business results and other special instructions**

Forecasts of business results and other forward-looking statements in this document are based on information currently available to the Company and certain assumptions that the Company deems to be reasonable. Actual business results may differ significantly due to a variety of factors about economic trend and exchange rate. For further information on the above-mentioned forecast preconditions and other related matters, please see page 3 “1. Business Performance (1) Analysis of Business Performance”.

# 1. Business Performance

## (1) Analysis of Business Performance

### 1) Overview

(Unless otherwise stated, all comparisons are with operating results of the same period of the previous fiscal year, from April 1, 2017 to March 31, 2018.)

The global economy during the current consolidated fiscal year, there were increase of concerns on slowdown trend. Although the economy kept growth trend in the U.S., in the Europe, unstable political and economic elements have been expanded, such as turmoil relating to Brexit and issues in financial sector. In China and emerging countries, although the economy kept higher growth than the developed countries, in China, there were apparent sign of economic slowdown mainly in personal consumption. Also for Japan, due to slowdown trend in overseas economy, economic growth was almost flat. Also, the U.S.-China trade issue continuously bringing concerns such as effect to global economy and business strategies of enterprises in the future.

Under these circumstances, although there were sales decrease in sales of lithium ion batteries for consumer market, due to sales increase by newly joined consolidated subsidiaries, such as Izumi Products Company, Ube Maxell Kyoto Co., Ltd. and Kureha Elastomer Co., Ltd., and by Specialty Business acquired, net sales of the current consolidated fiscal year increased by 1.6% (2,386 million yen) to 150,584 million yen. In terms of profitability, mainly affected by decrease in profit of lithium ion batteries for consumer market, operating income decreased by 38.7% (3,424 million yen) to 5,424 million yen. Ordinary income decreased by 23.1% (1,976 million yen) to 6,591 million, although there were share of profit of entities accounted for using equity method and foreign exchange gain, etc. And profit attributable to owners of parent decreased by 25.5% (1,816 million yen) to 5,311 million yen.

The average foreign exchange rate over the year under review was US\$1=111yen.

Operating results by segment were follows.

#### **Energy**

Although sales of cylindrical lithium batteries for smart meters, electrodes, and Specialty Business acquired in June relating to chargers and packed batteries were increased, due to decrease in sales of lithium ion batteries for consumer market, sales for Energy segment decreased by 14.9% (6,705 million yen) to 38,265 million yen. Operating income decreased by 58.6% (3,260 million yen) to 2,299 million yen, affected by decrease in sales of lithium ion batteries for consumer market.

#### **Industrial Materials**

Due to sales increase of adhesive tapes and new products added January onwards, such as, coated separator of Ube Maxell Kyoto Co., Ltd. and industrial rubber products of Kureha Elastomer Co., Ltd., sales for Industrial Materials segment increased by 4.9% (2,458 million yen) to 52,398 million yen. Operating income decreased by 8.2% (237 million yen) to 2,652 million yen, due to investments relating to in-car camera lens units for new project, development costs for new products such as masks for organic EL panels and effect of slow down in market of semiconductor production equipment.

#### **Electronic Appliances and Consumer Products**

Decrease in sales of consumer products, etc. were compensated by hydraulic tool and electric home appliance businesses of Izumi Products Company added October onwards, sales for Electronic Appliances and Consumer Products segment increased by 12.4% (6,633 million yen) to 59,921 million yen. Although there was delayed recovery of beauty care products business, as profitability of projector bottomed out, operating income increased by 18.3% (73 million yen) to 473 million yen.

Further information for the year under review on sales by region, capital expenditure, depreciation, and research and development expenses, please see the supplementary information on page 5.

### 2) Outlook

As for the global economic environment, the Company forecasts that it will be even tougher and concern on slow down trend continues. In developed countries, in the U.S., it is expected that the economy will keep its growth trend. However, in Europe and in Japan, the Company forecasts possibility of further slow down in economy. In China, same as emerging countries, although the Company forecasts its higher growth than the developed countries, delay in recovery of personal consumption, such as for cars, may bring negative effect to other countries' economy. On the other hand, there are concerns of effect to global economy and business activities coming from fluctuation of exchange rate and material cost due to increasing uncertainty, such as geopolitical risks, influence of protective trade policy by the U.S. and uncertain progress of Brexit. Specially, the Company forecasts downturn of markets, such as cars, semiconductors and consumer electronics, will bring significant effect to business performance of the Company.

Under these circumstances, in the Energy segment, the Company is planning to expand business of micro batteries in automotive and smart meter market as pillar of growth, and on the other hand, for lithium ion batteries for consumer market, the Company is planning to review the business portfolio. In the Industrial Materials segment, the Company is planning expansion of business of optical components in automotive market, functional materials such as adhesive tapes, industrial rubber products and coated separators for automotive lithium ion batteries, and embedded systems relating to semiconductors. And in the Electronic Appliances and Consumer Products segment, for projector and beauty care products, the Company is planning to recover the sales by investing cost for starting Maxell brand products and for building of sales system.

Also, the Company is promoting business portfolio changes and cost reductions in all business segments, and targeting realization of synergy effect within the Group including newly joined consolidated subsidiaries in the current consolidated fiscal year.

For the fiscal year ending March 31, 2020, although the Company anticipates net sales of 167,000 million yen, in terms of profitability, the Company forecasts decrease in operating income of 5,000 million yen and profit attributable to owners of parent of 3,000 million yen, having enhancement of corporate constitution as highest priority.

These numbers are based on calculation using the average exchange rate over the fiscal year, 110 yen to the U.S. dollar. For projections of business performance by segment, please refer to the supplementary information on page 5.

## **(2) Analysis of Financial Position and Cash Flow**

### **1) Assets, liabilities and net assets**

#### **Assets**

As of March 31, 2019, total assets amounted 199,385 million yen, an increase of 31,155 million yen from the previous consolidated fiscal year. This increase mainly derives from increase of notes and account receivable-trade and inventories, although there were decrease in cash and deposits due to acquisition of shares of Izumi Products Company, etc. and increase of capital of subsidiaries and associates. As a result, total current assets decreased by 2,772 million yen and total non-current assets increased by 33,927 million yen.

#### **Liabilities**

As of March 31, 2019, total liabilities amounted 73,880 million yen, an increase of 28,444 million yen from the previous consolidated fiscal year. This increase mainly derives from increase of loans payable.

#### **Net Assets**

As of March 31, 2019, total net assets amounted 125,505 million yen, an increase of 2,711 million yen from the previous consolidated fiscal year. The increase is coming from profit attributable to owners of parent amounted 5,311 million yen, although there is total dividend paid amounted 2,325 million yen.

### **2) Cash flow**

In the current fiscal year, cash and cash equivalents (hereafter referred to as funds) decreased by 22,854 million yen to 22,685 million yen. This total comes from an income of 573 million yen as cash flows from operating activities, and expenditure of 46,326 million yen as cash flows from investing activities, and income of 22,608 million yen as cash flows from financing activities. Respective cash flows are as follows.

#### **Cash Flows from Operating Activities**

Net cash provided is 573 million yen in cash flow from operating activities in the current fiscal year. Increases in funds include 7,665 million yen of profit before income taxes and 4,649 million yen of depreciation, and deduction in funds include 4,336 million yen of increase in notes and accounts receivable-trade, 3,229 million yen of decrease in notes and accounts payable-trade, 1,344 million yen of increase in inventories and 2,869 million yen of income taxes paid.

#### **Cash Flows from Investing Activities**

Net cash used is 46,326 million yen in cash flow from investing activities in the current fiscal year. This mainly derives from a deduction in funds include 16,683 million yen of purchase of shares of subsidiaries resulting in change of scope of consolidation, 10,252 million yen of purchase of investment securities, 9,074 million yen of purchase of property, plant and equipment, 4,200 million yen of purchase of shares of subsidiaries and associates, 3,487 million yen of payments of real estate for rent in construction.

#### **Cash Flows from Financing Activities**

Net cash provided is 22,608 million yen in cash flow from financing activities in the current fiscal year. This mainly derives from an increases in funds include 12,088 million yen of net increase in short-term loans payable, 7,974 million yen of proceeds from long-term loans payable and 5,029 million yen of proceeds from share issuance to non-controlling stakeholders, and a decrease in funds include 2,325 million yen of cash dividends paid.

## Supplementary information

### Consolidated Financial Results and Forecast

(Millions of yen)

	The Year ended: March 31, 2018	The Year ended: March 31, 2019	Change* (%)	March 31, 2020 Forecast	Change* (%)
Net sales	148,198	150,584	1.6	167,000	10.9
Operating income	8,848	5,424	(38.7)	5,000	(7.8)
Profit attributable to owners of parent	7,127	5,311	(25.5)	3,000	(43.5)

\* % change from the same term of the previous year

### Sales and Operating Income by Segment

(Millions of yen)

	The Year ended: March 31, 2018	The Year ended: March 31, 2019		Change* (%)	March 31, 2020 Forecast		Change* (%)
	Millions of yen	Millions of yen	Composition (%)		Millions of yen	Composition (%)	
Net sales	148,198	150,584	100.0	1.6	167,000	100.0	10.9
Energy	44,970	38,265	25.4	(14.9)	35,500	21.2	(7.2)
Industrial Materials	49,940	52,398	34.8	4.9	65,600	39.3	25.2
Electronic Appliances & Consumer Products	53,288	59,921	39.8	12.4	65,900	39.5	10.0
Operating income	8,848	5,424	100.0	(38.7)	5,000	100.0	(7.8)
Energy	5,559	2,299	42.4	(58.6)	1,450	29.0	(36.9)
Industrial Materials	2,889	2,652	48.9	(8.2)	3,250	65.0	22.5
Electronic Appliances & Consumer Products	400	473	8.7	18.3	300	6.0	(36.6)

\* % change from the same term of the previous year

### Sales by Regional Segment

(Millions of yen)

	The Year ended: March 31, 2018	The Year ended: March 31, 2019		Change* (%)
	Millions of yen	Millions of yen	Composition (%)	
Overseas sales	68,297	70,323	46.7	3.0
America	12,844	15,314	10.2	19.2
Europe	12,498	12,855	8.5	2.9
Asia and other	42,955	42,154	28.0	(1.9)
Domestic sales	79,901	80,261	53.3	0.5
Total	148,198	150,584	100.0	1.6

\* % change from the same term of the previous year

### Capital investment, Depreciation, R&D expenses

(Millions of yen)

	The Year ended: March 31, 2018	The Year ended: March 31, 2019	Change* (%)	March 31, 2020 Forecast	Change* (%)
Capital investment	4,593	7,973	73.6	8,000	0.3
Depreciation	3,597	4,649	29.2	6,000	29.1
R&D expenses	10,592	9,729	(8.1)	10,000	2.8

\* % change from the same term of the previous year

## **2. Basic rationale for selection of accounting standards**

We are preparing the internal manuals and guidelines for future application of IFRS in advance, and considering about the application of IFRS.

### 3. Consolidated Financial Statements

#### (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2018	As of March 31, 2019
Assets		
Current assets		
Cash and deposits	45,920	22,907
Notes and accounts receivable - trade	29,175	39,658
Lease investment assets	1,395	1,319
Inventories	17,553	22,848
Accounts receivable - other	3,313	3,833
Other	1,178	5,137
Allowance for doubtful accounts	(646)	(586)
Total current assets	97,888	95,116
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,008	8,691
Machinery, equipment and vehicles, net	7,158	10,727
Land	33,473	35,509
Construction in progress	3,999	3,445
Other, net	1,409	2,841
Total property, plant and equipment	53,047	61,213
Intangible assets		
Goodwill	2,408	7,905
Other	1,925	7,891
Total intangible assets	4,333	15,796
Investments and other assets		
Investment securities	9,731	23,194
Net defined benefit asset	1,328	1,327
Deferred tax assets	931	1,521
Other	1,173	1,428
Allowance for doubtful accounts	(201)	(210)
Total investments and other assets	12,962	27,260
Total non-current assets	70,342	104,269
Total assets	168,230	199,385

(Millions of yen)

	As of March 31, 2018	As of March 31, 2019
Liabilities		
Current liabilities		
Notes and accounts payable - trade	20,672	19,982
Short-term loans payable	—	17,000
Current portion of long-term loans payable	35	598
Accounts payable - other	5,167	4,483
Accrued expenses	6,715	8,349
Income taxes payable	1,483	542
Lease obligations	33	162
Provision for litigation and related expenses	276	33
Other	1,970	2,601
Total current liabilities	36,351	53,750
Non-current liabilities		
Long-term loans payable	386	7,762
Provision for directors' retirement benefits	60	71
Net defined benefit liability	6,740	7,914
Lease obligations	158	263
Deferred tax liabilities	1,731	4,035
Asset retirement obligations	—	75
Other	10	10
Total non-current liabilities	9,085	20,130
Total liabilities	45,436	73,880
Net assets		
Shareholders' equity		
Capital stock	12,203	12,203
Capital surplus	33,527	33,527
Retained earnings	86,360	89,346
Treasury shares	(997)	(997)
Total shareholders' equity	131,093	134,079
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,402	328
Foreign currency translation adjustment	(6,609)	(6,526)
Remeasurements of defined benefit plans	(4,869)	(4,846)
Total accumulated other comprehensive income	(10,076)	(11,044)
Non-controlling interests	1,777	2,470
Total net assets	122,794	125,505
Total liabilities and net assets	168,230	199,385



**(2) Consolidated Statements of Income and Comprehensive Income**  
**(Consolidated Statements of Income)**

(Millions of yen)

	April 1, 2017 through March 31, 2018	April 1, 2018 through March 31, 2019
Net sales	148,198	150,584
Cost of sales	113,870	119,417
Gross profit	34,328	31,167
Selling, general and administrative expenses		
Packing and delivery expenses	2,552	2,574
Promotion expenses	550	750
Advertising expenses	357	356
Salaries and allowances	9,780	9,921
Retirement benefit expenses	499	503
License fee	140	125
Depreciation	575	969
Welfare expenses	1,518	1,481
Traveling and transportation expenses	869	976
Rent expenses	1,061	951
Business consignment expenses	1,275	1,426
Commission fee	2,671	2,185
Sales commission	208	188
Taxes and dues	294	102
Other	3,131	3,236
Total selling, general and administrative expenses	25,480	25,743
Operating income	8,848	5,424
Non-operating income		
Interest income	218	263
Dividend income	158	232
Share of profit of entities accounted for using equity method	346	546
Foreign exchange gains	—	273
Subsidy income	17	183
Other	210	283
Total non-operating income	949	1,780
Non-operating expenses		
Interest expenses	37	53
Sales discounts	218	182
Foreign exchange losses	765	—
Loss on reduction of non-current assets	—	150
Salaries paid to dispatched employees	30	67
Other	180	161
Total non-operating expenses	1,230	613
Ordinary income	8,567	6,591

	(Millions of yen)	
	April 1, 2017 through March 31, 2018	April 1, 2018 through March 31, 2019
Extraordinary income		
Gain on sales of investments in capital of subsidiaries and associates	471	17
Gain on bargain purchase	—	2,143
Licence Related Income	950	—
Other	0	735
Total extraordinary income	1,421	2,895
Extraordinary losses		
Loss on sales and retirement of non-current assets	855	297
Impairment loss	385	19
Business structure improvement expenses	303	—
Disaster related expenses	—	631
Brand organize loss	—	844
Expenses for change of the company's name	404	—
Other	—	30
Total extraordinary losses	1,947	1,821
Profit before income taxes	8,041	7,665
Income taxes - current	1,601	1,069
Income taxes - deferred	(733)	1,101
Total income taxes	868	2,170
Profit	7,173	5,495
Profit attributable to non-controlling interests	46	184
Profit attributable to owners of parent	7,127	5,311

**(Consolidated Statements of Comprehensive Income)**

(Millions of yen)

	April 1, 2017 through March 31, 2018	April 1, 2018 through March 31, 2019
Profit	7,173	5,495
Other comprehensive income		
Valuation difference on available-for-sale securities	492	(1,074)
Foreign currency translation adjustment	183	55
Remeasurements of defined benefit plans, net of tax	(1,279)	23
Total other comprehensive income	(604)	(996)
Comprehensive income	6,569	4,499
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,500	4,343
Comprehensive income attributable to non-controlling interests	69	156

### (3) Consolidated Statements of Changes in Net Assets

April 1, 2017 through March 31, 2018

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	12,203	33,527	81,135	(996)	125,869
Changes of items during period					
Dividends of surplus			(1,902)		(1,902)
Profit attributable to owners of parent			7,127		7,127
Purchase of treasury shares				(1)	(1)
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	5,225	(1)	5,224
Balance at end of current period	12,203	33,527	86,360	(997)	131,093

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	910	(6,769)	(3,590)	(9,449)	1,720	118,140
Changes of items during period						
Dividends of surplus						(1,902)
Profit attributable to owners of parent						7,127
Purchase of treasury shares						(1)
Net changes of items other than shareholders' equity	492	160	(1,279)	(627)	57	(570)
Total changes of items during period	492	160	(1,279)	(627)	57	4,654
Balance at end of current period	1,402	(6,609)	(4,869)	(10,076)	1,777	122,794

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	12,203	33,527	83,360	(997)	131,093
Changes of items during period					
Dividends of surplus			(2,325)		(2,325)
Profit attributable to owners of parent			5,311		5,311
Purchase of treasury shares				(0)	(0)
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	2,986	(0)	2,986
Balance at end of current period	12,203	33,527	89,346	(997)	134,079

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	1,402	(6,609)	(4,869)	(10,076)	1,777	122,794
Changes of items during period						
Dividends of surplus						(2,325)
Profit attributable to owners of parent						5,311
Purchase of treasury shares						(0)
Net changes of items other than shareholders' equity	(1,074)	83	23	(968)	693	(275)
Total changes of items during period	(1,074)	83	23	(968)	693	2,711
Balance at end of current period	328	(6,526)	(4,846)	(11,044)	2,470	125,505

**(4) Consolidated Statements of Cash Flows**

(Millions of yen)

	April 1, 2017 through March 31, 2018	April 1, 2018 through March 31, 2019
Cash flows from operating activities		
Profit before income taxes	8,041	7,665
Depreciation	3,597	4,649
Impairment loss	385	19
Amortization of goodwill	540	923
Increase (decrease) in retirement benefit liability	230	126
Increase (decrease) in allowance for doubtful accounts	(27)	(51)
Interest and dividend income	(376)	(495)
Interest expenses	37	53
Share of loss (profit) of entities accounted for using equity method	(346)	(546)
Loss (gain) on sales and retirement of non-current assets	384	280
Gain on bargain purchase	—	(2,143)
Decrease (increase) in notes and accounts receivable - trade	(3,519)	(4,336)
Decrease (increase) in inventories	(3,599)	(1,344)
Increase (decrease) in notes and accounts payable - trade	5,349	(3,229)
Increase (decrease) in accrued expenses	73	821
Decrease (increase) in accounts receivable - other	(811)	(317)
Other, net	(993)	939
Subtotal	8,965	3,014
Interest and dividend income received	383	496
Interest expenses paid	(37)	(68)
Income taxes paid	(1,514)	(2,869)
Net cash provided by (used in) operating activities	7,797	573
Cash flows from investing activities		
Payments into time deposits	(559)	(281)
Proceeds from withdrawal of time deposits	3,170	445
Payments of real estate for rent in construction	—	(3,487)
Purchase of property, plant and equipment	(5,523)	(9,074)
Proceeds from sales of property, plant and equipment	830	15
Purchase of intangible assets	(362)	(2,180)
Purchase of investment securities	(1,632)	(10,252)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(4,940)	(16,683)
Purchase of shares of subsidiaries and associates	—	(4,200)
Proceeds from the sales of affiliated companies investments	98	—
Payments for acquisition of businesses	—	(949)
Other, net	(2)	320
Net cash provided by (used in) investing activities	(8,920)	(46,326)

	April 1, 2017 through March 31, 2018	April 1, 2018 through March 31, 2019
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	—	12,088
Proceeds from long-term loans payable	—	7,974
Repayments of long-term loans payable	(36)	(35)
Purchase of treasury shares	(1)	(0)
Proceeds from share issuance to non-controlling shareholders	—	5,029
Dividends paid to non-controlling interests	(31)	(16)
Cash dividends paid	(1,902)	(2,325)
Repayments of lease obligations	(157)	(107)
Net cash provided by (used in) financing activities	(2,127)	22,608
Effect of exchange rate change on cash and cash equivalents	(112)	291
Net increase (decrease) in cash and cash equivalents	(3,362)	(22,854)
Cash and cash equivalents at beginning of period	48,901	45,539
Cash and cash equivalents at end of period	45,539	22,685

**(5) Notice to Consolidated Financial Statements****(Segment Information)**

April 1, 2018 through March 31, 2019

(Millions of yen)

	Reportable segment				Other	Adjustment	Consolidated Total
	Energy	Industrial Materials	Electronic Appliances and Consumer Products	Total			
Sales							
Outside customers	38,265	52,398	59,921	150,584	—	—	150,584
Intersegment transactions	—	1,350	342	1,692	—	(1,692)	—
Total sales	38,265	53,748	60,263	152,276	—	(1,692)	150,584
Operating income	2,299	2,652	473	5,424	—	—	5,424
Segment assets	38,339	57,464	70,045	165,848	33,537	—	199,385
Other items							
Depreciation	1,287	1,918	1,444	4,649	—	—	4,649
Increase in property, plant and equipment and intangible assets	2,904	4,167	3,017	10,088	—	—	10,088

Note: Other assets belong to the administrative department of the Company.