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Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (under IFRS)

April 28, 2022

Company name: Toyoda Gosei Co., Ltd.
 Listing: Tokyo Stock Exchange and Nagoya Stock Exchange
 Securities code: 7282
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Scheduled date of ordinary general meeting of shareholders: June 16, 2022

Scheduled date to file Securities Report: June 17, 2022

Scheduled date to commence dividend payments: June 1, 2022

Preparation of supplementary material on financial results: Yes

Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Revenue		Operating profit		Profit before tax		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2022	830,243	15.1	34,172	(6.3)	37,696	1.1	26,734	(29.8)
Year ended March 31, 2021	721,498	(11.2)	36,479	103.9	37,301	131.6	38,075	175.1

	Profit attributable to owners of parent		Total comprehensive income	
	Millions of yen	%	Millions of yen	%
Year ended March 31, 2022	23,352	(33.7)	53,294	(8.1)
Year ended March 31, 2021	35,205	213.6	57,974	-

	Basic earnings per share	Diluted earnings per share	Ratio of profit to equity attributable to owners of parent	Ratio of profit before tax to total assets	Ratio of operating profit to revenue
	Yen	Yen	%	%	%
Year ended March 31, 2022	180.39	180.38	5.7	4.6	4.1
Year ended March 31, 2021	271.99	271.97	9.6	5.0	5.1

Note: Share of profit of investments accounted for using equity method:

Fiscal year ended March 31, 2022: ¥264 millions; Fiscal year ended March 31, 2021: ¥903 millions

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity attributable to owners of parent per share
	Millions of yen	Millions of yen	Millions of yen	%	Yen
As of March 31, 2022	859,302	462,794	428,804	49.9	3,312.25
As of March 31, 2021	775,155	420,455	391,083	50.5	3,021.28

(3) Consolidated cash flows

	Net cash provided by operating activities	Net cash used in investing activities	Net cash used in financing activities	Cash and cash equivalents at end of year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2022	27,658	(59,427)	2,206	109,145
Year ended March 31, 2021	67,247	(49,949)	(13,065)	134,003

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to equity attributable to owners of parent (consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2021	–	25.00	–	35.00	60.00	7,768	22.1	2.1
Year ended March 31, 2022	–	35.00	–	25.00	60.00	7,769	33.3	1.9
Year ending March 31, 2023 (Forecast)	–	30.00	–	30.00	60.00		28.2	

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

Percentages indicate year-on-year changes

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2022	410,000	5.8	15,000	15.5	15,000	12.5	9,000	(0.3)	69.52
Full year	860,000	3.6	43,000	25.8	44,000	16.7	27,500	17.8	212.41

* Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2022 Yes
 (changes in specified subsidiaries resulting in the change in scope of consolidation)
 Eliminated: Toyoda Gosei (Tianjin) Precise Plastic Co., Ltd.

(2) Changes in accounting policies and changes in accounting estimates
 Changes in accounting policies required by IFRS: None
 Changes in accounting policies due to other reasons: None
 Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

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

As of March 31, 2022	130,048,006 shares	As of March 31, 2021	130,031,215 shares
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Number of treasury shares at the end of the period

As of March 31, 2022	583,665 shares	As of March 31, 2021	583,167 shares
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Average number of shares during the period

Year ended March 31, 2022	129,451,808 shares	Year ended March 31, 2021	129,437,344 shares
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* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

The above forward-looking statements are prepared based on judgment and assumption from information currently available to the Company. These statements do not purport that the Company pledges to realize such statements. Actual business results may differ from the forecast figures due to various factors such as uncertainties of the information, future economic conditions, stock prices and exchange rates trends.

1. Overview of Business Results

(1) Analysis of Business Results

(Business results for the fiscal year under review)

During the period under review, the severe economic reversal that began in the previous fiscal year as a result of the COVID-19 pandemic (hereinafter “COVID-19”) showed signs of easing in the first half of the fiscal year.

However, in the second half of the fiscal year the recovery was blunted, chiefly by factors such as a resurgence of COVID-19 with the arrival of the omicron variant and a steep rise in the price of crude oil.

The Japanese economy stalled during most of the first half of the fiscal year, as the nation was under either a declaration of a state of emergency or a semi-state of emergency COVID-19 measures. A recovery was anticipated the second half of the fiscal year, in view of the inauguration of the Kishida government, which aimed for a virtuous cycle of growth and redistribution, as well as the spread of inoculation against COVID-19. Unfortunately, COVID-19 resurged amid the emergence of the omicron variant and rising cost of living restrained personal consumption. As a result, the Japanese economy remained at a standstill.

In the automotive industry, hopes for recovery in the beginning of the year were frustrated amid lackluster growth in unit production worldwide. Factors contributing to the slowdown included a shortage of semiconductors and restricted parts supplies due to the resurgence of COVID-19. Furthermore, costs were significantly affected by continuing shortages of plastics feedstocks and chaos in logistical networks.

At the same time, the fiscal year was a fiscal year in which concerted moves to expand the presence of electric vehicles (hereinafter EVs) in the automobile market. A number of automakers in Japan and overseas announced plans centered on EVs, with Toyota Motor Corporation also announcing a plan for worldwide unit production of BEVs of 3,500,000 units in 2030.

Operating in such an environment, the Group’s revenue increased year on year but its profit declined year on year due to the sluggish unit production of automobiles, and the deteriorating situation regarding materials prices and distribution costs, among other factors.

In addition, changes in the external environment had a sizable impact, and the cost burden has been getting larger as a result of being unable to flexibly respond to changes in the production volume of automobiles.

Under these severe conditions, the Group is working on recent rationalization and restraining expenses in addition to steadily executing a growth strategy centered on three pillars of activities to achieve the 2025 Business Plan, the Group’s medium-to-long term plan.

The first pillar of activities is “venturing into innovation and actions for new mobility.” This pillar focuses on the early formation of businesses in fields that are new to the Group using revolutionary technologies and on advancing the development of innovative technologies and products to respond to the changing nature of the automobile.

In new fields, the Group expanded business by expanding its product lineup with the launch of two UV disinfection/deodorization products. The Deep UV Personal Space Disinfection and Deodorization Device is a handheld device that purifies and deodorizes air using deep-ultraviolet (deep-UV) LEDs, which are effective in eliminating viruses and bacteria. The Deep UV High-Speed Surface Disinfection Device disinfects surfaces with improved speed.

Furthermore, as for the next-generation rubber e-Rubber, which moves using electricity, the Group developed “FEELSOLE,” which is a smart insole with a sensor function that allows you collect data on the pressure under your feet while exercising simply by inserting it into your shoe, and began shipping samples to golf schools operated by Mizuno Corporation.

The Group is also promoting next-generation power semiconductors using gallium nitride (GaN) as a new technology that will contribute to the realization of an energy-saving society, and has succeeded in producing (large diameter) high-quality GaN substrates (GaN seed crystals) with a diameter of over 6 inches, one of the largest in the world. In order to realize carbon-neutral society as a whole, practical application and expansion of next-generation power semiconductors that can reduce power loss when controlling large amounts of electricity from renewable energy and electric vehicles are expected, and the Group believes that the larger diameter will greatly contribute to productivity improvement (cost reduction), which has been an issue until now.

In the automotive field, the Group introduced new devices into the market, aiming to achieve a safe and secure mobility society.

In response to vehicle collision safety assessments, which are expected to become stricter in North America and other countries, the New-Construction Driver-Side Airbag, which protects the head and trunk of drivers in the event of diagonal collisions, is incorporated into Honda Motor Co., Ltd.'s new Civic models. The Pedestrian Protection Airbag, which protects pedestrians in the event of traffic accidents, is incorporated into Subaru Corporation's latest Legacy Outback models.

In addition, in response to diversifying customer design needs, the Group's LED illuminated emblem with luminescence function is adopted for the Nissan Motor Co., Ltd.'s crossover EV Ariya as a product that can contribute to advanced design unique to BEVs.

The second pillar of Group activities is "key strategies for growing markets and fields with growth potential." Here the Group took steps to strengthen its safety-system operations, one of its mainstay fields. Seeking to achieve further improvements in automotive safety performance, the Group entered into an operating and capital partnership with Ashimori Industry. Going forward, the two organizations are collaborating to leverage their operating assets and expertise to expand their combined development capability and product-competitiveness. The partners advance the development of airbag and seatbelt systems, as well as next-generation safety systems for EVs and self-driving vehicles.

Our third pillar of activity is "innovative manufacturing at production sites." In this activity, the Group is promoting the development of smart production sites to support sustainable growth of the Group, based on the TG Advanced Plant Concept of "a plant where anyone can work actively," "a clean production site" that emits no CO₂ or waste, and "an honest production site" that aims for zero accidents and zero complaints. Amid the joint production of a wide variety of automobiles, the Group is working to increase productivity through the introduction of collaborative robots, IoT systems that centrally manages the production process, etc., and to carry out manufacturing that takes into consideration an environment where employees can work safely and securely. These initiatives will start at the new factory, and sequentially expand applications to existing factories.

Revenue for the fiscal year under review increased 15.1% from the previous fiscal year to ¥830.2 billion. Although some customers experienced decreased production against the plan due to issues such as semiconductor shortages, production recovered from the previous fiscal year's drop in production from COVID-19, while LED-related businesses expanded sales.

With regard to profits, although increased sales efforts had some effect, operating profit decreased 6.3% from the previous fiscal year to ¥34.1 billion, while profit attributable to owners of parent decreased 33.7% from the previous fiscal year to ¥23.3 billion mainly due to rising raw material prices, cost burdens as a result of being unable to flexibly respond to changes in the production volume of automobiles.

Furthermore, the exchange rate for the fiscal year under review was ¥112 to US\$1 compared to ¥106 to US\$1 in the previous fiscal year.

Results by segment are as follows.

(i) Japan

Revenue came to ¥399.5 billion (up 11.6% year on year), mainly due to the expansion of LED-related businesses, despite reduced production by customers caused by the automobile semiconductor shortage.

Segment profit increased 31.2% from the previous fiscal year to ¥15.8 billion, lifted by factors such as a one-time decrease in retirement-bonus expenses due to a change in the retirement system.

(ii) Americas

Revenue came to ¥240.7 billion (up 18.3% year on year), mainly due to the recovery of production after the reduction on production caused by COVID-19 in the previous fiscal year as well as the impact of foreign exchange.

Segment profit decreased 69.7% from the previous fiscal year to ¥4.1 billion, impacted by factors such as rising raw material prices, cost burdens as a result of being unable to flexibly respond to changes in the production volume of automobiles and a recoil effect from the end of government subsidies, despite the impact of increased sales efforts.

(iii) Asia

Revenue came to ¥226.0 billion (up 18.7% year on year), due to the recovery of production in Thailand, India and Indonesia, etc.

Segment profit increased 5.6% from the previous fiscal year to ¥15.2 billion. Although the segment was impacted by tailwinds such as declining sales in China and deterioration in market conditions in Asia, sales-boosting effects in other regions contributed to the increase.

(iv) Europe and Africa

Revenue came to ¥26.9 billion (up 2.8% year on year).

This segment recorded a segment loss of ¥900 million (compared with a loss of ¥3.9 billion in the previous fiscal year). Factors included a recoil effect from appropriation of restructuring reserves for a UK subsidiary in the previous fiscal year.

(Outlook for the next fiscal year)

Recently, COVID-19, the risk of fluctuations in the number of automobile production because of the semiconductor supply shortage, and rising raw material prices, personnel expenses and logistics costs have continued to put pressure on profits, so it is extremely difficult to predict the future.

Although the environment is difficult, we project revenue of ¥860.0 billion, operating profit of ¥43.0 billion, profit before tax of ¥44.0 billion, and profit attributable to owners of parent of ¥27.5 billion as a result of initiatives, such as working to reinforce cost-of-sales reduction, establish a tough production system that can flexibly respond to changes in production volume and minimize loss from logistics costs.

The foreign exchange rate for the next fiscal year is ¥115 to US\$1.

(2) Analysis of Financial Position

(i) Assets, Liabilities and Equity

Total assets at the end of the fiscal year under review increased by ¥84.1 billion from the previous fiscal year to ¥859.3 billion, mainly in tandem with increases in trade and other receivables. Liabilities increased by ¥41.8 billion from the end of the previous fiscal year to ¥396.5 billion, mainly due to an increase in trade and other payables.

Equity increased by ¥42.3 billion from the end of the previous fiscal year to ¥462.7 billion, mainly due to an increase in other components of equity.

(ii) Cash Flows

Cash and cash equivalents at the end of the fiscal year under review decreased by ¥24.8 billion over the ¥134.0 billion recorded at the end of the previous fiscal year, to ¥109.1 billion.

The various cash flows during the fiscal year under review, and the factors driving them, are discussed below.

(Cash flows from operating activities)

Net cash flows provided by operating activities came to ¥27.6 billion in inflows, a decrease of ¥39.5 billion from inflows recorded in the previous fiscal year.

Key factors included changes in trade and other receivables of ¥22.5 billion, changes in provision of ¥6.1 billion and increases in expenditures in each.

(Cash flows from investing activities)

Net cash flows used in investing activities came to ¥59.4 billion in outflows, an increase of ¥9.4 billion from outflows recorded in the previous fiscal year.

Key factors included an increase of ¥4.0 billion in outflows for payments into time deposits and an increase of outflows of ¥2.1 billion for purchase of property, plant and equipment, and intangible assets, as well as a decrease of ¥2.3 billion for proceeds from withdrawal of time deposits.

(Cash flows from financing activities)

Net cash flows provided by financing activities came to ¥2.2 billion in inflows, an increase of ¥15.2 billion from inflows recorded in the previous fiscal year.

Among the key factors in this result, although expenditures from repayments of long-term borrowings increased by ¥16.4 billion and proceeds from long-term borrowings decreased by ¥8.0 billion, proceeds from and repayments of short-term borrowings resulted in an increase in net inflow of ¥38.7 billion.

(3) Basic Policy on Distribution of Profits and Dividends for the Fiscal Year Under Review and the Next Fiscal Year

While working to strengthen and enhance the corporate structure in order to raise corporate value, the Company promotes the development of the business with the aim of achieving steady growth. With regard to dividends of surplus, our basic policy is to maintain a stable dividend, and the Company seeks to respond to the expectations of shareholders having given comprehensive consideration to such factors as results of operations, demand for funds and dividend payout ratio.

With regard to dividends from surplus for the fiscal year under review, an interim dividend of ¥35 per share was implemented on November 26, 2021, to which the Company intends to add a year-end dividend of ¥25 per share, for a total of ¥60 per share.

Additionally, for the next fiscal year, assuming at this point that earnings forecasts will be achieved, the Company intends to pay a dividend of ¥60 per share.

Condensed Consolidated Financial Statements**(1) Condensed Consolidated Statement of Financial Position**

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and cash equivalents	134,003	109,145
Trade and other receivables	149,249	182,595
Other financial assets	9,617	17,421
Inventories	72,888	94,862
Other current assets	14,819	21,140
Total current assets	380,578	425,165
Non-current assets		
Property, plant and equipment	290,246	316,901
Intangible assets	4,571	5,154
Other financial assets	41,983	50,650
Investments accounted for using equity method	14,844	15,642
Retirement benefit asset	6,254	5,741
Deferred tax assets	21,349	18,706
Other non-current assets	15,326	21,340
Total non-current assets	394,577	434,137
Total assets	775,155	859,302

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	126,784	147,942
Borrowings	42,835	43,924
Other financial liabilities	4,076	4,158
Income taxes payable	3,439	3,730
Provisions	2,638	2,648
Other current liabilities	5,760	6,993
Total current liabilities	185,535	209,396
Non-current liabilities		
Bonds and borrowings	109,379	129,772
Other financial liabilities	13,510	13,645
Retirement benefit liability	34,745	32,420
Provisions	4,578	3,233
Deferred tax liabilities	5,015	5,304
Other non-current liabilities	1,935	2,734
Total non-current liabilities	169,164	187,111
Total liabilities	354,700	396,508
Equity		
Share capital	28,046	28,069
Capital surplus	25,626	24,465
Treasury shares	(1,232)	(1,233)
Other components of equity	17,759	42,433
Retained earnings	320,883	335,069
Total equity attributable to owners of parent	391,083	428,804
Non-controlling interests	29,372	33,989
Total equity	420,455	462,794
Total liabilities and equity	775,155	859,302

(2) Condensed Consolidated Statement of Profit or Loss and Condensed Consolidated Statement of Comprehensive Income
(Condensed Consolidated Statement of Profit or Loss)

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Revenue	721,498	830,243
Cost of sales	(622,832)	(733,686)
Gross profit	98,665	96,557
Selling, general and administrative expenses	(56,423)	(64,050)
Other income	3,225	5,239
Other expenses	(8,987)	(3,574)
Operating profit	36,479	34,172
Finance income	3,035	5,912
Finance costs	(3,116)	(2,651)
Share of profit of investments accounted for using equity method	903	264
Profit before tax	37,301	37,696
Income tax expense	773	(10,962)
Profit	38,075	26,734
Profit attributable to		
Owners of parent	35,205	23,352
Non-controlling interests	2,870	3,382
Profit	38,075	26,734
Earnings per share		
Basic earnings per share (yen)	271.99	180.39
Diluted earnings per share (yen)	271.97	180.38

(Condensed Consolidated Statement of Comprehensive Income)

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Profit	38,075	26,734
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Equity financial assets measured at fair value through other comprehensive income	6,252	4,926
Remeasurements of defined benefit plans	3,757	221
Share of other comprehensive income of investments accounted for using equity method	112	37
Total	<u>10,121</u>	<u>5,185</u>
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	9,702	20,533
Share of other comprehensive income of investments accounted for using equity method	74	841
Total	<u>9,776</u>	<u>21,375</u>
Total other comprehensive income	<u>19,898</u>	<u>26,560</u>
Total comprehensive income	<u><u>57,974</u></u>	<u><u>53,294</u></u>
Comprehensive income attributable to		
Owners of parent	53,857	48,251
Non-controlling interests	4,116	5,043
Total comprehensive income	<u><u>57,974</u></u>	<u><u>53,294</u></u>

(3) Condensed Consolidated Statement of Changes in Equity

Fiscal year ended March 31, 2021

(Millions of yen)

	Equity attributable to owners of parent						
	Share capital	Capital surplus	Treasury shares	Exchange differences on translation of foreign operations	Other components of equity		
					Equity financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Total components of equity
Balance at April 1, 2020	28,027	26,968	(1,220)	(10,593)	12,826	–	2,233
Profit	–	–	–	–	–	–	–
Other comprehensive income	–	–	–	8,705	6,289	3,657	18,652
Total comprehensive income	–	–	–	8,705	6,289	3,657	18,652
Issuance of new shares	18	18	–	–	–	–	–
Purchase of treasury shares	–	–	(11)	–	–	–	–
Dividends	–	–	–	–	–	–	–
Changes in ownership interest in subsidiaries	–	(1,360)	–	531	–	(0)	531
Change in scope of consolidation	–	–	–	–	–	–	–
Transfer from other components of equity to retained earnings	–	–	–	–	–	(3,657)	(3,657)
Other	–	–	–	–	–	–	–
Total transactions with owners	18	(1,341)	(11)	531	–	(3,657)	(3,126)
Balance at March 31, 2021	28,046	25,626	(1,232)	(1,356)	19,116	–	17,759

	Equity attributable to owners of parent		Non-controlling interests	Total equity
	Retained earnings	Total		
Balance at April 1, 2020	289,061	345,070	25,204	370,275
Profit	35,205	35,205	2,870	38,075
Other comprehensive income	–	18,652	1,246	19,898
Total comprehensive income	35,205	53,857	4,116	57,974
Issuance of new shares	–	36	–	36
Purchase of treasury shares	–	(11)	–	(11)
Dividends	(7,120)	(7,120)	(1,984)	(9,104)
Changes in ownership interest in subsidiaries	–	(829)	1,335	506
Change in scope of consolidation	80	80	373	453
Transfer from other components of equity to retained earnings	3,657	–	–	–
Other	–	–	325	325
Total transactions with owners	(3,383)	(7,844)	50	(7,794)
Balance at March 31, 2021	320,883	391,083	29,372	420,455

	Equity attributable to owners of parent						
	Share capital	Capital surplus	Treasury shares	Other components of equity			Total components of equity
Exchange differences on translation of foreign operations				Equity financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans		
Balance at April 1, 2021	28,046	25,626	(1,232)	(1,356)	19,116	–	17,759
Profit	–	–	–	–	–	–	–
Other comprehensive income	–	–	–	19,735	4,910	253	24,899
Total comprehensive income	–	–	–	19,735	4,910	253	24,899
Issuance of new shares	23	23	–	–	–	–	–
Purchase of treasury shares	–	–	(1)	–	–	–	–
Dividends	–	–	–	–	–	–	–
Changes in ownership interest in subsidiaries	–	(1,184)	–	–	–	–	–
Change in increase of capital	–	–	–	–	–	–	–
Change in scope of consolidation	–	–	–	29	–	–	29
Transfer from other components of equity to retained earnings	–	–	–	–	–	(253)	(253)
Total transactions with owners	23	(1,161)	(1)	29	–	(253)	(224)
Balance at March 31, 2022	28,069	24,465	(1,233)	18,407	24,026	–	42,433

	Equity attributable to owners of parent		Non-controlling interests	Total equity
	Retained earnings	Total		
Balance at April 1, 2021	320,883	391,083	29,372	420,455
Profit	23,352	23,352	3,382	26,734
Other comprehensive income	–	24,899	1,661	26,560
Total comprehensive income	23,352	48,251	5,043	53,294
Issuance of new shares	–	46	–	46
Purchase of treasury shares	–	(1)	–	(1)
Dividends	(9,063)	(9,063)	(2,593)	(11,657)
Changes in ownership interest in subsidiaries	–	(1,184)	1,606	421
Change in increase of capital	–	–	176	176
Change in scope of consolidation	(355)	(326)	383	57
Transfer from other components of equity to retained earnings	253	–	–	–
Total transactions with owners	(9,165)	(10,529)	(426)	(10,955)
Balance at March 31, 2022	335,069	428,804	33,989	462,794

(4) Condensed Consolidated Statement of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit before tax	37,301	37,696
Depreciation and amortization	37,812	41,944
Impairment loss (reversal of impairment loss)	813	–
Increase (decrease) in provision	4,749	(1,411)
Increase (decrease) in retirement benefit liability	101	(414)
Decrease (increase) in retirement benefit asset	933	(2,240)
Finance income	(2,800)	(5,235)
Finance costs	3,116	2,566
Share of loss (profit) of investments accounted for using equity method	(903)	(264)
Loss (gain) on sale of fixed assets	668	75
Decrease (increase) in inventories	(6,410)	(15,789)
Decrease (increase) in trade and other receivables	(2,707)	(25,283)
Increase (decrease) in trade and other payables	6,187	13,718
Other	(3,378)	(8,344)
Subtotal	75,485	37,019
Interest received	2,001	1,740
Dividends received	893	1,178
Interest paid	(3,168)	(2,582)
Income taxes paid	(7,964)	(9,697)
Net cash provided by (used in) operating activities	67,247	27,658
Cash flows from investing activities		
Payments into time deposits	(16,142)	(20,189)
Proceeds from withdrawal of time deposits	15,673	13,297
Purchase of property, plant and equipment, and intangible assets	(49,595)	(51,728)
Proceeds from sale of property, plant and equipment, and intangible assets	632	1,206
Purchase of investments	(566)	(1,357)
Proceeds from sale of investments	16	–
Other	33	(656)
Net cash provided by (used in) investing activities	(49,949)	(59,427)
Cash flows from financing activities		
Proceeds from short-term borrowings	21,249	54,362
Repayments of short-term borrowings	(39,749)	(34,138)
Proceeds from long-term borrowings	32,429	24,415
Repayments of long-term borrowings	(11,417)	(27,868)
Repayments of lease liabilities	(2,777)	(3,073)
Dividends paid	(7,117)	(9,071)
Dividends paid to non-controlling interests	(1,984)	(2,593)
Payments of the abolition of the in-house deposit system	(4,193)	–
Other	494	175
Net cash provided by (used in) financing activities	(13,065)	2,206
Net increase (decrease) in cash and cash equivalents	4,233	(29,562)
Cash and cash equivalents at beginning of period	127,930	134,003
Effect of exchange rate changes on cash and cash equivalents	1,840	4,704
Cash and cash equivalents at end of period	134,003	109,145

Note on Consolidated Financial Statements

(Note on premise of going concern)

None

(Segment Information)

FY2020(April 1, 2020 – March 31, 2021)

(Millions of yen)

	Reportable Segment				Total	Eliminations	Consolidated
	Japan	Americas	Asia	Europe & Africa			
Revenue							
Revenues from external customers	332,258	199,650	164,069	25,520	721,498	—	721,498
Transactions with other segments	25,823	3,771	26,410	741	56,747	(56,747)	—
Total	358,082	203,421	190,479	26,261	778,245	(56,747)	721,498
Segment profit (loss)	12,077	13,825	14,469	(3,926)	36,446	32	36,479
Finance income							3,035
Finance costs							(3,116)
Share of the profit of investments accounted for using equity method							903
Profit before tax							37,301

FY2021 (April 1, 2021 – March 31, 2022)

(Millions of yen)

	Reportable Segment				Total	Eliminations	Consolidated
	Japan	Americas	Asia	Europe & Africa			
Revenue							
Revenues from external customers	370,093	237,100	197,067	25,982	830,243	—	830,243
Transactions with other segments	29,481	3,630	28,970	1,009	63,092	(63,092)	—
Total	399,575	240,730	226,037	26,992	893,335	(63,092)	830,243
Segment profit (loss)	15,847	4,189	15,282	(942)	34,377	(205)	34,172
Finance income							5,912
Finance costs							(2,651)
Share of the profit of investments accounted for using equity method							264
Profit before tax							37,696