

Summary of Consolidated Financial Results for the Year Ended March 31, 2024 (Japan GAAP)

April 26, 2024

Listed company: Maxell, Ltd. Stock exchange: Tokyo (Prime Market)
 Code number: 6810 URL: <https://www2.maxell.co.jp/ir/>
 Representative: Keiji Nakamura (President)
 Contact person: Kensuke Taira (General Manager)
 Planned date of submittal of financial statement report: June 21, 2024 Planned date of beginning payment of dividends: June 4, 2024

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

1. Consolidated Business Results and Financial Position for the Year Ended March 31, 2024 (April 1, 2023 through March 31, 2024)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	129,139	(2.7)	8,083	43.4	9,786	45.5	7,544	45.3
March 31, 2023	132,776	(3.9)	5,638	(39.6)	6,727	(32.0)	5,193	-

Note: Comprehensive income : March 31, 2024 13,231 millions of yen (58.0%);
 Comprehensive income : March 31, 2023 8,373 millions of yen (314.5%)

	Net profit per share	Net profit per share (Diluted)	Return on equity	Ordinary profit to total assets	Operating profit to net sales
March 31, 2024	Yen 164.59	Yen -	% 8.5	% 5.8	% 6.3
March 31, 2023	109.33	-	6.3	3.9	4.2

References: Equity in profits of affiliates: March 31, 2024 (46) millions of yen; March 31, 2023 (152) millions of yen

Note: The Company has introduced "performance-linked share-based remuneration system". And the shares of the Company held by the trust are included in the treasury shares deducted in the calculation of the average number of the shares during the term used in the calculation of "Net profit per share".

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
March 31, 2024	Millions of yen 171,100	Millions of yen 97,307	% 54.9	Yen 2,048.15
March 31, 2023	168,177	85,940	49.2	1,807.25

References: Shareholders' equity: March 31, 2024 93,894 millions of yen; March 31, 2023 82,816 millions of yen

Note: The Company has introduced "performance-linked share-based remuneration system". And the shares of the Company held by the trust are included in the treasury shares deducted in the calculation of the number of shares at the end of the year used in the calculation of "Net assets per share".

(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
March 31, 2024	Millions of yen 14,240	Millions of yen (4,848)	Millions of yen (9,490)	Millions of yen 38,665
March 31, 2023	4,001	1,713	(13,985)	36,569

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, 2023	-	20.00	-	20.00	40.00	1,865	36.6	2.3
March 31, 2024	-	20.00	-	30.00	50.00	2,293	30.4	2.6
March 31, 2025 (Forecast)	-	25.00	-	25.00	50.00		38.2	

3. Consolidated Business Forecast for the year ending March 31, 2025 (April 1, 2024 through March 31, 2025) (% change from the previous year)

	Net sales		Operating profit		Profit attributable to owners of parent		Net profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	128,000	(0.9)	8,000	(1.0)	6,000	(20.5)	130.88

Note: The Company has introduced “performance-linked share-based remuneration system”. And the shares of the Company held by the trust are included in the treasury shares deducted in the calculation of the average number of the shares during the term used in the calculation of “Net profit per share”.

Notes

- (1) Changes in significant subsidiaries during the period: None
- (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, 2024	49,695,800 shares;	March 31, 2023	49,695,800 shares
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 - 2) Number of shares of treasury share at end of period :

	March 31, 2024	3,852,548 shares;	March 31, 2023	3,871,367 shares
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 - 3) Average number of shares during the term :

	March 31, 2024	45,835,949 shares;	March 31, 2023	47,499,873 shares
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Note 1: The number of shares of treasury share at the end of period includes the shares of the Company held by the trust relating to “performance-linked share-based remuneration system” (16,800 shares at the end of consolidated fiscal year ended March 31, 2023 and 15,700 shares at the end of consolidated fiscal year ended March 31, 2024).

2: The average number of shares during the term is calculated by deducting the treasury shares and the shares of the Company held by the trust relating to “performance-linked share-based remuneration system” (17,485 shares for the consolidated fiscal year ended March 31, 2023 and 16,117 shares for the consolidated fiscal year ended March 31, 2024).

*** 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, 2022 to March 31, 2023.)

As for the global economy during this consolidated fiscal year, economic recovery was expected as Novel Coronavirus (COVID-19) pandemic moved toward resolution. However, it was unstable due to continued financial tightening measures in the United States and Europe, economic slow down of China caused by its real estate crisis as well as heightened geopolitical risks such as prolonged Russia-Ukraine situation and increasing tension in the Middle East. In terms of business environment for the Company, although there were positive factors such as recovery of automotive market and continued depreciation of yen, difficult situation continued due to downturn of semiconductor manufacturing equipment market, economic stagnation in some regions and soaring electricity costs.

Under these circumstances, net sales for the fiscal year under review decreased by 2.7% (3,637 million yen) to 129,139 million yen due to sales decrease caused by transfer of domestic consumer products sales business, sales decrease of rechargeable batteries and semiconductor related products, although there were sales increase of automotive optical components and adhesive tapes as well as increased licensing revenues. In terms of profitability, operating profit increased by 43.4% (2,445 million yen) to 8,083 million yen, due to profit increase caused by strong sales of automotive optical component and licensing revenues, as well as effect of improved profitability of health and beauty care products. Ordinary profit increased by 45.5% (3,059 million yen) to 9,786 million yen and profit attributable to owners of parent increased by 45.3% (2,351 million yen) to 7,544 million yen as there were foreign exchange gains. In both operating profit and profit attributable owners of parent, there were one-time expenses relating to reform of Life Solution business.

The average foreign exchange rate over the year under review was US\$1=145 yen.

Operating results by segment are as follows.

Energy

Total sales for Energy segment decreased by 4.9% (1,803 million yen) to 34,971 million yen mainly by decrease in sales of rechargeable batteries. Operating profit decreased by 78.6% (1,855 million yen) to 504 million yen due to the development cost and cost of establishing production system for all-solid-state batteries.

Functional Materials

Total sales for Functional Materials segment increased by 2.9% (858 million yen) to 30,144 million yen by increase of sales of adhesive tapes. Operating profit increased by 56.4% (487 million yen) to 1,350 million yen due to optimization of selling prices and effect of sales increase of high value added products as well as improved profitability of industrial materials.

Optics & Systems

Although sales of semiconductor related products decreased due to inventory adjustment at customers, total sales for Optics & Systems segment increased by 10.4% (3,893 million yen) to 41,369 million yen due to increase of both sales of automotive optical components and licensing revenues. Operating profit increased by 44.2% (1,717 million yen) to 5,606 million yen due to profit increase of automotive optical components, although profit for semiconductor related products decreased.

Life Solution

As sales of consumer products, health and beauty care products decreased due to transfer of domestic consumer products sales business, total sales for Life Solution segment decreased by 22.5% (6,585 million yen) to 22,655 million yen. Operating profit increased by 2,096 million yen to 623 million yen due to improved profitability of health and beauty care products such as electric shavers as well as improved productivity at overseas production facilities.

2) Outlook

Regarding the global economic environment in the fiscal year ending March 2025, the Company anticipates economic downturn in Europe and in China, and rise in energy costs and stagnation of logistics by deterioration of the Middle East situation. As for the business environment, the Company anticipates that automotive market will remain firm, and as for semiconductor market, although the market itself will be recovering, it will take time till inventory level at customers will be normalized.

The fiscal year ending March 2025 is the first year of the new medium-term management plan, MEX26 of the Company until the fiscal year ending March 2027. During the three years, the Company will aggressively make investments, developments and acquisition of new markets and customers for the new businesses and new areas, and build solid foundation to secure more profits in the next medium-term management plan following MEX26, toward realization of the ideal feature in the year 2030. Also, during the three years of MEX26, the Company will take measures for shareholder returns focusing on total payout ratio with the purpose of enhancing corporate value. Consolidated business forecasts for the fiscal year ending March 2025 are, net sales: 128,000 million yen, operating profit: 8,000 million yen and profit attributable to owners of parent: 6,000 million yen. While the forecasts for net sales and operating profit will remain same level as this consolidated fiscal year, the Company will continue to redevelop business foundation and strive for stabilization of profit generation.

These numbers are based on calculation using the average exchange rate over the fiscal year, 145 yen to the U.S. dollar. For projections of business performance by segment, please refer to the supplementary information on page 6.

(2) Analysis of Financial Position and Cash Flow

1) Assets, liabilities and net assets

Assets

As of March 31, 2024, total assets amounted 171,100 million yen, increased by 1.7% from the previous consolidated fiscal year. Among this, current assets amounted 92,166 million yen, decreased by 2.8%, mainly by decrease of inventories. And the ratio of current assets among total assets has changed to 53.9% from 56.4% of the previous consolidated fiscal year. On the other hand, non-current assets amounted 78,934 million yen, increased by 7.6% mainly by increase of property, plant and equipment by implementation of capital investments, and by increase of net defined benefit asset. And the ratio of non-current assets among total assets has changed to 46.1% from 43.6% of the previous consolidated fiscal year.

Liabilities

As of March 31, 2024, total liabilities amounted 73,793 million yen, decreased by 10.3% from the previous consolidated fiscal year, mainly by repayments of borrowings. Among this, current liabilities amounted 59,258 million yen, increased by 6.8%, due to reclassification from long-term borrowings, and the current ratio became 1.6 times, and the cash on hand which is the balance between current assets and current liabilities, became 32,908 million yen. Non-current liabilities amounted 14,535 million yen, decreased by 45.6%, due to reclassification to current portion of long-term borrowings.

Net Assets

As of March 31, 2024, total net assets amounted 97,307 million yen, increased by 13.2% from the previous consolidated fiscal year. The increase is mainly by the record of profit attributable to owners of parent amounted 7,544 million yen and by increase of accumulated other comprehensive income. And the equity ratio changed to 54.9% from 49.2% of the previous consolidated fiscal year.

2) Cash flow

In this consolidated fiscal year, cash and cash equivalents (hereinafter referred to as funds) increased by 2,096 million yen to 38,665 million yen. This total comes from income of 14,240 million yen as cash flows from operating activities, expenditure of 4,848 million yen as cash flows from investing activities and expenditure of 9,490 million yen as cash flows from financing activities. Respective cash flows are as follows.

Cash Flows from Operating Activities

Net cash provided is 14,240 million yen in cash flow from operating activities in this consolidated fiscal year. This mainly derives from increase in funds includes 9,133 million yen of profit before income taxes, 4,803 million yen of depreciation and 3,750 million yen of decrease in inventories, and deduction in funds includes 1,467 million yen of decrease in trade payables and 1,466 million yen of decrease in advances received.

Cash Flows from Investing Activities

Net cash used is 4,848 million yen in cash flow from investing activities in this consolidated fiscal year. This mainly derives from increase in funds includes 2,482 million yen of proceeds from withdrawal of time deposits, and deduction in funds includes 6,027 million yen of purchase of property, plant and equipment and 881 million yen of payments into time deposits.

Cash Flows from Financing Activities

Net cash used is 9,490 million yen in cash flow from financing activities in this consolidated fiscal year. This mainly derives from deduction in funds includes 8,123 million yen of repayments of long-term borrowings and 1,834 million yen of dividends paid.

Supplementary information

Consolidated Financial Results and Forecast

(Millions of yen)

	The Year ended: March 31, 2023	The Year ended: March 31, 2024	Change* (%)	March 31, 2025 Forecast	Change* (%)
Net sales	132,776	129,139	(2.7)	128,000	(0.9)
Operating profit	5,638	8,083	43.4	8,000	(1.0)
Profit attributable to owners of parent	5,193	7,544	45.3	6,000	(20.5)

* % change from the same term of the previous year

Sales and Operating Profit by Segment

(Millions of yen)

	The Year ended: March 31, 2023	The Year ended: March 31, 2024		Change* (%)	March 31, 2025 Forecast		Change* (%)
	Millions of yen	Millions of yen	Composition (%)		Millions of yen	Composition (%)	
Net sales	132,776	129,189	100.0	(2.7)	128,000	100.0	(0.9)
Energy	36,774	34,971	27.1	(4.9)	32,500	25.4	(7.1)
Functional Materials	29,286	30,144	23.3	2.9	32,400	25.3	7.5
Optics & Systems	37,476	41,369	32.0	10.4	40,200	31.4	(2.8)
Life Solution	29,240	22,655	17.6	(22.5)	22,900	17.9	1.1
Operating profit/loss	5,638	8,083	100.0	43.4	8,000	100.0	(1.0)
Energy	2,359	504	6.2	(78.6)	700	8.8	38.9
Functional Materials	863	1,350	16.7	56.4	1,600	20.0	18.5
Optics & Systems	3,889	5,606	69.4	44.2	4,700	58.7	(16.2)
Life Solution	(1,473)	623	7.7	-	1,000	12.5	60.5

* % change from the same term of the previous year

Sales by Regional Segment

(Millions of yen)

	The Year ended: March 31, 2023	The Year ended: March 31, 2024		Change* (%)
	Millions of yen	Millions of yen	Composition (%)	
Overseas sales	56,019	62,180	48.1	11.0
America	14,075	16,843	13.0	19.7
Europe	12,577	15,844	12.3	26.0
Asia and other	29,367	29,493	22.8	0.4
Domestic sales	76,757	66,959	51.9	(12.8)
Total	132,776	129,139	100.0	(2.7)

* % change from the same term of the previous year

Capital investment, Depreciation, R&D expenses

(Millions of yen)

	The Year ended: March 31, 2023	The Year ended: March 31, 2024	Change* (%)	March 31, 2025 Forecast	Change* (%)
Capital investment	3,825	6,828	78.5	8,000	17.2
Depreciation	4,737	4,803	1.4	5,500	14.5
R&D expenses	6,397	5,480	(14.3)	6,000	9.5

* % 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, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	38,170	38,665
Notes and accounts receivable - trade	30,439	30,446
Lease investments assets	687	628
Inventories	22,476	19,617
Other	3,991	3,380
Allowance for doubtful accounts	(926)	(570)
Total current assets	94,837	92,166
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,118	11,833
Machinery, equipment and vehicles, net	8,915	9,988
Land	28,994	29,002
Construction in progress	1,842	1,827
Other, net	1,675	1,763
Total property, plant and equipment	51,544	54,413
Intangible assets	4,697	4,778
Investments and other assets		
Investment securities	9,503	9,568
Net defined benefit asset	4,881	7,706
Deferred tax assets	1,780	1,564
Other	1,026	1,007
Allowance for doubtful accounts	(91)	(102)
Total investments and other assets	17,099	19,743
Total non-current assets	73,340	78,934
Total assets	168,177	171,100

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	18,421	17,168
Current portion of long-term borrowings	8,123	12,563
Accounts payable - other	5,006	6,185
Accrued expenses	8,172	8,312
Income taxes payable	506	1,163
Lease obligations	95	48
Other	15,171	13,819
Total current liabilities	55,494	59,258
Non-current liabilities		
Long-term borrowings	17,625	5,622
Net defined benefit liability	5,372	5,445
Lease obligations	151	111
Deferred tax liabilities	2,849	2,682
Asset retirement obligations	434	444
Other	312	231
Total non-current liabilities	26,743	14,535
Total liabilities	82,237	73,793
Net assets		
Shareholders' equity		
Capital stock	12,203	12,203
Capital surplus	22,951	22,953
Retained earnings	53,011	58,721
Treasury shares	(5,678)	(5,648)
Total shareholders' equity	82,487	88,229
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	334	420
Foreign currency translation adjustment	1,781	5,265
Remeasurements of defined benefit plans	(1,786)	(20)
Total accumulated other comprehensive income	329	5,665
Non-controlling interests	3,124	3,413
Total net assets	85,940	97,307
Total liabilities and net assets	168,177	171,100

(1) Consolidated Statements of Income and Comprehensive Income
(Consolidated Statements of Income)

(Millions of yen)

	April 1, 2022 through March 31, 2023	April 1, 2023 through March 31, 2024
Net sales	132,776	129,139
Cost of sales	102,678	98,643
Gross profit	30,098	30,496
Selling, general and administrative expenses		
Packing and delivery expenses	2,638	1,972
Promotion expenses	534	505
Advertising expenses	459	358
Salaries and allowances	9,641	9,299
Retirement benefit expenses	273	316
License fees	49	49
Depreciation	1,156	1,107
Welfare expenses	1,445	1,532
Travel and transportation expenses	489	617
Rent expenses	1,281	1,151
Outsourcing expenses	1,163	1,211
Commission expenses	2,936	2,367
Sales commission	67	127
Taxes and dues	222	268
Other	2,107	1,534
Total selling, general and administrative expenses	24,460	22,413
Operating profit	5,638	8,083
Non-operating income		
Interest income	201	559
Dividend income	126	167
Foreign exchange gains	778	1,016
Other	491	434
Total non-operating income	1,596	2,176
Non-operating expenses		
Interest expenses	103	79
Share of loss of entities accounted for using equity method	152	46
Rental costs	56	119
Other	196	229
Total non-operating expenses	507	473
Ordinary profit	6,727	9,786

(Millions of yen)

	April 1, 2022 through March 31, 2023	April 1, 2023 through March 31, 2024
Extraordinary income		
Gain on sale of non-current assets	1,625	24
Other	9	—
Total extraordinary income	1,634	24
Extraordinary losses		
Loss on sale and retirement of non-current assets	228	242
Impairment losses	461	—
Extra retirement payments	407	435
Total extraordinary losses	1,096	677
Profit before income taxes	7,265	9,133
Income taxes - current	1,362	1,677
Income taxes - deferred	647	(195)
Total income taxes	2,009	1,482
Profit	5,256	7,651
Profit attributable to non-controlling interests	63	107
Profit attributable to owners of parent	5,193	7,544

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	April 1, 2022 through March 31, 2023	April 1, 2023 through March 31, 2024
Profit	5,256	7,651
Other comprehensive income		
Valuation difference on available-for-sale securities	102	89
Foreign currency translation adjustment	3,063	3,725
Remeasurements of defined benefit plans, net of tax	(48)	1,766
Total other comprehensive income	3,117	5,580
Comprehensive income	8,373	13,231
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,239	12,880
Comprehensive income attributable to non-controlling interests	134	351

(3) Consolidated Statements of Changes in Net Assets

April 1, 2022 through March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	12,203	28,290	49,756	(6,034)	84,215
Changes during period					
Dividends of surplus			(1,938)		(1,938)
Profit attributable to owners of parent			5,193		5,193
Purchase of treasury shares				(5,000)	(5,000)
Disposal of treasury shares		0		17	17
Cancellation of treasury shares		(5,339)		5,339	—
Net changes in items other than shareholders' equity					
Total changes during period	—	(5,339)	3,255	356	(1,728)
Balance at end of period	12,203	22,951	53,011	(5,678)	82,487

	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 period	233	(1,212)	(1,738)	(2,717)	3,118	84,616
Changes of items during period						
Dividends of surplus						(1,938)
Profit attributable to owners of parent						5,193
Purchase of treasury shares						(5,000)
Disposal of treasury shares						17
Cancellation of treasury shares						—
Net changes of items other than shareholders' equity	101	2,993	(48)	3,046	6	3,052
Total changes of items during Period	101	2,993	(48)	3,046	6	1,324
Balance at end of period	334	1,781	(1,786)	329	3,124	85,940

April 1, 2023 through March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	12,203	22,951	53,011	(5,678)	82,487
Changes during period					
Dividends of surplus			(1,834)		(1,834)
Profit attributable to owners of parent			7,544		7,544
Disposal of treasury shares		2		30	32
Net changes in items other than shareholders' equity					
Total changes during period	—	2	5,710	30	5,742
Balance at end of period	12,203	22,953	58,721	(5,648)	88,229

	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 period	334	1,781	(1,786)	329	3,124	85,940
Changes of items during period						
Dividends of surplus						(1,834)
Profit attributable to owners of parent						7,544
Disposal of treasury shares						32
Net changes of items other than shareholders' equity	86	3,484	1,766	5,336	289	5,625
Total changes of items during Period	86	3,484	1,766	5,336	289	11,367
Balance at end of period	420	5,265	(20)	5,665	3,413	97,307

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	April 1, 2022 through March 31, 2023	April 1, 2023 through March 31, 2024
Cash flows from operating activities		
Profit before income taxes	7,265	9,133
Depreciation	4,737	4,803
Impairment losses	461	—
Extra retirement payments	407	435
Amortization of goodwill	48	—
Increase (decrease) in retirement benefit liability	38	232
Increase (decrease) in allowance for doubtful accounts	(82)	(405)
Interest and dividend income	(327)	(726)
Interest expenses	103	79
Share of loss (profit) of entities accounted for using equity method	152	46
Loss (gain) on sale of investment securities	(9)	—
Loss (gain) on sale and retirement of non-current assets	(1,397)	218
Decrease (increase) in trade receivables	384	1,020
Decrease (increase) in inventories	(3,868)	3,750
Increase (decrease) in trade payables	(1,320)	(1,467)
Increase (decrease) in advances received	(1,816)	(1,466)
Other, net	1,459	(1,430)
Subtotal	6,235	14,222
Interest and dividends received	479	733
Interest paid	(102)	(69)
Income taxes refund (paid)	(2,611)	(646)
Net cash provided by (used in) operating activities	4,001	14,240
Cash flows from investing activities		
Payments into time deposits	(1,601)	(881)
Proceeds from withdrawal of time deposits	2,215	2,482
Purchase of property, plant and equipment	(4,931)	(6,027)
Proceeds from sale of property, plant and equipment	5,649	29
Purchase of intangible assets	(595)	(572)
Purchase of investment securities	(6)	(72)
Proceeds from sale of investment securities	985	—
Other, net	(3)	193
Net cash provided by (used in) investing activities	1,713	(4,848)

(Millions of yen)

	April 1, 2022 through March 31, 2023	April 1, 2023 through March 31, 2024
Cash flows from financing activities		
Proceeds from long-term borrowings	—	560
Repayments of long-term borrowings	(6,844)	(8,123)
Purchase of treasury shares	(5,000)	—
Dividends paid to non-controlling interests	(128)	(62)
Dividends paid	(1,938)	(1,834)
Repayments of lease liabilities	(92)	(63)
Other, net	17	32
Net cash provided by (used in) financing activities	(13,985)	(9,490)
Effect of exchange rate change on cash and cash equivalents	1,503	2,194
Net increase (decrease) in cash and cash equivalents	(6,768)	2,096
Cash and cash equivalents at beginning of period	43,337	36,569
Cash and cash equivalents at end of period	36,569	38,665

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

April 1, 2023 through March 31, 2024

(Millions of yen)

	Reportable segment					Other	Adjustment	Consolidated Total
	Energy	Functional Materials	Optics & Systems	Life Solution	Total			
Sales								
Outside customers	34,971	30,144	41,369	22,655	129,139	—	—	129,139
Intersegment transactions	521	—	—	—	521	—	(521)	—
Total sales	35,492	30,144	41,369	22,655	129,660	—	(521)	129,139
Operating profit	504	1,350	5,606	623	8,083	—	—	8,083
Segment assets	37,063	35,427	42,582	20,087	135,159	35,941	—	171,100
Other items								
Depreciation	1,583	790	1,731	699	4,803	—	—	4,803
Increase in property, plant and equipment and intangible assets	2,320	713	3,041	866	6,940	—	—	6,940

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