

Consolidated Financial Results for the Three Months Ended June 30, 2019

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 Stock exchange listing: Tokyo Stock Exchange
 Stock code: 7947 URL: <https://www.fpco.jp/>
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Scheduled date to submit the Quarterly Securities Report (Shihanki Houkokusho): August 6, 2019
 Scheduled date for commencement of dividend payments: –
 Supplementary documents for quarterly results: Yes
 Quarterly results briefing: None

(Amounts of less than one million yen are truncated.)

1. Consolidated Financial Results for the Three Months Ended June 30, 2019 (April 1, 2019 – June 30, 2019)

(1) Consolidated Results of Operations

(Percentages show year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Period ended								
June 30, 2019	45,186	2.9	2,924	21.1	3,063	19.3	1,934	16.4
June 30, 2018	43,901	2.1	2,414	(15.4)	2,568	(13.3)	1,661	(12.5)

(Note) Comprehensive income: Period ended June 30, 2019: 1,745 million yen (9.4%)
 Period ended June 30, 2018: 1,595 million yen (-28.7%)

	Net income per share (basic)		Net income per share (diluted)	
	Yen		Yen	
Period ended				
June 30, 2019	46.78		–	
June 30, 2018	40.19		–	

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of				
June 30, 2019	243,540	112,249	45.9	2,704.00
March 31, 2019	249,332	112,198	44.8	2,703.33

(Reference) Equity: As of June 30, 2019: 111,782 million yen
 As of March 31, 2019: 111,755 million yen

2. Dividends

	Dividend per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual
	Yen				
Year ended March 31, 2019	–	40.00	–	41.00	81.00
Year ending March 31, 2020	–				
Year ending March 31, 2020 (forecast)		40.00	–	41.00	81.00

(Note) Revisions to dividend forecasts published most recently: No

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2020 (April 1, 2019 – March 31, 2020)

(Percentages show year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First six months	92,000	2.7	7,250	17.7	7,400	14.1	4,950	13.9	119.74
Year ending March 31, 2020	186,000	2.7	15,500	11.1	16,000	7.7	10,600	7.1	256.41

(Note) Revisions to consolidated business performance forecasts published most recently: No

* Notes

- (1) Changes in significant subsidiaries during the period
(changes in specified subsidiaries accompanying changes in scope of consolidation): No
- (2) Application of particular accounting treatment concerning preparation of quarterly consolidated financial statements: No
- (3) Changes in accounting policies and accounting estimates, and restatement
- | | |
|---|----|
| (i) Changes in accounting policies accompanying amendments to accounting standards, etc.: | No |
| (ii) Changes in accounting policies other than (i): | No |
| (iii) Changes in accounting estimates: | No |
| (iv) Restatement: | No |
- (4) Number of shares outstanding (common shares):
- | | |
|---|-------------------|
| (i) Number of shares outstanding at end of period (including treasury shares) | |
| As of June 30, 2019: | 44,284,212 shares |
| As of March 31, 2019: | 44,284,212 shares |
| (ii) Number of treasury shares at end of period: | |
| As of June 30, 2019: | 2,944,339 shares |
| As of March 31, 2019: | 2,944,292 shares |
| (iii) Average number of shares outstanding during the period (consolidated cumulative period) | |
| Three Months ended June 30, 2019: | 41,339,908 shares |
| Three Months ended June 30, 2018: | 41,339,956 shares |

* Quarterly consolidated financial results are outside the scope of audit procedures by certified public accountants and audit firm.

* Explanations and other special notes concerning the appropriate use of business performance forecasts
(Notes on forward-looking statements)

Descriptions regarding the future, such as the forecast of financial results herein, are calculated based on the information which is available to the Company as of the date hereof. Please note that actual results may be different due to various factors such as subsequent changes in business environment. For assumptions underlying the forecasts and notes to the use of the forecasts, please refer to "1. Qualitative Information Relating to Consolidated Results of Operations for the First Quarter Ended June 30, 2019; (3) Explanation of Information on Future Forecasts, Including the Forecast of Consolidated Results" on page 6 of the "Accompanying Materials".

(How to obtain supplementary documents for quarterly results)

Documents for financial results are published on the Company's website as soon as they are announced.

Accompanying Materials – Contents

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1. Qualitative Information Relating to Consolidated Results of Operations for the First Quarter Ended June 30, 2019

(1) Explanation of Financial Results

The Group set “Source” as the theme for 2019. It ensures the Hands-on Approach and Customer-First Concept as its source and practices the three basic pillars of a manufacturer, that is, “reliably deliver the most environmentally friendly products of the highest quality at the most competitive prices whenever they are needed.”

(Net sales)

Net sales for the first three months of the consolidated fiscal year under review stood at 45,186 million yen, up 1,284 million yen or 2.9% year on year, marking a record high. This shows healthy progress toward the forecast figure for the first six months of the fiscal year announced in *Consolidated Financial Results for the Fiscal Year Ended March 31, 2019* on May 8, 2019. During the first three months under review, net sales of products manufactured by the Group rose 2.6% year on year to 34,161 million yen, while the sales volume of such products rose 0.8% year on year. Net sales of goods purchased from outsiders rose 3.9% year on year to 11,024 million yen.

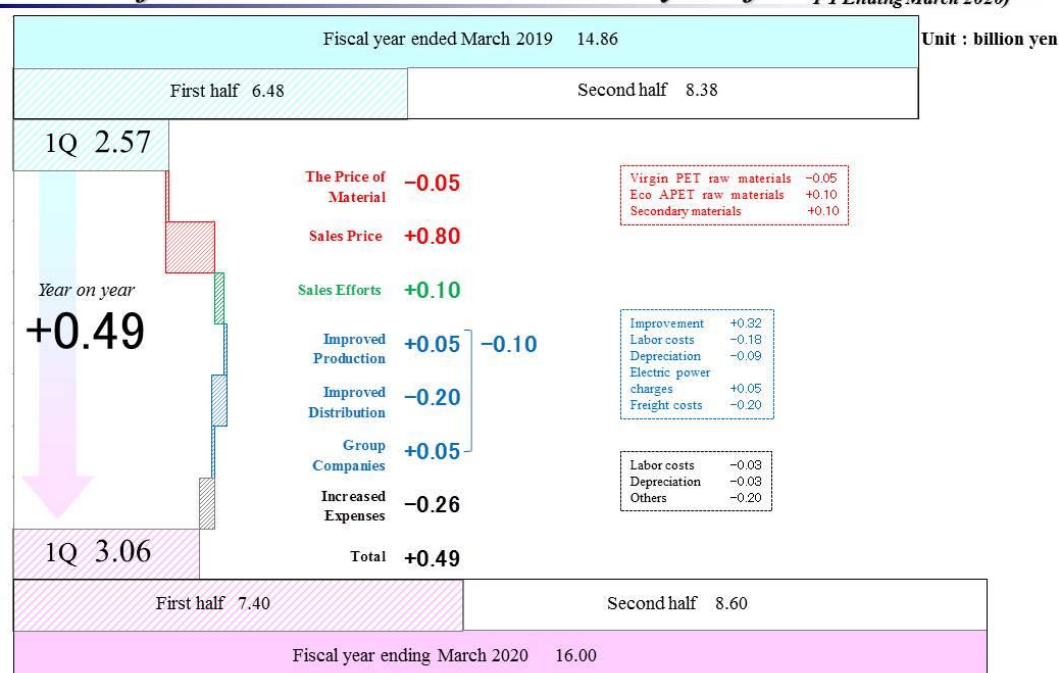
The Company’s original products with specific functions have experienced strong sales, including microwavable products and ones with reduced CO₂ emissions. In particular, demand for eco-friendly products has been growing due to rising environmental awareness among consumers. Examples of such products include Eco Tray, which our clients adopt proactively. On the other hand, net sales for the first three months under review remained almost within the range that was predicted in the beginning of the fiscal year, despite the impact of the temporary replacement of containers with lids with wrapped containers, reflecting the price revision in the previous consolidated fiscal year, and the slump of seasonal containers, including ones for cold noodles, which resulted from the bad weather.

(Profits)

With regard to factors for the increase/decrease of profits for the first three months under review, profits increased thanks to the effects of the price revision in the previous consolidated fiscal year and the strong sales of our original and new products, while we also saw an increase in costs including labor expenses, depreciation expenses, and logistics costs. As a result, operating profit increased by 509 million yen or 21.1% year on year, to 2,924 million yen, and ordinary profit also increased 495 million yen(*1) or 19.3% year on year, to 3,063 million yen. Ordinary profit before depreciation and amortization was 6,403 million yen, up 10.6% year on year, and profit attributable to owners of parent totaled 1,934 million yen, up 16.4% year on year.

(*1) Factor for the increase/decrease of ordinary profit for the first three months under review

Results for Increase/Decrease in Ordinary Profit (For the First 3 Months of FY Ending March 2020)



(Sales activities)

The Group is speeding up the development and widening of lineups of high value-added products matched with consumers' lifestyles and increase product sales and the profit ratio.

New products that are being increasingly adopted include securely closed tape-free containers, containers for assortments of prepared food items with cassette-like interior structures, and containers with interior structures for fixed meals, which the Company proposed as work improvement measures for coping with the labor shortage faced by food retailers. In addition, the Company receives a large number of inquiries about low-foaming PSP containers, which are lighter in weight while maintaining an attractive appearance, and appealing containers made by using fixed position molding technology to show the same patterns in the same positions. The Company introduced these products at the FPCO Fair 2019 held from March 27 to 29, 2019.

As part of the Company's activities for distributing information about successful selling spaces, development of seasonal menus for Namakara Sozai, which has the good flavor of raw ingredients that appeals to consumers, is making progress at retailers and food manufacturers. Introduced on multiple TV programs, Namakara Sozai is attracting attention all over Japan. The number of companies selling menus using Namakara Sozai has increased, mainly among supermarkets, to 149. We expect an increase of such companies.

(Production)

In the production sector of the Group, patient improvement efforts were accumulated, including skills improvement of operators, reduction of preparation time, improvement of the performance of manufacturing facilities, and improvement of metal molds and trimming dies. As a result, the number of shots per hour was improved by 13% compared to the level in the fiscal year ended March 31, 2008. Further, the Company's molding plants around the country operate 62 pieces of automated equipment in 31 production process lines for the purpose of labor saving and the automation of the production process.

(Logistics)

Transportation unit prices continue to soar nationwide due to the heavy rain in Western Japan that occurred in July 2018, as well as the labor shortage in the transportation industry. The Group will control the further increase in the cost of consolidated cargo services by increasing the ratio of use of its own trucks and improving the loading efficiency of each truck.

In addition, the Company began introducing unmanned carriers (automatic guided vehicles: AGVs) in August 2017 to streamline operations in the warehouse and to save labor. At present, the Company has introduced 22 AGVs to six locations in Japan. Further, the Company also introduced a voice picking system to increase the productivity of picking operations. With these and other initiatives, the Company established a stable supply system for future market expansion and peak seasons.

During the long holiday from April 27, 2019 to May 6, 2019, when providers of consolidated cargo services suspended the services or restricted the collection of goods, the Company was able to deliver products and goods to customers without significant disruptions thanks to the preparations it had made for delivery by using its own trucks during this period.

(Workstyle reform initiatives)

The Group works to create a working environment that is friendly to workers in consideration of tasks in which employees with disabilities can play fulfilling roles, and strives to hire more workers with disabilities with a view to enhancing diversity. As of March 31, 2019, 13.6% of employees had disabilities in the FPCO Group.

In association with initiatives to expand women's occupational domains, to help women to remain employed, and to increase the number of women in managerial positions, the Company posted its *Positive Action* declaration on the Positive Action Portal operated by the Ministry of Health, Labour and Welfare. The Company set the target ratio of female employees for the main career track for 2019 and thereafter at 30% or more and the target number of female managers at 50 by 2022. The Company is implementing a range of initiatives to achieve these targets.

In addition to the above, the Company has put in place not only the flextime system but also a staggered working hour scheme under which the start and finish times may be shifted in a bid to broaden the working hour options and to press ahead with workstyle reform for reducing overtime work by encouraging employees to work intensively in busy time slots on their respective duties and thereby to improve work productivity. In addition, the Company requires each employee to take paid leave of five consecutive days (Smile Leave) in an attempt to help refresh their mental and physical condition and enliven the workplaces.

In support for the employees' work environment, the Company provides Pico House No.1 (Chikusei City, Ibaraki Prefecture; 150 units; completed in January 2017) and Pico House No.2 (Wanouchi Town, Ampachi County, Gifu Prefecture; 102 units; completed in March 2017), company dormitories for single employees which have furniture and home appliances. In addition, the Company is planning to construct Pico House No.3 (renovation of a bachelors' dormitory in Koga City, Ibaraki Prefecture; 63 units; to be completed in March 2020) and Piko House No.4 (to be newly built in Fukuyama City, Hiroshima Prefecture; to be completed in October 2020).

(Initiatives aimed at realizing a recycling-based society)

The FPCO Group considers marine plastic waste and climate change as material issues to be tackled, and works to seriously address recycling throughout the Group.

In 1990, the Group embarked on circular recycling using the FPCO method with collection boxes at six collection points in supermarkets. Thanks to the understanding and cooperation of consumers, the number of used container collection points currently exceeds 9,200, having taken root as part of the social infrastructure for recycling in each local community.

To collect more used containers, the Group has created posters to promote recycling, which feature the celebrity LiLiCo. These posters say, "We will never say that they are disposable!!" and "Say 'No!' to disposal. Recycle them into containers." As of June 30, 2019, these posters are displayed at 6,785 stores of 184 supermarket companies. They will allow us to communicate to more consumers that food containers are not for single use, but are valuable resources that can be reused.

The percentage of eco-friendly products, which are made from recycled PET materials, among APET and OPET containers, reached 98% in the first three months under review. To increase sales of ECO APET and ECO OPET containers made from recycled PET materials, the Company made a capital investment in Kanto Eco PET Plant in May 2019 to increase its capacity to produce recycled PET materials by around 2,000 tons per year. This has resulted in a new record of monthly production volume. In June 2019, Nishinohon PET-Bottle Recycle Co., Ltd., a consolidated subsidiary, made a capital investment to increase its capacity to produce recycled PET materials by around 5,000 tons per year. The new equipment is planned to begin full-scale operation after the test run. These capital investments are expected to increase the Group's total capacity to produce recycled PET materials from approx. 50,000 tons per year to around 57,000 tons.

Given the growing concern over the marine plastic waste issue in recent years, the G20 Ministerial Meeting on Energy Transitions and Global Environment for Sustainable Growth was held in Karuizawa, Nagano Prefecture, on June 15 and 16, 2019. The Company was selected as an exhibitor at the G20 Innovation Exhibition, an outdoor exhibition that was hosted by the Government of Japan and held on the sidelines of the G20 Ministerial Meeting, and exhibited its Tray to Tray recycling (*2). For people related to the G20 Ministerial Meeting and visitors to the event, the Company explained the advantages of Tray to Tray recycling, including the Eco Tray's effects of reducing CO₂ emissions by as much as 30% compared to containers produced from virgin materials.

The Group's distribution of information about these recycling initiatives is highly rated by supermarkets, other users, and dealers of packaging materials. This has accelerated their proactive selection of environmentally friendly packaging materials, including Eco Tray.

Based on the idea that established recycling technologies and systems exist for products made of a single material, the FPCO Group considers the expansion and promotion of recycling as an effective measure for tackling the marine plastic waste and climate change issues, and it will implement the FPCO method of Tray to Tray and Bottle to Tray recycling. At the same time, the Group will continue collecting information about materials and promoting research and development by assuming that technologies will continue to progress. The Group will thus aim to achieve a recycling-based society and build a sustainable society through the development of industry-leading containers in terms of low environmental impact that feature environmentally friendly designs.

(*2) FP Corporation selected as an exhibitor at the G20 Innovation Exhibition, introducing its recycling initiatives



(Explanations of terms)

- Multi FP (MFP) container: A formed PS (polystyrene) container with cold and heat resistance to temperatures between -40°C and $+110^{\circ}\text{C}$ and with superior oil and thermal insulation.
- Eco Tray: A recycled expanded polystyrene container for which polystyrene containers collected at supermarket shop counters and scrap pieces collected within plants are used as raw materials (sales commenced in 1992).
- Eco APET container: A recycled PET transparent container for which PET transparent containers collected at supermarket shop counters, PET (polyethylene terephthalate) bottles and scrap pieces collected within plants are used as raw materials. Heat resistance temperature of $+60^{\circ}\text{C}$ (sales commenced in 2012).
- Eco OPET container: A recycled OPET transparent container molded from the bi-axially oriented PET sheets, which use the same raw materials as an Eco APET container, features superior oil resistance and high transparency, achieving the same thermal insulation as the OPS transparent container. Heat resistance temperature of $+80^{\circ}\text{C}$ (sales commenced in 2016).
- OPS transparent container: A conventional transparent container molded from the bi-axially oriented polystyrene sheets. Heat resistance temperature of $+80^{\circ}\text{C}$

(2) Explanation of Financial Situation

1) State of assets, liabilities and net assets

Consolidated assets at the end of the first three months under review totaled 243,540 million yen, down 5,791 million yen from the end of the previous fiscal year. This was mainly due to a decrease in cash and deposits and a decline in property, plant and equipment, and intangible assets, which resulted from depreciation and amortization.

Consolidated liabilities amounted to 131,291 million yen, down 5,842 million yen from the end of the previous fiscal year. This is attributed mainly to repayment of long-term loans payable and payment of income taxes payable, and accrued consumption taxes.

Consolidated net assets totaled 112,249 million yen, up 50 million yen from the end of the previous fiscal year. This was attributable principally to quarterly net profit attributable to owners of parent amounting to 1,934 million yen and dividends of surplus of 1,694 million yen.

2) State of cash flows

Consolidated cash and cash equivalents (hereinafter "cash") at the end of the first three months under review totaled 17,126 million yen, down 2,025 million yen from the end of the previous fiscal year.

(Cash flows from operating activities)

Cash provided by operating activities amounted to 5,338 million yen (6,484 million yen in cash was provided a year earlier).

This reflected a cash increase due mainly to quarterly profit before income taxes of 2,936 million yen, depreciation of 3,340 million yen and a shrinkage in accounts receivable - other of 1,310 million yen as well as a cash decrease following income taxes paid of 3,153 million yen, among others.

(Cash flows from investing activities)

Net cash used in investing activities reached 2,446 million yen (6,086 million yen in cash was used a year earlier).

It was due mainly to 2,337 million yen spent on the purchase of property, plant and equipment in connection with automation

equipment and other production equipment.

(Cash flows from financing activities)

Net cash used in financing activities came to 4,916 million yen (257 million yen in cash was used a year earlier).

This primarily reflected repayment of long-term loans payable of 2,566 million yen, repayment of lease obligations of 685 million yen and cash dividends paid of 1,664 million yen.

(3) Explanation of Information on Future Forecasts, Including the Forecast of Consolidated Results

The Company is expanding its business into the frozen food package market, a new market, by taking advantage of the cold and heat resistance to temperatures between -40°C and +110°C and the superior thermal insulation, which are the features of Multi FP containers as one of the Company's original products. In addition, demand for products with high added value in terms of solutions to the labor shortage and functionality has been growing in the promising market of containers for home delivery meals and school lunch service. The Company is taking initiatives for the products to be more widely adopted in the future.

Takeaway food offered by restaurants is expected to increase because the consumption tax rate imposed on such food will remain unchanged after the consumption tax hike in October 2019. With this background, FP Trading Co., Ltd., a consolidated subsidiary of the Company, opened the Pack Market, an e-commerce site offering packaging materials, on June 27, 2019. We will further strengthen merchandising of packaging materials by collaborating with Group companies and influential dealers of packaging materials in the respective regions. At the same time, we will strengthen sales to small-scale customers who purchase small lots by using the IT and logistics infrastructures of the FPCO Group.

In addition, the Company introduced a new mission-critical system at FPCO International Package Co., Ltd., a consolidated subsidiary, in May 2019. This system is expected to significantly improve operating efficiency, because it features specialized functions for the operations of packaging material dealers and it is expected to enable the Group to share information promptly. We are planning to gradually introduce this system to packaging material dealers in the FPCO Group.

The results forecasts for the first six months and the full year that were announced in the Consolidated Financial Results for the Fiscal Year Ended March 31, 2019 on May 8, 2019 remain unchanged.

2. Quarterly Consolidated Financial Statements and Key Notes

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	Previous consolidated fiscal year (As of March 31, 2019)	First quarter of the current consolidated fiscal year (As of June 30, 2019)
Assets		
Current assets		
Cash and deposits	19,151	17,126
Notes and accounts receivable - trade	38,512	38,210
Merchandise and finished goods	18,687	18,465
Work in process	136	125
Raw materials and supplies	3,714	3,700
Other	4,464	3,203
Allowance for doubtful accounts	(19)	(20)
Total current assets	84,647	80,812
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	76,802	75,854
Machinery, equipment and vehicles, net	33,175	32,286
Lands	33,072	33,050
Lease assets, net	4,685	4,295
Other, net	5,562	5,814
Total property, plant and equipment	153,298	151,301
Intangible assets		
Goodwill	1,255	1,185
Other	1,347	1,335
Total intangible assets	2,602	2,520
Investments and other assets	8,783	8,906
Total non-current assets	164,684	162,728
Total assets	249,332	243,540
Liabilities		
Current liabilities		
Accounts payable - trade	20,954	21,199
Short-term loans payable	15,883	20,371
Commercial papers	18,000	18,000
Income taxes payable	3,365	1,503
Provision for bonuses	2,191	1,099
Provision for directors' bonuses	96	19
Other	16,363	16,236
Total current liabilities	76,854	78,429
Non-current liabilities		
Long-term loans payable	52,455	45,401
Provision for directors' retirement benefits	623	592
Provision for executive officers' retirement benefits	31	26
Net defined benefit liability	4,284	4,284
Other	2,884	2,557
Total non-current liabilities	60,279	52,862
Total liabilities	137,133	131,291

(Million yen)

	Previous consolidated fiscal year (As of March 31, 2019)	First quarter of the current consolidated fiscal year (As of June 30, 2019)
Net assets		
Shareholders' equity		
Capital stock	13,150	13,150
Capital surplus	15,864	15,864
Retained earnings	86,728	86,967
Treasury shares	(5,094)	(5,094)
Total shareholders' equity	110,648	110,887
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,260	1,033
Remeasurements of defined benefit plans	(154)	(138)
Total accumulated other comprehensive income	1,106	895
Non-controlling interests	443	466
Total net assets	112,198	112,249
Total liabilities and net assets	249,332	243,540

(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income
(Quarterly Consolidated Statement of Income)
(First three-month period)

(Million yen)

	First three-month period of previous fiscal year (April 1, 2018 - June 30, 2018)	First three-month period of current fiscal year (April 1, 2019 - June 30, 2019)
Net sales	43,901	45,186
Cost of sales	30,444	30,592
Gross profit	13,457	14,594
Selling, general and administrative expenses	11,043	11,670
Operating profit	2,414	2,924
Non-operating income		
Interest income	0	0
Dividends income	57	66
Share of profit of entities accounted for using equity method	–	10
Gain on sale of scraps	38	36
Other	115	96
Total non-operating income	210	210
Non-operating expenses		
Interest expenses	28	25
Other	27	44
Total non-operating expenses	56	70
Ordinary profit	2,568	3,063
Extraordinary losses		
Loss on sales and retirement of non-current assets	84	38
Loss on valuation of investment securities	–	87
Total extraordinary losses	84	126
Profit before income taxes	2,483	2,936
Income taxes - current	1,271	1,425
Income taxes - deferred	(444)	(445)
Total income taxes	826	979
Profit	1,657	1,957
Profit (loss) attributable to non-controlling interests	(4)	23
Profit attributable to owners of parent	1,661	1,934

(Quarterly Consolidated Statement of Comprehensive Income)
(First three-month period)

(Million yen)

	First three-month period of previous fiscal year (April 1, 2018 - June 30, 2018)	First three-month period of current fiscal year (April 1, 2019 - June 30, 2019)
Profit	1,657	1,957
Other comprehensive income		
Valuation difference on available-for-sale securities	(74)	(227)
Remeasurements of defined benefit plans, net of tax	13	15
Share of other comprehensive income of entities accounted for using equity method	–	0
Total other comprehensive income	(61)	(211)
Comprehensive income	1,595	1,745
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,599	1,722
Comprehensive income attributable to non-controlling interests	(4)	23

(3) Quarterly Consolidated Statement of Cash Flows

(Million yen)

	First three-month period of previous fiscal year (April 1, 2018 - June 30, 2018)	First three-month period of current fiscal year (April 1, 2019 - June 30, 2019)
Cash flows from operating activities		
Profit before income taxes	2,483	2,936
Depreciation	3,220	3,340
Increase (decrease) in provision for bonuses	(979)	(1,091)
Increase (decrease) in provision for directors' bonuses	(59)	(77)
Increase (decrease) in allowance for doubtful accounts	(2)	5
Increase (decrease) in provision for directors' retirement benefits	3	(30)
Increase (decrease) in provision for executive officers' retirement benefits	(0)	(4)
Increase (decrease) in net defined benefit liability	32	(0)
Loss (gain) on valuation of investment securities	-	87
Interest and dividends income	(57)	(66)
Interest expenses	28	25
Share of loss (profit) of entities accounted for using equity method	-	(10)
Loss (gain) on sales and retirement of non-current assets	71	38
Decrease (increase) in notes and accounts receivable - trade	(757)	298
Decrease (increase) in inventories	(80)	246
Decrease (increase) in accounts receivable - other	825	1,310
Increase (decrease) in notes and accounts payable - trade	135	245
Other, net	3,430	1,192
Subtotal	8,293	8,446
Interest and dividend income received	57	66
Interest expenses paid	(25)	(22)
Income taxes paid	(1,841)	(3,153)
Net cash provided by (used in) operating activities	6,484	5,338
Cash flows from investing activities		
Purchase of property, plant and equipment	(5,135)	(2,337)
Payments for transfer of business	(635)	-
Other, net	(315)	(108)
Net cash provided by (used in) investing activities	(6,086)	(2,446)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(800)	-
Proceeds from long-term loans payable	6,000	-
Repayment of long-term loans payable	(3,043)	(2,566)
Repayments of lease obligations	(754)	(685)
Cash dividends paid	(1,660)	(1,664)
Other, net	(0)	(0)
Net cash provided by (used in) financing activities	(257)	(4,916)
Net increase (decrease) in cash and cash equivalents	139	(2,025)
Cash and cash equivalents at beginning of period	15,659	19,151
Cash and cash equivalents at end of period	15,799	17,126

(4) Notes to Quarterly Consolidated Financial Statements

Note to Going Concern Assumption

Not applicable

Notes on Any Significant Change in the Value of Shareholders' Equity

Not applicable