

Restar Holdings Corporation

1st Half FY 2019 (Apr – Sep 2019)

Consolidated Financial Results

November 13, 2019



1st Half FY 2019 (Apr – Sep 2019)
Consolidated Financial Results



Financial Highlights

(1),(2)

| | 1H FY 2018 | | 1H FY 2019 | | YoY | |
|--|-----------------|----------------|-----------------|----------------|--------|----------|
| | Millions of Yen | % of net sales | Millions of Yen | % of net sales | Growth | % Growth |
| Net Sales | 197,804 | — | 202,984 | — | 5,180 | 2.6% |
| Gross Profit | 13,328 | 6.7% | 13,347 | 6.6% | 18 | 0.1% |
| SGA | 8,725 | 4.4% | 9,862 | 4.9% | 1,137 | 13.0% |
| Operating Income | 4,603 | 2.3% | 3,484 | 1.7% | △1,118 | △24.3% |
| Ordinary Income | 3,973 | 2.0% | 5,633 | 2.8% | 1,659 | 41.8% |
| Net Income Attributable to Owners of Parent | 2,979 | 1.5% | 4,446 | 2.2% | 1,467 | 49.2% |

Net Sales: Steady growth of "Procurement", "Electronic Equipment" and "Environmental Energy"

Operating Income:

Appropriated 594 million yen (provisional amortization of goodwill in business integration) for SGA

Collected allowance for doubtful account in PY caused shrink (reversal of SGA)

Ordinary Income/Net Income

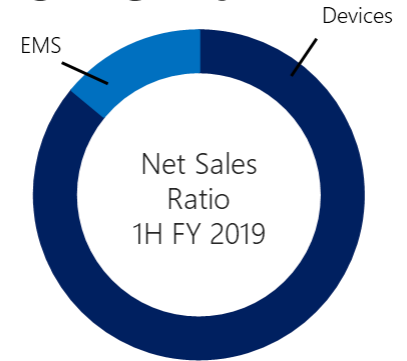
Investment gain on equity method of 2,901 million yen (non-operating income)

*Released a news about "Stock acquisition (Equity method) " on May 13, 2019



Semiconductor/Electronic Component

| | (3) | (4) | YoY | |
|------------------|-----------------|-----------------|--------|----------|
| | 1H FY 2018 | 1H FY 2019 | Growth | % Growth |
| | Millions of yen | Millions of yen | | |
| Net Sales | 157,577 | 149,438 | △8,139 | △5.2% |
| Operating Income | 3,610 | 2,264 | △1,346 | △37.3% |



■ Devices

- Integration of synergy effects effectively progress
 - Develop new business demand by expanding suppliers and products line-up in addition to local offices integration and cost reduction
- Shrink in the demand of Smart phone, Digital Camera and price erosion of Memory
- Shrink of allowance for doubtful account (reversal of SGA) and loss from inventory devalue

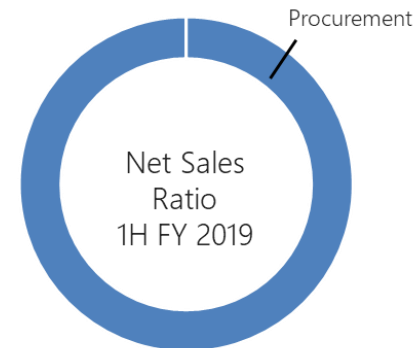
■ EMS

- Steady growth of display material for information communication terminal for overseas market
- Increasing sales and profit in EMS business

Procurement

(5)

| | 1H FY 2018 | 1H FY 2019 | YoY | |
|------------------|-----------------|-----------------|--------|-------------|
| | Millions of yen | Millions of yen | Growth | % of Growth |
| Net Sales | 26,778 | 38,053 | 11,275 | 42.1% |
| Operating Income | 290 | 207 | △83 | △28.6% |



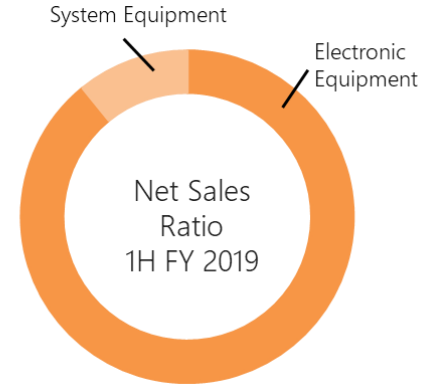
■ Procurement

- Net sales increase by maintaining strengthen collaboration with Panasonic Group for Automotive, PC devices
- Contribute sales by VWPG which is a joint venture with WPG Group for PC manufactures
- Impact of operating income by exchange rate (strong yen trend) are rather small
- Start to seek synergy effects among group companies (cooperation between “Procurement” and “Semiconductor/Electronic Component”), and develop new clients and increase operational efficiency

Electronic Equipment

(6)

| | 1H FY 2018 | 1H FY 2019 | YoY | |
|------------------|-----------------|-----------------|--------|-------------|
| | Millions of yen | Millions of yen | Growth | % of Growth |
| Net Sales | 9,414 | 11,377 | 1,962 | 20.8% |
| Operating Income | 87 | 454 | 367 | 421.5% |



■ System Equipment

- Work on large-scale businesses for some companies, organizations and broadcasts, and growth of net sales by demand increase for replacing monitors to 4K equipment
- Increase in operating income by expanded high added value business from planning, execution to maintenance and reviewed costs radically

■ Measuring Equipment

- Steady growth of measuring equipment related to radio wave and environment

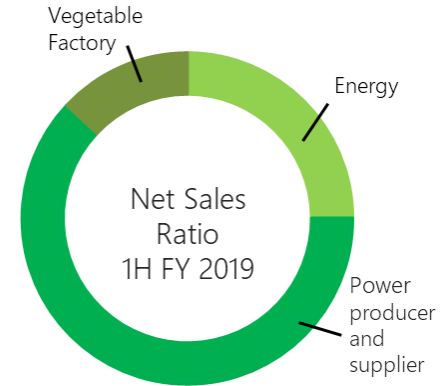
■ System Equipment

- Good growth of cashless terminal for payment and security products for offices

Environmental Energy

(8)

| | 1H FY 2018 | 1H FY 2019 | YoY | |
|------------------|-----------------|-----------------|--------|-------------|
| | Millions of yen | Millions of yen | Growth | % of Growth |
| Net Sales | 5,405 | 5,658 | 252 | 4.7% |
| Operating Income | 702 | 827 | 125 | 17.9% |



■ Energy

- Rapid increase in net sales of panels and components for newly establishing solar power plants, and steady growing net sales of power generation by solar power and wind power
- Tackle positively for power generation in overseas location

■ Power producer and supplier

- With acquisition of new clients, reduced a dependency to whole sale electricity market and saved cost for buying

■ Vegetable Factory

- Establish the largest size of supply system among Japan, increasing revenues of B2B market such as convenience store chain by wide range of line up
- All 5 factories got GLOBALG.A.P. certification; improve safety and quality of products

Notes:

(1) FY 2018 ended March 31, 2019; 2019 ended March 31, 2019.

(2) Calculated as simply aggregated figures of UKC Holdings Corp. and Vitec Holdings Co., LTD. for FY 2018.

(3) Calculated as simply aggregated figures of UKC's "Semiconductor/Electronic Component" and "Quality and reliability test/environmental material analysis service" with Vitec's "Devices (except Measuring Equipment)" for the 1st half of FY 2018.

(4) Foreign subsidiaries' financial period are changed the end of FY 2018 from December 31, 2018 to March 31, 2019: consolidated financial performance in 1H FY 2019 includes these subsidiaries' between January and March. (Term change of the fiscal year affects 8,946 million yen as net sales and 249 million yen as segment operating income)

(5) Figures are Vitec's "Procurement" for the 1st half of FY 2018.

(6) Calculated as simply aggregated figures of UKC's "Electronic Equipment" and "Contactless IC card" with Vitec's "Measuring Equipment" for the 1st half of FY 2018.

(7) Combination of revenue increase and cost reduction, operating income improved widely.

(8) Figures are Vitec's "Environmental Energy" for the 1st half of FY 2018.



Consolidated Balance Sheet

| Millions of yen | FY 2018* | 1H FY 2019 |
|-------------------------------------|----------------|----------------|
| Assets | | |
| Current Assets | 147,194 | 141,255 |
| Fixed Assets | 31,973 | 58,960 |
| Total Assets | 179,166 | 200,216 |
| Liabilities and Equity | | |
| Current Liabilities | 102,982 | 107,308 |
| Fixed Liabilities | 18,656 | 19,080 |
| Equity | 57,529 | 73,827 |
| Total Liabilities and Equity | 179,166 | 200,216 |
| Equity Ratio | — | 35.3% |
| BPS (Yen) | — | 2,351.89 |

*Calculated as simply aggregated figures of UKC Holdings Corp. and Vitec Holdings Co., LTD. for FY 2018.



Cash Flow

(Millions of yen)

| | |
|--|---------------|
| Opening balance: Cash and cash equivalents | 12,961 |
| ■ Net cash provided by operating activities | 3,177 |
| > Shrink income before income taxes of 1H and inventories | |
| ■ Net cash provided by investment activities | △11,146 |
| > Purchase of investments in subsidiaries and affiliates | |
| ■ Net cash provided by financing activities | 7,653 |
| > Increase in short-term loans, cash dividends paid | |
| ■ Effect of exchange rate change and others | 5,635 |
| End balance of period: Cash and cash equivalents | 18,280 |



Revisions to the Consolidated Financial Forecasts for FY 2019



Revisions to the Consolidated Financial Forecasts

| | Net sales | Operating Income | Ordinary Income | Net Income Attributable to Owners of Parent | Net Income per Share |
|--|---------------------------|-------------------------|-------------------------|---|----------------------|
| Previous Forecast (A) (May 13, 2019) | Millions of yen 410000 | Millions of yen 8000 | Millions of yen 6500 | Millions of yen 4000 | Yen 133.03 |
| Revised Forecast (B) (Nov 13, 2019) | 410,000 | 7,000 | 8,000 | 5,500 | 182.91 |
| Difference (B-A) | — | △1,000 | 1,500 | 1,500 | — |
| Changes from Previous Forecast (%) | — | △12.5 | 23.1 | 37.5 | — |
| (Reference) Results for the Previous Fiscal Year | 205,771 | 4,508 | 4,198 | 2,192 | 139.69 |

■ Reasons for revisions ⁽¹⁾

- Appropriated 594 million yen (provisional amortization of goodwill in business integration) for SGA
- Investment gain by equity method of 2,901 million yen for stock acquisition of Ryoyo Electro Corporation in this May (non-operating income)

Shareholder Return Policy

Total Shareholder Return Ratio*: 50% or More

*(total dividend + total stock buybacks) / adjusted consolidated profit

- Keep stable and sustainable dividends payout in the medium term
- Work on strategic investment for our future growth to improve capital efficiency sustainably and expand profit even further

▼FY 2019 (Year-ended March 31, 2020) Dividend Forecast ⁽²⁾

| Period | Dividend Per Share (Yen) | | |
|---------|--------------------------|--|--|
| | 1 st Half | 2 nd Half (Expected) | Annual (Expected) |
| FY 2019 | 35.00 | 45.00 (Ordinary dividends 35.00) (Memorable dividends 10.00) | 80.00 (Ordinary dividends 35.00) (Memorable dividends 10.00) |



Notes:

(1)The fixed amount of provisional amortization of goodwill in business integration in 1H FY 2019 will be disclosed once it is decided.

The effect of supplier(CHUNGHWA PICTURE TUBES, LTD.)'s company reorganization procedure related on "Semiconductor/Electronic Component" is also the same.

(2)No change from the previous announcement.



TOPICS



Progress of Business Integration

Business Scheme Redesign

- Integrated UKC's "Semiconductor/Electronic Component" with Vitec's "Devices"
- Integrated UKC's "Electronic Equipment" with Vitec's "Measuring Equipment"

Collaboration with our Partners & Expanded Product Linecards by Integration

- Sold stock of our subsidiary "Infinitec Co., Ltd." partially to our partner "PCI Holdings, INC." in order to reorganize as a joint venture
- Started cross selling for our clients from UKC and Vitec, and activate both resources

Headquarters Function & Local Offices Integration

- Created a new organization with assigning the right person in the right place
- Completed domestic and overseas local offices integration by the end of October 2019



CAR ELE JAPAN NAGOYA

Restar Electronics Corporation exhibited our booth at
"2nd Int'l Automotive Electronics Expo Nagoya"



Int'l Automotive Electronics Expo: The World Leading Exhibition Specialized in Automotive Electronics

Date: Sep 18 – 20, 2019, Place: Nagoya, Visitors: [approx. 37,000](#)

Restar Electronics Corporation exhibited "Camera Monitoring System with AI image recognition" developed in-house, other components for automotive and "Machine vision camera with AI" for solution of manufacturing inspection.



News from Vegetable Factory

Parliamentary Vice-Minister of Economy, Trade and Industry Shuji Miyamoto and Member of the House of Representatives Hiroshi Hase visited Nakanoto Factory of Vitec Farm Nanao Co.,Ltd. in Ishikawa prefecture. (Date: Oct 28, 2019)

In our vegetable factory business, it became the largest supply system among Japan, as 5 factories were established. Also, our product lineup have been expanded and sales for B2B market is progressing.



The demand of vegetable made in the factory is increasing for the effect of unpredictable climate change. We accelerate joint R&D projects with universities and strive to archive progress of vegetable factory business even further.



Collaboration with Partners

- ✓ Expand “Size of Business” and “Field of Technologies”
- ✓ New business development with “New Markets” and “New Customer Segments”

Business Integration between VSE Inc. (Joint venture with PCI Holdings Inc.) and Syswave Corp. (Subsidiary of PCI Holdings Inc.)

Further expansion of capital and business alliance with PCI group by “Technology” as a main focus

▷ PCI Group: an our capital and business partner, information service businesses in, embedded solution, business solution, IoT/IoE solution and total solution for semiconductors field



APPENDIX



Business Overview

Semiconductor/
Electronic
Component

Semiconductor/Electronic Component

- Deal in “cutting-edge” and energy/environmental devices from worldwide
- Offer unique solutions by wide range of products, high level technological support

Semiconductor/
Electronic
Component

Quality and reliability test/ environmental material analysis service

- Variety of quality evaluations and hazardous substances test for devices and electronic components

Semiconductor/
Electronic
Component

System Engineering

- LSI designing, evaluation and test services for semiconductors, especially for image sensors



Business Overview

Semiconductor/
Electronic
Component

EMS

- Electronic component mounting for OEL panel in our group's factory, and comprehensive purchase, production control and quality assurance function

Procurement

Procurement

- Offer global procurement and trading services to meet customer needs
- Offer “unique contract and fringe” services of procurement as outsourcing



Business Overview

Electronic
Equipment

Electronic Equipment

- Total solution from design, execution to maintenance of equipment for communication, audio, video and broadcast
- Offer solutions by cutting-edge technologies of data processing, audio and video

Electronic
Equipment

Measuring Equipment

- Offer unique applications of measuring, usage, system, and designing
- Support services of repair, measurement calibration for research, development, and sales

Electronic
Equipment

System Equipment

- Development, production and sales of NFC (Near Field Communication) technologies including Felica



Business Overview

Environmental
Energy

Renewable Energy

- Introduce solar and wind power generation as renewable energy, to promote operation management services with local partners

Environmental
Energy

Power Producer and Supplier

- Comprehensive energy management by consulting, power supply, broker focused on renewable energy

Environmental
Energy

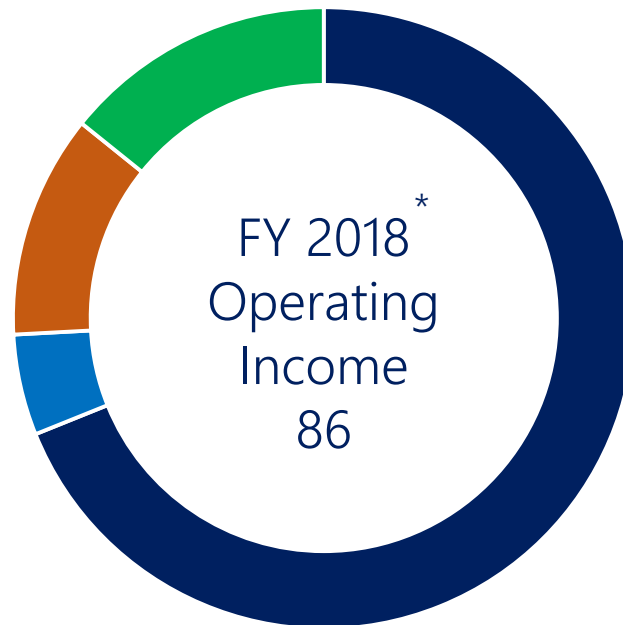
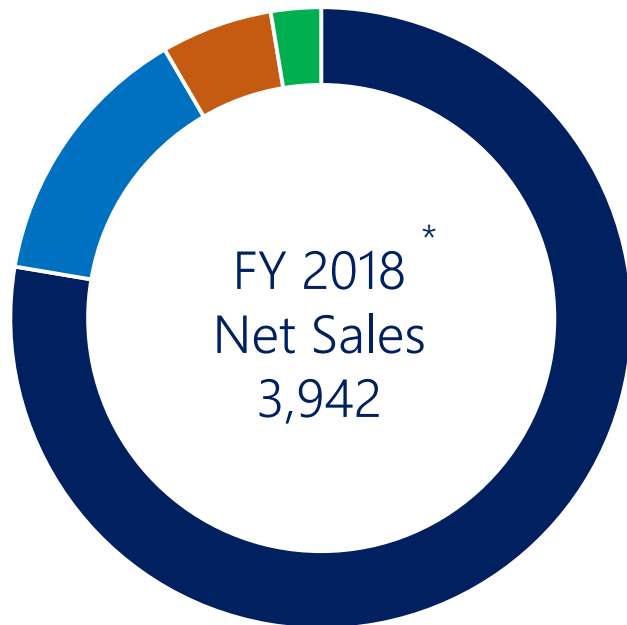
Vegetable Factory

- Production and sales of vegetables in completely closed factories for B2B market such as convenience stores and restaurant chains



Net Sales of % by segments

(One hundred billions of yen)

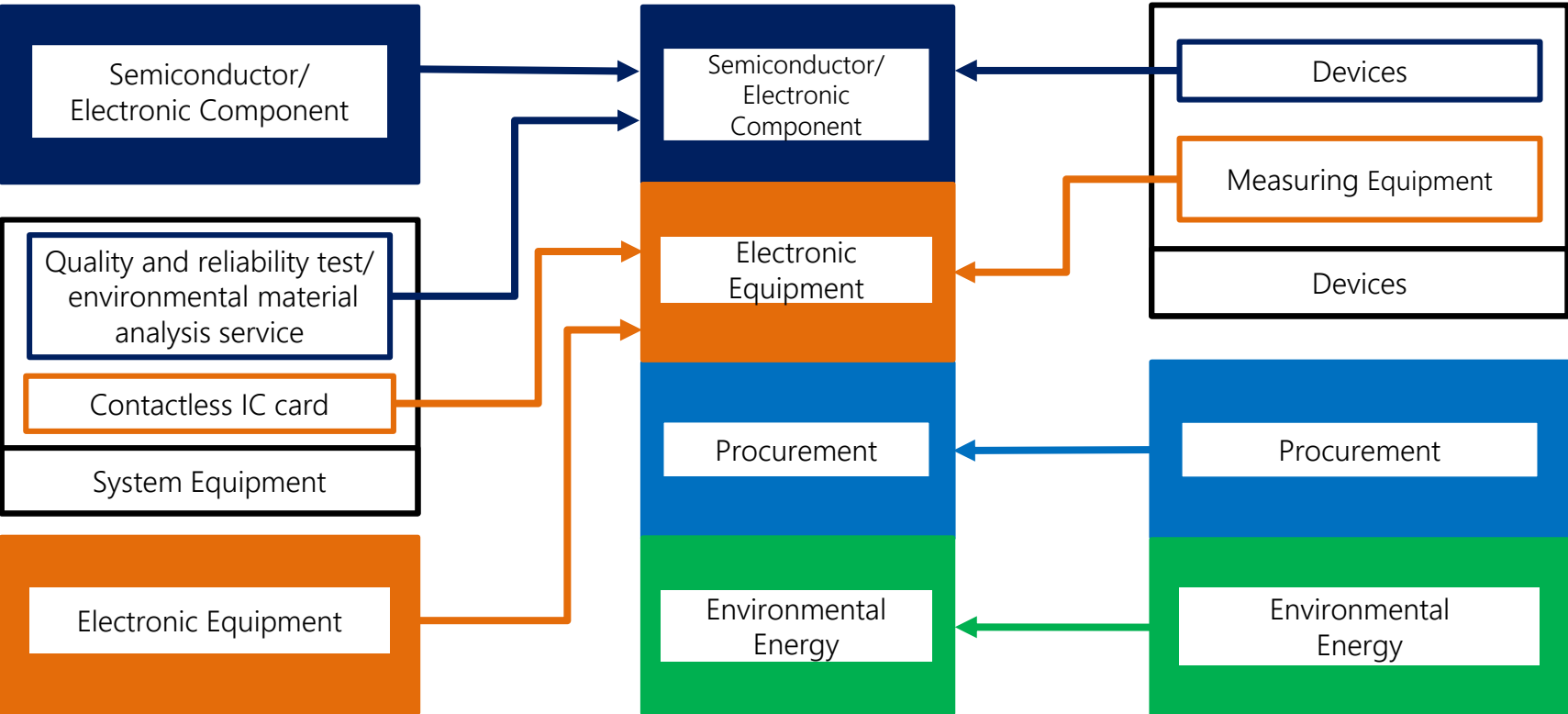


*Rearranged segments and calculated as simply aggregated figures of UKC Holdings Corp. and Vitec Holdings Co., LTD. for FY 2018.

■ Semiconductor/Electronic Component ■ Procurement ■ Electronic Equipment ■ Environmental Energy



Segment Changes



UKC

Restar

Vitec



Net Sales History and Forecasts

(Millions of Yen)

| | FY 2016 | FY 2017 | FY 2018* | Restar FY 2019 Full-year Forecasts |
|-------|---------|---------|----------|---------------------------------------|
| UKC | 273,752 | 301,449 | 205,771 | 410,000 |
| Vitec | 138,841 | 185,883 | 188,519 | |
| Total | 412,593 | 487,332 | 394,290 | |

*Calculated as simply aggregated figures of UKC Holdings Corp. and Vitec Holdings Co., LTD..



Consolidated Progress & Loss (Till FY 2018)

▽ UKC Holdings Corp.

| | FY 2017 Apr 2017- Mar 2018 | FY 2018 Apr 2018- Mar 2019 | YoY |
|--|----------------------------------|----------------------------------|----------|
| Net Sales | 301,449 | 205,771 | ▲ 95,678 |
| Operating Income | 4,384 | 4,508 | 124 |
| Ordinary Income | 3,908 | 4,198 | 290 |
| Net Income Attributable to Ownerns Parent | 2,129 | 2,192 | 63 |

▽ Vitec Holdings Co., LTD.

| | FY 2017 Apr 2017- Mar 2018 | FY 2018 Apr 2018- Mar 2019 | YoY |
|--|----------------------------------|----------------------------------|-------|
| Net Sales | 185,883 | 188,519 | 2,636 |
| Operating Income | 3,130 | 4,137 | 1,006 |
| Ordinary Income | 2,573 | 2,789 | 226 |
| Net Income Attributable to Ownerns Parent | 1,840 | 1,761 | ▲ 79 |



Management Principles of the Restar Group

Mission

We help society evolve by leveraging information and technology to create and deliver new value and services.

Vision We aim to be a comprehensive electronics trading company that accommodates all manner of stakeholder needs.

“Global (in view and scale)” “ Social Contribution”
“Collaboration and Innovation”

Value

- Through collaboration, we reflect diverse points of view as we create new cultures and values.
- Through innovative ideas and passion, we take on challenges and aim for higher targets.
- By expanding our business arena to encompass the entire world, we contribute to sustainable social evolution.



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Disclaimer

This presentation is a reference translation of the Japanese original.
The contents is informational only and does not constitute to the official.



Restar Holdings Corporation

1st Half FY 2019 (Apr – Sep 2019)

- Quarterly Consolidated Balance Sheets
- Quarterly Consolidated Statements of Income and Comprehensive Income
- Quarterly Consolidated Statements of Cash Flows

Quarterly Consolidated Balance Sheets

(Millions of yen)

| | As of March 31, 2019 | As of September 30, 2019 |
|--|----------------------|--------------------------|
| Assets [abstract] | | |
| Current assets [abstract] | | |
| Cash and deposits | 13,511 | 18,280 |
| Notes and accounts receivable-trade | 46,786 | 71,744 |
| Electronically recorded monetary claims-operating-CA | 3,797 | 5,412 |
| Merchandise and finished goods | 19,154 | 36,240 |
| Work in process | 1,095 | 1,445 |
| Raw materials and supplies | 734 | 1,499 |
| Advance payments-trade | 769 | 305 |
| Other-CA | 3,218 | 7,113 |
| Allowance for doubtful accounts-CA-by group | △776 | △786 |
| Current assets | 88,289 | 141,255 |
| Non-current assets [abstract] | | |
| Property, plant and equipment [abstract] | | |
| Leased assets-PPE | 552 | 14,291 |
| Accumulated depreciation-lease assets-PPE | △239 | △4,142 |
| Leased assets, net-PPE | 312 | 10,148 |
| Other-PPE | 2,907 | 10,820 |
| Property, plant and equipment | 3,219 | 20,969 |
| Intangible assets [abstract] | | |
| Goodwill | 130 | 11,401 |
| Other-IA | 286 | 824 |
| Intangible assets | 416 | 12,225 |
| Investments and other assets [abstract] | | |
| Investment securities | 3,901 | 19,364 |
| Bad debts | 9,774 | 9,473 |
| Other-IOA | 2,273 | 7,194 |
| Allowance for doubtful accounts-IOA-by group | △10,515 | △10,266 |
| Investments and other assets | 5,434 | 25,765 |
| Non-current assets | 9,071 | 58,960 |
| Assets | 97,361 | 200,216 |
| Liabilities [abstract] | | |
| Current liabilities [abstract] | | |
| Notes and accounts payable-trade | 25,130 | 42,817 |
| Short-term borrowings | 28,095 | 52,414 |
| Current portion of long-term borrowings | — | 280 |
| Income taxes payable | 456 | 942 |
| Provision for bonuses | 531 | 648 |
| Other-CL | 3,663 | 10,204 |
| Current liabilities | 57,878 | 107,308 |
| Non-current liabilities [abstract] | | |
| Long-term borrowings | — | 5,030 |
| Lease obligations-NCL | 221 | 10,044 |
| Provision for retirement benefits for directors (and other officers) | 46 | — |
| Retirement benefit liability | 195 | 231 |
| Other-NCL | 161 | 3,773 |
| Non-current liabilities | 624 | 19,080 |
| Liabilities | 58,502 | 126,388 |

(Millions of yen)

| | As of March 31, 2019 | As of September 30, 2019 |
|---|----------------------|--------------------------|
| Net assets [abstract] | | |
| Shareholders' equity [abstract] | | |
| Share capital | 4,383 | 4,383 |
| Capital surplus | 5,871 | 35,398 |
| Retained earnings | 25,409 | 28,724 |
| Treasury shares | △6 | △7 |
| Shareholders' equity | 35,657 | 68,499 |
| Valuation and translation adjustments [abstract] | | |
| Valuation difference on available-for-sale securities | 894 | 758 |
| Deferred gains or losses on hedges | — | △26 |
| Foreign currency translation adjustment | 1,874 | 1,516 |
| Remeasurements of defined benefit plans | △29 | △29 |
| Valuation and translation adjustments | 2,739 | 2,219 |
| Share acquisition rights | 6 | — |
| Non-controlling interests | 454 | 3,109 |
| Net assets | 38,858 | 73,827 |
| Liabilities and net assets | 97,361 | 200,216 |

Quarterly Consolidated Statements of Income and Comprehensive Income
 [Quarterly Consolidated Statements of Income]

(Millions of yen)

| | Six months ended September 30, 2018 | Six months ended September 30, 2019 |
|--|--|--|
| Net sales | 104,246 | 202,984 |
| Cost of sales | 97,101 | 189,637 |
| Gross profit (loss) | 7,145 | 13,347 |
| Selling, general and administrative expenses | 4,745 | 9,862 |
| Operating profit (loss) | 2,400 | 3,484 |
| Non-operating income [abstract] | | |
| Interest income-NOI | 31 | 85 |
| Dividend income-NOI | 157 | 19 |
| Foreign exchange gains-NOI | 380 | — |
| Share of profit of entities accounted for using equity method-NOI | — | 2,980 |
| Other-NOI | 33 | 324 |
| Non-operating income | 601 | 3,411 |
| Non-operating expenses [abstract] | | |
| Interest expenses-NOE | 425 | 870 |
| Foreign exchange losses-NOE | — | 138 |
| Other-NOE | 32 | 252 |
| Non-operating expenses | 458 | 1,262 |
| Ordinary profit (loss) | 2,543 | 5,633 |
| Extraordinary losses [abstract] | | |
| Loss on liquidation of business-EL | 118 | — |
| Early retirement costs-EL | — | 86 |
| Extraordinary losses | 118 | 86 |
| Profit (loss) before income taxes | 2,425 | 5,547 |
| Income taxes | 445 | 1,116 |
| Profit (loss) (after amendment dated 2014- 03-28) | 1,979 | 4,430 |
| Profit (loss) attributable to non- controlling interests | △12 | △15 |
| Profit (loss) attributable to owners of parent | 1,991 | 4,446 |

[Quarterly Consolidated Statements of Comprehensive Income]

(Millions of yen)

| | Six months ended September 30, 2018 | Six months ended September 30, 2019 |
|---|--|--|
| Profit (loss) (after amendment dated 2014-03-28) | 1,979 | 4,430 |
| Other comprehensive income [abstract] | | |
| Valuation difference on available-for-sale securities, net of tax-OCI | 147 | △91 |
| Deferred gains or losses on hedges, net of tax-OCI | — | △26 |
| Foreign currency translation adjustment, net of tax-OCI | △1,273 | △327 |
| Remeasurements of defined benefit plans, net of tax-OCI | 3 | 2 |
| Share of other comprehensive income of entities accounted for using equity method-OCI | — | △86 |
| Other comprehensive income | △1,123 | △529 |
| Comprehensive income | 855 | 3,900 |
| Comprehensive income attributable to [abstract] | | |
| Comprehensive income attributable to owners of parent | 868 | 3,925 |
| Comprehensive income attributable to non-controlling interests | △12 | △24 |

Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

| | Six months ended September 30, 2018 | Six months ended September 30, 2019 |
|--|--|--|
| Cash flows from operating activities [abstract] | | |
| Profit (loss) before income taxes | 2,425 | 5,547 |
| Depreciation-OpeCF | 335 | 1,407 |
| Amortization of goodwill-OpeCF | 13 | 610 |
| Early retirement costs-OpeCF | — | 86 |
| Increase (decrease) in retirement benefit liability - OpeCF | △19 | △31 |
| Increase (decrease) in allowance for doubtful accounts-OpeCF | △1,537 | △52 |
| Interest and dividend income-OpeCF | △188 | △104 |
| Interest expenses-OpeCF | 425 | 870 |
| Foreign exchange losses (gains)-OpeCF | 588 | △791 |
| Share of loss (profit) of entities accounted for using equity method - OpeCF | — | △2,980 |
| Decrease (increase) in trade receivables 2 - OpeCF | 2,081 | △642 |
| Decrease (increase) in bad debts-OpeCF | 937 | 30 |
| Decrease (increase) in inventories-OpeCF | 4,151 | 4,100 |
| Increase (decrease) in trade payables 2 - OpeCF | △4,843 | △1,636 |
| Decrease (increase) in advance payments - trade - OpeCF | △236 | 465 |
| Other, net-OpeCF | 1,206 | △1,352 |
| Subtotal-OpeCF | 5,339 | 5,527 |
| Interest and dividends received - OpeCF/InvCF | 183 | 132 |
| Interest paid - OpeCF/FinCF | △426 | △824 |
| Income taxes paid-OpeCF | △920 | △2,113 |
| Income taxes refund-OpeCF | 475 | 455 |
| Net cash provided by (used in) operating activities | 4,652 | 3,177 |
| Cash flows from investing activities [abstract] | | |
| Purchase of property, plant and equipment-InvCF | △459 | △404 |
| Proceeds from sales of property, plant and equipment-InvCF | 0 | 47 |
| Purchase of long-term prepaid expenses-InvCF | — | △631 |
| Purchase of investment securities-InvCF | △123 | △3 |
| Proceeds from sales of investment securities-InvCF | — | 20 |
| Purchase of shares of subsidiaries and associates-InvCF | — | △10,720 |
| Payments into time deposits-InvCF | △600 | — |
| Proceeds from withdrawal of time deposits-InvCF | 600 | 550 |
| Purchase of shares of subsidiaries resulting in change in scope of consolidation-InvCF | △134 | — |
| Collection of long-term loans receivable-InvCF | — | 16 |
| Payments of guarantee deposits - InvCF | △16 | △177 |
| Proceeds from refund of guarantee | 35 | 258 |

| | | |
|---|--------|---------|
| deposits - InvCF | | |
| National subsidies received - InvCF | — | 157 |
| Payments for asset retirement obligations-InvCF | — | △89 |
| Proceeds from liquidation of subsidiaries-InvCF | — | 44 |
| Other, net-InvCF | △42 | △213 |
| Net cash provided by (used in) investing activities | △740 | △11,146 |
| Cash flows from financing activities [abstract] | | |
| Net increase (decrease) in short-term borrowings - FinCF | △5,665 | 8,974 |
| Repayments of long-term borrowings - FinCF | △2,000 | △222 |
| Repayments of lease obligations-FinCF | △49 | △575 |
| Dividends paid - FinCF | △471 | △1,092 |
| Dividends paid to non-controlling interests-FinCF | △30 | △42 |
| Proceeds from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation-FinCF | — | 600 |
| Other, net-FinCF | 0 | 11 |
| Net cash provided by (used in) financing activities | △8,217 | 7,653 |

(Millions of yen)

| | Six months ended September 30, 2018 | Six months ended September 30, 2019 |
|---|--|--|
| Effect of exchange rate change on cash and cash equivalents | 78 | 216 |
| Net increase (decrease) in cash and cash equivalents | △4,227 | △99 |
| Cash and cash equivalents | 17,362 | 12,961 |
| Increase in cash and cash equivalents resulting from merger-CCE | — | 5,891 |
| Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation-CCE | — | △473 |
| Cash and cash equivalents | 13,135 | 18,280 |