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## **Supplementary Materials Second Quarter of Fiscal 2021**

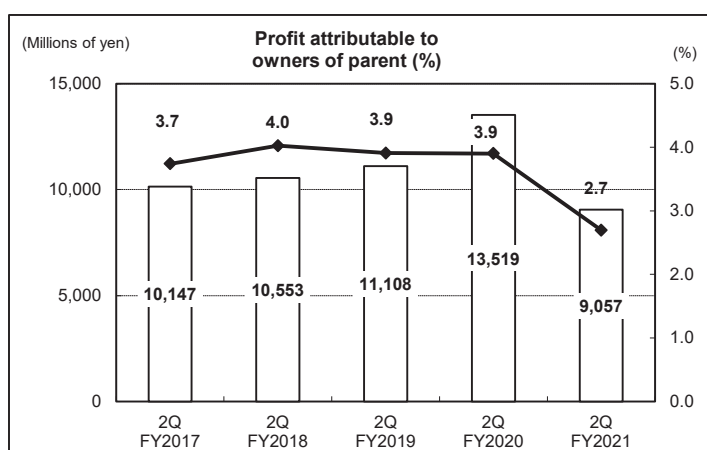
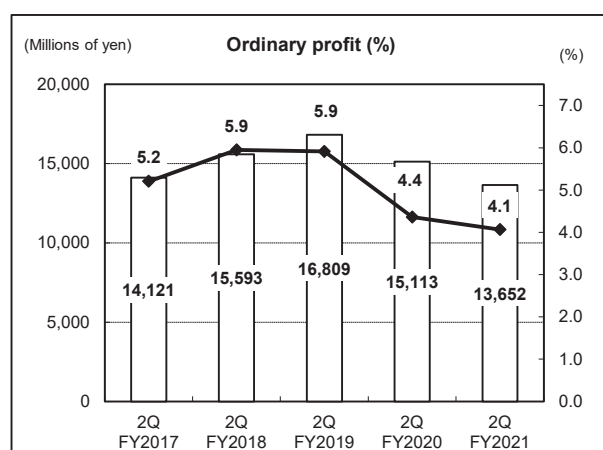
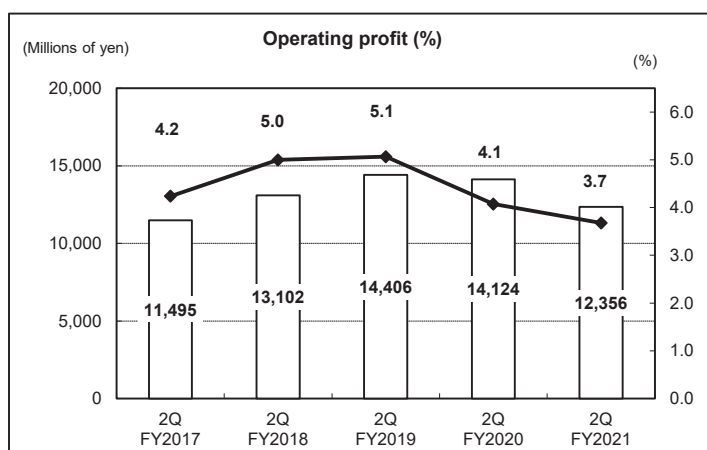
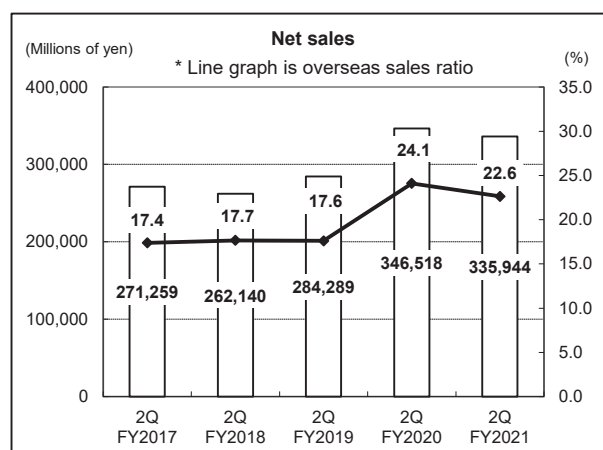
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**October 27, 2020**

**Nisshin Seifun Group Inc.**

The statements contained in this document are based on various assumptions and do not constitute any guarantee or definite promise that projections of future performance or related business policies will actually be realized.

# 1. Consolidated Performance Highlights



## [Performance Trends]

	2Q FY2017	2Q FY2018	2Q FY2019	2Q FY2020	2Q FY2021	vs. 2Q FY2020	Change (%)	(Millions of yen) FY2021 Forecast
Net sales	271,259	262,140	284,289	346,518	335,944	(10,573)	96.9%	700,000
Overseas sales (%)	17.4%	17.7%	17.6%	24.1%	22.6%	(1.5)%	91.0%	157,800 22.5%
Operating profit (%)	4.2%	5.0%	5.1%	4.1%	3.7%	(0.4)%	87.5%	26,000 3.7%
Ordinary profit (%)	5.2%	5.9%	5.9%	4.4%	4.1%	(0.3)%	90.3%	27,000 3.9%
Profit attributable to owners of parent (%)	3.7%	4.0%	3.9%	3.9%	2.7%	(1.2)%	67.0%	17,000 2.4%
Capital expenditures (construction base)	5,651	10,055	7,760	10,999	7,539	(3,459)	68.5%	17,000
Depreciation and amortization	8,062	7,537	7,211	10,141	10,809	667	106.6%	22,000
Number of Employees (consolidated)	6,276	6,497	6,771	9,010	9,107	97	101.1%	-
<b>(Reference)</b>								
Operating profit before amortization of goodwill, others	12,629	14,227	15,511	18,390	16,342	(2,047)	88.9%	34,200
Amortization of goodwill, others*	1,133	1,124	1,104	4,266	3,986	(280)	93.4%	8,200

\* "Amortization of goodwill, others" refers to amortization of goodwill and intangible assets (customer-related assets, etc.)

## [Balance Sheet Trends]

(Millions of yen)

	As of March 31, 2017	As of March 31, 2018	As of March 31, 2019	As of March 31, 2020	As of September 30, 2020	vs. as of March 31, 2020
Current assets	234,172	260,751	268,170	238,980	235,281	(3,699)
Property, plant and equipment, and intangible assets	159,929	163,352	166,780	277,204	281,790	4,586
Investments and other assets	161,234	167,408	159,802	150,030	156,123	6,092
<b>Total assets</b>	<b>555,337</b>	<b>591,512</b>	<b>594,754</b>	<b>666,215</b>	<b>673,195</b>	<b>6,979</b>
Current liabilities	89,526	114,189	114,806	131,058	119,295	(11,763)
Non-current liabilities	59,005	63,528	61,098	126,114	131,021	4,907
Equity capital	393,620	399,278	403,937	394,995	411,974	16,978
(Equity ratio)	70.9%	67.5%	67.9%	59.3%	61.2%	+ 1.9%
Subscription rights to shares	175	189	167	137	125	(12)
Non-controlling interests	13,009	14,327	14,743	13,908	10,779	(3,129)
<b>Total liabilities and net assets</b>	<b>555,337</b>	<b>591,512</b>	<b>594,754</b>	<b>666,215</b>	<b>673,195</b>	<b>6,979</b>

## [Shareholders' Equity and Dividends]

	As of March 31, 2017	As of March 31, 2018	As of March 31, 2019	As of March 31, 2020	As of September 30, 2020	vs. as of March 31, 2020	FY2021 Forecast
Net assets per share (Yen) *1	1,303.45	1,344.68	1,359.49	1,328.71	1,386.09	57.38	-
	2Q FY2017	2Q FY2018	2Q FY2019	2Q FY2020	2Q FY2021	vs. 2Q FY2020	FY2021 Forecast
Earnings per share (Yen) *1	33.63	35.17	37.41	45.50	30.47	(15.03)	57.19
Fully diluted earnings per share (Yen) *1	33.59	35.14	37.37	45.46	30.47	(14.99)	-
Interim dividend per share (Yen)	13.00	14.00	16.00	17.00	17.00	-	-
Total interim dividends (Millions of yen)	3,924	4,161	4,754	5,054	5,056	1	-

(\*1) From the year ended March 31, 2018, when calculating earnings per share and net assets per share, Company shares held by The Master Trust Bank of Japan, Ltd. as trust assets for the stock-based remuneration plan are included in the treasury shares (listed under shareholders' equity) excluded from calculation of the number of shares of common stock.

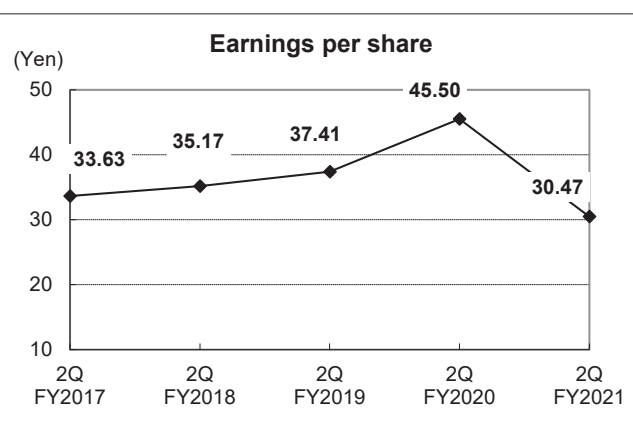
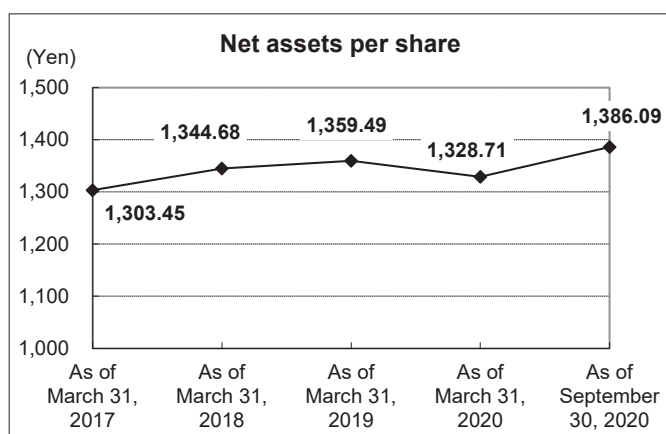
## [Share Data (Nisshin Seifun Group Inc.)]

	As of March 31, 2017	As of March 31, 2018	As of March 31, 2019	As of March 31, 2020	As of September 30, 2020
(Interim) Shares issued and outstanding at end of period (Thousand shares)	302,064	297,013	297,204	297,359	297,301
(Interim) Share price at end of period (Yen)	1,661	2,109	2,540	1,802	1,667
Total market value of shares (Millions of yen)	501,729	626,400	754,899	535,841	495,602

## [Statements of Cash Flows]

(Millions of yen)

	2Q FY2017	2Q FY2018	2Q FY2019	2Q FY2020	2Q FY2021	vs. 2Q FY2020
Cash and cash equivalents at beginning of period	72,960	90,837	98,461	107,374	56,550	(50,824)
Net cash provided by (used in) operating activities	14,647	22,453	15,905	10,935	25,439	14,504
Net cash provided by (used in) investing activities	1,551	(10,131)	(8,171)	(90,392)	(8,230)	82,161
Net cash provided by (used in) financing activities	(6,470)	(14,467)	(3,636)	19,576	(9,701)	(29,277)
Effect of exchange rate change on cash and cash equivalents	(1,665)	145	(584)	76	277	201
Increase (decrease) in cash and cash equivalents resulting from change of fiscal year-end of subsidiaries	(527)	-	(1,006)	713	-	(713)
Cash and cash equivalents at end of period	80,495	88,837	100,967	48,284	64,335	16,051



## II. Consolidated Statements of Income

### 1. Consolidated Statements of Income

	(Millions of yen)			
	2Q FY2020	2Q FY2021	YoY Change	FY2021 Forecast
Net sales	346,518	335,944	(10,573)	700,000
Cost of sales	249,797	244,039	(5,758)	
Gross profit	96,720	91,904	(4,815)	
Selling, general and administrative expenses	82,596	79,548	(3,047)	
Sales freight expenses	24,181	25,222	1,040	
Sales promotion expenses	19,987	17,874	(2,113)	
Personnel expenses	17,961	18,453	492	
Non-personnel expenses	20,465	17,997	(2,467)	
Operating profit	14,124	12,356	(1,767)	26,000
Non-operating income	2,933	2,796	(137)	FY2021Eforecast
Interest income	295	95	(199)	Non-operating income (expenses)
Dividend income	1,358	1,374	15	FY2021 Forecast
Share of profit of entities accounted for using equity method	819	848	28	YoY Change
Other	460	478	18	Net financial income
				(500)
				(699)
				Equity in earnings (losses) of affiliates
				1,150
				(639)
				Other
				350
				(243)
Non-operating expenses	1,944	1,500	(443)	
Interest expenses	1,701	1,377	(323)	
Other	242	122	(120)	
Ordinary profit	15,113	13,652	(1,461)	27,000
Extraordinary income	7,339	1,439	(5,900)	
Gain on sales of non-current assets	64	305	241	
Gain on sales of investment securities	2	1,133	1,130	
Gain on step acquisitions	7,272	–	(7,272)	2Q FY2020: Tokatsu Foods conversion to subsidiary
Extraordinary losses	4,185	446	(3,738)	
Loss on retirement of non-current assets	278	234	(43)	
Impairment loss	3,906	–	(3,906)	2Q FY2020: Goodwill from the U.S. flour milling business, others
Business restructuring expenses	–	212	212	
Profit before income taxes	18,267	14,644	(3,623)	
Total income taxes	4,092	5,095	1,003	
Profit	14,175	9,549	(4,626)	
Profit attributable to non-controlling interests	655	491	(164)	
Profit attributable to owners of parent	13,519	9,057	(4,461)	17,000

## 2. Net Sales and Operating Profit by Segment

### [2Q FY2021 Performance]

#### [Net Sales by Segment]

(Millions of yen)

	2Q FY2020	(Composition ratio)	2Q FY2021	(Composition ratio)	Difference from previous year	YoY Change
Flour Milling	154,898	45%	140,840	42%	(14,058)	90.9%
Processed Food	107,283	31%	106,485	32%	(798)	99.3%
Prepared Dishes and Other Prepared Foods	53,373	15%	70,584	21%	17,211	132.2%
Others	30,962	9%	18,034	5%	(12,928)	58.2%
Total	346,518	100%	335,944	100%	(10,573)	96.9%

\* Overseas Sales (included in sales data above)

(Millions of yen)

Currency Exchange Rates (Yen)

	2Q FY2020	2Q FY2021	Difference from previous year	Impact of currency exchange rate fluctuations	YoY Change	Currency Exchange Rates (Yen)	
						2Q FY2020	2Q FY2021
Flour Milling	73,632	66,228	(7,403)	(2,537)	89.9%	USD	109.0 107.3
Processed Food	7,658	7,635	(22)	(185)	99.7%	CAD	81.9 78.2
Prepared Dishes and Other Prepared Foods	—	—	—	—	—	AUD	75.9 71.8
Others	2,318	2,212	(106)	(30)	95.4%	NZD	72.2 67.4
Total	83,609	76,076	(7,532)	(2,753)	91.0%	THB	3.5 3.4

#### (Analysis of Net Sales Difference from Previous Year)

(Billions of yen)

2Q FY2021  
(Difference from  
previous year)

Flour Milling	(14.1)	<ul style="list-style-type: none"> <li>· Domestic wheat flour shipments (down 2.2% YoY)</li> <li>· Flour price revisions, others accompanying revised wheat prices</li> <li>· Bran prices</li> <li>· Overseas sales, others</li> </ul>	(1.8) (4.5) +0.0 (7.8)
Processed Food	(0.8)	<ul style="list-style-type: none"> <li>· Processed Food sales                             <ul style="list-style-type: none"> <li>Household-use flour sales</li> <li>Prepared mix product sales</li> <li>Pasta-related sales</li> <li>Frozen food sales</li> <li>Overseas processed food sales</li> <li>Other</li> </ul> </li> <li>· Oriental Yeast sales</li> <li>· Nisshin Pharma sales</li> </ul>	(0.4) +0.4 (1.1) +1.1 (0.1) (0.9) +0.2 (1.4) +1.0
Prepared Dishes and Other Prepared Foods	+17.2	· Effects of new consolidation of Tokatsu Foods, others	+17.2
Others	(12.9)	<ul style="list-style-type: none"> <li>· Nisshin Petfood sales</li> <li>· NBC Meshtec sales</li> <li>· Facility construction sales, others (Nisshin Engineering, others)</li> </ul>	(1.6) (0.6) (10.7)
Total	(10.6)		

## [Operating Profit by Segment]

(Millions of yen)

	2Q FY2020	(Composition ratio)	2Q FY2021	(Composition ratio)	Difference from previous year	YoY Change
Flour Milling	4,338	31%	2,037	16%	(2,301)	47.0%
Processed Food	6,013	43%	8,009	65%	1,996	133.2%
Prepared Dishes and Other Prepared Foods	1,287	9%	339	3%	(948)	26.4%
Others	2,384	17%	2,003	16%	(380)	84.0%
Adjustments	100	0%	(32)	-	(132)	-
Total	14,124	100%	12,356	100%	(1,767)	87.5%

\* Amortization of goodwill, others (Deducted from [Operating Profit by Segment] above)

	2Q FY2020	2Q FY2021	Difference from previous year
Flour Milling	3,756	3,169	(586)
Processed Food	32	32	-
Prepared Dishes and Other Prepared Foods	477	784	306
Others	-	-	-
Total	4,266	3,986	(280)

\* Overseas Operating Profit (included in [Operating Profit by Segment] above)

	2Q FY2020	2Q FY2021	Difference from previous year	(Impact of currency exchange rate)	YoY Change
Flour Milling	655	(459)	(1,114)	67	-
Processed Food	1,102	1,406	303	(5)	127.5%
Prepared Dishes and Other Prepared Foods	-	-	-	-	-
Others	25	14	(11)	(1)	56.1%
Total	1,783	960	(822)	60	53.9%

## (Analysis of Operating Profit Difference from Previous Year)

(Billions of yen)

2Q FY2021  
(Difference from  
previous year)

Flour Milling	(2.3)	<ul style="list-style-type: none"> <li>• Domestic wheat flour shipment volume (0.4)</li> <li>• Sales expansion costs (1.0)</li> <li>• Bran prices +0.0</li> <li>• Cost related +0.2</li> <li>• Overseas subsidiaries, others (1.1)</li> </ul>
Processed Food	+2.0	<ul style="list-style-type: none"> <li>• Shipment volume +0.1</li> <li>• Sales expansion costs +0.8</li> <li>• Cost related +0.8</li> <li>• Overseas subsidiaries, others (incl. Oriental Yeast, Nisshin Pharma exports) +0.3</li> </ul>
Prepared Dishes and Other Prepared Foods	(1.0)	<ul style="list-style-type: none"> <li>• Impact of the novel coronavirus, others (1.0)</li> </ul>
Others	(0.4)	<ul style="list-style-type: none"> <li>• Sales (1.4)</li> <li>• Cost related, others +1.0</li> </ul>
Adjustments	(0.1)	<ul style="list-style-type: none"> <li>• Intersegment transaction eliminations (0.1)</li> </ul>
Total	(1.8)	

## [Performance Forecast]

### [Net Sales by Segment]

	(Millions of yen)						(Millions of yen)	
	FY2020	(Composition ratio)	FY2021 Forecast	(Composition ratio)	Difference from previous year	YoY Change	Initial forecast (Announced in May)	Difference from initial forecast
Flour Milling	306,745	43%	293,000	42%	(13,745)	95.5%	295,000	(2,000)
Processed Food	217,959	31%	216,000	31%	(1,959)	99.1%	222,000	(6,000)
Prepared Dishes and Other Prepared Foods	129,967	18%	146,000	21%	16,032	112.3%	146,000	—
Others	57,507	8%	45,000	6%	(12,507)	78.3%	37,000	8,000
<b>Total</b>	<b>712,180</b>	<b>100%</b>	<b>700,000</b>	<b>100%</b>	<b>(12,180)</b>	<b>98.3%</b>	<b>700,000</b>	<b>—</b>

#### \* Overseas Sales (included in sales data above)

	(Millions of yen)				Currency Exchange Rates (Yen)				
	FY2020	FY2021 Forecast	Difference from previous year	YoY Change	Initial forecast (Announced in May)	Difference from initial forecast	FY2020	FY2021 (Projection)	
Flour Milling	145,899	137,200	(8,699)	94.0%	140,900	(3,700)	USD	109.1	108.0
Processed Food	15,517	15,900	382	102.5%	16,200	(300)	CAD	82.3	83.0
Prepared Dishes and Other Prepared Foods	—	—	—	—	—	—	AUD	75.0	75.0
Others	4,771	4,700	(71)	98.5%	5,000	(300)	NZD	71.2	72.0
<b>Total</b>	<b>166,188</b>	<b>157,800</b>	<b>(8,388)</b>	<b>95.0%</b>	<b>162,100</b>	<b>(4,300)</b>	THB	3.5	3.6

#### (Analysis of Net Sales Difference from Previous Year)

			(Billions of yen)
			FY2021 Forecast (Difference from previous year)
Flour Milling	(13.7)	· Domestic wheat flour shipments (down 1.5% YoY)	(2.4)
		· Flour price revisions, others accompanying revised wheat prices	(5.5)
		· Bran prices	+0.2
		· Overseas sales, others	(6.0)
Processed Food	(2.0)	· Domestic processed food sales	(1.6)
		· Overseas processed food sales	(0.8)
		· Oriental Yeast sales	(1.1)
		· Nisshin Pharma sales	+1.5
Prepared Dishes and Other Prepared Foods	+16.0	· Effects of new consolidation of Tokatsu Foods, others	+16.0
Others	(12.5)	· Nisshin Petfood sales	(4.0)
		· NBC Meshtec sales	(0.3)
		· Facility construction sales, others (Nisshin Engineering, others)	(8.2)
<b>Total</b>	<b>(12.2)</b>		

## [Operating Profit by Segment]

	(Millions of yen)						(Millions of yen)	
	FY2020	(Composition ratio)	FY2021 Forecast	(Composition ratio)	Difference from previous year	YoY Change	Initial forecast (Announced in May)	Difference from initial forecast
Flour Milling	9,326	32%	6,000	23%	(3,326)	64.3%	8,100	(2,100)
Processed Food	12,895	45%	15,500	60%	2,604	120.2%	15,700	(200)
Prepared Dishes and Other Prepared Foods	1,736	6%	600	2%	(1,136)	34.6%	(400)	1,000
Others	4,698	16%	3,800	15%	(898)	80.9%	2,400	1,400
Adjustments	194	1%	100	0%	(94)	51.5%	200	(100)
<b>Total</b>	<b>28,852</b>	<b>100%</b>	<b>26,000</b>	<b>100%</b>	<b>(2,852)</b>	<b>90.1%</b>	<b>26,000</b>	<b>—</b>

\* Amortization of goodwill, others (Deducted from [Operating Profit by Segment] above)

	FY2020	FY2021 Forecast	Difference from previous year
Flour Milling	7,005	6,567	(438)
Processed Food	64	64	—
Prepared Dishes and Other Prepared Foods	1,319	1,569	249
Others	—	—	—
<b>Total</b>	<b>8,388</b>	<b>8,200</b>	<b>(188)</b>

\* Overseas Operating Profit (included in [Operating Profit by Segment] above)

	(Millions of yen)				(Millions of yen)	
	FY2020	FY2021 Forecast	Difference from previous year	YoY Change	Initial forecast (Announced in May)	Difference from initial forecast
Flour Milling	1,429	100	(1,329)	7.0%	2,000	(1,900)
Processed Food	2,329	2,900	570	124.5%	2,200	700
Prepared Dishes and Other Prepared Foods	—	—	—	—	—	—
Others	119	100	(19)	83.7%	100	—
<b>Total</b>	<b>3,878</b>	<b>3,100</b>	<b>(778)</b>	<b>79.9%</b>	<b>4,300</b>	<b>(1,200)</b>

## (Analysis of Operating Profit Difference from Previous Year)

			(Billions of yen)
			FY2021 Forecast (Difference from previous year)
Flour Milling	(3.3)	<ul style="list-style-type: none"> <li>• Domestic wheat flour shipment volume (0.5)</li> <li>• Sales expansion costs (1.6)</li> <li>• Bran prices +0.0</li> <li>• Cost related +0.2</li> <li>• Overseas subsidiaries, others (1.4)</li> </ul>	
Processed Food	+2.6	<ul style="list-style-type: none"> <li>• Shipment volume (0.5)</li> <li>• Sales expansion costs +1.2</li> <li>• Cost related +1.3</li> <li>• Overseas subsidiaries, others (incl. Oriental Yeast, Nisshin Pharma exports) +0.6</li> </ul>	
Prepared Dishes and Other Prepared Foods	(1.2)	<ul style="list-style-type: none"> <li>• Impact of the novel coronavirus, others (1.2)</li> </ul>	
Others	(0.9)	<ul style="list-style-type: none"> <li>• Sales (1.2)</li> <li>• Cost related, others +0.3</li> </ul>	
Adjustments	(0.1)	<ul style="list-style-type: none"> <li>• Other (0.1)</li> </ul>	
<b>Total</b>	<b>(2.9)</b>		



### III. Consolidated Balance Sheets

[Assets]

(Millions of yen)

	As of March 31, 2020	As of September 30, 2020	vs. as of March 31, 2020	Details of YoY difference (Billions of yen)
Total assets	666,215	673,195	6,979	
Current assets	238,980	235,281	(3,699)	
Cash and deposits	49,710	64,002	14,291	
Notes and accounts receivable – trade	92,236	81,801	(10,435)	
Securities	7,523	968	(6,555)	
Inventories	79,854	78,803	(1,050)	
Other	10,180	10,207	26	
Allowance for doubtful accounts	(524)	(501)	23	
Non-current assets	427,234	437,913	10,679	
Property, plant and equipment	208,487	210,319	1,832	
Buildings and structures, net	69,597	68,447	(1,149)	
Machinery, equipment and vehicles, net	48,769	49,144	374	
Land	45,791	45,751	(40)	
Right-of-use assets	23,285	25,818	2,533	
Other, net	21,043	21,157	113	
Intangible assets	68,716	71,470	2,754	
Goodwill	42,743	44,573	1,829	
Other	25,972	26,897	924	
Investments and other assets	150,030	156,123	6,092	
Investment securities	135,739	141,571	5,832	Increase from mark-to-market valuation 7.6 Sale (1.6), others
Other	14,416	14,678	262	
Allowance for doubtful accounts	(126)	(127)	(1)	

## [Liabilities and Net Assets]

(Millions of yen)

	As of March 31, 2020	As of September 30, 2020	vs. as of March 31, 2020	Details of YoY difference (Billions of yen)
<b>Total liabilities</b>	<b>257,172</b>	<b>250,316</b>	<b>(6,856)</b>	
<b>Current liabilities</b>	<b>131,058</b>	<b>119,295</b>	<b>(11,763)</b>	
Notes and accounts payable – trade	53,730	48,258	(5,472)	
Short-term loans payable	18,078	19,270	1,192	
Income taxes payable	5,829	4,869	(959)	
Accrued expenses	21,814	20,198	(1,616)	
Other	31,605	26,697	(4,907)	
<b>Non-current liabilities</b>	<b>126,114</b>	<b>131,021</b>	<b>4,907</b>	
Bonds	20,000	20,000	–	
Long-term loans payable	15,226	15,038	(188)	
Lease obligations	30,989	33,914	2,925	
Deferred tax liabilities	29,055	31,375	2,320	
Provision for repairs	1,335	1,149	(186)	
Net defined benefit liability	22,443	22,502	58	
Other	7,062	7,040	(22)	
<b>Total net assets</b>	<b>409,042</b>	<b>422,878</b>	<b>13,836</b>	
<b>Shareholders' equity</b>	<b>350,926</b>	<b>354,833</b>	<b>3,906</b>	
Capital stock	17,117	17,117	–	
Capital surplus	12,638	12,634	(4)	
Retained earnings	332,342	336,344	4,002	Profit 9.1, Dividends (5.1)
Treasury shares	(11,172)	(11,262)	(90)	
<b>Accumulated other comprehensive income</b>	<b>44,069</b>	<b>57,140</b>	<b>13,071</b>	
Valuation difference on available-for-sale securities	56,970	61,401	4,431	Increase from mark-to-market valuation
Deferred gains or losses on hedges	(53)	(8)	44	
Foreign currency translation adjustment	(11,689)	(3,122)	8,567	Amount for addressing capital needs of overseas subsidiaries
Remeasurements of defined benefit plans	(1,158)	(1,130)	27	
<b>Subscription rights to shares</b>	<b>137</b>	<b>125</b>	<b>(12)</b>	
<b>Non-controlling interests</b>	<b>13,908</b>	<b>10,779</b>	<b>(3,129)</b>	
<b>Total liabilities and net assets</b>	<b>666,215</b>	<b>673,195</b>	<b>6,979</b>	

## IV. Consolidated Statements of Cash Flows

	(Millions of yen)		
	2Q FY2020	2Q FY2021	YoY Change
Cash and cash equivalents at beginning of period	107,374	56,550	(50,824)
<b>Cash flows from operating activities</b>			
Profit before income taxes	18,267	14,644	(3,623)
Depreciation and amortization	10,141	10,809	667
Impairment loss	3,906	–	(3,906)
Amortization of goodwill	2,935	2,631	(304)
Loss (gain) on step acquisitions	(7,272)	–	7,272
Increase (decrease) in net defined benefit liability	(55)	58	114
Interest and dividend income	(1,653)	(1,469)	183
Interest expenses	1,701	1,377	(323)
Share of (profit) loss of entities accounted for using equity method	(819)	(848)	(28)
Loss (gain) on sales of investment securities	(2)	(1,133)	(1,130)
Decrease (increase) in notes and accounts receivable – trade	3,520	11,779	8,259
Decrease (increase) in inventories	6,634	2,383	(4,250)
Increase (decrease) in notes and accounts payable – trade	(14,630)	(5,770)	8,859
Other, net	(7,010)	(3,011)	3,998
Subtotal	15,662	31,451	15,788
Interest and dividend income received	2,713	2,228	(485)
Interest expenses paid	(1,670)	(1,342)	328
Income taxes paid	(5,770)	(6,898)	(1,127)
Net cash provided by (used in) operating activities	10,935	25,439	14,504
<b>Cash flows from investing activities</b>			
Payments into time deposits	(1,063)	–	1,063
Proceeds from withdrawal of time deposits	900	–	(900)
Purchase of securities	(1,036)	(640)	396
Proceeds from sales of securities	1,043	692	(351)
Purchase of property, plant, and equipment and intangible assets	(12,218)	(9,807)	2,410
Purchase of investment securities	(522)	(21)	500
Proceeds from sales of investment securities	22	1,482	1,460
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(77,189)	(275)	76,914
Other, net	(328)	339	667
Net cash provided by (used in) investing activities	(90,392)	(8,230)	82,161
<b>Cash flows from financing activities</b>			
Increase in short-term loans payable	37,053	8,456	(28,597)
Decrease in short-term loans payable	(40,525)	(7,971)	32,554
Proceeds from long-term loans payable	10,000	400	(9,600)
Proceeds from issuance of bonds	19,888	–	(19,888)
Proceeds from sales of treasury shares	146	35	(111)
Purchase of treasury shares	(189)	(131)	58
Cash dividends paid	(4,755)	(5,055)	(300)
Dividends paid to non-controlling interests	(403)	(3,550)	(3,146)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(274)	(0)	273
Other, net	(1,363)	(1,883)	(520)
Net cash provided by (used in) financing activities	19,576	(9,701)	(29,277)
Effect of exchange rate change on cash and cash equivalents	76	277	201
Net increase (decrease) in cash and cash equivalents	(59,804)	7,785	67,589
Increase (decrease) in cash and cash equivalents resulting from change of fiscal year-end of subsidiaries	713	–	(713)
Cash and cash equivalents at end of period	48,284	64,335	16,051

## V. Consolidated ROE

	FY2017	FY2018	FY2019	FY2020	2Q FY2021	vs. FY2020	FY2021 Forecast
ROE (%)	5.1%	5.4%	5.5%	5.6%	4.5%	(1.1)%	4.3%
Net income to net sales ratio (%)	3.7%	4.0%	3.9%	3.1%	2.7%	(0.4)%	2.4%
Average total asset turnover (Times)	1.0	0.9	1.0	1.1	1.0	(0.1)	-
Leverage	1.4	1.4	1.5	1.6	1.7	0.1	-

