Summary of Earnings Report for the Fiscal Year Ended March 31, 2018

May 10, 2018

Name of listed company:	A.D.Works. Co., Ltd.	Listed stock exchange:	Tokyo Stock Exchange
Code:	3250	URL	http://www.re-adworks.com/
Representative:	Hideo Tanaka, President and CEO		
Contact:	Katsutoshi Hosoya, Senior Managing Director and CFO		TEL: +81-(0) 3-4500-4200
Scheduled date of shareholders' meeting	June 26, 2018	Scheduled date of dividend payment	June 11, 2018
Scheduled date of filing	June 26, 2018		

Additional material of financial results : Yes
Results meeting : Yes (Institutional investors and analysts)

(Millions of yen, rounded down)

1. Consolidated Results for the Fiscal Year Ended March 31, 2018 (April 1, 2017–March 31, 2018)

(1) Consolidated business results (cumulative)

(%: Year-on-year comparison)

	Net Sales		Operating Income		Ordinary Income		Net income attributable to owners of parent	
	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	%
Fiscal year ended March 31, 2018	22,299	17.6	1,212	16.5	926	23.9	584	8.1
Fiscal year ended March 31, 2017	18,969	20.6	1,040	19.8	748	15.0	540	26.6

(Notes) Comprehensive Income Year ended March 31, 2018 380 Million yen ((34.1%)) Year ended March 31, 2017 578 Million yen (51.5%)

	Net Income per Share	Diluted Net Income per Share	Net Income on Equity	Ordinary Income on Total Assets	Operating Income Margin
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2018	1.84	1.84	7.1	3.3	5.4
Fiscal year ended March 31, 2017	1.71	1.71	8.8	3.4	5.5

(Notes) Investment gain or loss on equity method: March 31, 2018 — Million yen March 31, 2017 — Million yen

(Note) On July 13, 2017, A.D.Works. Co., Ltd. carried out an allotment of subscription rights to shares based on a non-commitment rights offering (with a non-discounted exercise price), and it has issued new shares in conjunction with the exercise of the subscription rights to shares. The Company has calculated net income per share and diluted net income per share based on the number of shares assuming that the payment for shares based on the rights offering was made at the start of the previous consolidated fiscal year.

(2) Consolidated financial condition

	Total Assets	Net Assets	Shareholders' Equity ratio	Net Assets per Share
	¥ millions	¥ millions	%	Yen
Fiscal year ended March 31, 2018	30,801	10,152	32.9	31.90
Fiscal year ended March 31, 2017	25,832	6,415	24.7	20.28

(Notes) Shareholders' equity: March 31, 2018 10,148 Million yen March 31, 2017 6,391 Million yen

(Note) On July 13, 2017, A.D.Works. Co., Ltd. carried out an allotment of subscription rights to shares based on a non-commitment rights offering (with a non-discounted exercise price), and it has issued new shares in conjunction with the exercise of the subscription rights to shares. The Company has calculated net assets per share based on the number of shares assuming that the payment for shares based on the rights offering was made at the start of the previous consolidated fiscal year.

(3) Consolidated Cash Flow

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Period
	¥ millions	¥ millions	¥ millions	¥ millions
Fiscal year ended March 31, 2018	(1,215)	(41)	4,075	7,139
Fiscal year ended March 31, 2017	(5,128)	504	6,426	4,353

2. Dividends Information

	Dividend per Share					Amount of Total Dividend	Dividend ratio (consolidated)	Dividend ratio per Net Asset
	1Q	Interim	3Q	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2017	—	0.00	—	0.55	0.55	122	21.9	1.9
Fiscal year ended March 31, 2018	—	1.65	—	0.35	2.00	645	108.7	6.5
Fiscal year ending March 31, 2019 (forecast)	—	0.00	—	0.35	0.35		17.0	

3. Consolidated Business Plan for Fiscal Year Ending March 31, 2019

The A.D.W. Group announces its business targets for each consolidated fiscal year in the form of a “business plan.” “Business plans” are targets for our business and are different from “forecasts and predictions” that are calculated rationally based on information that is considered to be highly accurate.

(%: comparison with the previous period)

	Net sales		EBITDA		Ordinary Income		Net income before taxes		Net Income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Full year	24,000	7.6	1,600	18.7	1,000	7.9	1,000	8.2	660	13.0

(Note) Consolidated sales, consolidated ordinary income, income before tax, and consolidated net income are equal to the sales, ordinary income, net income before taxes, and net income attributable to owners of the parent company in the consolidated profit and loss statement.

1. Overview of Business Results

(1) Overview of business results for the fiscal year under review

During the consolidated fiscal year under review, in the domestic economic environment, the gradual economic recovery continued on factors including an employment increase due to increased corporate earnings, an improvement in consumer confidence, and an increase in exports. Furthermore, in the United States, where the A.D.W. Group has an operating base, the economic expansion continued with support from such factors as increased consumer spending, increased capital investment, and improvement in employment.

As for the business environment for income properties in the Tokyo metropolitan district, which is the A.D.W. Group's main operating area, because the trend of increase in the number of inventory properties is pronounced despite an upward trend in transaction contract prices, the outlook for supply and demand is uncertain. Meanwhile, in the Los Angeles area in the United States, which is the base of our overseas operations, transaction contract prices for pre-owned residences are continuing to rise, and the inventory remained stable.

Under these business conditions, based on the A.D.W. Group's Fifth Mid-Range Business Plan (for the period from the fiscal year ended March 31, 2017 to the fiscal year ending March 31, 2019), the Group has set forth the basic policies of "strategic expansion of the balance of income properties in order to establish a solid business foundation and achieve a stable profit base," "development and expansion of business that will become a new pillar of future earnings," and "restructuring capabilities so that they can support the larger scale of our business," and it has worked on a variety of measures to achieve these goals.

In addition, in order to raise growth money to achieve the Group's Fifth Mid-Range Business Plan, the Company carried out a non-commitment rights offering (with a non-discounted exercise price), successfully raising 3,888 million yen.

Our efforts to undertake new businesses were as follows. First, the Company's self-developed office building, AD-O Shibuya Dogenzaka, which was completed in September 2017, got off to a flying operational start. Second, through the Real Estate Tech Support Office, which encompasses the second floor of the office building, the Company publicly advertised for real estate tech companies and, with collaboration with the A.D.W. Group in mind, has been selecting promising ones. In these and other efforts as well, the A.D.W. Group laid the foundations for a broad range of business development.

The business results for the consolidated fiscal year under review are shown in the table below.
Except for EBITDA, we achieved all levels of profit in our initial business plan, and at 926 million yen, ordinary income exceeded 900 million yen for the first time ever.

(Unit: million yen)

	Fiscal year ended March 31, 2018 (Full-year plan)		Fiscal year ended March 31, 2017 (Actual results)		Fiscal year ended March 31, 2018 (Actual results)			
	Amount	Net sales ratio	Amount	Net sales ratio	Amount	Net sales ratio	YoY change	Percentage of full-year plan achieved
Net sales	20,000	100.0%	18,969	100.0%	22,299	100.0%	+17.6%	111.5%
(Property sales)	—	—	(17,034)	(89.8%)	(19,827)	(88.9%)	(+16.4%)	—
(Stock)	—	—	(2,165)	(11.4%)	(2,829)	(12.7%)	(+30.7%)	—
(Internal sales)	—	—	(-230)	(-1.2%)	(-357)	(-1.6%)	—	—
EBITDA	1,400	7.0%	1,216	6.4%	1,348	6.0%	+10.8%	96.3%
Ordinary income	900	4.5%	748	3.9%	926	4.2%	+23.9%	103.0%
Pre-tax income	900	4.5%	835	4.4%	924	4.1%	+10.7%	102.7%
Net income	580	2.9%	540	2.8%	584	2.6%	+8.1%	100.7%

Note 1: "Property sales," "stock," "pre-tax income," and "net income" are the abbreviations of "income property sales business," "stock-type fee business," "net income before taxes and other adjustments," and "net income attributable to owners of parent," respectively.

Note 2: EBITDA (operating income before depreciation and amortization): Operating income + depreciation and amortization + profits or losses on sales of income properties that are recorded in extraordinary gains or losses.
Depreciation and amortization includes depreciation, software amortization, amortization of goodwill, and any other non-cash expenses.
In addition, the Company may include income properties held for long-term sale in fixed assets, and it has recorded a part of the gain or loss on sales from the income properties held for long-term sale in the section of extraordinary gains or losses on the consolidated profit and loss statement. EBITDA is calculated by including the extraordinary gains and losses.

A summary of the segment results is as follows. Please note that the A.D.W. Group considers operating income to be segment income.

(Income property sales business)

Net sales were 19,827 million yen, EBITDA was 1,507 million yen, and operating income was 1,497 million yen.

The balance of income properties, which is a prime source of future profits in the income property sales business and, at the same time, a part of the source of profits in the stock-type fee business, was 22,376 million yen, exceeding the balance in the previous fiscal year by 2,058 million yen.

The A.D.W. Group's competitive edge is its ability to offer one-stop service including renovation, property management, and asset management advice, and based on customer trust resulting from such service, we sold 35 properties in Japan and 17 in the United States.

Meanwhile, when acquiring income properties, with real estate prices remaining at high levels, we carefully focused on the profitability of each property. As a result, we completed acquisitions of 44 properties in Japan and 19 properties in the United States, recording a total acquisition amount of 16,888 million yen.

(Stock-type fee business)

Net sales were 2,829 million yen, EBITDA was 971 million yen, and operating income was 884 million yen.

The average balance of income properties during the fiscal year under review was 19,380 million yen, up from 18,247 million yen in the previous fiscal year. In addition, there has been steady growth in after-sales property management contracts for income properties, and the number of income properties under management in Japan at the end of the fiscal year under review was 4,464 (versus 4,157 at the end of the previous fiscal year), with an occupancy rate was 94.7%. Due to these factors, rental revenue and property management revenue both increased, and the Group was able to strengthen its base of stable earnings.

Furthermore, due to increased contract sizes and improved customer relations, there has been an increase in opportunities to receive orders for transaction support for such services as maintenance and repairs or replacement purchases and additional purchases for income properties for which we make contracts, and in the fiscal year under review, construction revenue and transaction support fees thus increased.

(Note) The operating income for each segment is an amount before deduction of expenses not allocated to any segment, such as corporate expenses, and operating expenses from intersegment sales or transfers. Therefore, the total operating income for the segments does not match consolidated operating income.

(4) Future outlook

a) Policies for the next fiscal year (ending March 31, 2019)

On May 12, 2016, A.D.Works. Co., Ltd. announced a three-year plan whose first year was the fiscal year ended March 31, 2017. This plan, which is called the Fifth Mid-Range Business Plan, covers the period from the fiscal year ended March 31, 2017, to the fiscal year ending March 31, 2019, and it sets forth the following three basic policies.

I. Strategic expansion of the balance of income properties in order to establish a solid business foundation and achieve a stable profit base

II. Development and expansion of business that will become a new pillar of future earnings

III. Restructuring of capabilities to enable support of a larger scale of business

Based on these basic policies, in the next fiscal year, we will focus on carrying out the following three measures (i), (ii), and (iii).

(i) Expanding and stabilizing the income property portfolio

By increasing the scale of its income property business, the A.D.W. Group has steadily made its profits grow.

In the next fiscal year, which ends on March 31, 2019, together with implementing existing business-scale expansion measures, we will increase the proportions of income properties held for long-term sale and income properties in the United States in our income property portfolio, thereby strengthening our stable profit base and hedging the risk of business environment changes.

Since approximately 90% of consolidated net sales in the fiscal year ended March 31, 2018 depended on the income property sales business, the Group must increase the ratio of rental revenue, which is its base of stable earnings, to net sales. In order to build a profit structure that is resistant to market conditions, by focusing on increasing the balance of income properties held for long-term sale, the Group will increase the ratio of rental revenue.

In addition, because of the differences between the United States and Japan in such factors as economic trends and laws and regulations, doing business in both countries is a way to hedge the risk of changes in the business environment. At present, since a favorable business environment is being maintained in the United States because of such factors as the ongoing trend of rising real estate prices, with the merit of also responding to diversification of income property demand, we intend to actively acquire income properties in the U.S. city of Los Angeles, which is the base of the Company's overseas business.

Furthermore, in Japan, we will give active consideration to areas other than the Tokyo metropolitan area and also to business properties. In regional hub cities in Japan, the Company can take advantage of the acquisition channels that it has built in the Tokyo metropolitan area, and in the case of business properties, in line with the steady market conditions, the Company's achievements have been gradually increasing. Since the Company has developed its business mainly centering on residential properties in the Tokyo metropolitan area, our expansion into these business fields can expect to see, in the case of our expansion into the United States as well, an effect from both an expansion of scale and a hedging of risk.

(ii) Establishing a new profit base

Aiming to establish a new profit base, thus far, the Company has steadily made several strategic moves. For example, in November 2016, it began building a distribution platform for small-lot real estate investment products, as its first step into the real estate tech business. Then, in April 2017, it rolled out its renovation- and repair-work business with the goal of strengthening the value chain that it provides to high net-worth individuals. In the fiscal year ended March 31, 2018, these initiatives achieved a contribution to some of the earnings results. Furthermore, as the Company's second step into the real estate tech business, through its own Real Estate Tech Support Office, which makes good use of the Company's self-developed office building, AD-O Shibuya Dogenzaka, the Company is considering potential collaborations with real estate tech companies that provide various services, such as AI recommendation services, security services, and cloud funding services, on projects undertaken by the A.D.W. Group.

(iii) Strengthening our fundraising capacity

Because the A.D.W. Group's business model starts from acquisition of income properties, for the sake of growth, major upfront investments are essential. The Company has made good use of the technique known as the rights offering, raising approximately 500 million yen in the fiscal year ended March 31, 2013, approximately 2,200 million yen in the fiscal year ended March 31, 2014, and approximately 3,800 million yen in the fiscal year ended March 31, 2018. As a result of actively using these growth funds, ordinary income, which was 290 million yen in the fiscal year ended March 31, 2012, increased to 926 million yen in the fiscal year ended March 31, 2018. In the future, because the Company will likely experience demand for growth capital, it will strive to improve its fundraising capacity by considering raising funds on the capital market as well as from financial institutions. For that purpose, the Company will not only achieve steady growth in earnings but further enhance its communication with investors and financial institutions.

b) Outlook and management indicators for the next fiscal year (ending March 2019)

(i) Consolidated business plan for the fiscal year ending March 31, 2019

A.D.Works. Co., Ltd. has established EBITDA (operating income before depreciation), ordinary income, net income before taxes (pre-tax income), and net income as management indicators of growth potential, and it has established ROE as a management indicator of effective use of management resources.

The consolidated business plan for the fiscal year ending March 31, 2019, is as follows.

Please note that, in comparison with the Fifth Mid-Range Business Plan, which covers the period from the fiscal year ended March 31, 2017, to the fiscal year ending March 31, 2019, there is a difference in net sales and in ROE (year-end).

For net sales, as opposed to the figure of 18,000 million yen presented in the Fifth Mid-Range Business Plan, we have indicated 24,000 million yen. The reason is that the Company formulated the current business plan around growth in profits, and with respect to net sales, it is responding flexibly depending on the business environment.

For ROE (year-end), as opposed to 7.4% presented in the Fifth Mid-Range Business Plan, we have indicated 6.2%. This is because, although progress has been made as expected for net income, due mainly to the rights offering conducted in the fiscal year ended March 31, 2018, the amount of shareholders' equity has diverged from the amount estimated in the Fifth Mid-Range Business Plan.

(Unit: million yen)

	Year ended March 31, 2018 (Results)	Year ending March 31, 2019 (Plan)
Net sales	22,299	24,000
EBITDA	1,348	1,600
Ordinary income	926	1,000
Pre-tax income	924	1,000
Net income	584	660
ROE (year-end)	5.8%	6.2%

(Notes) 1: The business plans released by the Company represent targets that it aims to achieve in its business, and they differ from "earnings forecasts" and "earnings predictions" that are calculated rationally based on so-called highly reliable information. Furthermore, whenever necessary, based on the entire Group's highly reliable information and information deemed rational at the time, the company updates and discloses the progress forecast for each quarter.

2. ROE: Net Income/Shareholders' Equity

(ii) Guidance

To achieve its consolidated business plan, the Company has established the following items as guidance.

(Unit: million yen)

	Year ended March 31, 2018 (Results)	Year ending March 31, 2019 (Plan)
Balance of income properties (at year-end)	22,376	30,000
Rental revenue	1,112	1,440
Rental income (EBITDA)	716	935

(Notes) Rental income EBITDA: rental revenue – rental revenue cost – rental revenue direct sales, general and administrative expenses＋rental revenue depreciation

c) Basic policy on profit distribution, and dividend payment in the fiscal year under review and the next fiscal year

Based on a medium-term perspective, the A.D.W. Group has adopted the basic policy of ensuring internal reserves to prepare for future business development and then, depending on earnings, making dividend payments.

In the fiscal year under review, to show our appreciation to those shareholders who have contributed funds in one of the three previous rights offerings and to support shareholder returns, the Company paid a year-end dividend (ordinary dividend) from the viewpoint of a single fiscal year and, separately from that dividend, an interim dividend (a commemorative dividend of 1.65 yen per share) with a record date of September 30, 2017. Thus, together with the year-end dividend of 0.35 yen per share, the total dividend for the fiscal year under review is 2.00 yen per share, resulting in a consolidated dividend payout ratio of 108.7%.

As for the dividend amount in the next fiscal year (ending March 31, 2019), which is the final fiscal year of the Fifth Mid-Range Business Plan, the Company plans to pay 0.35 yen, which is the same ordinary dividend as before.

Additionally, with regard to the Company's dividend policy based on a medium-term perspective, which includes the matter of commemorative dividends, the Company will give the policy renewed consideration in the Sixth Mid-Range Business Plan, whose first fiscal year will be the fiscal year ending March 31, 2020.

3. Consolidated Financial Statements

(1) Consolidated balance sheets

(Unit: Thousand yen)

	Previous consolidated fiscal year (year ended March 31, 2017)	Current consolidated fiscal year (year ended March 31, 2018)
Assets		
Current assets		
Cash and savings	4,425,499	7,169,631
Accounts receivable	110,053	117,013
Revenue-generating real estate held for sale	17,490,706	21,899,672
Real estate for sale in process	1,594,068	476,536
Deferred tax assets	133,256	151,513
Other	390,426	489,131
Allowance for doubtful accounts	(998)	(116)
Total current assets	24,143,012	30,303,381
Fixed assets		
Tangible fixed assets		
Buildings	750,935	94,461
Accumulated depreciation	(100,503)	(46,090)
Buildings (net)	650,431	48,371
Vehicles	5,242	4,965
Accumulated depreciation	(2,013)	(3,545)
Vehicles (net)	3,228	1,419
Tools, furniture, and fixtures	66,572	74,489
Accumulated depreciation	(35,521)	(46,718)
Tools, furniture, and fixtures (net)	31,051	27,771
Land	638,283	—
Total tangible fixed assets	1,322,995	77,562
Intangible fixed assets		
Other	84,867	65,957
Total intangible fixed assets	84,867	65,957
Investments and other assets		
Investment securities	109,334	103,581
Deferred tax assets	21,945	24,221
Other	150,571	159,180
Total investments and other assets	281,850	286,983
Total fixed assets	1,689,712	430,504
Deferred assets		
Share issuance cost	—	67,518
Total deferred assets	—	67,518
Total assets	25,832,725	30,801,404

(Unit: Thousand yen)

	Previous consolidated fiscal year (year ended March 31, 2017)	Current consolidated fiscal year (year ended March 31, 2018)
Liabilities		
Current liabilities		
Accounts payable	660,311	711,085
Short-term loans payable	2,915,915	2,357,500
Current portion of bonds payment	189,500	958,250
Current portion of long-term loans payable	1,062,010	2,579,349
Corporate tax payable	164,912	268,532
Reserve for stock benefits	30,616	—
Other	1,307,790	1,490,764
Total current liabilities	6,331,057	8,365,483
Fixed liabilities		
Corporate bonds	1,038,250	555,000
Long-term loans payable	12,000,318	11,683,769
Other	47,939	45,071
Total fixed liabilities	13,086,508	12,283,841
Total liabilities	19,417,565	20,649,324
Net assets		
Shareholders' equity		
Capital stock	1,944,554	3,891,078
Capital surplus	1,893,232	3,834,083
Retained earnings	2,919,488	2,848,332
Treasury stock	(356,230)	(211,974)
Total shareholders' equity	6,401,044	10,361,520
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(724)	(4,403)
Foreign currency translation adjustments	(3,984)	(201,394)
Deferred gains (losses) on hedges	(5,008)	(7,184)
Total accumulated other comprehensive income	(9,717)	(212,981)
Subscription rights to shares	23,832	3,540
Total net assets	6,415,159	10,152,079
Total liabilities and net assets	25,832,725	30,801,404

(2) Consolidated Profit and Loss Statement and Consolidated Comprehensive Income Statement

Consolidated Profit and Loss Statement

(Unit: Thousand yen)

	Previous consolidated fiscal year (year ended March 31, 2017)	Current consolidated fiscal year (year ended March 31, 2018)
Sales	18,969,772	22,299,226
Cost of sales	15,308,722	18,300,934
Gross profit on sales	3,661,050	3,998,292
Sales, general and administrative expenses	2,621,010	2,786,273
Operating income	1,040,039	1,212,018
Non-operating income		
Interest and dividends income	87	111
Insurance received	1,325	4,788
Gain on sales of investment securities	—	868
Other	171	38
Total non-operating income	1,584	5,806
Non-operating expenses		
Interest paid	194,514	206,621
Borrowing fee	48,114	28,480
Foreign exchange loss	35,019	22,460
Other	15,823	33,586
Total non-operating expenses	293,471	291,149
Ordinary income	748,152	926,675
Extraordinary income		
Gain on sales of non-current assets	86,863	—
Total extraordinary income	86,863	—
Extraordinary losses		
Loss on retirement of non-current assets	—	2,570
Total extraordinary losses	—	2,570
Net income before taxes	835,015	924,105
Income taxes – current	333,486	356,444
Income taxes adjustment	(38,799)	(16,556)
Total income taxes	294,687	339,888
Net income	540,328	584,216
Net income attributable to owners of parent	540,328	584,216

Consolidated Comprehensive Income Statement

(Unit: Thousand yen)

	Previous consolidated fiscal year (year ended March 31, 2017)	Current consolidated fiscal year (year ended March 31, 2018)
Net income before minority interests	540,328	584,216
Other comprehensive income		
Valuation difference on available-for-sale securities	(724)	(3,678)
Foreign currency translation adjustments	42,496	(197,409)
Deferred gains (losses) on hedges	(3,727)	(2,175)
Total other comprehensive income	38,044	(203,264)
Comprehensive income	578,373	380,952
(attributable to)		
Owners of the parent company	578,373	380,952
Minority interests	—	—

(3) Consolidated Statements of Cash Flows

(Unit: Thousand yen)

	Previous consolidated fiscal year (year ended March 31, 2017)	Current consolidated fiscal year (year ended March 31, 2018)
Cash flows from operating activities		
Net income before taxes	835,015	924,105
Depreciation cost	89,709	129,411
Increase (decrease) in allowances for doubtful accounts	(566)	(881)
Increase (decrease) in allowances of stock issuance	15,654	(30,616)
Interest and dividends income	(87)	(111)
Interest paid	194,514	206,621
Borrowing fee	48,114	28,480
Loss (gain) on sales of property, plant and equipment	(86,863)	—
Decrease (increase) in notes and accounts receivable – trade	(12,285)	(7,373)
Increase (decrease) in notes and accounts payable – trade	426,138	56,903
Decrease (increase) in inventory assets	(6,374,741)	(2,315,210)
Other	272,441	449,318
Subtotal	(4,592,956)	(559,352)
Interest and dividend income	87	111
Interest paid	(194,398)	(193,650)
Income taxes refunded (paid)	(341,274)	(462,549)
Cash flows from operating activities	(5,128,541)	(1,215,440)
Cash flow from investing activities		
Payments for purchase of tangible fixed assets	(28,556)	(26,078)
Proceeds from sales of tangible fixed assets	700,000	—
Payments for purchase of intangible fixed assets	(30,849)	(9,312)
Payments for purchase of investment securities	(113,030)	—
Payments for refund of deposits	(26,188)	(6,871)
Other	3,428	988
Cash flow from investing activities	504,804	(41,274)
Cash flow from financing activities		
Proceeds from short-term borrowings	9,349,573	4,397,428
Repayments of short-term borrowings	(8,041,300)	(4,950,970)
Proceeds from long-term borrowings	13,361,649	11,878,366
Repayments of long-term borrowings	(8,208,458)	(10,657,254)
Proceeds from issuance of bonds	200,000	500,000
Payments for redemption of bonds	(139,500)	(214,500)
Proceeds from issuing stock options	18,000	—
Proceeds from exercise of stock options	13,720	3,804,802
Proceeds from purchase of subscription rights to shares	—	(17,880)
Dividends paid	(77,696)	(651,066)
Other	(49,144)	(13,504)
Cash flow from financing activities	6,426,843	4,075,421
Effect of exchange rate changes on cash and cash equivalents	14,284	(32,772)
Increase (decrease) in cash and cash equivalents	1,817,390	2,785,933
Balance of cash and cash equivalents at start of year	2,536,383	4,353,773
Balance of cash and cash equivalents at end of period	4,353,773	7,139,707