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February 9, 2018

Consolidated Financial Results for the Fiscal Year Ended December 31, 2017 <under Japanese GAAP>

Company name: **OAT Agrio Co., Ltd.**
 Listing: Tokyo Stock Exchange
 Securities code: 4979
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Scheduled date of ordinary general meeting of shareholders: March 20, 2018
 Scheduled date to commence dividend payments: March 6, 2018
 Scheduled date to file Annual Securities Report: March 22, 2018
 Preparation of supplementary material on financial results: None
 Holding of financial results presentation meeting: Yes (For institutional investors and analysts)

(Millions of yen with fractional amounts discarded, unless otherwise noted)

1. Consolidated financial results for the fiscal year ended December 31, 2017 (from January 1, 2017 to December 31, 2017)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2017	14,118	9.1	1,882	17.4	1,890	20.2	1,298	37.8
December 31, 2016	12,938	6.7	1,603	44.1	1,572	42.2	942	38.9

Note: Comprehensive income Fiscal year ended December 31, 2017: ¥1,390 million [45.3%]

Fiscal year ended December 31, 2016: ¥957 million [46.3%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
December 31, 2017	260.05	—	25.3	16.0	13.3
December 31, 2016	183.24	174.51	21.9	14.4	12.4

Reference: Equity in earnings (losses) of affiliates Fiscal year ended December 31, 2017: ¥— million

Fiscal year ended December 31, 2016: ¥— million

Note: Diluted earnings per share for the fiscal year ended December 31, 2017 is not presented because there are no potential shares.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2017	12,094	6,333	48.9	1,092.73
December 31, 2016	11,547	4,785	37.7	883.44

Reference: Equity
As of December 31, 2017: ¥5,914 million
As of December 31, 2016: ¥4,357 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
December 31, 2017	457	(250)	(1,087)	1,632
December 31, 2016	1,894	(770)	(248)	2,491

2. Dividends

	Dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended December 31, 2016	–	0.00	–	30.00	30.00	147	16.4	3.6
Fiscal year ended December 31, 2017	–	0.00	–	36.00	36.00	194	13.8	3.6
Fiscal year ending December 31, 2018 (Forecast)	–	0.00	–	36.00	36.00		14.9	

3. Consolidated earnings forecasts for the fiscal year ending December 31, 2018 (from January 1, 2018 to December 31, 2018)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending December 31, 2018	15,290	8.3	1,913	1.7	1,895	0.3	1,311	1.0	242.33

Note: As the Company manages its operations on an annual basis, consolidated earnings forecasts for the first six months are omitted.

*** Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
- Changes in accounting policies in accordance with changes in accounting standards, etc.: None
 - Changes in accounting policies due to other reasons: None
 - Changes in accounting estimates: None
 - Restatement: None

(3) Number of shares issued (common shares)

- a. Number of shares issued at the end of the period (including treasury shares)

As of December 31, 2017	5,536,000 shares
As of December 31, 2016	5,536,000 shares

- b. Number of treasury shares at the end of the period

As of December 31, 2017	123,693 shares
As of December 31, 2016	603,624 shares

- c. Average number of shares outstanding during the period

Fiscal year ended December 31, 2017	4,993,716 shares
Fiscal year ended December 31, 2016	5,142,196 shares

Reference: Summary of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended December 31, 2017 (from January 1, 2017 to December 31, 2017)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2017	13,646	7.3	1,857	12.9	1,859	13.9	1,370	33.0
December 31, 2016	12,715	9.2	1,645	62.0	1,632	73.6	1,030	69.5

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
December 31, 2017	274.36	—
December 31, 2016	200.31	190.77

Note: Diluted earnings per share for the fiscal year ended December 31, 2017 is not presented because there are no potential shares.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2017	11,505	6,055	52.6	1,118.88
December 31, 2016	11,017	4,484	40.7	908.62

Reference: Equity As of December 31, 2017: ¥6,055 million
 As of December 31, 2016: ¥4,481 million

*** Financial results reports are not required to be audited.**

*** Proper use of earnings forecasts, and other special matters**

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Consequently, the statements herein do not constitute assurances regarding the Company's actual results. Actual financial and other results may differ substantially from the statements herein due to various factors.

Attached Materials

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1. Overview of operating results and others

(1) Overview of operating results for the fiscal year ended December 31, 2017

In the fiscal year ended December 31, 2017, the Japanese economy continued to follow a trend of moderate recovery in business conditions amid ongoing favorable corporate earnings against a backdrop of increasing exports. Moreover, the global economy also maintained recovery of business conditions in the U.S., Europe, China and other major markets, while emerging countries showed a modest recovery trend in business conditions. However, the outlook remains uncertain particularly given geopolitical risk triggered by issues involving North Korea and a trend of gradual increases in crude oil prices.

In the environment surrounding agriculture, forecasts call for mounting growth in worldwide demand for agricultural produce, against a backdrop of rising populations globally continuing into the future. As such, development of materials used in agricultural production and crop cultivation technologies is crucial in order to heighten productivity of agriculture in a manner that makes effective use of finite arable land. Moreover, major agricultural chemical manufacturers overseas are forging ahead with business mergers, thereby giving rise to the likelihood that such integration will also affect the domestic market.

In Japan, the environment surrounding manufacturers who supply materials used in agricultural production is likely to undergo substantial changes going forward, particularly given that the government enacted the Agricultural Competitiveness Enhancement Support Act in August 2017, calling for supply of “high-quality, lower price agricultural materials” in order to make Japan’s agricultural industry more competitive.

Against this backdrop, the OAT Agrio Group (the “Group”) has been engaging in initiatives that include enhancing its sales framework and streamlining production systems so that it can better supply safe products that provide peace of mind as demanded by the market, and it has also been actively investing in research and development in order to upgrade operations so that it will be able to keep providing premium quality products into the future.

As a result of the above business activities, in the fiscal year under review, net sales totaled ¥14,118 million, up 9.1% or ¥1,179 million year on year, operating profit was ¥1,882 million, up 17.4% or ¥279 million year on year, ordinary profit was ¥1,890 million, up 20.2% or ¥318 million year on year, and profit attributable to owners of parent was ¥1,298 million, up 37.8% or ¥356 million year on year.

The Group has a single business segment, the AgriTechno Business. The operating results by business fields in this segment are as follows.

With respect to the domestic market, the fiscal year under review was one where agricultural crops were severely affected. This was largely a result of factors such as torrential rains inundating northern Kyushu in July, along with a record-setting lack of sunlight due to successive typhoons making landfall over the months August to September and unseasonable weather conditions otherwise. Given this situation, in the agrichemicals field in Japan shipments of our mainstay insecticide *Oncol* and acaricide *Cyflumetofen* decreased in comparison with the previous year, but we achieved favorable year-on-year results with rice herbicides and green agrochemicals as a result of active sales initiatives. Meanwhile overseas, shipments of acaricide *Cyflumetofen* decreased in comparison with the previous year, but we managed to expand sales to Latin America and the Asia region amid favorable sales of agricultural chemical intermediaries of rice herbicides and insecticide *Oncol*. As a result, net sales in the agrichemicals field amounted to ¥10,245 million, up ¥397 million or 4.0% year on year, due to having achieved growth in overall shipment volume in the domestic market and overseas markets.

In the fertilizer and biostimulant^(Note) field, we achieved firm results in Japan with our existing products such as our mainstay greenhouse fertilizers, phosphorus fertilizers, and drip fertigation fertilizers. Meanwhile, net sales of biostimulant *Atonik* (plant growth agent) were also strong, due to active sales initiatives through Czech subsidiary Asahi Chemical Europe and Indonesian subsidiary PT. OAT MITOKU AGRIO. As a result, overall net sales in the fertilizer and biostimulant field increased ¥781 million or 25.3% year on year to ¥3,873 million.

Note: Biostimulant: General name for the materials and technologies that enhance the capacities and functions inherent in plants, and promote cold resistance, heat resistance, pest tolerance and growth stimulation.

(2) Overview of financial position for the fiscal year ended December 31, 2017

a. Position of assets, liabilities, and net assets

(i) Assets

Total assets as of December 31, 2017, was ¥12,094 million, an increase of ¥547 million compared to December 31, 2016. This was the result of increases of ¥379 million in current assets and ¥168 million in non-current assets.

(Current assets)

Total current assets as of December 31, 2017, was ¥9,479 million, an increase of ¥379 million compared to December 31, 2016. This was mainly the result of a decrease of ¥816 million in cash and deposits and an increase of ¥515 million in notes and accounts receivable - trade.

(Non-current assets)

Total non-current assets as of December 31, 2017, was ¥2,614 million, an increase of ¥168 million compared to December 31, 2016. This was mainly the result of increases of ¥35 million in buildings and structures, ¥66 million in machinery, equipment and vehicles, and ¥53 million in investment securities.

(ii) Liabilities

(Current liabilities)

Total current liabilities as of December 31, 2017, was ¥4,247 million, a decrease of ¥932 million compared to December 31, 2016. This was mainly the result of a decrease of ¥1,202 million in short-term loans payable.

(Non-current liabilities)

Total non-current liabilities as of December 31, 2017, was ¥1,513 million, a decrease of ¥68 million compared to December 31, 2016. This was mainly the result of decreases of ¥32 million in long-term loans payable and ¥32 million in net defined benefit liability.

(iii) Net assets

Total net assets as of December 31, 2017, was ¥6,333 million, an increase of ¥1,547 million compared to December 31, 2016. This was mainly the result of an increase of ¥1,150 million in retained earnings due mainly to the recording of profit.

(3) Overview of cash flows for the fiscal year ended December 31, 2017

Cash and cash equivalents (hereinafter "cash") as of December 31, 2017 was ¥1,632 million, a decrease of ¥858 million compared to December 31, 2016. Cash flows during the fiscal year under review and their causes are as follows.

(Cash flows from operating activities)

Net cash provided by operating activities was ¥457 million (¥1,894 million was provided in the previous fiscal year). The main sources of cash were profit before income taxes of ¥1,862 million and depreciation of ¥219 million. The main uses of cash were increase in notes and accounts receivable - trade of ¥484 million, increase in inventories of ¥636 million, and income taxes paid of ¥476 million.

(Cash flows from investing activities)

Net cash used in investing activities was ¥250 million (¥770 million was used in the previous fiscal year). The main uses of cash were purchase of property, plant and equipment of ¥211 million.

(Cash flows from financing activities)

Net cash used in financing activities was ¥1,087 million (¥248 million was used in the previous fiscal year). The main uses of cash were decrease in short-term loans payable of ¥1,200 million, repayments of long-term loans payable of ¥34 million and cash dividends paid of ¥147 million.

Reference: Trends in cash flow indicators

	Fiscal year ended December 31, 2015	Fiscal year ended December 31, 2016	Fiscal year ended December 31, 2017
Equity ratio (%)	41.6	37.7	48.9
Market value equity ratio (%)	84.8	57.0	124.7
Ratio of cash flow to interest-bearing debt (%)	323.9	157.8	388.5
Interest coverage ratio (times)	29.1	63.4	16.9

Notes: 1. Equity ratio: Equity / Total assets

Market value equity ratio (%): Market capitalization / Total assets

Ratio of cash flow to interest-bearing debt (%): Interest-bearing debt / Cash flow

Interest coverage ratio (times): Cash flow / Interest payments

2. All items are calculated using consolidated financial data.

3. Market capitalization is based on number of shares issued excluding treasury shares.

4. Operating cash flow is used for cash flow.

(4) Future outlook

The Group aims to contribute to society through the provision of technology that boosts food production (agritechnology). Also, guided by the basic policy of increasing corporate profits and enhancing enterprise value, the Group will implement measures to grow earnings and strengthen its financial standing as part of its business activities.

Our forecasts for each business field are as follows.

In the agrichemicals field, the domestic agrichemical market is likely to remain highly competitive. However, we plan to conduct marketing activities that both protect and expand market share of products. We will also pick up the pace in developing new products geared achieving low costs and labor savings. Overseas, the Group will work to grow sales of mainstay products such as acaricide *Cyflumetofen*, insecticide *Oncol* and fungicide *Kaligreen* by continuing to increase the number of countries where they are registered and by adding more product applications.

In the fertilizer and biostimulant field, we will further strengthen our partnership with the three subsidiaries OAT Agri Frontier Co., Ltd., PT. OAT MITOKU AGRIO, and Runhe (Zhoushan) Plant Science Co., Ltd. We will also take steps to build a future-oriented base for earnings through initiatives that involve developing new products, tapping domestic and overseas markets and providing products tailored to user needs.

The Group will target cost improvements and earnings gains through initiatives that involve cooperation between sales and production divisions with respect to swiftly addressing market trends and changes in the sales environment. Nevertheless, in the current fiscal year we expect to incur higher selling, general and administrative expenses centered on experiment and research expenses for accelerating new product development.

Under those business conditions, for the fiscal year ending December 31, 2018, we forecast net sales of ¥15,290 million, up 8.3% year on year, operating profit of ¥1,913 million, up 1.7% year on year, ordinary profit of ¥1,895 million, up 0.3% year on year, and profit attributable to owners of parent of ¥1,311 million, up 1.0%.

The Company considers the distribution of profit to shareholders as one of the most important issues for management. Accordingly, the Company's basic policy on profit distribution is to carry out the stable payment of dividends while considering the provision of the necessary internal reserves to

strengthen the financial base and proactively develop business. Looking ahead, the Company shall strive for sustainable growth by investing business resources in business fields where growth is expected in the medium- to long-term in order to boost corporate value and increase value for shareholders.

The Company plans to pay dividends from surplus for the fiscal year under review of ¥36 per share as per the dividend forecast announced on November 10, 2017.

Concerning the dividends from surplus for the fiscal year ending December 31, 2018, the Company plans to pay an annual dividend of ¥36 per share.

2. Basic stance on selection of accounting standards

The Group uses Japanese accounting standards to facilitate comparison with sector peer companies in Japan.

With respect to adoption of international financial reporting standards (IFRS), the Group follows a policy of responding in a suitable manner after giving consideration to various circumstances in Japan and overseas.

3. Consolidated financial statements and significant notes thereto

(1) Consolidated balance sheet

(Millions of yen)

	As of December 31, 2016	As of December 31, 2017
Assets		
Current assets		
Cash and deposits	2,774	1,958
Notes and accounts receivable - trade	3,064	3,580
Merchandise and finished goods	2,019	2,329
Work in process	199	377
Raw materials and supplies	632	812
Deferred tax assets	190	177
Other	238	275
Allowance for doubtful accounts	(18)	(31)
Total current assets	9,100	9,479
Non-current assets		
Property, plant and equipment		
Buildings and structures	828	864
Machinery, equipment and vehicles	172	239
Land	555	552
Construction in progress	70	3
Other	138	162
Total property, plant and equipment	1,766	1,822
Intangible assets		
Goodwill	119	88
Software	43	35
Other	76	68
Total intangible assets	239	192
Investments and other assets		
Investment securities	290	343
Shares of subsidiaries and associates	60	31
Deferred tax assets	-	6
Other	89	216
Total investments and other assets	440	598
Total non-current assets	2,446	2,614
Total assets	11,547	12,094

(Millions of yen)

	As of December 31, 2016	As of December 31, 2017
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,169	2,212
Short-term loans payable	1,979	777
Accounts payable - other	390	485
Income taxes payable	272	366
Provision for bonuses	89	35
Provision for sales rebates	50	45
Provision for sales returns	24	19
Other	204	305
Total current liabilities	5,179	4,247
Non-current liabilities		
Long-term loans payable	1,032	1,000
Long-term deposits received	234	208
Provision for directors' retirement benefits	12	2
Net defined benefit liability	216	183
Deferred tax liabilities	48	72
Other	38	45
Total non-current liabilities	1,581	1,513
Total liabilities	6,761	5,760
Net assets		
Shareholders' equity		
Capital stock	461	461
Capital surplus	2,721	2,410
Retained earnings	2,078	3,229
Treasury shares	(788)	(161)
Total shareholders' equity	4,474	5,939
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(23)	13
Foreign currency translation adjustment	(73)	(36)
Remeasurements of defined benefit plans	(19)	(2)
Total accumulated other comprehensive income	(116)	(25)
Subscription rights to shares	3	-
Non-controlling interests	425	419
Total net assets	4,785	6,333
Total liabilities and net assets	11,547	12,094

(2) Consolidated statement of income and consolidated statement of comprehensive income

Consolidated statement of income

(Millions of yen)

	Fiscal year ended December 31, 2016	Fiscal year ended December 31, 2017
Net sales	12,938	14,118
Cost of sales	7,222	7,662
Gross profit	5,716	6,455
Selling, general and administrative expenses	4,113	4,572
Operating profit	1,603	1,882
Non-operating income		
Interest income	15	21
Dividend income	7	7
Subsidy income	–	6
Insurance premiums refunded cancellation	–	5
Other	1	8
Total non-operating income	24	50
Non-operating expenses		
Interest expenses	30	26
Foreign exchange losses	14	11
Commission for purchase of treasury shares	10	0
Other	0	3
Total non-operating expenses	56	42
Ordinary profit	1,572	1,890
Extraordinary income		
Gain on sales of non-current assets	0	1
Total extraordinary income	0	1
Extraordinary losses		
Loss on valuation of shares of subsidiaries and associates	129	28
Other	0	0
Total extraordinary losses	129	29
Profit before income taxes	1,442	1,862
Income taxes - current	411	559
Income taxes - deferred	79	7
Total income taxes	491	566
Profit	951	1,296
Profit (loss) attributable to non-controlling interests	9	(2)
Profit attributable to owners of parent	942	1,298

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended December 31, 2016	Fiscal year ended December 31, 2017
Profit	951	1,296
Other comprehensive income		
Valuation difference on available-for-sale securities	(15)	36
Foreign currency translation adjustment	(11)	40
Remeasurements of defined benefit plans, net of tax	32	17
Total other comprehensive income	5	94
Comprehensive income	957	1,390
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	943	1,389
Comprehensive income attributable to non-controlling interests	13	0

(3) Consolidated statement of changes in equity

Fiscal year ended December 31, 2016

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	461	2,717	1,261	(78)	4,362
Changes of items during period					
Profit attributable to owners of parent			942		942
Purchase of treasury shares				(724)	(724)
Disposal of treasury shares		4		15	19
Dividends of surplus			(161)		(161)
Change of scope of consolidation			36		36
Net changes of items other than shareholders' equity					
Total changes of items during period	–	4	816	(709)	111
Balance at end of current period	461	2,721	2,078	(788)	4,474

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	(8)	(57)	(52)	(118)	3	134	4,382
Changes of items during period							
Profit attributable to owners of parent							942
Purchase of treasury shares							(724)
Disposal of treasury shares							19
Dividends of surplus							(161)
Change of scope of consolidation							36
Net changes of items other than shareholders' equity	(15)	(15)	32	1	(0)	290	291
Total changes of items during period	(15)	(15)	32	1	(0)	290	403
Balance at end of current period	(23)	(73)	(19)	(116)	3	425	4,785

Fiscal year ended December 31, 2017

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	461	2,721	2,078	(788)	4,474
Changes of items during period					
Profit attributable to owners of parent			1,298		1,298
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(311)		626	315
Dividends of surplus			(147)		(147)
Change of scope of consolidation					-
Net changes of items other than shareholders' equity					
Total changes of items during period	-	(311)	1,150	626	1,465
Balance at end of current period	461	2,410	3,229	(161)	5,939

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	(23)	(73)	(19)	(116)	3	425	4,785
Changes of items during period							
Profit attributable to owners of parent							1,298
Purchase of treasury shares							(0)
Disposal of treasury shares							315
Dividends of surplus							(147)
Change of scope of consolidation							-
Net changes of items other than shareholders' equity	36	37	17	91	(3)	(5)	82
Total changes of items during period	36	37	17	91	(3)	(5)	1,547
Balance at end of current period	13	(36)	(2)	(25)	-	419	6,333

(4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended December 31, 2016	Fiscal year ended December 31, 2017
Cash flows from operating activities		
Profit before income taxes	1,442	1,862
Depreciation	181	219
Amortization of goodwill	177	27
Increase (decrease) in provision for directors' retirement benefits	(1)	(9)
Increase (decrease) in net defined benefit liability	(21)	(8)
Increase (decrease) in allowance for doubtful accounts	1	12
Increase (decrease) in provision for sales returns	(11)	(5)
Increase (decrease) in provision for sales rebates	3	(4)
Increase (decrease) in provision for bonuses	60	(53)
Interest and dividend income	(23)	(28)
Interest expenses	30	26
Commission for purchase of treasury shares	10	0
Foreign exchange losses (gains)	6	(17)
Loss (gain) on sales of non-current assets	(0)	(1)
Loss on valuation of shares of subsidiaries and associates	129	28
Decrease (increase) in notes and accounts receivable - trade	(119)	(484)
Decrease (increase) in inventories	171	(636)
Increase (decrease) in notes and accounts payable - trade	437	45
Increase (decrease) in accounts payable - other	(213)	16
Other, net	(4)	(60)
Subtotal	2,255	930
Interest and dividend income received	23	31
Interest expenses paid	(28)	(27)
Income taxes paid	(355)	(476)
Net cash provided by (used in) operating activities	1,894	457
Cash flows from investing activities		
Net decrease (increase) in time deposits	(7)	(32)
Purchase of property, plant and equipment	(390)	(211)
Purchase of intangible assets	(20)	(12)
Purchase of investment securities	(77)	(0)
Payments for transfer of business	(271)	-
Payments for lease deposits	(1)	(4)
Other, net	(1)	9
Net cash provided by (used in) investing activities	(770)	(250)

(Millions of yen)

	Fiscal year ended December 31, 2016	Fiscal year ended December 31, 2017
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	500	(1,200)
Repayments of long-term loans payable	(143)	(34)
Repayments of lease obligations	(5)	(10)
Purchase of treasury shares	(735)	(0)
Proceeds from disposal of treasury shares	19	–
Proceeds from exercise of share options	–	312
Proceeds from share issuance to non-controlling shareholders	277	–
Cash dividends paid	(161)	(147)
Dividends paid to non-controlling interests	–	(6)
Net cash provided by (used in) financing activities	(248)	(1,087)
Effect of exchange rate change on cash and cash equivalents	1	22
Net increase (decrease) in cash and cash equivalents	876	(858)
Cash and cash equivalents at beginning of period	1,612	2,491
Increase in cash and cash equivalents from newly consolidated subsidiary	1	–
Cash and cash equivalents at end of period	2,491	1,632

(5) Notes to consolidated financial statements

Notes on premise of going concern

No items to report.

Segment information, etc.

As the Group consists of a single business segment, the AgriTechno Business, this information is omitted.

Per share information

	(Yen)	
	Fiscal year ended December 31, 2016	Fiscal year ended December 31, 2017
Net assets per share	883.44	1,092.73
Basic earnings per share	183.24	260.05
Diluted earnings per share	174.51	-

Notes: 1. Diluted earnings per share for the fiscal year ended December 31, 2017 is not presented because there are no potential shares.

2. The basis of calculation of basic earnings per share is as follows.

	Fiscal year ended December 31, 2016	Fiscal year ended December 31, 2017
Basic earnings per share		
Profit attributable to owners of parent (millions of yen)	942	1,298
Amounts not attributable to common shareholders (millions of yen)	-	-
Profit attributable to owners of parent available to common shares (millions of yen)	942	1,298
Average number of shares outstanding during the period (shares)	5,142,196	4,993,716
Diluted earnings per share		
Adjustments in profit attributable to owners of parent (millions of yen)	-	-
Increase in number of common shares (shares)	257,189	-
[Subscription rights to shares included in the above (shares)]	[257,189]	-
Descriptions of potential shares that were not included in the computation of diluted earnings per share because they do not have dilutive effect.	-	-

Significant subsequent events

No items to report.