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February 12, 2021

Consolidated Financial Results for the Fiscal Year Ended December 31, 2020 <under Japanese GAAP>

Company name: **OAT Agrio Co., Ltd.**
 Listing: Tokyo Stock Exchange
 Securities code: 4979
 URL: <https://www.oat-agrio.co.jp>
 Representative: Hisashi Oka, President CEO
 Contact: Toshiyuki Shigeuchi, Director (Board Member)
 TEL: +81-3-5283-0262

Scheduled date of ordinary general meeting of shareholders: March 30, 2021
 Scheduled date to commence dividend payments: March 16, 2021
 Scheduled date to file Annual Securities Report: March 31, 2021
 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, 2020 (from January 1, 2020 to December 31, 2020)

(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, 2020	20,288	(7.4)	1,512	40.5	1,346	60.7	837	—
December 31, 2019	21,909	43.4	1,077	(38.2)	837	(51.8)	4	(99.6)

Note: Comprehensive income Fiscal year ended December 31, 2020: ¥1,044 million [—%]
 Fiscal year ended December 31, 2019: ¥(446) million [—%]

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, 2020	154.76	—	12.9	4.6	7.5
December 31, 2019	0.87	—	0.1	2.8	4.9

Reference: Equity in earnings (losses) of affiliates Fiscal year ended December 31, 2020: ¥7 million
 Fiscal year ended December 31, 2019: ¥(13) million

Note: Diluted earnings per share is not presented because there are no potential shares.

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): Yes
Excluded: 1 company (OAT Agri Frontier Co., Ltd.)

(2) Changes in accounting policies, changes in accounting estimates, and restatement

- a. Changes in accounting policies in accordance with changes in accounting standards, etc.: None
- b. Changes in accounting policies due to other reasons: None
- c. Changes in accounting estimates: None
- d. 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, 2020	5,536,000 shares
As of December 31, 2019	5,536,000 shares

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

As of December 31, 2020	124,042 shares
As of December 31, 2019	123,954 shares

c. Average number of shares outstanding during the period

Fiscal year ended December 31, 2020	5,412,030 shares
Fiscal year ended December 31, 2019	5,412,114 shares

Reference: Summary of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended December 31, 2020 (from January 1, 2020 to December 31, 2020)

(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, 2020	12,614	(6.6)	988	(15.5)	1,020	(18.7)	767	35.7
December 31, 2019	13,501	(2.2)	1,169	(29.5)	1,256	(27.2)	565	(40.8)

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
December 31, 2020	141.76	—
December 31, 2019	104.48	—

Note: Diluted earnings per share 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, 2020	22,936	7,791	34.0	1,439.73
December 31, 2019	23,477	7,157	30.5	1,322.45

Reference: Equity As of December 31, 2020: ¥7,791 million

As of December 31, 2019: ¥7,157 million

<Reasons for differences between non-consolidated financial results and results for the fiscal year ended December 31, 2019>

During the fiscal year ended December 31, 2020, differences arose between results for the previous fiscal year and the fiscal year under review as a result of a decrease in net sales in Japan and overseas as well as higher selling, general and administrative expenses due to an increase in experiment and research expenses, and other factors.

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* 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, 2020

In the fiscal year ended December 31, 2020, the Japanese economy faced extremely challenging conditions as personal consumption and corporate activities slowed due to the impact of the novel coronavirus disease (COVID-19) global pandemic. After the state of emergency issued in May 2020 was lifted by the Japanese government, economic and social activity has gradually resumed, but the virus is still spreading, and the future of the economy remains uncertain.

On the other hand, in the global economy, although we saw a relatively early economic recovery in China, in the United States and Europe, due to the impact of the spread of COVID-19, economic recovery continued to either slow or deteriorate.

In terms of the environment surrounding global agriculture, the Food and Agriculture Organization of the United Nations (FAO) announced the start of its “International Year of Plant Health 2020.” According to the FAO, around 80% of the world’s food is plant based, and up to 40% of this is lost to damage from disease and pests. As such, to approach key issues such as hunger, poverty, and economic development, the FAO has proposed the importance of the promotion and execution of policies to protect agricultural crops from disease and pests as well as weeds.

Furthermore, the “Sustainable Development Goals (SDGs)” adopted by the United Nations in 2015 include the goals of ending hunger, realizing food security and improved nutrition, and promoting sustainable agriculture, which align with OAT Agrio Group’s (the “Group”) mainstay businesses.

The Group has been taking steps to better supply safe products that provide peace of mind as demanded by the market by enhancing its sales framework and streamlining production systems, as well as actively investing in sustainable research and development as we continuously work to resolve the issues faced by global agriculture.

In February 2020, the Company formed a business alliance with Maruzen Chemicals Co., Ltd. and built a sales system that focuses on producers in the domestic market.

As a result of the above business activities, in the fiscal year under review, net sales totaled ¥20,288 million, down 7.4% or ¥1,621 million year on year, operating profit was ¥1,512 million, up 40.5% or ¥435 million year on year, ordinary profit was ¥1,346 million, up 60.7% or ¥508 million year on year, and profit attributable to owners of parent was ¥837 million, up 17,747.9% or ¥832 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.

In the agrichemicals field in Japan, we achieved favorable year-on-year results with *Oncol* related products, the fungicide *Shochinosuke*, and the green agrochemical^(Note 1) *Saffoil* as a result of active sales initiatives, but shipments of the insecticide *Hachi-Hachi* and rice herbicides decreased in comparison with the previous year. Meanwhile overseas, sales of the acaricide *Cyflumetofen* increased, but shipments of the fungicide *Gatten* and the insecticide *Oncol* decreased in comparison with the previous year. As a result, net sales in the agrichemicals field amounted to ¥9,622 million, down ¥729 million or 7.1% year on year.

In the fertilizer and biostimulant^(Note 2) field in Japan, while shipments of the Drip Fertigation Cultivation System continuously increased, overseas, shipments of flower materials and the biostimulant *Atonik* fell from the previous fiscal year at Chrysal International B.V. (Blue Wave Holding B.V.) of the Netherlands, which experienced decreased demand due to the impact of COVID-19. As a result, overall net sales in the fertilizer and biostimulant field decreased by ¥891 million, or 7.7% year on year, to ¥10,666 million.

Note 1: Green agrochemical: Safe and environmentally friendly preventive agents that provide peace of mind and can be used without restriction such as those derived naturally or from food additives or organic JAS-compliant agrochemicals with agrochemical registrations.

Note 2: Biostimulant: General name for the materials and technologies that enhance the immune strength inherent in plants, and promote cold resistance, heat resistance, pest tolerance and growth stimulation.

On the other hand, this fiscal year was without the previous fiscal year’s significantly large cost of sales recognized due to the reallocation of purchase price associated with the acquisition of Chrysal

International B.V. (Blue Wave Holding B.V.), and operating income was ¥1,512 million, up ¥435 million, or 40.5%, year on year.

Furthermore, due to the recording of ¥154 million in extraordinary income with the completion of the liquidation of OAT Agri Frontier Co., Ltd., profit attributable to owners of parent was ¥837 million, up ¥832 million, or 17,747.9%, year on year.

(2) Overview of financial position for the fiscal year ended December 31, 2020

a. Position of assets, liabilities, and net assets

(i) Assets

Total assets as of December 31, 2020, was ¥28,848 million, a decrease of ¥876 million compared to December 31, 2019. This was the result of an increase of ¥5 million in current assets and a decrease of ¥881 million in non-current assets.

(Current assets)

Total current assets as of December 31, 2020, was ¥14,441 million, an increase of ¥5 million compared to December 31, 2019. This was mainly the result of increases of ¥321 million in cash and deposits and ¥333 million in notes and accounts receivable - trade, and decreases of ¥398 million in merchandise and finished goods, ¥172 million in raw materials and supplies, and ¥135 million in work in process.

(Non-current assets)

Total non-current assets as of December 31, 2020, was ¥14,406 million, a decrease of ¥881 million compared to December 31, 2019. This was mainly the result of decreases of ¥85 million in buildings and structures, ¥115 million in land, and ¥351 million in goodwill.

(ii) Liabilities

(Current liabilities)

Total current liabilities as of December 31, 2020, was ¥10,807 million, a decrease of ¥1,091 million compared to December 31, 2019. This was mainly the result of decreases of ¥386 million in notes and accounts payable - trade and ¥432 million in short-term borrowings.

(Non-current liabilities)

Total non-current liabilities as of December 31, 2020, was ¥10,408 million, a decrease of ¥609 million compared to December 31, 2019. This was mainly the result of decreases of ¥476 million in long-term borrowings and ¥37 million in long-term deposits received.

(iii) Net assets

Total net assets as of December 31, 2020, was ¥7,632 million, an increase of ¥824 million compared to December 31, 2019. This was mainly the result of increases of ¥620 million in retained earnings and ¥113 million in foreign currency translation adjustment.

(3) Overview of cash flows for the fiscal year ended December 31, 2020

Cash and cash equivalents (hereinafter “cash”) as of December 31, 2020 was ¥3,527 million, an increase of ¥199 million compared to December 31, 2019. 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 ¥1,937 million (¥2,392 million was provided in the previous fiscal year). The main sources of cash were profit before income taxes of ¥1,376 million, depreciation of ¥842 million, amortization of goodwill of ¥570 million, and a decrease in inventories of ¥736 million. The main uses of cash were an increase in trade receivables of ¥307 million and income taxes paid of ¥601 million.

(Cash flows from investing activities)

Net cash used in investing activities was ¥258 million (¥464 million was used in the previous fiscal year). The main use of cash was purchase of property, plant and equipment of ¥217 million.

(Cash flows from financing activities)

Net cash used in financing activities was ¥1,339 million (¥893 million was used in the previous fiscal year). The main source of cash was proceeds from long-term borrowings of ¥2,779 million. The main uses of cash were a decrease in short-term borrowings of ¥155 million, repayments of long-term borrowings of ¥3,576 million and dividends paid of ¥216 million.

Reference: Trends in cash flow indicators

	Fiscal year ended December 31, 2018	Fiscal year ended December 31, 2019	Fiscal year ended December 31, 2020
Equity ratio (%)	22.2	20.5	23.9
Market value equity ratio (%)	33.7	30.0	25.9
Ratio of cash flow to interest-bearing debt (%)	(3,414.9)	674.7	786.1
Interest coverage ratio (times)	(11.7)	10.2	11.0

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 involve protecting market share of products and attempting to provide products and services to customers using new approaches. 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 products such as fungicide *Gatten*, acaricide *Cyflumetofen* 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 subsidiaries in domestic and overseas, ASAHI KAGAKU KOGYO CO., LTD., Asahi Chemical Europe s.r.o., PT. OAT MITOKU AGRIO, Runhe (Zhoushan) Plant Science Co., Ltd., LIDA Plant Research S.L., and Chrysal International B.V. (Blue Wave Holding B.V.) 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 such that comprise an increase in experiment and research expenses amounting to approximately ¥424 million in comparison with the previous fiscal year, which contains additional experiment expenses for undertaking new product development and renewing the registration of existing products.

Under those business conditions, for the fiscal year ending December 31, 2021, we forecast net sales of ¥21,288 million, up 4.9% year on year, operating profit of ¥1,594 million, up 5.4% year on year, ordinary profit of ¥1,419 million, up 5.5% year on year, and profit attributable to owners of parent of ¥908 million, up 8.5% year on year.

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.

Furthermore, in the "New Mid-Term Business Plan 2021-2023" announced today, we have disclosed our medium-term management plan until the end of fiscal year ending December 31, 2023 for your reference.

The Company plans to pay dividends from surplus for the fiscal year under review of ¥40 per share as per the dividend forecast announced on February 14, 2020.

Concerning the dividends from surplus for the fiscal year ending December 31, 2021, the Company plans to pay an annual dividend of ¥40 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, 2019	As of December 31, 2020
Assets		
Current assets		
Cash and deposits	3,414	3,736
Notes and accounts receivable - trade	5,084	5,418
Merchandise and finished goods	3,041	2,642
Work in process	490	355
Raw materials and supplies	1,647	1,475
Other	784	870
Allowance for doubtful accounts	(26)	(55)
Total current assets	14,436	14,441
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,380	1,295
Machinery, equipment and vehicles, net	773	677
Land	1,128	1,012
Leased assets, net	461	391
Construction in progress	11	0
Other, net	291	245
Total property, plant and equipment	4,047	3,623
Intangible assets		
Goodwill	6,848	6,497
Software	101	100
Customer relation Assets	2,878	2,780
Other	316	293
Total intangible assets	10,144	9,672
Investments and other assets		
Investment securities	586	648
Shares of subsidiaries and associates	30	29
Deferred tax assets	157	141
Other	321	290
Total investments and other assets	1,095	1,110
Total non-current assets	15,288	14,406
Total assets	29,724	28,848

(Millions of yen)

	As of December 31, 2019	As of December 31, 2020
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,418	2,031
Short-term borrowings	6,991	6,558
Accounts payable - other	645	522
Income taxes payable	297	192
Provision for bonuses	30	31
Provision for sales rebates	38	42
Provision for sales returns	17	16
Provision for compensation for damage	137	46
Other	1,321	1,365
Total current liabilities	11,899	10,807
Non-current liabilities		
Long-term borrowings	9,150	8,673
Long-term deposits received	210	173
Retirement benefit liability	244	280
Deferred tax liabilities	942	938
Other	470	341
Total non-current liabilities	11,017	10,408
Total liabilities	22,917	21,215
Net assets		
Shareholders' equity		
Share capital	461	461
Capital surplus	2,410	2,410
Retained earnings	4,059	4,680
Treasury shares	(162)	(162)
Total shareholders' equity	6,769	7,390
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6	90
Foreign currency translation adjustment	(671)	(557)
Remeasurements of defined benefit plans	(19)	(41)
Total accumulated other comprehensive income	(685)	(509)
Non-controlling interests	724	751
Total net assets	6,807	7,632
Total liabilities and net assets	29,724	28,848

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

Consolidated statement of income

(Millions of yen)

	Fiscal year ended December 31, 2019	Fiscal year ended December 31, 2020
Net sales	21,909	20,288
Cost of sales	12,520	10,824
Gross profit	9,389	9,464
Selling, general and administrative expenses	8,312	7,951
Operating profit	1,077	1,512
Non-operating income		
Interest income	17	15
Dividend income	10	11
Technical support fee income	42	–
Subsidy income	–	5
Surrender value of insurance policies	16	–
Share of profit of entities accounted for using equity method	–	7
Other	27	32
Total non-operating income	114	72
Non-operating expenses		
Interest expenses	234	181
Foreign exchange losses	22	47
Commission expenses	76	0
Share of loss of entities accounted for using equity method	13	–
Other	6	10
Total non-operating expenses	353	239
Ordinary profit	837	1,346
Extraordinary income		
Gain on sales of non-current assets	4	4
Gain on liquidation of subsidiaries	–	154
Total extraordinary income	4	159
Extraordinary losses		
Loss on retirement of non-current assets	–	1
Loss on valuation of inventories	77	–
Loss on abandonment of inventories	–	7
Impairment loss	114	61
Loss on valuation of investment securities	–	59
Provision for compensation for damage	137	–
Other	38	–
Total extraordinary losses	367	129
Profit before income taxes	475	1,376
Income taxes - current	666	512
Income taxes for prior periods	65	–
Income taxes - deferred	(273)	(28)
Total income taxes	459	484
Profit	16	891
Profit attributable to non-controlling interests	11	54
Profit attributable to owners of parent	4	837

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended December 31, 2019	Fiscal year ended December 31, 2020
Profit	16	891
Other comprehensive income		
Valuation difference on available-for-sale securities	62	84
Foreign currency translation adjustment	(523)	108
Remeasurements of defined benefit plans, net of tax	(1)	(39)
Total other comprehensive income	(462)	153
Comprehensive income	(446)	1,044
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(439)	995
Comprehensive income attributable to non-controlling interests	(6)	49

(3) Consolidated statement of changes in equity

Fiscal year ended December 31, 2019

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	461	2,410	4,281	(161)	6,991
Changes during period					
Profit attributable to owners of parent			4		4
Purchase of treasury shares				(0)	(0)
Dividends of surplus			(216)		(216)
Change in scope of consolidation			(10)		(10)
Net changes in items other than shareholders' equity					-
Total changes during period	-	-	(222)	(0)	(222)
Balance at end of period	461	2,410	4,059	(162)	6,769

	Accumulated other comprehensive income				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 period	(56)	(166)	(18)	(241)	781	7,532
Changes during period						
Profit attributable to owners of parent						4
Purchase of treasury shares						(0)
Dividends of surplus						(216)
Change in scope of consolidation						(10)
Net changes in items other than shareholders' equity	62	(505)	(1)	(444)	(57)	(501)
Total changes during period	62	(505)	(1)	(444)	(57)	(724)
Balance at end of period	6	(671)	(19)	(685)	724	6,807

Fiscal year ended December 31, 2020

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	461	2,410	4,059	(162)	6,769
Changes during period					
Profit attributable to owners of parent			837		837
Purchase of treasury shares				(0)	(0)
Dividends of surplus			(216)		(216)
Change in scope of consolidation					-
Net changes in items other than shareholders' equity					-
Total changes during period	-	-	621	(0)	620
Balance at end of period	461	2,410	4,680	(162)	7,390

	Accumulated other comprehensive income				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 period	6	(671)	(19)	(685)	724	6,807
Changes during period						
Profit attributable to owners of parent				-		837
Purchase of treasury shares				-		(0)
Dividends of surplus				-		(216)
Change in scope of consolidation				-		-
Net changes in items other than shareholders' equity	84	113	(21)	176	27	203
Total changes during period	84	113	(21)	176	27	824
Balance at end of period	90	(557)	(41)	(509)	751	7,632

(4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended December 31, 2019	Fiscal year ended December 31, 2020
Cash flows from operating activities		
Profit before income taxes	475	1,376
Depreciation	912	842
Amortization of goodwill	572	570
Impairment loss	114	61
Increase (decrease) in retirement benefit liability	13	36
Retirement benefit expenses	16	–
Increase (decrease) in allowance for doubtful accounts	(8)	28
Increase (decrease) in provision for sales returns	1	(1)
Increase (decrease) in provision for sales rebates	0	3
Increase (decrease) in provision for bonuses	(3)	0
Interest and dividend income	(27)	(26)
Interest expenses	234	181
Commission expenses	76	–
Foreign exchange losses (gains)	19	(18)
Share of loss (profit) of entities accounted for using equity method	13	(7)
Technical support fee income	(42)	–
Loss (gain) on sales of non-current assets	(4)	(4)
Loss on valuation of shares of subsidiaries and associates	–	–
Compensation for damage	156	–
Decrease (increase) in trade receivables	(11)	(307)
Loss (gain) on liquidation of subsidiaries	–	(154)
Loss (gain) on valuation of investment securities	–	59
Decrease (increase) in inventories	906	736
Increase (decrease) in trade payables	(41)	(391)
Increase (decrease) in accounts payable - other	(80)	(47)
Other, net	24	(150)
Subtotal	3,318	2,786
Interest and dividends received	27	21
Interest paid	(234)	(176)
Compensation for damage paid	(19)	(92)
Payments for retirement expenses	(16)	–
Income taxes paid	(725)	(601)
Technical support fee income received	42	–
Net cash provided by (used in) operating activities	2,392	1,937
Cash flows from investing activities		
Payments into time deposits	(390)	(377)
Proceeds from withdrawal of time deposits	414	306
Purchase of property, plant and equipment	(426)	(217)
Proceeds from sales of property, plant and equipment	9	224
Purchase of intangible assets	(74)	(75)
Purchase of investment securities	(0)	–
Purchase of shares of subsidiaries	–	(96)
Other, net	4	(23)
Net cash provided by (used in) investing activities	(464)	(258)

(Millions of yen)

	Fiscal year ended December 31, 2019	Fiscal year ended December 31, 2020
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(6,625)	(155)
Proceeds from long-term borrowings	7,937	2,779
Repayments of long-term borrowings	(1,800)	(3,576)
Repayments of lease obligations	(145)	(151)
Purchase of treasury shares	(0)	(0)
Dividends paid	(216)	(216)
Dividends paid to non-controlling interests	(48)	(19)
Other, net	4	(0)
Net cash provided by (used in) financing activities	(893)	(1,339)
Effect of exchange rate change on cash and cash equivalents	(17)	(139)
Net increase (decrease) in cash and cash equivalents	1,016	199
Cash and cash equivalents at beginning of period	2,294	3,328
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	17	–
Cash and cash equivalents at end of period	3,328	3,527

(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, 2019	Fiscal year ended December 31, 2020
Net assets per share	1,124.13	1,271.42
Basic earnings per share	0.87	154.76

Notes: 1. Diluted earnings per share is not presented since no potential shares exist.
2. The basis of calculation of basic earnings per share is as follows.

	Fiscal year ended December 31, 2019	Fiscal year ended December 31, 2020
Profit attributable to owners of parent (millions of yen)	4	837
Amounts not attributable to common shareholders (millions of yen)	-	-
Profit attributable to owners of parent available to common shares (millions of yen)	4	837
Average number of shares outstanding of common shares during the period (shares)	5,412,114	5,412,030

Significant subsequent events

No items to report.