

Summary of Consolidated Financial and Business Results for the Year Ended March 2024 (Japanese GAAP)

Company Name:	Oji Holdings Corporation		(Code No. 3861 Tokyo Stock Exchange)
URL:	https://www.ojiholdings.co.jp/		
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General meeting of stockholders to be held:	June 27, 2024	Start of dividend payout:	June 5, 2024
Statutory annual report to be presented:	June 27, 2024		

(All yen figures are rounded down to the nearest one million yen)

1. Results for the Year Ended March 31, 2024 (April 1, 2023 - March 31, 2024)

(Unaudited)

(1) Consolidated Business Results

(Figures shown in percentage are ratios compared to the same period of the previous year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2023	1,696,268	(0.6)	72,600	(14.4)	85,987	(9.5)	50,812	(10.0)
FY2022	1,706,641	16.1	84,818	(29.4)	95,008	(29.7)	56,483	(35.5)
Note: Comprehensive income	FY2023 148,871 million yen [27.1%]		FY2022 117,148 million yen [(13.5%)]					

	Profit per share	Diluted profit per share	Ratio of profit to shareholders' equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
FY2023	51.31	51.30	5.1	3.6	4.3
FY2022	57.00	56.97	6.3	4.4	5.0
Note: Equity in earning of affiliates	FY2023 4,708 million yen		FY2022 2,924 million yen		

(2) Consolidated Financial Condition

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY2023	2,442,482	1,095,527	43.7	1,083.06
FY2022	2,296,018	964,564	40.8	945.27
Note: Shareholders' equity	FY2023 1,066,379 million yen		FY2022 936,949 million yen	

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY2023	202,897	(118,003)	(84,899)	62,472
FY2022	18,262	(123,274)	101,787	56,837

2. Dividend Conditions

	Dividend per share					Total dividend (Annual) Millions of yen	Dividend payout ratio (Consolidated) %	Dividend on net assets (Consolidated) %
	End of 1Q	End of 2Q	End of 3Q	End of FY	Annual			
	Yen	Yen	Yen	Yen	Yen			
FY2022	-	8.00	-	8.00	16.00	15,881	28.1	1.8
FY2023	-	8.00	-	8.00	16.00	15,834	31.2	1.6
FY2024(Forecast)	-	12.00	-	12.00	24.00		31.5	

3. Consolidated Forecasts for the Year Ending March 2025 (April 1, 2024-March 31, 2025)

(Figures shown in percentage for the full year are ratios compared to the previous year,

Figures shown in percentage for the first half are ratios compared to the same period of the previous year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	940,000	11.0	37,000	(4.7)	44,000	(13.4)	32,500	2.7	33.01
Full year	1,950,000	15.0	95,000	30.9	100,000	16.3	75,000	47.6	76.17

4. Notes

(1) Changes in important subsidiaries

(changes regarding specified subsidiaries accompanying changes in the scope of consolidation) : None

(2) Changes in accounting methods compared with recent consolidated accounting periods

- (i) Changes due to accounting standard changes : None
(ii) Changes besides (i) : None
(iii) Accounting estimate change : None
(iv) Restatement : None

(3) Outstanding balance of issued shares (common stock)

(i) Outstanding balance of issued shares at the end of fiscal year (including treasury shares)				
	FY2023	1,014,381,817	FY2022	1,014,381,817
(ii) Outstanding balance of treasury shares at the end of fiscal year				
	FY2023	29,784,280	FY2022	23,179,622
(iii) Weighted average number of shares during fiscal year				
	FY2023	990,218,224	FY2022	990,976,801

(Reference)

1. Results for the Year Ended March 31, 2024 (April 1, 2023 - March 31, 2024)

(1) Non-consolidated Business Results

(Figures shown in percentage are ratios compared to the previous year)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2023	39,220	(17.2)	21,237	(30.0)	22,638	(21.1)	23,020	(8.3)
FY2022	47,392	17.5	30,359	23.3	28,703	11.4	25,102	5.0

	Profit per share		Diluted profit per share	
	Yen		Yen	
FY2023	23.24		23.24	
FY2022	25.33		25.31	

(2) Non-consolidated Financial Condition

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen		Millions of yen		Millions of yen		Millions of yen	
FY2023	1,230,054		446,376		36.3		453.16	
FY2022	1,209,188		422,133		34.9		425.65	

Note: Shareholders' equity FY2023 446,278 million yen FY2022 421,998 million yen

NOTICE

- This document is out of the scope of the audit procedures required by Financial Instruments and Exchange Act, and audit procedures for consolidated financial statement have not been finished as of the date of publication.
- Forecasts released are based on expectations of future economic conditions as of the date of publication. The actual results may differ drastically from these forecasts due to various factors that may arise in the future.
- This document is an excerpt translation of the Japanese original and is only for reference purposes. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.
- Supplementary explanations on business results will be made available on the Company's website on Tuesday, May 14, 2024.

1. Qualitative Information Concerning Business Performance

Business Performance for the Year Ended March 31, 2024 (April 1, 2023 - March 31, 2024, "FY2023")

	Net Sales	Operating Profit	Ordinary Profit	Profit Attributable to Owners of Parent	Profit Per Share
	Billions of yen	Billions of yen	Billions of yen	Billions of yen	Yen
FY2023	1,696.3	72.6	86.0	50.8	51.31
FY2022	1,706.6	84.8	95.0	56.5	57.00
Increase (Decrease)	(10.4)	(12.2)	(9.0)	(5.7)	
Increase (Decrease)	(0.6%)	(14.4%)	(9.5%)	(10.0%)	

The Oji Group has set the basic policy of "Toward Further Growth and Evolution" as the Long-term Vision for 2030, and is promoting "Initiatives for Environmental Issues -Sustainability-", "Initiatives for Profitability Improvement -Profitability-" and "Initiatives for Product Development -Green Innovation-". As the milestones of the Long-term Vision, we have set FY2022-2024 Medium-term Management Plan, which aims to achieve the consolidated operating profit of ¥150.0 billion or more by FY2024 and stably maintain consolidated profit attributable to owners of parent of ¥100.0 billion or more.

Specifically, we will continue our efforts on environmental issues by promoting greenhouse gas reduction and expanding net CO2 absorption by forests, as countermeasures against climate change. At the same time, we will enhance the value of our business by deepening the existing businesses through the establishment of an optimal production system, and expanding the highly-expected businesses including overseas packaging business and eco-friendly products. In April 2024, as part of "Initiatives for Profitability Improvement -Profitability-", we have completed the acquisition of Walki (Head Office: Finland), a leading company with advanced technologies in material conversion especially for paper-based sustainable solutions. The purpose of the acquisition is to build and expand a platform for our packaging business in Europe as one of the leaders in the packaging sector. Furthermore, we will develop and quickly commercialize new wood-derived products and materials such as eco-friendly materials and products, based on a range of core technologies we have cultivated through paper manufacturing and forestation. We will contribute to society as a company that "grows and manages the sustainable forest, develops and delivers the products from renewable forest and brings this world a brighter future filled with hope".

In addition, in December 2023, we announced our "Initiatives to Enhance Corporate Value". We will improve return on capital, promote initiatives that lead to sustainable growth, and strengthen information dissemination in order to enhance long-term corporate value and fulfil our social mission based on our Purpose.

Consolidated net sales for FY2023 decreased by ¥10.4 billion to ¥1,696.3 billion (year-on-year decrease of 0.6%) mainly due to the impact of the cyclone damage at Pan Pac Forest Products Ltd. in New Zealand and deteriorating pulp market conditions, despite the price revision and other measures taken in Japan.

Consolidated operating profit decreased by ¥12.2 billion to ¥72.6 billion (year-on-year decrease of 14.4%) mainly due to deteriorating overseas pulp market conditions, though in Japan, the price revision and cost reduction made up for a decline in sales volumes as a result of consumption restraint caused by inflation, etc. Ordinary profit decreased by ¥9.0 billion to ¥86.0 billion (year-on-year decrease of 9.5%) despite foreign exchange gains from revaluation of foreign currency-denominated receivables and payables. Profit before taxes decreased by ¥7.0 billion to ¥77.6 billion (year-on-year decrease of 8.3%), and profit attributable to owners of parent decreased by ¥5.7 billion to ¥50.8 billion (year-on-year decrease of 10.0%).

Overseas sales ratio decreased by 2.7 points from the same periods in the previous year to 34.9%.

Overview of Business Performance for FY2023 by Segment

(I) Business Performance by Segment

(Unit: Billions of yen)

		Net Sales			Operating Profit (Loss)		
		FY2022	FY2023	Increase (Decrease)	FY2022	FY2023	Increase (Decrease)
Reporting Segment	Household & Industrial Materials	780.5	798.7	2.3%	(1.2)	21.2	—
	Functional Materials	219.9	227.5	3.5%	15.5	9.1	(41.4%)
	Forest Resources & Environment Marketing	423.8	359.6	(15.2%)	68.5	19.6	(71.4%)
	Printing & Communications Media	281.0	299.4	6.5%	(4.8)	16.8	—
	Total	1,705.2	1,685.2	(1.2%)	78.0	66.7	(14.5%)
Others		318.1	316.1	(0.6%)	8.4	5.8	(31.5%)
Total		2,023.3	2,001.3	(1.1%)	86.5	72.5	(16.2%)
Adjustment (*)		(316.7)	(305.0)		(1.6)	0.1	
Consolidated total		1,706.6	1,696.3	(0.6%)	84.8	72.6	(14.4%)

*Adjustment is mainly those concerning internal transactions.

(II) Overview of Business Performance by Segment

The Oji Group's four reporting segments are: "Household and Industrial Materials", "Functional Materials", "Forest Resources and Environment Marketing", and "Printing and Communications Media". Each of the reporting segment consists of units that are recognized to be similar in terms of economic characteristics, manufacturing methods or processes of products, markets in which products are sold, and types of customers, among the constituent units of the Oji Group.

Business segments that are not included in the reporting segments are classified as "Others".

Major business lineup for the segments are as follows.

- Household and Industrial Materials:

Containerboard/corrugated containers, boxboard/folding cartons, packing paper/paper bags, household paper, disposable diapers, etc.

- Functional Materials:

Specialty paper, thermal paper, adhesive materials, film, etc.

- Forest Resources and Environment Marketing:

Pulp, energy, forest plantation/lumber processing, etc.

- Printing and Communications Media:

Newsprint, printing/publication/communication paper, etc.

- Others:

Trading business, logistics, engineering, real estate, liquid packaging cartons, etc.

○Household and Industrial Materials

In FY2023, net sales amounted to ¥798.7 billion (year-on-year increase of 2.3%), and operating profit was ¥21.2 billion (year-on-year increase of ¥22.5 billion).

Regarding domestic business, although sales volumes of corrugated container, boxboard, and household paper decreased from the previous year due to consumption restraint caused by inflation, net sales increased as a result of the price revision. As for disposable diapers, net sales of those for babies remained almost unchanged, while sales of those for adults increased from the previous year.

Regarding overseas business, in line with our strategy to further expand business in Southeast Asia and Oceania, sales volume of containerboard increased in Southeast Asia due to improved operating rate of the new containerboard machine started in October 2021. However, net sales decreased from the previous year due to deteriorating market conditions. Net sales of corrugated container also decreased due to sluggish demand in Southeast Asia despite the price revision in Oceania. As for disposable diapers, net sales increased due to sales expansion in Malaysia.

○Functional Materials

In FY2023, net sales amounted to ¥227.5 billion (year-on-year increase of 3.5%), and operating profit was ¥9.1 billion (year-on-year decrease of 41.4%).

Regarding domestic business, as for specialty paper, despite a decline in sales volume of release paper and its base paper in response to sluggish demand for electronic devices, net sales increased from the previous year due to sales expansion of strategic products, such as heat-sealable paper for major online retailers and non-fluorine oil-resistant paper, and the price revision. As for thermal paper, net sales increased from the previous year due to the price revision, although sales volume decreased due to the ongoing inventory adjustment since the second half of FY2022.

Regarding overseas business, sales volume of thermal paper decreased from the previous year due to inventory reduction caused by rising interest rates and sluggish demand, but net sales increased due to the price revision, etc.

○Forest Resources and Environment Marketing

In FY2023, net sales amounted to ¥359.6 billion (year-on-year decrease of 15.2%), and operating profit was ¥19.6 billion (year-on-year decrease of 71.4%).

Regarding domestic business, net sales almost remained unchanged from the previous year due to weak demand for lumber for construction and packaging in the lumber business, despite the steady sales of dissolving pulp and the increase in sales due to the start of operation of a new biomass power plant in Tokushima Prefecture from December 2022.

Regarding overseas business, net sales of pulp business and lumber business decreased from the previous year due to a decline in pulp market, as well as manufacturing facilities under restoration at Pan Pac Forest Products Ltd., in New Zealand from the impact of cyclone damage in February 2023.

○Printing and Communications Media

In FY2023, net sales amounted to ¥299.4 billion (year-on-year increase of 6.5%), and operating profit was ¥16.8 billion (year-on-year increase of ¥21.6 billion).

Regarding domestic business, net sales of newsprint, printing and communication paper increased from the previous year due to the price revision, although demand continued to decline.

Regarding overseas business, net sales at Jiangsu Oji Paper Co., Ltd., remained almost unchanged from the previous year due to the slow economic recovery following the end of the Zero-COVID policy.

Forecast for the Year Ending March 31, 2025 (April 1, 2024 - March 31, 2025, "FY2024")

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Profit per share
	Billions of yen	Billions of yen	Billions of yen	Billions of yen	Yen
First Half of FY2024	940.0	37.0	44.0	32.5	33.01
First Half of FY2023	847.1	38.8	50.8	31.6	31.92
Increase (Decrease)	92.9	(1.8)	(6.8)	0.9	
Increase (Decrease)	11.0%	(4.7%)	(13.4%)	2.7%	
FY2024	1,950.0	95.0	100.0	75.0	76.17
FY2023	1,696.3	72.6	86.0	50.8	51.31
Increase (Decrease)	253.7	22.4	14.0	24.2	
Increase (Decrease)	15.0%	30.9%	16.3%	47.6%	

<FY2024 Forecast and Future Outlook >

The forecast for the next fiscal year is based on net sales of ¥1,950.0 billion, operating profit of ¥95.0 billion, ordinary profit of ¥100.0 billion, and net profit attributable to owners of parent of ¥75.0 billion.

The final year of our FY2022-2024 Medium-term Management Plan has begun. We will continue to strive for further enhancement of our corporate value by steadily implementing our "Initiatives for Environmental Issues -Sustainability-", "Initiatives for Profitability Improvement -Profitability-" and "Initiatives for Product Development -Green Innovation-" and pursuing sustainable evolution.

The assumed exchange rates for FY2024 forecast are as follows:

	Exchange rates	(Reference) Sensitivity for operating income
JPY/USD	155.0	Approx. ¥0.66 billion with a fluctuation of USD by 1% (strong USD: -)
BRL/USD	5.10	Approx. ¥0.60 billion with a fluctuation of USD by 1% (strong USD: +)
NZD/USD	1.66	Approx. ¥0.94 billion with a fluctuation of USD by 1% (strong USD: +)

2. Outline of Business Performance and Financial Situation

Business Performance			Billions of yen	
	FY2023		Forecasts for FY2024	
		Increase(Decrease) from same periods in FY2022		Increase(Decrease) from FY2023
Net Sales	1,696.3	(10.4)	1,950.0	253.7
Domestic	1,104.1	39.5		
Overseas	592.2	(49.9)		
ratio	34.9%	(2.7%)		
Operating Profit	72.6	(12.2)	95.0	22.4
Ordinary Profit	86.0	(9.0)	100.0	14.0
Profit attributable to owners of parent	50.8	(5.7)	75.0	24.2

Billions of yen				
Depreciation	79.5	6.5	92.0	12.5
Capital expenditure	104.5	14.6	102.4	(2.1)

Average foreign exchange rate

	FY2023		Forecasts for FY2024	
		Increase(Decrease) from same periods in FY2022		Increase(Decrease) from FY2023
JPY/USD April to March	144.6	9.1	155.0	10.4
BRL/USD January to December	5.00	(0.17)	5.10	0.10
NZD/USD January to December	1.63	0.05	1.66	0.03
CNY/USD January to December	7.09	0.35	7.20	0.11
JPY / EUR January to December	152.0	14.0	165.0	13.0

Financial situation

	Mar 31,2024	
		Increase(Decrease)from Mar 31,2023
Total assets	2,442.5	146.5
Net assets	1,095.5	131.0
Interest bearing debts	736.7	(51.6)
Net debts (Interest bearing debts - Cash and cash equivalents at end of period)	673.9	(57.4)

Consolidated Statements of Cash Flows

	FY2023	
		Increase(Decrease) from FY2022
Cash flows from operating activities	202.9	184.6
Cash flows from investing activities	(118.0)	5.3
Cash flows from financing activities	(84.9)	(186.7)

Number of employees

	Mar 31,2024	
		Increase(Decrease)from Mar 31,2023
Number of employees	38,322	477
Domestic	16,283	91
Overseas	22,039	386

3. Consolidated Financial Statements and Notes

(1) Consolidated balance sheets

(Unit : Millions of yen)

	FY2022 Mar 31,2023	FY2023 Mar 31,2024
Assets		
Current assets		
Cash and deposits	50,774	58,088
Notes receivable - trade	64,768	73,016
Accounts receivable - trade	309,604	296,058
Contract assets	2,995	1,833
Securities	6,299	4,772
Merchandise and finished goods	117,473	124,625
Work in process	23,510	24,637
Raw materials and supplies	140,337	136,181
Short-term loans receivable	4,101	4,277
Accounts receivable - other	33,877	25,481
Other	36,717	27,143
Allowance for doubtful accounts	(1,791)	(2,828)
Total current assets	<u>788,670</u>	<u>773,287</u>
Non-current assets		
Property, plant and equipment		
Buildings and structures	746,007	766,409
Accumulated depreciation	(529,962)	(543,962)
Buildings and structures, net	<u>216,045</u>	<u>222,446</u>
Machinery, equipment and vehicles	2,629,592	2,707,330
Accumulated depreciation	(2,221,722)	(2,278,379)
Machinery, equipment and vehicles, net	<u>407,869</u>	<u>428,951</u>
Tools, furniture and fixtures	63,934	66,273
Accumulated depreciation	(57,380)	(59,165)
Tools, furniture and fixtures, net	<u>6,553</u>	<u>7,108</u>
Land	242,287	246,198
Forests	133,123	143,154
Standing timber	111,352	120,719
Leased assets	76,573	84,014
Accumulated depreciation	(29,209)	(32,199)
Leased assets, net	<u>47,363</u>	<u>51,814</u>
Construction in progress	43,639	53,109
Total property, plant and equipment	<u>1,208,234</u>	<u>1,273,504</u>
Intangible assets		
Goodwill	11,868	18,081
Other	14,119	16,373
Total intangible assets	<u>25,988</u>	<u>34,455</u>
Investments and other assets		
Investment securities	180,067	217,870
Long-term loans receivable	4,693	3,837
Long-term prepaid expenses	2,760	2,662
Retirement benefit asset	53,837	96,250
Deferred tax assets	6,816	9,893
Other	26,921	32,559
Allowance for doubtful accounts	(1,972)	(1,838)
Total investments and other assets	<u>273,124</u>	<u>361,235</u>
Total non-current assets	<u>1,507,347</u>	<u>1,669,195</u>
Total assets	<u>2,296,018</u>	<u>2,442,482</u>

(Unit : Millions of yen)

	FY2022	FY2023
	Mar 31,2023	Mar 31,2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	251,176	274,659
Short-term borrowings	226,739	216,476
Commercial papers	86,000	30,000
Current portion of bonds payable	—	10,000
Accounts payable - other	20,111	21,628
Accrued expenses	49,809	53,054
Income taxes payable	16,643	22,017
Other	36,591	40,346
Total current liabilities	687,070	668,183
Non-current liabilities		
Bonds payable	155,000	145,000
Long-term borrowings	320,599	335,240
Deferred tax liabilities	69,283	95,194
Deferred tax liabilities for land revaluation	7,732	7,730
Retirement benefit liability	53,537	54,394
Long-term deposits received	6,620	6,420
Other	31,609	34,789
Total non-current liabilities	644,383	678,771
Total liabilities	1,331,453	1,346,954
Net assets		
Shareholders' equity		
Share capital	103,880	103,880
Capital surplus	85,892	85,740
Retained earnings	607,593	645,268
Treasury shares	(12,949)	(16,575)
Total shareholders' equity	784,418	818,313
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	41,573	64,656
Deferred gains or losses on hedges	474	1,524
Revaluation reserve for land	5,716	5,713
Foreign currency translation adjustment	85,253	124,922
Remeasurements of defined benefit plans	19,514	51,249
Total accumulated other comprehensive income	152,531	248,066
Share acquisition rights	134	97
Non-controlling interests	27,480	29,049
Total net assets	964,564	1,095,527
Total liabilities and net assets	2,296,018	2,442,482

(2) Consolidated statements of income and comprehensive income
Consolidated statements of income

(Unit : Millions of yen)

	FY2022 Apr '22 - Mar '23	FY2023 Apr '23 - Mar '24
Net sales	1,706,641	1,696,268
Cost of sales	1,366,642	1,372,191
Gross profit	<u>339,999</u>	<u>324,076</u>
Selling, general and administrative expenses		
Freight and incidental costs	135,135	121,912
Storage costs	6,747	6,885
Employees' salaries	55,105	59,561
Retirement benefit expenses	695	812
Depreciation	6,080	6,176
Other	51,417	56,126
Total selling, general and administrative expenses	<u>255,181</u>	<u>251,476</u>
Operating profit	<u>84,818</u>	<u>72,600</u>
Non-operating income		
Interest income	1,367	3,041
Dividend income	3,632	3,895
Foreign exchange gains	8,337	14,570
Share of profit of entities accounted for using equity method	2,924	4,708
Gain on valuation of derivatives	2,838	—
Other	6,325	7,340
Total non-operating income	<u>25,427</u>	<u>33,556</u>
Non-operating expenses		
Interest expenses	6,310	6,770
Other	8,925	13,399
Total non-operating expenses	<u>15,236</u>	<u>20,170</u>
Ordinary profit	<u>95,008</u>	<u>85,987</u>
Extraordinary income		
Insurance claim income	4,992	4,810
Gain on sale of non-current assets	11	2,191
Gain on sale of investment securities	1,065	1,467
Other	258	1,525
Total extraordinary income	<u>6,327</u>	<u>9,995</u>
Extraordinary losses		
Loss on disaster	7,634	10,763
Impairment losses	31	3,980
Provision for loss on litigation	1,839	—
Other	7,213	3,639
Total extraordinary losses	<u>16,718</u>	<u>18,383</u>
Profit before income taxes	<u>84,617</u>	<u>77,599</u>
Income taxes - current	26,434	27,484
Income taxes - deferred	41	(2,202)
Total income taxes	<u>26,476</u>	<u>25,282</u>
Profit	<u>58,141</u>	<u>52,317</u>
Profit attributable to non-controlling interests	<u>1,657</u>	<u>1,505</u>
Profit attributable to owners of parent	<u>56,483</u>	<u>50,812</u>

Consolidated statements of comprehensive income

(Unit : Millions of yen)

	FY2022	FY2023
	Apr '22 - Mar '23	Apr '23 - Mar '24
Profit	58,141	52,317
Other comprehensive income		
Valuation difference on available-for-sale securities	10,707	21,439
Deferred gains or losses on hedges	(1,611)	1,031
Foreign currency translation adjustment	56,129	40,375
Remeasurements of defined benefit plans, net of tax	(7,735)	27,873
Share of other comprehensive income of entities accounted for using equity method	1,516	5,834
Total other comprehensive income	<u>59,007</u>	<u>96,553</u>
Comprehensive income	<u>117,148</u>	<u>148,871</u>
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	114,664	146,492
Comprehensive income attributable to non-controlling interests	2,484	2,378

(3) Consolidated Statements of Cash Flows

(Unit : Millions of yen)

FY2022
Apr '22 - Mar '23

FY2023
Apr '23 - Mar '24

Cash flows from operating activities		
Profit before income taxes	84,617	77,599
Depreciation	73,034	79,529
Impairment losses	31	3,980
Amortization of goodwill	1,058	2,253
Depletion of standing timber	7,895	11,520
Increase (decrease) in allowance for doubtful accounts	911	366
Decrease (increase) in retirement benefit asset	(3,240)	(3,073)
Increase (decrease) in retirement benefit liability	(1,415)	676
Interest and dividend income	(5,000)	(6,937)
Interest expenses	6,310	6,770
Foreign exchange losses (gains)	(6,911)	(11,366)
Share of loss (profit) of entities accounted for using equity method	(2,924)	(4,708)
Loss (gain) on sale of investment securities	(1,052)	(1,131)
Loss (gain) on sale of non-current assets	142	(2,084)
Decrease (increase) in trade receivables	(43,889)	17,496
Decrease (increase) in inventories	(42,615)	8,705
Increase (decrease) in trade payables	9,533	16,827
Other, net	(13,844)	17,434
Subtotal	62,642	213,860
Interest and dividends received	7,731	8,178
Interest paid	(5,169)	(5,495)
Income taxes paid	(46,940)	(13,645)
Net cash provided by (used in) operating activities	18,262	202,897
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(94,109)	(115,019)
Proceeds from sale of property, plant and equipment and intangible assets	555	5,572
Purchase of investment securities	(1,747)	(2,161)
Proceeds from sale and redemption of investment securities	3,404	5,495
Loan advances	(911)	(637)
Proceeds from collection of loans receivable	2,484	1,087
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(32,864)	(12,671)
Other, net	(85)	331
Net cash provided by (used in) investing activities	(123,274)	(118,003)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	33,310	(11,762)
Net increase (decrease) in commercial papers	86,000	(56,000)
Proceeds from long-term borrowings	64,655	87,684
Repayments of long-term borrowings	(59,881)	(75,501)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(307)	(1,162)
Repayments of lease liabilities	(6,618)	(7,287)
Purchase of treasury shares	(295)	(4,802)
Dividends paid	(14,883)	(15,887)
Other, net	(192)	(179)
Net cash provided by (used in) financing activities	101,787	(84,899)
Effect of exchange rate change on cash and cash equivalents	4,637	3,511
Net increase (decrease) in cash and cash equivalents	1,413	3,506
Cash and cash equivalents at beginning of period	55,474	56,837
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	—	2,341
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(50)	(212)
Cash and cash equivalents at end of period	56,837	62,472