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May 14,2025

Summary of Consolidated Financial Results for the Fiscal year Ended March 31, 2025 (unaudited)

Company name: **Mitsubishi Paper Mills Limited** (Code No.3864 Tokyo Stock Exchange)
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 General meeting of stockholders to be held: June 27,2025 Start of dividend payout: June 9,2025
 Statutory annual report to be presented: June 27,2025

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal year Ended March 31, 2025

(April 1, 2024 to March 31, 2025)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2024	175,942	(9.1)	4,567	(15.6)	4,548	(35.9)	4,343	4.2
FY2023	193,462	(7.7)	5,410	458.7	7,098	129.7	4,170	-

Note: Comprehensive income FY2024 ¥(5,235) million FY2023 ¥19,089 million

	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	%	%	%
FY2024	99.13	-	4.9	2.1	2.6
FY2023	95.28	-	5.1	3.1	2.8

Note: Equity in earning of affiliates FY2024 ¥706 million FY2023 ¥658 million

(2) Consolidated Financial Condition

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
FY2024	208,217	85,282	40.9	1,945.16
FY2023	235,380	90,954	38.6	2,076.52

Note: Shareholders' equity FY2024 ¥85,256 million FY2023 ¥90,932 million

(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
	Million yen	Million yen	Million yen	Million yen
FY2024	4,854	4,797	(13,402)	6,239
FY2023	13,487	3,827	(16,264)	10,009

2. Dividends

	Dividend per share					Total dividend (Annual)	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	Million yen	%	%
FY2023	-	0.00	-	10.00	10.00	446	10.5	0.5
FY2024	-	0.00	-	15.00	15.00	669	15.1	0.7
FY2025(Forecast)	-	0.00	-	15.00	15.00	-	-	-

Note : Revision to the forecast for dividends announced most recently ... None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026

(April 1, 2025 to March 31, 2026)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	88,000	(0.5)	2,000	114.0	2,000	343.5	(1,500)	-	(34.23)
Full year	180,000	2.3	8,000	75.2	8,000	75.9	3,500	(19.7)	79.87

4. Notes

- (1) Changes in significant subsidiaries during the period
(with caused changes in scope of consolidation): Yes
New: None
Excluded: 8Company (Company name) KJ SPECIALTY PAPER Co., Ltd.
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
1) Changes in accounting policies due to the revision of accounting standards: Yes
2) Changes in accounting policies other than 1) above: None
3) Changes in accounting estimates: Yes
4) Retrospective restatement: None
- (3) Total number of issued shares (common shares)
1) Total number of issued shares at the end of the period (including treasury shares):
FY2024 44,741,433 shares
FY2023 44,741,433 shares
2) Total number of treasury shares at the end of the period:
FY2024 911,368 shares
FY2023 950,850 shares
3) Average number of shares during the period:
FY2024 43,820,052 shares
FY2023 43,772,000 shares

Notes: The Company has adopted a BIP (Board Incentive Plan) trust, assuming the number of shares held by the trust are included in the number of treasury stock of “(3) Total number of issued shares (common shares)”.

(Reference)

1. Results for the Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2024	106,347	3.1	5,098	3.8	8,139	8.0	9,364	-
FY2023	103,170	(3.8)	4,913	-	7,538	261.2	60	(91.4)

	Profit per share	Diluted profit per share
	Yen	Yen
FY2024	213.64	-
FY2023	1.39	-

(2) Non-consolidated Financial Condition

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
FY2024	157,275	57,845	36.8	1,319.43
FY2023	158,044	51,038	32.3	1,165.22

Note: Shareholders' equity FY2024 ¥57,845 million FY2023 ¥51,038 million

* This financial results report is exempt from being audited by certified public accountants or an audit firm.

* Explanation of the proper use of financial results forecast and other notes

The earnings forecasts and other forward-looking statements herein are based on information currently acquired by the Company and certain assumptions assessed to be reasonable. Actual results may differ significantly from these forecasts due to a wide range of factors.

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results

The Japanese economy during the consolidated fiscal year ended March 31, 2025 was on a gradual recovery track, attributable to improved employment and income environment. At the same time, the economic outlook remained uncertain due to rising prices, sudden fluctuations in the forex market, geopolitical risks related to the prolonged war in Ukraine and the situation in the Middle East which have been affecting the prices of raw materials and fuel, the impact of U.S. trade policy, and the slowdown of the Chinese economy with a real estate recession on the background, among other factors.

Under these circumstances, the Group took steps to improve productivity and reduce costs, while in terms of sales, it sought to expand sales of new products.

In the fiscal year under review, the final year of the Medium-Term Management Plan (fiscal year ended March 2023 to fiscal year ended March 2025), the Group energetically carried forward its initiatives in line with the following three basic policies.

(i) Strengthen our earning capacity by “selection and concentration” strategies and “expansion of new business”

To improve the efficiency of its business, the Company reorganized the Group through the integration of four subsidiaries into the Company on April 1, 2024 and the merger of two subsidiaries on July 1, 2024. The Group will further promote organizational transformation to bolster its profitability and strengthen corporate governance. It also decided to discontinue operation of production equipment at the Takasago Mill due to the aging and deterioration of the equipment, as well as at the Kitakami Mill due to the falling operation rate, thereby shifting production to high production efficiency machinery and working to reduce fixed costs and improve production efficiency.

(ii) Contribution to green society

To achieve the Group’s sustained growth and improve its corporate value over the medium to long term, it is disclosing information on both the risks and opportunities in its business caused by climate change, in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

In its activities to maintain and conserve biodiversity, the Company’s Murabi Company Forest in Fukushima was certified as a Nationally Certified Sustainably Managed Natural Site by the Ministry of the Environment. The Company has also joined the 30by30 Alliance for Biodiversity and will continue to create environmental value and contribute to achieving a sustainable global environment.

(iii) Organizational change to promote sustainability

Under the Mitsubishi Paper Mills Group Basic Sustainability Policy, which was established in April 2023, the Group strives to enhance its corporate value by earning the trust and support of its stakeholders while also helping to address a range of social issues with a view toward realizing a sustainable society. It offered shareholders the chance to participate in the Mitsubishi Paper Mill’s Forest with Nissy & Kassy program, aiming to increase their understanding of the Group’s sustainability efforts through tree planting experiences. Additionally, the Group worked to disclose more detailed information by publishing integrated reports to ensure that all stakeholders understand all of its corporate activities.

The Group renewed its core systems in the previous fiscal year. The Group will continue to push forward with the introduction of digital technologies, improving operational efficiency and increasing work safety while implementing digital transformation initiatives that will enhance corporate value.

As a result, consolidated net sales for the fiscal year was 175,942 million yen (down 9.1% year on year).

On the profitability side, consolidated operating income came to 4,567 million yen (compared to 5,410 million yen in the previous fiscal year), and consolidated ordinary income was 4,548 million yen (compared to 7,098 million yen), due to continued market slump in the European region and reflecting a decline in sales volumes, despite effects of price revisions and cost reductions for domestic products. Profit attributable to owners of parent was 4,343 million yen (compared with a profit attributable to owners of parent of 417 million yen in the previous fiscal year).

Operating results by segment are as follows:

(Million yen)

		Net sales			Operating income		
		Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Change (%)	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Change (%)
Reportable Segments	Functional materials	97,351	88,179	(9.4)	4,053	3,340	(17.6)
	Sustainable fiber materials	97,511	89,238	(8.5)	1,177	1,347	14.5
	Total	194,863	177,417	(9.0)	5,231	4,688	(10.4)
Other		5,628	4,451	(20.9)	245	73	(70.1)
Total		200,491	181,869	(9.3)	5,476	4,761	(13.1)
Adjustment (Note)		(7,029)	(5,926)		(66)	(194)	
Total		193,462	175,942	(9.1)	5,410	4,567	(15.6)

(Note) Adjustment is mainly related to internal transactions.

(Functional materials business)

In the communication paper-related product segment, production and sales personnel worked as one to capture demand for thermal paper in applications in the POS market. As a result, both sales volume and value increased significantly year on year. Sales of carbonless paper and PPC paper were lower than the previous year in both volume and monetary terms.

In the imaging-related product segment, volumes were lower than the year-ago level due to a decrease in demand for inkjet-related products in applications for image output and printing, while monetary terms were on a par with the level of the previous year, reflecting the effects of product price revisions.

In the functional materials-related product segment, sales value of separators for power storage devices increased year on year, attributable to an increase in demand mainly for auxiliary power applications in China. Sales value decreased year on year, in the water treatment membrane support substrate segment due to tougher price competition launched by competitors in the Chinese market and lower demand for rewritable media due to slowing growth in the Chinese economy. Demand for glass fiber nonwoven fabric remained robust and sales amounts exceeded the year-ago level, attributable to the effects of product price revisions. In the tape base paper segment, domestic business remained strong, and both volumes and monetary terms increased year on year in overseas business, owing to the effects of front-loaded demand for products subject to planned regulations in Europe.

In the Group's business in Germany, both volumes and sales value were lower than the year-ago level, reflecting sluggish economies in Germany and across Europe as well as intensified price competition, among other factors.

As a result, the functional materials business posted lower sales and profits.

In the communication paper-related product segment, the Group will strive to expand sales of thermal paper for applications in the POS market and capture demand for eco-conscious thermal paper, including linerless thermal label products. In the PPC paper segment, the Group will aim at capturing demand from major mail-order businesses and at stabilizing earnings by expanding transactions of eco-conscious, high-value-added products such as FSC® forest-certified paper.

For imaging-related products as well, the Group will expand its revision of product prices. It will also strive to increase sales of products for large posters, labels and industrial inkjet printing and continuously expand sales in strong emerging countries in Asia.

In the functional materials-related product segment, the Group aims to expand sales in Western countries by steadily fulfilling customers' quality requirements for water treatment base materials and will strive to capture the growing demand for industrial products and products for applications in seawater desalination plants, which are growth sectors. In the separators for power storage device segment, the Group will continue to work on expanding sales of auxiliary power applications and automotive electrical applications in the market for capacitors. In the tape base paper segment, the Group will focus on developing products that match market needs and especially on promoting growth in overseas sales. It will strive to stabilize earnings by optimizing balance by product for decorative laminate base paper and backing paper for wallpaper, improving production efficiency, etc.

Regarding businesses operated in Germany, the Group will seek to stabilize earnings by promoting business restructuring, including sales expansion and production efficiency improvement outside Europe.

It came to light that, regarding the heat resistant electrically insulated pressboard products manufactured by Mitsubishi Paper Engineering Co., Ltd., a member of the Group, certain measurement data was falsified and that products were shipped out without implementing certain predetermined inspections. Based on these facts, the company established a special investigation committee to properly understand the facts, causes and implications, and has been working on measures to prevent a recurrence. The committee also investigated whether there were any quality deficiencies in any of our Group's products, including the products in question. The company has confirmed the safety of the products in which the investigation identified anomalies and is not aware of any problems. The Group takes the contents of the investigation report and its recommendations seriously and will work hard to implement measures to improve our operations to regain the trust of our shareholders and other stakeholders.

(Sustainable fiber materials business)

In the printing paper segment, despite efforts to revise product prices and promote replacement with products with higher market demand in Japan where general declines in demand persist, sales amounts decreased year on year.

In wrapping paper, the Group focused on increasing sales of bleached kraft paper both in Japan and overseas, and both volume and value significantly exceeded the previous year.

Sales amounts of commercial pulp climbed year on year, as a result of product price revisions in the domestic market and the expansion of sales quantities for export.

The Group was able to secure higher earnings year on year for the second consecutive year at its key Hachinohe Mill, attributable to product price revisions in response to increased costs caused by rising raw materials and fuel costs, as well as the effects of cost reduction through the optimization of production structure according to demand trend.

As a result, net sales decreased but income increased in the sustainable fiber materials business.

By maintaining product prices revised in the fiscal year under review, the Group will, in the printing paper segment, continue to pursue initiatives for the optimization of production structure according to demand trends, while maintaining its efforts normalize the inventory level. In the commercial pulp segment, it will focus on expanding sales of high-value-added products such as softwood pulp with an eye on trends in market conditions.

In wrapping paper, the Group will respond to the demand for reduced-or zero-plastic products, both domestically and internationally, driven by the growing awareness of the need for a sustainable society, and increase sales of distinctive products that meet customer needs. In addition, it will increase its readiness to supply pulp produced solely from Japan-made materials since it has received numerous inquiries regarding this. The Group will continue to bolster its business foundations at both Hachinohe and Kitakami Mills, by discontinuing the operation of paper machine No. 1 at the Kitakami Mill and concentrating on high-efficiency production equipment at Hachinohe Mill, as it seeks to improve production efficiency and reduce costs.

(2) Overview of Financial Position

Assets at the end of the consolidated fiscal year under review amounted to 208,217 million yen, down 27,163 million yen from the end of the previous fiscal year, mainly due to decreases in cash and deposits, accounts receivable - trade and non-current assets.

Total liabilities came to 122,934 million yen, down 21,491 million yen from the end of the previous fiscal year, chiefly attributable to decreases in loans payable and notes and accounts payable - trade.

Net assets decreased 5,672 million yen from the end of the previous fiscal year, to 85,282 million yen, mainly due to the posting of a decrease in remeasurements of defined benefit plans.

The equity ratio was 40.9%, up 2.3 percentage points from the end of the previous fiscal year.

(3) Overview of Cash Flows

Cash and cash equivalents at the end of the fiscal year totaled 6,239 million yen, a decrease of 3,769 million yen from the end of the previous fiscal year.

(Cash flows from operating activities)

Cash generated from operating activities amounted to 4,854 million yen, a decrease of 8,632 million yen year on year. Major inflows were depreciation of 6,382 million yen and an 8,869 million yen decrease in trade receivables, while a major outflow was a 5,319 million yen decrease in trade payables.

(Cash flow from investing activities)

Cash generated from investing activities amounted to 4,797 million yen, an increase of 970 million yen year on year. Major inflows were proceeds from the sale of property, plant and equipment and intangible assets of 4,440 million yen and proceeds from the sale of investment securities of 2,574 million yen. A major outflow was due to the purchase of property, plant and equipment and intangible assets of 2,628 million yen.

(Cash flows from financing activities)

Cash used in financing activities totaled 13,402 million yen, an decrease of 2,862 million yen on year. This was primarily due to repayment of loans payable.

(4) Future Outlook

The consolidated results forecasts for the fiscal year ending March 31, 2026 are net sales of 180,000 million yen, operating income of 8,000 million yen, ordinary income of 8,000 million yen, and profit attributable to owners of parent of 3,500 million yen.

Amidst the continuing weakness in the European economy, the Group expects to post an extraordinary loss due to the structural reform to achieve earnings improvement in its business in Germany.

The consolidated results forecasts above are based on assumed exchange rates of 145 yen to the U.S. dollar and 160 yen to the euro.

The forecasts are based on the information currently available to the Company and include risks and uncertainties. Please note that actual results may be different due to various factors such as subsequent changes in business environment.

(5) Basic Policy for Dividends and Dividends for the Fiscal Year under Review and the Next Fiscal Year

The Company's basic policy regarding dividends of surplus and the like is to regard the distribution of profits to shareholders as a key management issue and maintain stable dividends while comprehensively considering business performance in each business year and internal reserves necessary to prepare for future management initiatives.

Regarding the year-end dividend for the current fiscal year, we plan to pay a dividend of 15 yen per share, an increase of 5 yen year-on-year, in consideration of the stabilization of business performance over the past three years and the expectation of future earnings growth.

For the next fiscal year, the Company plans to pay a year-end dividend of 15 yen per share under the basic policy above.

2. Basic Policy for the Selection of Accounting Standards

Taking into account the comparability of consolidated financial statements between periods and companies, the Group intends to prepare consolidated financial statements in accordance with Japanese standards in the foreseeable future.

The Group's policy is to take appropriate actions in consideration of future trends regarding the adoption of IFRS by other domestic companies.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Million yen)

	FY2023 Mar 31,2024	FY2024 Mar 31,2025
Assets		
Current assets		
Cash and deposits	10,009	6,239
Notes receivable - trade	10,493	7,948
Accounts receivable - trade	37,642	31,724
Merchandise and finished goods	23,092	21,737
Work in process	6,744	6,736
Raw materials and supplies	12,007	13,547
Other	1,981	3,618
Allowance for doubtful accounts	(40)	(40)
Total current assets	101,930	91,512
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	17,327	16,443
Machinery, equipment and vehicles, net	30,866	27,589
Land	20,317	20,420
Leased assets, net	763	405
Construction in progress	1,018	840
Other, net	1,008	985
Total property, plant and equipment	71,301	66,684
Intangible assets		
Other	1,954	1,338
Total intangible assets	1,954	1,338
Investments and other assets		
Investment securities	26,376	24,813
Long-term loans receivable	315	3
Net defined benefit asset	31,680	22,379
Deferred tax assets	999	724
Other	901	830
Allowance for doubtful accounts	(78)	(69)
Total investments and other assets	60,194	48,681
Total non-current assets	133,450	116,704
Total assets	235,380	208,217

(Million yen)

	FY2023 Mar 31,2024	FY2024 Mar 31,2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	24,779	21,258
Electronically recorded obligations- operating	4,607	3,221
Short-term borrowings	62,026	42,014
Commercial paper	—	10,000
Lease obligations	408	229
Accrued expenses	7,149	6,619
Income taxes payable	1,261	2,026
Contract liabilities	461	308
Other	3,577	3,204
Total current liabilities	104,272	88,882
Non-current liabilities		
Long-term borrowings	22,281	19,864
Lease obligations	348	227
Deferred tax liabilities	8,210	6,039
Provision for share awards	114	152
Provision for directors' retirement benefits	36	5
Net defined benefit liability	6,855	5,559
Asset retirement obligations	939	940
Other	1,367	1,262
Total non-current liabilities	40,153	34,052
Total liabilities	144,425	122,934
Net assets		
Shareholders' equity		
Share capital	36,561	36,561
Capital surplus	6,523	6,524
Retained earnings	17,336	21,233
Treasury shares	(416)	(405)
Total shareholders' equity	60,005	63,914
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	9,399	8,039
Foreign currency translation adjustment	763	1,100
Remeasurements of defined benefit plans	20,763	12,201
Total accumulated other comprehensive income	30,926	21,341
Non-controlling interests	22	26
Total net assets	90,954	85,282
Total liabilities and net assets	235,380	208,217

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

(Million yen)

	FY2023 Apr '23 - Mar '24	FY2024 Apr '24 - Mar '25
Net sales	193,462	175,942
Cost of sales	165,315	150,779
Gross profit	28,146	25,162
Selling, general and administrative expenses	22,736	20,595
Operating profit	5,410	4,567
Non-operating income		
Interest income	5	22
Dividend income	503	502
Share of profit of entities accounted for using equity method	658	706
Foreign exchange gains	1,249	—
Other	456	364
Total non-operating income	2,872	1,595
Non-operating expenses		
Interest expenses	938	1,019
Foreign exchange losses	—	49
Notes regarding loss on disaster	—	237
Other	245	307
Total non-operating expenses	1,183	1,614
Ordinary profit	7,098	4,548
Extraordinary income		
Gain on disposal of non-current assets	1,289	4,032
Gain on sales of investment securities	1,681	1,834
Insurance claim income	1,571	—
Gain on sale of businesses	230	—
Other	—	119
Total extraordinary income	4,772	5,985
Extraordinary losses		
Loss on disposal of non-current assets	218	155
Impairment losses	546	1,660
Expenses related to special investigation	—	201
Business restructuring costs	859	59
Accident related loss	2,687	—
Loss on cancellation of contracts	449	—
Loss on sale of businesses	119	—
Other	86	253
Total extraordinary losses	4,968	2,330
Profit before income taxes	6,902	8,203
Income taxes	2,725	3,854
Profit	4,177	4,348
Profit attributable to non-controlling interests	6	5
Profit attributable to owners of parent	4,170	4,343

Consolidated Statements of Comprehensive Income

	(Million yen)	
	FY2023	FY2024
	Apr '23 - Mar '24	Apr '24 - Mar '25
Profit	4,177	4,348
Other comprehensive income		
Valuation difference on available-for-sale securities	3,864	(1,357)
Foreign currency translation adjustment	(348)	334
Remeasurements of defined benefit plans, net of tax	11,390	(8,561)
Share of other comprehensive income of entities accounted for using equity method	5	1
Total other comprehensive income	14,912	(9,584)
Comprehensive income	19,089	(5,235)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	19,081	(5,240)
Comprehensive income attributable to non-controlling interests	8	5

(3) Consolidated Statements of Cash Flow

	(Million yen)	
	FY2023	FY2024
	Apr '23 - Mar '24	Apr '24 - Mar '25
Cash flows from operating activities		
Profit before income taxes	6,902	8,203
Depreciation	7,727	6,382
Accident related loss	2,687	—
Impairment loss	546	1,660
Decrease (increase) in retirement benefit asset	(1,883)	(4,045)
Increase (decrease) in retirement benefit liability	(2,284)	(362)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(13)	(30)
Increase (decrease) in provision for share awards	65	37
Interest and dividend income	(508)	(524)
Share of loss (profit) of entities accounted for using equity method	(658)	(706)
Foreign exchange losses (gains)	(1,169)	151
Interest expenses	938	1,019
Loss (gain) on sales of investment securities	(1,681)	(1,827)
Loss (gain) on disposal of non-current assets	(1,070)	(3,876)
Loss (gain) on sale of businesses	(110)	—
Insurance claim income	(1,627)	—
Decrease (increase) in trade receivables	(925)	8,869
Decrease (increase) in inventories	9,497	353
Increase (decrease) in trade payables	(3,336)	(5,319)
Other, net	1,699	(3,077)
Subtotal	14,794	6,908
Subsidies received	155	—
Proceeds from insurance income	1,590	—
Payments for accident related loss	(2,687)	—
Interest and dividends received	516	526
Interest paid	(886)	(1,115)
Income taxes refund (paid)	5	(1,464)
Net cash provided by (used in) operating activities	13,487	4,854
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(1,682)	(2,628)
Proceeds from sales of property, plant and equipment and intangible assets	2,931	4,440
Purchase of investment securities	(12)	(14)
Proceeds from sale of investment securities	3,184	2,574
Proceeds from liquidation of subsidiaries and associate	—	46
Loan advances	(0)	(5)
Proceeds from collection of loans receivable	450	316
Payment for transfer of business	(1,757)	—
Other, net	714	68
Net cash provided by (used in) investing activities	3,827	4,797

(Million yen)

	FY2023 Apr '23 - Mar '24	FY2024 Apr '24 - Mar '25
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(5,807)	(11,385)
Net increase (decrease) in commercial papers	(5,000)	10,000
Proceeds from long-term borrowings	7,150	5,850
Repayments of long-term borrowings	(11,886)	(17,171)
Repayments of lease obligations	(496)	(246)
Purchase of treasury shares	(0)	(0)
Proceeds from sale of treasury shares	0	—
Dividends paid	(223)	(446)
Dividends paid to non-controlling interests	—	(1)
Net cash provided by (used in) financing activities	(16,264)	(13,402)
Effect of exchange rate change on cash and cash equivalents	604	(20)
Net increase (decrease) in cash and cash equivalents	1,655	(3,769)
Cash and cash equivalents at beginning of period	8,325	10,009
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	28	—
Cash and cash equivalents at end of period	10,009	6,239