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Consolidated Financial Results for the Fiscal Year Ended May 31, 2024 [Japanese GAAP]

July 12, 2024

Company name: Cosmos Pharmaceutical Corporation
Stock exchange listing: Tokyo Stock Exchange
Code number: 3349
URL: https://www.cosmospc.co.jp
Representative: Hideaki Yokoyama, President
Contact: Futoshi Shibata, Director and Corporate Planning Department Manager
Phone: +81-92-433-0660
Scheduled date of general shareholders' meeting: August 20, 2024
Scheduled date of commencing dividend payments: August 1, 2024
Scheduled date of filing securities report: August 29, 2024
Availability of supplementary explanatory materials on annual financial results: Available
Schedule of annual financial results briefing session: Scheduled (for the media, analysts and institutional investors)

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

1. Consolidated Financial Results for the Fiscal Year Ended May 31, 2024 (June 1, 2023 - May 31, 2024)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
May 31, 2024	964,989	16.6	31,501	4.6	34,299	3.7	24,454	2.8
May 31, 2023	827,697	9.6	30,128	1.1	33,086	0.7	23,797	2.8

(Note) Comprehensive income: Fiscal year ended May 31, 2024: ¥24,516 million [2.9%]
Fiscal year ended May 31, 2023: ¥23,832 million [2.7%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
May 31, 2024	617.22	–	11.1	7.6	3.3
May 31, 2023	600.96	–	11.9	8.4	3.6

(Reference) Share of loss (profit) of entities accounted for using equity method: As of May 31, 2024: ¥0 million
As of May 31, 2023: ¥0 million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of May 31, 2024	476,546	231,442	48.6	5,840.26
As of May 31, 2023	420,967	211,072	50.1	5,330.26

(Reference) Equity: As of May 31, 2024: ¥231,442 million
As of May 31, 2023: ¥211,072 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	Million yen	Million yen	Million yen	Million yen
May 31, 2024	55,175	(57,329)	8,527	52,301
May 31, 2023	54,434	(49,113)	3,245	45,928

2. Dividends

	Annual dividends					Total dividends (annual)	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended May 31, 2023	–	42.50	–	57.50	100.00	3,959	16.6	2.0
Fiscal year ended May 31, 2024	–	60.00	–	60.00	120.00	4,755	19.4	2.1
Fiscal year ending May 31, 2025 (Forecast)	–	32.50	–	32.50	65.00		21.0	

The Company plans to conduct a 2-for-1 stock split effective September 1, 2024. Dividends per share for the fiscal year ending May 31, 2025 (forecast) take into account the effect of the said stock split.

Dividends per share for the fiscal year ending May 31, 2025 (forecast), without considering the effect of the stock split, will be ¥130.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending May 31, 2025 (June 1, 2024 - May 31, 2025)

Preface regarding consolidated financial results forecast

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	515,200	8.1	16,000	1.0	17,470	0.7	11,790	1.7	148.76
Full year	1,037,000	7.5	31,600	0.3	34,400	0.3	24,500	0.2	309.12

Basic earnings per share in the consolidated financial results forecast for the fiscal year ending May 31, 2025 take into account the effect of the planned stock split.

Without considering the effect of the stock split, basic earnings per share in the consolidated financial results for the fiscal year ending May 31, 2025 will be ¥297.51 for the first half, and ¥618.24 for the full year.

*** Notes:**

(1) Changes in significant subsidiaries during the period: None
(Changes in specified subsidiaries resulting in changes in scope of consolidation)
Newly included: – (Company name: –)
Excluded: – (Company name: –)

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
1) Changes in accounting policies due to the revision of accounting standards: None
2) Changes in accounting policies other than 1) above: None
3) Changes in accounting estimates: None
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):
May 31, 2024: 40,000,800 shares
May 31, 2023: 40,000,800 shares
2) Total number of treasury shares at the end of the period:
May 31, 2024: 371,984 shares
May 31, 2023: 401,942 shares
3) Average number of shares during the period:
Fiscal year ended May 31, 2024: 39,619,833 shares
Fiscal year ended May 31, 2023: 39,598,873 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended May 31, 2024 (June 1, 2023 - May 31, 2024)

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

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
May 31, 2024	964,988	16.6	31,481	4.6	34,286	3.7	24,446	2.8
May 31, 2023	827,696	9.6	30,104	1.1	33,070	0.7	23,787	2.8

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
May 31, 2024	617.02	–
May 31, 2023	600.71	–

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of May 31, 2024	476,150	230,926	48.5	5,827.23
As of May 31, 2023	420,554	210,626	50.1	5,319.00

(Reference) Equity: As of May 31, 2024: ¥230,926 million
As of May 31, 2023: ¥210,626 million

* These consolidated financial results are outside the scope of audit by certified public accountants or an audit firm.

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

The statements about future projections contained in this document, including the outlook for financial results, are based on information currently available to the Company and certain assumptions that the Company considers reasonable, and actual financial results etc. may significantly differ from the projections due to various factors. As for the conditions assumed in the financial results forecast, please see “Future Outlook” on page 4 of the attachments.

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Fiscal Year under Review

During the fiscal year ended May 31, 2024, the Japanese economy saw prices of various goods and services rise as global unrest and inflation continued. In particular, living costs, such as prices for daily necessities that directly affect household budgets, have been rising so that consumers are becoming even more budget-minded.

It was exactly because of these circumstances that the Group endeavored to make our drugstores "low priced, close and convenient" for consumers by strengthening price competitiveness through pursuing even lower cost operations, even at the expense of intentionally lowered profit margins.

As for the store opening policy, the Group opened new stores one after another, regardless of the temporary decline in profitability caused by our own competition. At the same time, the Group also expanded its store networks in new catchment areas. The number of newly opened stores stood at 50 in Kanto region, 27 in Chubu region, 15 in Kansai region, 10 in Chugoku region, 8 in Shikoku region, and 29 in Kyushu region, totaling 139. Furthermore, 7 stores were closed due to scrap and build. As a result, the number of stores at the end of the fiscal year under review became 1,490 in total.

As a result of the above measures, the Group's consolidated operating results for the fiscal year under review were net sales of 964,989 million yen (16.6% increase year-on-year), operating profit of 31,501 million yen (4.6% increase year-on-year), ordinary profit of 34,299 million yen (3.7% increase year-on-year) and profit attributable to owners of parent of 24,454 million yen (2.8% increase year-on-year).

Segment information is omitted because the Group is comprised of a single business segment.

(Store opening and closure) (Unit: number of stores)

Region	Number of stores at end of fiscal year ended May 31, 2023	Number of newly opened stores	Number of closed stores	Net increase	Number of stores at end of fiscal year ended May 31, 2024
Kanto	100	50	2	48	148
Chubu	124	27	—	27	151
Kansai	197	15	—	15	212
Chugoku	202	10	—	10	212
Shikoku	134	8	1	7	141
Kyushu	601	29	4	25	626
Total	1,358	139	7	132	1,490

(Sales by product)

Product	Fiscal year ended May 31, 2023 (from June 1, 2022 to May 31, 2023)		Fiscal year ended May 31, 2024 (from June 1, 2023 to May 31, 2024)		Year-on-year (%)
	Amount (Million yen)	Composition (%)	Amount (Million yen)	Composition (%)	
Pharmaceutical	125,851	15.2	136,642	14.2	108.6
Cosmetics	80,763	9.8	89,709	9.3	111.1
Sundry goods	131,077	15.8	148,822	15.4	113.5
General foods	483,892	58.5	582,766	60.4	120.4
Others	6,112	0.7	7,047	0.7	115.3
Total	827,697	100.0	964,989	100.0	116.6

(2) Overview of Financial Position for the Fiscal Year under Review

(Assets)

Current assets at the end of the fiscal year under review increased by 12.6% from the end of the previous fiscal year to 154,333 million yen. This was mainly due to increase in cash and deposits of 6,373 million yen, merchandise of 8,567 million yen, and accounts receivable - other of 1,792 million yen.

Non-current assets increased by 13.5% from the end of the previous fiscal to 322,213 million yen partly due to acquisition of property, plant and equipment including buildings and structures and land.

As a result, total assets increased by 13.2% from the end of the previous fiscal year to 476,546 million yen.

(Liabilities)

Current liabilities at the end of the fiscal year under review increased by 11.0% from the end of the previous fiscal year to 213,229 million yen. This was mainly due to increase in accounts payable - trade of 17,697 million yen, short-term borrowings of 1,840 million yen, accrued expenses of 785 million yen, income taxes payable of 540 million yen, and accrued consumption taxes of 781 million yen, as well as a decrease in accounts payable - other of 690 million yen.

Non-current liabilities increased by 78.6% from the end of the previous fiscal year to 31,874 million yen mainly due to an increase in long-term borrowings of 13,366 million yen.

As a result, total liabilities increased by 16.8% from the end of the previous fiscal year to 245,104 million yen.

(Net assets)

Total net assets increased by 9.7% from the end of the previous fiscal year to 231,442 million yen mainly due to an increase in retained earnings of 19,799 million yen. This was mainly due to an increase of 490 million yen in capital surplus and a decrease of 17 million yen in treasury shares as a result of the disposal of treasury shares as restricted stock compensation to directors and employees.

(3) Overview of Cash Flows for the Fiscal Year under Review

The balance of cash and cash equivalents (hereinafter “cash”) at the end of the fiscal year under review increased by 6,373 million yen or 13.9% from the end of previous fiscal year to 52,301 million yen.

The status of consolidated cash flows for the fiscal year under review and contributing factors were as follows.

(Cash Flows from Operating Activities)

Net cash provided by operating activities amounted to 55,175 million yen (up 1.4% year-on-year).

This was mainly due to positive factors such as profit before income taxes of 33,719 million yen, depreciation of 19,924 million yen and an increase in trade payables of 17,697 million yen, and negative factors such as increase in inventories of 8,704 million yen, accounts receivable - other of 1,644 million yen, and income taxes paid of 8,993 million yen.

(Cash Flows from Investing Activities)

Net cash used in investing activities amounted to 57,329 million yen (up 16.7% year-on-year).

This was mainly due to purchase of property, plant and equipment of 55,810 million yen and payments of leasehold and guarantee deposits of 1,322 million yen.

(Cash Flows from Financing Activities)

Net cash provided by financing activities amounted to 8,527 million yen (an increase of 5,281 million yen compared to a year earlier).

This was mainly due to income from long-term borrowings of 18,400 million yen, repayments of long-term borrowings of 3,193 million yen, dividends paid of 4,659 million yen and repayments of finance lease liabilities of 2,020 million yen.

(Reference) Changes in cash flow-related indicators

	Fiscal year ended May 31, 2020	Fiscal year ended May 31, 2021	Fiscal year ended May 31, 2022	Fiscal year ended May 31, 2023	Fiscal year ended May 31, 2024
Equity ratio	45.5	50.0	52.5	50.1	48.5
Equity ratio based on market value	191.3	176.7	133.1	124.7	105.5
Interest-bearing liabilities to cash flow ratio	0.2	0.4	0.3	0.3	0.6
Interest coverage ratio	950.3	460.9	610.8	1,061.5	543.2

Equity ratio: equity/total assets

Equity ratio based on market value: total market capitalization/total assets

Interest-bearing liabilities to cash flow ratio: interest-bearing liabilities/cash flows

Interest coverage ratio: cash flows/interest payments

(Note 1) Each of the above indicators is calculated based on consolidated financial figures.

(Note 2) Total market capitalization is calculated based on total number of issued shares excluding treasury shares.

(Note 3) For the cash flows, the cash flows from operating activities are used.

(Note 4) Interest-bearing liabilities include all liabilities recorded on the Consolidated Balance Sheets for which interest is paid.

(4) Future Outlook

As for future prospects during the fiscal year ending May 31, 2025, inflation is expected to continue to drive up the prices of various goods, and consumer confidence is anticipated to weaken further. It is exactly because of these circumstances that the Company is determined to continue to strengthen efforts to make sales of "products of high quality and available at the lowest prices possible."

With regard to new store openings in the fiscal year ending May 31, 2025, the Company intends to continue its approach of strategic dominance, opening new stores without concerning itself over stores cannibalizing each other's sales. The Company plans to deploy stores in the new catchment-areas of Kanto, Chubu and Kansai regions while continuing to open new stores in the Kyushu, Chugoku and Shikoku regions.

With the above measures, the Company's forecast for its consolidated financial results for the fiscal year ending May 31, 2025, are net sales of 1,037,000 million yen, operating profit of 31,600 million yen, ordinary profit of 34,400 million yen and profit attributable to owners of parent of 24,500 million yen.

(5) Basic Policy on Distribution of Profits and Dividends for the Fiscal Year under Review and the Next Fiscal Year

The Company's policy on distribution of profits is to return profits through stable and sustained dividend to shareholders based on progressive dividends, as well as secure sufficient internal reserves for the reinforcement of its management structure and utilize the reserves for appropriate reinvestments.

In accordance with the above policy, the Company plans to pay an interim dividend of 60 yen and a year-end dividend of 60 yen per share for the fiscal year ended May 31, 2024. Accordingly, the annual dividend is planned to be 120 yen per share as an ordinary dividend, an increase of 20 yen from a year earlier.

The Company also plans to conduct a 2-for-1 stock split effective September 1, 2024. The Company plans to make an interim dividend of 32.50 yen and a year-end dividend of 32.50 yen per share for the fiscal year ending May 31, 2025. Dividends per share for the fiscal year ending May 31, 2025 (forecast), without considering the effect of the stock split, will be 130yen.

2. Basic Policy on Selection of Accounting Standards

The Group plans to continue to prepare its consolidated financial statements under the Japanese GAAP for the time being as the Group has been currently developing its business in Japan.

With regard to the adoption of the International Financial Reporting Standards (IFRS), the Group will continue to make its deliberation in consideration of factors such as future business development and domestic and international trends.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Million yen)

	As of May 31, 2023	As of May 31, 2024
Assets		
Current assets		
Cash and deposits	45,928	52,301
Accounts receivable - trade	452	637
Merchandise	77,253	85,821
Supplies	226	352
Prepaid expenses	2,429	2,568
Accounts receivable - other	9,769	11,562
Other	1,025	1,089
Total current assets	137,085	154,333
Non-current assets		
Property, plant and equipment		
Buildings and structures	275,044	315,108
Accumulated depreciation	(76,531)	(88,594)
Buildings and structures, net	198,513	226,514
Machinery, equipment and vehicles	5,014	5,498
Accumulated depreciation	(2,564)	(3,240)
Machinery, equipment and vehicles, net	2,450	2,258
Tools, furniture and fixtures	36,199	41,330
Accumulated depreciation	(26,372)	(29,991)
Tools, furniture and fixtures, net	9,826	11,339
Land	34,194	42,111
Leased assets	9,298	9,943
Accumulated depreciation	(4,439)	(4,497)
Leased assets, net	4,859	5,445
Construction in progress	9,619	8,129
Total property, plant and equipment	259,464	295,798
Intangible assets		
Other	547	497
Total intangible assets	547	497
Investments and other assets		
Investment securities	4	4
Deferred tax assets	2,268	2,461
Construction assistance fund receivables	4,306	4,382
Leasehold and guarantee deposits	15,193	16,172
Other	2,095	2,897
Total investments and other assets	23,869	25,917
Total non-current assets	283,881	322,213
Total assets	420,967	476,546

(Million yen)

	As of May 31, 2023	As of May 31, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	161,852	179,549
Short-term borrowings	2,741	4,581
Lease liabilities	1,744	1,931
Accounts payable - other	10,512	9,822
Accrued expenses	7,272	8,057
Income taxes payable	5,031	5,572
Accrued consumption taxes	1,244	2,026
Contract liabilities	519	522
Provision for loss on store closings	223	112
Other	909	1,052
Total current liabilities	192,053	213,229
Non-current liabilities		
Long-term borrowings	10,018	23,385
Lease liabilities	3,698	4,166
Retirement benefit liability	1,636	1,751
Asset retirement obligations	2,028	2,141
Other	459	429
Total non-current liabilities	17,842	31,874
Total liabilities	209,895	245,104
Net assets		
Shareholders' equity		
Share capital	4,178	4,178
Capital surplus	4,610	5,101
Retained earnings	202,485	222,284
Treasury shares	(242)	(225)
Total shareholders' equity	211,031	231,339
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1	1
Remeasurements of defined benefit plans	39	101
Total accumulated other comprehensive income	40	102
Total net assets	211,072	231,442
Total liabilities and net assets	420,967	476,546

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Million yen)

	For the fiscal year ended May 31, 2023	For the fiscal year ended May 31, 2024
Net sales	827,697	964,989
Cost of sales	658,979	776,683
Gross profit	168,718	188,305
Selling, general and administrative expenses	138,589	156,804
Operating profit	30,128	31,501
Non-operating income		
Interest income	47	44
Commission income	1,354	1,407
Rental income from real estate	1,200	1,183
Gain on receipt of donated non-current assets	498	500
Other	575	501
Total non-operating income	3,677	3,637
Non-operating expenses		
Interest expenses	51	99
Rental costs on real estate	475	456
Other	192	282
Total non-operating expenses	719	839
Ordinary profit	33,086	34,299
Extraordinary income		
Gain on sale of non-current assets	–	75
Insurance claim income	13	–
Compensation income	33	552
Total extraordinary income	46	628
Extraordinary losses		
Loss on retirement of non-current assets	113	475
Impairment losses	–	535
Loss on disaster	4	19
Loss on store closings	51	108
Provision for loss on store closings	189	69
Total extraordinary losses	359	1,208
Profit before income taxes	32,773	33,719
Income taxes - current	9,294	9,484
Income taxes - deferred	(318)	(219)
Total income taxes	8,975	9,265
Profit	23,797	24,454
Profit attributable to owners of parent	23,797	24,454

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended May 31, 2023	For the fiscal year ended May 31, 2024
Profit	23,797	24,454
Other comprehensive income		
Valuation difference on available-for-sale securities	0	(0)
Remeasurements of defined benefit plans, net of tax	35	62
Total other comprehensive income	35	62
Comprehensive income	23,832	24,516
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	23,832	24,516

(3) Consolidated Statements of Changes in Equity

Fiscal year ended May 31, 2023 (from June 1, 2022 to May 31, 2023)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,178	4,610	181,954	(241)	190,501
Changes during period					
Dividends of surplus			(3,266)		(3,266)
Profit attributable to owners of parent			23,797		23,797
Purchase of treasury shares				(0)	(0)
Restricted stock compensation					—
Net changes in items other than shareholders' equity					
Total changes during period	—	—	20,530	(0)	20,529
Balance at end of period	4,178	4,610	202,485	(242)	211,031

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	1	4	5	190,507
Changes during period				
Dividends of surplus				(3,266)
Profit attributable to owners of parent				23,797
Purchase of treasury shares				(0)
Restricted stock compensation				—
Net changes in items other than shareholders' equity	0	35	35	35
Total changes during period	0	35	35	20,565
Balance at end of period	1	39	40	211,072

Fiscal year ended May 31, 2024 (from June 1, 2023 to May 31, 2024)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,178	4,610	202,485	(242)	211,031
Changes during period					
Dividends of surplus			(4,654)		(4,654)
Profit attributable to owners of parent			24,454		24,454
Purchase of treasury shares				(0)	(0)
Restricted stock compensation		490		18	509
Net changes in items other than shareholders' equity					
Total changes during period	—	490	19,799	17	20,308
Balance at end of period	4,178	5,101	222,284	(225)	231,339

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	1	39	40	211,072
Changes during period				
Dividends of surplus				(4,654)
Profit attributable to owners of parent				24,454
Purchase of treasury shares				(0)
Restricted stock compensation				509
Net changes in items other than shareholders' equity	(0)	62	62	62
Total changes during period	(0)	62	62	20,370
Balance at end of period	1	101	102	231,442

(4) Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended May 31, 2023	For the fiscal year ended May 31, 2024
Cash flows from operating activities		
Profit before income taxes	32,773	33,719
Depreciation	17,368	19,924
Increase (decrease) in retirement benefit liability	204	204
Impairment losses	–	535
Increase (decrease) in provision for loss on store closings	189	69
Interest and dividend income	(47)	(44)
Interest expenses	51	99
Loss on disaster	4	19
Loss (gain) on sale of non-current assets	–	(73)
Insurance claim income	(13)	–
Compensation income	(33)	(552)
Loss on retirement of non-current assets	113	475
Loss on store closings	51	108
Decrease (increase) in trade receivables	(254)	(185)
Decrease (increase) in inventories	(11,156)	(8,704)
Decrease (increase) in accounts receivable - other	(1,446)	(1,644)
Increase (decrease) in trade payables	22,627	17,697
Other, net	3,041	2,229
Subtotal	63,475	63,878
Interest and dividends received	0	0
Interest paid	(51)	(101)
Income taxes paid	(9,111)	(8,993)
Payments associated with disaster loss	(23)	(13)
Proceeds from insurance income	55	1
Proceeds from compensation	89	404
Net cash provided by (used in) operating activities	54,434	55,175
Cash flows from investing activities		
Purchase of property, plant and equipment	(46,636)	(55,810)
Proceeds from sale of property, plant and equipment	46	718
Payments of construction assistance fund receivables	(500)	(523)
Proceeds from collection of construction assistance fund receivables	428	431
Payments of leasehold and guarantee deposits	(1,834)	(1,322)
Proceeds from refund of leasehold and guarantee deposits	341	295
Other, net	(958)	(1,116)
Net cash provided by (used in) investing activities	(49,113)	(57,329)
Cash flows from financing activities		
Proceeds from long-term borrowings	10,000	18,400
Repayments of long-term borrowings	(1,628)	(3,193)
Purchase of treasury shares	(0)	(0)
Repayments of finance lease liabilities	(1,858)	(2,020)
Dividends paid	(3,266)	(4,659)
Net cash provided by (used in) financing activities	3,245	8,527
Effect of exchange rate change on cash and cash equivalents	–	–
Net increase (decrease) in cash and cash equivalents	8,566	6,373
Cash and cash equivalents at beginning of period	37,362	45,928
Cash and cash equivalents at end of period	45,928	52,301