

Mitsui E&S Holdings Co., Ltd. and its Consolidated Subsidiaries

CONSOLIDATED FINANCIAL RESULTS FOR FY2018

From April 1, 2018 to March 31, 2019

Code number:	7003	URL:	https://www.mes.co.jp/
Shares Listed:	Tokyo Stock Exchange		
Representative:	Takao Tanaka, Chairman, Representative Director, and CEO		
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Scheduled date to file annual securities report:	June 26, 2019		
Scheduled date to commence dividend payments:	—		
Supplementary explanatory materials prepared:	Yes		
Explanatory meeting:	Yes (for analysts)		

(Amounts less than one million yen are truncated)

1. Consolidated Financial Results for FY2018 (April 1, 2018 to March 31, 2019)

	(Millions of yen)		
	From Apr. 1, 2017 to Mar. 31, 2018	From Apr. 1, 2018 to Mar. 31, 2019	Change (%)
New Orders Received	1,160,662	710,127	(38.8)
Net Sales	703,216	656,504	(6.6)
Operating Loss	(5,224)	(59,703)	—
Ordinary Income (Loss)	3,061	(50,502)	—
Loss attributable to owners of parent	(10,137)	(69,599)	—
Earnings per Share (Yen)	(125.42)	(861.09)	—
Operating Cash Flow	(3,555)	66,176	—
Investing Cash Flow	(9,046)	(130)	—
Financing Cash Flow	(14,813)	(53,340)	—
Cash and cash equivalents at end of year	86,311	97,408	12.9

Figures in parentheses represent negative.

Note: The Company consolidated every 10 shares into 1 share with an effective date of October 1, 2017. Earnings per share has been calculated on the assumption that the said share consolidation was conducted on the beginning of previous fiscal year.

	(Millions of yen)	
	As of Mar. 31, 2018	As of Mar. 31, 2019
Total Assets	1,029,222	999,100
Net Assets	356,837	280,239
Shareholders' Equity to Total Assets	23.2%	16.0%
Net Assets per Share (Yen)	2,958.83	1,973.91

Note: This consolidated financial results has been prepared in accordance with Japanese accounting standards and Japanese law.

2. Dividends

(Yen)

	FY2017	FY2018	FY2019 (forecast)
Annual dividends per share			
First quarter	—	—	—
Second quarter	0.00	0.00	0.00
Third quarter	—	—	—
Year-end	0.00	0.00	0.00
Total	0.00	0.00	0.00
Total dividends paid (Millions of yen)	—	—	
Payout ratio (consolidated)	—	—	—
Dividend to net assets ratio (consolidated)	—	—	

3. Forecast of Financial Results for FY2019

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Profit attributable to owners of parent	Earnings per Share (Yen)
Year ending March 31, 2020	840,000	12,000	17,000	3,000	37.12

Reference: Estimate is based on exchange rate of USD1.00 = JPY110.0

4. Notes

(1) Changes in significant subsidiaries during the period

(changes in specified subsidiaries resulting in the change in scope of consolidation): None

(2) Changes in accounting policies, accounting estimates or restatements

- i) Changes due to amendment of accounting standards: Yes
- ii) Changes due to other reasons: None
- iii) Changes in accounting estimates: None
- iv) Restatements: None

(3) Number of shares outstanding (common stock)

	FY2017	FY2018
	shares	shares
Number of shares outstanding at the end of period (including treasury stock)	83,098,717	83,098,717
Number of treasury stock at the end of period	2,269,180	2,271,423
Average number of shares during the period	80,826,435	80,827,643

Note: The Company consolidated every 10 shares into 1 share with an effective date of October 1, 2017. The figures for "Number of shares outstanding at the end of period", "Number of treasury stock at the end of period" and "Average number of shares during the period" have been calculated on the assumption that the said share consolidation was conducted on the beginning of previous fiscal year.

This Financial Report is out of audit scope.

FORWARD LOOKING STATEMENTS AND OTHER SPECIAL ITEMS

The forecasts for financial results are based on information available at the time this report was released. These forecasts and other forward-looking statements are not guarantees of future performance. Actual operating results may differ from the above forecasts due to known and unknown risks, uncertainties, and other factors.

Overview of Reportable Segment

Reportable Segment is classified into 4 segments: Ship, Ocean Development, Machinery and Engineering. Main products and services of each Reportable Segment are as follows.

Reportable Segment	Main Products and Services
Ship	Commercial ships, naval ships, high speed passenger/vehicle ferries, offshore structures, underwater TV vehicles, steel structures
Ocean Development	FPSOs (floating production storage offloading vessels)
Machinery	Marine and stationary diesel engines, marine equipment, gas engines, steam turbines, blowers, process compressors, gas turbines, cogeneration system, regulating system, container cranes, industrial cranes, container terminal management systems, HWM manipulators, equipment of radar sensing for underground and construction, bridges, port structures, induction heaters
Engineering	Renewable energy power generation plants, power generation business, overseas civil works, chemical plants, waste treatment plants, water treatment plants, resources recycling plants, PCB disposal plants

Change in Calculation method used for Operating income and loss, Assets and other items for each Reportable Segment

Accompanying the transition to a holding company structure, the basis of allocation of Corporate assets has been reexamined.

As a result of this change, segment assets as of March 31, 2019 have increased by 126 million yen for "Machinery" and by 9,911 million yen for "Adjustments", and have decreased by 7,215 million yen for "Ship" and by 2,822 million yen for "Others", compared with the previous method. Also, segment operating income (loss) for the year ended March 31, 2019 has increased by 29 million yen for "Others", decreased by 71 million yen for "Machinery", and improved by 39 million yen for "Ship", compared with the previous method.

Segment information for the year ended March 31, 2018 has been restated to reflect the changes.

Change in Reportable Segment

Due to the change in administrative jurisdiction accompanying the transition to a holding company structure, Burmeister & Wain Scandinavian Contract A/S, which previously classified as "Engineering" and carries on Stationary diesel power generation plants, was changed into "Others".

Segment information for the year ended March 31, 2018 has been restated to reflect the changes.

Information about Sales, Operating income and loss, Assets, Liabilities and other items for each Reportable Segment

Reportable Segment information for the years ended March 31, 2018 and 2019 were as follows:

From April 1, 2017 to March 31, 2018

(Millions of yen)

	Ship	Ocean Development	Machinery	Engineering	Sub total	Others	Total	Adjustments	Consolidated
Net Sales:									
Outside customers	112,472	191,182	181,733	127,645	613,034	90,182	703,216	—	703,216
Inter segment	2,735	—	7,354	236	10,326	987	11,313	(11,313)	—
Total	115,208	191,182	189,088	127,881	623,360	91,169	714,530	(11,313)	703,216
Operating income (loss)	(15,228)	11,321	11,330	(15,775)	(8,352)	3,127	(5,224)	—	(5,224)
Assets	131,056	299,066	169,687	58,932	658,743	253,393	912,136	117,086	1,029,222
Depreciation and amortization	3,849	4,673	3,926	1,134	13,584	3,148	16,733	462	17,195
Amortization of goodwill	881	260	30	9	1,182	59	1,242	—	1,242
Year-end balance of goodwill	11,907	2,068	—	87	14,063	196	14,260	—	14,260
Loss on impairment of non-current assets	1,583	—	28	1,983	3,594	77	3,671	0	3,671
Increase in property, plant and equipment and intangible assets	2,547	3,125	5,090	293	11,056	2,188	13,244	917	14,162

Note 1: "Others" is the segment which is not included in Reportable Segment and includes Stationary diesel power generation plants, Transport equipment related business, Systems development, Real estate lease business and others.

Note 2: Adjustments are as follows:

- (1) Adjustments of 117,086 million yen recorded for assets include primarily comprised of surplus funds (cash and time deposits), long-term investment (investment securities) and assets related to the administration divisions of the Company of 118,648 million yen that are not allocated to any Reportable Segment.
- (2) Adjustments of 462 million yen recorded for depreciation and amortization include depreciation for property, plant and equipment and amortization for intangible assets related to the administration divisions of 462 million yen.
- (3) Adjustments of 0 million yen recorded for loss on impairment of non-current assets are the impairment loss for Corporate.
- (4) Adjustments of 917 million yen recorded for increase in property, plant and equipment and intangible assets include increase in assets related to the administration divisions.

Note 3: Operating income (loss) is adjusted with operating loss in Consolidated Statements of Income.

From April 1, 2018 to March 31, 2019

(Millions of yen)

	Ship	Ocean Development	Machinery	Engineering	Sub total	Others	Total	Adjustments	Consolidated
Net Sales:									
Outside customers	96,879	222,458	186,935	68,973	575,246	81,257	656,504	—	656,504
Inter segment	4,618	—	9,101	562	14,282	9,147	23,429	(23,429)	—
Total	101,498	222,458	196,036	69,535	589,529	90,405	679,934	(23,429)	656,504
Operating income (loss)	(8,112)	14,894	10,211	(79,670)	(62,676)	2,972	(59,703)	—	(59,703)
Assets	109,077	293,214	179,678	38,854	620,824	260,473	881,297	117,802	999,100
Depreciation and amortization	3,351	2,083	4,334	728	10,497	3,420	13,918	577	14,495
Amortization of goodwill	841	257	—	21	1,120	56	1,177	—	1,177
Year-end balance of goodwill	9,563	1,789	—	112	11,465	150	11,616	—	11,616
Loss on impairment of non-current assets	6,217	—	28	556	6,802	195	6,998	16	7,014
Increase in property, plant and equipment and intangible assets	2,621	3,150	6,673	703	13,148	6,072	19,221	(366)	18,854

Note 1: "Others" is the segment which is not included in Reportable Segment and includes Stationary diesel power generation plants, Transport equipment related business, Systems development, Real estate lease business and others.

Note 2: Adjustments are as follows:

- (1) Adjustments of 117,802 million yen recorded for assets include primarily comprised of surplus funds (cash and time deposits), long-term investment (investment securities) and assets related to the administration divisions of the Company of 125,294 million yen that are not allocated to any Reportable Segment.
- (2) Adjustments of 577 million yen recorded for depreciation and amortization include depreciation for property, plant and equipment and amortization for intangible assets related to the administration divisions of 586 million yen.
- (3) Adjustments of 16 million yen recorded for loss on impairment of non-current assets are the impairment loss for Corporate.
- (4) Adjustments of (366) million yen recorded for increase in property, plant and equipment and intangible assets result from the reclassification of assets, which used to be classified as the assets related to the administration divisions, to some of other Reportable Segment.

Note 3: Operating income (loss) is adjusted with operating loss in Consolidated Statements of Income.

New Orders by Segment

(Millions of yen)

	From Apr. 1, 2017 to Mar. 31, 2018	From Apr. 1, 2018 to Mar. 31, 2019	Difference
Ship	106,947	113,207	6,259 5.9%
Ocean Development	700,924	254,200	(446,724) (63.7%)
Machinery	186,870	185,332	(1,537) (0.8%)
Engineering	75,441	58,927	(16,513) (21.9%)
Others	90,478	98,459	7,980 8.8%
Total	1,160,662	710,127	(450,535) (38.8%)

Net Sales by Segment

(Millions of yen)

	From Apr. 1, 2017 to Mar. 31, 2018	From Apr. 1, 2018 to Mar. 31, 2019	Difference
Ship	112,472	96,879	(15,593) (13.9%)
Ocean Development	191,182	222,458	31,276 16.4%
Machinery	181,733	186,935	5,201 2.9%
Engineering	127,645	68,973	(58,672) (46.0%)
Others	90,182	81,257	(8,924) (9.9%)
Total	703,216	656,504	(46,712) (6.6%)

Operating Income (Loss) by Segment

(Millions of yen)

	From Apr. 1, 2017 to Mar. 31, 2018	From Apr. 1, 2018 to Mar. 31, 2019	Difference
Ship	(15,228)	(8,112)	7,116
Ocean Development	11,321	14,894	3,573
Machinery	11,330	10,211	(1,118)
Engineering	(15,775)	(79,670)	(63,895)
Others	3,127	2,972	(155)
Total	(5,224)	(59,703)	(54,478)

Figures in parentheses represent negative.

Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2018	As of March 31, 2019
Assets		
Current assets		
Cash and time deposits	93,698	100,857
Trade receivables	243,767	225,765
Merchandise and finished goods	4,085	4,967
Work in progress	35,661	42,294
Raw materials and supplies	5,158	8,439
Short-term loans	47,227	41,038
Others	43,391	46,050
Allowance for doubtful accounts	(1,956)	(1,452)
Total current assets	471,033	467,959
Non-current assets		
Property, plant and equipment		
Buildings and structures	197,752	198,162
Accumulated depreciation	(140,660)	(144,062)
Buildings and structures, net	57,092	54,100
Machinery, equipment and vehicles	167,651	166,269
Accumulated depreciation	(133,629)	(138,410)
Machinery, equipment and vehicles, net	34,021	27,858
Land	245,293	245,736
Lease assets	16,155	14,198
Accumulated depreciation	(7,856)	(7,188)
Lease assets, net	8,298	7,009
Construction in progress	4,332	4,185
Others	19,933	20,269
Accumulated depreciation	(16,905)	(17,119)
Others, net	3,027	3,150
Total property, plant and equipment	352,066	342,040
Intangible assets		
Goodwill	14,260	11,616
Others	15,973	17,874
Total intangible assets	30,233	29,490
Investments and other assets		
Investment securities	91,472	83,212
Long-term loans	41,380	46,169
Net defined benefit asset	5,576	732
Deferred tax assets	18,122	10,833
Others	20,071	19,319
Allowance for doubtful accounts	(733)	(658)
Total investments and other assets	175,888	159,609
Total non-current assets	558,189	531,140
Total assets	1,029,222	999,100

(Millions of yen)

	As of March 31, 2018	As of March 31, 2019
Liabilities		
Current liabilities		
Trade payables	180,786	190,955
Short-term borrowings	11,703	3,535
Current portion of long-term borrowings	62,924	39,062
Current portion of bonds	-	10,000
Lease obligations	1,990	1,745
Accrued income taxes	9,009	11,846
Advances from customers	56,943	92,603
Provision for construction warranties	11,439	10,781
Provision for losses on construction contracts	10,327	60,972
Asset retirement obligations	8	2
Others	38,217	43,234
Total current liabilities	383,352	464,740
Long-term liabilities		
Bonds	50,000	40,000
Long-term borrowings	130,649	112,020
Lease obligations	7,116	6,520
Deferred tax liabilities	50,243	49,332
Deferred tax liabilities for land revaluation	18,008	17,076
Liability for severance and retirement benefits for directors and corporate auditors	345	463
Net defined benefit liabilities	12,273	13,104
Asset retirement obligations	1,283	1,878
Others	19,111	13,725
Total long-term liabilities	289,033	254,121
Total liabilities	672,385	718,861
Net assets		
Shareholders' equity		
Common stock	44,384	44,384
Capital surplus	18,799	18,747
Retained earnings	135,354	67,812
Treasury stock	(4,759)	(4,759)
Total shareholders' equity	193,779	126,185
Accumulated other comprehensive income		
Net unrealized holding gains (losses) on securities	7,477	3,365
Unrealized gains (losses) on hedging derivatives	(6,786)	(6,065)
Revaluation reserve for land	39,912	37,807
Foreign currency translation adjustments	6,093	740
Remeasurements of defined benefit plans	(1,316)	(2,488)
Total accumulated other comprehensive income	45,380	33,359
Subscription rights to shares	216	205
Non-controlling interests	117,460	120,488
Total net assets	356,837	280,239
Total liabilities and net assets	1,029,222	999,100

Consolidated Statements of Income

(Millions of yen)

	April 1, 2017 to March 31, 2018	April 1, 2018 to March 31, 2019
Net sales	703,216	656,504
Cost of sales	654,813	663,305
Gross profit (loss)	48,402	(6,800)
Selling, general and administrative expenses	53,627	52,902
Operating loss	(5,224)	(59,703)
Non-operating income		
Interest income	5,850	6,900
Dividend income	1,339	1,147
Equity in earnings of unconsolidated subsidiaries and affiliates accounted for using equity method	5,223	5,674
Gain on valuation of derivatives	42	99
Others	2,438	1,585
Total non-operating income	14,894	15,408
Non-operating expenses		
Interest expenses	3,949	2,908
Foreign currency exchange losses	1,199	1,256
Others	1,459	2,041
Total non-operating expenses	6,608	6,207
Ordinary income (loss)	3,061	(50,502)
Extraordinary income		
Gain on disposal of non-current assets	7,667	11,932
Gain on sales of investment securities	3,879	2,557
Gain on sales of subsidiaries and affiliates' stocks	491	101
Gain on liquidation of subsidiaries and affiliates	249	-
Total extraordinary income	12,287	14,591
Extraordinary losses		
Loss on disposal of non-current assets	732	625
Loss on impairment of non-current assets	3,671	7,014
Loss on sales of investment securities	-	331
Loss on valuation of investment securities	7	403
Loss on valuation of shares of subsidiaries and affiliates	30	-
Loss on reduction of non-current assets	-	576
Loss on litigation	-	169
Loss on compensation for damage	-	200
Total extraordinary losses	4,441	9,323
Profit (loss) before income taxes	10,907	(45,234)
Income taxes - current	7,922	9,169
Income taxes - deferred	8,284	8,468
Total income taxes	16,207	17,638
Loss	(5,300)	(62,872)
Profit attributable to non-controlling interests	4,836	6,727
Loss attributable to owners of parent	(10,137)	(69,599)

Consolidated Statements of Comprehensive Income

(Millions of yen)

	April 1, 2017 to March 31, 2018	April 1, 2018 to March 31, 2019
Loss	(5,300)	(62,872)
Other comprehensive income		
Net unrealized holding losses on securities	(2,595)	(4,286)
Unrealized losses on hedging derivatives	(1,246)	(1,321)
Foreign currency translation adjustments	1,042	(5,806)
Remeasurements of defined benefit plans	3,820	(1,325)
Share of other comprehensive income of affiliates accounted for using equity method	(1,160)	592
Total	(139)	(12,147)
Comprehensive income	(5,439)	(75,019)
Comprehensive income attributable to		
Owners of parent	(8,398)	(79,516)
Non-controlling interests	2,958	4,496

Consolidated Statements of Changes in Net Assets

From April 1, 2017 to March 31, 2018

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Beginning balance as of April 1, 2017	44,384	18,808	146,961	(4,778)	205,376
Changes during the year					
Cash dividends paid			(2,424)		(2,424)
Loss attributable to owners of parent			(10,137)		(10,137)
Change of scope of consolidation			(300)		(300)
Change of scope of equity method			(95)		(95)
Purchases of treasury stock				(9)	(9)
Sales of treasury stock		(8)		28	19
Transfer from revaluation reserve for land			1,351		1,351
Change in treasury stock of parent arising from transactions with non-controlling shareholders		(0)			(0)
Net changes of items other than those in Shareholders' equity					
Total changes during the year	-	(8)	(11,606)	19	(11,596)
Balance as of March 31, 2018	44,384	18,799	135,354	(4,759)	193,779

	Accumulated other comprehensive income						Subscription rights to shares	Non-controlling interests	Total net assets
	Net unrealized holding gains (losses) on securities	Unrealized gains (losses) on hedging derivatives	Revaluation reserve for land	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Beginning balance as of April 1, 2017	9,957	(6,611)	41,263	5,595	(5,211)	44,993	236	117,002	367,608
Changes during the year									
Cash dividends paid									(2,424)
Loss attributable to owners of parent									(10,137)
Change of scope of consolidation									(300)
Change of scope of equity method									(95)
Purchases of treasury stock									(9)
Sales of treasury stock									19
Transfer from revaluation reserve for land									1,351
Change in treasury stock of parent arising from transactions with non-controlling shareholders									(0)
Net changes of items other than those in Shareholders' equity	(2,479)	(174)	(1,351)	497	3,895	387	(19)	457	825
Total changes during the year	(2,479)	(174)	(1,351)	497	3,895	387	(19)	457	(10,771)
Balance as of March 31, 2018	7,477	(6,786)	39,912	6,093	(1,316)	45,380	216	117,460	356,837

Consolidated Statements of Changes in Net Assets

From April 1, 2018 to March 31, 2019

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Beginning balance as of April 1, 2018	44,384	18,799	135,354	(4,759)	193,779
Cumulative effects of changes in accounting policies			49		49
Restated balance	44,384	18,799	135,404	(4,759)	193,829
Changes during the year					
Loss attributable to owners of parent			(69,599)		(69,599)
Change of scope of consolidation			249		249
Change of scope of equity method			(345)		(345)
Purchases of treasury stock				(14)	(14)
Sales of treasury stock		(3)		14	11
Transfer from revaluation reserve for land			2,104		2,104
Change in treasury stock of parent arising from transactions with non-controlling shareholders		(49)			(49)
Net changes of items other than those in Shareholders' equity					
Total changes during the year	-	(52)	(67,591)	0	(67,644)
Balance as of March 31, 2019	44,384	18,747	67,812	(4,759)	126,185

	Accumulated other comprehensive income						Subscription rights to shares	Non-controlling interests	Total net assets
	Net unrealized holding gains (losses) on securities	Unrealized gains (losses) on hedging derivatives	Revaluation reserve for land	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Beginning balance as of April 1, 2018	7,477	(6,786)	39,912	6,093	(1,316)	45,380	216	117,460	356,837
Cumulative effects of changes in accounting policies									49
Restated balance	7,477	(6,786)	39,912	6,093	(1,316)	45,380	216	117,460	356,887
Changes during the year									
Loss attributable to owners of parent									(69,599)
Change of scope of consolidation									249
Change of scope of equity method									(345)
Purchases of treasury stock									(14)
Sales of treasury stock									11
Transfer from revaluation reserve for land									2,104
Change in treasury stock of parent arising from transactions with non-controlling shareholders									(49)
Net changes of items other than those in Shareholders' equity	(4,112)	720	(2,104)	(5,353)	(1,171)	(12,020)	(11)	3,028	(9,003)
Total changes during the year	(4,112)	720	(2,104)	(5,353)	(1,171)	(12,020)	(11)	3,028	(76,647)
Balance as of March 31, 2019	3,365	(6,065)	37,807	740	(2,488)	33,359	205	120,488	280,239

Consolidated Statements of Cash Flows

(Millions of yen)

	April 1, 2017 to March 31, 2018	April 1, 2018 to March 31, 2019
Cash flows from operating activities		
Profit (loss) before income taxes	10,907	(45,234)
Depreciation and amortization	17,195	14,495
Loss on impairment of non-current assets	3,671	7,014
Amortization of goodwill	1,242	1,177
Decrease of allowance for doubtful accounts	(1,030)	(621)
Increase in net defined benefit liabilities	264	586
Decrease in net defined benefit assets	1,693	759
Interest and dividend income	(7,189)	(8,048)
Interest expenses	3,949	2,908
Equity in earnings of unconsolidated subsidiaries and affiliates accounted for using equity method	(5,223)	(5,674)
Foreign currency exchange losses, net	150	40
Gain on sales of investment securities, net	(3,879)	(2,226)
Gain on sales of subsidiaries and affiliates' stocks	(491)	(101)
Loss on valuation of investment securities	7	403
Loss on valuation of shares of subsidiaries and affiliates	30	-
Gain on liquidation of subsidiaries and affiliates	(249)	-
Gain on disposal of non-current assets, net	(6,935)	(11,306)
Loss on reduction of non-current assets	-	576
Loss on litigation	-	169
Loss on compensation for damage	-	200
Decrease in trade receivables	837	52,436
Decrease (increase) in inventories	740	(10,555)
Increase (decrease) in trade payables	(14,551)	21,778
Decrease in other assets	1,473	1,393
Increase (decrease) in other liabilities	(4,588)	48,502
Others, net	(1,864)	(4,622)
Sub-total	(3,838)	64,055
Interest and dividend received	15,615	15,207
Interest paid	(3,952)	(2,995)
Proceeds from insurance income	203	-
Payments for loss on litigation	-	(169)
Income taxes paid	(11,584)	(9,920)
Net cash provided by (used in) operating activities	(3,555)	66,176

(Millions of yen)

	April 1, 2017 to March 31, 2018	April 1, 2018 to March 31, 2019
Cash flows from investing activities		
Net decrease (increase) in time deposits	(864)	152
Capital expenditure	(18,097)	(18,288)
Proceeds from sales of non-current assets	13,298	19,886
Purchases of investment securities	(366)	(3)
Proceeds from sales of investment securities	6,239	6,866
Purchases of shares of subsidiaries and affiliates	(12,786)	(7,055)
Proceeds from sales of shares of subsidiaries and affiliates	908	523
Purchases of shares of subsidiaries and affiliates	(1,407)	-
Disbursements of loans receivable	(68,961)	(88,857)
Collection of loans receivable	73,733	86,996
Others, net	(741)	(351)
Net cash provided by (used in) investing activities	(9,046)	(130)
Cash flows from financing activities		
Net decrease in short-term borrowings	(2,215)	(7,836)
Proceeds from long-term borrowings	40,664	20,194
Repayments of long-term borrowings	(42,285)	(61,934)
Repayments of lease obligations	(2,203)	(1,908)
Proceeds from issuance of bonds	10,000	-
Repayments of bonds	(15,000)	-
Purchases of treasury stock	(9)	(14)
Cash dividends	(2,416)	(3)
Dividends paid to non-controlling interests	(1,365)	(1,755)
Proceeds from share issuance to non-controlling interests	-	4
Others, net	18	(85)
Net cash provided by (used in) financing activities	(14,813)	(53,340)
Effect of exchange rate changes on cash and cash equivalents	(76)	(2,725)
Net increase (decrease) in cash and cash equivalents	(27,492)	9,979
Cash and cash equivalents at beginning of year	115,620	86,311
Increase (decrease) due to changes in scope of consolidation	(1,816)	1,116
Cash and cash equivalents at end of year	86,311	97,408