

Consolidated Statement of Cash Flows

Ube Industries, Ltd. and Consolidated Subsidiaries
For the years ended March 31, 2021 and 2020

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2021	2020	2021
Cash flows from operating activities:			
Profit before income taxes	¥ 22,433	¥ 30,364	\$ 202,099
Depreciation and amortization	36,382	36,827	327,766
Loss on impairment of fixed assets	55	5,236	495
Interest and dividend income	(1,018)	(1,449)	(9,171)
Interest expense	931	971	8,387
Loss (gain) on sales of property, plant and equipment	(150)	8	(1,351)
Gain on sales of investment securities	(483)	(1,002)	(4,351)
Decrease in notes and accounts receivable - trade	10,479	12,187	94,405
Decrease in inventories	7,287	1,926	65,649
Decrease in notes and accounts payable - trade	(3,028)	(8,557)	(27,279)
Changes in net defined benefit asset and liability	(5,423)	2,599	(48,856)
Others, net	4,881	(6,887)	43,973
Subtotal	72,346	72,223	651,766
Interest and dividend income received	2,073	2,850	18,676
Interest expenses paid	(868)	(954)	(7,820)
Proceeds from subsidy income	21	1,527	189
Income taxes paid	(7,518)	(7,157)	(67,730)
Net cash provided by operating activities	66,054	68,489	595,081
Cash flows from investing activities:			
Proceeds from sales of property, plant and equipment	460	1,540	4,144
Purchase of property, plant and equipment and intangible assets	(38,208)	(42,651)	(344,216)
Proceeds from sales of investment securities	633	1,362	5,703
Purchase of investment securities	(261)	(260)	(2,351)
Proceeds from sales of shares of subsidiaries and affiliates	119	—	1,072
Purchase of shares of subsidiaries and affiliates	(1,613)	(686)	(14,532)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	66	—	595
Payments for sales of shares of subsidiaries resulting in change in scope of consolidation	—	(207)	—
Net decrease (increase) in loans receivable	(506)	359	(4,559)
Others, net	(123)	(89)	(1,108)
Net cash used in investing activities	(39,433)	(40,632)	(355,252)
Cash flows from financing activities:			
Proceeds from long-term borrowings	31,590	28,193	284,594
Proceeds from issuance of bonds	9,950	9,955	89,640
Repayments of long-term borrowings	(17,657)	(19,309)	(159,072)
Redemption of bonds	—	(10,000)	—
Net decrease in short-term loans payable	(2,664)	(6,583)	(24,000)
Cash dividends paid	(9,089)	(12,625)	(81,883)
Dividends paid to non-controlling interests	(269)	(770)	(2,423)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(41)	(1,080)	(369)
Others, net	(968)	(6,712)	(8,721)
Net cash provided by (used in) financing activities	10,852	(18,931)	97,766
Effect of exchange rate change on cash and cash equivalents	1,093	(612)	9,846
Net increase in cash and cash equivalents	38,566	8,314	347,441
Cash and cash equivalents at beginning of the year	40,609	32,295	365,847
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	471	—	4,243
Cash and cash equivalents at end of the year	¥ 79,646	¥ 40,609	\$ 717,531

See accompanying notes.