

## Summary of Business Results for the Year Ended March 31, 2019 [Japan GAAP] (Consolidated)

Company Akatsuki Corp. May 15, 2019  
 Stock Code 8737 URL <http://www.akatsuki-fg.com/> Listed on the TSE  
 Representative Hideaki Shimane, President and Representative Director  
 Contact Masahiro Kawanaka, Executive Officer, Head of General Administration Dept. TEL +81-3-6821-0606  
 Expected date of annual shareholders' meeting: June 27, 2019 Expected starting date of dividend payment: June 28, 2019  
 Expected date of filing of annual securities report: June 27, 2019  
 Preparation of supplementary financial document: None  
 Results briefing: None

(Rounded down to million yen)

### 1. Consolidated business results for the fiscal year ended March 2019(April 1, 2018 through March 31, 2019)

#### (1) Consolidated results of operations

(% change from the previous corresponding period)

	Operating revenues		Net operating revenues		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended Mar. 2019	35,737	57.8	10,016	13.4	1,806	11.7	1,355	△24.1	1,031	△39.9
Year ended Mar. 2018	22,650	425.3	8,834	152.5	1,616	—	1,786	323.6	1,715	617.5

(Note) Comprehensive income:

Year ended Mar. 2019 928 Million yen (△31.1%)  
 Year ended Mar. 2018 1,347 Million yen (19.9%)

	Net income per share	Diluted net income per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
Year ended Mar. 2019	39.84	38.06	8.9	2.5	5.1
Year ended Mar. 2018	93.01	84.31	18.4	4.4	7.1

(Reference) Investment earnings/los on equity—method:

Year ended Mar. 2019 — Million yen  
 Year ended Mar. 2018 — Million yen

#### (2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 2019	54,544	12,400	22.6	409.32
As of Mar. 2018	53,498	12,467	20.2	500.13

(Reference) Shareholders' equity:

As of Mar. 2019 12,320 Million yen  
 As of Mar. 2018 10,782 Million yen

#### (3) Consolidated results of 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
	Million yen	Million yen	Million yen	Million yen
As of Mar. 2019	2,782	△ 732	2,282	10,929
As of Mar. 2018	△ 5,133	△ 3,134	8,314	6,567

### 2. Dividends

	Annual dividend					Total dividend (Total)	Dividend payout ratio (Consolidated)	Rate of total dividend to net assets (Consolidated)
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Year ended Mar. 2018	—	10.00	—	10.00	20.00	429	21.5	3.9
Year ending Mar. 2019	—	10.00	—	8.00	18.00	558	45.2	4.0
Year ending Mar. 2020 (forecast)	—	9.00	—	9.00	18.00		48.0	

### 3. Forecast of consolidated business results for the fiscal year ending March 2020(April 1, 2019 through March 31, 2020)

(% change from the previous corresponding period)

	Operating revenues		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ending Mar. 2020	36,000	0.7	2,200	21.8	1,700	25.4	1,200	16.4

※ **Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying changes in the scope of consolidation): None

(2) Changes in accounting policies, accounting estimates and restatement

- |  |      |
|--|------|
| ① Changes in accounting policies associated with revision of accounting standards: | Yes  |
| ② Changes in accounting policies other than ①:                                     | None |
| ③ Changes in accounting estimates:   | Yes  |
| ④ Restatement:   | None |

(3) Shares outstanding (common stock)

① Number of shares outstanding at the end of period (treasury stock included)	
As of March 2019	32,274,144 shares
As of March 2018	22,973,937 shares
② Treasury stock at the end of period	
As of March 2019	2,174,141 shares
As of March 2018	1,413,716 shares
③ Average number of stock during period (quarterly cumulative period)	
Year ended March 2019	25,878,492 shares
Year ended March 2018	18,447,274 shares

(Note) The number of treasury stock which is deducted for calculating the number of treasury stock during period and the average number of shares during the period includes the shares of the Company owned by the ESOP Trust Account and the BBT Trust Account.

※ **Financial summary is not subject to auditing procedures by certified public accountants or auditing firms.**

※ **Explanation regarding appropriate use of business forecasts and other special instructions**

Forecasts regarding future performance in this material are based on information currently available to the company and certain assumptions that the company deems to be reasonable at the time this report was prepared. Actual results may differ significantly from the forecasts due to various factors.

This document is an English translation of a Japanese announcement made on the date above. Although the we intended to faithfully translate the Japanese document into English, the accuracy and correctness of this English translation is not guaranteed and thus you are encouraged to refer to the original Japanese document.

## 1. Summary of Business Results

### (1) Summary of Business Results

In the securities and related business environment, the US-China trade friction intensified in October has caused stock prices to fall worldwide. Concerning Akatsuki Securities, the brokerage commission revenues of the domestic shares have decreased from the previous year. In spite of the expansion of trading revenues from the sale of structured bonds, both operating revenue and segment profit of the current consolidated fiscal year have decreased.

However, as a result of our focus on the expansion of the brokerage business through the independent financial advisor(“IFA”), the number of contracted IFA companies increased from 45 to 53 and the customer assets of them increased by 70% from the previous year. And we enhanced the operational resources with an aim to strengthen the financial services, such as the underwritings of initial public offering (IPO) and M&A advisory. Also, to respond to various asset management needs, we have launched new financial services using AI and Fin Tech.

(Operating revenue and segment profit of the securities-related business)

(million yen, except Rate of change)

	Year ended Mar. 2018 Accounting period	Year ended Mar. 2019 Accounting period	Rate of change
Operating revenue	3,915	3,559	△9.1%
Segment profit	606	1	△99.8%

The group operates its real estate business segment through Total Estate Group and EW Asset Management Co.

Total Estate Group has expanded its revenue due to the increase in the number of units of renovated condominium sold, which is the main focus of Total Estate. In sourcing the existing condominium, we have increased the purchase of units under lease as well as the vacant ones. Nevertheless, the total number of units purchased decreased compared to the previous year because of intensified competition etc.

Concurrently, we strengthened our financials by capital increase from Akatsuki Corp., and promoted various in-house controls, such as tightening of purchase closing

criteria, strengthening inventory management, renewal of personnel and compensation scheme to improve the productivities of our sales force, and enhancement of our corporate governance system as a group company of listed companies.

Concerning EW Asset Management, a gain on sale was generated since “Satsuki Health Care Fund No. 1”, managed by this company, has completed the sale of two of its senior’ s facilities. Because of this sale, EW Asset Management has increased its contribution to the group’ s consolidated revenue and profit. Operationally, we also aim to accelerate the acquisition of new properties and sale of our existing properties.

(Operating revenue and segment profit of the real estate related business)

(millionyen, except Rate of change)

	Year ended Mar. 2018 Accounting period	Year ended Mar. 2019 Accounting period	Rate of change
Operating revenue	18,945	32,468	71.4%
Segment profit	2,013	2,939	46.0%

Based on these results, the Company’ s consolidated operating results in the current fiscal year are shown below.

(million yen, except Rate of change)

	Year ended Mar. 2018 Accounting period	Year ended Mar. 2019 Accounting period	Rate of change
Operating revenue	22,650	35,737	57.8%
Operating income	1,616	1,806	11.7%
Ordinary income	1,786	1,355	△24.1%
Net income attributable to owners of parent	1,715	1,031	△39.9%

Total Estate, Inc.’ s business results significantly affect the consolidated business performance of our group, therefore, we disclose supplementary information below.

(Supplementary information)

Concerning the condominium resale business in Total Estate, Inc.,

- ① Type A: Buy existing vacant condominiums, renovate and sell
- ② Type B: Buy existing occupied condominium to enjoy rental income during the lease term and after the tenant moves out, renovate and sell

(a) Business results of Total Estate, Inc.

(million yen, except Rate of change)

	Year ended Mar. 2018				Year ended Mar. 2019			
	1Q (Apr. -J un.)	2Q (Jul. -S ep)	3Q (Oct. -D ec)	4Q (Jan. -M ar)	1Q (Apr. -J un.)	2Q (Jul. -S ep)	3Q (Oct. -D ec)	4Q (Jan. -M ar)
Sales	(*)	6,118	5,270	5,208	5,777	6,797	7,282	7,545
Ordinary income	(*)	286	285	184	334	385	610	465
Net income	(*)	192	383	115	336	261	421	32

(\*) Total Estate, Inc. became our group company in July 2017, therefore we do not disclose results for the 1Q of the fiscal year ended March 2018, since it is not meaningful to compare the financials because of the changes in accounting policy, etc.

## (b) Number of units purchased

(units)

	Year ended Mar. 2018				Year ended Mar. 2019			
	1Q (Apr. - Jun.)	2Q (Jul. - Sep)	3Q (Oct. - Dec)	4Q (Jan. - Mar)	1Q (Apr. - Jun.)	2Q (Jul. - Sep)	3Q (Oct. - Dec)	4Q (Jan. - Mar)
Type A	156	161	161	166	175	159 (+3)	147 (△14)	130 (△45)
Type B	29	52	105	51	46 (+17)	50 (△2)	54 (△51)	90 (+39)
Total	185	213	171	226	205 (+20)	197 (△16)	193 (△78)	220 (△6)

## (c) Number of units sold

(units)

	Year ended Mar. 2018				Year ended Mar. 2019			
	1Q (Apr. - Jun.)	2Q (Jul. - Sep)	3Q (Oct. - Dec)	4Q (Jan. - Mar)	1Q (Apr. - Jun.)	2Q (Jul. - Sep)	3Q (Oct. - Dec)	4Q (Jan. - Mar)
Sales units	114	170	137	147	162 (+48)	170 (-)	176 (+39)	216 (+69)

## (d) Inventories

(units)

	Year ended Mar. 2018				Year ended Mar. 2019			
	1Q (Apr. - Jun.)	2Q (Jul. - Sep)	3Q (Oct. - Dec)	4Q (Jan. - Mar)	1Q (Apr. - Jun.)	2Q (Jul. - Sep)	3Q (Oct. - Dec)	4Q (Jan. - Mar)
Type A	356	353	386	421	426	418	398	※ 335
Type B	187	233	334	378	416	451	488	555
Total	543	586	720	799	842	869	886	890

※ Decreased the number of inventory units by shortening the turnover period

(2) Overview of the state of our properties in the current period

① status of assets

Total asset at the end of this fiscal year was 54,544million yen (an increase of 1,046million yen compared to the previous fiscal year). This was primarily attributable to an increase of 4,839million yen in cash and deposit and an increase of 4,196million yen for properties for sale. On the other hand, a decrease of 2,037million yen for credit for the margin trade and 4,637million yen for tangible fixed assets were recorded. The transfer amount from tangible fixed assets to properties for sale was 4,937million yen.

② status of debts

Total debt at the end of this fiscal year was 42,144million yen (an increase of 1,113million yen compared to the previous fiscal year). This is main due to (1) an increase of the bonds of 3,000million yen and the long-term borrowings of 3,062million yen and (2) a decrease of the debt for the margin transaction of 1,148million yen and the short-term borrowings of 2,475million yen.

③ status of total equity (including the one attributable to the non-controlling interests)

Total equity at the end of this fiscal year was 12,400million yen (a decrease of 67million yen compared to the previous fiscal year). This is primarily due to (1) an increase of the capital of 932million yen, capital surplus of 365million yen, and earned surplus of 500million yen and (2) a decrease of 1,604million yen for the non-controlling interests.

(3) Overview of cash flow for this term

Cash and cash equivalents at the end of this fiscal year were 10,929million yen, an increase of 4,362million yen compared to previous fiscal year.

Cash flow from the operating activities was 2,782million yen (3,134million yen expense in the previous year:). The main source of fund was the net income before the tax adjustment recorded at 1,536million yen, and the main use of fund was the change of advance payment and deposit recorded at  $\triangle$ 668million yen.

Cash flow from the investment activities was 732million yen (3,134million in the previous year). The main source of fund was the sale of tangible fixed assets recorded at 649million yen. The main use of the fund was acquiring tangible fixed assets of 809million yen and making term deposit of 856million yen.

Cash flow from the financial activities was 2,282million yen income (8,314million yen in the previous year). The main source of fund was the proceeds from the bank borrowings of 25,748million yen, the issue of the bonds of 6,986million yen, and the issue of the common shares of 1,864million yen. The main use of fund was the repayment of the bank borrowings of 24,625million yen, the redemption of the bonds of 4,000million yen, and investment in the minority interest of the fund(classified as the financial activities) of 2,166million yen.

#### (4) Future outlook

We expect the consolidated revenue to reach 36,000million yen for the fiscal year ending March 2020 (an increase of 0.7% compared to previous year), and the operating profit to reach 2,200million yen (an increase of 21.8% compared to previous year), and the ordinary income to reach 1,700million yen (an increase of 25.4% compared to previous year), and thus, net income attributable to parent to be 1,200million yen (an increase of 16.4% compared to previous year).

Effect to the mid-term plan released on Jun. 15, 2018 will be announced, if necessary after our scrutiny.



## Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2018	As of March 31, 2019
<b>Assets</b>		
Current assets		
Cash and deposits	7,908,050	12,747,964
Cash segregated as deposits	5,700,000	5,200,000
Trading products	1,449,274	1,065,002
Margin transaction assets	5,166,609	3,099,351
Loans on margin transactions	5,127,261	2,598,320
Cash collateral pledged for securities borrowing on margin transactions	39,347	501,031
Guarantee deposits	330,458	270,001
Real estate for sale	21,044,583	25,241,007
Other	735,600	1,064,066
Total current assets	42,334,578	48,687,393
Non-current assets		
Property, plant and equipment		
Buildings and structures	4,789,916	2,459,042
Accumulated depreciation	△843,990	△848,252
Buildings and structures, net	3,945,925	1,610,789
Land	2,512,914	831,948
Construction in progress	558,086	—
Other	572,770	561,427
Accumulated depreciation	△379,484	△431,365
Other, net	193,286	130,062
Total property, plant and equipment	7,210,213	2,572,800
Intangible assets		
Goodwill	2,230,632	2,005,589
Other	263,017	148,876
Total intangible assets	2,493,649	2,154,465
Investments and other assets		
Investment securities	483,691	404,061
Other	1,182,970	906,323
Allowance for doubtful accounts	△206,689	△180,435
Total investments and other assets	1,459,972	1,129,949
Total non-current assets	11,163,834	5,857,216
Total assets	53,498,412	54,544,609

	As of March 31, 2018	As of March 31, 2019
<b>Liabilities</b>		
Current liabilities		
Trading products	—	41,582
Trade date accrual	970,292	847,029
Margin transaction liabilities	2,052,195	903,439
Borrowings on margin transactions	1,977,525	667,082
Cash received for securities lending on margin transactions	74,670	236,357
Deposits received	5,180,429	4,504,359
Guarantee deposits received	470,482	325,744
Short-term bonds payable	4,000,000	4,000,000
Short-term loans payable	13,670,917	11,195,197
Current portion of long-term loans payable	465,632	1,001,609
Current portion of long-term non-recourse loans payable	101,720	60,320
Income taxes payable	421,429	154,919
Other	1,631,863	1,468,264
Total current liabilities	28,964,963	24,502,465
Non-current liabilities		
Bonds payable	1,000,000	4,000,000
Non-recourse Bond	100,000	99,000
Long-term loans payable	6,451,040	9,513,844
Non-recourse Long-term loans payable	3,354,035	2,626,840
Retirement benefit liability	219,201	227,843
Executive Share benefit reserve	429,832	659,365
Other	492,464	493,729
Total non-current liabilities	12,046,573	17,620,623
Reserves under special laws		
Reserve for financial products transaction liabilities	19,288	21,435
Total reserves under special laws	19,288	21,435
Total liabilities	41,030,825	42,144,524
Net assets		
Shareholders' equity		
Capital stock	4,560,012	5,492,516
Capital surplus	2,775,515	3,141,209
Retained earnings	4,052,873	4,553,464
Treasury shares	△674,389	△835,092
Total shareholders' equity	10,714,011	12,352,098
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	62,593	△37,275
Foreign currency translation adjustment	6,227	5,698
Total accumulated other comprehensive income	68,821	△31,577
Share acquisition rights	21,647	21,034
Non-controlling interests	1,663,106	58,529
Total net assets	12,467,587	12,400,085
Total liabilities and net assets	53,498,412	54,544,609

## Consolidated Statements of Income

(Thousands of yen)

	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2019
Operating revenue		
Commission received	2,099,999	1,567,758
Net trading income	1,498,716	1,584,893
Financial revenue	99,061	88,470
Sales on real estate business	18,942,844	32,467,735
Others	9,422	28,319
Total operating revenue	22,650,044	35,737,177
Financial expenses	53,322	22,948
Cost of sales		
Cost of sales on real estate business	13,762,270	25,698,075
Total cost of sales	13,762,270	25,698,075
Net operating revenue	8,834,452	10,016,153
Selling, general and administrative expenses		
Trading related expenses	336,084	575,878
Personnel expenses	3,366,360	3,430,004
Real estate expenses	372,795	394,166
Office cost	513,167	481,918
Depreciation	144,968	255,500
Taxes and dues	475,587	495,143
Sales commission	653,027	949,138
Amortization of goodwill	171,235	225,042
Other	1,184,661	1,402,943
Total selling, general and administrative expenses	7,217,888	8,209,738
Operating profit	1,616,564	1,806,415
Non-operating income		
Interest income	204,487	6,886
Gain on sales of investment securities	390,512	—
Foreign exchange gains	—	30,513
Penalty income	—	45,754
Real estate acquisition tax refund	26,008	30,770
Other	49,626	51,154
Total non-operating income	670,633	165,079
Non-operating expenses		
Interest expenses	337,231	485,539
Commission expenses	95,122	71,595
Foreign exchange losses	39,369	—
Other	28,972	58,718
Total non-operating expenses	500,695	615,853
Ordinary profit	1,786,502	1,355,640

(Thousands of yen)

	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2019
Extraordinary income		
Gain on sales of non-current assets	258,622	176,568
Other	—	7,269
Total extraordinary income	258,622	183,838
Extraordinary losses		
Loss on retirement of non-current assets	7,272	686
Provision of reserve for financial products transaction liabilities	—	2,146
Other	1,130	57
Total extraordinary losses	8,402	2,891
Profit before income taxes	2,036,722	1,536,587
Income taxes - current	494,817	343,964
Income taxes - deferred	△130,815	163,575
Total income taxes	364,002	507,539
Profit	1,672,720	1,029,047
Loss attributable to non-controlling interests	△43,128	△1,959
Profit attributable to owners of parent	1,715,848	1,031,007

## Consolidated Statements of Comprehensive Income

(Thousands of yen)

	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2019
Profit	1,672,720	1,029,047
Other comprehensive income		
Valuation difference on available-for-sale securities	△325,075	△99,869
Share of other comprehensive income of entities accounted for using equity method	△527	△529
Total other comprehensive income	△325,602	△100,399
Comprehensive income	1,347,117	928,648
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,390,242	930,608
Comprehensive income attributable to non-controlling interests	△43,124	△1,959

Consolidated Statements of Changes in Net Assets  
 Previous fiscal year (From April 1, 2017 to March 31, 2018)

(Thousands of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	3,574,577	1,854,670	2,731,889	△685,420	7,475,716
Changes of items during period					
Issuance of new shares	985,434	985,434			1,970,868
Dividends of surplus			△262,654		△262,654
Profit attributable to owners of parent			1,715,848		1,715,848
Purchase of treasury shares				△346,775	△346,775
Disposal of treasury shares		△64,453		357,805	293,352
Change in ownership interest of parent due to transactions with non-controlling interests		△135			△135
Decrease in surplus due to new consolidation of consolidated subsidiaries			△132,209		△132,209
Net changes of items other than shareholders' equity					
Total changes of items during period	985,434	920,845	1,320,983	11,030	3,238,294
Balance at end of current period	4,560,012	2,775,515	4,052,873	△674,389	10,714,011

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of current period	387,672	6,755	394,428	2,668	1,155,059	9,027,872
Changes of items during period						
Issuance of new shares						1,970,868
Dividends of surplus						△262,654
Profit attributable to owners of parent						1,715,848
Purchase of treasury shares						△346,775
Disposal of treasury shares						293,352
Change in ownership interest of parent due to transactions with non-controlling						△135

interests						
Decrease in surplus due to new consolidation of consolidated subsidiaries						△132,209
Net changes of items other than shareholders' equity	△325,079	△527	△325,606	18,979	508,046	201,419
Total changes of items during period	△325,079	△527	△325,606	18,979	508,046	3,439,714
Balance at end of current period	62,593	6,227	68,821	21,647	1,663,106	12,467,587

Current fiscal year (From April 1, 2018 to March 31, 2019)

(Thousands of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	4,560,012	2,775,515	4,052,873	△674,389	10,714,011
Changes of items during period					
Issuance of new shares	932,504	932,504			1,865,008
Dividends of surplus			△530,416		△530,416
Profit attributable to owners of parent			1,031,007		1,031,007
Purchase of treasury shares				△204,435	△204,435
Disposal of treasury shares		△2,627		43,732	41,105
Change in ownership interest of parent due to transactions with non-controlling interests		△564,182			△564,182
Net changes of items other than shareholders' equity					
Total changes of items during period	932,504	365,694	500,591	△160,702	1,638,087
Balance at end of current period	5,492,516	3,141,209	4,553,464	△835,092	12,352,098

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of current period	62,593	6,227	68,821	21,647	1,663,106	12,467,587
Changes of items during period						
Issuance of new shares						1,865,008
Dividends of surplus						△530,416

Profit attributable to owners of parent						1,031,007
Purchase of treasury shares						△204,435
Disposal of treasury shares						41,105
Change in ownership interest of parent due to transactions with non-controlling interests						△564,182
Net changes of items other than shareholders' equity	△99,869	△529	△100,399	△612	△ 1,604,577	△ 1,705,588
Total changes of items during period	△99,869	△529	△100,399	△612	△ 1,604,577	△67,501
Balance at end of current period	△37,275	5,698	△31,577	21,034	58,529	12,400,08 5



## Consolidated Statements of Cash Flows

(Thousands of yen)

	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2019
Cash flows from operating activities		
Profit before income taxes	2,036,722	1,536,587
Depreciation	313,648	431,819
Amortization of goodwill	171,235	225,042
Increase (decrease) in allowance for doubtful accounts	△24,916	△26,254
Increase (decrease) in provision for bonuses	66,766	△23,818
Increase or decrease the amount of officers stock benefit allowance	243,535	229,532
Increase (decrease) in retirement benefit liability	19,147	8,641
Loss (gain) on sales of investment securities	△390,512	5,345
Loss (gain) on sales of non-current assets	△258,622	△176,568
Interest and dividend income	△210,754	△8,889
Interest expenses	337,231	485,539
Decrease (increase) in guarantee deposits	△70,873	60,456
Decrease (increase) in cash segregated as deposits	△200,000	500,000
Decrease (increase) in trading products - assets (liabilities)	△486,379	425,854
Decrease (increase) in real estate for sale	△5,599,723	421,251
Decrease (increase) in trade date accrual	190,983	△123,262
Decrease/increase in assets/liabilities for margin transaction	△1,580,124	918,501
Decrease/increase in advance paid/deposits received	294,402	△668,883
Increase (decrease) in guarantee deposits received	△121,673	△144,737
Other, net	209,054	△120,154
Subtotal	△5,060,851	3,956,004
Interest and dividend income received	204,050	20,868
Interest expenses paid	△287,473	△479,495
Income taxes (paid) refund	5,903	△715,357
Net cash provided by (used in) operating activities	△5,138,370	2,782,020

(Thousands of yen)

	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2019
Cash flows from investing activities		
Payments into time deposits	△410,000	△856,551
Proceeds from withdrawal of time deposits	405,000	380,153
Purchase of property, plant and equipment	△1,685,685	△809,014
Proceeds from sales of property, plant and equipment	1,137,197	649,716
Purchase of intangible assets	△121,539	△32,998
Purchase of investment securities	△2,095,181	△154,564
Proceeds from sales of investment securities	2,506,795	71,885
Proceeds from redemption of investment securities	—	20,000
Proceeds from withdrawal of investments in silent partnership	5,000	—
Purchase of shares of subsidiaries resulting in change in scope of consolidation	△4,644,240	△3,744
Payments of loans receivable	△13,000	△43,533
Collection of loans receivable	1,854,007	45,736
Other, net	△72,784	477
Net cash provided by (used in) investing activities	△3,134,431	△732,439
Cash flows from financing activities		
Proceeds from loans payable	24,573,404	25,748,274
Repayments of loans payable	△20,116,429	△24,625,212
Proceeds from long-term non recourse loans payable	880,000	750,000
Repayment of long-term non recourse loans payable	△61,545	△1,518,595
Proceeds from issuance of bonds	4,991,127	6,986,700
Redemption of bonds	△4,000,000	△4,000,000
Proceeds from issuance of common shares	1,968,323	1,864,194
Proceeds from share issuance to non-controlling shareholders	606,600	—
Cash dividends paid	△262,654	△530,416
Purchase of treasury shares	△346,775	△204,435
Proceeds from disposal of treasury shares	295,750	—
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	△209,413	△2,166,800
Other, net	△3,706	△21,480
Net cash provided by (used in) financing activities	8,314,679	2,282,229
Effect of exchange rate change on cash and cash equivalents	△45,869	30,513
Net increase (decrease) in cash and cash equivalents	△3,992	4,362,324
Cash and cash equivalents at beginning of period	6,571,534	6,567,542
Cash and cash equivalents at end of period	6,567,542	10,929,866