



February 6, 2018

## Mitsubishi Chemical Holdings Corporation Condensed Consolidated Financial Information for the Third Quarter of the Fiscal Year Ending March 31, 2018

### 1. Business Results for the Third Quarter of the Fiscal Year Ending March 31, 2018 ("FY2017") (Business period: April 1, 2017 to December 31, 2017)

Millions of Yen	
The Third Quarter of the Current Fiscal Year ("FY2017")	The Third Quarter of the Previous Fiscal Year ("FY2016")
April 1, 2017 - December 31, 2017	April 1, 2016 - December 31, 2016

#### (1) Results of Operations:

	2,762,248	2,450,610
Sales revenue	2,762,248	2,450,610
Core operating income*	305,040	230,123
Operating income	294,172	210,380
Earnings before taxes	287,708	205,194
Net Income	223,838	179,828
Net income attributable to owners of the parent	168,953	131,751
Comprehensive income	295,105	182,898

\* Core operating income: Operating income excluding special items

(Yen)

Earnings per share - Basic	117.38	89.94
- Diluted	108.53	89.88

#### (2) Segment Information:

##### [Sales Revenue by Business Segment]

Performance Products	852,338	791,598
Chemicals	869,447	693,679
Industrial Gases	465,859	410,987
Health Care	428,812	414,898
Others	145,792	139,448
Total	2,762,248	2,450,610

##### [Core Operating Income (Loss) by Business Segment]

Performance Products	75,888	73,216
Chemicals	112,813	37,357
Industrial Gases	43,913	38,922
Health Care	72,225	81,990
Others	4,994	4,202
Elimination & corporate	(4,793)	(5,564)
Total	305,040	230,123

#### Note:

The Company has reclassified business segments from fiscal 2017. Accordingly, segment information for fiscal 2016 has been restated to match.

Millions of Yen	
As of December 31, 2017	As of March 31, 2017

**(3) Financial Position:**

Total assets	4,692,420	4,463,547
Total equity	1,917,787	1,698,197
Equity attributable to owners of the parent	1,277,213	1,091,398
Ratio of equity attributable to owners of the parent to total assets (%)	27.2	24.5

Millions of Yen	
The Third Quarter of FY2017	The Third Quarter of FY2016
April 1, 2017 - December 31, 2017	April 1, 2016 - December 31, 2016

**(4) Cash Flows:**

Net cash provided by (used in) operating activities	287,194	254,567
Net cash provided by (used in) investing activities	(244,269)	(161,333)
Net cash provided by (used in) financing activities	(142,790)	(15,083)
Cash and cash equivalents at the end of the period	271,386	327,687

**2. Forecast for the Current Fiscal Year**

Millions of Yen	
FY2017	
April 1, 2017 - March 31, 2018	
Sales revenue	3,740,000
Core operating income	383,000
Operating income	361,000
Net income attributable to owners of the parent	200,000

(Yen)

Earnings per share - Basic	138.95
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**Note:**

The profit and loss forecast for fiscal 2017 has been revised to the above from those announced on October 26, 2017.

### 3. Business Performance and Financial Position

#### (1) Business Performance

##### **Consolidated Performance for the Third Quarter of the Fiscal Year Ending March 31, 2018 (Fiscal 2017): Nine Months Ended December 31, 2017**

##### **Overview of General Performance**

The consolidated financial results for the third quarter of fiscal 2017 in the Mitsubishi Chemical Holdings Group remained generally favorable, due primarily to continuing overall sales growth, especially in the Performance Products domain, as well as continued overall strong market prices for petrochemicals such as MMA and other products in the Industrial Materials domain.

Against this background, sales revenue for the third quarter of fiscal 2017 increased by ¥311.6 billion, or 12.7% year on year, to ¥2,762.2 billion. Profit increased significantly year on year, as follows. Core operating income rose by ¥74.9 billion, or 32.6% year on year, to ¥305.0 billion, and operating income was up ¥83.8 billion, or 39.8% year on year, at ¥294.2 billion. Earnings before taxes rose by ¥82.5 billion, or 40.2% year on year, to ¥287.7 billion. Net income attributable to owners of the parent grew ¥37.2 billion, or 28.2% year on year, to ¥169.0 billion, due to a reversal of deferred tax liabilities in associated with a reduction of the U.S. federal corporate tax rate and other factors.

##### **Overview of Business Segments**

The overview of financial results by business segment for the third quarter of fiscal 2017 is shown below. Gains or losses by segment are stated with core operating income which excludes gains or losses from special items including losses incurred by business withdrawals, streamlining, and others.

*In the following sections, all comparisons are with the same period of the previous fiscal year unless stated otherwise.*

##### **Note:**

From the first quarter of fiscal 2017, new business segments are used for the announcement of financial results. The business segments were reviewed and reclassified into "Performance Products, Chemicals," "Industrial Gases," and "Health Care," based on the following factors.

Mitsubishi Chemical Holdings integrated three consolidated subsidiaries — Mitsubishi Chemical Corporation, Mitsubishi Plastics, Inc., and Mitsubishi Rayon Co., Ltd. — into one company, and established the new Mitsubishi Chemical Corporation on April 1, 2017. This was executed in consideration of the need to establish an organizational structure that can take full advantage of each company's resources and strengths to address a rapidly changing business climate and drive the expansion of their business toward accomplishing the goals of the five-year medium-term management plan, *APTSIS 20*, which began in fiscal 2016.

Taking this opportunity, Mitsubishi Chemical Holdings, the holding company of the four operating companies — the new Mitsubishi Chemical, Mitsubishi Tanabe Pharma Corporation, Life Science Institute, Inc., and Taiyo Nippon Sanso Corporation — stepped up its efforts to plan medium-term strategies for each of four business segments (Performance Products, Chemicals, Industrial Gases, and Health Care) in which four operating companies are mainly engaged, enhance monitoring of *APTSIS 20*, and shift to a management system that accelerate growth strategies for these four business segments.

Business Domains	Business Segments	Business Sub-Segment		
			Businesses	
Performance Products	Performance Products	Functional Products	Electronics and displays	Optical films, Electronics and displays, Acetyl
			High performance films	Packaging films, Industrial films
			Environment and living solutions	Aqua and separator solutions, Infrastructure solutions and agricultural materials
			Advanced moldings and composites	High performance engineering plastics, Fibers and textile, Carbon fiber and composite materials, Functional moldings and composites, Alumina fiber and light metal products
		Performance Chemicals	Advanced polymers	Performance polymers, Engineering polymers, Sustainable resources
			High performance chemicals	Performance chemicals, Performance materials, Food ingredients
New energy	Lithium ion battery materials, Energy transduction device materials			
Industrial Materials	Chemicals	MMA	MMA	MMA
		Petrochemicals	Petrochemicals	Basic petrochemicals, Polyolefins, Basic chemical derivatives
		Carbon Products	Carbon	Carbon
	Industrial Gases		Industrial gases	
Health Care	Health Care			Pharmaceuticals
				Life science

### **Performance Products Segment, Performance Products Domain**

Sales revenue increased by ¥60.7 billion, to ¥852.3 billion. Core operating income was up ¥2.6 billion, at ¥75.9 billion.

In functional products, sales of advanced moldings and composites including high-performance engineering plastics, alumina fibers, and other products remained firm, and sales remained steady for films for displays in electronics and displays.

In performance chemicals, sales volumes increased due to growing sales volumes of battery materials for automobiles in the new energy business. In addition, in advanced polymers, market prices for phenol-polycarbonate chain continued firm, and sales volumes increased as the impact of scheduled plant maintenance and repairs during the same period of fiscal 2016 was resolved.

Core operating income increased, due primarily to higher sales volumes as a whole, despite a rise in raw material costs for some products.

### **Chemicals Segment, Industrial Materials Domain**

Sales revenue was rose by ¥175.8 billion, to ¥869.4 billion. Core operating income grew ¥75.5 billion, to ¥112.8 billion.

In MMA, MMA monomer market prices rose in line with continuing firm demand.

In petrochemicals, sales volumes increased in the midst of continued firm supply-demand situation, reflecting rising sales prices brought on by higher raw material prices and a smaller impact from ethylene

production facility scheduled maintenance and repairs, which were less than in the previous period.

In carbon, sale prices rose, accompanying a rise in coking coal prices.

Core operating income increased due primarily to a broadening in the price differential between raw materials and products in MMA and carbon products including coke and needle coke in the continued firm demand and the lower impact of the smaller scheduled maintenance and repairs at petrochemical production facilities.

a smaller impact from ethylene production facility scheduled maintenance and repairs, which were less than in the previous period.

Major initiatives in the Chemicals segment during the third quarter of fiscal 2017 included:

- The Saudi Methacrylates Company, a joint venture between Mitsubishi Chemical Corporation and Saudi Basic Industries Corporation achieved mechanical completion of production facilities for MMA monomer (250kt/y) and PMMA (40kt/y). Trial operations are currently under way with commercial operations slated to commence in March 2018.
- Mitsubishi Chemical Corporation's subsidiary, Japan Polypropylene Corporation decided to construct a new production facility for polypropylene (150kt/y) at its Goi Plant, as part of its structural reforms in April 2017. Commercial operation is scheduled to begin in October 2019.
- Mitsubishi Chemical Corporation's subsidiary, Japan Polypropylene Corporation suspended its polypropylene production line (300kt/y) for four months from the end of September 2017, due to the partially damaged production line. Operation resumed at the end of January 2018.

#### **Industrial Gases Segment, Industrial Materials Domain**

Sales revenue increased by ¥54.9 billion, to ¥465.9 billion. Core operating income was up ¥5.0 billion, at ¥43.9 billion.

In industrial gases, sales revenue and core operating income increased, reflecting continued firmness in the domestic and overseas electronics material gases and the inclusion of results of businesses acquired in the U.S. and Australia starting in the second quarter and fourth quarter of fiscal 2016, respectively.

#### **Health Care Segment, Health Care Domain**

Sales revenue totaled ¥428.8 billion, an increase of ¥13.9 billion. Core operating income was down ¥9.8 billion, at ¥72.2 billion.

Pharmaceuticals recorded higher sales revenue, due mainly to sales growth of domestic ethical pharmaceuticals and continued favorable sales of *Radicava*, a treatment for amyotrophic lateral sclerosis (ALS) launched in August 2017 in the U.S.

Core operating income decreased due primarily to increased business development costs in the U.S., in

addition to R&D expenses.

A major initiative in the Health Care segment during the third quarter of fiscal 2017 included:

- Mitsubishi Tanabe Pharma Corporation's *Radicava*, a free-radical scavenger discovered by Mitsubishi Pharma Corporation (current Mitsubishi Tanabe Pharma) was approved by the U.S. Food and Drug Administration for an indication of ALS in May 2017. Sales of *Radicava* in the U.S. through Mitsubishi Tanabe Pharma's subsidiary, MT Pharma America, Inc. began in August.
- Mitsubishi Tanabe Pharma Corporation made NeuroDerm Ltd. a consolidated subsidiary in October 2017. NeuroDerm is a clinical-stage pharmaceutical company that develops novel formulation technology and drug-device combinations for Parkinson's disease.

### **Others**

Sales revenue was up ¥6.3 billion, to ¥145.8 billion and core operating income increased ¥0.8 billion, to ¥5.0 billion.

## **(2) Consolidated Financial Position**

Total assets at the end of the third quarter of fiscal 2017 were recorded ¥4,692.4 billion, an increase of ¥228.9 billion, due primarily to an increase in trade receivables, reflecting that December 31, 2017, fell on a holiday of financial institutions.

## **(3) Consolidated Financial Results Forecast for the Fiscal 2017**

Mitsubishi Chemical Holdings made a revision of its financial results forecast for fiscal 2017 which was announced on October 26, as detailed below.

Sales revenue, core operating income, and operating income are expected to exceed the previous forecast due to continued firm markets for petrochemical products and carbon products, increasing sales of industrial gas, especially electronics material gases, and other factors. Also, net income and net income attributable to owners of the parent are expected to exceed the previous forecast, as a result of lower deferred tax liabilities for our U.S. subsidiaries due to the reduction of the federal corporate tax rate in the U.S., in addition to the above-mentioned business trends.

**Revision to consolidated financial results forecast for fiscal 2017****(April 1, 2017 – March 31, 2018)**

(Unit: Billions of yen; unless otherwise noted)

	Sales revenue	Core operating income*	Operating income	Net income	Net income attributable to owners of the parent	Net income per share (Yen)
Previous forecast (A) (announced on October 26, 2017)	3,700.0	365.0	345.0	240.0	180.0	125.06
Revised forecast (B)	3,740.0	383.0	361.0	266.0	200.0	138.95
Difference (B–A)	40.0	18.0	16.0	26.0	20.0	
Difference (%)	1.1%	4.9%	4.6%	10.8%	11.1%	
Reference: Results for fiscal 2016 (IFRS base)	3,376.1	307.5	268.6	216.5	156.3	106.73

Note: Net income before taxes: ¥333.0 billion (previous forecast); ¥349.0 billion (revised forecast)

\*Operating income excluding special items

**Forward-looking Statements**

The forward-looking statements are based largely on company expectations and information available as of the date hereof, and are subject to risks and uncertainties which may be beyond company control. Actual results could differ materially due to numerous factors, including without limitation market conditions, and the effect of industry competition. The company expectations for the forward-looking statements are described in page [2] hereof.

## Reference

### (1) Condensed Consolidated Statement of Profit or Loss

Nine months ended December 31, 2016 and 2017

	(Millions of yen)	
	Nine months ended December 31, 2016	Nine months ended December 31, 2017
<b>Continuing operations</b>		
Sales revenue	2,450,610	2,762,248
Cost of sales	(1,709,479)	(1,913,918)
Gross profit	741,131	848,330
Selling, general and administrative expenses	(520,467)	(560,100)
Other income	5,892	15,055
Other expenses	(28,998)	(26,983)
Equity income	12,822	17,870
Operating income	210,380	294,172
Financial income	6,945	6,628
Financial expenses	(12,131)	(13,092)
Earnings before taxes	205,194	287,708
Income taxes	(28,005)	(63,870)
Net income from continuing operations	177,189	223,838
<b>Discontinued operations</b>		
Net income from discontinued operations	2,639	—
Net income	179,828	223,838
<b>Net income attributable to</b>		
Owners of the parent	131,751	168,953
Non-controlling interests	48,077	54,885
Net income	179,828	223,838
<b>Earnings per share</b>		
Basic (Yen)		
Continuing operations	88.14	117.38
Discontinued operations	1.80	—
Total	89.94	117.38
Diluted (Yen)		
Continuing operations	88.08	108.53
Discontinued operations	1.80	—
Total	89.88	108.53



**(2) Condensed Consolidated Statement of Comprehensive Income**

Nine months ended December 31, 2016 and 2017

(Millions of yen)

	Nine months ended December 31, 2016	Nine months ended December 31, 2017
Net income	179,828	223,838
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net gain (loss) on revaluation of financial assets measured at fair value	12,695	19,516
Remeasurements of defined benefit pensions plans	11,018	19,954
Share of other comprehensive income (loss) of investments accounted for using the equity method	93	10
Total items that will not be reclassified to profit or loss	23,806	39,480
Items that may be subsequently reclassified to profit or loss		
Exchange differences on translation of foreign operations	(13,680)	27,967
Net gain (loss) on derivatives designated as cash flow hedges	1,162	2,005
Share of other comprehensive income (loss) of investments accounted for using the equity method	(8,218)	1,815
Total items that may be subsequently reclassified to profit or loss	(20,736)	31,787
Total other comprehensive income (net of tax)	3,070	71,267
Total comprehensive income	182,898	295,105
Total comprehensive income attributable to		
Owners of the parent	135,057	225,861
Non-controlling interests	47,841	69,244

**(3) Condensed Consolidated Statement of Financial Position**

(Millions of yen)

	March 31, 2017	December 31, 2017
<b>Assets</b>		
Current assets		
Cash and cash equivalents	363,510	271,386
Trade receivables	776,191	873,002
Inventories	538,131	581,033
Other financial assets	215,446	184,654
Other current assets	58,184	70,871
Subtotal	1,951,462	1,980,946
Assets held for sales	16,916	3,572
Total current assets	1,968,378	1,984,518
Non-current assets		
Property, plant and equipment	1,431,681	1,461,248
Goodwill	312,950	430,206
Intangible assets	227,169	233,006
Investments accounted for using the equity method	136,734	171,518
Other financial assets	252,921	276,525
Other non-current assets	39,079	55,086
Deferred tax assets	94,635	80,313
Total non-current assets	2,495,169	2,707,902
Total assets	4,463,547	4,692,420

(Millions of yen)

	March 31, 2017	December 31, 2017
<b>Liabilities</b>		
Current liabilities		
Trade payables	437,914	482,864
Bonds and borrowings	577,737	587,569
Income tax payable	21,287	47,705
Other financial liabilities	184,909	174,111
Provisions	6,057	8,080
Other current liabilities	116,691	124,399
Subtotal	1,344,595	1,424,728
Liabilities directly associated with assets held for sales	5,307	—
Total current liabilities	1,349,902	1,424,728
Non-current liabilities		
Bonds and borrowings	1,116,005	1,049,640
Other financial liabilities	27,489	26,633
Retirement benefit liabilities	128,338	128,457
Provisions	25,018	28,740
Other non-current liabilities	38,439	38,672
Deferred tax liabilities	80,159	77,763
Total non-current liabilities	1,415,448	1,349,905
Total liabilities	2,765,350	2,774,633
<b>Equity</b>		
Common stock	50,000	50,000
Additional paid-in capital	321,703	321,585
Treasury stock	(43,587)	(43,568)
Retained earnings	761,364	910,014
Other components of equity	1,918	39,182
Equity attributable to owners of the parent	1,091,398	1,277,213
Non-controlling interests	606,799	640,574
Total equity	1,698,197	1,917,787
Total liabilities and equity	4,463,547	4,692,420

#### (4) Condensed Consolidated Statement of Changes in Equity

Nine months ended December 31, 2016

(Millions of yen)

	Common stock	Additional paid-in capital	Treasury stock	Retained earnings
Balance at April 1, 2016	50,000	317,544	(16,240)	610,909
Net income	—	—	—	131,751
Other comprehensive income	—	—	—	—
Total comprehensive income	—	—	—	131,751
Purchase of treasury stock	—	—	(20)	—
Disposal of treasury stock	—	(32)	32	—
Cash dividends	—	—	—	(23,437)
Share-based payment transactions	—	71	—	—
Changes in interests in subsidiaries	—	(1,126)	—	—
Changes in scope of consolidation	—	—	—	(258)
Transfer from other components of equity to retained earnings	—	—	—	11,506
Total transactions with owners	—	(1,087)	12	(12,189)
Balance at December 31, 2016	50,000	316,457	(16,228)	730,471

	Other components of equity				Total	Equity attributable to owners of the parent	Non- controlling interests	Total equity
	Net gain (loss) on revaluation of financial assets measured at fair value	Remeasure- ments of defined benefit pensions plans	Exchange differences on translation of foreign operations	Net gain (loss) on derivatives designated as cash flow hedges				
Balance at April 1, 2016	37,054	—	(25,246)	(1,824)	9,984	972,197	623,954	1,596,151
Net income	—	—	—	—	—	131,751	48,077	179,828
Other comprehensive income	11,388	9,574	(18,717)	1,061	3,306	3,306	(236)	3,070
Total comprehensive income	11,388	9,574	(18,717)	1,061	3,306	135,057	47,841	182,898
Purchase of treasury stock	—	—	—	—	—	(20)	—	(20)
Disposal of treasury stock	—	—	—	—	—	—	—	—
Cash dividends	—	—	—	—	—	(23,437)	(26,717)	(50,154)
Share-based payment transactions	—	—	—	—	—	71	—	71
Changes in interests in subsidiaries	—	—	—	—	—	(1,126)	(44,612)	(45,738)
Changes in scope of consolidation	—	—	—	—	—	(258)	—	(258)
Transfer from other components of equity to retained earnings	(1,932)	(9,574)	—	—	(11,506)	—	—	—
Total transactions with owners	(1,932)	(9,574)	—	—	(11,506)	(24,770)	(71,329)	(96,099)
Balance at December 31, 2016	46,510	—	(43,963)	(763)	1,784	1,082,484	600,466	1,682,950

Nine months ended December 31, 2017

(Millions of yen)

	Common stock	Additional paid-in capital	Treasury stock	Retained earnings
Balance at April 1, 2017	50,000	321,703	(43,587)	761,364
Net income	—	—	—	168,953
Other comprehensive income	—	—	—	—
Total comprehensive income	—	—	—	168,953
Purchase of treasury stock	—	—	(46)	—
Disposal of treasury stock	—	(63)	65	—
Cash dividends	—	—	—	(38,861)
Share-based payment transactions	—	144	—	—
Share-based payment transactions of subsidiaries	—	—	—	—
Changes in interests in subsidiaries	—	(199)	—	—
Changes in scope of consolidation	—	—	—	(53)
Transfer from other components of equity to retained earnings	—	—	—	18,611
Transfer from other components of equity to non-financial assets, etc.	—	—	—	—
Total transactions with owners	—	(118)	19	(20,303)
Balance at December 31, 2017	50,000	321,585	(43,568)	910,014

Other components of equity

	Net gain (loss) on revaluation of financial assets measured at fair value	Remeasurements of defined benefit pensions plans	Exchange differences on translation of foreign operations	Net gain (loss) on derivatives designated as cash flow hedges	Total	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Balance at April 1, 2017	46,831	—	(43,886)	(1,027)	1,918	1,091,398	606,799	1,698,197
Net income	—	—	—	—	—	168,953	54,885	223,838
Other comprehensive income	14,195	16,961	23,758	1,994	56,908	56,908	14,359	71,267
Total comprehensive income	14,195	16,961	23,758	1,994	56,908	225,861	69,244	295,105
Purchase of treasury stock	—	—	—	—	—	(46)	—	(46)
Disposal of treasury stock	—	—	—	—	—	2	—	2
Cash dividends	—	—	—	—	—	(38,861)	(38,064)	(76,925)
Share-based payment transactions	—	—	—	—	—	144	—	144
Share-based payment transactions of subsidiaries	—	—	—	—	—	—	33	33
Changes in interests in subsidiaries	—	—	—	—	—	(199)	2,640	2,441
Changes in scope of consolidation	—	—	—	—	—	(53)	(78)	(131)
Transfer from other components of equity to retained earnings	(1,650)	(16,961)	—	—	(18,611)	—	—	—
Transfer from other components of equity to non-financial assets, etc.	—	—	—	(1,033)	(1,033)	(1,033)	—	(1,033)
Total transactions with owners	(1,650)	(16,961)	—	(1,033)	(19,644)	(40,046)	(35,469)	(75,515)
Balance at December 31, 2017	59,376	—	(20,128)	(66)	39,182	1,277,213	640,574	1,917,787

**(5) Condensed Consolidated Statement of Cash Flow**

Nine months ended December 31, 2016 and 2017

(Millions of yen)

	Nine months ended December 31, 2016	Nine months ended December 31, 2017
Cash flows from operating activities		
Earnings before taxes	205,194	287,708
Earnings before taxes from discontinued operations	2,393	—
Depreciation and amortization	129,268	133,275
Equity income	(12,822)	(17,870)
Interest and dividend income	(5,718)	(5,895)
Interest expenses	11,609	11,627
(Increase) decrease in trade receivables	(67,248)	(89,204)
(Increase) decrease in inventories	1,635	(35,364)
Increase (decrease) in trade payables	48,094	40,109
Increase (decrease) in retirement benefit assets and liabilities, net	6	4,105
Other	15,571	8,347
Subtotal	327,982	336,838
Interest received	2,175	1,912
Dividends received	10,874	14,835
Interest paid	(11,661)	(11,632)
Income tax (paid) received, net	(74,803)	(54,759)
Net cash provided by (used in) operating activities	254,567	287,194
Cash flows from investing activities		
Purchase of property, plant and equipment	(141,141)	(143,958)
Proceeds from sales of property, plant and equipment	5,157	6,603
Purchase of intangible assets	(7,868)	(23,157)
Purchase of other financial assets	(146,156)	(273,088)
Proceeds from sales/redemption of other financial assets	115,023	360,902
Net cash outflow on acquisition of subsidiaries	(26,226)	(121,513)
Net cash inflow on sales of subsidiaries	5,025	10,935
Net (Increase) decrease of time deposits	116,829	(61,340)
Payments for transfer of business	(77,000)	(199)
Other	(4,976)	546
Net cash provided by (used in) investing activities	(161,333)	(244,269)

(Millions of yen)

	Nine months ended December 31, 2016	Nine months ended December 31, 2017
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	(67,696)	36,290
Net increase (decrease) in commercial papers	46,000	2,000
Proceeds from long-term borrowings	192,520	65,075
Repayment of long-term borrowings	(125,108)	(127,429)
Proceeds from issuance of bonds	69,777	—
Repayment from redemption of bonds	(30,010)	(40,000)
Net (increase) decrease in treasury stock	(21)	(45)
Dividends paid to owners of the parent	(23,437)	(38,861)
Dividends paid to non-controlling interests	(27,156)	(38,064)
Proceeds from stock issuance to non-controlling interests	2,181	4,153
Payments for acquisition of subsidiaries' interests from non-controlling interests	(48,800)	(2,718)
Other	(3,333)	(3,191)
Net cash provided by (used in) financing activities	(15,083)	(142,790)
Effect of exchange rate changes on cash and cash equivalents	(11,460)	7,158
Net increase (decrease) in cash and cash equivalents	66,691	(92,707)
Cash and cash equivalents at the beginning of the period	267,148	363,510
Net increase (decrease) in cash and cash equivalents resulting from transfer to assets held for sales	(6,179)	1
Net increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	—	364
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	27	218
Cash and cash equivalents at the end of the period	327,687	271,386