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Summary of Consolidated Financial Results for the Fiscal Year ended March 31, 2021 (Japanese GAAP)

May 14, 2021

Company name: Digital Media Professionals Inc.

Listing: Tokyo Stock Exchange

Code number: 3652

URL: <https://www.dmprof.com/en>

Representative: Tsuyoshi Osawa, President and COO

Contact person: Tomoyuki Ietaka, Executive Officer, CFO, General Manager of Accounting/Corporate Planning Dept. Tel. (03) 6454 - 0450

Scheduled date of General Meeting of Shareholders: June 18, 2021

Scheduled date of filing Securities Report: June 18, 2021

Scheduled date of payment of cash dividends: -

Supplementary materials for the quarterly financial results: Yes

Briefing session on the quarterly financial results: Yes

1. Consolidated financial results for the fiscal year ended March 31, 2021 (April 1, 2020 through March 31, 2021)

(1) Consolidated operating results

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2021	1,009	—	△425	—	△361	—	△364	—
Fiscal year ended March 31, 2020	—	—	—	—	—	—	—	—

Reference) Comprehensive income: △361 million yen as of March 31, 2021; - million yen as of March 31, 2020

	Net income per share	Net income per share-diluted	Return on equity	Return on assets	Operating margin
	yen	yen	%	%	%
Fiscal year ended March 31, 2021	△116.03	—	△22.4	△20.8	△42.1
Fiscal year ended March 31, 2020	—	—	—	—	—

Since the consolidated financial statements have been prepared from the fiscal year ended March 2021, the figures for the fiscal year ended March 2020 and the rate of change year on year are not stated.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2021	3,477	3,250	93.5	1032.07
As of March 31, 2020	—	—	—	—

Reference) Shareholders' equity: 3,250 million yen as of March 31, 2021; - million yen as of March 31, 2020

Since the consolidated financial statements have been prepared from the fiscal year ended March 2021, the figures for the fiscal year ended March 2020 are not stated.

(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
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2021	36	68	△1	2,112
Fiscal year ended March 31, 2020	—	—	—	—

Since the consolidated financial statements have been prepared from the fiscal year ended March 2021, the figures for the fiscal year ended March 2020 are not stated.

2. Cash dividends

	Annual dividends per share					Total Dividends	Payout ratio	Dividends on equity
	1Q-end	2Q-end	3Q-end	Year-end	Total			
	yen	yen	yen	yen	yen	Millions of yen	%	%
Year ended March 2020	-	0.00	-	0.00	0.00	-	-	-
Year ended March 2021	-	0.00	-	0.00	0.00	-	-	-
Year ending March 2021 (Forecast)	-	0.00	-	0.00	0.00	-	-	-

3. Forecasts of consolidated operating results for the year ending March 31, 2022 (April 1, 2021 through March 31, 2022)

(Percentages indicate year-on-year changes.)

	Net Sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	1,500	48.5	△250	-	△250	-	△252	-	△80.02

Notes:

1. Changes in significant subsidiaries during the current consolidated cumulative period (changes in specified subsidiaries accompanying changes in the scope of consolidation): None
2. Application of accounting treatments specific to the preparation of quarterly consolidated financial statements: None
3. Changes in accounting policies
 - (1) Changes in accounting policies resulting from revisions of accounting standards: None
 - (2) Changes in accounting policies except (1): None
 - (3) Changes in accounting estimation: None
 - (4) Restatement: None
4. Number of shares issued

(1) Number of shares issued at the end of the period (including treasury shares)

As of March 31, 2021	3,152,400 shares	As of March 31, 2020	3,131,700 shares
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(2) Number of treasury shares at the end of the period

As of March 31, 2021	3,189 shares	As of March 31, 2020	1,069 shares
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(3) Average number of shares issued during the period

Year ended March 31, 2021	3,142,419 shares	Year ended March 31, 2020	3,081,761 shares
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(Reference)

1. Non-consolidated financial results for the fiscal year ended March 31, 2021 (April 1, 2020 through March 31, 2021)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2021	1,009	△24.0	△425	△614.8	△361	△524.9	△364	△658.3
Fiscal year ended March 31, 2020	3,128	22.2	82	185.6	85	155.4	65	86.0

	Net income per share	Net income per share-diluted
	yen	yen
Fiscal year ended March 31, 2021	△116.11	—
Fiscal year ended March 31, 2020	21.21	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2021	3,481	3,250	93.5	1,032.02
As of March 31, 2020	3,841	3,543	92.2	1,131.88

Note: Explanation regarding the appropriate use of business forecasts and other special notes

The forward-looking statements such as business forecast in this document are based on information currently available to the Company and on certain assumptions deemed to be reasonable. The Company does not guarantee the achievement of the forecasts. Actual results may differ significantly for a number of reasons.

For the conditions and notes on the use of business forecast, please refer to

"1. Qualitative information on financial results (4) Consolidated financial forecasts and other forward-looking statements."

Qualitative information on financial results

(1) Operating results

Since the Company has prepared consolidated financial statements from the current consolidated fiscal year, it does not provide a year-on-year comparison of operating results and financial position.

During the current consolidated fiscal year, the Japanese economy was in a difficult situation in terms of corporate earnings and capital investment due to the impact of the new coronavirus infection. The global economy was also in a severe situation due to the impact of the global outbreak of the new coronavirus infection. As for the future, it is necessary to take extremely difficult steps to gradually raise the level of economic activity while taking measures to prevent the spread of infection.

In the semiconductor industry to which our group belongs, shortages in the supply of semiconductors are becoming more significant due to insufficient production capacity at 8-inch foundries and strong stay-at-home demand. In the medium term as well, demand is expected to grow for IoT where all things are connected to the Internet, artificial intelligence (AI), big data, next-generation high-speed communication standards, and automatic driving.

In the AI/visual computing field, which is our group's business domain, the acceleration of innovation and the increasing role of AI in solving social issues, including current difficulties, and in realizing a safe and secure society are expected. In such an environment, our group will strive to become the world's leading "AI Computing Company" by contributing to solving social issues through providing AI solutions that leverage the strength of having a consistent development system of AI algorithms, software and hardware.

As concrete measures and results during the current consolidated fiscal year are as follows.

1) Releases of general AI IP Products

We released ZIA™ DV740, an upgraded version of the ZIA™ DV720 edge AI processor IP core, targeting at markets that require high-performance and high-accurate AI recognition processing, such as robotic vehicles, surveillance cameras, drones, and augmented reality (AR) / virtual reality (VR), and ZIA™ ISP, an image signal processor (ISP) IP core that contributes to higher image quality and performance of AI camera devices such as robotic vehicles, drones and security cameras.

2) Robotics field

·Participation in the NVIDIA Partner Network, a partner program of NVIDIA Corporation (NVIDIA), as a professional services partner

By proactively conducting marketing activities through NVIDIA's ecosystem, we are building close relationships with many companies that are working on the social implementation of automation and autonomy in the field of robotics, in order to further accelerate and strengthen AI business in this field.

·Launch of ZIA™ SLAM

ZIA™ SLAM is a software product based on Visual SLAM (Simultaneous Localization and Mapping) technology that simultaneously performs self-localization and environmental mapping using camera images and sensor information. The software is based on Visual SLAM technology using a camera, which is less expensive than SLAM technology using LiDAR (an abbreviation for Light Detection and Ranging, a type of sensor that uses laser light), and operates with high accuracy and speed, thus contributes to higher performance and lower costs of equipment. As a result, it can contribute to the development through mass production of customers' applications such as AGVs (Automated Guided Vehicles), UGVs (Unmanned Ground Vehicles), cleaning robots, and drones. In addition, we released ZIA™ SLAM evaluation kit including a Stereolabs' ZED2 stereo camera, which enables customers to easily develop and evaluate Visual SLAM technology, the eyes of autonomous mobile robots.

- Rapid increase in customer projects

In response to the above and other initiatives, the number of customer projects, including Proof of Concept (PoC) orders, has been increasing rapidly, and we believe that this, combined with the growth potential of the market for robotic vehicles and collaborative robots, will contribute to future business growth.

3) safe driving assistance field

- Provision of safe driving assistance service by seamless linkage of ZIA™ SAFE and ZIA™ Cloud SAFE

By linking ZIA™ SAFE, which has a proven track record as a platform for developing safe driving assistance system, and ZIA™ Cloud SAFE, a SaaS-type safe driving assistance cloud service using Amazon Web Services (AWS), we are providing the industry's first platform for building safe driving assistance system from edge AI to the cloud.

- Adoptions by customers

ZIA™ SAFE has been adopted by JVCKENWOOD Corporation for its dashcams for telematics service with communication capabilities (Model number: STZ-DR00) and is utilized for functions such as driving assistance and driver monitoring. In addition, ZIA™ Cloud SAFE has been adopted by DENSO TEN Limited for its dashcam, "G500Lite," with communication capabilities for corporate customers and is utilized for identification of near-miss images and for high-precision analysis of "distracted driving" and "Drowsy driving."

- Launch of recurring business

As for the recurring business, we started recording royalty income in the second quarter and subscription income in the fourth quarter. In this field, we are continuing to cultivate projects with existing customers and develop new customers. In this area, we are continuing to cultivate projects with existing customers and develop new customers for expanding the overall revenue of the business including the recurring business.

- ZIA™ Showcase

We unveiled ZIA™ Showcase, a platform for demonstrating and benchmarking our latest edge AI recognition models. By accessing AI recognition models supported by ZIA™ Showcase and multiple hardware installed in our company, customers can easily evaluate and verify the optimal combination of AI recognition models and hardware using their own data sets online. It contributes to the efficiency of customer development by supporting the efficient search for the combination of hardware and AI recognition models that meet the requirements of the application, which is very important and difficult for edge AI application developers. At the current stage, it supports ZIA™ SAFE and the various AI recognition models that make up ZIA™ SAFE, but we plan to add AI recognition models for robotics and other fields in the future.

4) Collaboration with Yamaha Motor, a business and capital partner

We have continued to work on AI implementation in line with each product roadmap across various product lines for land, sea and air. In addition, as a result of the collaboration, we plan to start external sales of high-definition compact embedded monocular camera systems in the fiscal year ending March 2022.

5) Collaborations and alliances for business expansion

- Capital and business alliance with Cambrian

On April 9, 2021, we decided to enter into a capital and business alliance with Cambrian, a company that develops, manufactures, and sells image recognition systems (vision systems) for collaborative robots. We have decided to take a stake in Cambrian as a minority shareholder because it believes that Cambrian's business domain has affinity and complementarity with its focus area of robotics, and that Cambrian's technology is competitive. In addition to contributing to the enhancement of Cambrian's development capabilities from a financial standpoint, we intend to expand our business in the field of robotics and solve social issues such as labor shortage and productivity improvement due to the declining birthrate and aging population by adding Cambrian's competitive vision systems to our product

lineup and conducting joint development.

· Collaboration with overseas tech companies

We have been collaborating with French company Prophesee on the development of embedded machine vision and artificial intelligence (AI) applications using its event-based vision sensors, and have begun developing specific customer projects. We also co-developed a new virtual AI sports coach application with GrAI Matter Labs, a French pioneer in ultra-low latency computing inspired by the human brain, and demonstrated it at docomo Open House 2021, held online February 4-7, 2021. In the future, we will work together to realize a new class of virtual assistants using real-time posture and motion estimation and develop business in various applications such as sports analysis, life support, industrial automation, and surveillance.

6) NEDO businesses

As businesses regarding the New Energy and Industrial Technology Development Organization (NEDO) following the previous fiscal year, we not only have continued to operate AI edge contests in the commissioned project of "Survey of issues for finding ideas regarding Technology Development for AI Chip and Next generation Computing for High-efficiency and High-speed Processing" but also have worked on subsidized projects of the development of "AI Platform for Artificial Intelligence (AI): An Energy Efficient AI Engine" and "Research and development of AI hardware for AI pathology imaging system for cancer companion diagnostics."

Regarding the business results for the current consolidated fiscal year, mass production shipments of the image processing semiconductor "RS1" continued in the LSI product business. However, due to the continuously low test pass rate of customer's new amusement machines and the impact of the COVID-19 including the state of emergency issued to 11 prefectures in January, the sales volume of pachinko and pachislot machine manufacturers has been lower than planned, and the sales of some titles that were scheduled to be released in the fourth quarter have been postponed to the next fiscal year. Therefore, demand for the "RS1" image processor for the amusement market, which was expected toward the end of the fiscal year, has been pushed back. In the IP core license business, we acquired new AI-related licenses and recorded running royalties and subscription revenues related to AI-based safe driving assistance system, despite a decline in running royalties for conventional digital equipment. In the professional service business, in addition to the contracted revenue in NEDO's AI edge contest operation, we got orders for contracted development services for robotic vehicles. However, development investment by some AI-related customers, which had been expected to recover in the fourth quarter, was lower than expected.

As a result, for the current consolidated fiscal year, we recorded net sales of 1,009 million yen, operating loss of 425 million yen, ordinary loss of 361 million yen mainly due to the recording of 60 million yen in subsidy income from NEDO as non-operating income, and net loss attributable to owners of parent of 364 million yen.

Although our group has a single business segment, each business result is shown below in order to show business trends.

1) IP core license business

Net sales were 144 million yen attributable to new licenses of GPU and AI, running royalties, subscription fee, and revenue from maintenance support.

2) LSI product business

Net sales were 658 million yen attributable to the sales of the "RS1" for mass production and AI FPGA module "ZIA™ C3."

3) Professional service business

Net sales were 206 million yen due to the booking of AI-related contracted development sales and NEDO contracted development sales.

(2) Financial position

(Assets)

Total assets at the end of the current consolidated fiscal year were 3,477 million yen.

Current assets were 2,736 million yen, mainly consisting of cash and deposits of 2,066 million yen, accounts receivable of 157 million yen, and securities of 345 million yen. Fixed assets amounted to 740 million yen, mainly consisting of software of investment securities of 500 million yen.

(Liabilities)

Current liabilities and non-current liabilities at the end of the current consolidated fiscal year totaled 227 million yen.

Current liabilities were 208 million yen, mainly consisting of accounts payable of 132 million yen. Fixed liabilities were 18 million yen.

(Net assets)

Total net assets at the end of the current consolidated fiscal year were 3,250 million yen, mainly consisting of capital stock of 1,838 million yen, capital surplus of 1,858 million yen and retained earnings of -440 million yen.

(3) Overview of Cash Flows

The balance of cash and cash equivalents at the end of the current consolidated fiscal year was 2,112 million yen.

Net cash provided by operating activities was 36 million yen mainly attributable to positive factors such as a decrease in notes and accounts receivable - trade of 455 million yen and depreciation of 63 million yen, and negative factors such as loss before income taxes of 362 million yen, a decrease in consumption taxes refund receivable of 35 million yen and an increase in inventories of 34 million yen.

Net cash provided in investing activities was 68 million yen mainly attributable to positive factors such as proceeds from sale of investment securities of 100 million yen, and negative factors such as purchase of property, plant and equipment of 30 million yen.

Net cash used by financing activities was 1 million yen attributable to payments for issuance of shares of 1 million yen.

(Reference) Changes in cash flow indicators

	March 2017	March 2018	March 2019	March 2020	March 2021
Equity ratio (%)	93.6	88.2	83.8	92.2	93.5
Equity ratio on market value (%)	392.9	834.8	548.5	162.3	250.2
Interest-bearing debt to cash flows ratio (year)	-	-	-	-	
Interest coverage ratio (times)	-	-	-	-	

Calculations for the fiscal year ending March 31, 2021 are based on consolidated financial figures.

Equity ratio: $\text{Equity} / \text{Total assets}$

Equity ratio on market value: $\text{Market value} / \text{Total assets}$

Interest-bearing debt to cash flows ratio: $\text{Interest-bearing debt} / \text{Cash flows}$

Interest coverage ratio: $\text{Cash flows} / \text{Interest payment}$

(Note 1) Market value is calculated based on the number of issued shares excluding treasury stock.

(Note 2) Cash flows from operating activities are used for cash flows.

(Note 3) Since there is no interest-bearing debt balance or interest payment in each period, interest-bearing debt to cash flows ratio and interest coverage ratio are not stated.

(4) Consolidated financial forecasts and other forward-looking statements

The Japanese and global economy are expected to remain in a severe situation until vaccinations are widely available due to the prolonged COVID-19 pandemic.

On the other hand, the semiconductor industry, to which we belong, is expected to continue to face excess demand and supply shortages in the short term, and to continue to face growing demand for semiconductors for AI and IoT in the medium term. The evolution of AI and other technologies is expected to help overcome social and environmental challenges, such as the declining birthrate and aging population, COVID-19 pandemic, and climate change.

In the amusement market, one of our main markets, the removal of old regulation machines and their replacement with new regulation machines are expected to be carried out in a systematic manner by January 2022. However, with the prolonged COVID-19 pandemic, the occupancy rates of parlors and their policies on the purchase of pachinko and pachislot machines remain unpredictable.

In the robotics field, one of our focused fields, the markets for robotic vehicles and collaborative robots are expected to grow strongly from the perspectives of alleviating the shortage of manpower in a wide range of fields such as manufacturing, logistics, agriculture and daily life, improving productivity and quality of life, and preventing COVID-19 infection. In the safe driving assistance field, one of our focused fields as well, demand for real-time detection of dangerous driving events and post-event safe driving education is growing, and we expect the market for communication-type dashcams with AI functions to expand steadily.

We will strive to achieve medium-term growth and contribute to solving social issues by accelerating business development and monetization in the above-mentioned fields where market growth is expected and where our technologies and strengths fit.

Based on the above, we forecast consolidated net sales of 1,500 million yen (up 48.5% from the current fiscal year), operating loss of 250 million yen, ordinary loss of 250 million yen, and net loss attributable to owners of parent of 252 million yen for the fiscal year ending March 31, 2022.

In addition, as stated in the "Notice of Medium-term Business Plan" disclosed today, we are targeting consolidated net sales of 2,500 million yen and operating income of 200 million yen for the fiscal year ending March 31, 2024. For details, please refer to the " Notice of Medium-term Business Plan."

2. Consolidated financial statements

(1) Consolidated balance sheets

	(Yen thousand)
	Current year (As of Mar 31, 2021)
Assets	
Current assets	
Cash and deposits	2,066,483
Accounts receivable - trade	157,606
Securities	345,870
Work in process	7,630
Raw materials and supplies	44,437
Prepaid expenses	58,791
Consumption taxes receivable	35,277
Income taxes receivable	11,798
Other	8,763
Total current assets	2,736,659
Non-current assets	
Property, plant and equipment	
Buildings	51,243
Accumulated depreciation	-38,392
Buildings, net	12,850
Tools, furniture and fixtures	134,369
Accumulated depreciation	-104,566
Tools, furniture and fixtures, net	29,802
Total property, plant and equipment	42,652
Intangible assets	
Software	104,545
Other	25
Total intangible assets	104,570
Investments and other assets	
Investment securities	500,630
Shares of subsidiaries and associates	2,493
Long-term prepaid expenses	36,148
Leasehold deposits	54,147
Total investments and other assets	593,419
Total non-current assets	740,643
Total assets	3,477,303
Liabilities	
Current liabilities	
Accounts payable - trade	132,333
Accounts payable - other	41,665
Accrued expenses	10,118
Income taxes payable	11,834
Deposits received	7,013
Unearned revenue	5,269
Total current liabilities	208,233
Non-current liabilities	
Deferred tax liabilities	1,452
Asset retirement obligations	17,408
Total non-current liabilities	18,860
Total liabilities	227,094
Net assets	
Shareholders' equity	
Share capital	1,838,882
Capital surplus	1,858,093
Retained earnings	-440,462
Treasury shares	-1,525
Total shareholders' equity	3,254,988
Accumulated other comprehensive income	
Valuation difference on available-for-sale securities	-4,677
Foreign currency translation adjustment	-102
Total accumulated other comprehensive income	-4,779
Total net assets	3,250,208
Total liabilities and net assets	3,477,303

(2) Consolidated statements of income and comprehensive income

Consolidated statements of income

(Yen thousand)

	Current year (From Apr 1, 2020 To Mar 31, 2021)
Net sales	1,009,932
Cost of sales	674,781
Gross profit	335,151
Selling, general and administrative expenses	760,500
Operating loss	-425,349
Non-operating income	
Interest income	308
Interest on securities	2,066
Foreign exchange gains	2,509
Subsidy income	60,897
Miscellaneous income	4
Total non-operating income	65,785
Non-operating expenses	
Share issuance costs	1,465
Miscellaneous losses	0
Total non-operating expenses	1,465
Ordinary loss	-361,029
Extraordinary losses	
Loss on sale of non-current assets	102
Loss on valuation of shares of subsidiaries and associates	1,422
Total extraordinary losses	1,525
Loss before income taxes	-362,555
Income taxes - current	2,290
Income taxes - deferred	-222
Total income taxes	2,067
Loss	-364,622
Loss attributable to owners of parent	-364,622

Consolidated statements of comprehensive income

(Yen thousand)

	Current year (From Apr 1, 2020 To Mar 31, 2021)
Loss	-364,622
Other comprehensive income	
Valuation difference on available-for-sale securities	2,889
Foreign currency translation adjustment	-102
Total other comprehensive income	2,787
Comprehensive income	-361,835
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	-361,835
Comprehensive income attributable to non-controlling interests	-

(3) Consolidated statements of shareholders' equity

Current fiscal year (from April 1, 2020 to March 31, 2021)

(Yen thousand)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	1,804,592	1,823,803	-75,840	-1,482	3,551,074
Changes of items during period					
Issuance of new shares	34,290	34,290			68,580
Profit (loss) attributable to owners of parent			-364,622		-364,622
Purchase of treasury shares				-43	-43
Net changes in items other than shareholders' equity					
Total changes of items during period	34,290	34,290	-364,622	-43	-296,086
Balance at end of current period	1,838,882	1,858,093	-440,462	-1,525	3,254,988

	Accumulated other comprehensive income			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	-7,566	-102	-7,669	3,543,405
Changes of items during period				
Issuance of new shares				68,580
Profit (loss) attributable to owners of parent				-364,622
Purchase of treasury shares				-43
Net changes in items other than shareholders' equity	2,889		2,889	2,889
Total changes of items during period	2,889	-	2,889	-293,196
Balance at end of current period	-4,677	-102	-4,779	3,250,208

(4) Consolidated statement of cash flows

(Yen thousand)

	Current year (From Apr 1, 2020 To Mar 31, 2021)
Cash flows from operating activities	
Loss before income taxes	-362,555
Depreciation	63,745
Share-based payment expenses	35,419
Interest and dividend income	-2,368
Subsidy income	-60,897
Foreign exchange losses (gains)	-1,418
Loss on valuation of shares of subsidiaries and associates	1,422
Loss on retirement of non-current assets	102
Decrease (increase) in trade receivables	455,338
Decrease (increase) in inventories	-34,779
Increase (decrease) in trade payables	-6,203
Decrease (increase) in consumption taxes refund receivable	-35,277
Increase (decrease) in accrued consumption taxes	-29,862
Other, net	-17,080
Subtotal	5,587
Interest and dividends received	2,990
Income taxes paid	-31,658
Subsidies received	59,441
Net cash provided by (used in) operating activities	36,360
Cash flows from investing activities	
Purchase of securities	-600,000
Proceeds from redemption of securities	600,000
Purchase of property, plant and equipment	-25,100
Purchase of intangible assets	-5,725
Proceeds from sale of investment securities	100,000
Payments of leasehold deposits	-1,536
Proceeds from refund of leasehold deposits	987
Net cash provided by (used in) investing activities	68,624
Cash flows from financing activities	
Payments for issuance of shares	-1,465
Purchase of treasury shares	-43
Net cash provided by (used in) financing activities	-1,508
Effect of exchange rate change on cash and cash equivalents	2,203
Net increase (decrease) in cash and cash equivalents	105,679
Cash and cash equivalents at beginning of period	2,006,673
Cash and cash equivalents at end of period	2,112,353