

Hakuhodo DY holdings

# Consolidated Financial Highlights FY2022 First Quarter (April-June, 2022)

August 9, 2022

# Consolidated Results Highlights of Q1 FY 2022

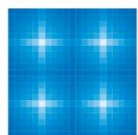
Top-line growth continued, however, SG&A expenses increased due to strategic spending and other factors, resulting in increased billings and decreased profits.

- The recovery in domestic advertising demand continued, although there were signs of a partial reduction in placements against the supply chain stagnation and rising resource prices. Billings increased by 6.8% YoY, partly due to the boost from overseas operations. \*
- Gross margin improved by 0.3pt, up by 8.2% YoY. \*
- In Japan, billings from the four mass media businesses decreased YoY, but billings from Internet media, outdoor media, and non-media businesses such as marketing/promotion increased YoY.
- Overseas, in addition to the continued recovery trend, the impact of foreign exchange fluctuations and M&As also boosted performance.
- SG&A expenses increased by 10.3% YoY due to strategic spending and the return of activity expenses, and operating income decreased by 7.2% YoY. \*

(\*) These numbers are calculated based on excluding the investment business

## Strengthen our group function

- HAKUHODO Technologies began operations.
  - SOLDOUT became a consolidated subsidiary\* and ADWAYS became an equity method affiliate.



HAKUHODO  
Technologies

ともに覚悟する。ともに挑む。

**SOLDOUT**



**ADWAYS**

(※) P/L will be incorporated from the second quarter

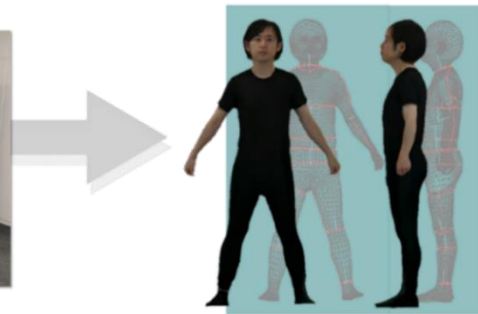
## Strengthen our global network

- Hakuhodo acquired Kingdom Digital Solutions in Malaysia.

**KINGDOM  
DIGITAL**

## Strengthen capability in XR domain

- DAC launched Japan's first ad sales in the Metaverse domain in partnership with Super League Gaming, Inc.
- Hakuhodo DY Holdings signed capital and business alliance agreement with VRC.



## Utilization of Brock chain

- Hakuhodo launched support for companies entering the Web 3.0 market using Japan's first blockchain, Astar Network.



## Initiatives for SDGs

- Hakuhodo launched "Decarbo Score", a new service of "Earth hacks", a platform to promote decarbonized society, to visualize the CO2e reduction rate of products and services.



## Human resources reinforcement

- Hakuhodo accelerates hiring of human resources to build the foundations set forth in its medium-term business plan.
- Hakuhodo, Hakuhodo DY Media Partners, DAC, and IREP increased the number of new graduates and career hires by 588.

As of Mar. 2022

22,522

As of June 2022

26,840

+1,318

Number of Group employees as of June 30, 2022 increased by 1,318 from March 31, 2022.

# FY2022 Q1 Income Statement Highlights

Hakuhodo DY holdings

(Millions of JPY)	Actual	YOY	
<b>Billings</b>	<b>349,106</b>	<b>+22,142</b>	<b>+6.8%</b>
<b>Revenue</b>	<b>195,636</b>	<b>+23,258</b>	<b>+13.5%</b>
<b>Operating Income</b>	<b>11,458</b>	<b>-629</b>	<b>-5.2%</b>
<b>Ordinary Income</b>	<b>13,870</b>	<b>+618</b>	<b>+4.7%</b>
<b>Net Income Attributable to Owners of Parent</b>	<b>4,582</b>	<b>-1,656</b>	<b>-26.5%</b>

- Billings increased by 6.8% YoY, and revenue increased by 13.5% YoY.
- Operating income decreased by 5.2% to ¥11.4 billion.
- Profit attributable to shareholders of the parent company decreased by 26.5% to ¥4.5 billion.

# FY2022 Q1 Results (Excluding Investment Business)

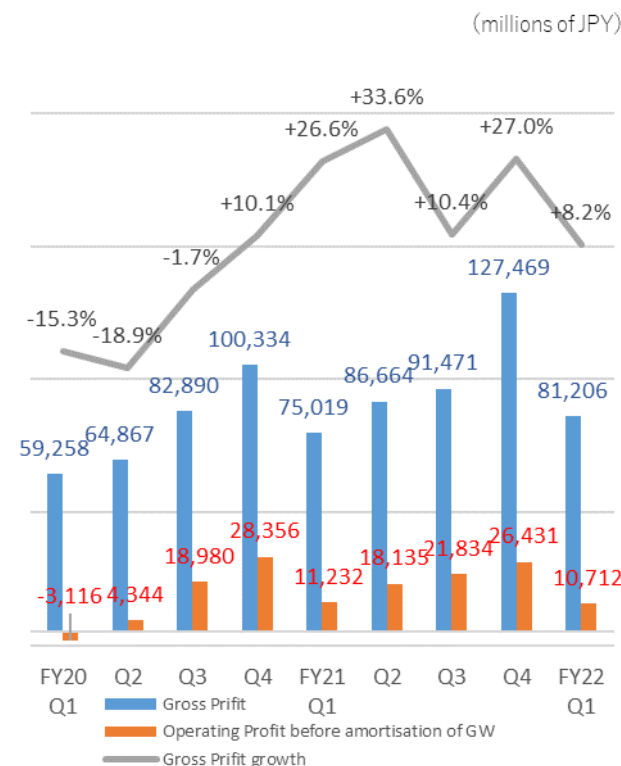
Hakuhodo DY holdings

Q1 FY2022

(Millions of JPY)

	Actual	YOY	
<b>Billings</b>	<b>345,848</b>	<b>+22,167</b>	<b>+6.8%</b>
<b>Revenue</b>	<b>192,377</b>	<b>+23,283</b>	<b>+13.8%</b>
<b>Gross Profit</b>	<b>81,206</b>	<b>+6,187</b>	<b>+8.2%</b>
<b>Gross Margin</b>	<b>23.5%</b>	<b>+0.3pt</b>	
<b>SGA</b>	<b>72,941</b>	<b>+6,827</b>	<b>+10.3%</b>
<b>Operating Income</b>	<b>8,264</b>	<b>-639</b>	<b>-7.2%</b>
<b>Operating Margin</b>	<b>10.2%</b>	<b>-1.7pt</b>	
<b>Amortization of Goodwill*</b>	<b>2,447</b>	<b>+119</b>	<b>+5.1%</b>
<b>Operating Income before Amortization of G/W</b>	<b>10,712</b>	<b>-520</b>	<b>-4.6%</b>
<b>Operating Margin before Amortization of G/W</b>	<b>13.2%</b>	<b>-1.8pt</b>	

Gross profit & Operating Income before amortization of goodwill by quarter



- Billings increased by 6.8% YoY.
- Gross profit increased by 8.2% YoY. Gross margin improved by 0.3pt. Billings, revenues, and gross profit reached record highs for the first quarter.
- SG&A expenses increased by 10.3% YoY. Operating income declined by 7.2% due to higher than top-line growth.
- Operating income before goodwill amortization decreased by 4.6%.

\* Amortization of goodwill represents the total of goodwill amortization required under Japanese GAAP and amortization of intangible assets following business combinations.



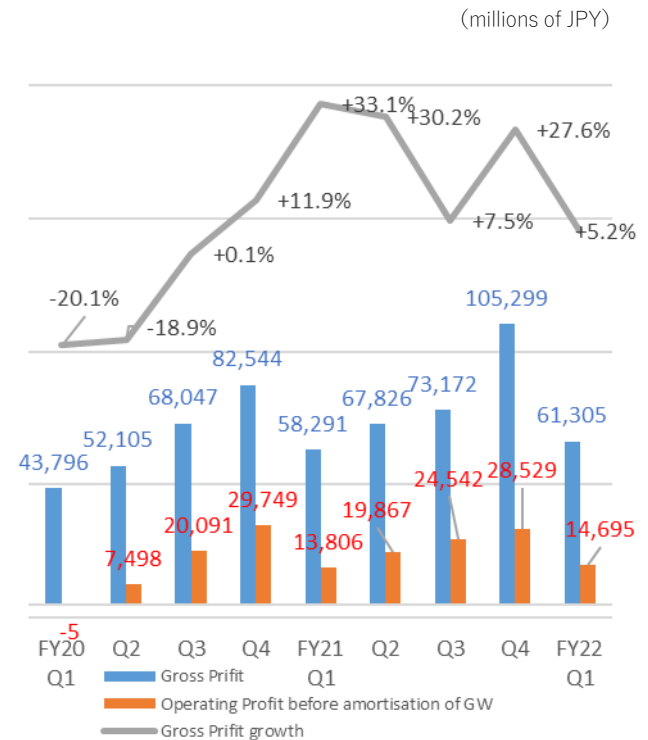
# Results by Region (Japan: Excluding Investment Business) Hakuhodo DY holdings

Q1 FY2022

(Millions of JPY)

	Actual	YOY	
<b>Billings</b>	<b>298,466</b>	<b>+13,591</b>	<b>+4.8%</b>
<b>Revenue</b>	<b>144,996</b>	<b>+14,707</b>	<b>+11.3%</b>
<b>Gross Profit</b>	<b>61,305</b>	<b>+3,013</b>	<b>+5.2%</b>
<b>Gross Margin</b>	<b>20.5%</b>	<b>+0.1pt</b>	
<b>SGA</b>	<b>46,837</b>	<b>+2,073</b>	<b>+4.6%</b>
<b>Operating Income</b>	<b>14,467</b>	<b>+939</b>	<b>+6.9%</b>
<b>Operating Margin</b>	<b>23.6%</b>	<b>+0.4pt</b>	
<b>Amortization of Goodwill*</b>	<b>228</b>	<b>-50</b>	<b>-18.1%</b>
<b>Operating Income before Amortization of G/W</b>	<b>14,695</b>	<b>+888</b>	<b>+6.4%</b>
<b>Operating Margin before Amortization of G/W</b>	<b>24.0%</b>	<b>+0.3pt</b>	

Gross profit & Operating Income before amortization of goodwill by quarter



- Billings increased by 4.8% YoY, despite the impact of high resource prices and stagnant supply chains, as a result of an appropriate response to the ongoing recovery in overall market demand.
- Gross profit increased by 5.2% YoY, and the gross margin improved by 0.1pt YoY.
- SG&A expenses increased by 4.6% YoY, operating income increased by 6.9% YoY, and operating income before amortization of goodwill increased by 6.4% YoY.

\* Amortization of goodwill represents the total of goodwill amortization required under Japanese GAAP and amortization of intangible assets following business combinations.

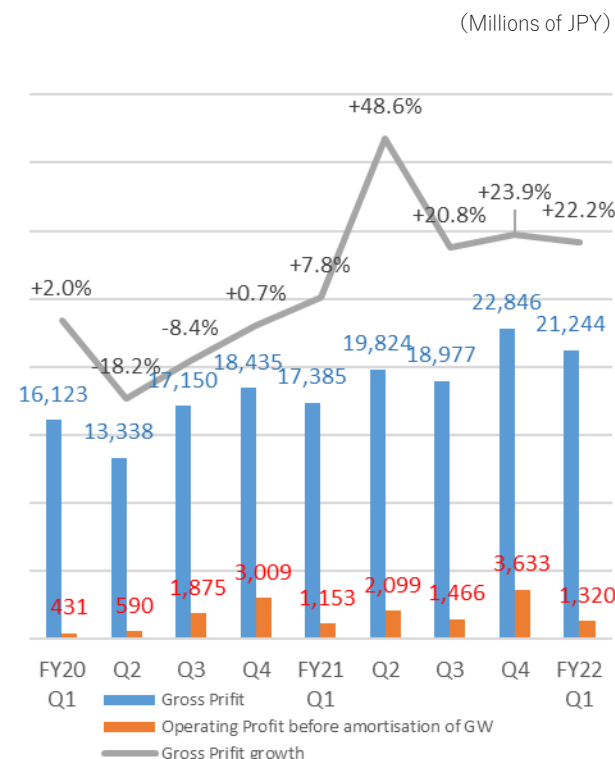
# Results by Region (Overseas)

Hakuhodo DY holdings

Q1 FY2022

(Millions of JPY)	Actual	YOY	
<b>Billings</b>	<b>49,499</b>	<b>+9,197</b>	<b>+22.8%</b>
<b>Revenue</b>	<b>49,499</b>	<b>+9,197</b>	<b>+22.8%</b>
<b>Gross Profit</b>	<b>21,244</b>	<b>+3,858</b>	<b>+22.2%</b>
<b>Gross Margin</b>	<b>42.9%</b>	<b>-0.2pt</b>	
<b>SGA</b>	<b>22,142</b>	<b>+3,861</b>	<b>+21.1%</b>
<b>Operating Income</b>	<b>-897</b>	<b>-2</b>	<b>n/a</b>
<b>Operating Margin</b>	<b>-4.2%</b>	<b>+0.9pt</b>	
<b>Amortization of Goodwill*</b>	<b>2,218</b>	<b>+169</b>	<b>+8.3%</b>
<b>Operating Income before Amortization of G/W</b>	<b>1,320</b>	<b>+166</b>	<b>+14.5%</b>
<b>Operating Margin before Amortization of G/W</b>	<b>6.2%</b>	<b>-0.4pt</b>	

Gross profit & Operating Income before amortization of goodwill by quarter



- Gross profit increased by 22.2% YoY.
- Both North America, Greater China, and ASEAN and other Asian countries increased YoY. Higher growth was due in part to the impact of foreign exchange rates and M&A.
- SG&A expenses also increased by 21.1% YoY, but operating income before amortization of goodwill increased by ¥166 million.
- Overseas gross profit accounted for 26.2% of consolidated gross profit excluding the investment business.

\* Amortization of goodwill represents the total of goodwill amortization required under Japanese GAAP and amortization of intangible assets following business combinations.

# Billings by Service Category

Hakuhodo DY holdings

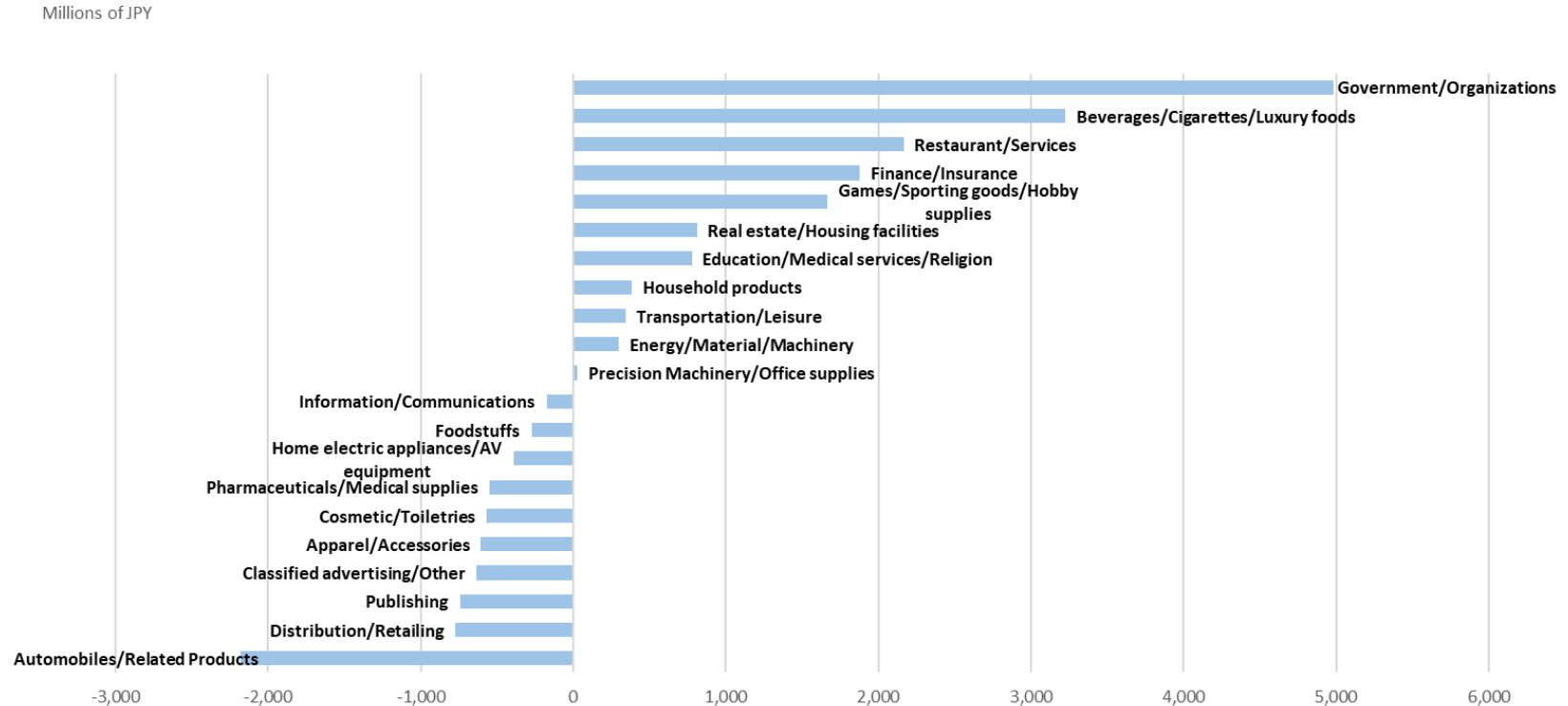
Q1 FY2022

(Millions of JPY)	Actual	YOY		Composition Ratio
Newspapers	7,275	-1,926	-20.9%	2.4%
Magazines	1,553	-354	-18.6%	0.5%
Radio	2,866	-20	-0.7%	1.0%
Television	91,278	-4,344	-4.5%	30.7%
<b>Trad-Media Service Subtotal</b>	<b>102,973</b>	<b>-6,645</b>	<b>-6.1%</b>	<b>34.6%</b>
Internet Media	80,118	+4,453	+5.9%	26.9%
Outdoor Media	7,706	+1,110	+16.8%	2.6%
<b>Media Service Subtotal</b>	<b>190,798</b>	<b>-1,081</b>	<b>-0.6%</b>	<b>64.1%</b>
Creative	33,310	+1,590	+5.0%	11.2%
Marketing/Promotion	66,004	+13,061	+24.7%	22.2%
Others (Contents, etc.)	7,405	-179	-2.4%	2.5%
<b>Other than Media Service Subtotal</b>	<b>106,720</b>	<b>+14,471</b>	<b>+15.7%</b>	<b>35.9%</b>
<b>Total</b>	<b>297,518</b>	<b>+13,390</b>	<b>+4.7%</b>	<b>100.0%</b>
Investment Business	3,258	-25		
Other than above	947			
<b>Domestic Billings</b>	<b>301,724</b>	<b>+13,566</b>	<b>+4.7%</b>	
<b>Internet Advertising Domain Billings</b>	<b>93,536</b>	<b>+5,905</b>	<b>+6.7%</b>	<b>31.4%</b>
<b>Marketing Execution Domainn Billings</b>	<b>32,876</b>	<b>+11,996</b>	<b>+57.5%</b>	<b>11.1%</b>

- Figures for "Other than above" comprise mainly billings of certain domestic subsidiaries.

Q1 FY2022

See p.21-25 for details.



- The scope of tabulation has been expanded and some of the methods of tabulation have been changed from the current fiscal year, and the results of the previous year have been retroactively restated.

## - Positive Industries

Government/Organizations	Q1 FY2022 Actual	¥9.2bil	YoY +¥4.9bil (+116.1%)
Beverages/Cigarettes/Luxury foods		¥34.2bil	+¥3.2bil (+10.4%)
Restaurant/Services		¥13.9bil	+¥2.1bil (+18.3%)

## - Negative Industries

Automobiles/Related products	Q1FY2021 Actual	¥19.7bil	YoY -¥ 2.1bil (-10.0%)
------------------------------	-----------------	----------	------------------------

# Selling, General & Administrative Expenses

Hakuhodo DY holdings

Q1 FY2022

(Millions of JPY)

Actual

YOY

Major Change Factors in SG&A (Millions of JPY)

<b>Personnel</b>	<b>49,464</b>	<b>+3,024</b>	<b>+6.5%</b>
<b>Rent</b>	<b>4,836</b>	<b>+246</b>	<b>+5.4%</b>
<b>Depreciations</b>	<b>1,851</b>	<b>+244</b>	<b>+15.2%</b>
<b>Amortization of Goodwill</b>	<b>2,447</b>	<b>+119</b>	<b>+5.1%</b>
<b>Others</b>	<b>14,362</b>	<b>+3,175</b>	<b>+28.4%</b>
<b>Other Expenses</b>	<b>23,497</b>	<b>+3,785</b>	<b>+19.2%</b>
<b>SGA total</b>	<b>72,961</b>	<b>+6,809</b>	<b>+10.3%</b>

<b>Q1 FY21 SG&amp;A</b>	66,152
Change in scope of consolidation	+697
Amortization of goodwill	+118
Personnel (other than above)	+2,513
Other expenses (other than above)	+3,481
<b>Q1 FY22 SG&amp;A</b>	72,961

- SG&A expenses increased by 10.3% YoY.
- Personnel expenses increased by 6.5% YoY, partly due to the impact of M&A. Other expenses increased by 19.2% YoY.
- SG&A expenses excluding the impact of changes in the scope of consolidation and amortization of goodwill increased by ¥6.0 billion YoY. Personnel expenses increased by ¥2.5 billion, and other expenses increased by ¥3.4 billion.
- The number of employees was 26,840 as of June 30, 2022 (increased by 1,318 from Mar 31, 2022),

# Other Income & Extra-ordinary Items

Hakuhodo DY holdings

Q1 FY2022

## Other Income/Loss

(Millions of JPY)

	Actual	YOY
<b>Non-operating Income</b>	<b>2,949</b>	<b>+1,344</b>
Interest Income	107	+51
Dividend Income	1,117	+170
FOREX	906	+906
Investment Partership Income	470	+219
<b>Non-operating Expenses</b>	<b>537</b>	<b>+96</b>
Interest Expenses	119	+0
Equity Method Loss	249	+125

## Extra-ordinary Items

(Millions of JPY)

	Actual	YOY
<b>Extraordinary Income</b>	<b>366</b>	<b>+86</b>
Transfer of rights income	350	
<b>Extraordinary losses</b>	<b>661</b>	<b>+553</b>
Office relocation expenses	128	
Loss on valuation of investment securities	115	
Special retirement expenses	285	

Guidance/Dividend for FY2022

Forecasts of financial results and dividends for the fiscal year ending March 31, 2023 are unchanged from previous forecasts as follows.

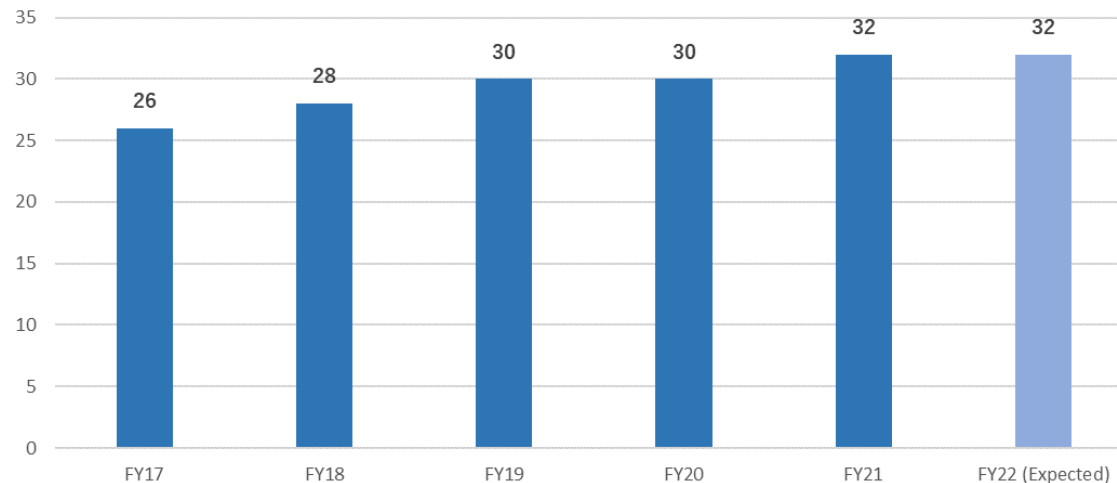
## Performance forecast

(Millions of JPY)

Forecast

<b>Billings</b>	<b>1,630,000</b>
<b>Operating Income</b>	<b>51,000</b>
<b>Ordinary Income</b>	<b>53,000</b>
<b>Net Income Attributable to Owners of Parent</b>	<b>26,000</b>
<b>Operating Income before amortization of Goodwill</b>	<b>64,000</b>

## Dividend forecast





## **(Cautionary Statements Concerning Forward-looking Statements)**

This presentation includes forward-looking statements concerning forecasts of operating results, business plans and policies, management strategies, goals, plans, numbers involving the future, views and evaluations of facts, and other items associated with Hakuhodo DY Holdings and its group companies. These and other statements that are not historical facts represent forecasts, expectations, assumptions, plans, views, evaluations and other positions of management based on information available when this presentation was prepared.

To prepare figures used for forecasts and predictions, confirmed facts from past activities have been combined with certain assumptions that are essential to formulating forecasts and predictions. Due to the nature of these facts and assumptions, there is no guarantee of their accuracy from an objective viewpoint or any guarantee that future events will occur as presented in these forward-looking statements.

The following is a list of some, but not all, risks and uncertainties that may prevent these facts and assumptions from being accurate from an objective viewpoint or from becoming a reality in the future.

- (1) Risks associated with the advertising industry in general (changes in the advertising industry climate due to fluctuations in the economy, changes in business practices and other events)
- (2) Risks associated with revisions of laws and regulations
- (3) Risks associated with advertisers and media companies (the need to respond accurately to shifts in needs of customers and other entities the company does business with)
- (4) Risks associated with competition (competition with other advertising agencies, companies newly entering the industry and others)
- (5) Risks associated with the expansion of business domains resulting from structural changes in markets
- (6) Risks associated with conducting business on a global scale
- (7) Risks associated with lawsuits and similar actions
- (8) Risks associated with climate, pandemics, and conflicts, etc.

## **(Change in accounting standards)**

Effective from the Q1 FY2021, the company has applied "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020). Year-on-year comparisons are based on figures after retrospective application. "Revenue" in the following is the figure after the application of the revenue recognition standard.

In addition, "Billings" is based on the previous accounting standard and is voluntarily disclosed, although it is not in accordance with the ASBJ No.29 standard, since it is useful to users of financial statements.

## **(Notes Concerning Audit)**

This presentation information was not audited by an independent auditors.

# Supplements

## Japanese GAAP-basis Interim Income Statements for Q1 FY2022

(Millions of JPY)	Actual	YOY	
Billings	349,106	+22,142	+6.8%
Revenue	195,636	+23,258	+13.5%
Gross Profit	84,420	+6,180	+7.9%
Gross Margin	24.2%	+0.3pt	+0.0%
SG&A	72,961	+6,809	+10.3%
Operating Income	11,458	-629	-5.2%
Operating Margin	13.6%	-1.9pt	+0.0%
Non-operating Income	2,949	+1,344	+83.7%
Non-operating Expenses	537	+96	+21.8%
Ordinary Income	13,870	+618	+4.7%
Extraordinary Income	366	+86	+30.7%
Extraordinary Loss	661	+553	+512.2%
Net Income before Taxes	13,574	+151	+1.1%
Income Tax	7,656	+1,664	+27.8%
Non-controlling Interest	1,336	+143	+12.0%
Net Income Attributable to Owners of Parent	4,582	-1,656	-26.5%
Amortization of Goodwill	2,447	+119	+5.1%
Operating Income before Amortization of Goodwill	13,905	-510	-3.5%
Operating Margin before Amortization of Goodwill	16.5%	-2.0pt	

\* Amortization of goodwill represents the total of goodwill amortization required under Japanese GAAP and amortization of intangible assets following business combinations.

Q1 FY2022

## Results Excluding Investment Business

(Millions of JPY)	Actual	YOY	
Billings	345,848	22,167	+6.8%
Revenue	192,377	23,283	+13.8%
Gross Profit	81,206	6,187	+8.2%
Gross Margin	23.5%	+0.3pt	
SG&A	72,941	6,827	+10.3%
Operating Income	8,264	-639	-7.2%
Operating Margin	10.2%	-1.7pt	
Amortization of Goodwill	2,447	+119	+5.1%
Operating Income before Amortization of Goodwill	10,712	-520	-4.6%
Operating Margin before Amortization of Goodwill	13.2%	-1.8pt	

## Impact from Investment Business

(Millions of JPY)	Actual	YOY
Billings	3,258	-25
Revenue	3,258	-25
Gross Profit	3,213	-7
SG&A	19	-17
Operating Income	3,193	+9

\* Amortization of goodwill represents the total of goodwill amortization required under Japanese GAAP and amortization of intangible assets following business combinations.

# Results by Region

Hakuhodo DY holdings

Q1 FY2022

(Millions of JPY)	Actual	YOY	
Japan			
Billings	301,724	+13,566	+4.7%
Revenue	148,254	+14,682	+11.0%
Gross Profit	64,518	+3,005	+4.9%
SG&A	46,857	+2,056	+4.6%
Operating Income	17,660	+949	+5.7%
Overseas			
Billings	49,499	+9,197	+22.8%
Revenue	49,499	+9,197	+22.8%
Gross Profit	21,244	+3,858	+22.2%
SG&A	22,142	+3,861	+21.1%
Operating Income	-897	-2	n/a
Elimination or Corporate			
Billings	-2,117	-621	
Revenue	-2,117	-621	
Gross Profit	-1,342	-683	
SG&A	3,961	+892	
Operating Income	-5,304	-1,576	
Consolidated			
Billings	349,106	+22,142	+6.8%
Revenue	195,636	+23,258	+13.5%
Gross Profit	84,420	+6,180	+7.9%
SG&A	72,961	+6,809	+10.3%
Operating Income	11,458	-629	-5.2%

# Billings by Clients' Industry

Hakuhodo DY holdings

Q1 FY2022

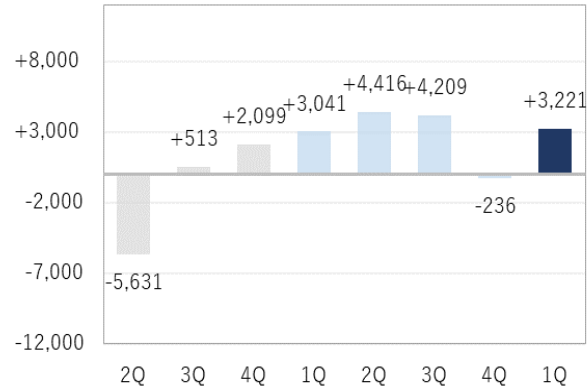
(Millions of JPY)	Actual	YOY		Composition
Beverages/Cigarettes/Luxury foods	34,239	+3,221	+10.4%	13.7%
Information/Communications	33,294	-171	-0.5%	13.3%
Automobiles/Related products	19,709	-2,178	-10.0%	7.9%
Foodstuffs	18,067	-270	-1.5%	7.2%
Cosmetics/Toiletries	17,243	-565	-3.2%	6.9%
Finance/Insurance	15,431	+1,878	+13.9%	6.2%
Pharmaceuticals/Medical supplies	14,877	-549	-3.6%	6.0%
Restaurant/Services	13,994	+2,167	+18.3%	5.6%
Distribution/Retailing	10,635	-773	-6.8%	4.3%
Real estate/Housing facilities	10,352	+810	+8.5%	4.1%
Government/Organizations	9,269	+4,979	+116.1%	3.7%
Transportation/Leisure	9,252	+343	+3.9%	3.7%
Games/Sporting goods/Hobby supplies	7,451	+1,662	+28.7%	3.0%
Household products	5,940	+383	+6.9%	2.4%
Apparel/Accessories	5,460	-606	-10.0%	2.2%
Home electric appliances/AV equipment	4,528	-391	-8.0%	1.8%
Energy/Material/Machinery	4,433	+298	+7.2%	1.8%
Education/Medical services/Religion	3,715	+777	+26.5%	1.5%
Publishing	3,430	-739	-17.7%	1.4%
Precision machinery/Office supplies	1,538	+29	+1.9%	0.6%
Classified advertising/Other	6,886	-637	-8.5%	2.8%
<b>Total</b>	<b>249,752</b>	<b>+9,668</b>	<b>+4.0%</b>	<b>100.0%</b>

# Billings by Clients' Industry (by Quarter) 1

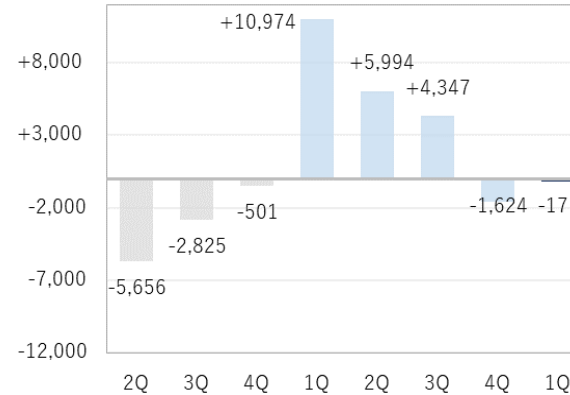
Hakuhodo DY holdings

FY2020 FY2021 FY2022  
(Millions of JPY)

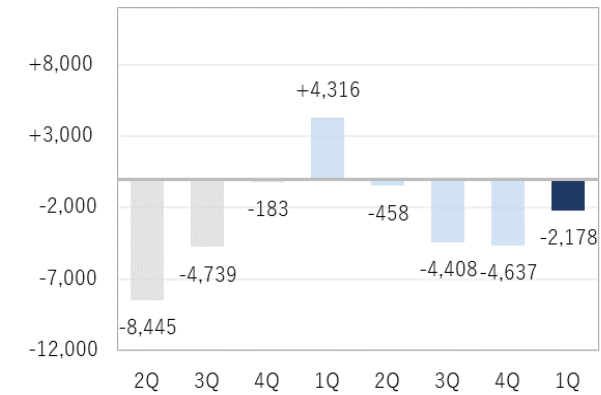
Beverages/Cigarettes/Luxury foods



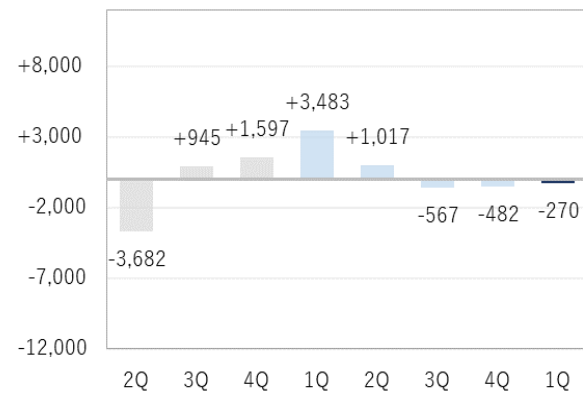
Information/Communications



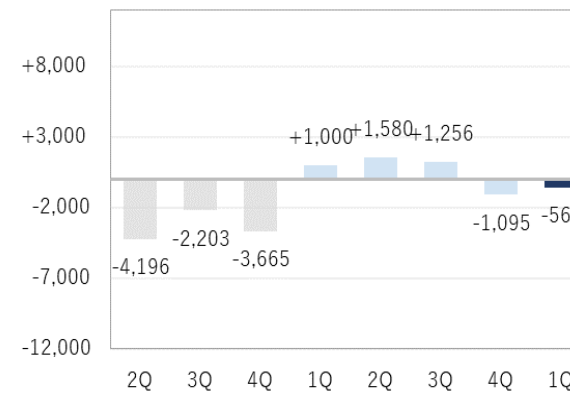
Automobiles/Related products



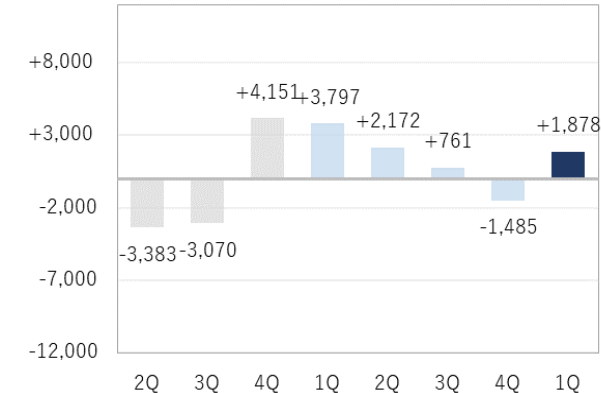
Foodstuffs



Cosmetics/Toiletries



Finance/Insurance

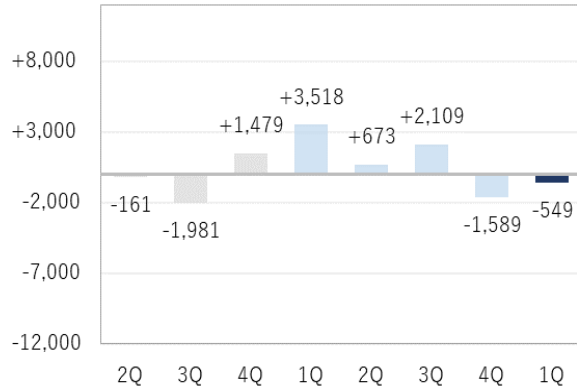


# Billings by Clients' Industry (by Quarter) 2

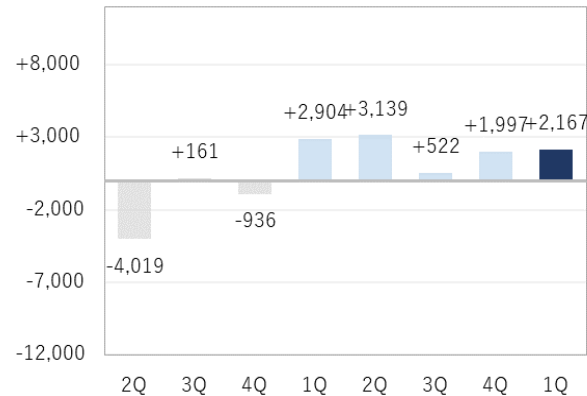
Hakuhodo DY holdings

FY2020 FY2021 FY2022  
(Millions of JPY)

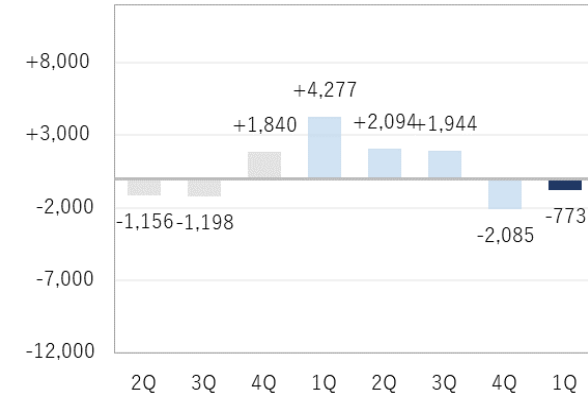
Pharmaceuticals/Medical supplies



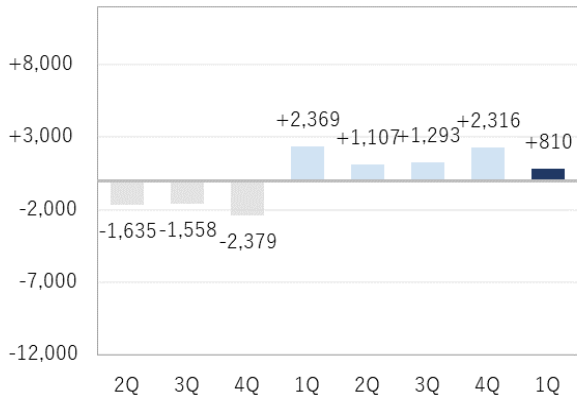
Restaurant/Services



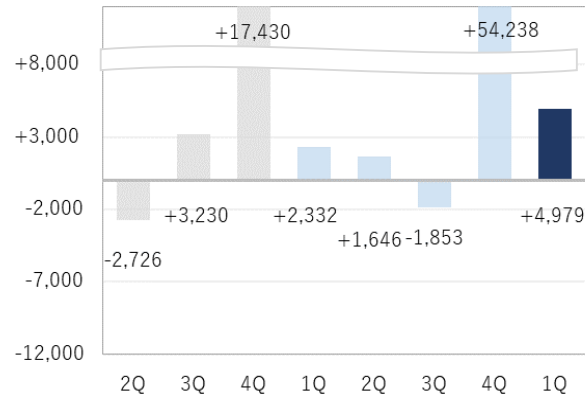
Distribution/Retailing



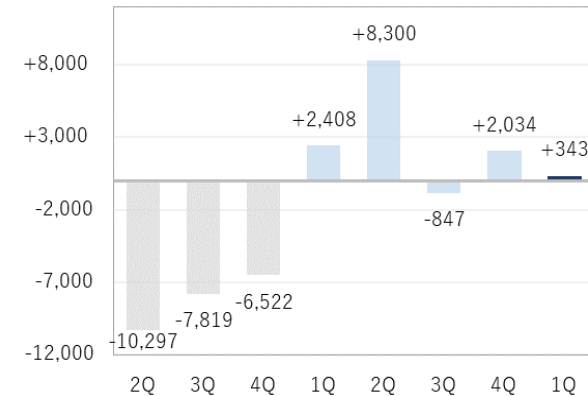
Real estate/Housing facilities



Government/Organizations



Transportation/Leisure



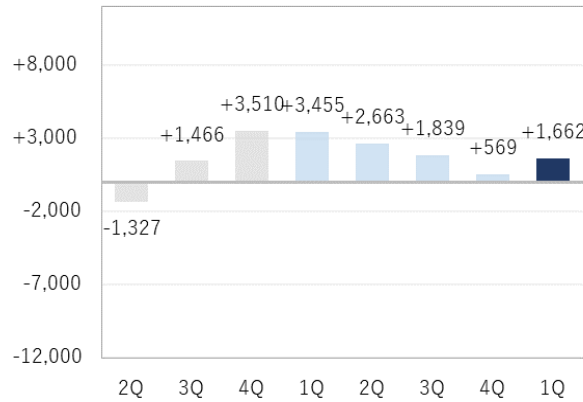


# Billings by Clients' Industry (by Quarter) 3

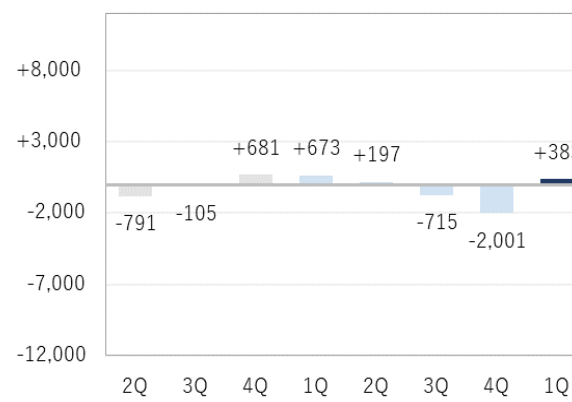
Hakuhodo DY holdings

FY2020 FY2021 FY2022  
(Millions of JPY)

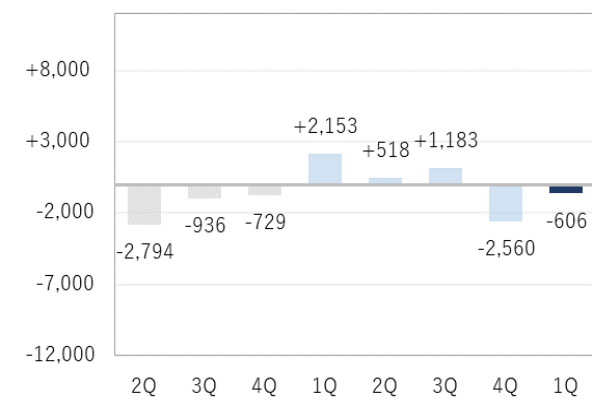
Games/Sporting goods/Hobby supplies



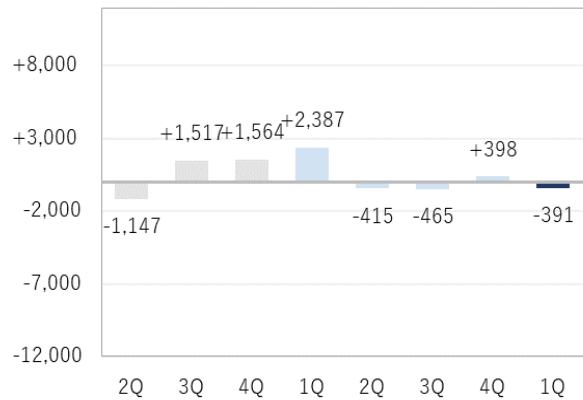
Household products



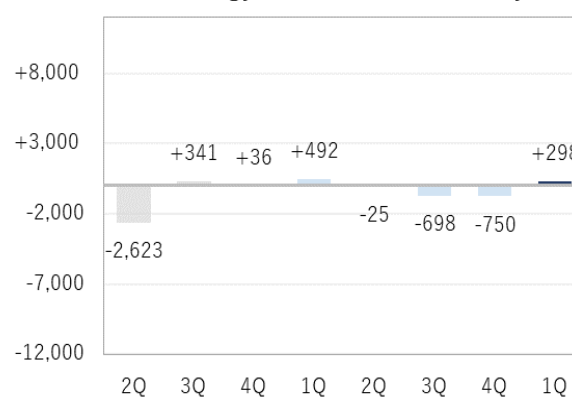
Apparel/Accessories



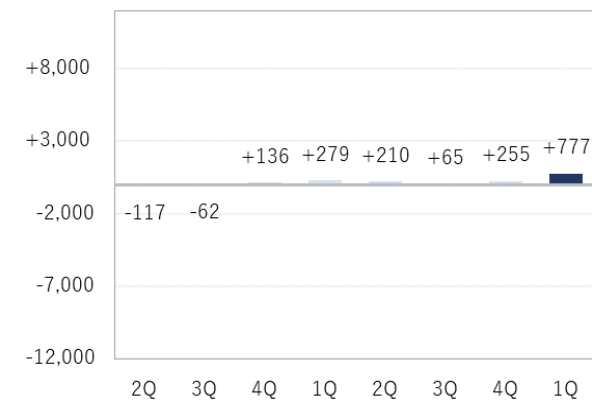
Home electric appliances/AV equipment



Energy/Material/Machinery



Education/Medical services/Religion

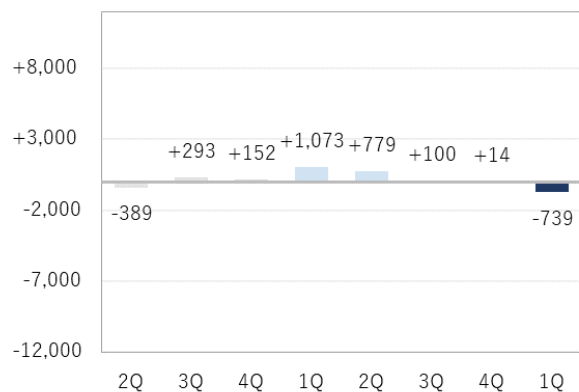


# Billings by Clients' Industry (by Quarter) 4

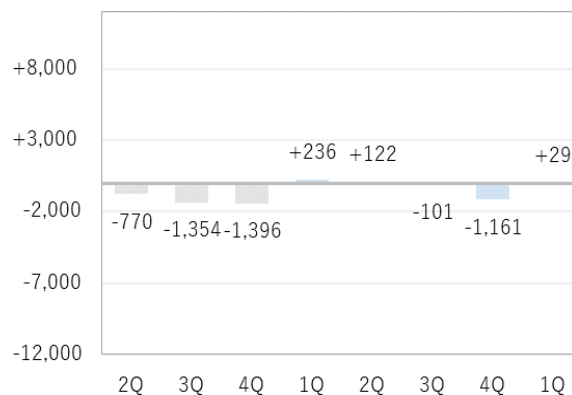
Hakuhodo DY holdings

FY2020 FY2021 FY2022  
(Millions of JPY)

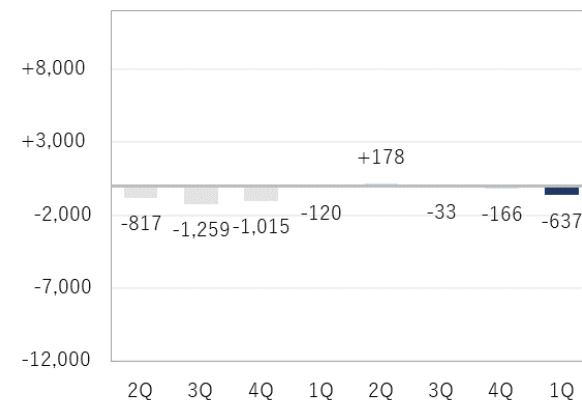
Publishing



Precision machinery/Office supplies



Classified advertising/Other



(Millions of JPY)	End of June 2022	Change *	Composition
<b>Current Assets</b>	626,085	-128,768	66.8%
Cash & Deposits	195,335	11,351	
Accounts Recievable	302,147	-136,257	
<b>Non-current Assets</b>	310,467	12,305	33.2%
Tangible Assets	38,231	1,106	
Intangible Assets	90,508	18,191	
Goodwill	62,154	17,056	
Investments & Other Assets	181,727	-6,993	
Investment Securities	134,118	-2,577	
<b>Total Assets</b>	936,553	-116,463	100.0%
<b>Current Liabilities</b>	397,967	-107,672	42.5%
Accounts Payable	254,256	-44,413	
Short-term Borrowings	5,983	-4,766	
<b>Non-current Liabilities</b>	156,321	-3,639	16.7%
Long-term Borrowings	113,533	-454	
<b>Total Liabilities</b>	554,289	-111,312	59.2%
<b>Shareholders' Equity</b>	317,281	-1,895	33.9%
Share Capital	10,790	-	
Capital Surplus	-	-	
Retained Earnings	317,863	-1,895	
Treasury Stock	-11,372	-	
Accumulated Other Comprehensive Incom	35,914	-2,763	3.8%
Share Aquisiton Rights	219	-5	0.0%
Non-controlling Interests	28,848	-486	3.1%
<b>Total Net Assets</b>	382,263	-5,150	40.8%

\* Change from the balance as of the end of Mar, 2021

# Cash Flow Statements

Hakuhodo DY holdings

Q1 FY2022

(Millions of JPY)	Actual	YOY
<b>Cash Flows from Operating Activities</b>	<b>25,895</b>	<b>+20,663</b>
<b>Cash Flows from Investing Activities</b>	<b>-3,104</b>	<b>-288</b>
Purchase of property, plant and equipment	-1,008	-535
Purchase of intangible assets	-1,261	-332
Purchase of investment securities	-1,468	-173
Proceeds from sales of investment securities	-2,386	-2,221
Purchase of shares of subsidiaries	0	+212
Purchase of shares of subsidiaries resulting in change in scope of consolidation	3,113	+3,113
<b>Cash Flows from Financing Activities</b>	<b>-14,415</b>	<b>-18,447</b>
Net increase (decrease) in short-term borrowings	-5,506	-16,145
Net increase (decrease) in Long-term borrowings & Bonds	-1,368	-937
Dividends paid	-5,790	-695
Dividends paid to non-controlling interests	-258	+223
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	-263	-106
<b>Cash and cash equivalents at beginning of period</b>	<b>180,697</b>	<b>+4,654</b>
<b>Cash and cash equivalents at end of period</b>	<b>191,744</b>	<b>+7,936</b>

Hakuhodo DY holdings