

CONSOLIDATED EARNINGS REPORT FOR FISCAL 2009

Company Name: BML, Inc
Stock Listing: Tokyo Stock Exchange
Code Number: 4694
Head Office: Tokyo
 Kazuta Fukuda, Managing Director
 and General Manager, Management Planning Division
 Tel: +81-3-3350-0111

Meeting of the Board of Directors

on the Closing of Accounts: May 13, 2010

SEC Accounting Standards: The company does not apply SEC accounting standards

1. Consolidated Results of Operations for Fiscal 2009 (April 1, 2009 – March 31, 2010)

(1) Consolidated Business Results

(Rounded down to nearest million yen)

	Sales		Operating income		Ordinary income		Net income	
	(¥ million)	%*	(¥ million)	%	(¥ million)	%	(¥ million)	%
Fiscal 2009	79,259	2.7	6,498	16.2	6,750	15.5	3,550	15.4
Fiscal 2008	77,198	6.0	5,592	15.6	5,844	16.7	3,075	29.5

*% shows the rate of change from the previous fiscal year-end

	Net income per share (¥)	Net income per share (diluted) (¥)	Return on equity (%)	Ordinary income to total capital ratio (%)	Ordinary income to sales ratio (%)
Fiscal 2009	167.26	166.91	8.4	10.4	8.2
Fiscal 2008	144.89	144.64	7.8	9.5	7.2

(2) Consolidated Fiscal Position

	Total assets (¥ million)	Shareholders' equity (¥ million)	Shareholders' equity ratio (%)	Shareholders' equity per share (¥)
Fiscal 2009	67,517	44,518	64.8	2,061.12
Fiscal 2008	62,809	41,482	65.0	1,924.01

(3) Consolidated Cash Flow Position

	Operating activities	Investing activities	Financial activities	End of year cash and cash equivalents
	¥ million	¥ million	¥ million	¥ million
Fiscal 2009	9,388	△3,653	△915	16,145
Fiscal 2008	7,717	△6,875	△1,301	11,325

2. Dividend

Record date	Dividend per share					Total amount (Entire year) (¥ million)	Dividend payout (Consolidated) (%)	Dividend on net asset (Consolidated) (%)
	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	Entire year			
	¥	¥	¥	¥	¥	¥ million	%	%
Fiscal 2008	—	12.50	—	17.50	30.00	636	20.7	1.6
Fiscal 2009	—	15.00	—	25.00	40.00	849	23.9	2.0
Fiscal 2010 (Estimation)	—	20.00	—	20.00	40.00		23.6	

3. Consolidated Outlook for Fiscal 2010 (April 1, 2010 – March 31, 2010)

	Sales		Operating income		Ordinary income		Net income		Net income per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
Interim	41,200	1.8	4,100	2.1	4,210	1.9	2,160	5.2	101.76
Entire year	81,000	2.2	6,780	4.3	7,000	3.7	3,600	1.4	169.60

4. Others

(1) Changes in major subsidiaries during the period (changes in specified subsidiaries due to changes in the scope of consolidation): No

(2) Change of rules, procedures and description of accounting for arranging consolidated financial statements

① Change according to revision of accounting system Yes

② Change except for ① No

(3) Number of outstanding stocks

① Number of outstanding stocks at the end of the fiscal year (treasury stocks included)

Fiscal 2009: 22,007,363 Fiscal 2008: 22,007,363

② Number of treasury stocks

Fiscal 2009: 780,344 Fiscal 2008: 783,464

Reference: No Consolidated Results of Operations

(1) Non-Consolidated Business Results (April 1, 2009 – March 31, 2010)

(Rounded down to nearest million yen)

	Sales		Operating income		Ordinary income		Net income	
	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%
Fiscal 2009	66,720	3.2	4,054	15.3	4,634	14.4	2,682	10.8
Fiscal 2008	64,624	6.0	3,514	52.8	4,050	41.9	2,420	72.4

	Net income per share (¥)	Net income per share (diluted) (¥)
Fiscal 2009	126.36	126.10
Fiscal 2008	114.07	113.87

(2) Non-Consolidated Fiscal Position

	Total assets (¥ million)	Shareholders' equity (¥ million)	Shareholders' equity ratio (%)	Shareholders' equity per share (¥)
Fiscal 2009	57,451	36,077	62.7	1,696.98
Fiscal 2008	53,908	34,047	63.1	1,602.30

2. Non-Consolidated Outlook for Fiscal 2008 (April 1, 2009 – March 31, 2010)

	Sales		Operating income		Ordinary income		Net income		Net income per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
Interim	34,600	1.7	2,700	3.2	3,150	2.6	3,650	109.6	171.95
Entire year	67,930	1.8	4,320	6.6	4,970	7.3	4,730	76.4	222.83

Notes: The above outlook contains forward-looking statements based on BML's future plans as of May 13, 2010. Such statements contain risks that can be affected by various factors.

Result of Operations

1. Review of Operations

(1) Analysis of Operation Results

(a) Performance in fiscal 2009

In the medical industry, medical system reforms in regards to the improvement of medical quality and enhancement of efficiency have been carried out against the backdrop of record high expenditures on health due to the aging population and progress of medical technologies.

In clinical testing business, consignment fees are relatively stable because fiscal 2009 was not a revision year for the remuneration for medical services, a process that is carried out every two years; therefore, there was no reduction in national health insurance (NHI) points for clinical testing. Also, there was sluggish growth in testing numbers because of a reduction in the consultation rate with patients due to the spread of a new influenza strain in the 3rd quarter. However, the testing numbers are on a recovery track, peaking after the 4th quarter.

In this business environment, the BML Group worked to continuously expand the foundations of the clinical testing business by increasing market share. Also, we stepped up marketing efforts in the clinic-related market by strengthening proposal-based marketing to large facilities associated with the leasing of and instructions for testing equipment and systems and the operation of in-house testing rooms. The number of tests conducted in fiscal 2009 steadily increased, while consignment fees were slightly lower year on year; as a result, sales in this business increased 2.8% year on year. On the earnings front, gross profit rose significantly due to increased revenues and orders. Furthermore, we succeeded in reducing the time of reporting service for a part of testing items due to the new automatic order system “New Frontier” becoming operational; the system was completed at General Laboratories during the previous fiscal year.

In other testing business, BML Food Science Solutions, Inc., which operates the food hygiene businesses, recorded reduced orders primarily in the consulting business in the food hygiene field due mainly to decreased expenditure by client companies caused by worsening business conditions. As a result, the company's income suffered and revenues declined significantly. However, overall net sales for the business decreased only slightly due to the addition of the consolidated subsidiary of Q&C Inc., which was purchased in fiscal 2008.

In medical informatics business, regarding Medical Station (MS), a system that databases electronic patient chart systems at clinics, we undertook marketing activities that integrated the clinical testing business and the medical informatics business through organizational restructuring.

Net sales increased 7.1% due to the acquisition of new customers and sales related to replacement operations; in addition, sales of software for receipt systems improved thanks largely to the government's decision to subsidize the computerization of receipt systems. Net income increased from the previous fiscal year, moving the business into the black due mainly to the sales of high-margin software of computerized receipt systems.

In other business, Allegro, Inc., which operates SMO* and CRO* businesses, showed a drop in sales and profit due to a decline in orders.

As a result of the above, consolidated sales were ¥79,259 million, an increase of 2.7% year on year, and consolidated operating income was ¥6,498 million, an increase of 16.2%. Consolidated ordinary income increased 15.5% to ¥6,750 million. Net income increased 15.4% to ¥3,550 million.

*Site Management Organization (SMO):

An organization that oversees and supports part of the clinical trials in the development of drugs conducted by medical institutions.

*Clinical Research Organization (CRO):

An independent organization that oversees and supports wholly or partially various matters related to clinical trials conducted by pharmaceutical companies or doctors.

(b) Outlook for FY2010

In the medical industry, several policies regarding medical rebuilding and efficiency have been announced, such as improvements in obstetrics departments and pediatric departments, improvement of working conditions for doctors who work in hospitals, and promotion of the utilization of generic drugs. Also, in the clinical testing industry, fiscal 2010 is the year for the biennial revision of remuneration for medical services. In the previous revision, national health insurance (NHI) points for clinical testing were increased 2.5% on average, while genetic testing was increased markedly; however, comprehensive items of biochemical examination and routine testing items were reduced by about 5%. In this business environment, as well as making efforts to maintain and moderate consignment fees, we will work to expand our customer base by strengthening proposal-based marketing to large facilities and increasing the market share of clinics.

In food sanitation business, although the impact of cost reductions still remains, we are aiming at a business recovery through productivity improvements such as market development, and improvements in orders.

In medical informatics business, we established a co-development company with EM SYSTEMS for the development of a new electronic patient chart system. The new electronic patient chart system is a lower-cost alternative to “Medical Station”, having reduced functions, and will be released in the second half of the next fiscal year. We will make every effort to meet user demands along with the existing MS model.

In view of the above, we expect to report operating income of ¥6,780 million and ordinary income of ¥7,000 million on consolidated sales of ¥81,000 million. We are targeting net income of ¥3,600 million.

(2) Financial Position

(a) Assets, Liabilities and Net Assets

Regarding the financial position for fiscal 2009, total assets increased ¥4,708 million year on year to ¥67,517 million, net assets increased ¥3,036 million to ¥44,518 million and the equity capital ratio decreased 0.2% to 64.8%. Regarding the main increase/decrease items,

for assets, in current assets, cash and deposits increased ¥4,811 million, and in tangible fixed assets, by depreciation, buildings and structures decreased ¥291 million, tools and equipment decreased ¥763 million and lease assets increased ¥467 million. Also, in intangible assets, goodwill amortization decreased ¥252 million. In liabilities, while accounts payable increased ¥380 million in current liabilities, in fixed liabilities, lease obligations increased ¥366 million. Retained earnings increased ¥2,856 million.

(b) Cash Flows

Cash and cash equivalents increased ¥4,819 million year on year to ¥16,145 million. The major influencing factors on each cash flow section are as follows:

Operating activities produced net cash of ¥9,388 million, an increase of ¥1,670 million year on year, which mainly reflected an increase in net income before taxes and other adjustments for fiscal 2009 of ¥834 million and depreciation of ¥564 million.

Investing activities used net cash of ¥3,653 million, a decrease of ¥3,222 million year on year, which mainly reflected a decrease of ¥2,705 million in tangible fixed assets due to investment in testing equipment.

Financing activities used net cash of ¥915 million, a decrease of ¥385 million year on year, which mainly reflected the reimbursement of long-term debt of ¥625 million in the previous fiscal year.

Reference: Trend of cash flow index

	Fiscal 2006	Fiscal 2007	Fiscal 2008	Fiscal 2009	Fiscal 2010
Shareholders' equity ratio (%)	61.9	63.5	64.0	65.0	64.8
Shareholders' equity ratio at the current prices (%)	82.9	88.9	63.5	61.9	77.0
Years of liability reimbursement	49.3	47.9	25.4	22.9	24.0
Interest coverage ratio	107.1	103.1	222.3	272.7	250.3

- Equity ratio: equity capital / total assets
- Shareholders' equity ratio based on current figures:

$$\text{current capital stock} / \text{gross assets}$$
- Years for debt redemption: interest-bearing liabilities / sales cash flow
- Interest coverage ratio: sales cash flow / interest expense

Note 1: Calculation of each index is on a consolidated basis

Note 2: The total market value of listed shares is calculated by the number of outstanding shares which was deducted treasury stocks.

Note 3: Cash flows are calculated by operating cash flow.

Note 4: In liabilities recorded on the consolidated balance sheet, interest-bearing debt means all liabilities with paid interest.

(3) Basic Policy for Profit Sharing and Dividend for Fiscal 2009

Profit sharing with shareholders is a priority issue for management. Our basic policies

on the distribution of profit to our shareholders are the securement of a stable dividend from a business with robust foundations and a rising return on equity and improvement in dividend level according to business performance.

With regard to the appropriation of retained earnings, they are used for the expansion and improved efficiency of our testing system, plant and equipment, and development of medical informatics business.

In the fiscal year under review, we paid an interim dividend of ¥15.0 per share. We expect to pay a year-end dividend of ¥25.0, which includes a commemorative 55th anniversary dividend of ¥10.0, resulting in a total yearly dividend of ¥40.0. We also expect to pay a total dividend of ¥40 per share for the next fiscal year.

3. Management Policy

(1) Basic Policies (2) Financial Target

Since there are no changes in the earnings report disclosed on May 15th, 2009, this section has been omitted from this report

The earnings report of the BML Group can be accessed at the following URL:

BML Website

<http://www.bml.co.jp/>

TSE Website

<http://www.tse.or.jp/listing/index.html>

3. Medium- and Long-Term Business Strategy

The BML Group's long-term vision is the development of a business that records ¥100 billion in sales annually. For the achievement of this target, we formulate and promote a medium-term business plan every three years. With the third medium-term business plan ending in March 2008, we formulated and announced our fourth medium-term business plan, "BML ADVANCE-2012", covering fiscal 2009 to fiscal 2011. In this new business plan, we see the next three years as a term for the enhancement of business quality, enabling us to reach the target of ¥100 billion in sales, and the establishment of an infrastructure for the further growth of the BML Group. We will work diligently to achieve our twin goals of reconstructing the business base and sustainable growth.

The following are the visions and the basic policies:

◎ Basic policies of the medium-term business plan

- Strengthening of earnings base in clinical testing business
- Establishment of base for expansion of electronic patient chart system business
- Promotion of alliance activities with local testing centers
- Growth and enhancement of related businesses (food sanitation and SMO)
- Education and development of human resources
- Co-existing with society (social action programs)

4. Tasks Ahead

(1) Strengthening Business Structure

In clinical testing business, consignment fees can be expected to trend downward due to medical system reforms and revision of the remuneration system for medical services conducted by the government, and price competition in a mature and crowded market. For this reason, establishing a robust business structure and earnings capacity to prosper under such circumstances are urgent requirements. As well as making efforts to both maintain and improve consignment fees in our testing consignment system, regarding our main laboratory, BML General Laboratory, we are working to improve service quality utilizing next-generation laboratories and streamlining the specimen receiving section and bacteria testing field as continuous challenge for atomization. With the new systems, we will strengthen the competitiveness of clinical testing business by enhancing productivity and improving user services.

(2) Early Fostering of Peripheral Businesses

Our peripheral businesses – medical informatics business and food sanitation business – have been steadily growing. We will accelerate this growth to make these businesses new earning pillars through positive business development.

Regarding medical informatics business, since we anticipate the further development of medical computerization, such as compulsory digitalized billing, and see improved synergies between the electronic patient chart system “Medical Station” and clinical testing, we have integrated both businesses of a sales division with the aim of expanding the business domain. Also, we increased the line of products for meeting various users’ needs and worked to strengthen the functions of “Medical Station” while developing a new electronic patient chart system.

Also, regarding food sanitation business, in addition to a positive business environment, this business steadily grew thanks largely to a capital injection from Mitsubishi Corporation. Although the market is somewhat volatile, continuous growth is expected. We plan to acquire new users through additional enforcement of the existing system.

(3) Reinforcement of Group Management

Since each group company acts as one of the BML Group’s business departments or local sales departments, we can improve group management and enhance capital efficiency and profitability by conducting sectional and regional business integration on a consolidated basis. While improving synergies and efficiency of group management through cooperation with these group companies and consolidating business operations, we strengthen management of the group through M&As and alliances with local testing laboratories, leading to the reorganization of laboratory networks, improvement of group management by integration of operations and specimen collections.

5. Consolidated financial statements

(1) Consolidated balance sheets

	(Thousands of yen)	
	Fiscal Year Ended March 2009	Fiscal Year Ended March 2010
ASSETS		
Current assets		
Cash and time deposits	12,029,899	16,840,944
Notes and accounts receivable	13,968,896	13,933,977
Goods	154,543	198,813
Products	394,830	405,441
Raw materials	985,117	1,103,096
Deferred tax assets	923,450	1,041,138
Other current assets	753,706	844,167
Allowance for doubtful accounts	△65,867	△44,142
Total current assets	29,144,577	34,323,436
Non-current assets		
Property, plant and equipment		
Buildings and structures	10,150,754	9,859,024
Machinery, equipment and vehicles	4,521,724	3,758,227
Land	10,727,959	10,805,839
Lease	763,668	1,231,324
Others	179,183	127,473
Total property, plant and equipment	26,343,289	25,781,890
Intangible assets		
Software	2,625,039	2,502,882
Other intangible assets	915,813	670,956
Total intangible assets	3,540,853	3,173,839
Investments and other assets		
Investments in securities	1,343,111	1,674,821
Deferred tax assets	1,600,839	1,564,174
Other	908,129	1,050,588
Allowance for doubtful accounts	△71,261	△51,035
Total investments and other assets	3,780,819	4,238,548
Total non-current assets	33,664,963	33,194,278
Total assets	62,809,540	67,517,715

	Fiscal Year Ended March 2009	Fiscal Year Ended March 2010
Liabilities and net assets		
Current liabilities		
Trade notes/accounts receivable	8,543,535	8,924,080
Short-term bank loans	951,500	930,000
Accrued income taxes	1,548,799	1,798,130
Other current liabilities	5,617,946	6,211,842
Total current liabilities	16,661,782	17,864,053
Long-term liabilities		
Lease obligations	650,363	1,017,343
Accrued employees' retirement benefits and allowance	3,123,460	3,440,832
Accrued directors' and auditors' retirement benefits	132,373	176,857
Other long-term liabilities	759,425	499,938
Total long-term liabilities	4,665,622	5,134,972
Total liabilities	21,327,404	22,999,025
Net assets		
Shareholders' equity		
Common stock	6,045,586	6,045,586
Capital surplus	6,647,010	6,646,998
Retained earnings	29,353,522	32,210,040
Treasury stock	△1,268,830	△1,263,835
Total shareholders' equity	40,777,288	43,638,789
Valuation and translation equity		
Unrealized gain on securities	57,775	112,693
Total valuation and translation equity	57,775	112,693
Stock options	39,963	55,375
Minority interests	607,109	711,830
Total net assets	41,482,135	44,518,689
Total liabilities and net assets	62,809,540	67,517,715

(2) Consolidated Statements of Income

	Fiscal Year Ended March 2009	Fiscal Year Ended March 2010
Net sales	77,198,713	79,259,997
Cost of sales	48,742,384	50,020,350
Gross profit	28,456,329	29,239,647
Selling, general and administrative expenses	22,863,515	22,740,718
Operating income	5,592,813	6,498,928
Other income		
Dividends received	—	37,522
Royalty income	51,201	49,427
Subsidy income	37,042	47,826
Royalty received	57,335	—
Other	213,478	187,338
Other income, net	359,059	322,114
Other expenses		
Interest expense	28,221	37,512
Rental cost of real estate	24,563	18,921
Equipment rental expense	35,622	—
Other	19,425	13,756
Other expenses, net	107,832	70,190
Ordinary income	5,844,040	6,750,853
Extraordinary income		
Gain from sale of fixed asset	5,927	—
Gain from sale of shares in affiliates	—	5,272
Insurance received	—	20,325
Reversal of allowance for doubtful accounts	9,418	15,630
Other	1,767	6,934
Total extraordinary income	17,113	48,162
Extraordinary losses		
Loss on disposal of property, plant and equipment	84,992	186,532
Loss on revaluation of investments in securities	24,280	—
Loss on impairment	64,148	—
Condolence money	—	50,000
Compensation	21,791	—
Other	15,276	77,237
Total extraordinary losses	210,490	313,769
Income before income taxes and minority interests	5,650,663	6,485,246
Corporate, inhabitants' and enterprise taxes	2,592,371	2,929,337
Deferred taxes	△158,732	△124,270
Total corporate tax and others	2,433,638	2,805,067
Minority interests	141,804	129,945
Net income	3,075,220	3,550,233

(3) Consolidated Statements of Changes in Shareholders' Equity

	Fiscal Year Ended March 2009	Fiscal Year Ended March 2010
Shareholders' equity		
Common stock		
Balance at end of previous term	6,045,586	6,045,586
Changes during term under review		
Total changes during term under review	—	—
Balance at end of term under review	6,045,586	6,045,586
Capital surplus		
Balance at end of previous term	6,646,998	6,647,010
Changes during term under review		
Disposal of treasury stock	11	△4,518
Transfer of loss on disposal of treasury stock		4,507
Total changes during term under review	11	△11
Balance at end of term under review	6,647,010	6,646,998
Retained earnings		
Balance at end of previous term	26,861,961	29,353,522
Changes during term under review		
Distribution of retained earnings	△583,658	△689,813
Change in consolidation scope	—	604
Net income	3,075,220	3,550,233
Transfer of loss on disposal of treasury stock		△4,507
Total changes during term under review	2,491,561	2,856,517
Balance at end of term under review	29,353,522	32,210,040
Treasury stock		
Balance at end of previous term	△1,268,543	△1,268,320
Changes during term under review		
Acquisition of treasury stock	△328	△186
Disposal of treasury stock	40	5,182
Total changes during term under review	△287	4,995
Balance at end of term under review	△1,268,830	△1,263,835
Total shareholders' equity		
Balance at end of previous term	38,286,003	40,777,288
Changes during term under review		
Distribution of retained earnings	△583,658	△689,813
Change in consolidation scope	—	604
Net income	3,075,220	3,550,233
Acquisition of treasury stock	△328	△186
Disposal of treasury stock	52	663
Total changes during term under review	2,491,285	2,861,501
Balance at end of term under review	40,777,288	43,638,789

	Fiscal Year Ended March 2009	Fiscal Year Ended March 2010
Valuation/translation gains or losses		
Net unrealized gains or losses on securities		
Balance at end of previous term	58,433	57,775
Changes during term under review		
Changes during term not related to shareholders' equity (net)	△ 658	54,918
Total changes during term under review	△ 658	54,918
Balance at end of term under review	57,775	112,693
Total valuation/translation gains or losses		
Balance at end of previous term	58,433	57,775
Changes during term under review		
Changes during term not related to shareholders' equity (net)	△ 658	54,918
Total changes during term under review	△ 658	54,918
Balance at end of term under review	57,775	112,693
Stock acquisition rights		
Balance at end of previous term	25,704	39,963
Changes during term under review		
Changes during term not related to shareholders' equity (net)	14,259	15,412
Total changes during term under review	14,259	15,412
Balance at end of term under review	39,963	55,375
Minority interests		
Balance at end of previous term	471,870	607,109
Changes during term under review		
Changes during term not related to shareholders' equity (net)	135,239	104,721
Total changes during term under review	135,239	104,721
Balance at end of term under review	607,109	711,830
Total net assets		
Balance at end of previous term	38,842,011	41,482,135
Changes during term under review		
Distribution of retained earnings	△ 583,658	△ 689,813
Change in consolidation scope	—	604
Net income	3,075,220	3,550,233
Acquisition of treasury stock	△ 328	△ 186
Disposal of treasury stock	52	663
Changes during term not related to shareholders' equity (net)	148,839	175,052
Total changes during term under review	2,640,124	3,036,553
Balance at end of term under review	41,482,135	44,518,689

(4) Consolidated Statements of Cash Flows

	Fiscal Year Ended March 2009	Fiscal Year Ended March 2010
Cash flows from operating activities		
Income before tax	5,650,663	6,485,246
Depreciation and amortization	3,796,396	4,360,672
Amortization of goodwill	290,233	230,312
Increase in reserve for retirement allowance	247,385	317,372
Interest expenses	28,221	37,512
Loss on disposal of property, plant and equipment	84,992	186,532
Loss due to impairment	64,148	—
Decrease (increase) in trade receivables	△69,338	11,197
Decrease in inventories	△29,235	△174,788
Increase in trade payables	383,269	391,668
Increase in accrued consumption tax	△48,472	252,741
Other	△532,123	△233,015
Sub-total	9,866,140	11,865,452
Interest paid	△28,299	△35,536
Income tax paid	△2,387,663	△2,695,789
Other	267,374	254,153
Cash flows from operating activities	7,717,551	9,388,279
Cash flows from investing activities		
Transfers to time deposits	△884,750	△862,678
Proceeds from maturity of time deposits	876,725	871,078
Purchases of property, plant and equipment	△5,155,455	△2,450,104
Purchases of intangible assets	△1,099,740	△787,432
Purchases of investment in securities	△408,012	△189,432
Payments for acquisition of shares in affiliates	△191,667	△89,332
Proceeds from loans receivable	29,507	—
Income for acquisition of a subsidiary's stock accompanied by a change in the scope of consolidation	—	30,524
Payments for acquisition of a subsidiary's stock accompanied by a change in the scope of consolidation	△47,097	—
Payments for loans receivable	—	△274,650
Other	4,650	99,184
Cash flows from investing activities	△6,875,840	△3,653,027
Cash flows from financing activities		
Net increase in short-term bank loan	1,005,000	—
Net decrease in short-term bank loan	△1,051,205	—
Net change in short-term bank loan	—	△6,500
Proceeds from issuance of long-term loan	△625,100	—
Dividends paid	△583,658	△689,813
Net decrease in lease obligation	—	△193,194
Other	△46,741	△26,299
Cash flows from financing activities	△1,301,705	△915,807
Net change in cash and cash equivalents	△459,995	4,819,444
Cash and cash equivalents at beginning of term	11,785,906	11,325,911
Cash and cash equivalents at end of term	11,325,911	16,145,355