

## Consolidated Statements of Cash Flows

Years ended March 31, 2009 and 2008

	Millions of yen	
	Year ended March 31, 2009	Year ended March 31, 2008
Cash Flows from Operating Activities:		
(Loss) income before income taxes and minority interests	¥ (1,920)	¥ 1,368
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	2,050	1,992
Amortization of negative goodwill	(184)	(184)
Increase (decrease) in provision for retirement benefits	350	403
Increase (decrease) in provision for directors' retirement benefits	(13)	(180)
Increase (decrease) in allowance for claims management	(68)	68
Increase (decrease) in provision for bonuses	(512)	100
Increase (decrease) in provision for directors' bonuses	(42)	(7)
Increase (decrease) in allowance for doubtful accounts	76	(104)
Interest and dividend income	(130)	(178)
Interest expenses	224	232
Foreign exchange losses (gains)	(11)	143
Loss (gain) on sales and retirement of property, plant and equipment	111	98
Equity in earnings or losses of affiliates	(44)	(71)
Loss (gain) on sales of investment securities	(5)	(2)
Loss on compensation for damages	292	—
Change in assets and liabilities:		
Decrease (increase) in notes and accounts receivable - trade	2,482	1,187
Decrease (increase) in inventories	1,022	(563)
Increase (decrease) in notes and accounts payable - trade	(2,377)	346
Other, net	(371)	(246)
Subtotal	931	4,402
Interest and dividend income received	151	239
Interest expenses paid	(227)	(230)
Compensation for damages paid	(292)	—
Income taxes paid	(401)	(968)
Net cash provided by (used in) operating activities	160	3,443
Cash Flows from Investing Activities:		
Payments into time deposits	(51)	(11)
Proceeds from withdrawal of time deposits	1	17
Purchases of property, plant and equipment	(1,697)	(1,332)
Proceeds from sales of property, plant and equipment	46	90
Purchase of intangible assets	(241)	(266)
Purchase of investment securities	(57)	(219)
Proceeds from sales of investment securities	9	20
Payments of loans receivable	(146)	(171)
Collection of loans receivable	142	180
Other, net	56	257
Net cash provided by (used in) investing activities	(1,938)	(1,434)
Cash Flows from Financing Activities:		
Increase in short-term loans payable	10,563	15,210
Decrease in short-term loans payable	(10,194)	(14,843)
Proceeds from long-term loans payable	2,530	30
Repayment of long-term loans payable	(2,371)	(295)
Proceeds from sales of treasury stock	1	16
Purchase of treasury stock	(3)	(864)
Purchase of treasury stock of subsidiaries in consolidation	(11)	(51)
Cash dividends paid	(372)	(390)
Cash dividends paid to minority shareholders	(210)	(141)
Other, net	(8)	—
Net cash provided by (used in) financing activities	(77)	(1,328)
Effect of exchange rate change on cash and cash equivalents	(358)	(146)
Net increase (decrease) in cash and cash equivalents	(2,214)	533
Cash and cash equivalents at beginning of year	12,336	11,803
Cash and cash equivalents of the end of year	¥ 10,122	¥ 12,336

See accompanying notes to consolidated financial statements.