

Consolidated Statements of Cash Flows

Years ended March 31, 2008 and 2007

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2008	2007	2008
Cash flows from operating activities:			
Income before income taxes and minority interests.....	¥ 44,313	¥ 45,170	\$ 442,290
Adjustments for:			
Depreciation and amortization	39,547	32,694	394,720
Amortization of goodwill	0	2	0
Decrease in allowance for doubtful accounts	(50)	(190)	(499)
(Decrease) increase in accrued retirement benefits for directors.....	(9)	199	(90)
Decrease in accrued retirement benefits for employees	(5,993)	(14,215)	(59,816)
Increase (decrease) in reserve for product defect compensation.....	678	(1,353)	6,767
(Decrease) increase in other current and long-term liabilities resulting from amendment of pension plans	(2,287)	11,641	(22,827)
Interest and dividend income.....	(989)	(822)	(9,871)
Interest expense.....	5,761	5,462	57,501
Translation adjustments and foreign exchange (gain) loss, net	(967)	219	(9,652)
Equity in earnings of affiliates	(1,523)	(484)	(15,201)
Gain on contribution of securities to employees' retirement benefits trust	(4,073)	-	(40,653)
Contribution to employees' retirement benefits trust	5,626	-	56,152
Decrease (increase) in trade receivables	2,702	(12,382)	26,969
(Increase) decrease in inventories	(6,734)	1,427	(67,212)
Increase in trade payables.....	11,130	7,847	111,089
Payments of bonuses to directors and corporate auditors.....	-	(180)	-
Other.....	(1,833)	(1,901)	(18,295)
Subtotal	85,299	73,134	851,372
Interest and dividend income received	1,817	1,530	18,136
Interest paid	(5,749)	(5,044)	(57,381)
Income taxes paid	(15,104)	(11,134)	(150,754)
Net cash provided by operating activities.....	¥ 66,263	¥ 58,486	\$ 661,373
Cash flows from investing activities:			
(Increase) decrease in short-term investments	¥ (820)	¥ 561	\$ (8,184)
Purchases of property, plant and equipment.....	(57,515)	(58,099)	(574,059)
Purchases of other assets	(659)	(510)	(6,578)
Proceeds from sales of property, plant and equipment.....	131	447	1,308
Purchases of investment securities	(24,254)	(7,863)	(242,080)
Proceeds from sales of investment securities	73	3,302	729
Increase in investments in affiliates accounted for by the equity method	(702)	(10,487)	(7,007)
Other	197	464	1,965
Net cash used in investing activities.....	(83,549)	(72,185)	(833,906)
Cash flows from financing activities:			
Increase in short-term bank loans, net	11,863	6,404	118,405
Proceeds from long-term debt.....	17,218	22,103	171,853
Repayment of long-term debt, including current portion	(5,491)	(12,407)	(54,806)
Proceeds from issuance of common stock assigned to minority shareholders of consolidated subsidiaries	916	865	9,143
Cash dividends paid	(8,450)	(6,007)	(84,340)
Other	(450)	(36)	(4,491)
Net cash provided by financing activities.....	15,606	10,922	155,764
Effect of exchange rate changes on cash and cash equivalents.....	2,132	(1,030)	21,280
Net increase (decrease) in cash and cash equivalents.....	452	(3,807)	4,511
Cash and cash equivalents at beginning of the year.....	32,084	35,891	320,232
Cash and cash equivalents at end of the year.....	¥ 32,536	¥ 32,084	\$ 324,743

See accompanying notes to the consolidated financial statements