

Consolidated Statements of Cash Flows

Years ended March 31, 2010 and 2009

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2010	2009	2010
Cash flows from operating activities:			
Loss before income taxes and minority interests.....	¥ (1,838)	¥ (10,104)	\$ (19,755)
Adjustments for:			
Depreciation and amortization	40,703	45,759	437,479
Amortization of negative goodwill.....	(1,132)	(1,239)	(12,167)
Increase (decrease) in allowance for doubtful accounts	26	(201)	279
Decrease in allowance for directors' bonuses	(11)	(164)	(118)
(Decrease) increase in accrued retirement benefits for employees.....	(1,620)	74	(17,412)
(Decrease) increase in reserve for product defect compensation.....	(200)	161	(2,150)
Decrease in other current and long-term liabilities resulting from amendment of pension plans	(1,978)	(2,184)	(21,260)
Interest and dividend income.....	(591)	(1,059)	(6,352)
Interest expense	3,965	5,310	42,616
Translation adjustments and foreign exchange loss, net.....	229	758	2,461
Equity in losses (earnings) of affiliates	120	(564)	1,290
Gain on sales of investments in subsidiaries (Note 21)	(723)	–	(7,771)
Loss on impairment of fixed assets.....	350	3,064	3,762
Loss on valuation of investments in subsidiaries and affiliates	238	–	2,558
Loss on valuation of investment securities	–	13,921	–
(Increase) decrease in trade receivables.....	(23,391)	45,255	(251,408)
Decrease (increase) in inventories	11,165	(14,338)	120,002
Increase (decrease) in trade payables	18,566	(49,891)	199,549
Other	6,942	(767)	74,614
Subtotal.....	50,820	33,791	546,217
Interest and dividend income received	1,136	1,823	12,210
Interest paid	(4,303)	(5,699)	(46,249)
Income taxes paid	(3,683)	(8,540)	(39,586)
Net cash provided by operating activities.....	¥ 43,970	¥ 21,375	\$ 472,592
Cash flows from investing activities:			
Decrease (increase) in short-term investments.....	¥ 85	¥ (1,393)	\$ 914
Purchases of property, plant and equipment.....	(25,401)	(54,273)	(273,012)
Purchases of other assets	(541)	(609)	(5,815)
Proceeds from sales of property, plant and equipment.....	25	117	269
Purchases of investment securities	(1,900)	(2,304)	(20,421)
Proceeds from sales of investment securities	–	192	–
Purchase of investments in subsidiaries.....	–	(1,751)	–
Purchase of investments in subsidiaries resulting in change in scope of consolidation (Note 21).....	–	(2,988)	–
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation (Note 21).....	2,421	–	26,021
Other	(248)	93	(2,666)
Net cash used in investing activities.....	(25,559)	(62,916)	(274,710)
Cash flows from financing activities:			
(Decrease) increase in short-term bank loans, net.....	(45,447)	45,292	(488,467)
Proceeds from long-term debt.....	19,527	45,545	209,877
Repayment of long-term debt, including current portion	(12,224)	(12,339)	(131,384)
Redemption of convertible bonds with subscription rights to shares	–	(24,519)	–
Proceeds from issuance of common stock assigned to minority shareholders of consolidated subsidiaries	–	25	–
Proceeds from issuance of common stock	23,884	–	256,707
Cash dividends paid	(4,006)	(8,917)	(43,057)
Repayments of lease obligations.....	(150)	–	(1,612)
Other	(146)	(536)	(1,570)
Net cash (used in) provided by financing activities.....	(18,562)	44,551	(199,506)
Effect of exchange rate changes on cash and cash equivalents.....	1,914	(4,704)	20,573
Net increase (decrease) in cash and cash equivalents.....	1,763	(1,694)	18,949
Cash and cash equivalents at beginning of the year.....	30,996	32,536	333,147
Increase due to merger of a unconsolidated subsidiary.....	–	154	–
Cash and cash equivalents at end of the year.....	¥ 32,759	¥ 30,996	\$ 352,096

See accompanying notes to the consolidated financial statements.