

Consolidated Statements of Cash Flows

Years ended March 31, 2008, 2007 and 2006	Millions of yen			Thousands of U.S. dollars (Note 3)
	2008	2007	2006	2008
CASH FLOWS FROM OPERATING ACTIVITIES:				
Income before income taxes and minority interests	¥ 30,518	¥ 40,474	¥ 34,163	\$ 305,188
Depreciation and amortization	21,528	17,544	15,721	215,284
Increase (decrease) in allowance for doubtful receivables	(932)	(345)	477	(9,324)
Interest and dividend income	(4,043)	(3,709)	(2,849)	(40,431)
Interest expense	5,275	3,868	2,987	52,756
Exchange (gain) loss	(1,459)	(941)	(106)	(14,599)
Gain on sales of property, plant and equipment	(945)	(55)	(3,347)	(9,458)
Gain on sales of investment securities	(493)	(1,434)	(1,033)	(4,936)
Gain on withdrawing pension assets in trust	-	(991)	-	-
Gain on transition of retirement benefits plans	-	(357)	-	-
Loss on devaluation of investment securities	222	417	1,024	2,220
Extraordinary loss/other	2,318	2,509	4,960	23,190
Changes in operating assets and liabilities:				
Trade receivables	(30,740)	(19,967)	2,205	(307,405)
Inventories	(16,381)	(7,116)	(409)	(163,819)
Trade payables	(7,913)	15,367	4,643	(79,138)
Advances from customers	14,540	(3,937)	(2,374)	145,403
Other, net	(8,806)	(14,137)	10,561	(88,038)
Cash generated from operations	2,689	27,190	66,623	26,893
Interest and dividends received	4,006	3,704	2,873	40,065
Interest paid	(5,170)	(3,719)	(3,011)	(51,704)
Income taxes paid	(14,720)	(14,411)	(6,285)	(147,210)
Net cash provided by (used in) operating activities	(13,195)	12,764	60,200	(131,956)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Additions to property, plant and equipment	(35,129)	(33,010)	(19,380)	(351,292)
Proceeds from sales of property, plant and equipment	753	1,733	11,225	7,534
Payments for purchase of investment securities	(652)	(2,592)	(1,147)	(6,530)
Proceeds from sales of investment securities	3,809	2,796	2,977	38,095
Disbursements for long-term loans	(16,572)	(16,276)	(18,789)	(165,729)
Decrease in long-term loans	15,921	16,827	20,834	159,214
Other, net	(4,824)	(3,918)	(2,317)	(48,240)
Net cash used in investing activities	(36,694)	(34,440)	(6,597)	(366,948)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Decrease in short-term debt	44,188	(18,373)	(37,247)	441,880
Proceeds from long-term debt	17,643	20,408	1,304	176,440
Repayment of long-term debt	(61,470)	(47,154)	(9,143)	(614,701)
Proceeds from issuance of bonds	60,000	70,000	-	600,000
Proceeds from sale of treasury stock	42	5	3	421
Purchase of common stock in treasury	(111)	(99)	(92)	(1,114)
Cash dividends paid	(5,718)	(5,719)	(3,933)	(57,188)
Dividends paid to minorities	(73)	(42)	(362)	(735)
Other, net	(290)	(270)	-	(2,873)
Net cash provided by (used in) financing activities	54,211	18,756	(49,470)	542,130
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS				
	(1,427)	213	591	(14,278)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS ...	2,895	(2,707)	4,724	28,948
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	19,135	21,413	16,215	191,354
CASH AND CASH EQUIVALENTS OF				
NEWLY CONSOLIDATED SUBSIDIARIES	26	164	474	266
INCREASE RESULTING FROM MERGER OF A CONSOLIDATED				
SUBSIDIARY WITH A NON-CONSOLIDATED SUBSIDIARY	36	265	-	360
CASH AND CASH EQUIVALENTS AT END OF YEAR	¥ 22,092	¥ 19,135	¥ 21,413	\$ 220,928

The accompanying Notes to the Consolidated Financial Statements are an integral part of these statements.