

Consolidated Statements of Cash Flows

| | Millions of yen | | Millions of U.S. dollars |
|---|-----------------|----------|-----------------------------|
| | FY2015 | FY2014 | FY2015 |
| I Cash flows from operating activities | | | |
| Income before income taxes and minority interests | 46,566 | 45,719 | 412 |
| Depreciation and amortization | 29,723 | 33,615 | 263 |
| Increase (decrease) in allowance for doubtful accounts | (527) | 657 | (5) |
| Interest and dividends income | (3,037) | (2,526) | (27) |
| Interest expenses | 2,136 | 2,551 | 19 |
| Foreign exchange losses (gains) | 6 | 610 | 0 |
| Loss (gain) on sales of noncurrent assets | (989) | (81) | (9) |
| Loss (gain) on sales of investment securities | (2,351) | (2,778) | (21) |
| Loss (gain) on change in equity | - | (4,843) | - |
| Loss (gain) on disposal of noncurrent assets | 775 | 880 | 7 |
| Loss (gain) on devaluation of investment securities | 167 | 447 | 1 |
| Impairment loss | 282 | 2,830 | 2 |
| Loss on liquidation of subsidiaries | 470 | - | 4 |
| Decrease (increase) in notes and accounts receivable-trade | (22,609) | (8,646) | (200) |
| Decrease (increase) in inventories | (7,811) | (12,572) | (69) |
| Increase (decrease) in notes and accounts payable-trade | 12,513 | 3,410 | 111 |
| Increase (decrease) in advances received | 1,750 | 3,958 | 15 |
| Other, net | (1,439) | (4,457) | (13) |
| Subtotal | 55,627 | 58,775 | 492 |
| Interest and dividends income received | 3,035 | 2,572 | 27 |
| Interest expenses paid | (2,186) | (2,536) | (19) |
| Income taxes paid | (8,026) | (7,352) | (71) |
| Net cash provided by operating activities | 48,450 | 51,459 | 429 |
| II Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | (17,843) | (15,248) | (158) |
| Proceeds from sales of property, plant and equipment | 1,994 | 868 | 18 |
| Purchase of investment securities | (4,657) | (10,253) | (41) |
| Proceeds from sales of investment securities | 5,878 | 6,233 | 52 |
| Payments of loans receivable | (6,888) | (6,530) | (61) |
| Collection of loans receivable | 6,242 | 5,578 | 55 |
| Other, net | (4,134) | (3,397) | (37) |
| Net cash used in investing activities | (19,410) | (22,750) | (172) |
| III Cash flows from financing activities | | | |
| Net increase (decrease) in short-term loans payable | (11,245) | (7,926) | (100) |
| Increase (decrease) in commercial papers | 3,000 | 19,000 | 27 |
| Proceeds from long-term loans payable | 19,520 | 751 | 173 |
| Repayment of long-term loans payable | (20,106) | (24,357) | (178) |
| Proceeds from issuance of bonds | 15,000 | - | 133 |
| Redemption of bonds | (15,000) | - | (133) |
| Repayments of lease obligations | (14,490) | (14,562) | (128) |
| Proceeds from sales of treasury stock | 1 | 1 | 0 |
| Purchase of treasury stock | (28) | (37) | (0) |
| Cash dividends paid | (7,144) | (5,715) | (63) |
| Cash dividends paid to minority shareholders | (1,002) | (982) | (9) |
| Other, net | (70) | - | (1) |
| Net cash used in financing activities | (31,566) | (33,828) | (279) |
| IV Effect of exchange rate change on cash and cash equivalents | (2,099) | 1,718 | (19) |
| V Net increase (decrease) in cash and cash equivalents (I + II + III + IV) | (4,625) | (3,401) | (41) |
| VI Cash and cash equivalents at beginning of period | 31,895 | 33,412 | 282 |
| VII Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation | 3,552 | 1,883 | 31 |
| VIII Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries | 17 | - | 0 |
| IX Cash and cash equivalents at end of period | 30,838 | 31,895 | 273 |