

# Consolidated Statements of Cash Flows

Years ended March 31, 2011 and 2010	Millions of yen		Thousands of U.S. dollars (Note 3)
	2011	2010	2011
<b>Cash Flows from Operating Activities:</b>			
Income (loss) before income taxes and minority interests	¥ 26,447	¥ (8,427)	\$ 318,650
Depreciation and amortization	27,945	26,053	336,693
Increase (decrease) in allowance for doubtful accounts	(11)	103	(137)
Interest and dividend income	(2,913)	(2,866)	(35,102)
Interest expense	5,585	6,993	67,299
Foreign exchange losses (gains)	748	(321)	9,022
Gain on sales of noncurrent assets	(232)	(4,056)	(2,798)
Gain on sales of investment securities	(30,760)	(295)	(370,611)
Gain on sales of subsidiaries' stocks	(539)	-	(6,495)
Loss on adjustment for changes of accounting standard for asset retirement obligations	2,270	-	27,357
Loss on devaluation of investment securities	2,863	257	34,496
Loss on disposal of noncurrent assets	923	898	11,127
Impairment loss	1,269	-	15,301
Changes in operating assets and liabilities:			
Notes and accounts receivable-trade	24,122	(38,777)	290,631
Inventories	(16,179)	59,002	(194,932)
Notes and accounts payable-trade	5,384	8,581	64,872
Advances received	10,525	(24,402)	126,817
Other, net	3,680	(2,516)	44,291
Cash generated from operations	61,127	20,227	736,481
Interest and dividends received	2,745	2,814	33,078
Interest expenses paid	(5,381)	(6,910)	(64,834)
Income taxes paid	(4,638)	(4,208)	(55,892)
Net cash provided by operating activities	53,853	11,923	648,833
<b>Cash Flows from Investing Activities:</b>			
Purchase of property, plant and equipment	(12,321)	(10,606)	(148,446)
Proceeds from sales of property, plant and equipment	4,987	12,852	60,087
Purchase of investment securities	(398)	(361)	(4,800)
Proceeds from sales of investment securities	94,153	1,408	1,134,379
Proceeds from sales of investments in subsidiaries	1,450	-	17,470
Payments of loans receivable	(7,439)	(11,844)	(89,634)
Collection of loans receivable	6,622	12,236	79,784
Other, net	(2,813)	(4,213)	(33,880)
Net cash provided by (used in) investing activities	84,241	(528)	1,014,960
<b>Cash Flows from Financing Activities:</b>			
Net decrease in short-term loans payable	(59,835)	(71,701)	(720,912)
Proceeds from long-term loans payable	1,709	60,937	20,594
Repayment of long-term loans payable	(24,692)	(47,105)	(297,499)
Proceeds from sales of treasury stock	1	0	16
Purchase of treasury stock	(11)	(8)	(144)
Cash dividends paid	(2,501)	-	(30,136)
Cash dividends paid to minority shareholders	(362)	(65)	(4,369)
Other, net	(7,777)	(4,633)	(93,676)
Net cash used in financing activities	(93,468)	(62,575)	(1,126,126)
<b>Effect of Exchange Rate Changes on Cash and Cash Equivalents</b>	<b>(1,103)</b>	<b>117</b>	<b>(13,299)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>43,523</b>	<b>(51,063)</b>	<b>524,368</b>
<b>Cash and Cash Equivalents at Beginning of Year</b>	<b>37,283</b>	<b>85,365</b>	<b>449,196</b>
<b>Increase in Cash and Cash Equivalents Resulting from Change of Scope of Consolidation</b>	<b>990</b>	<b>321</b>	<b>11,938</b>
<b>Increase in Cash and Cash Equivalents Resulting from Merger of Subsidiaries</b>	<b>-</b>	<b>2,660</b>	<b>-</b>
<b>Cash and Cash Equivalents at End of Year</b>	<b>¥ 81,796</b>	<b>¥ 37,283</b>	<b>\$ 985,502</b>

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