

# Consolidated Statements of Cash Flows

Years ended March 31, 2012 and 2011	Millions of yen		Thousands of U.S. dollars (Note 3)
	2012	2011	2012
<b>Cash Flows from Operating Activities:</b>			
Income before income taxes and minority interests	¥ 5,348	¥ 26,447	\$ 65,220
Depreciation and amortization	29,755	27,945	362,875
Increase (decrease) in allowance for doubtful accounts	332	(11)	4,055
Interest and dividend income	(2,643)	(2,913)	(32,237)
Interest expense	4,937	5,585	60,208
Foreign exchange losses	203	748	2,479
Gain on sales of noncurrent assets	(2,081)	(232)	(25,380)
Gain on sales of investment securities	(290)	(30,760)	(3,544)
Gain on sales of subsidiaries' stocks	—	(539)	—
Loss on disposal of noncurrent assets	459	923	5,602
Loss on devaluation of investment securities	207	2,863	2,526
Loss on disappearance of pension assets	6,987	—	85,211
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	2,270	—
Impairment loss	—	1,269	—
Changes in operating assets and liabilities:			
Notes and accounts receivable—trade	(2,034)	24,122	(24,812)
Inventories	(23,476)	(16,179)	(286,304)
Notes and accounts payable—trade	2,110	5,384	25,736
Advances received	9,030	10,525	110,124
Other, net	6,389	3,680	77,921
Cash generated from operations	35,233	61,127	429,680
Interest and dividends received	2,920	2,745	35,621
Interest expenses paid	(5,371)	(5,381)	(65,511)
Income taxes paid	(4,468)	(4,638)	(54,496)
Net cash provided by operating activities	28,314	53,853	345,294
<b>Cash Flows from Investing Activities:</b>			
Purchase of property, plant and equipment	(15,014)	(12,321)	(183,109)
Proceeds from sales of property, plant and equipment	4,418	4,987	53,882
Purchase of investment securities	(275)	(398)	(3,360)
Proceeds from sales of investment securities	312	94,153	3,810
Proceeds from sales of investments in subsidiaries	—	1,450	—
Payments of loans receivable	(3,103)	(7,439)	(37,853)
Collection of loans receivable	3,163	6,622	38,583
Other, net	(2,990)	(2,813)	(36,454)
Net cash provided by (used in) investing activities	(13,489)	84,241	(164,501)
<b>Cash Flows from Financing Activities:</b>			
Net decrease in short-term loans payable	21,184	(59,835)	258,345
Proceeds from long-term loans payable	30,956	1,709	377,515
Repayment of long-term loans payable	(90,264)	(24,692)	(1,100,790)
Proceeds from issuance of bonds	20,000	—	243,902
Repayments of lease obligations	(11,319)	(7,777)	(138,046)
Proceeds from sales of treasury stock	0	1	4
Purchase of treasury stock	(5)	(11)	(63)
Cash dividends paid	(2,858)	(2,501)	(34,859)
Cash dividends paid to minority shareholders	(191)	(362)	(2,337)
Other, net	(96)	—	(1,142)
Net cash used in financing activities	(32,593)	(93,468)	(397,471)
<b>Effect of Exchange Rate Changes on Cash and Cash Equivalents</b>	(56)	(1,103)	(689)
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(17,824)	43,523	(217,367)
<b>Cash and Cash Equivalents at Beginning of Year</b>	81,796	37,283	997,520
<b>Increase in Cash and Cash Equivalents Resulting from Change of Scope of Consolidation</b>	289	990	3,529
<b>Cash and Cash Equivalents at End of Year</b>	¥ 64,261	¥ 81,796	\$ 783,682

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