

Consolidated Statements of Cash Flows

Years ended March 31, 2019 and 2018

	Millions of yen		Thousands of U.S. dollars (Note 3)
	2019	2018	2019
Cash Flows from Operating Activities:			
Income before income taxes	¥ 62,287	¥ 56,805	\$ 566,250
Depreciation and amortization	30,906	30,151	280,965
Increase (decrease) in allowance for doubtful accounts	802	(347)	7,295
Interest and dividend income	(3,122)	(2,503)	(28,388)
Interest expense	1,377	1,621	12,521
Foreign exchange losses (gains)	(544)	741	(4,948)
Gain on sales of noncurrent assets	(96)	(209)	(876)
Gain on sales of investment securities	(1,055)	(1,691)	(9,594)
Loss on disposal of noncurrent assets	1,121	366	10,194
Loss on devaluation of investment securities	279	776	2,543
Impairment loss	2,242	—	20,383
Foreign currency translation adjustments reversal gains	(1,299)	—	(11,813)
Changes in operating assets and liabilities:			
Trade receivables	(21,949)	(16,633)	(199,542)
Inventories	(26,937)	(6,933)	(244,883)
Trade payables	12,410	18,645	112,823
Advances received	(3,129)	3,487	(28,448)
Other, net	12,186	4,380	110,789
Cash generated from operations	65,479	88,656	595,271
Interest and dividends received	3,142	2,507	28,568
Interest expenses paid	(1,412)	(1,652)	(12,840)
Income taxes paid	(12,260)	(36,365)	(111,455)
Net cash provided by operating activities	54,949	53,146	499,544
Cash Flows from Investing Activities:			
Purchase of property, plant and equipment	(15,932)	(12,279)	(144,842)
Proceeds from sales of property, plant and equipment	354	640	3,220
Purchase of investment securities	(639)	(2,362)	(5,810)
Proceeds from sales of investment securities	1,600	2,741	14,546
Payments of loans receivable	(7,381)	(4,634)	(67,109)
Collection of loans receivable	7,339	5,299	66,723
Other, net	(6,789)	(3,955)	(61,713)
Net cash used in investing activities	(21,448)	(14,550)	(194,985)
Cash Flows from Financing Activities:			
Net decrease in short-term loans payable	(2,680)	(4,570)	(24,366)
Proceeds from long-term loans payable	3,044	2,060	27,679
Repayment of long-term loans payable	(2,068)	(25,559)	(18,805)
Proceeds from issuance of bonds	10,000	10,000	90,909
Redemption of bonds	(20,000)	(5,000)	(181,818)
Repayments of lease obligations	(13,106)	(12,785)	(119,153)
Proceeds from sales of treasury stock	2	0	20
Purchase of treasury stock	(32)	(43)	(297)
Cash dividends paid	(11,428)	(8,571)	(103,893)
Cash dividends paid to non-controlling interests	(1,340)	(2,364)	(12,184)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(512)	(1)	(4,655)
Other, net	(52)	(54)	(474)
Net cash used in financing activities	(38,172)	(46,887)	(347,037)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	338	(374)	3,078
Net Decrease in Cash and Cash Equivalents	(4,333)	(8,665)	(39,400)
Cash and Cash Equivalents at Beginning of Year	33,329	41,886	302,999
Increase in Cash and Cash Equivalents Resulting from Change of Scope of Consolidation	138	108	1,263
Cash and Cash Equivalents at End of Year	¥ 29,134	¥ 33,329	\$ 264,862

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