

Consolidated Statements of Cash Flows

Years Ended March 31, 2003 and 2002

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2003	2002	2003
OPERATING ACTIVITIES:			
Income before income taxes and minority interests	¥ 91,063	¥ 49,905	\$ 757,597
Adjustments for:			
Income taxes—paid	(31,064)	(27,728)	(258,438)
Depreciation and amortization	31,731	31,764	263,987
Loss on disposal of property, plant and equipment	1,650	858	13,728
Loss on devaluation of land	8,697		72,351
(Gain) loss on sales of marketable and investment securities	(1)	74	(7)
Equity in earnings of affiliated companies	(722)	(800)	(6,009)
Changes in assets and liabilities, net of effects from newly consolidated subsidiaries:			
Increase in notes and accounts receivable	(1,668)	(152)	(13,878)
Decrease (increase) in inventories	513	(1,428)	4,266
Increase in notes and accounts payable	7,150	966	59,486
Increase (decrease) in liability for employees' retirement benefits	(25,605)	9,610	(213,022)
Other—net	4,291	6,655	35,708
Total adjustments	(5,028)	19,819	(41,828)
Net cash provided by operating activities	86,035	69,724	715,769
INVESTING ACTIVITIES:			
Proceeds from sale of property, plant and equipment	759	772	6,313
Purchases of property, plant and equipment	(32,939)	(39,435)	(274,032)
Proceeds from sales of marketable and investment securities	6,399	5,777	53,234
Purchases of marketable and investment securities	(10,742)	(12,113)	(89,366)
Decrease (increase) in investments in and advances to non-consolidated subsidiaries and affiliates	(1,128)	426	(9,389)
Cash collected from long-term loans	3,033	2,538	25,234
Cash advanced for long-term loans	(2,582)	(1,312)	(21,478)
Other	(2,175)	(3,121)	(18,096)
Net cash used in investing activities	(39,375)	(46,468)	(327,580)
FINANCING ACTIVITIES:			
Proceeds from short-term bank loans	77		640
Repayments of short-term bank loans	(5,821)	(3,930)	(48,424)
Proceeds from long-term debt	5	2,227	41
Repayments of long-term debt	(51,644)	(17,987)	(429,649)
Dividends paid	(6,694)	(6,470)	(55,691)
Treasury stocks	(10,685)	(233)	(88,892)
Other	1,167	(554)	9,707
Net cash used in financing activities	(73,595)	(26,947)	(612,268)
FOREIGN CURRENCY TRANSLATION ADJUSTMENTS ON CASH AND CASH EQUIVALENTS			
	(93)	95	(778)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(27,028)	(3,596)	(224,857)
CASH AND CASH EQUIVALENTS OF NEWLY CONSOLIDATED SUBSIDIARIES, BEGINNING OF YEAR	4,118		34,261
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	155,303	158,899	1,292,037
CASH AND CASH EQUIVALENTS, END OF YEAR	¥132,393	¥155,303	\$1,101,441
NONCASH FINANCING ACTIVITIES:			
Proceeds from issuance of common stock upon conversion of convertible debt	¥ 8,496	¥ 290	\$ 70,674

See notes to consolidated financial statements.