

### (3) Statements of Cash Flows

Item	Term	1Q of FY2018	
		(April 1, 2016 - June 30, 2016)	(April 1, 2017 - June 30, 2017)
	(Yen millions)	(Yen millions)	(U.S.\$ thousands)
Cash flows from operating activities:			
Net income	12,587	11,174	99,768
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	20,628	20,551	183,491
Changes in assets and liabilities:			
Decrease (increase) in trade receivables	(35,538)	(29,623)	(264,491)
Decrease (increase) in inventories	(7,857)	(23,105)	(206,295)
Increase (decrease) in trade payables	32,767	19,708	175,964
Increase (decrease) in accrued expenses	(6,019)	(5,470)	(48,839)
Decrease (increase) in other assets and liabilities, net	(7,486)	(8,587)	(76,670)
Other-net	(351)	(4,291)	(38,312)
Net cash provided by (used in) operating activities	8,731	(19,643)	(175,384)
Cash flows from investing activities:			
Capital expenditures	(53,486)	(42,925)	(383,259)
Proceeds from sales of tangible and intangible assets	5,411	5,757	51,402
Proceeds from sale and maturity of short-term investments	7,529	29,982	267,696
Payment for purchase of short-term investments	(7,503)	(50,491)	(450,813)
Proceeds from sale and maturity of securities	67	20,375	181,920
Payment for purchase of securities	(165)	(70)	(625)
Acquisition of subsidiaries, net of cash acquired	-	(138,847)	(1,239,705)
Other-net	(95)	(46)	(411)
Net cash used in investing activities	(48,242)	(176,265)	(1,573,795)
Cash flows from financing activities:			
Proceeds from long-term debt	21,137	66,806	596,482
Repayment of long-term debt	(208)	(300)	(2,678)
Increase (decrease) in short-term debt, net	23,881	109,228	975,250
Dividends paid	(7,406)	(7,425)	(66,295)
Other-net	(92)	38	339
Net cash provided by financing activities	37,312	168,347	1,503,098
Effect of exchange rate changes on cash and cash equivalents	(24,918)	2,303	20,563
Net increase (decrease) in cash and cash equivalents	(27,117)	(25,258)	(225,518)
Cash and cash equivalents at beginning of period	285,468	330,388	2,949,893
Cash and cash equivalents at end of period	258,351	305,130	2,724,375

**Note:**

U.S.\$1=Yen 112, for convenience only.