

5) Statements of cash flows

Item	Term	The 1st Qtr. of FY2004 (April 1, 2003 - June 30, 2003)		The 1st Qtr. of FY2003 (April 1, 2002 - June 30, 2002)
		(Yen millions)	(U.S.\$ thousands)	(Yen millions)
Cash flows from operating activities:				
Net income		8,025	66,875	2,161
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization		11,717	97,642	14,469
Loss on disposal of property and equipment		718	5,983	1,083
Deferred income taxes		916	7,633	(169)
Loss on securities		1,180	9,833	-
Changes in assets and liabilities:				
Decrease in trade receivables		1,942	16,183	1,579
Decrease (increase) in inventories		(2,518)	(20,983)	3,639
Increase (decrease) in trade payables		(2,093)	(17,442)	4,370
Decrease in accrued salaries and wages, retirement pay		(5,471)	(45,591)	(17,707)
Increase (decrease) in income taxes payables, net		2,641	22,009	126
Other-net		8,628	71,900	204
Net cash provided by operating activities		25,685	214,042	9,755
Cash flows from investing activities:				
Capital expenditures		(8,555)	(71,292)	(6,342)
Proceeds from sales and maturities of investments		89	742	-
Payment for purchase of investments		(10)	(83)	(30)
Other-net		238	1,983	204
Net cash used in investing activities		(8,238)	(68,650)	(6,168)
Cash flows from financing activities:				
Proceeds from long-term debt		33	275	-
Repayment of long-term debt		(79)	(658)	(251)
Increase (decrease) in short-term debt, net		(15)	(125)	(56)
Payment to acquire treasury stock		(1)	(9)	(3)
Dividends paid		(3,316)	(27,633)	(2,657)
Net cash used in financing activities		(3,378)	(28,150)	(2,967)
Effect of exchange rate changes on cash and cash equivalents		631	5,258	(6,092)
Net increase (decrease) in cash and cash equivalents		14,700	122,500	(5,472)
Cash and cash equivalents at beginning of period		170,551	1,421,258	125,761
Cash and cash equivalents at end of period		185,251	1,543,758	120,289

Notes:

1. Statements of cash flows for the 1st quarter of FY2004 and FY2003 are unaudited by independent auditors.
2. U.S.\$1=Yen 120