

I-7) Statements of cash flows

Item	Term	FY2005		FY2004
		(April 1, 2004 - March 31, 2005)		(April 1, 2003 - March 31, 2004)
		(Yen millions)	(U.S.\$ thousands)	(Yen millions)
Cash flows from operating activities:				
Net income		44,948	420,075	42,101
Loss from discontinued operations, net of tax		3,665	34,252	762
Income from continuing operations		48,613	454,327	42,863
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization		52,806	493,514	50,726
Loss on disposal of property and equipment		1,190	11,121	1,363
Deferred income taxes		(5,220)	(48,785)	2,214
Loss (gain) on securities, net		142	1,327	1,093
Gain on sale of a subsidiary		(1,799)	(16,813)	(567)
Changes in assets and liabilities:				
Increase in trade receivables		(7,343)	(68,626)	(7,680)
Decrease (increase) in inventories		3,461	32,346	(7,868)
Increase in trade payables		245	2,290	8,200
Increase (decrease) in accrued expenses		(3,840)	(35,888)	8,878
Increase (decrease) in income taxes payables, net		3,848	35,963	5,704
Increase in retirement and severance benefits		2,519	23,542	9,285
Other-net		(1,040)	(9,720)	(391)
Net cash provided by operating activities		93,582	874,598	113,820
Cash flows from investing activities:				
Capital expenditures		(61,005)	(570,140)	(44,471)
Proceeds from sale and maturities of investments in securities		1,788	16,710	1,814
Payment for purchase of investments in securities		(2,424)	(22,654)	(1)
Payment for purchase of other investments		(221)	(2,065)	(442)
Proceeds from sales of property, plant and equipment		999	9,336	4,299
Acquisition of minority interests		-	-	(366)
Proceeds from sale of a subsidiary		-	-	1,523
Other-net		-	-	(3)
Net cash used in investing activities		(60,863)	(568,813)	(37,647)
Cash flows from financing activities:				
Proceeds from long-term debt		218	2,037	69
Repayment of long-term debt		(164)	(1,533)	(479)
Increase (decrease) in short-term debt, net		(330)	(3,084)	(1,047)
Sale (purchase) of treasury stock, net		(1,244)	(11,626)	(1,579)
Dividends paid		(7,938)	(74,187)	(6,625)
Net cash used in financing activities		(9,458)	(88,393)	(9,661)
Net cash provided by (used in) discontinued operations		(1,625)	(15,187)	761
Effect of exchange rate changes on cash and cash equivalents		2,717	25,393	(10,669)
Net increase in cash and cash equivalents		24,353	227,598	56,604
Cash and cash equivalents at beginning of period		227,155	2,122,944	170,551
Cash and cash equivalents at end of period		251,508	2,350,542	227,155

Notes:

- In accordance with SFAS No.144, "Accounting for the Impairment or Disposal of Long-Lived Assets", the figures for the year ended March 31, 2004 relating to discontinued operations have been reclassified accordingly.
- U.S.\$1=Yen 107