

7) Statements of cash flows

Item	Term	1Q of FY2007	1Q of FY2008		FY2007
		(April 1, 2006 - June 30, 2006)	(April 1, 2007 - June 30, 2007)		(April 1, 2006 - March 31, 2007)
		(Yen millions)	(Yen millions)	(U.S.\$ thousands)	(Yen millions)
Cash flows from operating activities:					
Net income		13,276	16,022	130,260	70,125
Adjustments to reconcile net income to net cash provided by operating activities:					
Depreciation and amortization		15,115	16,153	131,325	65,337
Loss on disposal of property and equipment		(6)	175	1,423	2,649
Deferred income taxes		(292)	(132)	(1,073)	(1,878)
Loss (gain) on securities, net		-	-	-	212
Changes in assets and liabilities, net of effects of acquisition of businesses:					
Decrease in trade receivables		10,196	2,737	22,252	11,241
Decrease (increase) in inventories		(3,298)	(10,374)	(84,342)	892
Increase (decrease) in trade payables		2,059	3,077	25,016	(5,272)
Decrease in accrued expenses		(6,442)	(3,565)	(28,984)	(7,068)
Increase (decrease) in income taxes payables, net		(1,798)	(4,239)	(34,463)	4,004
Increase (decrease) in retirement and severance benefits, net		190	604	4,911	(74)
Other-net		1,575	1,820	14,797	5,315
Net cash provided by operating activities		30,575	22,278	181,122	145,483
Cash flows from investing activities:					
Capital expenditures		(16,093)	(22,170)	(180,244)	(70,440)
Proceeds from sale of short-term investments		-	5,025	40,854	20,046
Payment for purchase of short-term investments		-	(18,853)	(153,277)	(31,089)
Proceeds from sale and maturity of investments in securities		-	-	-	23
Payment for purchase of investments in securities		(1,348)	(2,793)	(22,707)	(3,638)
Proceeds from sale of property, plant and equipment		1,089	334	2,715	3,678
Acquisition of minority interests		-	-	-	(6)
Other-net		(125)	(55)	(447)	(62)
Net cash used in investing activities		(16,477)	(38,512)	(313,106)	(81,488)
Cash flows from financing activities:					
Proceeds from long-term debt		7	-	-	-
Repayment of long-term debt		(36)	(116)	(943)	(2,143)
Increase (decrease) in short-term debt, net		(2,191)	(324)	(2,634)	(1,456)
Proceeds from exercise of stock options		305	774	6,293	1,159
Cash paid to acquire treasury stock		(4)	(39,232)	(318,959)	(32)
Dividends paid		(6,613)	(7,946)	(64,602)	(13,230)
Other-net		(44)	(44)	(358)	(160)
Net cash used in financing activities		(8,576)	(46,888)	(381,203)	(15,862)
Effect of exchange rate changes on cash and cash equivalents		(1,814)	8,048	65,431	2,019
Net increase (decrease) in cash and cash equivalents		3,708	(55,074)	(447,756)	50,152
Cash and cash equivalents at beginning of period		239,017	289,169	2,350,967	239,017
Cash and cash equivalents at end of period		242,725	234,095	1,903,211	289,169

Notes:

- Above statements of cash flows is unaudited by independent accountant, FY2007 excepted.
- U.S.\$1=Yen 123, for convenience only.