

7) Statements of cash flows

[1st half results]

Item	Term	1H of FY2009	
		(April 1, 2007 - Sep. 30, 2007)	(April 1, 2008 - Sep. 30, 2008)
	(Yen millions)	(Yen millions)	(U.S.\$ thousands)
Cash flows from operating activities:			
Net income	34,626	11,868	114,115
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	33,112	38,824	373,308
Gain on business transfer to Imation Corp.	(14,922)	-	-
Changes in assets and liabilities, net of effects of acquisition of businesses:			
Decrease (increase) in trade receivables	(25,008)	(1,149)	(11,048)
Decrease (increase) in inventories	(10,822)	(4,459)	(42,875)
Increase (decrease) in trade payables	18,471	4,814	46,288
Increase (decrease) in accrued expenses	8,552	(1,005)	(9,663)
Increase (decrease) in changes in other assets and liabilities, net	(116)	(3,745)	(36,010)
Other-net	(1,741)	693	6,664
Net cash provided by operating activities	42,152	45,841	440,779
Cash flows from investing activities:			
Capital expenditures	(38,242)	(67,716)	(651,115)
Proceeds from sale and maturity of short-term investments	15,877	1,212	11,654
Payment for purchase of short-term investments	(28,824)	(5,909)	(56,817)
Proceeds from sale and maturity of investments in securities	10	4,155	39,952
Payment for purchase of investments in securities	(3,099)	(823)	(7,914)
Acquisition of affiliates	-	(74,953)	(720,702)
Other-net	2,237	1,175	11,298
Net cash used in investing activities	(52,041)	(142,859)	(1,373,644)
Cash flows from financing activities:			
Repayment of long-term debt	(271)	(207)	(1,991)
Increase (decrease) in short-term debt, net	(827)	108,503	1,043,298
Cash paid to acquire treasury stock	(39,239)	(10)	(96)
Dividends paid	(7,946)	(9,027)	(86,798)
Other-net	535	117	1,125
Net cash provided by (used in) financing activities	(47,748)	99,376	955,538
Effect of exchange rate changes on cash and cash equivalents	(2,066)	5,154	49,558
Net increase (decrease) in cash and cash equivalents	(59,703)	7,512	72,231
Cash and cash equivalents at beginning of period	289,169	166,105	1,597,163
Cash and cash equivalents at end of period	229,466	173,617	1,669,394

Note:

U.S.\$1=Yen 104, for convenience only.