

# Consolidated Statements of Cash Flows

Years Ended March 31, 2008 and 2007

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2008	2007	2008
<b>OPERATING ACTIVITIES:</b>			
Income before income taxes and minority interests	¥ 67,596	¥ 66,825	\$ 674,674
Adjustments for:			
Income taxes—paid	(32,396)	(37,785)	(323,346)
Depreciation and amortization	44,772	40,150	446,874
Loss on disposal of property, plant and equipment	399	919	3,980
Loss on impairment of long-lived assets		1,127	
Gain on sales of marketable and investment securities	(1,222)	(628)	(12,202)
Changes in assets and liabilities, net of effects from newly consolidated subsidiaries:			
Decrease in notes and accounts receivable	17,501	3,568	174,681
(Increase) decrease in inventories	(67)	582	(665)
Increase in notes and accounts payable	15,497	4,209	154,679
Increase in liability for employees' retirement benefits	1,292	3,207	12,896
Other—net	3,524	(1,411)	35,171
Total adjustments	49,300	13,938	492,068
Net cash provided by operating activities	116,896	80,763	1,166,742
<b>INVESTING ACTIVITIES:</b>			
Proceeds from sale of property, plant and equipment	1,114	1,144	11,116
Purchases of property, plant and equipment	(114,778)	(47,117)	(1,145,605)
Proceeds from sales of marketable and investment securities	9,423	4,435	94,049
Purchases of marketable and investment securities	(1,011)	(16,030)	(10,094)
Payment for acquisition and succeeding the delivery business	(5,570)		(55,597)
Increase in investments in and advances to non-consolidated subsidiaries and affiliates	(262)	(1,270)	(2,613)
Cash collected from long-term loans	1,940	2,159	19,363
Cash advanced for long-term loans	(1,633)	(2,332)	(16,294)
Other	(1,262)	(1,887)	(12,593)
Net cash used in investing activities	(112,039)	(60,898)	(1,118,268)
<b>FINANCING ACTIVITIES:</b>			
Proceeds from short-term bank loans	33,750	37,521	336,860
Repayments of short-term bank loans	(49,442)	(48,033)	(493,482)
Proceeds from long-term debt	34,000	9,944	339,355
Repayments of long-term debt	(2,737)	(680)	(27,318)
Dividends paid	(9,023)	(9,565)	(90,054)
Repurchase of treasury stocks	755	(4,312)	7,539
Other	(2)	(47)	(22)
Net cash provided by (used in) financing activities	7,301	(15,172)	72,878
<b>FOREIGN CURRENCY TRANSLATION ADJUSTMENTS</b>			
ON CASH AND CASH EQUIVALENTS	(22)	47	(222)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>12,136</b>	<b>4,740</b>	<b>121,130</b>
<b>CASH AND CASH EQUIVALENTS OF NEWLY CONSOLIDATED SUBSIDIARIES, BEGINNING OF YEAR</b>	<b>23</b>	<b>84</b>	<b>233</b>
<b>CASH AND CASH EQUIVALENTS DECREASED BY EXCEPTION OF CONSOLIDATED SUBSIDIARIES</b>		(190)	
<b>CASH AND CASH EQUIVALENTS INCREASED BY CORPORATE DIVISION</b>	<b>17</b>	<b>7</b>	<b>168</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>130,145</b>	<b>125,504</b>	<b>1,298,984</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR (Note 2.c)</b>	<b>¥ 142,321</b>	<b>¥130,145</b>	<b>\$ 1,420,515</b>

See notes to consolidated financial statements.