

## Quarterly consolidated statements of cash flows

(Millions of yen)

|  | Three months ended<br>June 30, 2005 | Three months ended<br>June 30, 2004 | Year ended<br>March 31, 2005 |
|--|-------------------------------------|-------------------------------------|------------------------------|
| <b>I Cash flows from operating activities:</b>               |                                     |                                     |                              |
| Income before income taxes                                   | 6,689                               | 5,061                               | 18,436                       |
| Depreciation and amortization                                | 1,167                               | 1,071                               | 4,749                        |
| Increase/decrease in retirement and severance benefits       | 78                                  | 112                                 | 2,550                        |
| Interest and dividend income                                 | 121                                 | 77                                  | 249                          |
| Interest expense   | 21                                  | 50                                  | 182                          |
| Increase/decrease in trade receivables                       | 1,387                               | 1,305                               | 3,082                        |
| Increase/decrease in inventories                             | 87                                  | 875                                 | 594                          |
| Increase/decrease in trade accounts payable                  | 484                                 | 396                                 | 1,065                        |
| Other, net   | 1,675                               | 2,887                               | 1,553                        |
| Subtotal   | 4,371                               | 2,504                               | 17,592                       |
| Interest and dividend income received                        | 124                                 | 74                                  | 246                          |
| Interest expense paid  | 9                                   | 32                                  | 183                          |
| Insurance received   | 60                                  | -                                   | 198                          |
| Income taxes paid  | 3,335                               | 7,904                               | 11,235                       |
| <b>Net cash provided by operating activities</b>             | <b>1,211</b>                        | <b>5,357</b>                        | <b>6,619</b>                 |
| <b>II Cash flows from investing activities:</b>              |                                     |                                     |                              |
| Increase in fixed deposits                                   | 93                                  | 337                                 | 1,548                        |
| Decrease in fixed deposits                                   | 238                                 | 58                                  | 2,904                        |
| Proceeds from sale of marketable securities                  | 499                                 | -                                   | 4,817                        |
| Payments for acquisition of fixed assets                     | 719                                 | 678                                 | 4,906                        |
| Proceeds from sale of fixed assets                           | -                                   | 535                                 | 2,488                        |
| Other, net   | 0                                   | 70                                  | 6,662                        |
| <b>Net cash provided by investing activities</b>             | <b>73</b>                           | <b>351</b>                          | <b>2,907</b>                 |
| <b>III Cash flows from financing activities:</b>             |                                     |                                     |                              |
| Repayment of long-term debt                                  | 42                                  | 91                                  | 5,804                        |
| Dividends paid   | 2,461                               | 2,467                               | 4,393                        |
| Other, net   | 7                                   | 1                                   | 2,514                        |
| <b>Net cash provided by financing activities</b>             | <b>2,496</b>                        | <b>2,559</b>                        | <b>12,711</b>                |
| Effect of exchange rate changes on cash and cash equivalents | 9                                   | 21                                  | 42                           |
| <b>Net increase/decrease in cash and cash equivalents</b>    | <b>1,349</b>                        | <b>8,247</b>                        | <b>9,042</b>                 |
| <b>Cash and cash equivalents at beginning of year</b>        | <b>32,380</b>                       | <b>41,422</b>                       | <b>41,422</b>                |
| <b>Cash and cash equivalents at end of year</b>              | <b>31,031</b>                       | <b>33,174</b>                       | <b>32,380</b>                |