

Quarterly consolidated statements of cash flows

(Millions of yen)

| | Three months ended June 30, 2006 | Three months ended June 30, 2005 | Year ended March 31, 2006 |
|--|-------------------------------------|-------------------------------------|------------------------------|
| I Cash flows from operating activities: | | | |
| Income before income taxes | 6,534 | 6,689 | 20,341 |
| Depreciation and amortization | 1,157 | 1,167 | 4,824 |
| Increase/decrease in retirement and severance benefits | (53) | 78 | (212) |
| Interest and dividend income | (146) | (121) | (261) |
| Interest expense | 17 | 21 | 93 |
| Increase/decrease in trade receivables | (3,295) | (1,387) | 1,407 |
| Increase/decrease in inventories | 660 | 87 | (18) |
| Increase/decrease in trade accounts payable | (711) | (484) | (495) |
| Other, net | (2,129) | (1,678) | 1,406 |
| Subtotal | 2,032 | 4,371 | 27,085 |
| Interest and dividend income received | 149 | 124 | 265 |
| Interest expense paid | (11) | (9) | (95) |
| Insurance received | 82 | 60 | 129 |
| Income taxes paid | (4,806) | (3,335) | (6,507) |
| Net cash provided by operating activities | (2,553) | 1,211 | 20,878 |
| II Cash flows from investing activities: | | | |
| Increase in fixed deposits | (55) | (93) | (803) |
| Decrease in fixed deposits | 52 | 238 | 1,041 |
| Proceeds from sale of marketable securities | — | 499 | 504 |
| Payments for acquisition of fixed assets | (1,349) | (719) | (2,106) |
| Proceeds from sale of fixed assets | 287 | — | 29 |
| Other, net | (12) | (0) | 4 |
| Net cash provided by investing activities | (1,077) | (73) | (1,330) |
| III Cash flows from financing activities: | | | |
| Repayment of long-term debt | (42) | (42) | (1,268) |
| Dividends paid | (2,849) | (2,461) | (4,759) |
| Other, net | 8 | 7 | 127 |
| Net cash provided by financing activities | (2,883) | (2,496) | (5,900) |
| IV Effect of exchange rate changes on cash and cash equivalents | 71 | 9 | 75 |
| V Net increase/decrease in cash and cash equivalents | (6,441) | (1,349) | 13,723 |
| VI Cash and cash equivalents at beginning of year | 46,104 | 32,380 | 32,380 |
| VII Cash and cash equivalents at end of year | 39,662 | 31,031 | 46,104 |