

# Consolidated Statement of Cash Flows

Year Ended March 31, 2019

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2019	2018	2019
<b>OPERATING ACTIVITIES:</b>			
Profit before income taxes	¥ 52,258	¥ 33,123	\$ 470,836
Adjustments for:			
Income taxes—paid	(13,745)	(12,866)	(123,838)
Depreciation and amortization	51,359	46,435	462,735
Loss on sales and disposal of property, plant and equipment—net	300	1,042	2,704
Loss on impairment of long-lived assets	2,087	3,241	18,808
Gain on sales of marketable and investment securities	(37)	(1,639)	(334)
Loss on valuation of investment securities	39	1	352
Loss on valuation of investment in unconsolidated subsidiaries and affiliates	1,357	55	12,228
Share of loss of entities accounted for using equity method	4,873	1,355	43,902
Compensation for delay damages received	1,776		16,001
Changes in assets and liabilities:			
Decrease (increase) in notes and accounts receivable	3,223	(18,774)	29,038
(Increase) decrease in inventories	(296)	227	(2,665)
Increase (decrease) in notes and accounts payable	3,773	(478)	33,993
Decrease in provision for special wage payments		(15,129)	
Increase in liability for employees' retirement benefits	1,936	2,232	17,440
Other—net	9,191	12,903	82,804
Total adjustments	65,836	18,605	593,168
Net cash provided by operating activities	118,094	51,728	1,064,004
<b>INVESTING ACTIVITIES:</b>			
Proceeds from sale of property, plant and equipment	4,233	6,632	38,140
Purchases of property, plant and equipment	(48,058)	(36,671)	(432,996)
Proceeds from sales of marketable and investment securities	72	2,672	650
Purchases of marketable and investment securities	(290)	(790)	(2,612)
Increase in investments in and advances to unconsolidated subsidiaries and affiliates	(1,770)	(4,137)	(15,949)
Collection of loans	1,178	997	10,613
Payment of loans	(1,322)	(1,197)	(11,908)
Other	(8,915)	(8,680)	(80,328)
Net cash used in investing activities	(54,872)	(41,174)	(494,390)
<b>FINANCING ACTIVITIES:</b>			
(Repayments of) proceeds from short-term debt—net	(16,165)	10,683	(145,647)
Proceeds from long-term debt		4,000	
Repayments of long-term debt	(43,600)	(40,876)	(392,828)
Dividends paid	(11,178)	(10,733)	(100,713)
Purchase of treasury stock—net	(4)	(4)	(37)
Net cash used in financing activities	(70,947)	(36,930)	(639,225)
<b>FOREIGN CURRENCY TRANSLATION ADJUSTMENTS ON CASH AND CASH EQUIVALENTS</b>	(487)	313	(4,385)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(8,212)	(26,063)	(73,996)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	202,863	228,926	1,827,763
<b>CASH AND CASH EQUIVALENTS, END OF YEAR (Note 2.e)</b>	¥194,651	¥202,863	\$1,753,767
<b>NON-CASH INVESTING AND FINANCING ACTIVITIES:</b>			
Newly recorded assets related to finance lease transactions	¥ 18,131	¥ —	\$ 163,356
Newly recorded liabilities related to finance lease transactions	19,768		178,109

\* The amounts of newly recorded assets and liabilities related to finance lease transactions for the fiscal year ended March 31, 2018, are omitted due to immateriality. See notes to consolidated financial statements.