

## Consolidated Statements of Cash Flows

Years ended March 31, 2015, 2014 and 2013

	<i>Millions of yen</i>		
	2015	2014	2013
<b>Cash Flows from Operating Activities:</b>			
Income before income taxes and minority interests	¥51,773	¥26,811	¥ 4,882
Depreciation and amortization	28,776	23,740	20,800
Impairment losses (Note 4)	109	1,108	2,901
Amortization of goodwill (Note 2-k)	583	918	1,769
Losses on disaster (Note 5)	5	—	—
Equity in net (income) loss of affiliate	(15)	777	2
Losses on settlement of retirement benefit plan (Note 7)	3,115	—	1,642
Loss related to Anti-Monopoly Act (Note 2-n)	2,137	—	—
Insurance income	(50)	(329)	(2,572)
Interest and dividend income	(779)	(748)	(588)
Interest expense	1,504	2,139	2,651
(Gains) losses on sales and disposals of fixed assets	392	154	(4,399)
Gains on sales of investment securities (Note 2-g)	—	(54)	—
(Gains) losses on sales of investments in subsidiaries and affiliates	1,097	(1,230)	—
(Increase) decrease in notes and accounts receivables—trade	(24,322)	(8,039)	4,692
(Increase) decrease in inventories	(18,431)	(1,140)	78
Increase (decrease) in notes and accounts payable—trade	23,979	9,425	(6,499)
Increase (decrease) in provision for after-care of products	346	—	(16)
Increase (decrease) in provision for business restructuring losses	247	(221)	342
Other	(2,087)	(1,008)	(4,280)
Subtotal	68,379	52,303	21,405
Interest and dividends received	756	725	572
Interest paid	(1,499)	(2,122)	(2,594)
Income taxes paid	(7,801)	(2,758)	(3,871)
Income tax refund	28	612	88
Proceeds from insurance income	—	413	7,390
Net cash provided by operating activities	59,863	49,173	22,990
<b>Cash Flows from Investing Activities:</b>			
Transfers to time deposits	(10,227)	(15,637)	(7,701)
Proceeds from withdrawals from time deposits	11,691	12,737	7,889
Payments for purchases of securities	(100)	(459)	(544)
Proceeds from sales of securities	204	283	610
Payments for purchases of tangible fixed assets	(34,979)	(18,343)	(42,963)
Proceeds from sales of tangible fixed assets	600	952	5,845
Payments for purchases of intangible fixed assets	(2,577)	(860)	(893)
Payments for purchases of investment securities	(454)	(604)	(206)
Proceeds from sales of investment securities	69	162	155
Proceeds from redemption of investment securities	1,102	—	—
(Payments for) proceeds from acquisition of shares in subsidiaries resulting in change in scope of consolidation (Note 18)	(2,171)	(1,888)	356
Proceeds from sales of shares in subsidiaries resulting in change in scope of consolidation (Note 18)	1,262	—	—
Payments for acquisition of shares in subsidiaries	(400)	—	(150)
Payments for acquisition of shares in affiliates	(393)	(615)	—
Proceeds from sales of shares in affiliates	1,315	—	—
Payments for loans provided	(125)	(328)	(29)
Proceeds from collection of loans receivables	198	94	49
Other	(341)	(451)	(231)
Net cash used in investing activities	(35,326)	(24,957)	(37,813)
<b>Cash Flows from Financing Activities:</b>			
Net (decrease) increase in short-term debt	(7,843)	(17,568)	6,888
Proceeds from long-term debt	7,850	15,000	30,670
Repayment of long-term debt	(15,765)	(19,912)	(15,522)
Cash dividends paid	(4,109)	(2,613)	(2,634)
Payments for purchases of treasury stock	(22)	(262)	(2,156)
Proceeds from disposals of treasury stock	474	392	382
Proceeds from stock issuances to minority shareholders	—	—	77
Repayment of lease obligations	(212)	(270)	(296)
Other	0	0	—
Net cash (used in) provided by financing activities	(19,627)	(25,233)	17,409
<b>Effect of Exchange Rate Changes on Cash and Cash Equivalents</b>	2,197	2,123	2,158
<b>Net Increase in Cash and Cash Equivalents</b>	7,107	1,106	4,744
<b>Cash and Cash Equivalents at Beginning of Year</b>	29,031	28,223	23,366
<b>Decrease in Cash and Cash Equivalents from Change in Scope of Consolidation</b>	—	(298)	—
<b>Increase in Cash and Cash Equivalents from Consolidation of Previously Non-consolidated Subsidiaries</b>	—	—	113
<b>Cash and Cash Equivalents at End of Year</b>	¥36,138	¥29,031	¥28,223

The accompanying notes to consolidated financial statements are an integral part of these statements.