

Consolidated Statements of Cash Flows

Years ended March 31, 2016, 2015 and 2014

	<i>Millions of yen</i>		
	2016	2015	2014
Cash Flows from Operating Activities:			
Income before income taxes	¥ 46,963	¥ 51,773	¥ 26,811
Depreciation and amortization	34,788	28,776	23,740
Impairment losses (Note 6)	21	109	1,108
Amortization of goodwill (Note 2-k)	970	583	918
Losses on disaster (Note 7)	137	5	—
Equity in net (gains) losses of affiliates	21	(15)	777
Losses on settlement of retirement benefit plan (Note 2-h)	1,465	3,115	—
Loss related to Anti-Monopoly Act (Note 3)	18	2,137	—
Insurance income (Note 5)	(3,337)	(50)	(329)
Interest and dividend income	(708)	(779)	(748)
Interest expense	1,169	1,504	2,139
Losses on sales and disposals of fixed assets	100	392	154
Gains on sales of investment securities (Note 2-g)	—	—	(54)
(Gains) losses on sales of investments in subsidiaries and affiliates	—	1,097	(1,230)
Gains on liquidation of affiliates	(84)	—	—
(Increase) decrease in notes and accounts receivables—trade	11,176	(24,322)	(8,039)
(Increase) decrease in inventories	(21,119)	(18,431)	(1,140)
Increase (decrease) in notes and accounts payable—trade	(19,019)	23,979	9,425
Increase (decrease) in warranty provision	(43)	346	—
Increase (decrease) in provision for business restructuring losses	(360)	247	(221)
Other	6,699	(2,087)	(1,008)
Subtotal	58,857	68,379	52,303
Interest and dividends received	684	756	725
Interest paid	(1,158)	(1,499)	(2,122)
Income taxes paid	(15,764)	(7,801)	(2,758)
Income tax refund	223	28	612
Payments related to Anti-Monopoly Act	(2,164)	—	—
Proceeds from insurance income	2,904	—	413
Net cash provided by operating activities	43,582	59,863	49,173
Cash Flows from Investing Activities:			
Transfers to time deposits	(16,419)	(10,227)	(15,637)
Proceeds from withdrawals from time deposits	14,019	11,691	12,737
Payments for purchases of securities	—	(100)	(459)
Proceeds from sales of securities	34	204	283
Payments for purchases of tangible fixed assets	(40,136)	(34,979)	(18,343)
Proceeds from sales of tangible fixed assets	665	600	952
Payments for purchases of intangible fixed assets	(2,244)	(2,577)	(860)
Payments for purchases of investment securities	(1,650)	(454)	(604)
Proceeds from sales of investment securities	38	69	162
Proceeds from redemption of investment securities	1,438	1,102	—
Payments for purchase of investments in subsidiaries resulting in change in scope of consolidation (Note 18)	(258)	(2,171)	(1,888)
Proceeds from sales of investments in shares of subsidiaries resulting in change in scope of consolidation (Note 18)	—	1,262	—
Payments for acquisition of shares in subsidiaries	—	(400)	—
Payments for acquisition of shares in affiliates	—	(393)	(615)
Proceeds from sales of shares in affiliates	—	1,315	—
Payments for loans provided	(216)	(125)	(328)
Proceeds from collection of loans receivables	116	198	94
Other	(29)	(341)	(451)
Net cash used in investing activities	(44,642)	(35,326)	(24,957)
Cash Flows from Financing Activities:			
Net increase (decrease) in short-term debt	22,109	(7,843)	(17,568)
Proceeds from long-term debt	—	7,850	15,000
Repayment of long-term debt	(20,897)	(15,765)	(19,912)
Cash dividends paid	(5,984)	(4,109)	(2,613)
Payments for purchases of treasury stock	(9)	(22)	(262)
Proceeds from disposals of treasury stock	700	474	392
Repayment of lease obligations	(119)	(212)	(270)
Other	—	0	0
Net cash used in financing activities	(4,200)	(19,627)	(25,233)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(1,736)	2,197	2,123
Net (Decrease) Increase in Cash and Cash Equivalents	(6,996)	7,107	1,106
Cash and Cash Equivalents at Beginning of Year	36,138	29,031	28,223
Decrease in Cash and Cash Equivalents from Change in Scope of Consolidation	—	—	(298)
Cash and Cash Equivalents at End of Year	¥ 29,142	¥ 36,138	¥ 29,031

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