

Consolidated Statements of Cash Flows

For the years ended March 31, 2016 and 2015

	Millions of yen		Thousands of
	2016	2015	U.S. dollars (Note 3)
			2016
Net Cash Provided by Operating Activities:			
Profit before income taxes	¥8,205	¥11,429	\$72,813
Adjustments for:			
Depreciation	3,383	3,183	30,024
Impairment loss on tangible fixed assets	48	48	429
Decrease in allowance for doubtful accounts	5	(1,135)	48
Increase in allowance for loss related to Anti-Monopoly Act	1,421	-	12,608
(Decrease) / increase in net defined benefit liability	(139)	(574)	(1,236)
Interest and dividends income	(160)	(133)	(1,416)
Interest expenses	153	167	1,361
Net loss (gain) on sale of tangible fixed assets	(23)	(45)	(201)
Loss on disposal of fixed assets	96	179	855
Loss on disposal of leased assets	144	229	1,275
Acquisition of leased assets	(456)	(520)	(4,051)
(Increase) in notes and accounts receivable— trade	4,418	(830)	39,204
Decrease / (increase) in costs of uncompleted construction contracts.....	(846)	2,802	(7,511)
Decrease / (increase) in other inventories	1,373	44	12,180
(Decrease) / increase in accounts payable—trade	(2,230)	(4,008)	(19,791)
(Decrease) / increase in advances received on uncompleted construction contracts	(106)	(811)	(938)
(Decrease) / increase in accounts payable – other	(3,156)	(357)	(28,007)
Others	(252)	1,371	(2,240)
Sub total	11,878	11,039	105,406
Interest and dividends received	160	133	1,417
Interest paid	(154)	(169)	(1,363)
Income taxes paid.	(4,061)	(3,744)	(36,036)
Net cash provided by operating activities.	7,823	7,259	69,424
Net Cash Provided by Investing Activities:			
Acquisition of tangible fixed assets	(3,799)	(4,432)	(33,714)
Proceeds from sale of tangible fixed assets	23	54	205
Proceeds from sale of investment securities	0	-	1
Others	(458)	(279)	(4,068)
Net cash used in investing activities	(4,234)	(4,657)	(37,576)
Net Cash Provided by Financing Activities:			
Decrease in short-term borrowings	(97)	-	(862)
Proceeds from long-term loans payable	100	1,000	887
Repayment of long-term loans payable	(140)	(1,040)	(1,242)
Purchase of treasury stock	(37)	(15)	(331)
Dividends paid	(2,200)	(1,408)	(19,520)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(8)	-	(75)
Others	(5)	(4)	(40)
Net cash used in financing activities	(2,387)	(1,467)	(21,183)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(112)	93	(994)
Increase in Cash and Cash Equivalents	1,090	1,228	9,671
Cash and Cash Equivalents at Beginning of Year	33,641	32,413	298,529
Decrease in Cash and Cash Equivalents resulting from Exclusion of Subsidiaries from Consolidation	(32)	-	(288)
Cash and Cash Equivalents at End of Year (Note 9)	¥34,699	¥33,641	\$307,912

See accompanying notes to consolidated financial statements.