

## Consolidated Statements of Cash Flows

	FY 2006	FY 2005
	(January to December 2006)	(January to December 2005)
	Millions of yen	Millions of yen
<b>I. Cash flows from operating activities</b>		
Income before income taxes	13,020	8,737
Depreciation and amortization	9,634	9,754
Impairment loss	481	-
(Decrease) increase in accrued retirement benefits	(7,636)	(3,760)
Interest and dividend income	(524)	(445)
Interest expense	344	255
Loss on disposal of property, plant and equipment	(4,860)	(183)
Gain on sale of investment securities	(8,387)	(5)
Equity in earnings of affiliates	(1,555)	(1,768)
Decrease (increase) in trade notes and accounts receivable	4,768	(11,717)
Decrease (increase) in inventories	1,520	(1,483)
Increase (decrease) in trade notes and accounts payable	(5,183)	6,345
Increase (decrease) in accrued expenses and other payables	1,387	(4,198)
Other, net	321	195
Subtotal	3,329	1,725
Interest and dividends received	1,962	1,970
Interest paid	(274)	(262)
Income taxes paid	(1,674)	(1,568)
Net cash provided by operating activities	3,343	1,865
<b>II. Cash flows from investing activities</b>		
(Increase) decrease in time deposits	(57)	2,627
Redemption of short-term investments	500	-
Purchases of property, plant and equipment	(10,034)	(8,943)
Proceeds from sale of property, plant and equipment	7,738	1,899
Purchases of intangible assets	(570)	(805)
Purchases of investment securities	(2,412)	(4,562)
Proceeds from sale of investment securities	14,242	506
Additions to loans receivable	(170)	(153)
Proceeds from loans receivable	143	188
Other, net	1,713	(18)
Net cash used in investing activities	11,092	(9,262)
<b>III. Cash flows from financing activities</b>		
Increase in short-term loans payable	6,460	6,473
Repayment of short-term loans payable	(7,046)	(5,688)
Increase in long-term loans payable	7,500	-
Repayment of long-term loans payable	(200)	(78)
Increase in commercial paper payable	26,054	15,448
Repayment of commercial paper payable	(26,019)	(15,448)
Purchases of odd-lot shares	(86)	(177)
Proceeds from sale of treasury stock	342	920
Purchases of treasury stock	(7,672)	(605)
Cash dividends	(2,835)	(2,260)
Cash dividends to minority shareholders	(107)	(98)
Other	-	0

Net cash used in financing activities	(3,610)	(1,514)
<b>IV. Effect of exchange rate changes on cash and cash equivalents</b>	168	130
<b>V. Net change in cash and cash equivalents</b>	10,994	(8,781)
<b>VI. Cash and cash equivalents at beginning of period</b>	15,788	24,480
<b>VII. Cash and cash equivalents of newly consolidated subsidiaries</b>	-	89
<b>VIII. Cash and cash equivalents at end of period</b>	26,782	15,788