

Consolidated Statements of Cash Flows

Years ended March 31, 1999 and 1998
Casio Computer Co., Ltd. and Subsidiaries

	Millions of yen		Thousands of U.S. dollars (Note 1)
	1999	1998	1999
Cash flows from operating activities:			
Net income (loss)	¥ (8,534)	¥ 11,738	\$ (70,529)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation	31,001	30,442	256,207
Loss on disposal of property, plant and equipment	890	825	7,355
Loss on devaluation of investment securities	541	793	4,471
Deferred income taxes	(3,860)	(778)	(31,901)
Provision for employees' retirement benefits less payments	70	41	579
Equity in earnings of affiliated companies and minority interest	(162)	218	(1,339)
Changes in operating assets and liabilities:			
Decrease in notes and accounts receivable	24,227	6,289	200,223
Decrease (Increase) in inventories	22,952	(2,321)	189,686
Increase in other current assets	(2,624)	(1,525)	(21,686)
Increase (Decrease) in notes and accounts payable	(17,927)	12,599	(148,157)
Increase (Decrease) in income taxes payable	(16,850)	13,864	(139,256)
Decrease in other current liabilities	(1,603)	(554)	(13,248)
Other	(858)	173	(7,091)
Net cash provided by operating activities	27,263	71,804	225,314
Cash flows from investing activities:			
Acquisitions of property, plant and equipment	(32,529)	(51,913)	(268,835)
Proceeds from sale of property, plant and equipment	2,371	2,704	19,595
Payments for purchase of investment securities	(1,600)	(114)	(13,223)
Proceeds from sale of investment securities	2,099	213	17,347
Increase in marketable securities	(13,823)	(30,594)	(114,240)
Decrease in long-term loans receivable	—	21,237	—
Decrease in short-term investments	249	520	2,058
Other	(2,382)	2,006	(19,686)
Net cash used in investing activities	(45,615)	(55,941)	(376,984)
Cash flows from financing activities:			
Net decrease in short-term borrowings	(10,354)	(35,805)	(85,570)
Additions to long-term debt	12,400	7,111	102,479
Payments of long-term debt	(12,601)	(12,853)	(104,140)
Proceeds from issuance of bonds	30,000	70,000	247,934
Retirement of treasury stock	(6,069)	—	(50,157)
Redemption of bonds	—	(24,567)	—
Payments of cash dividends	(3,483)	(3,482)	(28,785)
Other	(52)	(104)	(430)
Net cash provided by financing activities	9,841	300	81,331
Effect of exchange rate changes on cash and time deposits	(801)	(170)	(6,620)
Net increase (decrease) in cash and time deposits	(9,312)	15,993	(76,959)
Cash and time deposits at beginning of year	92,222	76,229	762,166
Cash and time deposits at end of year	¥ 82,910	¥ 92,222	\$685,207

See accompanying notes.