

## Consolidated Statements of Cash Flows

(Millions of yen)

	Year ended March 31, 2006	Year ended March 31, 2005
<b>Cash flows from operating activities:</b>		
Income before income taxes and minority interests	39,671	33,093
Depreciation (including software)	26,629	22,927
Loss on impairment of fixed assets		1,494
Loss on disposal and sales of fixed assets	603	727
Gain on sales of investment securities	(75)	(205)
Loss on devaluation of investment securities	44	78
Gain on sales of consolidated subsidiaries and affiliates	(1,928)	(293)
Gain on change in interests in consolidated subsidiaries		(1,918)
Increase in liabilities for the employees' severance and retirement benefits	395	782
Interest and dividends income	(1,858)	(1,047)
Interest expense	1,300	1,494
Foreign exchange gain	(1,220)	(1,370)
Decrease (Increase) in notes and accounts receivable	(10,696)	8,762
Decrease in inventories	7,093	3,777
Increase (Decrease) in notes and accounts payable	6,121	(15,104)
Other	(5,580)	17,292
Total	60,499	70,489
Interest and dividends received	1,790	1,019
Interest paid	(1,291)	(1,538)
Income taxes paid	(17,123)	(5,015)
<b>Net cash provided by operating activities</b>	<b>43,875</b>	<b>64,955</b>
<b>Cash flows from investing activities:</b>		
Deposits in time deposits	(688)	(91)
Withdrawals from time deposits	647	827
Payments for acquisitions of tangible fixed assets	(19,935)	(20,065)
Proceeds from sales of tangible fixed assets	1,039	392
Net increase in intangible fixed assets	(11,814)	(8,966)
Net increase in investment securities	(1,650)	(1,073)
Proceeds from sales of consolidated subsidiaries and affiliates	2,958	437
Other	(239)	(297)
<b>Net cash used in investing activities</b>	<b>(29,682)</b>	<b>(28,836)</b>
<b>Cash flows from financing activities:</b>		
Net decrease in short-term borrowings	(1,519)	(275)
Proceeds from long-term borrowings	6,000	1,500
Payments for long-term borrowings	(9,688)	(1,792)
Redemption of bonds	(30,000)	(11,000)
Proceeds from minority shareholders		3,343
Payments for acquisitions and proceeds from sales of treasury stock, net	312	(1,251)
Payments for cash dividends	(4,515)	(3,992)
Other	(408)	(62)
<b>Net cash used in financing activities</b>	<b>(39,818)</b>	<b>(13,529)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>3,268</b>	<b>1,858</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(22,357)</b>	<b>24,448</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>147,589</b>	<b>123,141</b>
<b>Cash and cash equivalents at end of year</b>	<b>125,232</b>	<b>147,589</b>

Note: Cash and cash equivalents at March 31, 2006 and 2005 for the Consolidated Statements of Cash Flows consist of the followings:

	(March 31, 2006)	(March 31, 2005)
Cash and time deposits	71,818	83,528
Time deposits over three months	(757)	(617)
Marketable securities within three months	29,171	44,678
Short-term loans receivable with resale agreement	25,000	20,000
Cash and cash equivalents	125,232	147,589