

Consolidated Statements of Cash Flows

Noritz Corporation and Consolidated Subsidiaries
Years ended December 31, 2002 and 2003

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2002	2003	2003
Cash flows from operating activities:			
Income before income taxes	¥ 6,371	¥ 6,115	\$ 57,075
Depreciation	5,857	5,425	50,635
Interest and dividend income	(315)	(224)	(2,091)
Interest expense	61	53	495
Write-down of securities	171	345	3,220
Equity in (income) losses of affiliates	148	(80)	(747)
Loss on sales and disposal of property, plant and equipment	593	411	3,836
Income of sales of property, plant and equipment	—	(109)	(1,017)
Decrease (increase) in trade notes and accounts receivable	(6,029)	5,479	51,139
Decrease in inventories	759	218	2,035
Increase in allowance for doubtful receivables	66	69	644
Increase (decrease) in trade notes and accounts payable	295	(6,052)	(56,487)
Increase in employees' retirement benefits	671	2,536	23,670
Other	805	(286)	(2,670)
Subtotal	9,453	13,900	129,737
Interest and dividends received	327	231	2,156
Interest paid	(60)	(51)	(476)
Income taxes paid	(3,111)	(3,819)	(35,645)
Net cash provided by operating activities	6,609	10,261	95,772
Cash flows from investing activities:			
Investments in time deposits	(7,785)	(2,515)	(23,474)
Proceeds from time deposits	11,936	2,779	25,938
Additions to securities	(3,338)	(25,895)	(241,693)
Proceeds from sales of securities	7,404	29,488	275,229
Additions to property, plant and equipment	(4,926)	(3,855)	(35,981)
Proceeds from sales of property, plant and equipment	173	220	2,053
Payments for loans receivable	(17)	(218)	(2,035)
Proceeds from loans receivable	68	168	1,568
Cash acquired in purchases of stock of subsidiaries	550	436	4,069
Other	(1,432)	(571)	(5,329)
Net cash provided by investing activities	2,633	37	345
Cash flows from financing activities:			
Net increase (decrease) in short-term bank loans	721	81	756
Repayments of long-term debt	(300)	(700)	(6,534)
Payments for purchases of common stock	—	(899)	(8,391)
Dividends paid	(761)	(814)	(7,598)
Dividends paid to minority shareholders of consolidated subsidiaries	(15)	(9)	(84)
Other	(27)	1	10
Net cash used in financing activities	(382)	(2,340)	(21,841)
Foreign currency adjustments	(36)	(40)	(373)
Net increase in cash and cash equivalents	8,824	7,918	73,903
Cash and cash equivalents at beginning of year	18,107	27,954	260,911
Increase in cash and cash equivalents due to newly consolidated subsidiaries	1,023	—	—
Cash and cash equivalents at end of year	¥27,954	¥35,872	\$334,814

See accompanying notes.