

Consolidated Statements of Cash Flows

Noritz Corporation and Consolidated Subsidiaries
Years ended December 31, 2003 and 2004

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2003	2004	2004
Cash flows from operating activities:			
Income before income taxes	¥ 6,115	¥ 8,944	\$ 85,834
Depreciation	5,425	5,599	53,733
Interest and dividend income	(224)	(192)	(1,843)
Interest expense	53	66	633
Write-down of securities	345	16	154
Equity in income of affiliates	(80)	—	—
Loss on sales and disposal of property, plant and equipment	411	376	3,608
Income of sales of property, plant and equipment	(109)	(3)	(29)
Decrease (increase) in trade notes and accounts receivable	5,479	(1,250)	(11,996)
Decrease in inventories	218	946	9,079
Increase in allowance for doubtful receivables	69	242	2,322
Decrease in trade notes and accounts payable	(6,052)	(4,642)	(44,549)
Increase (decrease) in employees' retirement benefits	2,536	(3,339)	(32,044)
Other	(286)	1,529	14,675
Subtotal	13,900	8,292	79,577
Interest and dividends received	231	187	1,795
Interest paid	(51)	(66)	(633)
Income taxes paid	(3,819)	(3,358)	(32,226)
Net cash provided by operating activities	10,261	5,055	48,513
Cash flows from investing activities:			
Investments in time deposits	(2,515)	(3,570)	(34,261)
Proceeds from time deposits	2,779	60	576
Additions to securities	(25,895)	(10,439)	(100,182)
Proceeds from sales of securities	29,488	3,537	33,944
Additions to property, plant and equipment	(3,855)	(4,753)	(45,614)
Proceeds from sales of property, plant and equipment	220	135	1,296
Payments for loans receivable	(218)	(736)	(7,063)
Proceeds from loans receivable	168	137	1,315
Cash acquired in purchases of stock of subsidiaries	436	—	—
Other	(571)	(639)	(6,133)
Net cash provided by (used in) investing activities	37	(16,268)	(156,122)
Cash flows from financing activities:			
Net increase (decrease) in short-term bank loans	81	(585)	(5,605)
Repayments of long-term debt	(700)	—	—
Payments for purchases of treasury stock	(899)	(1,925)	(18,474)
Dividends paid	(814)	(1,125)	(10,807)
Dividends paid to minority shareholders of consolidated subsidiaries	(9)	(10)	(96)
Other	1	—	—
Net cash used in financing activities	(2,340)	(3,645)	(34,982)
Foreign currency adjustments	(40)	(8)	(77)
Net increase (decrease) in cash and cash equivalents	7,918	(14,866)	(142,668)
Cash and cash equivalents at beginning of year	27,954	35,872	344,261
Increase in cash and cash equivalents due to newly consolidated subsidiaries	—	69	662
Cash and cash equivalents at end of year	¥35,872	¥21,075	\$202,255

See accompanying notes.