



Consolidated Statements of Cash Flows

Noritz Corporation and Consolidated Subsidiaries
Years ended December 31, 2007 and 2008

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2007	2008	2008
Cash flows from operating activities:			
Loss before income taxes	¥ (696)	¥ (124)	\$ (1,362)
Depreciation	5,971	6,605	72,551
Loss on impairment of fixed assets	1,165	—	—
Interest and dividend income	(442)	(445)	(4,888)
Interest expense	58	110	1,208
Loss on write-down of securities	78	2,544	27,944
Loss on sales and disposal of property, plant and equipment	281	227	2,493
Income from sales of property, plant and equipment	(1)	(96)	(1,054)
Decrease in trade notes and accounts receivable	1,875	268	2,944
Increase in inventories	(2,475)	(799)	(8,776)
Increase/decrease in allowance for accounts payable	313	(193)	(2,120)
Decrease in trade notes and accounts payable	(3,624)	(285)	(3,130)
Decrease in employees' retirement benefits	(434)	(476)	(5,228)
Increase/decrease in provision for the repair of products on recall	739	(54)	(593)
Other	1,408	1,315	14,442
Subtotal	4,216	8,597	94,431
Interest and dividends received	443	458	5,031
Interest paid	(55)	(110)	(1,208)
Income taxes paid	(1,848)	(1,040)	(11,424)
Net cash provided by operating activities	2,756	7,905	86,830
Cash flows from investing activities:			
Investments in time deposits	(2,764)	—	—
Proceeds from time deposits	182	96	1,054
Additions to securities	(9,396)	(516)	(5,668)
Proceeds from sales of securities	2,525	2,105	23,122
Additions to property, plant and equipment	(7,692)	(4,966)	(54,547)
Proceeds from sales of property, plant and equipment	20	168	1,845
Payments for loans receivable	(495)	(261)	(2,867)
Proceeds from loans receivable	468	265	2,911
Other	(879)	(633)	(6,953)
Net cash used in investing activities	(18,031)	(3,742)	(41,103)
Cash flows from financing activities:			
Net increase/decrease in short-term bank loans	10,202	(3,378)	(37,105)
Proceeds from sales of treasury stock	—	1	11
Payments for purchases of treasury stock	(9)	(5)	(55)
Dividends paid	(1,342)	(1,340)	(14,719)
Dividends paid to minority shareholders of consolidated subsidiaries	(4)	(1)	(10)
Net cash provided by/used in financing activities	8,847	(4,723)	(51,878)
Foreign currency adjustments	79	(333)	(3,658)
Net decrease in cash and cash equivalents	(6,349)	(893)	(9,809)
Cash and cash equivalents at beginning of year	17,323	11,709	128,614
Increase in cash and cash equivalents due to newly consolidated subsidiaries	735	—	—
Cash and cash equivalents at end of year	¥11,709	¥10,816	\$118,805

See accompanying notes.