

## Consolidated Statements of Cash Flows

For the years ended March 31, 2018 and 2017

	Million Yen		Thousand U.S. dollars
	2017.3	2018.3	2018.3
Cash flows from operating activities:			
Profit (loss) before income taxes	1,950	(14,977)	(140,979)
Depreciation and amortization	6,715	6,632	62,432
Loss on antitrust laws	—	19,223	180,946
Increase (decrease) in net defined benefit liability	488	47	448
Increase (decrease) in allowance for doubtful accounts	(4)	(20)	(196)
Increase (decrease) in provision for environmental safety measures	(35)	(16)	(152)
Interest and dividend income	(126)	(139)	(1,315)
Interest expense	414	500	4,706
Foreign exchange losses (gains)	127	22	213
Equity in earnings of affiliated companies	(441)	(375)	(3,537)
Loss (gain) on disposal of property, plant and equipment, net	(7)	40	380
Decrease (increase) in notes and accounts receivable	(2,651)	(3,655)	(34,405)
Decrease (increase) in inventories	(393)	(2,334)	(21,972)
Increase (decrease) in notes and accounts payable	7,099	4,891	46,039
Increase (decrease) in accounts payable – other	(3,293)	281	2,646
Other	(148)	(615)	(5,796)
Sub total	9,694	9,504	89,458
Interest and dividends received	255	280	2,641
Interest paid	(415)	(502)	(4,726)
Income taxes paid	(1,210)	(1,041)	(9,800)
Payments related to antitrust law	(1,881)	(2,935)	(27,632)
<b>Net cash provided by operating activities</b>	<b>6,443</b>	<b>5,305</b>	<b>49,941</b>
Cash flows from investing activities:			
Increase in time deposit	(860)	(1)	(12)
Decrease in time deposit	810	—	—
Purchase of property, plant and equipment	(4,062)	(6,546)	(61,621)
Proceeds from sales of property, plant and equipment	29	3	36
Purchase of intangible fixed assets	(189)	(345)	(3,252)
Purchase of investment securities	—	(399)	(3,764)
Proceeds from sales of investment securities	2	—	—
Payments of loans receivable	(26)	(21)	(205)
Collection of loans receivable	36	31	294
Other	(75)	14	133
<b>Net cash provided by investing activities</b>	<b>(4,334)</b>	<b>(7,265)</b>	<b>(68,392)</b>
Cash flows from financing activities:			
Net increase (decrease) in short-term debt	2,162	(374)	(3,525)
Proceeds from long-term debt	15,502	1,500	14,118
Repayments of long-term debt	(16,309)	(2,196)	(20,676)
Purchase of treasury shares	(3)	(17)	(163)
Repayments of lease obligations	(151)	(181)	(1,710)
Cash dividends paid	(488)	(488)	(4,600)
<b>Net cash provided by financing activities</b>	<b>710</b>	<b>(1,759)</b>	<b>(16,557)</b>
Effect of exchange rate changes on cash and cash equivalents	(622)	(88)	(835)
Net increase (decrease) in cash and cash equivalents	2,196	(3,808)	(35,844)
Cash and cash equivalents at beginning of year	26,245	28,442	267,720
Cash and cash equivalents at end of year	28,442	24,634	231,875

Notes:

1. Amounts are rounded off to the nearest 1 million yen.
2. US dollar amounts are calculated based on currency rate of \$1 = ¥106.24.