

Consolidated Statements of Cash Flows

Year ended March 31, 2001 and 2000

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2001	2000	2001
Cash flows from operating activities:			
Loss before income taxes	¥ (5,334)	¥ (46,258)	\$ (43,051)
Depreciation	106,990	117,686	863,519
Interest and dividend income	(3,960)	(5,191)	(31,961)
Interest expense.....	35,591	38,891	287,256
Loss (gain) on sale of securities	2,056	(7,794)	16,594
Loss on write down of securities, investments and golf memberships..	9,437	4,657	76,166
Equity in loss (gain) of unconsolidated subsidiaries and affiliates	(1,426)	6,631	(11,509)
Special employees' retirement benefits	6,885	10,107	55,569
Reversal of allowance for special repairs.....	(24,247)		(195,698)
Effect of applying new accounting standard for retirement benefits....	32,641		263,446
Gain on securities contributed to employees' retirement benefit trust	(11,850)		(95,642)
Loss on revaluation of interest swap contracts	4,859		39,217
Loss (gain) on sale or disposal of plant and equipment	(3,950)	8,178	(31,881)
Decrease (increase) in trade receivables from customers	(7,016)	36,323	(56,626)
Decrease in inventories	4,179	56,311	33,729
Increase (decrease) in trade payables to customers	22,640	(11,009)	182,728
Other	24,711	58,385	199,443
Subtotal	<u>192,206</u>	<u>266,917</u>	<u>1,551,299</u>
Cash received for interest and dividends	6,669	6,971	53,826
Cash paid for interest	(35,891)	(41,486)	(289,677)
Cash paid for special employees' retirement benefits	(20,378)	(12,566)	(164,471)
Cash paid for income taxes	(5,250)	(7,216)	(42,373)
Net cash provided by operating activities	<u>137,356</u>	<u>212,620</u>	<u>1,108,604</u>
Cash flows from investing activities:			
Proceeds from sale of securities		4,367	
Purchase of plant and equipment and other assets	(72,329)	(135,150)	(583,769)
Proceeds from sale of plant and equipment and other assets	8,927	10,369	72,050
Purchase of investments in securities.....	(5,376)	(5,317)	(43,390)
Proceeds from sale of investments in securities	4,942	4,749	39,887
Decrease (increase) in short-term loans receivable	2,254	(4,607)	18,192
Long-term loans receivable	(1,111)	(7,073)	(8,967)
Proceeds from collection of long-term loans	12,962	11,228	104,617
Net proceeds from sale of shares of a former consolidated subsidiary .		4,107	
Other	7,364	8,938	59,435
Net cash used in investing activities.....	<u>(42,367)</u>	<u>(108,389)</u>	<u>(341,945)</u>
Cash flows from financing activities:			
Decrease in short-term borrowings	(43,281)	(125,455)	(349,322)
Decrease in commercial paper		(20,000)	
Proceeds from issuance of long-term debt	92,307	222,126	745,012
Repayment of long-term debt	(153,721)	(114,078)	(1,240,686)
Proceeds from issuance of bonds	44,261	49,410	357,232
Repayment of bonds.....	(79,039)	(93,078)	(637,926)
Other	348	(2,650)	2,809
Net cash used in financing activities	<u>(139,125)</u>	<u>(83,725)</u>	<u>(1,122,881)</u>
Effect of exchange rate changes on cash and cash equivalents	754	(2,264)	6,085
Increase (decrease) in cash and cash equivalents.....	(43,382)	18,242	(350,137)
Cash and cash equivalents at beginning of year.....	162,213	121,343	1,309,225
Cash and cash equivalents of newly consolidated subsidiaries.....	7,356	22,628	59,370
Cash and cash equivalents at end of year (Note 12)	<u>¥126,187</u>	<u>¥162,213</u>	<u>\$1,018,458</u>

See accompanying notes.