

Consolidated Interim Statements of Cash Flows

Six Months ended September 30, 2002 and 2001 (unaudited)

	Millions of yen		Thousands of U.S. dollars
	2002	2001	(Note 1) 2002
<i>Cash flows from operating activities:</i>			
Income (loss) before income taxes	¥ 11,236	¥ (8,772)	\$ 91,648
Depreciation	43,577	42,999	355,440
Interest and dividend income	(1,104)	(2,027)	(9,005)
Interest expense	15,127	15,649	123,385
Gain on sale of securities	(6,440)	(253)	(52,529)
Loss on write down of securities and investments	—	2,569	—
Equity in income of unconsolidated subsidiaries and affiliates	(2,138)	(620)	(17,439)
Reversal of allowance for special repairs	(5,913)	—	(48,230)
Gain from transfer of business	(2,351)	—	(19,176)
Amortization of prior service credit of pension plans	(3,488)	—	(28,450)
Special employees' retirement benefits	980	—	7,993
Effect of applying new accounting standard for retirement benefits	6,383	6,517	52,064
Gain on securities for contribution to employee pension plan	—	(8,866)	—
Loss on sales or disposal of plant and equipment	2,823	1,149	23,026
Decrease in trade receivables	26,352	48,079	214,944
Increase in inventories	(6,097)	(6,242)	(49,731)
Decrease in trade payables	(8,217)	(44,207)	(67,023)
Other	3,621	11,498	29,535
Subtotal	74,351	57,473	606,452
Cash received for interest and dividends	2,068	2,805	16,868
Cash paid for interest	(14,342)	(16,183)	(116,982)
Cash paid for special employees' retirement benefits	(1,645)	—	(13,418)
Cash paid for income taxes	(3,048)	(4,212)	(24,861)
Net cash provided by operating activities	57,384	39,883	468,059
<i>Cash flows from investing activities:</i>			
Purchase of plant and equipment and other assets	(28,785)	(37,721)	(234,788)
Proceeds from sale of plant and equipment and other assets	22,911	7,876	186,876
Purchase of investments in securities	(2,701)	(1,615)	(22,031)
Proceeds from sale of investments in securities	7,633	5,626	62,259
Decrease (increase) in short-term loans receivable	918	(1,705)	7,488
Long-term loans receivable	(309)	(151)	(2,520)
Proceeds from collection of long-term loans	532	461	4,339
Proceeds from transfer of business	21,055	21,413	171,737
Other	254	(2,869)	2,072
Net cash provided by (used in) investing activities	21,508	(8,685)	175,432
<i>Cash flows from financing activities:</i>			
Increase (decrease) in short-term borrowings	(31,454)	1,293	(256,558)
Proceeds from issuance of long-term debt	49,702	18,338	405,400
Repayment of long-term debt	(70,206)	(77,128)	(572,643)
Proceeds from issuance of bonds	—	32,462	—
Repayment of bonds	(36,404)	(3,202)	(296,933)
Other	(4,855)	(37)	(39,600)
Net cash used in financing activities	(93,217)	(28,274)	(760,334)
<i>Effect of exchange rate changes on cash and cash equivalents</i>			
	(1,047)	951	(8,540)
<i>Increase (decrease) in cash and cash equivalents</i>	(15,372)	3,875	(125,383)
<i>Cash and cash equivalents at beginning of the six months</i>	115,292	126,187	940,391
<i>Cash and cash equivalents of newly consolidated subsidiaries</i>	107	410	873
<i>Cash and cash equivalents at end of the six months</i>	¥100,027	¥130,472	\$815,881

See accompanying notes.