

Statements of Cash Flows

(Unit: Thousands of yen)

| | 2002.3 | 2003.3 | 2004.3 | 2005.3 | 2006.3 |
|--|----------------|----------------|------------------|----------------|------------------|
| . Cash flow from operating activities | | | | | |
| Net pre-tax income | 839,533 | 754,225 | 1,017,343 | 1,039,221 | 1,261,650 |
| Depreciation and amortization | 243,193 | 238,989 | 299,635 | 441,818 | 453,810 |
| Provision for bonuses | 96,000 | 15,000 | 98,000 | 10,000 | 19,000 |
| Increase in reserve for retirement allowance | 43,446 | 25,512 | 43,162 | 105,044 | 48,894 |
| Gain(loss)on sale of investment/marketable securities | 845 | 61,033 | 17,857 | 74,193 | 342 |
| Loss on evaluation of investment securities | - | 109,577 | 2,373 | 10,136 | 7,959 |
| Loss on sale/disposal of fixed assets | 6,066 | 70,342 | 2,208 | 8,329 | 5,198 |
| Loss on revaluation of memberships | 5,570 | 22,126 | - | - | - |
| Directors'bonuses paid | 47,500 | 38,000 | 38,000 | 47,500 | 39,100 |
| Decrease in notes and accounts receivable | 1,135,126 | 725,743 | 536,753 | 962,689 | 513,526 |
| Increase/decrease in inventories | 188,840 | 218,317 | 75,698 | 380,202 | 211,127 |
| Increase in notes and accounts payable | 707,282 | 537,800 | 556,097 | 191,798 | 488,312 |
| Income from claims in bankruptcy and collection of restructured debt | 22,378 | - | - | - | - |
| Income tax paid | 597,097 | 307,727 | 377,545 | 453,992 | 508,445 |
| Others | 162,897 | 70,562 | 167,683 | 90,675 | 86,353 |
| Net cash used in operating activities | 874,224 | 788,823 | 2,214,154 | 816,591 | 1,571,322 |
| . Cash flow from investing activities | | | | | |
| Increase in time deposits | 5,000 | - | - | 100,000 | - |
| Decrease in time deposits | 20,000 | - | - | - | 100,000 |
| Purchase of marketable/investment securities | 781,504 | 763,513 | 770,887 | 52,140 | 506,321 |
| Proceeds from sales of marketable/investment securities | 845,524 | 826,074 | 900,140 | 436,910 | 100,887 |
| Purchase of fixed assets | 235,093 | 392,948 | 827,775 | 422,461 | 263,275 |
| Others | 44,255 | 36,044 | 52,487 | 39,947 | 49,176 |
| Net cash used in investing activities | 111,818 | 366,432 | 646,035 | 97,744 | 617,885 |
| . Cash flow from financing activities | | | | | |
| Repayment of short-term loans | - | - | - | - | - |
| Proceeds from long-term debt | - | - | - | - | - |
| Repayment of long-term debt | 264,510 | 297,300 | 435,300 | - | - |
| Proceeds from issue of stock | - | - | - | 57,904 | 56,364 |
| Purchase of treasury stock | 64,487 | - | 100,128 | 351,000 | - |
| Cash dividends paid | 65,808 | 75,950 | 75,950 | 106,464 | 147,050 |
| Others | 2,077 | - | - | - | - |
| Net cash used in financing activities | 392,727 | 373,250 | 611,378 | 399,560 | 90,686 |
| . Effect of exchange rate changes on cash and cash equivalents | 1,432 | 101 | 19 | 0 | 47 |
| . Increase/decrease in cash and cash equivalents | 371,110 | 49,243 | 956,760 | 1,313,895 | 862,797 |
| . Cash and cash equivalents at beginning of year | 1,994,357 | 2,365,468 | 2,414,711 | 3,371,472 | 2,057,576 |
| . Cash and cash equivalents at end of year | 2,365,468 | 2,414,711 | 3,371,472 | 2,057,576 | 2,920,374 |