

### 3. Consolidated Statement of Cash Flow

(Millions of yen)

	Nine months ended December 31, 2005	Nine months ended December 31, 2004	Fiscal year ended March 31, 2005
<b>I. Cash flows from operating activities</b>			
Net income before income taxes and minority interests	36,339	38,756	35,430
Depreciation and amortization	37,815	37,865	52,953
Impairment loss on fixed assets	23,299	-	-
Amortization of consolidated goodwill	4,182	4,423	5,906
Increase (decrease) in allowance for doubtful accounts	955	(237)	101
Interest and dividend income	(1,345)	985	(1,353)
Interest expense	4,166	4,211	5,549
Loss (gain) on sales or disposals of tangible fixed assets	1,467	2,163	4,010
Valuation loss (gain) on investment securities	(936)	67	(2,129)
Transition obligations due to adoption of new accounting standards for retirement benefits	-	385	521
Management integration rationalization expenses	-	2,748	4,020
Gain (loss) related to switch of defined contribution benefit plan	-	(160)	(160)
Restructuring expenses	1,776	-	4,851
Other extraordinary losses	2,372	-	-
Transfers to allowance for doubtful accounts	-	-	1,627
Amortization of consolidated goodwill	-	-	5,397
(Increase) decrease in trade notes and accounts receivable	(4,076)	(8,102)	(14,056)
(Increase) decrease in inventories	(1,599)	(13,753)	128
Increase (decrease) in trade notes and accounts payable	(13,221)	(4,382)	(9,239)
Increase (decrease) in accrued consumption tax payable	610	384	646
Increase (decrease) in transfer to asset for business use leased to others	(7,920)	(6,388)	(16,731)
Other	(3,515)	1,760	13,761
<b>Subtotal</b>	<b>80,370</b>	<b>57,209</b>	<b>91,235</b>
Interest and dividends received	1,390	1,073	1,417
Interest paid	(4,195)	(4,271)	(5,524)
Income taxes paid	29,085	(27,253)	(31,447)
<b>Net cash provided by operating activities</b>	<b>48,479</b>	<b>26,757</b>	<b>55,680</b>
<b>II . Cash flows from investing activities</b>			
Payment for acquisition of tangible fixed assets	(39,339)	(29,517)	(46,585)
Proceeds from sale of tangible fixed assets	3,585	1,804	3,604
Payment for acquisition of intangible fixed assets	(5,630)	(5,704)	(9,088)
Payment for loans receivable	(647)	(1,087)	(1,670)
Proceeds from return of loan receivable	1,097	1,479	1,431
Payment for acquisition of investment securities	(27)	(311)	(348)
Proceeds from sale of investment securities	4,738	79	4,976
Payment for other investments	(2,186)	(2,178)	(3,395)
Other	(291)	1,106	1,732
<b>Net cash used in by investing activities</b>	<b>(38,703)</b>	<b>(34,329)</b>	<b>(49,343)</b>
<b>III . Cash flows from financing activities</b>			
Net (decrease) increase in short-term loans payable	8,202	(1,547)	(29,640)
Proceeds from long-term loans payable	10,000	29,257	29,257
Repayment of long-term loans payable	(3,933)	(10,562)	(14,535)
Proceeds from issuing of bonds	9,087	-	13,694
Redemption of bonds	(17,457)	(18,354)	(24,870)
Payment to execute buyback of Company's stock	10	15	24
Proceeds from sale of Company's stock	(84)	(191)	(233)
Dividend payments	(2,654)	(5,310)	(5,310)
<b>Net Cash used in financing activities</b>	<b>3,170</b>	<b>(6,693)</b>	<b>(31,614)</b>
<b>IV. Effect of exchange rate changes on cash and cash equivalents</b>	<b>1,246</b>	<b>839</b>	<b>642</b>
<b>V. Increase in cash and cash equivalents</b>	<b>14,193</b>	<b>(13,426)</b>	<b>(24,635)</b>
<b>VI. Cash and cash equivalents at beginning of the period</b>	<b>59,485</b>	<b>83,704</b>	<b>83,704</b>
<b>VII. Increase in cash and cash equivalents due to newly consolidated subsidiaries</b>	<b>1</b>	<b>488</b>	<b>416</b>
<b>VIII. Cash and cash equivalents at end of the period</b>	<b>73,680</b>	<b>70,766</b>	<b>59,485</b>