

3. Consolidated Statement of Cash Flow Highlights

[Millions of yen]

	Three months ended June 30, 2006	Three months ended June 30, 2005	Fiscal year ended March 31, 2006
I. Cash flows from operating activities			
Net income before income taxes and minority interests	22,286	13,502	(35,934)
Depreciation and amortization	12,032	12,421	51,198
Impairment loss on fixed assets	—	3,915	4,143
Amortization of consolidated goodwill	1,346	1,400	5,595
Increase (decrease) in allowance for doubtful accounts	811	96	465
Interest and dividend income	(579)	(483)	(1,756)
Interest expense	1,338	1,425	5,427
Loss (gain) on disposals and sale of tangible fixed assets	(232)	351	2,434
Valuation loss (gain) on investment securities	(585)	(8)	(1,099)
Amortization of consolidated goodwill	—	—	2,361
Other extraordinary losses	—	—	2,372
Payment for dissolution of business	—	—	96,625
Special additional severance benefits	—	—	6,484
(Increase) decrease in trade notes and accounts receivable	18,255	16,017	7,257
(Increase) decrease in inventories	914	(5,757)	22,032
Increase (decrease) in trade notes and accounts payable	(4,815)	(3,035)	(31,855)
Increase (decrease) in accrued consumption tax payable	1,162	527	400
Increase (decrease) on transfer of lease assets used in sales activities	(2,132)	(2,238)	(11,278)
Other	(36,303)	(19,664)	(11,821)
Subtotal	13,498	18,471	113,051
Interest and dividends received	(267)	477	1,524
Interest paid	(1,249)	(1,477)	(5,488)
Income taxes paid	(9,206)	(21,094)	(30,162)
Net cash provided by operating activities	2,774	(3,623)	78,924
II. Cash flows from investing activities			
Payment for acquisition of tangible fixed assets	(13,129)	(11,866)	(51,904)
Proceeds from sale of tangible fixed assets	1,223	396	5,551
Payment for acquisition of intangible fixed assets	(800)	(1,057)	(8,809)
Proceeds from sale of business	—	—	8,599
Payment for acquisition of new consolidated subsidiary	—	—	(1,729)
Payment for loans receivable	(86)	(24)	(541)
Proceeds from return of loan receivable	282	1,067	1,556
Payment for acquisition of investment securities	(101)	(2)	(42)
Proceeds from sale of investment securities	951	12	5,057
Payment for other investments	(374)	(789)	(3,236)
Other	1,050	289	2,352
Net cash used in investing activities	(10,984)	(11,974)	(43,146)
III. Cash flows from financing activities			
Net (decrease) increase in short-term loans payable	(3,667)	19,561	(25,819)
Proceeds from long-term loans payable	—	—	27,502
Repayment of long-term loans payable	(9)	(1,539)	(7,396)
Proceeds from issuing of bonds	—	3,007	9,184
Redemption of bonds	(3,252)	(3,132)	(17,536)
Payment to execute buyback of Company's stock	3	3	10
Proceeds from sale of Company's stock	(29)	(13)	(135)
Dividend payments	(0)	(2,654)	(2,661)
Net Cash used in financing activities	(6,955)	15,232	(16,850)
IV. Effect of exchange rate changes on cash and cash equivalents	30	376	2,463
V. Increase (decrease) in cash and cash equivalents	(15,134)	11	21,391
VI. Cash and cash equivalents at beginning of the period	80,878	59,485	59,485
VII. Increase in cash and cash equivalents due to newly consolidated subsidiaries and others	216	1	1
VIII. Cash and cash equivalents at end of the period	65,960	59,498	80,878