

HISAKA WORKS, LTD.  
NON CONSOLIDATED STATEMENTS OF CASH FLOWS  
YEARS ENDED MARCH 31

	Millions of Yen		Thousands of
	2008	2007	U.S. Dollars
			2008
Cash flows from operating activities:			
Net income before income taxes	¥ 3,906	¥ 4,138	\$ 38,986
Depreciation	1,436	734	14,333
Decrease in allowance for doubtful accounts	(1)	(24)	(10)
Increase (decrease) in accrued retirement benefits for employees	(12)	(333)	(120)
Increase (decrease) in accrued retirement benefits for directors and corporate auditors	—	(124)	—
Increase (decrease) in accrued bonuses for employees	(40)	270	(399)
Interest and dividends income	(484)	(548)	(4,831)
Interest expenses	20	27	200
Exchange gain	1	(0)	10
Loss on devaluation of investments in securities	459	—	4,581
Gain on sales of securities	(114)	(304)	(1,138)
Loss on sales of securities	28	—	279
Loss on disposal of fixed assets	894	479	8,923
Increase in trade receivables	(1,625)	(883)	(16,219)
Increase in inventories	(3,937)	(2,052)	(39,295)
Increase in trade payables	407	1,190	4,062
Increase (decrease) in accrued consumption taxes	(275)	15	(2,745)
Payments for bonus for directors and corporate auditors	—	(48)	—
Others, net	1,942	614	19,384
Sub total	2,605	3,151	26,001
Interest and dividends income received	485	518	4,841
Interest expenses paid	(20)	(27)	(200)
Income taxes paid	(1,998)	(1,327)	(19,942)
Net cash provided by operating activities	1,072	2,315	10,700
Cash flows from investing activities:			
Proceeds from sales of short-term investments in securities	500	2,480	4,990
Payments for purchases of property, plant and equipment	(7,472)	(4,039)	(74,578)
Proceeds from sales of property, plant and equipment	1	16	10
Payments for purchases of investments in securities	(1,901)	(932)	(18,974)
Proceeds from sales of investments in securities	760	1,700	7,586
Others, net	(578)	(1,294)	(5,769)
Net cash used in investing activities	(8,690)	(2,069)	(86,735)
Cash flows from financing activities:			
Increase (decrease) in short-term loans	5,354	(1,500)	53,438
Payments for purchase of treasury stock	(68)	(59)	(678)
Proceeds from sales of treasury stock	—	4,898	—
Dividends paid	(943)	(575)	(9,412)
Net cash used in financing activities	4,343	2,764	43,348
Effect of exchange rate change on cash and cash equivalent	(1)	0	(10)
Net increase (decrease) in cash and cash equivalents	(3,276)	3,010	(32,697)
Cash and cash equivalents at beginning of year	3,347	337	33,407
Cash and cash equivalents at end of year	71	3,347	710