

**(4) Consolidated Statements of Cash Flows**

(Thousands of yen)

|  | Fiscal year ended<br>March 31, 2018 | Fiscal year ended<br>March 31, 2019 |
|--|-------------------------------------|-------------------------------------|
| Cash flows from operating activities                                 |                                     |                                     |
| Profit before income taxes   | 2,772,649                           | 2,258,668                           |
| Depreciation   | 1,153,925                           | 1,154,756                           |
| Amortization of goodwill   | -                                   | 22,190                              |
| Increase (decrease) in allowance for doubtful accounts               | 4,964                               | 48                                  |
| Increase (decrease) in provision for product warranties              | 25,211                              | 199,333                             |
| Increase (decrease) in provision for bonuses                         | 88,167                              | 44,481                              |
| Decrease (increase) in retirement benefit asset                      | 40,662                              | 304,207                             |
| Increase (decrease) in retirement benefit liability                  | 8,050                               | 5,939                               |
| Interest and dividend income   | 261,828                             | 267,141                             |
| Interest expenses  | 125                                 | 306                                 |
| Foreign exchange losses (gains)                                      | 32,635                              | 37,736                              |
| Share of loss (profit) of entities accounted for using equity method | 11,397                              | 29,544                              |
| Loss (gain) on sales of investment securities                        | -                                   | 231,432                             |
| Loss (gain) on valuation of investment securities                    | -                                   | 49,370                              |
| Loss (gain) on redemption of investment securities                   | 727,000                             | -                                   |
| Loss on valuation of shares of subsidiaries and associates           | -                                   | 66,317                              |
| Loss (gain) on sales and retirement of non-current assets            | 12,831                              | 15,488                              |
| Disaster related expenses  | -                                   | 179,104                             |
| Reversal of allowance for doubtful accounts                          | 95,286                              | -                                   |
| Decrease (increase) in notes and accounts receivable - trade         | 921,660                             | 2,123,162                           |
| Decrease (increase) in inventories                                   | 1,149,400                           | 693,769                             |
| Increase (decrease) in notes and accounts payable - trade            | 1,011,503                           | 526,805                             |
| Increase (decrease) in advances received                             | 117,512                             | 1,122,492                           |
| Increase (decrease) in accrued consumption taxes                     | 105,952                             | 87,644                              |
| Decrease (increase) in accounts receivable - other                   | 17,501                              | 26,082                              |
| Other, net   | 44,791                              | 17,863                              |
| Subtotal   | 1,982,805                           | 2,773,785                           |
| Interest and dividend income received                                | 264,883                             | 267,278                             |
| Interest expenses paid   | 125                                 | 306                                 |
| Disaster related expenses paid                                       | -                                   | 96,603                              |
| Income taxes (paid) refund   | 714,079                             | 932,619                             |
| Net cash provided by (used in) operating activities                  | 2,961,642                           | 2,011,534                           |

(Thousands of yen)

|   | Fiscal year ended<br>March 31, 2018 | Fiscal year ended<br>March 31, 2019 |
|---|-------------------------------------|-------------------------------------|
| Cash flows from investing activities  |                                     |                                     |
| Payments into time deposits   | 108,441                             | 115,495                             |
| Proceeds from withdrawal of time deposits   | 107,840                             | 107,841                             |
| Payments into long-term time deposits   | 1,000,000                           | 913,605                             |
| Proceeds from long-term time deposits   | 400,000                             | -                                   |
| Purchase of non-current assets  | 538,338                             | 1,711,292                           |
| Proceeds from sales of non-current assets   | 1,245                               | 876                                 |
| Purchase of investment securities   | 402,202                             | 59,521                              |
| Proceeds from sales of investment securities  | 2,000,000                           | 1,295,784                           |
| Purchase of purchase of Investments in capital of subsidiaries and associates resulting in change in scope of consolidation | 49,890                              | -                                   |
| Collection of long-term loans receivable  | 97,735                              | 1,220                               |
| Purchase of insurance funds   | 4,864                               | 5,438                               |
| Proceeds from cancellation of insurance funds   | 1,401                               | 7,153                               |
| Other, net  | 971                                 | 8,126                               |
| Net cash provided by (used in) investing activities   | 505,456                             | 1,400,604                           |
| Cash flows from financing activities  |                                     |                                     |
| Repayments of lease obligations   | 834                                 | 7,945                               |
| Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation         | 1,666                               | -                                   |
| Purchase of treasury shares   | 358                                 | 160                                 |
| Cash dividends paid   | 596,496                             | 595,972                             |
| Net cash provided by (used in) financing activities   | 599,356                             | 604,077                             |
| Effect of exchange rate change on cash and cash equivalents   | 13,126                              | 14,743                              |
| Net increase (decrease) in cash and cash equivalents  | 2,880,868                           | 7,891                               |
| Cash and cash equivalents at beginning of period  | 11,457,753                          | 14,338,622                          |
| Increase in cash and cash equivalents from newly consolidated subsidiary  | -                                   | 237,326                             |
| Cash and cash equivalents at end of period  | 14,338,622                          | 14,568,058                          |