

Consolidated Statements of Cash Flows

For the years ended 31st March, 2001 and 2000

	Millions of Yen		Thousands of U.S. Dollars (Note 3)
	2001	2000	2001
Cash Flows from Operating Activities:			
Income before income taxes and minority interests	¥ 2,093	(¥1,183)	\$ 16,890
Adjustments for:			
Depreciation	5,065	4,574	40,884
Loss on devaluation of investment securities.....	48	1,816	391
Loss on devaluation of facilities membership rights.....	189	651	1,525
Increase/decrease in allowance for doubtful accounts	(2,639)	1,081	(21,298)
Increase/decrease in reserve for retirement benefits	(4,891)	127	(39,477)
Increase in accrued severance indemnities	4,723		38,118
Increase in officer's severance indemnities	334		2,693
Interest and dividends income	(130)	(123)	(1,053)
Interest expenses	514	478	4,147
Gain /loss on sales of fixed assets.....	(647)	(265)	(5,219)
Loss on disposal of fixed assets.....	233	159	1,881
Loss on disposal of leased assets	113	682	915
Purchase of assets to lease	(3,423)		(27,629)
Decrease/Increase in notes and accounts receivable- trade	(2,077)	8,890	(16,763)
Decrease/increase in costs on uncompleted construction contracts.....	3,162	(19)	25,524
Decrease/increase in other inventories.....	661	381	5,334
Increase/decrease in account payable-purchases.....	(571)	(1,812)	(4,606)
Increase/decrease in advances received on uncompleted construction contracts	(1,673)	302	(13,499)
Others	2,254	(1,192)	18,181
Sub total	3,338	14,547	26,939
Interest and dividends received.....	130	124	1,053
Interest paid	(424)	(495)	(3,419)
Payments of income taxes, etc.	(1,658)	(2,820)	(13,389)
Cash flows from operating activities.	<u>1,386</u>	<u>11,356</u>	<u>11,184</u>
Cash Flows from Investing Activities:			
Purchases of securities	(1,202)	(1,055)	(9,705)
Proceeds from sale of marketable securities	1,202	1,158	9,705
Purchase of tangible fixed assets	(2,156)	(4,910)	(17,403)
Proceeds from sale of tangible fixed assets	930	372	7,504
Purchases of intangible fixed assets.....	(154)	(473)	(1,244)
Proceeds from sales of intangible fixed assets.....		14	
Purchase of investment securities.....	(237)	(24)	(1,913)
Proceeds from sales of investment securities.....	517	61	4,173
Net decrease/increase in short-term loans receivable	(59)	5	(478)
Payments for long-term loans receivable.....	(43)	(4)	(344)
Proceeds from collection of long-term loans receivable..	25	166	198
Other	(21)	(124)	(159)
Cash flows from investing activities	<u>(1,198)</u>	<u>(4,814)</u>	<u>(9,666)</u>
Cash Flows from Financing Activities:			
Net increase/decrease in short-term borrowings.....	(2,223)	(2,765)	(17,940)
Proceeds from long-term borrowings	20	1,119	161
Repayment of long-term borrowings	(22)	(2,059)	(174)
Purchase of treasury stock	(4)	(7)	(36)
Dividends paid.....	(488)	(488)	(3,939)
Other	4	7	34
Cash flows from financing activities	<u>(2,713)</u>	<u>(4,193)</u>	<u>(21,894)</u>

Effect of Exchange Rate Changes on Cash and Cash Equivalents	(3)		(28)
Increase in Cash and Cash Equivalents	(2,525)	2,349	(20,376)
Cash and Cash Equivalents at Beginning of period	17,304	14,225	139,660
Adjustments of New Consolidated Subsidiaries on Cash And Cash Equivalents.....	0	730	0
Cash and Cash Equivalents at End of period	<u>¥ 14,776</u>	<u>¥ 17,304</u>	<u>\$ 119,256</u>

The accompanying notes are an integral part of the financial statements.