

Consolidated Statements of Cash Flows

For the years ended 31 March 2003 and 2002

	Millions of Yen		Thousands of U.S. Dollars (Note 3)
	2003	2002	2003
Cash Flows from Operating Activities:			
Income / (loss) before income taxes and minority interests.....	¥ 1,062	¥ (8815)	\$ 8,835
Adjustments for:			
Depreciation	5,189	5,106	43,170
Evaluation losses on investments in securities	1,211	2,396	10,075
Evaluation losses on facilities membership	113	112	940
Increase in allowance for doubtful accounts.....	71	145	590
Decrease in reserve for retirement benefits to employees	(1,247)	(95)	(10,375)
Decrease in reserve for retirement benefit to directors and corporate auditors	(7)	(137)	(58)
Interest and dividends income	(84)	(83)	(699)
Interest expenses.....	206	410	1,714
Gain on sales of tangible fixed assets	(4)	(30)	(33)
Loss on disposal of tangible fixed assets	203	183	1,688
Loss on disposal of leased assets.....	489	338	4,068
Acquisition of leased assets.....	(2,987)	(3,677)	(24,850)
Decrease in notes and accounts receivable– trade	753	10,518	6,265
Decrease / (increase) in costs on uncompleted construction contracts.....	(2,230)	539	(18,552)
Decrease in other inventories	638	5,582	5,308
Increase/(decrease) in accounts payable–trade.....	1,958	(9,720)	16,290
Increase in advances received on uncompleted construction contracts.....	1,139	175	9,476
Early retirement benefits to employee.....	218	-	1,814
Others	(607)	1,307	(5,050)
Sub total	6,084	4,254	50,616
Interest and dividends received	84	86	698
Interest paid.....	(203)	(388)	(1,689)
Early retirement benefits to employee paid.....	(1,068)	-	(8,886)
Income taxes paid.....	(210)	(1,716)	(1,747)
Net cash provided by operating activities.....	4,687	2,236	38,992
Cash Flows from Investing Activities:			
Acquisition of marketable securities	(0)	(50)	(0)
Acquisition of tangible fixed assets.....	(2,366)	(2,777)	(19,684)
Proceeds from sale of tangible fixed assets	22	56	183
Acquisition of intangible fixed assets.....	(78)	(308)	(649)
Proceeds from sales of intangible fixed assets.....			
Acquisition of investments in securities	(635)	(17)	(5,283)
Proceeds from sales of investments in securities	6	136	50
Net decrease/(increase) in short-term loans receivable....	(23)	170	(191)
Increase in long-term loans receivable	(4)	(252)	(33)
Decrease in collection of long-term loans receivable	14	461	116
Others	74	(293)	616
Net cash used in investing activities	(2,990)	(2,874)	(24,875)
Cash Flows from Financing Activities:			
Net decrease in short-term borrowings.....	(331)	(1,137)	(2,754)
Proceeds from long-term borrowings	4,000	2,399	33,278
Repayment of long-term borrowings.....	(5,523)	(980)	(45,948)
Purchase of treasury stock.....	(10)	(4)	(83)
Dividends paid.....	(488)	(488)	(4,060)
Others	3	7	25

Net cash used in financing activities	<u>(2,349)</u>	<u>(203)</u>	<u>(19,542)</u>
Effect of Exchange Rate Changes on Cash and Cash Equivalents	<u>(26)</u>	<u>(37)</u>	<u>(216)</u>
Decrease in Cash and Cash Equivalents	<u>(678)</u>	<u>(878)</u>	<u>(5,641)</u>
Cash and Cash Equivalents at Beginning of year	<u>14,247</u>	<u>14,776</u>	<u>118,527</u>
Cash and Cash Equivalents acquired from newly consolidated subsidiaries	<u>(143)</u>	<u>349</u>	<u>(1,189)</u>
Cash and Cash Equivalents at End of year (Note 4)	<u>¥ 13,426</u>	<u>¥ 14,247</u>	<u>\$ 111,697</u>

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