

## Consolidated Statements of Cash Flows

For the years ended 31 March 2004 and 2003

	Millions of Yen		Thousands of U.S. Dollars (Note 3)
	2004	2003	2004
<b>Cash Flows from Operating Activities:</b>			
Profit before income taxes and minority interests.....	¥ 2,349	¥ 1,062	\$ 22,238
Adjustments for:			
Depreciation .....	5,117	5,189	48,443
Evaluation losses on investments in securities .....	-	1,211	-
Evaluation losses on facilities membership .....	88	113	833
Increase (decrease) in allowance for doubtful accounts ..	(273)	71	(2,584)
Decrease in reserve for retirement benefits to employees	(165)	(1,247)	(1,562)
Decrease in reserve for retirement benefit to directors			
and corporate auditors .....	(69)	(7)	(653)
Interest and dividends income .....	(80)	(84)	(757)
Interest expenses.....	262	206	2,480
Gain on sales of investments in securities .....	(526)	-	(4,980)
Loss (gain) on sales of tangible fixed assets.....	29	(4)	275
Loss on disposal of tangible fixed assets .....	145	203	1,373
Loss on disposal of leased assets .....	559	489	5,292
Acquisition of leased assets.....	(4,235)	(2,987)	(40,093)
Decrease in notes and accounts receivable– trade .....	3,447	753	32,633
Decrease (increase) in costs on uncompleted			
construction contracts.....	3,463	(2,230)	32,784
Decrease (increase) in other inventories.....	(474)	638	(4,487)
Increase (decrease) in accounts payable-trade.....	(6,275)	1,958	(59,405)
Increase (decrease) in advances received on			
uncompleted construction contracts .....	(3,310)	1,139	(31,336)
Increase in account payable.....	3,152	-	29,840
Early retirement benefits to employee .....	-	218	-
Others .....	413	(607)	3,910
Sub total .....	3,617	6,084	34,244
Interest and dividends received .....	79	84	748
Interest paid.....	(254)	(203)	(2,405)
Early retirement benefits to employee paid .....	-	(1,068)	-
Income taxes paid.....	(364)	(210)	(3,446)
Net cash provided by operating activities.....	3,078	4,687	29,141
<b>Cash Flows from Investing Activities:</b>			
Acquisition of marketable securities .....	-	(0)	-
Proceeds from sales of marketable securities .....	114		1,079
Acquisition of tangible fixed assets.....	(2,622)	(2,366)	(24,822)
Proceeds from sale of tangible fixed assets .....	40	22	379
Acquisition of intangible fixed assets.....	(123)	(78)	(1,164)
Acquisition of investments in securities .....	(35)	(635)	(331)
Proceeds from sales of investments in securities .....	278	6	2,632
Net decrease (increase) in short-term loans receivable....	15	(23)	142
Increase in long-term loans receivable .....	-	(4)	-
Decrease in collection of long-term loans receivable .....	17	14	161
Others .....	2	74	19
Net cash used in investing activities .....	(2,314)	(2,990)	(21,905)
<b>Cash Flows from Financing Activities:</b>			
Net increase (decrease) in short-term borrowings .....	222	(331)	2,102
Proceeds from long-term borrowings .....	700	4,000	6,627
Repayment of long-term borrowings.....	(1,121)	(5,523)	(10,613)
Purchase of treasury stock.....	(3)	(10)	(28)
Dividends paid.....	(488)	(488)	(4,620)

Others .....	-	3	-
Net cash used in financing activities .....	<u>(690)</u>	<u>(2,349)</u>	<u>(6,532)</u>
<b>Effect of Exchange Rate Changes on Cash and Cash</b>			
<b>Equivalents</b> .....	<b>(4)</b>	<b>(26)</b>	<b>(38)</b>
<b>Increase (decrease) in Cash and Cash Equivalents</b> .....	<b>70</b>	<b>(678)</b>	<b>666</b>
<b>Cash and Cash Equivalents at Beginning of Year</b> .....	<b>13,426</b>	<b>14,247</b>	<b>127,104</b>
<b>Cash and Cash Equivalents Acquired from Newly</b>	<b>-</b>	<b>(143)</b>	<b>-</b>
<b>Consolidated Subsidiaries</b> .....			
<b>Cash and Cash Equivalents at End of Year (Note 4)</b>	<b><u>¥ 13,496</u></b>	<b><u>¥ 13,426</u></b>	<b><u>\$ 127,770</u></b>

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