

## Consolidated Statements of Cash Flows

For the years ended 31 March 2006 and 2005

	Millions of yen		Thousands of U.S. dollars (Note 3)
	2006	2005	2006
<b>Cash Flows from Operating Activities:</b>			
Profit before income taxes and minority interests .....	¥ 1,982	¥ 931	\$ 16,872
Adjustments for:			
Depreciation .....	5,316	5,572	45,254
Impairment loss on fixed assets.....	588	-	5,006
Decrease in allowance for doubtful accounts .....	(162)	(86)	(1,379)
Increase in reserve for loss on construction contracts .....	144	-	1,226
Decrease in reserve for retirement benefits to employees Increase in reserve for retirement benefits to directors and corporate auditors .....	(219)	(246)	(1,864)
Interest and dividends income .....	24	10	204
Interest expenses .....	(119)	(124)	(1,013)
Interest expenses .....	298	297	2,537
Gain on sale of investments in securities.....	(1,249)	(8)	(10,633)
Valuation loss on real estate held for resale.....	216	-	1,839
Loss (gain) on sale of tangible fixed assets .....	248	(238)	2,111
Loss on disposal of tangible fixed assets.....	81	208	689
Loss on disposal of leased assets.....	499	417	4,248
Acquisition of leased assets.....	(3,025)	(3,108)	(25,751)
Decrease (increase) in notes and accounts receivable- trade.....	1,774	(3,653)	15,102
Increase in cost of uncompleted construction contracts ..	(424)	(585)	(3,609)
Decrease in other inventories .....	90	230	766
Increase (decrease) in accounts payable-trade.....	773	(2,646)	6,580
Decrease in advances received on uncompleted construction contracts.....	(275)	(395)	(2,341)
Increase in accounts payable - other.....	1,880	2,647	16,004
Others .....	(1,600)	1,970	(13,620)
Sub total .....	6,840	1,193	58,228
Interest and dividends received .....	119	124	1,013
Interest paid .....	(264)	(264)	(2,248)
Income taxes paid.....	(285)	(192)	(2,426)
Net cash provided by operating activities.....	6,410	861	54,567
<b>Cash Flows from Investing Activities:</b>			
Proceeds from sale of marketable securities .....	-	10	-
Acquisition of tangible fixed assets.....	(2,258)	(3,012)	(19,222)
Proceeds from sale of tangible fixed assets .....	356	399	3,031
Acquisition of intangible assets.....	(124)	(51)	(1,056)
Acquisition of investments in securities .....	(987)	(948)	(8,402)
Proceeds from sale of investments in securities .....	2,305	1,671	19,622
Net (increase) /decrease in short-term loans receivable ..	(146)	13	(1,243)
Payment of long-term loans .....	(321)	-	(2,733)
Proceeds from collection of long-term loans receivable..	4	12	34
Others .....	(208)	26	(1,770)
Net cash used in investing activities .....	(1,379)	(1,880)	(11,739)
<b>Cash Flows from Financing Activities:</b>			
Net decrease in short-term borrowings.....	(202)	(442)	(1,719)
Proceeds from long-term borrowings .....	800	1,900	6,810
Repayment of long-term borrowings.....	(801)	(1,659)	(6,819)
Purchase of treasury stock.....	(8)	(530)	(68)
Dividends paid.....	(475)	(488)	(4,044)
Others .....	(1)	(0)	(8)
Net cash used in financing activities .....	(687)	(1,219)	(5,848)

<b>Effect of Exchange Rate Changes on Cash and Cash Equivalents</b> .....	<b>30</b>	<b>(31)</b>	<b>255</b>
<b>Decrease (increase) in Cash and Cash Equivalents</b> .....	<b>4,374</b>	<b>(2,269)</b>	<b>37,235</b>
<b>Cash and Cash Equivalents at Beginning of Year</b> .....	<b>11,239</b>	<b>13,496</b>	<b>95,676</b>
<b>Cash and Cash Equivalents Acquired from Newly Consolidated Subsidiaries</b> .....	<b>8</b>	<b>12</b>	<b>68</b>
<b>Cash and Cash Equivalents at End of Year (Note 6)</b>	<b>¥ 15,621</b>	<b>¥ 11,239</b>	<b>\$ 132,979</b>

The accompanying notes are an integral part of these consolidated financial statements.