

Consolidated Statements of Cash Flows

For the years ended 31 March 2007 and 2006

	Millions of yen		Thousands of U.S. dollars (Note 3)
	2007	2006	2007
Cash Flows from Operating Activities:			
Profit before income taxes and minority interests	¥704	¥1,982	\$5,961
Adjustments for:			
Depreciation	4,648	5,316	39,353
Impairment loss on fixed assets	565	588	4,788
Increase / (decrease) in allowance for doubtful accounts	1,346	(162)	11,395
Increase in reserve for loss on construction contracts	-	144	-
Decrease in reserve for retirement benefits to employees (Decrease) / increase in reserve for retirement benefits to directors and corporate auditors	(269)	(219)	(2,278)
Interest and dividends income	(152)	24	(1,291)
Interest expenses	(112)	(119)	(952)
Interest expenses	332	298	2,812
Loss /(gain) on sale of investments in securities	82	(1,249)	692
Valuation loss on real estate held for resale	-	216	-
Net (gain) / loss on sale of tangible fixed assets	(260)	248	(2,202)
Loss on disposal of tangible fixed assets	86	81	731
Loss on disposal of leased assets	497	499	4,205
Acquisition of leased assets	(2,072)	(3,025)	(17,545)
(Increase) / decrease in notes and accounts receivable- trade	(4,259)	1,774	(36,066)
Increase in cost of uncompleted construction contracts ..	(472)	(424)	(3,996)
Decrease in other inventories	736	90	6,231
Increase in accounts payable-trade	1,492	773	12,634
Increase / (decrease) in advances received on uncompleted construction contracts	1,619	(275)	13,708
Increase in accounts payable - other	1,092	1,880	9,248
Others	(173)	(1,600)	(1,445)
Sub total	5,430	6,840	45,983
Interest and dividends received	113	119	954
Interest paid	(344)	(264)	(2,911)
Income taxes paid	(319)	(285)	(2,706)
Net cash provided by operating activities	4,880	6,410	41,320
Cash Flows from Investing Activities:			
Acquisition of tangible fixed assets	(2,669)	(2,258)	(22,600)
Proceeds from sale of tangible fixed assets	436	356	3,697
Acquisition of intangible assets	(59)	(124)	(504)
Acquisition of investments in securities	-	(987)	-
Proceeds from sale of investments in securities	-	2,305	-
Net decrease / (increase) in short-term loans receivable .	42	(146)	352
Payment of long-term loans	(381)	(321)	(3,222)
Proceeds from collection of long-term loans receivable..	60	4	505
Others	(236)	(208)	(2,001)
Net cash used in investing activities	(2,807)	(1,379)	(23,773)
Cash Flows from Financing Activities:			
Net decrease in short-term borrowings	(4,600)	(202)	(38,953)
Proceeds from long-term borrowings	9,500	800	80,447
Repayment of long-term borrowings	(4,354)	(801)	(36,870)
Purchase of treasury stock	(7)	(8)	(52)
Dividends paid	(475)	(475)	(4,022)
Others	(1)	(1)	(11)
Net cash provided by (used in) financing activities ..	63	(687)	539
Effect of Exchange Rate Changes on Cash and Cash			

Equivalents	16	30	136
Increase in Cash and Cash Equivalents	2,152	4,374	18,222
Cash and Cash Equivalents at Beginning of Year	15,621	11,239	132,278
Cash and Cash Equivalents Acquired from Newly Consolidated Subsidiaries	-	8	-
Cash and Cash Equivalents at End of Year (Note 6)	¥17,773	¥15,621	\$150,500

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