

## Consolidated Statements of Cash Flows

For the years ended March 31, 2019 and 2018

	Millions of yen		Thousands of U.S. dollars (Note 3)
	2019	2018	2019
<b>Net Cash Provided by Operating Activities:</b>			
Profit before income taxes .....	¥7,174	¥4,112	\$64,620
Adjustments for:			
Depreciation .....	3,739	3,770	33,683
Impairment loss on tangible fixed assets .....	69	174	624
(Decrease) in allowance for doubtful accounts .....	(11)	(55)	(98)
Increase in allowance for loss related to Anti-Monopoly Act .....	381	3,345	3,426
(Decrease) in net defined benefit liability .....	(38)	(47)	(340)
Interest and dividends income .....	(229)	(259)	(2,061)
Interest expenses .....	110	115	989
(Gain) on sale of investment securities .....	-	(754)	-
(Gain) on sale of shares of subsidiaries .....	(6)	-	(50)
(Gain) on liquidation of subsidiaries .....	-	(171)	-
Compensation for transfer .....	(4)	(149)	(35)
Net (gain) on sale of tangible fixed assets .....	(46)	(169)	(413)
Loss on disposal of fixed assets .....	103	216	924
Loss on disposal of leased assets .....	60	72	544
Acquisition of leased assets .....	(493)	(347)	(4,437)
(Increase) in notes and accounts receivable – trade .....	(5,450)	(4,548)	(49,097)
Decrease / (Increase) in costs of uncompleted construction contracts .....	(64)	2,252	(575)
Decrease / (Increase) in other inventories .....	(44)	173	(400)
Increase in accounts payable-trade .....	125	13,051	1,121
(Decrease) in advances received on uncompleted construction contracts .....	(80)	(714)	(718)
(Decrease) in accounts payable – other .....	(231)	(9,026)	(2,081)
Others .....	1,368	(49)	12,327
Subtotal .....	6,433	10,992	57,953
Interest and dividends received .....	229	259	2,061
Interest paid .....	(110)	(118)	(987)
Proceeds from compensation for transfer .....	49	104	436
Income taxes paid .....	(2,207)	(2,904)	(19,884)
Net cash provided by operating activities .....	4,394	8,333	39,579
<b>Net Cash Provided by Investing Activities:</b>			
Acquisition of tangible fixed assets .....	(4,356)	(6,004)	(39,241)
Proceeds from sale of tangible fixed assets .....	162	267	1,462
Proceeds from sale of shares of subsidiaries .....	(92)	-	(830)
Proceeds from sale of investment securities .....	0	1,089	0
Proceeds from liquidation of subsidiaries .....	-	197	-
Others .....	(333)	(401)	(3,002)
Net cash used in investing activities .....	(4,619)	(4,852)	(41,611)
<b>Net Cash Provided by Financing Activities:</b>			
Proceeds from long-term loans payable .....	-	3,100	-
Repayment of long-term loans payable .....	-	(3,040)	-
Purchase of treasury stock .....	(2)	(6)	(13)
Dividends paid .....	(1,319)	(1,319)	(11,878)
Others .....	0	(1)	(8)
Net cash used in financing activities .....	(1,321)	(1,266)	(11,899)
<b>Effect of Exchange Rate Changes on Cash and Cash Equivalents .....</b>	<b>(24)</b>	<b>40</b>	<b>(211)</b>
<b>(Decrease) / Increase in Cash and Cash Equivalents ....</b>	<b>(1,570)</b>	<b>2,255</b>	<b>(14,142)</b>
<b>Cash and Cash Equivalents at Beginning of Year .....</b>	<b>38,632</b>	<b>36,349</b>	<b>348,000</b>

<b>Increase in Cash and Cash Equivalents resulting from Inclusion of Subsidiaries in Consolidation .....</b>	<u>-</u>	<u>28</u>	<u>-</u>
<b>Cash and Cash Equivalents at End of Year (Note 9) .....</b>	<u><b>¥37,062</b></u>	<u><b>¥38,632</b></u>	<u><b>\$333,858</b></u>

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See accompanying notes to consolidated financial statements.