

CONSOLIDATED STATEMENTS OF CASH FLOWS

Millions of Yen

| | Three Months Ended June 30, 2005 | Three Months Ended June 30, 2004 | Increase Decrease |
|--|-------------------------------------|-------------------------------------|----------------------|
| <u>Cash Flows from Operating Activities:</u> | | | |
| Income before income taxes and minority interests | 31,821 | 32,919 | - 1,098 |
| Adjustments to reconcile income before income taxes and minority interests to net cash provided by operating activities— | | | |
| Depreciation and amortization of properties and intangibles | 42,403 | 37,160 | + 5,243 |
| Decrease (increase) in notes and accounts receivable | 5,358 | (10,985) | + 16,343 |
| Increase in inventories | (44,047) | (32,707) | - 11,340 |
| Increase in payable | 48,316 | 68,247 | - 19,931 |
| Other, net | (67,594) | (63,392) | - 4,202 |
| Net cash provided by operating activities | 16,257 | 31,242 | - 14,985 |
| <u>Cash Flows from Investing Activities:</u> | | | |
| Acquisitions of plant and equipment | (66,303) | (66,858) | + 555 |
| Other, net | 24,345 | 40,076 | - 15,731 |
| Net cash used in investing activities | (41,958) | (26,782) | - 15,176 |
| <u>Cash Flows from Financing Activities:</u> | | | |
| (Decrease) increase in short-term borrowings, net | (10,364) | 4,006 | - 14,370 |
| Proceeds from long-term debt | 81,644 | 7,525 | + 74,119 |
| Repayments of long-term debt | (46,613) | (960) | - 45,653 |
| Dividends paid | (9,103) | (9,327) | + 224 |
| Other, net | (132) | (222) | + 90 |
| Net cash provided by financing activities | 15,432 | 1,022 | + 14,410 |
| Effect of Exchange Rate Changes on Cash and Cash Equivalents | 1,168 | (326) | + 1,494 |
| Net (Decrease) Increase in Cash and Cash Equivalents | (9,101) | 5,156 | - 14,257 |
| Cash and Cash Equivalents at Beginning of Year | 295,312 | 277,623 | + 17,689 |
| Cash and Cash Equivalents of Newly Consolidated Subsidiaries | 0 | 970 | - 970 |
| Cash and Cash Equivalents Increased by Merger | 154 | 0 | + 154 |
| Cash and Cash Equivalents at End of Period | 286,365 | 283,749 | + 2,616 |