

# Consolidated Statements of Cash Flows

Years ended March 31, 2022 and 2021

	Millions of yen		Thousands of U.S. dollars (Note 3)
	2022	2021	2022
<b>Cash Flows from Operating Activities:</b>			
Income before income taxes	¥ 88,487	¥63,284	\$725,305
Depreciation and amortization	39,969	36,194	327,617
Increase in allowance for doubtful accounts	1,006	1,268	8,248
Decrease (increase) in provision for product warranties	(8,711)	15,478	(71,406)
Interest and dividend income	(2,885)	(2,955)	(23,650)
Interest expense	1,744	1,441	14,300
Foreign exchange losses	(226)	204	(1,860)
Gain on sales of noncurrent assets	(179)	(280)	(1,469)
Gain on sales of investment securities	(10,359)	(40,864)	(84,914)
Loss on disposal of noncurrent assets	632	552	5,186
Loss on devaluation of investment securities	239	1,018	1,963
Factory integration expenses	335	—	2,748
Loss on withdrawal from business	141	—	1,163
Impairment loss	—	963	—
Changes in operating assets and liabilities:			
Trade receivables	—	(20,852)	—
Trade receivables and contract assets	(749)	—	(6,140)
Inventories	(5,707)	7,513	(46,786)
Trade payables	(2,623)	(15,881)	(21,507)
Advances received	—	(12,185)	—
Contract liabilities	9,339	—	76,556
Other, net	(9,624)	864	(78,880)
Cash generated from operations	100,829	35,762	826,474
Interest and dividends received	2,847	2,959	23,341
Interest expenses paid	(1,738)	(1,416)	(14,251)
Income taxes paid	(25,129)	(10,374)	(205,981)
Net cash provided by operating activities	76,809	26,931	629,583
<b>Cash Flows from Investing Activities:</b>			
Purchase of property, plant and equipment	(33,047)	(20,578)	(270,882)
Proceeds from sales of property, plant and equipment	3,762	622	30,844
Purchase of investment securities	(1,909)	(28)	(15,655)
Proceeds from sales of investment securities	17,408	49,230	142,694
Payments of loans receivable	(11,146)	(3,418)	(91,366)
Collection of loans receivable	7,324	2,802	60,035
Other, net	(4,742)	(5,153)	(38,874)
Net cash used in (provided by) investing activities	(22,350)	23,477	(183,204)
<b>Cash Flows from Financing Activities:</b>			
Net decrease in short-term loans payable	(3,592)	(54,178)	(29,449)
Proceeds from long-term loans payable	—	62,165	—
Repayment of long-term loans payable	(4,405)	(2,156)	(36,108)
Redemption of bonds	—	(15,000)	—
Repayments of lease obligations	(20,551)	(17,882)	(168,451)
Proceeds from sales of treasury stock	0	1	5
Purchase of treasury stock	(19)	(13)	(156)
Cash dividends paid	(12,855)	(11,426)	(105,373)
Cash dividends paid to non-controlling interests	(1,308)	(1,134)	(10,724)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(163)	—	(1,337)
Proceeds from share issuance to non-controlling shareholders	—	105	—
Other, net	(1)	—	2
Net cash used in financing activities	(42,894)	(39,518)	(351,591)
<b>Effect of Exchange Rate Changes on Cash and Cash Equivalents</b>	4,453	680	36,505
<b>Net Increase in Cash and Cash Equivalents</b>	16,018	11,570	131,293
<b>Cash and Cash Equivalents at Beginning of Year</b>	75,332	63,746	617,483
<b>Increase in Cash and Cash Equivalents Resulting from Change of Scope of Consolidation</b>	—	16	—
<b>Cash and Cash Equivalents at End of Year</b>	¥ 91,350	¥75,332	\$748,776

The accompanying Notes to the Consolidated Financial Statements are an integral part of these statements.