

# CONSOLIDATED STATEMENTS OF CASH FLOWS

TOKAI RIKA Co., Ltd. and Consolidated Subsidiaries

Years ended March 31, 2002 and 2001

	Millions of Yen	
	2002	2001
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income taxes and minority interests	8,551	8,535
Depreciation	9,421	9,338
Amortization of goodwill	(5)	12
Decrease in allowance for doubtful accounts	(49)	(39)
Increase(decrease) in accrued bonuses	(401)	122
Increase(decrease) in reserve for product warranties	(76)	736
Increase in liability for retirement benefits	611	1,221
Interest and dividend income	(682)	(481)
Interest expenses	307	357
Foreign exchange loss	26	39
Equity in earnings of associated companies	(78)	(148)
Loss on sales and dispositions of tangible fixed assets	568	516
Increase in notes and accounts receivables	(1,652)	(2,908)
Increase in inventories	(544)	(1,179)
Increase in notes and accounts payable	408	1,236
Increase in consumption taxes payable	55	105
Bonuses to directors and corporate auditors	(150)	(137)
Others, net	558	2,521
Sub - Total	16,867	19,846
Interest and dividend income received	729	691
Interest expenses paid	(307)	(357)
Income taxes paid	(5,423)	(5,213)
Net cash provided by operating activities	11,866	14,967
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of marketable securities	(99)	(200)
Proceeds from sales of marketable securities	100	600
Purchases of tangible fixed assets	(14,235)	(10,678)
Proceeds from sales of tangible fixed assets	24	24
Purchases of investment securities	(4,279)	(7,284)
Proceeds from sales of investment securities	10,951	101
Disbursement for originating loans	(300)	(408)
Proceeds from collections of loans	320	290
Others, net	(190)	(63)
Net cash used in investing activities	(7,710)	(17,617)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase(decrease) in short-term borrowings, net	420	(1,161)
Dividends paid	(824)	(689)
Others, net	58	312
Net cash used in financing activities	(346)	(1,538)
EFFECT OF FOREIGN CURRENCY TRANSLATION	319	128
<b>ADJUSTMENTS ON CASH AND CASH EQUIVALENTS</b>		
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS	4,129	(4,060)
CASH AND CASH EQUIVALENTS, BEGINNIG OF YEAR	19,218	23,279
CASH AND CASH EQUIVALENTS, END OF YEAR	23,347	19,218