

Consolidated Statements of Cash Flows

TOKAI RIKA Co., Ltd. and Consolidated Subsidiaries

Years ended March 31, 2017 and 2016

Millions of Yen

	Year ended March 31, 2016	Year ended March 31, 2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income taxes	11,719	9,882
Depreciation	19,722	20,311
Impairment loss	1,477	93
Amortization of goodwill	35	33
Increase (Decrease) in allowance for doubtful accounts	11	120
Increase (Decrease) in accrued bonuses to employees	172	484
Increase (Decrease) in accrued bonuses to directors	(75)	(42)
Increase (Decrease) in provision for accrued product warranty	8,799	(16,284)
Increase (Decrease) in retirement allowances for directors and corporate auditors	(202)	(29)
Increase (Decrease) in net defined benefit liability	(580)	1,676
Increase (Decrease) in net defined benefit asset	(1,876)	(1,100)
Interest and dividend income	(790)	(840)
Interest expenses	116	74
Equity in earnings of affiliated companies	(302)	19
Foreign exchange gain or loss	321	(15)
Loss on sales of investment securities	-	(597)
Gain on sales of property, plant and equipment	323	186
Increase (Decrease) in notes and accounts receivable	(2,357)	(2,466)
Increase (Decrease) in inventories	6,424	(1,327)
Increase (Decrease) in notes and accounts payable	761	4,081
Increase (Decrease) in consumption taxes payable	(197)	(102)
Others, net	(15,014)	23,364
Sub - Total	28,487	37,521
Interest and dividend income received	964	947
Interest expenses paid	(112)	(72)
Income taxes paid	(8,591)	(4,898)
Net cash provided by operating activities	20,747	33,497
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales of marketable securities	8,506	11,760
Purchases of tangible fixed assets	(27,757)	(22,722)
Proceeds from sales of tangible fixed assets	104	70
Purchases of investment securities	(2,210)	(203)
Proceeds from sales of investment securities	44	1,256
Purchase of shares of subsidiaries and associates	(95)	-
Disbursement for originating loans	(262)	(237)
Proceeds from collections of loans	273	251
Others, net	(949)	(1,782)
Net cash used in investing activities	(22,347)	(11,606)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (Decrease) in short-term borrowings, net	(1,455)	(162)
Decrease in long-term borrowings	(174)	(908)
Lease liabilities paid	(125)	(93)
Dividends paid	(5,736)	(5,470)
Dividends paid to non-controlling interests	(840)	(633)
Proceeds from share issuance to non-controlling shareholders	301	196
Purchases of treasury stock	(4)	(1)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(61)	(7)
Others, net	383	60
Net cash provided by (used in) financing activities	(7,713)	(7,020)
EFFECT OF FOREIGN CURRENCY TRANSLATION ADJUSTMENTS ON CASH AND CASH EQUIVALENTS	(1,805)	(812)
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS	(11,118)	14,057
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	50,432	39,314
CASH AND CASH EQUIVALENTS, END OF PERIOD	39,314	53,372