

Consolidated Statements of Cash Flows

TOKAI RIKA Co., Ltd. and Consolidated Subsidiaries
Years ended March 31, 2019 and 2018

Millions of Yen

	Year ended March 31, 2018	Year ended March 31, 2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income taxes	30,096	26,273
Depreciation	20,937	21,387
Impairment loss	—	3,738
Amortization of goodwill	32	32
Increase (Decrease) in allowance for doubtful accounts	(113)	(12)
Increase (Decrease) in accrued bonuses to employees	542	392
Increase (Decrease) in accrued bonuses to directors	13	29
Increase (Decrease) in provision for accrued product warranty	1,220	2,258
Increase (Decrease) in retirement allowances for directors and corporate auditors	4	(14)
Increase (Decrease) in net defined benefit liability	872	2,578
Increase (Decrease) in net defined benefit asset	(1,424)	(1,840)
Interest and dividend income	(918)	(969)
Interest expenses	50	78
Equity in earnings of affiliated companies	(86)	(397)
Foreign exchange gain or loss	328	261
Gain on sales of property, plant and equipment	(420)	361
Increase (Decrease) in notes and accounts receivable	(3,108)	(5,044)
Increase (Decrease) in inventories	(2,412)	(4,396)
Increase (Decrease) in notes and accounts payable	(8,221)	605
Increase (Decrease) in consumption taxes payable	275	(191)
Others, net	(12,187)	(2,987)
Sub – Total	25,482	42,143
Interest and dividend income received	938	1,043
Interest expenses paid	(39)	(79)
Income taxes paid	(5,555)	(5,187)
Net cash provided by operating activities	20,826	37,919
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales of marketable securities	5,500	3,300
Purchases of tangible fixed assets	(21,726)	(25,207)
Proceeds from sales of tangible fixed assets	62	128
Purchases of investment securities	(3,026)	(8,200)
Proceeds from sales of investment securities	2	2
Disbursement for originating loans	(421)	(260)
Proceeds from collections of loans	422	268
Others, net	(582)	(1,965)
Net cash used in investing activities	(19,769)	(31,933)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (Decrease) in short-term borrowings, net	344	(1,864)
Decrease in long-term borrowings	(685)	—
Proceeds from issuance of bonds	10,000	—
Lease liabilities paid	(122)	(60)
Dividends paid	(5,659)	(5,838)
Dividends paid to non-controlling interests	(358)	(250)
Purchases of treasury stock	(2)	(0)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	—	(19)
Others, net	23	0
Net cash provided by (used in) financing activities	3,539	(8,033)
EFFECT OF FOREIGN CURRENCY TRANSLATION	(98)	(96)
ADJUSTMENTS ON CASH AND CASH EQUIVALENTS		
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS	4,498	(2,143)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	53,372	57,870
CASH AND CASH EQUIVALENTS, END OF PERIOD	57,870	55,727