

10. First-Half Consolidated Statements of Cash Flows

| | Yen (millions) | | |
|---|----------------------|------------------|---------------|
| | 1st Half 2005 | 1st Half 2004 | Change |
| | (4/1/05~9/30/05) | (4/1/04~9/30/04) | (Million Yen) |
| 1. Cash flows from operating activities: | | | |
| Income (loss) before income taxes and minority interests | Y 29,834 | 1,913 | +27,921 |
| Depreciation and amortization | 112,594 | 113,507 | -913 |
| Increase (decrease) in provisions | (12,940) | (3,891) | -9,049 |
| Equity in earnings of affiliates, net | 4,812 | (4,524) | +9,336 |
| Disposal of property, plant and equipment | 9,934 | 10,594 | -660 |
| (Increase) decrease in receivables, trade | 193,543 | 113,430 | +80,113 |
| (Increase) decrease in inventories | (39,052) | (56,455) | +17,403 |
| Increase (decrease) in payables, trade | (114,655) | (113,628) | -1,027 |
| Other, net | (41,031) | (10,750) | -30,281 |
| Net cash provided by (used in) operating activities | 143,039 | 50,196 | +92,843 |
| 2. Cash flows from investing activities: | | | |
| Purchase of property, plant and equipment | (127,704) | (60,920) | -66,784 |
| (Increase) decrease in investments and long-term loans | (24,837) | 11,092 | -35,929 |
| Other, net | 48,348 | (5,847) | +54,195 |
| Net cash provided by (used in) investing activities | (104,193) | (55,675) | -48,518 |
| 1+2 [Free Cash Flow] | 38,846 | (5,479) | +44,325 |
| 3. Cash flows from financing activities: | | | |
| Increase (decrease) in bonds, notes, short-term borrowings and long-term debt | 4,992 | (156,606) | +161,598 |
| Dividends paid | (6,204) | (6,000) | -204 |
| Other, net | (13,967) | (22,204) | +8,237 |
| Net cash provided by (used in) financing activities | (15,179) | (184,810) | +169,631 |
| 4. Effect of exchange rate changes on cash and cash equivalents | 536 | 1,310 | -774 |
| 5. Net increase (decrease) in cash and cash equivalents | 24,203 | (188,979) | +213,182 |
| 6. Cash and cash equivalents at beginning of period | 454,516 | 413,826 | +40,690 |
| 7. Cash and cash equivalents of deconsolidated subsidiaries | - | (11,987) | +11,987 |
| 8. Cash and cash equivalents at end of period | Y 478,719 | 212,860 | +265,859 |