

CONSOLIDATED STATEMENTS OF CASH FLOWS

TOA CORPORATION and its consolidated subsidiaries
For the years ended March 31, 2009 and 2008

	Millions of Japanese Yen		Thousands of U.S. Dollars (Note 2)
	2009	2008	2009
Cash flows from operating activities:			
Income before income taxes and minority interests	¥ 1,660	¥ 27,933	\$ 16,940
Adjustments to reconcile income before income taxes and minority interests to net cash used in operating activities:			
Depreciation and amortization	3,603	2,682	36,761
Loss on impairment of fixed assets	56	421	572
Gain (Loss) on sale or disposal of fixed assets	185	(31,752)	1,881
Loss (Gain) on sale of marketable securities and investment securities..	(558)	469	(5,691)
Write-down of marketable and investment securities	874	28	8,922
Write-down of real estate for sale and other	18	1,807	186
Provision for retirement benefits	76	(1,575)	784
Provision for doubtful accounts	(213)	(899)	(2,179)
Changes in:			
Notes and accounts receivable, trade	13,222	(1,900)	134,917
Inventories, principally real estate for sale	623	1,609	6,356
Cost on contracts in progress	5,717	1,284	58,332
Notes and accounts payable, trade	(1,857)	(7,098)	(18,947)
Advances on contracts in progress	(4,619)	1,578	(47,134)
Other, net	(4,089)	7,752	(41,718)
Sub-total	14,698	2,339	149,982
Interest and dividend income received	508	559	5,181
Interest paid	(827)	(1,050)	(8,440)
Payment of additional severance payment	—	(1,374)	—
Income taxes paid and other	(809)	(644)	(8,257)
Net cash provided by (used in) operating activities	13,570	(170)	138,466
Cash flows from investing activities:			
Proceeds from sale of marketable and investment securities	1,138	468	11,610
Payments for acquisition of investment in securities	(468)	(1,519)	(4,778)
Payments for acquisition of property, plant and equipment	(3,998)	(3,416)	(40,799)
Proceeds from sale or disposal of property, plant and equipment	176	42,228	1,798
Proceeds from sale of shares of subsidiary (Note 3)	736	—	7,510
Other, net	(3,524)	(620)	(35,958)
Net cash (used in) provided by investing activities	(5,940)	37,141	(60,617)
Cash flows from financing activities:			
Proceeds from long-term debt	5,270	300	53,776
Net decrease in commercial paper	—	(6,000)	—
Net increase (decrease) in short-term borrowings	2,563	(13,096)	26,155
Repayment of long-term debt	(9,315)	(12,548)	(95,055)
Acquisition of treasury stock	(1,593)	—	(16,250)
Other, net	(13)	(4)	(133)
Net cash used in financing activities	(3,088)	(31,348)	(31,507)
Effect of exchange rate changes on cash and cash equivalents..	(413)	(332)	(4,213)
Net increase in cash and cash equivalents	4,129	5,291	42,129
Cash and cash equivalents at beginning of year	28,363	23,072	289,422
Cash and cash equivalents at end of year	¥ 32,492	¥ 28,363	\$ 331,551

The accompanying notes are an integral part of these financial statements.