

CONSOLIDATED STATEMENTS OF CASH FLOWS

TOA CORPORATION and its consolidated subsidiaries
For the years ended March 31, 2010 and 2009

	Millions of Japanese Yen		Thousands of U.S. Dollars (Note 2)
	2010	2009	2010
Cash flows from operating activities:			
Income before income taxes and minority interests	¥ 2,393	¥ 1,660	\$ 25,731
Adjustments to reconcile income before income taxes and minority interests to net cash (used in) provided by operating activities:			
Depreciation and amortization	3,317	3,603	35,667
Loss on impairment of fixed assets	255	56	2,746
(Gain) Loss on sale or disposal of fixed assets	60	185	649
(Gain) Loss on sale of marketable securities and investment in securities	9	(558)	100
Write-down of marketable and investment in securities	—	874	—
Write-down of utility rights	7	18	81
Increase (decrease) in reserve for retirement benefits	449	76	4,827
Increase (decrease) in allowance for doubtful accounts	(3,599)	(213)	(38,703)
Changes in:			
Notes and accounts receivable, trade	(252)	13,222	(2,718)
Real estate for sale	2,672	623	28,722
Cost on construction contracts in progress and other	(443)	5,717	(4,764)
Notes and accounts payable, trade	219	(1,857)	2,356
Advances received on construction contracts in progress	177	(4,619)	1,901
Other, net	11,016	(4,089)	118,462
Sub-total	16,280	14,698	175,057
Interest and dividend income received	408	508	4,386
Interest paid	(732)	(827)	(7,870)
Income taxes paid and other	(685)	(809)	(7,370)
Net cash (used in) provided by operating activities	15,271	13,570	164,203
Cash flows from investing activities:			
Payments for acquisition of marketable and investment in securities	(326)	(468)	(3,505)
Proceeds from sale of marketable and investment in securities	133	1,138	1,427
Payments for acquisition of property, plant and equipment	(5,897)	(3,998)	(63,412)
Proceeds from sale of property, plant and equipment.....	3,628	176	39,011
Proceeds from sale of shares of subsidiary (Note 3)	—	736	—
Other, net	3,228	(3,524)	34,718
Net cash (used in) provided by investing activities	766	(5,940)	8,239
Cash flows from financing activities:			
Net increase (decrease) in short-term borrowings	(1,557)	2,563	(16,744)
Proceeds from long-term debt	8,050	5,270	86,559
Repayment of long-term debt	(9,639)	(9,315)	(103,645)
Sale of treasury stock	42	—	456
Acquisition of treasury stock	(2)	(1,593)	(23)
Cash dividends paid	(413)	—	(4,444)
Other, net	(22)	(13)	(232)
Net cash (used in) provided by financing activities	(3,541)	(3,088)	(38,073)
Effect of exchange rate changes on cash and cash equivalents	(72)	(413)	(774)
Net increase in cash and cash equivalents	12,424	4,129	133,595
Cash and cash equivalents at beginning of year	32,492	28,363	349,377
Cash and cash equivalents at end of year	¥ 44,916	¥ 32,492	\$ 482,972

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