

CONSOLIDATED STATEMENTS OF CASH FLOWS

TOA CORPORATION and its consolidated subsidiaries

For the years ended March 31, 2012 and 2011

	Millions of Japanese Yen		Thousands of U.S. Dollars (Note 1)
	2012	2011	2012
Cash flows from operating activities:			
Income before income taxes and minority interests	¥1,350	¥2,294	\$16,460
Adjustments to reconcile income before income taxes and minority interests to net cash (used in) provided by operating activities:			
Depreciation and amortization	1,957	2,591	23,864
Loss on impairment of fixed assets	31	191	376
Exchange (gain) loss	495	671	6,031
(Gain) loss on sale or disposal of fixed assets	(300)	(26)	(3,650)
(Gain) loss on sale of marketable securities and investment in securities	(20)	(0)	(249)
Write-down of marketable and investment in securities	45	1,513	543
Write-down of utility rights	7	24	89
Increase (decrease) in reserve for retirement benefits	280	182	3,422
Increase (decrease) in allowance for doubtful accounts	(288)	(159)	(3,514)
Changes in:			
Notes and accounts receivable, trade	7,694	9,024	93,833
Real estate for sale	(868)	456	(10,589)
Cost on construction contracts in progress and other	520	6,082	6,341
Notes and accounts payable, trade	(3,752)	(10,347)	(45,754)
Advances received on construction contracts in progress	9,145	(7,576)	111,521
Other, net	(3,044)	877	(37,117)
Sub-total	13,252	5,797	161,605
Interest and dividend income received	500	433	6,097
Interest paid	(558)	(657)	(6,808)
Income taxes paid	(365)	(3,081)	(4,450)
Net cash (used in) provided by operating activities	12,829	2,492	156,446
Cash flows from investing activities:			
Payments for acquisition of marketable and investment in securities	(26)	(177)	(319)
Proceeds from sale of marketable and investment in securities	89	103	1,088
Payments for acquisition of property, plant and equipment	(3,438)	(2,019)	(41,926)
Proceeds from sale of property, plant and equipment	1,311	1,094	15,983
Other, net	(208)	352	(2,533)
Net cash (used in) provided by investing activities	(2,272)	(647)	(27,707)
Cash flows from financing activities:			
Net increase (decrease) in short-term borrowings	120	(2,330)	1,463
Proceeds from long-term debt	5,800	3,750	70,732
Repayment of long-term debt	(6,078)	(7,000)	(74,122)
Acquisition of treasury stock	(71)	(14)	(866)
Cash dividends paid	(413)	(414)	(5,042)
Other, net	(52)	(28)	(626)
Net cash (used in) provided by financing activities	(694)	(6,036)	(8,461)
Effect of exchange rate changes on cash and cash equivalents	(494)	(670)	(6,020)
Net increase (decrease) in cash and cash equivalents	9,369	(4,860)	114,258
Cash and cash equivalents at beginning of year	40,056	44,916	488,487
Cash and cash equivalents at end of year (Note 8).....	¥49,425	¥40,056	\$602,745

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