

CONSOLIDATED STATEMENT OF CASH FLOWS

TOA CORPORATION and its consolidated subsidiaries
For the years ended March 31, 2013 and 2012

	Millions of Japanese Yen		Thousands of U.S. Dollars (Note 1)
	2013	2012	2013
Cash flows from operating activities:			
Income before income taxes and minority interests	¥ 1,904	¥ 1,350	\$ 20,259
Adjustments to reconcile income before income taxes and minority interests to net cash (used in) provided by operating activities:			
Depreciation and amortization	1,941	1,957	20,652
Loss on impairment of fixed assets	48	31	508
Exchange (gain) loss, net	(295)	495	(3,140)
(Gain) loss on sale or disposal of fixed assets	(86)	(300)	(918)
(Gain) loss on sale of marketable securities and investment in securities	(185)	(20)	(1,970)
Write-down of marketable securities and investment in securities	310	45	3,297
Write-down of utility rights	4	7	38
Increase (decrease) in reserve for retirement benefits	286	280	3,040
Increase (decrease) in allowance for doubtful accounts	(118)	(288)	(1,255)
Changes in:			
Notes and accounts receivable, trade	(10,671)	7,694	(113,515)
Real estate for sale	223	(868)	2,369
Cost on construction contracts in progress and other	412	520	4,385
Notes and accounts payable, trade	11,328	(3,752)	120,506
Advances received on construction contracts in progress	(1,387)	9,145	(14,758)
Other, net	2,665	(3,044)	28,355
Sub-total	6,379	13,252	67,853
Interest and dividend income received	282	500	3,000
Interest paid	(524)	(558)	(5,570)
Income taxes paid	(1,064)	(365)	(11,316)
Net cash (used in) provided by operating activities	5,073	12,829	53,967
Cash flows from investing activities:			
Payments for acquisition of marketable securities and investment in securities	(49)	(26)	(520)
Proceeds from sale of marketable securities and investment in securities	277	89	2,950
Payments for acquisition of property, plant and equipment	(1,161)	(3,438)	(12,353)
Proceeds from sale of property, plant and equipment	125	1,311	1,327
Other, net	(217)	(208)	(2,307)
Net cash (used in) provided by investing activities	(1,025)	(2,272)	(10,903)
Cash flows from financing activities:			
Net increase (decrease) in short-term borrowings	(3,651)	120	(38,840)
Proceeds from long-term debt	4,945	5,800	52,606
Repayment of long-term debt	(4,266)	(6,078)	(45,381)
Acquisition of treasury stock	(200)	(71)	(2,132)
Cash dividends paid	(419)	(413)	(4,456)
Other, net	(106)	(52)	(1,125)
Net cash (used in) provided by financing activities	(3,697)	(694)	(39,328)
Effect of exchange rate changes on cash and cash equivalents	252	(494)	2,680
Net increase (decrease) in cash and cash equivalents	603	9,369	6,416
Cash and cash equivalents at beginning of year	49,425	40,056	525,799
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiary	42	—	442
Cash and cash equivalents at end of year (Note 8)	¥ 50,070	¥ 49,425	\$ 532,657

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