

CONSOLIDATED STATEMENT OF CASH FLOWS

TOA CORPORATION and its consolidated subsidiaries
For the years ended March 31, 2015 and 2014

	Millions of Japanese Yen		Thousands of U.S. Dollars (Note 1)
	2015	2014	2015
Cash flows from operating activities:			
Income before income taxes and minority interests	¥ 5,513	¥ 2,232	\$ 45,948
Adjustments to reconcile income before income taxes and minority interests to net cash (used in) provided by operating activities:			
Depreciation and amortization	1,985	1,751	16,547
Loss on impairment of fixed assets	164	166	1,373
Exchange (gain) loss, net	(308)	(98)	(2,573)
(Gain) Loss on sale or disposal of fixed assets	11	(49)	97
(Gain) Loss on sale of investment in securities	(939)	(283)	(7,828)
Increase (decrease) in reserve for retirement benefits	—	(51)	—
Increase (decrease) in liability for retirement benefits	(475)	193	(3,960)
Increase (decrease) in allowance for doubtful accounts	284	(25)	2,373
Changes in:			
Notes and accounts receivable, trade	(21,099)	(5,969)	(175,830)
Real estate for sale	894	961	7,456
Cost on construction contracts in progress and other	(210)	(2,770)	(1,751)
Notes and accounts payable, trade	1,638	(1,310)	13,651
Advances received on construction contracts in progress	1,646	(4,363)	13,721
Other, net (Note 4)	(1,684)	3,675	(14,034)
Sub-total	(12,577)	(5,941)	(104,810)
Interest and dividend income received	271	290	2,259
Interest paid	(520)	(576)	(4,338)
Income taxes paid	(2,593)	(1,071)	(21,608)
Net cash (used in) provided by operating activities	(15,419)	(7,298)	(128,497)
Cash flows from investing activities:			
Payments for acquisition of investment in securities	(41)	(37)	(348)
Proceeds from sale of investment in securities	1,287	424	10,727
Payments for acquisition of property, plant and equipment	(2,108)	(1,443)	(17,567)
Proceeds from sale of property, plant and equipment	163	172	1,366
Other, net	(690)	132	(5,752)
Net cash (used in) provided by investing activities	(1,388)	(751)	(11,574)
Cash flows from financing activities:			
Net increase (decrease) in short-term borrowings	(1,480)	(1,669)	(12,333)
Proceeds from long-term debt	3,745	6,425	31,208
Repayment of long-term debt	(5,271)	(5,207)	(43,928)
Acquisition of treasury stock	(0)	(91)	(3)
Cash dividends paid	(415)	(1)	(3,460)
Other, net	(141)	(118)	(1,178)
Net cash (used in) provided by financing activities	(3,563)	(663)	(29,695)
Effect of exchange rate changes on cash and cash equivalents	267	115	2,225
Net increase (decrease) in cash and cash equivalents	(20,105)	(8,597)	(167,542)
Cash and cash equivalents at beginning of year	43,014	50,069	358,456
Increase in cash and cash equivalents resulting from newly consolidated subsidiaries	—	1,542	—
Cash and cash equivalents at end of year (Note 9)	¥ 22,909	¥ 43,014	\$ 190,914

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