

CONSOLIDATED STATEMENT OF CASH FLOWS

TOA CORPORATION and its consolidated subsidiaries
For the year ended 31 March 2020 and 2021

	Millions of Japanese Yen		Thousands of U.S. Dollars (Note 1)
	31 March 2020	31 March 2021	31 March 2021
Cash flows from operating activities:			
Profit before income taxes	¥ 7,575	¥ 10,177	\$ 92,525
Adjustments to reconcile income before income taxes and Non-controlling interests to net cash (used in) provided by operating activities:			
Depreciation and amortization	1,560	1,635	14,871
Loss on impairment of fixed assets	2	239	2,180
Increase (decrease) in allowance for doubtful accounts	(4)	(49)	(453)
Increase (decrease) in liability for retirement benefits	(450)	(694)	(6,316)
Increase (decrease) in provision for loss on construction defects	(3,241)	(1,307)	(11,887)
Interest and dividend income	(346)	(362)	(3,291)
Interest expenses	294	228	2,076
Exchange (gain) loss, net	85	(94)	(862)
(Gain) loss on valuation of marketable securities and investment in securities	198	10	90
(Gain) loss on sale of investment in securities	(124)	(1,423)	(12,943)
(Gain) loss on sale of fixed assets and intangible assets	(27)	7	64
(Gain) loss on disposal of fixed assets and intangible assets	17	212	1,931
Decrease (increase) in notes and accounts receivable, trade	5,869	(4,426)	(40,242)
Decrease (increase) in cost on construction contracts in progress and other	(397)	2,112	19,207
Decrease (increase) in real estate for sale	454	273	2,488
Decrease (increase) in advanced money	3,348	(3,217)	(29,246)
Increase (decrease) in notes and accounts payable, trade	(12,723)	(2,756)	(25,058)
Increase (decrease) in advances received on construction contracts in progress	37	3,070	27,917
Increase (decrease) in deposits received	5,710	2,384	21,681
Other, net	4,094	(3,827)	(34,792)
Sub-total	11,933	2,193	19,940
Interest and dividend income received	346	362	3,293
Interest paid	(290)	(229)	(2,085)
Income taxes paid	(492)	(854)	(7,766)
Net cash (used in) provided by operating activities	11,496	1,471	13,381
Cash flows from investing activities:			
Payments for acquisition of property, plant and equipment	(3,407)	(5,684)	(51,679)
Proceeds from sale of property, plant and equipment	352	70	644
Payments for acquisition of intangible assets	(390)	(274)	(2,495)
Payments for acquisition of investment in securities	(114)	(1,080)	(9,824)
Proceeds from sale of investment in securities	559	2,133	19,392
Payments of loans receivable	(338)	(261)	(2,376)
Collection of loans receivable	468	342	3,111
Other, net	18	24	219
Net cash (used in) provided by investing activities	(2,851)	(4,731)	(43,009)
Cash flows from financing activities:			
Net increase (decrease) in short-term borrowings	(122)	(4,520)	(41,090)
Proceeds from long-term debt	4,580	4,900	44,545
Repayment of long-term debt	(5,238)	(6,100)	(55,458)
Net increase (decrease) in redemption of bonds	7,000	—	—
Sale of treasury stock	129	—	—
Acquisition of treasury stock	(2,130)	(1,194)	(10,856)
Cash dividends paid	(624)	(981)	(8,922)
Other, net	(220)	(358)	(3,261)
Net cash (used in) provided by financing activities	3,373	(8,254)	(75,043)
Effect of exchange rate changes on cash and cash equivalents	(71)	77	706
Net increase (decrease) in cash and cash equivalents	11,946	(11,436)	(103,964)
Cash and cash equivalents at beginning of year	31,799	43,746	397,698
Cash and cash equivalents at end of year	¥ 43,746	¥ 32,310	\$ 293,733

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