

Consolidated Statements of Cash Flows

(Millions of Yen)

	2002/3	2001/3
Years ended March 31, 2002 and 2001		
Cash Flows from Operating Activities:		
Income before income taxes	¥ 10,293	¥ 5,195
Depreciation and amortization	1,257	672
Amortization of consolidated accounts	161	—
Increase in allowance for doubtful debts	40	1
Increase in reserve for retirement allowances	17	—
Increase in prepaid pension expenses	—	(4)
Loss on disposal of tangible fixed assets	54	14
Gain on sale of treasury stock	—	(19)
Loss on evaluation of investment securities	611	—
Gain/loss on sale of investment securities	(586)	—
Loss on evaluation of equity funds	71	80
Exchange gain/loss	(2)	2
Proceeds from interest and dividends	(27)	(28)
Interest expense	7	12
Other profit and loss adjustments	0	5
Increase in inventory	(0)	—
Increase in accounts receivable—trade	(2,434)	(941)
Increase in accounts payable—trade	967	5
Increase/decrease in accounts receivable—other	(1,236)	9
Increase/decrease in accounts payable—other	(53)	356
Increase/decrease in consumption taxes payable	185	144
Payment of bonuses to directors	(16)	(16)
Subtotal	9,308	5,489
Payment of income taxes and other taxes	(3,169)	(1,123)
Net cash provided by operating activities	6,139	4,366
Cash Flows from Investing Activities:		
Purchases of marketable securities	(99)	—
Expenditures on tangible fixed assets	(2,372)	(1,672)
Expenditures on intangible fixed assets	(170)	(32)
Proceeds from sale of tangible fixed assets	13	—
Expenditures on investment securities	(1,117)	(1,442)
Proceeds from sale of investment securities	190	18
Investments in newly consolidated entity	(1,051)	—
Expenditures on loans	(41)	(2)
Proceeds from recovery of lending	1	56
Expenditures on increases in guarantee deposit assets	(53)	(30)
Proceeds from decreases in guarantee deposit assets	0	—
Proceeds from interest and dividends	26	29
Other cash used in investing activities	(1)	—
Net cash used in investing activities	(4,675)	(3,077)
Cash Flows from Financing Activities:		
Proceeds from sale of treasury stock	—	73
Proceeds from issuance of bonds	—	0
Expenditures for repayment of bonds	(19)	(303)
Proceeds from issuance of new shares	49	319
Expenditures for acquisition of treasury stock	(11)	(58)
Interest expenses	(7)	(15)
Net cash used in/provided by financing activities	10	14
Net change in cash and cash equivalents	1,474	1,303
Cash and cash equivalents at beginning of term	5,866	4,547
Increase in cash and cash equivalents due to merger	—	14
Cash and cash equivalents at end of term	¥ 7,341	¥ 5,866

Notes: 1. Figures as of March 31, 2001 are non-consolidated basis.

2. Yen amounts are rounded down to the nearest million yen.