

CONSOLIDATED STATEMENTS OF CASH FLOWS



	Millions of yen		Thousands of U.S. dollars	
		Three months ended June 30, 2008		Three months ended June 30, 2008
OPERATING ACTIVITIES:				
Income before income taxes and minority interests	Y	9,343	\$	93,435
Adjustments for:				
Depreciation and amortization		5,255		52,559
Amortization of goodwill		163		1,639
Provision for (Reversal of) allowance for doubtful accounts		81		810
Provision for (Reversal of) retirement benefits		(99)		(991)
Provision for (Reversal of) product warranty		(492)		(4,927)
Provision for (Reversal of) copyright fees		834		8,348
Interest and dividend income		(1,029)		(10,290)
Interest expenses		113		1,131
Foreign exchange loss (gain)		(844)		(8,440)
Equity in loss (earnings) of affiliates		(20)		(200)
Loss (Gain) on sales of property, plant and equipment, net		31		315
Valuation loss (gain) on investment securities		56		563
Decrease (Increase) in trade notes and accounts receivable		6,266		62,663
Decrease (Increase) in inventories		(110)		(1,108)
Increase (Decrease) in trade notes and accounts payable		885		8,853
Increase (Decrease) in accrued expenses		(3,938)		(39,382)
Other, net		(1,877)		(18,772)
Cash generated from operations		14,620		146,203
Interest and dividends received		1,029		10,290
Interest paid		(47)		(477)
Income taxes paid		(4,312)		(43,125)
Net cash provided by operating activities	Y	11,289	\$	112,892
INVESTING ACTIVITIES:				
Proceeds from sales of marketable securities		299		2,999
Disbursement for purchases of property, plant and equipment		(6,490)		(64,902)
Proceeds from sales of property, plant and equipment		110		1,104
Disbursement for purchases of intangible assets		(1,910)		(19,103)
Proceeds from sales of intangible assets		1		11
Disbursement for purchases of investment securities		(41)		(413)
Proceeds from sales of investment securities		38		388
Disbursement for purchases of affiliates' shares		(96)		(966)
Proceeds from collection of long-term loans		51		510
Other, net		(157)		(1,578)
Net cash used in investing activities	Y	(8,195)	\$	(81,950)
FINANCING ACTIVITIES:				
Increase (Decrease) in short-term borrowings, net		(847)		(8,474)
Disbursement for repayment of long-term debt		(32)		(320)
Decrease (Increase) in treasury stock, net		(10,003)		(100,038)
Cash dividends paid including minority interests portion		(3,038)		(30,387)
Net cash used in financing activities	Y	(13,921)	\$	(139,220)
Effect of foreign currency exchange rate changes on cash and cash equivalents		5,109		51,096
Net increase (decrease) in cash and cash equivalents		(5,718)		(57,183)
Cash and cash equivalents at beginning of period		83,218		832,188
Cash and cash equivalents at end of period	Y	77,500	\$	775,006

Notes:

- 1) The financial statements have been prepared in accordance with accounting principles generally accepted in Japan.
- 2) Amounts less than 1 million yen have been rounded down.
- 3) Yen amounts for the three months ended June 30, 2008 have been translated into U.S. dollars for convenience only, at a uniform rate of US\$1=100.00 yen, in the accompanying consolidated financial statements.