>>> Consolidated Financial Statements

THK CO., LTD. AND CONSOLIDATED SUBSIDIARIES

Consolidated Balance Sheets

as of March 31, 2002 and 2003

	Milli	ons of yen	Thousands of U.S. doll (Note 1)	
	2002	2003	2003	
ASSETS	1	1		
Current Assets:				
Cash and bank deposits (Notes 6 and 13)	¥ 43,368	¥ 66,460	\$ 552,911	
Short-term investments in securities (Notes 6 and 13)	9,137	7,004	58,267	
Accounts and notes receivable-				
Trade	23,817	33,115	275,495	
Unconsolidated subsidiaries and affiliates	1,055	1,949	16,213	
Other	6,024	456	3,802	
	30,896	35,520	295,510	
Less: allowance for bad debts	(470)	(384)	(3,195)	
	30,426	35,136	292,315	
Inventories (Note 5)	26,431	23,748	197,568	
Short-term advances (Note 13)-				
Unconsolidated subsidiaries and affiliates	215	252	2,100	
Other	4,000	8	67	
Deferred tax assets (Note 12)	2,521	2,249	18,710	
Other current assets	514	756	6,296	
Total current assets	116,612	135,613	1,128,234	
Investments and Other:				
Long-term investments in securities (Notes 4 and 6)	4,766	3,845	31,984	
Investments in unconsolidated subsidiaries and affiliates (Note 4)	5,753	4,667	38,825	
Deferred tax assets (Note 12)	2,446	2,134	17,754	
Other investments	3,478	2,504	20,834	
	16,443	13,150	109,397	
Property, Plant and Equipment (Notes 6 and 8):				
Buildings and structures	27,553	27,405	227,998	
Machinery and equipment	67,026	67,436	561,030	
/ 1 1	94,579	94,841	789,028	
Less: accumulated depreciation	(61,369)	(64,012)	(532,545)	
	33,210	30,829	256,483	
Land	10,253	10,258	85,341	
Construction in progress	587	1,304	10,846	
	44,050	42,391	352,670	
Deferred Charges and Intangibles	2,600	2,043	16,998	

The accompanying notes are an integral part of these statements.

Thousands of U.S. dollars (Note 1) Millions of yen 2002 2003 2003 LIABILITIES AND SHAREHOLDERS' EQUITY **Current Liabilities:** Short-term bank loans (Note 6) 3,306 27,503 6,551 12,168 19,755 164,354 Current portion of long-term debt (Note 6) Accounts and notes payable-Trade 10,559 14,941 124,301 Unconsolidated subsidiaries and affiliates 1,306 2,096 17,436 Other 395 688 5,727 12,260 17,725 147,464 Income taxes payable 108 1,668 13,880 4.842 Accrued expenses 3,640 40,286 Other current liabilities 853 7,092 1,253 Total current liabilities 35,980 48,149 400,579 Long-term Liabilities: 39,192 Long-term debt (Note 6) 36,610 326,059 Reserve for employees' retirement benefits (Note 11) 1,346 1,484 12,343 Reserve for directors' and statutory auditors' retirement benefits 1,512 1,194 9,933 390 Other liabilities (Note 12) 142 3,243 Total long-term liabilities 39,610 42,260 351,578 367 310 2,578 Minority Interest Shareholders' Equity: Common stock, no par value for 2002 and 2003: Authorized: 465,877,700 shares for 2002 and 2003: Issued: 119,363,018 shares for 2002 and 2003: 23,106 23,106 192,232 30,962 Additional paid-in capital 30,962 257,589 Retained earnings 48,585 48,687 405,049 Net unrealized gain on other securities (Note 4) 45 (355)(2,954)Foreign currency translation adjustments 1,053 481 4,002 Treasury stock, at cost: 1,800 shares and 347,765 shares (403)for 2002 and 2003, respectively (3) (3,354)Total shareholders' equity 103,748 102,478 852,564 Contingent Liabilities (Note 7) ¥ 193,197 Total liabilities and shareholders' equity ¥ 179,705 \$ 1,607,299

>>> Consolidated Financial Statements

THK CO., LTD. AND CONSOLIDATED SUBSIDIARIES

Consolidated Statements of Income

for the years ended March 31, 2001, 2002 and 2003

		Millions of yen		Thousands of U.S. dollars (Note 1)
	2001	2002	2003	2003
Net Sales		I	1	
1101 04100	¥ 140,287	¥ 89,340	¥ 94,600	\$ 787,021
Cost of Sales	91,447	63,294	66,647	554,465
Gross profit	48,840	26,046	27,953	232,556
Selling, General and Administrative Expenses (Note 10)	23,145	23,870	23,060	191,849
Operating income	25,695	2,176	4,893	40,707
Non-Operating Income/(Expenses):				
Interest and dividend income	550	356	219	1,820
Interest expenses	(1,139)	(1,041)	(888)	(7,388)
Loss on sales of long-term investments in securities	(219)	_	_	_
Amortization of bond discount	(114)	_	_	_
Loss on sales/disposal of property and equipment	(471)	(153)	(403)	(3,350)
Foreign exchange gain, net	1,741	801	352	2,925
Equity earnings (losses) of unconsolidated subsidiaries and affiliates	330	8	(12)	(101)
Rental income	125	132	149	1,236
One-time provision for directors' and statutory auditors' retirement				
benefits for the period prior to April 1, 2000 (Note 3)	(1,309)	_	_	_
Loss on write-down of long-term investments in securities	(6)	(875)	(510)	(4,243)
Loss on write-down of other investments	(389)	_	_	_
Liquidation loss of unconsolidated subsidiaries	_	(466)	_	_
Loss on change in interest in affiliated company	_	(136)	(318)	(2,649)
Other, net	(464)	31	115	964
	(1,365)	(1,343)	(1,296)	(10,786)
Income before income taxes and minority interest	24,330	833	3,597	29,921
Income Taxes (Note 12)	9,889	15	1,773	14,751
Income before minority interest	14,441	818	1,824	15,170
Minority interest in (income)/loss of consolidated subsidiaries	(125)	2	68	569
Net income	¥ 14,316	¥ 820	¥ 1,892	\$ 15,739
		Yen		U.S. dollars (Note 1)
Per Share Data:				
Net income – basic	¥ 120.20	¥ 6.88	¥ 15.65	\$ 0.130
- diluted	¥ 115.44	_	¥ 15.12	\$ 0.126

The accompanying notes are an integral part of these statements.

Consolidated Statements of Shareholders' Equity for the years ended March 31, 2001, 2002 and 2003

			м	lillions of yen			1	Thouse	ands of U.S. dollars (Note 1)
	2	2001	T	2002		2003	_		2003
Common Stock	1		1		1	١			
At beginning of year	¥ 2	1,733	¥	23,076	¥	23,106		\$	192,232
Conversion of convertible bonds to common stock		34		30		_			· _
Exercise of stock warrants to common stock		1,309		_		_			_
At end of year	¥ 2	3,076	¥	23,106	¥	23,106	_	\$	192,232
Additional Paid-In Capital									
At beginning of year	¥ 2	9,220	¥	30,932	¥	30,962		\$	257,589
Conversion of convertible bonds to common stock		34		30		_			_
Exercise of stock warrants to common stock		1,678		_		_			_
At end of year	¥ 3	0,932	¥	30,962	¥	30,962	_	\$	257,589
Retained Earnings									
At beginning of year	¥ 3	<i>7</i> ,109	¥	49,614	¥	48,585		\$	404,205
Net income	1	4,316		820		1,892			1 <i>5,7</i> 39
Cash dividends	(1,781)		(1,789)		(1,790)			(14,895)
Directors' bonuses		(30)		(60)		_			_
At end of year	¥ 4	9,614	¥	48,585	¥	48,687	_	\$	405,049
Net Unrealized Gain on Other Securities									
At beginning of year	¥	_	¥	268	¥	45		\$	375
Change in the year		268		(223)		(400)			(3,329)
At end of year	¥	268	¥	45	¥	(355)	_	\$	(2,954)
Foreign Currency Translation Adjustments									
At beginning of year	¥	_	¥	(1,278)	¥	1,053		\$	8,766
Change in the year	(1,278)		2,331		(572)			(4,764)
At end of year	¥ (1,278)	¥	1,053	¥	481	_	\$	4,002
Treasury Stock, at cost									
At beginning of year	¥	(1)	¥	(0)	¥	(3)		\$	(31)
Purchase of treasury stock		(49)		(6)		(1 <i>7</i>)			(143)
Sales of treasury stock		50		3		_			_
Change in the year of treasury stock held by an affiliated company		_				(383)			(3,180)
At end of year	¥	(0)	¥	(3)	¥	(403)	_	\$	(3,354)
Total Shareholders' Equity at end of year	¥10	2,612	¥۱	03,748	¥	102,478		\$	852,564

The accompanying notes are an integral part of these statements.

>>> Consolidated Financial Statements

THK CO., LTD. AND CONSOLIDATED SUBSIDIARIES

Consolidated Statements of Cash Flows

for the years ended March 31, 2001, 2002 and 2003

Cash Flows from Operating Activities: 2001 2002 2003 20			Thousands of U.S. dollars (Note 1)		
Cash Flows from Operating Activities:		2001		2003	
Income before income to taxes and minority interest \$2,43.00 \$8.30 \$3.597 \$29,921 Adjustments to reconcile net income to net cash provided by operating activities: Depreciation and manrization \$5,813 \$6,164 \$1,278 \$1,278 Increases/(decrease) in provisions \$2,352 \$1(28) \$390 \$3,248 Loss on sole/disposal of property and equipment \$471 \$153 \$403 \$3,350 Interest and dividend income \$(550) \$(356) \$(219) \$(1,820) Interest expenses \$1,139 \$1,041 \$888 \$7,388 Foreign exchange gain, net \$(380) \$(135) \$(141) \$(1,170) Equity earnings (losses) of unconsolidated subsidiaries and affiliates \$(330) \$(8) \$12 \$101 Loss on write-down of long-term investments in securities \$6875 \$510 \$4,243 Liquidation loss of unconsolidated subsidiaries and affiliates \$6875 \$510 \$4,243 Liquidation loss of unconsolidated subsidiaries and affiliates \$6875 \$10 \$4,243 Liquidation loss of unconsolidated subsidiaries \$6875 \$4,697 \$2,502 \$2,871 Increase]/decrease in accounts and notes receivable \$6,831 \$2,138 \$1,0254 \$2,506 Decrease in inventiones \$6,557 \$4,697 \$2,502 \$2,871 Lincrease]/decrease in increases/decrease in increases/decrease in increases/decrease in increases/decrease in increases/decrease in increases/decrease in increases/decreases in increas		2001	2002	2000	2000
Adjustments to reconcile net income to net cash provided by operating activities: Depreciation and amortization 5,813 6,164 6,164 (3,2,48) [1,2,50] [1,2,50		V 04000	V 000	V 2.507	ć 00.001
Depreciation and amortization 5,813 6,164 6,164 5,1278	,	¥ 24,330	¥ 833	¥ 3,59/	\$ 29,921
Depreciation and amortization 5,813 6,164 6,164 15,1278	•				
Increase/ (decrease) in provisions	·				
Loss on sole/disposal of property and equipment (550) (356) (219) (1,820) Interest and dividend income (550) (356) (219) (1,820) Interest expenses (1,39) (1,041) 888 (7,388) Foreign exchange gain, net (380) (135) (141) (1,170) (1,	· · · · · · · · · · · · · · · · · · ·	.,	.,	•	•
Interest and dividend income (550) (356) (219) [1,820] Interest expenses 1,139 1,041 888 7,388 Foreign exchange gain, net [1,170] Equity earnings (losses) of unconsolidated subsidiaries and affiliates (330) (8) 12 101 Loss on write-down of long-term investments in securities 6 875 510 4,243 Liquidation loss of unconsolidated subsidiaries — 466 — — — 10s0 on change in interest in affiliated company — 136 318 2,649 Changes in assets and liabilities: (Increase)/decrease in accounts and notes receivable (9,831) 22,138 (10,254) (85,306) Decrease in inventiories 5,557 4,697 2,502 20,817 Increase)/decrease in accounts and notes receivable 1,649 (15,976) 5,221 43,433 Other, net 392 (1,285) 2,560 21,297 Subtotal 30,618 18,615 11,171 92,933 Interest and dividend income received 586 374 220 1,833 Interest expenses poid (1,261) (1,003) (903) (7,512) Income loxes (paid)/refunded (6,940) (14,714) 5,524 45,959 Net cash provided by operating activities 23,003 3,272 16012 133,213 Cash Flows from Investing Activities: (Increase)/decrease in fine deposits due over three months — (498) 468 3,894 Payments for purchase of short-term investments in securities (1,549) (1,999) (1,199) (9,978) Proceeds from soles of short-term investments in securities (1,549) (1,999) (1,199) (9,978) Proceeds from soles of property, plant and equipment (11,076) (9,225) (4,760) (39,599) Proceeds from soles of property, plant and equipment (1,076) (9,225) (4,760) (39,599) Proceeds from soles of property in the equipment (1,076) (9,225) (4,760) (39,599) Proceeds from soles of property, plant and equipment (1,076) (9,225) (4,760) (39,599) Proceeds from soles of property, plant and equipment (1,076) (9,225) (4,760) (3,959) Proceeds from soles of property, plant and equipment (1,076) (9,225) (4,760) (3,959) Proceeds from soles of property, plant and equipment (1,076) (9,225) (4,760) (3,959) Proceeds from soles of property, plant and equipment (1,076) (9,225) (4,760) (3,959) Proceeds from soles of property, plant and equipment (1,076) (9,225) (4,760) (3,959) (•	, ,	, ,	
Interest expenses					•
Foreign exchange gain, net (380) (135) (141) (1,170) Equity earnings (losses) of unconsolidated subsidiaries and affiliates (330) (8) 12 (101) Loss on write-down of long-term investments in securities 6 875 510 4,243 Liquidation loss of unconsolidated subsidiaries 6 875 510 4,243 Liquidation loss of unconsolidated subsidiaries 6 2-466 2-3 318 2,649 Changes in assets and liabilities: (10crease)/decrease in accounts and notes receivable (9,831) 22,138 (10,254) (85,306) Decrease in inventories 5,557 4,697 2,502 20,817 (10crease)/decrease) in accounts and notes payable 1,649 (15,976) 5,221 43,433 (10,254) (10,25	Interest and dividend income	(550)	(356)	(219)	(1,820)
Equity earnings (losses) of unconsolidated subsidiaries and affiliates (330) (8) 12 (101) Loss on writedown of long-term investments in securities 6 875 510 4,243 Liquidation loss of unconsolidated subsidiaries — 466 — — — 136 318 2,649 Loss on change in interest in affiliated company — 136 318 2,649 Loss on change in interest in affiliated company — 136 318 2,649 Loss on change in interest in affiliated company — 136 318 2,649 Loss on change in interest in affiliated company — 136 318 22,138 (10,254) (85,306) Decrease in inventories — 5,557 4,697 2,502 20,817 Increase)/decrease in accounts and notes receivable — 1,649 (15,976) 5,221 43,433 (16,976) — 1,649 (15,976) 5,221 43,433 (16,976) — 1,649 (16,976) 5,221 43,433 (16,976) — 1,649 (16,976) 5,221 43,433 (16,976) — 1,649 (16,976) 5,221 43,433 (16,976) — 1,649	Interest expenses	1,139	1,041	888	7,388
Loss on write-down of long-term investments in securities 6	Foreign exchange gain, net	(380)	(135)	(141)	(1,170)
Liquidation loss of unconsolidated subsidiaries - - - - - - - - -	Equity earnings (losses) of unconsolidated subsidiaries and a	ffiliates (330)	(8)	12	101
Loss on change in interest in affiliated company 136 318 2,649 Changes in assets and liabilities:	Loss on write-down of long-term investments in securities	. 6	875	510	4,243
Loss on change in interest in affiliated company 136 318 2,649 Changes in assets and liabilities:	Liquidation loss of unconsolidated subsidiaries	_	466	_	, <u> </u>
Changes in assets and liabilities: (Increase) / decrease in accounts and notes receivable (9,831) 22,138 (10,254) (85,306) Decrease in inventories 5,557 4,697 2,502 20,817 Increase / (decrease) in accounts and notes payable 1,649 (15,976) 5,221 43,433 Other, net 392 (1,285) 2,560 21,297 Subtotal 30,618 18,615 11,171 92,933 Interest and dividend income received 586 374 220 1,833 Interest stand dividend income received (1,261) (1,003) (70,31) Interest stand dividend income received (1,261) (1,003) (70,31) (7,512) Income taxes (paid) / refunded (6,940) (14,714) 5,524 45,959 Net cash provided by operating activities 23,003 3,272 16,012 133,213 Cash Flows from Investing Activities: (6,940) (14,714) 5,524 45,959 Net cash provided by operating activities (1,549) (1,999) (1,199) (1,199) (1,9978) Proceeds from sales of short-term investments in securities (1,549) (1,999) (1,199) (1,9978) Proceeds from sales of short-term investments in securities (1,549) (1,999) (1,199) (1,9978) Proceeds from sales of property, plant and equipment 1,286 194 149 1,239 Payments for purchase of property, plant and equipment 1,286 194 149 1,239 Payments for purchase of long-term investments in securities (8,99) (6,63) (335) (2,790) Interest payable in investing activities (1,512) (2,887) (2,887) (2,790) Recall payable in unconsolidated subsidiaries and affiliates (3,732) (7,907) (3,910) (32,528) Cash Flows from Financing Activities: (3,732) (4,760) (3,910) (32,528) Cash Flows from Financing Activities (3,173) (6,038) (4,787) (3,910) (32,528) Cash Flows from Financing Activities (3,173) (6,038) (4,787) (3,910) (32,528) Cash Flows from Financing Activities (3,173) (6,038) (4,787) (3,910) (32,528) Cash Flows from Financing Activities (3,173) (6,038) (4,787)	•	_	136	318	2.649
Content Cont	1 ,				_/~
Decrease in inventories	•	(9.831)	22 138	(10.254)	(85 306)
Increase/(decrease) in accounts and notes payable 1,649 (15,976) 5,221 43,433 Other, net 392 (1,285) 2,560 21,297 Subtotal 30,618 18,615 11,171 72,933 Interest and dividend income received 586 374 220 1,833 Interest and dividend income received (5,940) (14,714 5,524 45,759 Net cash provided by operating activities 23,003 3,272 16,012 133,213 Cash Flows from Investing Activities: (1,649) (14,744 5,524 45,759 Net cash provided by operating activities (1,549) (1,999) (1,199) (9,978) Proceeds from sales of short+erm investments in securities 4,287 2,063 1,328 11,052 Payments for purchase of short-term investments in securities 4,287 2,063 1,328 11,052 Payments for purchase of property, plant and equipment 1,286 194 149 1,239 Payments for purchase of property, plant and equipment 1,286 194 149 1,239 Payments for purchase of long-term investments in securities (250) (486) (10) (80) Proceeds from sales of property, plant and equipment 1,286 194 149 1,239 Payments for purchase of long-term investments in securities (250) (486) (10) (80) Proceeds from sales of property, plant and equipment 1,286 194 149 1,239 Payments for purchase of long-term investments in securities (250) (486) (10) (80) Proceeds from sales of long-term investments in securities (250) (486) (10) (80) Proceeds from sales of long-term investments in securities (250) (486) (333) (2,790) (32,528) (2,790) (32,528) (2,790) (32,528) (2,790) (32,528) (2,790) (32,528) (2,790) (32,528) (2,790) (32,528) (2,790) (32,528) (3,790) (32,528) (3,790) (32,528) (3,790) (32,528) (3,790) (32,528) (3,790) (32,528) (3,790) (32,528) (3,790) (32,528) (3,790) (32,528) (3,790) (32,528) (3,790) (32,528) (3,790) (3,790) (3,790) (3,790) (3,790) (3,790) (3,790) (3,790) (3,790) (3,790) (3,790) (3,790)	, "		,		
Other, net		,	•	•	•
Subtotal 30,618 18,615 11,171 92,933	, , , , , , , , , , , , , , , , , , , ,	•		•	•
Interest and dividend income received					
Interest expenses paid (1,261) (1,003) (903) (7,512) 1,000			<u> </u>		
Income taxes (paid)/refunded					•
Net cash provided by operating activities 23,003 3,272 16,012 133,213	• •			• •	• • •
Cash Flows from Investing Activities: (Increase)/decrease in time deposits due over three months - (498) 468 3,894 Payments for purchase of short-term investments in securities (1,549) (1,999) (1,199) (9,978) Proceeds from sales of short-term investments in securities 4,287 2,063 1,328 11,052 Payments for purchase of property, plant and equipment (11,076) (9,225) (4,760) (39,599) Proceeds from sales of property, plant and equipment 1,286 194 149 1,239 Payments for purchase of long-term investments in securities/investments in unconsolidated subsidiaries and affiliates (250) (486) (10) (80) Proceeds from sales of long-term investments in securities/investments in unconsolidated subsidiaries and affiliates 132 888 104 862 Payments of short-term advances (689) (663) (335) (2,790) (2,790) (3,790			<u> </u>		
Clincrease / decrease in time deposits due over three months		23,003	3,2/2	16,012	133,213
Payments for purchase of short-term investments in securities (1,549) (1,999) (1,199) (9,978)	· · · · · · · · · · · · · · · · · · ·				
Proceeds from sales of short-term investments in securities 4,287 2,063 1,328 11,052 Payments for purchase of property, plant and equipment (11,076) (9,225) (4,760) (39,599) Proceeds from sales of property, plant and equipment 1,286 194 149 1,239 Payments for purchase of long-term investments in securities/investments in unconsolidated subsidiaries and affiliates (250) (486) (10) (80) Proceeds from sales of long-term investments in securities/investments in unconsolidated subsidiaries and affiliates 132 888 104 862 Payments of short-term advances (689) (663) (335) (2,790) Collections of short-term advances (7,322) (7,907) (3,910) (32,528) Net cash used in investing activities (7,322) (7,907) (3,910) (32,528) Cash Flows from Financing Activities: (7,322) (7,907) (3,910) (24,018) Borrowings of long-term debt 900 1,210 — — Repayments of long-term debt (5,173) (6,038) (4,787) (39,821) <t< td=""><td>, "</td><td><u> </u></td><td>, ,</td><td></td><td>•</td></t<>	, "	<u> </u>	, ,		•
Payments for purchase of property, plant and equipment (11,076) (9,225) (4,760) (39,599) Proceeds from sales of property, plant and equipment 1,286 194 149 1,239 Payments for purchase of long-term investments in securities of securities in unconsolidated subsidiaries and affiliates (250) (486) (10) (80) Proceeds from sales of long-term investments in securities/ investments in unconsolidated subsidiaries and affiliates 132 888 104 862 Payments of short-term advances (689) (663) (335) (2,790) Collections of short-term advances 537 1,819 345 2,872 Net cash used in investing activities (7,322) (7,907) (3,910) (32,528) Cash Flows from Financing Activities: (7,322) (7,907) (3,910) (32,528) Decrease in short-term bank loans (5,178) (1,512) (2,887) (24,018) Borrowings of long-term debt 900 1,210 — — Repayments of long-term debt (5,173) (6,038) (4,787) (39,821) Proceeds from	, 1				• • •
Proceeds from sales of property, plant and equipment 1,286 194 149 1,239 Payments for purchase of long-term investments in securities/investments in unconsolidated subsidiaries and affiliates (250) (486) (10) (80) Proceeds from sales of long-term investments in securities/investments in unconsolidated subsidiaries and affiliates 132 888 104 862 Payments of short-term advances (689) (663) (335) (2,790) Collections of short-term advances 537 1,819 345 2,872 Net cash used in investing activities (7,322) (7,907) (3,910) (32,528) Cash Flows from Financing Activities: (5,178) (1,512) (2,887) (24,018) Borrowings of long-term debt 900 1,210 — — — Repayments of long-term debt (5,173) (6,038) (4,787) (39,821) Proceeds from issuance of bonds — 15,000 22,905 190,553 Redemption of bonds (14,855) — (8,000) (66,556) Exercise of stock warrants to common stock		,	,	•	•
Payments for purchase of long-term investments in securities/investments in unconsolidated subsidiaries and affiliates proceeds from sales of long-term investments in securities/investments in unconsolidated subsidiaries and affiliates (250) (486) (10) (80) Proceeds from sales of long-term investments in securities/investments in unconsolidated subsidiaries and affiliates 132 888 104 862 Payments of short-term advances (689) (663) (335) (2,790) Collections of short-term advances (589) (669) 345 2,872 Net cash used in investing activities (7,322) (7,907) (3,910) (32,528) Cash Flows from Financing Activities: (7,322) (7,907) (3,910) (32,528) Decrease in short-term bank loans (5,178) (1,512) (2,887) (24,018) Borrowings of long-term debt 900 1,210 — — Repayments of long-term debt (5,173) (6,038) (4,787) (39,821) Proceeds from issuance of bonds [14,855) — (8,000) (66,556) Exercise of stock warrants to common stock 2,705 — —	Payments for purchase of property, plant and equipment	(11,076)	(9,225)	(4,760)	(39,599)
Securities/investments in unconsolidated subsidiaries and affiliates (250) (486) (10) (80)	Proceeds from sales of property, plant and equipment	1,286	194	149	1,239
Proceeds from sales of long-term investments in securities/ investments in unconsolidated subsidiaries and affiliates 132 888 104 862 Payments of short-term advances (689) (663) (335) (2,790) Collections of short-term advances 537 1,819 345 2,872 Net cash used in investing activities (7,322) (7,907) (3,910) (32,528) Cash Flows from Financing Activities: (5,178) (1,512) (2,887) (24,018) Borrowings of long-term debt 900 1,210 — — — Repayments of long-term debt (5,173) (6,038) (4,787) (39,821) Proceeds from issuance of bonds 15,000 22,905 190,553 Redemption of bonds (14,855) — (8,000) (66,556) Exercise of stock warrants to common stock 2,705 — — — Cash dividends (1,784) (1,790) (1,790) (14,895) Other, net 1 60 (17) (143) Net cash provided by (used in) financing activi	Payments for purchase of long-term investments in				
investments in unconsolidated subsidiaries and affiliates	securities/investments in unconsolidated subsidiaries and affiliates	(250)	(486)	(10)	(80)
Payments of short-term advances (689) (663) (335) (2,790) Collections of short-term advances 537 1,819 345 2,872 Net cash used in investing activities (7,322) (7,907) (3,910) (32,528) Cash Flows from Financing Activities: Decrease in short-term bank loans (5,178) (1,512) (2,887) (24,018) Borrowings of long-term debt 900 1,210 — — — Repayments of long-term debt (5,173) (6,038) (4,787) (39,821) Proceeds from issuance of bonds — 15,000 22,905 190,553 Redemption of bonds (14,855) — (8,000) (66,556) Exercise of stock warrants to common stock 2,705 — — — Cash dividends (1,784) (1,790) (14,895) Other, net 1 60 (17) (143) Net cash provided by (used in) financing activities (23,384) 6,930 5,424 45,120 Effect of Exchange Rate Changes on Cash and Cash Equivalents <td>Proceeds from sales of long-term investments in securities/</td> <td></td> <td></td> <td></td> <td></td>	Proceeds from sales of long-term investments in securities/				
Collections of short-term advances 537 1,819 345 2,872 Net cash used in investing activities (7,322) (7,907) (3,910) (32,528) Cash Flows from Financing Activities: Decrease in short-term bank loans (5,178) (1,512) (2,887) (24,018) Borrowings of long-term debt 900 1,210 — — Repayments of long-term debt (5,173) (6,038) (4,787) (39,821) Proceeds from issuance of bonds — 15,000 22,905 190,553 Redemption of bonds (14,855) — (8,000) (66,556) Exercise of stock warrants to common stock 2,705 — — — Cash dividends (1,784) (1,790) (17,790) (14,895) Other, net 1 60 (17) (143) Net cash provided by (used in) financing activities (23,384) 6,930 5,424 45,120 Effect of Exchange Rate Changes on Cash and Cash Equivalents 885 664 1 4 Net Increase/(Decrease	investments in unconsolidated subsidiaries and affiliates	132	888	104	862
Collections of short-term advances 537 1,819 345 2,872 Net cash used in investing activities (7,322) (7,907) (3,910) (32,528) Cash Flows from Financing Activities: Decrease in short-term bank loans (5,178) (1,512) (2,887) (24,018) Borrowings of long-term debt 900 1,210 — — Repayments of long-term debt (5,173) (6,038) (4,787) (39,821) Proceeds from issuance of bonds — 15,000 22,905 190,553 Redemption of bonds (14,855) — (8,000) (66,556) Exercise of stock warrants to common stock 2,705 — — — Cash dividends (1,784) (1,790) (17,790) (14,895) Other, net 1 60 (17) (143) Net cash provided by (used in) financing activities (23,384) 6,930 5,424 45,120 Effect of Exchange Rate Changes on Cash and Cash Equivalents 885 664 1 4 Net Increase/(Decrease	Payments of short-term advances	(689)	(663)	(335)	(2.790)
Net cash used in investing activities (7,322) (7,907) (3,910) (32,528)	,	, ,	, ,	, ,	, , ,
Cash Flows from Financing Activities: Decrease in short-term bank loans (5,178) (1,512) (2,887) (24,018) Borrowings of long-term debt 900 1,210 — — Repayments of long-term debt (5,173) (6,038) (4,787) (39,821) Proceeds from issuance of bonds — 15,000 22,905 190,553 Redemption of bonds (14,855) — (8,000) (66,556) Exercise of stock warrants to common stock 2,705 — — — Cash dividends (1,784) (1,790) (1,790) (14,895) Other, net 1 60 (17) (143) Net cash provided by (used in) financing activities (23,384) 6,930 5,424 45,120 Effect of Exchange Rate Changes on Cash and Cash Equivalents 885 664 1 4 Net Increase/(Decrease) in Cash and Cash Equivalents (6,818) 2,959 17,527 145,809 Cash and Cash Equivalents at Beginning of Year (Note 13) 58,866 52,048 55,007 457,63			· · · · · · · · · · · · · · · · · · ·		
Decrease in short-term bank loans (5,178) (1,512) (2,887) (24,018) Borrowings of long-term debt 900 1,210 — — Repayments of long-term debt (5,173) (6,038) (4,787) (39,821) Proceeds from issuance of bonds — 15,000 22,905 190,553 Redemption of bonds (14,855) — (8,000) (66,556) Exercise of stock warrants to common stock 2,705 — — — Cash dividends (1,784) (1,790) (1,790) (14,895) Other, net 1 60 (17) (143) Net cash provided by (used in) financing activities (23,384) 6,930 5,424 45,120 Effect of Exchange Rate Changes on Cash and Cash Equivalents 885 664 1 4 Net Increase/(Decrease) in Cash and Cash Equivalents (6,818) 2,959 17,527 145,809 Cash and Cash Equivalents at Beginning of Year (Note 13) 58,866 52,048 55,007 457,633		(,,022)	(, ,, ,, ,	(0),	(02/020)
Borrowings of long-term debt 900 1,210 — — Repayments of long-term debt (5,173) (6,038) (4,787) (39,821) Proceeds from issuance of bonds — 15,000 22,905 190,553 Redemption of bonds (14,855) — (8,000) (66,556) Exercise of stock warrants to common stock 2,705 — — — Cash dividends (1,784) (1,790) (1,790) (14,895) Other, net 1 60 (17) (143) Net cash provided by (used in) financing activities (23,384) 6,930 5,424 45,120 Effect of Exchange Rate Changes on Cash and Cash Equivalents 885 664 1 4 Net Increase/(Decrease) in Cash and Cash Equivalents (6,818) 2,959 17,527 145,809 Cash and Cash Equivalents at Beginning of Year (Note 13) 58,866 52,048 55,007 457,633	<u> </u>	(5 178)	(1.512)	(2.887)	(24.018)
Repayments of long-term debt (5,173) (6,038) (4,787) (39,821) Proceeds from issuance of bonds — 15,000 22,905 190,553 Redemption of bonds (14,855) — (8,000) (66,556) Exercise of stock warrants to common stock 2,705 — — — Cash dividends (1,784) (1,790) (1,790) (14,895) Other, net 1 60 (17) (143) Net cash provided by (used in) financing activities (23,384) 6,930 5,424 45,120 Effect of Exchange Rate Changes on Cash and Cash Equivalents 885 664 1 4 Net Increase/(Decrease) in Cash and Cash Equivalents (6,818) 2,959 17,527 145,809 Cash and Cash Equivalents at Beginning of Year (Note 13) 58,866 52,048 55,007 457,633				(2,007)	(24,010)
Proceeds from issuance of bonds — 15,000 22,905 190,553 Redemption of bonds (14,855) — (8,000) (66,556) Exercise of stock warrants to common stock 2,705 — — — Cash dividends (1,784) (1,790) (1,790) (14,895) Other, net 1 60 (17) (143) Net cash provided by (used in) financing activities (23,384) 6,930 5,424 45,120 Effect of Exchange Rate Changes on Cash and Cash Equivalents 885 664 1 4 Net Increase/(Decrease) in Cash and Cash Equivalents (6,818) 2,959 17,527 145,809 Cash and Cash Equivalents at Beginning of Year (Note 13) 58,866 52,048 55,007 457,633			•		(39 821)
Redemption of bonds (14,855) — (8,000) (66,556) Exercise of stock warrants to common stock 2,705 — — — Cash dividends (1,784) (1,790) (1,790) (14,895) Other, net 1 60 (17) (143) Net cash provided by (used in) financing activities (23,384) 6,930 5,424 45,120 Effect of Exchange Rate Changes on Cash and Cash Equivalents 885 664 1 4 Net Increase/(Decrease) in Cash and Cash Equivalents (6,818) 2,959 17,527 145,809 Cash and Cash Equivalents at Beginning of Year (Note 13) 58,866 52,048 55,007 457,633	1 7	(3,173)			, , ,
Exercise of stock warrants to common stock 2,705 — <t< td=""><td></td><td></td><td>13,000</td><td>•</td><td>•</td></t<>			13,000	•	•
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Net cash provided by (used in) financing activities (23,384) 6,930 5,424 45,120 Effect of Exchange Rate Changes on Cash and Cash Equivalents 885 664 1 4 Net Increase/(Decrease) in Cash and Cash Equivalents (6,818) 2,959 17,527 145,809 Cash and Cash Equivalents at Beginning of Year (Note 13) 58,866 52,048 55,007 457,633				• • • •	* : :
Effect of Exchange Rate Changes on Cash and Cash Equivalents 885 664 1 4 Net Increase/(Decrease) in Cash and Cash Equivalents (6,818) 2,959 17,527 145,809 Cash and Cash Equivalents at Beginning of Year (Note 13) 58,866 52,048 55,007 457,633					
Net Increase/(Decrease) in Cash and Cash Equivalents (6,818) 2,959 17,527 145,809 Cash and Cash Equivalents at Beginning of Year (Note 13) 58,866 52,048 55,007 457,633				5,424	45,120
Cash and Cash Equivalents at Beginning of Year (Note 13) 58,866 52,048 55,007 457,633				I	4
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Cash and Cash Equivalents at End of Year (Note 13) ¥ 52,048 ¥ 55,007 ¥ 72,534 \$ 603,442					
	Cash and Cash Equivalents at End of Year (Note 13)	¥ 52,048	¥ 55,007	¥ 72,534	\$ 603,442

The accompanying notes are an integral part of these statements.