

Consolidated Cash Flow Statement

(In millions of yen)

| | FY '17 (Apr. 1, 2016 – Mar. 31, 2017) (A) | FY '18 (Apr. 1, 2017 – Mar. 31, 2018) (B) | B – A |
|---|--|--|-----------|
| I Cash flows from operating activities | | | |
| 1 Net income | 222,765 | 282,339 | 59,574 |
| 2 Adjustments to reconcile net income to net cash provided by operating activities | | | |
| (1) Depreciation of tangible fixed assets and other | 144,928 | 173,889 | 28,961 |
| (2) Deferred income taxes | 17,966 | 20,026 | 2,060 |
| (3) Decrease (increase) in trade receivables | (21,580) | (45,827) | (24,247) |
| (4) Decrease (increase) in inventories | (7,576) | (95,357) | (87,781) |
| (5) Decrease (increase) in other assets | 19,239 | (21,644) | (40,883) |
| (6) Increase (decrease) in trade payables | 20,853 | (48,428) | (69,281) |
| (7) Increase (decrease) in other liabilities | (37,843) | (19,358) | 18,485 |
| (8) Other, net | 7,198 | (5,190) | (12,388) |
| Net cash provided by operating activities | 365,950 | 240,450 | (125,500) |
| II Cash flows from investing activities | | | |
| 1 Capital expenditure | (167,165) | (186,792) | (19,627) |
| 2 Proceeds from sale of property, plant and equipment | 9,049 | 3,005 | (6,044) |
| 3 Purchase of short-term investments and investment securities (net of cash acquired) | (6,007) | (8,518) | (2,511) |
| 4 Proceeds from sale of short-term investments and investment securities (net of cash disposed) | 23,560 | 35,194 | 11,634 |
| 5 Other, net | (8,069) | (21,108) | (13,039) |
| Net cash used in investing activities | (148,632) | (178,219) | (29,587) |
| I + II Free cash flow | 217,318 | 62,231 | (155,087) |
| III Cash flows from financing activities | | | |
| 1 Proceeds from long-term debt | 145 | 20,180 | 20,035 |
| 2 Repayment of long-term debt | (58,489) | (64,186) | (5,697) |
| 3 Increase (decrease) in bank loans, net | 350 | (5,974) | (6,324) |
| 4 Dividends paid | (57,963) | (68,696) | (10,733) |
| 5 Purchase of treasury stock | (854) | (700) | 154 |
| 6 Reissuance of treasury stock | 0 | 0 | (0) |
| 7 Other, net | (6,684) | (8,915) | (2,231) |
| Net cash provided by (used in) financing activities | (123,495) | (128,291) | (4,796) |
| IV Effect of exchange rate changes on cash and cash equivalents | (5,524) | 2,790 | 8,314 |
| V Net increase (decrease) in cash and cash equivalents | 88,299 | (63,270) | (151,569) |
| VI Cash and cash equivalents at beginning of period | 574,170 | 662,469 | 88,299 |
| VII Cash and cash equivalents at end of period | 662,469 | 599,199 | (63,270) |