YAMAZEN CORPORATION AND ITS CONSOLIDATED SUBSIDIARIES CONSOLIDATED BALANCE SHEETS September 30 and March 31, 2007

Content		Million	g of Von	Thousands of U.S. Dollars (Note 1)		Million	ns of Yen	Thousands of U.S. Dollars (Note 1)
September Sept			s or ren				is of Tell	
Marche 1988			March 31.				March 31.	
Current store for control								
Control Inhabitistic Superior	ASSETS				LIABILITIES AND NET ASSETS			
Short-tern searthics	Current assets:							
Truit 10,000 10	Cash and bank deposits	¥ 22,821	¥ 28,943					
Property and sequences and additiates 102,000		6,599	8,104	57,169				
Descesse initiated substituires and affiliated 15,00% 10,00%						2,268	10,927	19,648
Allowance for doubtful accounts (18,20)								
November for denothing accounts 12,036 12,	Unconsolidated subsidiaries and affiliates							
102.308					Unconsolidated subsidiaries and affiliates			
Property and sequipment 12,984	Allowance for doubtful accounts							
Property and equipment Property and equipm								
Other Tutal current assets 2,891 2,102 24,447 Other Tutal current limbilities 2,606 2,908 2,102,872 Tutal current assets 18,505 16,509 1,294,331 Total current limbilities 4,180 2,027 36,212 Long-term debt 4,180 2,027 36,212 36,213 36,21								
Total current assets								
Long term labilities								
Property and equipment	Total current assets	149,405	156,900	1,294,334	Total current liabilities	136,457	149,395	1,182,162
Property and equipment					Long-term liabilities:			
Accuracy						4,180	2,027	36,212
Nestments and long-term accounts receivable 10,11 10,486 94,525 0ther come taxes 2,746 2,809 23,709 10,000 23,700 10,000 23,700 10,000 23,700 10,000 23,700 23					Accrued retirement benefits for	,	,	•
Property and equipment:					directors and corporate auditors	_	313	_
Investments in securities 10,911 10,186 94,25 Other 960 651 8,490 Investments in and advances to 1,058 5,852 Unconsolidated subsidiaries and affiliates 679 1,058 5,852 Other 13 21 113 Investments receivable 732 823 6,341 Allowance for doubtful accounts 11,525 11,424 99,844 Investments receivable 11,525 11,525 11,525 11,525 11,525 Investments receivable receiv					Accrued retirement benefits for employees	80	53	693
Total long - term liabilities	Investments and long-term accounts receivable:				Deferred income taxes	2,746	2,909	23,790
Unconsolidated subsidiaries and affiliates	Investments in securities	10,911	10,486	94,525	Other	980	651	8,490
Other 13 21 13 21 13	Investments in and advances to-				Total long - term liabilities	7,986	5,953	69,185
Congression	Unconsolidated subsidiaries and affiliates	679	1,058	5,882				
Allowance for doubtful accounts (810) (964) (7.017) 11,525 11,424 99,844 Net assets: Shareholders' equity: Common stock Share	Other	13	21	113				
Net assets: Shareholders' equity: Common stock Frogery and equipment: Shareholders and March 31, 2007 7,909 7,909 68,518	Long-term accounts receivable	732	823	6,341				
Net assets: Shareholders' equity: Shareholders'	Allowance for doubtful accounts	(810)		(7,017)				
$ \begin{array}{ c c c c c c c c c c c c c c c c c c c$		11,525	11,424	99,844				
$ \begin{array}{ c c c c c c c c c c c c c c c c c c c$								
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $								
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $								
Property and equipment: Additional paid-in capital 6,082 6,082 52,690 Property and equipment: 11,955 11,924 103,569 Less: Treasury common stock, at cost 19,290 17,961 167,114 Machinery and equipment 1,915 1,830 16,590 - 41,882 shares at September 30, 2007 15 15 15 130) Accumulated depreciation (8,374) (8,142) (72,546) Total shareholders' equity 33,266 31,937 288,192 Land 8,562 10,911 74,175 Net unrealized gains and translation adjustments 3,518 3,389 30,477 Less: Tread income taxes 29 30 251 Foreign currency translation adjustments 3 65 26 Deferred income taxes 29 30 251 Foreign currency translation adjustments 5,97 580) 5,172 Prepaid pension expenses 2,407 2,381 20,852 Total net unrealized gains and 2,924 2,874 25,331 Other 3,209 2,901 27,801						7,000	7,000	60 F10
Property and equipment: Retained earnings 19,290 17,961 167,114								
Buildings and structures 11,955 11,924 103,569 Less: Treasury common stock, at cost Machinery and equipment 1,915 1,830 16,590 - 41,882 shares at September 30, 2007 (15) (15) (150) Accumulated depreciation 13,870 13,870 13,754 120,159 and 41,497 shares at March 31, 2007 33,266 31,937 288,192 Land 8,562 10,911 74,175 Net unrealized gains and translation adjustments 3,518 3,389 30,477 Land 8,562 10,911 74,175 Net unrealized holding gains on securities 3,518 3,389 30,477 Lest unrealized income taxes 29 30 251 Foreign currency translation adjustments 5,997 580 5,172 Prepaid pension expenses 2,907 2,381 20,852 Total net unrealized gains and 2,924 2,874 25,331 Other 3,209 2,901 27,801 translation adjustments 36,190 34,811 313,523	Dronarty and aguinment							
Machinery and equipment 1,915 1,830 16,590 $-41,882$ shares at September 30, 2007 (15) (15) (130) Accumulated depreciation (8,374) (8,142) (72,546) Total shareholders' equity 33,266 31,937 288,192 Land 8,562 10,911 74,175 Net unrealized gains and translation adjustments 3,518 3,389 30,477 Land 14,058 16,523 121,788 Net unrealized holding gains on securities 3,518 3,389 30,477 Net unrealized holding gains on hedges 3 65 26 Deferred income taxes 29 30 251 Foreign currency translation adjustments (597) 580) 5,172) Prepaid pension expenses 2,407 2,381 20,852 Total net unrealized gains and currency translation adjustments 2,924 2,874 25,331 Other 3,209 2,901 27,801 translation adjustments 36,190 34,811 313,523	Ruildings and structures	11 055	11 094	103 560		19,290	17,901	107,114
Accumulated depreciation 13,870 (8,374) (8,142) (72,546) (72,546) 120,159 (72,546) and 41,497 shares at March 31, 2007 (15) (15) (15) (130) (15) (130) (130) Land 5,496 (5,612) 47,613 (1,911) 74,175 (1,058) 14,058 (1,6523) 121,788 Net unrealized gains and translation adjustments 3,518 (3,389) 30,477 Lend 14,058 (16,523) 121,788 (1,911) 1								
Accumulated depreciation (8,374) (8,142) (72,546) Total shareholders' equity 33,266 31,937 288,192 Land 8,562 10,911 74,175 Net unrealized gains and translation adjustments 3,518 3,389 30,477 Net unrealized holding gains on securities 3,518 3,389 30,477 Net unrealized holding gains on hedges 3 65 26 Deferred income taxes 29 30 251 Foreign currency translation adjustments 57 580 5,172 Prepaid pension expenses 2,407 2,381 20,852 Total net unrealized gains and translation adjustments 2,924 2,874 25,331 Other 3,209 2,901 27,801 translation adjustments 36,190 34,811 313,523	macimiety and equipment					(15)	(15)	(190)
$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$	Accumulated depreciation						21 027	
$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$	1100umulated depreciation				rotal shareholders equity	55,200	01,001	200,132
$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$	Land				Net unrealized gains and translation adjustments			
Net unrealized holding gains on hedges 3 65 26 Deferred income taxes 29 30 251 Foreign currency translation adjustments (597) (580) $(5,172)$ Prepaid pension expenses $2,407$ $2,381$ $20,852$ Total net unrealized gains and $2,924$ $2,874$ $25,331$ Other $3,209$ $2,901$ $27,801$ translation adjustments $36,190$ $34,811$ $313,523$	Build					3 518	3 389	30 477
Deferred income taxes 29 30 251 Foreign currency translation adjustments (597) (580) $(5,172)$ Prepaid pension expenses $2,407$ $2,381$ $20,852$ Total net unrealized gains and $2,924$ $2,874$ $25,331$ Other $2,901$ $27,801$ translation adjustments 29 30 $20,852$ Total net unrealized gains and $20,924$ $20,874$		11,000	10,020	121,100				
Prepaid pension expenses $2,407$ $2,381$ $20,852$ Total net unrealized gains and $2,924$ $2,874$ $25,331$ Other $3,209$ $2,901$ $27,801$ translation adjustments Total net assets $36,190$ $34,811$ $313,523$	Deferred income taxes	29	30	251				
Other 3,209 2,901 27,801 translation adjustments								
Total net assets 36,190 34,811 313,523						2,024	2,014	20,001
	O 42102	5,200	2,001	21,001		36 190	34 811	313 523
		¥ 180,633	¥ 190,159	\$ 1,564,870	10001100 000000	¥ 180,633	¥ 190,159	

The accompanying notes are an integral part of these statements.

$\frac{\text{YAMAZEN CORPORATION AND ITS CONSOLIDATED SUBSIDIARIES}}{\text{CONSOLIDATED STATEMENTS OF INCOME}(\text{Unaudited})}$

For the six-months ended September 30, 2007 and 2006

	Millions of Yen					Thousands of U.S. Dollars (Note 1)		
	2007			2006		2007		
Net sales Cost of sales Gross profit	¥	186,009 164,552 21,457	¥	185,275 164,636 20,639	\$	1,611,445 1,425,557 185,888		
Selling, general and administrative expenses		15,944		14,900		138,127		
Operating income		5,513		5,739		47,761		
Other income (expenses):								
Interest and dividends income		843	,	805	,	7,303		
Interest expense Gain on sale of property and equipment	(749) 4	(760) 13	(6,489) 35		
Loss on sale and disposal of property and equipment	(1)	(7)	(9)		
Loss on impairment of fixed assets	(2,434)	`	_ ′	(21,086)		
Reversal of allowance for doubtful account		151		_		1,308		
Other, net		280		298		2,425		
Income before income taxes and minority interests		3,607		6,088		31,248		
Income taxes								
Current	,	2,429		2,247	,	21,043		
Deferred		1,066)		234	(9,235)		
		1,363		2,481		11,808		
Net income	¥	2,244	¥	3,607	\$	19,440		
			Ten			.S. Dollars (Note 1)		
Net income per share (basic)	¥	23.91	¥	38.46	\$	0.207		
Cash dividends per share		5.00		_		0.043		
Weighted average number of shares outstanding during the current fiscal year (unit: thousands shares)		93,799		93,802				

The accompanying notes are an integral part of these statements.

YAMAZEN CORPORATION AND ITS CONSOLIDATED SUBSIDIARIES CONSOLIDATED STATEMENTS OF CASH FLOWS(Unaudited)

For the six-months ended 30th September, 2007 and 2006

Cash flows from operating activities			Millio	ns of Yen		Thousands of U.S. Dollars (Note 1)	
Income before income taxes and minority interests		-		15 01 1 611	2006		
Adjustments for:	Cash flows from operating activities:	-				-	
Depreciation and amortization 337 338 2,990 Lass on impairment of fived assets 2,444 - 21,086 Increase (decrease) in allowance for doubtful accounts 230 108 (1,993) Decrease in accrued bornus and retirement benefits 389 569 3,370 Increase in prepaid pension expenses 277 666 234 Dividends and interest income 843 800 7,300 Interest expense 749 760 6,489 Foreign currency loss 10 13 87 Loss on side of marketable securities and investments in securities 10 13 87 Loss on disposal of property and equipment (4 9 9 35 Cain on sale of property and equipment (4 9 9 35 Changes in assets and liabilities Decrease (increase) in trade receivables 1,930 (3,888 16,720 Decrease (increase) in trade receivables 1,930 (3,888 16,720 Decrease (increase) in trade payables 7,746 3,304 (64,333 Other, net 682 1,154 5,042 The sease (decrease) in trade payables 7,486 5,658 6,480 Income taxes paid (3,515 3,400 30,451 Income taxes paid (3,515 3,400 30,451 Net cash provided by (used in) operating activities (2,767 2,168 23,911 Cash flows from investing activities 182 25 1,577 Payments for time deposits (215 25) (2,538 Proceeds from withdrawal of time deposits 182 25 1,577 Payments for acquisition of investments in securities 15 - 130 Proceeds from sales of investments in securities 15 - 130 Proceeds from sales of investments in securities 15 - 130 Proceeds from sales of investments in securities 15 - 130 Proceeds from sales of investments in securities 15 - 130 Proceeds from sales of investments in securities 15 - 130 Proceeds from sales of investments in securities 15 - 130 Proceeds from sales of investments in securities 15 - 130 Proceeds from sales of investments in securities 15 - 130 Proceeds from sales of investments in secu	Income before income taxes and minority interests	¥	3,607	¥	6,088	\$	31,248
Loss on impairment of fixed assets 2,434 - 21,086 Increase/decrease) in allowance for doubtful accounts (230) 108 (1,993) Decrease in accrued bonus and retirement benefits (389) (569) (3,370) Increase in prepaid pension expenses (277) (66) (234) Dividends and interest income (843) (880) (7,303) Interest expense 749 760 (6,489) Foreign currency loss 10 13 87 Loss on sale of marketable securities and investments in securities 0 - 0 Loss on disposal of property and equipment (1 0 0 3 3 9 Gain on sale of property and equipment (4 0 9 0 35 5 Changes in assets and liabilities: Decrease (increase) in trade receivables 1,930 (3,888) 16,720 Decrease (increase) in trade payables (7,426) (3,304) (64,333) Other, net 5,658 (4,80) Income taxes paid (3,515) (3,490) (3,0451) Net cash provided by (used in) operating activities (2,767) (2,168) (23,971) Cash flows from investing activities (2,25) (2,50) (1,883) Proceeds from sules of investments in securities (2,25) (2,50) (3,685) Proceeds from soles of investments in securities (2,25) (2,50) (3,685) Proceeds from soles of investments in securities (2,25) (2,67) (2,538) Proceeds from soles of investments in securities (2,25) (2,67) (4,869) Proceeds from soles of investments in securities (2,25) (2,67) (4,869) Proceeds from soles of investments in securities (2,25) (2,67) (4,869) Proceeds from soles of investments in securities (2,25) (2,67) (4,869) Proceeds from soles of investments in securities (2,25) (2,67) (4,869) Proceeds from soles of investments in securities (2,25) (2,67) (4,869) Proceeds from soles of investments in securities (2,25) (2,67) (4,869) Proceeds from soles of investments in securities (2,25) (2,67) (4,869) Proceeds from soles of investments in securities (2,25)	Adjustments for:						
Increase (decrease) in allowance for doubtful accounts (250) 108 (1,993) Decrease in accrued bomus and retirement benefits (388) 5689 (3,370) Increase in prepaid pension expenses (27) (66) (234) Dividends and interest income (843) (805) (7,303) Interest expense 749 7600 (6,489) Foreign currency loss 10 13 87 Loss on side of marketable securities and investments in securities 0 - 0 Loss on disposal of property and equipment (4) (9) (35) Cain on sale of property and equipment (4) (9) (35) Changes in assets and liabilities: Decrease (increase) in trade receivables 1,930 (3,888) 16,720 Decrease (increase) in trade payables (7,426) (3,304) (64,333) Other, net 552 1,154 5,042 Sub total 748 5,658 6,480 Income taxes paid (3,351) (3,490) (30,451) Net cash provided by (used in) operating activities (2,767) 2,168 (23,711) Cash flows from investing activities (215) (25) (1,863) Proceeds from withdrawal of time deposits (215) (25) (1,863) Proceeds from soles of investments in securities 15 - 130 Proceeds from soles of investments in securities 15 - 130 Proceeds from soles of investments in securities 15 - 130 Proceeds from soles of property and equipment (562) (267) (4,889) Proceeds from soles of property and equipment (562) (267) (4,889) Proceeds from soles of property and equipment (562) (267) (4,889) Proceeds from soles of property and equipment (582) (267) (4,889) Proceeds from soles of property and equipment (582) (267) (4,889) Proceeds from soles of property and equipment (582) (267) (4,889) Proceeds from soles of property and equipment (582) (267) (4,889) Proceeds from soles of property and equipment (582) (267) (4,889) Proceeds from soles of property and equipment (582) (267) (4,889) Proceeds from soles of property and equipm	Depreciation and amortization		337		339		2,920
Decrease in accrued bonus and retirement benefits	Loss on impairment of fixed assets		2,434		_		21,086
Increase in prepaid pension expenses (27)	Increase(decrease) in allowance for doubtful accounts	(230)		108	(1,993)
Dividends and intreest income	Decrease in accrued bonus and retirement benefits	(389)	(569)	(3,370)
Interest expense 749 760 6,489 Foreign currency loss 10 13 87 Loss on sale of marketable securities and investments in securities 0 0 Loss on disposal of property and equipment 1 3 3 9 Gain on sale of property and equipment 1 3 3 9 Gain on sale of property and equipment 1 3 3 9 Gain on sale of property and equipment 1 3 3 9 Changes in assets and liabilities:	Increase in prepaid pension expenses	(27)	(66)	(234)
Foreign currency loss	Dividends and interest income	(843)	(805)	(7,303)
Loss on sale of marketable securities and investments in securities 1 3 3 9	Interest expense		749		760		6,489
Loss on disposal of property and equipment	Foreign currency loss		10		13		87
Cain on sale of property and equipment Changes in assets and liabilities: Decrease (increase) in trade receivables 1,930 (3,888) 16,720 Decrease (increase) in inventories 17 (774) 147 Increase (decrease) in trade payables (7,426) (3,304) (64,333) Other, net 582 1,154 5,042 Sub total 748 5,658 (3,480) (30,451) Income taxes paid (3,515) (3,490) (30,451) Net cash provided by (used in) operating activities (2,767) 2,168 (23,971) Cash flows from investing activities: Payments for time deposits (215) (25) (1,863) Proceeds from withdrawal of time deposits 182 25 1,577 Payments for acquisition of investments in securities (293) (67) (2,538) Proceeds from sales of investments in securities 15 -			0		_		0
Cain on sale of property and equipment Changes in assets and liabilities: Decrease (increase) in trade receivables 1,930 (3,888) 16,720 Decrease (increase) in inventories 17 (774) 147 Increase (decrease) in trade payables (7,426) (3,304) (64,333) Other, net 582 1,154 5,042 Sub total 748 5,658 (3,480) (30,451) Income taxes paid (3,515) (3,490) (30,451) Net cash provided by (used in) operating activities (2,767) 2,168 (23,971) Cash flows from investing activities: Payments for time deposits (215) (25) (1,863) Proceeds from withdrawal of time deposits 182 25 1,577 Payments for acquisition of investments in securities (293) (67) (2,538) Proceeds from sales of investments in securities 15 -	Loss on disposal of property and equipment		1		3		9
Changes in assets and liabilities: Decrease (increase) in trade receivables 1,930 3,888 16,720 Decrease (increase) in inventories 17 774 147 Increase (decrease) in trade payables 7,426 3,304 64,333 Other, net 582 1,154 5,042 Sub total 748 5,658 6,480 Income taxes paid (3,515) (3,490 30,451) Net cash provided by (used in) operating activities (2,767 2,168 23,971) Net cash provided by (used in) operating activities (215 25 1,863) Proceeds from investing activities (2215 25 1,577 Payments for time deposits (215 25 1,577 Payments for acquisition of investments in securities (293 67) (2,538 Proceeds from sales of investments in securities 15 - 130 Proceeds from collections of loan receivable 85 228 736 Payments for acquisition of property and equipment 562 (267) (4,869 Proceeds from sales of property and equipment 9 431 78 Dividends and interest income received 840 812 7,277 Other, net (63 77) (545) Net cash provided by (used in) investing activities (2) 1,130 (17) Cash flows from financing activities (2) 1,130 (17) Cash flows from financing activities (2) 1,130 (17) Cash flows from financing activities (2) 1,130 (17) Cash flows from financing activities (2) 1,130 (17) Cash flows from financing activities (2) 1,00 (1,045) (25,990 (2,658 2,990	Gain on sale of property and equipment	(4)	(9)	(35)
Decrease (increase) in trade receivables 1,930 3,888 16,720							
Decrease (increase) in inventories			1,930	(3,888)		16,720
Increase (decrease) in trade payables				(
Other, net 582 1,154 5,042 Sub total 748 5,658 6,480 Income taxes paid (3,515) (3,490) (30,451) Net cash provided by (used in) operating activities 2,767 2,168 23,971 Cash flows from investing activities:		(`		(
Sub total		`				`	
Income taxes paid (3,515) (3,490) (30,451) Net cash provided by (used in) operating activities (2,767) (2,168) (23,971) Cash flows from investing activities: Payments for time deposits (215) (25) (1,863) Proceeds from withdrawal of time deposits (182 25 1,577 Payments for acquisition of investments in securities (293) (67) (2,538) Proceeds from sales of investments in securities 15 - 130 Proceeds from collections of loan receivable 85 228 736 Payments for acquisition of property and equipment (562) (267) (4,869) Proceeds from sales of property and equipment 9 431 78 Dividends and interest income received 840 812 7,277 Other, net (63) (7) (545) Net cash provided by (used in) investing activities (2) 1,130 (17) Cash flows from financing activities Decrease in short-term bank loans, net 3,000 (1,045) 25,990 Proceeds from issuance of long-term debt 2,5500 400 21,658 Payments of long-term debt (9,006) (1,601) (78,021) Cash dividends paid (1,172) (704) (10,153) Interest expense paid (823) (753) (7,181) Other, net 0 (11) 0 Net cash used in financing activities (5,501) (3,704) (47,657) Effect of exchange rate change on cash and cash equivalents (8,294) (387) (71,853) Cash and cash equivalents at beginning of the period 36,821 36,825 318,990 Cash and cash equivalents of new consolidated subsidiaries 473 - 4,098 At beginning of year	·						
Cash flows from investing activities: 2,168 23,971 Cash flows from investing activities: 215 (25) (1,863) Payments for time deposits (215) (25) (1,863) Proceeds from withdrawal of time deposits 182 25 1,577 Payments for acquisition of investments in securities (293) (67) (2,538) Proceeds from sales of investments in securities 15 - 130 Proceeds from collections of loan receivable 85 228 736 Payments for acquisition of property and equipment (562) (267) (4,869) Payments for acquisition of property and equipment 9 431 78 Dividends and interest income received 840 812 7,277 Other, net (63) (7) (545) Net cash provided by (used in) investing activities 2) 1,130 17) Cash flows from financing activities: 2 2,500 400 21,658 Payments of long-term debt 2,500 400 21,658 Payments of long-term debt		(((*
Cash flows from investing activities: 215 (25) (1,863) Proceeds from withdrawal of time deposits 182 25 1,577 Payments for acquisition of investments in securities 293 67 (2,538) Proceeds from sales of investments in securities 15 — 130 Proceeds from collections of loan receivable 85 228 736 Payments for acquisition of property and equipment 9 431 78 Proceeds from sales of property and equipment 9 431 78 Pividends and interest income received 840 812 7,277 Other, net (63) (7) (545) Net cash provided by (used in) investing activities 2) 1,130 17) Cash flows from financing activities 2,000 400 21,658 Perceeds from sisuance of long-term debt 2,500 400 21,658 Payments of long-term debt 9,006 1,601 78,021 Cash dividends paid (1,172) 704 10,153 Interest expense paid 823							
Payments for time deposits (215) (25) (1,863) Proceeds from withdrawal of time deposits 182 25 1,577 Payments for acquisition of investments in securities (293) (67) (2,538) Proceeds from sales of investments in securities 15 — 130 Proceeds from collections of loan receivable 85 228 736 Payments for acquisition of property and equipment (562) (267) (4,869) Proceeds from sales of property and equipment 9 431 78 Dividends and interest income received 840 812 7,277 Other, net (63) (7) (545) Net cash provided by (used in) investing activities 2) 1,130 17) Cash flows from financing activities 2 1,130 17) Cash flows from financing activities 2,500 400 21,658 Payments of long-term debt 2,500 400 21,658 Payments of long-term debt 9,006 1,601 78,021 Cash dividends paid (1,172)		`	_,,,		_,	`	,,
Payments for time deposits (215) (25) (1,863) Proceeds from withdrawal of time deposits 182 25 1,577 Payments for acquisition of investments in securities (293) (67) (2,538) Proceeds from sales of investments in securities 15 — 130 Proceeds from collections of loan receivable 85 228 736 Payments for acquisition of property and equipment (562) (267) (4,869) Proceeds from sales of property and equipment 9 431 78 Dividends and interest income received 840 812 7,277 Other, net (63) (7) (545) Net cash provided by (used in) investing activities 2) 1,130 17) Cash flows from financing activities 2 1,130 17) Cash flows from financing activities 2,500 400 21,658 Payments of long-term debt 2,500 400 21,658 Payments of long-term debt 9,006 1,601 78,021 Cash dividends paid (1,172)	Cash flows from investing activities:						
Proceeds from withdrawal of time deposits 182 25 1,577 Payments for acquisition of investments in securities (293) (67) (2,538) Proceeds from sales of investments in securities 15 — 130 Proceeds from collections of loan receivable 85 228 736 Payments for acquisition of property and equipment (562) (267) (4,869) Proceeds from sales of property and equipment 9 431 78 Dividends and interest income received 840 812 7,277 Other, net (63) (7) (545) Other, net (63) (7) (545) Decrease in short-term bank loans, net 3,000 (1,045) 25,990 Proceeds from issuance of long-term debt 2,500 400 21,658 Payments of long-term debt (9,006) (1,601) (78,021) Cash dividends paid (1,172) (704) (10,153) Interest expense paid (823) (753) (7,131) Other, net 0 1 0		(215)	(25)	(1,863)
Payments for acquisition of investments in securities (293) (67) (2,538) Proceeds from sales of investments in securities 15 — 130 Proceeds from collections of loan receivable 85 228 736 Payments for acquisition of property and equipment (562) (267) (4,869) Proceeds from sales of property and equipment 9 431 78 Dividends and interest income received 840 812 7,277 Other, net (63) (7) (545) Net cash provided by (used in) investing activities (2) 1,130 (17) Cash flows from financing activities: (2) 1,045 25,990 Proceeds from issuance of long-term debt 2,500 400 21,658 Payments of long-term debt (9,006) (1,601) (78,021) Cash dividends paid (1,172) (704) (10,153) Interest expense paid (823) (753) (7,131) Other, net 0 (1) 0 (1) Net cash used in financing activities (182		25		1,577
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Cash dividends paid (1,172) (704) (10,153) Interest expense paid (823) (753) (7,131) Other, net 0 (1) 0 Net cash used in financing activities (5,501) (3,704) (47,657) Effect of exchange rate change on cash and cash equivalents (24) 19 (208) Net increase in cash and cash equivalents (8,294) (387) (71,853) Cash and cash equivalents at beginning of the period 36,821 36,825 318,990 Cash and cash equivalents of new consolidated subsidiaries 473 - 4,098 at beginning of year	Proceeds from issuance of long-term debt		2,500		400		21,658
Interest expense paid (823) (753) $(7,131)$ Other, net 0 (1) 0 Net cash used in financing activities $(5,501)$ $(3,704)$ $(47,657)$ Effect of exchange rate change on cash and cash equivalents (24) 19 (208) Net increase in cash and cash equivalents $(8,294)$ (387) $(71,853)$ Cash and cash equivalents at beginning of the period $(8,294)$ $(36,825)$ $(238,990)$ Cash and cash equivalents of new consolidated subsidiaries $(8,294)$ $(8,29$	Payments of long-term debt	(9,006)	(1,601)	(78,021)
Other, net0 (1) 0Net cash used in financing activities $(5,501)$ $(3,704)$ $(47,657)$ Effect of exchange rate change on cash and cash equivalents (24) 19 (208) Net increase in cash and cash equivalents $(8,294)$ (387) $(71,853)$ Cash and cash equivalents at beginning of the period $36,821$ $36,825$ $318,990$ Cash and cash equivalents of new consolidated subsidiaries 473 $ 4,098$	Cash dividends paid	(1,172)	(704)	(10,153)
Other, net0 (1) 0Net cash used in financing activities $(5,501)$ $(3,704)$ $(47,657)$ Effect of exchange rate change on cash and cash equivalents (24) 19 (208) Net increase in cash and cash equivalents $(8,294)$ (387) $(71,853)$ Cash and cash equivalents at beginning of the period $36,821$ $36,825$ $318,990$ Cash and cash equivalents of new consolidated subsidiaries 473 $ 4,098$	Interest expense paid	(823)	(753)	(7,131)
Effect of exchange rate change on cash and cash equivalents Net increase in cash and cash equivalents Cash and cash equivalents at beginning of the period Cash and cash equivalents of new consolidated subsidiaries at beginning of year (24) 19 (387) 71,853) 36,825 318,990 473 - 4,098	Other, net		0	(1)		0
Net increase in cash and cash equivalents Cash and cash equivalents at beginning of the period Cash and cash equivalents at beginning of the period Cash and cash equivalents of new consolidated subsidiaries at beginning of year (8,294) (387) (71,853) 36,825 318,990 4,098	Net cash used in financing activities	(5,501)	(3,704)	(47,657)
Net increase in cash and cash equivalents Cash and cash equivalents at beginning of the period Cash and cash equivalents at beginning of the period Cash and cash equivalents of new consolidated subsidiaries at beginning of year (8,294) (387) (71,853) 36,825 318,990 4,098	Effect of exchange rate change on cash and cash equivalents	(24)		19	(208)
Cash and cash equivalents at beginning of the period 36,821 36,825 318,990 Cash and cash equivalents of new consolidated subsidiaries 473 — 4,098 at beginning of year			8.294)		387)	` (71.853
Cash and cash equivalents of new consolidated subsidiaries 473 – 4,098 at beginning of year			36 821	`	36 825	`	318 990
at beginning of year					_		
							-, - 0 0
		¥	29,000	¥	36,438	\$	251,235

The accompanying notes are an integral part of these statements.