

Consolidated Statements of Cash Flows

Years ended March 31, 2004 and 2003
Casio Computer Co., Ltd. and Subsidiaries

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2004	2003	2004
Cash flows from operating activities:			
Income before income taxes and minority interests	¥ 22,536	¥ 9,614	\$ 212,604
Depreciation (including software)	19,465	19,773	183,632
Amortization of goodwill	116	135	1,094
Loss on disposal and sales of property, plant and equipment	1,661	759	15,670
Loss (Gain) on devaluation and sales of investment securities	(979)	785	(9,236)
Increase in liabilities for the employees' severance and retirement benefits	859	4,245	8,104
Increase in retirement benefits for directors and corporate auditors	216	598	2,038
Interest and dividends income	(828)	(835)	(7,811)
Interest expense	2,390	3,046	22,547
Foreign exchange loss (gain)	83	(431)	783
Equity in gains of affiliated companies	(180)	(49)	(1,698)
Changes in assets and liabilities:			
Increase in notes and accounts receivable	(9,148)	(7,614)	(86,302)
Decrease in inventories	7,528	164	71,019
Increase in other current assets	(10,103)	(11,421)	(95,311)
Increase in notes and accounts payable	22,411	36,363	211,424
Decrease in consumption tax payable	(1,513)	(569)	(14,274)
Increase in other current liabilities	9,835	4,613	92,783
Increase (Decrease) in trade notes and export drafts discounted	928	(725)	8,755
Payments of bonuses to directors and corporate auditors	(166)	(7)	(1,566)
Other	2,194	310	20,698
Total	67,305	58,754	634,953
Interest and dividends received	734	821	6,924
Interest paid	(2,365)	(3,123)	(22,311)
Income taxes paid	(3,897)	(1,321)	(36,764)
Net cash provided by operating activities	61,777	55,131	582,802
Cash flows from investing activities:			
Deposits in time deposits	(1,184)	(861)	(11,170)
Withdrawals from time deposits	550	875	5,189
Deposits in long-term time deposits	(3,000)	—	(28,302)
Payments for purchases of marketable securities	—	(3,131)	—
Proceeds from sales of marketable securities	6,005	2,714	56,651
Payments for acquisitions of tangible fixed assets	(13,365)	(13,078)	(126,085)
Proceeds from sales of tangible fixed assets	623	1,282	5,877
Payments for acquisitions of intangible fixed assets	(6,699)	(4,525)	(63,198)
Proceeds from sales of intangible fixed assets	633	20	5,972
Payments for purchases of investment securities	(17,119)	(11,220)	(161,500)
Proceeds from sales and redemption of investment securities	17,264	3,696	162,868
Proceeds from sales of subsidiaries	—	2,470	—
Payments for long-term loans receivable	(18)	(63)	(170)
Collections from long-term loans receivable	1,088	80	10,264
Net decrease in loans receivable	138	128	1,302
Other	(610)	302	(5,755)
Net cash used in investing activities	(15,694)	(21,311)	(148,057)
Cash flows from financing activities :			
Net decrease in short-term borrowings	(2,846)	(22,416)	(26,849)
Proceeds from long-term debt	—	40,800	—
Payments for long-term debt	(2,723)	(3,201)	(25,688)
Proceeds from issuance of bonds	20,260	—	191,132
Redemption of bonds	(24,811)	(50,000)	(234,066)
Payments for acquisitions of treasury stock for retirement	—	(362)	—
Payments for acquisitions of treasury stock	(4,131)	—	(38,972)
Payments for cash dividends	(3,375)	(3,387)	(31,840)
Other	(67)	(323)	(632)
Net cash used in financing activities	(17,693)	(38,889)	(166,915)
Effect of exchange rate changes on cash and cash equivalents	(1,685)	(177)	(15,896)
Net increase (decrease) in cash and cash equivalents	26,705	(5,246)	251,934
Cash and cash equivalents at beginning of year (Note 3)	96,436	101,682	909,774
Cash and cash equivalents at end of year (Note 3)	¥123,141	¥ 96,436	\$1,161,708

See accompanying notes.