

CONSOLIDATED STATEMENTS OF CASH FLOWS

KAJIMA Corporation and Consolidated Subsidiaries

	Years Ended March 31		
	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2011	2010	2011
OPERATING ACTIVITIES:			
Income before income taxes and minority interests	¥ 26,145	¥ 28,811	\$ 315,000
Adjustments for:			
Income taxes—paid	(11,999)	(5,594)	(144,566)
Refund of income taxes for prior periods	2,912	—	35,084
Depreciation and amortization	18,920	20,024	227,952
Provision for doubtful accounts	(322)	6,331	(3,880)
Foreign currency exchange (gain) loss	(805)	426	(9,699)
Equity in earnings of unconsolidated subsidiaries and affiliates	(2,007)	(16,707)	(24,181)
Reversal of foreign currency translation adjustments	854	—	10,289
Valuation loss on marketable and investment securities	1,520	662	18,313
Loss on sales or disposals of property and equipment—net	10	787	120
Loss (gain) on sales of marketable and investment securities—net	687	(4,366)	8,277
Loss on impairment of long-lived assets	477	302	5,747
Gain on sales of investments	(12,326)	—	(148,506)
Gain on sales of investments in affiliates	(41)	(17,842)	(494)
Changes in operating assets and liabilities:			
Decrease in receivables	53,866	14,245	648,988
Decrease in inventories	35,181	63,915	423,867
(Increase) decrease in operational investments in securities	(4,080)	2,477	(49,157)
Decrease in payables	(51,070)	(89,991)	(615,301)
Decrease in advances received	(8,091)	(88,058)	(97,482)
Decrease in accrued expenses	(1,067)	(4,316)	(12,855)
Decrease in liability for retirement benefits	(668)	(2,883)	(8,048)
Decrease in other assets	40,964	4,443	493,543
Decrease in other liabilities	(28,179)	(8,535)	(339,506)
Other—net	3,169	18,926	38,182
Net cash provided by (used in) operating activities	64,050	(76,943)	771,687
INVESTING ACTIVITIES:			
Decrease (increase) of time deposits excluding cash equivalents	2,190	(2,559)	26,386
Payment for purchases of marketable and investment securities	(2,630)	(7,529)	(31,687)
Proceeds from sales and redemption of marketable and investment securities	1,731	16,113	20,855
Payment for purchases of investments in other securities of subsidiaries and affiliates	—	(3,000)	—
Payment for purchases of property and equipment	(20,671)	(23,240)	(249,048)
Proceeds from sales of property and equipment	593	1,350	7,145
Payment for purchase of intangible assets	(821)	(1,263)	(9,892)
Disbursements for loans	(3,435)	(5,639)	(41,386)
Proceeds from collection of loans	7,939	2,983	95,651
Proceeds from sales of investments	14,300	—	172,289
Proceeds from sales of investments in affiliates	48	19,432	578
Other—net	3,732	(2,390)	44,964
Net cash provided by (used in) investing activities	2,976	(5,742)	35,855
FINANCING ACTIVITIES:			
(Decrease) increase in short-term borrowings	(35,592)	50,439	(428,819)
Net repayment of commercial paper	(6,000)	(22,000)	(72,289)
Proceeds from issuance of long-term debt	38,627	55,936	465,386
Repayment of long-term debt	(69,615)	(61,913)	(838,735)
Proceeds from issuance of bonds	30,000	57,500	361,446
Repayment of finance lease obligations	(1,739)	(2,201)	(20,952)
Cash dividends paid	(6,236)	(5,572)	(75,133)
Other—net	(25)	(229)	(302)
Net cash (used in) provided by financing activities	(50,580)	71,960	(609,398)
FOREIGN CURRENCY TRANSLATION ADJUSTMENTS ON CASH AND CASH EQUIVALENTS	(1,863)	1,086	(22,445)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	14,583	(9,639)	175,699
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	141,773	151,412	1,708,108
CASH AND CASH EQUIVALENTS, END OF YEAR	¥156,356	¥141,773	\$1,883,807

See notes to consolidated financial statements.