

# Consolidated Statements of Cash Flows

KAJIMA Corporation and Consolidated Subsidiaries

	Years Ended March 31		
	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2012	2011	2012
<b>OPERATING ACTIVITIES:</b>			
Income before income taxes and minority interests	¥ 24,953	¥ 26,145	\$ 304,305
Adjustments for:			
Income taxes—paid	(2,226)	(11,999)	(27,146)
Refund of income taxes for prior periods	—	2,912	—
Depreciation and amortization	17,740	18,920	216,341
Provision for doubtful accounts	(1,947)	(322)	(23,744)
Foreign currency exchange loss (gain)	51	(805)	622
Equity in earnings of unconsolidated subsidiaries and affiliates	(1,324)	(2,007)	(16,146)
Reversal of foreign currency translation adjustments	—	854	—
Valuation loss on marketable and investment securities	6,781	1,520	82,695
Loss on sales or disposals of property and equipment—net	367	10	4,476
(Gain) loss on sales of marketable and investment securities—net	(46)	687	(561)
Loss on impairment of long-lived assets	5,828	477	71,073
Gain on sales of investments	—	(12,326)	—
Gain on sales of investments in affiliates	(360)	(41)	(4,390)
Changes in operating assets and liabilities:			
(Increase) decrease in receivables	(63,645)	53,866	(776,159)
Decrease in inventories	11,617	35,181	141,671
Decrease (increase) in operational investments in securities	1,649	(4,080)	20,110
Increase (decrease) in payables	51,013	(51,070)	622,110
Increase (decrease) in advances received	11,636	(8,091)	141,902
Increase (decrease) in accrued expenses	1,907	(1,067)	23,256
Increase (decrease) in liability for retirement benefits	1,316	(668)	16,049
(Increase) decrease in other assets	(20)	40,964	(244)
Increase (decrease) in other liabilities	14,642	(28,179)	178,561
Other—net	1,798	3,169	21,926
Net cash provided by operating activities	81,730	64,050	996,707
<b>INVESTING ACTIVITIES:</b>			
Decrease of time deposits excluding cash equivalents	1,011	2,190	12,329
Payment for purchases of marketable and investment securities	(8,026)	(2,630)	(97,878)
Proceeds from sales and redemption of marketable and investment securities	1,944	1,731	23,707
Payment for purchases of property and equipment	(31,466)	(20,671)	(383,732)
Proceeds from sales of property and equipment	3,467	593	42,280
Payment for purchase of intangible assets	(1,143)	(821)	(13,939)
Disbursements for loans	(3,759)	(3,435)	(45,841)
Proceeds from collection of loans	3,938	7,939	48,024
Proceeds from sales of investments	—	14,300	—
Proceeds from sales of investments in affiliates	452	48	5,512
Other—net	(5,142)	3,732	(62,706)
Net cash (used in) provided by investing activities	(38,724)	2,976	(472,244)
<b>FINANCING ACTIVITIES:</b>			
Decrease in short-term borrowings	(30,352)	(35,592)	(370,146)
Net repayment of commercial paper	(1,000)	(6,000)	(12,195)
Proceeds from issuance of long-term debt	28,642	38,627	349,293
Repayment of long-term debt	(57,383)	(69,615)	(699,793)
Proceeds from issuance of bonds	30,000	30,000	365,854
Repayment of finance lease obligations	(1,324)	(1,739)	(16,146)
Cash dividends paid	(6,234)	(6,236)	(76,024)
Other—net	(102)	(25)	(1,245)
Net cash used in financing activities	(37,753)	(50,580)	(460,402)
<b>FOREIGN CURRENCY TRANSLATION ADJUSTMENTS ON CASH AND CASH EQUIVALENTS</b>	(1,417)	(1,863)	(17,281)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	3,836	14,583	46,780
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	156,356	141,773	1,906,780
<b>CASH AND CASH EQUIVALENTS OF NEWLY CONSOLIDATED SUBSIDIARIES, BEGINNING OF YEAR</b>	432	—	5,269
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	¥160,624	¥156,356	\$1,958,829

See notes to consolidated financial statements.