

Consolidated Statements of Cash Flows

TOYODA GOSEI CO., LTD. and Its Consolidated Subsidiaries
For the years ended March 31, 2003 and 2002

	2003	Millions of yen 2002	Thousands of U.S. dollars (Note 1) 2003
Cash Flows from Operating Activities:			
Income before income taxes and minority interest	¥29,905	¥ 8,502	\$248,793
Adjustments:			
Depreciation and amortization	23,395	21,823	194,635
Allowance for doubtful receivables, net	(49)	(13)	(411)
(Gain) loss on sales and disposals of property, plant and equipment, net	788	1,001	6,556
Provision for employee's retirement benefits	(9,019)	1,516	(75,030)
Interest and dividend income	(410)	(539)	(3,409)
Interest expense	767	636	6,378
Equity in losses of affiliate	120	–	996
Gain on sales of goodwill	(625)	–	(5,199)
(Increase) decrease in trade notes and accounts receivable	(10,409)	16	(86,597)
(Increase) decrease in inventories	(2,254)	(2,778)	(18,749)
Increase (decrease) in trade notes and accounts payable	4,277	(3,106)	35,579
Other, net	(2,575)	1,624	(21,428)
Subtotal	33,911	28,682	282,114
Proceeds from interest and dividend income	407	539	3,387
Payment of interest expense	(766)	(572)	(6,372)
Payment of income taxes	(6,784)	(7,037)	(56,437)
Net cash provided by operating activities	26,768	21,612	222,692
Cash Flows from Investing Activities:			
Payment for investment securities	(4,952)	(2,417)	(41,197)
Proceeds from investment securities	457	1,205	3,806
Capital expenditures	(29,911)	(33,594)	(248,842)
Proceeds from sale of property, plant and equipment	231	2,277	1,918
Proceeds from long-term loan	3	28	22
Payments for acquisition of business	(1,359)	–	(11,304)
Proceeds from transfer of business	1,201	–	9,991
Other, net	54	(1,710)	450
Net cash provided by (used in) investing activities	(34,276)	(34,211)	(285,156)
Cash Flows from Financing Activities:			
Increase (decrease) in short-term borrowings	2,764	(2,769)	22,998
Payment of long-term debt	(150)	(847)	(1,251)
Proceeds from issuance of bond	10,000	10,000	83,195
Proceeds from long-term debt	164	2,514	1,361
Cash dividends paid	(1,685)	(1,559)	(14,017)
Payment for the purchase of treasury common stock	(245)	(352)	(2,048)
Other, net	369	109	3,083
Net cash provided by (used in) financing activities	11,217	7,096	93,321
Effect of Exchange Rate Changes on Cash and Cash Equivalents			
	(477)	1,153	(3,967)
Net Increase (Decrease) in Cash and Cash Equivalents	3,232	(4,350)	26,890
Cash and Cash Equivalents at Beginning of Period	25,715	29,174	213,934
Increase Due to Addition of Consolidated Subsidiaries	1,944	891	16,172
Cash and Cash Equivalents at End of Period	¥30,891	¥25,715	\$256,996

See accompanying notes to consolidated financial statements.