

# Consolidated Statements of Cash Flows

Chiyoda Corporation and Consolidated Subsidiaries  
Years Ended March 31, 2003 and 2002

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2003	2002	2003
<b>OPERATING ACTIVITIES:</b>			
Income before income taxes and minority interests.....	¥ 2,509	¥ 1,861	\$ 20,908
Adjustments for:			
Income taxes paid .....	(790)	(1,718)	(6,583)
Depreciation and amortization .....	1,226	1,026	10,217
Reversal of allowance for doubtful accounts — net .....	(968)	(193)	(8,067)
Provision for contingent loss.....	800		6,667
Provision for investment loss.....	264		2,200
Provision for (reversal of) retirement benefits — net .....	1,157	(305)	9,642
Reversal of additional retirement benefit to employees .....		(964)	
Gain on sales of investment in subsidiaries .....	(315)	(1,385)	(2,625)
Loss on devaluation of golf club membership .....	294	3	2,450
Gain on discharge of liabilities .....		(2,871)	
Gain on sale of intellectual property right .....		(800)	
Foreign exchange loss (gain) — net .....	916	(493)	7,633
Equity in earnings of associated companies .....	(1,000)	(526)	(8,333)
Changes in operating assets and liabilities:			
Decrease in notes and accounts receivable and costs and estimated earnings on long-term construction contracts .....	1,144	4,652	9,533
Decrease in costs of construction contracts in process .....	2,805	8,959	23,375
Decrease in interest and dividend receivable .....	1,217	759	10,142
Increase (decrease) in trade notes and accounts payable .....	6,168	(1,695)	51,400
(Decrease) increase in advance receipts on construction contracts .....	(8,541)	3,078	(71,175)
Other — net.....	53	1,030	441
Total adjustments.....	4,430	8,557	36,917
Net cash provided by operating activities.....	6,939	10,418	57,825
<b>INVESTING ACTIVITIES:</b>			
Proceeds from sales of investment securities .....	8	1,152	67
Proceeds from sales of investment in subsidiaries .....	116	749	967
Purchase of investment securities.....	(118)	(501)	(983)
Purchases of property, plant and equipment.....	(296)	(484)	(2,467)
Proceeds from sales of property, plant and equipment.....	142	112	1,183
Disbursements for originating loans.....	(638)	(685)	(5,316)
Proceeds from collections of loans.....	193		1,608
Other — net.....	(280)	(548)	(2,334)
Net cash used in investing activities .....	(873)	(205)	(7,275)
<b>FINANCING ACTIVITIES:</b>			
Net decrease in short-term bank loans.....	(8,718)	(5,266)	(72,650)
Proceeds from long-term debt.....	9	80	75
Repayments of long-term debt .....	(793)	(698)	(6,608)
Other — net.....	(42)	8	(350)
Net cash used in financing activities .....	(9,544)	(5,876)	(79,533)
<b>FOREIGN CURRENCY TRANSLATION ADJUSTMENTS ON CASH AND CASH EQUIVALENTS.....</b>	<b>(459)</b>	<b>428</b>	<b>(3,825)</b>
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS .....</b>	<b>(3,937)</b>	<b>4,765</b>	<b>(32,808)</b>
<b>CASH AND CASH EQUIVALENTS OF NEWLY (EXCLUSION OF) CONSOLIDATED SUBSIDIARIES, BEGINNING OF YEAR .....</b>	<b>200</b>	<b>(1)</b>	<b>1,667</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR .....</b>	<b>38,677</b>	<b>33,913</b>	<b>322,308</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR.....</b>	<b>¥ 34,940</b>	<b>¥ 38,677</b>	<b>\$ 291,167</b>

See notes to consolidated financial statements.