

## CONSOLIDATED STATEMENTS OF CASH FLOWS

Toshiba Corporation and its subsidiaries

For the years ended March 31, 2003 and 2002

	Millions of yen		Thousands of U.S. dollars (Note 3)
	2003	2002	2003
<b>Cash flows from operating activities</b>			
Net income (loss)	¥ 18,503	¥(254,017)	\$ 154,192
Adjustments to reconcile net income (loss) to net cash provided by operating activities—			
Depreciation and amortization	260,835	326,239	2,173,625
Provisions for pension and severance costs, less payments	20,296	(45,621)	169,133
Deferred income tax benefit	(2,454)	(150,100)	(20,450)
Equity in income of affiliates	(2,582)	(2,440)	(21,516)
Loss from sales, disposal and impairment of property and securities, net	30,337	94,579	252,808
Minority interest in loss of consolidated subsidiaries	(11,330)	(6,315)	(94,417)
(Increase) decrease in notes and accounts receivable, trade	(13,520)	118,775	(112,667)
Decrease in finance receivables, net	2,538	32,056	21,150
Decrease in inventories	17,856	141,137	148,800
(Increase) decrease in other current assets	(35,299)	4,354	(294,158)
(Increase) decrease in long-term receivables	(15,283)	4,366	(127,358)
Decrease in long-term finance receivables, net	52,697	28,434	439,142
Increase (decrease) in notes and accounts payable, trade	6,392	(108,060)	53,267
Increase (decrease) in accrued income and other taxes	13,183	(19,038)	109,858
Decrease in advance payments received	(16,860)	(16,964)	(140,500)
(Decrease) increase in accounts payable and other liabilities	(53,706)	1,780	(447,551)
Net cash provided by operating activities	271,603	149,165	2,263,358
<b>Cash flows from investing activities</b>			
Proceeds from sale of property	151,319	65,604	1,260,992
Proceeds from sale of securities	13,897	29,714	115,808
Acquisition of property and equipment	(249,253)	(364,671)	(2,077,108)
Purchase of securities	(22,557)	(39,489)	(187,975)
(Increase) decrease in investments in affiliates	(12,409)	4,956	(103,408)
Increase in other assets and other	(28,985)	(21,693)	(241,542)
Net cash used in investing activities	(147,988)	(325,579)	(1,233,233)
<b>Cash flows from financing activities</b>			
Proceeds from long-term debt	363,086	322,941	3,025,716
Repayment of long-term debt	(280,965)	(420,726)	(2,341,375)
(Decrease) increase in short-term borrowings	(238,600)	114,913	(1,988,333)
Dividends paid	(2,428)	(16,045)	(20,233)
Proceeds from stock offering by subsidiaries	525	52,523	4,375
Repurchase of subsidiary common stock from minority shareholder	(604)	—	(5,033)
Purchase of treasury stock	(770)	(111)	(6,417)
Net cash (used in) provided by financing activities	(159,756)	53,495	(1,331,300)
<b>Effect of exchange rate changes on cash and cash equivalents</b>	(7,193)	5,756	(59,941)
<b>Net decrease in cash and cash equivalents</b>	(43,334)	(117,163)	(361,116)
<b>Cash and cash equivalents at beginning of year</b>	370,432	487,595	3,086,933
<b>Cash and cash equivalents at end of year</b>	¥327,098	¥ 370,432	\$2,725,817
<b>Supplemental disclosure of cash flow information (Note 23)</b>			
Cash paid during the year for—			
Interest	¥ 31,932	¥ 39,347	\$ 266,100
Income taxes	¥ 43,094	¥ 55,340	\$ 359,117

The accompanying notes are an integral part of these statements.