

Consolidated Statements of Cash Flows

Kikkoman Corporation and Consolidated Subsidiaries
Years ended March 31, 2010 and 2009

	Millions of yen		Thousands of U.S. dollars
	2010	2009	2010
Cash flows from operating activities			
Income before income taxes and minority interests	¥ 14,830	¥ 16,742	\$ 159,462
Depreciation and amortization	12,036	17,239	129,419
Loss on impairment of fixed assets	2,079	1,642	22,354
Increase (decrease) in accrued employees' pension and severance costs	617	(29)	6,634
Increase (decrease) in accrued expenses resulting from net transition obligation of employees' pension and severance benefits	-	(867)	-
Increase (decrease) in accrued officers' severance benefits	(197)	(303)	(2,118)
Interest and dividend income	(749)	(964)	(8,053)
Interest expenses	1,543	1,465	16,591
Equity in (earnings) losses of unconsolidated subsidiaries and affiliates	(500)	(69)	(5,376)
Gain on sales of property, plant and equipment	(341)	(1,351)	(3,666)
Gain on sales of securities	(3)	(25)	(32)
Gain on establishment of pension trust fund	-	(2,695)	-
Loss on disposal of property, plant and equipment	1,335	1,228	14,354
Loss on revaluation of investments in securities	417	324	4,483
Loss on sales of investments in subsidiaries and affiliates	-	982	-
(Increase) decrease in trade notes and accounts receivable	(1,504)	(784)	(16,172)
(Increase) decrease in inventories	(3,535)	(4,216)	(38,010)
Increase (decrease) in trade notes and accounts payable	912	(783)	9,806
Other	2,454	2,059	26,387
Subtotal	29,394	29,592	316,064
Interest and dividends received	1,068	1,308	11,483
Interest paid	(1,563)	(1,322)	(16,806)
Income taxes paid	(10,896)	(7,125)	(117,161)
Net cash provided by operating activities	18,003	22,452	193,580
Cash flows from investing activities			
Acquisition of property, plant and equipment	(14,261)	(16,822)	(153,344)
Proceeds from sales of property, plant and equipment	439	2,130	4,720
Acquisition of intangible assets	(850)	(327)	(9,139)
Acquisition of investments in securities	(1,578)	(33,365)	(16,967)
Proceeds from sales of investments in securities	2,985	1,908	32,096
Purchase of investments in a subsidiary resulting in change in scope of consolidation	-	(1,619)	-
Proceeds from sales of shares of consolidated subsidiaries resulting in change in scope of consolidation	-	2,341	-
Addition to loans receivable	(868)	(999)	(9,333)
Collection of loans receivable	2,723	488	29,279
Other	(548)	(281)	(5,892)
Net cash used in investing activities	(11,959)	(46,548)	(128,591)
Cash flows from financing activities			
Increase (decrease) in short-term bank loans	(2,615)	208	(28,118)
Proceeds from long-term debt	-	25,000	-
Repayment of long-term debt	(2,383)	(852)	(25,623)
Acquisition of treasury stock	(271)	(892)	(2,913)
Cash dividends paid	(3,114)	(3,510)	(33,483)
Other	(138)	(132)	(1,483)
Net cash provided by (used in) financing activities	(8,522)	19,819	(91,634)
Effect of exchange rate changes on cash and cash equivalents	(297)	(1,027)	(3,193)
Increase (decrease) in cash and cash equivalents	(2,775)	(5,303)	(29,838)
Cash and cash equivalents at beginning of the year	27,783	32,984	298,741
Decrease from accounting period changes in certain consolidated subsidiaries	-	(22)	-
Increase in cash and cash equivalents from newly consolidated subsidiaries	-	125	-
Cash and cash equivalents at end of the year (Note 4)	¥ 25,008	¥ 27,783	\$ 268,903

See accompanying notes to consolidated financial statements.