

CONSOLIDATED STATEMENTS OF CASH FLOWS

Oki Electric Industry Co., Ltd. and consolidated subsidiaries
Year ended March 31, 2017

	Millions of yen		Thousands of U.S. dollars (Note 2)
	2017	2016	2017
Cash flows from operating activities:			
Profit attributable to owners of parent	¥ 4,691	¥ 6,609	\$ 41,883
Adjustments to reconcile profit attributable to owners of parent to net cash provided by (used in) operating activities:			
Depreciation and amortization	13,991	14,382	124,919
Gain on return of assets from retirement benefits trust	(7,822)	—	(69,839)
Increase in provisions	13,244	466	118,250
Gain on sales of investments in securities	(1,034)	(1,928)	(9,232)
Gain on sales of shares of subsidiaries	(12,567)	—	(112,205)
Loss on disposition of fixed assets	2,907	305	25,955
Deferred income taxes	6,530	4,495	58,303
Other, net	2,697	3,605	24,080
Changes in operating assets and liabilities:			
Notes and accounts receivable	30,440	(8,743)	271,785
Inventories	15,515	3,539	138,526
Notes and accounts payable	(1,040)	(4,784)	(9,285)
Other accrued expenses	(3,684)	(2,079)	(32,892)
Accrued income taxes	258	(5,021)	2,303
Long-term trade receivables	(17,803)	20	(158,955)
Other assets and liabilities	(4,358)	(14,439)	(38,910)
Net cash provided by (used in) operating activities	41,967	(3,573)	374,705
Cash flows from investing activities:			
Purchases of property, plant and equipment	(8,773)	(11,598)	(78,330)
Proceeds from sales of property, plant and equipment	5,760	503	51,428
Proceeds from sales of investments in securities	3,081	2,680	27,508
Purchases of intangible assets	(5,194)	(2,630)	(46,375)
Payment for businesses acquired	—	(1,973)	—
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	14,218	—	126,946
Other, net	(1,504)	(744)	(13,428)
Net cash provided by (used in) investing activities	7,588	(13,762)	67,750
Cash flows from financing activities:			
Increase (decrease) in short-term borrowings	(13,360)	6,622	(119,285)
Proceeds from long-term debt	—	28,537	—
Repayments of long-term debt	(22,418)	(19,249)	(200,160)
Cash dividends paid	(4,317)	(4,314)	(38,544)
Payments for increase in ownership interests in subsidiaries that do not result in change in scope of consolidation	(1,967)	—	(17,562)
Proceeds from payments by non-controlling shareholders	—	608	—
Repayments of lease obligations	(2,660)	(2,470)	(23,750)
Other, net	739	1,404	6,598
Net cash provided by (used in) financing activities	(43,985)	11,138	(392,723)
Effect of exchange rate changes on cash and cash equivalents	(117)	(1,079)	(1,044)
Net increase (decrease) in cash and cash equivalents	5,453	(7,276)	48,687
Cash and cash equivalents at beginning of the year	46,322	53,598	413,589
Cash of newly consolidated subsidiaries at beginning of the year	205	—	1,830
Cash and cash equivalents at end of the year	¥ 51,980	¥ 46,322	\$ 464,107
Supplemental disclosures of cash flow information:			
Cash paid during the year for:			
Interest	¥ 1,842	¥ 1,938	\$ 16,446
Income taxes	¥ 2,445	¥ 6,938	\$ 21,830

The accompanying notes are an integral part of these statements.