

Consolidated Statements of Cash Flows

AISIN SEIKI CO., LTD. and Its Consolidated Subsidiaries
Years ended March 31, 2001 and 2000

	Millions of Yen		Millions of U.S. Dollars
	2001	2000	2001
Cash Flows from Operating Activities:			
Income before Income Taxes and Minority Interests	¥ (9,880)	¥ 47,196	\$ (80)
Adjustment for:			
Depreciation and Amortization	82,651	82,342	667
Increase in Pension and Severance Benefits Payable	—	2,726	—
Increase in Employee Retirement Benefits Liability	72,764	—	587
Increase in Retirement Benefits Liability for Directors and Corporate Auditors	2,460	—	20
Interest Income and Dividend Income	(3,381)	(2,470)	(28)
Interest Expenses	2,979	2,606	24
Loss on Disposal of Property, Plant and Equipment	2,795	2,959	23
Decrease (increase) in Notes and Accounts Receivable	(18,077)	4,756	(146)
Increase in Inventories	(8,856)	(2,760)	(71)
Increase (Decrease) in Notes and Accounts Payable	7,202	(1,031)	58
Others	20,373	(3,588)	165
Subtotal	151,030	132,736	1,219
Interest and Dividend Income Received	3,361	2,487	27
Interest Paid	(3,011)	(2,585)	(24)
Income Taxes Paid	(27,860)	(24,719)	(225)
Net Cash Provided by Operating Activities:	123,520	107,919	997
Cash Flows from Investing Activities:			
Decrease in Time Deposit and Short-term Investments	(797)	(13,844)	(6)
Payments for Purchase of Property, Plant and Equipment	(80,853)	(84,750)	(654)
Proceeds of Sales of Property, Plant and Equipment	1,064	1,287	9
Payments for Purchase of Investments Securities	(8,762)	(19,372)	(71)
Proceeds of Sales of Investments Securities	174	14,136	1
Proceeds of Redemption at Maturity of Investments Securities	6,759	—	55
Decrease in Loans	(588)	(586)	(5)
Receipt of Loans	1,201	1,389	10
Others	(1,047)	(340)	(8)
Net Cash Used in Investing Activities	(82,849)	(102,080)	(669)
Cash Flows from Financing Activities:			
Decrease in Short-Term Borrowings	(5,032)	(20,886)	(40)
Proceeds from New Long-Term Debt	3,196	4,700	26
Repayments of Long-Term Debt	(11,532)	(4,892)	(93)
Proceeds from Issuance of Bond	—	15,000	—
Cash Dividends	(4,648)	(4,077)	(38)
Other, Net	36	(16)	(0)
Net Cash Used in Financing Activities	(17,980)	(10,171)	(145)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	1,878	(1,826)	15
Net Increase (Decrease) in Cash and Cash Equivalents	24,569	(6,158)	198
Cash and Cash Equivalents at Beginning of Year	76,128	62,523	614
Increase of Cash and Cash Equivalents upon Inclusion of Additional Subsidiaries on Consolidation	5,315	19,763	44
Cash and Cash Equivalents at End of Year	¥106,012	¥ 76,128	\$ 856

The accompanying notes are an integral part of these financial statements.