

Consolidated Statements of Cash Flows

AISIN SEIKI CO., LTD. and Subsidiaries
Years ended March 31, 2003 and 2002

Fiscal Year	Millions of Yen		Millions of U.S. Dollars
	2003	2002	2003
Cash Flows from Operating Activities:			
Income before Income Taxes and Minority Interest	¥ 105,197	¥ 60,309	\$ 875
Adjustment for:			
Depreciation and Amortization	86,350	80,239	718
(Decrease) Increase in Allowance for Retirement Benefits	(59,984)	908	(499)
Decrease in Allowance for Retirement and Severance Benefits for Directors and Corporate Auditors	(293)	(306)	(2)
Interest and Dividend Income	(2,030)	(2,444)	(17)
Interest Expenses	2,635	2,559	22
Investment Profit on Equity Method	(2,713)	(1,283)	(23)
Loss on Disposal of Property, Plant and Equipment	3,303	2,506	27
Increase in Trade Notes and Accounts Receivable	(23,934)	(10,016)	(199)
(Increase) Decrease in Inventories	(24,901)	26	(207)
Increase in Trade Notes and Accounts Payable	32,102	4,515	267
Increase in Long-Term Accrued Expenses	25,015	—	208
Others	18,382	(4,257)	154
Subtotal	159,129	132,756	1,324
Interest and Dividend Income Received	2,482	2,780	21
Interest Paid	(2,675)	(2,636)	(22)
Income Taxes Paid	(29,869)	(33,309)	(249)
Net Cash Provided by Operating Activities:	129,067	99,591	1,074
Cash Flows from Investing Activities:			
Decrease in Time Deposit and Short-term Investments	213	12,264	2
Payments for Purchase of Property, Plant and Equipment	(115,355)	(81,259)	(960)
Proceeds from Sales of Property, Plant and Equipment	3,484	2,232	29
Payments for Purchase of Investments in Securities	(5,125)	(22,727)	(43)
Payment for Acquisition of Subsidiaries' Stock Resulting in Change in Scope of Consolidation	(2,878)	(1,815)	(24)
Proceeds of Sales of Investments in Securities	469	3,845	4
Proceeds of Redemption at Maturity of Investments in Securities	9,641	8,314	80
Increase in Loans	(2,950)	(582)	(24)
Decrease in Loans	924	1,106	8
Others	(2,201)	(1,168)	(18)
Net Cash Used in Investing Activities	(113,778)	(79,790)	(946)
Cash Flows from Financing Activities:			
(Decrease) Increase in Short-Term Borrowings	(7,061)	7,336	(58)
Proceeds from Long-Term Debt	44,534	2,461	370
Repayments of Long-Term Debt	(4,603)	(28,587)	(38)
Repayments of Bonds Payable	(15,000)	—	(125)
Contributions from Minority Shareholders	4,500	3,343	37
Cash Dividends Paid	(3,852)	(3,492)	(32)
Cash Dividends paid for Minority Shareholders	(2,919)	(1,123)	(24)
Payments for Purchase of Treasury Stocks	(26,885)	(27)	(224)
Other, Net	(1)	17	0
Net Cash Used in Financing Activities	(11,287)	(20,072)	(94)
Translation Adjustment of Cash and Cash Equivalents	(2,023)	3,739	(17)
Net Increase in Cash and Cash Equivalents	1,979	3,468	17
Cash and Cash Equivalents at Beginning of Year	109,480	106,012	911
Increase in Cash and Cash Equivalents upon Change of Fiscal Year-End of Consolidated Subsidiary	273	—	2
Cash and Cash Equivalents at End of Year	¥ 111,732	¥109,480	\$ 930