

CONSOLIDATED STATEMENTS OF CASH FLOWS

Hino Motors, Ltd. and its consolidated subsidiaries
Years ended March 31, 2000 and 2001

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2000	2001	2001
Operating activities:			
Net loss before income taxes and minority interests	¥(34,818)	¥ (9,919)	\$ (80,059)
Depreciation and amortization	44,536	38,188	308,221
Accrued severance indemnities	(898)	—	—
Provision for employees' retirement benefits	—	20,117	162,366
Provision for doubtful accounts	1,911	1,983	16,004
Interest and dividend income	(6,428)	(1,858)	(14,995)
Interest charges	10,726	8,390	67,714
Profit on sales of marketable and investment securities	(7,366)	(19,805)	(159,847)
Write-down of marketable and investment securities	6,658	2,512	20,274
Loss on sales and disposal of property, plant and equipment	1,141	1,218	9,829
(Increase) decrease in notes and accounts receivable	3,138	(14,125)	(114,003)
Decrease in inventories	20,836	5,430	43,827
Increase in notes and accounts payable	12,151	5,912	47,715
Directors' and statutory auditors' bonuses	(6)	(6)	(50)
Other, net	(3,888)	(3,661)	(29,551)
Subtotal	47,693	34,376	277,445
Interest and dividends received	6,428	1,858	14,995
Interest paid	(10,791)	(8,456)	(68,243)
Income taxes paid	(1,431)	(1,035)	(8,350)
Net cash provided by operating activities	41,899	26,743	215,847
Investing activities:			
Proceeds from sales and disposal of property, plant and equipment	1,548	5,233	42,235
Additions to property, plant and equipment	(36,681)	(20,246)	(163,406)
Net decrease in marketable and investment securities	10,369	27,565	222,481
Proceeds from acquiring common stocks of subsidiaries due to the change of consolidation grouping	—	1,659	13,387
Other, net	2,335	13,282	107,200
Net cash provided by (used in) investing activities	(22,429)	27,493	221,897
Financing activities:			
Net decrease in short-term bank loans	(32,230)	(55,438)	(447,443)
Proceeds from long-term debt	41,364	9,455	76,309
Repayments of long-term debt	(36,892)	(35,118)	(283,440)
Repayments of bonds	(40,000)	—	—
Proceeds from stock issue	25,004	—	—
Net cash used in financing activities	(42,754)	(81,101)	(654,574)
Effect of exchange rate changes on cash and cash equivalents	(76)	(126)	(1,014)
Net decrease in cash and cash equivalents	(23,360)	(26,991)	(217,844)
Cash and cash equivalents at beginning of year	60,973	68,958	556,565
Increase due to the addition of consolidated subsidiaries	31,345	—	—
Cash and cash equivalents at end of year	¥ 68,958	¥41,967	\$338,721

See accompanying Notes to Consolidated Financial Statements.