

## (4) Consolidated statements of cash flows

(Unit: Millions of yen)

	Previous fiscal year from April 1, 2008 to March 31, 2009	Current fiscal year from April 1, 2009 to March 31, 2010
<b>Cash flows from operating activities</b>		
Net income before income taxes	12,448	1,124
Depreciation and amortization	4,143	3,368
Impairment loss	1,146	223
Amortization of goodwill	481	229
Decrease in allowance for doubtful accounts	(198)	(351)
Decrease (increase) in accrued bonuses	43	(755)
Decrease in allowance for sales returns	(91)	(222)
Increase in accrued retirement benefits for employees	119	216
Decrease (increase) in accrued retirement benefits for directors	34	(406)
Interest and dividend income	(923)	(438)
Interest expense	86	165
Exchange loss, net	40	162
Equity in net losses of affiliates	553	-
Loss on sales and/or disposal of fixed assets	44	76
Gain on sales of investment in securities	(0)	-
Loss on revaluation of investments in securities	13	5
Gain on collection of receivable written off	(58)	-
Loss on settlement of litigation	126	152
Loss on restructuring	-	4,182
Decrease (increase) in accounts receivable, trade	(14,933)	20,897
Decrease (increase) in inventories	(2,345)	1,095
Increase in work-in-progress for game software	(4,052)	(5,545)
Decrease (increase) in accounts payable, trade	2,945	(5,952)
Increase in other current assets	(134)	(230)
Decrease (increase) in other current liabilities	1,104	(1,296)
Bonuses to directors	(84)	(84)
Other	(701)	225
Sub total	(192)	16,839
Interest and dividends received	948	335
Interest paid	(88)	(167)
Payment for settlement of litigation	(126)	-
Income taxes paid	(1,092)	(2,687)
Net cash provided by operating activities	(551)	14,320
<b>Cash flows from investing activities</b>		
Payment for acquisitions of tangible fixed assets	(2,419)	(1,693)
Proceeds from sales of tangible fixed assets	24	0
Payment for acquisitions of intangible fixed assets	(964)	(289)
Payment for purchase of investments in securities	(12)	(12)
Proceeds from sales of investments in securities	4	-
Collection of loans receivable	436	44
Purchase of investments of subsidiaries	(18)	-
Payment for other investing activities	(118)	(225)
Proceeds from other investing activities	352	557
Net cash used in investing activities	(2,715)	(1,618)
<b>Cash flows from financing activities</b>		
Proceeds from short-term borrowings	15,000	-
Repayments of short-term borrowings	(6)	(2,555)
Proceeds from long-term borrowings	4,400	-
Repayments of long-term borrowings	(2,119)	(711)
Repayments of lease obligations	(334)	(525)
Redemption of convertible bonds	(14,993)	-
Proceeds from sales of treasury stock	1	0
Payment for repurchase of treasury stock	(144)	(5,125)
Dividends paid by parent company	(2,147)	(1,829)
Net cash used in financing activities	(342)	(10,747)
Effect of exchange rate changes on cash and cash equivalents	(845)	(751)
Net increase in cash and cash equivalents	(4,454)	1,203
Cash and cash equivalents at beginning of year	32,763	28,611
Increase due to change in scope of consolidated subsidiaries	302	-
Cash and cash equivalents at end of year	28,611	29,815