

(3) Consolidated statements of cash flows

(Unit: Millions of yen)

	Previous 3 months From April 1, 2016 to June 30, 2016	Current 3 months From April 1, 2017 to June 30, 2017
Cash flows from operating activities		
Net income (loss) before income taxes	(2,081)	744
Depreciation and amortization	1,421	1,145
Decrease in allowance for doubtful accounts	(3)	(13)
Decrease in accrued bonuses	(861)	(1,025)
Interest and dividend income	(18)	(19)
Interest expense	33	27
Exchange (gain) loss, net	655	(16)
Loss on sales and/or disposal of fixed assets	1	28
Decrease in notes and accounts receivable, trade	2,906	15,454
Increase in inventories	(357)	(208)
Increase in work-in-progress for game software	(3,025)	(4,495)
Decrease in notes and accounts payable, trade	(1,813)	(3,997)
Other	1,412	159
Sub total	(1,730)	7,782
Interest and dividends received	18	19
Interest paid	(18)	(14)
Income taxes paid	(6,053)	(1,034)
Net cash provided by (used in) operating activities	(7,783)	6,754
Cash flows from investing activities		
Payments for acquisitions of tangible fixed assets	(416)	(761)
Proceeds from sales of tangible fixed assets	—	0
Payments for acquisitions of intangible fixed assets	(23)	(31)
Other	(21)	(0)
Net cash used in investing activities	(461)	(794)
Cash flows from financing activities		
Net (decrease) increase in short-term borrowings	12,500	(5,000)
Repayments of long-term borrowings	(166)	(160)
Payments for repurchase of treasury stock	(0)	(0)
Dividend paid	(1,429)	(1,369)
Other	(130)	(142)
Net cash (used in) provided by financing activities	10,772	(6,673)
Effect of exchange rate changes on cash and cash equivalents	(2,187)	411
Net (decrease) increase in cash and cash equivalents	340	(301)
Cash and cash equivalents at beginning of year	28,429	24,337
Cash and cash equivalents at end of quarter	28,770	24,036