

(3) Consolidated statements of cash flows

(Unit: Millions of yen)

	Previous 9 months From April 1, 2016 to December 31, 2016	Current 9 months From April 1, 2017 to December 31, 2017
Cash flows from operating activities		
Net income before income taxes	4,096	7,015
Depreciation and amortization	4,400	3,537
(Decrease) increase in allowance for doubtful accounts	33	(56)
Decrease in accrued bonuses	(1,168)	(1,302)
Interest and dividend income	(47)	(54)
Interest expense	106	78
Exchange gains, net	(7)	(38)
Loss on sales and/or disposal of fixed assets	50	83
Decrease (increase) in accounts receivable, trade	(6,637)	14,140
Increase in inventories	(461)	(1,202)
Increase in work in progress for game software	(4,927)	(10,356)
(Decrease) increase in notes and accounts payable, trade	4,478	(3,141)
Other	(153)	(1,476)
Subtotal	(236)	7,226
Interest and dividends received	47	55
Interest paid	(88)	(63)
Income taxes paid	(6,533)	(1,661)
Net cash provided by (used in) operating activities	(6,810)	5,556
Cash flows from investing activities		
Payment for acquisition of tangible fixed assets	(1,584)	(2,175)
Proceeds from sales of tangible fixed assets	5	0
Payment for acquisition of intangible assets	(100)	(87)
Other	(36)	188
Net cash used in investing activities	(1,716)	(2,073)
Cash flows from financing activities		
Net (decrease) increase in short-term borrowings	8,500	(2,000)
Repayments of long-term borrowings	(765)	(747)
Payment for repurchase of treasury stock	(3,302)	(3)
Dividends paid by parent company	(2,796)	(2,741)
Other	(398)	(397)
Net cash (used in) provided by financing activities	1,236	(5,889)
Effect of exchange rate changes on cash and cash equivalents	(225)	941
Net decrease in cash and cash equivalents	(7,515)	(1,465)
Cash and cash equivalents at beginning of year	28,429	24,337
Cash and cash equivalents at end of year	20,913	22,871