

CONSOLIDATED STATEMENTS OF CASH FLOWS

RYOBI LIMITED AND CONSOLIDATED SUBSIDIARIES

(For the years ended March 31, 2011 and 2010)

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2011	2010	2011
Operating activities			
Income (loss) before income taxes and minority interests.....	¥ 7,306	¥ (1,442)	\$ 87,865
Adjustments for :			
Income taxes - returned (paid).....	(685)	1,917	(8,238)
Depreciation and amortization.....	11,339	12,429	136,368
Loss on sales or disposals of property, plant and equipment.....	88	126	1,058
Changes in assets and liabilities			
Increase in notes and accounts receivable.....	(4,150)	(5,175)	(49,910)
Decrease (increase) in inventories.....	(985)	2,774	(11,846)
Increase in notes and accounts payable.....	3,491	5,577	41,984
Increase (decrease) in accrued expenses.....	238	(133)	2,862
Other, net.....	826	236	9,935
Net cash provided by operating activities.....	<u>17,468</u>	<u>16,309</u>	<u>210,078</u>
Investing activities			
Purchase of property, plant and equipment.....	(7,646)	(8,169)	(91,954)
Proceeds from sale of property, plant and equipment.....	324	32	3,897
Other.....	(84)	835	(1,011)
Net cash used in investing activities.....	<u>(7,406)</u>	<u>(7,302)</u>	<u>(89,068)</u>
Financing activities			
Proceeds from long-term debt.....	7,164	10,558	86,157
Repayments of long-term debt.....	(13,656)	(6,940)	(164,233)
Decrease in short-term borrowings, net.....	(5,238)	(1,470)	(62,995)
Acquisition of treasury stock.....	(6)	(1)	(72)
Net cash provided by (used in) financing activities.....	<u>(11,736)</u>	<u>2,147</u>	<u>(141,143)</u>
Foreign currency translation adjustments on cash and cash equivalents.....			
	<u>(160)</u>	<u>82</u>	<u>(1,924)</u>
Net increase (decrease) in cash and cash equivalents.....	(1,834)	11,236	(22,057)
Cash and cash equivalents at beginning of year.....	23,320	12,085	280,457
Cash and cash equivalents at end of year.....	¥ 21,486	¥ 23,321	\$ 258,400
Additional cash flow information			
Interest paid.....	¥ 1,109	¥ 1,324	\$ 13,337

See notes to consolidated financial statements.