

Consolidated Statements of Cash Flows

Millions of yen	03/2004	03/2005	03/2006	03/2007	03/2008	03/2009	03/2010	03/2011	03/2012	03/2013	03/2014	03/2015	03/2016	03/2017	03/2018	03/2019
Cash flows from operating activities																
Profit (Loss) before income taxes	17,616	25,556	8,990	18,374	16,681	9,153	10,026	(9,970)	9,866	(14,948)	10,137	15,310	21,436	25,846	35,927	23,028
Depreciation and amortization	1,974	1,814	8,419	11,115	9,933	6,978	7,962	6,608	5,039	7,301	6,614	6,934	6,317	6,270	5,859	6,801
Impairment loss	-	-	4,426	368	9	859	255	437	130	939	158	640	1,961	862	40	368
Reversal of foreign currency translation adjustments	-	-	-	-	-	-	-	(317)	-	-	-	-	-	-	-	-
Loss on adjustment for changes of accounting standard for asset retirement obligation	-	-	-	-	-	-	-	462	-	-	-	-	-	-	-	-
Loss on content	-	-	-	-	-	-	-	1,174	-	-	-	-	-	-	-	-
Loss on disposal of content	-	-	-	-	-	-	-	731	-	-	-	-	-	-	-	-
Loss on disaster	-	-	-	-	-	-	-	48	-	-	-	-	-	-	-	-
Increase (decrease) in allowance for doubtful accounts	224	31	611	734	(4,949)	(221)	(190)	(394)	(1)	(38)	182	(297)	(169)	169	(251)	44
Increase (decrease) in provision for bonuses	688	(218)	643	(775)	(69)	(388)	157	(121)	(232)	(245)	760	(92)	1,138	(224)	1,096	(36)
Increase (decrease) in provision for sales returns	(105)	(267)	(155)	1,077	(1,136)	572	(540)	(2,026)	(203)	2,375	(214)	(298)	(1,332)	2,905	(1,979)	5,032
Increase (decrease) in provision for retirement benefits	576	195	(1,213)	(832)	(640)	117	525	891	747	905	-	-	-	-	-	-
Increase (decrease) in provision for directors' retirement benefits	(26)	(54)	19	72	(46)	20	14	15	(31)	10	(66)	(27)	10	(63)	-	(35)
Increase (decrease) in provision for game arcade closings	-	-	153	2,773	(1,795)	181	(129)	166	(186)	(84)	(66)	208	(328)	(53)	(48)	(50)
Increase (decrease) in provision for office relocation costs	(589)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in net defined benefit asset	-	-	-	-	-	-	-	-	-	-	-	-	-	7	(64)	(44)
Increase (decrease) in net defined benefit liability	-	-	-	-	-	-	-	-	-	-	160	(715)	(476)	291	205	96
Interest and dividends income	(145)	(76)	(163)	(470)	(962)	(708)	(531)	(131)	(141)	(110)	(123)	(148)	(95)	(84)	(121)	(167)
Interest expenses	7	2	29	2	0	1	30	59	61	98	93	68	67	52	84	107
Foreign exchange losses (gains)	-	-	-	(76)	1,670	1,255	990	2,206	399	(780)	(1,263)	(2,127)	1,749	(964)	2,940	(4,072)
Loss (gain) on sales of investment securities	25	(104)	(1,353)	(410)	(64)	17	(10)	0	(48)	(8)	(24)	(82)	(1)	-	(351)	(0)
Loss (gain) on valuation of investment securities	375	80	91	194	55	120	166	175	0	0	-	-	-	-	-	-
Loss (gain) on sales of shares of subsidiaries and associates	(240)	-	-	-	-	-	-	-	(192)	-	-	-	-	-	371	-
Loss on disposal of property and equipment	198	50	457	1,085	950	790	389	621	352	213	126	258	194	210	131	198
Gain on sale of property and equipment	-	0	-	-	-	-	-	-	-	-	(2)	(1,394)	(18)	(4)	(9)	(15)
Loss on sale of property and equipment	123	2	19	17	145	26	69	1	30	58	7	741	36	-	18	-
Loss on valuation of shares of subsidiaries and associates	125	145	-	-	-	-	-	-	-	-	-	41	1,702	0	-	680
Gain on divestiture of business	-	-	-	(2,697)	(47)	-	-	-	-	-	-	-	-	-	-	-
Accelerated amortization of goodwill	-	-	-	3,217	1,366	1,104	13,906	9,908	-	-	-	-	-	-	-	-
Losses on disposal and write-down of assets associated with business restructuring	-	-	-	-	789	-	-	-	-	-	-	-	-	-	-	-
Other losses	-	-	-	693	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in notes and accounts receivable	4,852	4,319	(16,330)	11,090	2,940	1,569	(14,157)	13,800	(3,008)	(9,903)	10,779	1,973	(910)	(4,882)	1,128	(10,649)
Decrease (increase) in inventories	(6,745)	(5,618)	9,140	(2,780)	(2,365)	(4,273)	9,019	(4,827)	(5,137)	10,933	(2,601)	(12,799)	(7,630)	4,257	(11,092)	(6,860)
Increase (decrease) in notes and accounts payable-trade	(507)	(953)	1,797	1,671	(3,095)	1,493	(890)	(2,007)	1,102	(927)	317	(2)	2,735	3,283	523	7,385
Increase (decrease) in accrued consumption taxes	(104)	614	102	(320)	(249)	(4)	2,445	(2,421)	-	-	-	-	-	-	-	-
Decrease (increase) in other current assets	250	(94)	57	800	(206)	1,975	(1,904)	2,218	547	(599)	(4,484)	3,360	(552)	410	1,994	(2,307)
Decrease (increase) in other non-current assets	299	(198)	358	(158)	4,827	37	223	67	56	36	93	(607)	(527)	(187)	(531)	(659)
Increase (decrease) in other current liabilities	(2,014)	701	391	(5,432)	(1,809)	(1,542)	1,257	(26)	(1,078)	2,213	969	1,634	320	881	(3,648)	2,079
Directors' bonuses paid	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other, net	1,958	1,632	2,643	243	1,416	597	436	576	(26)	1,151	109	(335)	210	(2,215)	874	1,065
Subtotal	18,818	27,559	19,138	39,577	23,345	19,736	29,523	17,927	8,048	(1,409)	21,663	12,241	25,838	36,769	33,098	21,988
Interest and dividends income received	126	83	121	487	974	713	163	198	108	691	154	161	95	89	121	167
Interest expenses paid	(11)	0	(30)	(5)	0	(1)	(31)	(54)	(39)	(109)	(102)	(78)	(65)	(54)	(84)	(106)
Payments for extra retirement payments	-	-	-	-	-	-	-	-	-	-	(1,066)	-	-	-	-	-
Proceed from compensation	-	-	-	-	-	-	-	-	-	-	351	-	-	-	-	-
Income taxes paid	(4,794)	(2,768)	(10,054)	(7,249)	(663)	(1,473)	(5,269)	(1,994)	(1,842)	(3,617)	(1,502)	(4,530)	(6,213)	(11,311)	(5,213)	(12,683)
Income taxes refund	-	-	-	-	-	-	-	1,226	961	4,555	2,200	340	530	45	2,717	2,768
Income taxes paid for prior periods	-	-	-	-	-	-	(3,548)	(2,475)	(450)	-	-	-	-	-	-	-
Net cash provided by operating activities	14,139	24,873	9,174	32,809	23,655	18,974	20,838	14,827	6,786	110	21,698	8,132	20,184	25,537	30,638	12,135

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Cash flows from investing activities																
Payments into time deposits	-	-	-	-	(62)	(83)	(2,618)	(1,062)	(748)	(2,366)	(2,971)	(2,765)	(1,671)	(4,461)	(4,539)	(3,993)
Proceeds from withdrawal of time deposits	-	-	-	-	31	-	1,229	1,052	747	2,353	2,922	3,252	1,153	4,113	4,157	3,976
Payments for acquiring short-term securities	-	-	-	-	(4,014)	(36,000)	(35,000)	-	-	-	-	-	-	-	-	-
Proceeds from sales of short-term securities	-	-	-	-	4,014	36,000	-	-	-	-	-	-	-	-	-	-
Proceeds from redemption of securities	-	-	-	-	-	-	-	35,000	-	-	-	-	-	-	-	-
Purchases of property and equipment	(2,709)	(1,318)	(8,258)	(10,733)	(6,597)	(9,983)	(6,076)	(4,700)	(4,620)	(10,626)	(4,823)	(4,767)	(4,053)	(5,785)	(6,378)	(8,450)
Proceeds from sales of property and equipment	-	-	-	-	59	103	174	45	180	157	29	5,884	200	6	9	15
Purchase of intangible assets	(416)	(362)	(340)	(413)	(259)	(146)	(387)	(931)	(842)	(1,392)	(566)	(875)	(461)	(851)	(858)	(1,190)
Proceeds from sale of intangible assets	-	-	-	-	0	0	0	0	-	-	-	-	-	-	-	-
Payments for acquiring investment securities	-	-	-	-	(347)	(1,506)	-	-	-	-	-	-	-	-	-	(1,074)
Proceeds from sales of investment securities	-	-	1,504	443	155	4	7	0	49	10	53	112	1	-	642	0
Proceeds from redemption of investment securities	-	2,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of investments in subsidiaries	-	-	-	-	-	-	-	(20)	(9)	(73)	(223)	(1,872)	(330)	(100)	(210)	(380)
Proceeds from the liquidation of subsidiaries and associates	-	-	-	-	-	-	391	-	-	-	-	-	-	69	5	8
Payments for acquiring shares in subsidiaries and affiliated companies	(6,461)	(27)	(53,747)	(63)	(90)	(1)	-	-	-	-	-	-	-	-	-	(294)
Payments for acquiring bonds in subsidiaries and affiliated companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(697)
Payments for purchase of investments in subsidiaries resulting in change in scope of consolidation	-	-	-	-	-	-	(12,202)	-	-	-	-	-	-	-	-	-
Proceeds from sale of stocks of subsidiaries and associates	423	-	-	-	113	9	32	-	192	-	-	-	-	-	-	-
Proceeds from clearance of shares in associates	-	34	-	-	-	-	-	-	-	113	-	-	-	-	-	-
Proceeds from divestiture of business	-	-	-	4,514	47	-	-	-	-	-	-	-	-	-	-	-
Payments for guarantee deposits	(1,843)	(101)	(234)	(398)	(591)	(161)	(372)	(143)	(1,492)	(152)	(354)	(1,007)	(398)	(324)	(1,204)	(760)
Proceeds from collection of guarantee deposits	407	104	1,160	1,113	1,903	1,199	1,074	1,482	1,084	2,928	643	312	992	223	431	208
Other, net	20	245	(122)	(134)	(168)	(426)	(26)	(314)	(319)	(139)	(671)	(150)	(206)	(54)	(247)	(244)
Net cash used in investing activities	(10,579)	574	(60,039)	(5,671)	(5,805)	(10,991)	(53,774)	30,407	(5,778)	(9,189)	(5,962)	(1,876)	(4,773)	(7,164)	(8,191)	(12,875)
Cash flows from financing activities																
Net increase (decrease) in short-term loans payable	(1,000)	-	-	-	-	-	-	-	3,791	-	-	-	3,428	-	-	-
Proceeds from short-term loans	-	-	40,000	-	-	-	2,956	-	-	-	-	-	-	-	-	-
Payments for short-term loans	-	-	(40,000)	-	-	-	(2,941)	(1,325)	-	-	-	-	-	-	-	-
Proceeds from issuance of corporate bonds	-	-	50,000	-	-	-	35,000	-	-	-	-	-	-	-	-	-
Redemption of bonds	-	-	-	-	-	-	-	(37,000)	-	-	-	(18,462)	-	-	-	-
Proceeds from issuances of new stocks	-	-	-	438	780	412	139	-	-	-	47	74	121	124	64	106
Purchase of treasury stock	(147)	(154)	(104)	(37)	(301)	(13)	(4)	(3)	(2)	(1)	(8)	(6)	(11)	(8)	(9,262)	(8)
Proceeds from exercise of share options	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5
Cash dividends paid	(1,955)	(3,300)	(6,617)	(3,314)	(3,882)	(3,443)	(3,442)	(4,026)	(3,446)	(3,444)	(3,446)	(3,450)	(3,654)	(5,849)	(6,068)	(7,735)
Payments for dividends for minority interests	(2)	(2)	-	(2)	(2)	(2)	-	-	-	-	-	-	-	-	-	-
Payments for merger negotiation fees	(4,153)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payments for partnership distributions	(616)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other, net	1,135	549	876	2	1	2	0	0	(42)	(35)	(31)	(261)	(24)	(74)	(23)	(23)
Net cash used in financing activities	(6,739)	(2,907)	44,153	(2,912)	(3,404)	(3,044)	31,707	(42,354)	299	(3,481)	(3,438)	(22,105)	(141)	(5,807)	(15,290)	(7,656)
Effect of exchange rate changes on cash and cash equivalents	(984)	27	719	356	(2,756)	(4,475)	(499)	(2,744)	(879)	1,267	2,386	5,572	(3,041)	(534)	(196)	1,221
Net increase (decrease) in cash and cash equivalents	(4,164)	22,567	(5,991)	24,582	11,689	462	(1,728)	135	428	(11,293)	14,684	(10,277)	12,228	12,030	6,960	(7,173)
Cash and cash equivalents at beginning of the year	39,847	58,676	81,243	75,252	99,847	111,479	111,875	109,717	109,751	110,116	98,822	113,507	103,147	115,375	127,395	134,355
Increase in cash and cash equivalents resulting from merger	22,632	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase in cash and cash equivalents resulting from increase in consolidated subsidiaries	484	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase in cash and cash equivalents resulting from inclusion of newly consolidated subsidiaries in the scope of consolidation	-	-	-	13	12	-	65	-	-	-	-	-	-	-	-	-
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	-	-	-	-	(70)	(66)	(495)	(101)	(64)	-	(82)	-	(11)	-	-	-
Decrease in cash and cash equivalents resulting from decrease in consolidated subsidiaries	(123)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents at end of the year	58,676	81,243	75,252	99,847	111,479	111,875	109,717	109,751	110,116	98,822	113,507	103,147	115,375	127,395	134,355	127,181