

Consolidated Statements of Cash Flows

KUBOTA Corporation and Subsidiaries

(¥ in millions)

For the years ended March 31:	2010	2009	2008
Operating activities:			
Net income	¥ 47,908	¥ 54,735	¥ 74,816
Adjustments to reconcile net income to net cash provided by (used in) operating activities:			
Depreciation and amortization	29,171	31,242	30,565
(Gain) loss on sales of securities—net	(1,821)	116	(704)
Valuation loss on other investments	143	8,618	6,715
(Gain) loss from disposal of fixed assets—net	118	(151)	925
Equity in net income of affiliated companies	(402)	(222)	(94)
Deferred income taxes	(2,563)	5,109	4,115
Change in assets and liabilities:			
(Increase) decrease in notes and accounts receivable	20,380	(128,586)	31,750
(Increase) decrease in inventories	38,802	(35,636)	(6,656)
(Increase) decrease in interest in sold receivables	—	70,132	(6,763)
(Increase) decrease in other current assets	1,205	(21,322)	(13,309)
Decrease in trade notes and accounts payable	(22,780)	(19,771)	(23,311)
Increase (decrease) in income taxes payable	18,005	(7,008)	(10,842)
Increase (decrease) in other current liabilities	(9,896)	28,727	7,539
Increase (decrease) in accrued retirement and pension costs	467	(10,054)	(10,998)
Other	335	1,494	6,362
Net cash provided by (used in) operating activities	119,072	(22,577)	90,110
Investing activities:			
Purchases of fixed assets	(26,621)	(32,959)	(35,735)
Purchases of investments and change in loan receivables	(389)	(5,908)	3,337
Proceeds from sales of property, plant, and equipment	1,182	2,961	115
Proceeds from sales and redemption of investments	9,101	261	490
Increase in finance receivables	(172,218)	(193,495)	(196,494)
Collection of finance receivables	150,368	154,935	155,202
Other	(4,822)	184	741
Net cash used in investing activities	(43,399)	(74,021)	(72,344)
Financing activities:			
Proceeds from issuance of long-term debt	121,966	129,967	113,962
Repayments of long-term debt	(90,067)	(74,386)	(84,895)
Net increase (decrease) in short-term borrowings	(43,729)	54,619	(15,840)
Cash dividends	(17,814)	(19,193)	(16,777)
Purchases of treasury stock	(191)	(5,338)	(7,997)
Purchases of noncontrolling interests	(6,407)	—	—
Other	1,570	(809)	(133)
Net cash provided by (used in) financing activities	(34,672)	84,860	(11,680)
Effect of exchange rate changes on cash and cash equivalents	922	(7,541)	97
Net increase (decrease) in cash and cash equivalents	41,923	(19,279)	6,183
Cash and cash equivalents, beginning of year	69,505	88,784	82,601
Cash and cash equivalents, end of year	¥ 111,428	¥ 69,505	¥ 88,784

See notes to consolidated financial statements.