

Consolidated Statements of Cash Flows

Yamaha Motor Co., Ltd. and Consolidated Subsidiaries
Years ended December 31, 2010 and 2011

	Millions of yen		Thousands of U.S. dollars (Note 6)
	2010	2011	2011
Net cash provided by (used in) operating activities:			
Income before income taxes	¥ 58,947	¥ 61,207	\$ 787,330
Depreciation and amortization	36,594	33,578	431,927
Impairment loss	6,628	776	9,982
Loss (gain) on transfer of business	(106)	—	—
Increase (decrease) in allowance for doubtful accounts	263	(466)	(5,994)
Increase (decrease) in provision for retirement benefits	1,513	4,840	62,259
Increase (decrease) in provision for product liabilities	(2,165)	(14,429)	(185,606)
Interest and dividends income	(9,410)	(8,850)	(113,841)
Interest expenses	8,023	6,814	87,651
Equity in (earnings) losses of affiliates	(2,516)	(3,218)	(41,394)
Loss (gain) on sales of property, plant and equipment and intangible assets	(369)	(174)	(2,238)
Loss (gain) on disposal of property, plant and equipment and intangible assets	1,038	735	9,455
Loss (gain) on sales of investment securities	(30)	81	1,042
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	552	7,101
Decrease (increase) in notes and accounts receivable—trade	(6,774)	958	12,323
Decrease (increase) in inventories	(8,394)	(11,229)	(144,443)
Increase (decrease) in notes and accounts payable—trade	22,377	5,665	72,871
Other	6,160	(14,264)	(183,483)
Subtotal	111,779	62,578	804,965
Interest and dividends income received	11,213	10,321	132,763
Interest expenses paid	(8,613)	(6,691)	(86,069)
Income taxes (paid) refund (Note 14 (2))	(9,848)	(32,879)	(422,935)
Net cash provided by (used in) operating activities	104,531	33,328	428,711
Net cash provided by (used in) investing activities:			
Payments into time deposits	(3,252)	(1,400)	(18,009)
Proceeds from withdrawal of time deposits	1,959	3,084	39,671
Purchase of property, plant and equipment and intangible assets	(31,867)	(42,550)	(547,337)
Proceeds from sales of property, plant and equipment and intangible assets	2,048	1,234	15,873
Purchase of investment securities	(3)	(3,628)	(46,668)
Proceeds from sales of investment securities	51	8	103
Payments for long-term loans receivable	(4,437)	(4,940)	(63,545)
Collections of long-term loans receivable	971	2,646	34,037
Proceeds from transfer of business	250	—	—
Other	(3,352)	(970)	(12,477)
Net cash provided by (used in) investing activities	(37,632)	(46,517)	(598,366)
Net cash provided by (used in) financing activities:			
Increase (decrease) in short-term loans payable	(45,711)	10,335	132,943
Proceeds from long-term loans payable	21,719	21,469	276,164
Repayment of long-term loans payable	(38,473)	(78,274)	(1,006,869)
Proceeds from issuance of common stock	74,647	—	—
Cash dividends paid to minority shareholders	(6,355)	(4,924)	(63,339)
Decrease (increase) in treasury stock	(3)	(2)	(26)
Other	(526)	(530)	(6,818)
Net cash provided by (used in) financing activities	5,296	(51,927)	(667,957)
Effect of exchange rate change on cash and cash equivalents	(5,605)	(5,266)	(67,739)
Net increase (decrease) in cash and cash equivalents	66,590	(70,382)	(905,351)
Cash and cash equivalents at beginning of period	137,219	203,878	2,622,562
Increase in cash and cash equivalents from newly consolidated subsidiary	68	97	1,248
Cash and cash equivalents at end of period (Note 14 (1))	¥203,878	¥133,593	\$ 1,718,459

See accompanying notes to consolidated financial statements.