

Consolidated Statement of Cash Flows

Orient Corporation and Subsidiaries

For the years ended March 31, 2020 and 2019

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2020	2019	2020
Cash Flows from Operating Activities:			
Profit before income taxes	¥ 25,245	¥ 15,662	\$ 231,967
Depreciation	22,304	16,354	204,943
Impairment loss	—	177	—
Loss on sales or retirement of property and equipment and intangible assets	890	7,255	8,177
Increase in allowance for credit losses	424	6,893	3,895
Decrease in accrued bonuses	(46)	(3)	(422)
Increase in accrued bonuses for directors and executive officers	27	1	248
Increase in allowance for board benefit trust	91	53	836
Decrease in defined benefit liabilities	(1,200)	(1,068)	(11,026)
Decrease in allowance for losses on interest refunds	(4,008)	(7,378)	(36,828)
Interest and dividend income	(291)	(277)	(2,673)
Interest expenses	8,591	8,227	78,939
Gain on sales of property and equipment and intangible assets	(279)	(1,288)	(2,563)
Burden charge received	(1,655)	—	(15,207)
(Increase) decrease in trade receivables	(40,840)	67,632	(375,264)
Decrease in inventories	1,373	424	12,616
Decrease in trade payables	(74,908)	(107,892)	(688,302)
Increase in unearned finance income	1,272	3,032	11,687
Increase in other assets	(44,045)	(49,972)	(404,713)
Increase in other liabilities	46,518	10,332	427,437
Other, net	2,007	381	18,441
Subtotal	(58,528)	(31,451)	(537,792)
Interest and dividend received	909	1,056	8,352
Interest paid	(8,282)	(8,234)	(76,100)
Burden charge received	1,655	—	15,207
Income taxes paid	(2,525)	(3,094)	(23,201)
Net cash used in operating activities	(66,772)	(41,723)	(613,544)
Cash Flows from Investing Activities:			
Purchase of property and equipment and intangible assets	(15,295)	(23,046)	(140,540)
Proceeds from sales of property and equipment and intangible assets	6,509	2,126	59,808
Purchase of investment securities	(993)	(37)	(9,124)
Proceeds from sales of investment securities	64	101	588
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	—	536	—
Payments of long-term loans receivable	(3,300)	(6,500)	(30,322)
Collection of long-term loans receivable	2,823	1,690	25,939
Other, net	(2,044)	(2,323)	(18,781)
Net cash used in investing activities	(12,236)	(27,452)	(112,432)
Cash Flows from Financing Activities:			
Net increase in short-term bank loans	7,057	10,491	64,844
Net increase in commercial papers	13,700	47,200	125,884
Proceeds from long-term bank loans	436,235	401,469	4,008,407
Repayments of long-term debt	(379,740)	(293,313)	(3,489,295)
Proceeds from issuance of unsecured corporate bonds	29,815	19,874	273,959
Redemption of unsecured corporate bonds	(30,000)	(15,000)	(275,659)
Proceeds from long-term debt under securitization of receivables	3,300	6,500	30,322
Repayments of long-term debt under securitization of receivables	(2,913)	(1,828)	(26,766)
Repayments of finance lease obligations	(758)	(971)	(6,964)
Purchase of treasury stock	(0)	(0)	(0)
Purchase of preferred stock	(16,019)	(21,081)	(147,192)
Cash dividends paid	(4,864)	(5,021)	(44,693)
Other, net	18	0	165
Net cash provided by financing activities	55,830	148,318	513,001
Effect of exchange rate changes on cash and cash equivalents	43	32	395
Change in cash and cash equivalents	(23,135)	79,174	(212,579)
Cash and cash equivalents at beginning of year	323,415	244,240	2,971,744
Cash and cash equivalents at end of year (Note 21)	¥300,279	¥323,415	\$2,759,156

The accompanying notes are an integral part of these statements.