

Consolidated Statements of Cash Flows

Hitachi, Ltd. and Subsidiaries
Years ended March 31, 2014, 2013 and 2012

	Millions of yen		
	2014	2013	2012
Cash flows from operating activities:			
Net income	¥ 364,030	¥ 237,721	¥ 412,808
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	329,833	300,664	360,358
Amortization	125,552	117,355	119,308
Impairment losses for long-lived assets	33,796	23,209	31,841
Deferred income taxes	59,868	2,394	21,509
Equity in net (earning) loss of affiliated companies	(8,686)	40,447	15,571
Gain on sale of investments in securities and other	(45,412)	(24,047)	(228,115)
Impairment of investments in securities	74	4,762	15,096
Gain associated with the thermal power generation systems business	(131,738)	–	–
(Gain) loss on disposal of rental assets and other property	223	3,119	(18,627)
(Increase) decrease in receivables	(308,492)	71,777	(259,211)
(Increase) decrease in inventories	(70,700)	7,860	(162,594)
(Increase) decrease in prepaid expenses and other current assets	(90,692)	(3,442)	987
Increase (decrease) in payables	54,327	(187,651)	119,177
Increase (decrease) in accrued expenses and retirement and severance benefits	51,946	8,177	(18,430)
Increase (decrease) in accrued income taxes	33,460	(25,697)	7,103
Increase (decrease) in other liabilities	46,125	(22,215)	(13,812)
Net change in lease receivables related to the Company's and its subsidiaries' products	1,021	12,051	27,012
Other	(5,129)	17,024	17,174
Net cash provided by operating activities	439,406	583,508	447,155
Cash flows from investing activities:			
Capital expenditures	(385,000)	(381,731)	(337,502)
Purchase of intangible assets	(118,870)	(105,842)	(106,042)
Purchase of tangible assets and software to be leased	(436,499)	(335,640)	(269,350)
Proceeds from disposal of property, plant and equipment	33,109	28,556	47,697
Proceeds from disposal of tangible assets and software to be leased	31,306	20,944	17,447
Collection of investments in leases	314,921	285,407	244,446
Purchase of investments in securities and shares of newly consolidated subsidiaries	(87,542)	(171,721)	(151,413)
Proceeds from sale of investments in securities and shares of consolidated subsidiaries resulting in deconsolidation	122,801	80,602	331,007
Other	34,411	25,968	28,126
Net cash used in investing activities	¥(491,363)	¥(553,457)	¥(195,584)

	Millions of yen		
	2014	2013	2012
Cash flows from financing activities:			
Increase (decrease) in short-term debt, net	¥(203,885)	¥ 74,630	¥ 70,105
Proceeds from long-term debt	704,457	352,840	388,991
Payments on long-term debt	(365,566)	(509,356)	(544,841)
Proceeds from sale of common stock by subsidiaries	5,886	2,523	736
Dividends paid to Hitachi, Ltd. stockholders	(48,194)	(46,564)	(27,018)
Dividends paid to noncontrolling interests	(25,535)	(25,827)	(22,206)
Acquisition of common stock for treasury	(4,431)	(162)	(126)
Proceeds from sales of treasury stock	16	25	38
Purchase of shares of consolidated subsidiaries from noncontrolling interest holders	(28,901)	(28,191)	(39,230)
Proceeds from sale of shares of consolidated subsidiaries to noncontrolling interest holders	-	102	6,188
Other	(879)	(465)	(475)
Net cash provided by (used in) financing activities	32,968	(180,445)	(167,838)
Effect of exchange rate changes on cash and cash equivalents	49,574	58,449	(18,966)
Net increase (decrease) in cash and cash equivalents	30,585	(91,945)	64,767
Cash and cash equivalents at beginning of year	527,632	619,577	554,810
Cash and cash equivalents at end of year	¥ 558,217	¥ 527,632	¥ 619,577