

## Consolidated Statements of Cash Flows

Toyota Automatic Loom Works, Ltd. and its consolidated subsidiaries  
For the six months ended September 30, 2000 and 1999

	Millions of yen		Thousands of
	For the six months ended September 30		U.S. dollars (Note 1)
	2000	1999	For the six months ended September 30 2000
<b>Cash Flows from Operating Activities:</b>			
Income before income taxes	¥13,817	¥10,686	\$127,935
Adjustments to reconcile income before income taxes to net cash provided by operating activities:			
Depreciation and amortization of intangibles	19,624	19,396	181,704
Amortization of consolidation difference	(54)	(19)	(501)
Provision for retirement and severance benefits, net of payments	5,604	(806)	51,892
Equity in earnings of affiliates	1,394	2,790	12,909
Income and loss from sales or disposal of property, plant and equipment	977	1,462	9,047
Write-downs of securities	5	624	46
Income and loss from sales of securities (including investment securities)	(40)	(2,752)	(375)
Interest and dividend income	(4,082)	(3,575)	(37,798)
Interest expenses	1,453	1,192	13,449
(Increase) decrease in receivables	2,749	(5,485)	25,453
Increase in inventories	(501)	(892)	(4,639)
Increase (decrease) in payables	(1,332)	3,285	(12,330)
Increase in accrued expenses	2,290	2,274	21,204
Bonuses to directors and corporate auditors paid (including amount transferred to minority interests)	(208)	(196)	(1,928)
Other, net	1,345	537	12,456
Subtotal	43,041	28,521	398,524
Interest and dividend income received	4,097	3,590	37,940
Interest expenses paid	(1,453)	(1,192)	(13,449)
Income taxes paid	(9,593)	(6,172)	(88,828)
<b>Net Cash Provided by Operating Activities</b>	<b>36,092</b>	<b>24,747</b>	<b>334,187</b>
<b>Cash Flows from Investing Activities:</b>			
Payments for purchases of securities	(1,004)	(1,519)	(9,300)
Proceeds from sales of securities	2,683	3,806	24,839
Payments for purchases of property, plant and equipment	(17,057)	(33,307)	(157,933)
Proceeds from sales of property, plant and equipment	382	607	3,541
Payments for purchases of investment securities	(5,232)	(8,767)	(48,446)
Proceeds from sales of investment securities	1,099	14	10,180
Payments for acquisition of subsidiaries' stock with changes in consolidation	(86,137)	-	(797,560)
Payments for loans made	(1,690)	(8,599)	(15,648)
Proceeds from collections of loans	9,357	1,791	86,637
Payments for acquisition of business	-	(1,499)	-
Other, net	188	(311)	1,736
<b>Net Cash Used in Investing Activities</b>	<b>(97,411)</b>	<b>(47,784)</b>	<b>(901,954)</b>
<b>Cash Flows from Financing Activities:</b>			
Increase (decrease) in short-term bank loans	(131)	842	(1,213)
Proceeds from issuances of commercial paper	80,000	-	740,741
Repayments of commercial paper	(60,000)	-	(555,556)
Proceeds from long-term bank loans	826	1,485	7,650
Repayments of long-term bank loans	(1,175)	(369)	(10,878)
Proceeds from issuances of bonds	39,797	29,849	368,490
Cash dividends paid (including amount transferred to minority interests)	(2,681)	(2,647)	(24,825)
Retirements of shares	(1)	(1)	(7)
Other, net	(2)	(8)	(21)
<b>Net Cash Provided by Financing Activities</b>	<b>56,633</b>	<b>29,151</b>	<b>524,381</b>
<b>Translation Difference in Cash and Cash Equivalents</b>	<b>10</b>	<b>(232)</b>	<b>90</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(4,676)</b>	<b>5,882</b>	<b>(43,296)</b>
<b>Cash and Cash Equivalents at Beginning of Six-Month Period</b>	<b>77,332</b>	<b>49,955</b>	<b>716,041</b>
<b>Increase in Cash and Cash Equivalents Due to Additions of Newly Consolidated Subsidiaries</b>	<b>-</b>	<b>625</b>	<b>-</b>
<b>Cash and Cash Equivalents at End of Six-Month Period</b>	<b>¥72,656</b>	<b>¥56,462</b>	<b>\$672,745</b>

The accompanying notes are integral parts of these statements.