

Consolidated Statements of Cash Flows

Toyota Automatic Loom Works, Ltd. and its consolidated subsidiaries
For the years ended March 31, 1999, 1998 and 1997

	Millions of yen			Thousands of U.S. dollars (Note 1)
	1999	1998	1997	1999
Cash Flows from Operating Activities:				
Income before income taxes	¥ 23,172	¥ 33,202	¥ 31,157	\$ 192,222
Adjustment to reconcile income before income taxes to net cash provided by operating activities:				
Depreciation	34,380	27,958	28,043	285,191
Amortization of consolidation difference	120	150	142	999
Provision for retirement and severance benefits, net of payment	(507)	861	834	(4,205)
Equity in earning of affiliates	3,763	(267)	(394)	31,217
Loss on disposal of property, plant and equipment	2,220	2,207	2,118	18,416
Write down of securities	1,505	1,471	665	12,488
(Increase) decrease in receivables	11,896	8,377	(5,921)	98,683
(Increase) in inventories	(888)	(2,634)	(1,187)	(7,371)
Increase (decrease) in payables	(30,968)	30,504	4,197	(256,889)
Increase (decrease) in accrued expenses	(881)	549	1,610	(7,308)
Increase (decrease) in employees' saving deposits	246	(303)	971	2,039
Bonuses to directors and statutory auditors	(209)	(185)	(166)	(1,733)
Other, net	(824)	(5,291)	(1,572)	(6,840)
Sub Total	43,025	96,599	60,497	356,909
Income taxes paid	(16,598)	(16,291)	(9,919)	(137,690)
Net Cash Provided by Operating Activities	26,427	80,308	50,578	219,219
Cash Flows from Investing Activities:				
Additions to property, plant and equipment	(60,468)	(62,007)	(35,408)	(501,604)
Proceeds from sales of property, plant and equipment	805	540	1,202	6,677
(Increase) in investments in securities (including investments in subsidiaries and affiliates)	(26,152)	(12,153)	(10,683)	(216,941)
Other, net	3,549	(3,874)	620	29,447
Net Cash Used in Investing Activities	(82,266)	(77,494)	(44,269)	(682,421)
Cash Flows from Financing Activities:				
Proceeds from issuance of bonds	40,300	30,000	80,000	334,301
Repayment of bonds	(300)	(24,010)	-	(2,489)
(Decrease) in loans from financial institutions	(1,438)	(3,977)	(5,095)	(11,926)
Cash dividends	(4,604)	(4,680)	(3,949)	(38,195)
Retirement of shares	(9,225)	(9,999)	-	(76,524)
Net Cash Provided by (Used in) Financing Activities	24,733	(12,666)	70,956	205,167
Translation Difference in Cash and Cash Equivalents	(301)	114	63	(2,494)
Net Increase (Decrease) in Cash and Cash Equivalents	(31,407)	(9,738)	77,328	(260,529)
Cash and Cash Equivalents at Beginning of Year	85,766	94,774	16,696	711,459
Increase in Cash and Cash Equivalents Due to Newly Consolidated Subsidiaries	3,842	730	750	31,868
Cash and Cash Equivalents at End of Year	¥ 58,201	¥ 85,766	¥ 94,774	\$ 482,798

The accompanying notes are integral parts of these statements.