Translation for Reference and Convenience Purposes Only

Member of the
Financial Accounting
Standards Foundation

Consolidated Summary Report for the First Quarter of Fiscal Year Ending March 2009

Jul 29, 2008

Company Name: Kenwood Corporation (Code Number: 6765, Stock Exchange: Tokyo Section 1)
URL: http://www.kenwood.co.jp/en/
Representative: Kazuo Shiohata, President and CEO
Inquiries: Hiroyuki Taki, Director of the Board, Executive Vice President & Executive Officer, CFO
Telephone: +81-42-646-6724

(Amounts less than JPY1 million are discarded.)

1. Consolidated Performance for the First Quarter of Fiscal Year Ending March 2009

(April 1, 2008 - June 30, 2008)

(1) Consolidated Operating Performance (Cumulative period)

(Quarterly figures shown in percentages are rates of change from the previous corresponding period.)

	Net Sales		Operating Profit		Ordinary Income		Net Income	
	JPY in Million	%	JPY in Million	%	JPY in Million	%	JPY in Million	%
1st quarter of fiscal year ending March 2009	39,480	—	953	—	448	—	-519	—
1st quarter of fiscal year ended March 2008	42,618	4.0	1,188	-40.6	628	-57.0	556	-55.6

	Net Income per Share	Net Income per share after adjusting for latent shareholdings
	JPY	JPY
1st quarter of fiscal year ending March 2009	-1.42	—
1st quarter of fiscal year ended March 2008	1.52	—

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	JPY in Million	JPY in Million	%	JPY
1st quarter of fiscal year ending March 2009	129,413	32,533	25.1	88.68
Full fiscal year ended March 2008	126,088	29,925	23.7	81.57

(Reference) Shareholders' Equity
1st quarter of fiscal year ending March 2009: JPY32,533 Million FY2007: JPY29,925 Million

2. Dividend Status

	Dividend per Share				
(Date of Record)	End of 1st quarter of fiscal year ending March 2009	End of 2nd quarter of fiscal year ending March 2009	End of 3rd quarter of fiscal year ending March 2009	End of full Year	Annually
	JPY	JPY	JPY	JPY	JPY
FY2006	—	0.00	—	2.00	2.00
FY2007	—	—	—	—	—
FY2008 (forecast)	—	2.00	—	0.00	2.00

Note: Revision of dividend projection in the current quarter: None

Translation for Reference and Convenience Purposes Only

3. Forecast for FY2008 (April 1, 2008 - March 31, 2009)

(Figures for full fiscal year and the 2Q consolidated cumulative period shown in percentages are rates of change from the previous fiscal year and those from the previous 2Q respectively.

	Net Sales		Operating Profit		Ordinary Income		Net Income		Net Income per Share
	JPY in Million	%	JPY in Million	%	JPY in Million	%	JPY in Million	%	JPY
2Q Consolidated Cumulative Period	77,500	—	2,400	—	1,000	—	0	—	0.00
Full Year	175,000	5.9	6,500	3.8	3,500	-9.7	2,000	-37.1	5.45

Note: Revision of values of consolidated earnings projections in the current quarter: None

4. Other

(1) Change in the number of significant subsidiaries during the term (change in the number of specific subsidiaries owing to change in the scope of consolidation): None

(2) Application of simplified accounting method and accounting principles specific to the preparation of consolidated quarterly financial statements: Applicable

Note: For details, please refer to 4. Others in the “Qualitative Information and Financial Statements” section on page 8.

(3) Change in accounting principles and procedures, presentation methods, or similar factors concerning the preparation of consolidated quarterly financial statements (Items to be written in Change in Fundamental Items of Importance Concerning the Preparation of Consolidated Quarterly Financial Statements)

1) Changes caused by revision of accounting standards or similar rules: Applicable

2) Changes other than 1): Applicable

(4) Number of outstanding shares (common stocks)

1) Number of outstanding shares (including treasury stocks)

1st quarter of fiscal year ending March 2009: 367,524,995 shares

Fiscal year ended March 2008: 367,524,995 shares

2) Number of treasury shares

1st quarter of fiscal year ending March 2009: 671,126 shares

Fiscal year ended March 2008: 651,742 shares

3) Average number of shares during the period (three months ended June 30, 2008)

1st quarter of fiscal year ending March 2009: 366,868,403 shares

1st quarter of fiscal year ended March 2008: 366,939,163 shares

* Explanation concerning the proper use of earnings forecasts, and other matters of particular importance

1. The earnings forecasts and other forward-looking statements in this document are based on currently available information and certain premises KENWOOD judges to be rational. Please note that actual results may vary materially from the results projected and presented in this outlook for a variety of reasons.

2. Effective from the consolidated fiscal year ending March 2009, KENWOOD adopted the “Accounting Standard for Quarterly Financial Reporting” (Accounting Standards Board of Japan Report No. 12) and the “Implementation Guidance on the Accounting Standard for Quarterly Financial Reporting” (ASBJ Implementation Guidance No. 14). Consolidated quarterly financial statements are prepared in conformity with the “Regulations of Consolidated Quarterly Financial Statements.”

Translation for Reference and Convenience Purposes Only

This document was prepared in the Japanese language. This translation of the original Japanese language document is provided by the Group as a convenience for reference purposes only. Inconsistencies may exist between the original Japanese language document and this translation. The original Japanese language document shall be controlling for all purposes. The Group disclaims any responsibility for and shall not be liable for any inconsistencies between the original Japanese language document and this translation. This document is not prepared for the solicitation of investments.

Translation for Reference and Convenience Purposes Only

Qualitative Information and Financial Statements

1. Qualitative information about consolidated operating results

(1) Performance review for the first quarter of the fiscal year ending March 2009

Regarding the operating results of the Kenwood Group during the first quarter of the fiscal year ending March 2009, both net sales and profits decreased because of the effect of the strong yen. However, both net sales and profits increased on a local currency basis, excluding the influence of foreign exchange. Since the influence of the strong yen was within the scope we had assumed at the beginning of the fiscal year, both net sales and profits in the first quarter were in line with the projections we made at the beginning of the term.

For reference, the exchange rate we used in accounting treatment in the first quarter of the fiscal year ending March 2009 was approximately JPY105 to the U.S. dollar and approximately JPY163 to the euro, while that used in the same period in the previous fiscal year was JPY123 to the U.S. dollar and JPY166 to the euro.

Up to the previous fiscal year, the Kenwood Group had added up foreign currency-denominated profits and expenses of consolidated subsidiaries outside Japan from the beginning of a fiscal year and then converted them into Japanese yen at the exchange rate as of the end of the fiscal year (the consolidated balance sheet date). However, to reflect the actual conditions of the earnings of consolidated subsidiaries outside Japan more accurately in financial statements, the Kenwood Group adopted an accounting policy to convert such profits and expenses into Japanese yen at the average exchange rate during the said term, effective from the fiscal year ending March 2009. For reference, the newly adopted accounting policy is the same as that of Victor Company of Japan Limited ("JVC"), with which the Kenwood Group plans to integrate its management.

(2) Consolidated earnings

*** Net Sales**

Net sales for the first quarter of the fiscal year ending March 2009 decreased by approximately JPY3.1 billion (or 7.4 percent) from the same period in the previous fiscal year to JPY39,480 million, since the stronger yen than the same period in the previous fiscal year caused a net sales decline of approximately JPY3.5 billion.

For reference, net sales grew 1.0 percent from the same period in the previous fiscal year on a local currency basis, excluding the influence of foreign exchange, as the Car Electronics business was robust, centering on the Consumer business.

*** Operating profit**

Operating profit for the first quarter of the fiscal year ending March 2009 decreased by approximately JPY0.2 billion (or 19.7 percent) from the same period in the previous fiscal year to JPY953 million. Although the stronger yen than the same period in the previous fiscal year resulted in a fall of approximately JPY1.1 billion in operating profit, profits in the Car Electronics business increased thanks to the briskness in the Consumer business and a cost structural reform in the OEM business while profits of the Home Electronics business also improved owing to a shift to a high-value-added business structure.

On a local currency basis, excluding the influence of foreign exchange, operating profit for the first quarter of the fiscal year ending March 2009 soared by 69.0 percent from the same period in the previous fiscal year, as a increase in profits in the Car Electronics business made contributions.

*** Ordinary income**

With the decrease in operating profit, ordinary income for the first quarter of the fiscal year ending March 2009 declined by approximately JPY0.2 billion (or 28.6 percent) from the same period in the previous fiscal year to JPY448 million.

*** Net income**

With the decrease in ordinary income and an extraordinary loss as a result of a change in the valuation method of inventories following the introduction of new accounting standards, net income for the first quarter of the fiscal year ending March 2009 declined by approximately JPY1.1 billion from the same period in the previous fiscal year to minus JPY519 million.

Consolidated sales and operating profit by business segment are as follows:

(JPY in Million)

Segment		1st quarter of fiscal year ended March 2008	1st quarter of fiscal year ending March 2009	Year-on-Year	
Car Electronics Business	Net Sales	23,909	23,256	-653	-2.7%
	Operating Profit	-273	136	+409	-
Communications Equipment Business	Net Sales	16,400	13,789	-2,611	-15.9%
	Operating Profit	1,879	1,038	-841	-44.8%
Home Electronics Business	Net Sales	1,751	1,851	+100	+5.7%
	Operating Profit	-432	-218	+214	-
Others	Net Sales	558	584	+26	+4.7%
	Operating Profit	14	-3	-17	-
Total	Net Sales	42,618	39,480	-3,138	-7.4%
	Operating Profit	1,188	953	-234	-19.7%
	Ordinary Income	628	448	-180	-28.6%
	Net Income	556	-519	-1,076	-

*** Car Electronics Business**

Net sales of the Car Electronics Consumer business in the first quarter of the fiscal year ending March 2009 remained unchanged from the same period in the previous fiscal year, since robust sales of audio/visual integrated car navigation systems under an exclusive sales agreement with Garmin Ltd., the largest PND (Portable/Personal Navigation Device) manufacturer, mainly in overseas markets, and strong sales of new audio products for 2008 absorbed the effects of the strong yen. Meanwhile, we pushed forward with a business structural reform in the OEM business, following sluggish automobile sales and a low installation rate of line-fitted audio/visual products for automobile manufacturers. As a result of the influence of the structural reform, net sales in the overall Car Electronics business declined slightly from the same period in the previous fiscal year.

Profits of the Consumer business grew, absorbing the effect of the strong yen, while profits of the OEM business improved thanks to a cost structural reform. As a result, operating profit in the overall Car Electronics business in the first quarter of the fiscal year ending March 2009 surpassed the results of the same period in the previous fiscal year, and the business turned profitable, departing from the red figures it suffered in the same period in the previous fiscal year.

For reference, both net sales and profits grew from the same period in the previous fiscal year on a local currency basis, excluding the influence of foreign exchange.

*** Communications Equipment Business**

Net sales of the Communications Equipment business in the first quarter of the fiscal year ending March 2009 were lower than the results of the same period in the previous fiscal year mainly because of the great influence of the strong yen and moves to refrain from buying cellular phones immediately before the launch of new products in the Personal Digital Cellular (PDC) phone sales business.

Operating profit also decreased considerably from the same period in the previous fiscal year because of a decrease in sales of the PDC phone sales business and the influence of strategic investment in the wireless radio equipment business, in addition to the significant effect of the strong yen.

However, the declines in net sales and operating profit in the PDC phone sales business were partially made up for on a local currency basis, since sales and profits of the wireless radio equipment business of KENWOOD, which boasts a large market share in the wireless radio equipment market for U.S. railway companies, expanded on the increase in railway transportation in the U.S. following the sharp increase in crude oil prices.

*** Home Electronics Business**

Net sales of the Home Electronics business in the first quarter of the fiscal year ending March 2009 remained unchanged from the same period in the previous fiscal year despite the continued dwindling of the market, as high-value-added products, for which we enhanced the line-up, were robust.

Meanwhile, operating loss in the first quarter halved from the same period in the previous fiscal year, since the effect of the promotion of a shift to a high-value-added business structure became more apparent.

2. Qualitative Information about Consolidated Financial Position

(1)Analysis of Assets, Liabilities and Net Assets

Total assets at the end of the first quarter of the fiscal year ending March 2009 increased by approximately JPY3.3 billion from the end of the pervious fiscal year to JPY129,413 million because of increases in market value of investment securities and increases in cash and deposits through operating activities, although accounts receivable decreased.

Net assets increased by approximately JPY2.6 billion from the end of the previous fiscal year to JPY32,533 million thanks to an increase in unrealized gain and loss on available-for-sale securities resulting from rises in stock prices of investment securities, and an increase in foreign currency translation adjustments following fluctuations in foreign exchange, despite the fact that shareholders' equity decreased owing to a fall in retained earnings, as we posted a quarterly net loss for the current quarter and allocated a surplus of the previous fiscal year.

As a result, shareholders' equity ratio rose by 1.4 percentage points compared with the end of the previous fiscal year to 25.1 percent.

Interest-bearing debts increased by approximately JPY3.2 billion from the end of the previous fiscal year to JPY54,660 million because KENWOOD appropriated borrowings from financial institutions for purposes such as partial funds for the allotment of surplus of the previous fiscal year and operating activities. However, net debt decreased by approximately JPY1.5 billion from the end of the previous fiscal year to JPY34,949 million because of increases in cash and deposits through operating activities.

(2) Cash Flow Analysis

*Cash flows from operating activities

Cash flows from operating activities in the first quarter of the fiscal year ending March 2009 generated a net inflow of JPY3,142 million, which is mainly attributable to a decrease in necessary operating funds caused by decreases in trade receivables and inventories although trade notes and accounts payable declined.

*Cash flows from investing activities

Cash flows from investing activities in the first quarter resulted in a net outflow of JPY1,669 million primarily because of the acquisition of tangible and intangible fixed assets.

* Cash flows from financing activities

Cash flows from financing activities in the first quarter brought about a net inflow of JPY2,503 million partly because KENWOOD appropriated borrowings from financial institutions to use as part of funds necessary for allotment of surplus of the previous fiscal year and operating activities.

3. Qualitative Information about Consolidated Earnings Outlook for the Fiscal Year Ending March 2009

For the first quarter of the fiscal year ending March 2009, the Kenwood Group achieved consolidated earnings in line with the projections made at the beginning of the fiscal year, by improving profits of the Car Electronics OEM business and the Home Electronics business, both of which are money-losing operations, and striving to reinforce business competitiveness toward the expansion of earnings in the brisk Car Electronics Consumer business and the wireless radio equipment business of the Communications Equipment business.

On the other hand, there are greater misgivings about the influence of the strong yen in addition to a business slowdown, arising from the issue of U.S. subprime mortgage crisis, and skyrocketing prices of crude oil and row materials.

Under such circumstances, the Kenwood Group plans to further improve profits in the Car Electronics OEM business by further reducing fixed expenses through the acceleration of the cost structural reform, inaugurated in the current first quarter, and by starting full-scale shipments of optical disk drive mechanisms, for which we have received a large quantity of orders.

In the Communications Equipment business, we also plan to recover sales by further expanding wireless radio equipment for railway companies in the U.S., and focusing on sales expansion of wireless radio systems in Europe and other regions where orders received for such systems are increasing, as well as launching sales promotional campaigns in the PDC phone sales business, taking advantage of the launch of new products, which have been selling well.

Through these efforts, we maintain the earnings outlook for the second quarter of the fiscal year ending March 2009 we announced previously (net sales of JPY77.5 billion; operating profit of JPY2.4 billion; ordinary income of JPY1 billion; and net income of JPY0 billion).

KENWOOD expects to announce earnings as a joint holding company in and after the third quarter of the fiscal year ending March 2009, since it plans to set up a joint holding company with JVC as of October 1, 2008 and integrate its management with that of JVC. In this case, the earnings of the joint holding company for the full fiscal year ending March 2009 will be obtained by consolidating the earnings of KENWOOD for the full fiscal year ending March 2009 and the earnings of JVC for the third and fourth quarters of the fiscal year ending March 2009, since KENWOOD will be the acquiring corporation in terms of accounting. We will announce earnings projections of the joint holding company for the fiscal year ending March 2009 when the management integration is realized.

4. Other

(1) Change in the number of significant subsidiaries during the term (change in the number of specific subsidiaries owing to a change in the scope of consolidation)

Not Applicable

(2) Application of simplified accounting method and accounting principles specific to the preparation of consolidated quarterly financial statements

1. Calculation method of estimated amount of doubtful receivables of general claims

   The estimated amount of doubtful receivables is calculated using the rate of actual credit loss or similar data as of the end of the previous consolidated fiscal year, since we have judged that there is no significant difference between the rate of actual credit loss or similar data at the end of the first quarter of the fiscal year ending March 2009 and those calculated at the end of the fiscal year ended March 2008.

2. Valuation method of inventories

   Inventories at the end of the first quarter of the fiscal year ending March 2009 are calculated rationally based on the amount of field stocktaking as of the end of the previous fiscal year, omitting field stocktaking for the current quarter.

3. Calculation method of depreciation of fixed assets

   Depreciation of assets, for which the declining-balance method is used, is calculated by proportionally dividing the amount of depreciation for the consolidated fiscal year.

4. Calculation method of income taxes and deferred tax assets and liabilities

The amount of payment of income taxes is calculated by limiting the items to be added/subtracted and tax credit items to material ones.

We judge the recoverability of deferred tax assets with a method that uses the future earnings forecast and tax planning that were used in the previous fiscal year, since we have judged that there have been no significant changes in the management environment or other circumstances since the end of the previous consolidated fiscal year and in the status of occurrence of temporary difference.

5. Consolidated Financial Statements for the Quarter

(1) Quarterly Consolidated Balance Sheet

(JPY in Million)

	End of the current 1st quarter (June 30, 2008)	Summary of Consolidated Balance Sheet at the end of the previous fiscal year (March 31, 2008)
Assets		
Current Assets		
Cash and cash equivalents	19,711	14,988
Trade notes and accounts receivable	26,425	28,467
Merchandises	407	477
Finished goods	17,814	18,000
Raw materials	5,926	6,162
Work in process	2,237	2,075
Other current assets	5,517	6,230
Allowance for doubtful receivables	-614	-583
Total Current Assets	77,425	75,818
Fixed Assets		
Tangible fixed assets		
Building and other structures	16,959	16,753
Machinery and equipment	20,394	19,525
Tools, furniture and fixtures	14,457	13,738
Land	9,197	9,414
Accumulated depreciation	-41,175	-39,522
Total tangible fixed assets	19,833	19,908
Intangible fixed assets	12,691	12,963
Investments and other assets		
Investment securities	17,454	15,947
Other investments	2,061	1,509
Allowance for doubtful receivables	-52	-59
Total investments and other assets	19,462	17,397
Total Fixed Assets	51,987	50,269
Deferred Assets	0	0
Total Assets	129,413	126,088

(JPY in Million)

	End of the current 1st quarter (June 30, 2008)	Summary of Consolidated Balance Sheet at the end of the previous fiscal year (March 31, 2008)
Liabilities		
Current Liabilities		
Trade notes and accounts payable	13,863	15,675
Short term bank borrowings	34,660	31,420
Income taxes payable	584	569
Other current liabilities	15,155	16,165
Total Current Liabilities	64,263	63,831
Long Term Liabilities		
Long term debt	20,000	20,000
Liability for employees' retirement benefits	9,886	9,622
Other long term liabilities	2,730	2,709
Total Long Term Liabilities	32,617	32,331
Total Liabilities	96,880	96,162
Net Assets		
Shareholders' equity		
Paid-in capital	11,059	11,059
Capital surplus	13,373	13,373
Retained earnings	20,335	21,534
Treasury stock	-120	-118
Total Shareholders' Equity	44,647	45,848
Valuation and Translation adjustments		
Unrealized gain and loss on available-for-sale securities	-5,760	-7,319
Land revaluation surplus	2,954	2,954
Foreign currency translation adjustments	-9,308	-11,558
Total Valuation and Translation adjustments	-12,114	-15,923
Total Net Asset	32,533	29,925
Total Liabilities and Net Asset	129,413	126,088

(2) Quarterly Consolidated Income Statements

(JPY in Million)

	Total consolidated results for the current 1st quarter (April 1 to June 30, 2008)
Net Sales	39,480
Cost of Sales	29,237
Gross Profit	10,242
Selling, General and Administrative Expenses	9,288
Operating Profit	953
Non-operating Profit	
Interest income and dividends	31
Dividend income	29
Insurance dividends income	108
Other non-operating profit	93
Total Non-operating Profit	263
Non-operating Expense	
Interest expense	229
Cash discount	279
Other non-operating expense	259
Total Non-operating Expense	768
Ordinary Income	448
Extraordinary Profit	
Gain on sales of fixed assets	0
Reversal of allowance for doubtful receivables	1
Total Extraordinary Profit	2
Extraordinary Loss	
Loss on disposal and sales of fixed assets	0
Loss on valuation of inventories	740
Total Extraordinary Loss	741
Loss before Income Taxes	290
Income Tax, Corporate Inhabitant Tax and Corporate Enterprise Tax	222
Corporate Tax and Other Adjustment	6
Total Income Taxes	228
Net Loss	519

(3) Quarterly Consolidated Statements of Cash Flows

(JPY in Million)

	Total consolidated results for the current 1st quarter (April 1 to June 30, 2008)
Cash Flows from Operating Activities:	
Loss before income taxes	290
Depreciation	1,578
Amortization of goodwill	101
Decrease in allowance for doubtful accounts	-8
Increase in allowance for employees' retirement benefits	188
Interest revenue and dividend income	-60
Interest expense	229
Investment loss on equity method	57
(Gain) loss on sales of fixed assets	0
Decrease in trade notes and accounts receivable	3,598
Decrease in inventories	1,432
Decrease in accounts payable	-2,895
Others	-400
Sub-Total	3,531
Interest and dividend received	60
Interest paid	-231
Income taxes paid	-217
Net cash provided by operating activities	3,142
Cash Flows from Investing Activities:	
Capital investment (real estate, plants and equipment)	-646
Purchase of intangible fixed assets	-1,030
Others	7
Net cash used in investing activities	-1,669
Cash Flows from Financing Activities:	
Increase (decrease) in short-term bank borrowings, net	3,135
Dividend payment	-625
Others	-5
Net cash provided by (used in) financing activities	2,503
Effect of Exchange Rate Fluctuations on Cash and Cash Equivalents	746
Net Increase in Cash and Cash Equivalents	4,723
Cash and Cash Equivalents at beginning of year	14,952
Cash and Cash Equivalents at end of account settlement period	19,675

Translation for Reference and Convenience Purposes Only

Summary of Consolidated Income Statements

(JPY in Million)

Item	Previous period (1st quarter of FY2007)	
	Amount	%
I Net Sales	42,618	100.0
II Cost of Sales	31,840	74.7
Gross Profit	10,777	25.3
III Selling, General and Administrative Expenses	9,589	22.5
Operating Profit	1,188	2.8
IV Non-operating Profit		
1 Interest income and dividends	77	
2 Other non-operating profit	195	
Total Non-operating Profit	273	0.7
V Non-operating Expense		
1 Interest expense	120	
2 Other non-operating expenses	712	
Total Non-operating Expense	832	2.0
Ordinary Income	628	1.5
VI Extraordinary Profit		
1 Gain on sales of fixed assets	25	
2 Reversal of allowance for doubtful receivables	0	
3 Gain on sale of investment securities	5	
Total Extraordinary Profit	31	0.1
VII Extraordinary Loss		
1 Loss on disposal and sales of fixed assets	1	0.0
Income before Income taxes	658	1.6
Income Tax, Corporate Inhabitant Tax and Corporate Enterprise Tax	102	0.3
Net Income	556	1.3

Translation for Reference and Convenience Purposes Only

Summary of Consolidated Statements of Cash Flows

(JPY in Million)

Item	Previous period (1st quarter of FY2007) Amount
I Cash Flows from Operating Activities:	
1 Income before income taxes	658
2 Depreciation	1,678
3 Amortization of goodwill	75
4 Decrease in allowance for doubtful accounts	-77
5 Increase in allowance for employees' retirement benefits	100
6 Interest revenue and dividend income	-77
7 Interest expense	120
8 Gain on sale of investment securities	-5
9 (Gain) loss on sales of fixed assets	-23
10 Decrease in trade notes and accounts receivable	3,183
11 Decrease in inventories	-977
12 Decrease in accounts payable	-3,752
13 Decrease in accrued consumption taxes	-52
14 Increase in consumption tax refund receivable	-92
15 Others	-107
Sub-Total	648
16 Interest and dividend received	77
17 Interest paid	-28
18 Income taxes paid	-167
Net cash provided by operating activities	530
II Cash Flows from Investing Activities:	
1 Decrease in (withdrawal from) time deposits, net	0
2 Capital investment (real estate, plants and equipment)	-607
3 Proceeds from sales of property, plant and equipment	17
4 Purchase of intangible fixed assets	-809
5 Purchase of investment securities	0
6 Proceeds from sales of investment securities	6
7 Purchase of shares of consolidated subsidiaries due to change in the scope of consolidation	-8,024
8 Others	0
Net cash used in investing activities	-9,416
III Cash Flows from Financing Activities:	
1 Increase in short-term bank borrowings, net	9,483
2 Dividend payment	-430
3 Others	-19
Net cash provided by (used in) financing activities	9,033
IV Effect of Exchange Rate Fluctuations on Cash and Cash Equivalents	657
V Net Increase in Cash and Cash Equivalents	804
VI Cash and Cash Equivalents at beginning of year	16,934
VII Cash and Cash Equivalents at end of account settlement period	17,738