

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended March 31, 2009 and 2008

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2009	2008	2009
OPERATING ACTIVITIES:			
Income (loss) before income taxes and minority interests	¥ (17,488)	¥ 10,120	\$ (178,038)
Depreciation	5,271	9,701	53,661
Losses on impairment of long-lived assets	1,080	2,010	10,999
Amortization of negative goodwill	(29)	(29)	(302)
(Decrease) increase in allowance for possible loan losses	(33)	8,617	(336)
Increase (decrease) in allowance for possible losses on investment securities	1	(22)	15
Increase in reserve for other contingent losses	143	988	1,459
Increase in liability for employees' retirement benefits	994	1,138	10,120
Increase (decrease) in liability for retirement of directors and corporate auditors	12	(7)	125
(Decrease) increase in liability for reimbursement of deposits	(51)	242	(524)
Increase in allowance for repayment of excess interest	31	73	317
Interest income	(70,037)	(73,591)	(712,998)
Interest expense	12,565	14,673	127,915
Losses (gains) on sales and write-down of investment securities	20,523	(8,180)	208,936
Losses (gains) on money held in trust	447	(118)	4,551
Foreign exchange losses	5	36	53
Losses on disposal of fixed assets-net	441	158	4,493
Net increase in loans and bills discounted	(159,580)	(77,904)	(1,624,559)
Net increase in deposits	59,731	9,247	608,073
Net increase (decrease) in negotiable certificate of deposits	9,870	(19,944)	100,479
Net increase in borrowed money (excluding subordinated loans)	9,221	752	93,873
Net decrease in due from banks (excluding deposits in Bank of Japan)	1,341	125	13,655
Net decrease in call loans and others	49,441	25,776	503,327
Net decrease in call money and bills sold	(6,003)	(7,965)	(61,116)
Net decrease in payables under securities lending transactions	(20,218)	(13,778)	(205,831)
Net decrease in foreign exchanges assets	1,563	3,593	15,913
Net (decrease) increase in foreign exchanges liabilities	(45)	50	(458)
Interest received (cash basis)	69,778	75,501	710,358
Interest paid (cash basis)	(9,729)	(11,377)	(99,052)
Other	(4,230)	691	(43,069)
Subtotal	(44,984)	(49,418)	(457,955)
Income taxes - paid	(9,742)	(8,766)	(99,176)
Net cash used in operating activities	(54,727)	(58,185)	(557,131)
INVESTING ACTIVITIES:			
Purchases of securities	(352,783)	(365,527)	(3,591,407)
Proceeds from sales of securities	181,598	310,083	1,848,712
Proceeds from redemptions of securities	226,145	122,927	2,302,203
Increase in money held in trust		(7)	
Decrease in money held in trust	2,506	2,110	25,518
Purchases of tangible fixed assets	(3,620)	(8,815)	(36,854)
Proceeds from sales of tangible fixed assets	0	347	0
Purchases of intangible fixed assets	(851)	(2,557)	(8,668)
Net cash provided by investing activities	52,995	58,561	539,503
FINANCING ACTIVITIES:			
Borrowing of subordinated loans	20,000		203,603
Repayment of subordinated loans		(6,000)	
Dividends paid	(1,585)	(1,586)	(16,136)
Dividends paid to minority interests	(602)	(602)	(6,135)
Purchase of treasury stock	(174)	(174)	(1,779)
Proceeds from sales of treasury stock	37	35	376
Net cash (provided by) used in financing activities	17,674	(8,327)	179,929
Foreign currency translation adjustments on cash and cash equivalents	(5)	(33)	(51)
Net increase (decrease) in cash and cash equivalents	15,937	(7,984)	162,250
Cash and cash equivalents, beginning of year	40,435	48,420	411,640
Cash and cash equivalents, end of year (Note 3)	¥ 56,373	¥ 40,435	\$ 573,890

See Notes to Consolidated Financial Statements.