

Consolidated Statements of Cash Flows

Years ended March 31, 2013 and 2012

	Millions of yen		Thousands of U.S. dollars
	2013	2012	2013
Operating activities:			
Income before income taxes and minority interests.....	¥ 13,880	¥ 18,084	\$147,587
Depreciation.....	3,338	3,849	35,494
Losses on impairment of long-lived assets.....	202	359	2,149
Amortization of negative goodwill.....	(11)	(263)	(126)
Increase in allowance for possible loan losses.....	1,840	398	19,566
Decrease in allowance for possible losses on investment securities.....	(148)	(493)	(1,576)
Decrease in reserve for other contingent losses.....	(34)	(139)	(366)
Increase in liability for employees' retirement benefits.....	1,117	1,274	11,878
Increase (decrease) in liability for retirement benefits of directors and corporate auditors.....	24	(16)	264
Increase in liability for reimbursement of deposits.....	31	40	330
Decrease in allowance for repayment of excess interest.....	(60)	(33)	(638)
Interest income.....	(57,799)	(61,318)	(614,558)
Interest expense.....	4,561	5,512	48,497
Gains on sales and write-down of investment securities.....	(2,284)	(2,668)	(24,295)
Losses on money held in trust.....	(95)	(54)	(1,018)
Foreign exchange losses (gains).....	(19)	2	(212)
Losses on disposals of fixed assets - net.....	275	69	2,925
Net decrease (increase) in loans and bills discounted.....	(79,123)	24,668	(841,289)
Net increase in deposits.....	104,554	94,052	1,111,688
Net decrease in negotiable certificate of deposits.....	(10,000)	(5,154)	(106,331)
Net increase in borrowed money (excluding subordinated loans).....	2,856	10,409	30,375
Net decrease (increase) in due from banks (excluding deposits in Bank of Japan).....	(120)	25	(1,276)
Net decrease (increase) in call loans and others.....	33,453	(99,224)	355,698
Net decrease in call money and bills sold.....	14,303	—	152,082
Net increase (decrease) in payables under securities lending transactions.....	10,135	(1,534)	107,761
Net increase in foreign exchange assets.....	(202)	(510)	(2,148)
Net increase in foreign exchange liabilities.....	32	22	344
Interest received (cash basis).....	57,613	59,840	612,582
Interest paid (cash basis).....	(5,852)	(6,415)	(62,229)
Other.....	(9,504)	1,902	(101,063)
Subtotal.....	82,961	42,684	882,095
Income taxes - paid.....	(5,991)	(9,316)	(63,708)
Net cash provided by operating activities.....	76,969	33,367	818,386
Investing activities:			
Purchases of securities.....	(812,194)	(525,528)	(8,635,772)
Proceeds from sales of securities.....	555,717	288,444	5,908,741
Proceeds from redemptions of securities.....	215,357	197,905	2,289,814
Purchases of tangible fixed assets.....	(2,970)	(4,331)	(31,581)
Proceeds from sales of tangible fixed assets.....	401	351	4,269
Purchases of intangible fixed assets.....	(665)	(455)	(7,071)
Net cash used in investing activities.....	(44,354)	(43,614)	(471,600)
Financing activities:			
Borrowing of subordinated loans.....	—	20,000	—
Repayment to minority shareholders.....	—	(20,000)	—
Dividends paid.....	(1,583)	(1,583)	(16,835)
Dividends paid to minority shareholders.....	(2)	(602)	(23)
Purchases of treasury stock.....	(14)	(12)	(158)
Proceeds from sales of treasury stock.....	1	0	10
Net cash used in financing activities.....	(1,599)	(2,197)	(17,006)
Foreign currency translation adjustments on cash and cash equivalents.....	18	(2)	193
Net increase (decrease) in cash and cash equivalents.....	31,033	(12,446)	329,973
Cash and cash equivalents, beginning of year.....	41,764	54,211	444,067
Cash and cash equivalents, end of year (Note 3).....	¥ 72,798	¥ 41,764	\$774,040

See Notes to Consolidated Financial Statements.