

Consolidated Statement of Cash Flows

Years ended March 31, 2014 and 2013

	Millions of yen		Thousands of U.S. dollars
	2014	2013	2014
Operating activities:			
Income before income taxes and minority interests.....	¥ 19,447	¥ 13,880	\$ 188,952
Depreciation.....	2,555	3,338	24,825
Losses on impairment of long-lived assets.....	156	202	1,515
Amortization of negative goodwill.....	(11)	(11)	(106)
Increase (decrease) in allowance for possible loan losses.....	(1,419)	1,840	(13,787)
Decrease in allowance for possible losses on investment securities.....	—	(148)	—
Increase (decrease) in reserve for other contingent losses.....	24	(34)	233
Increase (decrease) in liability for retirement benefits.....	(2,521)	1,117	(24,494)
Increase (decrease) in liability for retirement benefits of directors and Audit & Supervisory Board Members.....	(290)	24	(2,817)
Increase (decrease) in liability for reimbursement of deposits.....	(38)	31	(369)
Decrease in allowance for repayment of excess interest.....	(26)	(60)	(252)
Interest income.....	(54,811)	(57,799)	(532,559)
Interest expense.....	4,228	4,561	41,080
Gains on sales and write-down of investment securities.....	(3,885)	(2,284)	(37,747)
Gains on money held in trust.....	(189)	(95)	(1,836)
Foreign exchange gains.....	(14)	(19)	(136)
Losses (gains) on disposals of fixed assets – net.....	(71)	275	(689)
Net increase in loans and bills discounted.....	(94,392)	(79,123)	(917,139)
Net increase in deposits.....	73,296	104,554	712,164
Net decrease in negotiable certificate of deposits.....	(751)	(10,000)	(7,296)
Net increase (decrease) in borrowed money (excluding subordinated loans).....	(1,168)	2,856	(11,348)
Net decrease (increase) in due from banks (excluding deposits in Bank of Japan).....	83	(120)	806
Net decrease in call loans and others.....	94,603	33,453	919,189
Net increase in call money and bills sold.....	13,766	14,303	133,754
Net increase in payables under securities lending transactions.....	9,089	10,135	88,311
Net increase in foreign exchange assets.....	(2,616)	(202)	(25,417)
Net increase in foreign exchange liabilities.....	16	32	155
Interest received (cash basis).....	56,253	57,613	546,570
Interest paid (cash basis).....	(4,333)	(5,852)	(42,100)
Other.....	(3,664)	(9,504)	(35,600)
Subtotal.....	103,313	82,961	1,003,818
Income taxes – paid.....	(6,501)	(5,991)	(63,165)
Net cash provided by operating activities.....	96,812	76,969	940,652
Investing activities:			
Purchases of securities.....	(508,303)	(812,194)	(4,938,816)
Proceeds from sales of securities.....	397,609	555,717	3,863,282
Proceeds from redemptions of securities.....	212,489	215,357	2,064,603
Increase in money held in trust.....	(1,000)	—	(9,716)
Purchases of tangible fixed assets.....	(1,897)	(2,970)	(18,431)
Proceeds from sales of tangible fixed assets.....	777	401	7,549
Purchases of intangible fixed assets.....	(832)	(665)	(8,083)
Net cash provided by (used in) investing activities.....	98,842	(44,354)	960,376
Financing activities:			
Repayment of subordinated loans.....	(10,000)	—	(97,162)
Dividends paid.....	(1,583)	(1,583)	(15,380)
Dividends paid to minority shareholders.....	(2)	(2)	(19)
Purchase of treasury stock.....	(20)	(14)	(194)
Proceeds from sales of treasury stock.....	1	1	9
Net cash used in financing activities.....	(11,604)	(1,599)	(112,747)
Foreign currency translation adjustments on cash and cash equivalents.....	13	18	126
Net increase in cash and cash equivalents.....	184,063	31,033	1,788,408
Cash and cash equivalents, beginning of year.....	72,798	41,764	707,326
Cash and cash equivalents, end of year (Note 3).....	¥ 256,862	¥ 72,798	\$ 2,495,744

See Notes to Consolidated Financial Statements.