

Consolidated Statement of Cash Flows

Years ended March 31, 2015 and 2014

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Operating activities:			
Income before income taxes and minority interests.....	¥ 24,060	¥ 19,447	\$ 200,216
Depreciation.....	2,413	2,555	20,079
Losses on impairment of long-lived assets.....	413	156	3,436
Amortization of negative goodwill.....	(11)	(11)	(91)
Decrease in allowance for possible loan losses.....	(5,840)	(1,419)	(48,597)
Increase (decrease) in reserve for other contingent losses.....	(36)	24	(299)
Decrease in liability for retirement benefits.....	(8,252)	(2,521)	(68,669)
Decrease in liability for retirement benefits of directors and Audit & Supervisory Board Members.....	(0)	(290)	(0)
Increase (decrease) in liability for reimbursement of deposits.....	45	(38)	374
Decrease in allowance for repayment of excess interest.....	(18)	(26)	(149)
Interest income.....	(53,667)	(54,811)	(446,592)
Interest expense.....	3,503	4,228	29,150
Gains on sales and write-down of investment securities.....	(1,592)	(3,885)	(13,247)
Gains on money held in trust.....	(199)	(189)	(1,655)
Foreign exchange gains.....	(23)	(14)	(191)
Losses (gains) on disposals of fixed assets – net.....	103	(71)	857
Net increase in loans and bills discounted.....	(134,750)	(94,392)	(1,121,328)
Net increase in deposits.....	118,673	73,296	987,542
Net decrease in negotiable certificate of deposits.....	(268)	(751)	(2,230)
Net increase (decrease) in borrowed money (excluding subordinated loans).....	2,361	(1,168)	19,647
Net decrease (increase) in due from banks (excluding deposits in Bank of Japan).....	(47)	83	(391)
Net decrease in call loans and others.....	34,887	94,603	290,313
Net increase in call money and bills sold.....	14,482	13,766	120,512
Net increase in payables under securities lending transactions.....	16,141	9,089	134,318
Net decrease (increase) in foreign exchange assets.....	2,672	(2,616)	22,235
Net increase in foreign exchange liabilities.....	240	16	1,997
Interest received (cash basis).....	53,275	56,253	443,330
Interest paid (cash basis).....	(3,359)	(4,333)	(27,952)
Other.....	(2,059)	(3,664)	(17,134)
Subtotal.....	63,144	103,313	525,455
Income taxes – paid.....	(7,576)	(6,501)	(63,044)
Net cash provided by operating activities.....	55,568	96,812	462,411
Investing activities:			
Purchases of securities.....	(486,817)	(508,303)	(4,051,069)
Proceeds from sales of securities.....	261,370	397,609	2,175,002
Proceeds from redemptions of securities.....	181,792	212,489	1,512,790
Increase in money held in trust.....	—	(1,000)	—
Purchases of tangible fixed assets.....	(2,330)	(1,897)	(19,389)
Proceeds from sales of tangible fixed assets.....	0	777	0
Purchases of intangible fixed assets.....	(463)	(832)	(3,852)
Net cash provided by (used in) investing activities.....	(46,447)	98,842	(386,510)
Financing activities:			
Repayment of subordinated loans.....	(10,000)	(10,000)	(83,215)
Redemption of subordinated bonds.....	(20,000)	—	(166,430)
Proceeds from issuance of subordinated bonds and bonds with stock acquisition rights.....	24,034	—	200,000
Dividends paid.....	(1,846)	(1,583)	(15,361)
Dividends paid to minority shareholders.....	(2)	(2)	(16)
Purchase of treasury stock.....	(2,512)	(20)	(20,903)
Proceeds from sales of treasury stock.....	3	1	24
Net cash used in financing activities.....	(10,324)	(11,604)	(85,911)
Foreign currency translation adjustments on cash and cash equivalents.....	21	13	174
Net increase in cash and cash equivalents.....	(1,182)	184,063	(9,836)
Cash and cash equivalents, beginning of year.....	256,862	72,798	2,137,488
Cash and cash equivalents, end of year (Note 3).....	¥255,680	¥ 256,862	\$2,127,652

See Notes to Consolidated Financial Statements.