

Consolidated Statement of Cash Flows

Years ended March 31, 2023 and 2022

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2023	2022	2023
Operating activities:			
Income before income taxes	¥ 20,168	¥ 23,408	\$ 151,037
Depreciation	1,846	2,247	13,824
Losses on impairment of long-lived assets	—	509	—
Decrease in allowance for loan losses	(637)	(877)	(4,770)
Increase (decrease) in reserve for other contingent losses	6	(22)	44
Increase in asset for retirement benefits	(6,326)	(353)	(47,375)
Increase in liability for retirement benefits	1	14	7
Increase (decrease) in liability for retirement benefits of directors and Audit & Supervisory Board Members	0	(0)	0
Decrease in liability for reimbursement of deposits	(83)	(184)	(621)
Decrease in allowance for repayment of excess interest	(2)	(7)	(14)
Interest income	(58,038)	(49,728)	(434,643)
Interest expense	9,010	2,948	67,475
Losses (gains) on sales and write-down of investment securities	5,424	(8,307)	40,620
Gains on money held in trust	(66)	(265)	(494)
Foreign exchange gains	(2)	(2)	(14)
Losses (gains) on disposals of fixed assets – net	(126)	81	(943)
Net increase in loans and bills discounted	(278,957)	(62,984)	(2,089,096)
Net increase in deposits	103,283	212,232	773,481
Net decrease in negotiable certificate of deposits	(11,548)	(7,679)	(86,482)
Net increase (decrease) in borrowed money (excluding subordinated loans)	(398,383)	37,785	(2,983,471)
Net decrease in due from banks (excluding deposits in Bank of Japan)	222	94	1,662
Net decrease (increase) in call loans and others	(8,234)	2,178	(61,664)
Net increase (decrease) in call money and bills sold	92,096	(370,267)	689,702
Net increase (decrease) in payables under securities lending transactions	19,892	(86,974)	148,970
Net decrease in foreign exchange assets	332	1,271	2,486
Net increase (decrease) in foreign exchange liabilities	131	(57)	981
Net increase (decrease) in borrowed money from trust account	(26)	48	(194)
Interest received (cash basis)	57,582	50,756	431,228
Interest paid (cash basis)	(5,848)	(2,970)	(43,795)
Other	(18,521)	(14,678)	(138,702)
Subtotal	(476,807)	(271,786)	(3,570,785)
Income taxes – paid	(6,626)	(7,172)	(49,621)
Net cash used in operating activities	(483,433)	(278,958)	(3,620,407)
Investing activities:			
Purchases of securities	(700,336)	(1,003,543)	(5,244,783)
Proceeds from sales of securities	571,189	915,771	4,277,608
Proceeds from redemptions of securities	87,575	115,356	655,845
Increase in money held in trust	(11,840)	(681)	(88,669)
Purchases of tangible fixed assets	(4,235)	(4,660)	(31,715)
Proceeds from sales of tangible fixed assets	509	32	3,811
Purchases of intangible fixed assets	(849)	(451)	(6,358)
Net cash provided by (used in) investing activities	(57,989)	21,823	(434,276)
Financing activities:			
Purchases of treasury stock	(3,002)	(2,502)	(22,481)
Proceeds from sales of treasury stock	—	0	—
Dividends paid	(4,951)	(1,981)	(37,077)
Net cash used in financing activities	(7,954)	(4,483)	(59,567)
Foreign currency translation adjustments on cash and cash equivalents	(0)	0	(0)
Net decrease in cash and cash equivalents	(549,377)	(261,618)	(4,114,258)
Cash and cash equivalents, beginning of year	1,750,676	2,012,295	13,110,731
Cash and cash equivalents, end of year (Note 3)	¥1,201,299	¥ 1,750,676	\$ 8,996,472

See Notes to Consolidated Financial Statements.