

Consolidated Statements of Cash Flows

For the Years Ended March 31, 2003 and 2002	Millions of Yen		Thousands of U.S. Dollars (Note 3)
	2003	2002	2003
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before Income Taxes and Other Adjustments.....	¥ 5,565	¥ 4,606	\$ 46,297
Depreciation and Amortization.....	666	726	5,540
Equity in Loss of Affiliates.....	(9)	(7)	(74)
Net Increase in Reserve for Possible Loan Losses.....	1,014	2,226	8,435
Net Increase in Reserve for Losses on Real Estate — Collateralized Loans Sold.....	15	31	124
Net Increase (Decrease) in Reserve for Employee Bonuses.....	(80)	1,391	(665)
Net Increase in Liability for Employees' Retirement Benefits.....	(3,721)	209	(30,956)
Interest Income Recognized on Statement of Income.....	(35,969)	(39,201)	(299,242)
Interest Expenses Recognized on Statement of Income.....	1,613	3,253	13,419
Net Gain Related to Securities.....	(170)	(1,583)	(1,414)
Foreign Exchange Loss (Gain).....	648	(774)	5,391
Net Loss on Sale of Premises and Equipment.....	40	80	332
Net Decrease (Increase) in Loans.....	(14,364)	(83)	(119,500)
Net Increase in Deposits.....	22,593	69,307	187,961
Net Increase (Decrease) in Negotiable Certificate of Deposit.....	—	(41,080)	—
Net Increase (Decrease) in Borrowings Excluding Subordinated Debt.....	—	(1,310)	—
Net Decrease in Due from Banks Other than The Bank of Japan.....	123	769	1,023
Net Decrease (Increase) in Call Loans.....	10,069	(86,752)	83,768
Net Increase in Call Money.....	2,084	2,981	17,337
Net Decrease (Increase) in Foreign Exchange Assets.....	187	(211)	1,555
Net Increase (Decrease) in Foreign Exchange Liabilities.....	(11)	(35)	(91)
Interest Received.....	36,903	38,417	307,013
Interest Paid.....	(2,472)	(4,514)	(20,565)
Others.....	(5,983)	4,987	(49,775)
Subtotal.....	18,743	(46,566)	155,931
Income Taxes Payable.....	(4,748)	(3,161)	(39,500)
Net Cash Provided in Operating Activities.....	13,995	(49,727)	116,430
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of Stock and Other Securities.....	(456,905)	(128,951)	(3,801,206)
Proceeds from Sales of Stock and Other Securities.....	394,482	209,324	3,281,880
Proceeds from Redemption of Bonds.....	29,015	20,869	241,389
Purchases of Premises and Equipment.....	(175)	(543)	(1,455)
Proceeds from Sales of Premises and Equipment.....	53	5	440
Net Cash Used by Investing Activities.....	(33,530)	100,701	(278,951)
CASH FLOWS FROM FINANCING ACTIVITIES			
Subordinated Debt.....	3,500	—	29,118
Repayment of Subordinated Debt.....	(6,000)	(1,000)	(49,916)
Dividends Paid.....	(779)	(935)	(6,480)
Purchases of Treasury Stock.....	(145)	(54)	(1,206)
Proceeds from Sales of Treasury Stock.....	—	27	—
Net Cash Used in Financing Activities.....	(3,424)	(1,962)	(28,485)
Effect of Exchange Rate Changes on Cash and Cash Equivalents.....	(545)	824	(4,534)
Net Increase (Decrease) in Cash and Cash Equivalents.....	(23,505)	49,835	(195,549)
Cash and Cash Equivalents at Beginning of Year.....	85,564	35,729	711,846
Cash and Cash Equivalents at End of Year.....	¥ 62,059	¥ 85,564	\$ 516,297

Accompanying notes are an integral part of these financial statements.