

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended March 31, 2006

(Millions of yen)

1. Cash flows from operating activities:

Income before income taxes and minority interests	1,043,362
Depreciation of premises, equipment and others	82,671
Depreciation of lease assets	336,871
Losses on impairment of fixed assets	12,303
Amortization of goodwill	6,270
Equity in earnings of affiliates	(31,887)
Gains on sale of subsidiaries' shares and gains on change in equity of subsidiary	(63,257)
Net change in reserve for possible loan losses	(241,530)
Net change in reserve for employee bonuses	1,403
Net change in reserve for employee retirement benefits	1,993
Net change in reserve for expenses related to EXPO 2005 Japan	(231)
Interest income	(1,662,600)
Interest expenses	500,993
Net (gains) losses on securities	(27,853)
Net (gains) losses from money held in trust	(13)
Net exchange (gains) losses	(175,815)
Net (gains) losses from disposal of premises and equipment	(551)
Net (gains) losses from disposal of lease assets	(3,235)
Net change in trading assets	(225,005)
Net change in trading liabilities	746,642
Net change in loans and bills discounted	(2,311,499)
Net change in deposits	2,210,634
Net change in negotiable certificates of deposit	(8,026)
Net change in borrowed money (excluding subordinated debt)	90,612
Net change in deposits with banks	175,960
Net change in call loans and bills bought and others	342,387
Net change in receivables under securities borrowing transactions	(1,388,310)
Net change in call money and bills sold and others	3,027,037
Net change in commercial paper	(364,100)
Net change in payables under securities lending transactions	(1,120,876)
Net change in foreign exchanges (assets)	(46,473)
Net change in foreign exchanges (liabilities)	(31,381)
Net change in short-term bonds (liabilities)	382,900
Issuance and redemption of bonds (excluding subordinated bonds)	(365,646)
Net change in due to trust account	268,140
Interest received	1,691,320
Interest paid	(509,760)
Other, net	(104,996)
Subtotal	2,238,450
Income taxes paid	(30,096)
Net cash provided by operating activities	2,208,354

2. Cash flows from investing activities:

Purchases of securities	(43,620,790)
Proceeds from sale of securities	33,089,259
Proceeds from maturity of securities	10,164,213
Purchases of money held in trust	(2,851)
Proceeds from sale of money held in trust	3,789
Purchases of premises and equipment	(43,066)
Proceeds from sale of premises and equipment	17,733
Purchases of lease assets	(380,894)
Proceeds from sale of lease assets	55,186
Proceeds from sale of stocks of subsidiaries	54,937
Net cash used in investing activities	(662,482)

3. Cash flows from financing activities:

Proceeds from issuance of subordinated debt	103,000
Repayment of subordinated debt	(215,884)
Proceeds from issuance of subordinated bonds and bonds with stock acquisition rights	431,458
Repayment of subordinated bonds and bonds with stock acquisition rights	(198,800)
Proceeds from issuance of stocks	136,451
Dividends paid	(44,373)
Proceeds from minority stockholders	59,640
Dividends paid to minority stockholders	(42,366)
Purchases of treasury stock	(2,209)
Proceeds from sale of treasury stock	452,549
Net cash provided by financing activities	679,464

4. Effect of exchange rate changes on cash and cash equivalents**3,840****5. Net change in cash and cash equivalents****2,229,177****6. Cash and cash equivalents at beginning of year****2,930,645****7. Change in cash and cash equivalents due to exclusion of consolidated subsidiaries****(0)****8. Cash and cash equivalents at end of year****5,159,822**