

Comparative Consolidated Statements of Cash Flows

(Millions of yen)

Six months ended September 30, 2007 and 2006, and Year ended March 31, 2007	Six months ended September 30		Change (A-B)	Year ended March 31 2007
	2007 (A)	2006 (B)		
1. Cash flows from operating activities:				
Income before income taxes and minority interests	350,334	401,302	(50,968)	806,790
Depreciation of fixed assets	39,470	38,389	1,081	78,869
Depreciation of lease assets	170,242	167,651	2,591	335,399
Losses on impairment of fixed assets	3,205	2,006	1,199	30,548
Amortization of goodwill	4,182	2,070	2,112	4,858
Equity in (earnings) losses of affiliates	(19,030)	32,344	(51,374)	104,170
Gains on sale of subsidiaries' shares and gains on change in equity of subsidiary	106	(5,121)	5,227	(5,072)
Net change in reserve for possible loan losses	13,038	(56,241)	69,279	(146,971)
Net change in reserve for employee bonuses	(2,603)	(2,512)	(91)	2,128
Net change in reserve for employee retirement benefits	412	(3,200)	3,612	(2,639)
Net change in reserve for executive retirement benefits	(444)	-	(444)	7,371
Net change in reserve for reimbursement of deposits	11,716	-	11,716	-
Interest income	(1,082,577)	(909,808)	(172,769)	(1,979,069)
Interest expenses	483,002	350,193	132,809	810,476
Net (gains) losses on securities	49,784	56,013	(6,229)	71,686
Net (gains) losses from money held in trust	(245)	(0)	(245)	(0)
Net exchange (gains) losses	36,271	(41,522)	77,793	(103,541)
Net (gains) losses from disposal of fixed assets	84	1,327	(1,243)	3,067
Net (gains) losses from disposal of lease assets	(1,987)	(473)	(1,514)	(1,364)
Net change in trading assets	(198,303)	628,566	(826,869)	767,067
Net change in trading liabilities	206,229	(965,531)	1,171,760	(969,090)
Net change in loans and bills discounted	(1,564,926)	(1,909,796)	344,870	(1,376,693)
Net change in deposits	818,665	1,332,022	(513,357)	1,307,266
Net change in negotiable certificates of deposit	(62,963)	(222,330)	159,367	(136,304)
Net change in borrowed money (excluding subordinated debt)	859,543	934,051	(74,508)	1,141,752
Net change in deposits with banks	(1,379,961)	410,829	(1,790,790)	(157,092)
Net change in call loans and bills bought and others	(694,085)	(981,573)	287,488	(612,297)
Net change in receivables under securities borrowing transactions	1,212,637	778,605	434,032	(320,243)
Net change in call money and bills sold and others	(95,414)	(5,047,597)	4,952,183	(5,994,528)
Net change in commercial paper	-	(10,000)	10,000	(10,000)
Net change in payables under securities lending transactions	1,231,137	394,509	836,628	(1,230,782)
Net change in foreign exchanges (assets)	(43,849)	18,596	(62,445)	66,917
Net change in foreign exchanges (liabilities)	16,960	(118,530)	135,490	(124,047)
Net change in short-term bonds (liabilities)	(1,300)	21,200	(22,500)	55,700
Issuance and redemption of bonds (excluding subordinated bonds)	(135,716)	(95,170)	(40,546)	(198,091)
Net change in due to trust account	(19,169)	(267,864)	248,695	(253,534)
Interest received	1,070,519	905,873	164,646	1,966,949
Interest paid	(454,539)	(324,296)	(130,243)	(774,678)
Other, net	410,817	240,032	170,785	197,841
Subtotal	1,231,246	(4,245,985)	5,477,231	(6,637,179)
Income taxes paid	6,590	(84,921)	91,511	(123,561)
Net cash provided by (used in) operating activities	1,237,836	(4,330,906)	5,568,742	(6,760,740)
2. Cash flows from investing activities:				
Purchases of securities	(17,909,744)	(18,563,216)	653,472	(35,085,809)
Proceeds from sale of securities	10,576,473	11,389,367	(812,894)	21,544,154
Proceeds from maturity of securities	6,891,933	10,257,301	(3,365,368)	18,886,454
Purchases of money held in trust	(547)	-	(547)	-
Proceeds from sale of money held in trust	796	-	796	-
Purchases of tangible fixed assets	(24,122)	(24,041)	(81)	(193,614)
Proceeds from sale of tangible fixed assets	2,059	3,545	(1,486)	8,474
Purchases of intangible fixed assets	(23,015)	(23,957)	942	(57,506)
Proceeds from sale of intangible fixed assets	20	4	16	6
Purchases of lease assets	(200,317)	(180,717)	(19,600)	(383,526)
Proceeds from sale of lease assets	21,044	21,565	(521)	48,392
Proceeds from sale of stocks of subsidiaries	198	3,468	(3,270)	3,745
Purchases of stocks of subsidiaries	(3,453)	-	(3,453)	(1,317)
Net cash (used in) provided by investing activities	(668,677)	2,883,317	(3,551,994)	4,769,454
3. Cash flows from financing activities:				
Proceeds from issuance of subordinated debt	25,000	10,000	15,000	20,000
Repayment of subordinated debt	(63,000)	(15,000)	(48,000)	(83,000)
Proceeds from issuance of subordinated bonds and bonds with stock acquisition rights	90,000	120,000	(30,000)	196,951
Repayment of subordinated bonds and bonds with stock acquisition rights	(19,700)	(126,829)	107,129	(181,283)
Dividends paid	(65,837)	(47,904)	(17,933)	(47,926)
Proceeds from minority stockholders	3,425	30,740	(27,315)	360,362
Dividends paid to minority stockholders	(33,704)	(30,883)	(2,821)	(46,724)
Purchases of treasury stock	(641)	(1,174,922)	1,174,281	(1,474,644)
Proceeds from disposal of treasury stock	770	71	699	11,320
Net cash used in financing activities	(63,688)	(1,234,728)	1,171,040	(1,244,945)
4. Effect of exchange rate changes on cash and cash equivalents	1,082	1,279	(197)	3,434
5. Net change in cash and cash equivalents	506,553	(2,681,038)	3,187,591	(3,232,797)
6. Cash and cash equivalents at beginning of year	1,927,024	5,159,822	(3,232,798)	5,159,822
7. Change in cash and cash equivalents due to newly consolidated subsidiaries	18,869	0	18,869	0
8. Cash and cash equivalents at end of period (year)	2,452,448	2,478,784	(26,336)	1,927,024

(Note) Amounts less than one million yen have been omitted.