

COMPARATIVE CONSOLIDATED STATEMENTS OF CASH FLOWS

(Millions of yen)

	Six months ended September 30			Year ended March 31
	2001 (A)	2000 (B)	Difference (A-B)	2001
Six months ended September 30, 2001 and 2000, and Year ended March 31, 2001				
1. Cash flows from operating activities:				
Income before income taxes and minority interests	98,665	331,271	(232,606)	405,514
Depreciation of premises and equipment	—	27,036	(27,036)	61,263
Depreciation of premises, equipment and others	46,712	—	46,712	—
Depreciation of lease assets	153,718	135,089	18,629	268,700
Amortization of goodwill	1,827	—	1,827	8,648
Net (income) loss from unconsolidated entities accounted for by the equity method	364	(24,118)	24,482	(44,362)
Net change in reserve for possible loan losses	(104,836)	(58,781)	(46,055)	(423,540)
Net change in reserve for possible losses on loans sold	(18,728)	(71,838)	53,110	(68,606)
Net change in reserve for employee bonuses	22,385	—	22,385	—
Net change in reserve for retirement allowances	—	(41,367)	41,367	(41,371)
Net change in reserve for employee retirement benefit	(9,984)	58,411	(68,395)	(20,303)
Interest income	(1,067,744)	(1,185,237)	117,493	(2,435,884)
Interest expenses	393,013	574,912	(181,899)	1,112,348
Net (gain) loss on securities transactions	(17,951)	(244,817)	226,866	(500,932)
Net (income) loss from money held in trust	349	94	255	(804)
Net exchange (gains) losses	9,313	1,111	8,202	(152,074)
Net (gains) losses from disposition of premises and equipment	8,309	8,923	(614)	33,907
Net (gains) losses from disposition of lease assets	885	8,670	(7,785)	3,575
Gain on sale of business operation	(5,000)	—	(5,000)	—
Net change in trading assets	(727,177)	(107,906)	(619,271)	569,421
Net change in trading liabilities	880,170	289,850	590,320	243,931
Net change in payable for trading contracts	—	(265,226)	265,226	(588,359)
Net change in loans and bills discounted	658,132	330,401	327,731	1,740,915
Net change in deposits	(2,512,450)	399,936	(2,912,386)	2,005,338
Net change in negotiable certificates of deposit	(355,050)	(1,162,588)	807,538	1,254,054
Net change in borrowed money (excluding subordinated debt)	(430,281)	(210,404)	(219,877)	(612,280)
Net change in interest-earning deposits	1,525,833	(988,684)	2,514,517	(1,989,971)
Net change in call loans, bills bought and receivables under resale agreements	2,113,527	105,433	2,008,094	(2,787,443)
Net change in pledged money for securities borrowing transactions	(223,111)	(14,941)	(208,170)	27,544
Net change in call money, bills sold and payables under repurchase agreements	(4,881,493)	1,125,084	(6,006,577)	5,185,675
Net change in commercial paper	(462,749)	(390,505)	(72,244)	1,077,095
Net change in pledged money for securities lending transactions	(984,252)	(1,093,263)	109,011	521,298
Net change in foreign exchanges (assets)	93,962	(54,042)	148,004	(45,906)
Net change in foreign exchanges (liabilities)	655	(47,708)	48,363	57,307
Net change in bonds (excluding subordinated bonds)	200,293	391,362	(191,069)	679,420
Interest received	1,154,603	1,094,846	59,757	2,360,875
Interest paid	(475,110)	(548,948)	73,838	(1,277,801)
Other, net	(753,281)	31,143	(784,424)	206,821
Subtotal	(5,666,480)	(1,596,803)	(4,069,677)	6,834,014
Income taxes paid	(31,808)	(23,089)	(8,719)	(57,835)
Net cash provided by (used in) operating activities	(5,698,288)	(1,619,893)	(4,078,395)	6,776,178
2. Cash flows from investing activities:				
Purchases of securities	(20,323,863)	(15,419,141)	(4,904,722)	(45,283,928)
Proceeds from sale of securities	16,412,440	7,646,458	8,765,982	21,689,226
Proceeds from maturity of securities	9,595,326	8,898,828	696,498	16,875,074
Purchases of money held in trust	(1,677)	(90,157)	88,480	(100,471)
Proceeds from sale of money held in trust	8,653	160,436	(151,783)	208,777
Purchases of premises and equipment	(24,814)	(61,167)	36,353	(168,019)
Proceeds from sale of premises and equipment	4,469	29,709	(25,240)	81,844
Purchases of lease assets	(182,574)	(154,476)	(28,098)	(314,383)
Proceeds from sale of lease assets	17,289	17,820	(531)	35,590
Proceeds from sale of business operation	(599)	(20,024)	19,425	(2,684)
Proceeds from sale of a subsidiary	—	4,937	(4,937)	5,083
Proceeds from sale of business operation	5,000	—	5,000	—
Net cash provided by (used in) investing activities	5,509,649	1,013,224	4,496,425	(6,973,889)
3. Cash flows from financing activities:				
Proceeds from issuance of subordinated debt	45,000	44,363	637	122,283
Repayment of subordinated debt	(146,000)	(136,500)	(9,500)	(371,774)
Proceeds from issuance of subordinated bonds, convertible bonds and notes	151,000	203,700	(52,700)	254,000
Repayment of subordinated bonds, convertible bonds and notes	(89,045)	(259,785)	170,740	(476,181)
Dividends paid	(11,084)	(29,055)	17,971	(58,111)
Payment of delivered money due to merger	(17,834)	—	(17,834)	—
Proceeds from issuance of subsidiaries stocks paid by minority stockholders	—	—	—	14,000
Dividends paid to minority stockholders	(22,153)	(6,306)	(15,847)	(7,666)
Purchases of treasury stock	(8,288)	(661)	(7,627)	(1,349)
Proceeds from sale of treasury stock	8,286	653	7,633	1,134
Proceeds from sale of parent bank stock held by subsidiaries	1,607	—	1,607	—
Net cash provided by (used in) financing activities	(88,511)	(183,593)	95,082	(523,666)
4. Foreign currency translation adjustments on cash and cash equivalents	(1,320)	(440)	(880)	3,355
5. Net change in cash and cash equivalents	(278,471)	(790,703)	512,232	(718,021)
6. Cash and cash equivalents at beginning of six-month period	868,132	2,731,303	(1,863,171)	2,731,303
7. Change in cash and cash equivalents due to merger	1,075,527	—	1,075,527	—
8. Change in cash and cash equivalents due to merger of consolidated subsidiaries	2,401	—	2,401	—
9. Change in cash and cash equivalents due to increase of subsidiaries in consolidation	96,459	90	96,369	2,219
10. Cash and cash equivalents at end of six-month period	1,764,049	1,940,690	(176,641)	2,015,501

Notes 1. Amounts less than one million are rounded down.

2. Amounts for September 2000 and March 2001 are the sum of those of the Sakura Bank and the Sumitomo Bank.