

COMPARATIVE CONSOLIDATED STATEMENTS OF CASH FLOWS

Six months ended September 30, 2004 and 2003, and Year ended March 31, 2004	(Millions of yen)			
	Six months ended September 30		Difference (A-B)	Year ended March 31
	2004 (A)	2003 (B)		2004
1. Cash flows from operating activities:				
Income before income taxes and minority interests	96,715	186,880	(90,165)	404,894
Depreciation of premises, equipment and others	41,082	41,894	(812)	82,464
Depreciation of lease assets	168,782	167,285	1,497	336,271
Amortization of goodwill	4,280	4,191	89	(4,260)
Equity in earnings of affiliates	(12,893)	(8,044)	(4,849)	(15,700)
Net change in reserve for possible loan losses	(200,035)	(550,977)	350,942	(824,917)
Net change in reserve for possible losses on loans sold	–	(18,036)	18,036	(20,665)
Net change in reserve for employee bonuses	(855)	(1,134)	279	221
Net change in reserve for employee retirement benefits	131,309	7,969	123,340	(40,069)
Net change in reserve for expenses related to EXPO 2005 Japan	55	57	(2)	116
Interest income	(752,495)	(826,407)	73,912	(1,591,338)
Interest expenses	156,704	163,169	(6,465)	310,267
Net (gains) losses on securities	(74,018)	(40,431)	(33,587)	(67,928)
Net (gains) losses from money held in trust	–	1,007	(1,007)	(121)
Net exchange (gains) losses	(172,849)	221,477	(394,326)	407,340
Net (gains) losses from disposal of premises and equipment	8,716	7,985	731	30,697
Net (gains) losses from disposal of lease assets	(1,143)	49	(1,192)	(1,870)
Net change in trading assets	37,897	1,003,098	(965,201)	1,131,864
Net change in trading liabilities	(98,289)	(802,432)	704,143	(929,787)
Net change in loans and bills discounted	(18,373)	1,985,803	(2,004,176)	6,198,239
Net change in deposits	2,245,859	(428,206)	2,674,065	1,829,914
Net change in negotiable certificates of deposit	(478,870)	(1,479,196)	1,000,326	(1,338,888)
Net change in borrowed money (excluding subordinated debt)	(142,894)	(51,542)	(91,352)	(112,211)
Net change in deposits with banks	(683,001)	(432,383)	(250,618)	(1,299,305)
Net change in call loans, bills bought and receivables under resale agreements	(59,546)	(508,664)	449,118	(318,516)
Net change in receivables under securities borrowing transactions	(612,055)	1,356,233	(1,968,288)	971,914
Net change in call money, bills sold and payables under repurchase agreements	(1,845,325)	(3,181,690)	1,336,365	(5,704,903)
Net change in commercial paper	69,300	59,700	9,600	94,900
Net change in payables under securities lending transactions	(1,344,179)	(182,466)	(1,161,713)	1,139,101
Net change in foreign exchanges (assets)	(219,887)	(24,440)	(195,447)	5,016
Net change in foreign exchanges (liabilities)	(39,119)	50,442	(89,561)	175,444
Issuance and redemption of bonds (excluding subordinated bonds)	279,933	8,655	271,278	152,514
Net change in due to trust account	6,169	18,990	(12,821)	30,078
Interest received	797,421	856,081	(58,660)	1,636,935
Interest paid	(158,410)	(174,330)	15,920	(336,704)
Net change in payable on trading and securities contracts	–	–	–	1,188,672
Other, net	(332,096)	809,744	(1,141,840)	27,099
Subtotal	(3,202,113)	(1,759,666)	(1,442,447)	3,546,782
Income taxes paid	(28,614)	5,817	(34,431)	(24,664)
Net cash provided by (used in) operating activities	(3,230,728)	(1,753,848)	(1,476,880)	3,522,118
2. Cash flows from investing activities:				
Purchases of securities	(21,283,083)	(23,707,428)	2,424,345	(47,305,660)
Proceeds from sale of securities	16,679,189	15,807,610	871,579	30,688,033
Proceeds from maturity of securities	7,674,230	9,806,287	(2,132,057)	13,967,819
Purchases of money held in trust	–	(21,111)	21,111	(21,225)
Proceeds from sale of money held in trust	0	17,268	(17,268)	42,259
Purchases of premises and equipment	(22,183)	(22,248)	65	(80,932)
Proceeds from sale of premises and equipment	28,080	17,330	10,750	20,839
Purchases of lease assets	(185,819)	(192,936)	7,117	(368,159)
Proceeds from sale of lease assets	18,991	15,526	3,465	37,678
Purchases of stocks of subsidiaries	(2,970)	(8,999)	6,029	(8,999)
Net cash provided by (used in) investing activities	2,906,435	1,711,298	1,195,137	(3,028,346)
3. Cash flows from financing activities:				
Proceeds from issuance of subordinated debt	20,000	34,500	(14,500)	89,500
Repayment of subordinated debt	(22,240)	(95,500)	73,260	(195,000)
Proceeds from issuance of subordinated bonds and bonds with stock acquisition rights	237,275	238,362	(1,087)	436,453
Repayment of subordinated bonds and bonds with stock acquisition rights	(48,000)	(42,962)	(5,038)	(150,713)
Dividends paid	(46,447)	(33,330)	(13,117)	(33,360)
Proceeds from minority stockholders	–	–	–	25
Dividends paid to minority stockholders	(26,171)	(24,388)	(1,783)	(33,196)
Purchases of treasury stock	(502)	(152)	(350)	(632)
Proceeds from sale of treasury stock	3,936	936	3,000	24,058
Net cash provided by financing activities	117,850	77,465	40,385	137,134
4. Effect of exchange rate changes on cash and cash equivalents	716	(1,763)	2,479	(2,417)
5. Net change in cash and cash equivalents	(205,726)	33,151	(238,877)	628,488
6. Cash and cash equivalents at beginning of year	3,529,479	2,900,991	628,488	2,900,991
7. Change in cash and cash equivalents due to merger of consolidated subsidiaries	3,941	–	3,941	–
8. Change in cash and cash equivalents due to decrease of consolidated subsidiaries	–	(0)	0	(0)
9. Cash and cash equivalents at end of term (year)	3,327,694	2,934,143	393,551	3,529,479

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