

CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS (UNAUDITED)

The Sumitomo Bank, Limited, and Subsidiaries
Six-month periods ended September 30, 2000 and 1999

	Millions of Yen		Millions of U.S. Dollars
	2000	1999	2000
1. Cash flows from operating activities			
Income before income taxes and minority interests	¥ 245,771	¥ 126,954	\$ 2,276
Depreciation of premises and equipment	11,317	11,272	105
Depreciation of lease assets	135,089	135,402	1,251
Amortization of goodwill	—	1	—
Net (income) loss from unconsolidated entities by equity method	(16,675)	47,140	(154)
Net change in reserve for possible loan losses	65,457	(112,921)	606
Net change in reserve for loss on loans sold	(46,987)	(21,626)	(435)
Net change in reserve for retirement allowances	—	(1,993)	—
Net change in reserve for employee retirement benefit	2,092	—	19
Interest income	(596,758)	(727,851)	(5,526)
Interest expenses	295,820	376,388	2,739
Net (gain) loss related to securities transactions	(254,467)	(132,209)	(2,356)
Net (income) loss from money held in trust	(70)	1,885	(1)
Net exchange (gain) loss	10,759	4,988	100
Net (gain) loss from disposition of premises and equipment	6,425	4,604	59
Net (gain) loss from disposition of lease assets	8,670	12,469	80
Gain on sale of business operation	—	(8,000)	—
Loss from additional payment for pension liabilities	—	21,519	—
Net change in trading assets	(13,679)	965,583	(127)
Net change in trading liabilities	(4,331)	(252,875)	(40)
Net change in loans and bills discounted	(380,120)	1,336,994	(3,520)
Net change in deposits	1,072,867	542,879	9,934
Net change in certificates of deposit	(1,853,328)	—	(17,160)
Net change in borrowed money (excluding subordinated debt obligation)	(74,164)	—	(687)
Net change in deposits with banks	(188,190)	(948,003)	(1,743)
Net change in call loans, bills bought and receivables under resale agreements	34,625	408,815	321
Net change in pledged money for securities borrowing transactions	(262,912)	—	(2,434)
Net change in call money, bills sold and payables under repurchase agreements	416,954	937,720	3,861
Net change in commercial papers	(1,912)	—	(18)
Net change in pledged money for securities lending transactions	(767,749)	(132,986)	(7,109)
Net change in foreign exchanges (asset account)	(61,428)	(472)	(569)
Net change in foreign exchanges (liability account)	(53,140)	7,623	(492)
Net change in bonds (excluding subordinated bonds)	198,999	—	1,843
Interest received	550,594	747,809	5,098
Interest paid	(262,161)	(420,639)	(2,427)
Other, net	69,261	(795,007)	641
Subtotal	¥ (1,713,371)	¥ 2,135,464	\$ (15,865)
Additional payment for pension liabilities	—	(11,050)	—
Income taxes paid	(18,309)	(29,844)	(169)
Net cash provided by (used in) operating activities	¥ (1,731,681)	¥ 2,094,569	\$ (16,034)
2. Cash flows from investing activities			
Purchases of securities	¥ (10,026,044)	¥ (13,496,340)	\$ (92,834)
Proceeds from sale of securities	4,657,289	9,962,372	43,123
Proceeds from maturity of securities	6,796,274	1,460,450	62,928
Purchases of money held in trust	(90,157)	(58,399)	(835)
Proceeds from sale of money held in trust	138,097	20,241	1,279
Purchases of premises and equipment	(20,879)	(15,767)	(193)
Proceeds from sale of premises and equipment	5,241	8,911	48
Purchases of lease assets	(154,476)	(144,144)	(1,430)
Proceeds from sale of lease assets	17,820	1,540	165
Proceeds from sale of business operation	—	8,000	—
Proceeds from sale of a subsidiary	4,937	—	46
Net cash provided by (used in) investing activities	¥ 1,328,103	¥ (2,253,135)	\$ 12,297
3. Cash flows from financing activities			
Repayment of subordinated debt	¥ —	¥ (25,000)	\$ —
Proceeds from issuance of subordinated bonds and convertible bonds and notes	54,500	139,950	505
Repayment of subordinated bonds and convertible bonds and notes	(116,000)	—	(1,074)
Dividends paid	(11,203)	(9,437)	(104)
Dividends paid for minority	(339)	(333)	(3)
Purchases of treasury stock	(318)	(354)	(3)
Proceeds from sale of treasury stock	315	361	3
Net cash provided by (used in) financing activities	¥ (73,046)	¥ 105,186	\$ (676)
4. Foreign currency translation adjustments	¥ (298)	¥ (6,087)	\$ (3)
5. Net change in cash and due from banks	¥ (476,922)	¥ (59,467)	\$ (4,416)
6. Cash and due from banks at beginning of six-month period	¥ 1,323,157	¥ 928,701	\$ 12,252
7. Decrease of cash and due from banks due to exclusion from consolidation	¥ —	¥ (25)	\$ —
8. Cash and due from banks at end of six-month period	¥ 846,235	¥ 869,209	\$ 7,836

See accompanying notes.