

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	2007	2006	2007
<b>Cash Flows from Operating Activities:</b>			
Income before Income Taxes and Others .....	¥ 167,778	¥ 171,340	\$ 1,421
Depreciation (Note 3) .....	14,071	5,475	119
Losses on Impairment of Fixed Assets .....	7,088	828	60
Amortization of Goodwill (Negative Goodwill) .....	6,171	5,343	52
Equity in Losses (Earnings) of Affiliates .....	(5,861)	(2,695)	(50)
Increase (Decrease) in Reserve for Possible Loan Losses .....	29,259	(19,062)	248
Increase (Decrease) in Reserve for Losses on Investment Securities .....	6,718	(17,958)	57
Increase (Decrease) in Reserve for Employees' Bonus .....	(81)	253	(1)
Increase (Decrease) in Reserve for Bonus for Directors and Corporate Auditors .....	85	—	1
Increase (Decrease) in Reserve for Employee Retirement Benefits .....	(635)	(780)	(5)
Interest Income .....	(344,541)	(271,359)	(2,917)
Interest Expenses .....	184,455	120,386	1,562
Losses (Gains) on Securities .....	(3,495)	(1,690)	(30)
Losses (Gains) on Money Held in Trust .....	(680)	(2,581)	(6)
Losses (Gains) on Foreign Exchanges .....	(84,777)	(92,888)	(718)
Losses (Gains) on Sale of Premises and Equipment (Note 3) .....		1,407	
Losses (Gains) on Sale of Fixed Assets (Note 3) .....	(1,754)		(15)
Net Decrease (Increase) in Trading Assets .....	(173,842)	(152,232)	(1,472)
Net Increase (Decrease) in Trading Liabilities .....	(16,179)	18,044	(137)
Net Decrease (Increase) in Loans and Bills Discounted .....	(257,487)	(1,049,936)	(2,180)
Net Increase (Decrease) in Deposits .....	997,277	1,224,389	8,444
Net Increase (Decrease) in Negotiable Certificates of Deposit .....	(54,008)	921,631	(457)
Net Increase (Decrease) in Borrowed Money other than Subordinated Borrowings .....	37,130	(235,562)	314
Net Decrease (Increase) in Due from Banks other than from Bank of Japan .....	(147,239)	79,226	(1,247)
Net Decrease (Increase) in Call Loans and Others .....	75,699	(713,790)	641
Net Increase (Decrease) in Call Money and Others .....	(815,431)	414,142	(6,905)
Net Increase (Decrease) in Payables under Securities Lending Transactions .....	(410,884)	649,542	(3,479)
Net Decrease (Increase) in Foreign Exchange Assets .....	(3,534)	4,313	(30)
Net Increase (Decrease) in Foreign Exchange Liabilities .....	2	(901)	0
Net Increase (Decrease) in Short-term Corporate Bonds Liabilities .....	(90,454)	331,600	(766)
Net Increase (Decrease) in Borrowed Money from Trust Account .....	(413,898)	259,710	(3,505)
Interest Income Received on Cash Basis .....	336,732	290,262	2,851
Interest Expenses Paid on Cash Basis .....	(166,196)	(116,786)	(1,407)
Other-Net .....	(37,586)	(8,536)	(318)
Subtotal .....	¥ (1,166,098)	¥ 1,811,136	\$ (9,874)
Income Tax Paid .....	(8,396)	(6,203)	(71)
<b>Net Cash Provided by (Used in) Operating Activities</b> .....	<b>¥ (1,174,494)</b>	<b>¥ 1,804,932</b>	<b>\$ (9,945)</b>
<b>Cash Flows from Investing Activities:</b>			
Purchase of Securities .....	(3,532,205)	(6,593,697)	(29,909)
Proceeds from Sale of Securities .....	3,386,301	4,950,377	28,673
Proceeds from Redemption of Securities .....	978,915	501,262	8,289
Increase in Money Held in Trust .....	(5,000)	(10,299)	(42)
Decrease in Money Held in Trust .....	417	106	4
Purchase of Premises and Equipment (Note 3) .....		(6,850)	
Purchase of Tangible Fixed Assets (Note 3) .....	(51,725)		(438)
Proceeds from Sale of Premises and Equipment (Note 3) .....		3,034	
Proceeds from Sale of Tangible Fixed Assets (Note 3) .....	3,722		32
Purchase of Intangible Fixed Assets (Note 3) .....	(12,259)		(104)
Proceeds from Sale of Intangible Fixed Assets (Note 3) .....	0		0
Purchase of Stock of New Consolidated Subsidiaries (Note 26) .....	(23,462)	(135,041)	(199)
Purchase of Stock of Consolidated Subsidiaries .....	(399)	—	(3)
<b>Net Cash Provided by (Used in) Investing Activities</b> .....	<b>¥ 744,304</b>	<b>¥ (1,291,109)</b>	<b>\$ 6,302</b>
<b>Cash Flows from Financing Activities:</b>			
Proceeds from Subordinated Bonds and Convertible Bonds .....	205,203	79,271	1,738
Redemption of Subordinated Bonds and Convertible Bonds .....	(46,800)	(90,500)	(396)
Proceeds from Issuance of Stock .....	466	461	4
Proceeds from Issuance of Stock to Minority Stockholders .....	51,735	62,484	438
Dividends Paid .....	(24,248)	(30,031)	(205)
Dividends Paid to Minority Stockholders .....	(4,492)	(2,766)	(38)
Purchase of Treasury Stock .....	(145)	(111)	(1)
Proceeds from Sale of Treasury Stock .....	10	3,937	0
<b>Net Cash Provided by (Used in) Financing Activities</b> .....	<b>¥ 181,729</b>	<b>¥ 22,745</b>	<b>\$ 1,539</b>
Effect of Exchange Rate Changes on Cash and Cash Equivalents .....	250	2,749	2
<b>Net Change in Cash and Cash Equivalents</b> .....	<b>¥ (248,209)</b>	<b>¥ 539,318</b>	<b>\$ (2,102)</b>
Cash and Cash Equivalents at Beginning of Year .....	691,450	152,132	5,855
Cash and Cash Equivalents at End of Year (Note 26) .....	¥ 443,240	¥ 691,450	\$ 3,753

See accompanying notes.