

Consolidated Statements of Cash Flows
The Kiyo Bank, Ltd. and its consolidated subsidiaries
Years ended March 31, 2013 and 2012

	Millions of yen		Thousands of
	2013	2012	U.S. dollars
Cash flows from operating activities:			
Income before income taxes and minority interests	¥ 28,815	¥ 17,572	\$ 306,385
Depreciation	4,114	4,234	43,753
Impairment loss on fixed assets	8	37	88
Increase (decrease) in reserve for possible loan losses	(2,021)	(1,515)	(21,496)
Increase (decrease) in accrued employees' severance and retirement benefits	2	0	22
Increase (decrease) in reserve for reimbursement of deposit	32	63	343
Increase (decrease) in provision for contingent losses	34	(56)	366
Interest income	(56,266)	(59,273)	(598,261)
Interest expense	5,508	7,012	58,567
(Gains) losses on securities transactions	(8,799)	2,038	(93,563)
(Gains) losses on foreign exchange transactions	(14,945)	94	(158,915)
(Gains) losses on sales or disposal of fixed assets	56	48	603
Net (increase) decrease in trading account securities	595	2,108	6,332
Net (increase) decrease in loans and bills discounted	(36,680)	(40,688)	(390,009)
Net increase (decrease) in deposits	83,770	53,773	890,697
Net (increase) decrease in due from banks	(70,000)	-	(744,285)
Net increase (decrease) in borrowed money (excluding subordinated loans)	(4,926)	4,918	(52,383)
Net (increase) decrease in call loans	(46,865)	112,399	(498,304)
Net increase (decrease) in payables under securities lending transactions	(10,287)	32,038	(109,386)
Net (increase) decrease in foreign exchange assets	(237)	(6)	(2,528)
Net increase (decrease) in foreign exchange liabilities	(3)	(23)	(35)
Interest received	56,574	58,415	601,540
Interest paid	(9,921)	(9,342)	(105,497)
Other, net	1,153	(8,628)	12,266
Subtotal	(80,290)	175,220	(853,700)
Income taxes paid	(363)	(573)	(3,869)
Net cash provided by (used in) operating activities	(80,654)	174,646	(857,569)
Cash flows from investing activities:			
Purchases of securities	(364,577)	(590,043)	(3,876,422)
Proceeds from sales of securities	377,877	248,229	4,017,837
Redemption of securities	126,173	143,301	1,341,560
Purchases of tangible fixed assets	(1,496)	(1,308)	(15,909)
Proceeds from sales of tangible fixed assets	16	53	176
Purchases of intangible fixed assets	(1,338)	(824)	(14,230)
Expenses on execution of asset retirement obligations	-	(5)	-
Net cash provided by (used in) investing activities	136,655	(200,597)	1,453,012
Cash flows from financing activities:			
Increase in subordinated loans	-	3,000	-
Repayment of subordinated loans	-	(3,000)	-
Proceeds from issuance of subordinated bonds	-	3,000	-
Redemption of subordinated bonds	(3,000)	(5,000)	(31,898)
Payment of cash dividends	(3,342)	(3,373)	(35,539)
Payment of cash dividends to minority interests	(4)	(4)	(44)
Purchase of treasury stock	(16,659)	-	(177,137)
Net cash used in financing activities	(23,006)	(5,378)	(244,618)
Foreign currency translation adjustments of cash and cash equivalents	54	(6)	574
Net increase (decrease) in cash and cash equivalents	33,049	(31,335)	351,399
Cash and cash equivalents at beginning of year	84,849	116,185	902,179
Cash and cash equivalents at end of year	¥ 117,899	¥ 84,849	\$ 1,253,578