

Consolidated Statements of Cash Flows  
The Kiyo Bank, Ltd. and its consolidated subsidiaries  
Years ended March 31, 2019 and 2018

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2019	2018	2019
<b>Cash flows from operating activities:</b>			
Profit before income taxes	¥ 17,873	¥ 17,084	\$ 161,032
Depreciation	3,398	3,725	30,615
Impairment loss on fixed assets	159	421	1,432
Increase (decrease) in reserve for possible loan losses	(855)	(1,525)	(7,703)
(Increase) decrease in net defined benefit asset	(2,493)	(1,242)	(22,461)
Increase (decrease) in net defined benefit liability	4	0	36
Increase (decrease) in reserve for directors' retirement benefits	-	(1)	-
Increase (decrease) in reserve for reimbursement of deposits	(96)	5	(864)
Increase (decrease) in provision for contingent losses	(7)	(52)	(63)
Interest income	(45,402)	(47,398)	(409,063)
Interest expenses	1,998	2,776	18,001
(Gains) losses on securities transactions	(2,315)	(2,288)	(20,857)
(Gains) losses on foreign exchange transactions	(4,112)	7,044	(37,048)
(Gains) losses on sales and disposal of fixed assets	126	56	1,135
Net (increase) decrease in trading account securities	53	34	477
Net (increase) decrease in loans and bills discounted	(90,562)	(55,908)	(815,947)
Net increase (decrease) in deposits	47,309	141	426,245
Net increase (decrease) in borrowed money (excluding subordinated loans)	(33,115)	17,171	(298,360)
Net increase (decrease) in call money	(17,520)	(190,979)	(157,852)
Net increase (decrease) in payables under securities lending transactions	(77,272)	(20,929)	(696,206)
Net (increase) decrease in foreign exchange assets	1,183	(1,825)	10,658
Net increase (decrease) in foreign exchange liabilities	165	3	1,486
Interest received	42,409	44,260	382,097
Interest paid	(2,359)	(3,152)	(21,254)
Other, net	(19,581)	(12,302)	(176,421)
Subtotal	(181,014)	(244,881)	(1,630,903)
Income taxes paid	(5,162)	(1,923)	(46,508)
Net cash provided by (used in) operating activities	(186,177)	(246,804)	(1,677,421)
<b>Cash flows from investing activities:</b>			
Purchases of securities	(340,054)	(326,195)	(3,063,825)
Proceeds from sales of securities	333,067	298,475	3,000,873
Redemption of securities	156,877	229,401	1,413,433
Purchases of tangible fixed assets	(1,319)	(1,137)	(11,883)
Proceeds from sales of tangible fixed assets	40	24	360
Purchases of intangible fixed assets	(710)	(859)	(6,396)
Other, net	(88)	-	(792)
Net cash provided by (used in) investing activities	147,812	199,709	1,331,759
<b>Cash flows from financing activities:</b>			
Redemption of subordinated bonds	(10,000)	-	(90,098)
Purchase of treasury stock	(2,103)	(1,004)	(18,947)
Proceeds from sales of treasury stock	188	363	1,693
Payment of cash dividends	(2,431)	(2,449)	(21,902)
Payment of cash dividends to non-controlling shareholders	(4)	(4)	(36)
Purchase of shares of a subsidiary not resulting in change in scope of consolidation	(419)	-	(3,775)
Other, net	(117)	(139)	(1,054)
Net cash provided by (used in) financing activities	(14,888)	(3,234)	(134,138)
Foreign currency translation adjustments of cash and cash equivalents	6	(6)	54
Net increase (decrease) in cash and cash equivalents	(53,246)	(50,336)	(479,736)
Cash and cash equivalents at the beginning of year	621,370	671,707	5,598,432
Cash and cash equivalents at the end of year (Note 3)	¥ 568,124	¥ 621,370	\$ 5,118,695

See accompanying notes.