

Statement of Cash Flows

The Shoko Chukin Bank
For the years ended March 31, 2003 and 2002

	Millions of yen		Millions of U.S. dollars
	2003	2002	2003
Cash Flows from Operating Activities			
Net Income before Taxes	¥ 7,056	¥ 8,932	\$ 58
Depreciation	2,680	2,599	22
Increase in Reserve for Possible Loan Losses	(4,542)	23,891	(37)
Increase in Reserve for Claim Disposal Loss	(2,940)	(2,344)	(24)
Increase in Reserve for Retirement Benefits	2,001	507	16
Increase in Reserve for Employee Bonuses	(372)	—	(3)
Income from Fund Management	(203,385)	(232,733)	(1,692)
Expenses for Fund Procurement	62,992	93,909	524
Losses Relating to Securities	(19,489)	(21,852)	(162)
Losses on Monetary Trusts	(76)	(466)	(0)
Losses on Disposal of Premises and Equipment	(4,841)	(4,414)	(40)
Net (Increase) Decrease in Trading Assets	5,088	5,469	42
Net Increase (Decrease) in Trading Liabilities	434	(789)	3
Net (Increase) Decrease in Loans	448,915	347,312	3,734
Net Increase (Decrease) in Debentures	(498,274)	(391,281)	(4,145)
Net Increase (Decrease) in Deposits	(66,100)	(9,682)	(549)
Net Increase (Decrease) in Negotiable Certificates of Deposit	(68,929)	65,273	(573)
Net Increase (Decrease) in Borrowed Money	(73)	(16,608)	(0)
Net (Increase) Decrease in Call Loans, etc.	(237,210)	(33,865)	(1,973)
Net Increase (Decrease) in Call Money, etc.	(84,875)	(170,049)	(706)
Net (Increase) Decrease in Due from Banks Other than the Central Bank	(93,744)	291,084	(779)
Net (Increase) Decrease in Foreign Currencies (Assets)	(489)	179	(4)
Net Increase (Decrease) in Foreign Currencies (Liabilities)	(111)	(106)	(0)
Income from Fund Operations	208,675	233,513	1,736
Expenditures for Fund Procurement	(69,477)	(105,402)	(578)
Others	(415)	178,339	(3)
Subtotal	(617,507)	261,416	(5,137)
Income Taxes	(2,351)	(1,010)	(19)
Net Cash Provided by Operating Activities	(619,858)	260,405	(5,156)
Cash Flows from Investing Activities			
Payments for Purchases of Securities	(4,439,564)	(4,161,406)	(36,934)
Proceeds from Sales of Securities	3,407,527	2,177,636	28,348
Proceeds from Redemption of Securities	1,565,018	1,718,716	13,020
Payments for Increase in Monetary Trust	—	(10,000)	—
Proceeds from Decrease in Monetary Trust	70,076	10,466	582
Payments for Acquisitions of Premises and Equipment	1,247	(881)	10
Proceeds from Sales of Premises and Equipment	5,383	6,019	44
Net Cash Used in Investing Activities	609,688	(259,448)	5,072
Cash Flows from Financing Activities			
Proceeds from Increase in Capital Contribution	5,200	12,100	43
Dividends Paid	(3,003)	(2,913)	(24)
Net Cash Used in Financing Activities	2,197	9,187	18
Translation Differences of Cash and Cash Equivalents			
	—	—	—
Increase (Decrease) in Cash and Cash Equivalents	(7,973)	10,144	(66)
Cash and Cash Equivalents at the Beginning of the Year	40,647	30,503	338
Cash and Cash Equivalents at the End of the Year	32,674	40,647	271

Notes: 1. The scope of funds in the Statement of Cash Flows is deposits and money deposited with the Central Bank in "Cash and Due from Banks" in the Balance Sheet.

2. Cash and Cash Equivalents at the Beginning of the Year and the amounts of items stated in the Balance Sheet are reconciled as follows:

As of March 31, 2003

Cash and Due from Banks	¥598,102 million
Due from Banks other than the Central Bank	(¥565,428 million)
	¥32,674 million

As of March 31, 2002

Cash and Due from Banks	¥512,331 million
Due from Banks other than the Central Bank	(¥471,683 million)
	¥40,647 million