

Statement of Cash Flows

The Shoko Chukin Bank

For the years ended March 31, 2004 and 2003

	Millions of yen		Millions of U.S. dollars
	2004	2003	2004
Cash Flows from Operating Activities			
Net Income before Taxes	¥ 7,480	¥ 7,056	\$ 70
Depreciation	3,027	2,680	28
Increase in Reserve for Possible Loan Losses	(49,348)	(4,542)	(466)
Increase in Reserve for Claim Disposal Loss	(861)	(2,940)	(8)
Increase in Reserve for Retirement Benefits	(189)	2,001	(1)
Increase in Reserve for Employee Bonuses	(140)	(372)	(1)
Income from Fund Management	(185,114)	(203,385)	(1,751)
Expenses for Fund Procurement	40,921	62,992	387
Losses Relating to Securities	(6,447)	(19,489)	(60)
Losses on Monetary Trusts	0	(76)	0
Losses on Disposal of Premises and Equipment	(297)	(4,841)	(2)
Net (Increase) Decrease in Trading Assets	(9,130)	5,088	(86)
Net Increase (Decrease) in Trading Liabilities	(1,945)	434	(18)
Net (Increase) Decrease in Loans	265,895	448,915	2,515
Net Increase (Decrease) in Debentures	(1,036,800)	(498,274)	(9,809)
Net Increase (Decrease) in Deposits	43,461	(66,100)	411
Net Increase (Decrease) in Negotiable Certificates of Deposit	14,723	(68,929)	139
Net Increase (Decrease) in Borrowed Money	(5,000)	(73)	(47)
Net (Increase) Decrease in Call Loans, etc.	142,519	(237,210)	1,348
Net Increase (Decrease) in Call Money, etc.	(81,502)	(84,875)	(771)
Net (Increase) Decrease in Due from Banks Other than the Central Bank	465,424	(93,744)	4,403
Net (Increase) Decrease in Foreign Currencies (Assets)	(761)	(489)	(7)
Net Increase (Decrease) in Foreign Currencies (Liabilities)	(3)	(111)	(0)
Income from Fund Operations	185,365	208,675	1,753
Expenditures for Fund Procurement	(46,755)	(69,477)	(442)
Others	179,438	(415)	1,697
Subtotal	(76,071)	(617,507)	(719)
Income Taxes	(1,980)	(2,351)	(18)
Net Cash Provided by Operating Activities	(78,052)	(619,858)	(738)
Cash Flows from Investing Activities			
Payments for Purchases of Securities	(2,384,990)	(4,439,564)	(22,565)
Proceeds from Sales of Securities	1,488,406	3,407,527	14,082
Proceeds from Redemption of Securities	1,391,802	1,565,018	13,168
Payments for Increase in Monetary Trust	—	—	—
Proceeds from Decrease in Monetary Trust	—	70,076	—
Payments for Acquisitions of Premises and Equipment	(1,239)	1,247	(11)
Proceeds from Sales of Premises and Equipment	811	5,383	7
Net Cash Used in Investing Activities	494,790	609,688	4,681
Cash Flows from Financing Activities			
Proceeds from Increase in Capital Contribution	3,000	5,200	28
Dividends Paid	(3,093)	(3,003)	(29)
Net Cash Used in Financing Activities	(93)	2,197	(0)
Translation Differences of Cash and Cash Equivalents			
	—	—	—
Increase (Decrease) in Cash and Cash Equivalents	416,644	(7,973)	3,942
Cash and Cash Equivalents at the Beginning of the Year	32,674	40,647	309
Cash and Cash Equivalents at the End of the Year	449,318	32,674	4,251

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, 2004

Cash and Due from Banks	¥549,323 million
Due from Banks other than the Central Bank	(¥100,004 million)
	¥449,318 million

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