

CONSOLIDATED STATEMENT OF CASH FLOWS

The Dai-Ichi Kangyo Bank, Limited and Consolidated Subsidiaries
Year ended March 31, 2000

	Thousands of	
	Millions of yen	U.S. dollars
	2000	2000
I. Cash Flows from Operating Activities		
Net Income before Income Taxes and Others	¥ 180,333	\$ 1,698,856
Depreciation Expense	18,353	172,900
Depreciation on Consolidated Adjustment Account	98	931
Loss (Profit) on Investment under the Equity Method	2,201	20,735
Increase in Reserve for Possible Loan Losses	(191,460)	(1,803,682)
Increase in Reserve for Devaluation of Investment Securities	1,040	9,797
Increase in Reserve for Losses on Loans Sold	47,603	448,451
Increase in Reserve for Retirement Allowances	37,594	354,162
Income from Lending Activities	(1,105,177)	(10,411,471)
Funding Costs	502,117	4,730,261
Loss (Profit) Related to Marketable Securities	(336,322)	(3,168,372)
Loss (Profit) on Money Held in Trust	228	2,155
Loss (Profit) on Foreign Exchange Translation	110,746	1,043,304
Loss (Profit) on Sales of Premises and Equipment	11,704	110,260
Decrease (Increase) in Trading Account Assets	(1,113,991)	(10,494,507)
Increase (Decrease) in Trading Account Liabilities	(211,359)	(1,991,137)
Net Decrease (Increase) in Loans and Bills Discounted	875,312	8,245,996
Net Increase (Decrease) in Deposits	(726,633)	(6,845,344)
Net Increase (Decrease) in NCDs	552,481	5,204,724
Net Increase (Decrease) in Borrowed Money (excluding sub-loans)	(33,088)	(311,716)
Net Decrease (Increase) in Deposits with Banks (excluding Central Banks)	69,823	657,781
Net Decrease (Increase) in Call Loans	(232,940)	(2,194,444)
Net Decrease (Increase) in Funds Held as Collateral for Borrowed Securities	1,209,323	11,392,588
Net Increase (Decrease) in Call Money	(698,927)	(6,584,334)
Net Increase (Decrease) in Commercial Paper	13,898	130,930
Net Increase (Decrease) in Funds Held as Collateral for Securities Lent Out	256,703	2,418,312
Net Decrease (Increase) in Foreign Exchange (Assets)	41,945	395,157
Net Increase (Decrease) in Foreign Exchange (Liabilities)	(96,501)	(909,108)
Net Increase (Decrease) in Debentures Issued/Redeemed	(40,934)	(385,627)
Revenue from Lending Activities	1,150,321	10,836,756
Payments for Funding Expenses	(561,377)	(5,288,527)
Other	532,568	5,017,132
Subtotal	265,685	2,502,925
Income Taxes Paid	(16,058)	(151,279)
Net Cash Provided by Operating Activities	A 249,627	2,351,646
II. Cash Flows from Investing Activities		
Purchases of Marketable Securities	(7,170,912)	(67,554,520)
Proceeds from Sale of Marketable Securities	5,975,854	56,296,318
Proceeds from Redemption of Marketable Securities	820,235	7,727,138
Increase in Money Held in Trust	(4,100)	(38,624)
Decrease in Money Held in Trust	94,479	890,058
Purchase of Premises and Equipment	(26,714)	(251,670)
Proceeds from Sales of Premises and Equipment	21,965	206,931
Purchase of Stock in Subsidiaries Pursuant to Changes in the Scope of Consolidation	(1,769)	(16,665)
Other	(10,135)	(95,486)
Net Cash Used in Investing Activities	B (301,096)	(2,836,522)
III. Cash Flows from Financing Activities		
Repayment of Subordinated Borrowings	(18,000)	(169,571)
Proceeds from Issuing Subordinated Bonds and Convertible Bonds	107,200	1,009,891
Payments to Redeem Subordinated Bonds and Convertible Bonds	(3,608)	(33,997)
Dividends Paid	(35,097)	(330,643)
Dividends Paid to Minority Stockholders	(8)	(83)
Other	28	266
Net Cash Provided by Financing Activities	C 50,512	475,862
IV. Effects of Changes in Exchange Rates on Cash and Cash Equivalents	D (1,072)	(10,101)
V. Net Increase (Decrease) in Cash and Cash Equivalents	E=A+B+C+D (2,029)	(19,115)
VI. Cash and Cash Equivalents at Beginning of Period	1,483,811	13,978,443
VII. Cash and Cash Equivalents at End of Period	¥ 1,481,782	\$ 13,959,328

Notes: 1. Figures are rounded down to the nearest million.

2. Presentation of the Consolidated Statement of Cash Flows is required effective fiscal 1999 in accordance with new accounting standards.

The Consolidated Statements of Cash Flows for prior years are not provided as they were prepared in a different format and are not considered comparable.

3. The scope of "Cash and Cash Equivalents" in the Consolidated Statement of Cash Flows is Cash and Deposits with Central Banks.

4. The Cash and Cash Equivalents as of March 31, 2000 is obtained by subtracting ¥609,717 million in "Time Deposits with Banks" and ¥367,666 million in other deposit accounts from ¥2,459,166 million in "Cash and Due from Banks".