

The Aichi Bank, Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
For the Years Ended March 31, 2007 and 2006

	Millions of Yen		Thousands of U.S. Dollars	
	2007	2006	2007	2006
Cash flows from operating activities:				
Income before income taxes and minority interests	¥ 14,309	¥ 16,315	\$ 121,219	\$ 138,207
Adjustments for:				
Depreciation	6,716	6,762	56,892	57,286
Decrease in reserve for possible loan losses	(3,297)	(4,356)	(27,933)	(36,902)
Interest and dividend income	(38,596)	(36,442)	(326,947)	(308,703)
Interest expenses	2,412	906	20,438	7,683
Decrease (increase) in trading securities	19,685	(19,665)	166,756	(166,587)
Increase in loans and bills discounted	(8,558)	(26,221)	(72,502)	(222,121)
Decrease (increase) in call loans and bills purchased	19,183	(51,163)	162,506	(433,403)
(Decrease) increase in deposits	(4,276)	32,617	(36,224)	276,305
(Decrease) increase in security deposits received relating to lending transactions	(28,516)	18,457	(241,559)	156,352
Interest income received	38,235	36,653	323,889	310,492
Interest expenses paid	(1,577)	(920)	(13,361)	(7,796)
Other, net	3,262	(10,277)	27,634	(87,058)
Sub-total	18,983	(37,332)	160,808	(316,245)
Income taxes paid	(6,109)	(3,013)	(51,758)	(25,529)
Net cash provided (used in) by operating activities	12,873	(40,346)	109,050	(341,774)
Cash flows from investing activities:				
Purchases of securities	(230,261)	(285,228)	(1,950,544)	(2,416,170)
Proceeds from sales or maturities of securities	218,551	218,562	1,851,350	1,851,440
Purchases of premises and equipment	-	(6,057)	-	(51,313)
Proceeds from sales of premises and equipment	-	417	-	3,540
Purchases from sales of tangible fixed assets	(8,085)	-	(68,493)	-
Proceeds from sales of tangible fixed assets	245	-	2,081	-
Net cash used in investing activities	(19,549)	(72,305)	(165,606)	(612,503)
Cash flows from financing activities:				
Dividends paid	(656)	(602)	(5,558)	(5,100)
Other, net	239	(133)	2,033	(1,127)
Net cash used in financing activities	(416)	(735)	(3,525)	(6,227)
Net decrease in cash and cash equivalents	(7,092)	(113,387)	(60,081)	(960,504)
Cash and cash equivalents at beginning of year	49,640	163,028	420,506	1,381,010
Cash and cash equivalents at end of year	¥ 42,548	¥ 49,640	\$ 360,425	\$ 420,506

The accompanying Notes are an integral part of these Consolidated Financial Statements.