

The Aichi Bank, Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
For the Years Ended March 31, 2015 and 2014

	Millions of yen		Thousands of U.S. dollars	
	2015	2014	2015	2014
Cash flows from operating activities:				
Income before income taxes and minority interests	¥ 9,411	¥ 8,501	\$ 78,314	\$ 70,741
Adjustments for:				
Depreciation	1,417	1,407	11,791	11,708
Impairment loss on fixed assets	97	61	807	507
Decrease in reserve for possible loan losses	(4,001)	(2,245)	(33,294)	(18,681)
Contribution to retirement benefit trusts	(4,000)	-	(33,286)	-
Interest and dividend income	(32,599)	(33,681)	(271,274)	(280,277)
Interest expense	1,633	1,813	13,589	15,086
Decrease in trading securities	33	104	274	865
(Increase) decrease in loans and bills discounted	(18,487)	24,685	(153,840)	205,417
Decrease in call loans and bills purchased	1,609	20,659	13,389	171,914
Increase in deposits	45,858	84,935	381,609	706,790
Increase in security deposits received related to securities lending transactions	13,251	29,572	110,268	246,084
Increase (decrease) in borrowings (excluding subordinated borrowings)	4,810	(17,685)	40,026	(147,166)
Gain on securities transactions	(2,150)	(1,134)	(17,891)	(9,436)
Gain on foreign currency transactions	(6,945)	(3,625)	(57,793)	(30,165)
Decrease in reserve for contingencies	(204)	(60)	(1,697)	(499)
Interest and dividend income received	33,937	35,375	282,408	294,374
Interest expense paid	(2,508)	(2,299)	(20,870)	(19,131)
Other, net	(1,926)	7,948	(16,027)	66,139
Subtotal	39,234	154,333	326,487	1,284,288
Income taxes paid	(1,893)	(2,625)	(15,752)	(21,844)
Net cash provided by operating activities	37,341	151,708	310,734	1,262,444
Cash flows from investing activities:				
Purchases of securities	(337,844)	(455,174)	(2,811,383)	(3,787,750)
Proceeds from sales and maturities of securities	305,045	353,628	2,538,445	2,942,731
Purchases of tangible fixed assets	(2,650)	(1,995)	(22,052)	(16,601)
Proceeds from sales of tangible fixed assets	131	233	1,090	1,938
Purchases of intangible fixed assets	(12)	(32)	(99)	(266)
Payment for asset retirement obligations	(47)	-	(391)	-
Net cash used in investing activities	(35,378)	(103,340)	(294,399)	(859,948)
Cash flows from financing activities:				
Dividends paid	(759)	(759)	(6,316)	(6,316)
Other, net	(76)	(42)	(632)	(349)
Net cash used in financing activities	(836)	(802)	(6,956)	(6,673)
Net increase in cash and cash equivalents	1,125	47,565	9,361	395,814
Cash and cash equivalents at beginning of year	137,375	89,810	1,143,172	747,357
Cash and cash equivalents at end of year (Note 2(b))	¥ 138,501	¥ 137,375	\$ 1,152,542	\$ 1,143,172

The accompanying notes are an integral part of these consolidated financial statements.