Consolidated Statements of Cash Flows

The Musashino Bank, Ltd. and Consolidated Subsidiaries For the Years Ended March 31, 2021 and 2020

	Millions of Yen		Thousands of U.S. Dollars*
	2021	2020	**2021**
Cash flows from operating activities			
Profit before income taxes	**¥ 12,796**	¥ 8,732	**$ 115,581**
Depreciation	**2,711**	2,870	**24,487**
Share of loss (profit) of entities accounted for using equity method	**(2)**	(7)	**(18)**
Increase (decrease) in allowance for loan losses	**1,898**	(3,191)	**17,144**
Increase (decrease) in provision for bonuses	**18**	(14)	**163**
Increase (decrease) in provision for bonuses for directors (and other officers)	**0**	1	**0**
Decrease (increase) in retirement benefit asset	**(450)**	(476)	**(4,065)**
Increase (decrease) in retirement benefit liability	**(191)**	(96)	**(1,725)**
Increase (decrease) in provision for retirement benefits for directors (and other officers)	**(7)**	9	**(63)**
Increase (decrease) in provision for loss on interest repayment	**(9)**	8	**(81)**
Increase (decrease) in provision for reimbursement of deposits	**(46)**	(126)	**(415)**
Increase (decrease) in provision for point card certificates	**7**	3	**63**
Increase (decrease) in provision for contingent loss	**61**	58	**551**
Increase (decrease) in provision for share-based compensation	**17**	(6)	**154**
Increase (decrease) in allowance for demolition of non-current assets	**(329)**	(282)	**(2,972)**
Interest income	**(39,380)**	(38,872)	**(355,704)**
Interest expenses	**1,274**	2,479	**11,508**
Loss (gain) related to securities	**(1,694)**	(8)	**(15,301)**
Loss (gain) on money held in trust	**2**	3	**18**
Foreign exchange losses (gains)	**(2,029)**	1,123	**(18,327)**
Loss (gain) on disposal of non-current assets	**10**	13	**90**
Net decrease (increase) in trading securities	**(13)**	13	**(117)**
Net decrease (increase) in loans and bills discounted	**(218,233)**	(49,584)	**(1,971,213)**
Net increase (decrease) in deposits	**376,517**	84,619	**3,400,930**
Net increase (decrease) in negotiable certificates of deposit	**(62,440)**	(23,600)	**(563,996)**
Net increase (decrease) in borrowed money (excluding subordinated borrowings)	**299,337**	957	**2,703,794**
Net decrease (increase) in due from banks (excluding due from Bank of Japan)	**0**	9,915	**0**
Net decrease (increase) in call loans	**(102)**	12,123	**(921)**
Net increase (decrease) in call money	**5,005**	(100)	**45,208**
Net increase (decrease) in cash collateral received for securities lent	**4,020**	(5,013)	**36,311**
Net decrease (increase) in foreign exchanges—assets	**2,033**	(2,630)	**18,363**
Net increase (decrease) in foreign exchanges—liabilities	**(134)**	158	**(1,210)**
Net increase (decrease) in borrowed money from trust account	**2,239**	1,043	**20,224**
Interest received	**39,896**	40,021	**360,365**
Interest paid	**(1,406)**	(2,596)	**(12,700)**
Other, net	**3,557**	(326)	**32,129**
Subtotal	**424,934**	37,219	**3,838,262**
Income taxes refund	**2,160**	—	**19,510**
Income taxes paid	**(1,392)**	(6,509)	**(12,573)**
Net cash provided by (used in) operating activities	**425,702**	30,710	**3,845,199**
Cash flows from investing activities			
Purchase of securities	**(309,024)**	(237,880)	**(2,791,293)**
Proceeds from sale of securities	**81,587**	32,422	**736,943**
Proceeds from redemption of securities	**178,329**	223,679	**1,610,776**
Increase in money held in trust	**(5)**	(9)	**(45)**
Purchase of tangible fixed assets	**(7,110)**	(7,006)	**(64,222)**
Proceeds from sale of property, plant and equipment	**7**	13	**63**
Purchase of intangible assets	**(1,518)**	(1,661)	**(13,711)**
Payments for asset retirement obligations	**(1)**	(114)	**(9)**
Net cash provided by (used in) investing activities	**(57,734)**	9,441	**(521,489)**
Cash flows from financing activities			
Dividends paid	**(2,682)**	(2,682)	**(24,225)**
Dividends paid to non-controlling interests	**—**	(0)	**—**
Purchase of treasury shares	**(2)**	(42)	**(18)**
Purchase of treasury shares of subsidiaries	**—**	(262)	**—**
Proceeds from sale of treasury shares	**—**	40	**—**
Net cash provided by (used in) financing activities	**(2,685)**	(2,947)	**(24,253)**
Net increase (decrease) in cash and cash equivalents	**365,282**	37,204	**3,299,449**
Cash and cash equivalents at beginning of period	**373,991**	336,786	**3,378,114**
Cash and cash equivalents at end of period	**¥ 739,274**	¥ 373,991	**$ 6,677,572**

* U.S. dollar figures have been translated at the rate ¥110.71 to U.S.$1, the prevailing market rate as of March 31, 2021.