

Nonconsolidated Statements of Cash Flows

Nissay Dowa General Insurance Co., Ltd.
For the years ended March 31, 2007 and 2008

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2007	2008	2008
Cash flows from operating activities			
Income before income taxes	¥ 8,916	¥ 10,731	\$ 107,112
Adjustments to reconcile income before income taxes to net cash			
Payment of income taxes	(4,420)	(365)	(3,645)
Depreciation	3,347	3,548	35,416
Loss on impairment of long-lived assets	—	122	1,217
Increase in reserves for reported and estimated losses and claims	12,676	7,002	69,889
Decrease in underwriting reserves	(2,881)	(11,837)	(118,149)
(Reversal of) provision for allowance for doubtful accounts	(348)	15	156
Decrease in liability for retirement benefits	(3,771)	(4,420)	(44,122)
Decrease in accrued expenses	(10)	(539)	(5,386)
Provision for reserve for fluctuation in value of investment	631	666	6,655
Net realized gain on investments in securities	(11,217)	(17,338)	(173,056)
Net realized loss on sales and disposals of property and equipment	99	966	9,644
Foreign currency exchange loss	1,875	1,647	16,440
Net decrease in other assets	162	169	1,695
Net decrease in other liabilities	(215)	(195)	(1,951)
Others, net	(2,526)	(261)	(2,614)
Net cash provided by (used in) operating activities	2,317	(10,088)	(100,697)
Cash flows from investing activities			
Increase in short-term investments, net	(576)	(1,305)	(13,026)
Purchases of investment securities	(232,307)	(406,427)	(4,056,562)
Proceeds from sales or maturity of securities	221,712	416,308	4,155,193
Loans made	(6,646)	(2,975)	(29,701)
Collection of loans	20,852	8,448	84,326
Purchases of property and equipment	(2,551)	(2,696)	(26,916)
Proceeds from sales and disposals of property and equipment	320	122	1,221
Others, net	(0)	(0)	(0)
Net cash provided by investing activities	803	11,475	114,533
Cash flows from financing activities			
Purchases of treasury stock, net	(34)	(27)	(269)
Cash dividends paid	(3,229)	(3,039)	(30,333)
Others, net	(1)	(4)	(43)
Net cash used in financing activities	(3,265)	(3,070)	(30,646)
Foreign currency translation adjustments on cash and cash equivalents	(1,574)	(1,184)	(11,821)
Net decrease in cash and cash equivalents	(1,718)	(2,868)	(28,632)
Cash and cash equivalents at beginning of year	83,329	81,611	814,563
Cash and cash equivalents at end of year (Note 3)	¥ 81,611	¥ 78,742	\$ 785,931

See accompanying Notes to Nonconsolidated Financial Statements.