

Nonconsolidated Statements of Cash Flows

Nissay Dowa General Insurance Co., Ltd.
For the years ended March 31, 2008 and 2009

| | Millions of yen | | Thousands of U.S. dollars (Note 1) |
|--|-----------------|-----------------|---------------------------------------|
| | 2008 | 2009 | 2009 |
| Cash flows from operating activities | | | |
| Income (loss) before income taxes | ¥ 10,731 | ¥ (10,720) | \$ (109,135) |
| Adjustments to reconcile income before income taxes to net cash | | | |
| Payment of income taxes | (365) | (7,424) | (75,579) |
| Depreciation | 3,548 | 3,758 | 38,261 |
| Loss on impairment of long-lived assets | 122 | 12 | 122 |
| Increase in reserves for reported and estimated losses and claims | 7,002 | 1,877 | 19,115 |
| Decrease in underwriting reserves | (11,837) | (16,767) | (170,696) |
| Provision for (reversal of) allowance for doubtful accounts | 15 | (173) | (1,764) |
| Decrease in liability for retirement benefits | (4,420) | (2,386) | (24,296) |
| (Decrease) increase in accrued expenses | (539) | 34 | 351 |
| Provision for (reversal of) reserve for fluctuation in value of investment | 666 | (6,443) | (65,591) |
| Net realized (gain) loss on investments in securities | (17,338) | 14,770 | 150,362 |
| Net loss on sales and disposals of property and equipment | 966 | 309 | 3,152 |
| Foreign currency exchange loss | 1,647 | 583 | 5,938 |
| Net decrease (increase) in other assets | 169 | (2,675) | (27,235) |
| Net decrease in other liabilities | (195) | (1,931) | (19,658) |
| Others, net | (261) | 18,524 | 188,584 |
| Net cash used in operating activities | (10,088) | (8,651) | (88,069) |
| Cash flows from investing activities | | | |
| (Increase) decrease in short-term investments, net | (1,305) | 1,098 | 11,179 |
| Purchases of investment securities | (406,427) | (232,444) | (2,366,325) |
| Proceeds from sales or maturity of securities | 416,308 | 220,532 | 2,245,063 |
| Loans made | (2,975) | (7,539) | (76,756) |
| Collection of loans | 8,448 | 12,589 | 128,165 |
| Purchases of property and equipment | (2,696) | (4,608) | (46,914) |
| Proceeds from sales of property and equipment | 122 | 333 | 3,399 |
| Others, net | (0) | (0) | (2) |
| Net cash provided by (used in) investing activities | 11,475 | (10,038) | (102,190) |
| Cash flows from financing activities | | | |
| Purchases of treasury stock, net | (27) | (163) | (1,661) |
| Cash dividends paid | (3,039) | (3,038) | (30,935) |
| Others, net | (4) | (0) | (7) |
| Net cash used in financing activities | (3,070) | (3,202) | (32,604) |
| Foreign currency translation adjustments on cash and cash equivalents | (1,184) | (641) | (6,531) |
| Net decrease in cash and cash equivalents | (2,868) | (22,533) | (229,395) |
| Cash and cash equivalents at beginning of year | 81,611 | 78,742 | 801,613 |
| Cash and cash equivalents at end of year (Note 3) | ¥ 78,742 | ¥ 56,208 | \$ 572,217 |

See accompanying Notes to Nonconsolidated Financial Statements.