

Interim Consolidated Statement of Changes in Cash Flows

(unaudited)

(\$ in thousands)	For the three months ended		
	Jun 30 2008	Mar 31 2008	Jun 30 2007
Cash flows from operating activities			
Net income	\$ 56,679	\$ (86,130)	\$ 64,496
Adjustments to determine net cash flows:			
Provision for credit losses	8,640	2,630	6,597
Amortization	8,642	8,226	8,092
Net changes in accrued interest receivable and payable	(9,435)	(5,601)	(4,377)
Net changes in derivative financial instruments	(791)	(33,882)	(59)
(Recovery of) provision for loss on asset-backed commercial paper	(1,285)	146,233	-
Gain on sale of securitized residential mortgage loans (Note 6)	(6,330)	-	-
Other items, net	(23,191)	(75,819)	(1,658)
Net cash provided by (used in) operating activities	<u>32,929</u>	<u>(44,343)</u>	<u>73,091</u>
Cash flows from financing activities			
Net change in deposits	1,074,638	535,226	1,062,994
Repayment of subordinated debentures	(15,985)	-	(15,234)
Net cash provided by financing activities	<u>1,058,653</u>	<u>535,226</u>	<u>1,047,760</u>
Cash flows from investing activities			
Net change in interest-bearing deposits with financial institutions	(671,854)	85,970	(116,954)
Purchase of investment securities	(876,301)	(2,125,008)	(4,844,882)
Proceeds from investment securities	878,910	2,149,953	4,683,895
Net change in loans	(616,266)	(579,913)	(743,291)
Proceeds from sale of securitized residential mortgage loans (Note 6)	247,842	-	-
Net purchases of premises and equipment	(23,148)	(23,472)	(11,480)
Net cash used in investing activities	<u>(1,060,817)</u>	<u>(492,470)</u>	<u>(1,032,712)</u>
Net increase (decrease) in cash and cash equivalents	30,765	(1,587)	88,139
Cash and cash equivalents at beginning of period	<u>91,567</u>	<u>93,154</u>	<u>78,117</u>
Cash and cash equivalents at end of period, represented by cash	\$ 122,332	\$ 91,567	\$ 166,256
Supplementary cash flow information:			
Amount of interest paid during the period	\$ 151,516	\$ 160,044	\$ 148,397

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

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