

Interim Consolidated Statement of Changes in Cash Flows

(unaudited)

(\$ in thousands)	For the three months ended			For the six months ended	
	Sep 30 2008	Jun 30 2008	Sep 30 2007	Sep 30 2008	Sep 30 2007
Cash flows from operating activities					
Net income	\$ 5,693	\$ 56,679	\$ 8,547	\$ 62,372	\$ 73,043
Adjustments to determine net cash flows:					
Provision for (recovery of) credit losses	13,917	8,640	(1,434)	22,557	5,163
Amortization	8,877	8,642	8,398	17,519	16,490
Net changes in accrued interest receivable and payable	(880)	(9,435)	(6,619)	(10,315)	(10,996)
Net changes in derivative financial instruments	(4,484)	(791)	20,055	(5,275)	19,996
Provision for (Recovery of) loss on asset-backed commercial paper	55,544	(1,285)	77,600	54,259	77,600
Gain on sale of securitized residential mortgage loans (Note 6)	(7,561)	(6,330)	-	(13,891)	-
Other items, net	32,730	(23,191)	50,955	9,539	49,297
Net cash provided by operating activities	103,836	32,929	157,502	136,765	230,593
Cash flows from financing activities					
Net change in deposits	670,003	1,074,638	917,347	1,744,641	1,980,341
Repayment of subordinated debentures	-	(15,985)	-	(15,985)	(15,234)
Issuance of subordinated debentures	-	-	15,990	-	15,990
Net cash provided by financing activities	670,003	1,058,653	933,337	1,728,656	1,981,097
Cash flows from investing activities					
Net change in interest-bearing deposits					
with financial institutions	(72,917)	(671,854)	(1,055,266)	(744,771)	(1,172,220)
Purchase of investment securities	(1,137,707)	(876,301)	(3,029,079)	(2,014,008)	(7,873,961)
Proceeds from investment securities	1,244,331	878,910	3,385,604	2,123,241	8,069,499
Net change in loans	(941,848)	(616,266)	(481,559)	(1,558,114)	(1,224,850)
Proceeds from sale of securitized residential mortgage loans (Note 6)	188,884	247,842	-	436,726	-
Net purchases of premises and equipment	(32,978)	(23,148)	(10,692)	(56,126)	(22,172)
Net cash used in investing activities	(752,235)	(1,060,817)	(1,190,992)	(1,813,052)	(2,223,704)
Net increase (decrease) in cash and cash equivalents	21,604	30,765	(100,153)	52,369	(12,014)
Cash and cash equivalents at beginning of period	122,332	91,567	166,256	91,567	78,117
Cash and cash equivalents at end of period, represented by cash	\$ 143,936	\$ 122,332	\$ 66,103	\$ 143,936	\$ 66,103
Supplementary cash flow information:					
Amount of interest paid during the period	\$ 136,600	\$ 151,516	\$ 148,313	\$ 288,116	\$ 296,710

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

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