

Financial Statements

Documents in accordance with Article 20-1 of the Banking Act were audited by Deloitte Touche Tohmatsu LLC under the provisions of Article 396-1 of the Companies Act.

In addition, the non-consolidated balance sheets, the non-consolidated statements of income and retained earnings and the non-consolidated statement of changes in net assets were audited and certified by Deloitte Touche Tohmatsu LLC under the provisions of Article 193-2-1 of the Financial Instruments and Exchange Act.

Non-Consolidated Balance Sheets (Assets)

	Millions of Japanese Yen		Thousands of US Dollars
	FY 2011	FY 2012	FY 2012
Cash and due from banks	26,531	26,092	317,460
Cash	19,782	19,948	242,706
Due from banks	6,749	6,143	74,741
Call loans	31,351	34,430	418,907
Other debt purchased	1,402	879	10,695
Trading account securities	4	–	–
Local government bonds	4	–	–
Money held in trust	2,000	2,000	24,334
Securities	680,424	647,655	7,879,973
Government bonds	317,624	286,341	3,483,891
Local government bonds	122,755	137,585	1,673,987
Corporate bonds	189,182	169,053	2,056,856
Shares	30,083	28,696	349,142
Other kinds of securities	20,779	25,978	316,073
Loans	1,287,422	1,368,453	16,649,872
Bills discounted	9,017	11,324	137,778
Loans by bills	57,327	58,108	706,996
Loans on deed	1,107,941	1,175,913	14,307,251
Cash credit	113,135	123,107	1,497,834
Foreign exchange	1,244	774	9,417
Due to foreign banks	1,217	740	9,004
Foreign exchange purchased	3	0	0
Foreign exchange receivable	23	32	389
Other assets	8,694	7,420	90,279
Prepaid expense	31	32	389
Accrued income	3,207	3,221	39,190
Derivatives	10	9	110
Other assets	5,445	4,156	50,566
Tangible fixed assets	23,433	23,404	284,755
Buildings	7,665	7,480	91,009
Land	13,896	14,120	171,797
Lease assets	479	492	5,986
Construction in progress	–	169	2,056
Other tangible fixed assets	1,393	1,141	13,882

Intangible fixed assets	4,745	4,275	52,014
Software	4,684	4,210	51,223
Other intangible fixed assets	60	65	791
Deferred income tax asset	14,304	6,953	84,597
Guaranty endorsement	3,922	4,005	48,729
Allowance for bad debts	-18,322	-11,759	-143,071
Reserve against investment losses	-62	-33	-402
Total assets	2,067,098	2,114,552	25,727,607

(Liabilities and Shareholders' Equity)
(Total liabilities and net assets)

	Millions of Japanese Yen		Thousands of US Dollars
	FY 2011	FY 2012	FY 2012
Liabilities:			
Deposits	1,717,198	1,767,516	21,505,244
Demand	31,834	38,541	468,926
Ordinary	1,047,084	1,104,310	13,436,063
Savings	21,108	20,035	243,764
At notice	4,820	639	7,775
Time	584,474	584,407	7,110,439
Installment savings	2,976	2,244	27,303
Others	24,899	17,339	210,962
Negotiable deposit	124,989	152,114	1,850,760
Borrowed Money	100,475	62,004	754,398
Loans	100,475	62,004	754,398
Foreign exchange	79	27	329
Foreign exchange sold	72	21	256
Foreign exchange payable	6	6	73
Corporate bonds	12,000	12,000	146,003
Other liabilities	5,834	5,777	70,288
Domestic exchange settlement	35	34	414
Accrued income tax and others	204	81	986
Accrued expenses payable	2,562	2,418	29,420
Unearned revenue	1,036	870	10,585
Benefit and coverage reserve	3	2	24
Derivatives	426	444	5,402
Lease obligations	512	531	6,461
Asset retirement obligations	111	113	1,375
Other liabilities	940	1,280	15,574
Reserve for bonus for directors and corporate auditors	20	30	365
Reserve for retirement allowances	7,263	7,286	88,648
Reserve for officers' retirement bonuses	571	542	6,594
Reserve for losses from sleeping account withdrawal	185	363	4,417
Reserve for contingent losses	231	236	2,871
Revaluation deferred tax liabilities	3,352	2,928	35,625
Acceptances and guarantees	3,922	4,005	48,729
Total liabilities	1,976,123	2,014,835	24,514,357

Net assets:			
Common stock	14,697	14,697	178,817
Capital surplus	8,794	8,794	106,996
Capital reserve	8,771	8,771	106,716
Other capital surplus	23	23	280
Earned surplus	60,794	64,783	788,210
Profit reserve	6,473	6,473	78,757
Other retained earnings	54,320	58,309	709,442
Contingent reserve	47,101	52,701	641,209
Earned surplus brought forward	7,219	5,608	68,232
Common stock held in treasury	-77	-79	-961
Total owners' equity	84,208	88,195	1,073,062
Other securities revaluation excess	4,193	8,538	103,881
Land revaluation excess	2,573	2,982	36,282
Total valuation and translation adjustments	6,766	11,521	140,175
Total net assets	90,975	99,716	1,213,238
Total liabilities and net assets	2,067,098	2,114,552	25,727,607

Non-Consolidated Statements of Income and Retained Earnings

	Millions of Japanese Yen		Thousands of US Dollars
	FY 2011	FY 2012	FY 2012
Income	40,684	44,806	545,151
Capital investment income	31,056	31,759	386,410
Loan interest	23,776	24,231	294,817
Interest and dividend on marketable securities	7,171	7,459	90,753
Interest on call loan	65	42	511
Interest on deposits	0	0	0
Other interest receivable	42	26	316
Service revenue	7,054	6,929	84,305
Charges for remittance received	2,241	2,148	26,135
Other service revenue	4,812	4,781	58,170
Other transaction revenue	1,761	428	5,207
Profit on foreign exchange transactions	73	68	827
Profit on securities	9	0	0
Profit on government bonds	1,678	360	4,380
Other transaction revenue	0	0	0
Other operating income	812	5,688	69,205
Gain on reversal of allowance for doubtful accounts	–	3,342	40,662
Recoveries of write-off	–	643	7,823
Profit from sales of stocks	280	270	3,285
Profit from money trust	11	–	–
Other income	520	1,432	17,423
Expenses	33,711	34,171	415,756
Cost of raising funds	2,815	2,335	28,410
Interest on deposits	1,495	1,054	12,824
Interest on negotiable deposits	173	152	1,849
Interest on call money	4	10	122
Interest payment bond lending transactions	–	0	0
Interest on borrowed funds	307	339	4,125
Interest on bonds	258	143	1,740
Interest-swap transaction	531	597	7,264
Other interest payable	43	37	450
Expenses on service revenue	1,712	2,653	32,279
Charges for remittance paid	434	404	4,915
Other service expenses	1,278	2,248	27,351
Other transaction expenses	506	610	7,422
Loss from government bonds sold	10	287	3,492
Loss from government bonds repaid	233	143	1,740
Amortization of national bonds and other bonds	120	116	1,411
Loss from derivatives	140	61	742

Other transaction expenses	0	-	-
Sales expenses	24,667	24,791	301,630
Other operating expenses	4,009	3,780	45,991
Loan money charged off	545	599	7,288
Loss from stocks sold	1,790	1,056	12,848
Stocks charged off	1,325	1,727	21,012
Loss on money held in trust	-	7	85
Other expenses	347	389	4,733
Ordinary income	6,973	10,635	129,395
Extraordinary income	1,878	2	24
Gains on dispositions of fixed assets	8	2	24
Gain on reversal of allowance for doubtful receivables	1,587	-	-
Recoveries of written off	262	-	-
Gain on reversal of reserves for possible losses on investments	20	-	-
Extraordinary loss	230	32	389
Loss on dispositions of fixed assets	58	32	389
Impairment losses	48	-	-
Effect of the application of the accounting standard for asset retirement obligations	123	-	-
Income before income taxes	8,620	10,605	129,030
Income, inhabitant and business taxes	127	31	377
Income and other tax adjustments	1,860	5,537	67,368
Income taxes-current	1,988	5,568	67,745
Net income	6,632	5,036	61,273