

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 U.S. Dollars
	FY 2015	FY 2016	FY 2016
Cash and due from banks	128,988	186,284	1,653,213
Cash	18,902	23,638	209,780
Due from banks	110,085	162,646	1,443,433
Call loans	5,236	350	3,106
Other debt purchased	229	180	1,597
Money held in trust	10,000	8,000	70,998
Securities	776,314	771,533	6,847,116
Government bonds	288,187	311,838	2,767,465
Local government bonds	132,656	117,827	1,045,678
Corporate bonds	169,540	136,115	1,207,978
Shares	52,908	46,738	414,785
Other kinds of securities	133,022	159,012	1,411,182
Loans	1,667,549	1,767,923	15,689,767
Bills discounted	8,343	7,651	67,900
Loans by bills	58,019	53,366	473,607
Loans on deed	1,426,099	1,532,371	13,599,317
Cash credit	175,087	174,534	1,548,935
Foreign exchanges	1,962	2,256	20,021
Due from foreign banks	1,916	2,205	19,569
Foreign exchange receivable	45	50	444
Other assets	7,334	9,533	84,602
Prepaid expense	14	38	337
Accrued income	3,187	3,305	29,331
Derivatives	0	837	7,428
Other assets	4,131	5,351	47,488
Tangible fixed assets	23,262	23,706	210,383
Buildings	7,299	8,075	71,663
Land	14,097	13,854	122,950
Lease assets	463	561	4,979
Construction in progress	545	117	1,038
Other tangible fixed assets	856	1,098	9,744
Intangible fixed assets	2,176	2,138	18,974
Software	2,112	2,073	18,397
Other intangible fixed assets	64	64	568
Guaranty endorsement	2,567	2,953	26,207
Allowance for bad debts	-11,421	-10,336	-91,729
Reserve against investment losses	-1	-0	-0
Total assets	2,614,198	2,764,524	24,534,292

(Liabilities and Shareholders' Equity)
(Total Liabilities and Net Assets)

	Millions of Japanese Yen		Thousands of U.S. Dollars
	FY 2015	FY 2016	FY 2016
Liabilities:			
Deposits	2,042,631	2,144,878	19,035,126
Demand	40,515	43,064	382,180
Ordinary	1,267,507	1,315,759	11,676,952
Savings	17,445	16,866	149,681
At notice	1,508	628	5,573
Time	675,117	728,164	6,462,229
Installment savings	2,310	2,430	21,565
Others	38,225	37,963	336,910
Negotiable deposit	151,777	180,466	1,601,580
Call money	27,210	67,697	600,790
Guarantee deposit received under bond lending transactions	123,362	111,990	993,876
Borrowed money	85,180	85,095	755,192
Loans	85,180	85,095	755,192
Foreign exchanges	30	15	133
Foreign exchange sold	24	7	62
Foreign exchange payable	5	8	71
Corporate bonds	27,000	15,000	133,120
Other liabilities	9,379	7,677	68,131
Domestic exchange settlement	17	18	160
Accrued income tax and others	3,634	2,079	18,450
Accrued expenses payable	1,270	1,198	10,632
Unearned revenue	937	905	8,032
Benefit and coverage reserve	2	2	18
Derivatives	413	153	1,358
Lease obligations	502	608	5,396
Asset retirement obligations	138	140	1,242
Other liabilities	2,463	2,571	22,817
Reserve for bonus for directors and corporate auditors	30	40	355
Reserve for retirement allowances	9,439	9,474	84,079
Reserve for losses from sleeping account withdrawal	422	353	3,133
Reserve for contingent losses	173	134	1,189
Deferred tax liabilities	4,369	3,371	29,917
Revaluation deferred tax liabilities	2,531	2,334	20,714
Acceptances and guarantees	2,567	2,953	26,207
Total liabilities	2,486,106	2,631,484	23,353,603
Net assets:			
Common stock	14,697	14,697	130,431
Capital surplus	8,793	8,792	78,026
Capital reserve	8,771	8,771	77,840
Other capital surplus	21	21	186
Earned surplus	77,908	86,329	766,143
Profit reserve	6,473	6,473	57,446
Other retained earnings	71,434	79,855	708,688
Contingent reserve	66,401	69,201	614,137
Earned surplus brought forward	5,033	10,654	94,551
Common stock held in treasury	-1,702	-1,694	-15,034
Total shareholders' equity	99,696	108,125	959,576
Other securities revaluation excess	25,271	21,776	193,255
Land revaluation excess	3,062	3,049	27,059
Total valuation and translation adjustments	28,334	24,825	220,314
Rights to acquire new shares	61	88	781
Total net assets	128,091	133,039	1,180,680
Total liabilities and net assets	2,614,198	2,764,524	24,534,292

Non-Consolidated Statements of Income and Retained Earnings

	Millions of Japanese Yen		Thousands of U.S. Dollars
	FY 2015	FY 2016	FY 2016
Income	44,750	47,791	424,130
Capital investment income	33,107	34,543	306,558
Interest on loans	24,784	25,231	223,917
Interest and dividend on marketable securities	8,210	9,149	81,195
Interest on call loans	39	33	293
Interest on deposits	18	19	169
Other interest receivable	54	109	967
Service revenue	7,665	7,888	70,004
Charges for remittance received	2,151	2,148	19,063
Other service revenue	5,514	5,740	50,941
Other transaction revenue	326	524	4,650
Profit on foreign exchange transactions	31	—	—
Profit on trading account securities transactions	—	2	18
Profit on government bonds	294	521	4,624
Other transaction revenue	0	0	0
Other operating income	3,650	4,834	42,900
Reversal of allowance for doubtful receivables	—	597	5,298
Recoveries of write-off	180	177	1,571
Profit from sales of stocks	2,095	2,974	26,393
Profit from money held in trust	241	—	—
Other income	1,133	1,084	9,620
Expenses	32,820	32,485	288,294
Cost of raising funds	1,928	2,010	17,838
Interest on deposits	611	595	5,280
Interest on negotiable deposits	240	267	2,370
Interest on call money	34	69	612
Interest payment bond lending transactions	91	190	1,686
Interest on borrowed funds	91	94	834
Interest on bonds	274	225	1,997
Interest-swap transaction	555	540	4,792
Other interest payable	27	27	240
Expenses on service revenue	3,959	4,191	37,194
Charges for remittance paid	409	410	3,639
Other service expenses	3,549	3,781	33,555
Other transaction expenses	263	229	2,032
Loss on foreign exchange transactions	—	115	1,021
Loss on sales of securities	8	—	—
Loss from government bonds sold	13	22	195
Loss from government bonds repaid	232	77	683
Loss from derivatives	8	13	115
Sales expenses	24,791	24,967	221,574
Other operating expenses	1,878	1,086	9,638
Provision of allowance for doubtful accounts	1,123	—	—
Loan money charged off	135	432	3,834
Loss from stocks sold	45	421	3,736
Stocks charged off	70	65	577
Loss from money held in trust	—	73	648
Other expenses	503	94	834
Ordinary income	11,930	15,305	135,827
Extraordinary income	16	2	18
Gains on dispositions of fixed assets	16	2	18
Extraordinary loss	105	188	1,668
Loss on dispositions of fixed assets	68	168	1,491
Impairment loss	37	—	—
Other extraordinary loss	—	20	177
Income before income taxes	11,841	15,119	134,176
Income, inhabitant and business taxes	4,546	4,304	38,197
Income and other tax adjustments	1,106	1,079	9,576
Income taxes-current	5,653	5,383	47,772
Net income	6,187	9,736	86,404