

Financial Statements

Financial Statements were audited by Deloitte Touche Tohmatsu LLC under the provisions of Article 396-1 of the Companies Act and Article 193-2-1 of the Financial Instruments and Exchange Act.

Non-Consolidated Balance Sheet (Assets)

	Millions of Japanese Yen		Thousands of U.S. Dollars
	FY 2016	FY 2017	FY 2017
Cash and due from banks	186,284	311,105	2,773,019
Cash	23,638	29,998	267,386
Due from banks	162,646	281,107	2,505,633
Call loans	350	700	6,239
Other debt purchased	180	133	1,185
Money held in trust	8,000	11,000	98,048
Securities	771,533	769,682	6,860,522
Government bonds	311,838	301,573	2,688,056
Local government bonds	117,827	140,399	1,251,440
Corporate bonds	136,115	122,149	1,088,769
Shares	46,738	56,742	505,767
Other kinds of securities	159,012	148,817	1,326,473
Loans	1,767,923	1,846,852	16,461,824
Bills discounted	7,651	6,948	61,931
Loans by bills	53,366	51,628	460,184
Loans on deed	1,532,371	1,600,314	14,264,319
Cash credit	174,534	187,961	1,675,381
Foreign exchanges	2,256	2,231	19,886
Due from foreign banks	2,205	2,189	19,512
Foreign exchange receivable	50	41	365
Other assets	9,533	10,848	96,693
Prepaid expense	38	32	285
Accrued income	3,305	2,865	25,537
Derivatives	837	223	1,988
Other assets	5,351	7,727	68,874
Tangible fixed assets	23,706	23,735	211,561
Buildings	8,075	8,104	72,235
Land	13,854	13,791	122,925
Lease assets	561	545	4,858
Construction in progress	117	368	3,280
Other tangible fixed assets	1,098	924	8,236
Intangible fixed assets	2,138	2,037	18,157
Software	2,073	1,973	17,586
Other intangible fixed assets	64	64	570
Guaranty endorsement	2,953	2,433	21,686
Allowance for bad debts	-10,336	-9,225	-82,227
Reserve against investment losses	-0	-0	-0
Total assets	2,764,524	2,971,536	26,486,639

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

	Millions of Japanese Yen		Thousands of U.S. Dollars
	FY 2016	FY 2017	FY 2017
Liabilities:			
Deposits	2,144,878	2,227,344	19,853,320
Demand	43,064	50,175	447,232
Ordinary	1,315,759	1,371,475	12,224,574
Savings	16,866	16,416	146,323
At notice	628	1,069	9,528
Time	728,164	740,590	6,601,212
Installment savings	2,430	2,240	19,966
Others	37,963	45,377	404,466
Negotiable deposit	180,466	174,522	1,555,593
Call money	67,697	145,574	1,297,567
Guarantee deposit received under bond lending transactions	111,990	149,274	1,330,546
Borrowed money	85,095	105,085	936,670
Loans	85,095	105,085	936,670
Foreign exchanges	15	12	107
Foreign exchange sold	7	10	89
Foreign exchange payable	8	2	18
Corporate bonds	15,000	15,000	133,702
Other liabilities	7,677	6,539	58,285
Domestic exchange settlement	18	23	205
Accrued income tax and others	2,079	1,254	11,177
Accrued expenses payable	1,198	1,133	10,099
Unearned revenue	905	895	7,978
Benefit and coverage reserve	2	2	18
Derivatives	153	1	9
Lease obligations	608	596	5,312
Asset retirement obligations	140	142	1,266
Other liabilities	2,571	2,489	22,186
Reserve for bonus for directors and corporate auditors	40	40	357
Reserve for retirement allowances	9,474	3,920	34,941
Reserve for losses from sleeping account withdrawal	353	269	2,398
Reserve for contingent losses	134	102	909
Deferred tax liabilities	3,371	1,121	9,992
Revaluation deferred tax liabilities	2,334	2,304	20,537
Acceptances and guarantees	2,953	2,433	21,686
Total liabilities	2,631,484	2,833,545	25,256,663
Net assets:			
Common stock	14,697	14,697	131,001
Capital surplus	8,792	8,775	78,216
Capital reserve	8,771	8,771	78,180
Other capital surplus	21	4	36
Earned surplus	86,329	94,142	839,130
Profit reserve	6,473	6,473	57,697
Other retained earnings	79,855	87,668	781,424
Contingent reserve	69,201	77,401	689,910
Earned surplus brought forward	10,654	10,267	91,514
Common stock held in treasury	-1,694	-1,292	-11,516
Total shareholders' equity	108,125	116,323	1,036,839
Other securities revaluation excess	21,776	18,484	164,756
Land revaluation excess	3,049	3,045	27,141
Total valuation and translation adjustments	24,825	21,530	191,907
Rights to acquire new shares	88	136	1,212
Total net assets	133,039	137,990	1,229,967
Total liabilities and net assets	2,764,524	2,971,536	26,486,639

Non-Consolidated Statement of Income and Retained Earnings

	Millions of Japanese Yen		Thousands of U.S. Dollars
	FY 2016	FY 2017	FY 2017
Income	47,791	45,888	409,020
Capital investment income	34,543	33,822	301,471
Interest on loans	25,231	25,085	223,594
Interest and dividend on marketable securities	9,149	8,624	76,870
Interest on call loans	33	8	71
Interest on deposits	19	9	80
Other interest receivable	109	94	838
Service revenue	7,888	8,076	71,985
Charges for remittance received	2,148	2,234	19,913
Other service revenue	5,740	5,842	52,072
Other transaction revenue	524	968	8,628
Profit on trading account securities transactions	2	—	—
Profit on government bonds	521	968	8,628
Other transaction revenue	0	0	0
Other operating income	4,834	3,021	26,928
Reversal of allowance for doubtful receivables	597	664	5,919
Recoveries of write-off	177	201	1,792
Profit from sales of stocks	2,974	1,387	12,363
Other income	1,084	767	6,837
Expenses	32,485	33,502	298,618
Cost of raising funds	2,010	1,725	15,376
Interest on deposits	595	355	3,164
Interest on negotiable deposits	267	123	1,096
Interest on call money	69	148	1,319
Interest payment bond lending transactions	190	369	3,289
Interest on borrowed funds	94	44	392
Interest on bonds	225	132	1,177
Interest-swap transaction	540	520	4,635
Other interest payable	27	31	276
Expenses on service revenue	4,191	4,350	38,774
Charges for remittance paid	410	413	3,681
Other service expenses	3,781	3,937	35,092
Other transaction expenses	229	1,456	12,978
Loss on foreign exchange transactions	115	236	2,104
Loss on sales of securities	—	1	9
Loss from government bonds sold	22	1,039	9,261
Loss from government bonds repaid	77	153	1,364
Loss from derivatives	13	26	232
Sales expenses	24,967	25,281	225,341
Other operating expenses	1,086	688	6,132
Loan money charged off	432	216	1,925
Loss from stocks sold	421	104	927
Stocks charged off	65	103	918
Loss from money held in trust	73	75	669
Other expenses	94	190	1,694
Ordinary income	15,305	12,385	110,393
Extraordinary income	2	20	178
Gains on dispositions of fixed assets	2	20	178
Extraordinary loss	188	230	2,050
Loss on dispositions of fixed assets	168	87	775
Impairment loss	—	142	1,266
Other extraordinary loss	20	—	—
Income before income taxes	15,119	12,175	108,521
Income, inhabitant and business taxes	4,304	3,353	29,887
Income and other tax adjustments	1,079	-611	-5,446
Income taxes-current	5,383	2,742	24,441
Net income	9,736	9,432	84,072