

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 2017	FY 2018	FY 2018
Cash and due from banks	311,105	272,900	2,568,712
Cash	29,998	30,490	286,992
Due from banks	281,107	242,409	2,281,711
Call loans	700	1,066	10,034
Other debt purchased	133	93	875
Money held in trust	11,000	13,000	122,364
Securities	769,682	688,882	6,484,206
Government bonds	301,573	249,168	2,345,331
Local government bonds	140,399	146,795	1,381,730
Corporate bonds	122,149	101,283	953,341
Shares	56,742	56,623	532,973
Other kinds of securities	148,817	135,012	1,270,821
Loans	1,846,852	1,934,671	18,210,382
Bills discounted	6,948	7,662	72,120
Loans by bills	51,628	48,881	460,100
Loans on deed	1,600,314	1,663,770	15,660,486
Cash credit	187,961	214,356	2,017,658
Foreign exchanges	2,231	2,667	25,104
Due from foreign banks	2,189	2,642	24,868
Foreign bills bought	—	0	0
Foreign exchange receivable	41	25	235
Other assets	10,848	22,617	212,886
Prepaid expense	32	27	254
Accrued income	2,865	2,602	24,492
Derivatives	223	491	4,622
Other assets	7,727	19,496	183,509
Tangible fixed assets	23,735	23,280	219,127
Buildings	8,104	8,069	75,951
Land	13,791	13,695	128,906
Lease assets	545	541	5,092
Construction in progress	368	62	584
Other tangible fixed assets	924	911	8,575
Intangible fixed assets	2,037	2,170	20,425
Software	1,973	2,106	19,823
Other intangible fixed assets	64	64	602
Guaranty endorsement	2,433	2,894	27,240
Allowance for bad debts	-9,225	-7,907	-74,426
Reserve against investment losses	-0	-0	-0
Total assets	2,971,536	2,956,337	27,826,967

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

	Millions of Japanese Yen		Thousands of U.S. Dollars
	FY 2017	FY 2018	FY 2018
Liabilities:			
Deposits	2,227,344	2,359,152	22,205,873
Demand	50,175	50,520	475,527
Ordinary	1,371,475	1,479,963	13,930,375
Savings	16,416	15,967	150,292
At notice	1,069	330	3,106
Time	740,590	775,043	7,295,209
Installment savings	2,240	1,896	17,846
Others	45,377	35,431	333,500
Negotiable deposit	174,522	133,868	1,260,053
Call money	145,574	39,561	372,374
Guarantee deposit received under bond lending transactions	149,274	141,059	1,327,739
Borrowed money	105,085	105,064	988,931
Loans	105,085	105,064	988,931
Foreign exchanges	12	10	94
Foreign exchange sold	10	5	47
Foreign exchange payable	2	5	47
Corporate bonds	15,000	15,000	141,190
Other liabilities	6,539	6,355	59,817
Domestic exchange settlement	23	15	141
Accrued income tax and others	1,254	1,881	17,705
Accrued expenses payable	1,133	1,050	9,883
Unearned revenue	895	885	8,330
Benefit and coverage reserve	2	1	9
Derivatives	1	77	725
Lease obligations	596	551	5,186
Asset retirement obligations	142	141	1,327
Other liabilities	2,489	1,751	16,482
Reserve for bonus for directors and corporate auditors	40	40	377
Reserve for retirement allowances	3,920	4,319	40,653
Reserve for losses from sleeping account withdrawal	269	273	2,570
Reserve for contingent losses	102	108	1,017
Deferred tax liabilities	1,121	775	7,295
Revaluation deferred tax liabilities	2,304	2,301	21,659
Acceptances and guarantees	2,433	2,894	27,240
Total liabilities	2,833,545	2,810,786	26,456,947
Net assets:			
Common stock	14,697	14,697	138,338
Capital surplus	8,775	8,775	82,596
Capital reserve	8,771	8,771	82,558
Other capital surplus	4	4	38
Earned surplus	94,142	102,004	960,128
Profit reserve	6,473	6,473	60,928
Other retained earnings	87,668	95,530	899,191
Contingent reserve	77,401	85,201	801,967
Earned surplus brought forward	10,267	10,329	97,223
Common stock held in treasury	-1,292	-1,303	-12,265
Total shareholders' equity	116,323	124,174	1,168,806
Other securities revaluation excess	18,484	18,148	170,821
Land revaluation excess	3,045	3,044	28,652
Total valuation and translation adjustments	21,530	21,193	199,482
Rights to acquire new shares	136	183	1,723
Total net assets	137,990	145,550	1,370,011
Total liabilities and net assets	2,971,536	2,956,337	27,826,967

Non-Consolidated Statement of Income and Retained Earnings

	Millions of Japanese Yen		Thousands of U.S. Dollars
	FY 2017	FY 2018	FY 2018
Income	45,888	48,416	455,723
Capital investment income	33,822	34,934	328,822
Interest on loans	25,085	25,194	237,142
Interest and dividend on marketable securities	8,624	9,626	90,606
Interest on call loans	8	15	141
Interest on deposits	9	4	38
Other interest receivable	94	93	875
Service revenue	8,076	8,256	77,711
Charges for remittance received	2,234	2,207	20,774
Other service revenue	5,842	6,048	56,928
Other transaction revenue	968	1,586	14,928
Profit on government bonds	968	1,585	14,919
Other transaction revenue	0	0	0
Other operating income	3,021	3,639	34,253
Reversal of allowance for doubtful receivables	664	1	9
Recoveries of write-off	201	141	1,327
Profit from sales of stocks	1,387	2,318	21,819
Gain on money held in trust	—	99	932
Other income	767	1,078	10,147
Expenses	33,502	35,066	330,064
Cost of raising funds	1,725	1,719	16,180
Interest on deposits	355	304	2,861
Interest on negotiable deposits	123	63	593
Interest on call money	148	275	2,588
Interest payment bond lending transactions	369	401	3,774
Interest on borrowed funds	44	43	405
Interest on bonds	132	131	1,233
Interest-swap transaction	520	470	4,424
Other interest payable	31	29	273
Expenses on service revenue	4,350	4,455	41,933
Charges for remittance paid	413	413	3,887
Other service expenses	3,937	4,042	38,046
Other transaction expenses	1,456	3,080	28,991
Loss on foreign exchange transactions	236	149	1,402
Loss on sales of securities	1	0	0
Loss from government bonds sold	1,039	2,218	20,877
Loss from government bonds repaid	153	541	5,092
Loss from derivatives	26	170	1,600
Sales expenses	25,281	25,062	235,900
Other operating expenses	688	747	7,031
Loan money charged off	216	313	2,946
Loss from stocks sold	104	21	198
Stocks charged off	103	239	2,250
Loss from money held in trust	75	—	—
Other expenses	190	174	1,638
Ordinary income	12,385	13,349	125,649
Extraordinary income	20	370	3,483
Gains on dispositions of fixed assets	20	366	3,445
Other extraordinary income	—	3	28
Extraordinary loss	230	547	5,149
Loss on dispositions of fixed assets	87	80	753
Loss on reduction of fixed assets	—	359	3,379
Impairment loss	142	106	998
Income before income taxes	12,175	13,172	123,983
Income, inhabitant and business taxes	3,353	3,950	37,180
Income and other tax adjustments	-611	-188	-1,770
Income taxes-current	2,742	3,762	35,410
Net income	9,432	9,410	88,573