

November 11, 2014

Consolidated Financial Report
for the First Half of the Fiscal Year Ending March 31, 2015
<Under Japanese GAAP>

Representative: Akihiro Kakizaki, President
Responsible person for inquiries: Hiroshi Adachi, Executive Officer,
General Manager of Corporate Planning Division
The Yachiyo Bank, Limited.
Telephone: +81-3-3352-2295

Date of submission of quarterly security report: November 20, 2014
Date to start dividend payment: December 2, 2014
Establishment of special transaction account: Not established
Preparation of supplementary material on financial results: Yes
Holding of financial results presentation meeting: None

(Japanese yen amounts of less than 1 million and the first decimal place have been rounded down.)

1. Consolidated Operating Performance for the First Half of the Fiscal Year Ending March 31, 2015
(From April 1, 2014 to September 30, 2014)

(1) Results in consolidated operations

	(Percentages represent year-on-year changes.)					
	Ordinary income		Ordinary profit		Net income	
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)
First half of the fiscal year ending March 31, 2015	21,048	(5.2)	5,163	(1.4)	3,604	4.7
First half of the fiscal year ended March 31, 2014	22,222	3.7	5,239	41.4	3,440	6.8
(Note) Comprehensive income: First half of the fiscal year ending March 31, 2015: ¥4,253 million				407.8%		
First half of the fiscal year ended March 31, 2014: ¥837 million				(75.1)%		

	Net income per share (¥)	Diluted net income per share (¥)
First half of the fiscal year ending March 31, 2015	242.68	224.78
First half of the fiscal year ended March 31, 2014	232.21	201.40

(Note) For interim diluted net income per share for the fiscal year ended March 31, 2014, while class 2 preferred stock that were dilutive shares were all acquired and canceled on May 21, 2013, an amount has been stated assuming that all dilutive shares were converted to common stock at the beginning of the fiscal year in accordance with the Accounting Standard for Earnings Per Share (ASBJ Statement No. 2, June 30, 2010).

(2) Consolidated financial position

	Total assets (¥ million)	Net assets (¥ million)	Net assets to total assets ratio (%)
September 30, 2014	2,259,074	104,335	4.6
March 31, 2014	2,207,664	100,110	4.5

(Reference) Equity: September 30, 2014: ¥104,228 million March 31, 2014: ¥100,009 million

(Note) "Equity" consists of minority interests at the end of the period subtracted from net assets, and the "Net assets to total assets ratio" is calculated by dividing equity by total assets at the end of the period. Note that this "Net assets to total assets ratio" is not the net assets to total assets ratio required for the Capital Adequacy Ratio Notification.

2. Dividends

	Annual dividend per share (¥)				
	1st quarter	2nd quarter	3rd quarter	Fiscal year-end	Annual
Fiscal year ended March 31, 2014	–	30.00	–	30.00	60.00
Fiscal year ending March 31, 2015	–	40.00			
Fiscal year ending March 31, 2015 (Forecast)			–	–	–

(Note 1) Changes to the dividend forecast most recently announced: None

(Note 2) At the present time we have not made any forecasts on year-end dividends for the fiscal year ending March 31, 2015.

(Note 3) For dividend forecasts for the fiscal year ending March 31, 2015 for the Tokyo TY Financial Group, Inc., please refer to “Full-Year Operating Performance and Dividends Forecasts for the Fiscal Year Ending March 31, 2015” (released November 11, 2014).

3. Forecast of Consolidated Operating Performance for the Fiscal Year Ending March 31, 2015 (From April 1, 2014 to March 31, 2015)

(Percentages represent year-on-year changes.)

	Ordinary income		Ordinary profit		Net income		Net income per share
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥)
	Full-year	39,500	(4.0)	8,300	(0.3)	6,200	(2.6)

(Note) Changes to the forecast of consolidated operating performance most recently announced: None

* Notes

(1) Changes in significant subsidiaries during the current first-half period

(Changes in specified subsidiaries resulting in the change in scope of consolidation): None

New subsidiaries: ___ (name of company(ies))

Excluded subsidiaries: ___ (name of company(ies))

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections

a. Changes in accounting policies due to revisions to accounting standards: Yes

b. Changes in accounting policies due to other reasons: None

c. Changes in accounting estimates: None

d. Restatement of prior period financial statements after error corrections: None

(Note) Details are stated under “(2) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatements of Prior Period Financial Statements after Error Corrections in 2. Matters Regarding Summary Information (Notes)” on page 3 of the Attached Materials.

(3) Number of shares issued (common stock)

a. Total number of shares issued at the end of the period (including treasury stock)

September 30, 2014 14,858,585 shares

March 31, 2014 15,522,991 shares

b. Number of treasury shares at the end of the period

September 30, 2014 – shares

March 31, 2014 677,246 shares

c. Average number of shares during the period (cumulative from the beginning of the fiscal year)

First-half period ended September 30, 2014 14,853,120 shares

First-half period ended September 30, 2013 14,816,253 shares

(Note) Treasury shares at the end of the period include the shares held by the employee stock ownership plan (ESOP) association, and these are 19,400 shares as of March 31, 2014.

(Non-consolidated Financial Statements)

1. Non-consolidated Operating Performance for the First Half of the Fiscal Year Ending March 31, 2015 (From April 1, 2014 to September 30, 2014)

(1) Results in non-consolidated operations

(Percentages represent year-on-year changes.)

	Ordinary income		Ordinary profit		Net income	
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)
First half of the fiscal year ending March 31, 2015	20,674	(5.3)	4,837	(2.7)	3,451	3.9
First half of the fiscal year ended March 31, 2014	21,853	3.7	4,973	45.1	3,318	8.9

	Net income per share	
	(¥)	
First half of the fiscal year ending March 31, 2015	232.37	
First half of the fiscal year ended March 31, 2014	223.99	

(2) Non-consolidated financial position

	Total assets (¥ million)	Net assets (¥ million)	Net assets to total assets ratio (%)
September 30, 2014	2,255,686	102,166	4.5
March 31, 2014	2,204,184	98,220	4.4

(Reference) Equity: September 30, 2014: ¥102,166 million March 31, 2014: ¥98,220 million

(Note) "Equity" consists of total net assets at the end of the period, and the "Net assets to total assets ratio" is calculated by dividing equity by total assets at the end of the period. Note that this "Net assets to total assets ratio" is not the net assets to total assets ratio required for the Capital Adequacy Ratio Notification.

2. Forecast of Non-consolidated Operating Performance for the Fiscal Year Ending March 31, 2015 (from April 1, 2014 to March 31, 2015)

(Percentages represent year-on-year changes.)

	Ordinary income		Ordinary profit		Net income		Net income per share
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥)
Full-year	38,700	(4.2)	7,700	(1.6)	5,700	(6.9)	383.94

* Indication regarding execution of semi-annual audit procedures

This quarterly financial report is exempt from the semi-annual audit procedures pursuant to the Financial Instruments and Exchange Law. At the time of disclosure of this quarterly financial report, the semi-annual audit procedures pursuant to the Consolidated Interim Financial Statements and Non-consolidated Interim Financial Statements pursuant to the Financial Instruments and Exchange Law are incomplete.

* Disclaimer and special note for referring to the forecast of operating performance:

1. Since the Bank falls under the category of specified corporation (corporations undertaking businesses specified in Article 17-15, Paragraph 2 of the Ordinance of the Cabinet Office on Disclosure of Corporate Information, etc.), it prepares the Consolidated Interim Financial Statements and Non-consolidated Interim Financial Statements for the current first-half period.
2. Forward-looking statements concerning financial forecasts contained in these materials are based on information available when the forecasts were made and certain assumptions judged to be reasonable. However, the Bank makes no guarantee that these forecasts will be achieved. Actual results may differ significantly from the forecasts due to a variety of factors.

Attached Materials

Index

1. Qualitative Information Regarding Consolidated Results for the Six Months Ended September 30, 2014	
(1) Operating Results	2
(2) Financial Position	2
(3) Note on the Forecast of the Consolidated Operating Performance and Other Forward-Looking Statements	2
(4) Status of Important Business Contracts	2
2. Matters Regarding Summary Information (Notes)	
(1) Changes in Significant Subsidiaries During the Consolidated Period Under Review	3
(2) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatement of Prior Period Financial Statements after Error Corrections	3
3. Consolidated Interim Financial Statements	
(1) Consolidated Interim Balance Sheets	4
(2) Consolidated Interim Statements of Income and Consolidated Interim Statements of Comprehensive Income	
Consolidated Interim Statements of Income	5
Consolidated Interim Statements of Comprehensive Income	6
(3) Consolidated Interim Statements of Changes in Net Assets	7 - 8
(4) Notes on Consolidated Interim Financial Statements	9
(Notes on premise of going concern)	9
(Significant subsequent events)	9
4. Non-consolidated Interim Financial Statements	
(1) Non-consolidated Interim Balance Sheets	10
(2) Non-consolidated Interim Statements of Income	12
(3) Non-consolidated Interim Statements of Changes in Net Assets	13 - 14
(4) Notes on Consolidated Interim Financial Statements	15
(Notes on premise of going concern)	
(Significant subsequent events)	15
(Appendix) Financial Results for the First Half of Fiscal Year Ending March 31, 2015 (Supplementary Information)	

1. Qualitative Information Regarding Consolidated Results for the Six Months Ended September 30, 2014

(1) Operating Results

Looking back at the domestic economic situation of the consolidated operating results for the second half (from April 1, 2014 to September 30, 2014), the economic recovery that has continued up until recently experienced a standstill as a result of some stagnation in corporate production and individual consumption due in part to the hike in the consumption tax rate from April. Although there were prospects that the rebound following the tax rate increase was only temporary, the pace of recovery was slowed by factors including climate instability. While there are some concerns regarding the impact of negative factors such as a slowdown in overseas economies and an increase in costs caused by yen depreciation, a gentle recovery can be expected, underpinned by an improvement in earnings centered around large companies and a strong employment environment as the effects of the tax rate hike become more diluted.

Under these circumstances, the Group (the Bank and its consolidated subsidiaries) has worked to improve its growth potential and profitability based on the basic policy of “Developing a stable foundation by improving frontline capabilities” in anticipation of future changes in the competitive environment.

The Group's consolidated results for the first half of the fiscal year ending March 31, 2015 were as follows.

Ordinary income decreased 1.1 billion yen year on year to 21.0 billion yen. This was mainly due to a decrease in interest income accompanying a decline in the interest income yield and despite increases in the reversal of allowance for loan losses and the recoveries of written off claims.

Meanwhile, ordinary expenses decreased 1.0 billion yen year on year to 15.8 billion yen. This was mainly due to decreases in operating expenses and credit costs.

As a result, ordinary profits were 5.1 billion yen, nearly unchanged from the previous fiscal year, and net income increased 0.1 billion yen year on year to 3.6 billion yen.

(2) Financial Position

As a result of efforts to promote a financing system capable of both leveraging our competitive advantages and taking on risks, loan balances at the end of the first half of the fiscal year ending March 31, 2015 (compared to the end of the first half of the fiscal year ended March 31, 2014; the same shall apply hereinafter) increased 16.5 billion yen year on year to 1,444.3 billion yen. In terms of deposits, the balance of personal and corporate deposits (including negotiable certificates of deposit) increased 48.3 billion yen year on year to 2,126.0 billion yen as a result of factors including a steady increase in liquid deposits. The balance of securities decreased 18.6 billion yen year on year to 612.2 billion yen as a result of factors including sales of mainly long-term government bonds as part of investment diversification measures.

Net assets increased 4.2 billion yen year on year to 104.3 billion yen.

(3) Note on the Forecast of the Consolidated Operating Performance and Other Forward-Looking Statements

There are no changes from the consolidated operating performance forecast for the fiscal year ending March 31, 2015 announced on May 13, 2014.

(4) Status of Important Business Contracts

(Conclusion of a contract for the establishment of a joint holding company (through a share transfer) by the Bank and The Tokyo Tomin Bank, Limited and the preparation of a Share Transfer Plan)

On May 2, 2014, the respective board of directors of the Bank and The Tokyo Tomin Bank, Limited (“Tokyo Tomin Bank,” the Bank and Tokyo Tomin Bank collectively referred to as the “Banks”) resolved that the Banks will establish Tokyo TY Financial Group, Inc. (the “Joint Holding Company”), which will become their sole parent company on October 1, 2014 by way of share transfer (the “Share Transfer”). The boards also resolved the outline of the Joint Holding Company and the terms and conditions of the share transfer, on the condition that the share transfer is approved at the general shareholders meeting of the respective banks and approvals and authorizations are obtained from the relevant authorities. In addition, the banks executed the Business Integration Agreement and jointly prepared the Share Transfer Plan on that day.

Note that at the ordinary general meeting of shareholders of the Banks held on June 27, 2014 (class shareholders meeting composed of the common shareholders of the Bank relating to the approval of the Share Transfer Plan was also held), the Share Transfer Plan was approved and the Joint Holding Company was established on October 1, 2014.

2. Matters Regarding Summary Information (Notes)

(1) Changes in Significant Subsidiaries During the Consolidated Period Under Review

Not applicable.

(2) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatement of Prior Period Financial Statements after Error Corrections

(Changes in accounting policies)

(Application of the Accounting Standard for Retirement Benefits)

Concerning the Accounting Standard for Retirement Benefits (ASBJ Statement No. 26, May 17, 2012; “the Accounting Standard for Retirement Benefits”) and the Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25, May 17, 2012; “the Guidance on Accounting Standard for Retirement Benefits”), the stipulations of Article 35 of the Accounting Standard for Retirement Benefits and Article 67 of the Guidance on Accounting Standard for Retirement Benefits have been adopted during the six-month period under review, and accordingly the method for calculating retirement benefit obligations and service costs will be revised and the period allocation methodology for the estimated retirement benefit amount will be changed from a straight-line basis to a benefit calculation basis. In addition, the discount rate determination method will be revised from a method in which it is determined based on a single-year bond yield corresponding to the average remaining years of service of employees to a method in which it is determined based on multiple bond yields set for each expected payment period for retirement benefits.

In accordance with transitional treatment as stipulated in Article 37 of the Accounting Standard for Retirement Benefits for the application of accounting standards for retirement benefits, the impact resulting from the change in the method for calculating retirement benefit obligations and service costs has been recorded under retained earnings at the beginning of the six-month period under review.

As a result, net defined benefit liability decreased by 585 million yen since the beginning of the first half of the fiscal year ending March 31, 2015, while retained earnings increased by 377 million yen. In addition, both ordinary profits and income before income taxes and minority interests respectively increased by 122 million yen.

3. Consolidated Interim Financial Statements

(1) Consolidated Interim Balance Sheets

(¥ million)

	As of March 31, 2014	As of September 30, 2014
Assets		
Cash and due from banks	62,149	122,014
Call loans and bills bought	44,661	34,457
Monetary claims bought	2,438	2,036
Trading account securities	342	348
Money held in trust	27	20
Securities	630,926	612,247
Loans and bills discounted	1,427,828	1,444,364
Foreign exchanges	3,145	3,477
Other assets	6,042	10,743
Tangible fixed assets	30,408	30,367
Intangible fixed assets	1,915	1,603
Deferred tax assets	7,422	6,256
Customers' liabilities for acceptances and guarantees	4,215	3,597
Allowance for loan losses	(13,857)	(12,460)
Total assets	2,207,664	2,259,074
Liabilities		
Deposits	2,076,396	2,122,129
Negotiable certificates of deposit	1,300	3,958
Borrowed money	170	103
Foreign exchanges	7	3
Bonds with subscription rights to shares	5,000	5,000
Other liabilities	9,848	10,383
Provision for bonuses	898	949
Net defined benefit liability	6,190	5,087
Provision for loss on dormant deposit repayments	566	566
Deferred tax liabilities for land revaluation	2,961	2,961
Acceptances and guarantees	4,215	3,597
Total liabilities	2,107,553	2,154,739
Net Assets		
Capital stock	43,734	43,734
Capital surplus	32,922	32,922
Retained earnings	23,573	25,392
Treasury shares	(1,759)	-
Total shareholders' equity	98,471	102,049
Valuation difference on available-for-sale securities	2,124	2,644
Deferred gains or losses on hedges	(16)	(14)
Revaluation reserve for land	341	341
Remeasurements of defined benefit plans	(910)	(792)
Total of other accumulated comprehensive income	1,537	2,178
Minority interests	101	106
Total net assets	100,110	104,335
Total liabilities and net assets	2,207,664	2,259,074

(2) Consolidated Interim Statements of Income and Consolidated Interim Statements of Comprehensive Income
Consolidated Interim Statements of Income

(¥ million)

	First half of the fiscal year ended March 31, 2014	First half of the fiscal year ending March 31, 2015
Ordinary income	22,222	21,048
Interest income	15,123	14,273
Interest on loans and bills discounted	11,629	11,269
Interest on and dividends from securities	3,157	2,683
Fees and commissions	2,685	2,895
Other operating income	2,524	1,599
Other ordinary income	1,888	2,279
Ordinary expenses	16,983	15,884
Interest expenses	742	725
Interest on deposits	678	652
Fees and commissions payments	939	951
Other operating expenses	59	63
General and administrative expenses	13,954	13,464
Other ordinary expenses	1,286	679
Ordinary profit	5,239	5,163
Extraordinary income	0	0
Gain on disposal of non-current assets	0	0
Extraordinary losses	24	3
Loss on disposal of fixed assets	24	3
Income before income taxes and minority interests	5,214	5,160
Income tax – current	98	974
Income tax – deferred	1,670	573
Total income taxes	1,768	1,547
Income before minority interests	3,446	3,612
Minority interests in net income	5	8
Net income	3,440	3,604

Consolidated Interim Statements of Comprehensive Income

(¥ million)

	First half of the fiscal year ended March 31, 2014	First half of the fiscal year ending March 31, 2015
Income before minority interests	3,446	3,612
Other comprehensive income	(2,608)	641
Valuation difference on available-for-sale securities	(2,612)	520
Deferred gains or losses on hedges	4	1
Remeasurements of redefined benefit plans	-	118
Total comprehensive income	837	4,253
(Breakdown)		
Comprehensive income attributable to owners of the parent	831	4,245
Comprehensive income attributable to minority interests	6	8

(3) Consolidated Interim Statements of Changes in Net Assets

(First half of the fiscal year ended March 31, 2014)

(¥ million)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of the year	43,734	32,922	33,533	(1,854)	108,336
Changes of items during the reporting period					
Dividends of surplus			(894)		(894)
Net income			3,440		3,440
Purchase of treasury shares				(15,025)	(15,025)
Disposal of treasury shares		9		68	78
Cancellation of treasury shares		(15,000)		15,000	-
Transfer to capital surplus from retained earnings		14,990	(14,990)		-
Net changes of items other than shareholder's equity during the reporting period					
Total of changes of items during the reporting period	-	-	(12,443)	43	(12,400)
Balance at end of period	43,734	32,922	21,089	(1,811)	95,936

	Other accumulated comprehensive income					Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of the year	4,731	(22)	341	-	5,049	92	113,479
Changes of items during the reporting period							
Dividends of surplus							(894)
Net income							3,440
Purchase of treasury shares							(15,025)
Disposal of treasury shares							78
Cancellation of treasury shares							-
Transfer to capital surplus from retained earnings							-
Net changes of items other than shareholder's equity during the reporting period	(2,613)	4	-	-	(2,609)	3	(2,605)
Total of changes of items during the reporting period	(2,613)	4	-	-	(2,609)	3	(15,005)
Balance at end of period	2,118	(18)	341	-	2,440	96	98,473

(First half of the fiscal year ending March 31, 2015)

(¥ million)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of the year	43,734	32,922	23,573	(1,759)	98,471
Cumulative effect of changes in accounting policies			377		377
Balance reflecting changes in accounting policies	43,734	32,922	23,950	(1,759)	98,849
Changes of items during the reporting period					
Dividends of surplus			(445)		(445)
Net income			3,604		3,604
Purchase of treasury shares				(22)	(22)
Disposal of treasury shares		12		51	64
Cancellation of treasury shares		(1,730)		1,730	-
Transfer to capital surplus from retained earnings		1,717	(1,717)		-
Net changes of items other than shareholder's equity during the reporting period					
Total of changes of items during the reporting period	-	-	1,441	1,759	3,200
Balance at end of period	43,734	32,922	25,392	-	102,049

	Other accumulated comprehensive income					Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of the year	2,124	(16)	341	(910)	1,537	101	100,110
Cumulative effect of changes in accounting policies							377
Balance reflecting changes in accounting policies	2,124	(16)	341	(910)	1,537	101	100,488
Changes of items during the reporting period							
Dividends of surplus							(445)
Net income							3,604
Purchase of treasury shares							(22)
Disposal of treasury shares							64
Cancellation of treasury shares							-
Transfer to capital surplus from retained earnings							-
Net changes of items other than shareholder's equity during the reporting period	520	1	-	118	640	5	646
Total of changes of items during the reporting period	520	1	-	118	640	5	3,847
Balance at end of period	2,644	(14)	341	(792)	2,178	106	104,335

(4) Notes on Consolidated Interim Financial Statements

(Notes on premise of going concern)

Not applicable.

(Significant subsequent events)

The establishment of Tokyo TY Financial Group, Inc. as a sole parent company through a joint share transfer by the Bank and The Tokyo Tomin Bank, Limited was approved at the general shareholders meetings held on June 27, 2014, and this sole parent company was established on October 1, 2014.

4. Non-consolidated Interim Financial Statements

(1) Non-consolidated Interim Balance Sheets

(¥ million)

	As of March 31, 2014	As of September 30, 2014
Assets		
Cash and due from banks	62,140	121,980
Call loans	44,661	34,457
Monetary claims bought	2,438	2,036
Trading account securities	342	348
Money held in trust	27	20
Securities	628,693	610,048
Loans and bills discounted	1,427,267	1,444,146
Foreign exchanges	3,145	3,477
Other assets	4,680	9,333
Other assets	4,680	9,333
Tangible fixed assets	30,476	30,355
Intangible fixed assets	1,860	1,557
Deferred tax assets	6,615	5,550
Customers' liabilities for acceptances and guarantees	4,215	3,597
Allowance for loan losses	(12,378)	(11,223)
Total assets	2,204,184	2,255,686
Liabilities		
Deposits	2,079,102	2,124,820
Negotiable certificates of deposit	3,050	5,838
Borrowed money	170	103
Foreign exchanges	7	3
Bonds with subscription rights to shares	5,000	5,000
Other liabilities	5,300	5,912
Income taxes payable	576	810
Lease obligations	641	614
Asset retirement obligations	29	29
Other liabilities	4,053	4,457
Provision for bonuses	877	925
Provision for retirement benefits	4,712	3,791
Provision for loss on dormant deposit repayments	566	566
Deferred tax liabilities for land revaluation	2,961	2,961
Acceptances and guarantees	4,215	3,597
Total liabilities	2,105,963	2,153,519

(¥ million)

	As of March 31, 2014	As of September 30, 2014
Net Assets		
Capital stock	43,734	43,734
Capital surplus	32,922	32,922
Legal capital surplus	32,922	32,922
Other capital surplus	-	-
Retained earnings	20,899	22,565
Legal retained earnings	5,425	5,514
Other retained earnings	15,473	17,050
General reserve	8,200	11,700
Retained earnings brought forward	7,273	5,350
Treasury shares	(1,759)	-
Total shareholders' equity	95,797	99,222
Valuation difference on available-for-sale securities	2,098	2,617
Deferred gains or losses on hedges	(16)	(14)
Revaluation reserve for land	341	341
Total valuation and translation adjustments	2,422	2,943
Total net assets	98,220	102,166
Total liabilities and net assets	2,204,184	2,255,686

(2) Non-consolidated Interim Statements of Income

(¥ million)

	First half of the fiscal year ended March 31, 2014	First half of the fiscal year ending March 31, 2015
Ordinary income	21,853	20,674
Interest income	15,190	14,485
Interest on loans and bills discounted	11,614	11,259
Interest and dividends on securities	3,239	2,905
Fees and commissions	2,443	2,657
Other operating income	2,343	1,377
Other ordinary income	1,876	2,153
Ordinary expenses	16,880	15,837
Interest expenses	743	726
Interest on deposits	679	653
Fees and commissions payment	1,096	1,107
Other operating expenses	24	-
General and administrative expenses	13,750	13,336
Other ordinary expenses	1,265	667
Ordinary profit	4,973	4,837
Extraordinary income	0	0
Extraordinary losses	24	3
Income before income taxes	4,948	4,833
Income taxes – current	25	844
Income taxes – deferred	1,605	538
Total income taxes	1,630	1,382
Net income	3,318	3,451

(3) Non-consolidated Interim Statements of Changes in Net Assets

(First half of the fiscal year ended March 31, 2014)

(¥ million)

	Shareholders' equity							
	Capital stock	Capital surplus			Legal retained earnings	Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus		General reserve	Retained earnings brought forward	Total retained earnings
Balance at beginning of the year	43,734	32,922	-	32,922	5,157	18,200	7,743	31,101
Changes of items during the reporting period								
Provision of legal retained earnings					179		(179)	-
Reversal of general reserve						(10,000)	10,000	-
Dividends of surplus							(894)	(894)
Net income							3,318	3,318
Purchase of treasury shares								
Disposal of treasury shares			9	9				
Cancellation of treasury shares			(15,000)	(15,000)				
Transfer to capital surplus from retained earnings			14,990	14,990			(14,990)	(14,990)
Net changes of items other than shareholder's equity during the reporting period								
Total of changes of items during the reporting period	-	-	-	-	179	(10,000)	(2,744)	(12,565)
Balance at end of period	43,734	32,922	-	32,922	5,336	8,200	4,998	18,535

	Shareholders' equity		Valuation and translation adjustments				Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of the year	(1,854)	105,904	4,710	(22)	341	5,028	110,932
Changes of items during the reporting period							
Provision of legal retained earnings		-					-
Reversal of general reserve		-					-
Dividends of surplus		(894)					(894)
Net income		3,318					3,318
Purchase of treasury shares	(15,025)	(15,025)					(15,025)
Disposal of treasury shares	68	78					78
Cancellation of treasury shares	15,000	-					-
Transfer to capital surplus from retained earnings		-					-
Net changes of items other than shareholder's equity during the reporting period			(2,614)	4	-	(2,610)	(2,610)
Total of changes of items during the reporting period	43	(12,522)	(2,614)	4	-	(2,610)	(15,132)
Balance at end of period	(1,811)	93,382	2,095	(18)	341	2,418	95,800

(First half of the fiscal year ending March 31, 2015)

(¥ million)

	Shareholders' equity							
	Capital stock	Capital surplus			Retained earnings			
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings
					General reserve	Retained earnings brought forward		
Balance at beginning of the year	43,734	32,922	-	32,922	5,425	8,200	7,273	20,899
Cumulative effect of changes in accounting policies							377	377
Balance reflecting changes in accounting policies	43,734	32,922	-	32,922	5,425	8,200	7,651	21,276
Changes of items during the reporting period								
Provision of legal retained earnings					89		(89)	-
Reversal of general reserve						3,500	(3,500)	-
Dividends of surplus							(445)	(445)
Net income							3,451	3,451
Purchase of treasury shares								
Disposal of treasury shares			12	12				
Cancellation of treasury shares			(1,730)	(1,730)				
Transfer to capital surplus from retained earnings			1,717	1,717			(1,717)	(1,717)
Net changes of items other than shareholder's equity during the reporting period								
Total of changes of items during the reporting period	-	-	-	-	89	3,500	(2,301)	1,288
Balance at end of period	43,734	32,922	-	32,922	5,514	11,700	5,350	22,565

	Shareholders' equity		Valuation and translation adjustments				Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of the year	(1,759)	95,797	2,098	(16)	341	2,422	98,220
Cumulative effect of changes in accounting policies		377					377
Balance reflecting changes in accounting policies	(1,759)	96,175	2,098	(16)	341	2,422	98,597
Changes of items during the reporting period							
Provision of legal retained earnings		-					-
Reversal of general reserve		-					-
Dividends of surplus		(445)					(445)
Net income		3,451					3,451
Purchase of treasury shares	(22)	(22)					(22)
Disposal of treasury shares	51	64					64
Cancellation of treasury shares	1,730	-					-
Transfer to capital surplus from retained earnings		-					-
Net changes of items other than shareholder's equity during the reporting period			519	1	-	521	521
Total of changes of items during the reporting period	1,759	3,047	519	1	-	521	3,568
Balance at end of period	-	99,222	2,617	(14)	341	2,943	102,166

(4) Notes on Consolidated Interim Financial Statements

(Notes on premise of going concern)

Not applicable.

(Significant subsequent events)

The establishment of Tokyo TY Financial Group, Inc. as a sole parent company through a joint share transfer by the Bank and The Tokyo Tomin Bank, Limited was approved at the general shareholders meetings and class shareholders meeting held on June 27, 2014, and this sole parent company was established on October 1, 2014.