

May 15, 2018

Consolidated Financial Report
for the Fiscal Year Ended March 31, 2018
<Under Japanese GAAP>

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Date of Ordinary General Meeting of Shareholders: June 28, 2018

Date of submission of annual security report: June 28, 2018

Date to start dividend payment: June 11, 2018

Preparation of supplementary material on financial results: Yes

Holding of financial results presentation meeting: Yes

(for institutional investors and securities analysts)

Note: Figures have been rounded down to the nearest million yen.

1. Consolidated Operating Performance for the Fiscal Year Ended March 31, 2018
(From April 1, 2017 to March 31, 2018)

(1) Results in consolidated operations

(Percentages represent year-on-year changes.)

| | Ordinary income | | Ordinary profit | | Profit attributable to owners of parent | |
|---|-----------------|--------------|-----------------|---------------|---|---------------|
| | (¥ million) | (%) | (¥ million) | (%) | (¥ million) | (%) |
| Fiscal year ended March 31, 2018 | 82,616 | (0.5) | 4,727 | (43.1) | 3,677 | (85.5) |
| Fiscal year ended March 31, 2017 | 83,092 | 4.4 | 8,322 | (42.4) | 25,535 | 171.3 |

(Note) Comprehensive income:

Fiscal year ended March 31, 2018: ¥9,940 million (57.4 %)

Fiscal year ended March 31, 2017: ¥23,355 million 877.1%

| | Profit attributable to owners of parent per share (¥) | Profit attributable to owners of parent per share (Diluted) (¥) | Net income to net assets (%) | Ordinary profit to total assets (%) | Ordinary profit to ordinary income (%) |
|---|---|---|------------------------------|-------------------------------------|--|
| Fiscal year ended March 31, 2018 | 112.94 | 77.25 | 1.2 | 0.0 | 5.7 |
| Fiscal year ended March 31, 2017 | 830.61 | 511.40 | 10.5 | 0.1 | 10.0 |

(Reference) Gain on equity-method investments:

Fiscal year ended March 31, 2018: ¥35 million Fiscal year ended March 31, 2017: ¥78 million

(Note) "Profit attributable to owners of parent" and "Comprehensive income" in the fiscal year ended March 31, 2017 include a ¥19,443 million gain on bargain purchase arising from the business integration with ShinGinko Tokyo, Limited.

(2) Consolidated financial position

| | Total assets (¥ million) | Total net assets (¥ million) | Net assets to total assets ratio (%) | Net assets per share (¥) |
|-----------------------------|-----------------------------|---------------------------------|--|--------------------------------|
| As of March 31, 2018 | 5,482,704 | 291,020 | 5.3 | 7,729.99 |
| As of March 31, 2017 | 5,577,306 | 283,357 | 5.0 | 7,476.05 |

(Reference) Equity: As of March 31, 2018: ¥290,646 million As of March 31, 2017: ¥282,924 million

(Note) "Equity" consists of subscription rights to shares at the end of the fiscal year and non-controlling 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 fiscal year. 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 (Financial Services Agency Notification No. 20 of 2006).

(3) Consolidated cash flows

| | Cash flow from operating activities (¥ million) | Cash flow from investing activities (¥ million) | Cash flow from financing activities (¥ million) | Cash and cash equivalents at year-end (¥ million) |
|---|---|---|---|--|
| Fiscal year ended March 31, 2018 | (161,567) | 35,197 | (2,710) | 375,365 |
| Fiscal year ended March 31, 2017 | (4,276) | 91,712 | (10,421) | 504,444 |

2. Dividends

| | Annual dividend per share (¥) | | | | | Total dividends (full year) (¥ million) | Payout ratio (consolidated) (%) | Dividends ratio to shareholders' equity (consolidated) (%) |
|-------------------------------------|-------------------------------|-------------------|------------------|--------------------|--------|--|---------------------------------------|--|
| | First quarter | Second quarter | Third quarter | Fiscal year-end | Annual | | | |
| Fiscal year ended March 31, 2017 | – | 30.00 | – | 30.00 | 60.00 | 1,828 | 7.2 | 0.8 |
| ended March 31, 2018 | – | 30.00 | – | 30.00 | 60.00 | 1,828 | 53.1 | 0.7 |
| ending March 31, 2019 (Forecast) | – | 30.00 | – | 30.00 | 60.00 | | 61.7 | |

(Note) "Dividends" above refers to dividends for common stock. With regard to dividends for class shares (unlisted) issued by the Company with different rights than those of common stock, refer to "Dividend situation for class shares" below.

3. Forecast of Consolidated Operating Performance for the Fiscal Year Ending March 31, 2019 (From April 1, 2018 to March 31, 2019)

(Percentages represent increases or decreases from the previous year for the full-year results and from the same quarter in the previous year for quarterly results.)

| | Ordinary profit | | Profit attributable to owners of parent | | Profit attributable to owners of parent per share |
|------------------------------------|-----------------|--------|--|--------|--|
| | (¥ million) | (%) | (¥ million) | (%) | (¥) |
| Second-quarter period (cumulative) | 900 | (84.2) | 2,000 | (58.4) | 61.69 |
| Full year | 1,600 | (66.1) | 3,200 | (12.9) | 97.12 |

* Notes

(1) Changes in significant subsidiaries during the current period (Changes in specified subsidiaries resulting in change in scope of consolidation): None

Included 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: None

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

(3) Number of shares issued (common stock)

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

March 31, 2018 30,650,115 shares

March 31, 2017 30,650,115 shares

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

March 31, 2018 180,661 shares

March 31, 2017 180,598 shares

c. Average number of shares during the period

Fiscal year ended March 31, 2018 30,472,849 shares

Fiscal year ended March 31, 2017 30,476,792 shares

(Reference) Non-consolidated Financial Statements

1. Non-consolidated Operating Performance for the Fiscal Year Ended March 31, 2018
(From April 1, 2017 to March 31, 2018)

(1) Results in non-consolidated operations

(Percentages represent year-on-year changes.)

| | Operating income | | Operating profit | | Ordinary profit | | Net income | |
|---|------------------|------------|------------------|------------|-----------------|------------|--------------|------------|
| | (¥ million) | (%) | (¥ million) | (%) | (¥ million) | (%) | (¥ million) | (%) |
| Fiscal year ended March 31, 2018 | 3,301 | 1.8 | 2,269 | 2.5 | 2,235 | 3.0 | 2,187 | 2.8 |
| Fiscal year ended March 31, 2017 | 3,241 | 10.7 | 2,213 | 0.7 | 2,169 | 6.6 | 2,126 | 8.4 |

| | Net income per share | Diluted net income per share |
|---|----------------------|------------------------------|
| | (¥) | (¥) |
| Fiscal year ended March 31, 2018 | 64.05 | 45.95 |
| Fiscal year ended March 31, 2017 | 62.52 | 43.10 |

(2) Non-consolidated financial position

| | Total assets (¥ million) | Total net assets (¥ million) | Net assets to total assets ratio (%) | Net assets per share (¥) |
|-----------------------------|-----------------------------|---------------------------------|--|--------------------------------|
| As of March 31, 2018 | 196,124 | 196,002 | 99.8 | 4,620.46 |
| As of March 31, 2017 | 196,013 | 195,886 | 99.8 | 4,616.37 |

(Reference) Equity: As of March 31, 2018: ¥195,900 million As of March 31, 2017: ¥195,791 million

(Note) "Equity" consists of subscription rights to shares at the end of the fiscal year 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 fiscal year. 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 (Financial Services Agency Notification No. 20 of 2006).

* The consolidated financial report is outside the scope of review by certified public accountants and audit corporations.
 * Disclaimer and special note for referring to the forecast of operating performance
 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 Company makes no guarantee that these forecasts will be achieved, and actual results may differ significantly from the forecasts due to a variety of factors.

* Dividend situation for class shares

The breakdown of dividend per share for class shares with different rights to those of common stock is as follows.

(First Series Class I preferred shares)

| | Dividend per share (¥) | | | | |
|---|------------------------|----------------|---------------|-----------------|--------|
| | First quarter | Second quarter | Third quarter | Fiscal year-end | Annual |
| Fiscal year ended March 31, 2017 | – | 69.44 | – | 127.64 | 197.08 |
| Fiscal year ended March 31, 2018 | – | 123.00 | – | 123.00 | 246.00 |
| Fiscal year ending March 31, 2019 (Forecast) | – | 124.00 | – | 124.00 | 248.00 |

(Notes)

1. Amount paid per share: ¥20,000

2. Computation used to calculate dividend per share

(1) Fiscal year ended March 31, 2017

(a) Computation (*1)

Dividend in first fiscal year = amount paid per share × annual dividend rate × 281 ÷ 365

(b) Annual dividend rate (*2)

Annual dividend rate = Japanese yen TIBOR + 1.1%

(c) Japanese yen TIBOR

On April 1, 2016, the Japanese yen TIBOR (12-month maturity) = 0.18364%

(d) Shares issued

750,000

(2) Fiscal year ended March 31, 2018

(a) Computation

Dividend = amount paid per share × annual dividend rate

(b) Annual dividend rate (*2)

Annual dividend rate = Japanese yen TIBOR + 1.1%

(c) Japanese yen TIBOR

On March 31, 2017, the Japanese yen TIBOR (12-month maturity) = 0.12818%

(d) Shares issued

750,000

(3) Fiscal year ending March 31, 2019 (Forecast)

(a) Computation

Dividend = amount paid per share × annual dividend rate

(b) Annual dividend rate (*2)

Annual dividend rate = Japanese yen TIBOR + 1.1%

(c) Japanese yen TIBOR

On March 30, 2018, the Japanese yen TIBOR (12-month maturity) = 0.13636%

(d) Shares issued

750,000

*1. The first fiscal year dividend is calculated on a per diem basis for the period from the issue date of June 24, 2016 to March 31, 2017.

*2. For annual dividend rate, figures less than one percent are calculated to three decimal places with the third decimal place is rounded off to the second decimal place.

(Class II preferred shares)

| | Dividend per share (¥) | | | | |
|--|------------------------|----------------|---------------|-----------------|--------|
| | First quarter | Second quarter | Third quarter | Fiscal year-end | Annual |
| Fiscal year ended March 31, 2017 | – | 18.364 | – | 18.364 | 36.728 |
| Fiscal year ended March 31, 2018 | – | 12.818 | – | 12.818 | 25.636 |
| Fiscal year ending March 31, 2019 (Forecast) | – | 13.636 | – | 13.636 | 27.272 |

(Notes)

1. Amount paid per share: ¥20,000

2. Computation used to calculate dividend per share

(1) Fiscal year ended March 31, 2017

(a) Computation

Dividend = amount paid per share × annual dividend rate

(b) Annual dividend rate

Annual dividend rate = Japanese yen TIBOR + 0.0%

(c) Japanese yen TIBOR

On April 1, 2016, the Japanese yen TIBOR (12-month maturity) = 0.18364%

(d) Shares issued

2,000,000

(2) Fiscal year ended March 31, 2018

(a) Computation

Dividend = amount paid per share × annual dividend rate

(b) Annual dividend rate

Annual dividend rate = Japanese yen TIBOR + 0.0%

(c) Japanese yen TIBOR

On March 31, 2017, the Japanese yen TIBOR (12-month maturity) = 0.12818%

(d) Shares issued

2,000,000

(3) Fiscal year ending March 31, 2019 (Forecast)

(a) Computation

Dividend = amount paid per share × annual dividend rate

(b) Annual dividend rate

Annual dividend rate = Japanese yen TIBOR + 0.0%

(c) Japanese yen TIBOR

On March 30, 2018, the Japanese yen TIBOR (12-month maturity) = 0.13636%

(d) Shares issued

2,000,000

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* Financial Results for the Fiscal Year Ended March 31, 2018 Supplementary Information

1. Overview of Operating Results etc.

(1) Overview of Operating Results and Financial Position for the Consolidated Fiscal Year Ended March 31, 2018

(Overview of operating results for the consolidated fiscal year ended March 31, 2018)

Looking back at the Japanese economy during the consolidated fiscal year ended March 31, 2018, a gradual recovery trend continued, with sustained improvement in corporate earnings and in employment situation, as well as a steady rise in capital investment and recovery in personal consumption. Looking ahead, although there are risk factors notably in overseas economies and market trends, it is expected that business recovery will continue on the back of strong domestic and overseas demands.

In the Tokyo Metropolis where the Group has its principal operational base, the business environment for SMEs is on the whole showing a mild improvement with expansion in inbound tourist demand reflecting an increase in foreign tourists to Japan, demand related to the Tokyo Olympic and Paralympic Games picking up steam, rise in construction investment driven by redevelopment projects in the urban centers, and other factors. Meanwhile, the main issues to be addressed are the growing shortage of workers with its effect on production and loss of opportunity for order intake, and rise in raw materials, personnel, transportation, and other costs.

In this environment, investment yield continued to trend downward from the impact of the notably negative interest rate policy, and consolidated ordinary income for the fiscal year ended March 31, 2018 decreased by ¥0.4 billion year-to-year to ¥82.6 billion. Ordinary expenses rose by ¥3.1 billion over the previous year to ¥77.8 billion, resulting in ordinary profit of ¥4.7 billion, down ¥3.5 billion year on year. Furthermore, as the previous consolidated fiscal year figures include gain on bargain purchase of ¥19.4 billion, profit attributable to owners of parent decreased by ¥21.8 billion compared to the previous consolidated fiscal year to ¥3.6 billion.

(Overview of financial position for the consolidated fiscal year ended March 31, 2018)

As of March 31, 2018, total assets amounted to ¥5,482.7 billion, down ¥94.6 billion from the end of the previous fiscal year, and net assets stood at ¥291.0 billion, a ¥7.6 billion increase from the end of the previous fiscal year.

With respect to major account balances, deposits decreased ¥65.4 billion from the end of the previous fiscal year to ¥4,652.1 billion, and loans and bills discounted increased ¥54.7 billion from the end of the previous fiscal year to ¥3,676.1 billion, while securities decreased ¥72.5 billion from the end of the previous fiscal year to ¥1,208.6 billion.

(Overview of cash flow for the consolidated fiscal year ended March 31, 2018)

During the fiscal year ended March 31, 2018, cash flows from operating activities saw a net outflow of ¥161.5 billion, attributable largely to expenditures resulting from a net increase in loans and bills discounted, a net decrease in deposits, and a net decrease in borrowed money. In investing activities, while cash was used in purchases of securities, net cash of ¥35.1 billion was provided due largely to proceeds from sale and redemption of securities. Net cash used in financing activities was ¥2.7 billion, attributable largely to payment of dividends. As a result, cash and cash equivalents at the end of the fiscal year ended March 31, 2018, were ¥375.3 billion, a decrease of ¥129.0 billion from the end of the previous fiscal year.

(2) Projection

The forecast of the consolidated operating performance for the fiscal year ending March 31, 2019, is as follows.

Ordinary income of ¥1.6 billion

Profit attributable to owners of parent of ¥3.2 billion

The forecast described above represents the judgement of management based on information currently available, and may include uncertainties. Actual results may differ from the above due to changes in circumstances.

The Group believes that, in order to translate business opportunities into business performance and achieve sustained growth and development, differentiating itself from other financial institutions is a pressing issue for the Group, which is to be pursued by maximizing the synergies derived from the merger of its three subsidiary banks and by further developing the customer-oriented sales structure, with a view to enhancing customer satisfaction through high quality contact with customers and accurate understanding of customer needs.

Based on this recognition, the Group has launched its three-year business plan in May 2018, the Medium-term Business Plan “Start-up Kiraboshi.” The concept of the Plan is threefold: (1) creation of a “new kind of urban regional bank for the Tokyo area,” (2) commitment by the Group to contribute to the development of the Tokyo area, and (3) start-up spirit based on “Challenge & Speed.” The Group will seek to realize “a comprehensive service business that is also strong in finance” by promoting high quality contact with customers, the community, investors and employees, and building a business model that takes “dialogue” as its starting point to lead to enhanced customer satisfaction.

Specific measures include introduction of “regional headquarters structure” to achieve effective customer contact, as well as further strengthening of activities through collaboration notably with the Tokyo Metropolitan Government, Kawasaki City and other local governments and related organizations, other financial groups, and Kiraboshi Consulting which is a member of the Group, in such areas as support for mainstay operations, development of consulting business, financing based on evaluations of business feasibility, and support for start-ups to help founders and entrepreneurs. Through these measures, the Group will focus on its dialogue approach to offer customers with problem solving proposals in an effort to be a bank that customers would give the first call, aiming as a result to create shared value with the customers.

Further, through improvement of operational efficiency, the Group will promote an operational reform project aimed at creating time for dialogue with customers, and will also implement measures to build a strategic branch network, including branch-in-branch initiatives centering on neighboring branches post-merger and branch structure that matches to regional characteristics.

In the implementation of these measures, the Group will be organizing human resources development programs aimed at developing “Kiraboshi People,” or people who are able to win the trust of customers, act as if standing in their shoes, and embody success as a result.

(3) Basic Policy for Profit Distribution and Dividends for This Term and the Next Term

The Company’s basic policy is to work to maintain a sound financial position through sufficient and relevant internal reserves in consideration of its public nature as a bank holding company, while prioritizing returns to shareholders as an important management issue as it provides ongoing and stable dividends.

In consideration of this policy, the Company will pay out dividends of ¥60 per share (an interim dividend of ¥30 and a year-end dividend of ¥30) for the fiscal year ended March 31, 2018. For First Series Class I preferred shares, in accordance with the provisions of the Articles of Incorporation, an annual dividend of ¥246 per share (an interim dividend of ¥123 and a year-end dividend of ¥123) will be paid. For Class II preferred shares, likewise in accordance with the provisions of the Articles of Incorporation, an annual dividend of ¥25.636 per share (an interim dividend of ¥12.818 and a year-end dividend of ¥12.818) will be paid.

Note that an annual dividend of ¥60 per share of common stock (an interim dividend of ¥30 and a year-end dividend of ¥30) is scheduled for the fiscal year ending March 31, 2019 based on the policy described above. For First Series Class I preferred shares, in accordance with the provisions of the Articles of Incorporation, an annual dividend of ¥248 per share (an interim dividend of ¥124 and a year-end dividend of ¥124) will be paid. For Class II preferred shares, likewise in accordance with the provisions of the Articles of Incorporation, an annual dividend of ¥27.272 per share (an interim dividend of ¥13.636 and a year-end dividend of ¥13.636) will be paid.

2. Overview of the Tokyo Kiraboshi Financial Group

The Group (the Company and the Company’s affiliates) is composed of the Company, thirteen consolidated subsidiaries, and two affiliates (equity-method affiliate), and is engaged in business related to financial services with a focus on banking services.

The Group’s only reporting segment is banking services, and the roles related to the Group’s businesses are as follows.

[Banking services]

The Tokyo Tomin Bank, Limited, The Yachiyo Bank, Limited and ShinGinko Tokyo, Limited are engaged primarily in deposit services, loan services, domestic exchange services, and securities investment services, which are provided through their head offices and branches, etc., located in a business area centered around the Tokyo Metropolis and the northeast of Kanagawa Prefecture. In addition to the foregoing, The Tokyo Tomin Bank, Limited and The Yachiyo Bank, Limited also provide such other services as foreign exchange services and trading account securities services, while ShinGinko Tokyo, Limited provides trust and other services. The Group positions these banking

services offered by the three banks as its core businesses and provides financial products and services that match each stage in life or lifecycle through high quality consulting business, to contribute to the development of local communities.

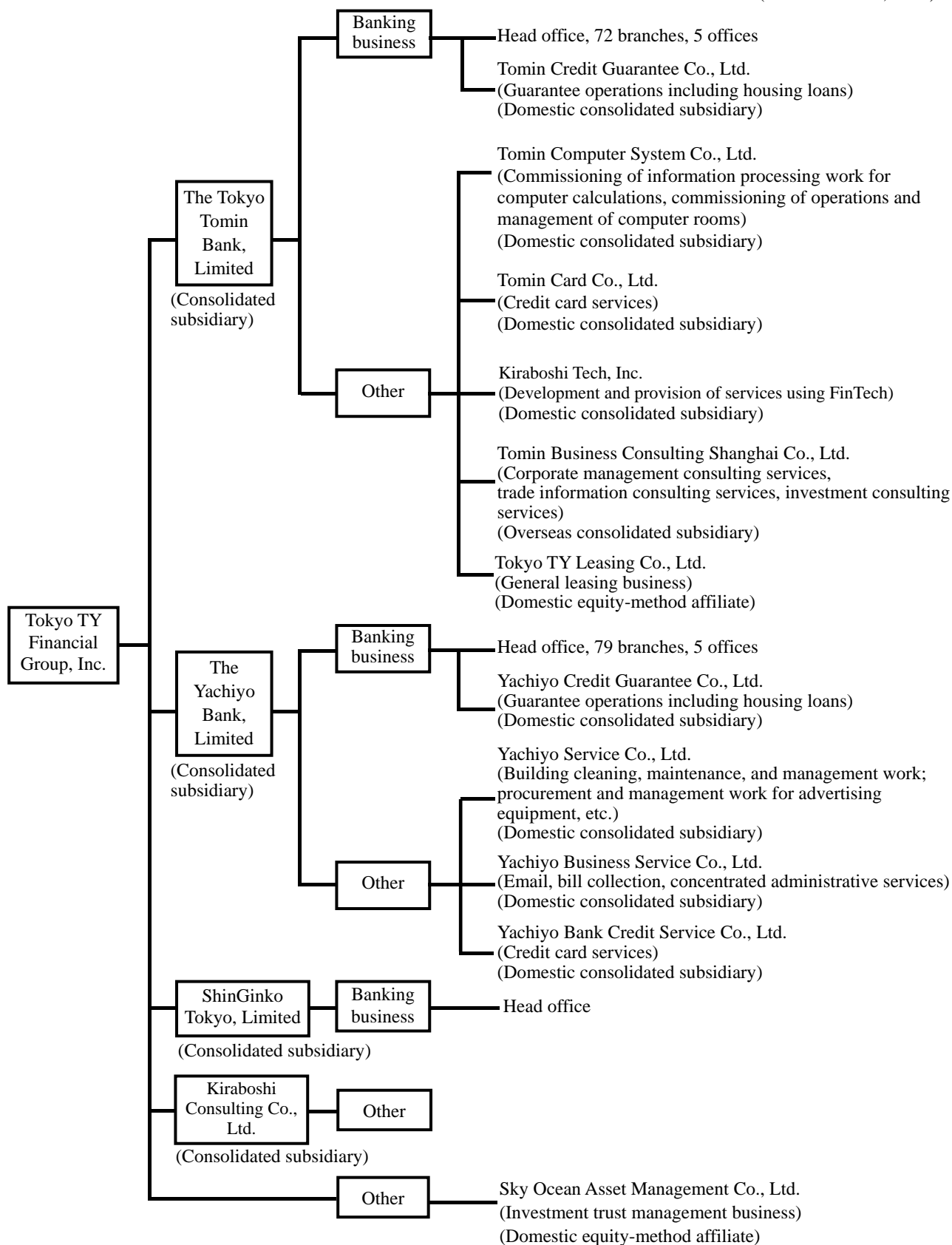
In addition, two consolidated subsidiaries operate credit guarantee businesses.

[Others]

The other eight consolidated subsidiaries and two affiliates (equity-method affiliate) are engaged in services ancillary to banking services such as consulting services, computer-related services, information provision services, and credit card services, and work together with the Company to support the financial needs of customers.

The diagram on the following page illustrates the business portfolio, as described above.

(As of March 31, 2018)



Notes:

1. Effective April 3, 2017, Tomin Management Research Institute Co., Ltd, a subsidiary of The Tokyo Tomin Bank, Limited, was made a direct fully owned subsidiary of the Company and changed its trade name to Kiraboshi Consulting Co., Ltd.
2. Effective November 1, 2017, Kiraboshi Tech, Inc. was established as a wholly owned subsidiary of The Tokyo Tomin Bank, Limited, this latter being the Company's consolidated subsidiary. It is included in the scope of consolidation from the third quarter of the fiscal year ended March 31, 2018.
3. Effective May 1, 2018, the Company changed its trade name to Tokyo Kiraboshi Financial Group, Inc.

4. Effective May 1, 2018, a three-way absorption-type merger was consummated with The Yachiyo Bank Limited as the surviving company, and The Tokyo Tomin Bank Limited and ShinGinko Tokyo, Inc. as the absorbed companies, and effective the same date, The Yachiyo Bank Limited changed its trade name to Kiraboshi Bank, Limited.
5. Effective May 1, 2018, Tomin Card Co., Ltd. changed its trade name to Kiraboshi JCB Co., Ltd.
6. Effective May 1, 2018, Tokyo TY Leasing Co., Ltd. changed its trade name to Tokyo Kiraboshi Leasing Co., Ltd.
7. Effective May 1, 2018, Yachiyo Service Co., Ltd. changed its trade name to Kiraboshi Service Co., Ltd.
8. Effective May 1, 2018, Yachiyo Business Service Co., Ltd. changed its trade name to Kiraboshi Business Service Co., Ltd.
9. Effective May 1, 2018, Yachiyo Credit Service Co., Ltd. changed its trade name to Kiraboshi Credit Service Co., Ltd.
10. In addition to the foregoing, “Tokyo Kanagawa Innovation Support Series 1 Investment Limited Partnership (ToKI Meki Ouen Fund I)” was established as a non-consolidated subsidiary, effective October 2, 2017.

3. Basic Views on Selection of Accounting Standards

Over the near term, the Group will prepare its consolidated financial statements based on J-GAAP, because the Group’s business activities are focused on Japan and to ensure that consolidated financial statements can be compared across time.

In terms of the application of International Financial Reporting Standards (IFRS), an appropriate response will be made in consideration of circumstances in Japan and overseas.

4. Consolidated Financial Statements and Notes
(1) Consolidated Balance Sheets

(¥ million)

| | As of March 31, 2017 | As of March 31, 2018 |
|--|----------------------|----------------------|
| Assets | | |
| Cash and due from banks | 515,886 | 377,636 |
| Call loans and bills bought | 3,987 | 1,264 |
| Monetary claims bought | 45,724 | 55,650 |
| Trading account securities | 794 | 707 |
| Securities | 1,281,164 | 1,208,629 |
| Loans and bills discounted | 3,621,372 | 3,676,146 |
| Foreign exchanges | 7,584 | 13,556 |
| Other assets | 42,617 | 84,062 |
| Tangible fixed assets | 56,085 | 59,627 |
| Buildings | 12,909 | 19,600 |
| Land | 34,547 | 34,216 |
| Leased assets | 1,252 | 1,780 |
| Construction in progress | 5,274 | 1,240 |
| Other tangible fixed assets | 2,100 | 2,789 |
| Intangible fixed assets | 1,903 | 2,365 |
| Software | 1,106 | 1,421 |
| Leased assets | 143 | 94 |
| Other intangible fixed assets | 653 | 848 |
| Net defined benefit assets | 14,125 | 18,391 |
| Deferred tax assets | 7,823 | 5,184 |
| Customers' liabilities for acceptances and guarantees | 7,880 | 5,677 |
| Reserve for possible loan losses | (29,644) | (26,195) |
| Total assets | <u>5,577,306</u> | <u>5,482,704</u> |
| Liabilities | | |
| Deposits | 4,717,562 | 4,652,109 |
| Negotiable certificates of deposit | 21,340 | 9,540 |
| Call money and bills sold | 40,706 | 58,937 |
| Payables under securities lending transactions | 361,309 | 357,265 |
| Borrowed money | 103,416 | 73,558 |
| Foreign exchange | 936 | 224 |
| Borrowed money from trust account | — | 53 |
| Other liabilities | 30,150 | 25,167 |
| Reserve for employee bonuses | 2,213 | 2,140 |
| Net defined benefit liabilities | 4,453 | 2,845 |
| Reserve for directors' retirement benefits | 110 | 67 |
| Reserve for point card certificates | 57 | 58 |
| Reserve for loss on interest repayments | 10 | 8 |
| Reserve for loss on dormant deposit repayments | 1,010 | 1,185 |
| Provision for loss on cancellation of system contracts | 200 | 200 |
| Provision for loss on transfer of business | — | 194 |
| Provision for contingent loss | 675 | 612 |
| Deferred tax liabilities | 1,902 | 1,837 |
| Deferred tax liabilities for land revaluation | 14 | — |
| Acceptances and guarantees | 7,880 | 5,677 |
| Total liabilities | <u>5,293,949</u> | <u>5,191,683</u> |
| Net Assets | | |
| Common stock | 27,500 | 27,500 |
| Capital surplus | 150,733 | 150,576 |
| Retained earnings | 104,574 | 106,206 |
| Treasury stock | (632) | (625) |
| Total shareholders' equity | <u>282,175</u> | <u>283,657</u> |
| Net unrealized gain on available-for-sale securities | 3,166 | 6,075 |
| Revaluation reserve for land | (209) | (242) |
| Foreign currency translation adjustment | 8 | 10 |
| Remeasurements of defined benefit plans | (2,216) | 1,146 |
| Total accumulated other comprehensive income | <u>748</u> | <u>6,989</u> |
| Subscription rights to shares | 95 | 101 |
| Non-controlling interests | 337 | 271 |
| Total net assets | <u>283,357</u> | <u>291,020</u> |
| Total liabilities and net assets | <u>5,577,306</u> | <u>5,482,704</u> |

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

(¥ million)

| | Year ended March 31, 2017 | Year ended March 31, 2018 |
|---|------------------------------|------------------------------|
| Ordinary income | 83,092 | 82,616 |
| Interest income | 58,889 | 57,411 |
| Interest on loans and discounts | 45,992 | 43,992 |
| Interest and dividends on securities | 11,570 | 12,135 |
| Interest on call loans and bills bought | 77 | 36 |
| Interest on receivables under securities borrowing transactions | 0 | 0 |
| Interest on deposits with banks | 324 | 293 |
| Other interest income | 924 | 953 |
| Trust fees | 61 | 56 |
| Fees and commissions | 16,165 | 17,582 |
| Other operating income | 5,301 | 3,226 |
| Other ordinary income | 2,675 | 4,338 |
| Gain on recovery of write-off claims | 186 | 259 |
| Others | 2,488 | 4,079 |
| Ordinary expenses | 74,770 | 77,888 |
| Interest expenses | 3,793 | 3,386 |
| Interest on deposits | 2,078 | 1,645 |
| Interest on negotiable certificates of deposit | 5 | 2 |
| Interest on call money and bills sold | 26 | 448 |
| Interest on payables under securities lending transactions | 1,219 | 1,140 |
| Interest on borrowed money | 128 | 88 |
| Interest on corporate bonds | 225 | — |
| Interest on bonds with subscription rights to shares | 53 | — |
| Other interest expenses | 55 | 61 |
| Fees and commissions payments | 3,540 | 3,473 |
| Other operating expenses | 1,815 | 2,935 |
| General and administrative expenses | 59,976 | 61,235 |
| Other ordinary expenses | 5,643 | 6,857 |
| Provision of allowance for loan losses | 2,419 | 1,480 |
| Other ordinary expenses | 3,224 | 5,377 |
| Ordinary profit | 8,322 | 4,727 |
| Extraordinary income | 19,605 | 647 |
| Gain on disposal of non-current assets | 5 | 647 |
| Gain on state subsidies, etc. received | 156 | — |
| Gain on bargain purchase | 19,443 | — |
| Extraordinary losses | 478 | 639 |
| Loss on disposal of fixed assets | 278 | 444 |
| Provision of loss on cancellation of system contracts | 200 | — |
| Provision for loss on transfer of business | — | 194 |
| Profit before income taxes | 27,450 | 4,735 |
| Income tax – current | 1,997 | 1,107 |
| Income tax – deferred | (120) | (61) |
| Total income taxes | 1,876 | 1,045 |
| Profit | 25,574 | 3,689 |
| Profit attributable to non-controlling interests | 38 | 12 |
| Profit attributable to owners of parent | 25,535 | 3,677 |

Consolidated Statements of Comprehensive Income

(¥ million)

| | Year ended March 31, 2017 | Year ended March 31, 2018 | |
|---|------------------------------|------------------------------|--|
| Profit | 25,574 | 3,689 | |
| Other comprehensive income | (2,218) | 6,250 | |
| Net unrealized gain on available-for-sale securities | (5,318) | 2,852 | |
| Deferred gains or losses on hedges | (6) | — | |
| Revaluation reserve for land | — | (32) | |
| Foreign currency translation adjustments | (3) | 2 | |
| Remeasurements of defined benefit plans | 3,005 | 3,362 | |
| Share of other comprehensive income of entities accounted for using equity method | 104 | 66 | |
| Comprehensive income | 23,355 | 9,940 | |
| (Breakdown) | | | |
| Comprehensive income attributable to owners of parent | 23,306 | 9,918 | |
| Comprehensive income attributable to non-controlling interests | 48 | 22 | |

(3) Consolidated Statements of Changes in Net Assets
(Year ended March 31, 2017)

(¥ million)

| | Shareholders' equity | | | | |
|--|----------------------|-----------------|-------------------|----------------|----------------------------|
| | Common stock | Capital surplus | Retained earnings | Treasury stock | Total shareholders' equity |
| Balance at beginning of the year | 20,000 | 99,585 | 80,913 | (594) | 199,905 |
| Changes of items during the reporting period | | | | | |
| Issuance of new shares | 7,500 | 7,500 | | | 15,000 |
| Increase (decrease) by share exchange | | 43,719 | | | 43,719 |
| Dividends of surplus | | | (1,874) | | (1,874) |
| Profit attributable to owners of parent | | | 25,535 | | 25,535 |
| Acquisition of treasury stock | | | | (47) | (47) |
| Disposition of treasury stock | | 0 | | 9 | 10 |
| Change in interest in subsidiaries | | (72) | | | (72) |
| Net changes of items other than shareholders' equity during the reporting period | | | | | |
| Total changes of items during the reporting period | 7,500 | 51,147 | 23,660 | (37) | 82,270 |
| Balance at end of period | 27,500 | 150,733 | 104,574 | (632) | 282,175 |

| | Accumulated other comprehensive income | | | | | | Subscription rights to shares | Non-controlling interests | Total net assets |
|--|--|------------------------------------|------------------------------|---|---|---------------------------------------|-------------------------------|---------------------------|------------------|
| | Net unrealized gain on available-for-sale securities | Deferred gains or losses on hedges | Revaluation reserve for land | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive | | | |
| Balance at beginning of the year | 8,390 | 6 | (209) | 11 | (5,221) | 2,977 | 46 | 286 | 203,216 |
| Changes of items during the reporting period | | | | | | | | | |
| Issuance of new shares | | | | | | | | | 15,000 |
| Increase (decrease) by share exchange | | | | | | | | | 43,719 |
| Dividends of surplus | | | | | | | | | (1,874) |
| Profit attributable to owners of parent | | | | | | | | | 25,535 |
| Acquisition of treasury stock | | | | | | | | | (47) |
| Disposition of treasury stock | | | | | | | | | 10 |
| Change in interest in subsidiaries | | | | | | | | | (72) |
| Net changes of items other than shareholders' equity during the reporting period | (5,224) | (6) | — | (3) | 3,005 | (2,229) | 49 | 50 | (2,129) |
| Total changes of items during the reporting period | (5,224) | (6) | — | (3) | 3,005 | (2,229) | 49 | 50 | 80,140 |
| Balance at end of period | 3,166 | — | (209) | 8 | (2,216) | 748 | 95 | 337 | 283,357 |

(Year ended March 31, 2018)

(¥ million)

| | Shareholders' equity | | | | |
|--|----------------------|-----------------|-------------------|----------------|----------------------------|
| | Common stock | Capital surplus | Retained earnings | Treasury stock | Total shareholders' equity |
| Balance at beginning of the year | 27,500 | 150,733 | 104,574 | (632) | 282,175 |
| Changes of items during the reporting period | | | | | |
| Purchase of shares of consolidated subsidiaries | | 7 | | | 7 |
| Dividends of surplus | | | (2,078) | | (2,078) |
| Profit attributable to owners of parent | | | 3,677 | | 3,677 |
| Acquisition of treasury stock | | | | (38) | (38) |
| Disposition of treasury stock | | (5) | | 44 | 38 |
| Change in interest in subsidiaries | | (158) | | | (158) |
| Reversal of revaluation reserve for land | | | 32 | | 32 |
| Net changes of items other than shareholders' equity during the reporting period | | | | | |
| Total changes of items during the reporting period | — | (157) | 1,631 | 6 | 1,481 |
| Balance at end of period | 27,500 | 150,576 | 106,206 | (625) | 283,657 |

| | Accumulated other comprehensive income | | | | | Subscription rights to shares | Non-controlling interests | Total net assets |
|--|--|------------------------------|---|---|--|-------------------------------|---------------------------|------------------|
| | Net unrealized gain on available-for-sale securities | Revaluation reserve for land | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive income | | | |
| Balance at beginning of the year | 3,166 | (209) | 8 | (2,216) | 748 | 95 | 337 | 283,357 |
| Changes of items during the reporting period | | | | | | | | |
| Purchase of shares of consolidated subsidiaries | | | | | | | | 7 |
| Dividends of surplus | | | | | | | | (2,078) |
| Profit attributable to owners of parent | | | | | | | | 3,677 |
| Acquisition of treasury stock | | | | | | | | (38) |
| Disposition of treasury stock | | | | | | | | 38 |
| Change in interest in subsidiaries | | | | | | | | (158) |
| Reversal of revaluation reserve for land | | | | | | | | 32 |
| Net changes of items other than shareholders' equity during the reporting period | 2,909 | (32) | 2 | 3,362 | 6,240 | 5 | (65) | 6,181 |
| Total changes of items during the reporting period | 2,909 | (32) | 2 | 3,362 | 6,240 | 5 | (65) | 7,662 |
| Balance at end of period | 6,075 | (242) | 10 | 1,146 | 6,989 | 101 | 271 | 291,020 |

(4) Consolidated Statements of Cash Flows

(¥ million)

| | Year ended March 31, 2017 | Year ended March 31, 2018 |
|---|------------------------------|------------------------------|
| Cash flows from operating activities | | |
| Profit before income taxes | 27,450 | 4,735 |
| Depreciation | 3,023 | 3,254 |
| Retirement benefit expenses | 830 | 1,008 |
| Gain on bargain purchase | (19,443) | — |
| Share profit of entities accounted for using equity method | (78) | (35) |
| Increase (decrease) in reserve for possible loan losses | (454) | (3,449) |
| Increase (decrease) in reserve for employee bonuses | 37 | (72) |
| Decrease (increase) in net defined benefit assets | (5,478) | (4,265) |
| Increase (decrease) in net defined benefit liability | (1,215) | (1,607) |
| Increase (decrease) in reserve for directors' retirement benefits | 24 | (42) |
| Increase (decrease) in reserve for point card certificates | 4 | 1 |
| Increase (decrease) in reserve for loss on interest repayments | (3) | (2) |
| Increase (decrease) in reserve for loss on dormant deposit repayments | 21 | 175 |
| Increase (decrease) in provision for loss on cancellation of system contracts | 200 | — |
| Increase (decrease) in provision for loss on transfer of business | — | 194 |
| Increase (decrease) in reserve for contingent loss | (5) | (63) |
| Gain on fund management | (58,889) | (57,411) |
| Financing expenses | 3,793 | 3,386 |
| Gain (loss) on securities | (2,544) | (1,206) |
| Foreign exchange losses (gains) | (8,308) | 9,433 |
| Net loss (gain) on disposal of fixed assets | 272 | (202) |
| Gain on state subsidies, etc. received | (156) | — |
| Net increase (decrease) in trading account securities | (136) | 87 |
| Net (decrease) increase in loans and bills discounted | (38,866) | (54,773) |
| Net increase (decrease) in deposits | (78,076) | (65,452) |
| Net increase (decrease) in negotiable certificates of deposit | (12,866) | (11,800) |
| Net increase (decrease) in borrowed money (excluding subordinated loans) | (2,009) | (29,858) |
| Net decrease (increase) in deposit (excluding deposit paid to Bank of Japan) | 1,860 | 9,170 |
| Net (decrease) increase in call loans | 29,819 | (7,203) |
| Net increase (decrease) in call money | 40,706 | 18,230 |
| Net increase (decrease) in payables under securities lending transactions | 67,982 | (4,044) |
| Net decrease (increase) in foreign exchange (assets) | (1,053) | (5,972) |
| Net increase (decrease) in foreign exchange (liabilities) | 867 | (711) |
| Net increase (decrease) in borrowed money from trust account | — | 53 |
| Proceeds from fund management | 60,717 | 57,753 |
| Payments for finance | (4,354) | (3,413) |
| Other | (5,554) | (16,175) |
| Subtotal | (1,881) | (160,277) |
| Income taxes paid | (2,745) | (1,669) |
| Income taxes refund | 350 | 379 |
| Net cash provided by (used in) operating activities | (4,276) | (161,567) |
| Cash flows from investing activities | | |
| Purchase of securities | (556,723) | (473,425) |
| Proceeds from sales of securities | 362,521 | 322,075 |
| Proceeds from redemption of securities | 291,314 | 192,296 |
| Purchase of tangible fixed assets | (4,467) | (5,809) |
| Retirement of tangible fixed assets | (171) | (118) |
| Proceeds from sales of tangible fixed assets | 42 | 1,199 |
| Purchase of intangible fixed assets | (758) | (1,019) |
| Payments for investments in capital | (103) | — |
| Proceeds from state subsidies, etc. | 58 | — |
| Net cash provided by (used in) investing activities | 91,712 | 35,197 |
| Cash flows from financing activities | | |
| Decrease in subordinated borrowings | (2,000) | — |
| Redemption of subordinated bonds | (21,000) | — |
| Proceeds from issuance of common shares | 14,881 | — |
| Cash dividends paid | (1,877) | (2,083) |
| Dividends paid to non-controlling interests | (54) | (35) |
| Purchase of treasury shares | (47) | (38) |
| Proceeds from sale of treasury stock | 10 | 38 |
| Payments from changes in ownership interests in subsidiaries that do not result in changes in scope of consolidation | (52) | (213) |
| Proceeds from changes in ownership interests in subsidiaries that do not result in changes in scope of consolidation | 81 | — |
| Repayments of lease obligations | (363) | (379) |
| Net cash provided by (used in) financing activities | (10,421) | (2,710) |
| Effect of exchange rate changes on cash and cash equivalents | 4 | 1 |
| Net change in cash and cash equivalents | 77,018 | (129,078) |
| Cash and cash equivalents at beginning of year | 393,056 | 504,444 |
| Increase in cash and cash equivalents due to share exchanges | 34,369 | — |
| Cash and cash equivalents at end of year | 504,444 | 375,365 |

(5) Notes on Premise of Going Concern

Not applicable.

(6) Notes to Consolidated Financial Statements

(Segment information)

The Group's only reporting segment is the banking business. Note that while the Group conducts businesses other than the banking business, including consulting services, computer-related services, information provision services, and credit card services, this information has been omitted because these businesses only represent a small percentage of all segments of businesses conducted by the Group.

(Per Share Information)

| | | Reporting period (Year ended March 31, 2018) |
|---|---|---|
| Net assets per share | ¥ | 7,729.99 |
| Profit attributable to owners of parent per share | ¥ | 112.94 |
| Profit attributable to owners of parent per share (Diluted) | ¥ | 77.25 |

Notes:

1. The calculation basis for net asset amount per share is as follows.

| | | Reporting period (As of March 31, 2018) |
|--|-----------------|--|
| Total net assets | (¥ million) | 291,020 |
| Amount deducted from total net assets | (¥ million) | 55,491 |
| Paid-in amount of preferred stock | (¥ million) | 55,000 |
| Cash dividends on preferred stock | (¥ million) | 117 |
| Subscription rights to shares | (¥ million) | 101 |
| Non-controlling interests | (¥ million) | 271 |
| Net asset amount for common stock at the year-end | (¥ million) | 235,528 |
| Number of shares of common stock at the year-end used for calculating net asset amount per share | Thousand shares | 30,469 |

2. The following is the basis for calculating the amount of net income per share and the amount of diluted net income per share for the reporting period.

| | | Reporting period (Year ended March 31, 2018) |
|--|-----------------|---|
| Profit attributable to owners of parent per share | | |
| Profit attributable to owners of parent | (¥ million) | 3,677 |
| Amount not belonging to common stock | (¥ million) | 235 |
| Cash dividends on preferred stock | (¥ million) | 235 |
| Profit attributable to owners of parent in relation to common stock | (¥ million) | 3,441 |
| Weighted-average shares of common stock during the period | Thousand shares | 30,472 |
| Profit attributable to owners of parent per share (Diluted) | | |
| Profit attributable to owners of parent adjustment amount | (¥ million) | 235 |
| Cash dividends on preferred stock | (¥ million) | 235 |
| Effect of dilutive securities | Thousand shares | 17,131 |
| Preferred stock | Thousand shares | 17,099 |
| Subscription rights to shares | Thousand shares | 32 |
| Summary of residual securities not included in calculation of net profit per share after adjustment of residual securities because they have no dilutive effects | | — |

(Significant Subsequent Events)

Effective May 1, 2018, the Company's wholly-owned subsidiaries of The Tokyo Tomin Bank, Limited (hereafter, "Tokyo Tomin Bank"), The Yachiyo Bank, Ltd (hereafter "Yachiyo Bank"), and ShinGinko Tokyo, Limited (hereafter "ShinGinko Tokyo") have merged in accordance with the resolution of the Extraordinary General Meeting of Shareholders held on March 2, 2018 to approve the merger agreement, and effective the same date, changed its trade name to Kiraboshi Bank, Ltd (hereafter "Kiraboshi Bank").

1. Summary of business combination

(1) Name and business of the merging companies

(Surviving company in the absorption-type merger)

| | |
|--------------------|---------------------------|
| Name | The Yachiyo Bank, Limited |
| Nature of business | Banking |

(Dissolving company in the absorption-type merger)

| | |
|--------------------|-------------------------------|
| Name | The Tokyo Tomin Bank, Limited |
| Nature of business | Banking |

| | |
|--------------------|--------------------------|
| Name | ShinGinko Tokyo, Limited |
| Nature of business | Banking |

(2) Date of business combination

May 1, 2018

(3) Legal form of the business combination

Absorption-type merger with Yachiyo Bank as the surviving company, and Tokyo Tomin Bank and ShinGinko Tokyo as the dissolving companies.

(4) Name of company after combination

Kiraboshi Bank

(5) Other matters relating to the outline of the transaction

The objective of the merger is to use the "strengths" and "features" of Tokyo Tomin Bank, Yachiyo Bank, and ShinGinko Tokyo that have been cultivated over the years, to maximize the integration effect by proceeding from business integration to merger, to enhance competitiveness and further develop management efficiency, and thereby establish a solid management foundation that can further demonstrate the Group's presence in the Tokyo Metropolitan Area, with a focus on Tokyo and the northeast area of Kanagawa Prefecture. By demonstrating the true value as a mainstay of regional financial sector, we will strive to become the No. 1 regional bank most loved by customers in the Tokyo Metropolitan Area.

2. Outline of the accounting treatment applied

The transaction is treated as a transaction under common control pursuant to the "Accounting Standard for Business Combinations" and the "Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures."

(Reference)

**Trust asset balance table
(As of March 31, 2018)**

(Millions of yen)

| Asset | Value | Liability | Value |
|-------------------------------|---------------|--------------------------|---------------|
| Monetary claims | 14,881 | Monetary claims in trust | 14,981 |
| Other monetary claims | 14,881 | Composite trusts | 338 |
| Property, plant and equipment | 320 | | |
| Due from bank accounts | 53 | | |
| Cash deposits | 64 | | |
| Deposits | 64 | | |
| Total | 15,320 | Total | 15,320 |

(Note) There is one applicable consolidated subsidiary, which is the former ShinGinko Tokyo.

5. Non-consolidated Financial Statements and Notes

(1) Non-consolidated Balance Sheets

(¥ million)

| | As of March 31, 2017 | As of March 31, 2018 |
|---------------------------------------|----------------------|----------------------|
| Assets | | |
| Current assets | | |
| Cash and due from banks | 1,797 | 1,936 |
| Accounts receivable - other | 49 | 32 |
| Prepaid expenses | 20 | 19 |
| Income taxes receivable | 380 | 405 |
| Suspense payments | 0 | 0 |
| Deferred tax assets | 17 | 16 |
| Total current assets | 2,266 | 2,411 |
| Non-current assets | | |
| Investments and other assets | | |
| Shares of subsidiaries and associates | 193,668 | 193,668 |
| Total investments and other assets | 193,668 | 193,668 |
| Total non-current assets | 193,668 | 193,668 |
| Deferred assets | | |
| Organization expenses | 35 | 21 |
| Share issuance cost | 42 | 22 |
| Total deferred assets | 78 | 44 |
| Total assets | 196,013 | 196,124 |
| Liabilities | | |
| Current liabilities | | |
| Accounts payable - other | 27 | 17 |
| Dividends payable | 24 | 34 |
| Income taxes | 21 | 18 |
| Deposits received | 3 | 3 |
| Suspense receipt | 0 | — |
| Reserve for employee bonuses | 49 | 47 |
| Total current liabilities | 126 | 121 |
| Total liabilities | 126 | 121 |
| Net assets | | |
| Shareholders' equity | | |
| Common stock | 27,500 | 27,500 |
| Capital surplus | | |
| Capital reserve | 56,219 | 56,219 |
| Other capital surplus | 110,277 | 110,272 |
| Total capital surplus | 166,497 | 166,491 |
| Retained earnings | | |
| Other retained earnings | | |
| Retained earnings brought forward | 2,426 | 2,535 |
| Total retained earnings | 2,426 | 2,535 |
| Treasury stock | (632) | (625) |
| Total shareholders' equity | 195,791 | 195,900 |
| Subscription rights to shares | 95 | 101 |
| Total net assets | 195,886 | 196,002 |
| Total liabilities and net assets | 196,013 | 196,124 |

(2) Non-consolidated Statements of Income

(¥ million)

| | Year ended March 31, 2017 | Year ended March 31, 2018 |
|--|------------------------------|------------------------------|
| Operating income | | |
| Dividends from subsidiaries and associates | 2,125 | 2,130 |
| Commissions from subsidiaries and associates | 1,116 | 1,171 |
| Total operating income | 3,241 | 3,301 |
| Operating expenses | | |
| Selling, general and administrative expenses | 1,028 | 1,032 |
| Total operating expenses | 1,028 | 1,032 |
| Operating profit | 2,213 | 2,269 |
| Non-operating income | | |
| Interest income | 53 | 0 |
| Miscellaneous income | 0 | 0 |
| Total non-operating income | 54 | 0 |
| Non-operating expenses | | |
| Interest expenses | 53 | — |
| Commission fee | 12 | 0 |
| Amortization of deferred organization expenses | 14 | 14 |
| Amortization of share issuance cost | 17 | 20 |
| Total non-operating expenses | 97 | 34 |
| Ordinary profit | 2,169 | 2,235 |
| Income before income taxes | 2,169 | 2,235 |
| Income taxes - current | 49 | 47 |
| Income taxes - deferred | (6) | 0 |
| Total income taxes | 42 | 47 |
| Net income | 2,126 | 2,187 |

(3) Non-consolidated Statements of Changes in Net Assets**Year ended March 31, 2017 (From April 1, 2016 to March 31, 2017)**

(¥ million)

| | Shareholders' equity | | | | | | | | Subscription rights to shares | Total net assets |
|---|----------------------|-----------------|-----------------------|-----------------------|--|-------------------------|----------------|----------------------------|-------------------------------|------------------|
| | Common stock | Capital surplus | | | Retained earnings | | Treasury stock | Total shareholders' equity | | |
| | | Capital reserve | Other capital surplus | Total capital surplus | Other retained earnings Retained earnings brought forward | Total retained earnings | | | | |
| Balance at beginning of the year | 20,000 | 5,000 | 110,277 | 115,277 | 2,174 | 2,174 | (594) | 136,856 | 46 | 136,903 |
| Changes of items during the reporting period | | | | | | | | | | |
| Issuance of new shares | 7,500 | 7,500 | | 7,500 | | | | 15,000 | | 15,000 |
| Increase (decrease) by share exchanges | | 43,719 | | 43,719 | | | | 43,719 | | 43,719 |
| Dividends of surplus | | | | | (1,874) | (1,874) | | (1,874) | | (1,874) |
| Net income | | | | | 2,126 | 2,126 | | 2,126 | | 2,126 |
| Acquisition of treasury stock | | | | | | | (47) | (47) | | (47) |
| Disposition of treasury stock | | | 0 | 0 | | | 9 | 10 | | 10 |
| Net changes of items other than shareholders' equity | | | | | | | | | 49 | 49 |
| Total of changes of items during the reporting period | 7,500 | 51,219 | 0 | 51,220 | 252 | 252 | (37) | 58,934 | 49 | 58,983 |
| Balance at end of period | 27,500 | 56,219 | 110,277 | 166,497 | 2,426 | 2,426 | (632) | 195,791 | 95 | 195,886 |

Year ended March 31, 2018 (From April 1, 2017 to March 31, 2018)

(¥ million)

| | Shareholders' equity | | | | | | | | Subscription rights to shares | Total net assets |
|---|----------------------|-----------------|-----------------------|-----------------------|--|-------------------------|----------------|----------------------------|-------------------------------|------------------|
| | Common stock | Capital surplus | | | Retained earnings | | Treasury stock | Total shareholders' equity | | |
| | | Capital reserve | Other capital surplus | Total capital surplus | Other retained earnings Retained earnings brought forward | Total retained earnings | | | | |
| Balance at beginning of the year | 27,500 | 56,219 | 110,277 | 166,497 | 2,426 | 2,426 | (632) | 195,791 | 95 | 195,886 |
| Changes of items during the reporting period | | | | | | | | | | |
| Dividends of surplus | | | | | (2,078) | (2,078) | | (2,078) | | (2,078) |
| Net income | | | | | 2,187 | 2,187 | | 2,187 | | 2,187 |
| Acquisition of treasury stock | | | | | | | (38) | (38) | | (38) |
| Disposition of treasury stock | | | (5) | (5) | | | 44 | 38 | | 38 |
| Net changes of items other than shareholders' equity | | | | | | | | | 5 | 5 |
| Total of changes of items during the reporting period | — | — | (5) | (5) | 109 | 109 | 6 | 109 | 5 | 115 |
| Balance at end of period | 27,500 | 56,219 | 110,272 | 166,491 | 2,535 | 2,535 | (625) | 195,900 | 101 | 196,002 |

(4) Notes on Premise of Going Concern

Not applicable.

6. (Reference) Overview of Major Consolidated Subsidiary Operating Performance

(1) Non-consolidated Financial Statements (Formerly The Tokyo Tomin Bank, Limited)

May 15, 2018

Company name: Kiraboshi Bank, Limited (Formerly The Tokyo Tomin Bank, Limited)

Representative: Yoshinobu Watanabe, President

Responsible person for inquiries: Hiroshi Shibuya, Director Managing Executive Officer,
General Manager of Corporate Planning Division

URL: <https://www.kiraboshibank.co.jp>

Telephone: +81-3-3352-2295

Note: Figures have been rounded down to the nearest million yen.

1. Non-consolidated Operating Performance for the Fiscal Year Ended March 31, 2018 (From April 1, 2017 to March 31, 2018)

(1) Results in non-consolidated operations

(Percentages represent year-on-year changes.)

| | Ordinary income | | Ordinary profit | | Net income | |
|----------------------------------|-----------------|-------|-----------------|--------|-------------|--------|
| | (¥ million) | (%) | (¥ million) | (%) | (¥ million) | (%) |
| Fiscal Year ended March 31, 2018 | 42,897 | (1.2) | 2,842 | (39.6) | 2,191 | (20.8) |
| Fiscal Year ended March 31, 2017 | 43,455 | 2.3 | 4,710 | (29.8) | 2,770 | (34.5) |

(2) Non-consolidated financial position

| | Total assets | Total net assets | Net assets to total assets ratio |
|----------------------|--------------|------------------|----------------------------------|
| | (¥ million) | (¥ million) | (%) |
| As of March 31, 2018 | 2,781,193 | 107,599 | 3.8 |
| As of March 31, 2017 | 2,773,306 | 105,182 | 3.7 |

(Reference) Equity: As of March 31, 2018: ¥107,599 million As of March 31, 2017: ¥105,182 million

(Note) "Equity" is the value of total net assets at the end of the fiscal year, and "Net assets to total assets ratio" is calculated by dividing equity by total assets at the end of the fiscal year.

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 (Financial Services Agency Notification No. 19 of 2006).

○ Non-consolidated Financial Statements

(1) Non-consolidated Balance Sheets

Formerly The Tokyo Tomin Bank, Limited

(¥ million)

| | As of March 31, 2017 | As of March 31, 2018 |
|---|----------------------|----------------------|
| Assets | | |
| Cash and due from banks | 316,026 | 325,382 |
| Cash on hand | 19,258 | 13,654 |
| Due from banks | 296,768 | 311,728 |
| Call loans | 987 | 11,264 |
| Monetary claims bought | 2,004 | 5,025 |
| Trading account securities | 32 | 32 |
| Trading account Japanese government bonds | 13 | 22 |
| Trading account Municipal government bonds | 19 | 9 |
| Securities | 543,504 | 468,546 |
| Japanese government bonds | 306,657 | 291,079 |
| Municipal government bonds | 11,864 | 2,451 |
| Corporate bonds | 92,253 | 72,907 |
| Corporate stocks | 27,168 | 28,525 |
| Other securities | 105,560 | 73,581 |
| Loans and bills discounted | 1,837,946 | 1,860,166 |
| Bills discounted | 25,598 | 27,000 |
| Loans on bills | 94,486 | 96,035 |
| Loans on deeds | 1,575,295 | 1,584,304 |
| Overdrafts | 142,566 | 152,825 |
| Foreign exchange | 3,329 | 3,450 |
| Due from foreign banks | 1,400 | 1,888 |
| Foreign bills of exchange bought | 533 | 100 |
| Foreign bills of exchange receivable | 1,395 | 1,461 |
| Other assets | 24,694 | 59,427 |
| Prepaid expenses | 352 | 300 |
| Accrued income | 2,418 | 2,569 |
| Initial margins of futures markets | 160 | 110 |
| Variation margins of futures markets | 218 | 254 |
| Financial derivatives | 2,385 | 1,975 |
| Cash collateral paid for financial instruments | — | 113 |
| Other assets | 19,158 | 54,102 |
| Tangible fixed assets | 34,477 | 37,035 |
| Buildings | 5,364 | 11,135 |
| Land | 22,979 | 22,979 |
| Leased assets | 830 | 1,471 |
| Construction in progress | 4,333 | 115 |
| Other tangible fixed assets | 970 | 1,333 |
| Intangible fixed assets | 1,099 | 1,508 |
| Software | 588 | 1,072 |
| Leased assets | 127 | 90 |
| Other intangible fixed assets | 383 | 346 |
| Prepaid pension cost | 16,221 | 16,790 |
| Deferred tax assets | 3,629 | 2,645 |
| Customers' liabilities for acceptances and guarantees | 3,078 | 2,508 |
| Reserve for possible loan losses | (13,725) | (12,589) |
| Total assets | 2,773,306 | 2,781,193 |

Formerly The Tokyo Tomin Bank, Limited

(¥ million)

| | As of March 31, 2017 | As of March 31, 2018 |
|--|----------------------|----------------------|
| Liabilities | | |
| Deposits | 2,312,237 | 2,315,952 |
| Current deposits | 158,179 | 178,295 |
| Ordinary deposits | 1,029,238 | 1,078,691 |
| Savings deposits | 17,066 | 16,519 |
| Deposits at notice | 15,530 | 13,754 |
| Time deposits | 994,559 | 940,007 |
| Installment savings | 56,414 | 50,224 |
| Other deposits | 41,248 | 38,458 |
| Negotiable certificates of deposit | 18,740 | 6,740 |
| Call money | — | 26,000 |
| Payables under securities lending transactions | 312,048 | 306,073 |
| Borrowed money | 5,216 | 5,358 |
| Borrowings from other banks | 5,216 | 5,358 |
| Foreign exchange | 935 | 223 |
| Due to foreign banks | 1 | 1 |
| Foreign bills of exchange sold | 865 | 157 |
| Foreign bills of exchange payable | 68 | 64 |
| Other liabilities | 13,924 | 8,847 |
| Income taxes | 605 | 373 |
| Accrued expenses | 1,625 | 1,959 |
| Unearned income | 1,228 | 868 |
| Reserve for interest on installment savings | 21 | 19 |
| Financial derivatives | 1,194 | 806 |
| Cash collateral received for financial instruments | 55 | 499 |
| Lease obligations | 985 | 1,600 |
| Asset retirement obligations | 215 | 218 |
| Other liabilities | 7,994 | 2,501 |
| Reserve for employee bonuses | 1,087 | 1,026 |
| Reserve for directors' retirement benefits | 75 | 46 |
| Reserve for point card certificates | 2 | 2 |
| Reserve for loss on dormant deposit repayments | 397 | 515 |
| Provision for loss on cancellation of system contracts | 85 | 85 |
| Provision for contingent loss | 280 | 214 |
| Deferred tax liabilities for land revaluation | 14 | — |
| Acceptances and guarantees | 3,078 | 2,508 |
| Total liabilities | 2,668,124 | 2,673,594 |
| Net Assets | | |
| Common stock | 55,620 | 55,620 |
| Capital surplus | 25,583 | 25,583 |
| Capital reserve | 25,583 | 25,583 |
| Retained earnings | 20,387 | 21,431 |
| Earned reserve | 3,805 | 4,041 |
| Other retained earnings | 16,581 | 17,390 |
| General reserve | 6,400 | 6,400 |
| Retained earnings brought forward | 10,181 | 10,990 |
| Total shareholders' equity | 101,590 | 102,635 |
| Net unrealized gain on available-for-sale securities | 3,800 | 5,205 |
| Revaluation reserve for land | (209) | (242) |
| Total valuation and translation adjustments | 3,591 | 4,963 |
| Total net assets | 105,182 | 107,599 |
| Total liabilities and net assets | 2,773,306 | 2,781,193 |

(2) Non-consolidated Statements of Income**Formerly The Tokyo Tomin Bank, Limited**(**¥ million**)

| | Year ended March 31, 2017 | Year ended March 31, 2018 |
|---|------------------------------|------------------------------|
| Ordinary income | 43,455 | 42,897 |
| Interest income | 30,672 | 29,093 |
| Interest on loans and discounts | 22,785 | 22,139 |
| Interest and dividends on securities | 7,466 | 6,535 |
| Interest on call loans | 59 | 20 |
| Interest on receivables under securities borrowing transactions | 0 | 0 |
| Interest on deposits with banks | 228 | 236 |
| Other interest income | 131 | 162 |
| Fees and commissions | 8,431 | 8,955 |
| Fees and commissions on domestic and foreign exchange | 2,040 | 2,052 |
| Other fees and commissions | 6,390 | 6,903 |
| Other operating income | 2,692 | 1,839 |
| Gain on foreign exchange transactions | 904 | 954 |
| Gain on trading account securities transactions | 0 | — |
| Gain on sale of bonds | 1,044 | 303 |
| Income from derivatives other than for trading or hedging | 729 | 453 |
| Other | 13 | 127 |
| Other ordinary income | 1,659 | 3,008 |
| Gain on sale of stocks and other securities | 1,103 | 2,429 |
| Income from equity-related financial derivatives | — | 4 |
| Other | 555 | 575 |
| Ordinary expenses | 38,745 | 40,054 |
| Interest expenses | 2,178 | 1,698 |
| Interest on deposits | 574 | 428 |
| Interest on negotiable certificates of deposit | 4 | 1 |
| Interest on call money | 13 | (0) |
| Interest on payables under securities lending transactions | 1,215 | 1,138 |
| Interest on borrowed money | 103 | 83 |
| Interest on corporate bonds | 225 | — |
| Other interest expenses | 41 | 47 |
| Fees and commissions | 2,583 | 2,403 |
| Fees and commissions on domestic and foreign exchange | 468 | 481 |
| Other fees and commissions | 2,115 | 1,921 |
| Other operating expenses | 923 | 2,151 |
| Loss on trading account securities transactions | — | 0 |
| Loss on sale of bonds | 923 | 2,151 |
| General and administrative expenses | 29,418 | 30,889 |
| Other ordinary expenses | 3,640 | 2,911 |
| Provision of allowance for loan losses | 2,685 | 1,135 |
| Write-off of loans | 12 | — |
| Loss on sale of stocks and other securities | 51 | 91 |
| Losses on devaluation of stocks and other securities | — | 17 |
| Costs related to financial derivatives | 23 | — |
| Other | 868 | 1,666 |
| Ordinary profit | 4,710 | 2,842 |
| Extraordinary income | — | 119 |
| Gain on liquidation of subsidiaries | — | 119 |
| Extraordinary losses | 267 | 259 |
| Loss on deposition of fixed assets | 182 | 259 |
| Provision for loss on cancellation of system contracts | 85 | — |
| Income before income taxes | 4,442 | 2,702 |
| Income taxes – current | 231 | 161 |
| Income taxes – deferred | 1,440 | 349 |
| Total income taxes | 1,672 | 510 |
| Net income | 2,770 | 2,191 |

(2) Non-consolidated Financial Statements (Formerly The Yachiyo Bank, Limited)

May 15, 2018

Company name: Kiraboshi Bank, Limited (Formerly The Yachiyo Bank, Limited)

Representative: Yoshinobu Watanabe, President

Responsible person for inquiries: Hiroshi Shibuya, Director Managing Executive Officer,
General Manager of Corporate Planning Division

URL: <https://www.kiraboshibank.co.jp>

Telephone: +81-3-3352-2295

Note: Figures have been rounded down to the nearest million yen.

1. Non-consolidated Operating Performance for the Fiscal Year Ended March 31, 2018 (From April 1, 2017 to March 31, 2018)

(1) Results in non-consolidated operations

(Percentages represent year-on-year changes.)

| | Ordinary income | | Ordinary profit | | Net income | |
|----------------------------------|-----------------|-------|-----------------|--------|-------------|--------|
| | (¥ million) | (%) | (¥ million) | (%) | (¥ million) | (%) |
| Fiscal Year ended March 31, 2018 | 34,817 | (2.2) | 3,262 | (23.0) | 2,694 | (29.0) |
| Fiscal Year ended March 31, 2017 | 35,601 | (4.5) | 4,240 | (40.9) | 3,799 | (20.3) |

(2) Non-consolidated financial position

| | Total assets | Total net assets | Net assets to total assets ratio |
|----------------------|--------------|------------------|----------------------------------|
| | (¥ million) | (¥ million) | (%) |
| As of March 31, 2018 | 2,331,024 | 110,969 | 4.7 |
| As of March 31, 2017 | 2,343,931 | 108,956 | 4.6 |

(Reference) Equity: As of March 31, 2018: ¥110,969 million As of March 31, 2017: ¥108,956 million

(Note) "Equity" is the value of total net assets at the end of the fiscal year, and "Net assets to total assets ratio" is calculated by dividing equity by total assets at the end of the fiscal year.

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 (Financial Services Agency Notification No. 19 of 2006).

○ Non-consolidated Financial Statements

(1) Non-consolidated Balance Sheets

Formerly The Yachiyo Bank, Limited

(¥ million)

| | As of March 31, 2017 | As of March 31, 2018 |
|---|----------------------|----------------------|
| Assets | | |
| Cash and due from banks | 173,743 | 70,287 |
| Cash on hand | 20,787 | 23,152 |
| Due from banks | 152,955 | 47,135 |
| Call loans | — | 20,000 |
| Monetary claims bought | 3,787 | 8,675 |
| Trading account securities | 762 | 674 |
| Trading account Japanese government bonds | 32 | 20 |
| Trading account Municipal government bonds | 730 | 653 |
| Securities | 566,529 | 567,201 |
| Japanese government bonds | 143,353 | 128,579 |
| Municipal government bonds | 47,593 | 39,953 |
| Short-term bonds payable | 9,999 | 9,999 |
| Corporate bonds | 249,240 | 232,243 |
| Corporate stocks | 12,146 | 11,944 |
| Other securities | 104,196 | 144,481 |
| Loans and bills discounted | 1,552,605 | 1,605,223 |
| Bills discounted | 14,749 | 15,575 |
| Loans on bills | 30,079 | 48,991 |
| Loans on deeds | 1,443,369 | 1,467,313 |
| Overdrafts | 64,407 | 73,342 |
| Foreign exchange | 4,255 | 10,106 |
| Due from foreign banks | 3,736 | 9,614 |
| Foreign bills of exchange bought | 153 | 46 |
| Foreign bills of exchange receivable | 365 | 445 |
| Other assets | 13,146 | 20,167 |
| Prepaid expenses | 100 | 98 |
| Accrued income | 1,708 | 2,856 |
| Financial derivatives | 152 | 713 |
| Other assets | 11,184 | 16,498 |
| Tangible fixed assets | 30,253 | 30,967 |
| Buildings | 7,534 | 8,437 |
| Land | 20,356 | 19,769 |
| Leased assets | 349 | 239 |
| Construction in progress | 941 | 1,125 |
| Other tangible fixed assets | 1,071 | 1,395 |
| Intangible fixed assets | 583 | 667 |
| Software | 315 | 168 |
| Leased assets | 3 | 2 |
| Other intangible fixed assets | 264 | 497 |
| Deferred tax assets | 5,727 | 5,223 |
| Customers' liabilities for acceptances and guarantees | 2,766 | 1,504 |
| Reserve for possible loan losses | (10,227) | (9,674) |
| Total assets | 2,343,931 | 2,331,024 |

Formerly The Yachiyo Bank, Limited

(¥ million)

| | As of March 31, 2017 | As of March 31, 2018 |
|--|----------------------|----------------------|
| Liabilities | | |
| Deposits | 2,149,113 | 2,117,183 |
| Current deposits | 50,147 | 54,334 |
| Ordinary deposits | 1,217,230 | 1,226,643 |
| Savings deposits | 20,354 | 19,559 |
| Deposits at notice | 2,982 | 2,961 |
| Time deposits | 816,714 | 769,752 |
| Installment savings | 20,346 | 19,058 |
| Other deposits | 21,337 | 24,874 |
| Negotiable certificates of deposit | 6,730 | 6,210 |
| Call money | 15,706 | 32,937 |
| Payables under securities lending transactions | 49,260 | 51,191 |
| Foreign exchange | 0 | 0 |
| Foreign bills of exchange sold | 0 | 0 |
| Other liabilities | 4,416 | 4,407 |
| Income taxes | 449 | 252 |
| Accrued expenses | 966 | 1,385 |
| Unearned income | 196 | 272 |
| Deposits received from employees | 556 | 18 |
| Reserve for interest on installment savings | 8 | 7 |
| Financial derivatives | 158 | 90 |
| Lease obligations | 381 | 265 |
| Asset retirement obligations | 98 | 257 |
| Other liabilities | 1,598 | 1,858 |
| Reserve for employee bonuses | 855 | 825 |
| Reserve for retirement benefits | 2,575 | 2,308 |
| Reserve for loss on dormant deposit repayments | 613 | 670 |
| Provision for loss on cancellation of system contracts | 85 | 85 |
| Provision for contingent loss | 370 | 374 |
| Deferred tax liabilities for land revaluation | 2,481 | 2,356 |
| Acceptances and guarantees | 2,766 | 1,504 |
| Total liabilities | 2,234,975 | 2,220,055 |
| Net Assets | | |
| Common stock | 43,734 | 43,734 |
| Capital surplus | 32,922 | 32,922 |
| Capital reserve | 32,922 | 32,922 |
| Retained earnings | 30,496 | 32,582 |
| Earned reserve | 6,193 | 6,372 |
| Other retained earnings | 24,302 | 26,209 |
| General reserve | 11,700 | 11,700 |
| Retained earnings brought forward | 12,602 | 14,509 |
| Total shareholders' equity | 107,154 | 109,239 |
| Net unrealized gain on available-for-sale securities | 1,184 | 1,397 |
| Revaluation reserve for land | 616 | 331 |
| Total valuation and translation adjustments | 1,801 | 1,729 |
| Total net assets | 108,956 | 110,969 |
| Total liabilities and net assets | 2,343,931 | 2,331,024 |

(2) Non-consolidated Statements of Income

Formerly The Yachiyo Bank, Limited

(¥ million)

| | Year ended March 31, 2017 | Year ended March 31, 2018 |
|--|------------------------------|------------------------------|
| Ordinary income | 35,601 | 34,817 |
| Interest income | 26,536 | 26,091 |
| Interest on loans and discounts | 19,773 | 18,695 |
| Interest and dividends on securities | 6,300 | 6,985 |
| Interest on call loans | 31 | 20 |
| Interest on deposits with banks | 71 | 44 |
| Other interest income | 359 | 345 |
| Fees and commissions | 5,901 | 6,386 |
| Fees and commissions on domestic and foreign exchange | 1,943 | 1,893 |
| Other fees and commissions | 3,958 | 4,493 |
| Other operating income | 2,198 | 689 |
| Gain on foreign exchange transactions | 54 | — |
| Gain on sale of bonds | 1,883 | 689 |
| Income from derivatives other than for trading or hedging | 260 | — |
| Other ordinary income | 964 | 1,649 |
| Gain on recovery of write-off claims | 124 | 223 |
| Gain on sale of stocks and other securities | 213 | 539 |
| Other | 626 | 887 |
| Ordinary expenses | 31,360 | 31,555 |
| Interest expenses | 879 | 1,205 |
| Interest on deposits | 770 | 730 |
| Interest on negotiable certificates of deposit | 1 | 0 |
| Interest on call money | 29 | 461 |
| Interest on payables under securities lending transactions | 3 | 2 |
| Interest on borrowed money | 53 | 0 |
| Interest on interest swaps | 9 | — |
| Other interest expenses | 12 | 9 |
| Fees and commissions | 1,719 | 1,759 |
| Fees and commissions on domestic and foreign exchange | 424 | 436 |
| Other fees and commissions | 1,294 | 1,322 |
| Other operating expenses | 586 | 454 |
| Loss on foreign exchange transactions | — | 199 |
| Loss on trading account securities transactions | 3 | 1 |
| Loss on sale of bonds | 581 | 251 |
| Loss on devaluation of bonds | 1 | — |
| Expenses on derivatives other than for trading or hedging | — | 3 |
| General and administrative expenses | 25,312 | 24,676 |
| Other ordinary expenses | 2,862 | 3,458 |
| Transfer to reserve for possible loan losses | 1,353 | 1,352 |
| Write-off of loans | 176 | 90 |
| Loss on sale of stocks and other securities | 38 | 19 |
| Losses on devaluation of stocks and other securities | 302 | — |
| Other | 991 | 1,996 |
| Ordinary profit | 4,240 | 3,262 |
| Extraordinary income | 165 | 272 |
| Gain on disposal of non-current assets | 9 | 272 |
| Gain on state subsidies, etc. received | 156 | — |
| Extraordinary losses | 181 | 185 |
| Loss on deposition of fixed assets | 96 | 185 |
| Provision for loss on cancellation of system contracts | 85 | — |
| Income before income taxes | 4,225 | 3,349 |
| Income taxes – current | 1,185 | 336 |
| Income taxes – deferred | (760) | 319 |
| Total income taxes | 425 | 655 |
| Net income | 3,799 | 2,694 |

(3) Non-consolidated Financial Statements (Formerly ShinGinko Tokyo, Limited)

May 15, 2018

Company name: Kiraboshi Bank, Limited (Formerly ShinGinko Tokyo, Limited)

Representative: Yoshinobu Watanabe, President

Responsible person for inquiries: Hiroshi Shibuya, Managing Director and Executive Officer,
General Manager of Corporate Planning Division

URL: <https://www.kiraboshibank.co.jp>

Telephone: +81-3-3352-2295

Note: Figures have been rounded down to the nearest million yen.

1. Non-consolidated Operating Performance for the Fiscal Year Ended March 31, 2018 (From April 1, 2017 to March 31, 2018)

(1) Results in non-consolidated operations

(Percentages represent year-on-year changes.)

| | Ordinary income | | Ordinary profit | | Net income | |
|----------------------------------|-----------------|-------|-----------------|--------|-------------|--------|
| | (¥ million) | (%) | (¥ million) | (%) | (¥ million) | (%) |
| Fiscal Year ended March 31, 2018 | 8,459 | (5.7) | 2,352 | (25.8) | 2,336 | (23.1) |
| Fiscal Year ended March 31, 2017 | 8,979 | (2.1) | 3,174 | (14.7) | 3,039 | (22.6) |

(2) Non-consolidated financial position

| | Total assets | Total net assets | Net assets to total assets ratio |
|----------------------|--------------|------------------|----------------------------------|
| | (¥ million) | (¥ million) | (%) |
| As of March 31, 2018 | 439,410 | 65,927 | 15.0 |
| As of March 31, 2017 | 489,488 | 63,354 | 12.9 |

(Reference) Equity: As of March 31, 2018: ¥65,927 million As of March 31, 2017: ¥63,354 million

(Note) "Equity" is the value of total net assets at the end of the fiscal year, and "Net assets to total assets ratio" is calculated by dividing equity by total assets at the end of the fiscal year.

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 (Financial Services Agency Notification No. 19 of 2006).

○ Non-consolidated Financial Statements
(1) Non-consolidated Balance Sheets

Formerly ShinGinko Tokyo, Limited

(¥ million)

| | As of March 31, 2017 | As of March 31, 2018 |
|--|----------------------|----------------------|
| Assets | | |
| Cash and due from banks | 56,045 | 21,889 |
| Cash on hand | 274 | 296 |
| Due from banks | 55,771 | 21,592 |
| Call loans | 3,000 | — |
| Other debt purchased | 39,932 | 41,950 |
| Securities | 160,968 | 164,685 |
| Japanese government bonds | 26,015 | 20,822 |
| Municipal government bonds | 12,230 | 11,777 |
| Corporate bonds | 78,359 | 82,018 |
| Corporate stocks | 1 | 1 |
| Other securities | 44,361 | 50,067 |
| Loans and bills discounted | 230,567 | 210,842 |
| Loans on deeds | 200,020 | 181,261 |
| Overdrafts | 30,547 | 29,580 |
| Other assets | 858 | 868 |
| Income taxes receivable | 84 | 74 |
| Prepaid expenses | 46 | 24 |
| Accrued income | 362 | 363 |
| Advances paid | 157 | 200 |
| Other assets | 207 | 205 |
| Property, plant and equipment | 23 | 47 |
| Buildings | 7 | 23 |
| Other tangible fixed assets | 15 | 24 |
| Intangible assets | 148 | 136 |
| Software | 148 | 136 |
| Customers' liabilities for acceptances and guarantees | 2,035 | 1,663 |
| Reserve for possible loan losses | (4,091) | (2,674) |
| Total assets | 489,488 | 439,410 |
| Liabilities | | |
| Deposits | 297,580 | 269,832 |
| Ordinary deposits | 43,345 | 34,505 |
| Time deposits | 254,224 | 235,316 |
| Other deposits | 9 | 11 |
| Call money | 25,000 | 30,000 |
| Borrowed money | 98,000 | 68,000 |
| Borrowings from other banks | 98,000 | 68,000 |
| Borrowed money from trust account | — | 53 |
| Other liabilities | 2,060 | 2,433 |
| Income taxes | 162 | 177 |
| Accrued expenses | 1,359 | 1,427 |
| Unearned income | 422 | 499 |
| Accounts payable - other | 7 | 57 |
| Asset retirement obligations | 60 | 201 |
| Other liabilities | 49 | 70 |
| Reserve for employee bonuses | 132 | 131 |
| Reserve for retirement benefits | 156 | 164 |
| Provision for loss on cancellation of system contracts | 30 | 30 |
| Reserve for contingent loss | 24 | 22 |
| Deferred tax liabilities | 1,113 | 1,149 |
| Acceptances and guarantees | 2,035 | 1,663 |
| Total liabilities | 426,133 | 373,482 |
| Net Assets | | |
| Common stock | 20,000 | 20,000 |
| Capital surplus | 32,046 | 32,046 |
| Capital reserve | 32,046 | 32,046 |
| Retained earnings | 8,203 | 10,389 |
| Other retained earnings | 8,203 | 10,389 |
| Retained earnings brought forward | 8,203 | 10,389 |
| Total shareholders' equity | 60,250 | 62,436 |
| Net unrealized gain on available-for-sale securities | 3,104 | 3,491 |
| Total valuation and translation adjustments | 3,104 | 3,491 |
| Total net assets | 63,354 | 65,927 |
| Total liabilities and net assets | 489,488 | 439,410 |

(2) Non-consolidated Statements of Income

Formerly ShinGinko Tokyo, Limited

(¥ million)

| | Year ended March 31, 2017 | Year ended March 31, 2018 |
|---|------------------------------|------------------------------|
| Ordinary income | 8,979 | 8,459 |
| Interest income | 6,668 | 7,037 |
| Interest on loans and bills discounted | 3,398 | 3,112 |
| Interest and dividends on securities | 2,700 | 3,337 |
| Interest on call loans | 0 | 0 |
| Interest on deposits with banks | 30 | 31 |
| Other interest income | 539 | 556 |
| Trust fees | 61 | 56 |
| Fees and commissions | 194 | 277 |
| Fees and commissions on domestic and foreign exchange | 11 | 11 |
| Other fees and commissions | 182 | 265 |
| Other operating income | 215 | 155 |
| Gain on sale of bonds | 215 | 155 |
| Other ordinary income | 1,839 | 934 |
| Reversal of allowance for loan losses | 1,567 | 917 |
| Reversal of allowance for investment loss | 264 | — |
| Reversal of reserve for contingent losses | — | 1 |
| Gain on recovery of write-off claims | 0 | 0 |
| Other | 7 | 14 |
| Ordinary expenses | 5,805 | 6,107 |
| Interest expenses | 762 | 500 |
| Interest on deposits | 743 | 508 |
| Interest on call money | (1) | (8) |
| Interest on borrowed money | 20 | — |
| Other interest expenses | 0 | 0 |
| Fees and commissions | 144 | 157 |
| Fees and commissions on domestic and foreign exchange | 17 | 17 |
| Other fees and commissions | 127 | 139 |
| Other operating expenses | — | 36 |
| Loss on sale of bonds | — | 36 |
| General and administrative expenses | 4,142 | 4,207 |
| Other ordinary expenses | 755 | 1,205 |
| Write-off of loans | 22 | 0 |
| Provision for contingent loss | 3 | — |
| Other | 729 | 1,205 |
| Ordinary profit | 3,174 | 2,352 |
| Extraordinary losses | 30 | — |
| Provision of allowance for loss on cancellation of system contracts | 30 | — |
| Income before income taxes | 3,144 | 2,352 |
| Income taxes – current | 116 | 151 |
| Income taxes – deferred | (11) | (135) |
| Total income taxes | 105 | 16 |
| Net income | 3,039 | 2,336 |