

May 14, 2019

**Consolidated Financial Report**  
**for the Fiscal Year Ended March 31, 2019**  
**<Under Japanese GAAP>**

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Date of Ordinary General Meeting of Shareholders: June 27, 2019

Date of submission of annual security report: June 27, 2019

Date to start dividend payment: June 10, 2019

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, 2019**  
**(From April 1, 2018 to March 31, 2019)**

**(1) Results in consolidated operations**

(Percentages represent year-on-year changes.)

	Ordinary income		Ordinary profit		Profit attributable to owners of parent	
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)
<b>Fiscal year ended March 31, 2019</b>	<b>78,777</b>	<b>(4.6)</b>	<b>3,480</b>	<b>(26.3)</b>	<b>4,914</b>	<b>33.6</b>
Fiscal year ended March 31, 2018	82,616	(0.5)	4,727	(43.1)	3,677	(85.5)

(Note) Comprehensive income:

Fiscal year ended March 31, 2019: ¥4,408 million (55.6 %)

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

	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 (%)
<b>Fiscal year ended March 31, 2019</b>	<b>153.52</b>	<b>94.60</b>	<b>1.6</b>	<b>0.0</b>	<b>4.4</b>
Fiscal year ended March 31, 2018	112.94	77.25	1.2	0.0	5.7

(Reference) Gain on equity-method investments:

Fiscal year ended March 31, 2019: (¥39 million)

Fiscal year ended March 31, 2018: ¥35 million

## (2) Consolidated financial position

	Total assets (¥ million)	Total net assets (¥ million)	Net assets to total assets ratio (%)	Net assets per share (¥)
<b>As of March 31, 2019</b>	<b>5,373,212</b>	<b>293,124</b>	<b>5.4</b>	<b>7,820.80</b>
As of March 31, 2018	5,482,704	291,020	5.3	7,729.99

(Reference) Equity: As of March 31, 2019: ¥292,663 million As of March 31, 2018: ¥290,646 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)
<b>Fiscal year ended March 31, 2019</b>	<b>(106,587)</b>	<b>135,919</b>	<b>(2,774)</b>	<b>401,928</b>
Fiscal year ended March 31, 2018	(161,531)	35,197	(2,747)	375,365

## 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, 2018	–	30.00	–	30.00	60.00	1,828	53.1	0.7
ended March 31, 2019	–	30.00	–	30.00	60.00	1,828	39.0	0.7
ending March 31, 2020 (Forecast)	–	30.00	–	30.00	60.00		37.5	

(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, 2020 (From April 1, 2019 to March 31, 2020)

(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)	2,700	0.5	2,800	(25.5)	88.22
Full year	5,400	55.1	5,100	3.7	159.99

\* Notes

**(1) Changes in significant subsidiaries during the current period (Changes in specified subsidiaries resulting in change in scope of consolidation): Yes**

Included subsidiaries: \_\_\_ (name of company(ies) )

Excluded subsidiaries: 2 (name of company(ies) The Tokyo Tomin Bank, Limited and ShinGinko Tokyo, Limited)

**(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, 2019	30,650,115 shares
March 31, 2018	30,650,115 shares
- b. Number of treasury stock at the end of the period
 

March 31, 2019	276,867 shares
March 31, 2018	180,661 shares
- c. Average number of shares during the period
 

Fiscal year ended March 31, 2019	30,443,033 shares
Fiscal year ended March 31, 2018	30,472,849 shares

(Note) From the fiscal year ended March 31, 2019, the Company introduced Board Benefit Trust and the Company's shares held by the said trust are included in treasury stock.

**(Reference) Non-consolidated Financial Statements**

**1. Non-consolidated Operating Performance for the Fiscal Year Ended March 31, 2019  
(From April 1, 2018 to March 31, 2019)**

**(1) Results in non-consolidated operations**

(Percentages represent year-on-year changes.)

	Operating income		Operating profit		Ordinary profit		Net income	
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)
<b>Fiscal year ended March 31, 2019</b>	<b>3,110</b>	<b>(5.8)</b>	<b>2,311</b>	<b>1.8</b>	<b>2,275</b>	<b>1.8</b>	<b>2,149</b>	<b>(1.7)</b>
Fiscal year ended March 31, 2018	3,301	1.8	2,269	2.5	2,235	3.0	2,187	2.8

	Net income per share	Diluted net income per share
	(¥)	(¥)
<b>Fiscal year ended March 31, 2019</b>	<b>62.70</b>	<b>41.38</b>
Fiscal year ended March 31, 2018	64.05	45.95

## (2) Non-consolidated financial position

	Total assets (¥ million)	Total net assets (¥ million)	Net assets to total assets ratio (%)	Net assets per share (¥)
<b>As of March 31, 2019</b>	<b>195,961</b>	<b>195,854</b>	<b>99.9</b>	<b>4,631.63</b>
As of March 31, 2018	196,124	196,002	99.8	4,620.46

(Reference) Equity: As of March 31, 2019: ¥195,797 million As of March 31, 2018: ¥195,900 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, 2018	–	123.00	–	123.00	246.00
Fiscal year ended March 31, 2019	–	124.00	–	124.00	248.00
Fiscal year ending March 31, 2020 (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, 2018

(a) Computation

Dividend = amount paid per share × annual dividend rate

(b) Annual dividend rate (\*)

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

(2) Fiscal year ended March 31, 2019

(a) Computation

Dividend = amount paid per share × annual dividend rate

(b) Annual dividend rate (\*)

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

(3) Fiscal year ending March 31, 2020 (Forecast)

(a) Computation

Dividend = amount paid per share × annual dividend rate

(b) Annual dividend rate (\*)

Annual dividend rate = Japanese yen TIBOR + 1.1%

(c) Japanese yen TIBOR

On March 29, 2019, the Japanese yen TIBOR (12-month maturity) = 0.13636%

(d) Shares issued

750,000

\* 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, 2018	–	12.818	–	12.818	25.636
Fiscal year ended March 31, 2019	–	13.636	–	13.636	27.272
Fiscal year ending March 31, 2020 (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, 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

(2) Fiscal year ended March 31, 2019

(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

(3) Fiscal year ending March 31, 2020 (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 29, 2019, the Japanese yen TIBOR (12-month maturity) = 0.13636%

(d) Shares issued

2,000,000

# Attached Materials

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\* Financial Results for the Fiscal Year Ended March 31, 2019 Supplementary Information

## 1. Overview of Operating Results etc.

### (1) Overview of Operating Results and Financial Position for the Consolidated Fiscal Year Ended March 31, 2019

(Overview of operating results for the consolidated fiscal year ended March 31, 2019)

As part of its efforts to strengthen competitiveness and management efficiency still further, the Group took one step forward in the business integration by way of a holding company structure with the merger of the three subsidiary banks effective May 1, 2018, to make a new start as Kiraboshi Bank, Limited. Along with the merger of the subsidiaries, the Group formulated a medium-term business plan “Start-up Kiraboshi” which runs through to the fiscal year ending March 2021.

The business plan sets forth the three core policies of “enrichment of consulting functions”, “human resources development focusing on dialogue for being chosen and trusted” and “business process re-engineering to strengthen contact with customers”, based on which various measures are implemented by developing a business model that takes “dialogue” as the starting point, with the aim of creating a financial group that receives customers’ “first calls”.

Against this backdrop, ordinary income for the fiscal year ended March 31, 2019 decreased by ¥3.8 billion year-on-year to ¥78.7 billion, due largely to a decrease notably in interest on loans and discounts, despite an increase in interest and dividends on securities. Ordinary expenses decreased by ¥2.6 billion year-on-year to ¥75.2 billion, attributable primarily to cost reductions. As a result, ordinary profit decreased by ¥1.2 billion year-on-year to ¥3.4 billion. Profit attributable to owners of parent increased by ¥1.2 billion year-on-year to ¥4.9 billion, reflecting largely a ¥2.5 billion decrease in income tax – deferred due to tax effect accounting.

(Overview of financial position for the consolidated fiscal year ended March 31, 2019)

As of March 31, 2019, total assets amounted to ¥5,373.2 billion, down ¥109.4 billion from the end of the previous fiscal year, and net assets stood at ¥293.1 billion, a ¥2.1 billion increase from the end of the previous fiscal year.

With respect to major account balances, deposits decreased ¥125.0 billion from the end of the previous fiscal year to ¥4,527.0 billion, and loans and bills discounted increased ¥20.2 billion from the end of the previous fiscal year to ¥3,696.3 billion, while securities decreased ¥113.5 billion from the end of the previous fiscal year to ¥1,095.0 billion.

(Overview of cash flow for the consolidated fiscal year ended March 31, 2019)

During the fiscal year ended March 31, 2019, cash flows from operating activities saw a net outflow of ¥106.5 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 ¥135.9 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, 2019, were ¥401.9 billion, an increase of ¥26.5 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, 2020, is as follows.

Ordinary income of ¥5.4 billion

Profit attributable to owners of parent of ¥5.1 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 will seek to maximize the synergies derived from the merger of its subsidiary banks in order to translate business opportunities in the Tokyo Metropolis into business performance and achieve sustained growth and development, and will promote “the business model that takes dialogue as its starting point” which would lead to improved customer satisfaction, by pushing forward with the development of a business model that focuses on consulting business, in addition to the traditional banking business model centering on lending business.

The Group will steadily implement the measures set forth in the Medium-term Business Plan “Start-up Kiraboshi” launched in May 2018, maintain a strong resolve to contribute to the development of local community, and strive to create a new type of urban regional bank through a start-up spirit based on “Challenge & Speed”.

Furthermore, to realize the synergy effects of the merger, the Group plans to proceed with system integration by May 6, 2020, taking all necessary steps to be fully prepared in implementing the integration safely and surely.

### **(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, 2019. 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.

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, 2020 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, twelve 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]**

Kiraboshi Bank, Limited is engaged primarily in deposit services, loan services, trading account securities services, securities investment services, domestic exchange services, foreign exchange services, and trust and other 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. The Group positions these banking services 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.

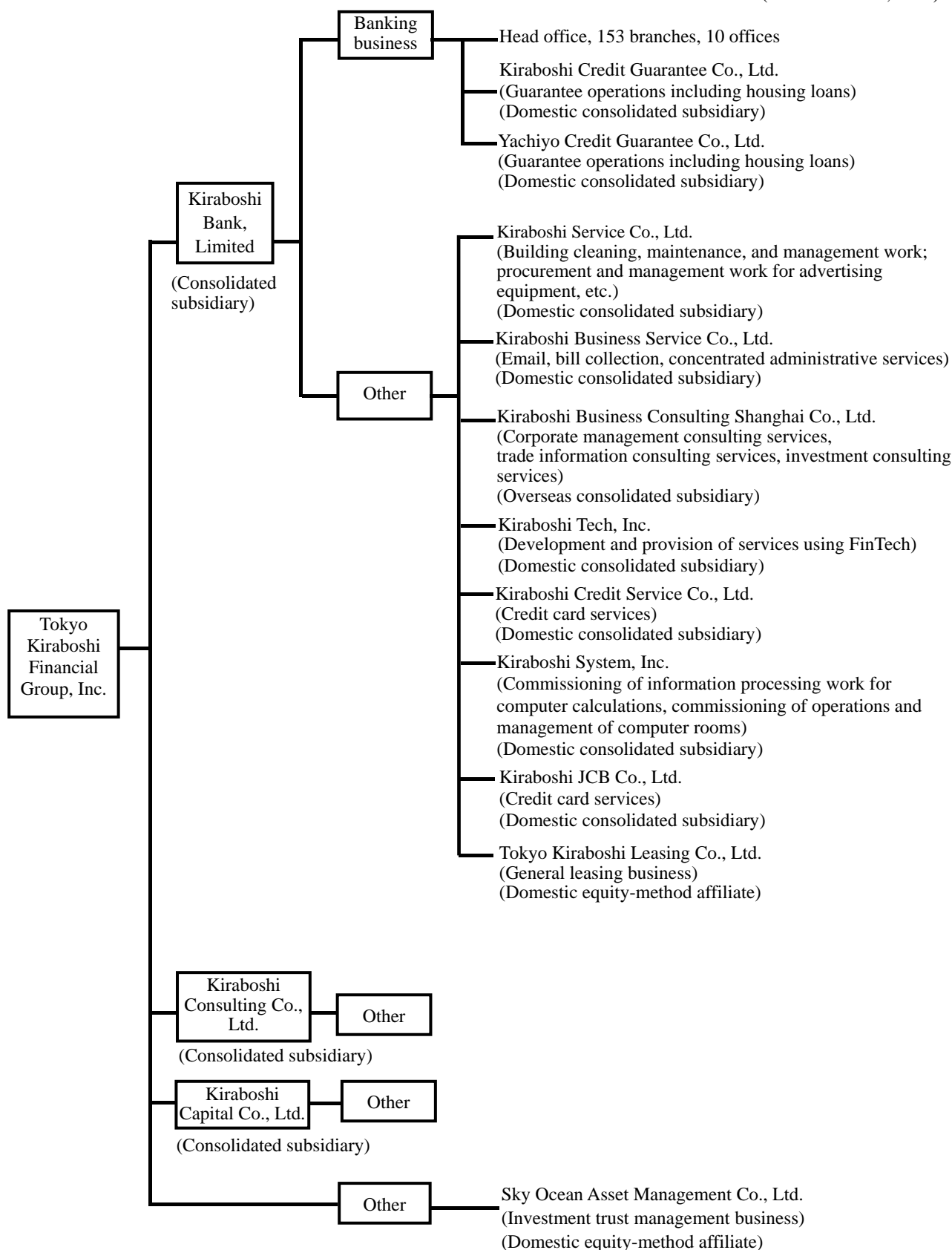
#### **[Others]**

The other nine 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, 2019)



Non-consolidated subsidiaries other than the above

- Tokyo Kanagawa Innovation Support Series 1 Investment Limited Partnership for the Investment Business
- Kiraboshi Capital-Mercuria Investment Limited Partnership for the Investment Business
- Kiraboshi Capital Yume Habataki Series 1 Investment Limited Partnership for the Investment Business

Notes:

1. Effective July 3, 2018, Tomin Business Consulting Shanghai Co., Ltd. changed its trade name to Kiraboshi Business Consulting Shanghai Co., Ltd.
2. Effective September 3, 2018, Kiraboshi Capital Co., Ltd. was established as a wholly owned subsidiary of the Company and a new consolidated subsidiary of the Company.
3. Effective October 1, 2018, Tomin Credit Guarantee Co., Ltd. changed its trade name to Kiraboshi Credit Guarantee Co., Ltd.
4. Effective October 1, 2018, Tomin Computer System Co., Ltd. changed its trade name Kiraboshi System, Inc.

### **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, 2018	As of March 31, 2019
<b>Assets</b>		
Cash and due from banks	377,636	402,718
Call loans and bills bought	1,264	2,308
Monetary claims bought	55,650	59,326
Trading account securities	707	973
Securities	1,208,629	1,095,059
Loans and bills discounted	3,676,146	3,696,398
Foreign exchanges	13,556	5,984
Other assets	84,062	47,525
Tangible fixed assets	59,627	60,266
Buildings	19,600	19,696
Land	34,216	35,451
Leased assets	1,780	1,538
Construction in progress	1,240	226
Other tangible fixed assets	2,789	3,354
Intangible fixed assets	2,365	3,097
Software	1,421	2,054
Leased assets	94	116
Other intangible fixed assets	848	926
Net defined benefit assets	18,391	14,128
Deferred tax assets	5,184	5,940
Customers' liabilities for acceptances and guarantees	5,677	5,596
Reserve for possible loan losses	(26,195)	(26,112)
<b>Total assets</b>	<b>5,482,704</b>	<b>5,373,212</b>
<b>Liabilities</b>		
Deposits	4,652,109	4,527,089
Negotiable certificates of deposit	9,540	16,100
Call money and bills sold	58,937	113,329
Payables under securities lending transactions	357,265	344,918
Borrowed money	73,558	43,566
Foreign exchange	224	533
Borrowed money from trust account	53	245
Other liabilities	25,167	24,561
Reserve for employee bonuses	2,140	1,701
Provision for directors' bonuses	-	158
Provision for stock compensations	-	82
Net defined benefit liabilities	2,845	65
Reserve for directors' retirement benefits	67	20
Reserve for point card certificates	58	39
Reserve for loss on interest repayments	8	8
Reserve for loss on dormant deposit repayments	1,185	1,351
Provision for loss on cancellation of system contracts	200	-
Provision for loss on transfer of business	194	-
Provision for contingent loss	612	656
Deferred tax liabilities	1,837	61
Acceptances and guarantees	5,677	5,596
<b>Total liabilities</b>	<b>5,191,683</b>	<b>5,080,087</b>
<b>Net Assets</b>		
Common stock	27,500	27,500
Capital surplus	150,576	150,473
Retained earnings	106,206	109,053
Treasury stock	(625)	(804)
<b>Total shareholders' equity</b>	<b>283,657</b>	<b>286,223</b>
Net unrealized gain on available-for-sale securities	6,075	7,923
Revaluation reserve for land	(242)	(242)
Foreign currency translation adjustment	10	8
Remeasurements of defined benefit plans	1,146	(1,250)
<b>Total accumulated other comprehensive income</b>	<b>6,989</b>	<b>6,440</b>
Subscription rights to shares	101	56
Non-controlling interests	271	404
<b>Total net assets</b>	<b>291,020</b>	<b>293,124</b>
<b>Total liabilities and net assets</b>	<b>5,482,704</b>	<b>5,373,212</b>

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

(¥ million)

	Year ended March 31, 2018	Year ended March 31, 2019
Ordinary income	82,616	78,777
Interest income	57,411	58,497
Interest on loans and discounts	43,992	43,079
Interest and dividends on securities	12,135	14,121
Interest on call loans and bills bought	36	36
Interest on receivables under securities borrowing transactions	0	-
Interest on deposits with banks	293	300
Other interest income	953	960
Trust fees	56	107
Fees and commissions	17,582	16,585
Other operating income	3,226	872
Other ordinary income	4,338	2,715
Gain on recovery of write-off claims	259	91
Others	4,079	2,623
Ordinary expenses	77,888	75,297
Interest expenses	3,386	3,522
Interest on deposits	1,645	1,192
Interest on negotiable certificates of deposit	2	2
Interest on call money and bills sold	448	817
Interest on payables under securities lending transactions	1,140	1,340
Interest on borrowed money	88	88
Other interest expenses	61	81
Fees and commissions payments	3,473	3,286
Other operating expenses	2,935	1,200
General and administrative expenses	61,235	57,502
Other ordinary expenses	6,857	9,785
Write-off of loans	104	151
Provision of allowance for loan losses	1,480	3,732
Other ordinary expenses	5,272	5,901
Ordinary profit	4,727	3,480
Extraordinary income	647	0
Gain on disposal of non-current assets	647	0
Extraordinary losses	639	111
Loss on disposal of fixed assets	444	111
Provision for loss on transfer of business	194	-
Profit before income taxes	4,735	3,368
Income tax – current	1,107	1,079
Income tax – deferred	(61)	(2,655)
Total income taxes	1,045	(1,575)
Profit	3,689	4,944
Profit attributable to non-controlling interests	12	30
Profit attributable to owners of parent	3,677	4,914

## Consolidated Statements of Comprehensive Income

(¥ million)

	Year ended March 31, 2018	Year ended March 31, 2019
Profit	3,689	4,944
Other comprehensive income	6,250	(535)
Net unrealized gain on available-for-sale securities	2,852	2,084
Revaluation reserve for land	(32)	-
Foreign currency translation adjustments	2	(1)
Remeasurements of defined benefit plans	3,362	(2,396)
Share of other comprehensive income of entities accounted for using equity method	66	(222)
Comprehensive income	9,940	4,408
(Breakdown)		
Comprehensive income attributable to owners of parent	9,918	4,364
Comprehensive income attributable to non-controlling interests	22	43

**(3) Consolidated Statements of Changes in Net Assets**  
**(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			
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

(Year ended March 31, 2019)

(¥ million)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of the year	27,500	150,576	106,206	(625)	283,657
Changes of items during the reporting period					
Purchase of shares of consolidated subsidiaries		(1)			(1)
Dividends of surplus			(2,066)		(2,066)
Profit attributable to owners of parent			4,914		4,914
Acquisition of treasury stock				(231)	(231)
Disposition of treasury stock		(7)		52	45
Change in interest in subsidiaries		(93)			(93)
Net changes of items other than shareholders' equity during the reporting period					
Total changes of items during the reporting period	-	(102)	2,847	(178)	2,566
Balance at end of period	27,500	150,473	109,053	(804)	286,223

	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			
Balance at beginning of the year	6,075	(242)	10	1,146	6,989	101	271	291,020
Changes of items during the reporting period								
Purchase of shares of consolidated subsidiaries								(1)
Dividends of surplus								(2,066)
Profit attributable to owners of parent								4,914
Acquisition of treasury stock								(231)
Disposition of treasury stock								45
Change in interest in subsidiaries								(93)
Net changes of items other than shareholders' equity during the reporting period	1,848	-	(1)	(2,396)	(549)	(45)	133	(461)
Total changes of items during the reporting period	1,848	-	(1)	(2,396)	(549)	(45)	133	2,104
Balance at end of period	7,923	(242)	8	(1,250)	6,440	56	404	293,124

**(4) Consolidated Statements of Cash Flows**

(¥ million)

	Year ended March 31, 2018	Year ended March 31, 2019
<b>Cash flows from operating activities</b>		
Profit before income taxes	4,735	3,368
Depreciation	3,254	4,787
Retirement benefit expenses	1,008	1,240
Share profit of entities accounted for using equity method	(35)	39
Increase (decrease) in reserve for possible loan losses	(3,449)	(83)
Increase (decrease) in reserve for employee bonuses	(72)	(438)
Increase (decrease) in provision for directors' bonuses	-	158
Increase (decrease) in provision for stock compensations	-	82
Decrease (increase) in net defined benefit assets	(4,265)	4,263
Increase (decrease) in net defined benefit liability	(1,607)	(2,780)
Increase (decrease) in reserve for directors' retirement benefits	(42)	(46)
Increase (decrease) in reserve for point card certificates	1	(19)
Increase (decrease) in reserve for loss on interest repayments	(2)	0
Increase (decrease) in reserve for loss on dormant deposit repayments	175	165
Increase (decrease) in provision for loss on cancellation of system contracts	-	(200)
Increase (decrease) in provision for loss on transfer of business	194	(194)
Increase (decrease) in reserve for contingent loss	(63)	43
Gain on fund management	(57,411)	(58,497)
Financing expenses	3,386	3,522
Gain (loss) on securities	(1,206)	(1,194)
Foreign exchange losses (gains)	9,433	(6,098)
Net loss (gain) on disposal of fixed assets	(202)	111
Net increase (decrease) in trading account securities	87	(266)
Net (decrease) increase in loans and bills discounted	(54,773)	(20,252)
Net increase (decrease) in deposits	(65,452)	(125,019)
Net increase (decrease) in negotiable certificates of deposit	(11,800)	6,560
Net increase (decrease) in borrowed money (excluding subordinated loans)	(29,858)	(29,991)
Net decrease (increase) in deposit (excluding deposit paid to Bank of Japan)	9,170	1,481
Net (decrease) increase in call loans	(7,203)	(4,719)
Net increase (decrease) in call money	18,230	54,392
Net increase (decrease) in payables under securities lending transactions	(4,044)	(12,346)
Net decrease (increase) in foreign exchange (assets)	(5,972)	7,572
Net increase (decrease) in foreign exchange (liabilities)	(711)	309
Net increase (decrease) in borrowed money from trust account	53	191
Proceeds from fund management	57,753	58,936
Payments for finance	(3,413)	(3,979)
Other	(16,139)	11,897
Subtotal	(160,241)	(107,004)
Income taxes paid	(1,669)	(450)
Income taxes refund	379	867
Net cash provided by (used in) operating activities	(161,531)	(106,587)
<b>Cash flows from investing activities</b>		
Purchase of securities	(473,425)	(219,130)
Proceeds from sales of securities	322,075	147,193
Proceeds from redemption of securities	192,296	213,765
Purchase of tangible fixed assets	(5,809)	(3,905)
Retirement of tangible fixed assets	(118)	(815)
Proceeds from sales of tangible fixed assets	1,199	0
Purchase of intangible fixed assets	(1,019)	(1,495)
Proceeds from transfer of business	-	307
Net cash provided by (used in) investing activities	35,197	135,919
<b>Cash flows from financing activities</b>		
Cash dividends paid	(2,083)	(2,067)
Dividends paid to non-controlling interests	(35)	(1)
Purchase of treasury shares	(38)	(231)
Proceeds from sale of treasury stock	2	0
Proceeds from exercise of share options	0	0
Payments from changes in ownership interests in subsidiaries that do not result in changes in scope of consolidation	(213)	(4)
Repayments of lease obligations	(379)	(469)
Net cash provided by (used in) financing activities	(2,747)	(2,774)
<b>Effect of exchange rate changes on cash and cash equivalents</b>	1	5
<b>Net change in cash and cash equivalents</b>	(129,078)	26,562
<b>Cash and cash equivalents at beginning of year</b>	504,444	375,365
<b>Cash and cash equivalents at end of year</b>	375,365	401,928



## **(5) Notes on Premise of Going Concern**

Not applicable.

## **(6) Additional information**

### **(Stock compensation plan for officers)**

From the fiscal year ended March 31, 2019, the Company engages in transactions of granting treasury shares through a trust to directors of the Company, as well as to directors (excluding outside directors) of Kiraboshi Bank, Limited, a subsidiary of the Company, and its executive officers who have entered into a service agreement (hereafter, “officers of the subsidiary”).

#### 1. Outline of the transaction

At the Annual General Shareholders Meeting of the Company held on June 28, 2018, a resolution was passed to introduce a stock compensation plan for directors and for officers of the subsidiary, with the aim of further enhancing their motivation to contribute to the improvement of business performance and to the enhancement of corporate value on a medium to long-term basis. Under the plan, a trust, which is established with the monies contributed by the Company (hereafter, “the Trust”), acquires the Company’s shares, and through the Trust, such shares will be granted to directors and officers of the subsidiary, the number of which corresponding to the number of points the Company awards to the respective directors and officers of the subsidiary. In accordance with the plan, a trust was established on November 22, 2018.

The timing for the Company’s shares to be granted to directors and officers of the subsidiary will in principle be at the time of retirement from their office.

#### 2. Accounting treatment relating to transactions of granting the Company’s shares through the trust

Accounting relating to the said trust agreement is performed in accordance with “Practical Solution on Transactions of Delivering the Company’s Own Stock to Employees, etc. through Trusts” (ASBJ PITF No. 30, March 26, 2015).

#### 3. Matters relating to the Company’s shares held by the trust

The Company’s shares held by the trust are recorded as treasury shares under shareholders’ equity. The book value and the number of shares of treasury shares held by the trust at fiscal year-end are as follows:

- (1) Book value of shares held by the trust: ¥205 million
- (2) Number of shares at fiscal year-end: 99,000 shares.

## **(7) Notes to Consolidated Financial Statements**

### **(Matters Related to Business Combinations)**

(Transaction under common control, etc.)

#### 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 companies 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 The Yachiyo Bank, Limited as the surviving company, and The Tokyo Tomin Bank, Limited and ShinGinko Tokyo, Limited as the dissolving companies.

##### (4) Name of company after combination

Kiraboshi Bank, Limited

##### (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 taking business integration one step further to a merger transaction, 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 focus on Tokyo and the northeast area of Kanagawa Prefecture. By demonstrating the true value as a mainstay of the regional financial sector, the Group 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”.

### (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, 2019)
Net assets per share	¥	7,820.80
Profit attributable to owners of parent per share	¥	153.52
Profit attributable to owners of parent per share (Diluted)	¥	94.60

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

		Reporting period (As of March 31, 2019)
Total net assets	(¥ million)	293,124
Amount deducted from total net assets	(¥ million)	55,581
Paid-in amount of preferred stock	(¥ million)	55,000
Cash dividends on preferred stock	(¥ million)	120
Subscription rights to shares	(¥ million)	56
Non-controlling interests	(¥ million)	404
Net asset amount for common stock at the year-end	(¥ million)	237,543
Number of shares of common stock at the year-end used for calculating net asset amount per share	Thousand shares	30,373

Note 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, 2019)
Profit attributable to owners of parent per share		
Profit attributable to owners of parent	(¥ million)	4,914
Amount not belonging to common stock	(¥ million)	240
Cash dividends on preferred stock	(¥ million)	240
Profit attributable to owners of parent in relation to common stock	(¥ million)	4,673
Weighted-average shares of common stock during the period	Thousand shares	30,443
Profit attributable to owners of parent per share (Diluted)		
Profit attributable to owners of parent adjustment amount	(¥ million)	240
Cash dividends on preferred stock	(¥ million)	240
Effect of dilutive securities	Thousand shares	21,500
Preferred stock	Thousand shares	21,479
Subscription rights to shares	Thousand shares	20
Summary of residual securities not included in calculation of net profit per share after adjustment of residual securities because they have no dilutive effects		-

Note 3. The Company's shares, which are held by the trust in relation to the stock compensation plan and which are recorded as treasury shares under shareholders' equity, are in the calculation of net assets per share, included in the treasury shares which are excluded from the total number of issued shares at fiscal year-end. In the calculation of profit attributable to owners of parent per share and diluted profit attributable to owners of parent per share, the same is also included in treasury shares which are excluded for calculating the weighted-average number of shares outstanding during the period. The number of the said treasury shares at the end of the period which were excluded in calculating net assets per share is 99,000 shares. The weighted-average number of the said treasury shares outstanding during the period which were excluded in calculating profit attributable to owners of parent per share and diluted profit attributable to owners of parent per share is 32,000 shares.

**(Significant Subsequent Events)**

Not applicable.

**(Reference)**

**Trust asset balance table  
(As of March 31, 2019)**

(Millions of yen)

Asset	Value	Liability	Value
Loans and bills discounted	2,483	Specified money in trust	2,535
Loans on deeds	2,483	Accounts receivable in trust	17,655
Monetary claims	17,076	Monetary claims in trust	6,857
Other monetary claims	17,076	Composite trusts	
Property, plant and equipment	6,597		
Real estate	6,597		
Due from bank accounts	245		
Cash deposits	646		
Deposits	646		
<b>Total</b>	<b>27,048</b>	<b>Total</b>	<b>27,048</b>

**5. Non-consolidated Financial Statements and Notes**  
**(1) Non-consolidated Balance Sheets**

(¥ million)

	As of March 31, 2018	As of March 31, 2019
<b>Assets</b>		
Current assets		
Cash and due from banks	1,936	1,757
Accounts receivable - other	32	16
Prepaid expenses	19	16
Income taxes receivable	405	403
Suspense payments	0	0
Deposits paid	-	0
Total current assets	<u>2,394</u>	<u>2,194</u>
Non-current assets		
Investments and other assets		
Shares of subsidiaries and associates	193,668	193,744
Deferred tax assets	16	11
Total investments and other assets	<u>193,685</u>	<u>193,755</u>
Total non-current assets	<u>193,685</u>	<u>193,755</u>
Deferred assets		
Organization expenses	21	7
Share issuance cost	22	4
Total deferred assets	<u>44</u>	<u>11</u>
Total assets	<u>196,124</u>	<u>195,961</u>
<b>Liabilities</b>		
Current liabilities		
Accounts payable - other	17	1
Dividends payable	34	44
Income taxes	18	17
Deposits received	3	3
Suspense receipt	-	0
Reserve for employee bonuses	47	24
Provision for directors' bonuses	-	9
Total current liabilities	<u>121</u>	<u>102</u>
Non-current liabilities		
Provision for stock compensations	-	5
Total non-current liabilities	<u>-</u>	<u>5</u>
Total liabilities	<u>121</u>	<u>107</u>
<b>Net assets</b>		
Shareholders' equity		
Common stock	27,500	27,500
Capital surplus		
Capital reserve	56,219	56,219
Other capital surplus	110,272	110,264
Total capital surplus	<u>166,491</u>	<u>166,484</u>
Retained earnings		
Other retained earnings		
Retained earnings brought forward	2,535	2,618
Total retained earnings	<u>2,535</u>	<u>2,618</u>
Treasury stock	(625)	(804)
Total shareholders' equity	<u>195,900</u>	<u>195,797</u>
Subscription rights to shares	101	56
Total net assets	<u>196,002</u>	<u>195,854</u>
Total liabilities and net assets	<u>196,124</u>	<u>195,961</u>

**(2) Non-consolidated Statements of Income**

(¥ million)

	Year ended March 31, 2018	Year ended March 31, 2019
Operating income		
Dividends from subsidiaries and associates	2,130	2,118
Commissions from subsidiaries and associates	1,171	992
Total operating income	3,301	3,110
Operating expenses		
Selling, general and administrative expenses	1,032	798
Total operating expenses	1,032	798
Operating profit	2,269	2,311
Non-operating income		
Interest income	0	0
Miscellaneous income	0	0
Total non-operating income	0	0
Non-operating expenses		
Commission fee	0	3
Miscellaneous loss	-	0
Amortization of deferred organization expenses	14	14
Amortization of share issuance cost	20	18
Total non-operating expenses	34	36
Ordinary profit	2,235	2,275
Extraordinary losses	-	74
Loss on valuation of shares of subsidiaries and associates	-	74
Income before income taxes	2,235	2,201
Income taxes - current	47	46
Income taxes - deferred	0	5
Total income taxes	47	51
Net income	2,187	2,149

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

**Year ended March 31, 2019 (From April 1, 2018 to March 31, 2019)**

(¥ 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	110,272	166,491	2,535	2,535	(625)	195,900	101	196,002
Changes of items during the reporting period										
Dividends of surplus					(2,066)	(2,066)		(2,066)		(2,066)
Net income					2,149	2,149		2,149		2,149
Acquisition of treasury stock							(231)	(231)		(231)
Disposition of treasury stock			(7)	(7)			52	45		45
Net changes of items other than shareholders' equity									(45)	(45)
Total of changes of items during the reporting period	-	-	(7)	(7)	82	82	(178)	(102)	(45)	(148)
Balance at end of period	27,500	56,219	110,264	166,484	2,618	2,618	(804)	195,797	56	195,854

**(4) Notes on Premise of Going Concern**

Not applicable.

## 6. (Reference) Non-consolidated Financial Statements of Kiraboshi Bank, Limited

### (1) Overview of Non-consolidated Financial Statements

Company name: Kiraboshi Bank, Limited

May 14, 2019

Representative: Hisanobu 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: +81-3-6447-5799

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

### 1. Non-consolidated Operating Performance for the Fiscal Year Ended March 31, 2019

#### (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, 2019	75,846	117.8	4,467	36.9	5,748	113.3
Fiscal Year ended March 31, 2018	34,817	(2.2)	3,262	(23.0)	2,694	(29.0)

#### (2) Non-consolidated financial position

	Total assets	Total net assets	Net assets to total assets ratio
	(¥ million)	(¥ million)	(%)
As of March 31, 2019	5,376,467	289,418	5.3
As of March 31, 2018	2,331,024	110,969	4.7

(Reference) Equity: As of March 31, 2019: ¥289,418 million As of March 31, 2018: ¥110,969 million

(Note 1) Figures for the fiscal year ended March 31, 2018 are figures of the former Yachiyo Bank, Limited, the surviving company.

(Note 2) "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).

**(2) Non-consolidated Balance Sheets****Kiraboshi Bank, Ltd.**

(¥ million)

	As of March 31, 2018	As of March 31, 2019
<b>Assets</b>		
Cash and due from banks	70,287	402,625
Cash on hand	23,152	39,051
Due from banks	47,135	363,573
Call loans	20,000	2,308
Monetary claims bought	8,675	59,326
Trading account securities	674	973
Trading account Japanese government bonds	20	168
Trading account Municipal government bonds	653	805
Securities	567,201	1,089,205
Japanese government bonds	128,579	322,293
Municipal government bonds	39,953	62,702
Short-term corporate bonds	9,999	-
Corporate bonds	232,243	403,347
Corporate stocks	11,944	31,095
Other securities	144,481	269,766
Loans and bills discounted	1,605,223	3,696,166
Bills discounted	15,575	40,968
Loans on bills	48,991	167,592
Loans on deeds	1,467,313	3,197,730
Overdrafts	73,342	289,875
Foreign exchange	10,106	5,984
Due from foreign banks	9,614	3,309
Foreign bills of exchange bought	46	172
Foreign bills of exchange receivable	445	2,502
Other assets	20,167	43,812
Prepaid expenses	98	468
Accrued income	2,856	4,579
Initial margins of futures markets	-	46
Variation margins of futures markets	-	307
Financial derivatives	713	1,632
Cash collateral paid for financial instruments	-	8,376
Other assets	16,498	28,402
Tangible fixed assets	30,967	68,662
Buildings	8,437	19,692
Land	19,769	43,985
Leased assets	239	1,468
Construction in progress	1,125	226
Other tangible fixed assets	1,395	3,289
Intangible fixed assets	667	3,011
Software	168	1,995
Leased assets	2	94
Other intangible fixed assets	497	920
Prepaid pension cost	-	15,875
Deferred tax assets	5,223	7,991
Customers' liabilities for acceptances and guarantees	1,504	5,596
Reserve for possible loan losses	(9,674)	(25,073)
<b>Total assets</b>	<b>2,331,024</b>	<b>5,376,467</b>

(Note) Figures for the fiscal year ended March 31, 2018 are figures of the former Yachiyo Bank, Limited, the surviving company.



**Kiraboshi Bank, Ltd.**

(¥ million)

	As of March 31, 2018	As of March 31, 2019
<b>Liabilities</b>		
Deposits	2,117,183	4,539,073
Current deposits	54,334	232,863
Ordinary deposits	1,226,643	2,347,191
Savings deposits	19,559	33,935
Deposits at notice	2,961	22,422
Time deposits	769,752	1,778,792
Installment savings	19,058	64,485
Other deposits	24,874	59,382
Negotiable certificates of deposit	6,210	19,510
Call money	32,937	113,329
Payables under securities lending transactions	51,191	344,918
Borrowed money	-	43,366
Borrowings from other banks	-	43,366
Foreign exchange	0	533
Due to foreign banks	-	1
Foreign bills of exchange sold	0	30
Foreign bills of exchange payable	-	500
Borrowed money from trust account	-	245
Other liabilities	4,407	14,310
Income taxes	252	928
Accrued expenses	1,385	3,142
Unearned income	272	1,796
Deposits received from employees	18	0
Reserve for interest on installment savings	7	22
Variation margins of futures markets	-	1
Financial derivatives	90	1,484
Cash collateral received for financial instruments	-	461
Lease obligations	265	1,631
Asset retirement obligations	257	783
Other liabilities	1,858	4,059
Reserve for employee bonuses	825	1,573
Provision for directors' bonuses	-	148
Provision for stock compensations	-	76
Reserve for retirement benefits	2,308	-
Reserve for point card certificates	-	2
Reserve for loss on dormant deposit repayments	670	1,351
Provision for loss on cancellation of system contracts	85	-
Provision for contingent loss	374	656
Deferred tax liabilities for land revaluation	2,356	2,356
Acceptances and guarantees	1,504	5,596
<b>Total liabilities</b>	<b>2,220,055</b>	<b>5,087,049</b>
<b>Net Assets</b>		
Common stock	43,734	43,734
Capital surplus	32,922	166,173
Capital reserve	32,922	32,922
Other capital surplus	-	133,250
Retained earnings	32,582	68,053
Earned reserve	6,372	6,796
Other retained earnings	26,209	61,257
General reserve	11,700	18,100
Retained earnings brought forward	14,509	43,157
<b>Total shareholders' equity</b>	<b>109,239</b>	<b>277,961</b>
Net unrealized gain on available-for-sale securities	1,397	11,367
Revaluation reserve for land	331	89
<b>Total valuation and translation adjustments</b>	<b>1,729</b>	<b>11,456</b>
<b>Total net assets</b>	<b>110,969</b>	<b>289,418</b>
<b>Total liabilities and net assets</b>	<b>2,331,024</b>	<b>5,376,467</b>

(Note) Figures for the fiscal year ended March 31, 2018 are figures of the former Yachiyo Bank, Limited, the surviving company.

**(3) Non-consolidated Statements of Income****Kiraboshi Bank, Ltd.**

(¥ million)

	Year ended March 31, 2018	Year ended March 31, 2019
Ordinary income	34,817	75,846
Interest income	26,091	57,971
Interest on loans and discounts	18,695	41,006
Interest and dividends on securities	6,985	15,645
Interest on call loans	20	34
Interest on deposits with banks	44	278
Other interest income	345	1,007
Trust fees	-	104
Fees and commissions	6,386	14,047
Fees and commissions on domestic and foreign exchange	1,893	3,716
Other fees and commissions	4,493	10,331
Other operating income	689	522
Gain on foreign exchange transactions	-	32
Gain on trading account securities transactions	-	4
Gain on sale of bonds	689	484
Gain on redemption of bonds	-	0
Other	-	0
Other ordinary income	1,649	3,200
Recoveries of written-off claims	223	79
Gain on sale of stocks and other securities	539	2,215
Other	887	906
Ordinary expenses	31,555	71,379
Interest expenses	1,205	3,327
Interest on deposits	730	1,128
Interest on negotiable certificates of deposit	0	2
Interest on call money	461	819
Interest on payables under securities lending transactions	2	1,229
Interest on borrowed money	0	76
Other interest expenses	9	70
Fees and commissions	1,759	3,837
Fees and commissions on domestic and foreign exchange	436	869
Other fees and commissions	1,322	2,967
Other operating expenses	454	979
Loss on foreign exchange transactions	199	-
Loss on trading account securities transactions	1	-
Loss on sale of bonds	251	743
Amortization on bonds	-	9
Expenses on financial derivatives transaction	3	222
Other	-	4
General and administrative expenses	24,676	53,805
Other ordinary expenses	3,458	9,430
Provision of allowance for loan losses	1,352	3,831
Write-off of loans	90	136
Loss on sale of stocks and other securities	19	198
Losses on devaluation of stocks and other securities	-	163
Other	1,996	5,099
Ordinary profit	3,262	4,467
Extraordinary income	272	0
Gain on liquidation of subsidiaries	272	0
Extraordinary losses	185	96
Loss on disposition of fixed assets	185	96
Income before income taxes	3,349	4,370
Income taxes – current	336	619
Income taxes – deferred	319	(1,997)
Total income taxes	655	(1,377)
Net income	2,694	5,748

(Note) Figures for the fiscal year ended March 31, 2018 are figures of the former Yachiyo Bank, Limited, the surviving company.

## **7. Change of Officers**

For change of officers, please refer to the “Notice regarding change of the Company’s officers” dated May 14, 2019, released at the same time as this report.