

May 16, 2017

**Consolidated Financial Results**  
**for the Fiscal Year ended March 31, 2017**  
*[ under Japanese GAAP ]*

Company Name : **The Tokyo Star Bank, Limited**  
 (URL <http://www.tokyostarbank.co.jp/>)  
 Headquarters : Tokyo

Note: - The amounts are rounded down to the nearest million of yen.

**1. Summary of Consolidated Financial Results**  
**for the Fiscal Year ended March 31, 2017**

**(1) Operating Results** (in millions of yen except per share data and percentages)

|   | For the year ended March 31 |           |
|---|-----------------------------|-----------|
|   | 2017                        | 2016      |
| Ordinary income                             | <b>71,107</b>               | 69,102    |
| Change from the previous period             | <b>2.9%</b>                 | (9.7)%    |
| Ordinary profit                             | <b>16,047</b>               | 17,419    |
| Change from the previous period             | <b>(7.8)%</b>               | (30.2)%   |
| Net income                                  | <b>11,406</b>               | 11,092    |
| Change from the previous period             | <b>2.8%</b>                 | (32.7)%   |
| Net income per common share (yen)           | <b>16,295.67</b>            | 15,846.37 |
| Diluted net income per common share (yen)   | -                           | -         |
| Return on equity                            | <b>8.6%</b>                 | 9.0%      |
| Ratio of ordinary profit to total assets    | <b>0.6%</b>                 | 0.6%      |
| Ratio of ordinary profit to ordinary income | <b>22.5%</b>                | 25.2%     |

Note: Comprehensive income for the year ended :

March 31, 2017 : 10,232 million yen 19.2 %  
 March 31, 2016 : 8,583 million yen (43.0) %

**(2) Financial Conditions** (in millions of yen except per share data and percentages)

|                                     | As of March 31    |            |
|-------------------------------------|-------------------|------------|
|                                     | 2017              | 2016       |
| Total assets                        | <b>2,530,596</b>  | 2,738,786  |
| Net assets                          | <b>136,589</b>    | 126,356    |
| Ratio of net assets to total assets | <b>5.3%</b>       | 4.6%       |
| Net assets per common share (yen)   | <b>195,127.35</b> | 180,509.89 |

Notes: 1. Net assets, excluding Stock acquisition rights and Non-controlling interests, as of :

March 31, 2017 : 136,589 million yen  
 March 31, 2016 : 126,356 million yen

2. Ratio of net assets to total assets

= (Net assets - Stock acquisition rights - Non-controlling interests) / Total assets X 100

## 2. Notes

(1) Significant Change in the Scope of Consolidation : No

## (2) Changes in Accounting Policies, Changes in Accounting Estimates and Correction of Prior Period Errors for Consolidated Financial Statements

① Changes accounting policies due to revision of accounting standards etc. : Yes

Details are shown separately in 6. Note to consolidated financial statements.

② Changes accounting policies other than ① above : No

③ Changes in accounting estimates : No

④ Correction of prior period errors : No

## (3) Number of Shares Outstanding (Common stock)

① Number of Shares Outstanding as of :

|                |   |                |
|----------------|---|----------------|
| March 31, 2017 | : | 700,000 shares |
| March 31, 2016 | : | 700,000 shares |

② Number of Treasury Shares Outstanding as of :

|                |   |          |
|----------------|---|----------|
| March 31, 2017 | : | - shares |
| March 31, 2016 | : | - shares |

③ Average Number of Shares Outstanding for the fiscal year ended :

|                |   |                |
|----------------|---|----------------|
| March 31, 2017 | : | 700,000 shares |
| March 31, 2016 | : | 700,000 shares |

## (Reference)

## 1. Summary of Non-Consolidated Financial Results for the Fiscal Year ended March 31, 2017

## (1) Operating Results

(in millions of yen except per share data and percentages)

|   | For the year ended March 31 |           |
|---|-----------------------------|-----------|
|   | 2017                        | 2016      |
| Ordinary income                           | 70,929                      | 69,378    |
| Change from the previous period           | 2.2%                        | (10.2)%   |
| Ordinary profit                           | 15,166                      | 16,584    |
| Change from the previous period           | (8.5)%                      | (32.7)%   |
| Net income                                | 10,777                      | 10,633    |
| Change from the previous period           | 1.3%                        | (34.8)%   |
| Net income per common share (yen)         | 15,396.35                   | 15,191.10 |
| Diluted net income per common share (yen) | -                           | -         |

## (2) Financial Conditions

(in millions of yen except per share data and percentages)

|                                     | As of March 31 |            |
|-------------------------------------|----------------|------------|
|                                     | 2017           | 2016       |
| Total assets                        | 2,522,628      | 2,729,348  |
| Net assets                          | 128,244        | 118,642    |
| Ratio of net assets to total assets | 5.0%           | 4.3%       |
| Net assets per common share (yen)   | 183,206.86     | 169,488.73 |

Notes: 1. Net assets, excluding Stock acquisition rights, as of :

March 31, 2017 : 128,244 million yen

March 31, 2016 : 118,643 million yen

2. Ratio of net assets to total assets

= (Net assets - Stock acquisition rights) / Total assets X 100

## Consolidated Financial Statements

### 1. Consolidated balance sheets

| (in millions of yen)                                  | As of<br>March 31, 2016 | As of<br>March 31, 2017 |
|---|-------------------------|-------------------------|
| <b>Assets</b>   |                         |                         |
| Cash and due from banks                               | 339,010                 | 428,726                 |
| Call loans  | 39,612                  | 32,681                  |
| Monetary claims bought                                | 4,854                   | 3,653                   |
| Money held in trust                                   | 11,863                  | 5,193                   |
| Securities  | 568,895                 | 316,286                 |
| Loans and bills discounted                            | 1,703,229               | 1,661,483               |
| Foreign exchanges                                     | 6,062                   | 6,606                   |
| Other assets  | 56,636                  | 63,652                  |
| Tangible fixed assets                                 | 5,868                   | 5,510                   |
| Intangible fixed assets                               | 8,550                   | 7,903                   |
| Deferred tax assets                                   | 4,874                   | 4,102                   |
| Customers' liabilities for acceptances and guarantees | 10,741                  | 9,112                   |
| Allowance for loan losses                             | (21,414)                | (14,316)                |
| <b>Total assets</b>                                   | <b>2,738,786</b>        | <b>2,530,596</b>        |
| <b>Liabilities</b>                                    |                         |                         |
| Deposits  | 2,072,187               | 1,994,450               |
| Negotiable certificates of deposit                    | 294,770                 | 284,764                 |
| Payables under repurchase agreements                  | 32,222                  | 22,898                  |
| Payables under securities lending transactions        | 87,056                  | 9,846                   |
| Borrowed money  | 44,400                  | 6,468                   |
| Foreign exchanges                                     | -                       | 5                       |
| Bonds payable   | 22,500                  | 16,300                  |
| Other liabilities                                     | 45,787                  | 47,193                  |
| Provision for bonuses                                 | 2,398                   | 2,563                   |
| Provision for directors' bonuses                      | 241                     | 298                     |
| Provision for losses on dormant deposit repayments    | 115                     | 96                      |
| Provision for possible losses on refund of interest   | 3                       | 5                       |
| Provision for loyalty program                         | 5                       | 4                       |
| Acceptances and guarantees                            | 10,741                  | 9,112                   |
| <b>Total liabilities</b>                              | <b>2,612,429</b>        | <b>2,394,007</b>        |
| <b>Net assets</b>                                     |                         |                         |
| Capital stock   | 26,000                  | 26,000                  |
| Capital surplus                                       | 24,000                  | 24,000                  |
| Retained earnings                                     | 75,106                  | 86,513                  |
| <b>Total shareholders' equity</b>                     | <b>125,106</b>          | <b>136,513</b>          |
| Valuation difference on available-for-sale securities | 1,189                   | 75                      |
| Deferred gains or losses on hedges                    | 60                      | -                       |
| <b>Total accumulated other comprehensive income</b>   | <b>1,250</b>            | <b>75</b>               |
| <b>Total net assets</b>                               | <b>126,356</b>          | <b>136,589</b>          |
| <b>Total liabilities and net assets</b>               | <b>2,738,786</b>        | <b>2,530,596</b>        |

## 2. Consolidated statements of income

| (in millions of yen)   | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2017 |
|--|--------------------------------------|--------------------------------------|
| <b>Ordinary income</b>   | 69,102                               | 71,107                               |
| Interest income  | 41,433                               | 39,833                               |
| Interest on loans and discounts                                    | 33,008                               | 32,482                               |
| Interest and dividends on securities                               | 7,715                                | 6,876                                |
| Interest on call loans   | 94                                   | 66                                   |
| Interest on receivables under securities<br>borrowing transactions | 11                                   | -                                    |
| Interest on deposits with banks                                    | 316                                  | 302                                  |
| Other interest income  | 287                                  | 104                                  |
| Fees and commissions   | 12,264                               | 10,612                               |
| Other ordinary income  | 7,541                                | 11,730                               |
| Other income   | 7,862                                | 8,929                                |
| <b>Ordinary expenses</b>   | 51,682                               | 55,059                               |
| Interest expenses  | 7,265                                | 6,538                                |
| Interest on deposits   | 5,563                                | 4,544                                |
| Interest on negotiable certificates of deposit                     | 285                                  | 27                                   |
| Interest on call money   | 1                                    | -                                    |
| Interest on payables under repurchase<br>agreements                | 43                                   | 132                                  |
| Interest on payables under securities lending<br>transactions      | 170                                  | 693                                  |
| Interest on borrowed money   | 87                                   | 34                                   |
| Interest on bonds  | 1,103                                | 802                                  |
| Other interest expenses  | 8                                    | 303                                  |
| Fees and commissions payments                                      | 4,705                                | 4,915                                |
| Other ordinary expenses  | 2,586                                | 6,191                                |
| General and administrative expenses                                | 36,101                               | 35,897                               |
| Other expenses   | 1,024                                | 1,516                                |
| Other  | 1,024                                | 1,516                                |
| <b>Ordinary profit (loss)</b>                                      | 17,419                               | 16,047                               |
| Extraordinary income   | -                                    | -                                    |
| Extraordinary loss   | 415                                  | 91                                   |
| Loss on disposal of noncurrent assets                              | 415                                  | 91                                   |
| <b>Income (Loss) before income taxes</b>                           | 17,003                               | 15,956                               |
| Income taxes-current   | 4,723                                | 3,574                                |
| Income taxes for prior periods                                     | -                                    | (317)                                |
| Income taxes-deferred  | 1,187                                | 1,291                                |
| Total income taxes   | 5,911                                | 4,549                                |
| <b>Net income (loss)</b>   | 11,092                               | 11,406                               |
| Net income attributable to non-controlling interests               | -                                    | -                                    |
| Net income attributable to owners of the parent                    | 11,092                               | 11,406                               |

**3. Consolidated statements of comprehensive income**

| (in millions of yen)   | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2017 |
|--|--------------------------------------|--------------------------------------|
| Income (Loss) before non-controlling interests                 | 11,092                               | 11,406                               |
| Other comprehensive income                                     | (2,508)                              | (1,174)                              |
| Valuation difference on available-for-sale securities          | (2,852)                              | (1,114)                              |
| Deferred gains or losses on hedges                             | 343                                  | (60)                                 |
| <b>Comprehensive income</b>                                    | <b>8,583</b>                         | <b>10,232</b>                        |
| Comprehensive income attributable to owners of the parent      | 8,583                                | 10,232                               |
| Comprehensive income attributable to non-controlling interests | -                                    | -                                    |

4. Consolidated statements of changes in net assets

For the year ended March 31, 2016

(in millions of yen)

|  | Shareholders' equity |                 |                   |         | Accumulated other comprehensive income                |                                    |         | Total net assets |
|--|----------------------|-----------------|-------------------|---------|---|------------------------------------|---------|------------------|
|  | Capital stock        | Capital surplus | Retained earnings | Total   | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Total   |                  |
| Balance at the beginning of current period           | 26,000               | 24,000          | 64,014            | 114,014 | 4,041   | (282)                              | 3,758   | 117,773          |
| Changes of items during the period                   |                      |                 |                   |         |   |                                    |         |                  |
| Net income   | -                    | -               | 11,092            | 11,092  | -   | -                                  | -       | 11,092           |
| Net changes of items other than shareholders' equity | -                    | -               | -                 | -       | (2,852)   | 343                                | (2,508) | (2,508)          |
| Total changes of items during the period             | -                    | -               | 11,092            | 11,092  | (2,852)   | 343                                | (2,508) | 8,583            |
| Balance at the end of current period                 | 26,000               | 24,000          | 75,106            | 125,106 | 1,189   | 60                                 | 1,250   | 126,356          |

For the year ended March 31, 2017

(in millions of yen)

|  | Shareholders' equity |                 |                   |         | Accumulated other comprehensive income                |                                    |         | Total net assets |
|--|----------------------|-----------------|-------------------|---------|---|------------------------------------|---------|------------------|
|  | Capital stock        | Capital surplus | Retained earnings | Total   | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Total   |                  |
| Balance at the beginning of current period           | 26,000               | 24,000          | 75,106            | 125,106 | 1,189   | 60                                 | 1,250   | 126,356          |
| Changes of items during the period                   |                      |                 |                   |         |   |                                    |         |                  |
| Net income   | -                    | -               | 11,406            | 11,406  | -   | -                                  | -       | 11,406           |
| Net changes of items other than shareholders' equity | -                    | -               | -                 | -       | (1,114)   | (60)                               | (1,174) | (1,174)          |
| Total changes of items during the period             | -                    | -               | 11,406            | 11,406  | (1,114)   | (60)                               | (1,174) | 10,232           |
| Balance at the end of current period                 | 26,000               | 24,000          | 86,513            | 136,513 | 75  | -                                  | 75      | 136,589          |

## 5. Going concern assumption

There is no applicable information.

## 6. Notes to consolidated financial statements

(Changes in Accounting Policies due to revision of accounting standards etc.)

The Tokyo Star Bank and its consolidated subsidiaries ("the Group") have applied "The application of Practical Solution on a change in depreciation method due to Tax Reform 2016" (ASBJ Practical Issues Task Force No.32, June 17, 2016) and changed the depreciation method for buildings and accompanying facilities and structures acquired on or after April 1, 2016 from the declining-balance method to the straight-line method, from fiscal 2016. Effects of this change are immaterial.

### (Additional information)

The Group has applied "Implementation Guidance on Recoverability of Deferred Tax Assets" (ASBJ Guidance No.26, March 28, 2016) from the first half of fiscal 2016.

### (Per share data)

|                             | (yen)      |
|-----------------------------|------------|
| Net assets per common share | 195,127.35 |
| Net income per common share | 16,295.67  |

### (notes)

#### ① Net assets per share is calculated based on the followings:

(in millions of yen except number of shares)

|  |         |
|--|---------|
| Net assets   | 136,589 |
| Deduction from net assets  | -       |
| Net assets attributable to common stock at the fiscal year-end   | 136,589 |
| Number of shares of common stock outstanding at the fiscal year-end used for the calculation of net assets per share | 700,000 |

#### ② Net income per share is calculated based on the followings:

(in millions of yen except number of shares)

|   |         |
|---|---------|
| Net income  | 11,406  |
| Amount not attributable to common stockholders                  | -       |
| Net income attributable to owners of the parent to common stock | 11,406  |
| Average number of shares of common stock during the period      | 700,000 |

## 7. Subsequent events

There is no applicable information.

## Non-Consolidated Financial Statements

### 1. Non-consolidated balance sheets

| (in millions of yen)                                  | As of<br>March 31, 2016 | As of<br>March 31, 2017 |
|---|-------------------------|-------------------------|
| <b>Assets</b>   |                         |                         |
| Cash and due from banks                               | 338,885                 | 428,341                 |
| Call loans  | 39,612                  | 32,681                  |
| Monetary claims bought                                | 4,854                   | 3,653                   |
| Money held in trust                                   | 11,863                  | 5,193                   |
| Securities  | 573,655                 | 321,052                 |
| Loans and bills discounted                            | 1,694,688               | 1,653,880               |
| Foreign exchanges                                     | 6,062                   | 6,606                   |
| Other assets  | 56,569                  | 63,588                  |
| Tangible fixed assets                                 | 5,804                   | 5,420                   |
| Intangible fixed assets                               | 8,388                   | 7,772                   |
| Deferred tax assets                                   | 4,131                   | 3,465                   |
| Customers' liabilities for acceptances and guarantees | 1,300                   | 1,152                   |
| Allowance for loan losses                             | (16,469)                | (10,181)                |
| <b>Total assets</b>                                   | <b>2,729,348</b>        | <b>2,522,628</b>        |
| <b>Liabilities</b>                                    |                         |                         |
| Deposits  | 2,079,930               | 2,002,780               |
| Negotiable certificates of deposit                    | 294,770                 | 284,764                 |
| Payables under repurchase agreements                  | 32,222                  | 22,898                  |
| Payables under securities lending transactions        | 87,056                  | 9,846                   |
| Borrowed money  | 44,400                  | 6,468                   |
| Foreign exchanges                                     | -                       | 5                       |
| Bonds payable   | 22,500                  | 16,300                  |
| Other liabilities                                     | 45,787                  | 47,224                  |
| Provision for bonuses                                 | 2,377                   | 2,544                   |
| Provision for directors' bonuses                      | 241                     | 298                     |
| Provision for losses on dormant deposit repayments    | 115                     | 96                      |
| Provision for loyalty program                         | 5                       | 4                       |
| Acceptances and guarantees                            | 1,300                   | 1,152                   |
| <b>Total liabilities</b>                              | <b>2,610,706</b>        | <b>2,394,383</b>        |
| <b>Net assets</b>                                     |                         |                         |
| Capital stock   | 26,000                  | 26,000                  |
| Capital surplus                                       | 24,000                  | 24,000                  |
| Legal capital surplus                                 | 24,000                  | 24,000                  |
| Retained earnings                                     | 67,392                  | 78,169                  |
| Legal retained earnings                               | 2,000                   | 2,000                   |
| Other retained earnings                               | 65,392                  | 76,169                  |
| Retained earnings brought forward                     | 65,392                  | 76,169                  |
| <b>Total shareholders' equity</b>                     | <b>117,392</b>          | <b>128,169</b>          |
| Valuation difference on available-for-sale securities | 1,189                   | 75                      |
| Deferred gains or losses on hedges                    | 60                      | -                       |
| <b>Total valuation and translation adjustments</b>    | <b>1,250</b>            | <b>75</b>               |
| <b>Total net assets</b>                               | <b>118,642</b>          | <b>128,244</b>          |
| <b>Total liabilities and net assets</b>               | <b>2,729,348</b>        | <b>2,522,628</b>        |



## 2. Non-consolidated statements of income

| (in millions of yen)  | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2017 |
|---|--------------------------------------|--------------------------------------|
| <b>Ordinary income</b>  | 69,378                               | 70,929                               |
| Interest income   | 41,106                               | 39,454                               |
| Interest on loans and discounts                                 | 32,684                               | 32,106                               |
| Interest and dividends on securities                            | 7,711                                | 6,874                                |
| Interest on call loans  | 94                                   | 66                                   |
| Interest on receivables under securities borrowing transactions | 11                                   | -                                    |
| Interest on deposits with banks                                 | 316                                  | 302                                  |
| Interest on interest swaps                                      | 178                                  | -                                    |
| Other interest income   | 109                                  | 104                                  |
| Fees and commissions  | 11,751                               | 10,235                               |
| Fees and commissions on domestic and foreign exchanges          | 1,326                                | 1,336                                |
| Other fees and commissions                                      | 10,425                               | 8,898                                |
| Other ordinary income   | 7,541                                | 11,730                               |
| Gain on foreign exchange transactions                           | 2,237                                | 2,022                                |
| Gain on sales of bonds  | 3,421                                | 3,263                                |
| Gain on redemption of bonds                                     | 56                                   | 78                                   |
| Income from derivatives other than for trading or hedging       | -                                    | 4,013                                |
| Other   | 1,825                                | 2,352                                |
| Other income  | 8,978                                | 9,508                                |
| Reversal of allowance for loan losses                           | 3,475                                | 6,061                                |
| Recoveries of written-off claims                                | 1                                    | -                                    |
| Gain on sales of stocks and other securities                    | 1,250                                | 0                                    |
| Gain on money held in trust                                     | 2,010                                | 796                                  |
| Loan purchase revenue   | 1,350                                | 1,930                                |
| Other   | 890                                  | 718                                  |
| <b>Ordinary expenses</b>  | 52,793                               | 55,763                               |
| Interest expenses   | 7,266                                | 6,538                                |
| Interest on deposits  | 5,565                                | 4,545                                |
| Interest on negotiable certificates of deposit                  | 285                                  | 27                                   |
| Interest on call money  | 1                                    | -                                    |
| Interest on payables under repurchase agreements                | 43                                   | 132                                  |
| Interest on payables under securities lending transactions      | 170                                  | 693                                  |
| Interest on borrowed money                                      | 87                                   | 34                                   |
| Interest on bonds   | 1,103                                | 802                                  |
| Interest on interest swaps                                      | -                                    | 301                                  |
| Other interest expenses   | 8                                    | 1                                    |
| Fees and commissions payments                                   | 6,905                                | 6,839                                |
| Fees and commissions on domestic and foreign exchanges          | 219                                  | 211                                  |
| Other fees and commissions                                      | 6,685                                | 6,627                                |
| Other ordinary expenses   | 2,586                                | 6,191                                |
| Loss on sales of bonds  | 76                                   | 5,292                                |
| Loss on redemption of bonds                                     | 307                                  | 731                                  |
| Loss on devaluation of bonds                                    | -                                    | 163                                  |
| Loss on derivatives other than for trading or hedging           | 2,198                                | -                                    |
| Other   | 2                                    | 3                                    |
| General and administrative expenses                             | 35,617                               | 35,399                               |
| Other expenses  | 418                                  | 793                                  |
| Written-off of loans  | 12                                   | -                                    |
| Loss on sales of stocks and other securities                    | 95                                   | 212                                  |
| Other   | 309                                  | 581                                  |
| <b>Ordinary profit (loss)</b>                                   | <b>16,584</b>                        | <b>15,166</b>                        |

2. Non-consolidated statements of income (continued)

| (in millions of yen)                     | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2017 |
|--|--------------------------------------|--------------------------------------|
| Extraordinary income                     | -                                    | -                                    |
| Extraordinary loss                       | 413                                  | 88                                   |
| Loss on disposal of noncurrent assets    | 413                                  | 88                                   |
| <b>Income (Loss) before income taxes</b> | <b>16,170</b>                        | <b>15,077</b>                        |
| Income taxes-current                     | 4,562                                | 3,432                                |
| Income taxes for prior periods           | -                                    | (317)                                |
| Income taxes-deferred                    | 974                                  | 1,185                                |
| Total income taxes                       | 5,537                                | 4,299                                |
| <b>Net income (loss)</b>                 | <b>10,633</b>                        | <b>10,777</b>                        |

## 3. Non-consolidated statements of changes in net assets

For the year ended March 31, 2016

(in millions of yen)

|  | Shareholders' equity |                       |        |                         |                                   |        |                            |
|--|----------------------|-----------------------|--------|-------------------------|-----------------------------------|--------|----------------------------|
|  | Capital stock        | Capital surplus       |        | Retained earnings       |                                   |        | Total shareholders' equity |
|  | Capital stock        | Legal capital surplus | Total  | Legal retained earnings | Retained earnings brought forward | Total  |                            |
| Balance at the beginning of current period           | 26,000               | 24,000                | 24,000 | 2,000                   | 54,758                            | 56,758 | 106,758                    |
| Changes of items during the period                   |                      |                       |        |                         |                                   |        |                            |
| Net income   | -                    | -                     | -      | -                       | 10,633                            | 10,633 | 10,633                     |
| Net changes of items other than shareholders' equity | -                    | -                     | -      | -                       | -                                 | -      | -                          |
| Total changes of items during the period             | -                    | -                     | -      | -                       | 10,633                            | 10,633 | 10,633                     |
| Balance at the end of current period                 | 26,000               | 24,000                | 24,000 | 2,000                   | 65,392                            | 67,392 | 117,392                    |

|  | Valuation and translation adjustments                 |                                    |         | Total net assets |
|--|---|------------------------------------|---------|------------------|
|  | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Total   |                  |
| Balance at the beginning of current period           | 4,041   | (282)                              | 3,758   | 110,517          |
| Changes of items during the period                   |   |                                    |         |                  |
| Net income   | -   | -                                  | -       | 10,633           |
| Net changes of items other than shareholders' equity | (2,852)   | 343                                | (2,508) | (2,508)          |
| Total changes of items during the period             | (2,852)   | 343                                | (2,508) | 8,125            |
| Balance at the end of current period                 | 1,189   | 60                                 | 1,250   | 118,642          |

**3. Non-consolidated statements of changes in net assets (Continued)**

For the year ended March 31, 2017

(in millions of yen)

|  | Shareholders' equity |                       |        |                         |                                   |        |                            |
|--|----------------------|-----------------------|--------|-------------------------|-----------------------------------|--------|----------------------------|
|  | Capital stock        | Capital surplus       |        | Retained earnings       |                                   |        | Total shareholders' equity |
|  | Capital stock        | Legal capital surplus | Total  | Legal retained earnings | Retained earnings brought forward | Total  |                            |
| Balance at the beginning of current period           | 26,000               | 24,000                | 24,000 | 2,000                   | 65,392                            | 67,392 |                            |
| Changes of items during the period                   |                      |                       |        |                         |                                   |        |                            |
| Net income   | -                    | -                     | -      | -                       | 10,777                            | 10,777 | 10,777                     |
| Net changes of items other than shareholders' equity | -                    | -                     | -      | -                       | -                                 | -      | -                          |
| Total changes of items during the period             | -                    | -                     | -      | -                       | 10,777                            | 10,777 | 10,777                     |
| Balance at the end of current period                 | 26,000               | 24,000                | 24,000 | 2,000                   | 76,169                            | 78,169 | 128,169                    |

|  | Valuation and translation adjustments                 |                                    |         | Total net assets |
|--|---|------------------------------------|---------|------------------|
|  | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Total   |                  |
| Balance at the beginning of current period           | 1,189   | 60                                 | 1,250   | 118,642          |
| Changes of items during the period                   |   |                                    |         |                  |
| Net income   | -   | -                                  | -       | 10,777           |
| Net changes of items other than shareholders' equity | (1,114)   | (60)                               | (1,174) | (1,174)          |
| Total changes of items during the period             | (1,114)   | (60)                               | (1,174) | 9,602            |
| Balance at the end of current period                 | 75  | -                                  | 75      | 128,244          |

**4. Going concern assumption**

There is no applicable information.