

**Consolidated Financial Results**  
*for the 1st Quarter of Fiscal 2018*

**August 9, 2018**



**Consolidated Financial Results**  
**for the 1st Quarter of Fiscal 2018 ended June 30, 2018**  
*[ under Japanese GAAP ]*

Company Name : **The Tokyo Star Bank, Limited**

(URL <http://www.tokyostarbank.co.jp/>)

Headquarters : Tokyo

Note: - The financial results presented here are not subject to certified public accountant's or audit firm's audits.  
 - The amounts are rounded down to the nearest million of yen.

**1. Summary of Consolidated Financial Results**  
**for the 1st Quarter of Fiscal 2018 ended June 30, 2018**

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

|   | For the three months ended |               |
|---|----------------------------|---------------|
|   | June 30, 2018              | June 30, 2017 |
| Ordinary income                                 | 14,685                     | 14,606        |
| Change from the previous period                 | 0.5%                       | (9.6)%        |
| Ordinary profit                                 | 1,870                      | 1,838         |
| Change from the previous period                 | 1.7%                       | (40.5)%       |
| Net income attributable to owners of the parent | 1,236                      | 1,443         |
| Change from the previous period                 | (14.3)%                    | (38.4)%       |
| Net income per common share (yen)               | 1,765.90                   | 2,062.68      |
| Diluted net income per common share (yen)       | -                          | -             |

Note: Comprehensive income for the three months ended :

June 30, 2018 : 1,061 million yen (34.3) %  
 June 30, 2017 : 1,617 million yen (32.7) %

**(2) Financial Conditions** (Millions of yen except percentages)

|                                     | As of         |                |
|-------------------------------------|---------------|----------------|
|                                     | June 30, 2018 | March 31, 2018 |
| Total assets                        | 2,567,809     | 2,608,103      |
| Net assets                          | 149,642       | 148,581        |
| Ratio of net assets to total assets | 5.8%          | 5.6%           |

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

June 30, 2018 : 149,642 million yen  
 March 31, 2018 : 148,581 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

There is no changes in material subsidiaries accompanying significant change in the scope of consolidation.

**(2) Application of Special Accounting Methods  
for Quarterly Consolidated Financial Statements** : No

**(3) Changes in Accounting Policies, Changes in Accounting Estimates  
and Correction of Prior Period Errors for Quarterly Consolidated Financial Statements**

(a) Changes in accounting policies  
due to revision of accounting standards etc. : No

(b) Changes in accounting policies other than (a) above : No

(c) Changes in accounting estimates : No

(d) Correction of prior period errors : No

**(4) Number of Shares Outstanding (Common stock)**

(a) Number of Shares Outstanding as of :

June 30, 2018 : 700,000 shares

March 31, 2018 : 700,000 shares

(b) Number of Treasury Shares Outstanding as of :

June 30, 2018 : — shares

March 31, 2018 : — shares

(c) Average Number of Shares Outstanding for the three months ended :

June 30, 2018 : 700,000 shares

June 30, 2017 : 700,000 shares

## Consolidated Financial Statements

### 1. Consolidated Balance Sheets

| (Millions of yen)                                     | As of<br>March 31, 2018 | As of<br>June 30, 2018 |
|---|-------------------------|------------------------|
| <b>Assets:</b>  |                         |                        |
| Cash and due from banks                               | 374,979                 | 477,389                |
| Call loans  | 27,901                  | 21,369                 |
| Monetary claims bought                                | 4,755                   | 4,500                  |
| Money held in trust                                   | 9,975                   | 9,927                  |
| Securities  | 334,888                 | 262,345                |
| Loans and bills discounted                            | 1,740,836               | 1,681,690              |
| Foreign exchanges                                     | 8,112                   | 11,265                 |
| Other assets  | 93,517                  | 86,769                 |
| Tangible fixed assets                                 | 5,563                   | 5,513                  |
| Intangible fixed assets                               | 7,591                   | 7,770                  |
| Deferred tax assets                                   | 4,126                   | 3,635                  |
| Customers' liabilities for acceptances and guarantees | 8,466                   | 8,402                  |
| Allowance for loan losses                             | (12,610)                | (12,769)               |
| <b>Total assets</b>                                   | <b>2,608,103</b>        | <b>2,567,809</b>       |
| <b>Liabilities:</b>                                   |                         |                        |
| Deposits  | 1,878,581               | 1,860,571              |
| Negotiable certificate of deposits                    | 359,685                 | 423,141                |
| Call money  | 52,748                  | 16,581                 |
| Payables under repurchase agreements                  | 18,537                  | —                      |
| Payables under securities lending transactions        | 77,567                  | 48,712                 |
| Borrowed money  | 3,080                   | 13,316                 |
| Foreign exchanges                                     | 16                      | 18                     |
| Bonds payable   | 4,100                   | —                      |
| Other liabilities                                     | 53,600                  | 46,072                 |
| Provision for bonuses                                 | 2,822                   | 1,008                  |
| Provision for directors' bonuses                      | 198                     | 226                    |
| Provision for losses on dormant deposit repayments    | 107                     | 107                    |
| Provision for possible losses on refund of interest   | 9                       | 9                      |
| Acceptances and guarantees                            | 8,466                   | 8,402                  |
| <b>Total liabilities</b>                              | <b>2,459,522</b>        | <b>2,418,167</b>       |
| <b>Net assets:</b>                                    |                         |                        |
| Capital stock   | 26,000                  | 26,000                 |
| Capital surplus                                       | 24,000                  | 24,000                 |
| Retained earnings                                     | 98,997                  | 100,233                |
| <b>Total shareholders' equity</b>                     | <b>148,997</b>          | <b>150,233</b>         |
| Valuation difference on available-for-sale securities | (616)                   | (590)                  |
| Deferred gains or losses on hedges                    | 200                     | —                      |
| <b>Total accumulated other comprehensive income</b>   | <b>(416)</b>            | <b>(590)</b>           |
| <b>Total net assets</b>                               | <b>148,581</b>          | <b>149,642</b>         |
| <b>Total liabilities and net assets</b>               | <b>2,608,103</b>        | <b>2,567,809</b>       |

## 2. Consolidated Statements of Income

| (Millions of yen)                                    | For the three months ended |               |
|--|----------------------------|---------------|
|  | June 30, 2017              | June 30, 2018 |
| <b>Ordinary income:</b>                              | 14,606                     | 14,685        |
| Interest income and dividends                        | 9,624                      | 9,873         |
| <i>Interest on loans and discounts</i>               | 7,783                      | 8,168         |
| <i>Interest and dividends on securities</i>          | 1,728                      | 1,572         |
| Fees and commissions                                 | 2,472                      | 2,367         |
| Other ordinary income                                | 1,529                      | 1,692         |
| Other income   | 979                        | 753           |
| <b>Ordinary expenses:</b>                            | 12,767                     | 12,815        |
| Interest expenses                                    | 1,749                      | 1,185         |
| <i>Interest on deposits</i>                          | 1,101                      | 852           |
| Fees and commissions payments                        | 1,234                      | 1,261         |
| Other ordinary expenses                              | 576                        | 1,016         |
| General and administrative expenses                  | 8,967                      | 8,973         |
| Other expenses                                       | 240                        | 378           |
| <b>Ordinary profit</b>                               | 1,838                      | 1,870         |
| Extraordinary income                                 | —                          | —             |
| Extraordinary loss                                   | 28                         | 21            |
| <b>Income before income taxes</b>                    | 1,809                      | 1,849         |
| Income taxes-current                                 | 64                         | 45            |
| Income taxes for prior periods                       | (259)                      | —             |
| Income taxes-deferred                                | 560                        | 567           |
| Total income taxes                                   | 365                        | 612           |
| <b>Net income</b>                                    | 1,443                      | 1,236         |
| Net income attributable to non-controlling interests | —                          | —             |
| Net income attributable to owners of the parent      | 1,443                      | 1,236         |

**3. Consolidated Statements of Comprehensive Income**

| (Millions of yen)  | For the three months ended |               |
|--|----------------------------|---------------|
|  | June 30, 2017              | June 30, 2018 |
| Net income   | 1,443                      | 1,236         |
| Other comprehensive income                                     | 173                        | (174)         |
| Valuation difference on available- for-sale securities         | 420                        | 25            |
| Deferred gains or losses on hedges                             | (247)                      | (200)         |
| <b>Comprehensive income</b>                                    | <b>1,617</b>               | <b>1,061</b>  |
| Comprehensive income attributable to owners of the parent      | 1,617                      | 1,061         |
| Comprehensive income attributable to non-controlling interests | —                          | —             |

**4. Going Concern Assumption**

There is no applicable information.

## Selected Financial Information of 1st Quarter Results

## 1. Operating Results

## (1) Consolidated

(Millions of yen)

|  | For the three months ended June 30, |               | Increase/<br>(Decrease)<br>(A)-(B) |
|--|-------------------------------------|---------------|------------------------------------|
|  | 2018 (A)                            | 2017 (B)      |                                    |
| <b>Gross operating profit</b> (Note 1)                                     | <b>10,469</b>                       | <b>10,066</b> | <b>403</b>                         |
| Net interest income  | 8,687                               | 7,874         | 813                                |
| Net fees and commissions   | 1,105                               | 1,238         | (133)                              |
| Net other ordinary income  | 676                                 | 953           | (277)                              |
| General and administrative expenses  | 8,973                               | 8,967         | 6                                  |
| <b>Net operating income before general allowance and goodwill</b> (Note 2) | <b>1,495</b>                        | <b>1,099</b>  | <b>396</b>                         |
| Provision for general allowance for loan losses                            | (332)                               | —             | (332)                              |
| <b>Net operating income</b> (Note 3)                                       | <b>1,827</b>                        | <b>1,099</b>  | <b>728</b>                         |
| Non-recurring income and expenses  | 42                                  | 738           | (696)                              |
| Net gain and loss on stocks and other securities                           | 14                                  | 196           | (181)                              |
| Problem claims related costs   | 569                                 | 25            | 543                                |
| Written-off of loans   | 11                                  | 18            | (7)                                |
| Provision for specific allowance for loan losses                           | 557                                 | —             | 557                                |
| Net loss on sales of loans   | (0)                                 | 6             | (6)                                |
| Reversal of allowance for loan losses                                      | —                                   | 109           | (109)                              |
| Recoveries of written-off claims   | 0                                   | 0             | (0)                                |
| Others   | 597                                 | 458           | 139                                |
| <b>Ordinary profit</b>   | <b>1,870</b>                        | <b>1,838</b>  | <b>32</b>                          |
| Extraordinary income and loss  | (21)                                | (28)          | 6                                  |
| Net gain and loss on disposal of non-current assets                        | (21)                                | (28)          | 6                                  |
| Gain on disposal of non-current assets                                     | —                                   | —             | —                                  |
| Loss on disposal of non-current assets                                     | 21                                  | 28            | (6)                                |
| Others   | —                                   | —             | —                                  |
| <b>Income before income taxes</b>  | <b>1,849</b>                        | <b>1,809</b>  | <b>39</b>                          |
| Income taxes   | 612                                 | 365           | 247                                |
| Income taxes - current   | 45                                  | 64            | (19)                               |
| Income taxes for prior periods   | —                                   | (259)         | 259                                |
| Income taxes - deferred  | 567                                 | 560           | 6                                  |
| <b>Net income</b>  | <b>1,236</b>                        | <b>1,443</b>  | <b>(207)</b>                       |
| Net income attributable to non-controlling interests                       | —                                   | —             | —                                  |
| Net income attributable to owners of the parent                            | 1,236                               | 1,443         | (207)                              |

Notes: 1. Gross operating profit = (Interest income - Interest expenses) + (Fees and commissions - Fees and commissions payments)  
+ (Other ordinary income - Other ordinary expenses)

2. Net operating income before general allowance and goodwill = Gross operating profit - General and administrative expenses

3. Net operating income = Gross operating profit - General and administrative expenses  
- Provision for general allowance for loan losses

|  |     |     |     |
|--|-----|-----|-----|
| Credit costs (Note 4)                      | 364 | 99  | 264 |
| Excluding recoveries of written-off claims | 364 | 100 | 264 |

Note: 4. Credit costs = (Provision for general allowance for loan losses + Problem claims related costs)  
- (Reversal of allowance for loan losses + Recoveries of written-off claims) + Adjustment on purchased loan

## (2) Non-consolidated

(Millions of yen)

|   | For the three months ended June 30, |              | Increase/<br>(Decrease)<br>(A)-(B) |
|---|-------------------------------------|--------------|------------------------------------|
|   | 2018 (A)                            | 2017 (B)     |                                    |
| <b>Gross operating profit</b>   | <b>10,132</b>                       | <b>9,477</b> | <b>654</b>                         |
| Net interest income   | 8,767                               | 7,783        | 983                                |
| Net fees and commissions  | 688                                 | 740          | (51)                               |
| Net other ordinary income   | 676                                 | 953          | (277)                              |
| of which net gain and loss on bonds   | (793)                               | (22)         | (771)                              |
| General and administrative expenses<br>(excluding non-recurring expenses)   | 8,818                               | 8,883        | (64)                               |
| Personnel expenses  | 4,204                               | 4,151        | 52                                 |
| Nonpersonnel expenses   | 4,058                               | 4,219        | (160)                              |
| Taxes   | 555                                 | 511          | 44                                 |
| <b>Net operating income<br/>before general allowance and goodwill</b>       | <b>1,313</b>                        | <b>594</b>   | <b>719</b>                         |
| <b>Core net operating income<br/>(excluding net gain and loss on bonds)</b> | <b>2,107</b>                        | <b>616</b>   | <b>1,490</b>                       |
| Provision for general allowance for loan losses                             | —                                   | —            | —                                  |
| Amortization of goodwill  | —                                   | —            | —                                  |
| <b>Net operating income</b>   | <b>1,313</b>                        | <b>594</b>   | <b>719</b>                         |
| Non-recurring income and expenses   | 668                                 | 1,070        | (401)                              |
| Net gain and loss on stocks and other securities                            | 14                                  | 196          | (181)                              |
| Problem claims related costs  | (0)                                 | (9)          | 9                                  |
| Written-off of loans  | —                                   | —            | —                                  |
| Provision for specific allowance for loan losses                            | —                                   | —            | —                                  |
| Net gain and loss on sales of loans   | (0)                                 | (9)          | 9                                  |
| Reversal of allowance for loan losses                                       | 105                                 | 352          | (246)                              |
| Recoveries of written-off claims  | —                                   | 0            | (0)                                |
| Others  | 548                                 | 513          | 35                                 |
| <b>Ordinary profit</b>  | <b>1,982</b>                        | <b>1,664</b> | <b>317</b>                         |
| Extraordinary income and loss   | (15)                                | (28)         | 13                                 |
| Net gain and loss on disposal of non-current assets                         | (15)                                | (28)         | 13                                 |
| Gain on disposal of non-current assets                                      | —                                   | —            | —                                  |
| Loss on disposal of non-current assets                                      | 15                                  | 28           | (13)                               |
| Others  | —                                   | —            | —                                  |
| <b>Income before income taxes</b>   | <b>1,966</b>                        | <b>1,636</b> | <b>330</b>                         |
| Income taxes  | 575                                 | 252          | 323                                |
| Income taxes - current  | 9                                   | 7            | 1                                  |
| Income taxes for prior periods  | —                                   | (259)        | 259                                |
| Income taxes - deferred   | 566                                 | 504          | 61                                 |
| <b>Net income</b>   | <b>1,391</b>                        | <b>1,384</b> | <b>6</b>                           |



## 2. Disclosed Claims under Financial Revitalization Law (Consolidated)

### <Disclosed Claims under Financial Revitalization Law after writing-off Category IV Claims>

(Millions of yen except percentages)

|   | As of June 30, |               | Increase/<br>(Decrease)<br>(A)-(B) | As of<br>March 31, 2018 |
|---|----------------|---------------|------------------------------------|-------------------------|
|   | 2018 (A)       | 2017 (B)      |                                    |                         |
| Bankruptcy and Quasi-Bankruptcy                                 | 4,510          | 4,234         | 275                                | 4,624                   |
| Doubtful  | 10,469         | 10,685        | (215)                              | 10,668                  |
| Sub-standard  | 496            | 541           | (45)                               | 349                     |
| <b>Sub-Total (a)</b>  | <b>15,476</b>  | <b>15,461</b> | <b>14</b>                          | <b>15,642</b>           |
| Normal  | 1,685,416      | 1,632,695     | 52,721                             | 1,741,489               |
| Total (b)   | 1,700,892      | 1,648,157     | 52,735                             | 1,757,132               |
| <b>Ratio of Problem Loans to Total Claims<br/>(a / b × 100)</b> | <b>0.90%</b>   | <b>0.93%</b>  | <b>(0.03)%</b>                     | <b>0.89%</b>            |

### <Disclosed Claims under Financial Revitalization Law including Category IV Claims>

(Millions of yen except percentages)

|   | As of June 30, |               | Increase/<br>(Decrease)<br>(A)-(B) | As of<br>March 31, 2018 |
|---|----------------|---------------|------------------------------------|-------------------------|
|   | 2018 (A)       | 2017 (B)      |                                    |                         |
| Bankruptcy and Quasi-Bankruptcy                                 | 7,624          | 7,598         | 26                                 | 7,450                   |
| Doubtful  | 10,469         | 10,685        | (215)                              | 10,668                  |
| Sub-standard  | 496            | 541           | (45)                               | 349                     |
| <b>Sub-Total (a)</b>  | <b>18,590</b>  | <b>18,824</b> | <b>(234)</b>                       | <b>18,469</b>           |
| Normal  | 1,685,416      | 1,632,695     | 52,721                             | 1,741,489               |
| Total (b)   | 1,704,006      | 1,651,520     | 52,486                             | 1,759,958               |
| <b>Ratio of Problem Loans to Total Claims<br/>(a / b × 100)</b> | <b>1.09%</b>   | <b>1.13%</b>  | <b>(0.04)%</b>                     | <b>1.04%</b>            |

Note:

Disclosed Claims under Financial Revitalization Law ("Disclosed Claims") is shown under two calculation methods.

Category IV claims are defined as those claims against legally or virtually bankrupt borrowers that have been judged as uncollectible. In such claims, any amount in excess of the value of the collateral or guarantees are either fully written-off (top chart) or fully reserved against (bottom chart).

The top chart has excluded all Category IV claims from Disclosed Claims since these claims have been deemed as uncollectible and the remaining balance is fully covered with collateral and guarantees after writing off the excess. Most Japanese banks have adopted this method for reporting Disclosed Claims.

The bottom chart has included all Category IV claims in Disclosed Claims even though any amount in excess of collateral and guarantees has been fully reserved against. The Bank and its subsidiaries have adopted this method and thus, Category IV claims are not deducted from Disclosed Claims until such claims are collected, legally settled, or sold. This results in a higher Disclosed amount and ratio than the calculation method used in the top chart.

## 3. Securities at Fair Value (Consolidated)

### (1) Trading securities

(Millions of yen)

|  | As of June 30, 2018 | As of June 30, 2017 | As of March 31, 2018 |
|--|---------------------|---------------------|----------------------|
| Valuation difference included in net gain/(loss) | —                   | (420)               | (880)                |

### (2) Available-for-sale securities

(Millions of yen)

|                  | As of June 30, 2018  |         |                            | As of June 30, 2017  |         |                            | As of March 31, 2018 |         |                            |
|------------------|----------------------|---------|----------------------------|----------------------|---------|----------------------------|----------------------|---------|----------------------------|
|                  | Balance sheet amount | Cost    | Net unrealized gain/(loss) | Balance sheet amount | Cost    | Net unrealized gain/(loss) | Balance sheet amount | Cost    | Net unrealized gain/(loss) |
| Equities         | —                    | —       | —                          | —                    | —       | —                          | —                    | —       | —                          |
| Bonds            | 84,140               | 83,864  | 276                        | 112,849              | 112,938 | (89)                       | 96,927               | 96,542  | 385                        |
| Government bonds | 43,810               | 44,093  | (283)                      | 47,785               | 48,422  | (636)                      | 43,812               | 44,141  | (329)                      |
| Municipal bonds  | 3,168                | 3,159   | 9                          | 8,527                | 8,556   | (28)                       | 3,169                | 3,161   | 7                          |
| Corporate bonds  | 37,161               | 36,610  | 550                        | 56,535               | 55,959  | 576                        | 49,945               | 49,239  | 706                        |
| Others           | 175,915              | 177,044 | (1,128)                    | 267,531              | 266,728 | 803                        | 202,126              | 203,400 | (1,274)                    |
| Total            | 260,056              | 260,908 | (851)                      | 380,380              | 379,666 | 714                        | 299,053              | 299,942 | (889)                      |

#### 4. Derivatives (Consolidated)

##### (1) Derivative transactions to which hedge accounting is not applied

###### (a) Interest Rate Derivatives

(Millions of yen)

|                  |                       | As of June 30, 2018 |            |                            | As of June 30, 2017 |            |                            | As of March 31, 2018 |            |                            |
|------------------|-----------------------|---------------------|------------|----------------------------|---------------------|------------|----------------------------|----------------------|------------|----------------------------|
|                  |                       | Notional amounts    | Fair value | Net unrealized gain (loss) | Notional amounts    | Fair value | Net unrealized gain (loss) | Notional amounts     | Fair value | Net unrealized gain (loss) |
| Listed           | Interest Rate Futures | —                   | —          | —                          | 11,040              | 5          | 5                          | —                    | —          | —                          |
| Over-the-counter | Interest Rate Swaps   | 759,350             | (530)      | (530)                      | 956,101             | (821)      | (821)                      | 823,264              | (756)      | (756)                      |
|                  | Others                | 29,153              | —          | 41                         | 10,000              | —          | 10                         | 29,200               | —          | 41                         |
| Total            |                       |                     | (530)      | (489)                      |                     | (815)      | (805)                      |                      | (756)      | (715)                      |

###### (b) Currency Derivatives

(Millions of yen)

|                  |                                    | As of June 30, 2018 |            |                            | As of June 30, 2017 |            |                            | As of March 31, 2018 |            |                            |
|------------------|------------------------------------|---------------------|------------|----------------------------|---------------------|------------|----------------------------|----------------------|------------|----------------------------|
|                  |                                    | Notional amounts    | Fair value | Net unrealized gain (loss) | Notional amounts    | Fair value | Net unrealized gain (loss) | Notional amounts     | Fair value | Net unrealized gain (loss) |
| Listed           | Currency Futures                   | —                   | —          | —                          | 639                 | (15)       | (15)                       | 1,253                | 0          | 0                          |
| Over-the-counter | Currency Swaps                     | 107,692             | (1,340)    | (1,340)                    | 105,424             | (783)      | (783)                      | 104,364              | 1,502      | 1,502                      |
|                  | Forward Foreign Exchange Contracts | 18,452              | (198)      | (198)                      | 9,927               | 139        | 139                        | 31,513               | (78)       | (78)                       |
|                  | Currency Options                   | 892,786             | —          | 13,735                     | 685,711             | —          | 10,142                     | 844,039              | —          | 13,395                     |
| Total            |                                    |                     | (1,539)    | 12,196                     |                     | (659)      | 9,482                      |                      | 1,424      | 14,820                     |

###### (c) Equity Derivatives

(Millions of yen)

|        |                     | As of June 30, 2018 |            |                            | As of June 30, 2017 |            |                            | As of March 31, 2018 |            |                            |
|--------|---------------------|---------------------|------------|----------------------------|---------------------|------------|----------------------------|----------------------|------------|----------------------------|
|        |                     | Notional amounts    | Fair value | Net unrealized gain (loss) | Notional amounts    | Fair value | Net unrealized gain (loss) | Notional amounts     | Fair value | Net unrealized gain (loss) |
| Listed | Stock Index Futures | 2,065               | (11)       | (11)                       | 6,415               | 9          | 9                          | —                    | —          | —                          |
|        | Stock Index Options | 9,182               | (0)        | 1                          | —                   | —          | —                          | 11,200               | 3          | (2)                        |
| Total  |                     |                     | (11)       | (9)                        |                     | 9          | 9                          |                      | 3          | (2)                        |

###### (d) Bond Derivatives

(Millions of yen)

|        |                      | As of June 30, 2018 |            |                            | As of June 30, 2017 |            |                            | As of March 31, 2018 |            |                            |
|--------|----------------------|---------------------|------------|----------------------------|---------------------|------------|----------------------------|----------------------|------------|----------------------------|
|        |                      | Notional amounts    | Fair value | Net unrealized gain (loss) | Notional amounts    | Fair value | Net unrealized gain (loss) | Notional amounts     | Fair value | Net unrealized gain (loss) |
| Listed | Bond Futures         | 24,341              | (73)       | (73)                       | 49,820              | 152        | 152                        | 50,857               | (264)      | (264)                      |
|        | Bond Futures Options | 9,382               | (24)       | 2                          | 9,307               | (12)       | 18                         | 14,916               | (130)      | (58)                       |
| Total  |                      |                     | (97)       | (71)                       |                     | 139        | 171                        |                      | (394)      | (323)                      |

##### (2) Derivative transactions to which hedge accounting is applied

###### (a) Interest Rate Derivatives

(Millions of yen)

| Treatments                       | Products            | Major hedged items                   | As of June 30,   |            |                  |            | As of March 31, 2018 |            |
|----------------------------------|---------------------|--------------------------------------|------------------|------------|------------------|------------|----------------------|------------|
|                                  |                     |                                      | 2018             |            | 2017             |            | Notional amounts     | Fair value |
|                                  |                     |                                      | Notional amounts | Fair value | Notional amounts | Fair value |                      |            |
| Deferral hedge accounting method | Interest Rate Swaps | Available-for-sale Securities(Bonds) | —                | —          | 56,000           | (515)      | 10,624               | 289        |
| Exceptional accrual method       | Interest Rate Swaps | Loans                                | 876              | —          | 1,224            | —          | 842                  | —          |
| Total                            |                     |                                      |                  | —          |                  | (515)      |                      | 289        |

\*Derivatives transactions other than Interest Rate Derivatives : Not applicable.

**5. Balances of Loans and Deposits (Consolidated)**

(Millions of yen)

|                                    | As of June 30,   |           | As of<br>March 31, 2018 |
|------------------------------------|------------------|-----------|-------------------------|
|                                    | 2018             | 2017      |                         |
| <b>Total deposits</b>              | <b>2,283,712</b> | 2,155,816 | 2,238,266               |
| Deposits                           | 1,860,571        | 1,959,502 | 1,878,581               |
| Individuals                        | 1,600,644        | 1,780,413 | 1,614,414               |
| Corporations                       | 258,456          | 176,359   | 262,042                 |
| Public entities                    | 61               | 355       | 17                      |
| Financial institutions             | 1,409            | 2,373     | 2,107                   |
| Negotiable certificates of deposit | 423,141          | 196,314   | 359,685                 |
| <b>Loans and bills discounted</b>  | <b>1,681,690</b> | 1,633,527 | 1,740,836               |