

# **Financial Statements**

**For the First Quarter Ended June. 30,2016**

**THE JOYO BANK, LTD.**

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(Note)

Information presented herein has been extracted from the original material, solely for the convenience of the readers outside Japan.

The amounts presented herein have not been audited.

## CONSOLIDATED FINANCIAL INFORMATION

## 1 . Consolidated Balance sheets

	(Millions of yen)	
	As of Mar. 31,2016	As of Jun. 30,2016
<b>Assets</b>		
Cash and due from banks	442,713	616,170
Call loans and bills bought	2,000	4,749
Monetary claims bought	9,977	9,436
Trading assets	5,918	4,874
Securities	2,736,884	2,713,116
Loans and bills discounted	5,869,596	5,838,637
Foreign exchanges	4,241	3,019
Lease receivables and investment assets	42,502	42,078
Other assets	64,583	82,876
Tangible fixed assets	94,300	93,973
Intangible fixed assets	9,936	9,763
Deferred tax assets	1,986	2,115
Customers' liabilities for acceptances and guarantees	14,727	14,405
Allowance for loan losses	40,659	41,293
Allowance for investment loss	9	9
<b>Total assets</b>	<b>9,258,701</b>	<b>9,393,914</b>
<b>Liabilities</b>		
Deposits	8,088,463	8,072,772
Negotiable certificates of deposit	22,689	99,921
Call money and bills sold	45,560	29,073
Payables under securities lending transactions	130,247	118,303
Trading liabilities	895	1,196
Borrowed money	174,118	303,494
Foreign exchanges	886	288
Bonds payable	15,000	15,000
Bonds with subscription rights to shares	33,804	30,873
Borrowed money from trust account	13	2
Other liabilities	78,627	75,407
Provision for directors' bonuses	48	0
Net defined benefit liability	15,475	14,970
Provision for directors' retirement benefits	38	23
Provision for reimbursement of deposits	2,354	2,316
Provision for point card certificates	145	143
Provision for loss on interest repayment	6	6
Provision for contingent loss	1,045	1,011
Reserves under special laws	2	2
Deferred tax liabilities	31,295	24,377
Deferred tax liabilities for land revaluation	9,526	9,509
Negative goodwill	1,659	1,619
Acceptances and guarantees	14,727	14,405
<b>Total liabilities</b>	<b>8,666,631</b>	<b>8,814,721</b>

	(Millions of yen)	
	As of Mar. 31,2016	As of Jun. 30,2016
Net assets		
Capital stock	85,113	85,113
Capital surplus	58,574	58,574
Retained earnings	333,964	337,605
Treasury shares	21,569	21,547
Total shareholders' equity	<u>456,082</u>	<u>459,745</u>
Valuation difference on available-for-sale securities	135,031	118,772
Deferred gains or losses on hedges	3,073	3,952
Revaluation reserve for land	13,002	12,964
Remeasurements of defined benefit plans	10,667	10,027
Total accumulated other comprehensive income	<u>134,293</u>	<u>117,756</u>
Subscription rights to shares	132	120
Non-controlling interests	1,562	1,570
Total net assets	<u>592,070</u>	<u>579,192</u>
Total liabilities and net assets	<u>9,258,701</u>	<u>9,393,914</u>

2 . Consolidated Statements of Income and Consolidated Statements of  
Comprehensive Income

	(Millions of yen)	
	1QFY2015 (3 months)	1QFY2016 (3 months)
<u>(Consolidated Statements of Income)</u>		
Ordinary income	43,579	42,011
Interest income	25,154	23,854
Interest on loans and discounts	16,549	16,034
Interest and dividends on securities	8,394	7,637
Trust fees	12	11
Fees and commissions	6,639	6,403
Trading income	717	273
Other ordinary income	2,214	3,256
Other income	8,841	8,212
Ordinary expenses	28,777	29,542
Interest expenses	1,556	1,723
Interest on deposits	686	484
Fees and commissions payments	1,853	517
Other ordinary expenses	145	57
General and administrative expenses	18,470	19,164
Other expenses	6,751	8,078
Ordinary profit	<u>14,801</u>	<u>12,469</u>
Extraordinary income	19	1
Gain on disposal of non-current assets	19	1
Extraordinary losses	57	158
Loss on disposal of non-current assets	45	31
Impairment loss	12	126
Profit before income taxes	<u>14,763</u>	<u>12,311</u>
Income taxes - current	4,472	3,529
Income taxes - deferred	154	91
Total income taxes	<u>4,318</u>	<u>3,620</u>
Profit	<u>10,444</u>	<u>8,691</u>
Profit attributable to non-controlling interests	<u>30</u>	<u>28</u>
Profit attributable to owners of parent	<u>10,414</u>	<u>8,662</u>

	(Millions of yen)	
	1QFY2015 (3 months)	1QFY2016 (3 months)
<u>(Consolidated Statements of Comprehensive Income)</u>		
Profit	10,444	8,691
Other comprehensive income	9,451	16,517
Valuation difference on available-for-sale securities	9,116	16,277
Deferred gains or losses on hedges	175	879
Remeasurements of defined benefit plans, net of tax	158	639
Comprehensive income	<u>19,896</u>	<u>7,826</u>
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	19,862	7,836
Comprehensive income attributable to non-controlling interests	33	9