

## ● Consolidated Statement of Income

THE 77 BANK, LTD. AND CONSOLIDATED SUBSIDIARIES  
Year Ended March 31, 2018

|  | Millions of Yen |                 | Thousands of<br>U.S. Dollars<br>(Note 1) |
|--|-----------------|-----------------|--|
|  | 2018            | 2017            | 2018                                     |
| <b>INCOME:</b>   |                 |                 |  |
| Interest income:   |                 |                 |  |
| Interest on loans and discounts  | ¥ 41,502        | ¥ 41,318        | \$ 390,643                               |
| Interest and dividends on trading account and<br>investment securities | 31,078          | 29,066          | 292,526                                  |
| Other  | 206             | 171             | 1,939                                    |
| Fees and commissions (Note 29)   | 17,128          | 17,069          | 161,219                                  |
| Other operating income (Note 20)                                       | 11,350          | 10,055          | 106,833                                  |
| Reversal of reserve for possible loan losses                           | 2,945           | 2,141           | 27,720                                   |
| Gains on sales of money held in trust                                  | 4,044           | 2,967           | 38,064                                   |
| Other income (Note 21)   | 4,924           | 3,901           | 46,347                                   |
| <b>Total income</b>  | <b>113,180</b>  | <b>106,692</b>  | <b>1,065,323</b>                         |
| <b>EXPENSES:</b>   |                 |                 |  |
| Interest expense:  |                 |                 |  |
| Interest on deposits   | 1,512           | 1,454           | 14,231                                   |
| Interest on borrowings and rediscounts                                 | 464             | 303             | 4,367                                    |
| Other  | 1,166           | 1,119           | 10,975                                   |
| Fees and commissions   | 6,164           | 6,096           | 58,019                                   |
| Other operating expenses (Note 22)                                     | 19,220          | 15,268          | 180,911                                  |
| General and administrative expenses (Note 19)                          | 57,745          | 57,288          | 543,533                                  |
| Other expenses (Notes 9 and 23)  | 1,866           | 1,870           | 17,564                                   |
| <b>Total expenses</b>  | <b>88,140</b>   | <b>83,400</b>   | <b>829,631</b>                           |
| <b>INCOME BEFORE INCOME TAXES</b>                                      | <b>25,039</b>   | <b>23,291</b>   | <b>235,683</b>                           |
| <b>INCOME TAXES (Note 24):</b>   |                 |                 |  |
| Current  | 4,280           | 4,246           | 40,286                                   |
| Deferred   | 2,444           | 2,167           | 23,004                                   |
| <b>Total income taxes</b>  | <b>6,725</b>    | <b>6,414</b>    | <b>63,300</b>                            |
| <b>NET INCOME</b>  | <b>18,314</b>   | <b>16,877</b>   | <b>172,383</b>                           |
| <b>NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS</b>             |                 | 763             |  |
| <b>NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT</b>                 | <b>¥ 18,314</b> | <b>¥ 16,114</b> | <b>\$ 172,383</b>                        |

|   | Yen      | U.S. Dollars |
|---|----------|--------------|
| <b>PER SHARE OF COMMON STOCK (Note 31):</b> |          |              |
| Basic net income                            | ¥ 246.87 | ¥ 215.73     |
| Diluted net income                          | 246.45   | 214.74       |
| Cash dividends applicable to the year       | 45.00    | 45.00        |

Per share figures have been restated as appropriate, to reflect a one-for-five share consolidation effected October 1, 2017.

See notes to consolidated financial statements.

## ● Consolidated Statement of Comprehensive Income

THE 77 BANK, LTD. AND CONSOLIDATED SUBSIDIARIES  
Year Ended March 31, 2018

|  | Millions of Yen |                | Thousands of<br>U.S. Dollars<br>(Note 1) |
|--|-----------------|----------------|--|
|  | 2018            | 2017           | 2018                                     |
| <b>NET INCOME</b>                                    | <b>¥18,314</b>  | <b>¥16,877</b> | <b>\$ 172,383</b>                        |
| <b>OTHER COMPREHENSIVE INCOME (Note 25):</b>         |                 |                |  |
| Unrealized gains on available-for-sale securities    | 6,465           | 5,582          | 60,852                                   |
| Deferred gains on derivatives under hedge accounting | 375             | 1,597          | 3,529                                    |
| Defined retirement benefit plans                     | 1,295           | 991            | 12,189                                   |
| <b>Total other comprehensive income</b>              | <b>8,136</b>    | <b>8,171</b>   | <b>76,581</b>                            |
| <b>COMPREHENSIVE INCOME</b>                          | <b>¥26,450</b>  | <b>¥25,048</b> | <b>\$ 248,964</b>                        |
| <b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>   |                 |                |  |
| Owners of the parent                                 | ¥26,450         | ¥24,297        | \$ 248,964                               |
| Noncontrolling interests                             |                 | 750            |  |

See notes to consolidated financial statements.