

# Consolidated Statements of Income

THE 77 BANK, LTD. AND SUBSIDIARIES  
Years ended March 31, 2006 and 2005

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2006	2005	2006
<b>Income:</b>			
Interest income:			
Interest on loans and discounts	¥ 55,674	¥ 56,269	\$ 473,943
Interest and dividends on trading account and investment securities	24,683	21,044	210,129
Other	117	189	996
Fees and commissions	16,798	15,871	143,003
Other operating income (Note 17)	17,822	17,671	151,719
Other income (Note 18)	3,657	1,921	31,133
<b>Total income</b>	<b>118,753</b>	<b>112,968</b>	<b>1,010,925</b>
<b>Expenses:</b>			
Interest expense:			
Interest on deposits	1,370	1,509	11,670
Interest on borrowings and rediscounts	1,388	412	11,818
Other	1,682	708	14,326
Fees and commissions	4,537	3,984	38,625
Other operating expenses (Note 19)	17,443	15,431	148,490
General and administrative expenses	61,169	59,817	520,724
Provision of reserve for possible loan losses	8,933	10,291	76,052
Other expenses (Note 20)	4,617	4,260	39,304
<b>Total expenses</b>	<b>101,143</b>	<b>96,415</b>	<b>861,013</b>
<b>Income before income taxes and minority interests</b>	<b>17,610</b>	<b>16,552</b>	<b>149,911</b>
<b>Income taxes (Note 21):</b>			
Current	5,262	9,926	44,802
Deferred	1,940	(3,110)	16,521
<b>Total income taxes</b>	<b>7,203</b>	<b>6,816</b>	<b>61,323</b>
<b>Minority interests in net income</b>	<b>990</b>	<b>691</b>	<b>8,433</b>
<b>Net income</b>	<b>¥ 9,415</b>	<b>¥ 9,044</b>	<b>\$ 80,154</b>
<b>Per share of common stock (Note 2.o):</b>			
Basic net income	¥24.63	¥23.65	\$0.209
Cash dividends applicable to the year	6.00	6.00	0.051

See notes to consolidated financial statements.