

Yamaguchi Bank Financial Statements

NONCONSOLIDATED BALANCE SHEETS (UNAUDITED)

March 31, 2018 and 2017

ASSETS		Millions of yen	Millions of yen	Thousands of
		2018	2017	U.S. dollars
		2018		
Assets	Cash and due from banks	¥ 670,231	¥ 647,945	\$ 6,308,650
	Call loans and bills purchased	86,142	259,341	810,825
	Monetary claims bought	8,339	8,262	78,492
	Trading assets	904	2,153	8,509
	Money held in trust	32,962	33,710	310,260
	Securities	1,071,319	1,137,780	10,083,951
	Loans and bills discounted	3,833,877	3,620,283	36,086,945
	Foreign exchanges	7,982	6,581	75,132
	Other assets	96,879	48,834	911,888
	Tangible fixed assets	45,720	44,307	430,346
	Intangible fixed assets	3,902	2,321	36,728
	Prepaid pension cost	16,435	17,445	154,697
	Customers' liabilities for acceptances and guarantees	24,555	21,596	231,128
	Allowance for loan losses	(22,375)	(23,864)	(210,608)
	Total assets	¥ 5,876,872	¥ 5,826,694	\$ 55,316,943

LIABILITIES AND NET ASSETS (SHAREHOLDERS' EQUITY)

Liabilities:	Deposits	¥ 5,270,488	¥ 5,202,916	\$ 49,609,262
	Call money and bills sold	60,933	83,142	573,541
	Payables under securities lending transactions	30,670	32,861	288,686
	Trading liabilities	493	2,199	4,640
	Borrowed money	5,082	6,748	47,835
	Foreign exchanges	2,844	2,859	26,770
	Other liabilities	37,938	50,484	357,097
	Provision for bonuses	15	10	141
	Provision for retirement benefits	106	107	998
	Provision for directors' stock benefits	92	44	866
	Provision for reimbursement of deposits	1,020	973	9,601
	Provision for customers point services	44	46	414
	Deferred tax liabilities	12,523	13,626	117,875
	Deferred tax liabilities for land revaluation	7,414	7,414	69,785
	Acceptances and guarantees	24,555	21,596	231,128
	Total liabilities	5,454,217	5,425,025	51,338,639
Net assets:	Capital stock	10,006	10,006	94,183
	Capital surplus	380	380	3,577
	Retained earnings	354,471	330,445	3,336,511
	Total shareholders' equity	364,857	340,831	3,434,271
	Net unrealized gains on securities	41,186	44,231	387,670
	Deferred gains or losses on hedges	(154)	(159)	(1,450)
	Revaluation reserve for land	16,766	16,766	157,813
	Total valuation and translation adjustments	57,798	60,838	544,033
	Total net assets	422,655	401,669	3,978,304
	Total liabilities, and net assets	¥ 5,876,872	¥ 5,826,694	\$ 55,316,943

NONCONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

Years ended March 31, 2018 and 2017

	Millions of yen 2018	Millions of yen 2017	Thousands of U.S. dollars 2018
Income			
Interest income:			
Interest on loans and discounts	¥ 40,036	¥ 38,981	\$ 376,845
Interest and dividends on securities	13,533	12,136	127,381
Other interest income	1,094	782	10,297
Fees and commissions	12,315	11,686	115,917
Trading income	23	42	216
Other ordinary income	4,307	10,272	40,540
Other income	11,684	5,267	109,979
Total income	82,992	79,166	781,175

Expenses			
Interest expense:			
Interest on deposits	3,399	3,049	31,994
Interest on borrowings and rediscounts	1,686	1,638	15,870
Other interest expense	160	151	1,506
Fees and commissions payments	4,562	4,398	42,941
Other operating expenses	7,163	6,072	67,423
General and administrative expenses	29,601	34,373	278,624
Impairment losses	—	130	—
Other expenses	3,282	2,554	30,891
Total expenses	49,853	52,365	469,249
Income before income taxes and minority interests	33,139	26,801	311,926
Income taxes:			
Current	8,887	8,123	83,651
Deferred	226	81	2,127
Net income	¥ 24,026	¥ 18,597	\$ 226,148

Amounts per share of common stock:	Yen 2018	Yen 2017	U.S. dollars 2018
Net income	¥ 120.13	¥ 92.99	\$ 1.13
Cash dividends applicable to the year	23.73	10.00	0.22