

# Consolidated Balance Sheets (Unaudited)

The Wakayama Bank, Ltd. and its consolidated subsidiaries

As of March 31, 2006 and 2005	Millions of yen		Thousands of U.S. dollars
	2006	2005	2006
<b>Assets:</b>			
Cash and due from banks .....	¥ 31,798	¥ 22,748	\$ 270,692
Call loans and bills bought .....	47,000	26,500	400,102
Commercial paper and other debt purchased .....	1,006	2,901	8,569
Trading account securities .....	—	12	—
Money held in trust .....	3,500	3,500	29,795
Securities .....	43,863	52,288	373,405
Loans and bills discounted .....	266,909	311,209	2,272,148
Foreign exchanges .....	1,261	927	10,737
Other assets .....	2,025	6,065	17,240
Premises and equipment .....	5,024	6,708	42,774
Deferred tax assets .....	2,266	4,485	19,298
Customers' liabilities for acceptances and guarantees .....	1,105	1,392	9,415
Reserve for possible loan losses .....	(14,318)	(11,233)	(121,887)
Total assets .....	<u>¥391,443</u>	<u>¥427,505</u>	<u>\$3,332,288</u>
<b>Liabilities:</b>			
Deposits .....	¥372,124	¥408,213	\$3,167,827
Call money and bills sold .....	117	64	1,000
Borrowed money .....	5,000	—	42,564
Foreign exchanges .....	9	10	83
Other liabilities .....	1,023	1,302	8,711
Accrued employees' bonuses .....	133	136	1,141
Accrued employees' severance and retirement benefits .....	168	186	1,437
Deferred tax liabilities for land revaluation .....	542	393	4,614
Negative goodwill .....	6	13	57
Acceptances and guarantees .....	1,105	1,392	9,415
Total liabilities .....	<u>380,232</u>	<u>411,713</u>	<u>3,236,849</u>
Minority interests .....	<u>253</u>	<u>245</u>	<u>2,159</u>
<b>Shareholders' equity:</b>			
Preferred and common stock .....	17,268	12,768	147,007
Capital surplus .....	4,992	492	42,504
Retained earnings (accumulated deficit) .....	(10,940)	1,544	(93,133)
Land revaluation excess .....	265	582	2,258
Net unrealized gains (losses) on available-for-sale securities ...	(629)	172	(5,356)
Less: treasury stock, at cost .....	—	(14)	—
Total shareholders' equity .....	<u>10,957</u>	<u>15,546</u>	<u>93,280</u>
Total liabilities, minority interests and shareholders' equity .....	<u>¥391,443</u>	<u>¥427,505</u>	<u>\$3,332,288</u>