

Consolidated Balance Sheets  
The Kiyo Bank, Ltd. and its consolidated subsidiaries  
As of March 31, 2010 and 2009

	Millions of yen		Thousands of U.S. dollars
	2010	2009	2010
<b>Assets:</b>			
Cash and due from banks	¥ 61,889	¥ 60,860	\$ 665,191
Call loans and bills bought	85,808	31,422	922,273
Pledged money for securities borrowing transactions	20,877	41,760	224,395
Commercial paper and other debt purchased	4,273	5,211	45,931
Trading account securities	5,328	5,011	57,267
Securities	945,794	801,491	10,165,460
Loans and bills discounted	2,445,529	2,378,516	26,284,714
Foreign exchanges	1,580	3,980	16,990
Other assets	27,719	24,749	297,927
Tangible fixed assets	34,507	34,224	370,888
Intangible fixed assets	10,158	7,116	109,183
Deferred tax assets	33,280	42,927	357,699
Customers' liabilities for acceptances and guarantees	18,315	21,341	196,861
Reserve for possible loan losses	(32,969)	(34,359)	(354,354)
<b>Total assets</b>	<b>¥ 3,662,093</b>	<b>¥ 3,424,255</b>	<b>\$ 39,360,425</b>
<b>Liabilities:</b>			
Deposits	3,405,787	3,205,555	36,605,627
Deposits received for securities lending transactions	27,145	-	291,761
Borrowed money	33,548	42,617	360,577
Foreign exchanges	21	130	235
Bonds	8,000	13,800	85,985
Other liabilities	26,057	33,809	280,063
Accrued employees' severance and retirement benefits	25	456	277
Accrued directors' retirement benefits	40	72	440
Reserve for reimbursement of deposits	590	604	6,343
Provision for contingent losses	404	272	4,344
Deferred tax liabilities for land revaluation	222	223	2,390
Acceptances and guarantees	18,315	21,341	196,861
<b>Total liabilities</b>	<b>¥ 3,520,159</b>	<b>¥ 3,318,885</b>	<b>\$ 37,834,903</b>
<b>Net assets:</b>			
Preferred and common stock	80,096	80,096	860,885
Capital surplus	32,357	32,357	347,777
Retained earnings	30,344	25,572	326,150
<b>Total shareholders' equity</b>	<b>142,798</b>	<b>138,026</b>	<b>1,534,812</b>
Net unrealized losses on available-for-sale securities	(2,407)	(34,147)	(25,873)
Net deferred losses on hedging instruments	(1)	(0)	(20)
Land revaluation excess	328	330	3,529
<b>Total valuation and translation adjustments</b>	<b>(2,080)</b>	<b>(33,818)</b>	<b>(22,364)</b>
Minority interests	1,216	1,161	13,074
<b>Total net assets</b>	<b>141,934</b>	<b>105,370</b>	<b>1,525,522</b>
<b>Total liabilities and net assets</b>	<b>¥ 3,662,093</b>	<b>¥ 3,424,255</b>	<b>\$ 39,360,425</b>

Consolidated Statements of Income  
The Kiyo Bank, Ltd. and its consolidated subsidiaries  
Years ended March 31, 2010 and 2009

	Millions of yen		Thousands of
	2010	2009	U.S. dollars
<b>Income</b>			
Interest income:			
Interest on loans and bills discounted	¥ 48,084	¥ 51,200	\$ 516,814
Interest and dividends on securities	13,016	13,116	139,902
Other interest income	284	551	3,059
Fees and commissions	10,720	12,282	115,230
Other operating income	7,805	6,933	83,889
Other income	6,105	6,491	65,626
<b>Total income</b>	<b>86,017</b>	<b>90,576</b>	<b>924,520</b>
<b>Expenses</b>			
Interest expenses:			
Interest on deposits	9,052	10,365	97,301
Interest on borrowings	781	724	8,403
Interest on payables under securities lending transactions	40	29	432
Other interest expenses	441	547	4,749
Fees and commissions	3,885	3,917	41,764
Other operating expenses	3,336	16,807	35,862
General and administrative expenses	38,338	37,176	412,061
Other expenses	19,696	23,200	211,698
<b>Total expenses</b>	<b>75,573</b>	<b>92,770</b>	<b>812,270</b>
<b>Income (loss) before income taxes and minority interests</b>	<b>10,443</b>	<b>(2,194)</b>	<b>112,250</b>
<b>Income taxes:</b>			
Current	502	490	5,397
Deferred	2,282	(5,982)	24,536
<b>Total income taxes</b>	<b>2,784</b>	<b>(5,491)</b>	<b>29,933</b>
<b>Minority interests in net income (loss)</b>	<b>57</b>	<b>(14)</b>	<b>622</b>
<b>Net income</b>	<b>¥ 7,600</b>	<b>¥ 3,312</b>	<b>\$ 81,695</b>
Yen			
U.S. dollars			
<b>Net income per share:</b>			
Basic	¥ 10.22	¥ 3.72	\$ 0.11

Consolidated Statements of Changes in Net Assets  
The Kiyo Bank, Ltd. and its consolidated subsidiaries  
Years ended March 31, 2010 and 2009

	Millions of yen		Thousands of U.S. dollars
	2010	2009	2010
<b>Shareholders' equity</b>			
<b>Preferred and common stock:</b>			
Balance at end of previous year	¥ 80,096	¥ 80,096	\$ 860,885
Changes during the year	-	-	-
Balance at end of the year	80,096	80,096	860,885
<b>Capital surplus:</b>			
Balance at end of previous year	32,357	32,357	347,777
Changes during the year	-	-	-
Balance at end of the year	32,357	32,357	347,777
<b>Retained earnings:</b>			
Balance at end of previous year	25,572	25,687	274,852
Changes during the year:			
Cash dividends	(2,830)	(3,436)	(30,419)
Net income	7,600	3,312	81,695
Reversal of land revaluation excess	2	9	22
Total changes during the year	4,772	(114)	51,298
Balance at end of the year	30,344	25,572	326,150
<b>Total shareholders' equity:</b>			
Balance at end of previous year	138,026	138,140	1,483,514
Changes during the year:			
Cash dividends	(2,830)	(3,436)	(30,419)
Net income	7,600	3,312	81,695
Reversal of land revaluation excess	2	9	22
Total changes during the year	4,772	(114)	51,298
Balance at end of the year	142,798	138,026	1,534,812
<b>Valuation and translation adjustments</b>			
Net unrealized losses on available-for-sale securities:			
Balance at end of previous year	(34,147)	(14,814)	(367,022)
Changes during the year:			
Net changes in items other than shareholders' equity	31,740	(19,333)	341,149
Total changes during the year	31,740	(19,333)	341,149
Balance at end of the year	(2,407)	(34,147)	(25,873)
Net deferred losses on hedging instruments:			
Balance at end of previous year	(0)	(0)	(9)
Changes during the year:			
Net changes in items other than shareholders' equity	(1)	(0)	(11)
Total changes during the year	(1)	(0)	(11)
Balance at end of the year	(1)	(0)	(20)
Land revaluation excess:			
Balance at end of previous year	330	340	3,551
Changes during the year:			
Net changes in items other than shareholders' equity	(2)	(9)	(22)
Total changes during the year	(2)	(9)	(22)
Balance at end of the year	328	330	3,529
Total valuation and translation adjustments:			
Balance at end of previous year	(33,818)	(14,475)	(363,480)
Changes during the year:			
Net changes in items other than shareholders' equity	31,737	(19,343)	341,116
Total changes during the year	31,737	(19,343)	341,116
Balance at end of the year	(2,080)	(33,818)	(22,364)
<b>Minority interests</b>			
Balance at end of previous year	1,161	1,200	12,490
Changes during the year:			
Net changes in items other than shareholders' equity	54	(38)	584
Total changes during the year	54	(38)	584
Balance at end of the year	1,216	1,161	13,074
<b>Total net assets</b>			
Balance at end of previous year	105,370	124,866	1,132,524
Changes during the year:			
Cash dividends	(2,830)	(3,436)	(30,419)
Net income	7,600	3,312	81,695
Reversal of land revaluation excess	2	9	22
Net changes in items other than shareholders' equity	31,791	(19,381)	341,700
Total changes during the year	36,564	(19,496)	392,998
Balance at end of the year	¥ 141,934	¥ 105,370	\$ 1,525,522

Consolidated Statements of Cash Flows  
The Kiyo Bank, Ltd. and its consolidated subsidiaries  
Years ended March 31, 2010 and 2009

	Millions of yen		Thousands of U.S. dollars
	2010	2009	2010
<b>Cash flows from operating activities:</b>			
Income (loss) before income taxes and minority interests	¥ 10,443	¥ (2,194)	\$ 112,250
Depreciation	2,596	2,778	27,911
Impairment loss on fixed assets	7	415	82
Amortization of negative goodwill	(21)	-	(232)
Decrease in reserve for possible loan losses	(1,390)	(7,257)	(14,940)
Decrease in accrued employees' severance and retirement benefits	(430)	(1,164)	(4,632)
Decrease in accrued directors' retirement benefits	(31)	(11)	(340)
(Decrease) increase in reserve for reimbursement of deposits	(14)	52	(157)
Increase in provision for contingent loss	132	194	1,419
Interest income	(61,385)	(64,868)	(659,775)
Interest expenses	10,316	11,668	110,885
Losses on securities transactions	3,401	21,188	36,561
Losses on foreign exchange transactions	1,222	886	13,144
Losses (gains) on disposal of fixed assets	53	(30)	578
Net increase in trading account securities	(316)	(2,151)	(3,401)
Net increase in loans and bills discounted	(67,013)	(113,893)	(720,269)
Net increase (decrease) in deposits	200,231	(28,844)	2,152,105
Net (decrease) increase in borrowed money (excluding subordinated loans)	(13,069)	17,151	(140,475)
Net decrease in due from banks (excluding cash equivalents)	4,000	-	42,992
Net increase in call loans	(53,436)	(9,506)	(574,335)
Net decrease in pledged money for securities borrowing transactions	20,882	61,321	224,446
Net decrease in call money	-	(2,304)	-
Net increase (decrease) in deposits received for securities lending transactions	27,145	(18,287)	291,761
Net decrease (increase) in foreign exchange assets	2,399	(2,468)	25,795
Net (decrease) increase in foreign exchange liabilities	(108)	68	(1,170)
Interest received	61,312	64,358	658,992
Interest paid	(8,147)	(9,290)	(87,566)
Other, net	(2,316)	1,656	(24,897)
Subtotal	136,464	(80,533)	1,466,732
Income taxes paid	(509)	(510)	(5,472)
Net cash provided by (used in) operating activities	135,955	(81,043)	1,461,260
<b>Cash flows from investing activities:</b>			
Purchases of securities	(709,906)	(559,280)	(7,630,121)
Proceeds from sales of securities	458,895	503,667	4,932,237
Redemption of securities	130,767	139,858	1,405,496
Purchases of tangible fixed assets	(2,456)	(2,049)	(26,401)
Proceeds from sales of tangible fixed assets	45	266	487
Purchases of intangible fixed assets	(3,627)	(5,088)	(38,985)
Net cash (used in) provided by investing activities	(126,282)	77,372	(1,357,287)
<b>Cash flows from financing activities:</b>			
Increase in subordinated loans	12,000	3,000	128,977
Repayment of subordinated loans	(8,000)	-	(85,985)
Proceeds from issuance of subordinated bonds	3,000	-	32,244
Redemption of subordinated bonds	(8,800)	(2,200)	(94,583)
Payment of cash dividends	(2,830)	(3,436)	(30,420)
Payment of cash dividends to minority interests	(4)	(4)	(45)
Net cash used in financing activities	(4,634)	(2,641)	(49,812)
<b>Foreign currency translation adjustments of cash and cash equivalents</b>			
	(10)	(35)	(113)
Net increase (decrease) in cash and cash equivalents	5,028	(6,347)	54,048
Cash and cash equivalents at beginning of year	56,860	63,208	611,143
Cash and cash equivalents at end of year	¥ 61,889	¥ 56,860	\$ 665,191