Consolidated Statement of Changes in Net Assets

Kiyo Holdings, Inc. and its consolidated subsidiaries

Year ended March 31, 2007

	Millions of yen (Note 1)							
	Shareholders' equity							
	Preferred and common stock	Capital surplus	Retained earnings	Treasury stock	Total			
Balance at March 31, 2006	¥42,600	¥61,384	¥16,218	¥(12,526)	¥107,677			
Issuance of stock	15,750	15,750			31,500			
Net income			8,180		8,180			
Purchase of treasury stock				(39)	(39)			
Disposal of treasury stock		(6)		33	26			
Increase due to changes in the Company's equity in subsidiaries Net changes in items other than shareholders' equity				(34)	(34)			
Total changes during year	15,750	15,743	8,180	(40)	39,632			
Balance at March 31, 2007	¥58,350	¥77,128	¥24,398	¥(12,566)	¥147,309			
	Valuation ar Net unrealized gains on available-for-sale securities	Net deferred losses on hedging instruments	ndjustments Total	- Minority interests	Total net assets			
Balance at March 31, 2006	¥3,078	¥—	¥3,078	¥1,412	¥112,168			
Changes during year: Issuance of stock					31,500 8,180 (39) 26 (34)			
shareholders' equity	2,466	(3)	2,463	379	2,843			
Total changes during year	2,466	(3)	2,463	379	42,475			
Balance at March 31, 2007	¥5,545	¥(3)	¥5,542	¥1,792	¥154,644			

	Thousands of U.S. dollars (Note 1)							
	Shareholders' equity							
	Preferred and common stock	Capital surplus	Retained earnings	Treasury stock	Total			
Balance at March 31, 2006	\$360,864	\$519,989	\$137,386	\$(106,108)	\$ 912,131			
Issuance of stock	133,418	133,418			266,836			
Net income			69,297		69,297			
Purchase of treasury stock			,	(334)	(334)			
Disposal of treasury stock		(56)		282	226			
Increase due to changes in the Company's equity in subsidiaries Net changes in items other than shareholders' equity				(295)	(295)			
Total changes during year		133,362	69,297	(347)	335,730			
Balance at March 31, 2007		\$653,351	\$206,683	\$(106,455)	\$1,247,861			
	Valuation and Net unrealized gains on available-for-sale securities	Net deferred losses on hedging instruments	adjustments Total	– Minority interests	Total net assets			
Balance at March 31, 2006	\$26,082	\$	\$26,082	\$11,967	\$ 950,180			
Issuance of stock					266,836			
Net income					69,297			
Purchase of treasury stock					(334)			
Disposal of treasury stock					226			
Increase due to changes in the Company's equity in subsidiaries					(295)			
Net changes in items other than shareholders' equity	20,893	(26)	20,867	3,217	24,084			
Total changes during year	20,893	(26)	20,867	3,217	359,814			
Balance at March 31, 2007								

See accompanying notes.