

Consolidated Balance Sheets
The Kiyo Bank, Ltd. and its consolidated subsidiaries
As of March 31, 2011 and 2010

	Millions of yen		Thousands of
	2011	2010	U.S. dollars
Assets:			
Cash and due from banks	¥ 116,185	¥ 61,889	\$ 1,397,296
Call loans and bills bought	172,972	85,808	2,080,244
Pledged money for securities borrowing transactions	-	20,877	-
Monetary claims bought	3,497	4,273	42,058
Trading account securities	4,119	5,328	49,540
Securities	876,237	945,794	10,538,033
Loans and bills discounted	2,498,564	2,445,529	30,048,887
Foreign exchanges	1,858	1,580	22,354
Other assets	31,160	27,719	374,749
Tangible fixed assets	34,496	34,507	414,866
Intangible fixed assets	8,530	10,158	102,586
Deferred tax assets	28,776	33,280	346,077
Customers' liabilities for acceptances and guarantees	16,405	18,315	197,297
Reserve for possible loan losses	(30,935)	(32,969)	(372,048)
Total assets	¥ 3,761,867	¥ 3,662,093	\$ 45,241,939
Liabilities:			
Deposits	3,450,922	3,405,787	41,502,372
Payable under securities lending transactions	52,168	27,145	627,399
Borrowed money	24,513	33,548	294,814
Foreign exchanges	38	21	458
Bonds	15,000	8,000	180,397
Other liabilities	51,444	26,057	618,693
Accrued employees' severance and retirement benefits	28	25	347
Accrued directors' retirement benefits	32	40	396
Reserve for reimbursement of deposits	636	590	7,655
Provision for contingent losses	384	404	4,626
Deferred tax liabilities for land revaluation	214	222	2,576
Acceptances and guarantees	16,405	18,315	197,297
Total liabilities	¥ 3,611,789	¥ 3,520,159	\$ 43,437,030
Net assets:			
Preferred and common stock	80,096	80,096	963,280
Capital surplus	32,357	32,357	389,143
Retained earnings	35,358	30,344	425,242
Total shareholders' equity	147,812	142,798	1,777,665
Net unrealized gains (losses) on available-for-sale securities	382	(2,407)	4,602
Net deferred gains (losses) on hedging instruments	219	(1)	2,641
Land revaluation excess	316	328	3,801
Total accumulated other comprehensive income	918	(2,080)	11,044
Minority interests	1,347	1,216	16,200
Total net assets	150,078	141,934	1,804,909
Total liabilities and net assets	¥ 3,761,867	¥ 3,662,093	\$ 45,241,939

Consolidated Statements of Income
The Kiyo Bank, Ltd. and its consolidated subsidiaries
Years ended March 31, 2011 and 2010

	Millions of yen		Thousands of
	2011	2010	U.S. dollars
Income			
Interest income:			
Interest on loans and bills discounted	¥ 45,915	¥ 48,084	\$ 552,201
Interest and dividends on securities	14,915	13,016	179,383
Other interest income	243	284	2,933
Fees and commissions	10,616	10,720	127,684
Other operating income	11,214	7,805	134,873
Other income	3,513	6,105	42,255
Total income	86,420	86,017	1,039,329
Expenses			
Interest expenses:			
Interest on deposits	7,590	9,052	91,293
Interest on borrowings	806	781	9,701
Interest on payables under securities lending transactions	160	40	1,932
Other interest expenses	289	441	3,478
Fees and commissions	3,857	3,885	46,386
Other operating expenses	7,857	3,336	94,498
General and administrative expenses	40,325	38,338	484,975
Other expenses	11,840	19,696	142,404
Total expenses	72,728	75,573	874,667
Income before income taxes and minority interests	13,691	10,443	164,662
Income taxes:			
Current	604	502	7,268
Deferred	4,518	2,282	54,345
Total income taxes	5,123	2,784	61,613
Net income before minority interests	8,568	-	103,049
Minority interests in net income	130	57	1,565
Net income	¥ 8,438	¥ 7,600	\$ 101,484
		Yen	U.S. dollars
Net income per share:			
Basic	¥ 11.56	¥ 10.22	\$ 0.14

Consolidated Statements of Comprehensive Income
The Kiyo Bank, Ltd. and its consolidated subsidiaries
Years ended March 31, 2011 and 2010

	Millions of yen		Thousands of
	2011	2010	U.S. dollars
Net income before minority interests	¥ 8,568	¥ -	\$ 103,049
Other comprehensive income:			
Net unrealized gains on available-for-sale securities	2,794	-	33,611
Net deferred gains on hedging instruments	221	-	2,663
Total other comprehensive income	3,016	-	36,274
Comprehensive income	¥ 11,584	¥ -	\$ 139,323
Total comprehensive income attributable to:	¥ 11,584	¥ -	\$ 139,323
Owners of the parent	11,449	-	137,700
Minority interests	134	-	1,623

Consolidated Statements of Changes in Net Assets
The Kiyo Bank, Ltd. and its consolidated subsidiaries
Years ended March 31, 2011 and 2010

	Millions of yen		Thousands of
	2011	2010	U.S. dollars
			2011
Shareholders' equity			
Preferred and common stock:			
Balance at end of previous year	¥ 80,096	¥ 80,096	\$ 963,280
Changes during the year			-
Balance at end of the year	80,096	80,096	963,280
Capital surplus:			
Balance at end of previous year	32,357	32,357	389,143
Changes during the year			-
Balance at end of the year	32,357	32,357	389,143
Retained earnings:			
Balance at end of previous year	30,344	25,572	364,943
Changes during the year:			
Cash dividends	(3,436)	(2,830)	(41,334)
Net income	8,438	7,600	101,484
Reversal of land revaluation excess	12	2	149
Total changes during the year	5,013	4,772	60,299
Balance at end of the year	35,358	30,344	425,242
Total shareholders' equity:			
Balance at end of previous year	142,798	138,026	1,717,366
Changes during the year:			
Cash dividends	(3,436)	(2,830)	(41,334)
Net income	8,438	7,600	101,484
Reversal of land revaluation excess	12	2	149
Total changes during the year	5,013	4,772	60,299
Balance at end of the year	147,812	142,798	1,777,665
Accumulated other comprehensive income:			
Net unrealized losses on available-for-sale securities:			
Balance at end of previous year	(2,407)	(34,147)	(28,950)
Changes during the year:			
Net changes in items other than shareholders' equity	2,789	31,740	33,552
Total changes during the year	2,789	31,740	33,552
Balance at end of the year	382	(2,407)	4,602
Net deferred losses on hedging instruments:			
Balance at end of previous year	(1)	(0)	(23)
Changes during the year:			
Net changes in items other than shareholders' equity	221	(1)	2,664
Total changes during the year	221	(1)	2,664
Balance at end of the year	219	(1)	2,641
Land revaluation excess:			
Balance at end of previous year	328	330	3,949
Changes during the year:			
Net changes in items other than shareholders' equity	(12)	(2)	(148)
Total changes during the year	(12)	(2)	(148)
Balance at end of the year	316	328	3,801
Total accumulated other comprehensive income			
Balance at end of previous year	(2,080)	(33,818)	(25,024)
Changes during the year:			
Net changes in items other than shareholders' equity	2,999	31,737	36,068
Total changes during the year	2,999	31,737	36,068
Balance at end of the year	918	(2,080)	11,044
Minority interests			
Balance at end of previous year	1,216	1,161	14,628
Changes during the year:			
Net changes in items other than shareholders' equity	130	54	1,572
Total changes during the year	130	54	1,572
Balance at end of the year	1,347	1,216	16,200
Total net assets			
Balance at end of previous year	141,934	105,370	1,706,970
Changes during the year:			
Cash dividends	(3,436)	(2,830)	(41,334)
Net income	8,438	7,600	101,484
Reversal of land revaluation excess	12	2	149
Net changes in items other than shareholders' equity	3,129	31,791	37,640
Total changes during the year	8,143	36,564	97,939
Balance at end of the year	¥ 150,078	¥ 141,934	\$ 1,804,909

Consolidated Statements of Cash Flows
The Kiyo Bank, Ltd. and its consolidated subsidiaries
Years ended March 31, 2011 and 2010

	Millions of yen		Thousands of U.S. dollars
	2011	2010	2011
Cash flows from operating activities:			
Income before income taxes and minority interests	¥ 13,691	¥ 10,443	\$ 164,662
Depreciation	4,080	2,596	49,075
Impairment loss on fixed assets	894	7	10,755
Amortization of negative goodwill	-	(21)	-
Decrease in reserve for possible loan losses	(2,033)	(1,390)	(24,454)
Increase (decrease) in accrued employees' severance and retirement benefits	3	(430)	37
Decrease in accrued directors' retirement benefits	(7)	(31)	(96)
Increase (decrease) in reserve for reimbursement of deposit	46	(14)	557
(Decrease) increase in provision for contingent loss	(19)	132	(234)
Interest income	(61,075)	(61,385)	(734,517)
Interest expenses	8,847	10,316	106,403
Losses on securities transactions	909	3,401	10,940
Losses on foreign exchange transactions	6,392	1,222	76,881
Losses on disposal of fixed assets	175	53	2,112
Net decrease (increase) in trading account securities	1,208	(316)	14,538
Net increase in loans and bills discounted	(53,035)	(67,013)	(637,824)
Net increase in deposits	45,134	200,231	542,812
Net decrease in borrowed money (excluding subordinated loans)	(4,034)	(13,069)	(48,518)
Net decrease in due from banks (excluding cash equivalents)	-	4,000	-
Net increase in call loans	(86,380)	(53,436)	(1,038,846)
Net decrease in pledged money for securities borrowing transactions	20,877	20,882	251,085
Net increase in payable under securities lending transactions	25,022	27,145	300,935
Net (increase) decrease in foreign exchange assets	(277)	2,399	(3,343)
Net increase (decrease) in foreign exchange liabilities	16	(108)	195
Interest received	61,653	61,312	741,477
Interest paid	(7,308)	(8,147)	(87,891)
Other, net	13,878	(2,316)	166,910
Subtotal	(11,337)	136,464	(136,349)
Income taxes paid	(539)	(509)	(6,486)
Net cash provided by (used in) operating activities	(11,876)	135,955	(142,835)
Cash flows from investing activities:			
Purchases of securities	(537,385)	(709,906)	(6,462,839)
Proceeds from sales of securities	503,170	458,895	6,051,361
Redemption of securities	105,689	130,767	1,271,074
Purchases of tangible fixed assets	(2,703)	(2,456)	(32,519)
Proceeds from sales of tangible fixed assets	-	45	-
Purchases of intangible fixed assets	(1,079)	(3,627)	(12,982)
Expenses on execution of asset retirement obligations	(38)	-	(466)
Net cash provided by (used in) investing activities	67,653	(126,282)	813,629
Cash flows from financing activities:			
Increase in subordinated loans	5,000	12,000	60,132
Repayment of subordinated loans	(10,000)	(8,000)	(120,264)
Proceeds from issuance of subordinated bonds	7,000	3,000	84,185
Redemption of subordinated bonds	-	(8,800)	-
Payment of cash dividends	(3,436)	(2,830)	(41,334)
Payment of cash dividends to minority interests	(4)	(4)	(50)
Net cash used in financing activities	(1,441)	(4,634)	(17,331)
Foreign currency translation adjustments of cash and cash equivalents	(39)	(10)	(476)
Net increase in cash and cash equivalents	54,295	5,028	652,987
Cash and cash equivalents at beginning of year	61,889	56,860	744,309
Cash and cash equivalents at end of year	¥ 116,185	¥ 61,889	\$ 1,397,296