

**The Hyakugo Bank, Ltd. and Consolidated Subsidiaries**  
**Consolidated Statements of Changes in Net Assets**  
For the Years Ended March 31, 2017 and 2016

|  | Number of shares of common stock issued | Shareholders' equity               |                 |                   |                |                            | Accumulated other comprehensive income                |                                 |                              |                                |  |                          |                           | Total net assets |  |
|--|---|------------------------------------|-----------------|-------------------|----------------|----------------------------|---|---------------------------------|------------------------------|--------------------------------|--|--------------------------|---------------------------|------------------|--|
|  |   | Capital stock                      | Capital surplus | Retained earnings | Treasury stock | Total shareholders' equity | Valuation difference on available-for-sale securities | Deferred gains/losses on hedges | Revaluation reserve for land | Retirement benefit adjustments | Total accumulated other comprehensive income | Stock acquisition rights | Non-controlling interests |                  |  |
|  |   | Millions of yen                    |                 |                   |                |                            |   |                                 |                              |                                |  |                          |                           |                  |  |
| <b>Balance at April 1, 2015</b>  | 254,119,000                             | ¥ 20,000                           | ¥ 7,557         | ¥ 195,042         | ¥ (153)        | ¥ 222,446                  | ¥ 115,167   | ¥ (3,841)                       | ¥ 4,262                      | ¥ 10,879                       | ¥ 126,467                                    | ¥ 94                     | ¥ 8,043                   | ¥ 357,052        |  |
| Net income attributable to owners of the parent                                      | -                                       | -                                  | -               | 13,634            | -              | 13,634                     | -   | -                               | -                            | -                              | -  | -                        | -                         | 13,634           |  |
| Dividends from surplus   | -                                       | -                                  | -               | (2,029)           | -              | (2,029)                    | -   | -                               | -                            | -                              | -  | -                        | -                         | (2,029)          |  |
| Reversal of revaluation reserve for land   | -                                       | -                                  | -               | 179               | -              | 179                        | -   | -                               | -                            | -                              | -  | -                        | -                         | 179              |  |
| Purchase of treasury stock   | -                                       | -                                  | -               | -                 | (10)           | (10)                       | -   | -                               | -                            | -                              | -  | -                        | -                         | (10)             |  |
| Disposal of treasury stock   | -                                       | -                                  | -               | (0)               | 16             | 16                         | -   | -                               | -                            | -                              | -  | -                        | -                         | 16               |  |
| Net changes in items other than shareholders' equity                                 | -                                       | -                                  | -               | -                 | -              | -                          | (16,587)  | (3,843)                         | (44)                         | (13,206)                       | (33,681)                                     | 11                       | 481                       | (33,189)         |  |
| <b>Balance at March 31, 2016</b>   | 254,119,000                             | ¥ 20,000                           | ¥ 7,557         | ¥ 206,825         | ¥ (146)        | ¥ 234,236                  | ¥ 98,579  | ¥ (7,685)                       | ¥ 4,217                      | ¥ (2,326)                      | ¥ 92,785                                     | ¥ 106                    | ¥ 8,524                   | ¥ 335,653        |  |
| Cumulative effects of changes in accounting policies                                 | -                                       | -                                  | -               | 105               | -              | 105                        | -   | -                               | -                            | -                              | -  | -                        | 9                         | 115              |  |
| <b>Adjusted balance at April 1, 2016</b>   |   | 20,000                             | 7,557           | 206,931           | (146)          | 234,342                    | 98,579  | (7,685)                         | 4,217                        | (2,326)                        | 92,785                                       | 106                      | 8,533                     | 335,768          |  |
| Net income attributable to owners of the parent                                      | -                                       | -                                  | -               | 9,040             | -              | 9,040                      | -   | -                               | -                            | -                              | -  | -                        | -                         | 9,040            |  |
| Dividends from surplus   | -                                       | -                                  | -               | (2,029)           | -              | (2,029)                    | -   | -                               | -                            | -                              | -  | -                        | -                         | (2,029)          |  |
| Reversal of revaluation reserve for land   | -                                       | -                                  | -               | 3                 | -              | 3                          | -   | -                               | -                            | -                              | -  | -                        | -                         | 3                |  |
| Purchase of treasury stock   | -                                       | -                                  | -               | -                 | (5)            | (5)                        | -   | -                               | -                            | -                              | -  | -                        | -                         | (5)              |  |
| Disposal of treasury stock   | -                                       | -                                  | -               | (0)               | 0              | 0                          | -   | -                               | -                            | -                              | -  | -                        | -                         | 0                |  |
| Changes in parent's equity related to transactions with non-controlling shareholders | -                                       | -                                  | 2,662           | -                 | -              | 2,662                      | -   | -                               | -                            | -                              | -  | -                        | -                         | 2,662            |  |
| Net changes in items other than shareholders' equity                                 | -                                       | -                                  | -               | -                 | -              | -                          | (3,330)   | 2,848                           | (3)                          | 1,847                          | 1,360  | 26                       | (4,067)                   | (2,679)          |  |
| <b>Balance at March 31, 2017</b>   | 254,119,000                             | ¥ 20,000                           | ¥ 10,220        | ¥ 213,945         | ¥ (151)        | ¥ 244,014                  | ¥ 95,248  | ¥ (4,836)                       | ¥ 4,213                      | ¥ (478)                        | ¥ 94,146                                     | ¥ 133                    | ¥ 4,466                   | ¥ 342,761        |  |
|  |   | Thousands of U.S. dollars (Note 1) |                 |                   |                |                            |   |                                 |                              |                                |  |                          |                           |                  |  |
| <b>Balance at March 31, 2016</b>   |   | \$ 178,269                         | \$ 67,364       | \$ 1,843,526      | \$ (1,308)     | \$ 2,087,851               | \$ 878,684  | \$ (68,500)                     | \$ 37,595                    | \$ (20,737)                    | \$ 827,042                                   | \$ 951                   | \$ 75,983                 | \$ 2,991,827     |  |
| Cumulative effects of changes in accounting policies                                 |   | -                                  | -               | 945               | -              | 945                        | -   | -                               | -                            | -                              | -  | -                        | 82                        | 1,027            |  |
| <b>Adjusted balance at April 1, 2016</b>   |   | 178,269                            | 67,364          | 1,844,471         | (1,308)        | 2,088,796                  | 878,684   | (68,500)                        | 37,595                       | (20,737)                       | 827,042                                      | 951                      | 76,065                    | 2,992,854        |  |
| Net income attributable to owners of the parent                                      |   | -                                  | -               | 80,582            | -              | 80,582                     | -   | -                               | -                            | -                              | -  | -                        | -                         | 80,582           |  |
| Dividends from surplus   |   | -                                  | -               | (18,093)          | -              | (18,093)                   | -   | -                               | -                            | -                              | -  | -                        | -                         | (18,093)         |  |
| Reversal of revaluation reserve for land   |   | -                                  | -               | 35                | -              | 35                         | -   | -                               | -                            | -                              | -  | -                        | -                         | 35               |  |
| Purchase of treasury stock   |   | -                                  | -               | -                 | (48)           | (48)                       | -   | -                               | -                            | -                              | -  | -                        | -                         | (48)             |  |
| Disposal of treasury stock   |   | -                                  | -               | (0)               | 5              | 5                          | -   | -                               | -                            | -                              | -  | -                        | -                         | 5                |  |
| Changes in parent's equity related to transactions with non-controlling shareholders |   | -                                  | 23,735          | -                 | -              | 23,735                     | -   | -                               | -                            | -                              | -  | -                        | -                         | 23,735           |  |
| Net changes in items other than shareholders' equity                                 |   | -                                  | -               | -                 | -              | -                          | (29,690)  | 25,387                          | (35)                         | 16,468                         | 12,130                                       | 240                      | (36,254)                  | (23,884)         |  |
| <b>Balance at March 31, 2017</b>   |   | \$ 178,269                         | \$ 91,099       | \$ 1,906,995      | \$ (1,351)     | \$ 2,175,012               | \$ 848,994  | \$ (43,113)                     | \$ 37,560                    | \$ (4,269)                     | \$ 839,172                                   | \$ 1,191                 | \$ 39,811                 | \$ 3,055,186     |  |

See accompanying Notes to Consolidated Financial Statements.