

SURUGA Bank LTD.

Consolidated Financial Results for the fiscal year ended March 31, 2015

<under Japanese GAAP>

Stock Exchange: Tokyo (code:8358)
 URL: <http://www.surugabank.co.jp>
 Representative: President Mitsuyoshi Okano
 Date of Payment of Year-End Dividends: June 2, 2015

(Japanese yen amounts of less than one million and the first decimal place have been rounded down.)

1. Consolidated Financial Results (for fiscal year ended March 31, 2015)

(1) Operating Results

(Unit: Millions of Yen, except per share data and percentages)

	Ordinary Income		Ordinary Profit		Net Income	
Fiscal year ended						
March 31, 2015	131,114	8.0%	53,405	15.8%	32,891	19.1%
March 31, 2014	121,292	9.0%	46,110	27.2%	27,607	29.9%

(Note1) Comprehensive Income: Fiscal year ended March 31, 2015: ¥45,662 million (49.1%); Fiscal year ended March 31, 2014: ¥30,605 million (7.9%)

(Note2) Percentages shown in Ordinary Income, Ordinary Profit and Net Income and Comprehensive Income are the increase (decrease) from the same period previous year.

	Net Income per Share	Net Income per Share (Diluted)	Return on Equity	Ordinary Profit on Total Assets	Ordinary Profit on Ordinary Income
Fiscal year ended					
March 31, 2015	¥138.82	¥138.64	12.1%	1.2%	40.7%
March 31, 2014	¥116.76	¥116.60	11.7%	1.1%	38.0%

(Reference) Equity in earnings (losses) of affiliates: Fiscal year ended March 31, 2015: ¥65 million; Fiscal year ended March 31, 2014: (¥27 million)

(2) Financial Position

(Unit: Millions of Yen, except percentages)

	Total Assets	Total Net Assets	Own Capital Ratio	Net Assets per Share
March 31, 2015	4,284,990	292,128	6.7%	1,222.40
March 31, 2014	4,098,552	251,816	6.0%	1,055.00

(Reference) Own Capital: March 31, 2015: ¥290,056 million; March 31, 2014: ¥249,595 million

(Note) Own Capital Ratio = (Total Net Assets - Subscription Rights to Shares - Minority Interests) / Total Assets * 100

(3) Cash Flows

(Unit: Millions of Yen)

	Cash Flows from Operating activities	Cash Flows from Investing activities	Cash Flows from Financing activities	Cash and cash equivalents at year-end
Fiscal year ended				
March 31, 2015	98,740	△893	△3,301	792,033
March 31, 2014	589,220	5,076	△2,821	697,472

2. Dividends on Common Stock

	Annual Cash Dividends per Share					Total Cash Dividends (Annual)	Dividends Pay-out Ratio (Consolidated basis)	Dividends on Net Assets (Consolidate basis)
	1 st Quarter -End	2 nd Quarter -End	3 rd Quarter -End	Fiscal Year -End	Total			
Fiscal year						Million yen		
Ended March 31, 2014	—	¥7.50	—	¥9.50	¥17.00	4,021	14.5%	1.7%
Ended March 31, 2015	—	¥8.50	—	¥11.50	¥20.00	4,743	14.4%	1.7%
Ending March 31, 2016 (Forecasts)	—	¥9.50	—	¥9.50	¥19.00		12.7%	

(Note) Details of dividends for the fiscal year-end of the fiscal year ended March 31 2015:

(a) Ordinary dividends: ¥10.50 (b) Commemorative dividends: ¥1.00

3. Earnings Forecasts (for the fiscal year ending March 31, 2016)

(Unit: Millions of Yen, except per share data)

	Ordinary Income		Ordinary Profit		Net Income		Net Income per Share
Six month ending September 30, 2015	67,500	6.8%	26,900	9.2%	17,600	14.5%	¥74.17
Fiscal year ending March 31, 2016	134,500	2.5%	53,400	(0.0%)	35,300	7.3%	¥148.76

(Note) Percentages shown in Ordinary Income, Ordinary Profit and Net Income are the increase (decrease) from the same period previous year.

※Note

(1) Changes in the scope of consolidated significant subsidiaries in the fiscal year ended March 31, 2015: No

(2) Changes in accounting policies, accounting estimates, and restatements.

(A) Changes due to revision of accounting standards:	Yes
(B) Changes due to reasons other than (A):	No
(C) Changes in accounting estimates:	No
(D) Restatements:	No

(3) Number of common shares issued at the end of period

(A) Number of stocks issued (including treasury stocks):	March 31, 2015	258,139,248 shares	March 31, 2014	258,139,248 shares
(B) Number of treasury stocks:	March 31, 2015	20,855,687 shares	March 31, 2014	21,557,594 shares
(C) Average outstanding stocks for the fiscal year ended:	March 31, 2015	236,928,205 shares	March 31, 2014	236,426,646 shares

(Reference) Non-Consolidated Financial Highlight

1. Non-Consolidated Financial Results (for the fiscal year ended March 31, 2015)

(1) Operating Results

(Unit: Millions of Yen, except per share data and percentages)

	Ordinary Income		Ordinary Profit		Net Income	
Fiscal year ended						
March 31, 2015	121,773	7.7%	51,850	14.2%	32,135	16.6%
March 31, 2014	113,062	9.5%	45,363	28.0%	27,553	30.7%

(Note) Percentages Shown in Ordinary Income, Ordinary Profit and Net Income are the increase (decrease) from the same period previous year.

	Net Income per Share	Net Income per Share (Diluted)
Fiscal year ended		
March 31, 2015	¥135.63	¥135.45
March 31, 2014	¥116.54	¥116.37

(2) Financial Position

(Unit: Millions of Yen, except per share data and percentages)

	Total Assets	Total Net Assets	Own Capital Ratio	Net Assets per Share
March 31, 2015	4,272,054	282,450	6.6%	¥1,189.87
March 31, 2014	4,089,021	245,210	5.9%	¥1,034.75

(Reference) Own Capital: March 31, 2015: ¥282,337 million; March 31, 2014: ¥244,803 million

(Note) Own Capital Ratio = (Total Net Assets - Subscription Rights to Shares) / Total Assets * 100

2. Earnings Forecasts (for the fiscal year ending March 31, 2016)

(Unit: Millions of Yen, except per share data)

	Ordinary Income		Ordinary Profit		Net Income		Net Income per Share
Six month ending September 30, 2015	62,500	6.7%	26,500	11.0%	17,500	16.8%	¥73.75
Fiscal year ending March 31, 2016	123,500	1.4%	52,500	1.2%	35,000	8.9%	¥147.50

(Note) Percentages shown in Ordinary Income, Ordinary Profit and Net Income are the increase (decrease) from the same period previous year.

(Statement relating to the status of the audit procedures)

This report is not subject to the audit procedures, which are based on the Financial Instruments and Exchange Law.

The audit procedures are not finished at the time of release of these financial statements.

(Notes for using forecasts information etc.)

The description of future performance of this report is based on information, which is presently available and certain assumptions which are considered to be reasonable, and it does not guarantee future performance. Please take note that future performance may differ from forecasts. Regarding the assumptions for financial forecasts of this report, please refer to P2 of attached documents.

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1. Operating Results

(1) Analysis of business performance

The Japanese economy during the consolidated period continued to improve modestly, although the consumption tax hike had a negative impact, while corporate earnings improved and business fixed investment increased owing to weak yen caused by additional monetary easing policy and other economic measures.

With regard to the profit and loss situation on a consolidated basis, ordinary income increased by ¥9.822 billion year on year to ¥131.114 billion owing to increase in interest on loans and discounts.

Ordinary expenses increased by ¥2.527 billion year on year to ¥77.708 billion, owing to factors such as increase in general and administrative expenses, while loan-loss allowance decreased.

As a result, ordinary profit increased by ¥7.295 billion year on year to ¥53.405 billion and net income increased by ¥5.284 billion year on year to ¥32.891 billion.

(2) Analysis of financial position

With regard to our main accounts on a consolidated basis at the end of the period, the balance of loans and bills discounted increased by ¥ 132.025 billion year on year to ¥3.010748 trillion, as the personal loan balance steadily increased owing to positive approach toward retail business.

The balance of securities increased by ¥9.862 billion year on year to ¥228.752 billion, while deposits increased by ¥143.188 billion year on year to ¥3.952846 trillion.

(3) Description of forward-looking information such as consolidated earnings forecast

Non-consolidated

Millions of Yen

	Six month ending September 30, 2015	Fiscal year ending March 31, 2016
O r d i n a r y i n c o m e	62,500	123,500
N e t b u s i n e s s p r o f i t	28,000	56,500
O r d i n a r y p r o f i t	26,500	52,500
N e t i n c o m e	17,500	35,000
Credit-related expenses in real terms	1,500	3,000

Consolidated

Millions of Yen

	Six month ending September 30, 2015	Fiscal year ending March 31, 2016
O r d i n a r y i n c o m e	67,500	134,500
O r d i n a r y p r o f i t	26,900	53,400
Net income attributable to owners of parent	17,600	35,300

(Note) The earning forecast was created based on the information available as of the date of this announcement and actual results may differ from the forecast figures owing to various factors in the future.

(4) Cash dividends for fiscal year 2014 and 2015

Suruga aims to improve corporate value by accelerating growth and competitiveness, and enhance shareholders returns as well as to maintain a sound level of internal reserves, based upon the overall business environments and operating results.

Based on this policy, the bank has decided the year-end dividends per share for the fiscal year ended March 31 2015, to be ¥11.50 per share. (Ordinary dividend ¥10.50 and 120th anniversary commemorative dividend ¥1.00) Therefore the total annual cash dividend per share is ¥20.00. (Ordinary dividend ¥19.00 and commemorative dividend ¥1.00)

We intend our total annual dividend for the fiscal year ending March 31 2016, to be ¥19.00 per share, including an interim dividend of ¥9.50 per share.

2. Consolidated financial statements

(1) Consolidated balance sheets

Millions of Yen

	As of March 31, 2014	As of March 31, 2015
Assets		
Cash and due from banks	700,543	794,594
Call loans and bills bought	183,295	127,102
Trading account securities	39	107
Money held in trust	905	1,114
Securities	218,890	228,752
Loans and bills discounted	2,878,723	3,010,748
Foreign exchanges	3,858	2,563
Lease receivables and investment assets	5,558	5,458
Other assets	39,580	46,173
Tangible fixed assets	48,971	49,954
Buildings, net	11,569	11,496
Land	24,902	25,468
Lease assets, net	101	0
Construction in progress	262	591
Other tangible fixed assets	12,135	12,397
Intangible fixed assets	30,995	30,743
Software	27,108	27,780
Goodwill	2,330	2,201
Lease assets	30	—
Software in progress	1,109	346
Other intangible fixed assets	417	415
Net defined benefit asset	5,268	6,288
Deferred tax assets	3,222	440
Customers' liabilities for acceptances and guarantees	4,108	3,620
Allowance for loan losses	△25,410	△22,673
Total assets	4,098,552	4,284,990
Liabilities		
Deposits	3,809,658	3,952,846
Borrowed money	2,805	2,535
Foreign exchanges	5	3
Other liabilities	25,189	25,847
Provision for bonus	667	707
Provision for directors' bonus	140	140
Net defined benefit liability	278	249
Provision for directors' retirement benefits	2,902	3,099
Provision for reimbursement of deposits	282	327
Provision for contingent loss	523	342
Deferred tax liabilities	174	3,142
Acceptances and guarantees	4,108	3,620
Total liabilities	3,846,735	3,992,862

	As of March 31, 2014	As of March 31, 2015
Net assets		
Capital stock	30,043	30,043
Capital surplus	20,278	21,013
Retained earnings	203,340	229,924
Treasury stock	△16,626	△16,110
Total shareholders' equity	237,035	264,870
Valuation difference on available-for-sale securities	10,955	21,673
Deferred gains or losses on hedges	△13	△101
Remeasurements of defined benefit plans	1,617	3,613
Total accumulated other comprehensive income	12,560	25,185
Subscription rights to shares	406	112
Minority interests	1,813	1,959
Total net assets	251,816	292,128
Total liabilities and net assets	4,098,552	4,284,990

(2) Consolidated statements of income and consolidated statements of comprehensive income

Millions of Yen

	For the year ended March 31, 2014	For the year ended March 31, 2015
Ordinary income	121,292	131,114
Interest income	100,075	109,458
Interest on loans and discounts	97,304	105,953
Interest and dividends on securities	1,973	2,535
Interest on call loans and bills bought	399	153
Interest on deposits with banks	307	712
Other interest income	90	103
Fees and commissions	12,216	12,544
Other ordinary income	4,569	5,145
Gains on sales of bonds	26	15
Gains on redemption of bonds	753	1,097
Other	3,789	4,032
Other income	4,431	3,965
Reversal of allowance for loan losses	2,619	1,592
Recoveries of written off claims	1,043	1,036
Gain on sales of stocks and other securities	53	387
Profit of entities accounted for using equity method	—	65
Other	714	883
Ordinary expenses	75,181	77,708
Interest expenses	3,438	4,039
Interest on deposits	3,386	3,948
Interest on call money and bills sold	—	0
Interest on borrowings and rediscount	27	23
Other interest expenses	23	67
Fees and commissions payments	13,103	13,667
Other ordinary expenses	3,885	3,434
Loss on sales of bonds	187	0
Loss on redemption of bonds	490	121
Other	3,207	3,312
General and administrative expenses	46,638	48,372
Other expenses	8,115	8,194
Written-off of loans	3,885	3,820
Losses on sales of stocks and other securities	19	—
Losses on devaluation of stocks and other securities	9	609
Loss of entities accounted for using equity method	27	—
Other	4,174	3,764
Ordinary profit	46,110	53,405
Extraordinary income	140	30
Gain on disposal of fixed assets	52	10
Reversal of subscription rights to shares gain	88	20
Extraordinary loss	309	1,075
Loss on disposal of fixed assets	309	1,075
Income before income taxes and minority interests	45,941	52,360
Income taxes—current	15,936	17,537
Income taxes—deferred	2,298	1,848
Total income taxes	18,234	19,385
Income before minority interests	27,707	32,975
Minority interests in income	100	83
Net income	27,607	32,891

Consolidated statements of comprehensive income

Millions of Yen

	For the year ended March 31, 2014	For the year ended March 31, 2015
Income before minority interests	27,707	32,975
Other comprehensive income		
Valuation difference on available-for-sale securities	2,896	10,779
Deferred gains or losses on hedges	1	△88
Remeasurement of defined benefit plans	—	1,996
Total other comprehensive income	2,898	12,687
Comprehensive income	30,605	45,662
(Breakdown)		
Comprehensive income attributable to owners of the parent	30,467	45,517
Comprehensive income attributable to minority interests	138	145

(3) Consolidated statements of changes in net assets

For the year ended March 31, 2014

Millions of Yen

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of current period	30,043	19,547	179,511	△17,194	211,908
Changes of items during the period					
Dividends from surplus			△3,778		△3,778
Net income			27,607		27,607
Purchase of treasury shares				△91	△91
Disposal of treasury shares		730		660	1,390
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	730	23,829	568	25,127
Balance at the end of current period	30,043	20,278	203,340	△16,626	237,035

	Accumulated other comprehensive income				Subscription rights to shares	Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of current period	8,097	△15	—	8,082	784	1,675	222,450
Changes of items during the period							
Dividends from surplus							△3,778
Net income							27,607
Purchase of treasury shares							△91
Disposal of treasury shares							1,390
Net changes of items other than shareholders' equity	2,858	1	1,617	4,477	△377	138	4,238
Total changes of items during the period	2,858	1	1,617	4,477	△377	138	29,366
Balance at the end of current period	10,955	△13	1,617	12,560	406	1,813	251,816

For the year ended March 31, 2015

Millions of Yen

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of current period	30,043	20,278	203,340	△16,626	237,035
Cumulative effects of changes in accounting policies			△2,046		△2,046
Restated balance	30,043	20,278	201,294	△16,626	234,989
Changes of items during the period					
Dividends from surplus			△4,261		△4,261
Net income			32,891		32,891
Purchase of treasury shares				△42	△42
Disposal of treasury shares		735		558	1,294
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	735	28,629	515	29,880
Balance at the end of current period	30,043	21,013	229,924	△16,110	264,870

	Accumulated other comprehensive income				Subscription rights to shares	Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of current period	10,955	△13	1,617	12,560	406	1,813	251,816
Cumulative effects of changes in accounting policies							△2,046
Restated balance	10,955	△13	1,617	12,560	406	1,813	249,770
Changes of items during the period							
Dividends from surplus							△4,261
Net income							32,891
Purchase of treasury shares							△42
Disposal of treasury shares							1,294
Net changes of items other than shareholders' equity	10,717	△88	1,996	12,625	△294	145	12,477
Total changes of items during the period	10,717	△88	1,996	12,625	△294	145	42,358
Balance at the end of current period	21,673	△101	3,613	25,185	112	1,959	292,128

(4) Consolidated statements of cash flows

Millions of Yen

	For the year ended March 31, 2014	For the year ended March 31, 2015
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	45,941	52,360
Depreciation and amortization	4,389	5,830
Amortization of goodwill	129	129
Increase (decrease) in allowance for loan losses	△4,871	△2,737
Increase (decrease) in provision for bonuses	18	39
Increase (decrease) in provision for directors' bonuses	60	—
Increase (decrease) in net defined benefit liability	△759	△999
Increase (decrease) in provision for directors' retirement benefits	201	197
Increase (decrease) in provision for reimbursement of deposits	7	45
Increase (decrease) in provision for contingent loss	△28	△181
Gain on fund management	△100,075	△109,458
Financing expenses	3,438	4,039
Loss (gain) related to securities	△127	△769
Loss (gain) on money held in trust	25	△168
Loss (gain) on disposal of fixed assets	257	1,065
Net decrease (increase) in trading account securities	△4	△68
Net decrease (increase) in loans and bills discounted	△123,821	△132,025
Net increase (decrease) in deposit	299,566	143,188
Net increase (decrease) in borrowed money (excluding subordinated borrowings)	△460	△270
Net decrease (increase) in deposit (excluding deposit paid to Bank of Japan)	910	510
Net decrease (increase) in call loans	386,769	56,193
Net decrease (increase) in foreign exchanges—assets	69	1,294
Net increase (decrease) in foreign exchanges—liabilities	△12	△1
Net decrease (increase) in lease receivables and investment assets	93	99
Proceeds from fund management	99,677	108,696
Payments for finance	△3,407	△3,493
Other, net	△4,284	△6,406
Subtotal	603,704	117,109
Income taxes paid	△14,483	△18,369
Net cash provided by (used in) operating activities	589,220	98,740
Net cash provided by (used in) investing activities		
Purchase of securities	△57,355	△77,444
Proceeds from sales of securities	32,277	33,974
Proceeds from redemption of securities	41,846	50,102
Increase in money held in trust	—	△41
Decrease in money held in trust	69	—
Purchase of tangible fixed assets	△2,965	△3,962
Proceeds from sales of tangible fixed assets	234	20
Purchase of intangible fixed assets	△9,029	△3,542
Net cash provided by (used in) investing activities	5,076	△893
Net cash provided by (used in) financing activities		
Cash dividends paid	△3,778	△4,261
Purchase of treasury stock	△91	△42
Proceeds from sales of treasury stock	1,048	1,003
Net cash provided by (used in) financing activities	△2,821	△3,301
Effect of exchange rate change on cash and cash equivalents	8	15
Net increase (decrease) in cash and cash equivalents	591,484	94,560
Cash and cash equivalents at beginning of period	105,988	697,472
Cash and cash equivalents at end of period	697,472	792,033

(5) Note for the assumption of going concern

Not applicable.

(6) Changes in accounting policies and restatement

(Application of accounting standard for retirement benefits, etc.)

Suruga Bank has adopted the main clause of Article 35 of the Accounting Standard for Retirement Benefits (ASBJ Statement No. 26, May 17, 2012, hereinafter referred to as the "Retirement Benefits Statement") and the main clause of Article 67 of the Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No.25, March 26, 2015) from the fiscal year ended March 31, 2015. Accordingly, the calculation methods of retirement benefit obligations and service cost were adapted to the benefit formula basis from the straight-line basis.

The Retirement Benefits Standard and Guidance are applied in accordance with the transitional treatment set forth in Article 37 of the Retirement Benefits Statement, and the effect of the change in the calculation methods of retirement benefit obligations and service cost are added or deducted from retained earnings at the beginning of the fiscal year ended March 31, 2015.

As a result, net defined benefit asset decreased by ¥3.158 billion, retained earnings decreased by ¥2.046 billion as of the beginning of the fiscal year ended March 31, 2015. In addition, both ordinary profit and income before income taxes and minority interests increased by ¥27 million for the fiscal year ended March 31, 2015.

3. Non-consolidated financial statements

(1) Non-consolidated balance sheets

Millions of Yen

	As of March 31, 2014	As of March 31, 2015
Assets		
Cash and due from banks	700,300	794,264
Cash	28,268	27,162
Due from banks	672,031	767,102
Call loans	183,295	127,102
Trading account securities	39	107
Trading government bonds	0	2
Trading local government bonds	38	105
Money held in trust	905	1,114
Securities	223,371	232,845
Government bonds	145,262	145,141
Local government bonds	171	220
Corporate bonds	2,538	1,712
Stocks	49,408	61,360
Other securities	25,989	24,409
Loans and bills discounted	2,880,085	3,011,310
Bills discounted	1,794	1,785
Loans on bills	38,250	32,069
Loans on deeds	2,524,543	2,631,980
Overdrafts	315,496	345,475
Foreign exchanges	3,858	2,563
Due from foreign banks (our accounts)	1,201	763
Foreign bills bought	0	0
Foreign bills receivable	2,656	1,799
Other assets	31,293	37,536
Prepaid expenses	1,799	2,950
Accrued income	8,260	9,030
Initial margins of futures markets	200	200
Derivatives other than for trading-assets	1,076	1,372
Other	19,956	23,982
Tangible fixed assets	47,575	48,613
Buildings, net	10,906	10,879
Land	24,313	24,885
Lease assets, net	725	589
Construction in progress	262	591
Other tangible fixed assets	11,367	11,667
Intangible fixed assets	28,389	28,153
Software	26,855	27,377
Lease assets	30	—
Software in progress	1,095	369
Other intangible fixed assets	408	406
Prepaid pension cost	2,772	1,467
Deferred tax assets	3,623	—
Customers' liabilities for acceptances and guarantees	4,114	4,244
Allowance for loan losses	△20,603	△17,268
Total assets	4,089,021	4,272,054

Millions of Yen

	As of March 31, 2014	As of March 31, 2015
Liabilities		
Deposits	3,816,373	3,959,197
Current deposits	66,456	57,730
Ordinary deposits	1,162,129	1,146,701
Saving deposits	19,859	19,175
Deposits at notice	92,916	110,256
Time deposits	2,280,868	2,392,384
Other deposits	194,142	232,948
Foreign exchanges	5	3
Foreign bills sold	5	3
Foreign bills payable	0	—
Other liabilities	18,857	19,915
Income taxes payable	10,582	9,918
Accrued expenses	3,572	4,419
Unearned revenue	171	134
Deposits received from employees	759	786
Lease obligations	717	590
Derivatives other than for trading—liabilities	307	788
Other	2,746	3,279
Provision for bonus	614	670
Provision for directors' bonus	140	140
Provision for retirement benefits	—	484
Provision for directors' retirement benefits	2,899	3,095
Provision for reimbursement of deposits	282	327
Provision for contingent loss	523	342
Deferred tax liabilities	—	1,181
Acceptances and guarantees	4,114	4,244
Total liabilities	3,843,810	3,989,603
Net assets		
Capital stock	30,043	30,043
Capital surplus	19,362	20,097
Legal capital surplus	18,585	18,585
Other capital surplus	776	1,511
Retained earnings	201,421	227,248
Legal retained earnings	30,043	30,043
Other retained earnings	171,378	197,205
Reserve for advanced depreciation of fixed assets	55	57
General reserve	103,032	103,032
Retained earnings brought forward	68,291	94,115
Treasury stock	△16,626	△16,110
Total shareholders' equity	234,200	261,279
Valuation difference on available-for-sale securities	10,614	21,157
Deferred gains or losses on hedges	△12	△99
Valuation and translation adjustments	10,602	21,058
Subscription rights to shares	406	112
Total net assets	245,210	282,450
Total liabilities and net assets	4,089,021	4,272,054

(2) Non-consolidated statements of income

Millions of Yen

	For the year ended March 31, 2014	For the year ended March 31, 2015
Ordinary income	113,062	121,773
Interest income	95,848	104,390
Interest on loans and discounts	93,085	100,907
Interest and dividends on securities	1,960	2,517
Interest on call loans	399	153
Interest on deposits with banks	307	712
Other interest income	95	99
Trust fees	0	0
Fees and commissions	11,382	11,714
Fees and commissions on domestic and foreign exchanges	2,444	2,440
Other fees and commissions	8,938	9,273
Other ordinary income	892	1,209
Gains on foreign exchange transactions	112	95
Gain on trading account securities transactions	—	0
Gains on sales of bonds	26	15
Gains on redemption of bonds	753	1,097
Other income	4,939	4,458
Reversal of allowance for loan losses	3,422	2,485
Recoveries of written off claims	771	747
Gain on sales of stocks and other securities	53	387
Gain on money held in trust	0	168
Other	691	669
Ordinary expenses	67,698	69,922
Interest expenses	3,411	4,022
Interest on deposits	3,387	3,949
Interest on call money	—	0
Interest on interest swaps	2	2
Other interest expenses	21	71
Fees and commissions payments	13,167	13,718
Fees and commissions on domestic and foreign exchanges	876	866
Other fees and commissions	12,290	12,852
Other ordinary expenses	678	121
Loss on trading account securities transactions	0	—
Loss on sales of bonds	187	0
Loss on redemption of bonds	490	121
General and administrative expenses	43,764	45,564
Other expenses	6,677	6,495
Written-off of loans	2,734	2,249
Losses on sales of stocks and other securities	2	—
Losses on devaluation of stocks and other securities	—	609
Loss on money held in trust	26	—
Other	3,914	3,636
Ordinary profit	45,363	51,850
Extraordinary income	121	20
Gain on disposal of fixed assets	33	—
Reversal of subscription rights to shares gain	88	20
Extraordinary loss	309	1,071
Loss on disposal of fixed assets	309	1,071
Income before income taxes	45,175	50,799
Income taxes—current	15,224	16,852
Income taxes—deferred	2,398	1,811
Total income taxes	17,622	18,664
Net income	27,553	32,135

(3) Non-consolidated statements of changes in net assets

For the year ended March 31, 2014

Millions of Yen

	Shareholders' equity				
	Capital stock	Capital surplus			Retained earnings
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings
Balance at the beginning of current period	30,043	18,585	45	18,631	30,043
Changes of items during the period					
Dividends from surplus					
Net income					
Purchase of treasury shares					
Disposal of treasury shares			730	730	
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	—	730	730	—
Balance at the end of current period	30,043	18,585	776	19,362	30,043

	Shareholders' equity					
	Retained earnings				Treasury stock	Total shareholders' equity
	Other retained earnings			Total Retained earnings		
	Reserve for advanced depreciation of fixed assets	General reserve	Retained earnings brought forward			
Balance at the beginning of current period	55	103,032	44,516	177,646	△17,194	209,127
Changes of items during the period						
Dividends from surplus			△3,778	△3,778		△3,778
Net income			27,553	27,553		27,553
Purchase of treasury shares					△91	△91
Disposal of treasury shares					660	1,390
Net changes of items other than shareholders' equity						
Total changes of items during the period	—	—	23,775	23,775	568	25,073
Balance at the end of current period	55	103,032	68,291	201,421	△16,626	234,200

	Valuation and translation adjustments			Subscription rights to shares	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments		
Balance at the beginning of current period	7,869	△13	7,856	784	217,768
Changes of items during the period					
Dividends from surplus					△3,778
Net income					27,553
Purchase of treasury shares					△91
Disposal of treasury shares					1,390
Net changes of items other than shareholders' equity	2,745	0	2,746	△377	2,368
Total changes of items during the period	2,745	0	2,746	△377	27,442
Balance at the end of current period	10,614	△12	10,602	406	245,210

For the year ended March 31, 2015

Millions of Yen

	Shareholders' equity				
	Capital stock	Capital surplus			Retained earnings
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings
Balance at the beginning of current period	30,043	18,585	776	19,362	30,043
Cumulative effects of changes in accounting policies					
Restated balance	30,043	18,585	776	19,362	30,043
Changes of items during the period					
Dividends from surplus					
Net income					
Purchase of treasury shares					
Disposal of treasury shares			735	735	
Provision of reserve for reduction entry					
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	—	735	735	—
Balance at the end of current period	30,043	18,585	1,511	20,097	30,043

	Shareholders' equity					
	Retained earnings				Treasury stock	Total shareholders' equity
	Other retained earnings			Total Retained earnings		
	Reserve for advanced depreciation of fixed assets	General reserve	Retained earnings brought forward			
Balance at the beginning of current period	55	103,032	68,291	201,421	△16,626	234,200
Cumulative effects of changes in accounting policies			△2,046	△2,046		△2,046
Restated balance	55	103,032	66,244	199,375	△16,626	232,154
Changes of items during the period						
Dividends from surplus			△4,261	△4,261		△4,261
Net income			32,135	32,135		32,135
Purchase of treasury shares					△42	△42
Disposal of treasury shares					558	1,294
Provision of reserve for reduction entry	2		△2			—
Net changes of items other than shareholders' equity						
Total changes of items during the period	2	—	27,870	27,873	515	29,124
Balance at the end of current period	57	103,032	94,115	227,248	△16,110	261,279

	Valuation and translation adjustments			Subscription rights to shares	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments		
Balance at the beginning of current period	10,614	△12	10,602	406	245,210
Cumulative effects of changes in accounting policies					△2,046
Restated balance	10,614	△12	10,602	406	243,163
Changes of items during the period					
Dividends from surplus					△4,261
Net income					32,135
Purchase of treasury shares					△42
Disposal of treasury shares					1,294
Provision of reserve for reduction entry					—
Net changes of items other than shareholders' equity	10,543	△86	10,456	△294	10,162
Total changes of items during the period	10,543	△86	10,456	△294	39,286
Balance at the end of current period	21,157	△99	21,058	112	282,450

(Reference data)

【Non-consolidated】

(1) Interest margin

All operations

(%)

		March 31, 2015		March 31, 2014
		(a)	(a) - (b)	(b)
Yield on outstanding loans	A	3.49	0.11	3.38
Yield on deposits	B	0.10	0.01	0.09
Loan - deposit margin (Yield on outstanding loans - Yield on deposits)	A - B	3.39	0.11	3.28
Loan - deposit margin (after deduction from expense ratio)		2.19	0.13	2.06
Net interest margin		1.35	0.04	1.31

Domestic operations

(%)

		March 31, 2015		March 31, 2014
		(a)	(a) - (b)	(b)
Yield on outstanding loans	A	3.51	0.11	3.40
Yield on deposits	B	0.10	0.01	0.09
Loan - deposit margin (Yield on outstanding loans - Yield on deposits)	A - B	3.41	0.11	3.30
Loan - deposit margin (after deduction from expense ratio)		2.20	0.12	2.08
Net interest margin		1.39	0.04	1.35

(2) OHR

(%)

	March 31, 2015		March 31, 2014
	(a)	(a) - (b)	(b)
OHR	45.8	△1.8	47.6

(3) The capital adequacy ratio

(%)

	As of March 31,		As of March 31,
	2015 (a)	(a) - (b)	2014 (b)
The capital adequacy ratio (Domestic standard)	11.59	0.17	11.42

(4) ROE, ROA

(%)

	March 31, 2015		March 31, 2014
	(a)	(a) - (b)	(b)
ROE	13.92	0.70	13.22
ROA	0.78	0.06	0.72

* ROE: Net income per average own capital

ROA: Net income per average total assets