



Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2018

<Under Japanese GAAP>

May 15, 2018

Company name: JAPAN POST BANK Co., Ltd. Stock exchange listing: Tokyo Stock Exchange
 Code number: 7182 Website: <https://www.jp-bank.japanpost.jp/>
 Representative: Norito Ikeda, Director, President and Representative Executive Officer
 For inquiry: Toshiharu Ono, Executive Officer, General Manager of Financial Accounting Department
 Date of Ordinary General Meeting of Shareholders: June 19, 2018 (Scheduled)
 Dividend payment date: June 20, 2018 (Scheduled)
 Securities Report issuing date: June 21, 2018 (Scheduled)
 Trading accounts: Unestablished
 Selected Financial Information for annual financial statements: Available
 Investor meeting presentation: Scheduled (for investors and analysts)

(Figures are rounded down)

1. Consolidated financial results for the fiscal year ended March 31, 2018

(1) Consolidated operating results

(Millions of yen, except for per share data and percentages)

	Ordinary income		Net ordinary income		Net income attributable to owners of parent	
FY2018	¥2,044,940	—%	¥499,654	—%	¥352,775	—%
FY2017	—	—	—	—	—	—

Note: Comprehensive Income (loss) was ¥ (80,426) million for the fiscal year ended March 31, 2018.

	Net income per share	Diluted net income per share	Net income to net assets attributable to shareholders	Net ordinary income to total assets	Net ordinary income to ordinary income
FY2018	¥94.09	¥—	3.0%	0.2%	24.4%
FY2017	—	—	—	—	—

Reference: Gains (losses) from investments in affiliates, which were accounted for using the equity method, were ¥95 million for the fiscal year ended March 31, 2018.

Notes: 1. Diluted net income per share is not presented since there has been no potential dilution for the fiscal year ended March 31, 2018 and 2017.

2. Since JAPAN POST BANK Co., Ltd. (the "Bank") prepares its consolidated financial statements from the fiscal year ended March 31, 2018, consolidated amount for the fiscal year ended March 31, 2017 and percentages of increase (decrease) from the previous fiscal year of ordinary income, net ordinary income, and net income attributable to owners of parent were not disclosed. As for net income to net assets attributable to shareholders and net ordinary income to assets, they were calculated based on ending balance of net assets attributable to shareholders and total assets respectively.

(2) Consolidated financial conditions

(Millions of yen, except for per share data and percentages)

	Total assets	Total net assets	Net assets attributable to shareholders to total assets	Total net assets per share
FY2018	¥210,629,821	¥11,521,680	5.4%	¥3,073.20
FY2017	—	—	—	—

Reference: Net assets attributable to shareholders were ¥11,521,216 million as of March 31, 2018.

Notes: 1. Net assets attributable to shareholders to total assets were calculated as follows:

$[(\text{Total net assets} - \text{Non-controlling interests}) / \text{Total assets}] \times 100$

Net assets attributable to shareholders to total assets above is not based on Capital adequacy notification.

2. Since the Bank prepares its consolidated financial statements from the fiscal year ended March 31, 2018, consolidated amount for the fiscal year ended March 31, 2017 were not disclosed.

(3) Consolidated cash flows

(Millions of yen)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the fiscal year
FY2018	¥(130,411)	¥(1,676,182)	¥(187,324)	¥49,223,314
FY2017	—	—	—	—

Note: Since the Bank prepares its consolidated financial statements from the fiscal year ended March 31, 2018, consolidated amount for the fiscal year ended March 31, 2017 were not disclosed.

2. Dividends

(Millions of yen, except for per share data and percentages)

	Dividends per share					Total dividend payment	Dividend payout ratio (Consolidated)	Dividends to net assets (Consolidated)
	As of June 30	As of September 30	As of December 31	As of March 31	Total			
FY2017	¥—	¥25.00	¥—	¥25.00	¥50.00	¥187,473	—%	—%
FY2018	—	25.00	—	25.00	50.00	187,473	53.1	1.6
FY2019 (forecast)	—	25.00	—	25.00	50.00		72.0	

Note: Since the Bank prepares its consolidated financial statements from the fiscal year ended March 31, 2018, consolidated dividend payout ratio and consolidated dividends to net assets for the fiscal year ended March 31, 2017 were not disclosed. As for consolidated dividends to net assets, it was calculated based on ending balance of total net assets per share.

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2019

(Millions of yen, except for per share data and percentages)

	Net ordinary income	Net income attributable to owners of parent	Net income per share
FY2019	¥370,000 (25.9)%	¥260,000 (26.2)%	¥69.35

Note: Percentages shown in net ordinary income and net income attributable to owners of parent are the increase (decrease) from the previous fiscal year.

* Notes

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying change in scope of consolidation): No
- (2) Changes in accounting policies, changes in accounting estimates and restatements
 - i) Changes in accounting policies due to revision of accounting standards: No
 - ii) Changes in accounting policies due to reasons other than i): No
 - iii) Changes in accounting estimates: No
 - iv) Restatements: No

(3) Shares outstanding (common stock)

i) Year-end issued shares (including treasury stock):	As of March 31, 2018	4,500,000,000 shares	As of March 31, 2017	4,500,000,000 shares
ii) Year-end treasury stock:	As of March 31, 2018	751,069,350 shares	As of March 31, 2017	750,848,850 shares
iii) Average number of outstanding shares:	FY2018	3,748,952,876 shares	FY2017	3,749,190,644 shares

Note: The year-end treasury stock includes the Bank's shares held by stock benefit trust (544,400 shares as of March 31, 2018 and 323,900 shares as of March 31, 2017). The treasury stock deducted to calculate the average number of outstanding shares includes the Bank's shares held by stock benefit trust (522,174 shares for FY2018 and 284,387 shares for FY2017).

(Reference) Summary of Non-Consolidated Financial Results

1. Non-consolidated financial results for the fiscal year ended March 31, 2018

(1) Non-consolidated operating results

(Millions of yen, except for per share data and percentages)

	Ordinary income		Net ordinary income		Net income	
FY2018	¥2,044,845	7.7 %	¥499,669	13.0 %	¥352,745	12.9 %
FY2017	1,897,281	(3.6)	442,085	(8.2)	312,264	(3.9)

	Net income per share	Diluted net income per share
FY2018	¥94.09	¥—
FY2017	83.28	—

Notes: 1. Diluted net income per share is not presented since there has been no potential dilution for the fiscal year ended March 31, 2018 and 2017.

2. Percentages shown in ordinary income, net ordinary income and net income are the increase (decrease) from the previous fiscal year.

(2) Non-consolidated financial conditions

(Millions of yen, except for per share data and percentages)

	Total assets (A)	Total net assets (B)	(B) / (A)	Total net assets per share
FY2018	¥210,630,601	¥11,513,151	5.4%	¥3,071.04
FY2017	209,568,820	11,780,037	5.6	3,142.05

Reference: Net assets attributable to shareholders were ¥11,513,151 million as of March 31, 2018 and ¥11,780,037 million as of March 31, 2017.

(Note on audit procedures)

This “Summary of Financial Results” is not subject to the audit procedure by a certified public accountant or an audit corporation.

(Forward-looking statements and other matters)

This “Summary of Financial Results” contains forward-looking statements including forecasts, targets and plans of the Bank and its consolidated subsidiaries (the “Group”). These statements are based on estimates at the time in light of the information currently available to the Bank. The statements and assumptions may prove to be incorrect and may not be realized in the future.

Any uncertainties, risks and other factors that may cause such a situation to arise include, but are not limited to, risks related to the effectiveness of risk management policies and procedures; risks related to business strategy and management planning such as market risk, market liquidity risk, credit risk and operational risk; risks related to the expansion of the scope of operations; risks related to the business environment; and other various risks. Please also see the Securities Report and the latest quarterly financial report for material facts that the Bank recognizes as potentially affecting the Group’s actual results, performance or financial position. The Group’s actual results, performance or financial position may be materially different from those expressed or implied by such forward-looking statements.

The statements in this document are current as of the date of the document or the date otherwise specified, and the Bank has no obligation or intent to keep this information up to date.

The information concerning companies or parties other than the Group and the Japan Post Group is based on publicly available and other information as cited, and the Bank has neither independently verified the accuracy and appropriateness of, nor makes any warranties with respect to, such information. The information of the document may be revised without prior notice.

[Attachment]

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1. Overview of Financial Results

(1) Overview of Consolidated results of operations and financial conditions for the fiscal year ended March 31, 2018

(Operating results)

Ordinary income was ¥2,044.9 billion, interest income was ¥1,502.7 billion mainly due to a decrease in interest on Japanese government bonds, fees and commissions were ¥130.0 billion and other operating income was ¥211.6 billion due to an increase in gains on foreign exchanges, etc.

Meanwhile, ordinary expenses were ¥1,545.2 billion, interest expenses were ¥331.7 billion, and general and administrative expenses were ¥1,042.9 billion.

Taking into account of the above, in the adverse business environment with yen interest rates remained at a low level, net ordinary income was ¥499.6 billion, and net income attributable to owners of parent was ¥352.7 billion.

(Financial conditions)

Total assets as of March 31, 2018 were ¥210,629.8 billion. Securities were ¥139,200.4 billion, loans were ¥6,145.5 billion, and deposits were ¥179,881.3 billion. The portion of deposits received from the Management Organization for Postal Savings and Postal Life Insurance (corresponding to postal savings for TEIGAKU savings and others that were passed on to the organization by Japan Post Corporation as of September 30, 2007) included in special deposits totaled ¥1,970.1 billion.

Shareholder's equity was ¥8,894.7 billion, total accumulated other comprehensive income was ¥2,626.4 billion and net assets totaled ¥11,521.6 billion. Retained earnings, included in shareholders' equity, were ¥2,399.1 billion.

As for cash flows, cash flows from operating activities were ¥(130.4) billion, cash flows from investing activities were ¥(1,676.1) billion, and cash flows from financing activities were ¥(187.3) billion. As a result, cash and cash equivalents were ¥49,223.3 billion as of March 31, 2018.

(2) Earnings forecasts for the fiscal year ending March 31, 2019

As for earnings forecasts for the fiscal year ending March 31, 2019, net ordinary income and net income attributable to owners of parent are expected to amount to ¥370.0 billion and ¥260.0 billion, respectively. In the adverse business environment with persistent extremely low yen interest rates, etc., the Bank expects to ensure stable profits by provision of high-quality customer-oriented financial services, and further diversification and sophistication of Investment Management, etc.

(3) Basic policy concerning profit distribution and dividends for the fiscal year ended March 31, 2018 and the fiscal year ending March 31, 2019

Providing returns to our shareholders is one of our most important management goals. Our basic dividend policy is to provide stable dividends to shareholders while maintaining sufficient retained earnings for sound operations in light of the public nature of the banking business.

Specifically, through the fiscal year ended March 31, 2018, we aimed to pay a stable per-share dividend by maintaining a dividend payout ratio of approximately 50% or more of our net income for the relevant fiscal year.

Going forward, we aim to pay a stable per-share dividend ensuring an annual dividend of ¥50 per share through the end of the fiscal year ending March 31, 2021. We shall also consider additional shareholder return, while taking into account developments on regulations, earnings growth and accumulation of retained earnings, etc.

We plan to use retained earnings to continue improving shareholder value and further strengthen our financial condition.

Our general policy is to declare both annual dividends and interim dividends from our retained earnings.

Under these policies, we declared dividends per share of ¥50 for the fiscal year ended March 31, 2018

(interim dividends of ¥25, dividend payout ratio of 53.1%).

For the fiscal year ending March 31, 2019, we intend to pay an annual dividend per share of common stock of ¥50 (interim dividends of ¥25).

2. Basic Approach to the Selection of Accounting Standards

The Bank prepares its consolidated financial statements based on Japanese GAAP. The Bank discloses its consolidated financial statements in accordance with the “Ordinance for the Enforcement of the Banking Act” (Ordinance of Ministry of Finance No.10 of 1982).

3. Consolidated Financial Statements

(1) Consolidated balance sheets

	(Millions of yen) As of March 31, 2018
Assets	
Cash and due from banks	49,288,314
Call loans	480,000
Receivables under securities borrowing transactions	8,224,153
Monetary claims bought	278,566
Trading account securities	32
Money held in trust	4,241,524
Securities	139,200,459
Loans	6,145,537
Foreign exchanges	87,487
Other assets	2,442,327
Tangible fixed assets	190,104
Buildings	67,270
Land	67,628
Construction in progress	9,410
Other	45,796
Intangible fixed assets	52,382
Software	35,774
Other	16,608
Reserve for possible loan losses	(1,066)
Total assets	210,629,821

(Millions of yen)

**As of March 31,
2018**

Liabilities	
Deposits	179,881,329
Payables under repurchase agreements	1,985,285
Payables under securities lending transactions	13,812,123
Commercial paper	191,481
Borrowed money	2,400
Foreign exchanges	309
Other liabilities	1,950,360
Reserve for bonuses	7,907
Liability for retirement benefits	135,655
Reserve for employee stock ownership plan trust	809
Reserve for management board benefit trust	144
Reserve for reimbursement of deposits	86,114
Deferred tax liabilities	1,054,220
Total liabilities	199,108,141
Net Assets	
Capital stock	3,500,000
Capital surplus	4,296,285
Retained earnings	2,399,162
Treasury stock	(1,300,717)
Total shareholders' equity	8,894,730
Net unrealized gains (losses) on available-for-sale securities	2,615,432
Net deferred gains (losses) on hedges	3,119
Accumulated adjustments for retirement benefits	7,934
Total accumulated other comprehensive income	2,626,485
Non-controlling interests	463
Total net assets	11,521,680
Total liabilities and net assets	210,629,821

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

Consolidated statements of income

(Millions of yen)

	FY2018
Ordinary income	2,044,940
Interest income	1,502,747
Interest on loans	14,019
Interest and dividends on securities	1,460,377
Interest on call loans	624
Interest on receivables under securities borrowing transactions	1,417
Interest on deposits with banks	24,094
Other interest income	2,214
Fees and commissions	130,041
Other operating income	211,627
Other ordinary income	200,523
Recoveries of written-off claims	21
Other	200,501
Ordinary expenses	1,545,286
Interest expenses	331,781
Interest on deposits	145,129
Interest on call money	124
Interest on payables under repurchase agreements	17,027
Interest on payables under securities lending transactions	55,272
Interest on commercial paper	3,791
Other interest expenses	110,436
Fees and commissions	33,593
Other operating expenses	21,400
General and administrative expenses	1,042,970
Other ordinary expenses	115,540
Provision for reserve for possible loan losses	19
Other	115,520
Net ordinary income	499,654
Extraordinary loss	731
Losses on sales and disposals of fixed assets	713
Losses on impairment of fixed assets	17
Income before income taxes	498,922
Income taxes	
Current	174,218
Deferred	(28,025)
Total income taxes	146,192
Net income	352,730
Net loss attributable to non-controlling interests	(45)
Net income attributable to owners of parent	352,775

Consolidated statements of comprehensive income

(Millions of yen)

	FY2018
Net income	352,730
Other comprehensive income (loss)	(433,157)
Net unrealized gains (losses) on available-for-sale securities	(551,548)
Net deferred gains (losses) on hedges	119,696
Adjustments for retirement benefits	(1,305)
Share of other comprehensive income (loss) of affiliates accounted for by the equity method	(0)
Comprehensive income (loss)	(80,426)
Total comprehensive income (loss) attributable to:	
Owners of parent	(80,381)
Non-controlling interests	(45)

(3) Consolidated statements of changes in net assets

For the fiscal year ended March 31, 2018

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the fiscal year	3,500,000	4,296,285	2,233,759	(1,300,411)	8,729,634
Changes during the fiscal year					
Cash dividends			(187,473)		(187,473)
Net income attributable to owners of parent			352,775		352,775
Repurchase of treasury stock				(449)	(449)
Disposal of treasury stock				143	143
Increase due to adoption of equity method to affiliated company			100		100
Net changes in items other than shareholders' equity					
Total changes during the fiscal year	—	—	165,402	(306)	165,096
Balance at the end of the fiscal year	3,500,000	4,296,285	2,399,162	(1,300,717)	8,894,730

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges	Accumulated adjustments for retirement benefits	Total accumulated other comprehensive income		
Balance at the beginning of the fiscal year	3,166,980	(116,577)	9,239	3,059,643	—	11,789,277
Changes during the fiscal year						
Cash dividends						(187,473)
Net income attributable to owners of parent						352,775
Repurchase of treasury stock						(449)
Disposal of treasury stock						143
Increase due to adoption of equity method to affiliated company						100
Net changes in items other than shareholders' equity	(551,548)	119,696	(1,305)	(433,157)	463	(432,693)
Total changes during the fiscal year	(551,548)	119,696	(1,305)	(433,157)	463	(267,597)
Balance at the end of the fiscal year	2,615,432	3,119	7,934	2,626,485	463	11,521,680

(4) Consolidated statements of cash flows

(Millions of yen)

	FY2018
Cash flows from operating activities	
Income before income taxes	498,922
Depreciation and amortization	37,447
Losses on impairment of fixed assets	17
Equity in losses (gains) of Affiliates	(95)
Net change in reserve for possible loan losses	(30)
Net change in reserve for bonuses	1,899
Net change in liability for retirement benefits	175
Net change in reserve for employee stock ownership plan trust	809
Net change in reserve for management board benefit trust	100
Net change in reserve for reimbursement of deposits	84,018
Interest income	(1,502,747)
Interest expenses	331,781
Losses (gains) related to securities – net	27,739
Losses (gains) on money held in trust – net	(50,933)
Foreign exchange losses (gains) – net	14,749
Losses (gains) on sales and disposals of fixed assets – net	713
Net change in loans	(2,083,094)
Net change in deposits	446,642
Net change in borrowed money	2,400
Net change in call loans, etc.	(36,222)
Net change in receivables under securities borrowing transactions	494,752
Net change in call money, etc.	978,911
Net change in commercial paper	151,156
Net change in payables under securities lending transactions	117,829
Net change in foreign exchange assets	(8,840)
Net change in foreign exchange liabilities	(97)
Interest received	1,556,245
Interest paid	(823,888)
Other – net	(236,254)
Subtotal	4,111
Income taxes paid	(134,523)
Net cash provided by operating activities	(130,411)
Cash flows from investing activities	
Purchases of securities	(24,312,822)
Proceeds from sales of securities	3,160,077
Proceeds from maturity of securities	19,717,691
Investment in money held in trust	(231,063)
Proceeds from disposition of money held in trust	48,158
Purchases of tangible fixed assets	(34,446)
Purchases of intangible fixed assets	(24,200)
Other – net	423
Net cash provided by investing activities	(1,676,182)
Cash flows from financing activities	
Repurchase of treasury stock	(449)
Proceeds from disposal of treasury stock	25
Proceeds from investments by non-controlling shareholders	508
Cash dividends paid	(187,409)
Net cash used in financing activities	(187,324)
Effect of exchange rate changes on cash and cash equivalents	311
Net change in cash and cash equivalents	(1,993,607)
Cash and cash equivalents at the beginning of the fiscal year	51,216,921
Cash and cash equivalents at the end of the fiscal year	49,223,314

(5) Notes to consolidated financial statements**Notes on going-concern assumption**

None

Segment information

Segment information is omitted since the Group comprises of only one segment, which is defined as banking service.

Per share data

Net assets per share as of March 31, 2018 and net income per share for the fiscal year then ended were as follows:

	(Yen)
Net assets per share	3,073.20
Net income per share	94.09

Notes: 1. Diluted net income per share is not presented since there has been no potential dilution for the fiscal year ended March 31, 2018.

2. Net assets per share as of March 31, 2018 were calculated based on the following:

	(Millions of yen)
Net assets	11,521,680
Amount deducted from net assets	463
Non-controlling interests	463
Net assets attributable to common stock at the end of the fiscal year	11,521,216
Number of common stock at the end of the fiscal year used for the calculation of net assets per share (thousand shares)	3,748,930

3. Net income per share data for the fiscal year ended March 31, 2018 was calculated based on the following:

	(Millions of yen)
Net income attributable to owners of parent	352,775
Amount not attributable to common shareholders	-
Net income attributable to owners of parent attributable to common stock	352,775
Average number of common stock outstanding during the fiscal year (thousand shares)	3,748,952

4. To calculate net assets per share, the treasury stock deducted from the number of common stock outstanding as of March 31, 2018 included 544 thousand shares of treasury stock held by the stock benefit trust.

To calculate net income per share, the treasury stock deducted to calculate the average number of outstanding shares for the fiscal year ended March 31, 2018 included 522 thousand shares of treasury stock held by the stock benefit trust.

Significant subsequent event

None

4. Non-Consolidated Financial Statements

(1) Non-consolidated balance sheets

	As of March 31, 2017	(Millions of yen) As of March 31, 2018
Assets		
Cash and due from banks	51,281,921	49,288,314
Cash	161,372	189,868
Due from banks	51,120,549	49,098,445
Call loans	470,000	480,000
Receivables under securities borrowing transactions	8,718,905	8,224,153
Monetary claims bought	252,214	278,566
Trading account securities	9	32
Trading Japanese government bonds	9	32
Money held in trust	3,817,908	4,241,524
Securities	138,792,448	139,201,254
Japanese government bonds	68,804,989	62,749,725
Japanese local government bonds	6,082,225	6,405,190
Commercial paper	233,998	229,998
Japanese corporate bonds	10,752,831	10,486,327
Japanese stocks	1,390	31,167
Other securities	52,917,013	59,298,846
Loans	4,064,120	6,145,537
Loans on deeds	3,866,110	5,972,878
Overdrafts	198,009	172,658
Foreign exchanges	78,646	87,487
Due from foreign banks	78,646	87,487
Other assets	1,871,733	2,442,328
Domestic exchange settlement accounts-debit	15,379	8,603
Prepaid expenses	2,890	2,319
Accrued income	240,448	222,555
Margins for future transactions	124,102	139,092
Variation margins for future transactions	56	—
Derivatives other than trading	324,889	438,152
Cash collateral paid for financial instruments	38,062	38,953
Other	1,125,903	1,592,651
Tangible fixed assets	175,825	190,098
Buildings	70,556	67,270
Land	59,034	67,628
Construction in progress	7,717	9,410
Other	38,516	45,789
Intangible fixed assets	46,183	52,372
Software	27,472	35,764
Other	18,711	16,608
Reserve for possible loan losses	(1,096)	(1,066)
Total assets	209,568,820	210,630,601

(Millions of yen)

	As of March 31, 2017	As of March 31, 2018
Liabilities		
Deposits	179,434,686	179,882,759
Transfer deposits	13,052,115	14,437,576
Ordinary deposits	52,100,533	56,961,382
Savings deposits	391,963	396,265
Time deposits	10,065,156	8,696,122
Special deposits	11,133,397	1,970,182
TEIGAKU deposits	92,532,491	97,293,213
Other deposits	159,029	128,017
Call money	45,436	—
Payables under repurchase agreements	960,937	1,985,285
Payables under securities lending transactions	13,694,294	13,812,123
Commercial paper	40,324	191,481
Borrowed money	—	2,400
Borrowings	—	2,400
Foreign exchanges	407	309
Foreign bills payable	407	309
Other liabilities	2,185,197	1,950,331
Domestic exchange settlement accounts-credit	22,820	15,757
Income taxes payable	30,817	70,108
Accrued expenses	1,425,895	938,741
Unearned income	57	60
Variation margins for future transactions	44	141
Derivatives other than trading	540,016	452,620
Cash collateral received for financial instruments	30,415	227,686
Asset retirement obligations	415	416
Other	134,714	244,799
Reserve for bonuses	6,007	7,879
Reserve for employees' retirement benefits	148,800	147,095
Reserve for employee stock ownership plan trust	—	809
Reserve for management board benefit trust	43	144
Reserve for reimbursement of deposits	2,096	86,114
Deferred tax liabilities	1,270,550	1,050,715
Total liabilities	197,788,782	199,117,450
Net Assets		
Capital stock	3,500,000	3,500,000
Capital surplus	4,296,285	4,296,285
Legal capital surplus	4,296,285	4,296,285
Retained earnings	2,233,759	2,399,031
Other retained earnings	2,233,759	2,399,031
Retained earnings brought forward	2,233,759	2,399,031
Treasury stock	(1,300,411)	(1,300,717)
Total shareholders' equity	8,729,634	8,894,599
Net unrealized gains (losses) on available-for-sale securities	3,166,980	2,615,432
Net deferred gains (losses) on hedges	(116,577)	3,119
Total valuation and translation adjustments	3,050,403	2,618,551
Total net assets	11,780,037	11,513,151
Total liabilities and net assets	209,568,820	210,630,601

(2) Non-consolidated statements of income

(Millions of yen)

	FY2017	FY2018
Ordinary income	1,897,281	2,044,845
Interest income	1,567,512	1,502,747
Interest on loans	17,748	14,019
Interest and dividends on securities	1,522,075	1,460,377
Interest on call loans	636	624
Interest on receivables under securities borrowing transactions	1,471	1,417
Interest on deposits with banks	23,974	24,094
Other interest income	1,607	2,214
Fees and commissions	119,465	130,041
Fees and commissions on domestic and foreign exchanges	60,991	61,289
Other fees and commissions	58,474	68,752
Other operating income	114,371	211,627
Gains on foreign exchanges	99,395	194,930
Gains on sales of bonds	11,826	14,926
Income from derivatives other than for trading or hedging	3,149	1,771
Other ordinary income	95,931	200,427
Recoveries of written-off claims	34	21
Gains on sales of stocks and other securities	88	469
Gains on money held in trust	83,049	51,882
Other	12,758	148,053
Ordinary expenses	1,455,195	1,545,176
Interest expenses	348,746	331,781
Interest on deposits	200,373	145,129
Interest on call money	566	124
Interest on payables under repurchase agreements	6,620	17,027
Interest on payables under securities lending transactions	41,542	55,272
Interest on commercial paper	54	3,791
Interest on borrowings	0	—
Interest on interest rate swaps	97,547	107,907
Other interest expenses	2,042	2,529
Fees and commissions	32,845	33,593
Fees and commissions on domestic and foreign exchanges	3,814	4,098
Other fees and commissions	29,031	29,494
Other operating expenses	14,280	21,400
Losses on sales of bonds	14,280	21,400
General and administrative expenses	1,054,053	1,042,860
Other ordinary expenses	5,269	115,540
Provision for reserve for possible loan losses	91	19
Losses on sales of stocks and other securities	—	21,735
Losses on money held in trust	118	949
Other	5,059	92,835
Net ordinary income	442,085	499,669

	(Millions of yen)	
	FY2017	FY2018
Extraordinary loss	1,488	731
Losses on sales and disposals of fixed assets	529	713
Losses on impairment of fixed assets	958	17
Income before income taxes	440,596	498,937
Income taxes		
Current	133,287	174,218
Deferred	(4,954)	(28,025)
Total income taxes	128,332	146,192
Net income	312,264	352,745

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

For the fiscal year ended March 31, 2017

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus			Retained earnings
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward
Balance at the beginning of the fiscal year	3,500,000	4,296,285	—	4,296,285	2,108,969
Changes during the fiscal year					
Cash dividends					(187,473)
Net income					312,264
Repurchase of treasury stock					
Disposal of treasury stock			(0)	(0)	
Transfer of loss on disposal of treasury stock			0	0	(0)
Net changes in items other than shareholders' equity					
Total changes during the fiscal year	—	—	—	—	124,790
Balance at the end of the fiscal year	3,500,000	4,296,285	—	4,296,285	2,233,759

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury stock	Total shareholders' equity	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges	Total valuation and translation adjustments	
Balance at the beginning of the fiscal year	(1,299,999)	8,605,256	3,322,827	(419,932)	2,902,894	11,508,150
Changes during the fiscal year						
Cash dividends		(187,473)				(187,473)
Net income		312,264				312,264
Repurchase of treasury stock	(418)	(418)				(418)
Disposal of treasury stock	6	6				6
Transfer of loss on disposal of treasury stock		—				—
Net changes in items other than shareholders' equity			(155,846)	303,355	147,508	147,508
Total changes during the fiscal year	(411)	124,378	(155,846)	303,355	147,508	271,887
Balance at the end of the fiscal year	(1,300,411)	8,729,634	3,166,980	(116,577)	3,050,403	11,780,037

For the fiscal year ended March 31, 2018

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus			Retained earnings
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward
Balance at the beginning of the fiscal year	3,500,000	4,296,285	—	4,296,285	2,233,759
Changes during the fiscal year					
Cash dividends					(187,473)
Net income					352,745
Repurchase of treasury stock					
Disposal of treasury stock					
Transfer of loss on disposal of treasury stock					
Net changes in items other than shareholders' equity					
Total changes during the fiscal year	—	—	—	—	165,271
Balance at the end of the fiscal year	3,500,000	4,296,285	—	4,296,285	2,399,031

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury stock	Total shareholders' equity	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges	Total valuation and translation adjustments	
Balance at the beginning of the fiscal year	(1,300,411)	8,729,634	3,166,980	(116,577)	3,050,403	11,780,037
Changes during the fiscal year						
Cash dividends		(187,473)				(187,473)
Net income		352,745				352,745
Repurchase of treasury stock	(449)	(449)				(449)
Disposal of treasury stock	143	143				143
Transfer of loss on disposal of treasury stock		—				—
Net changes in items other than shareholders' equity			(551,548)	119,696	(431,851)	(431,851)
Total changes during the fiscal year	(306)	164,965	(551,548)	119,696	(431,851)	(266,886)
Balance at the end of the fiscal year	(1,300,717)	8,894,599	2,615,432	3,119	2,618,551	11,513,151