



# Financial Results for the First Half of FY2015

December 3, 2015 (Thursday)

Ashikaga Holdings Co., Ltd.

The Ashikaga Bank, Ltd.

## I Summary of Results and Projections

➤ Highlights in FY15-1H	3
➤ Summary of results	4
➤ Top-line	6
➤ Core gross business profit / Factor analysis	7
➤ Loans and deposits (average balance /average yield)	9
➤ Expenses / Core net business income	10
➤ Ordinary profit / Net income	11
➤ Loans / Deposits (term-end balance)	12
➤ Individual financial assets (term-end balance)	14
➤ Securities	15
➤ Non-performing loans / Credit related costs	16
➤ Capital adequacy ratio	17
➤ Revised forecast for FY2015	18

➤ Shareholder return and related indicators	19
---	----

## II Management Strategies

➤ Outline of medium-term management plan	21
➤ Initiative at the Corporate Customer (1) (2)	22
➤ Initiative at the Individual Customer (1) (2)	24
➤ The 120-year anniversary events	26

## III Concerning the Business Integration

28

## IV Reference Materials

➤ Company profile, etc.	36
➤ Overall economic conditions in Tochigi	40
➤ Major statistics, etc.	43

# I Summary of Results and Projections

Financial Results for FY15-1H and  
Revised Forecast for FY2015

## **(1) Net interest income increased for 3 consecutive fiscal year**

- Strong growth of loans to individuals and SME's
- Yield improvement through diversified investment securities portfolio and gain on cancellation of investment trust

## **(2) Fees & commissions remained strong growth**

- Sales of assets under custody increased steadily, mainly on investment trusts and insurance.
- Total fees & commissions exceeded FY14-1H that hit a record high

## **(3) Core net business income expected to be 35 billion yen for FY2015**

- Core net business income increased for 4 consecutive fiscal year. Achievement of core net business income target “ 30 billion yen” in medium-term management plan is expected for two consecutive periods
- Core OHR improvement to 54.1%

## **(4) Upward revision of earnings forecasts**

- Net income increased due to selling a part of investment securities, as well as core net business profit increasing
- Revised upward earnings forecast in view of recent good performance, exceeding our initial plan.

# Summary of results (1) HD

- ◆ Ordinary income, ordinary profit and net income attributable to owners of the parent of HD (consolidated) exceeded the previous year and our earnings forecast.

## <<Ashikaga Holdings Co., Ltd. (Consolidated basis)>>

(JPY Bn)	1H FY2013	1H FY2014 (1)	1H FY2015 (2)	YoY (2)-(1)	1H FY2015 Initial forecast (3)	Compared with forecast (2)-(3)
Ordinary income	56.5	49.3	54.9	+ 5.5	48.0	+ 6.9
Consolidated gross profit	42.4	42.4	45.5	+ 3.0	42.4	+ 3.1
General and administrative expenses	29.0	28.7	27.9	- 0.7	27.9	-
Credit related costs	3.1	2.0	2.3	+ 0.3	1.5	+ 0.8
Gains (losses) on stocks	5.9	- 0.0	2.2	+ 2.3	-	+ 2.2
Ordinary profit	16.2	12.5	17.4	+ 4.9	12.5	+ 4.9
Income taxes-current	1.0	6.4	3.3	- 3.0	2.6	+ 0.7
Income taxes-deferred	- 3.6	- 1.6	2.9	+ 4.6	2.6	+ 0.3
Net Income attributable to owners of the parent	18.5	7.7	11.0	+ 3.2	7.0	+ 4.0
(Reference)						
Net income excluding amortization of goodwill	21.6	10.8	14.1			

# Summary of results (2) BK

- ◆ Ordinary profit and net income BK (non-consolidated) exceeded the previous year and our earnings forecasts, due to increase in core net business income (including the effect of increase in core gross business profit and decrease in expense), decrease in credit related costs and increase in gains of sales of stocks.

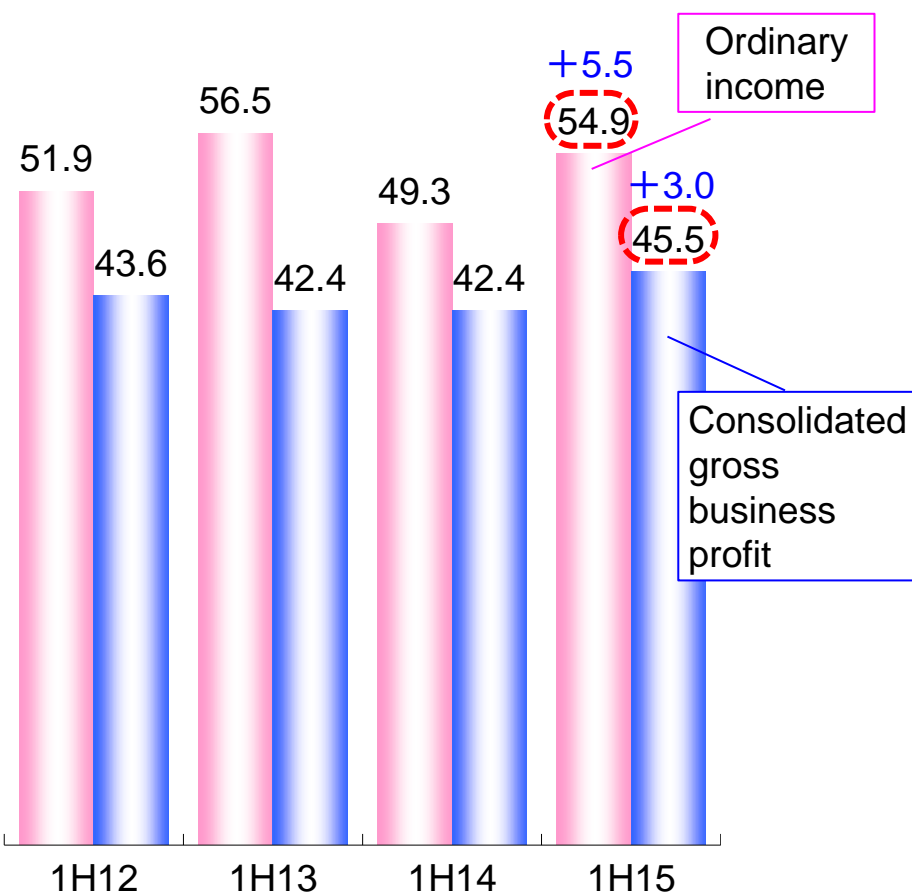
## <<The Ashikaga Bank, Ltd. (Non-Consolidated basis)>>

	(JPY Bn)	1H	1H	1H	YoY	1H	Compared
		FY2013	FY2014	FY2015	(2)-(1)	FY2015 Initial forecast	with forecast
			(1)	(2)	(2)-(1)	(3)	(2)-(3)
Core gross business profit		39.6	40.4	43.7	+ 3.2	40.5	+ 3.2
Gross business profit		41.0	40.9	44.4	+ 3.4	41.1	+ 3.3
Net interest income		32.3	33.0	36.1	+ 3.1	33.5	+ 2.6
Net fees and commissions		7.0	7.2	7.4	+ 0.2	6.8	+ 0.6
Net other business income		1.6	0.7	0.8	+ 0.1	0.8	-
Gains (losses) on bonds		1.3	0.4	0.7	+ 0.2	0.5	+ 0.2
Expenses		24.7	24.4	23.6	- 0.7	24.0	- 0.4
Personnel expenses		12.8	13.0	12.7	- 0.2	12.6	+ 0.1
Non-personnel expenses		10.3	9.8	9.3	- 0.5	9.4	- 0.1
Net business income (before general allowance for loan losses)		16.2	16.5	20.7	+ 4.1	17.3	+ 3.4
Core net business income		14.8	16.0	20.0	+ 3.9	16.5	+ 3.5
Credit related costs		2.9	1.4	-1.4	- 2.8	0.9	- 2.3
Gains (losses) on stocks		6.4	-0.0	2.4	+ 2.5	-	+ 2.4
Ordinary profit		19.5	15.6	24.3	+ 8.7	16.0	+ 8.3
Income taxes-current		0.8	6.2	6.2	- 0.0	4.8	+ 1.4
Income taxes-deferred		-3.9	-1.9	1.0	+ 3.0	0.6	+ 0.4
Net Income		22.3	11.3	17.0	+ 5.6	10.5	+ 6.5

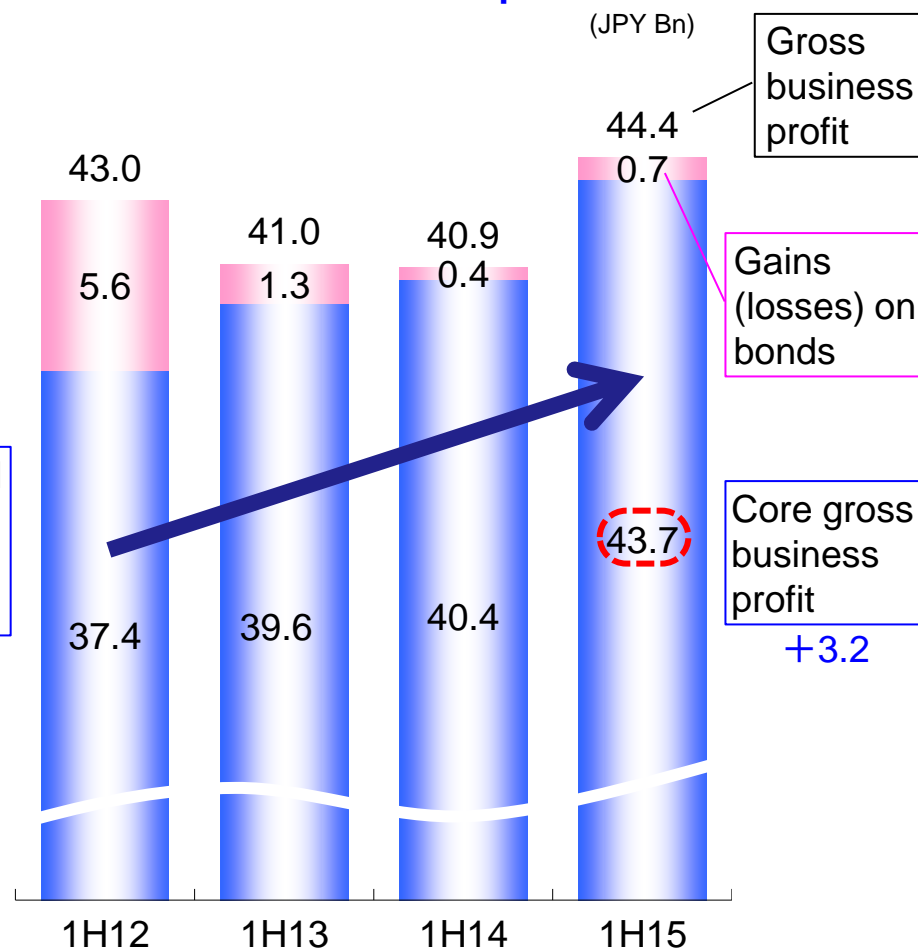
# Top-line

- ◆ Both ordinary income and consolidated gross business profit of HD turned to increase in FY15-1H.
- ◆ Core gross business profit of BK (non-consolidated) increased for 3 consecutive year.

**【HD】<<Ordinary income / Consolidated gross business profit>>** (JPY Bn)



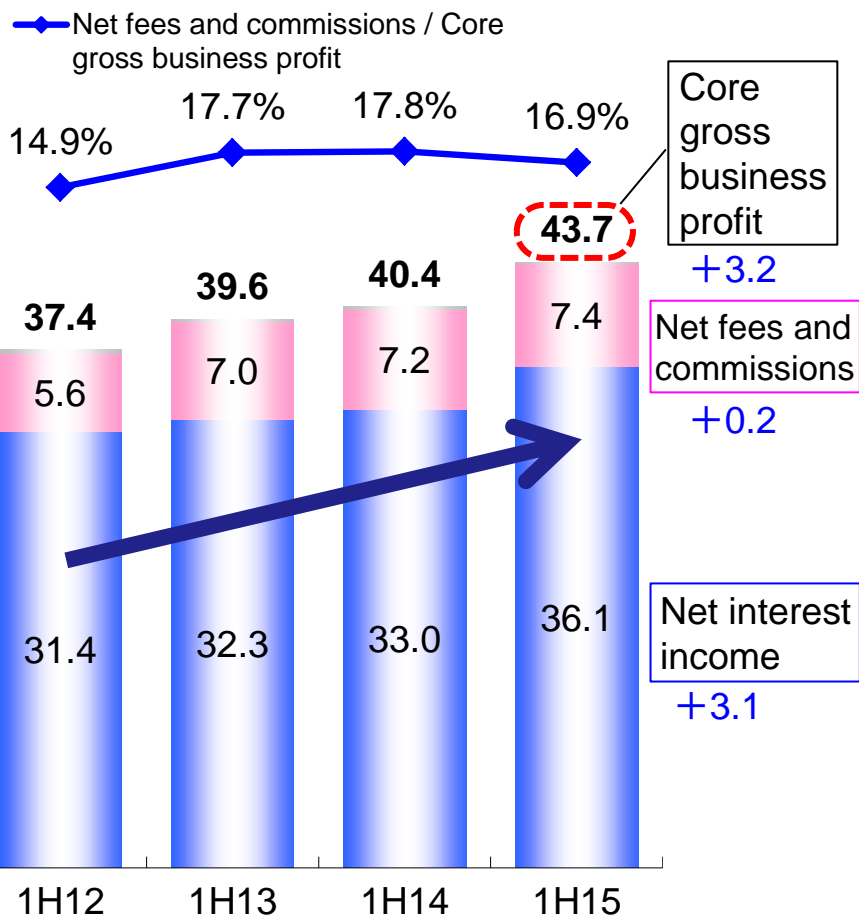
**【BK】<<Gross business profit>>** (JPY Bn)



# Core gross business profit

- Both net interest income and net fees and commissions are on the rise. The main contributing factor of net interest income is an increase in interests and dividends on securities. The factor of net fees and commissions is an increase in sales commission of assets under custody.

## <<Core gross business profit>> (JPY Bn)



## <<Breakdown of net interest income and net fees and commissions>>

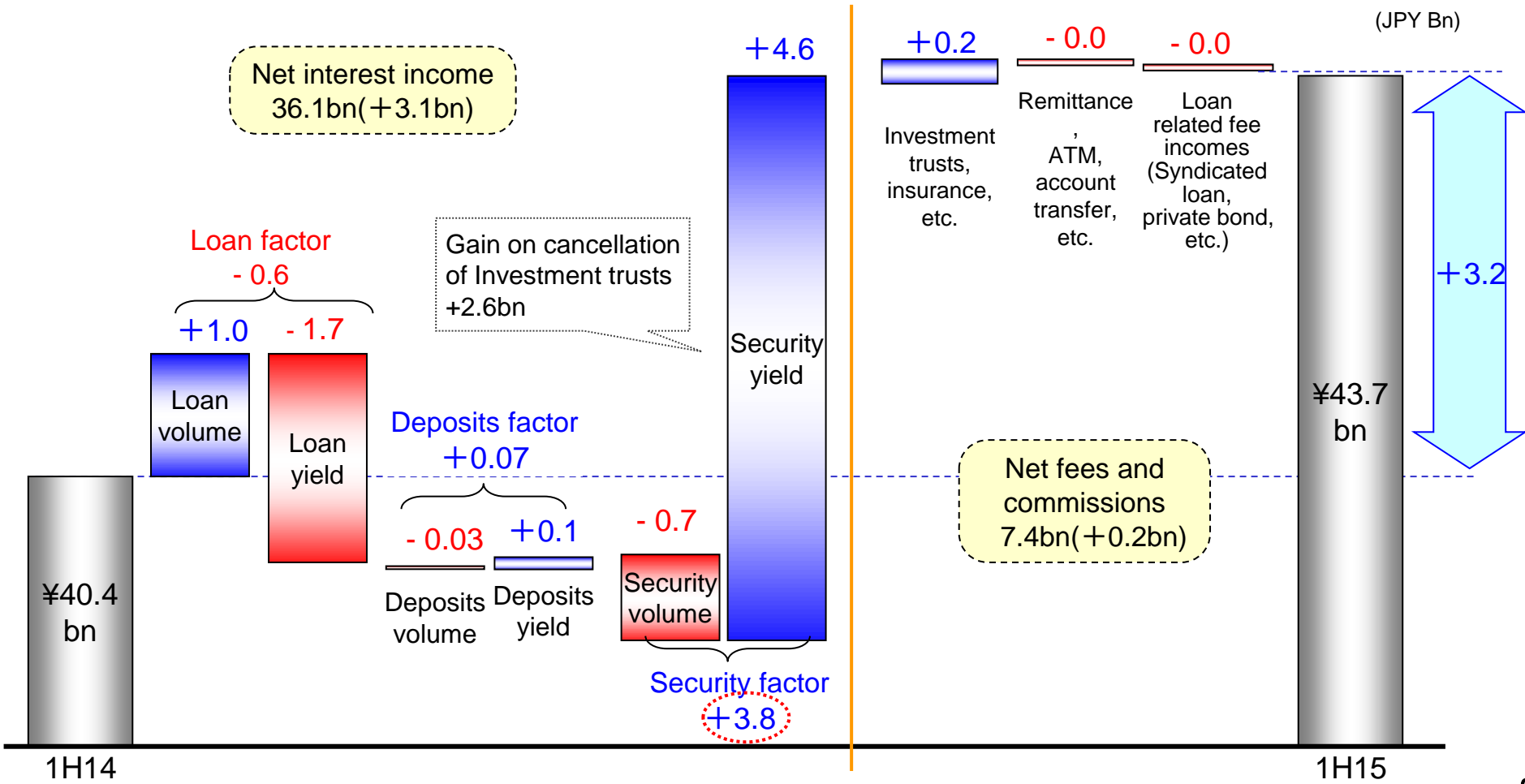
(JPY Bn)	1H FY2013	1H FY2014 (1)	1H FY2015 (2)	YoY (2)-(1)
Net interest income	32.3	33.0	36.1	3.1
Interest on loans and bills discounts	27.7	27.5	26.9	- 0.6
Interest and dividends on securities	5.9	6.5	10.4	3.8
Interest expenses for deposits (-)	1.4	1.3	1.2	- 0.0

(JPY Bn)	1H FY2013	1H FY2014 (1)	1H FY2015 (2)	YoY (2)-(1)
Net fees and commissions	7.0	7.2	7.4	+0.2
Fees related to assets under custody	3.4	3.7	3.9	+0.2
Fees related to loans	2.1	2.0	2.0	- 0.0
Fees on settlement-related business	3.3	3.7	3.7	- 0.0
Others(international operations)	0.0	0.0	0.0	- 0.0
Insurance premiums	-1.5	-1.7	-1.7	+0.0
Consumption tax	-0.4	-0.6	-0.6	- 0.0



# Factor analysis (Core gross business profit)

◆ Despite the continuing effect of decline in loan yield, net interest income increased on a year-on-year basis as security factors except for the gain on cancellation of investment trusts.

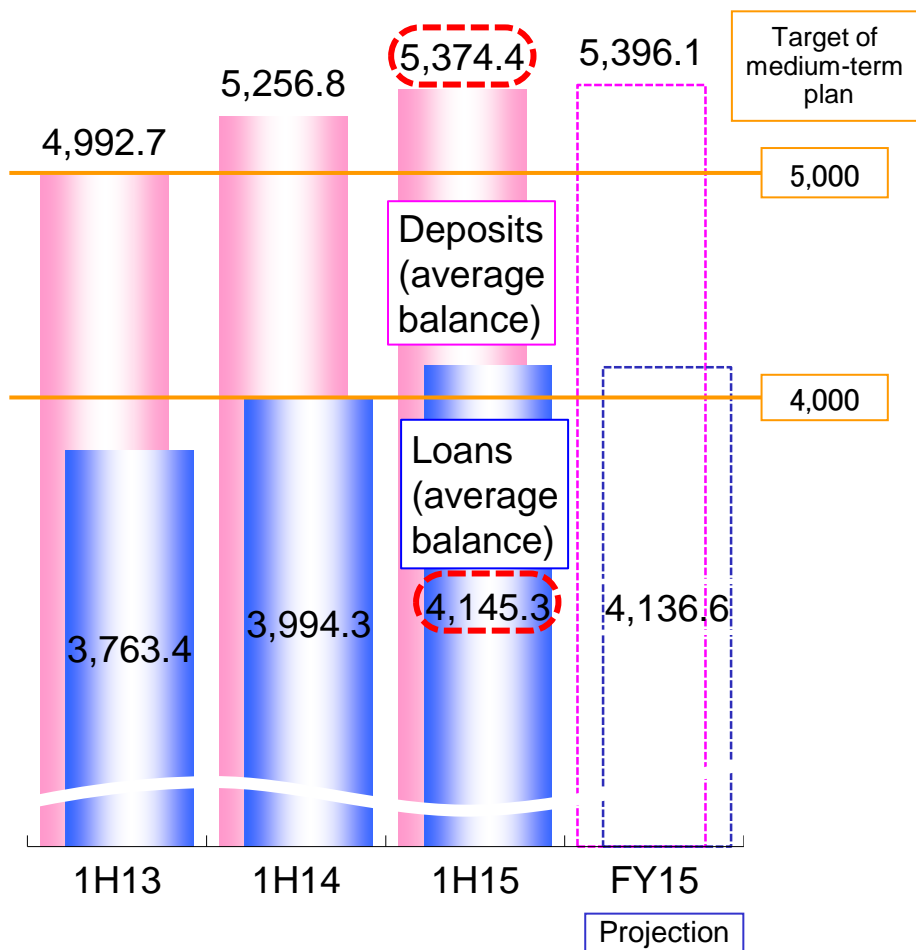


# Loans and deposits (average balance / average yield)

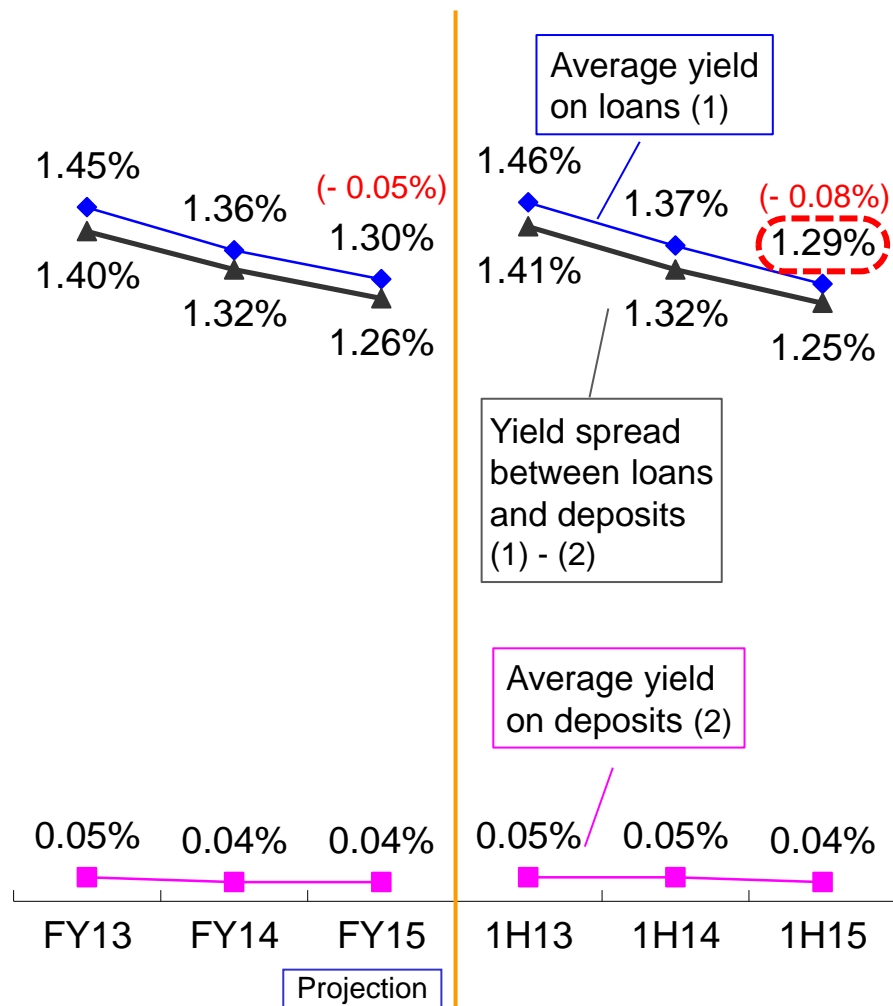
- ◆ The average balances of both loans and deposits increased steadily. The actual average balance in FY15-1H is almost the same level as those of the fiscal-year plan.
- ◆ Average yield on loans continued to decline and remained below the level of the plan.

## <<Loans and deposits (average balance)>>

(JPY Bn)



## <<Loan and deposit yields>>

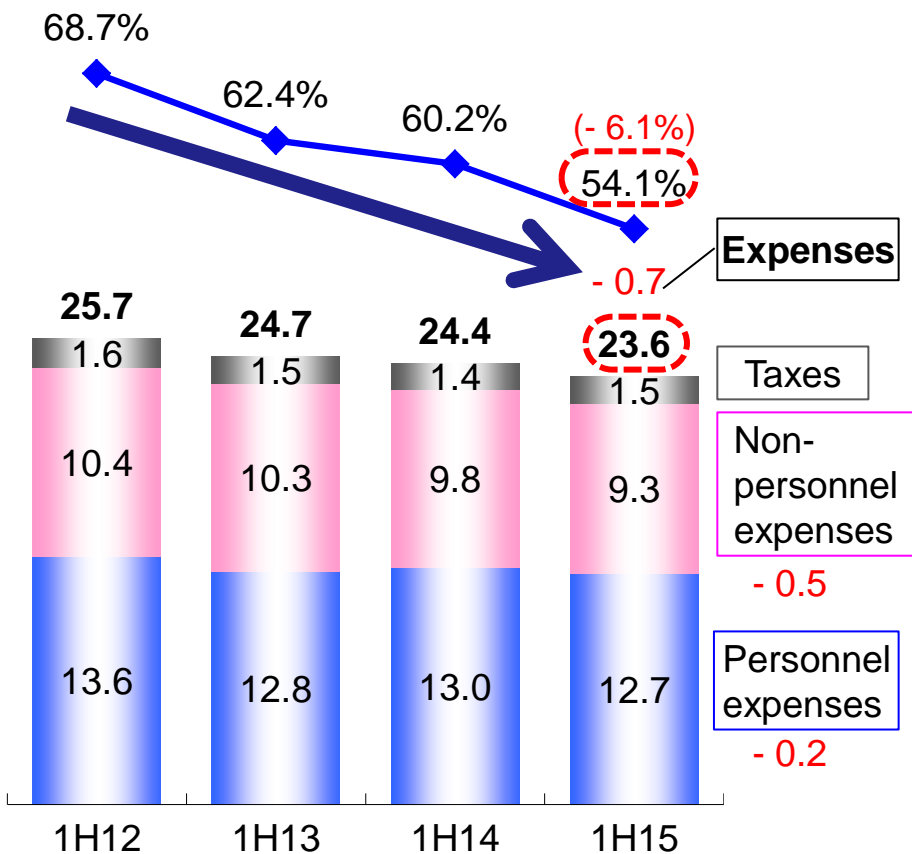


# Expenses / Core net business income

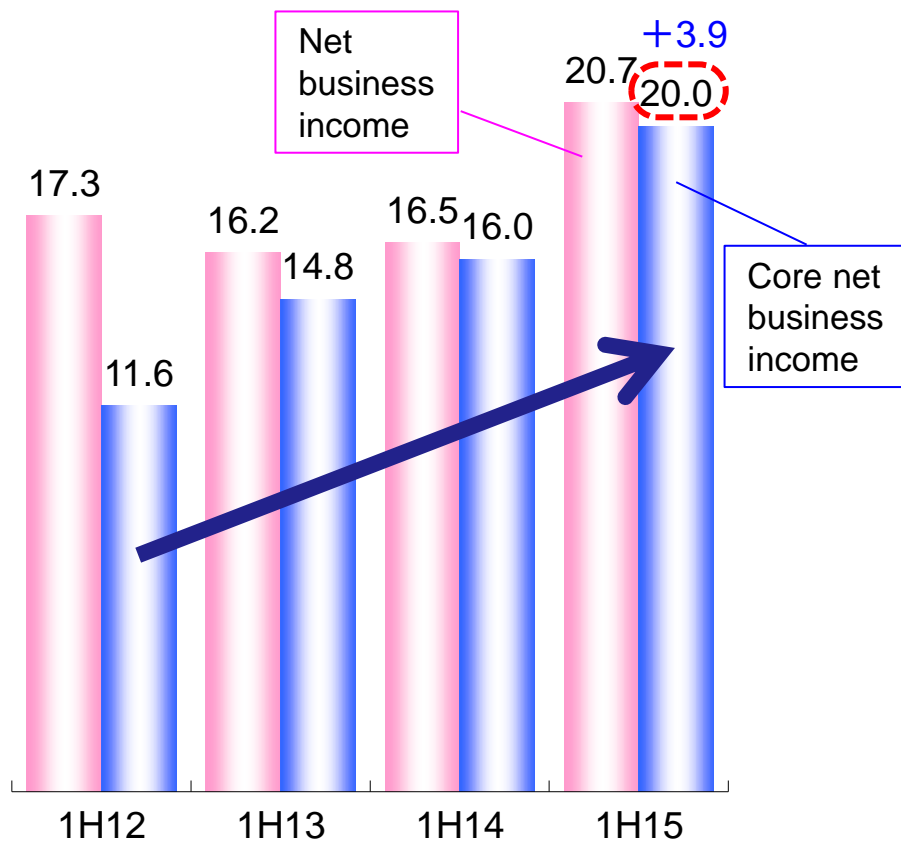
- ◆ In addition to increase in core gross business income, expenses and core OHR remain downward trends.
- ◆ Core net business income increased steadily for 4 consecutive year.

<<Expenses / Core OHR>> (JPY Bn)

◆ Core OHR



<<Core net business income>> (JPY Bn)



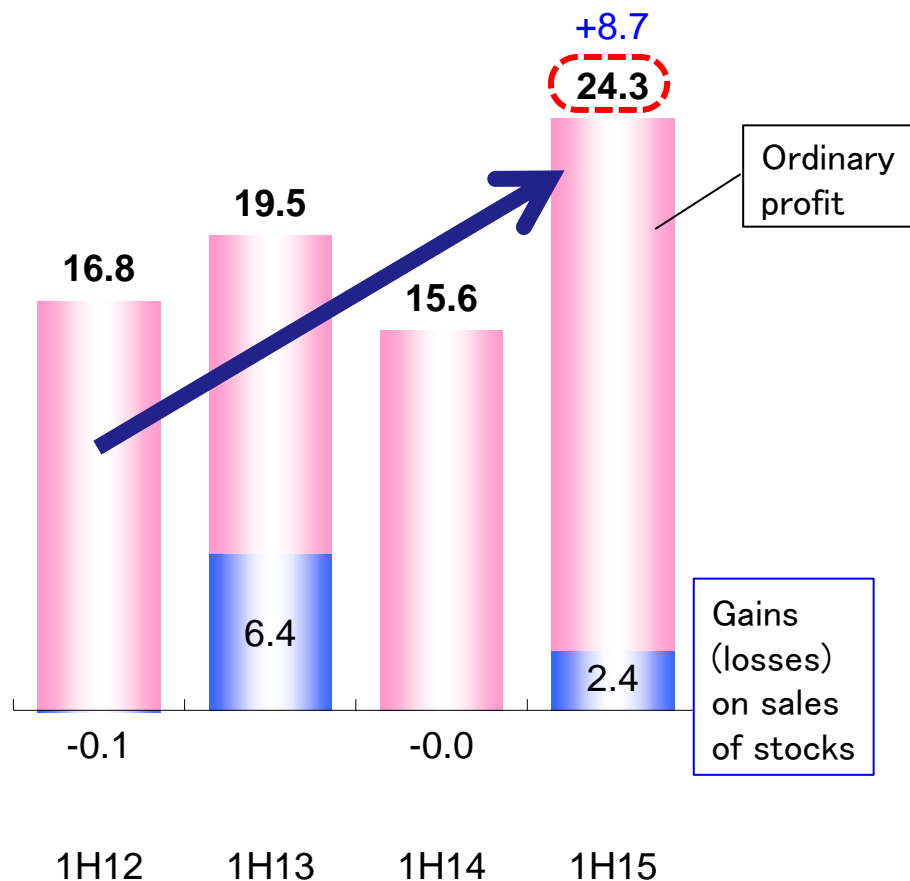
The switching of accounting system In July 2011

※Core OHR=Expenses ÷ Core gross business profit

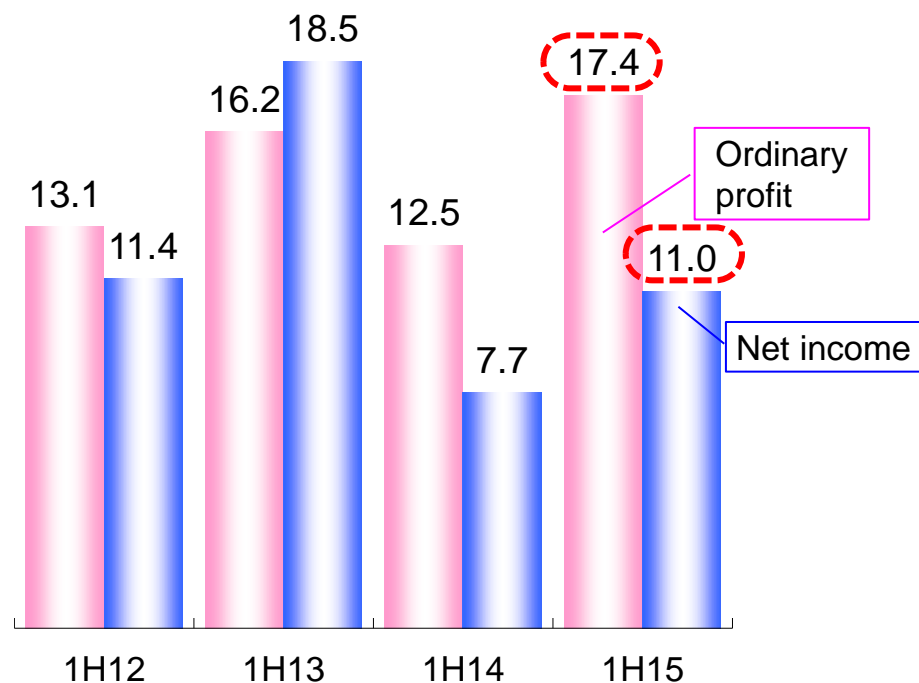
# Ordinary profit / Net income

- ◆ Ordinary profit of BK increased on a year-on-year basis mainly due to gains of sales of stocks.
- ◆ Ordinary profit of HD (for the interim period) reached a record high.

**【BK】<< Ordinary profit>>** (JPY Bn)

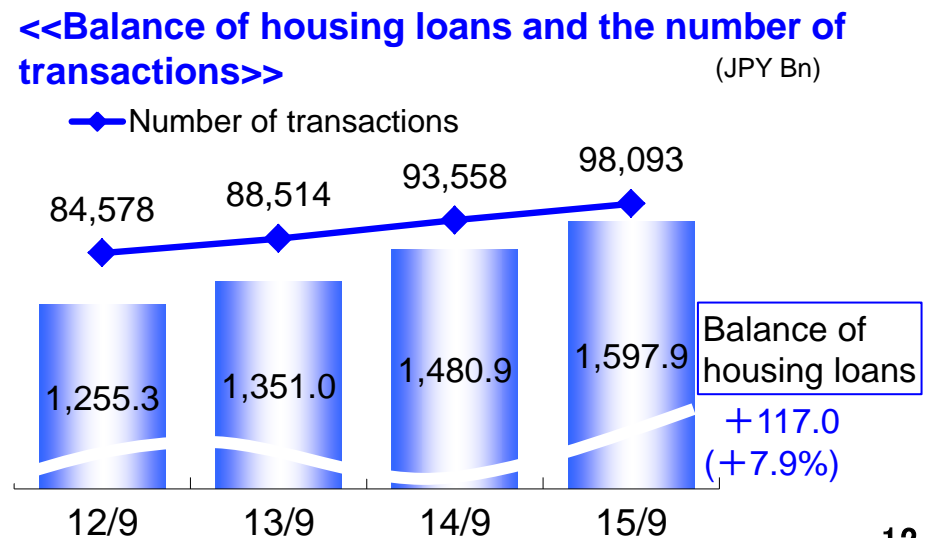
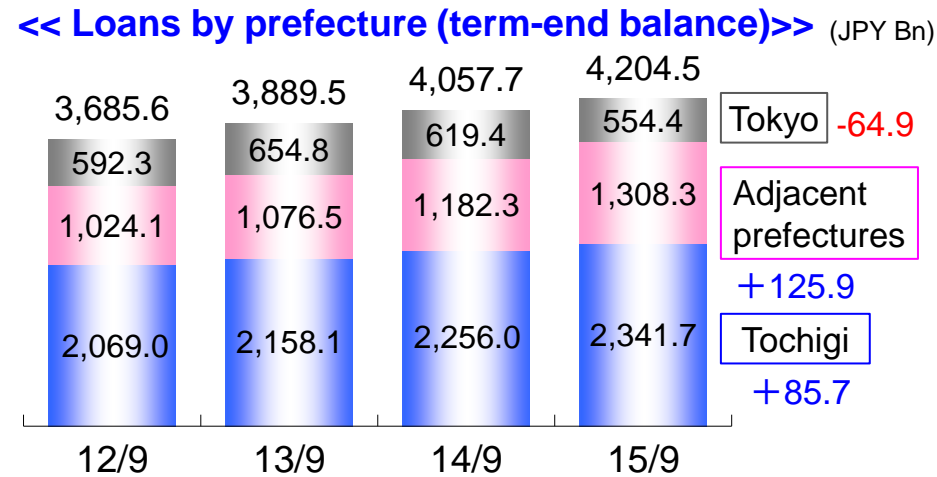
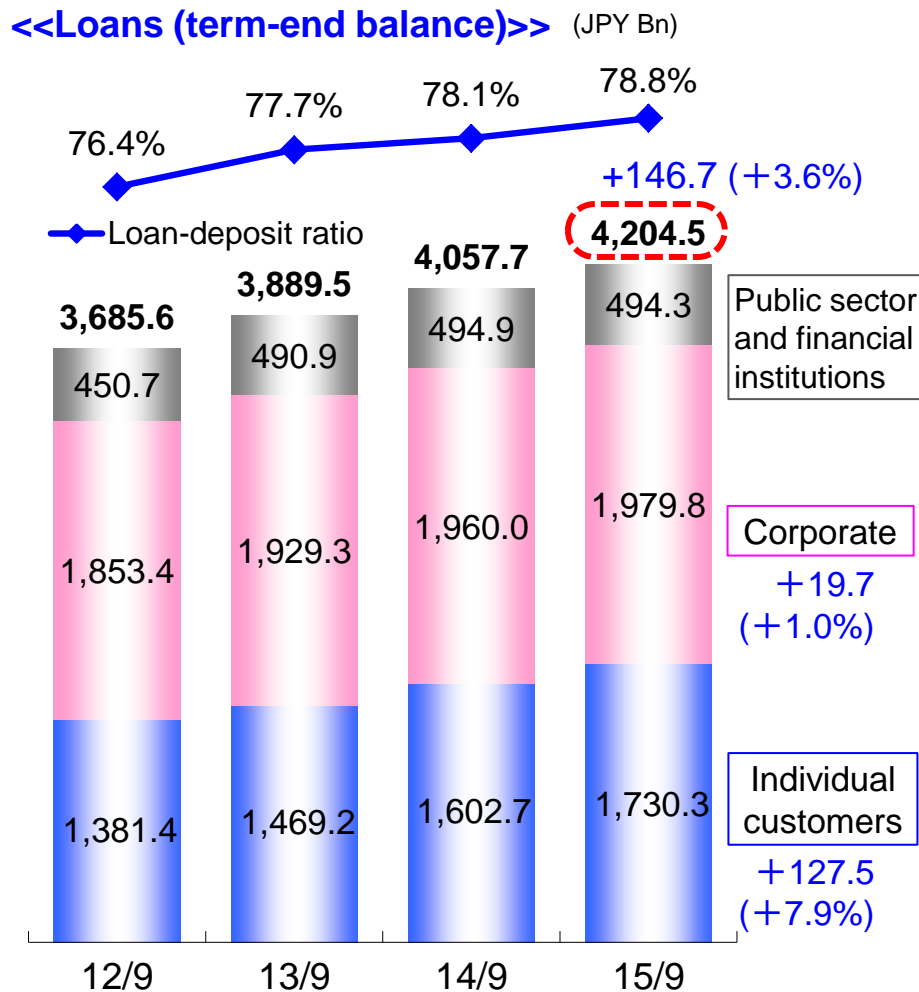


**【HD】<< Ordinary profit / Net income attributable to owners of the parent>>** (JPY Bn)



# Loans (term-end balance)

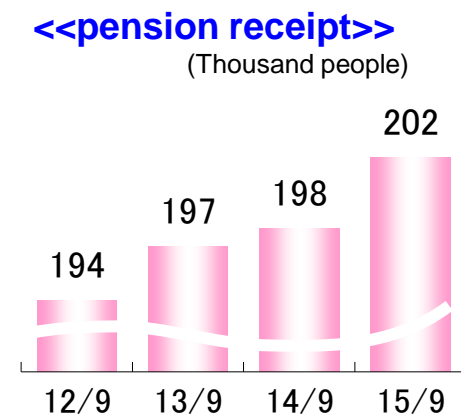
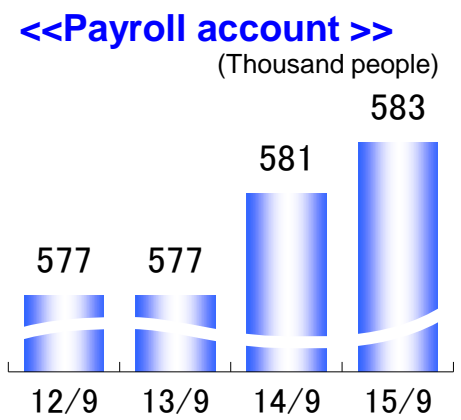
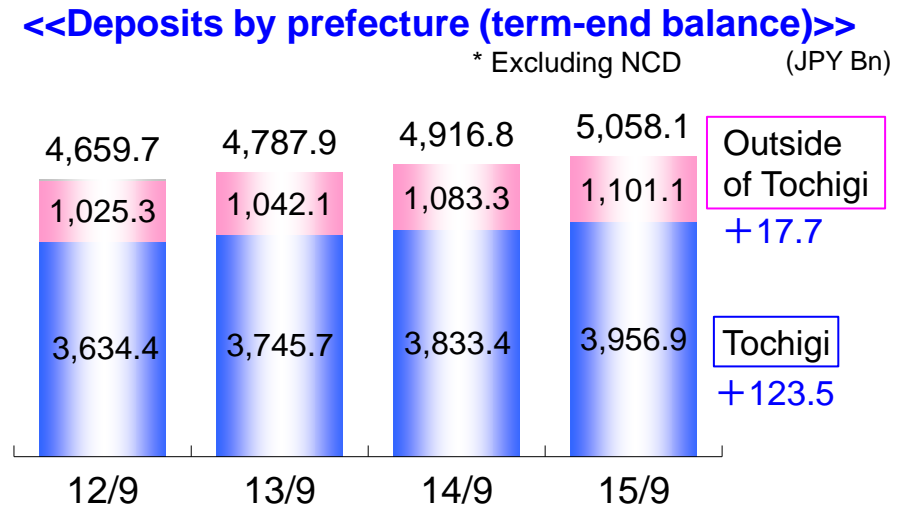
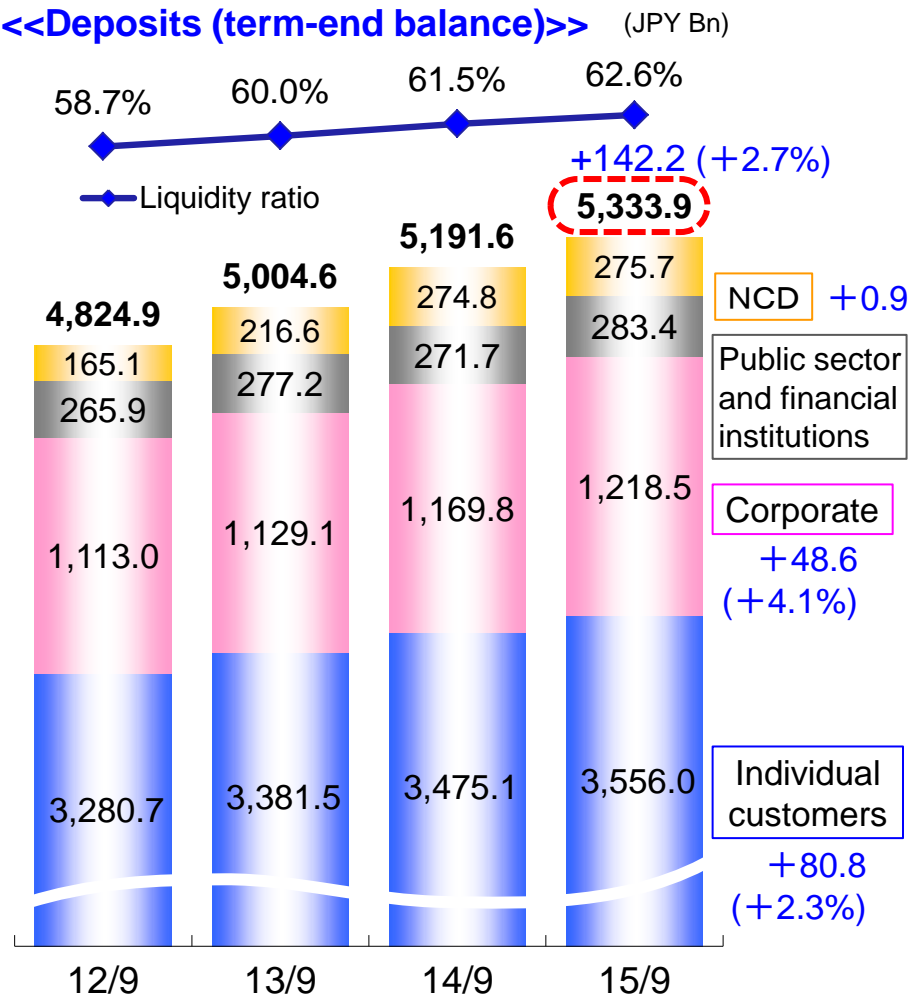
- ◆ The term-end balance of loans both to individual customers and corporate customers continues to increase.
- ◆ Increases in loans to SME's and housing loans boosted total balance of loans.



\* Loan-deposit ratio = Loans (term-end balance) ÷ Deposits (term-end balance)

# Deposits (term-end balance)

◆ The term-end balance of deposits including NCD continues to increase, mainly due to deposits from corporate customers and individual customers.

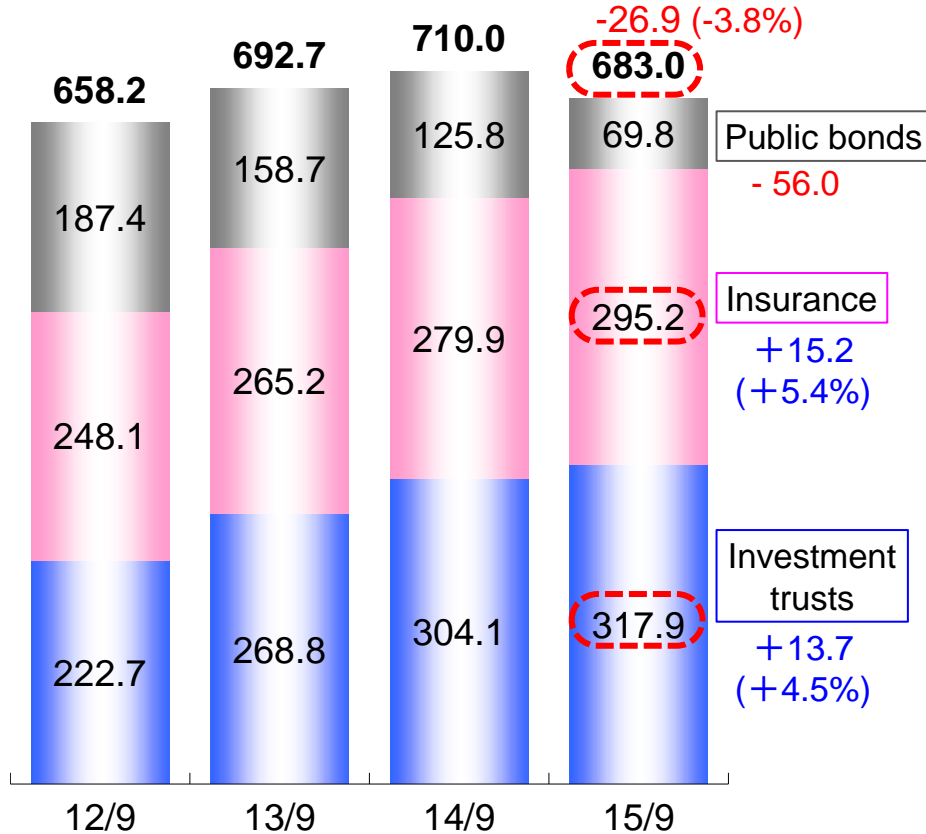


\*Liquidity ratio = Liquid (checking, ordinary, savings and notice) deposits ÷ Deposits (term-end balance)

# Individual financial assets (term-end balance)

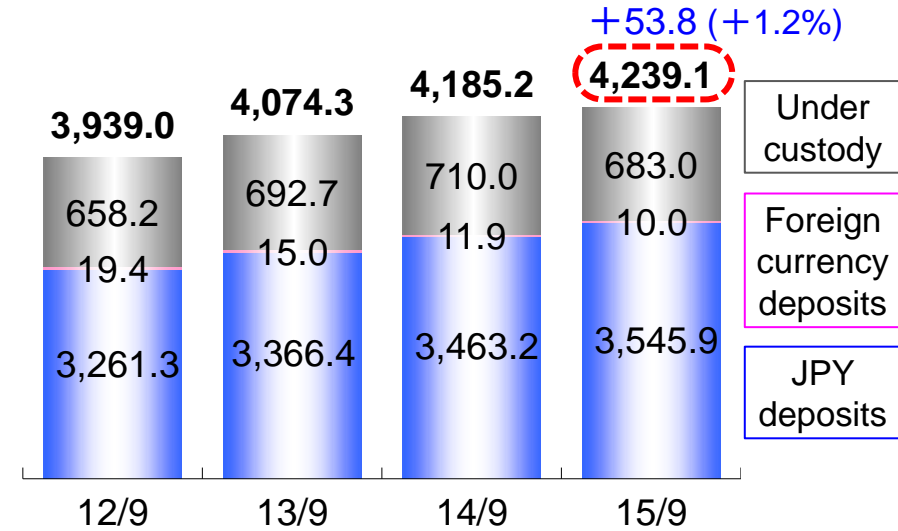
◆ Individual financial assets increased steadily ,especially investment trusts and insurance.

<<Individual customer assets under custody (term-end balances)>> (JPY Bn)

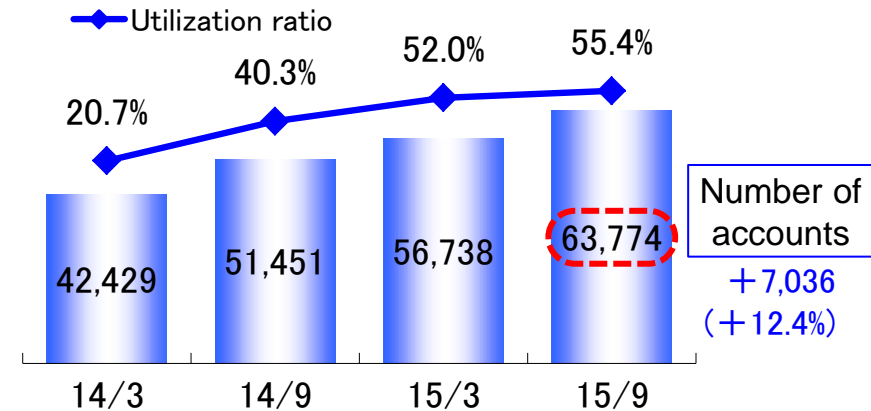


※Insurance =annuity insurance + whole-life insurance +educational insurance

<<Individual financial assets (term-end balance)>> (JPY Bn)



<<Acquisition of NISA account>>



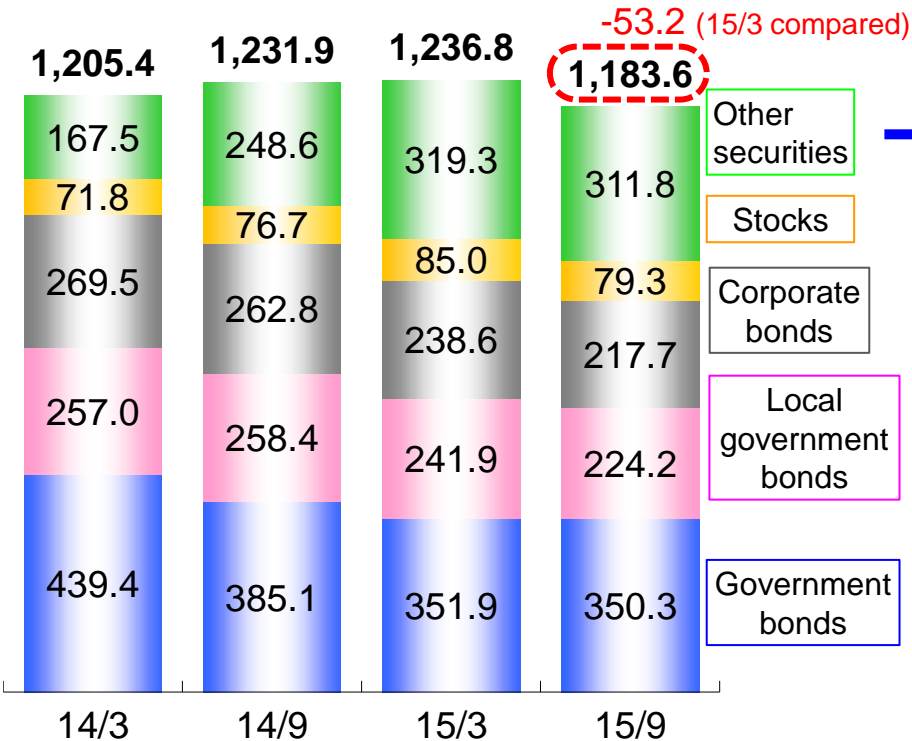
# Securities

◆ The balance of securities decreased from the end of previous fiscal year. The yen currency bonds fell mainly due to redemption. In addition, stocks and other securities decreased.

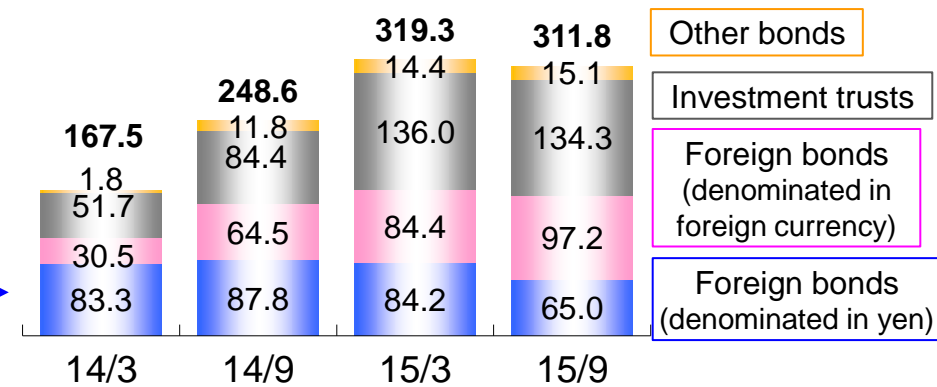
## <<Securities (term-end balances)>> (JPY Bn)

◆ Duration of yen-denominated bonds

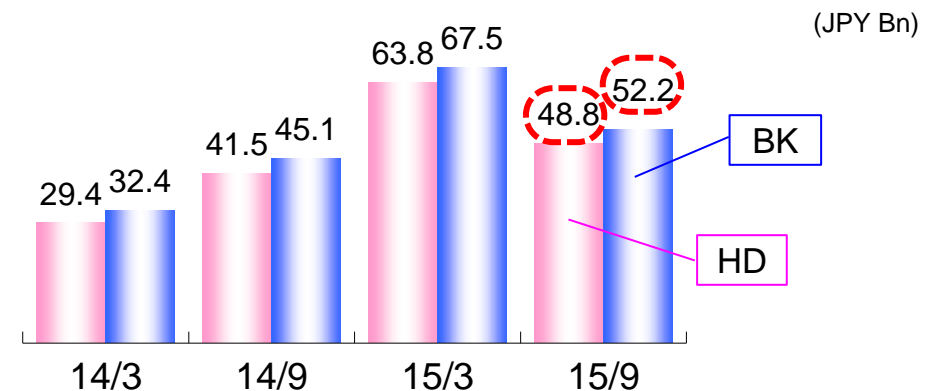
4.4years      4.7years      4.8years      4.7years



## <<Foreign bonds, etc. (term-end balances)>> (JPY Bn)



## [HD / BK] <<Unrealized Valuation Gains (Losses) on Other Securities (available-for-sale securities)>> (JPY Bn)



\*Yen-denominated bonds = Domestic bond + Yen-denominated foreign bond

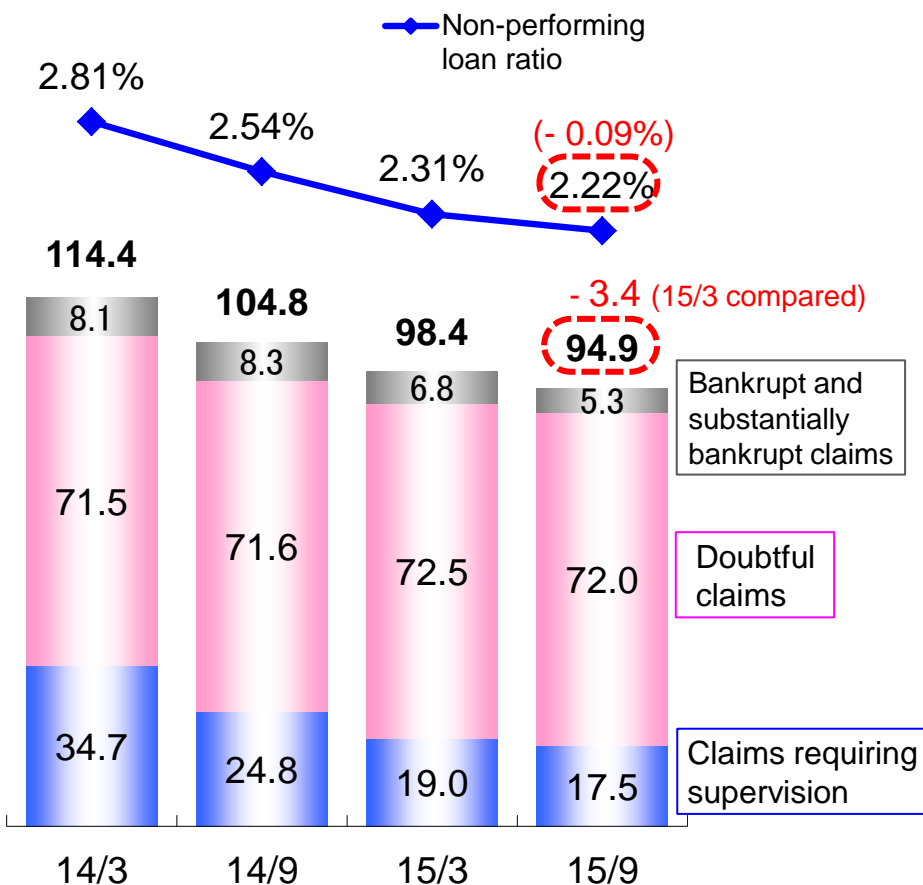
\*Other securities = Available-for-sale securities



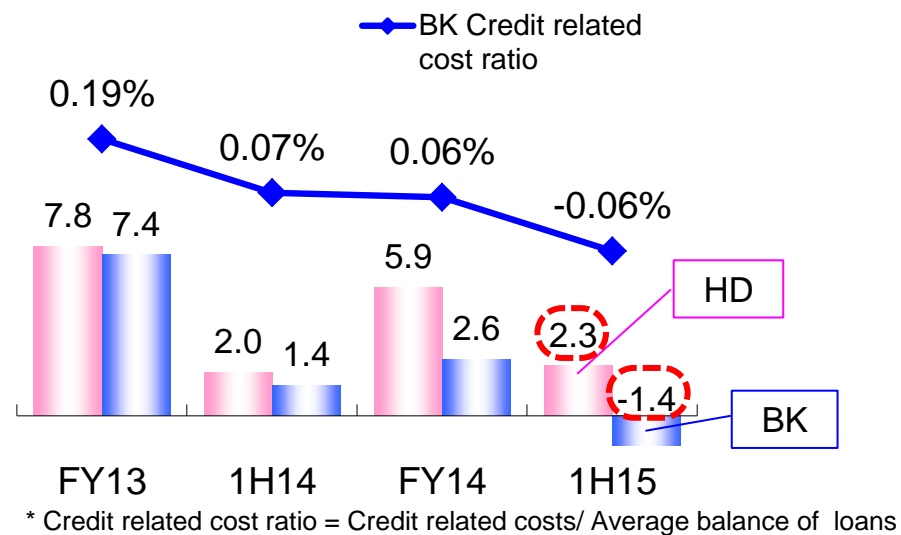
# Non-performing loans / Credit related costs

- ◆ The balance of non-performing loans (loans subject to mandatory disclosure under the financial revitalization law) and the non-performing loan ratio decreased from the end of previous fiscal year.
- ◆ Credit related costs on consolidated basis (HD) is the same level as the previous fiscal year, and those on non-consolidated basis (BK) decreased.

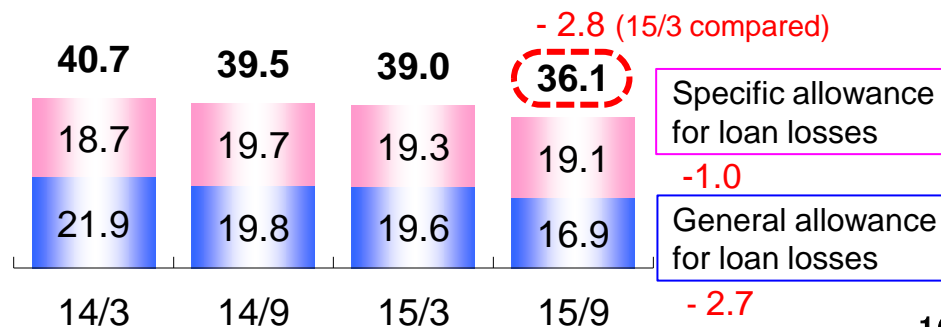
## <<Loans subject to mandatory disclosure under the financial reconstruction law>> (JPY Bn)



## [HD / BK] <<Credit related costs >> (JPY Bn)



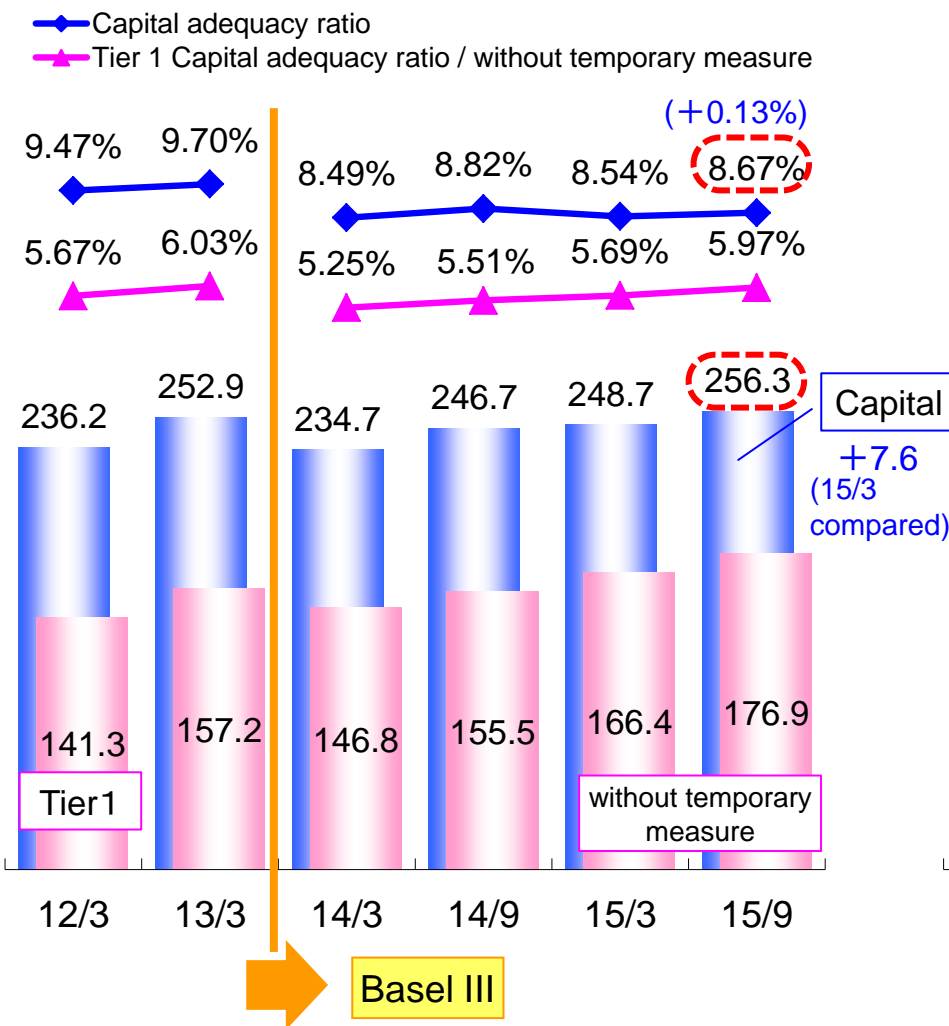
## <<Reserve for possible loan losses>> (JPY Bn)



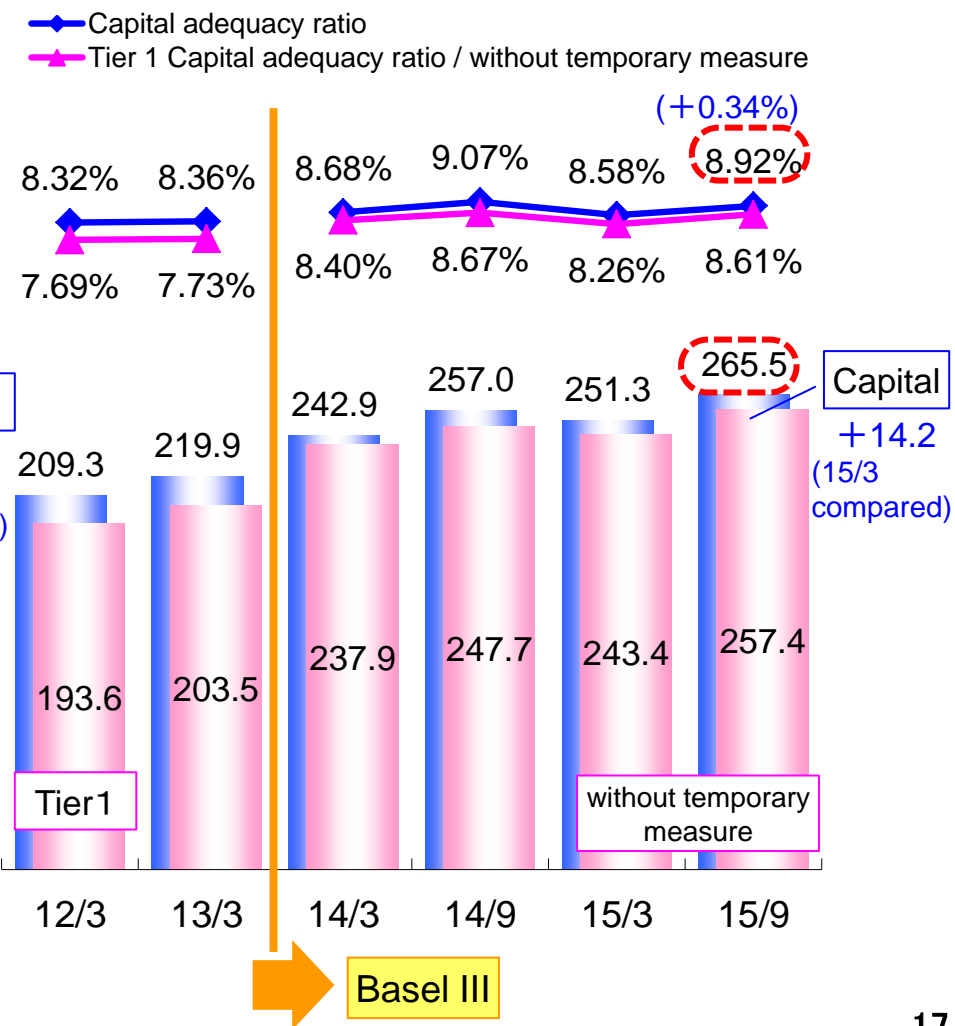
# Capital adequacy ratio (Domestic standard)

◆ The capital adequacy ratios on both consolidated-basis (HD) and non-consolidated-basis (BK), which the domestic standard of Basel III is applied to, increased from the end of previous fiscal year.

**[HD]<<Capital adequacy ratio>>** (JPY Bn)



**[BK]<<Capital adequacy ratio>>** (JPY Bn)



# Revised forecast for FY2015

- Due to selling a part of investment securities, as well as the core net business profit increasing above the initial forecast in FY15-1H, we announced the upward revision of our full-year earning forecast in October.

## 【BK】<<Earnings forecast>>

(JPY Bn)	FY14 Revised Forecast	Y o Y	compared with previous forecast
Core gross business profit	82.5	+2.4	3.0
Gross business profit	83.2	+2.7	3.2
Net interest income	67.7	+2.7	2.6
Net fees and commissions	14.5	-	0.6
Net other business income	1.0	+0.1	-
Gains (losses) on bonds	0.7	+0.3	0.2
Expenses	47.5	- 0.5	0.5
Personnel expenses	25.6	- 0.4	0.4
Non-personnel expenses	19.0	- 0.6	0.3
Net business income (before general allowance for loan losses)	36.0	+3.5	2.8
Core net business income	35.0	+3.0	2.5
Credit related costs	△ 0.2	- 2.8	- 2.2
Gains (losses) on stocks	2.4	+2.8	2.4
Ordinary profit	38.0	+8.3	7.5
Income taxes-current	9.9	- 0.2	0.7
Income taxes-deferred	△ 1.9	- 1.7	0.3
Net Income	30.0	+10.3	6.5

## 【HD】<<Revision of consolidated forecast>>

(JPY Bn)	FY15 Revised forecast	Y o Y	compared with previous forecast
Ordinary income	100.0	+ 3.3	+ 5.0
Consolidated gross profit	85.8	+ 3.0	+ 3.0
General and administrative	55.3	- 0.3	+ 0.3
Credit related costs	4.2	- 1.7	+ 0.9
Gains (losses) on stocks	2.2	+ 2.6	+ 2.2
Ordinary profit	28.0	+ 7.0	+ 4.5
Income taxes-current	5.5	- 5.0	+ 0.5
Income taxes-deferred	1.4	+ 8.0	- 0.2
Net Income	21.0	+ 4.0	+ 4.0

# Shareholder return and related indicators

(JPY ¥)	FY2013 Results	FY2014 Results	FY2015 Revised Forecast
Annual cash dividends	4.0	9.0	10.0
Dividend Payout Ratio	5.7%	17.5%	15.8%
Net Income per Share	69.85	51.24	63.01

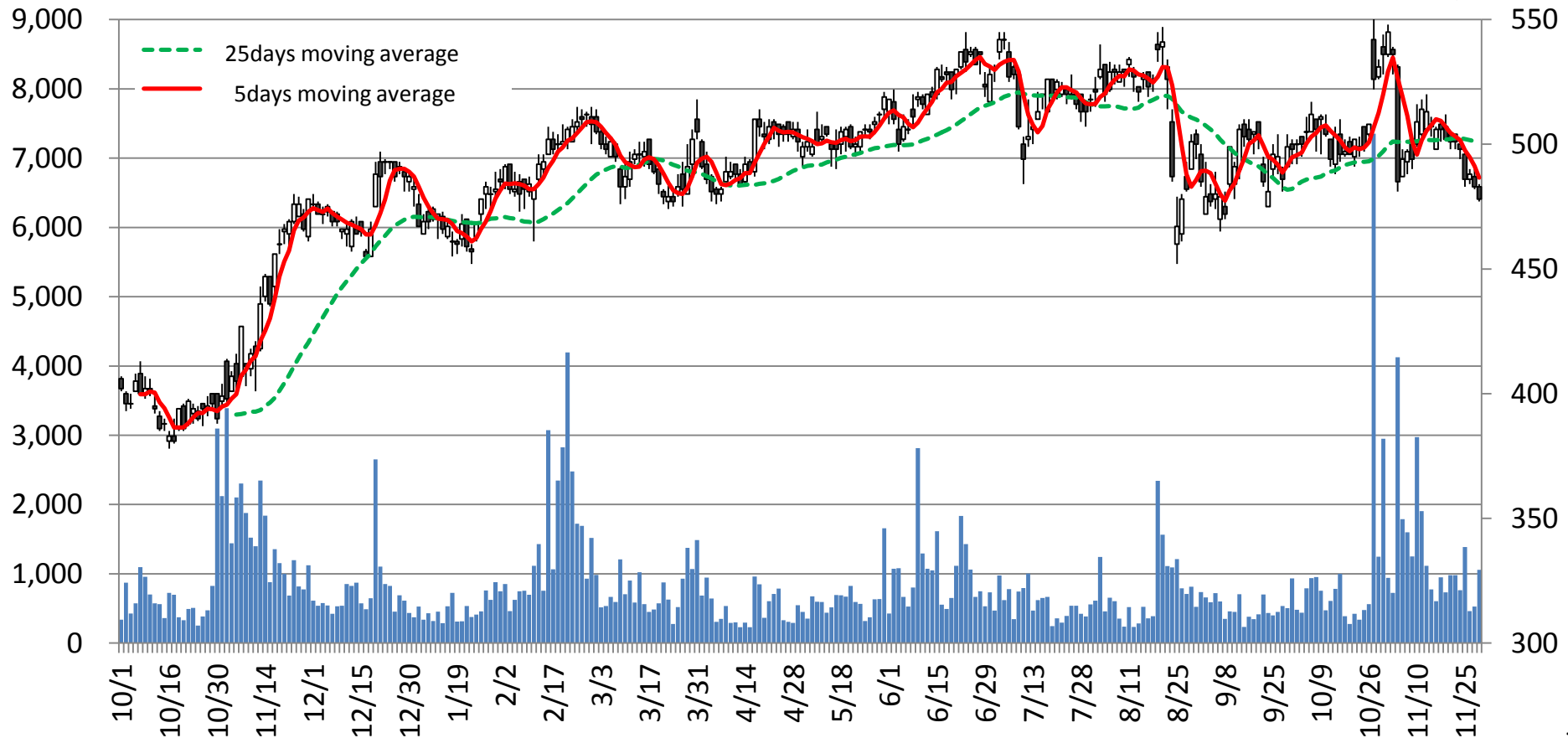
ROE	7.67%
BPS	¥862.20
PBR	0.55
PER(forecast)	7.58
Dividend yield	2.09%

\*Figures above are as of Nov. 30, 2015

Volume (thousand)

## Ashikaga Holdings Co.,Ltd. (7167) Price Chart

stock price (¥)



## II Management Strategies

Initiatives under the Medium-term Management Plan

# Outline of the medium-term management plan

Challenges 120 – Valiant Challenges Toward 120-year Anniversary of Foundation

Term: From FY2013 To FY2015 ( 3 years)

## Basic Concept

Increase of core gross business profit

## Basic Strategy

- (1) Strengthening of business infrastructure (expansion of the loans and deposits share)  
→ **Expansion of net interest income**
- (2) Enhancement of consulting for diversified customer needs  
→ **Enhancement of fees & commissions**
- (3) More efficient management  
→ **Improvement of OHR**
- (4) Expansion of operating area(including Saitama) and business range  
→ **Enjoyment of high growth potential**

# Initiatives at the Corporate Customer (1) Loans to SMEs

◆ Loans to SMEs increased steadily by strengthening efforts to core customers and growth areas such as medical and care services.

➤ Monthly PDCA management based on the business process schedule table “KOUTEIHYOU”  
(Visualizing the sales promotion process and methodology)

Strengthening relationships with core customers

※ Core 8,000 customers = Customers with net sales of 200 million yen or more, or loans of 50 million yen or more (including new customers)

Enhancing efforts to middle-risk customers

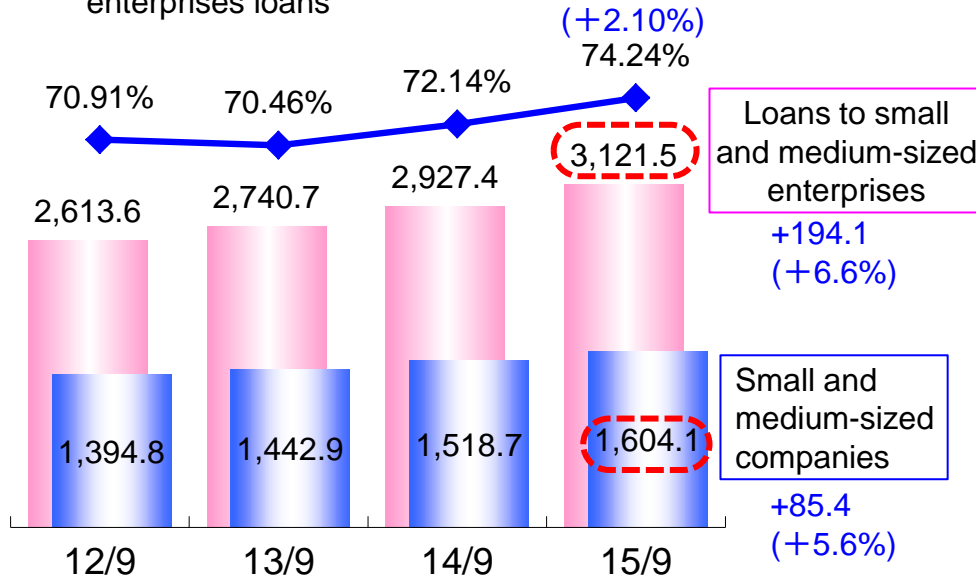
※ Middle-risk customers = Some of customers with ordinary claims and some of customers under special attention (excluding customers with claims requiring supervision)

Cultivating new corporate customers

Reinforcement initiative in medical and care services

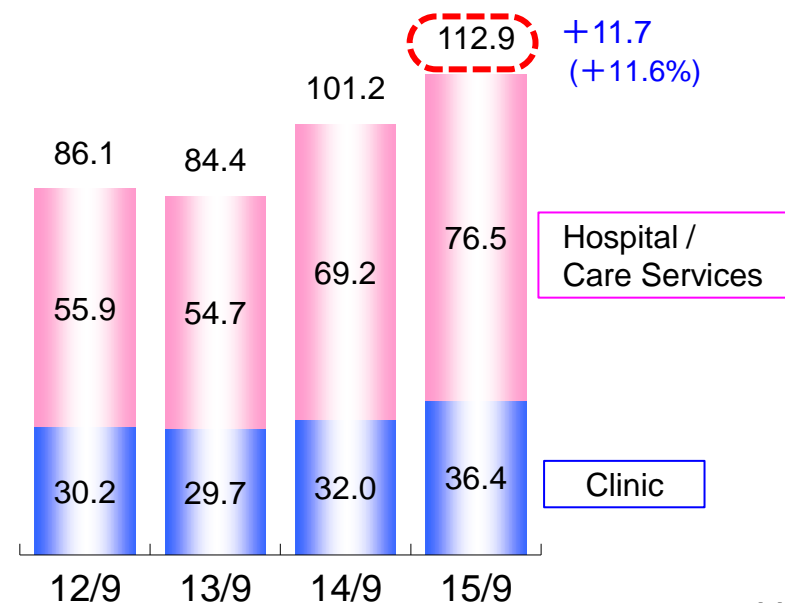
## <<Loans to SMEs>> (JPY Bn)

◆ Ratio of small and medium-sized enterprises loans



※Loans to SMEs include sole proprietors

## <<Loans to medical related customers (average balance)>> (JPY Bn)

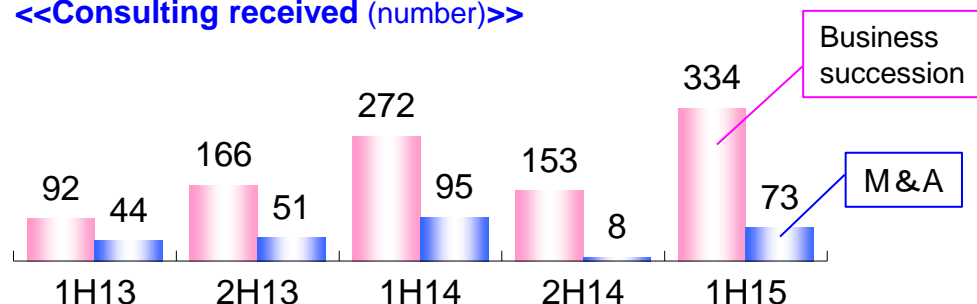


# Initiatives at the Corporate Customer (2) Solution business performances

## Business succession / M&A

M&A(1H15) : Contracted 3 cases

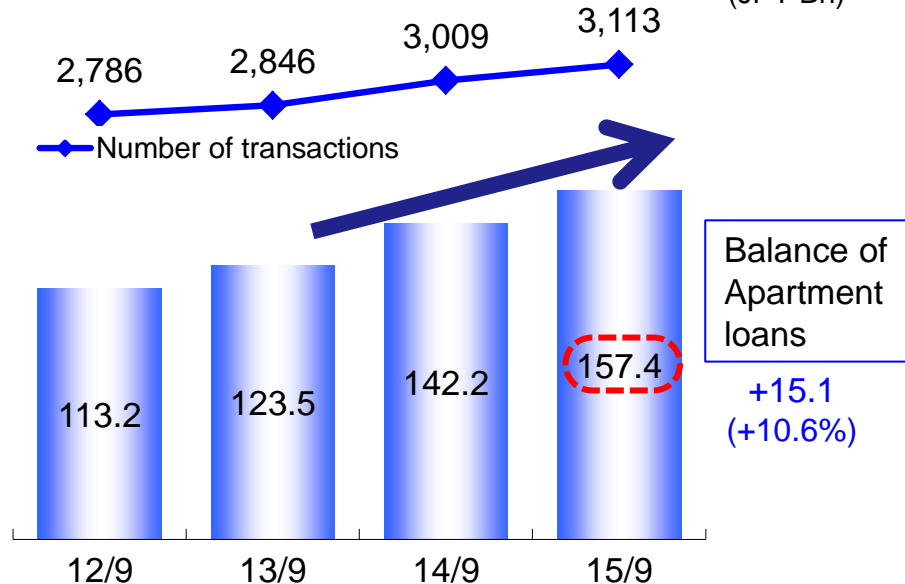
<<Consulting received (number)>>



## Asset utilization

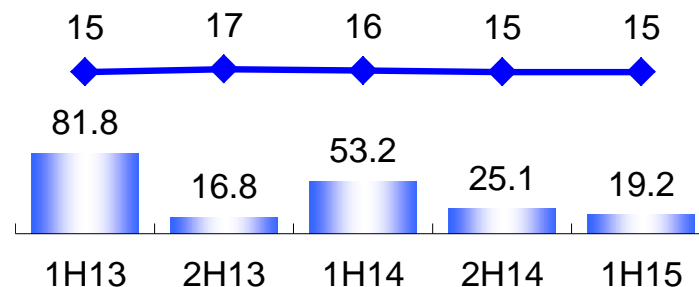
<<Apartment loans

(average balance/number of transactions)>> (JPY Bn)

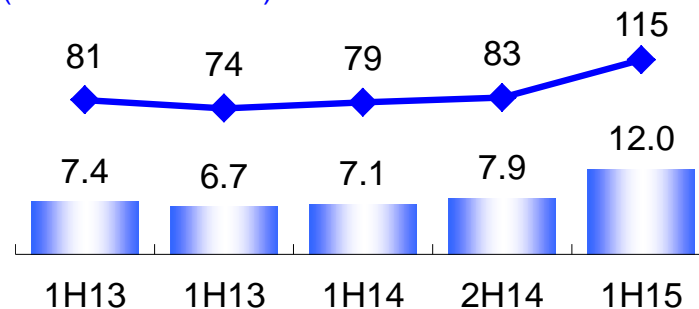


## Excavation of financial demand

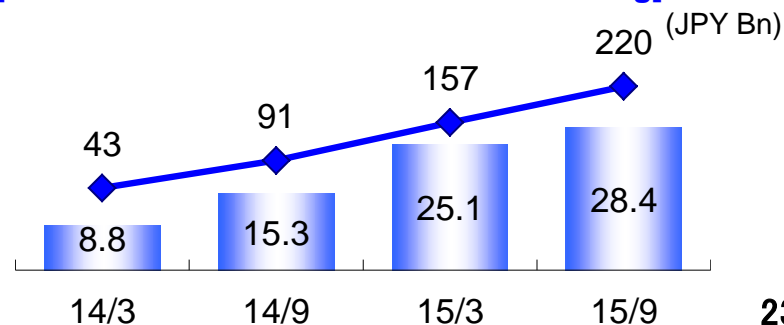
<<Syndicated loans (amount / number)>> (JPY Bn)



<<Underwriting of private placement bonds (amount / number)>> (JPY Bn)



<<ABL (amount / number) [asset / accounts receivable based lending]>> (JPY Bn)





# Initiatives at the Individual Customer (1) Housing loans / Assets under custody

- ◆ In spite of the influence of the consumption tax hike, the amount of housing loans made exceeded our plans.
- ◆ Sales of assets under custody, mainly of stock investment trusts remained at a high level.

## Housing loans

Products: Mortgage with insurance for the eight diseases

Process: Acceleration of review results answer

Channel: Newly open and relocation of Loan Center

Koshigaya loan center opened ( Apr.2014)

Oyama loan center relocated (Nov.2014)

Tsukuba loan center opened (Oct.2015)

## Assets under custody

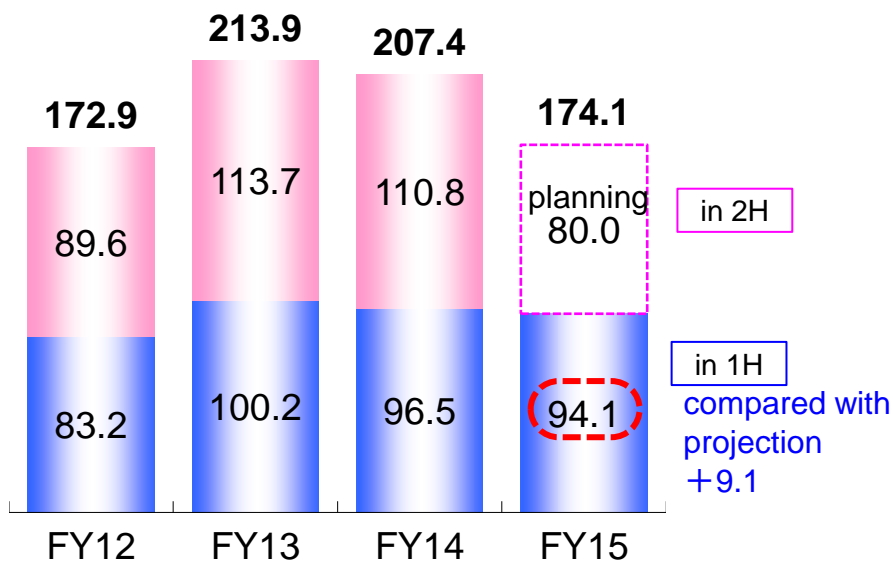
Education and trainings of sellers of assets under custody (approx. 270 persons)

Utilizing tablets as sales support tool

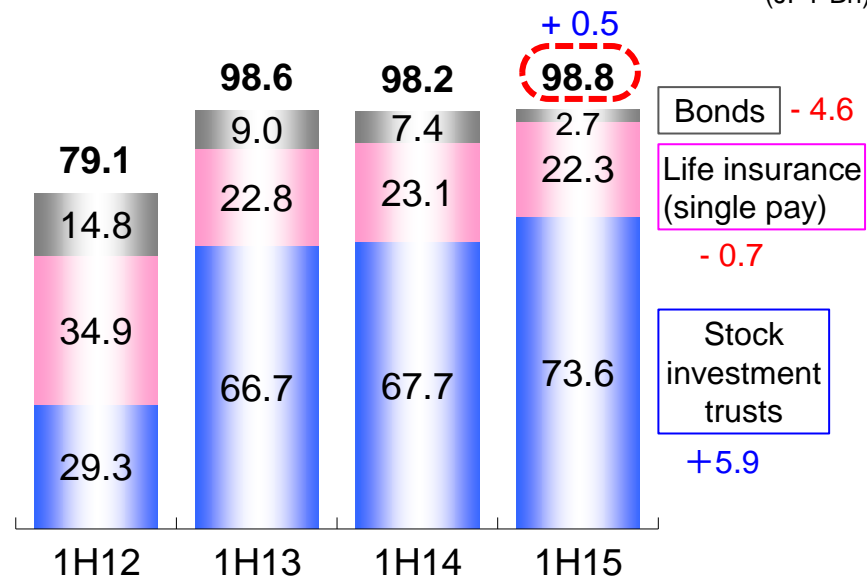
Framework for cooperation with insurance companies and securities firms

Acquisition of NISA and increase of its utilization rate

<<Amount of housing loans made>> (JPY Bn)



<<Sales amount of assets under custody>> (JPY Bn)



# Initiatives at the Individual Customer (2) Unsecured consumer loans

◆ The balance of unsecured consumer loans, mainly of card loans, increased at a faster pace due to the launch of new products.

Oct. 2013

Aug. 2014

Oct. 2014

Jul. 2015

From Sep. to Oct. 2015

New product of card loans, named "Mo·Shi·Ca" (without over-the-counter procedure)

Card loans for Education, named "Quartier Latin"

Renewal of reception page on the WEB site

ATM card loans (with contract application available on ATM screen)

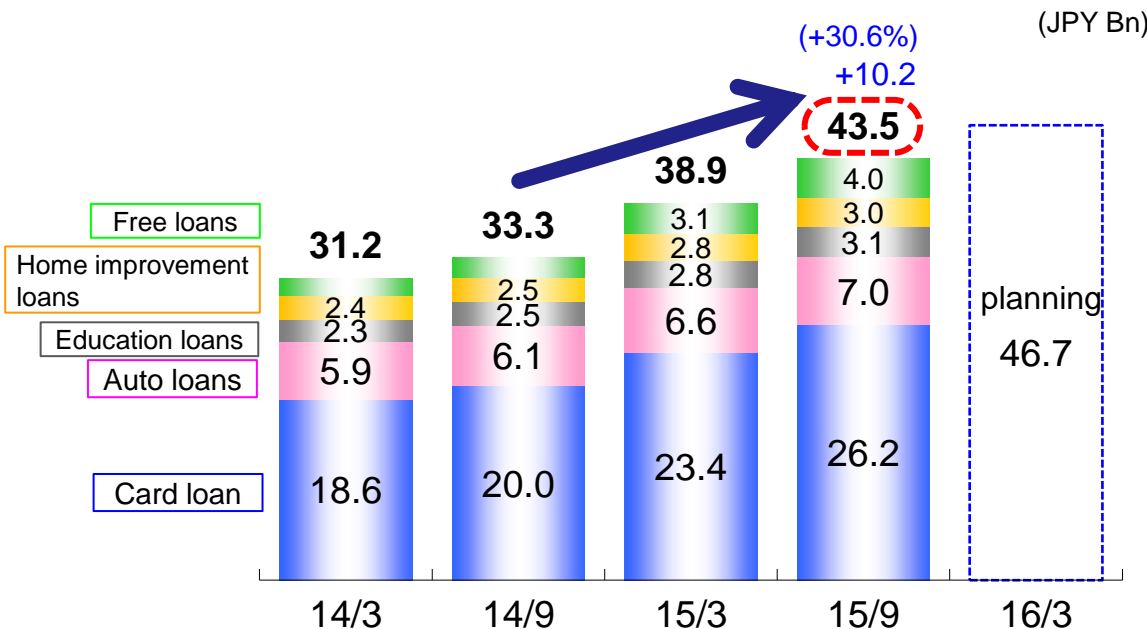
Loans for female named "Fleurir"

Loan able to contract on the WEB named "WEBLO"

Simplification of the application procedure for "Mo·Shi·Ca"

"120-year Anniversary" Consumer loans campaign

## <<Unsecured consumer loans by products type (term-end balance)>>



**Plan to double the balance of unsecured consumer loans**

**Target**

14/3 31.2 billion yen  
→ **17/3 over 60.0 billion yen**

**Effect on earnings**

**Interest income increase 1.6 billion yen (in 3 years)**

# The 120-year anniversary events

## Held Meetings for Entrepreneurs



## Held Commemorative Seminar

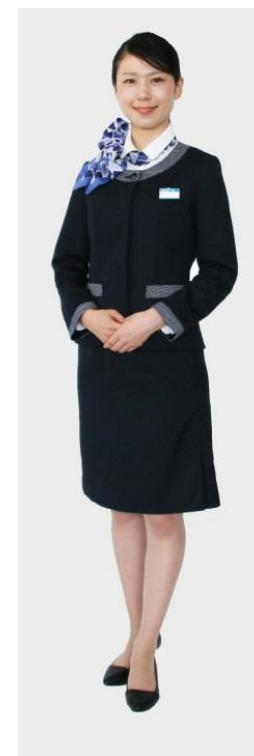
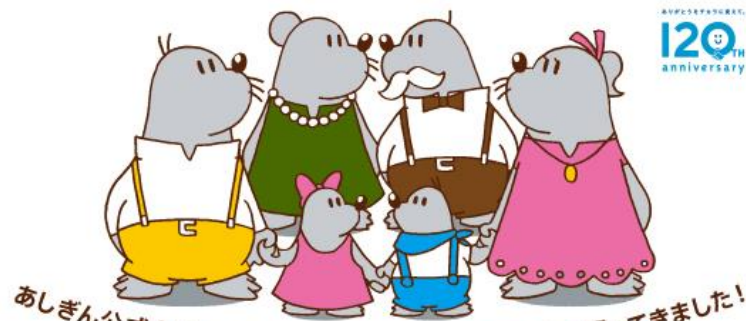


## Held “Grand Prix of business plan review”

Public offering of innovative and creative business plans utilizing new technologies and new services  
Schedule: offering in Nov. – Dec. 2015, publish results in Mar. 2016

## Renewal of uniforms

## Mascot appeared as "Pascal family"



## Cooperation in scholarships provided by Tochigi Prefecture

Cooperation in measures of “new scholarship system and promotion local employment of students” planned by Tochigi Prefecture,

## III Concerning the Business Integration

Outline Basic Agreement Concerning the Business  
Integration with Joyo Bank

# 1. Circumstances and Background

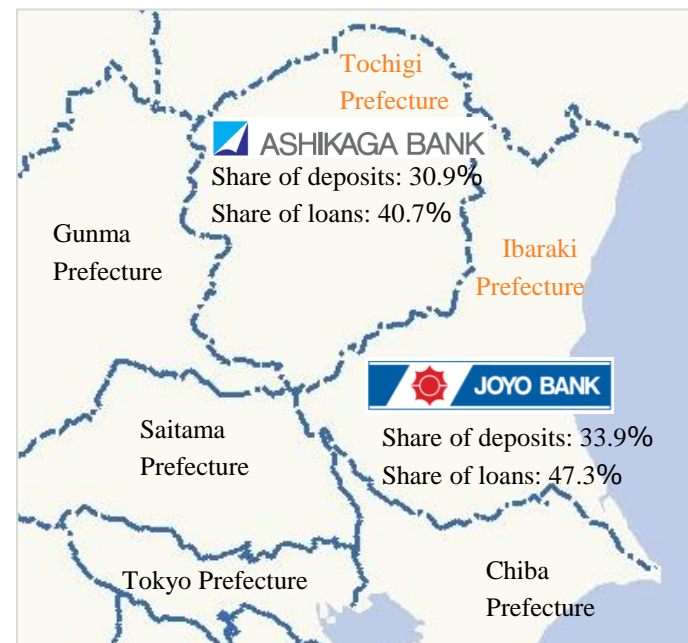
## Sales base

- ✓ Main sales base of Joyo Bank and Ashikaga Bank are located close to the Metropolitan area
- ✓ Development of transportation infrastructure, such as the Kita-Kanto Expressway, the Metropolitan Inter-City Expressway, the Shinkansen, the Tsukuba Express, the Ibaraki Airport and the Ibaraki Port, has progressed

## Business challenges

- ✓ Addressing concerns about the shrinking regional economy due to changes in the social structure, such as a decrease in total population and acceleration of aging society combined with the declining birth rate
- ✓ Addressing intensifying competition, expansion of financial services and economic globalization

Two banks have favorable sales base with high potential while facing common business challenges



(Source: Kinyu Map 2015)

### <Joyo Bank's strength>

- The only one-stop financial service provider in the region whose group companies cover lease, securities, think tank functions and information technology
- Thorough support system for manufacturing companies
- Abundant contact points with large companies in Tokyo
- Ample equity capital ...and other strengths

### <Ashikaga Bank's strength>

- Customer base over a broad area, including the automobile and aviation industries
- Sales capabilities with thorough consulting services
- Fee business for retail and corporate customers
- Wealth of know-how regarding low-cost operations ...and other strengths

Joyo Bank and Ashikaga Bank decided that it would be effective and beneficial to proactively exercise their collaborative innovation capabilities and create wealth under a common philosophy in order for the two banks that are deeply-rooted in their communities with a large market share as leading banks to further contribute to regional revitalization as regional financial institutions and to continue to grow with customers and local communities.

November 2, 2015 Entered into the Basic Agreement Concerning the Business Integration

## 2. Purpose and philosophy of the Business Integration

- ✓ The new financial group that will be established will aim to maintain and promote the relationships with customers and deep understanding of local communities that Joyo Bank and Ashikaga Bank (together, the "Banks") have built over the years, as well as to realize the advancement of comprehensive financial services and operational efficiencies by taking advantage of a wide area network and other connections formed through the Business Integration.
- ✓ The Banks will be able to provide more convenient, high-quality comprehensive financial services that can only be achieved through the integration of leading regional banks.
- ✓ The Banks will aim to become a group that is highly valued by each stakeholder by achieving sustained growth as a driving force of regional development and revitalization and improvement of corporate value in response to the expectations of shareholders and markets, as well as expansion of the opportunities for executives and employees and enhance their pride in and enjoyment of their duties.
- ✓ The Banks will aim to become a financial group that is open to other regional financial institutions who share their corporate ideal.

# 3. Form of Integration

## The Business Integration will be carried out by the holding company method

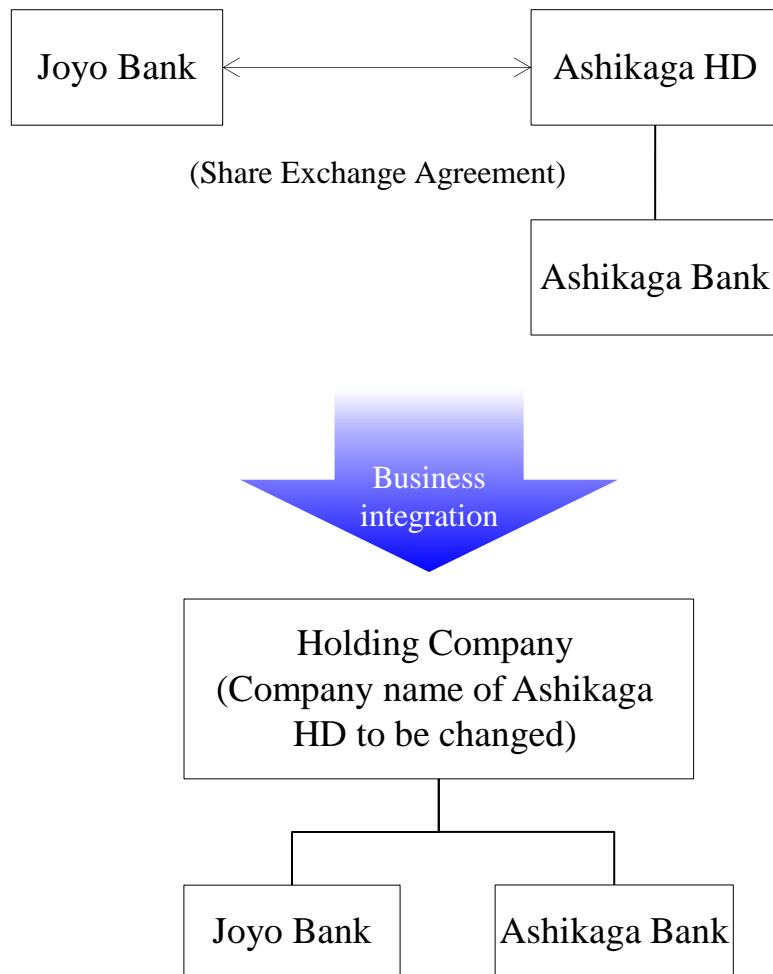
<The reasons for the business integration by the holding company method>

- To continue to provide financial services for local communities by taking advantage of a wide area network and other connections formed through the Business Integration, and utilizing the brand names and the relationships with customers that both Banks have built over the years.
- To produce synergy quickly and integrate corporate culture smoothly, while taking into account the differences between the Banks.
- To have a flexible structure for the future, in anticipation of the further expansion of financial services.

- ✓ Joyo Bank and Ashikaga HD (together, the "Companies") plan to utilize Ashikaga HD, which already has a holding company structure, as the holding company of the new financial group.
- ✓ The Companies plan to carry out the Business Integration by having Joyo Bank conduct a share exchange with Ashikaga HD.

### Share Exchange Ratio

- ✓ Joyo Bank shareholders will receive 1.170 shares of Holding Company common stock for each share of Joyo Bank common stock.



## 4. Outline of the New Group

The business integration will create a new group ranking among the top regional banks in Japan

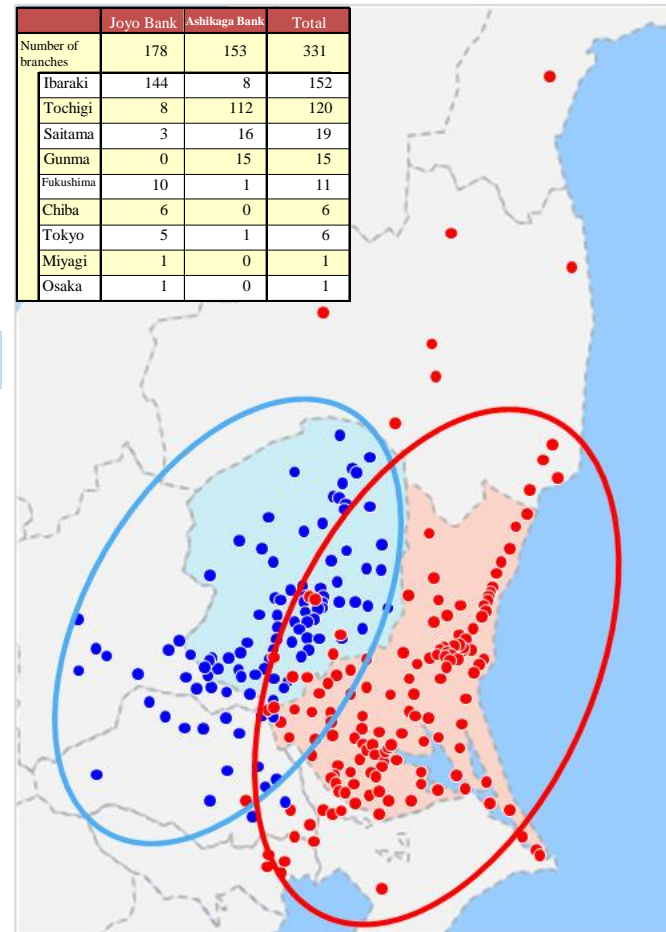
	Joyo Bank	Ashikaga HD/ Ashikaga Bank	New group (simple sum)
Total assets ※1 (consolidated)	9,065.4 billion yen	5,864.2 billion yen	14,929.6 billion yen
Net assets ※1 (consolidated)	601.8 billion yen	287.1 billion yen	888.9 billion yen
Deposits ※1 (non-consolidated)	7,728.7 billion yen	5,085.3 billion yen	12,814.1 billion yen
Loans and bills discounted ※1 (non-consolidated)	5,656.4 billion yen	4,189.4 billion yen	9,845.8 billion yen
Securities portfolio ※1 (non-consolidated)	2,735.4 billion yen	1,236.8 billion yen	3,972.2 billion yen
Gross business profit ※2 (non-consolidated)	109.0 billion yen	80.5 billion yen	189.6 billion yen
Net business income ※2 (non-consolidated)	39.2 billion yen	32.5 billion yen	71.7 billion yen
Core net business income ※2 (non-consolidated)	36.5 billion yen	32.0 billion yen	68.6 billion yen
Net income ※2 (consolidated)	28.6 billion yen	17.0 billion yen	45.7 billion yen
Market capitalization ※3	481.1 billion yen	166.2 billion yen	647.4 billion yen
Number of branches ※1 (including sub-branches)	178	153	331
Number of employees ※1 (consolidated)	3,687	2,944	6,631
Market share of deposits ※4 (non-consolidated)	In Ibaraki/33.9%	In Tochigi/30.9%	Both prefectures/33.8%
Market share of loans ※4 (non-consolidated)	In Ibaraki/47.3%	In Tochigi/40.7%	Both prefectures/47.6%

※1 As of March 31, 2015 ※2: For Fiscal 2014 ※3: As of September 30, 2015

※4: Market Share of deposits includes the balance at JA Bank and Japan Post Bank (as of March 31, 2014) Source: "Kinyu Map 2015" with partial edits

<Branches of Joyo Bank and Ashikaga Bank (as of March 31, 2015)>

	Joyo Bank	Ashikaga Bank	Total
Number of branches	178	153	331
Ibaraki	144	8	152
Tochigi	8	112	120
Saitama	3	16	19
Gunma	0	15	15
Fukushima	10	1	11
Chiba	6	0	6
Tokyo	5	1	6
Miyagi	1	0	1
Osaka	1	0	1



● Ashikaga Bank ● Joyo Bank



# 5. Characteristics of the Sales Base and Potential for the New Group

- ✓ Economic scale of the two prefectures of Ibaraki and Tochigi, where the new group's main sales base is located, is equal to that of Saitama Prefecture or Chiba Prefecture.
- ✓ The two prefectures are among the nation's top regions with respect to the number of factories, and the new group's branch network covers an entire region where there is a high concentration of manufacturing bases in Kita-Kanto.
- ✓ Industries in the region consist of a primary industry (agriculture, forestry, fishery, livestock and mining), secondary industry (manufacturing) and tertiary industry (tourism and services) in a balanced manner. Development of transportation network in the two prefectures, as well as between the two prefectures and the Metropolitan area, has progressed and the collaboration and interaction among industries are expected to create new industries.

## Birth of a financial group with a large market share in the sales base of the same size as those of other prefectures in the Metropolitan area

- As a financial group that has deep understanding of local communities and is familiar with their circumstances, the new group is able to boost contribution to regional development and revitalization in a wider area and on a deeper level based on transactions with a broad range of customers, numerous local core companies and the public sector.

Item	Ibaraki + Tochigi	Saitama	Chiba	Kanagawa
Prefectural GDP (Fiscal 2011) ※1	<b>19,276.2 billion yen</b>	20,370.0 billion yen	18,799.5 billion yen	30,422.2 billion yen
Prefectural income (Fiscal 2011) ※1	<b>14,913.2 billion yen</b>	20,075.1 billion yen	17,523.8 billion yen	26,501.9 billion yen
Population (January 1, 2014) ※1	<b>4,924 thousand people</b>	7,169 thousand	6,142 thousand	8,940 thousand
Number of employed persons in the prefecture (Fiscal 2011) ※1	<b>2,334 thousand</b>	2,770 thousand	2,379 thousand	3,538 thousand
Number of households (January 1, 2014) ※1	<b>1,923 thousand households</b>	3,001 thousand households	2,626 thousand households	4,003 thousand households
Number of corporations (As of March 31, 2013) ※1	<b>86,067</b>	126,866	101,545	173,011
Number of factories newly located (excluding electricity business) (Fiscal 2014) ※2	<b>119</b>	49	29	28
Farm output (Fiscal 2013) ※3	<b>704.6 billion yen</b>	2,01.2 billion yen	414.1 billion yen	80.4 billion yen
Value of manufactured goods shipment (Fiscal 2013) ※2	<b>19,080.8 billion yen</b>	11,787.7 billion yen	13,003.2 billion yen	17,226.1 billion yen
Balance of deposits and savings in the prefecture (As of March 31, 2014) ※4	<b>33,026.2 billion yen</b>	47,751.8 billion yen	39,532.7 billion yen	63,833.8 billion yen
Of which balance held by the top regional bank in the region (As of March 31, 2014) ※4	<b>11,164.7 billion yen</b>	3,728.3 billion yen	9,881.5 billion yen	10,938.1 billion yen
Share of balance of deposits and savings in the prefecture by the top bank in the region (As of March 31, 2014) ※4	<b>33.8%</b>	7.8%	25.0%	17.1%
Balance of loans in the prefecture (As of March 31, 2014) ※1	<b>12,909.5 billion yen</b>	19,229.0 billion yen	15,037.3 billion yen	25,060.0 billion yen
Of which balance held by the top regional bank in the region (As of March 31, 2014) ※4	<b>6,148.8 billion yen</b>	2,672.5 billion yen	5,877.0 billion yen	73,79.8 billion yen
Share of balance of loans in the prefecture by the top bank in the region (As of March 31, 2014) ※4	<b>47.6%</b>	13.9%	39.1%	29.4%

Source: ※1 "Kinju Map 2015" with partial edits ※2 Ministry of Economy, Trade and Industry ※3 Ministry of Agriculture, Forestry and Fisheries  
 ※4 The calculation assumes that the top regional bank in the region is the "new group"



## 6. Synergy of the Business Integration

### Banking business “more convenient and reliable bank”

- ✓ For corporate customers, the Banks will aim to produce synergy by financing regional SME's, promoting business matching that utilizes technology assessment capabilities and a wide sales network, providing solutions in business successions and M&A, overseas business support, etc.
- ✓ For retail customers, the Banks will aim to produce synergy through the joint development and collaboration in the promotion of products and services, provision of further convenience that utilizes the wide area network and the Internet, expansion of the sales network and development of shared branches, provision of high-level consulting that meets the various needs of asset management, support for smooth asset succession to the next generation, etc.
- ✓ For regional communities, the Banks will aim to enhance their contributions through the use of their thorough regional information network in the strategy of wide-area regional and industrial development, the use of and collaboration with research institutes, provision of solutions to local governments, etc.
- ✓ In the investment of securities, the Banks will aim to enhance the management of securities that total 4 trillion yen.

### Lease and securities business, etc. “to provide one-stop financial services with higher added value”

- ✓ Through a new business alliance between Ashikaga Bank and Joyo Bank's leasing subsidiary and securities subsidiary, Ashikaga Bank will aim to re-enter the leasing business and to enter the securities business in order to increase revenue in the non-banking business.
- ✓ The Banks will also consider entering new businesses and collaboration in the fund business, think tank function and credit card service and taking similar measures.

### Management efficiency

- ✓ The Banks will aim to improve management efficiency by streamlining and integrating overlapping areas, such as headquarter and affiliate functions and infrastructures, sharing overseas base and sales base, and using a common platform, including systems, and to shift personnel and other management resources generated as a result to growing areas.

### Mutual complement of know-how and integration of corporate culture through personnel exchanges

- ✓ In order to realize the benefits of integration swiftly, the Banks will aim to exchange personnel actively to mutually complement know-how and integrate corporate culture.

## 7. Schedule of the Business Integration

The Banks will establish an Integration Preparatory Committee to discuss and consider consummating the Business Integration promptly on or after today.

November 2, 2015	Execution of the Basic Agreement
April 2016 (planned)	Execution of the Definitive Agreement concerning the Business Integration (including the share exchange agreement)
June 2016 (planned)	General shareholders meetings of the Companies
October 1, 2016 (planned)	Effective date of the Share Exchange (Business Integration, establish a new financial group)

<Notice>

The Companies may change the form of the Business Integration or share exchange ratio after continuing discussions and considerations conducted in the future between the Companies.

# IV Reference Materials

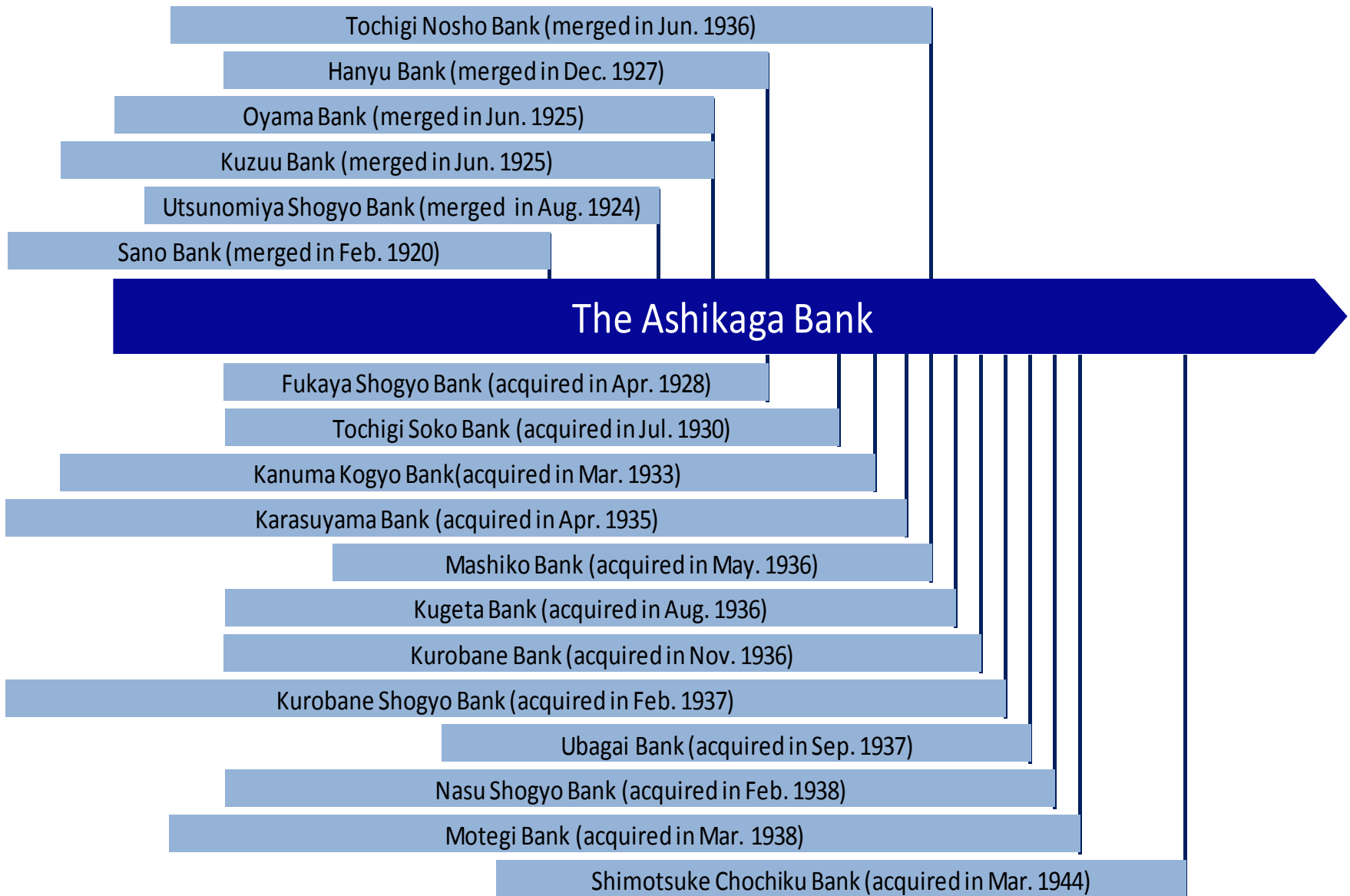
(Figures are non-consolidated basis of The Ashikaga Bank, Ltd.  
without special mention.)

# History of The Ashikaga Bank

We celebrated the 120-year anniversary of foundation this year, with special thanks to customers and shareholders. We will continue to go along with our region in the future.

Oct. 1895	The Ashikaga Bank opened for business in Ashikaga city, Tochigi Prefecture.
Nov. 1897	Opened the first branch office in Kiryu city, Gunma Prefecture.
Mar. 1944	Became the only ordinary bank in Tochigi Prefecture, while it had merged with six banks, and acquired 12 banks. *For details, see the next page.
Feb. 1967	The head office transferred to newly constructed building in Utsunomiya city, Tochigi Prefecture.
Sep. 1985	The current corporate philosophy established and CI introduced.
Nov. 2003	Commencement of special crisis management determined.
Jul. 2008	Ashikaga Holdings acquired all shares in The Ashikaga Bank to reprivatize it.
Apr. 2013	Medium-term management plan “Challenge 120” began.
Dec. 2013	Listed on the First Section of the Tokyo Stock Exchange.
Oct. 2015	120-year anniversary of foundation of the Ashikaga Bank.

# History of merger and acquisition of The Ashikaga Bank



Notice: Former banks' name were trade name at the time of merger or acquisition.

## 《Corporate Philosophy》

All of Ashikaga Holdings and Ashikaga Bank's actions are rooted in the Group corporate philosophy, comprising the three concepts of our mission, our business approach, and our code of conduct. Based on our corporate philosophy, we are determined as a bank to justify the trust and meet the expectations of our customers in the community, in our role as a comprehensive financial institution for our region.

### ➤ Our mission — To contribute to the creation of affluence —

As a comprehensive financial institution for our region, the Ashikaga Bank continues to contribute to the generation of affluence for all in the regional community.

### ➤ Business approach — In harmony with our region —

With a customer-oriented focus, the Ashikaga Bank is committed to operational soundness in harmony with our region.

### ➤ Code of conduct — With pride in our hearts and a smile on our faces —

In full awareness of our mission and role, we will tirelessly meet our customers' expectations and justify their trust, with self-improvement as our watchword, with pride in our hearts and a smile on our faces.

## 《Action Guidelines》

### ➤ Customer-oriented focus

- ✓ Think our customers cherish, and always act for the customers.
- ✓ Contact customers sincerely, with a friendly attitude and smile.
- ✓ Provide what our customers want timely and appropriately.

### ➤ Sense of ownership

- ✓ It should be a steady job, with no lies and deception.
- ✓ Learn, think, and act voluntarily.
- ✓ Get everyone's understanding without falling into self-righteousness.

# The symbol mark and emblem of The Ashikaga Bank



The head office at present  
(Utsunomiya city, relocated in 1967)



The head office in foundation era  
(Ashikaga city, circa 1895)

## The Symbol Mark named "Wing A"



This symbol mark is to express the moment that a new page for the future has emerged, that cut open one of the era, and symbolizes the willingness and behavior of Ashikaga Bank, which will open up aggressively bright future. In addition, the white triangle drawn in it is a wing that extends in response to the wind of hopes and dreams, and symbolizes the initials A of Ashikaga Bank.

## The Emblem named "Maruni"



This emblem is in honor of the Ashikaga, a land of our founding, and represents the figure that customers in the region and The Ashikaga Banks will continue to both development with amicably harmony. As a symbol of act with pride and joy of all officers and employees of the Bank, and a symbol of having a strong will to meet the expectations and trust of the people of the region, in other words, as the spirit of The Ashikaga Bank, we revived the badge of "Maruni", first time in 25 years.



# Overall economic conditions in Tochigi (1) (Business climate indicators, etc.)

	Business condition index		Production, shipments and inventories indices (Seasonally adjusted 2010=100) *1									Consumer Price Index (Utsunomiya City) 2010 average =100 *2		
			Indices of industrial production			Shipments			Inventories			MoM	YoY	
	Leading indicator	Coincident indicator	MoM	YoY	MoM	YoY	MoM	YoY	MoM	YoY				
2010	-	-	100.0	-	20.6	100.0	-	23.3	96.1	-	(3.2)	100.0	-	(1.4)
2011	-	-	94.7	-	(5.3)	97.1	-	(2.9)	104.1	-	8.3	99.5	-	(0.5)
2012	-	-	95.7	-	1.1	93.4	-	(3.8)	101.9	-	(2.1)	99.7	-	0.2
2013	-	-	100.1	-	4.6	98.8	-	5.8	105.2	-	3.2	100.1	-	0.4
2014	-	-	96.4	-	(3.7)	95.9	-	(2.9)	105.0	-	(0.2)	103.3	-	3.2
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Jul. 2014	121.5	112.3	88.4	(5.6)	(14.2)	89.1	(3.5)	(15.2)	116.8	7.8	5.5	104.3	0.3	3.7
Aug.	112.0	113.6	91.8	3.8	(12.1)	90.0	1.0	(14.2)	132.7	13.6	25.3	104.3	0.0	3.8
Sep.	119.8	113.3	92.1	0.3	(8.8)	92.9	3.2	(7.2)	114.8	(13.5)	5.9	104.5	0.2	3.8
Oct.	116.8	113.6	95.0	3.1	(9.9)	93.9	1.1	(9.6)	114.2	(0.5)	6.5	104.5	0.0	3.7
Nov.	117.9	114.2	93.7	(1.4)	(13.6)	92.1	(1.9)	(13.8)	112.5	(1.5)	3.4	104.2	(0.3)	3.2
Dec.	117.1	115.0	95.7	2.1	(8.3)	96.8	5.1	(4.7)	112.6	0.1	(0.2)	103.4	(0.8)	2.9
Jan. 2015	111.4	15.7	99.1	3.6	(7.4)	100.8	4.1	(4.0)	106.1	(5.8)	(12.5)	103.4	0.0	2.7
Feb.	117.1	114.1	101.5	2.4	(2.1)	101.5	0.7	(3.8)	109.3	3.0	4.1	104.1	0.7	3.0
Mar.	115.4	108.8	93.0	(8.4)	(8.6)	94.1	(7.3)	(6.7)	108.2	(1.0)	0.7	104.3	0.2	0.5
Apr.	114.6	111.9	96.9	4.2	(1.5)	95.7	1.7	(0.6)	110.3	1.9	4.9	104.3	0.1	0.2
May.	114.3	113.8	96.4	(0.5)	(4.3)	98.0	2.4	(1.6)	112.2	1.7	6.4	104.3	0.0	0.3
Jun.	118.2	114.3	99.4	3.1	8.3	95.1	(3.0)	4.7	117.9	5.1	8.9	104.3	0.0	0.2
Jul.	111.1	113.0	92.6	(6.8)	4.7	92.5	(2.7)	3.9	119.0	0.9	1.9	104.9	0.6	0.6
Aug.	110.7	110.6	94.3	1.8	2.7	90.7	(1.9)	0.8	115.6	(2.9)	(12.9)	104.5	(0.4)	0.2
Sep.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Research organ	Statistics Section of Tochigi Prefecture											The Ministry of Internal Affairs and Communication		

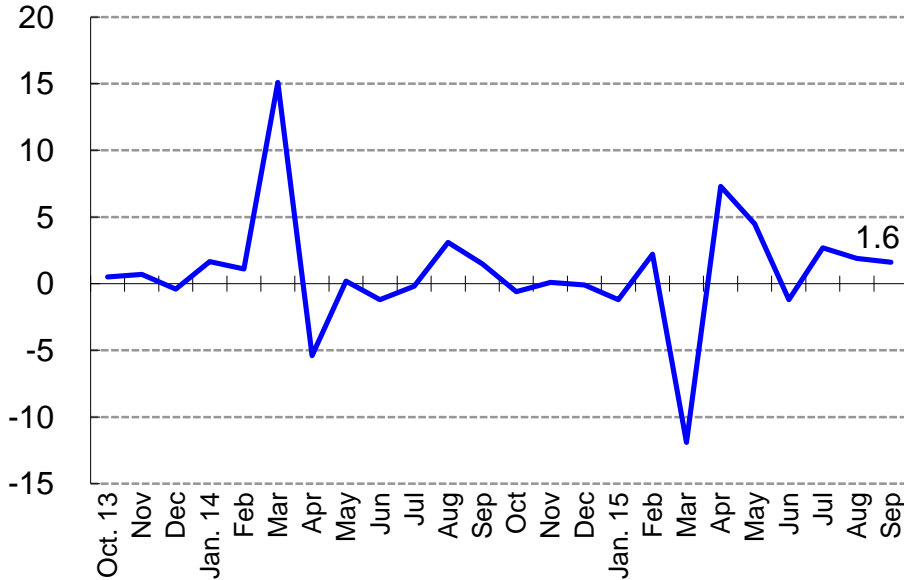
As preliminary figures are used for some coefficients, they may be changed in the final report. MoM and YoY are presented by percentage.

\*1 Years in production, shipments and inventories indices are those in which data are tallied in the original index. YoY is based on the original index.

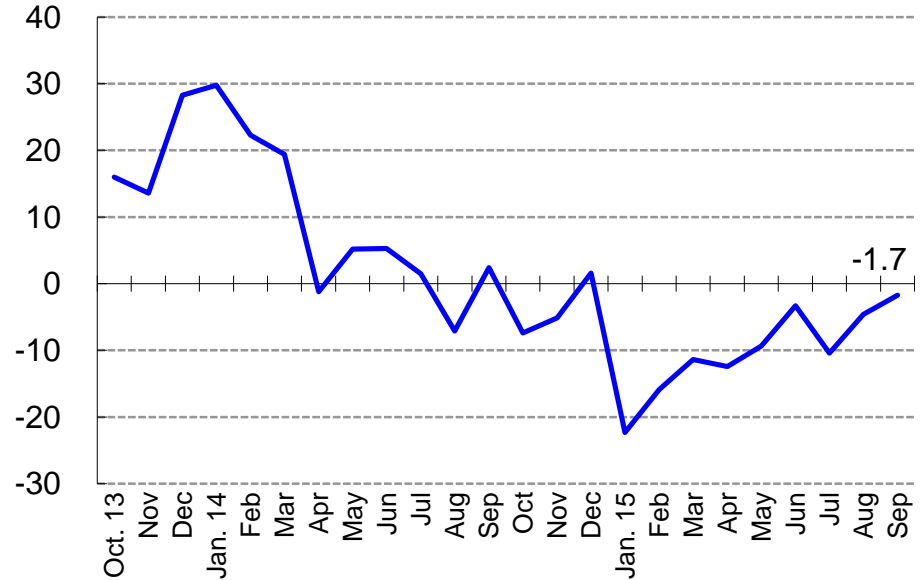
\*2 CPI for all items less fresh food. Data by year are the annual average

# Overall economic conditions in Tochigi (2) (April 2013 – March 2015)

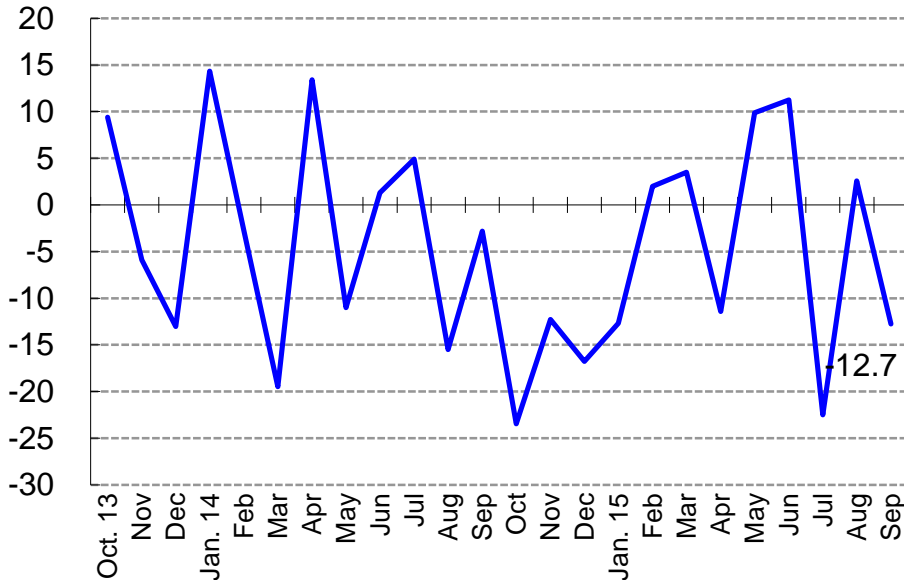
《Sales of large –scale retail stores (YoY)》 (%)



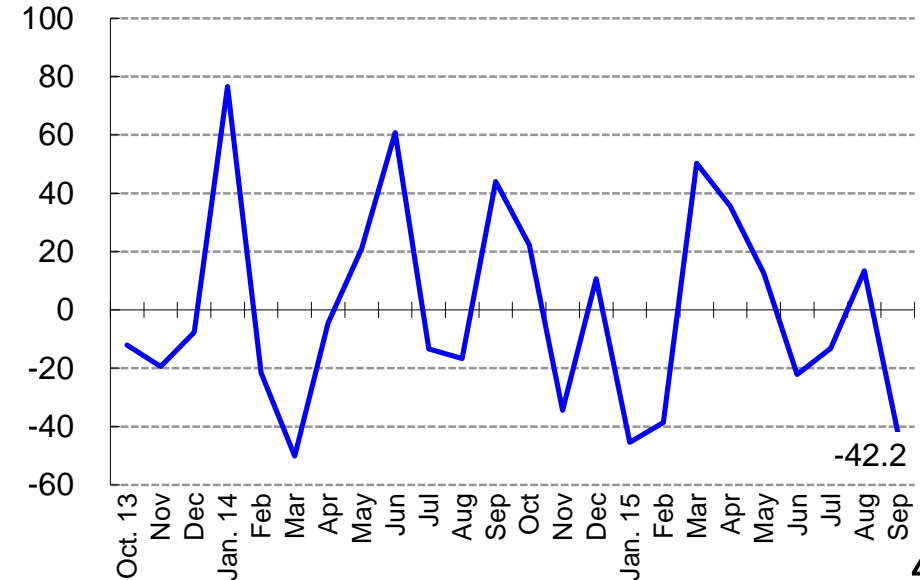
《Registration of new passenger cars (YoY)》 (%)



《New housing construction starts (YoY)》 (%)

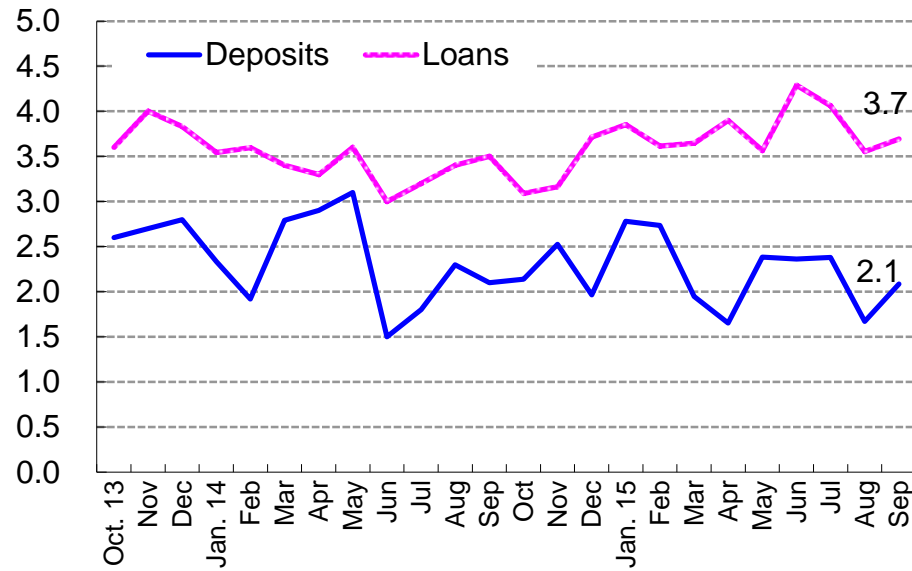


《Contracted public works orders (YoY)》 (%)

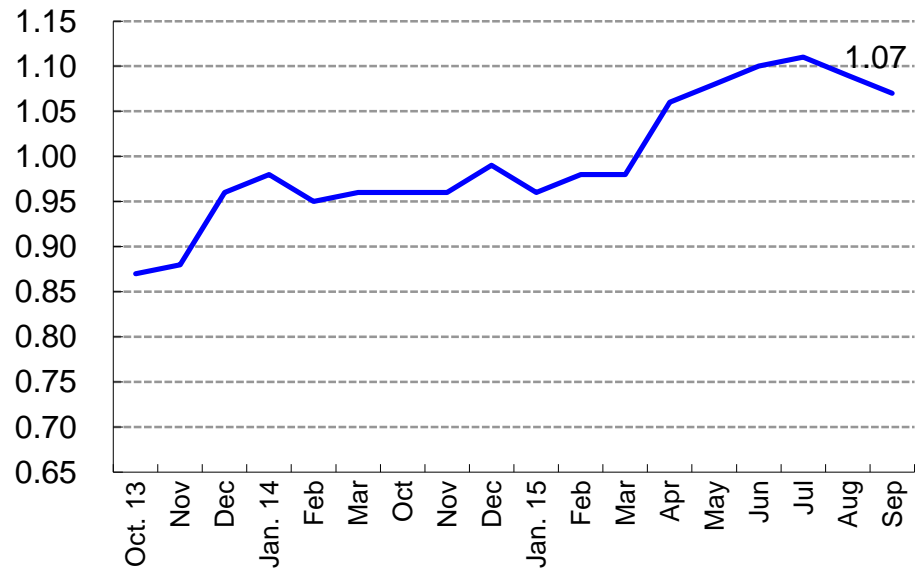


# Overall economic conditions in Tochigi (3) (April 2013 – March 2015)

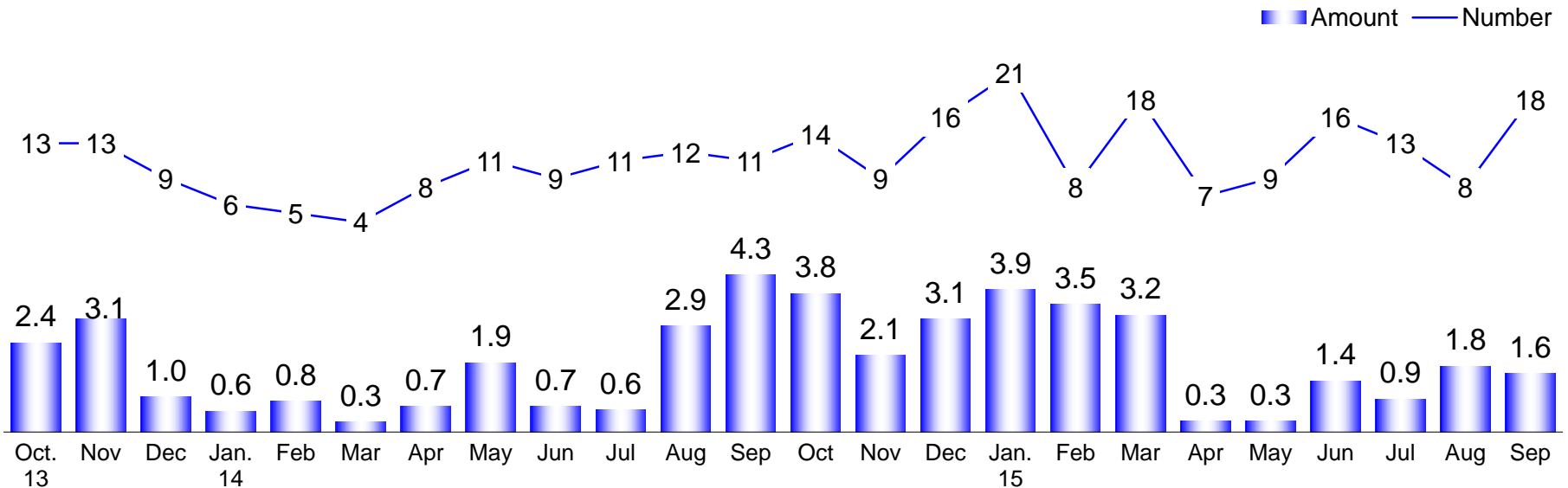
《Deposit and Loan balances at domestic banks(YoY)》 (%)



《Job-offers-to-seekers ratio》 (Times)



《Business failures (Number/Amounts)》 (Cases/JPY Bn)



# Overview of financial data

## <<The Ashikaga Bank, Ltd. (Non-consolidated basis)>>

	(JPY B n )													
	FY09		FY10		FY11		FY12		FY13		FY14		FY15	
	(1H )		(1H )		(1H )		(1H )		(1H )		(1H )		(1H )	
Core gross business profit	43.0	84.7	40.3	79.7	38.7	76.8	37.4	75.4	39.6	78.6	40.4	80.1	43.7	
Gross business profit	46.0	93.6	46.6	86.0	43.3	81.8	43.0	81.0	41.0	79.9	40.9	80.5	44.4	
Net interest income	37.2	73.7	34.6	69.2	33.3	65.3	31.4	62.7	32.3	63.8	33.0	65.0	36.1	
Net fees and commissions	5.4	10.4	5.2	9.8	5.0	10.6	5.6	12.1	7.0	14.3	7.2	14.5	7.4	
Net other business income	3.3	9.4	6.7	7.0	5.0	5.8	5.9	6.1	1.6	1.7	0.7	0.9	0.8	
Gains (losses) on bonds	3.0	8.8	6.3	6.3	4.6	4.9	5.6	5.6	1.3	1.3	0.4	0.4	0.7	
Expenses	25.1	49.6	26.1	51.5	28.2	54.1	25.7	49.7	24.7	48.9	24.4	48.0	23.6	
Personnel expenses	11.9	23.9	12.4	25.0	13.0	25.7	13.6	27.2	12.8	26.6	13.0	26.0	12.7	
Non-personnel expenses	11.3	22.8	11.8	23.9	13.2	25.7	10.4	20.2	10.3	20.1	9.8	19.6	9.3	
Taxes	1.9	2.8	1.8	2.6	1.9	2.6	1.6	2.2	1.5	2.1	1.4	2.3	1.5	
Net business income (before general allowance for loan losses)	20.9	44.0	20.4	34.4	15.1	27.7	17.3	31.3	16.2	31.0	16.5	32.5	20.7	
Core net business income	17.8	35.1	14.1	28.1	10.5	22.7	11.6	25.7	14.8	29.6	16.0	32.0	20.0	
Credit related costs	6.0	7.9	3.0	8.6	0.2	3.8	0.6	4.5	2.9	7.4	1.4	2.6	-1.4	
Gains (losses) on stocks	3.6	5.0	-	-0.2	-0.1	1.7	-0.1	-0.7	6.4	12.3	-0.0	-0.4	2.4	
Ordinary profit	17.7	39.9	13.6	24.9	14.4	25.5	16.8	26.8	19.5	35.4	15.6	29.7	24.3	
Extraordinary income(loss)	0.1	0.6	2.8	-0.1	-	-0.1	-0.1	-0.2	-0.2	-0.4	-0.0	-0.0	-	
Net income	17.9	40.1	16.4	25.4	14.8	25.4	15.4	24.6	22.3	32.1	11.3	19.7	17.0	

## <<Ashikaga Holdings Co., Ltd. (Consolidated basis)>>

	(JPY B n )													
	FY09		FY10		FY11		FY12		FY13		FY14		FY15	
	(1H )		(1H )		(1H )		(1H )		(1H )		(1H )		(1H )	
Ordinary income	59.6	117.0	55.2	104.6	52.0	101.2	51.9	98.3	56.5	108.0	49.3	96.7	54.9	
Consolidated gross profit	47.1	95.7	47.7	88.1	44.1	83.1	43.6	82.2	42.4	82.3	42.4	82.8	45.5	
General and administrative expenses	29.3	58.1	30.2	59.8	32.3	62.4	29.9	58.1	29.0	57.5	28.7	56.6	27.9	
Amortization of goodwill	3.1	6.2	3.1	6.2	3.1	6.2	3.1	6.2	3.1	6.2	3.1	6.2	3.1	
Credit related costs	8.4	12.5	6.4	11.4	1.0	5.0	1.0	5.6	3.1	7.8	2.0	5.9	2.3	
Gains (losses) on stocks	4.2	-1.2	-	-1.8	-0.3	0.5	-0.3	-1.2	5.9	11.1	-0.0	-0.4	2.2	
Ordinary profit	13.6	24.6	10.9	15.7	10.5	17.2	13.1	18.6	16.2	28.2	12.5	21.0	17.4	
Extraordinary income(loss)	0.2	0.7	1.7	-0.4	-	-0.1	-	-0.3	-0.2	-0.3	-0.0	-0.0	-	
Income before income taxes and minority interests	13.8	25.4	12.7	15.3	10.4	17.0	13.1	18.3	15.9	27.9	12.5	21.0	17.4	
Income taxes—current	0.2	0.3	0.3	0.6	0.3	0.2	0.9	1.7	1.0	2.7	6.4	10.5	3.3	
Income taxes—deferred	-0.4	-0.4	0.1	-1.2	-0.4	-0.3	0.7	1.2	-3.6	0.8	-1.6	-6.6	2.9	
Net income	13.9	25.4	12.2	15.9	10.6	17.1	11.4	15.4	18.5	24.3	7.7	17.0	11.0	
(Reference) Net income excluding amortization of goodwill	17.0	31.6	15.3	22.1	13.7	23.3	14.5	21.6	21.6	30.5	10.8	23.2	14.1	

# Loans (term-end balance)

(JPY Bn)	09/9	10/3	10/9	11/3	11/9	12/3	12/9	13/3	13/9	14/3	14/9	15/3	15/9
Total loans	3,351.3	3,365.9	3,356.2	3,473.2	3,429.2	3,641.0	3,685.6	3,775.2	3,889.5	4,007.3	4,057.7	4,189.4	4,204.5
Loans to small and medium-sized enterprises	2,551.6	2,531.4	2,549.7	2,571.8	2,543.4	2,575.9	2,613.6	2,646.6	2,740.7	2,851.5	2,927.4	3,036.8	3,121.5
Small and medium-sized companies	1,398.6	1,364.3	1,374.4	1,404.5	1,362.5	1,392.4	1,394.8	1,392.8	1,442.9	1,490.6	1,518.7	1,566.4	1,604.1
Individuals	1,152.9	1,167.0	1,175.3	1,167.3	1,180.9	1,183.4	1,218.8	1,253.8	1,297.7	1,360.8	1,408.7	1,470.3	1,517.4
Large and middle-ranking companies	529.4	522.5	533.8	575.8	611.5	633.1	627.9	640.6	673.5	665.3	649.9	632.5	603.1
Central and local governments	270.2	311.9	272.6	325.5	274.2	431.8	443.9	487.9	475.3	490.3	480.4	519.9	479.8
Ratio of small and medium-sized enterprises loans	76.13%	75.20%	75.96%	74.04%	74.16%	70.74%	70.91%	70.10%	70.46%	71.15%	72.14%	72.48%	74.24%

(JPY Bn)	09/9	10/3	10/9	11/3	11/9	12/3	12/9	13/3	13/9	14/3	14/9	15/3	15/9
Total loans	3,351.3	3,365.9	3,356.2	3,473.2	3,429.2	3,641.0	3,685.6	3,775.2	3,889.5	4,007.3	4,057.7	4,189.4	4,204.5
Ordinary claims	3,189.2	3,240.0	3,228.1	3,354.5	3,309.5	3,518.9	3,566.3	3,652.8	3,769.0	3,893.0	3,953.4	4,091.4	4,110.1
Individuals (including sole proprietors)	1,296.7	1,309.3	1,311.4	1,304.3	1,300.3	1,320.0	1,353.8	1,391.8	1,441.9	1,519.0	1,577.1	1,649.0	1,707.5
General corporations	1,609.9	1,606.9	1,635.3	1,711.0	1,729.4	1,760.1	1,761.7	1,762.2	1,836.1	1,868.9	1,881.3	1,909.9	1,908.2
Financial institutions	12.2	11.7	8.7	13.5	5.4	6.7	6.7	10.7	15.6	14.5	14.5	12.4	14.4
Public sector	270.2	311.9	272.6	325.5	274.2	431.8	443.9	487.9	475.3	490.3	480.4	519.9	479.8
Risk-monitored loans	162.0	125.9	128.0	118.7	119.7	122.1	119.3	122.4	120.4	114.3	104.3	98.0	94.4

(JPY Bn)	09/9	10/3	10/9	11/3	11/9	12/3	12/9	13/3	13/9	14/3	14/9	15/3	15/9
Consumer loans	1,206.4	1,220.7	1,227.5	1,227.3	1,232.2	1,253.9	1,289.7	1,331.8	1,383.0	1,458.0	1,515.7	1,585.8	1,640.9
Housing loans	1,161.8	1,178.0	1,186.4	1,188.2	1,195.1	1,218.3	1,255.3	1,298.5	1,351.0	1,425.1	1,480.9	1,546.9	1,597.9
Other loans	44.6	42.7	41.1	39.1	37.0	35.5	34.4	33.3	31.9	32.8	34.7	38.9	42.9

(JPY Bn)	09/9	10/3	10/9	11/3	11/9	12/3	12/9	13/3	13/9	14/3	14/9	15/3	15/9
Total loans	3,351.3	3,365.9	3,356.2	3,473.2	3,429.2	3,641.0	3,685.6	3,775.2	3,889.5	4,007.3	4,057.7	4,189.4	4,204.5
Tochigi	1,952.7	1,990.2	1,950.6	2,026.8	1,957.6	2,051.4	2,069.0	2,125.3	2,158.1	2,242.0	2,256.0	2,350.9	2,341.7
Adjacent prefectures	1,034.5	1,016.0	1,016.2	1,031.7	1,015.2	1,019.2	1,024.1	1,044.8	1,076.5	1,134.1	1,182.3	1,254.4	1,308.3
Gu n ma	410.6	398.4	393.0	394.7	382.7	381.3	380.7	382.5	395.7	417.3	436.1	460.1	473.2
Ibaraki	182.3	180.6	181.7	191.6	187.8	187.2	190.2	191.5	194.2	199.4	206.5	218.1	230.1
Saitama	403.0	398.0	402.8	406.4	406.5	412.2	416.1	433.5	448.8	476.5	499.6	536.0	566.4
Fukushima	38.5	38.8	38.6	38.8	38.1	38.4	37.1	37.2	37.6	40.8	40.0	40.1	38.4
Tokyo	363.9	359.6	389.2	414.6	456.4	570.2	592.3	605.0	654.8	631.1	619.4	584.0	554.4

# Loans by type of industry (term-end balance)

## <<Classification of loans by type of industry / Composition ratio>>

(JPY Bn)	11/9		12/3		12/9		13/3		13/9		14/3		14/9		15/3		15/9	
		Composi- tion ratio		Composi- tion ratio		Composi- tion ratio		Composi- tion ratio		Composi- tion ratio		Composi- tion ratio		Composi- tion ratio		Composi- tion ratio		Composi- tion ratio
Manufacturing	522.2	15.2%	524.2	14.4%	521.3	14.1%	528.8	14.0%	535.4	13.8%	514.5	12.8%	515.0	12.7%	516.3	12.3%	503.8	12.0%
Agriculture / Forestry	15.9	0.5%	14.8	0.4%	11.8	0.3%	10.5	0.3%	11.7	0.3%	12.6	0.3%	12.6	0.3%	10.3	0.2%	10.9	0.3%
Fishery	0.5	0.0%	0.5	0.0%	0.4	0.0%	0.5	0.0%	0.4	0.0%	0.5	0.0%	0.4	0.0%	0.5	0.0%	0.5	0.0%
Mining / Quarrying of stone / Gravel	4.5	0.1%	4.7	0.1%	4.7	0.1%	5.2	0.1%	5.2	0.1%	5.7	0.1%	5.8	0.1%	5.8	0.1%	5.6	0.1%
Construction	135.9	4.0%	138.6	3.8%	132.7	3.6%	135.2	3.6%	130.7	3.4%	137.4	3.4%	137.2	3.4%	144.1	3.4%	142.3	3.4%
Electricity, gas and water	19.2	0.6%	20.8	0.6%	22.4	0.6%	23.9	0.6%	35.4	0.9%	36.2	0.9%	34.7	0.9%	39.7	0.9%	41.2	1.0%
Telecommunication	39.9	1.2%	41.5	1.1%	42.4	1.2%	42.3	1.1%	39.5	1.0%	46.0	1.2%	43.5	1.1%	41.1	1.0%	39.3	0.9%
Transportation / Postal activities	87.8	2.6%	97.5	2.7%	94.6	2.6%	99.4	2.6%	102.3	2.6%	101.9	2.5%	106.2	2.6%	103.1	2.5%	101.5	2.4%
Wholesale / Retail services	395.0	11.5%	400.1	11.0%	401.3	10.9%	396.5	10.5%	384.2	9.9%	387.4	9.7%	394.1	9.7%	395.9	9.5%	395.4	9.4%
Financial and insurance services	112.9	3.3%	109.8	3.0%	134.9	3.7%	139.9	3.7%	207.4	5.3%	213.4	5.3%	209.7	5.2%	198.6	4.7%	195.7	4.7%
Real estate / Goods rental and leasing	325.8	9.5%	354.9	9.7%	357.7	9.7%	376.1	10.0%	389.5	10.0%	408.8	10.2%	425.9	10.5%	446.8	10.7%	469.7	11.2%
Services	313.9	9.2%	317.6	8.7%	298.0	8.1%	274.6	7.3%	274.0	7.0%	291.0	7.3%	282.9	7.0%	296.3	7.1%	244.1	5.8%
National / Local government	274.2	8.0%	431.8	11.9%	443.9	12.0%	487.9	12.9%	475.3	12.2%	490.3	12.2%	480.4	11.8%	519.9	12.4%	479.8	11.4%
Others (individuals)	1,180.9	34.4%	1,183.4	32.5%	1,218.8	33.1%	1,253.8	33.2%	1,297.7	33.4%	1,360.8	34.0%	1,408.7	34.7%	1,470.3	35.1%	1,517.4	36.1%
Total	3,429.2	100.0%	3,641.0	100.0%	3,685.6	100.0%	3,775.2	100.0%	3,889.5	100.0%	4,007.3	100.0%	4,057.7	100.0%	4,189.4	100.0%	4,204.5	100.0%

## <<Classification of risk-monitored loans by type of industry / Ratio>>

(JPY Bn)	11/9		12/3		12/9		13/3		13/9		14/3		14/9		15/3		15/9	
		Ratio		Ratio		Ratio		Ratio		Ratio		Ratio		Ratio		Ratio		Ratio
Manufacturing	28.4	5.5%	30.2	5.8%	29.8	5.7%	33.4	6.3%	32.6	6.1%	31.3	6.1%	29.5	5.7%	27.1	5.3%	24.6	4.9%
Agriculture / Forestry	0.5	3.3%	0.8	5.6%	0.7	6.4%	0.3	3.6%	0.3	2.7%	0.3	3.0%	0.3	2.4%	0.2	2.3%	0.2	1.9%
Fishery	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Mining / Quarrying of stone / Gravel	-	1.1%	-	1.2%	-	1.2%	0.1	2.4%	0.1	2.3%	0.1	1.8%	0.0	1.5%	0.0	1.2%	-	0.9%
Construction	14.2	10.5%	13.0	9.4%	11.1	8.4%	11.1	8.2%	11.0	8.5%	8.5	6.2%	8.3	6.1%	6.9	4.8%	6.3	4.5%
Electricity, gas and water	2.0	10.4%	4.0	19.3%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Telecommunication	0.3	0.8%	0.8	2.0%	1.0	2.4%	1.0	2.5%	1.0	2.8%	0.9	2.0%	0.8	1.9%	0.5	1.4%	0.6	1.6%
Transportation / Postal activities	2.2	2.6%	2.5	2.6%	2.7	2.9%	3.4	3.5%	3.3	3.3%	3.7	3.6%	3.2	3.1%	2.6	2.5%	3.0	3.0%
Wholesale / Retail services	18.3	4.6%	17.5	4.4%	20.2	5.1%	22.4	5.7%	23.0	6.0%	20.5	5.3%	18.9	4.8%	17.9	4.5%	19.0	4.8%
Financial and insurance services	2.0	1.8%	2.1	2.0%	1.9	1.5%	0.3	0.2%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	-	0.0%
Real estate / Goods rental and leasing	18.0	5.5%	17.6	5.0%	19.0	5.3%	17.4	4.6%	16.2	4.2%	15.5	3.8%	14.8	3.5%	14.4	3.2%	12.1	2.6%
Services	17.7	5.7%	19.2	6.1%	19.2	6.5%	18.9	6.9%	18.9	6.9%	20.0	6.9%	14.7	5.2%	14.9	5.1%	15.1	6.2%
National / Local government	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Others (individuals)	15.5	1.3%	13.8	1.2%	13.2	1.1%	13.6	1.1%	13.5	1.0%	13.2	1.0%	13.3	0.9%	12.9	0.9%	13.0	0.9%
Total	119.7	3.5%	122.1	3.4%	119.3	3.2%	122.4	3.2%	120.4	3.1%	114.3	2.9%	104.3	2.6%	98.0	2.3%	94.4	2.2%

# Deposits (term-end balance)

(JPY Bn)	09/9	10/3	10/9	11/3	11/9	12/3	12/9	13/3	13/9	14/3	14/9	15/3	15/9
Deposits, etc.	4,296.5	4,505.5	4,482.4	4,646.6	4,673.4	4,856.1	4,824.9	4,963.0	5,004.6	5,183.9	5,191.6	5,337.7	5,333.9
Deposits	4,256.9	4,417.7	4,364.6	4,539.5	4,524.0	4,686.2	4,659.7	4,782.1	4,787.9	4,957.8	4,916.8	5,085.3	5,058.1
Individual customers	3,072.9	3,102.6	3,126.9	3,202.4	3,206.0	3,264.0	3,280.7	3,337.0	3,381.5	3,449.2	3,475.1	3,548.5	3,556.0
Corporate	906.5	915.6	984.0	963.1	1,060.4	1,035.6	1,113.0	1,057.1	1,129.1	1,112.3	1,169.8	1,150.3	1,218.5
Public sector and financial institutions	277.4	399.5	253.6	373.9	257.5	386.5	265.9	388.0	277.2	396.3	271.7	386.4	283.4
NCD	39.5	87.7	117.7	107.1	149.4	169.9	165.1	180.9	216.6	226.0	274.8	252.3	275.7

(JPY Bn)	09/9	10/3	10/9	11/3	11/9	12/3	12/9	13/3	13/9	14/3	14/9	15/3	15/9
Deposits	4,256.9	4,417.7	4,364.6	4,539.5	4,524.0	4,686.2	4,659.7	4,782.1	4,787.9	4,957.8	4,916.8	5,085.3	5,058.1
Tochigi	3,346.2	3,500.5	3,426.4	3,582.2	3,552.5	3,688.6	3,634.4	3,783.0	3,745.7	3,903.2	3,833.4	3,995.9	3,956.9
Adjacent prefectures	881.4	876.8	907.2	920.7	949.4	960.5	1,003.5	977.2	1,022.6	1,025.2	1,060.7	1,071.2	1,084.3
Gunma	356.2	342.6	362.5	365.0	379.7	383.9	406.1	388.8	415.1	414.0	423.4	427.3	427.2
Ibaraki	164.2	167.5	171.8	177.3	180.8	185.3	188.9	188.8	192.9	196.4	200.8	206.8	209.2
Saitama	349.2	355.2	360.5	366.0	374.8	374.6	392.4	383.2	397.9	397.6	419.0	419.2	431.1
Fukushima	11.6	11.4	12.1	12.3	14.0	16.5	16.0	16.1	16.6	17.1	17.3	17.6	16.7
Tokyo	29.3	40.3	31.0	36.5	22.0	37.0	21.8	21.9	19.5	29.3	22.5	18.1	16.7

(JPY Bn)	09/9	10/3	10/9	11/3	11/9	12/3	12/9	13/3	13/9	14/3	14/9	15/3	15/9
Total deposits	4,232.6	4,398.1	4,338.8	4,519.1	4,497.8	4,685.5	4,656.9	4,781.2	4,758.9	4,934.5	4,888.6	5,061.7	5,029.2
Yen liquid deposits	2,348.3	2,547.6	2,437.5	2,651.4	2,579.6	2,837.3	2,776.6	2,971.0	2,909.0	3,130.9	3,064.7	3,277.4	3,199.1
Yen fixed deposits	1,812.9	1,803.3	1,873.3	1,837.7	1,890.7	1,820.8	1,853.6	1,784.6	1,828.5	1,784.9	1,807.8	1,767.7	1,815.4
Foreign currency deposits	71.3	47.1	27.9	29.9	27.5	27.4	26.5	25.5	21.3	18.6	16.0	16.5	14.7
Deposits of individual	3,072.9	3,102.6	3,126.9	3,202.4	3,206.0	3,264.0	3,280.7	3,337.0	3,381.5	3,449.2	3,475.1	3,548.5	3,556.0
Yen liquid deposits	1,565.5	1,596.4	1,611.5	1,684.9	1,692.5	1,773.4	1,807.5	1,877.2	1,929.3	2,004.0	2,037.3	2,116.7	2,129.2
Yen fixed deposits	1,491.2	1,488.1	1,495.0	1,496.1	1,493.0	1,469.6	1,453.8	1,441.8	1,437.1	1,431.7	1,425.8	1,421.4	1,416.7
Foreign currency deposits	16.0	18.0	20.3	21.2	20.5	20.8	19.4	17.8	15.0	13.5	11.9	10.3	10.0
Deposits of corporate	882.2	895.9	958.1	942.7	1,012.5	1,031.0	1,107.9	1,052.2	1,097.7	1,086.4	1,139.6	1,124.3	1,185.0
Yen liquid deposits	645.5	645.1	682.9	671.0	727.8	746.1	818.0	771.5	808.2	798.3	855.7	841.7	888.4
Yen fixed deposits	229.9	244.3	267.6	263.1	277.7	278.3	282.7	273.0	283.0	282.9	279.8	276.4	291.9
Foreign currency deposits	6.6	6.5	7.5	8.6	6.9	6.5	7.1	7.7	6.3	5.1	4.0	6.1	4.6
Deposits of the public sector	229.6	340.1	211.2	318.1	240.6	349.4	227.0	350.2	237.9	354.6	230.5	339.0	243.6
Yen liquid deposits	91.9	249.2	103.2	242.4	124.0	280.1	114.5	281.7	130.8	285.6	129.7	270.4	138.2
Yen fixed deposits	89.1	68.2	107.9	75.7	116.6	69.2	112.5	68.5	107.1	69.0	100.8	68.6	105.4
Foreign currency deposits	48.5	22.6	-	-	-	-	-	-	-	-	-	-	-
Deposits of financial	47.8	59.4	42.3	55.7	38.6	41.0	41.1	41.7	41.7	44.2	43.2	49.8	44.4
Yen liquid deposits	45.2	56.8	39.7	52.9	35.2	37.5	36.5	40.5	40.5	42.9	41.9	48.5	43.1
Yen fixed deposits	2.5	2.6	2.6	2.7	3.3	3.5	4.5	1.1	1.2	1.2	1.2	1.2	1.2

\* Before adjustment for inter-office transactions

# Fund management account/ financing account /various yields

## <<Average balance (on a bank-wide basis)>>

	(JPY Bn)	FY09		FY10		FY11		FY12		FY13		FY14		FY15
		(1H)		(1H)		(1H)		(1H)		(1H)		(1H)		(1H)
Interest earning assets		4,693.4	4,685.8	4,771.3	4,826.8	4,831.8	4,961.9	5,091.7	5,102.7	5,367.3	5,343.9	5,607.8	5,638.1	5,789.9
Loans		3,348.2	3,341.7	3,315.1	3,339.8	3,396.4	3,453.3	3,573.3	3,613.2	3,763.4	3,832.2	3,994.3	4,045.5	4,145.3
Securities		1,268.1	1,249.6	1,260.7	1,328.0	1,225.0	1,192.4	1,132.5	1,162.9	1,287.7	1,244.0	1,222.7	1,210.5	1,088.5
Interest bearing liabilities		4,568.4	4,552.7	4,609.6	4,662.1	4,818.4	4,816.5	4,945.8	4,953.7	5,226.8	5,199.7	5,457.9	5,488.6	5,644.7
Deposits, etc.		4,313.2	4,335.8	4,466.5	4,493.4	4,680.9	4,697.2	4,786.3	4,803.3	4,992.7	5,032.5	5,256.8	5,280.7	5,374.4
Deposits		4,271.1	4,283.0	4,344.9	4,370.0	4,522.5	4,528.9	4,602.4	4,621.2	4,738.2	4,768.0	4,924.3	4,943.0	5,027.9
NCD		42.0	52.8	121.5	123.3	158.3	168.2	183.8	182.1	254.5	264.5	332.4	337.6	346.4

## <<Yield (on a bank-wide basis)>>

	(%)	FY09		FY10		FY11		FY12		FY13		FY14		FY15
		(1H)		(1H)		(1H)		(1H)		(1H)		(1H)		(1H)
Average yield on interest earning assets		1.74%	1.72%	1.57%	1.55%	1.47%	1.40%	1.31%	1.30%	1.28%	1.24%	1.22%	1.20%	1.30%
Average yield on loans and bills discounted		2.00%	1.99%	1.91%	1.87%	1.77%	1.72%	1.59%	1.56%	1.46%	1.45%	1.37%	1.35%	1.29%
Average yield on securities		1.06%	1.06%	0.83%	0.83%	0.83%	0.78%	0.75%	0.75%	0.91%	0.85%	1.07%	1.02%	1.91%
Average yield on interest bearing liabilities		1.26%	1.24%	1.26%	1.22%	1.26%	1.21%	1.11%	1.07%	1.02%	0.99%	0.94%	0.93%	0.89%
Average yield on deposits and negotiable		0.16%	0.15%	0.12%	0.11%	0.09%	0.08%	0.06%	0.06%	0.05%	0.05%	0.05%	0.04%	0.04%
Average yield on call money and borrowed money		0.15%	1.40%	0.09%	0.10%	0.10%	0.10%	0.10%	0.10%	0.09%	0.09%	0.11%	0.11%	0.10%
Average interest rate spread		0.48%	0.48%	0.31%	0.33%	0.21%	0.19%	0.20%	0.23%	0.26%	0.25%	0.28%	0.27%	0.41%
Yield spread between loans and deposits		1.84%	1.84%	1.79%	1.76%	1.68%	1.64%	1.53%	1.50%	1.41%	1.40%	1.32%	1.31%	1.25%

## <<Yield (Domestic Operation)>>

	(%)	FY09		FY10		FY11		FY12		FY13		FY14		FY15
		(1H)		(1H)		(1H)		(1H)		(1H)		(1H)		(1H)
Average yield on interest earning assets		1.74%	1.72%	1.57%	1.54%	1.47%	1.40%	1.30%	1.30%	1.27%	1.23%	1.20%	1.18%	1.26%
Average yield on loans and bills discounted		2.00%	1.99%	1.91%	1.87%	1.77%	1.72%	1.59%	1.56%	1.47%	1.45%	1.37%	1.36%	1.29%
Average yield on securities		1.05%	1.05%	0.82%	0.82%	0.82%	0.77%	0.75%	0.74%	0.91%	0.84%	1.06%	0.99%	2.01%
Average yield on interest bearing liabilities		1.24%	1.22%	1.24%	1.20%	1.24%	1.19%	1.10%	1.05%	1.01%	0.98%	0.93%	0.92%	0.88%
Average yield on deposits and negotiable		0.14%	0.14%	0.11%	0.10%	0.09%	0.08%	0.06%	0.06%	0.05%	0.05%	0.04%	0.04%	0.04%
Average interest rate spread		0.50%	0.50%	0.33%	0.34%	0.23%	0.21%	0.20%	0.25%	0.26%	0.24%	0.27%	0.26%	0.38%



# Securities (term-end balance / Unrealized valuation gains (losses))

## <<Securities (term-end balances) (The Ashikaga Bank, Ltd. (Non-consolidated basis))>>

(JPY Bn)	09/9	10/3	10/9	11/3	11/9	12/3	12/9	13/3	13/9	14/3	14/9	15/3	15/9
Securities	1,259.6	1,267.4	1,331.0	1,364.3	1,096.3	1,231.4	1,124.3	1,215.8	1,225.6	1,205.4	1,231.9	1,236.8	1,183.6
Government bonds	430.0	518.1	599.7	681.8	412.2	363.3	333.9	439.6	492.6	439.4	385.1	351.9	350.3
Local government bonds	423.8	388.2	390.2	371.7	358.5	414.5	374.8	311.6	249.5	257.0	258.4	241.9	224.2
Corporate bonds	270.9	234.8	228.5	206.3	237.9	343.2	282.8	286.8	290.6	269.5	262.8	238.6	217.7
Stocks	77.9	69.9	65.5	66.7	63.2	67.4	64.5	80.0	79.4	71.8	76.7	85.0	79.3
Other securities	56.9	56.2	47.0	37.7	24.2	42.9	68.1	97.6	113.3	167.5	248.6	319.3	311.8

## <<Unrealized Valuation Gains (Losses) (The Ashikaga Bank, Ltd. (Non-consolidated basis))>>

(JPY Bn)	09/9	10/3	10/9	11/3	11/9	12/3	12/9	13/3	13/9	14/3	14/9	15/3	15/9
Total unrealized valuation gains (losses)	25.8	20.6	23.2	11.3	13.6	21.6	14.6	42.8	39.8	40.3	53.9	77.5	62.3
Stocks	11.9	10.0	6.0	7.9	4.6	10.0	7.3	23.3	27.6	23.1	28.0	36.2	31.1
Bonds	18.3	13.4	21.8	7.7	14.2	14.9	12.3	19.1	10.7	14.2	19.8	25.0	23.9
Others	-4.4	-2.7	-4.7	-4.3	-5.2	-3.4	-5.0	0.2	1.3	2.9	5.9	16.2	7.2
Held-to-maturity	0.3	0.1	4.3	1.3	3.9	4.1	5.1	7.8	6.9	7.9	8.7	10.0	10.0
Bonds	0.5	0.1	4.3	1.3	3.9	4.0	5.2	7.6	6.6	7.7	8.6	9.8	9.9
Others	-0.2	-	-	-	-	-	-	0.2	0.2	0.2	0.1	0.1	0.1
Other (available-for-sale)	25.5	20.4	18.8	9.9	9.6	17.5	9.4	34.9	32.9	32.4	45.1	67.5	52.2
Stocks	11.9	10.0	6.0	7.9	4.6	10.0	7.3	23.3	27.6	23.1	28.0	36.2	31.1
Bonds	17.8	13.2	17.5	6.3	10.3	10.9	7.0	11.5	4.0	6.5	11.2	15.1	13.9
Others	-4.2	-2.7	-4.8	-4.3	-5.3	-3.4	-4.9	-	1.1	2.7	5.8	16.1	7.1

## <<Unrealized Valuation Gains (Losses) (Ashikaga Holdings Co., Ltd. (Consolidated basis))>>

(JPY Bn)	09/9	10/3	10/9	11/3	11/9	12/3	12/9	13/3	13/9	14/3	14/9	15/3	15/9
Total unrealized valuation gains (losses)	13.2	14.6	16.8	6.3	8.7	17.7	10.7	39.2	36.2	37.4	50.3	73.9	58.9
Stocks	-3.6	1.4	-2.5	0.8	-2.1	4.2	1.6	18.5	23.4	19.5	24.4	32.6	27.7
Bonds	19.4	14.1	22.2	7.9	14.4	15.0	12.3	19.1	10.7	14.2	19.8	25.0	23.9
Others	-2.5	-0.9	-2.8	-2.5	-3.5	-1.6	-3.2	1.4	2.0	3.6	5.9	16.2	7.2
Held-to-maturity	0.3	0.1	4.3	1.3	3.9	4.1	5.1	7.8	6.9	7.9	8.7	10.0	10.0
Bonds	0.5	0.1	4.3	1.3	3.9	4.0	5.2	7.6	6.6	7.7	8.6	9.8	9.9
Others	-0.2	-	-	-	-	-	-	0.2	0.2	0.2	0.1	0.1	0.1
Other (available-for-sale)	12.9	14.5	12.4	4.9	4.8	13.5	5.5	31.3	29.3	29.4	41.5	63.8	48.8
Stocks	-3.6	1.4	-2.5	0.8	-2.1	4.2	1.6	18.5	23.4	19.5	24.4	32.6	27.7
Bonds	18.8	13.9	17.9	6.6	10.4	11.0	7.1	11.5	4.0	6.5	11.2	15.1	13.9
Others	-2.3	-0.8	-2.9	-2.5	-3.5	-1.6	-3.2	1.2	1.8	3.4	5.8	16.1	7.1

# Assets in custody and financial assets

## <<Balance of assets under custody and financial assets (corporate + individual customers)>>

(JPY Bn)	09/9	10/3	10/9	11/3	11/9	12/3	12/9	13/3	13/9	14/3	14/9	15/3	15/9
Total financial assets	4,877.1	5,077.8	5,032.2	5,212.1	5,175.4	5,376.2	5,360.1	5,535.6	5,530.0	5,704.9	5,676.2	5,839.9	5,787.7
Assets in custody (1)	620.1	660.0	667.5	672.5	651.3	689.9	700.3	753.5	742.1	747.0	759.4	754.5	729.6
Investment trusts	243.6	256.0	246.0	251.2	223.0	241.7	231.0	281.5	280.4	293.5	317.2	341.1	334.8
Insurance	123.2	144.5	167.0	179.5	194.3	218.2	248.1	258.9	265.2	272.8	279.9	285.8	295.2
Public sector debt	253.3	259.3	254.4	241.8	234.0	230.0	221.0	213.0	196.5	180.6	162.1	127.5	99.5
Total deposits	4,256.9	4,417.7	4,364.6	4,539.5	4,524.0	4,686.2	4,659.7	4,782.1	4,787.9	4,957.8	4,916.8	5,085.3	5,058.1
Yen deposits	4,185.7	4,370.7	4,336.8	4,509.6	4,496.5	4,658.9	4,633.2	4,756.6	4,766.7	4,939.4	4,900.9	5,068.9	5,043.5
Foreign currency deposits (2)	71.2	47.0	27.8	29.8	27.4	27.3	26.5	25.4	21.2	18.4	15.8	16.4	14.5
Reference: (1)+(2)	691.4	707.1	695.3	702.4	678.8	717.3	726.8	779.0	763.3	765.5	775.3	770.9	744.2
(Ratio to total financial assets)	(14.2%)	(13.9%)	(13.8%)	(13.5%)	(13.1%)	(13.3%)	(13.6%)	(14.1%)	(13.8%)	(13.4%)	(13.7%)	(13.2%)	(12.9%)

## <<Balance of individual customer assets in custody and financial assets>>

(JPY Bn)	09/9	10/3	10/9	11/3	11/9	12/3	12/9	13/3	13/9	14/3	14/9	15/3	15/9
Total financial assets of individual customers	3,649.0	3,717.0	3,749.0	3,830.6	3,813.4	3,909.2	3,939.0	4,040.0	4,074.3	4,147.6	4,185.2	4,252.6	4,239.1
Assets in custody (1)	576.0	614.4	622.1	628.2	607.3	645.2	658.2	702.9	692.7	698.3	710.0	704.0	683.0
Investment trusts	233.9	245.9	236.7	241.8	214.2	232.8	222.7	269.8	268.8	282.0	304.1	326.0	317.9
Insurance	123.2	144.5	167.0	179.5	194.3	218.2	248.1	258.9	265.2	272.8	279.9	285.8	295.2
Public sector debt	218.9	223.8	218.2	206.9	198.7	194.1	187.4	174.1	158.7	143.4	125.8	92.2	69.8
Total deposits	3,072.9	3,102.6	3,126.9	3,202.4	3,206.0	3,264.0	3,280.7	3,337.0	3,381.5	3,449.2	3,475.1	3,548.5	3,556.0
Yen deposits	3,056.8	3,084.6	3,106.6	3,181.1	3,185.5	3,243.1	3,261.3	3,319.1	3,366.4	3,435.7	3,463.2	3,538.1	3,545.9
Foreign currency deposits (2)	16.0	18.0	20.3	21.2	20.5	20.8	19.4	17.8	15.0	13.5	11.9	10.3	10.0
Reference: (1)+(2)	592.1	632.4	642.4	649.5	627.9	666.1	677.7	720.8	707.8	711.8	722.0	714.4	693.1
(Ratio to total financial assets)	(16.2%)	(17.0%)	(17.1%)	(17.0%)	(16.5%)	(17.0%)	(17.2%)	(17.8%)	(17.4%)	(17.2%)	(17.3%)	(16.8%)	(16.4%)

# Credit related costs / Self-assessment, etc.

## <<Credit related costs>>

	(JPY Bn)												
	(1H)	FY09	(1H)	FY10	(1H)	FY11	(1H)	FY12	(1H)	FY13	(1H)	FY14	FY15
Credit costs	6.3	8.8	3.3	9.2	0.7	4.9	1.1	5.8	3.6	9.0	1.7	3.3	-1.1
(Credit cost ratio)	0.38%	0.26%	0.20%	0.27%	0.04%	0.14%	0.06%	0.16%	0.19%	0.23%	0.08%	0.08%	-0.05%
Write-off amount of loans	2.8	4.3	5.9	8.8	1.6	3.1	1.5	2.7	0.5	1.7	1.2	1.5	0.4
Net transfer to specific allowance for loan losses	-0.4	5.8	1.2	5.5	0.9	4.3	7.2	11.5	2.9	3.0	2.5	4.0	-
Loss on sales of loans	0.0	0.4	0.3	0.3	-	0.0	0.0	0.1	0.0	0.3	-	-	-
Others	0.0	0.0	0.0	0.1	-0.0	-0.0	0.0	0.0	0.0	0.0	0.0	0.0	-
Net transfer to general allowance for loan losses	3.9	-1.8	-4.2	-5.6	-1.8	-2.5	-7.8	-8.7	0.1	3.6	-2.1	-2.2	-1.4
Credit related costs	6.0	7.9	3.0	8.6	0.2	3.8	0.6	4.5	2.9	7.4	1.4	2.6	-0.06%
(Credit related cost ratio)	0.04%	0.02%	0.02%	0.03%	0.00%	0.01%	0.00%	0.01%	0.02%	0.02%	0.01%	0.01%	-
Recovery of written off claims	0.2	0.9	0.2	0.6	0.4	1.0	0.4	1.3	0.7	1.6	0.3	0.7	0.2
Reference: Average balance of loans	3,348.2	3,341.7	3,315.1	3,339.8	3,396.4	3,453.3	3,573.3	3,613.2	3,763.4	3,832.2	3,994.3	4,045.5	4,145.3

## <<Result of self-assessment>>

	(JPY Bn)												
	09/9	10/3	10/9	11/3	11/9	12/3	12/9	13/3	13/9	14/3	14/9	15/3	15/9
Customers with ordinary claims	2,684.8	2,656.3	2,701.4	2,828.3	2,791.7	3,004.9	3,062.7	3,179.9	3,324.1	3,451.3	3,540.1	3,692.4	3,726.1
Customers under special attention	582.4	636.8	575.9	575.6	573.0	569.8	556.4	524.8	497.0	494.6	455.8	437.2	417.4
Other customers under special attention	439.9	599.6	536.7	536.9	517.7	517.1	511.5	478.3	449.2	441.9	417.7	405.7	390.5
Customer with claims requiring supervision	142.4	37.1	39.1	38.7	55.3	52.7	44.9	46.4	47.8	52.7	38.0	31.4	26.9
Customers with claims likely to be irrecoverable or below	113.2	100.3	104.9	92.9	86.0	88.6	88.0	90.8	88.0	79.7	79.9	79.3	77.3
Customers with claims likely to be irrecoverable	95.6	81.2	85.9	75.4	71.4	77.5	73.7	81.3	77.9	71.5	71.6	72.5	71.9
Virtually bankrupt customers	10.8	8.7	11.4	13.0	10.0	7.3	9.3	6.2	7.1	5.1	6.2	5.1	3.7
Bankrupt customers	6.7	10.3	7.5	4.4	4.5	3.7	4.9	3.2	2.9	3.0	2.1	1.6	1.6
Total	3,380.6	3,393.5	3,382.3	3,496.9	3,450.9	3,663.4	3,707.2	3,795.5	3,909.2	4,025.7	4,075.9	4,209.1	4,220.9

## <<Loans subject to mandatory disclosure under the Financial Revitalization Law>>

	(JPY Bn)												
	09/9	10/3	10/9	11/3	11/9	12/3	12/9	13/3	13/9	14/3	14/9	15/3	15/9
Loans subject to mandatory disclosure under the Financial Reconstruction Law	162.3	126.4	128.6	119.0	119.9	122.3	119.5	122.5	120.6	114.4	104.8	98.4	94.9
Bankrupt and substantially bankrupt claims	17.6	19.0	19.0	17.5	14.6	11.1	14.3	9.5	10.0	8.1	8.3	6.8	5.3
Doubtful claims	95.7	81.2	85.9	75.4	71.4	77.5	73.7	81.3	77.9	71.5	71.6	72.5	72.0
Claims requiring supervision	49.0	26.1	23.6	26.0	33.8	33.6	31.4	31.7	32.6	34.7	24.8	19.0	17.5
Normal claims	3,225.7	3,273.6	3,260.1	3,384.4	3,340.6	3,557.8	3,612.6	3,706.1	3,826.4	3,952.7	4,015.2	4,157.9	4,180.1
Total	3,388.1	3,400.1	3,388.7	3,503.4	3,460.5	3,680.1	3,732.1	3,828.7	3,947.1	4,067.2	4,120.1	4,256.4	4,275.0
Ratio of loans subject to mandatory disclosure	4.79%	3.71%	3.79%	3.39%	3.46%	3.32%	3.20%	3.20%	3.05%	2.81%	2.54%	2.31%	2.22%

# Transition of borrowers' status

<<Sep. 2014 → Mar. 2015 (in value terms)>>

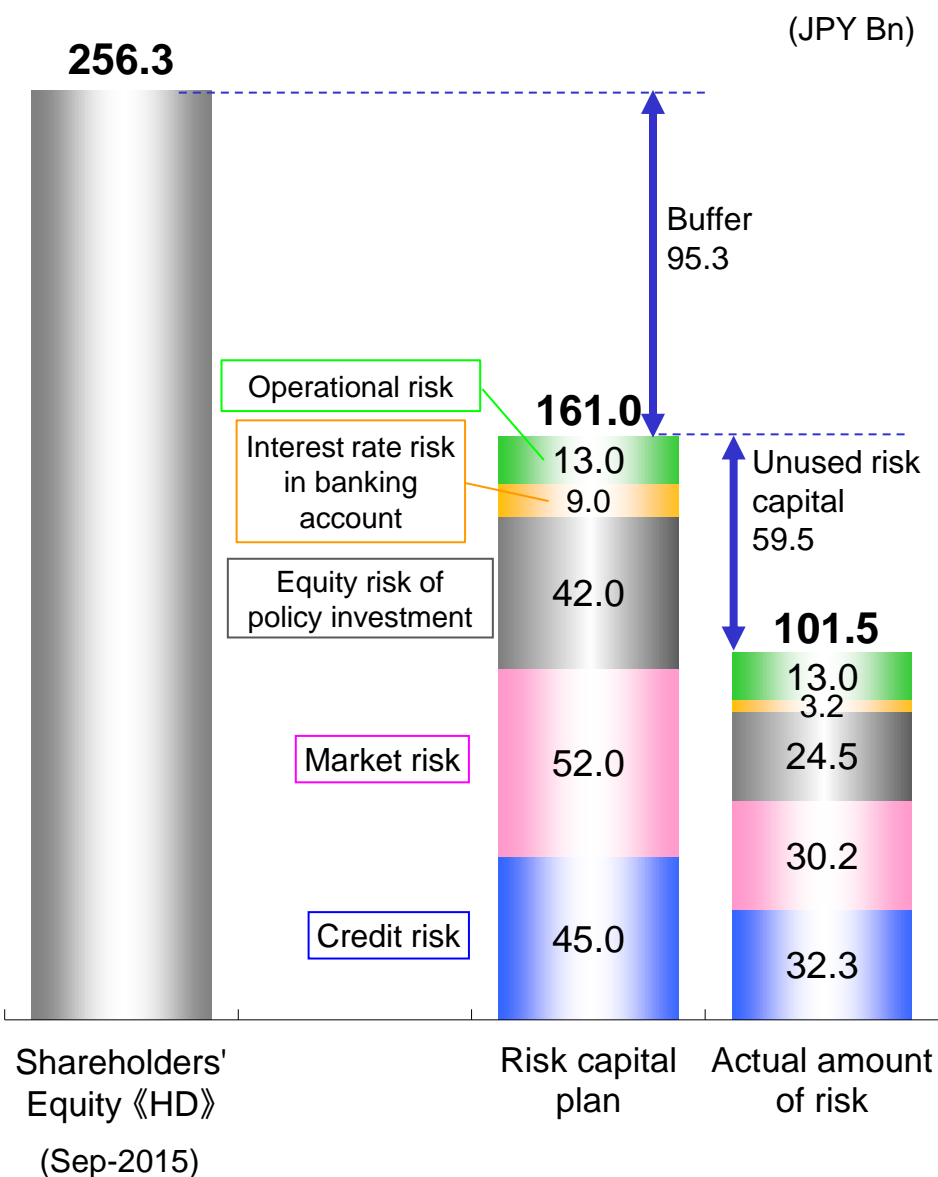
		(JPY Bn) Initial balance	March 2015 Borrowers' status					Virtually bankrupt customers	Bankrupt customers
			Customers with ordinary claims	Customers under special attention	Customers with claims requiring supervision	Customers with claims likely to be irrecoverable			
September 2014 Borrowers' status	Customers with ordinary claims	3,540.1	3,501.6	22.2	0.2	1.6	0.5	0.3	
	Customers under special attention A	417.7	39.4	366.8	4.9	3.2	1.4	0.0	
	Customers with claims requiring supervision	38.0	0.1	7.6	25.4	5.0	0.0	0.0	
	Customers with claims likely to be irrecoverable	71.6	0.1	2.8	0.8	62.3	1.2	0.2	
	Virtually bankrupt customers	6.2	-	0.0	-	0.1	1.9	0.2	
	Bankrupt customers	2.1	0.0	0.0	-	0.1	-	0.6	
	Total	4,075.9	3,541.3	399.7	31.4	72.5	5.1	1.6	

<<Mar. 2015 → Sep. 2015 (in value terms)>>

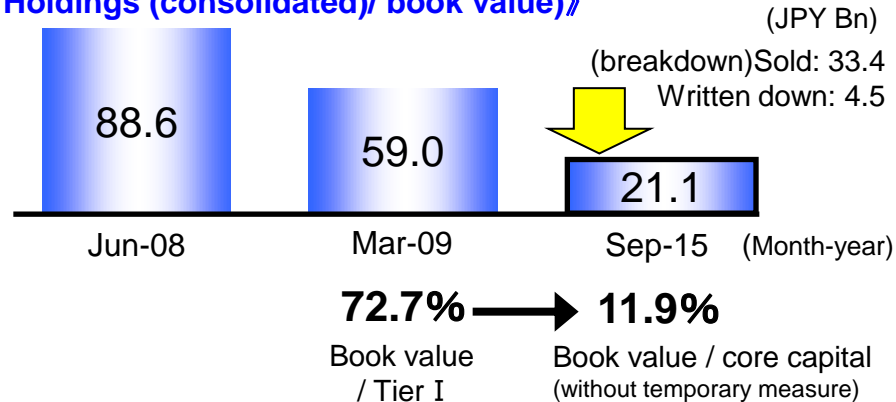
		(JPY Bn) Initial balance	September 2015 Borrowers' status					Virtually bankrupt customers	Bankrupt customers
			Customers with ordinary claims	Customers under special attention	Customers with claims requiring supervision	Customers with claims likely to be irrecoverable			
March 2015 Borrowers' status	Customers with ordinary claims	3,692.4	3,545.3	44.0	0.2	2.5	0.5	0.0	
	Customers under special attention A	405.7	55.6	333.2	2.8	3.9	0.2	0.2	
	Customers with claims requiring supervision	31.4	0.5	4.1	23.1	1.0	0.0	0.0	
	Customers with claims likely to be irrecoverable	72.5	0.0	3.9	0.6	64.0	0.6	0.2	
	Virtually bankrupt customers	5.1	-	0.0	-	0.1	2.2	0.1	
	Bankrupt customers	1.6	-	0.0	-	0.1	-	0.7	
	Total	4,209.1	3,601.7	385.3	26.9	71.9	3.7	1.5	

# Risk management

## 《Amount of integrated risk ( end of Mar. 2015)》



## 《Reduction of stocks for policy purpose (Ashikaga Holdings (consolidated)/ book value)》



## 《Outlier Ratio》

Outlier Ratio

3.3%  
(preliminary figures,  
as of end of Sep. 2015)

\*Total amount of interest rate risk < 20% of shareholders' equity

## 《Impact of interest-rate fluctuations on gain (loss) on valuation of securities》

Yen bond portfolio

10BPV

- ¥4.34bn  
(as of end of Sep. 2015)

## 《Impact of stock-price fluctuations on gain (loss) on valuation of securities》

Stock portfolio  
(investment trusts/  
listed stocks)

Nikkei Stock  
Average  
1,000 yen V

- ¥4.13 bn  
(as of end of Sep. 2015)

# Capital adequacy ratio

## <<Ashikaga Holdings Co., Ltd. (Consolidated basis)>>

### Basel III (domestic standard)

(JPY Bn)	14/3	14/9	15/3	15/9
Capital adequacy ratio	8.49%	8.82%	8.54%	8.67%
without temporary measure	5.25%	5.51%	5.69%	5.97%
Capital ①-②	234.7	246.7	248.7	256.3
without temporary measure	146.8	155.5	166.4	176.9
Basic Core capital ①	323.1	332.0	333.8	338.2
Of which, common equity capital	220.5	231.6	239.4	248.7
Of which, total amount of provision	22.5	20.3	21.9	19.0
Of which, directly issued capital instruments subject to phase out from Additional Tier 1	80.0	80.0	72.0	70.0
Adjustment Core capital ②	88.3	85.2	85.1	81.8
Of which, goodwill	88.3	85.2	82.1	79.0
Total risk weighted assets	2,762.2	2,796.5	2,909.8	2,953.9

### Reference : Basel II (domestic standard)

(JPY Bn)	12/3	12/9	13/3	13/9
Capital adequacy ratio	9.47%	9.95%	9.70%	8.38%
Tier I Capital adequacy ratio	5.67%	6.17%	6.03%	5.86%
Capital	236.2	251.0	252.9	218.9
Tier 1	141.3	155.8	157.2	153.0
Tier 2	95.5	95.7	96.2	66.3
Deductions	0.6	0.5	0.5	0.4
Total risk weighted assets	2,492.5	2,522.8	2,606.4	2,610.9

\* Basel III, domestic standards from the end of March 2014

## <<The Ashikaga Bank, Ltd. (Non-consolidated basis)>>

### Basel III (domestic standard)

(JPY Bn)	14/3	14/9	15/3	15/9
Capital adequacy ratio	8.68%	9.07%	8.58%	8.92%
without temporary measure	8.40%	8.67%	8.26%	8.61%
Capital	242.9	257.0	251.3	265.5
without temporary measure	237.9	247.7	243.4	257.4
Basic Core capital ①	242.9	257.0	253.2	267.5
Of which, common equity capital	220.9	237.1	233.5	250.5
Of which, total amount of provision	21.9	19.8	19.6	16.9
Adjustment Core capital ②	-	-	1.9	2.0
Total risk weighted assets	2,796.5	2,832.4	2,927.7	2,974.7

### Reference : Basel II (domestic standard)

(JPY Bn)	12/3	12/9	13/3	13/9
Capital adequacy ratio	8.32%	8.83%	8.36%	9.17%
Tier I Capital adequacy ratio	7.69%	8.21%	7.73%	8.54%
Capital	209.3	225.0	219.9	242.4
Tier 1	193.6	209.1	203.5	225.9
Tier 2	15.7	15.9	16.4	16.5
Deductions	-	-	-	-
Total risk weighted assets	2,516.0	2,546.7	2,630.2	2,643.9

\* Basel III, domestic standards from the end of March 2014

# Shareholder composition

## <<Shareholder composition>>

	End of March 2015			End of March 2015		
	Number of shareholders (Persons)	Number of shares owned (Shares)	Breakdown	Number of shareholders (Persons)	Number of shares owned (Shares)	Breakdown
Central and local governments	-	-	-	-	-	-
Financial institutions	60	88,395,500	26.52%	52	84,420,200	25.33%
Securities firms	32	1,862,499	0.55%	29	2,552,064	0.76%
Other corporations	262	189,553,201	56.88%	245	181,987,801	54.60%
Foreign corporations, etc.	134	39,448,473	11.83%	168	53,317,182	15.99%
Individuals and others	8,798	13,990,327	4.19%	7,049	10,972,753	3.29%
Total	9,286	333,250,000	100.00%	7,543	333,250,000	100.00%

## <<10 largest shareholders>>

End of March 2015			End of September 2015		
Name	Number of shares owned (Shares)	Shareholding ratio	Name	Number of shares owned (Shares)	Shareholding ratio
Nomura Financial Partners Co., Ltd.	122,900,000	36.87%	Nomura Financial Partners Co., Ltd.	122,900,000	36.87%
ORIX Corporation	40,000,000	12.00%	ORIX Corporation	40,000,000	12.00%
Sompo Japan Nipponkoa Insurance Inc.	19,000,000	5.70%	Sompo Japan Nipponkoa Insurance Inc.	19,000,000	5.70%
Mitsui Sumitomo Insurance Company, Limited	15,000,000	4.50%	Mitsui Sumitomo Insurance Company, Limited	15,000,000	4.50%
Japan Trustee Services Bank, Ltd. (Trust Account)	10,723,900	3.21%	Northern Trust Co. (AVFC) Re 15PCT Treaty Account	10,135,603	3.04%
JAFCO Super V-3 Investment Limited Partnership	10,000,000	3.00%	Japan Trustee Services Bank, Ltd. (Trust Account)	8,036,700	2.41%
Northern Trust Co. (AVFC) Re 15PCT Treaty Account	9,844,103	2.95%	JP Morgan Chase Bank 385632	7,156,776	2.14%
JP Morgan Chase Bank 385632	6,861,976	2.05%	The Master Trust Bank of Japan ,Ltd. (Trust Account)	7,152,100	2.14%
The Master Trust Bank of Japan ,Ltd. (Trust Account)	6,713,800	2.01%	JAFCO Super V-3 Investment Limited Partnership	6,486,100	1.94%
Nippon Life Insurance Company	5,000,000	1.50%	Nippon Life Insurance Company	5,000,000	1.50%



This document may not be reproduced or distributed to any third party without prior written consent of Ashikaga Holdings Co., Ltd. This document has been prepared for information purposes only and does not form part of a solicitation to sell or purchase any securities. Information contained herein may be changed or revised without prior notice. This document may contain forward-looking statements as to future results of operations. No forward-looking statement can be guaranteed and actual results of operations may differ from those projected.