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Financial Results for FY2006 Ended March 31,2007  
& Projections for FY2007

**THE JOYO BANK, LTD.**

**June 2007**



# Performance Highlights (1)

Efficient capital utilization is the key for further 'Top Line' growth.

(Key measures taken)

(Overview of FY2006)

## 'Top Line' growth

- Gross profit decreased by 0.2% compared to the previous year mainly due to an increase in funding costs associated with foreign denominated bonds.
- Increased loan balances and improved yields as well as the positive movement both in residential loans and sales of investment trusts.

## Capital efficiency

- Increased profit lead to an increase in Tier 1 Capital offsetting capital decrease by repaying subordinated loans. Risk assets decreased upon the transition to Basel II. → Capital ratio was on a level with FY2005.
- Efficient use of capital helped 'Top Line' growth and business expansions.

## Cost control

(Credit cost & Operating expenses)

- Net credit costs<sup>※1</sup> decreased significantly compared to the previous year (▲¥11.6 billion, or ▲26bps).
- Operating expenses increased compared to the previous year mainly due to system unification costs (¥1.2 billion, or OHR<sup>※2</sup>+1.1% ).

※1: Net credit costs = General provisions for possible loan losses + Gains/Losses of disposal of loans - gains on loans previously charged-off - reversal of allowance for credit losses

※2: OHR = Operating expenses / (Operating expenses + Core business profit)

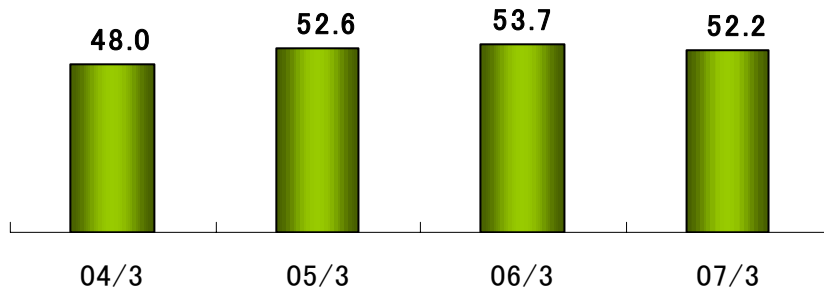
# Performance Highlights (2)

Net income increased due to a significant decrease in credit costs, improvement of loan interest margins, and the continued increase in sales of investment trusts, though core net business income slightly decreased due to lower interest margin for foreign denominated bonds compared to the previous year.

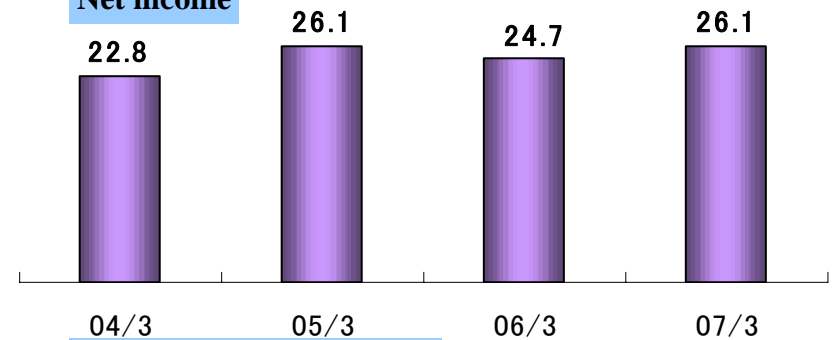
Tier 1 ratio is the highest among major regional banks.

(Y bn, %)

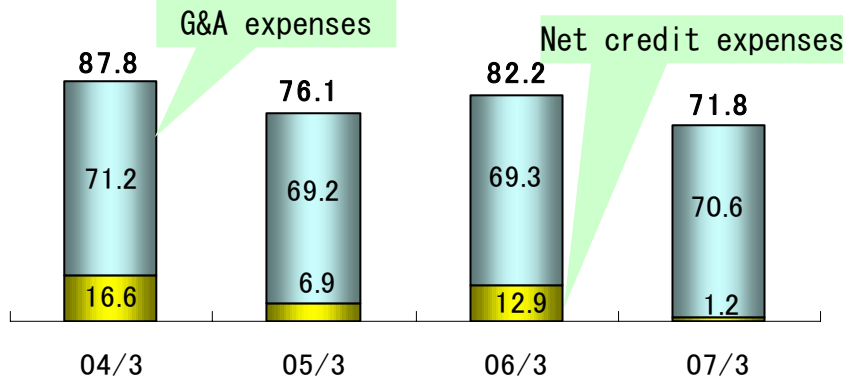
Core net business income



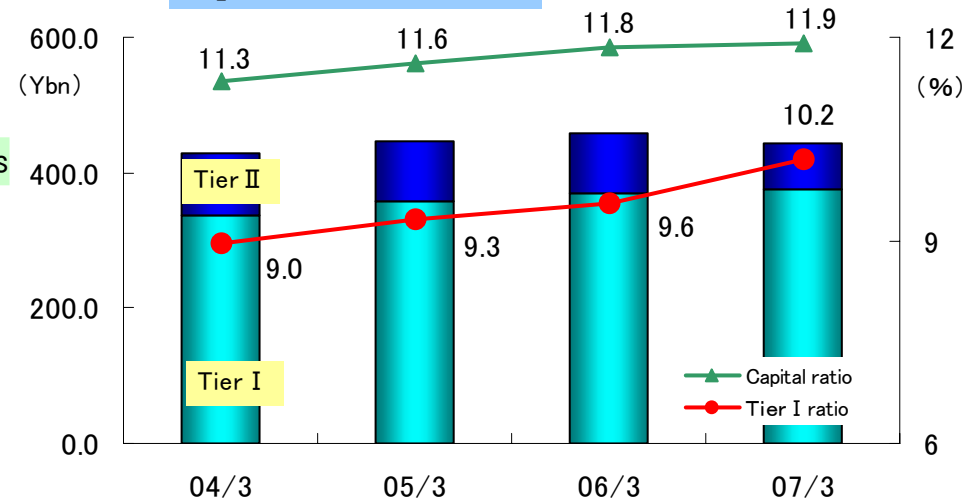
Net income



G&A and Net Credit Expenses



Capital ratio / Tier 1 ratio



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Financial Results for FY2006  
(Ended March 31, 2007)

# Summary Financial Results of FY2006

Although gross profit decreased compared to the previous year due to an increase in funding costs associated with foreign denominated bonds, this was counterbalanced by a steady increase in fees and commissions and improvement in loan interest margins. Ordinary profit and net income increased due to a significant decrease in credit costs.

(Y bn)	FY2006	FY2005	change	change from forecast at the original target
Net business income	52.9	55.3	▲ 2.4	2.9
Core net business income	52.2	53.7	▲ 1.5	3.7
Gross business profit	123.5	123.9	▲ 0.3	2.0
Net interest income	105.6	106.7	▲ 1.1	2.5
Fees and commissions	16.0	14.7	1.2	8.0
G&A expenses	70.6	69.3	1.2	▲ 0.9
Net transfer to general reserve for possible loan losses (A)	—	▲ 0.8	0.8	—
Net non-recurring gains(losses)	▲ 5.2	▲ 14.3	9.0	▲ 0.4
Disposals of non-performing loans (B)	6.8	16.1	▲ 9.3	0.6
Ordinary profit	47.6	41.0	6.5	2.6
Net special gains(losses)	5.3	0.9	4.4	2.8
Gains on loan charged-offs (C)	3.1	2.4	0.7	1.6
Impairment of fixed assets	0.0	1.1	▲ 1.1	0.0
Reversal of allowance for loan losses (D)	2.3	—	2.3	1.3
Net income before income taxes and others	53.0	41.9	11.0	5.4
Net income after tax	26.1	24.7	1.4	▲ 1.9
Net credit expenses (A)+(B)-(C)-(D)	1.2	12.9	▲ 11.6	▲ 2.3

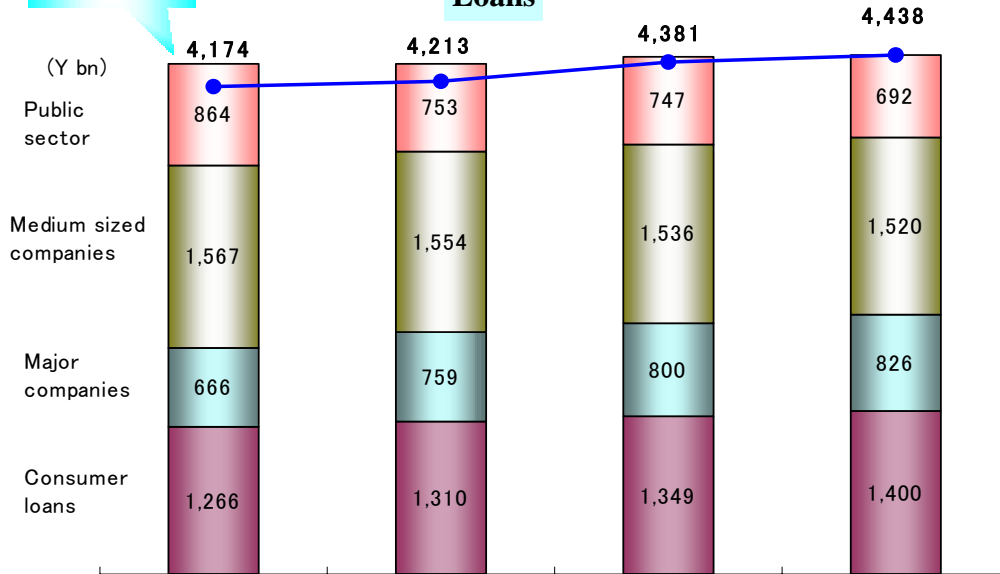
## Break down of 'Top line'

(Y bn)	FY06	change from FY05
Net interest income	105.6	▲ 1.1
Interest income of domestic loans	84.6	3.8
(Personal loans)	33.9	2.2
(Corporate loans)	39.9	2.2
Interest income of securities	47.3	3.7
(Domestic)	21.6	1.4
(Foreign)	25.6	2.3
Interest expenses on deposits	5.1	3.9
Interest expenses on foreign deposits	18.2	4.7
Domestic loans (Average balance)	4,462.7	5.3
Personal loans	1,366.2	45.7
Corporate loans	2,420.9	37.6
Securities (Average balance)	2,352.3	▲ 41.0
Fees and commissions	16.0	1.2
personal annuities	7.1	1.5

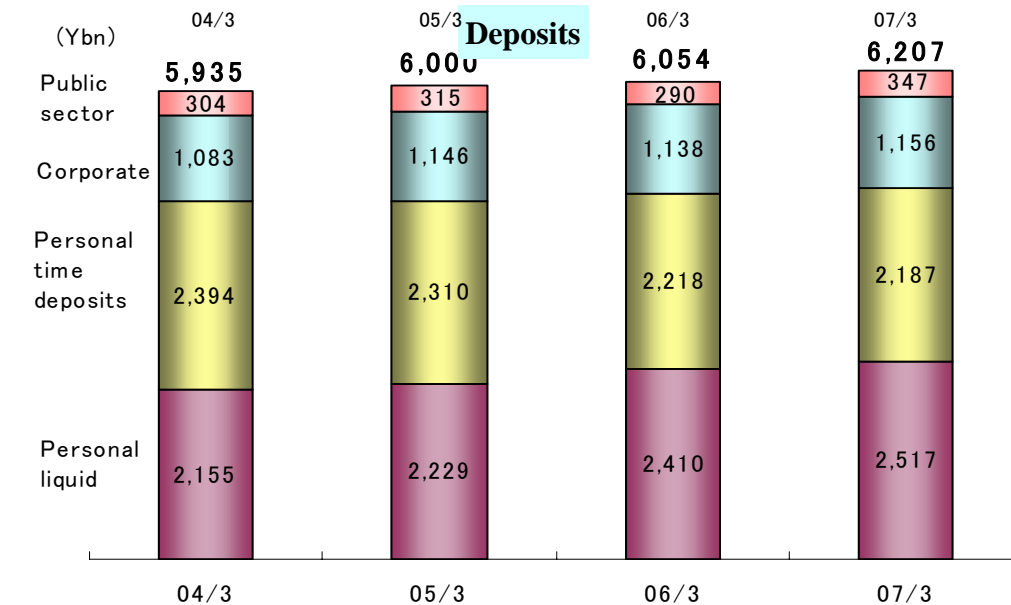
# Loans and Deposits

excluding MOF and DICJ

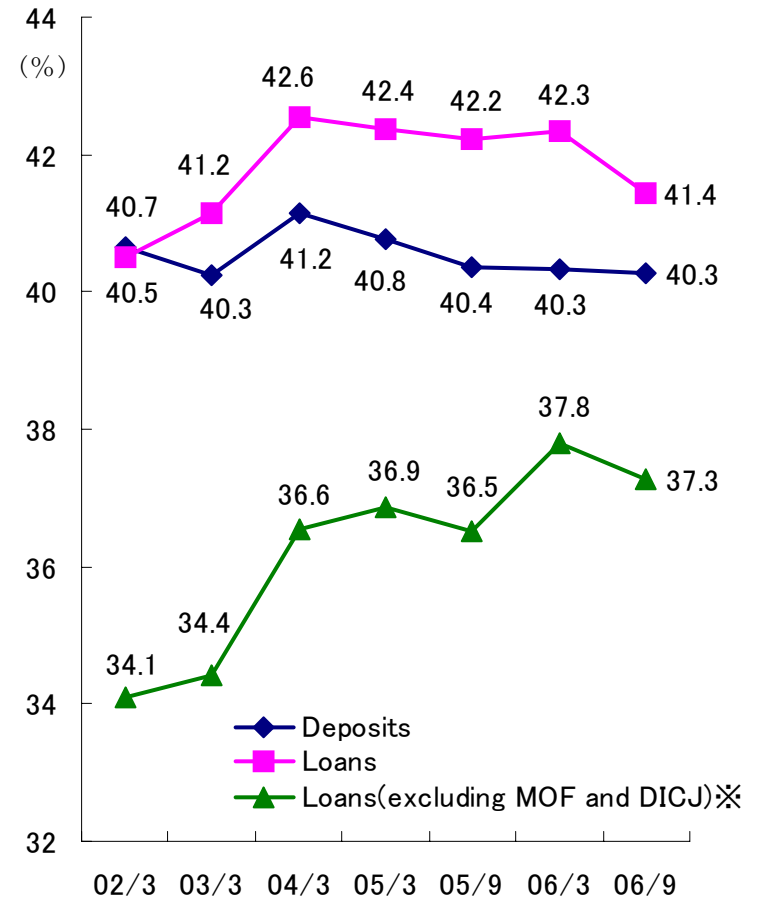
## Loans



## Deposits



## Market share in Ibaraki

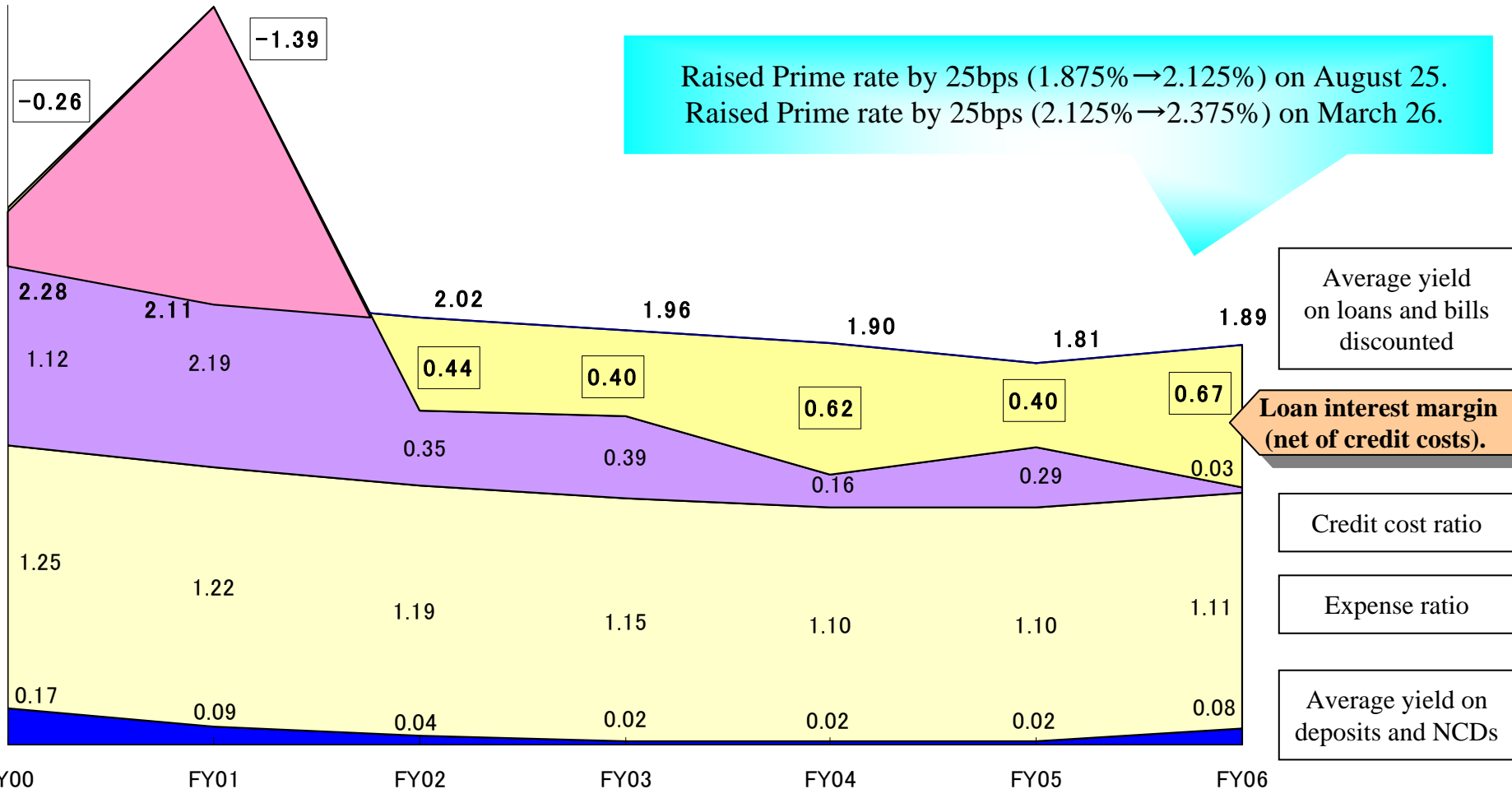


※Deposit Insurance Corporation of Japan

# Loan Interest Margin

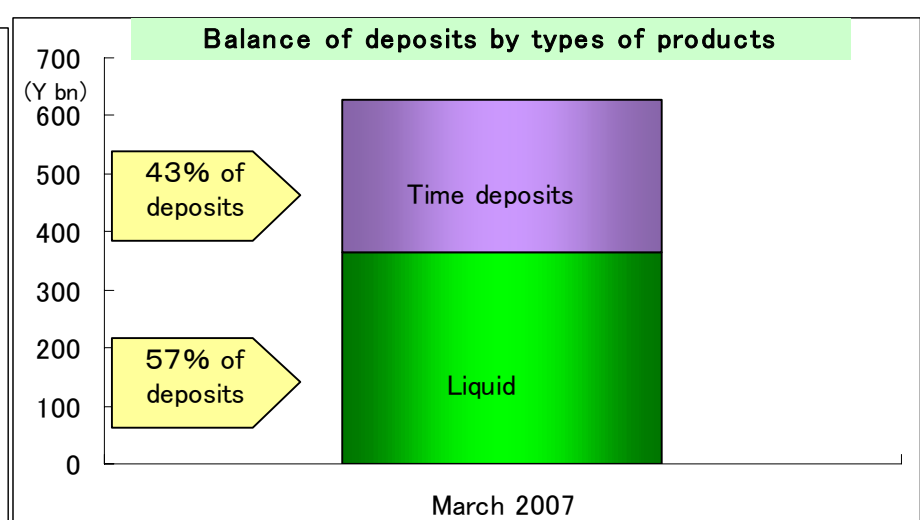
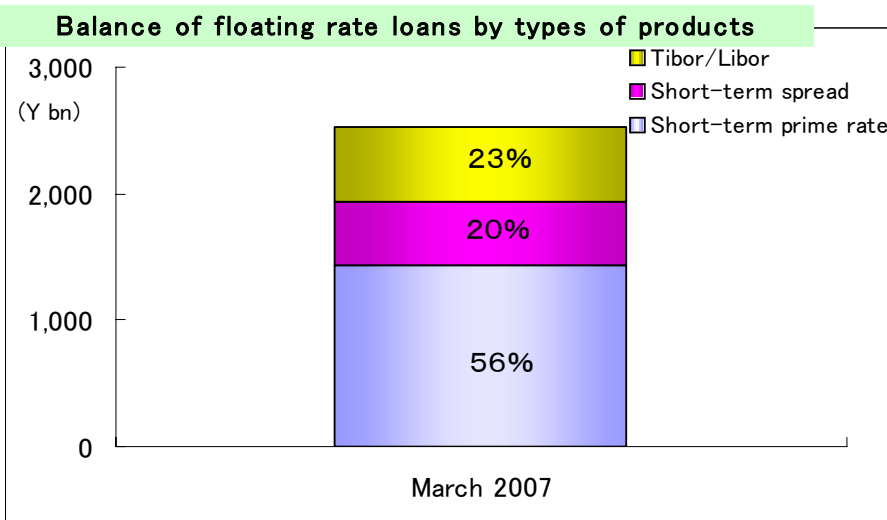
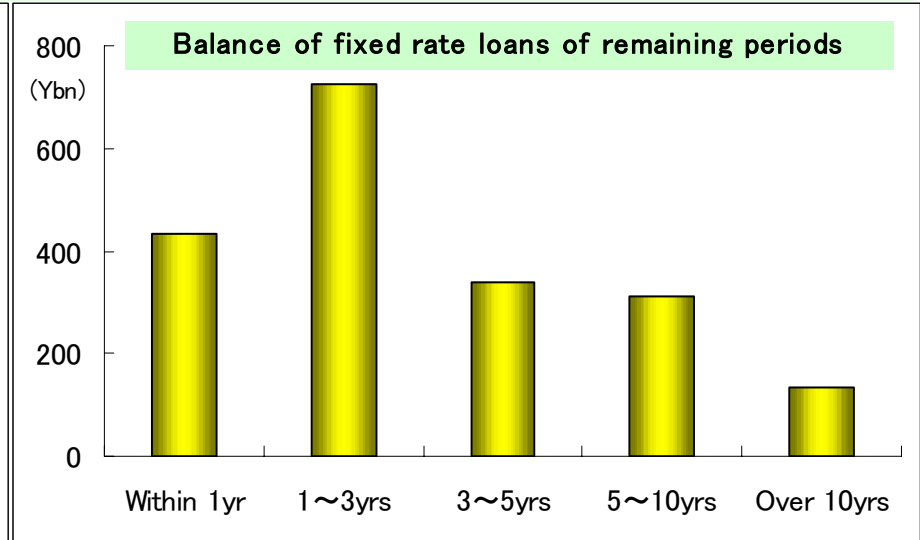
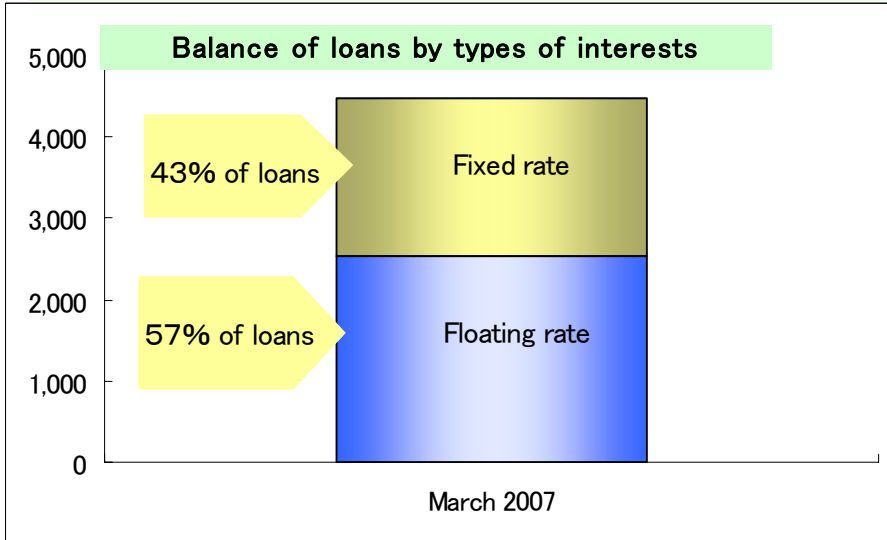
Loan yields turned around to be wider due to BOJ rate hikes and credit cost decrease. Loan interest margin and net of credit costs showed drastic improvements.

Raised Prime rate by 25bps (1.875% → 2.125%) on August 25.  
 Raised Prime rate by 25bps (2.125% → 2.375%) on March 26.



# Loans and Deposits Portfolio

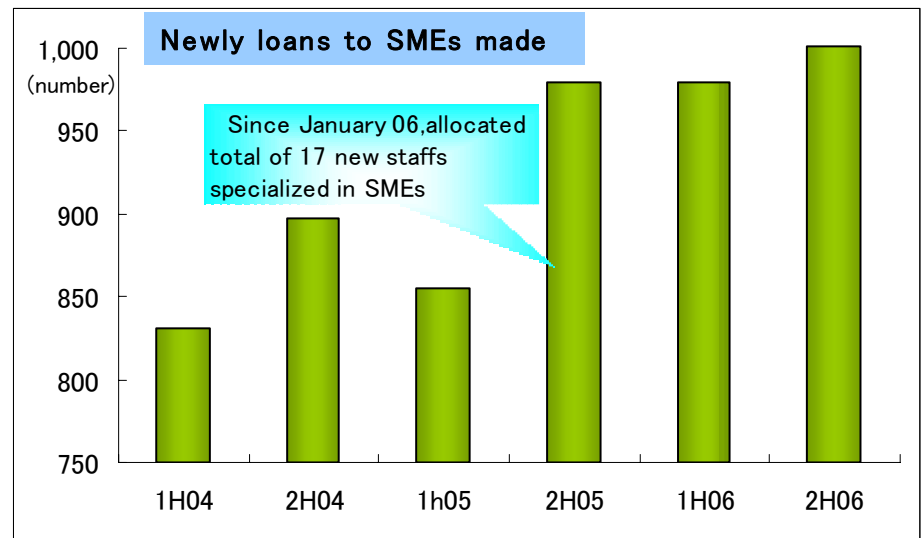
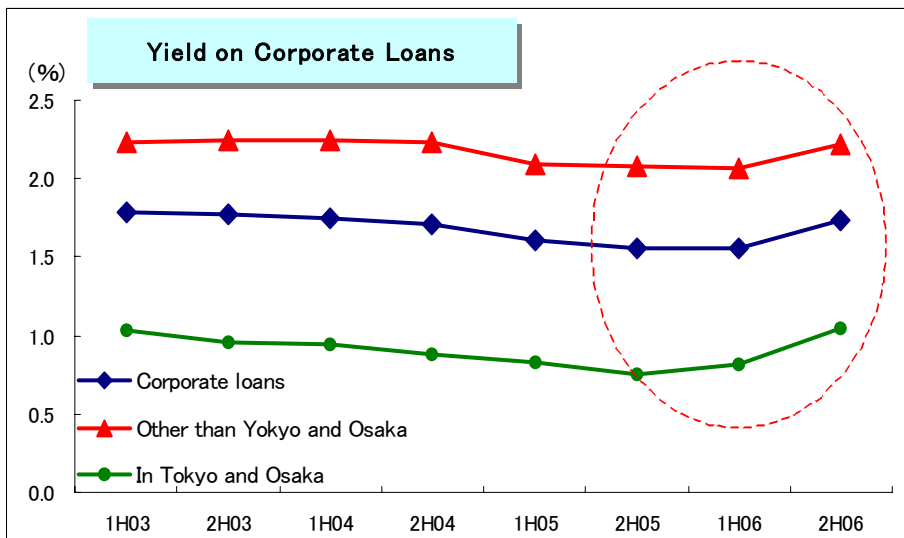
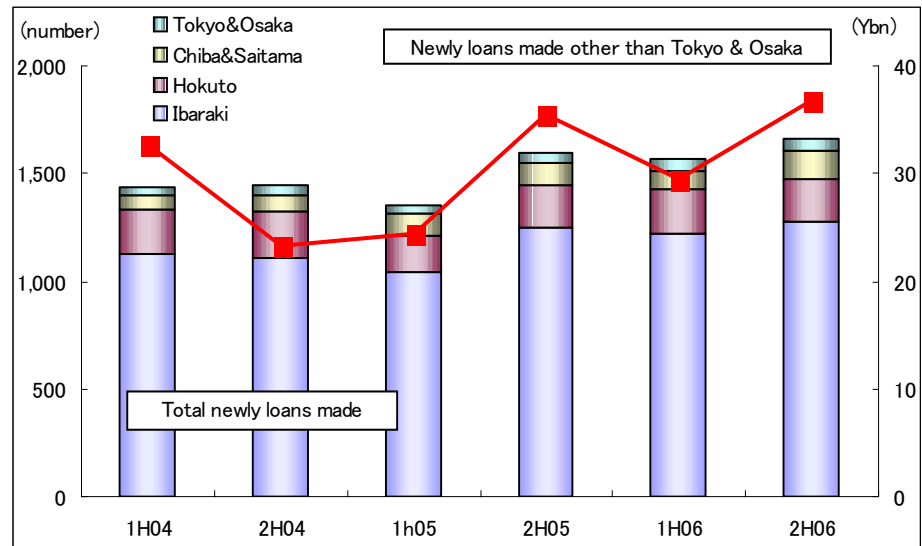
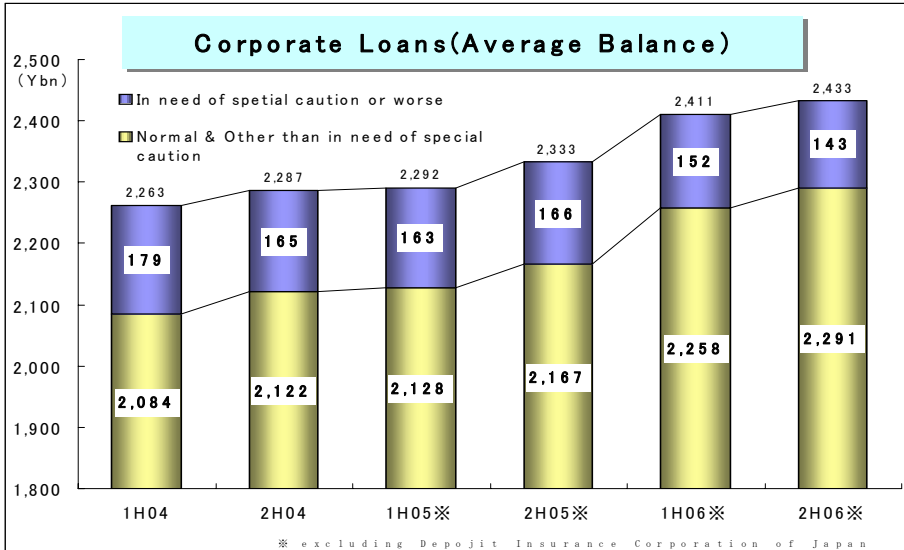
To benefit from interest rate rises, approximately 60% of fixed rate loans are shorter than 3 years in maturity.





# Corporate Loans

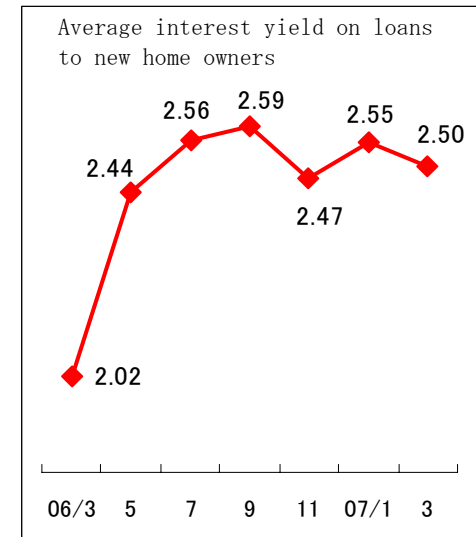
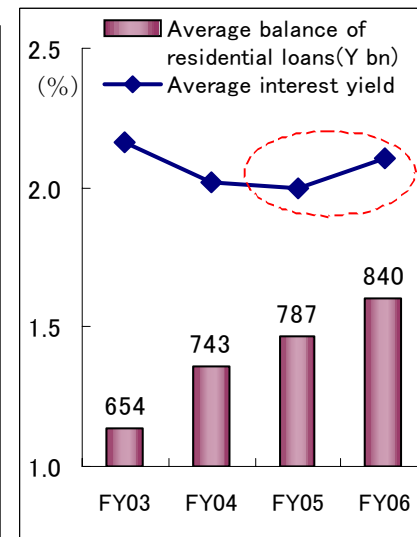
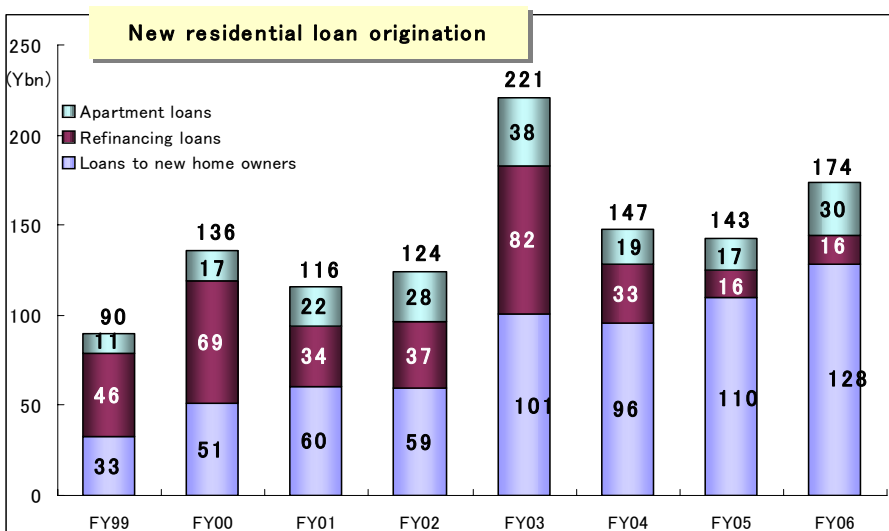
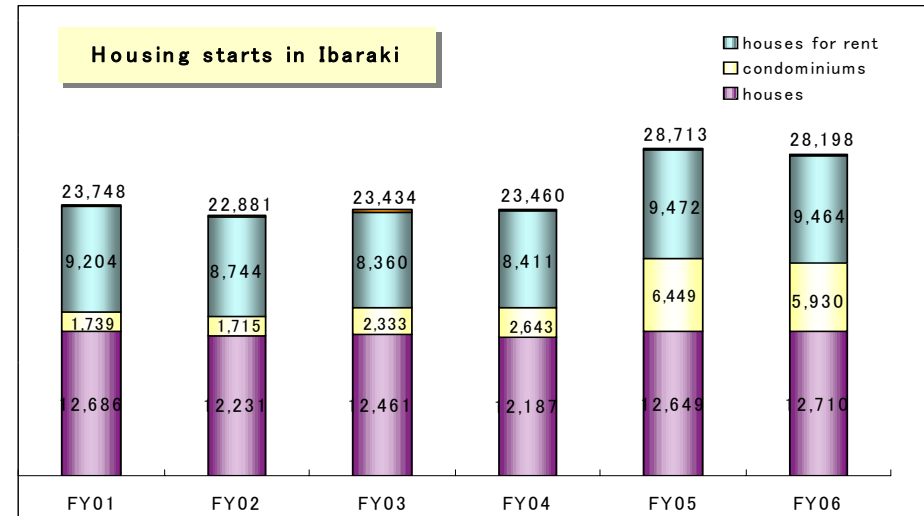
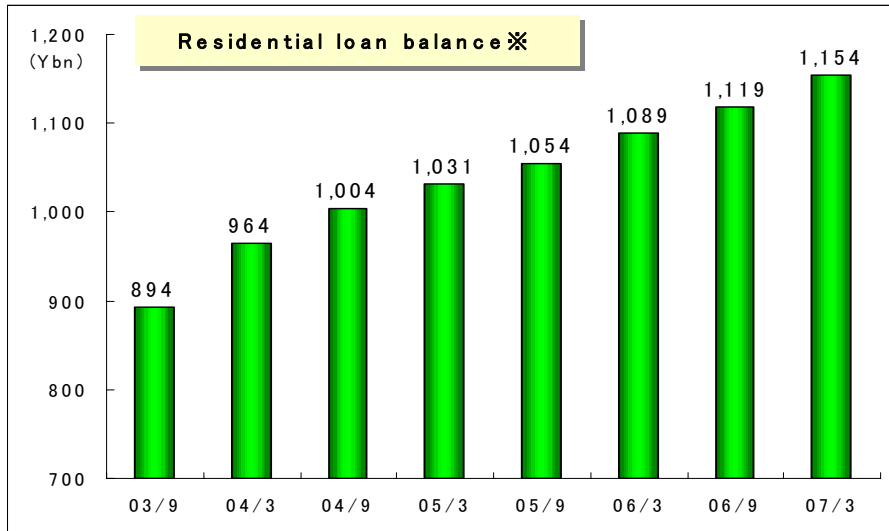
Increased outstanding balance in loans to normal and other than in need of special caution. Yield kept rising. Expects further increase in loan balance.



# Residential Loans

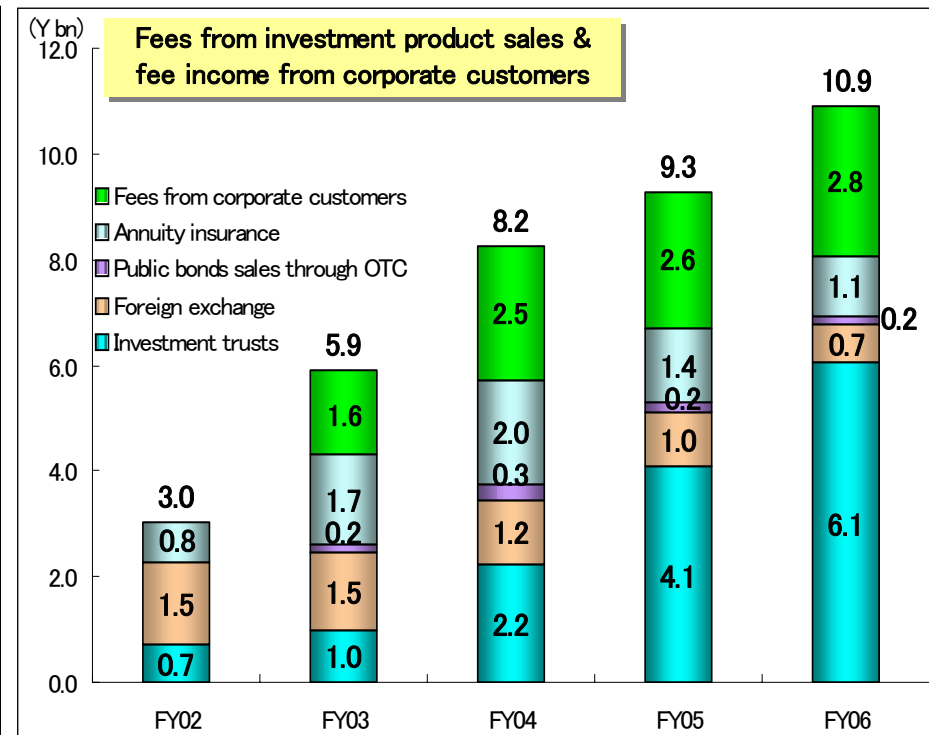
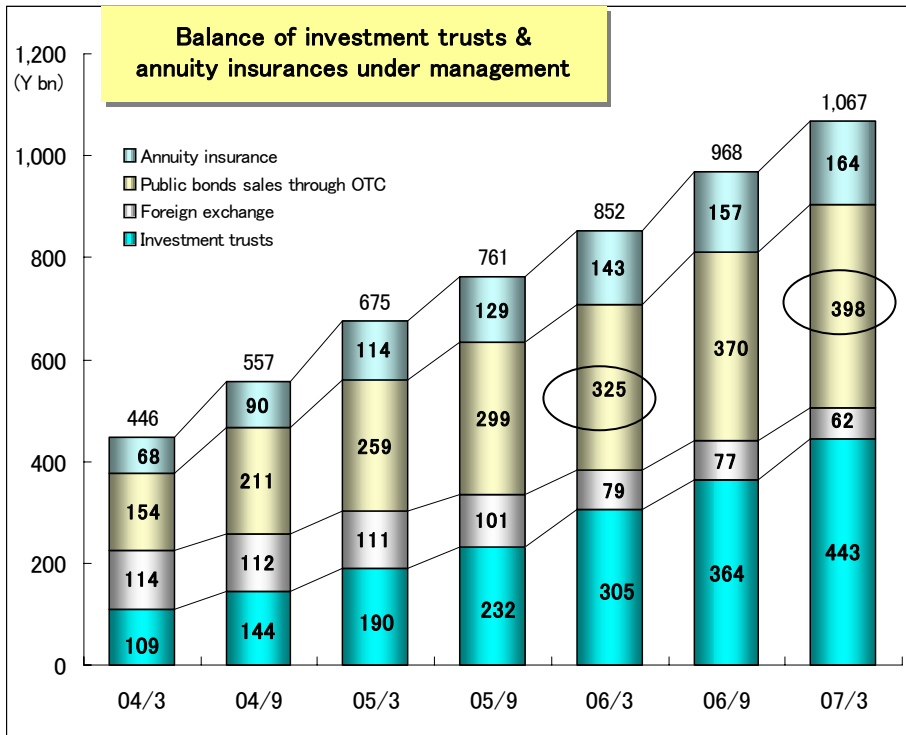
※Residential loans = Housing loans + Apartment loans

The number of housing starts remains at high levels, so the residential loan market is expected to continue to be stable. We continue to focus on building residential loan balances and expect further interest yield pick-ups.



# Asset Management Business

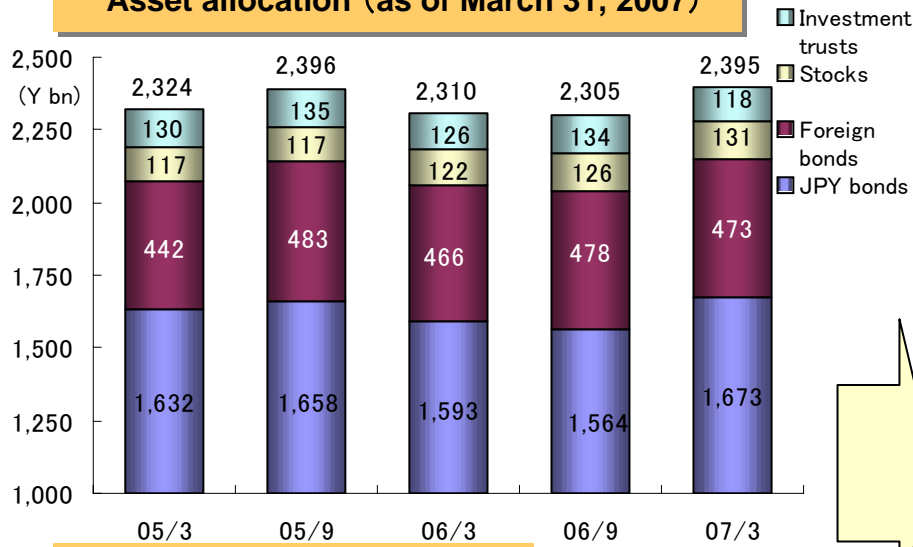
Balance of investment trusts increased significantly by 45% compared to the previous year by strengthening sales approaches to customers. Fee incomes projected to increase steadily with fully cared compliance system.



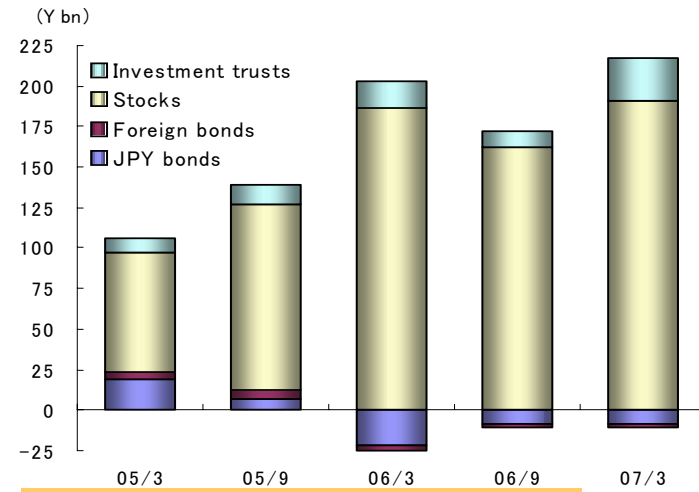
# Performance on Investment Portfolio

Asset allocation optimized based on risk analysis and correlation via keeping duration under control, showing improvements in portfolio performance.

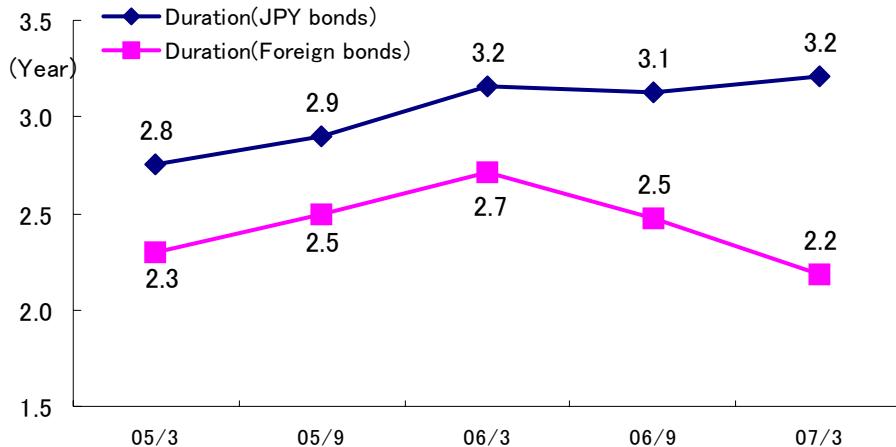
Asset allocation (as of March 31, 2007)



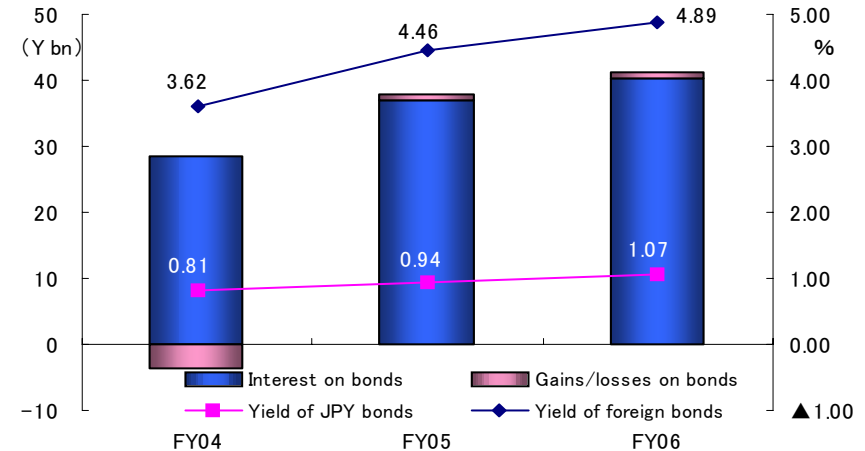
Unrealized gains/losses (as of March 31, 2007)



The duration of bond portfolio



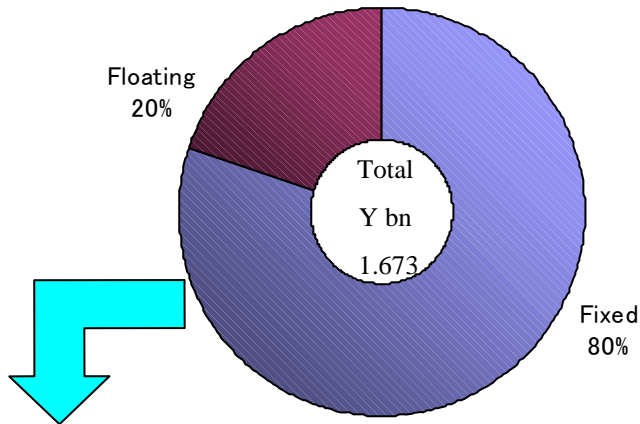
Profit on bonds and yield of bonds



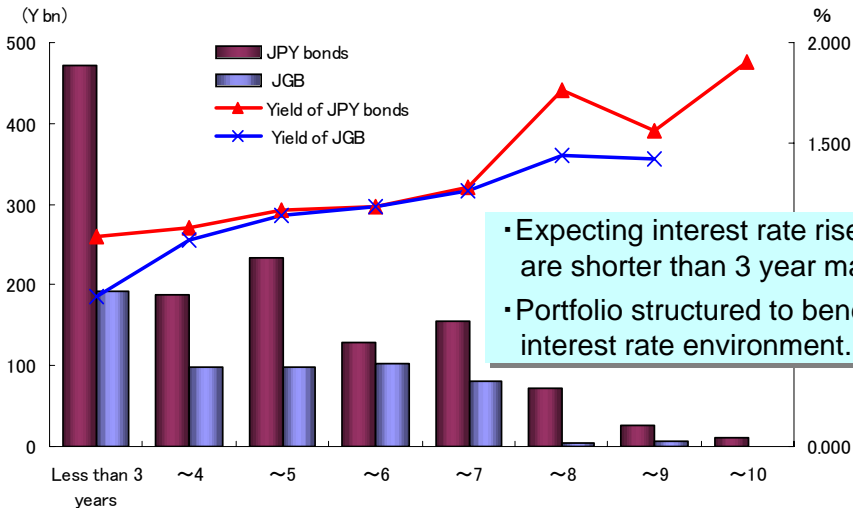
# Bond Portfolio

High sensitivity to interest rate rises to pick up yields on mid/short-term bonds.

## Japanese yen bond balance (types of bonds)

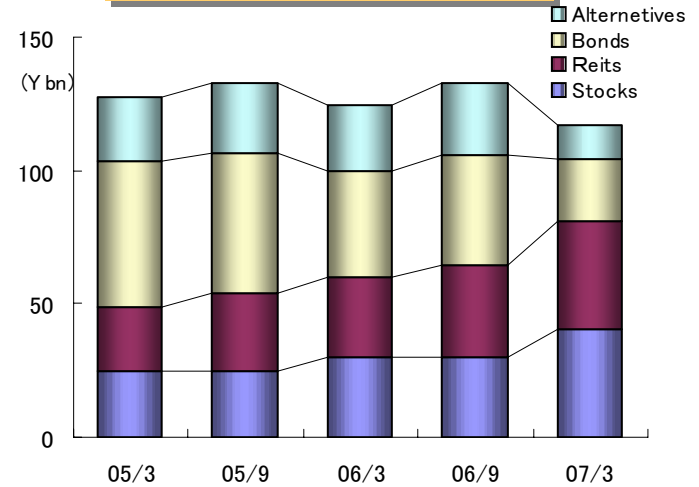


## Balance of SB based on remaining periods

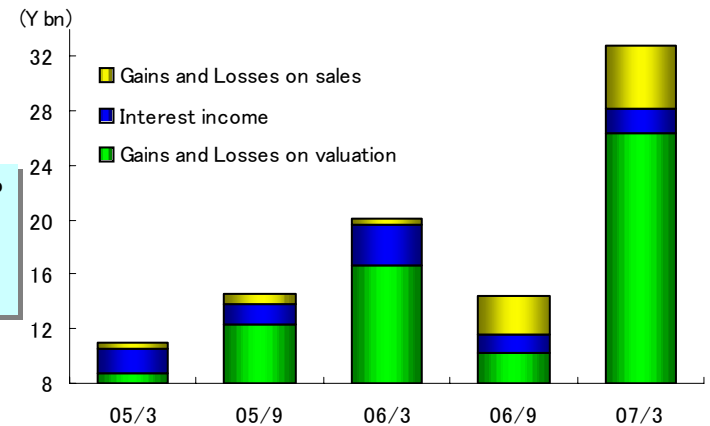


• Expecting interest rate rise, approximately 37% are shorter than 3 year maturity.  
 • Portfolio structured to benefit from a rising interest rate environment.

## Investment Trusts

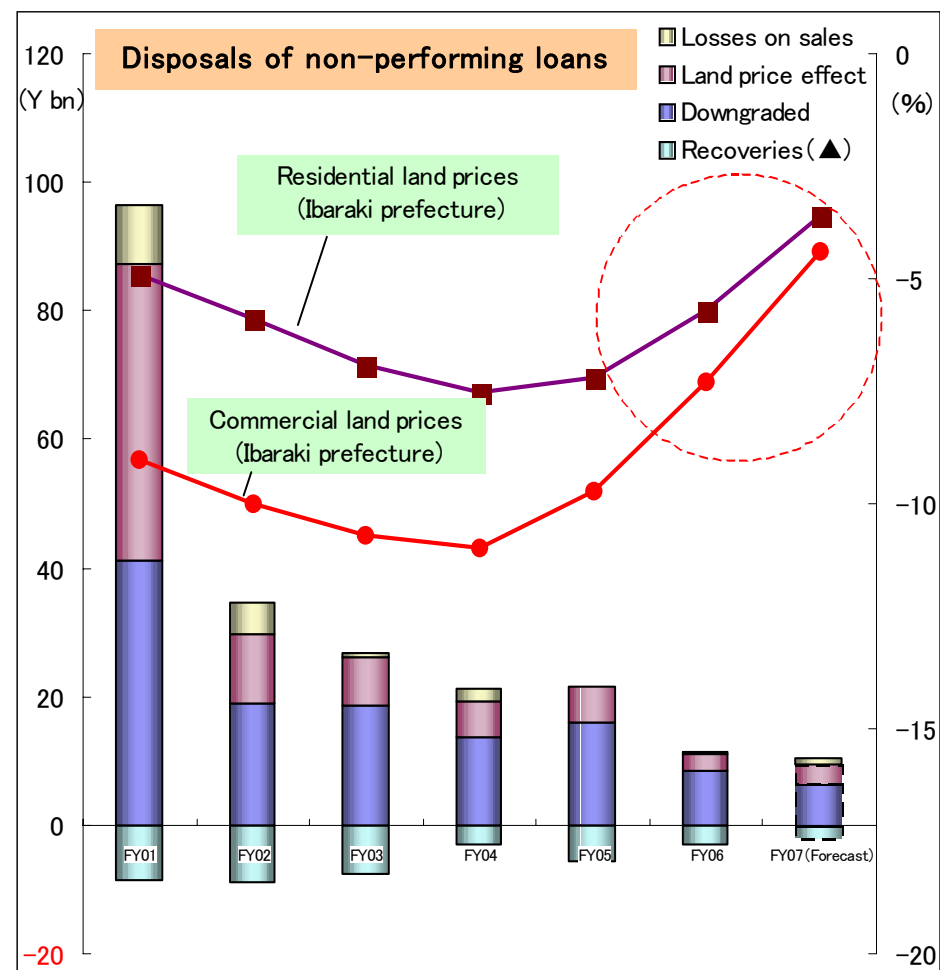
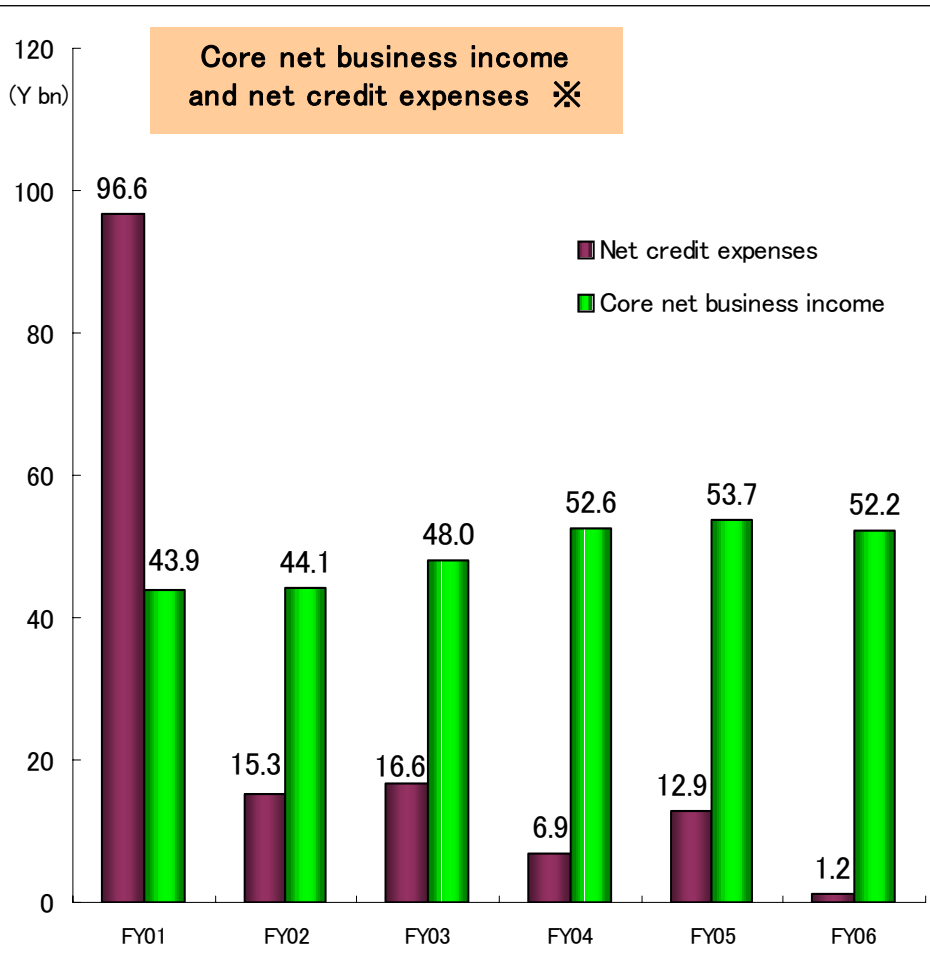


## Performance of Investment Trusts



# Credit Costs

Net credit expenses decreased significantly in FY2006 (Credit expense ratio of 3 bps). Expected to maintain relatively low level in FY2007 as well.

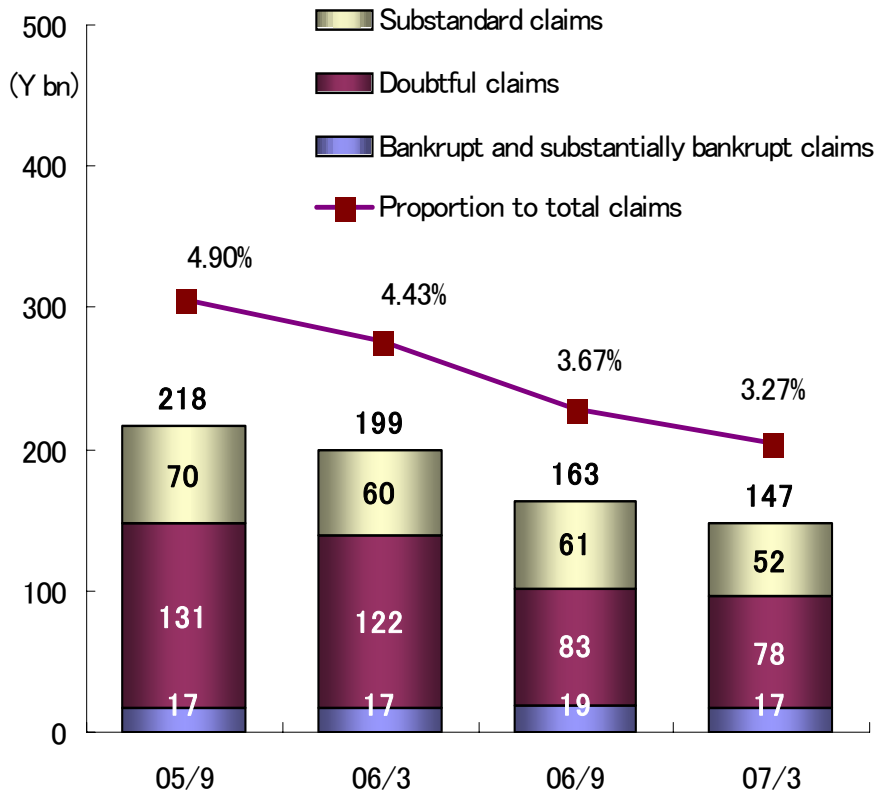


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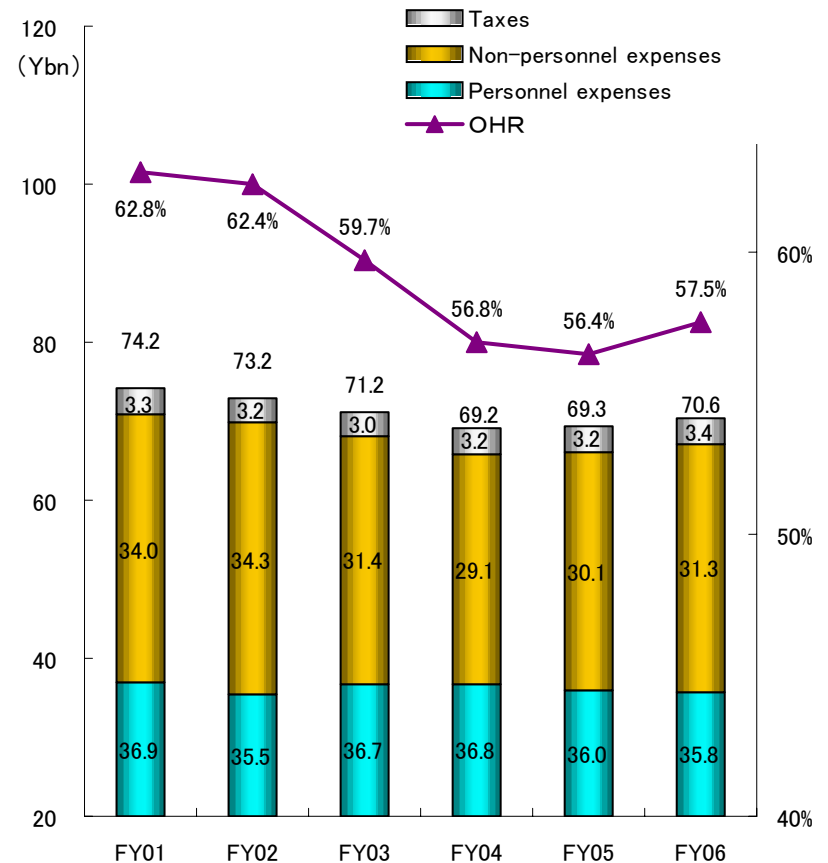
# Non Performing Loans & G&A Expenses

Total claims decreased and NPL ratio improved due to improvements in credit ratings. Total operating expenses increased in FY2006 mainly due to system unification costs.

### Non-performing loans under Financial Revitalization Law



### G&A Expenses and OHR\*

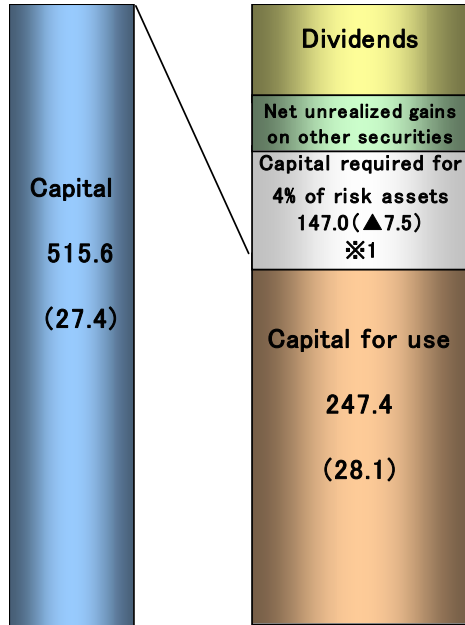


\*OHR: core net business profit basis

# Effective Utilization of Capital

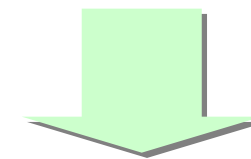
## Risk Capital as of March 2007

Y bn, figures in ( ) show changes from 06/3



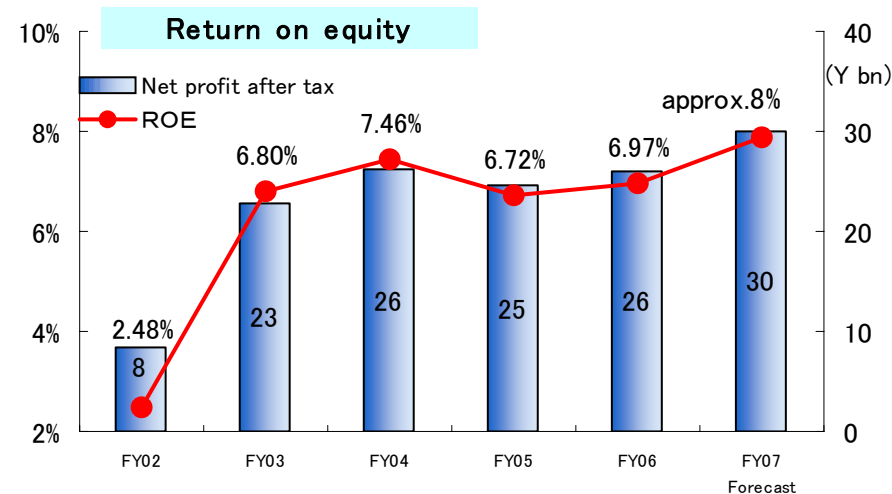
Credit risk	35.2(8.7)
Market(Interest)	38.2(1.2)
Market(Price)	55.7(9.9)※2
Operational risk	18.0(▲1.0)
Unused capital	100.3(9.3)

- Maximize shareholders' value through effective capital utilization and higher shareholder return.
- Capital efficiency be increased by means of;
  - ◆ Expansion of business areas
    - Broaden business areas and product lines
    - Expand spectra of investment opportunities
  - ◆ Optimization of capital allocation in each risk category



(※1) Represents approximately 4% of risk-weighted assets (Please note that the capital of ¥ 515.6 billion includes ¥ 118.2 billion of unrealized gains on securities available for sale (after tax).

(※2) Changes in the market value on equity securities portfolio held for strategic and business-relationship purposes have been deducted.





# Returns to Shareholders in FY2007

## ‘Shareholders Return Policy’

- **Shareholder Return Ratio\***

Targeting ratio equal to or higher than 40%.

\* Shareholder Return Ratio = (Dividends paid + Stock repurchases) / Net income after tax

- **Dividend Pay-out Ratio**

Targeting ratio equal to or higher than 20% while maintaining stable dividend payment policy.

⇒ **Dividend in FY 2007**

**Based on business projections, increase dividends by 1 yen, to 8 yen per share.**

	FY2003	FY2004	FY2005	FY2006	FY2007
Number of stocks repurchased (thousands)	24,401	4,122	9,955	20,815	
Total amount of stock repurchases (Y bn)	8.1	1.8	7.2	14.5	
Number of stocks retired (thousands)	—	—	13,000	15,000	
Number of treasury stocks (thousands)	30,154	33,845	30,466	35,931	
Total dividends (Y bn)	4.1	4.9	4.9	5.6	
Dividend per stock (Y)	5.0	6.0	6.0	7.0	8.0

Net income after tax (non-consolidated) (Y bn)	22.8	26.1	24.7	26.1	30.0
Shareholder return ratio (%)	54.2	26.2	49.2	77.0	40% ≤
Dividend pay-out ratio (%)	18.4	19.1	20.0	21.6	20% ≤

# Projections for FY2007

# Summary of Projections for FY2007

'Top Line' income expected to grow compared to FY2006 due to increase in loan balance and higher yields. Projection for both ordinary profit and net income increased due to 'Top Line' growth, despite the increase in sales-related expenses and decrease in reversal of the provision for doubtful receivables.

(Y bn)	FY2007 Forecast	FY2006	change
Net business income	57.0	52.9	4.1
Core net business income	53.5	52.2	1.3
Gross business profit	127.8	123.5	4.3
Net interest income	106.7	105.6	1.1
Fees and commissions	18.1	16.0	2.1
G&A expenses	72.0	70.6	1.4
Net transfer to general reserve for possible loan losses	▲ 1.0	-	▲ 1.0
Net non-recurring gains(losses)	▲ 7.0	▲ 5.2	▲ 1.8
Disposals of non-performing loans	8.5	6.8	1.7
Ordinary profit	50.0	47.6	2.4
Net special gains(losses)	1.0	5.3	▲ 4.3
Gains on loan charged-offs	1.5	3.1	▲ 1.6
Reversal of allowance for loan losses	-	2.3	▲ 2.3
Net income after tax	30.0	26.1	3.9
Net credit expenses	6.0	1.2	4.8

1H FY2007 Forecast	1H FY2006	change
27.0	25.1	1.9
25.0	24.4	0.6
63.0	60.5	2.5
52.5	51.8	0.7
9.0	7.5	1.5
36.4	35.4	1.0
▲ 0.5	0.0	▲ 0.5
▲ 3.0	▲ 2.4	▲ 0.6
4.2	3.7	0.5
24.0	22.7	1.3
0.5	2.4	▲ 1.9
0.7	0.8	▲ 0.1
-	1.5	▲ 1.5
14.5	15.0	▲ 0.5
2.9	1.3	1.6

# Appendix

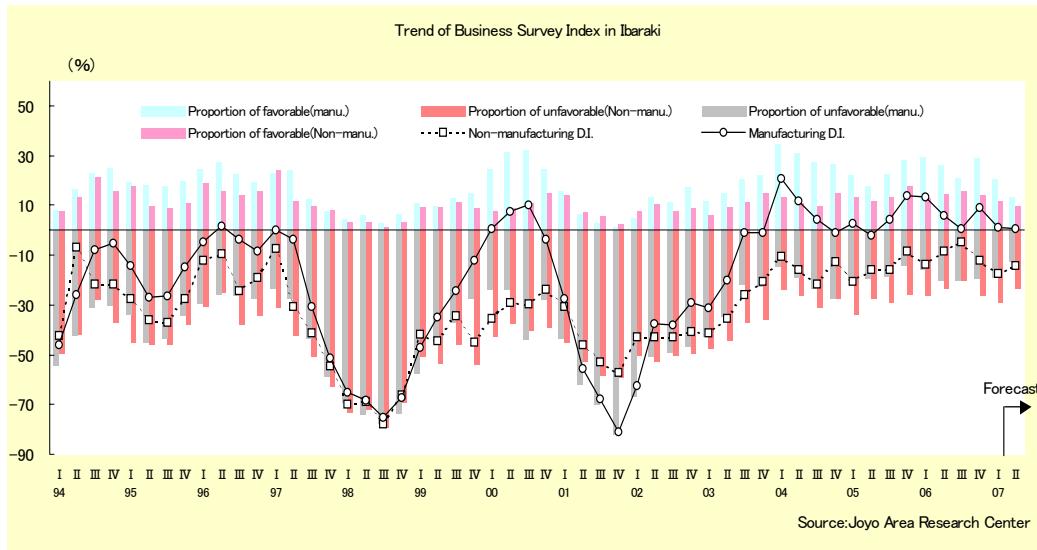
# Economic Indicators for Ibaraki Prefecture (1)

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	Contents	Unit	Ibaraki	Japan	Rank	Date
Land area	Total land area	km <sup>2</sup>	6,096	377,907	24	Oct 1, 2005
	Liveable land area	km <sup>2</sup>	3,976	121,384	4	Oct 1, 2005
Population	Population	thousands	2,980	127,760	11	Oct 1, 2005
	Proportion of aged population	%	19.4	20.1	39	Oct 1, 2005
Economy	Prefectural GDP	Y Bn	11,195	508,411	12	2004
	Prefectural income (per person)	Y MM	2.93	2.98	13	2004
Industry	Farm output	Y Bn	416	8,807	3	2005
	Value of manufactured goods shipment	Y Bn	10,750	295,606	8	2005
	Annual sales of merchandizing goods(wholesale)	Y Bn	3,749	405,650	16	2004
	Annual sales of merchandizing goods(retail)	Y Bn	2,902	133,328	13	2004
	Number of establishments	-	123,187	5,728,492	14	2004
	Number of factories newly located	number/km <sup>2</sup>	67/1.87	1,782/23.65	6/1	in 2006

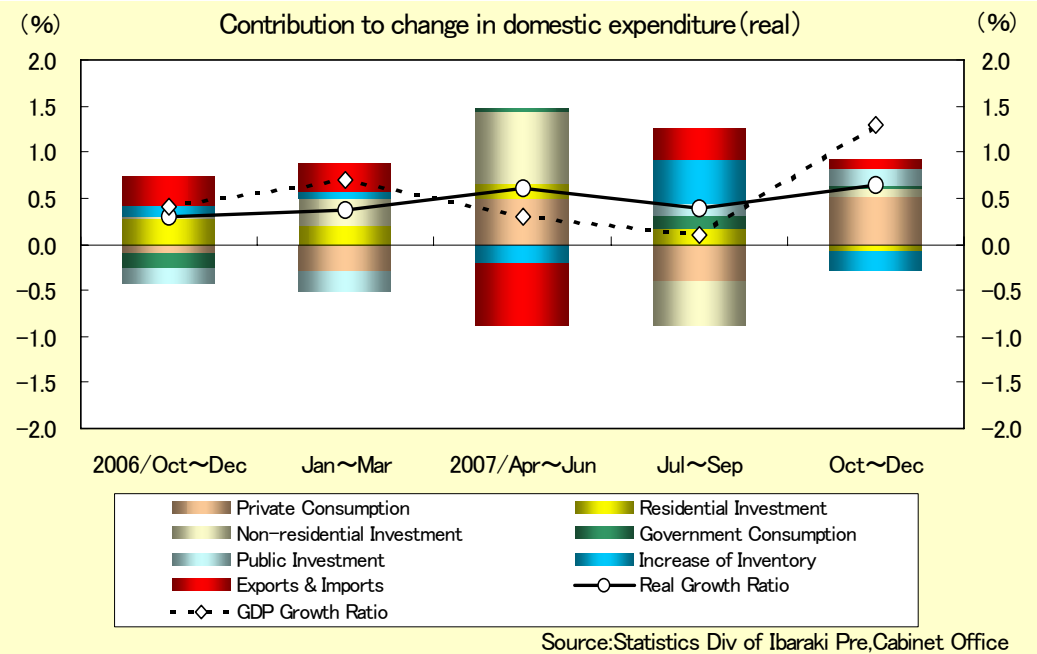
Source: Statistics Div of Ibaraki Pref, Kanto Bureau of Economy, Trade and Industry

# Economic Indicators for Ibaraki Prefecture (2)



**Corporate sentiment flat.**

- Manufacturing: Showing favorable trend in seventh consecutive positive quarter.
- Non manufacturing: Showing unfavorable trend.



**Real economic growth of 0.6%**

- Ibaraki posted real economic growth of 0.6% between October and December 2007, the eighth consecutive positive quarter.

# Average Balance

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(balance:Y bn, income/expense:Y mm, %)

	FY2006			Change from 2005		
	Average balance	Yield	Interest income	Average balance	Yield	Interest income
Loans and bills	4,464.8	1.89	84,678	6.1	0.08	3,887
JPY	4,462.7	1.89	84,600	5.2	0.08	3,852
Foreign	2.0	3.76	77	0.8	0.11	34
Securities	2,352.3	2.01	47,339	▲40.9	0.19	3,746
Bonds	1,435.8	1.10	15,814	▲27.9	0.10	1,171
Stocks	126.2	2.74	3,459	7.8	0.69	1,023
Foreign bonds	700.5	3.66	25,664	▲20.2	0.43	2,342
Others	89.6	2.68	2,402	▲0.5	▲0.86	▲790
Call loans	15.8	4.59	729	7.1	1.74	479
JPY	2.6	0.18	4	▲1.2	0.18	4
Foreign	13.2	5.48	724	8.3	0.30	474
Bills bought	—	—	—	—	—	—
Other debt purchased	78.8	0.60	477	11.5	0.25	240
Due from banks	32.4	2.90	942	▲4.9	0.67	105
NCD	—	—	—	—	—	—
Foreign exchange assets	1.0	3.64	38	▲0.1	0.63	1
Others	—	—	109	—	—	35
Interest rate swaps	—	—	—	—	—	—
Interest earning assets	6,945.3	1.93	134,314	▲22.6	0.13	8,496

	FY2006			Change from 2005		
	Average balance	Yield	Interest expense	Average balance	Yield	Interest expense
Deposits	6,169.4	0.12	7,827	30.3	0.07	4,237
JPY	6,083.5	0.08	5,131	57.7	0.06	3,912
Foreign	85.8	3.14	2,696	▲27.3	1.05	324
NCD	75.1	0.19	147	▲16.1	0.17	125
Call money	202.8	2.30	4,683	▲107.8	1.39	1,844
JPY	118.9	0.20	239	▲119.0	0.20	229
Foreign	83.9	5.29	4,443	11.1	1.40	1,615
Payable under securities lending transactions	206.2	1.15	2,390	59.9	0.01	721
Bills sold	1.1	0.05	0	1.1	0.05	0
Borrowed money	73.5	1.55	1,142	▲10.2	0.05	▲115
Foreign exchange liabilities	0.2	0.00	0	0.0	0.00	0
Bonds	15.0	2.22	334	0.0	0.00	0
Others	1.5	—	12,135	▲0.1	—	2,809
Interest rate swaps	0.0	—	12,123	0.0	—	2,838
Interest bearing liabilities	6,745.0	0.42	28,660	▲42.8	0.14	9,623
Other expenses	2.5	0.13	3	0.4	0.07	2
Interest bearing liabilities	6,742.4	0.42	28,657	▲43.3	0.14	9,621

# Interest Yields

Total account							Domestic account						%
	FY 2004	1H 2005	FY 2005	1H 2006	FY 2006	Change from 2005	FY 2004	1H 2005	FY 2005	1H 2006	FY 2006	Change from 2005	
Average yield on interest earning assets (A)	1.76	1.76	1.80	1.84	1.93	0.13	1.54	1.51	1.51	1.53	1.60	0.09	
Average yield on loans and bills discounted (B)	1.90	1.83	1.81	1.81	1.89	0.08	1.90	1.83	1.81	1.81	1.89	0.08	
Average yield on securities	1.52	1.67	1.82	1.92	2.01	0.19	1.02	1.16	1.21	1.27	1.31	0.10	
Average yield on interest bearing liabilities	0.19	0.25	0.28	0.36	0.42	0.14	0.07	0.07	0.06	0.09	0.13	0.07	
Average yield on deposits and NCD (C)	0.04	0.05	0.05	0.08	0.12	0.07	0.02	0.02	0.02	0.04	0.08	0.06	
Expense ratio	1.10	1.11	1.10	1.11	1.12	0.02	1.10	1.11	1.10	1.11	1.11	0.01	
Funding cost (D)	1.23	1.29	1.29	1.40	1.46	0.17	1.14	1.12	1.10	1.15	1.19	0.09	
Difference between average yield on loans and deposits (B)-(C)	1.86	1.78	1.76	1.73	1.77	0.01	1.88	1.81	1.79	1.77	1.81	0.02	
Difference between average yield on interest earning assets and funding cost (A)-(D)	0.53	0.47	0.51	0.44	0.47	▲0.04	0.40	0.39	0.41	0.38	0.41	0.00	
Average yield on loans and bills discounted (excluding loans to MOF) (E)							1.98	1.90	1.88	1.83	1.90	0.02	
Difference between average yield on loans and deposits (excluding loans to MOF) (E)-(C)							1.96	1.88	1.86	1.79	1.82	▲0.04	



# Yen Denominated Loans (1)

◎Self-assessed breakdown by regions

(Y bn)

	05/9		06/3		06/9		07/3		Change from 06/3		Change from 06/9	
	Term-end balance	Proportion	Term-end balance	Proportion	Term-end balance	Proportion	Term-end balance	Proportion	Term-end balance	Change in %	Term-end balance	Change in %
Yen denominated loans	4,372.2	100.0%	4,432.8	100.0%	4,369.9	100.0%	4,437.8	100.0%	5.0	0.1%	67.9	1.6%
Normal	3,713.4	84.9%	3,828.9	86.4%	3,836.6	87.8%	3,844.5	86.6%	15.6	0.4%	7.9	0.2%
Other than Tokyo and Osaka	2,924.5	66.9%	2,979.9	67.2%	2,957.2	67.7%	2,981.2	67.2%	1.3	0.0%	24	0.8%
(Loans excluding loans to MOF and DICJ <sup>※</sup> )	2,752.0	62.9%	2,927.9	66.1%	2,957.2	67.7%	2,981.2	67.2%	53.3	1.8%	24	0.8%
In Ibaraki	2,461.4	56.3%	2,496.8	56.3%	2,462.6	56.4%	2,485.4	56.0%	▲ 11.4	▲0.5%	22.8	0.9%
(Loans excluding loans to MOF and DICJ <sup>※</sup> )	2,371.0	54.2%	2,444.8	55.2%	2,462.6	56.4%	2,485.4	56.0%	40.6	1.7%	22.8	0.9%
In Miyagi , Fukushima and Tochigi	361.3	8.3%	376.6	8.5%	384.1	8.8%	384.8	8.7%	8.2	2.2%	0.7	0.2%
In Chiba and Saitama	101.7	2.3%	106.4	2.4%	110.4	2.5%	110.9	2.5%	4.5	4.2%	0.5	0.5%
In Tokyo and Osaka	788.9	18.0%	848.9	19.2%	879.4	20.1%	863.2	19.5%	14.3	1.7%	▲ 16.2	▲1.8%
Other than in need of special caution	417.7	9.6%	383.0	8.6%	349.8	8.0%	429.1	9.7%	46.1	12.0%	79.3	22.7%
In need of special caution	93.3	2.1%	82.3	1.9%	82.4	1.9%	69.2	1.6%	▲ 13.1	▲15.9%	▲ 13.2	▲16.0%
Potentially bankrupt or worse	147.6	3.4%	138.3	3.1%	101.1	2.3%	41.5	0.9%	▲ 96.8	▲70.0%	▲ 59.6	▲59.0%
Normal (loans excluding loans to MOF and DICJ)	3,540.9	82.7%	3,776.9	86.2%	3,836.6	87.8%	3,844.5	86.6%	67.6	1.8%	7.9	0.2%

◎Breakdown by regions

(Y bn)

	05/9		06/3		06/9		07/3		Change from 06/3		Change from 06/9	
	Term-end balance	Proportion	Term-end balance	Proportion	Term-end balance	Proportion	Term-end balance	Proportion	Term-end balance	Change in %	Term-end balance	Change in %
Yen denominated loans	4,372.2	100.0%	4,432.8	100.0%	4,369.9	100.0%	4,437.8	100.0%	5.0	0.1%	67.9	1.6%
Other than Tokyo and Osaka	3,506.0	80.2%	3,515.2	79.3%	3,454.8	79.1%	3,522.6	79.4%	7.4	0.2%	67.8	2.0%
In Ibaraki	2,936.8	67.2%	2,938.4	66.3%	2,874.5	65.8%	2,942.8	66.3%	4.4	0.1%	68.3	2.4%
In Miyagi and Fukushima and Tochigi	442.4	10.1%	448.5	10.1%	453.8	10.4%	467.9	10.5%	19.4	4.3%	14.1	3.1%
In Chiba and Saitama	126.7	2.9%	128.3	2.9%	126.4	2.9%	111.8	2.5%	▲ 16.5	▲12.9%	▲ 14.6	▲11.6%
In Tokyo and Osaka	866.2	19.8%	917.4	20.7%	915.0	20.9%	915.2	20.6%	▲ 2.2	▲0.2%	0.2	0.0%
Yen Loans excluding loans to MOF and DICJ <sup>※</sup>	4,199.7		4,380.8		4,369.9		4,437.8		57.0	1.3%	67.9	1.6%
Other than Tokyo and Osaka	3,333.5		3,463.2		3,454.8		3,522.6		59.4	1.7%	67.8	2.0%
In Ibaraki	2,764.3		2,886.4		2,874.5		2,942.8		56.4	2.0%	68.3	2.4%

※Deposit Insurance Corporation of Japan

# Yen Denominated Loans (2)

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◎Breakdown by type

(Y bn)

	05/9		06/3		06/9		07/3		Change from 06/3		Change from 06/9	
	Term-end balance	Proportion	Term-end balance	Proportion	Term-end balance	Proportion	Term-end balance	Proportion	Term-end balance	Change in %	Term-end balance	Change in %
Yen denominated loans	4,372.2	100.0%	4,432.8	100.0%	4,369.9	100.0%	4,437.8	100.0%	5.0	0.1%	67.9	1.6%
Personal loans	1,324.0	30.3%	1,349.4	30.4%	1,372.9	31.4%	1,400.2	31.6%	50.8	3.8%	27.3	2.0%
Corporate loans	2,286.6	52.3%	2,336.2	52.7%	2,323.5	53.2%	2,345.9	52.9%	9.7	0.4%	22.4	1.0%
Major companies	760.4	17.4%	799.8	18.0%	785.6	18.0%	826.2	18.6%	26.4	3.3%	40.6	5.2%
Medium sized companies	174.0	4.0%	169.5	3.8%	164.3	3.8%	162.3	3.7%	▲ 7.2	▲4.2%	▲ 2.0	▲1.2%
Small and medium sized companies	1,352.2	30.9%	1,366.7	30.8%	1,373.5	31.4%	1,357.3	30.6%	▲ 9.4	▲0.7%	▲ 16.2	▲1.2%
Public sector	761.5	17.4%	747.1	16.9%	673.3	15.4%	691.6	15.6%	▲ 55.5	▲7.4%	18.3	2.7%
Loans to MOF	90.4	2.1%	52.0	1.2%	0.0	0.0%	0.0	0.0%	▲ 52.0	▲100.0%	0	0.0%

◎Personal loans

(Y bn)

	05/9		06/3		06/9		07/3		Change from 06/3		Change from 06/9	
	Term-end balance	Proportion	Term-end balance	Proportion	Term-end balance	Proportion	Term-end balance	Proportion	Term-end balance	Change in %	Term-end balance	Change in %
Personal loans	1,324.0	100.0%	1,349.4	100.0%	1,372.9	100.0%	1,400.2	100.0%	50.8	3.8%	27.3	2.0%
Residential loans	1,054.4	79.6%	1,089.1	80.7%	1,119.1	81.5%	1,154.2	82.4%	65.1	6.0%	35.1	3.1%
Consumer loans	88.7	6.7%	87.5	6.5%	86.2	6.3%	82.4	5.9%	▲ 5.1	▲5.8%	▲ 3.8	▲4.4%
Loans to small businesses	180.9	13.7%	172.8	12.8%	167.6	12.2%	163.6	11.7%	▲ 9.2	▲5.3%	▲ 4.0	▲2.4%

◎Corporate loans

(Y bn)

	05/9		06/3		06/9		07/3		Change from 06/3		Change from 06/9	
	Term-end balance	Proportion	Term-end balance	Proportion	Term-end balance	Proportion	Term-end balance	Proportion	Term-end balance	Change in %	Term-end balance	Change in %
Yen denominated loans	2,286.6	100.0%	2,336.2	100.0%	2,323.5	100.0%	2,345.9	100.0%	9.7	0.4%	22.4	1.0%
Other than Tokyo and Osaka	1,458.4	63.8%	1,451.6	62.1%	1,439.0	61.9%	1,435.3	61.2%	▲ 16.3	▲1.1%	▲ 3.7	▲0.3%
In Ibaraki	1,048.7	45.9%	1,035.1	44.3%	1,020.3	43.9%	1,019.2	43.4%	▲ 15.9	▲1.5%	▲ 1.2	▲0.1%
In Miyagi , Fukushima and Tochigi	325.2	14.2%	329.8	14.1%	333.1	14.3%	346.4	14.8%	16.7	5.1%	13.4	4.0%
In Chiba and Saitama	84.5	3.7%	86.8	3.7%	85.6	3.7%	69.7	3.0%	▲ 17.1	▲19.7%	▲ 15.9	▲18.6%
In Tokyo and Osaka	828.2	36.2%	884.5	37.9%	884.6	38.1%	910.7	38.8%	26.2	3.0%	26.1	3.0%

# Deposits and Assets Under Custody

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◎Deposits (Y bn)

	05/9		06/3		06/9		07/3		Change from 06/3		Change from 06/9	
	Term-end balance	Proportion	Term-end balance	Proportion	Term-end balance	Proportion	Term-end balance	Proportion	Term-end balance	Change in %	Term-end balance	Change in %
Deposits	6,105.1	100.0%	6,146.4	100.0%	6,148.9	100.0%	6,285.2	100.0%	138.8	2.3%	136.3	2.2%
Yen deposits	5,985.3	98.0%	6,054.3	98.5%	6,061.5	98.6%	6,206.6	98.7%	152.3	2.5%	145.1	2.4%
Foreign deposits	101.2	1.7%	79.3	1.3%	77.4	1.3%	62.0	1.0%	▲ 17.3	▲21.8%	▲ 15.4	▲19.9%
JOM deposits	18.6	0.3%	12.8	0.2%	10.0	0.2%	16.5	0.3%	3.7	28.9%	6.5	65.0%
Others	—	0.0%	—	0.0%	—	0.0%	—	0.0%	—	—	—	—
NCDs	55.2		34.5		49.6		41.0		6.5	18.8%	▲ 8.6	▲17.3%

◎Yen Products (Y bn)

	05/9		06/3		06/9		07/3		Change from 06/3		Change from 06/9	
	Term-end balance	Proportion	Term-end balance	Proportion	Term-end balance	Proportion	Term-end balance	Proportion	Term-end balance	Change in %	Term-end balance	Change in %
Yen deposits	5,985.3	100.0%	6,054.3	100.0%	6,061.5	100.0%	6,206.6	100.0%	152.3	2.5%	145.1	2.4%
Personal	4,577.1	76.5%	4,627.1	76.4%	4,635.2	76.5%	4,703.8	75.8%	76.7	1.7%	68.6	1.5%
Corporate	1,107.3	18.5%	1,137.7	18.8%	1,099.0	18.1%	1,156.1	18.6%	18.4	1.6%	57.1	5.2%
Public sector	300.9	5.0%	289.5	4.8%	327.3	5.4%	346.7	5.6%	57.2	19.8%	19.4	5.9%

◎Financial Products(Personal) (Y bn)

	05/9		06/3		06/9		07/3		Change from 06/3		Change from 06/9	
	Term-end balance	Proportion	Term-end balance	Proportion	Term-end balance	Proportion	Term-end balance	Proportion	Term-end balance	Change in %	Term-end balance	Change in %
Personal	5,338.3	100.0%	5,479.0	100.0%	5,603.1	100.0%	5,771.2	100.0%	292.2	5.3%	168.1	3.0%
Liquid	2,309.5	43.3%	2,409.6	44.0%	2,438.2	43.5%	2,517.3	43.6%	107.7	4.5%	79.1	3.2%
Time deposits	2,267.6	42.5%	2,217.5	40.5%	2,197.0	39.2%	2,186.5	37.9%	▲ 31.0	▲1.4%	▲ 10.5	▲0.5%
(Sub total)	4,577.1	85.7%	4,627.1	84.5%	4,635.2	82.7%	4,703.8	81.5%	76.7	1.7%	68.6	1.5%
Financial products	761.2	14.3%	851.9	15.5%	967.9	17.3%	1,067.4	18.5%	215.5	25.3%	99.5	10.3%

# Securities Portfolio

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## Balance of securities

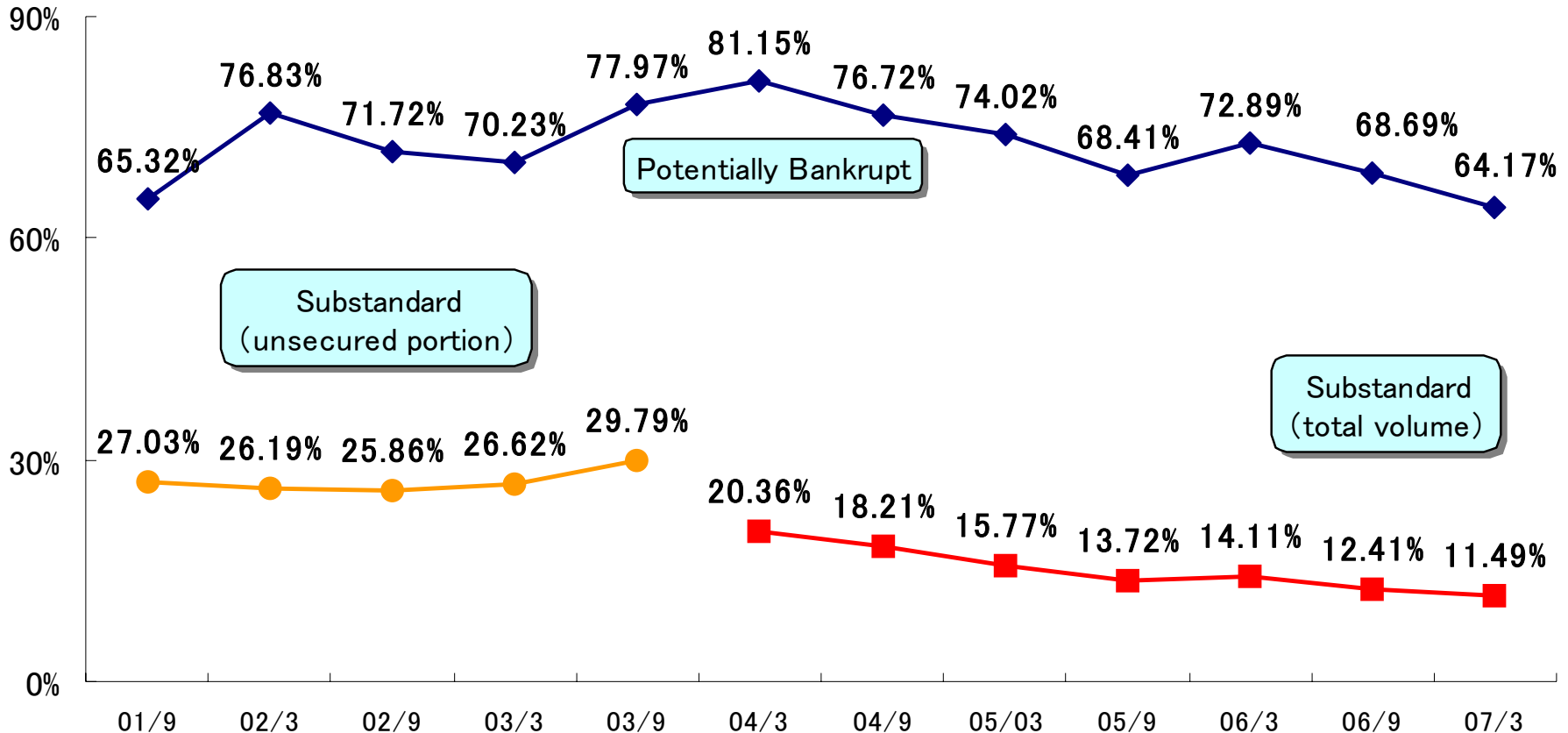
(Y bn)

	06/3		06/9		07/3		Change from 06/3		Change from 06/9	
	Balance	Proportion	Balance	Proportion	Balance	Proportion	Balance	Proportion	Balance	Proportion
Yen denominated bonds	1,593.1	68.9%	1,563.7	67.8%	1,673.0	69.7%	79.9	0.8%	109.3	1.9%
Duration(years)	3.16	—	3.10	—	3.21	—	0.0	—	0.1	—
Fix rate notes	1,201.3	52.0%	1,188.3	51.6%	1,339.9	55.9%	138.6	3.9%	151.6	4.3%
(Average yield : %)	(1.19)	—	(1.11)	—	(1.17)	—	(▲0.02)	—	(0.06)	—
Floating rate notes	391.8	17.0%	375.3	16.3%	333.0	13.9%	▲58.8	▲3.1%	▲42.3	▲2.4%
(Average yield : %)	(0.48)	—	(0.68)	—	(0.75)	—	(0.27)	—	(0.07)	—
Foreign denominated bonds	466.5	20.2%	478.1	20.7%	473.3	19.7%	6.8	▲0.5%	▲4.8	▲1.0%
Duration(years)	2.7	—	2.5	—	2.2	—	▲0.5	—	▲0.3	—
(Average yield : %)	(0.92)	—	(0.43)	—	(0.35)	—	(▲0.57)	—	(▲0.08)	—
Fixed rate notes	295.4	12.8%	280.6	12.2%	268.4	11.2%	▲27.0	▲1.6%	▲12.2	▲1.0%
(Average yield : %)	(4.36)	—	(4.30)	—	(4.17)	—	(▲0.19)	—	(▲0.13)	—
(Average yield spread : %)	(1.34)	—	(0.48)	—	(0.31)	—	(▲1.03)	—	(▲0.17)	—
Floating rate notes	171.1	7.4%	197.5	8.6%	204.8	8.5%	33.7	1.1%	7.3	▲0.0%
(Average yield : %)	(4.24)	—	(5.47)	—	(4.35)	—	(0.11)	—	(▲1.12)	—
(Average yield spread : %)	(0.42)	—	(0.36)	—	(0.40)	—	(▲0.02)	—	(0.04)	—
Stocks	122.0	5.3%	125.6	5.4%	130.5	5.4%	8.5	0.2%	4.9	▲0.0%
Tier1ratio	—	33.0%	—	32.9%	—	34.8%	—	1.7%	—	1.9%
Investment trusts	125.6	5.4%	137.4	6.0%	121.7	5.1%	▲3.9	▲0.4%	▲15.7	▲0.9%
Total	2,310.8	100.0%	2,305.0	100.0%	2,398.7	100.0%	87.9	0.0%	93.7	0.0%
(Average yield : %)	(1.73)	—	(1.92)	—	(1.98)	—	(0.25)	—	(0.06)	—
Unrealized gains/losses	179.4	—	162.5	—	208.8	—	29.4	—	46.3	—

# General Reserve for Possible Loan Losses

Reserve ratio expected to decrease due to further non-performing loan disposals.

Reserve ratio for possible loan losses (Potentially bankrupt & substandard)



# Management Indices (Non-consolidated)

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Financial targets	05/3	06/3	07/3	Yen, %
				change
EPS	31.35	29.80	32.12	2.32
ROE (Net income basis)	7.46	6.72	6.97	0.25
	6.18	5.34	5.21	▲0.13
BPS	526.4	595.3	645.0	49.7
OHR (Core net business income basis)	56.8	56.4	57.5	1.1
ROA (Core net business income basis)	0.75	0.74	0.72	▲0.02

※EPS based on average stocks outstanding. BPS based on FY year end stocks outstanding.

ROE : Figure on top based on average balance of capital.(excludes net unrealized gains on other securities) .

Figure on bottom based on average of capital balance at the beginning and end of term.

Operational targets	05/9	06/3	06/9	%
				change
Loan share in Ibaraki	42.23	42.33	41.43	▲0.90
Deposit share in Ibaraki	40.37	40.33	40.28	▲0.05

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