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Financial Results for the First Half of 2007  
& Projections for FY2007

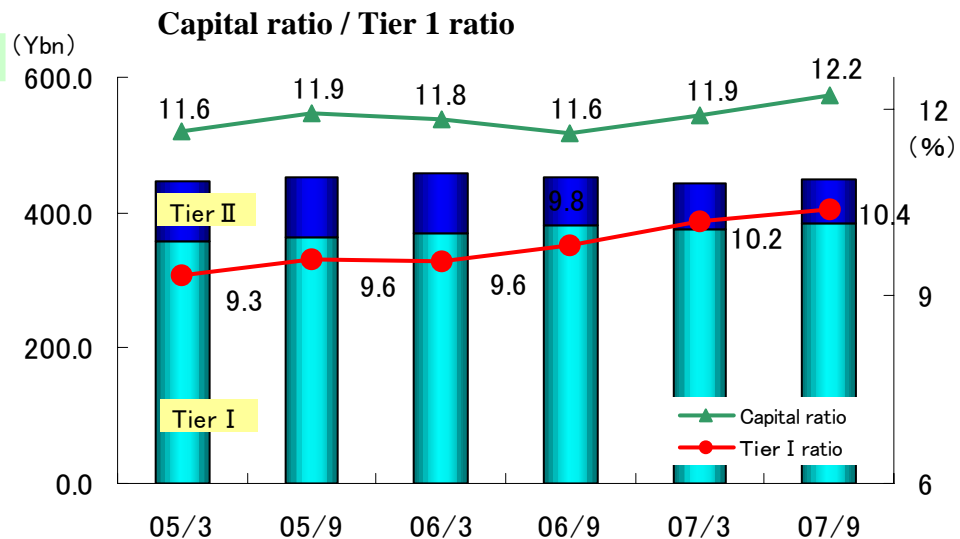
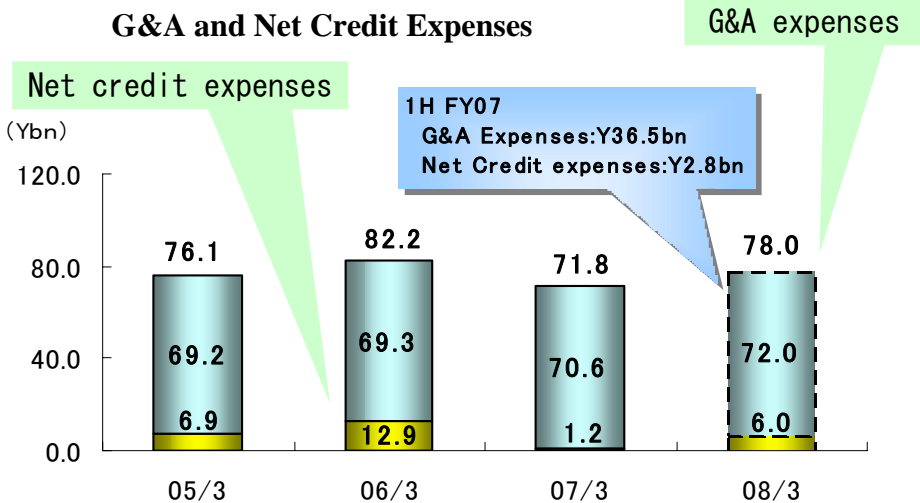
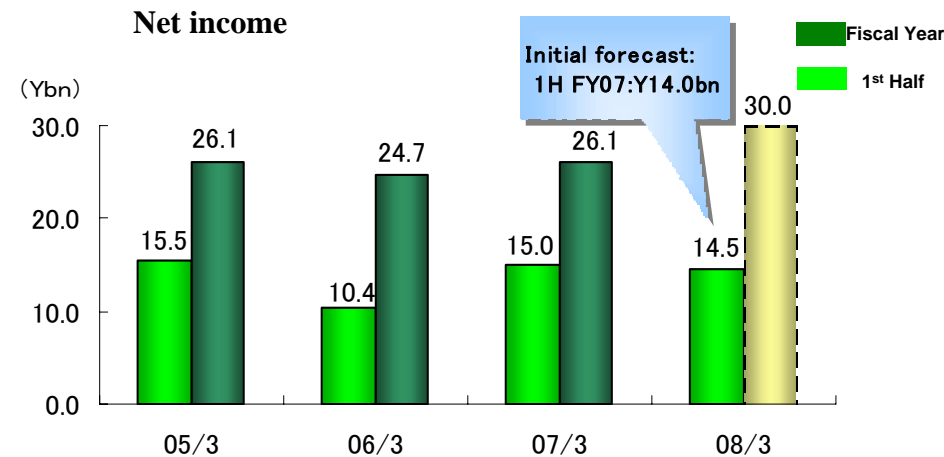
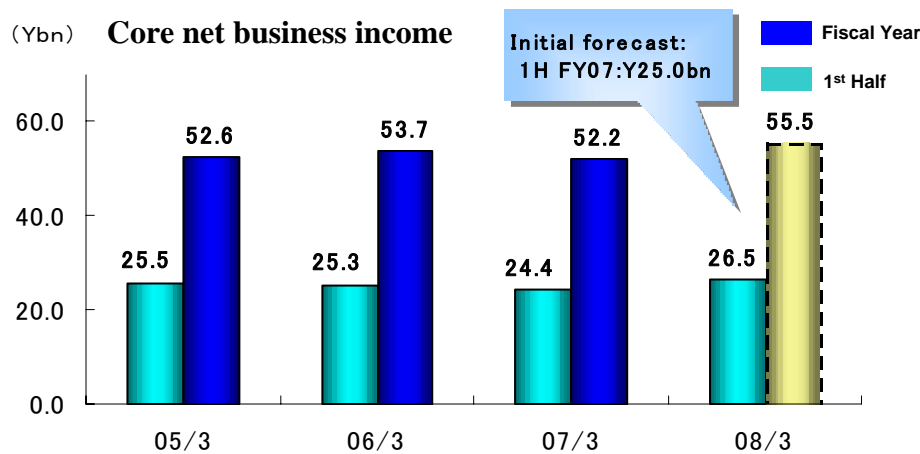
**THE JOYO BANK, LTD.**

December 2007



# Performance Highlights

Core net business income and net income achieved initial forecasts, thanks to an increase in interest income. Capital ratio reached 12% at the end of 1H of 2007.



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Financial Results for the First Half of FY2007  
(Ended September 30, 2007)

# Summary Financial Results of the First Half of FY2007

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An increase in interest income from loans and securities helped net business income, ordinary profit and net income surpass initial forecasts.

(Y bn)	1H FY2007	1H FY2006	change
<b>Net business income</b>	28.3	25.1	3.1
<b>Core net business income</b>	26.5	24.4	2.0
<b>Gross business profit</b>	63.4	60.5	2.9
Net interest income	54.2	51.8	2.3
Fees and commissions	7.8	7.5	0.3
<b>G&amp;A expenses</b>	36.5	35.4	1.1
<b>Net transfer to general reserve for possible loan losses (A)</b>	▲ 1.4	—	▲ 1.4
<b>Net non-recurring gains(losses)</b>	▲ 3.0	▲ 2.4	▲ 0.6
Disposals of non-performing loans (B)	5.5	3.7	1.7
<b>Ordinary profit</b>	25.2	22.7	2.5
<b>Net special gains(losses)</b>	▲ 0.7	2.4	▲ 3.2
Gains on loan charged-offs (C)	1.2	0.8	0.3
Impairment of fixed assets	0.1	0.0	0.0
Reversal of allowance for loan losses (D)	—	1.5	▲ 1.5
Other special losses <sup>(2)</sup>	1.7	—	1.7
<b>Net income before income taxes and others</b>	24.4	25.1	▲ 0.6
<b>Net income after tax</b>	14.5	15.0	▲ 0.4
<b>Net credit expenses (A)+(B)-(C)-(D)</b>	2.8	1.3	1.5

## Break down of 'Top line'<sup>(1)</sup>

(Ybn)	1H FY07	change from 1H FY06
<b>Net interest income</b>	54.2	2.3
Interest income of domestic loans	46.8	6.1
(Personal loans)	18.7	2.2
(Corporate loans)	22.9	4.1
Interest income of securities	25.6	3.3
(Domestic)	12.1	1.7
(Foreign)	13.4	1.6
Interest expenses on deposits	6.6	5.2
Interest expenses on foreign deposits	10.8	1.9

<b>Domestic loans (Average balance)</b>	4,530.7	49.3
Personal loans	1,404.2	43.1
Corporate loans	2,466.6	56.9
<b>Securities (Average balance)</b>	2,380.2	63.8

<b>Fees and commissions</b>	7.8	0.3
Investment trusts and personal annuities	3.5	0.4

Note: (1) Top line=gross business profit  
 (2) 1H2007 reflects changes in accounting principals: reserves for retirement benefits and repayment of dormant deposits have been incorporated into other special losses

## Projections for FY2007

# Summary of Projections for FY2007

Top line<sup>(1)</sup> is expected to increase steadily as a result of higher interest margins.

(Y bn)	FY2007 Forecast	FY2006	change
Net business income	57.0	52.9	4.1
Core net business income	55.5	52.2	3.3
Gross business profit	127.2	123.5	3.7
Net interest income	109.2	105.6	3.6
Fees and commissions	16.2	16.0	0.2
G&A expenses	72.0	70.6	1.4
Net transfer to general reserve for possible loan losses	▲ 1.9	-	▲ 1.9
Net non-recurring gains(losses)	▲ 7.1	▲ 5.2	▲ 1.9
Disposals of non-performing loans	9.8	6.8	3.0
Ordinary profit	50.0	47.6	2.4
Net special gains(losses)	▲ 0.2	5.3	▲ 5.5
Gains on loan charged-offs	1.9	3.1	▲ 1.2
Reversal of allowance for loan losses	-	2.3	▲ 2.3
Other special losses	1.7	-	1.7
Net income after tax	30.0	26.1	3.9
Net credit expenses	6.0	1.2	4.8

Initial Forecast
57.0
53.5
50.0
30.0
6.0

## Break down of 'Top line<sup>(1)</sup>'

(Y bn)	FY2007 forecast	change from 2006
Net interest income	109.2	3.6
Interest income of domestic loans	96.1	11.5
(Personal loans)	38.2	4.3
(Corporate loans)	47.4	7.5
Interest income of securities	52.1	4.8
(Domestic)	24.0	2.3
(Foreign)	28.1	2.4
Interest expenses on deposits	14.5	9.4
Interest expenses on foreign deposits	21.6	3.4
Domestic loans (Average balance)	4,569.8	107.1
Personal loans	1,425.3	59.1
Corporate loans	2,489.9	69.0
Securities (Average balance)	2,406.5	54.2
Fees and commissions	16.2	0.2
Investment trusts and personal annuities	7.5	0.3

Note: (1) Top line=gross business profit  
(2) In FY 2006, 4.7 billion yen worth of deferred income tax from depreciation of securities was reallocated into income taxes deferred

# Returns to Shareholders in FY2007

## ‘Shareholders Return Policy’

### ● Shareholder Return Ratio\*

Targeting ratio equal to or greater than 40%.

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

### ● Dividend Pay-out Ratio

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

### ⇒ Dividend in FY 2007

Increase dividends to 8 yen per share, according to business projections.

	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007
Number of stocks repurchased (thousands)	6,508	24,401	4,122	9,955	20,815	15,000
Total amount of stock repurchased (Y bn)	2.1	8.1	1.8	7.2	14.5	11.1
Number of stocks retired (thousands)	—	—	—	13,000	15,000	15,000
Number of treasury stocks (thousands)	5,933	30,154	33,845	30,466	35,931	
Total dividends (Y bn)	4.3	4.1	4.9	4.9	5.6	
Dividend per stock (Y)	5.0	5.0	6.0	6.0	7.0	8.0

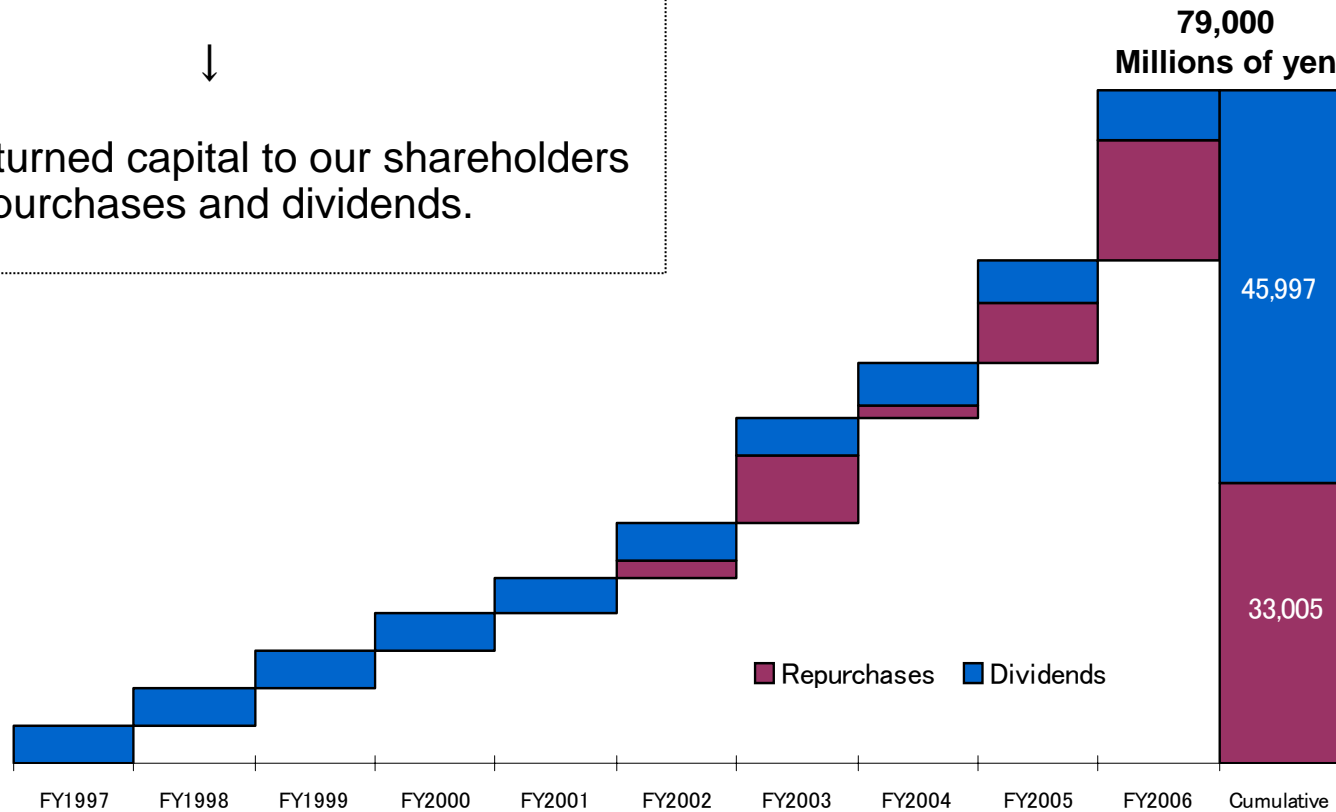
Net income after tax (non-consolidated) (Y bn)	8.3	22.8	26.1	24.7	26.1	30.0
Shareholder return ratio (%)	77.1	54.2	26.2	49.2	77.0	approx. 50
Dividend pay-out ratio (%)	51.3	18.4	19.1	20.0	21.6	approx. 20

# Shareholders' Return History

Return to shareholders over the past 10 years.

↓

We have returned capital to our shareholders via stock repurchases and dividends.



Capital returned as % of earnings

–	82%	39%	51%	–	74%	54%	25%	48%	76%	180%
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# Balance sheet and brief comments

(億円)

19年9月末 At the end of Sept.			
資産 Asset		負債 Liabilities	
変動金利貸出 Loan (floating rate)	22,863 (△333)	流動性預金 Deposits (liquid)	35,231 (+431)
固定金利貸出 Loan (fixed rate)	22,317 (+1,421)	定期預金 Deposits (time)	26,533 (+767)
有価証券 Securities invested	25,223 (+549)	資本他 Capital and others	12,352 (+554)
その他 Others	3,713 (+115)	合計	74,116 (+1,752)
合計	74,116 (+1,752)	合計	74,116 (+1,752)

法人役務収益 Fees from corporate	15 (+1)	預り資産残高 Asset under custody	11,472 (+1,793)
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※貸出金は部分直接償却前。( )内は前年同期比。

●Loans (Page. 9,10,11,12)

- Corporate loans  
Improved loan balance and yields
- Residential loans  
Balance steadily increased and yields up significantly

●Securities

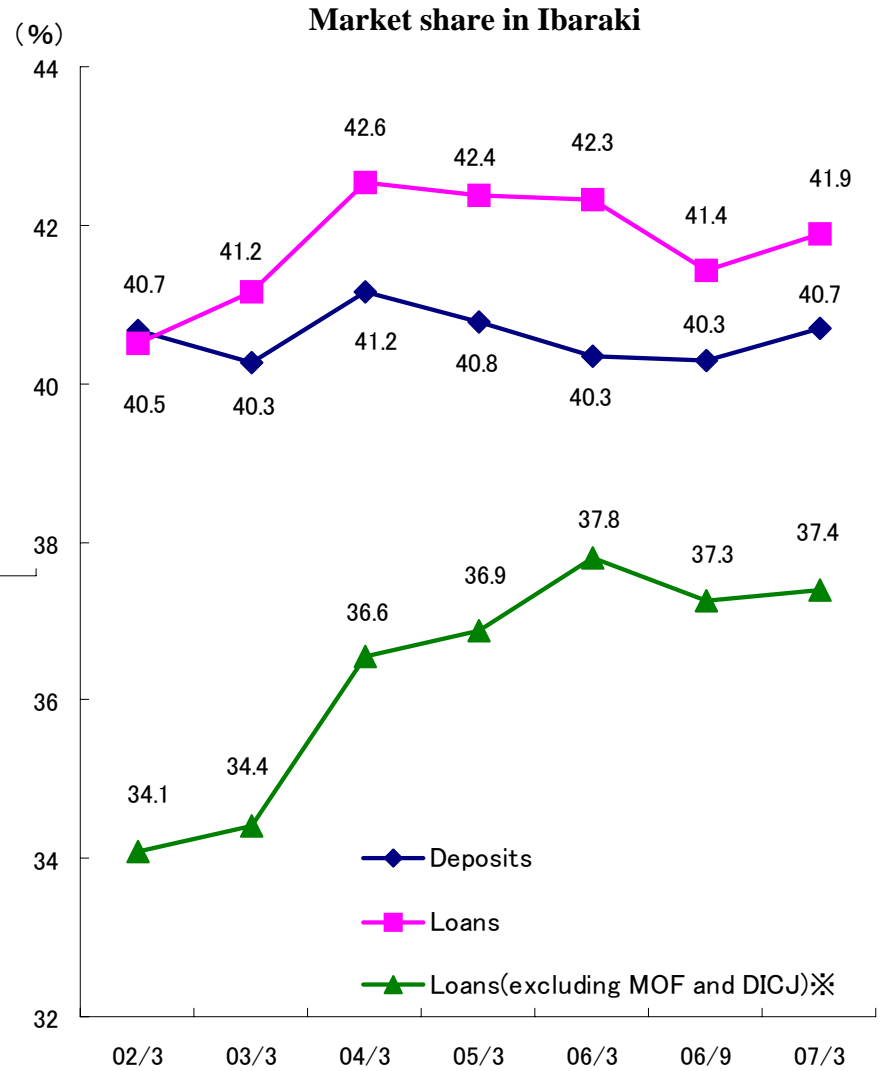
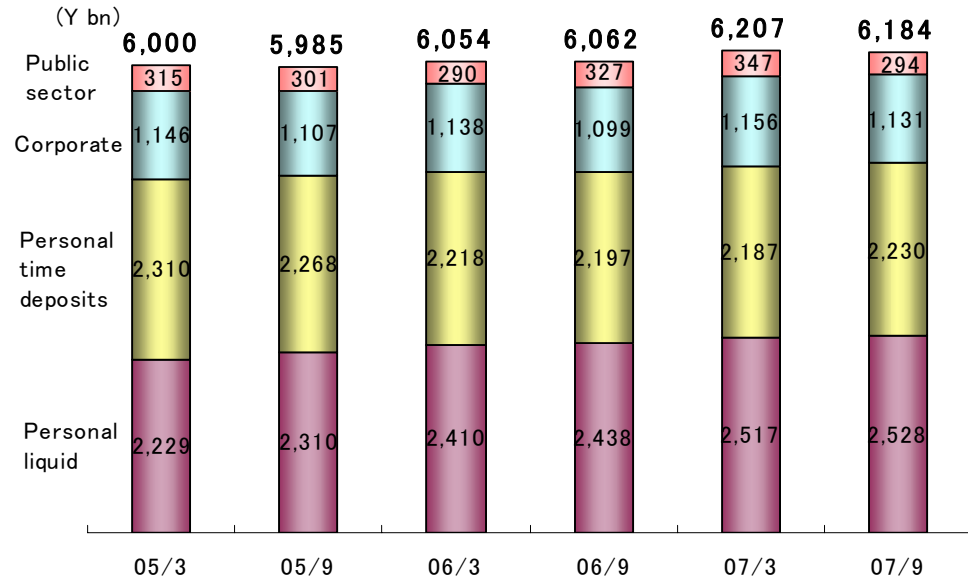
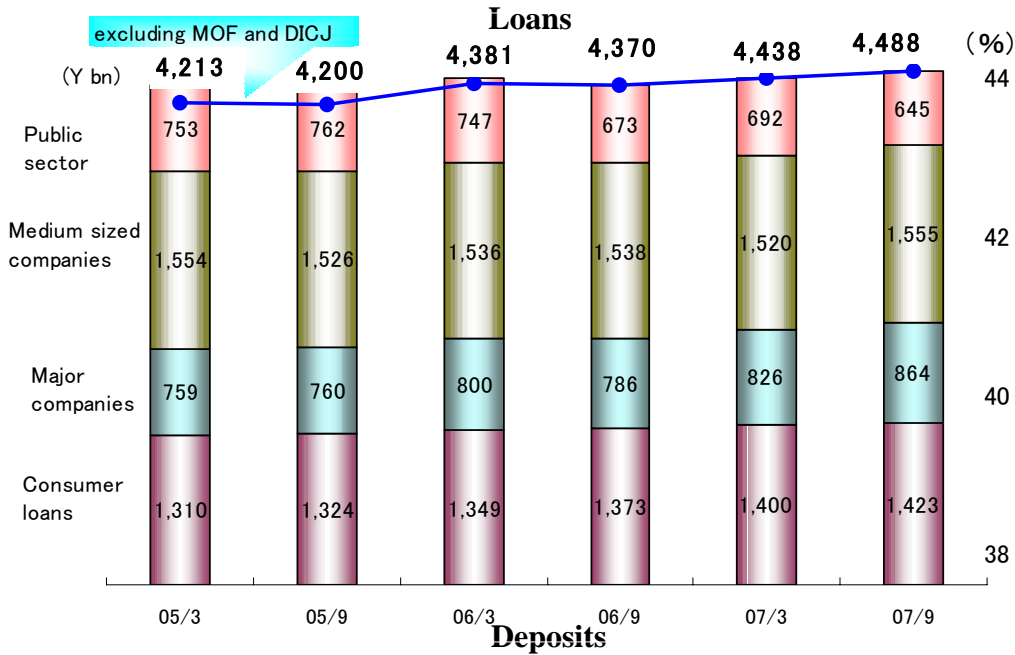
Caring interest rate risk, took defensive investment.  
(Page. 14)

●Deposits (Page. 9,10,11)  
Increased mainly in private sector

- Fee incomes
- Assets under custody (Page. 13)  
Investment trusts increased.
  - Fee business to corporate  
Showed steady increase.

●Capital  
(page. 15)  
Capital efficiency and new business opportunity

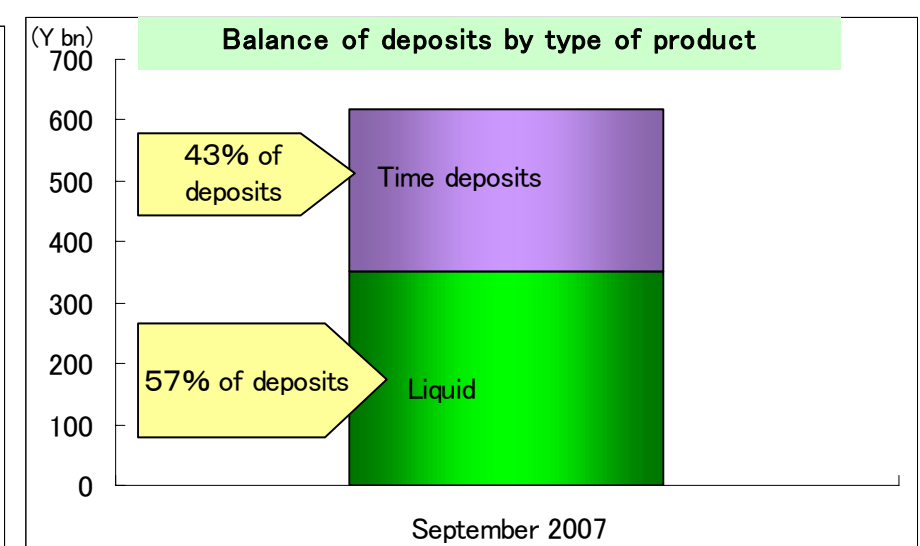
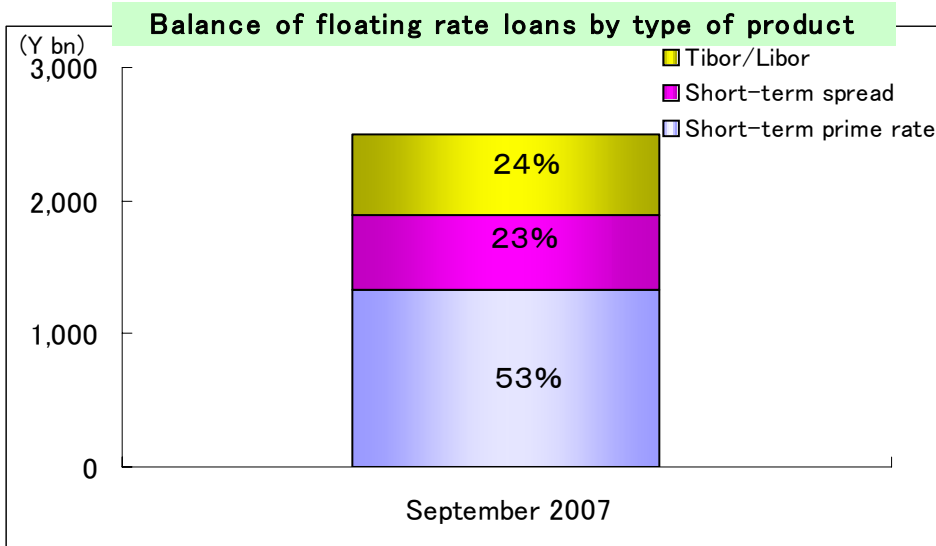
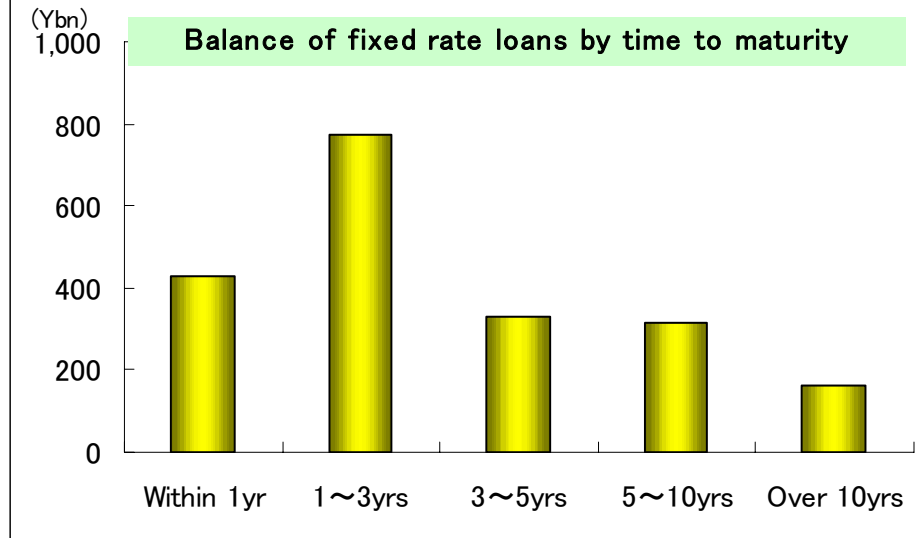
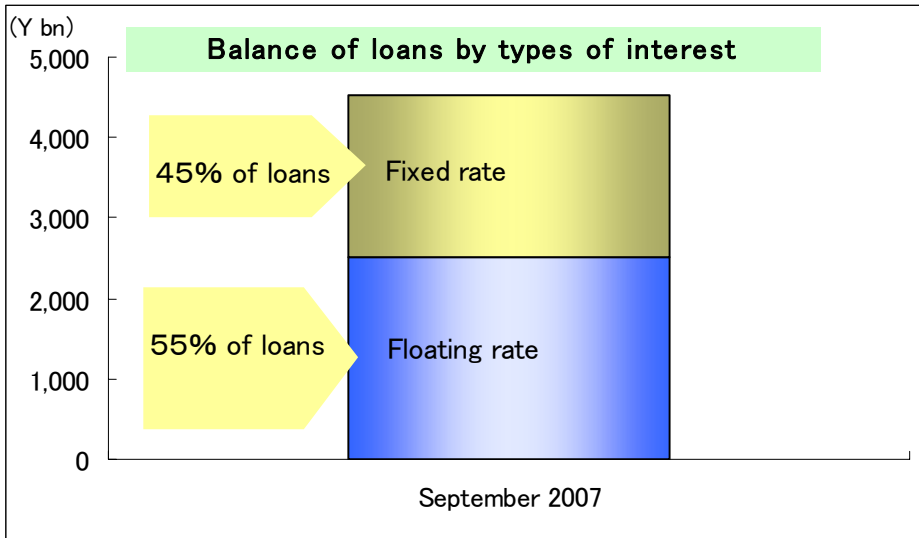
# Loans and Deposits



※Deposit Insurance Corporation of Japan

# Loans and Deposits Portfolio

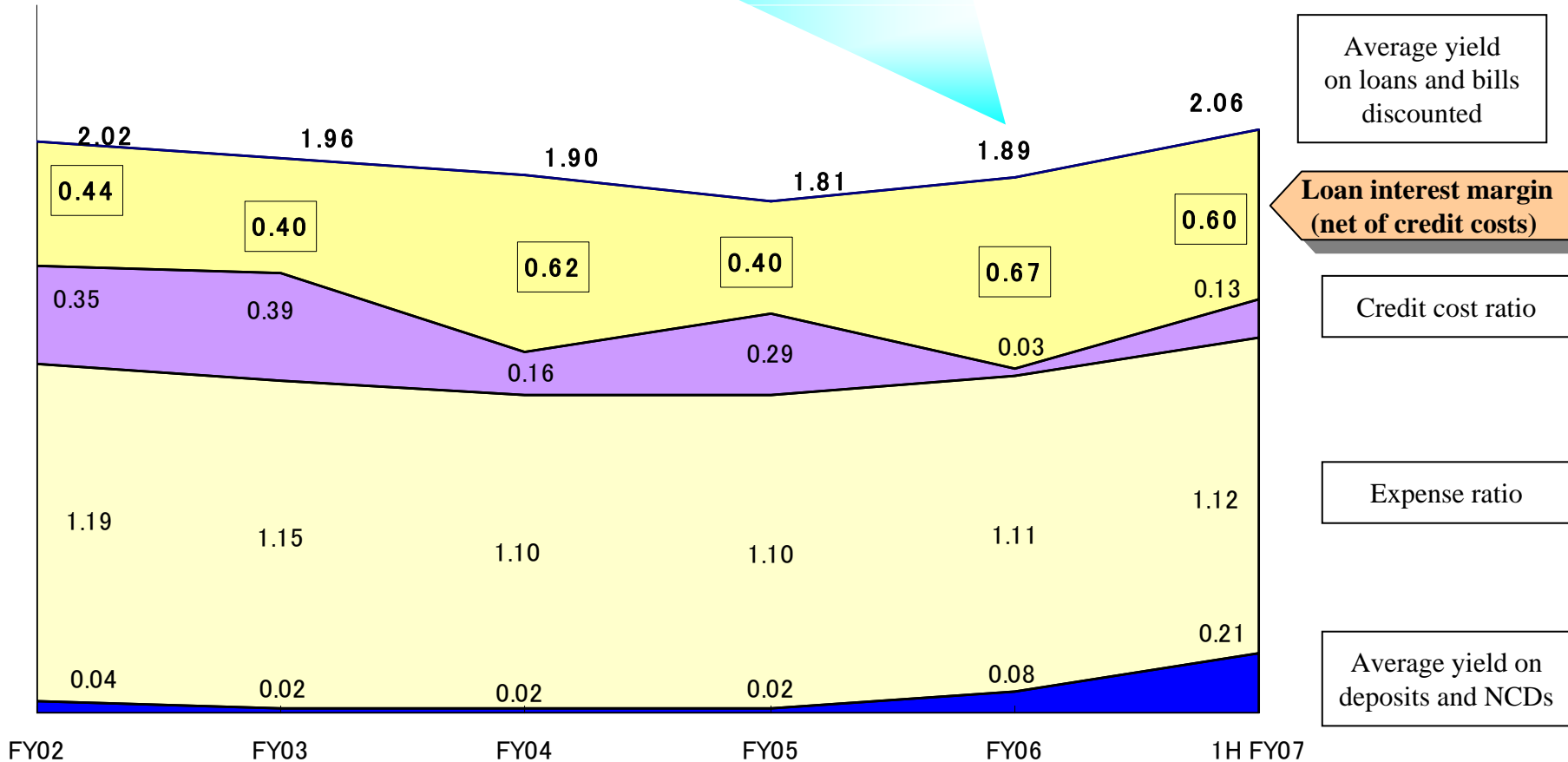
To benefit from interest rate rises, approximately 2/3 of fixed rate loans are shorter than 3 years in maturity.



# Loan Interest Margin

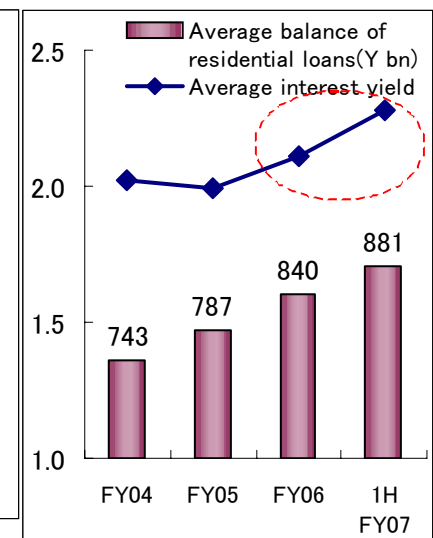
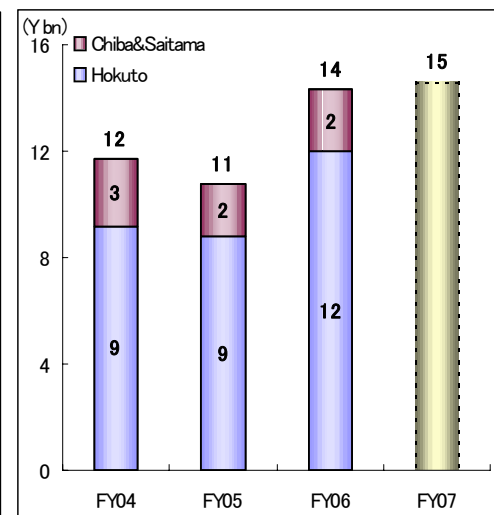
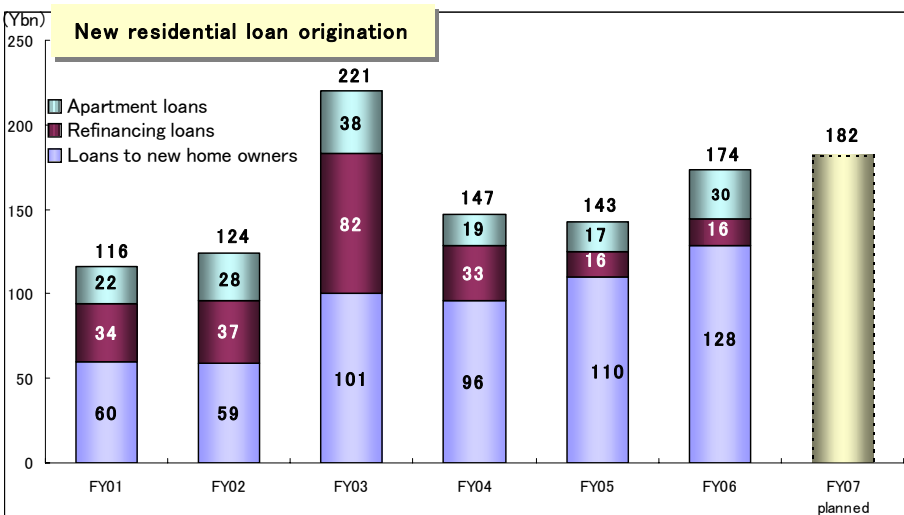
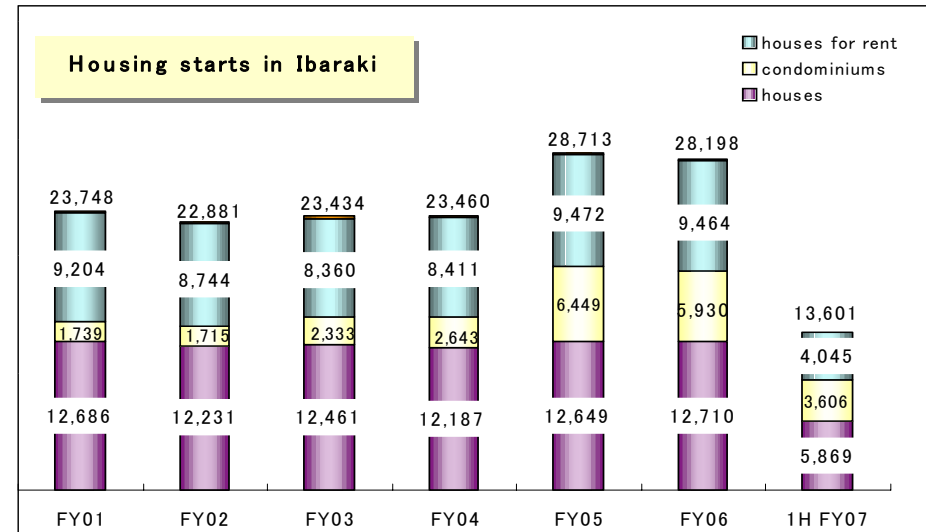
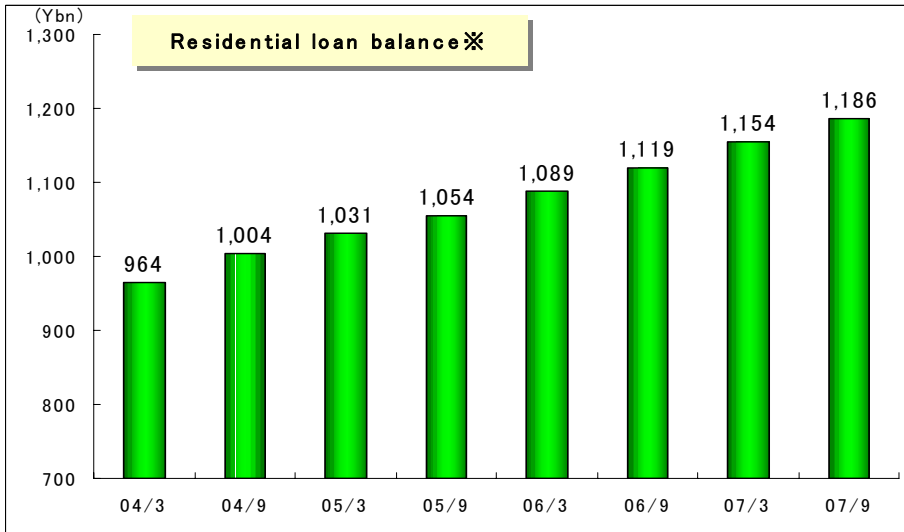
Loan yields turned around due to BOJ rate hikes and a decreasing credit cost.  
 Loan interest margins showed improvements.

Raised Prime rate by 25bps (1.875% → 2.125%) on August 25, 2006.  
 Raised Prime rate by 25bps (2.125% → 2.375%) on March 26, 2007.



# Residential Loans

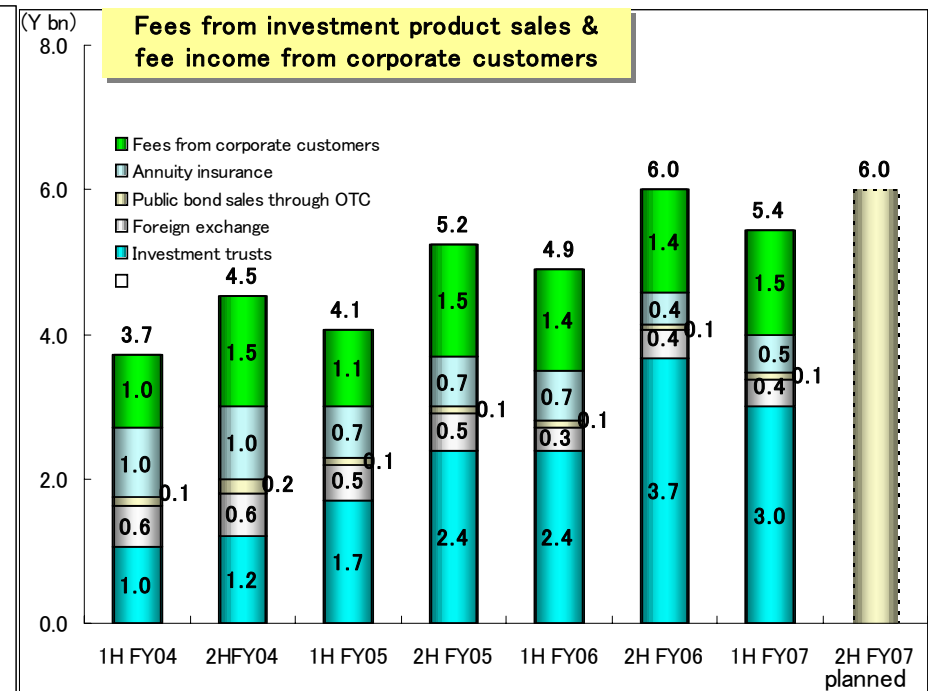
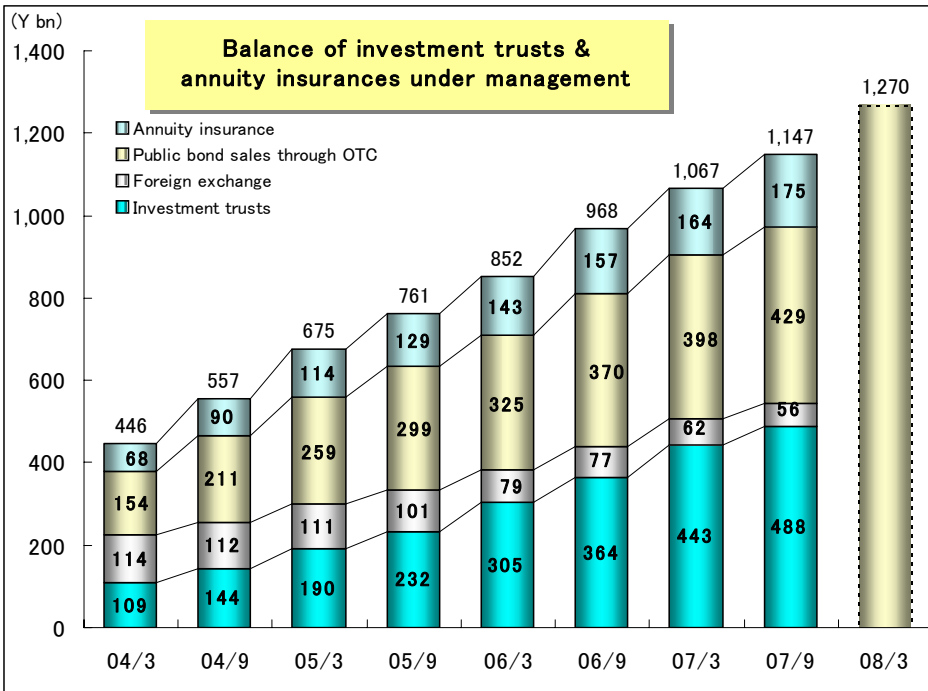
The number of housing starts remains at relatively high levels. We continue to focus on building residential loan balances mainly along the Tsukuba Express line.



※Residential loans = Housing loans + Apartment loans

# Asset Management Business

Balance of investment trusts increased by 34% compared to the previous year, thanks to a stronger sales force. Fee income is projected to increase steadily while maintaining compliance standards.

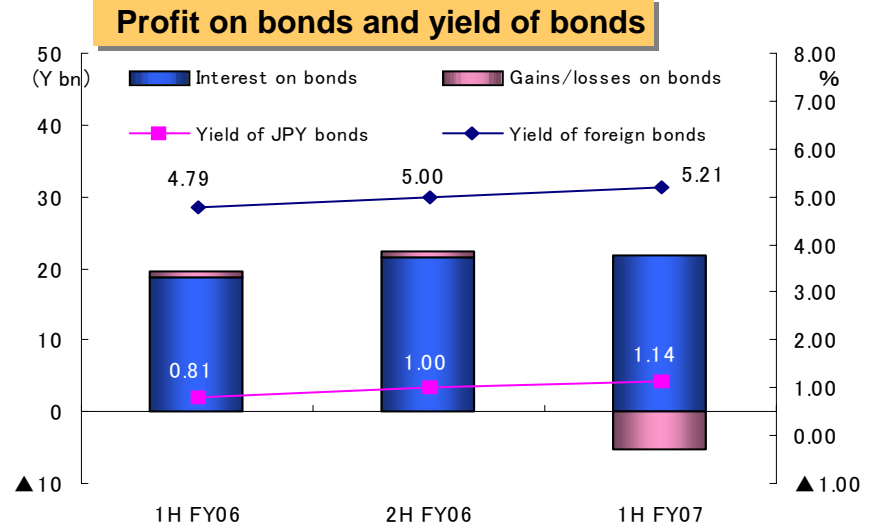
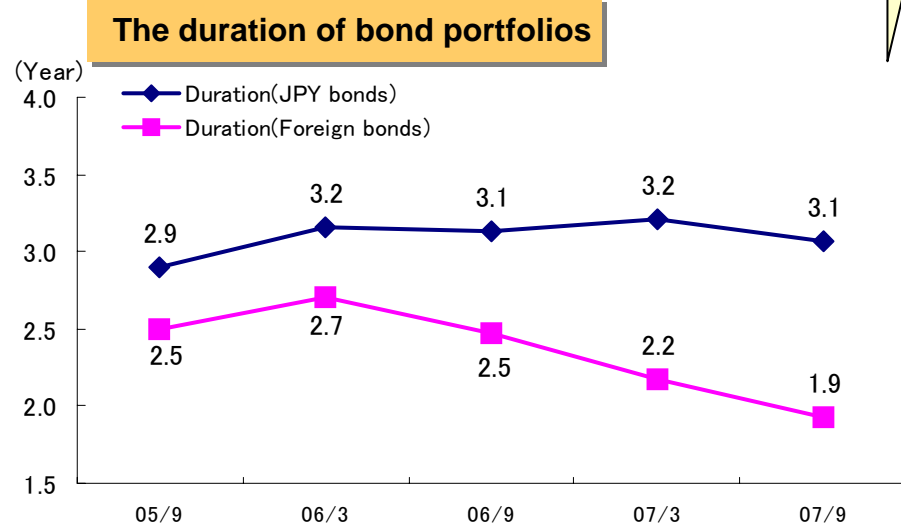
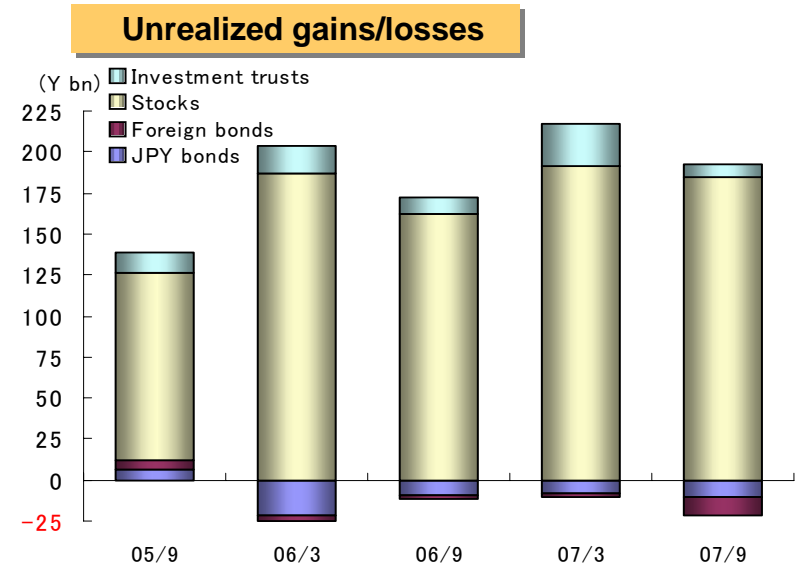
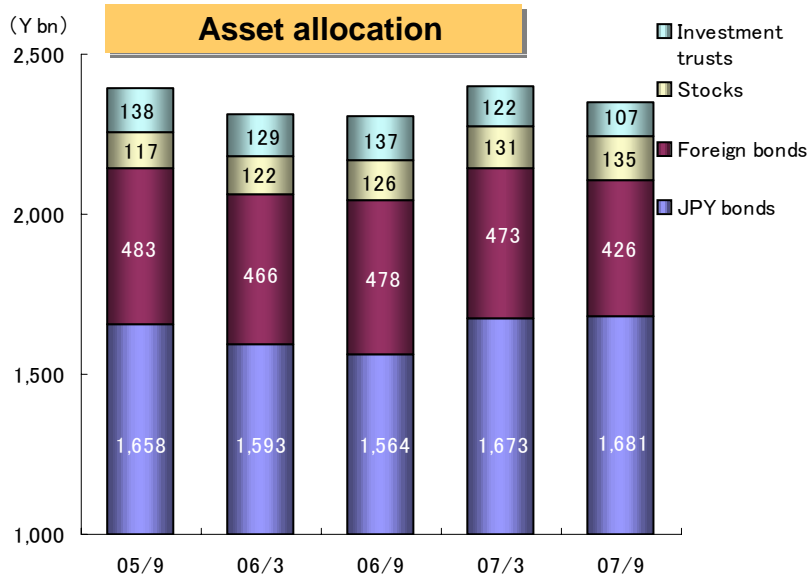


✂️ **Actions taken**

- Strengthening sales force ⇒ 24 sales personnel were added by the end of 1H 2007.
- Strengthening direct sales channels ( i.e. telephone, call center, internet, DMs).
- Established an updated compliance procedure for the new financial products law.
- Prepared for the full deregulation of OTC insurance sales.

# Investment Portfolio

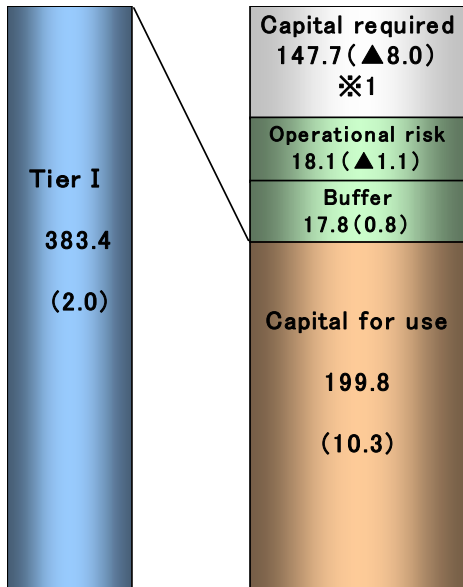
In response to a high market volatility, asset allocation was undertaken in a defensive manner by keeping volume and duration under control.



# Effective Utilization of Capital

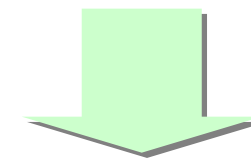
## Risk Capital as of Sep. 2007

Y bn, figures in ( ) show changes from 06/9

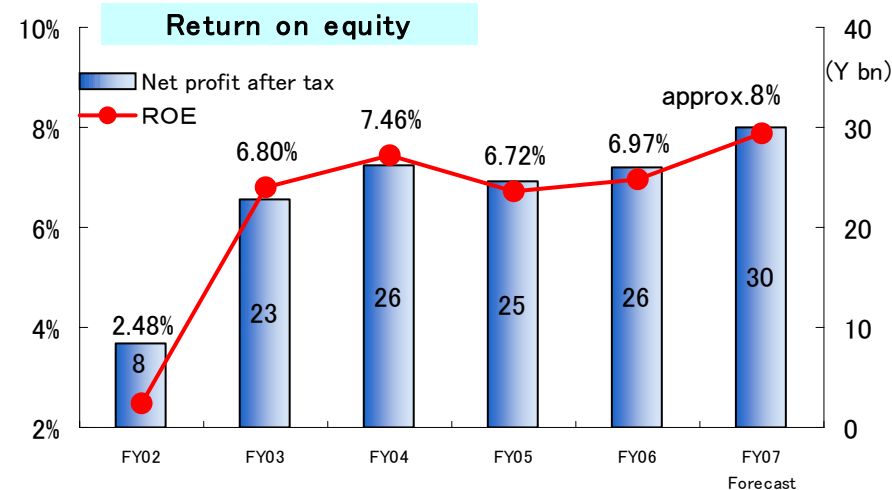


Credit risk	42.2(21.5)
Market(Interest)	44.8(9.2)
Market(Price)	71.9(9.5)
Unused capital	41.0(▲29.8)

- Maximize shareholders' value through effective capital utilization and higher shareholder return.
- Aim to increase capital efficiency by:
  - ◆ Expanding business areas
    - Broadening business areas and product lines
    - Expanding spectra of investment opportunities
  - ◆ Optimizing capital allocation in each risk category



(※1) Represents approximately 4% of risk-weighted assets





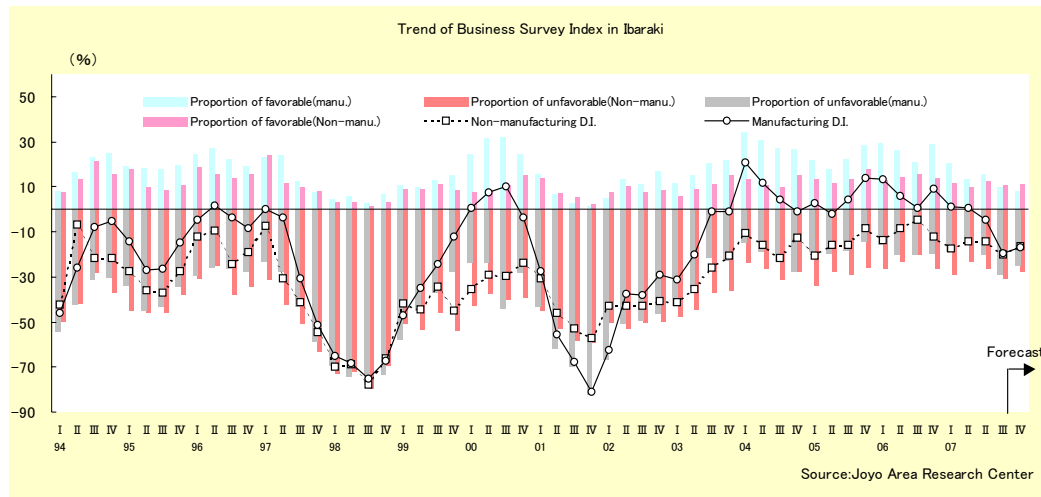
# Appendix

# Economic Indicators for Ibaraki Prefecture (1)

Contents	Units	Ibaraki	Japan	Rank	Date
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	thousands	2,980	127,760	11	Oct 1, 2005
Proportion of senior	%	19.4	20.1	39	Oct 1, 2005
Prefectural GDP	Y Bn	11,195	508,411	12	2004
Average prefectural income	Y MM	2.93	2.98	13	2004
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	405,497	16	2004
Annual sales of merchandizing goods (retail)	Y Bn	2,902	133,279	13	2004
Number of establishments	-	122,259	5,722,615	14	2006
Number of factories newly located	number/km <sup>2</sup>	67/1.87	1,782/23.65	6/1	2006

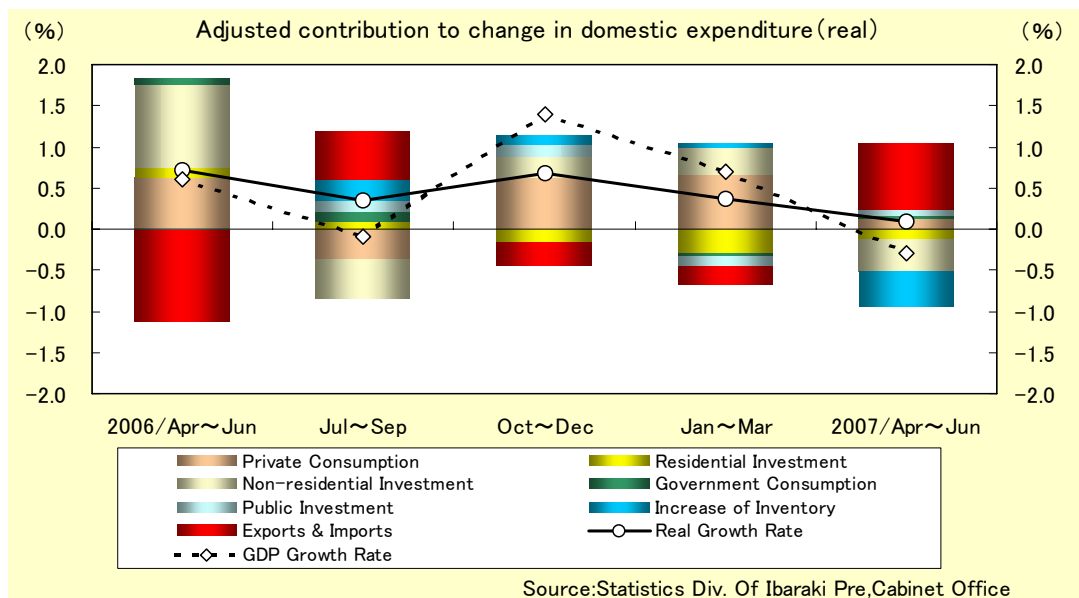
Source: Statistics Div of Ibaraki Pref, Kanto Bureau of Economy, Trade and Industry

# Economic Indicators for Ibaraki Prefecture (2)



**Weak Corporate sentiment**

- Manufacturing: Showing unfavorable trends in past two consecutive quarters.
- Non manufacturing: Showing and expecting unfavorable trends.



**Real economic growth of 0.1%**

- Ibaraki posted real economic growth of 0.1% between April and June 2007, the tenth consecutive positive quarter.

# Average Balance

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

	1H FY2007			Change from 1H FY2006		
	Average balance	Yield	Interest income	Average balance	Yield	Interest income
Loans and bills	4,534.9	2.06	46,938	52.0	0.25	6,142
JPY	4,530.6	2.06	46,882	49.2	0.25	6,120
Foreign	4.3	2.60	56	2.7	▲1.76	22
Securities	2,380.2	2.14	25,607	62.1	0.22	3,277
Bonds	1,487.1	1.15	8,549	60.9	0.10	1,101
Stocks	133.0	3.40	2,267	8.3	▲0.06	104
Foreign bonds	659.6	4.07	13,480	▲19.9	0.59	1,598
Others	100.3	2.60	1,311	12.7	0.70	473
Call loans	14.6	4.16	305	▲5.6	0.00	▲118
JPY	0.8	0.53	2	▲4.1	0.37	▲1
Foreign	13.7	4.40	303	▲1.5	▲1.07	▲116
Bills bought	—	—	—	—	—	—
Other debt purchased	79.7	0.92	369	▲1.3	0.44	171
Due from banks	49.5	2.43	605	17.8	0.11	236
NCD	—	—	—	—	—	—
Foreign exchange assets	1.0	3.92	19	0.0	0.30	0
Others	—	—	48	—	—	22
Interest rate swaps	—	—	—	—	—	—
Interest earning assets	7,060.1	2.08	73,895	124.9	0.24	9,731

	1H FY2007			Change from 1H FY2006		
	Average balance	Yield	Interest expense	Average balance	Yield	Interest expense
Deposits	6,284.9	0.25	8,167	103.8	0.17	5,452
JPY	6,203.7	0.21	6,684	109.8	0.17	5,269
Foreign	81.1	3.64	1,482	▲6.0	0.67	182
NCD	94.9	0.47	228	▲1.5	0.34	163
Call money	241.3	2.96	3,593	63.8	1.12	1,951
JPY	120.4	0.48	294	4.8	0.41	251
Foreign	120.8	5.44	3,299	58.9	0.29	1,699
Payable under securities lending transactions	130.1	1.12	737	▲60.6	0.09	▲257
Bills sold	—	—	—	—	—	—
Borrowed money	68.5	1.45	500	▲11.4	▲0.13	▲134
Foreign exchange liabilities	0.2	0.02	0	0.0	0.02	0
Bonds	15.0	2.24	168	0.0	0.00	0
Others	1.4	—	6,283	0.0	—	227
Interest rate swaps	—	—	6,277	—	—	228
Interest bearing liabilities	6,836.7	0.57	19,678	91.7	0.21	7,402
Other expenses	3.1	0.26	4	0.9	0.17	3
Interest bearing liabilities	6,833.5	0.57	19,674	90.7	0.21	7,400

# Interest Yields

Total account							Domestic account						%
	1H 2005	FY 2005	1H 2006	FY 2006	1H 2007	Change from 1H	1H 2005	FY 2005	1H 2006	FY 2006	1H 2007	Change from 1H	
Average yield on interest earning assets (A)	1.76	1.80	1.84	1.93	2.08	0.24	1.51	1.51	1.53	1.60	1.76	0.23	
Average yield on loans and bills discounted (B)	1.83	1.81	1.81	1.89	2.06	0.25	1.83	1.81	1.81	1.89	2.06	0.25	
Average yield on securities	1.67	1.82	1.92	2.01	2.14	0.22	1.16	1.21	1.27	1.31	1.40	0.13	
Average yield on interest bearing liabilities	0.25	0.28	0.36	0.42	0.57	0.21	0.07	0.06	0.09	0.13	0.26	0.17	
Average yield on deposits and NCDs (C)	0.05	0.05	0.08	0.12	0.26	0.18	0.02	0.02	0.04	0.08	0.21	0.17	
Expense ratio	1.11	1.10	1.11	1.12	1.13	0.02	1.11	1.10	1.11	1.11	1.12	0.01	
Funding cost (D)	1.29	1.29	1.40	1.46	1.63	0.23	1.12	1.10	1.15	1.19	1.34	0.19	
Difference between average yield on loans and deposits (B)-(C)	1.78	1.76	1.73	1.77	1.80	0.07	1.81	1.79	1.77	1.81	1.85	0.08	
Difference between average yield on interest earning assets and funding cost (A)-(D)	0.47	0.51	0.44	0.47	0.45	0.01	0.39	0.41	0.38	0.41	0.42	0.04	
Average yield on loans and bills discounted (excluding loans to MOF) (E)							1.90	1.88	1.83	1.90	2.06	0.23	
Difference between average yield on loans and deposits (excluding loans to MOF) (E)-(C)							1.88	1.86	1.79	1.82	1.85	0.06	

# Yen Denominated Loans (1)

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◎Self-assessed breakdown by regions

(Y bn)

	06/3		06/9		07/3		07/9		Change from 06/9		Change from 07/3	
	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	4,432.8	100.0%	4,369.9	100.0%	4,437.8	100.0%	4,487.6	101.1%	117.7	2.7%	49.8	1.1%
Normal	3,828.9	86.4%	3,836.6	87.8%	3,844.5	86.6%	3,940.0	88.8%	103.4	2.7%	95.5	2.5%
Regional (excl. Tokyo & Osaka)	2,979.9	67.2%	2,957.2	67.7%	2,981.2	67.2%	3,061.1	69.0%	103.9	3.5%	79.9	2.7%
(Loans excluding loans to MOF and DICJ※)	2,927.9	66.1%	2,957.2	67.7%	2,981.2	67.2%	3,061.1	69.0%	103.9	3.5%	79.9	2.7%
In Ibaraki	2,496.8	56.3%	2,462.6	56.4%	2,485.4	56.0%	2,540.9	57.3%	78.3	3.2%	55.5	2.2%
(Loans excluding loans to MOF and DICJ※)	2,444.8	55.2%	2,462.6	56.4%	2,485.4	56.0%	2,540.9	57.3%	78.3	3.2%	55.5	2.2%
In Miyagi , Fukushima and Tochigi	376.6	8.5%	384.1	8.8%	384.8	8.7%	401.2	9.0%	17.1	4.5%	16.4	4.3%
In Chiba and Saitama	106.4	2.4%	110.4	2.5%	110.9	2.5%	118.9	2.7%	8.5	7.7%	8	7.2%
In Tokyo and Osaka	848.9	19.2%	879.4	20.1%	863.2	19.5%	878.9	19.8%	▲ 0.5	▲0.1%	15.7	1.8%
Other than in need of special caution	383.0	8.6%	349.8	8.0%	429.1	9.7%	387.3	8.7%	37.5	10.7%	-41.8	▲9.7%
In need of special caution	82.3	1.9%	82.4	1.9%	69.2	1.6%	63.2	1.4%	▲ 19.2	▲23.3%	▲ 6.0	▲8.7%
Potentially bankrupt or worse	138.3	3.1%	101.1	2.3%	41.5	0.9%	96.9	2.2%	▲ 4.2	▲4.2%	1.9	2.0%
Normal (loans excluding loans to MOF and DICJ)	3,776.9	86.2%	3,836.6	87.8%	3,844.5	86.6%	3,940.0	87.8%	103.4	2.7%	95.5	2.5%

◎Breakdown by regions

(Y bn)

	06/3		06/9		07/3		07/9		Change from 06/9		Change from 07/3	
	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	4,432.8	100.0%	4,369.9	100.0%	4,437.8	100.0%	4,487.6	100.0%	117.7	2.7%	49.8	1.1%
Regional (excl. Tokyo & Osaka)	3,515.2	79.3%	3,454.8	79.1%	3,522.6	79.4%	3,540.3	78.9%	85.5	2.5%	17.7	0.5%
In Ibaraki	2,938.4	66.3%	2,874.5	65.8%	2,942.8	66.3%	2,942.2	65.6%	67.7	2.4%	▲ 0.6	▲0.0%
In Miyagi and Fukushima and Tochigi	448.5	10.1%	453.8	10.4%	467.9	10.5%	461.9	10.3%	8.1	1.8%	11.9	2.6%
In Chiba and Saitama	128.3	2.9%	126.4	2.9%	111.8	2.5%	136.1	3.0%	9.7	7.7%	6.4	4.9%
In Tokyo and Osaka	917.4	20.7%	915.0	20.9%	915.2	20.6%	947.2	21.1%	32.2	3.5%	32.0	3.5%
Yen Loans excluding loans to MOF and DICJ※	4,380.8		4,369.9		4,437.8		4,487.6		117.7	2.7%	49.8	1.1%
Other than Tokyo and Osaka	3,463.2		3,454.8		3,522.6		3,540.3		85.5	2.5%	17.7	0.5%
In Ibaraki	2,886.4		2,874.5		2,942.8		2,942.2		67.7	2.4%	▲ 0.6	▲0.0%

※Deposit Insurance Corporation of Japan

# Yen Denominated Loans (2)

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◎Breakdown by type

(Y bn)

	06/3		06/9		07/3		07/9		Change from 06/9		Change from 07/3	
	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	4,432.8	100.0%	4,369.9	100.0%	4,437.8	100.0%	4,487.6	101.1%	117.7	2.7%	49.8	1.1%
Personal loans	1,349.4	30.4%	1,372.9	31.4%	1,400.2	31.6%	1,423.0	32.1%	50.1	3.6%	22.8	1.6%
Corporate loans	2,336.2	52.7%	2,323.5	53.2%	2,345.9	52.9%	2,419.6	54.5%	96.1	4.1%	73.7	3.1%
Major companies	799.8	18.0%	785.6	18.0%	826.2	18.6%	864.1	19.5%	78.5	10.0%	37.9	4.6%
Medium sized companies	169.5	3.8%	164.3	3.8%	162.3	3.7%	163.1	3.7%	▲ 1.2	▲0.7%	0.8	0.5%
Small and medium sized companies	1,366.7	30.8%	1,373.5	31.4%	1,357.3	30.6%	1,392.3	31.4%	18.8	1.4%	35.0	2.6%
Public sector	747.1	16.9%	673.3	15.4%	691.6	15.6%	644.9	14.5%	▲ 28.4	▲4.2%	▲ 46.7	▲6.8%
Loans to MOF	52.0	1.2%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0	0.0%

◎Personal loans

(Y bn)

	06/3		06/9		07/3		07/9		Change from 06/9		Change from 07/3	
	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	1,349.4	100.0%	1,372.9	100.0%	1,400.2	100.0%	1,423.0	101.6%	50.1	3.6%	22.8	1.6%
Residential loans	1,089.1	80.7%	1,119.1	81.5%	1,154.2	82.4%	1,185.7	84.7%	66.6	6.0%	31.5	2.7%
Consumer loans	87.5	6.5%	86.2	6.3%	82.4	5.9%	81.3	5.8%	▲ 4.9	▲5.7%	▲ 1.1	▲1.3%
Loans to small businesses	172.8	12.8%	167.6	12.2%	163.6	11.7%	156.0	11.1%	▲ 11.6	▲6.9%	▲ 7.6	▲4.6%

◎Corporate loans

(Y bn)

	06/3		06/9		07/3		07/9		Change from 06/9		Change from 07/3	
	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	2,336.2	100.0%	2,323.5	100.0%	2,345.9	100.0%	2,419.6	103.1%	96.1	4.1%	73.7	3.1%
Regional (excl. Tokyo & Osaka)	1,451.6	62.1%	1,439.0	61.9%	1,435.3	61.2%	1,476.6	62.9%	37.6	2.6%	41.3	2.9%
In Ibaraki	1,035.1	44.3%	1,020.3	43.9%	1,019.2	43.4%	1,046.0	44.6%	25.7	2.5%	26.8	2.6%
In Miyagi , Fukushima and Tochigi	329.8	14.1%	333.1	14.3%	346.4	14.8%	336.9	14.4%	3.8	1.2%	10.0	3.0%
In Chiba and Saitama	86.8	3.7%	85.6	3.7%	69.7	3.0%	93.6	4.0%	8.0	9.3%	4.4	5.0%
In Tokyo and Osaka	884.5	37.9%	884.6	38.1%	910.7	38.8%	942.9	40.2%	58.3	6.6%	32.2	3.5%

# Deposits and Assets Under Custody

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◎Deposits (Y bn)

	06/3		06/9		07/3		07/9		Change from 06/9		Change from 07/3	
	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	6,146.4	100.0%	6,148.9	100.0%	6,285.2	100.0%	6,258.9	100.0%	110	1.8%	▲ 26.3	▲ 0.4%
Yen deposits	6,054.3	98.5%	6,061.5	98.6%	6,206.6	98.7%	6,184.1	98.8%	122.6	2.0%	▲ 22.5	▲ 0.4%
Foreign deposits	79.3	1.3%	77.4	1.3%	62.0	1.0%	55.7	0.9%	▲ 21.7	▲ 28.0%	▲ 6.3	▲ 10.2%
JOM deposits	12.8	0.2%	10.0	0.2%	16.5	0.3%	19.0	0.3%	9	90.0%	2.5	15.2%
Others	—	0.0%	—	0.0%	—	0.0%	—	0.0%	—	0.0%	—	0.0%
NCDs	34.5		49.6		41.0		44.4	0.0%	▲ 5.2	▲ 10.5%	3.4	8.3%

◎Yen deposits (Y bn)

	06/3		06/9		07/3		07/9		Change from 06/9		Change from 07/3	
	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	6,054.3	100.0%	6,061.5	100.0%	6,206.6	100.0%	6,184.1	100.0%	122.6	2.0%	▲ 22.5	▲ 0.4%
Personal	4,627.1	76.4%	4,635.2	76.5%	4,703.8	75.8%	4,758.7	77.0%	123.5	2.7%	54.9	1.2%
Corporate	1,137.7	18.8%	1,099.0	18.1%	1,156.1	18.6%	1,131.4	18.3%	32.4	2.9%	▲ 24.7	▲ 2.1%
Public sector	289.5	4.8%	327.3	5.4%	346.7	5.6%	294.0	4.8%	▲ 33.3	▲ 10.2%	▲ 52.7	▲ 15.2%

◎Personal assets (Y bn)

	06/3		06/9		07/3		07/9		Change from 06/9		Change from 07/3	
	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	5,479.0	100.0%	5,603.1	100.0%	5,771.2	100.0%	5,905.9	100.0%	302.8	5.4%	134.7	2.3%
Liquid	2,409.6	44.0%	2,438.2	43.5%	2,517.3	43.6%	2,528.4	42.8%	90.2	3.7%	11.1	0.4%
Time deposits	2,217.5	40.5%	2,197.0	39.2%	2,186.5	37.9%	2,230.3	37.8%	33.3	1.5%	43.8	2.0%
(Sub total)	4,627.1	84.5%	4,635.2	82.7%	4,703.8	81.5%	4,758.7	80.6%	123.5	2.7%	54.9	1.2%
Financial products	851.9	15.5%	967.9	17.3%	1,067.4	18.5%	1,147.2	19.4%	179.3	18.5%	79.8	7.5%



# Securities Portfolio

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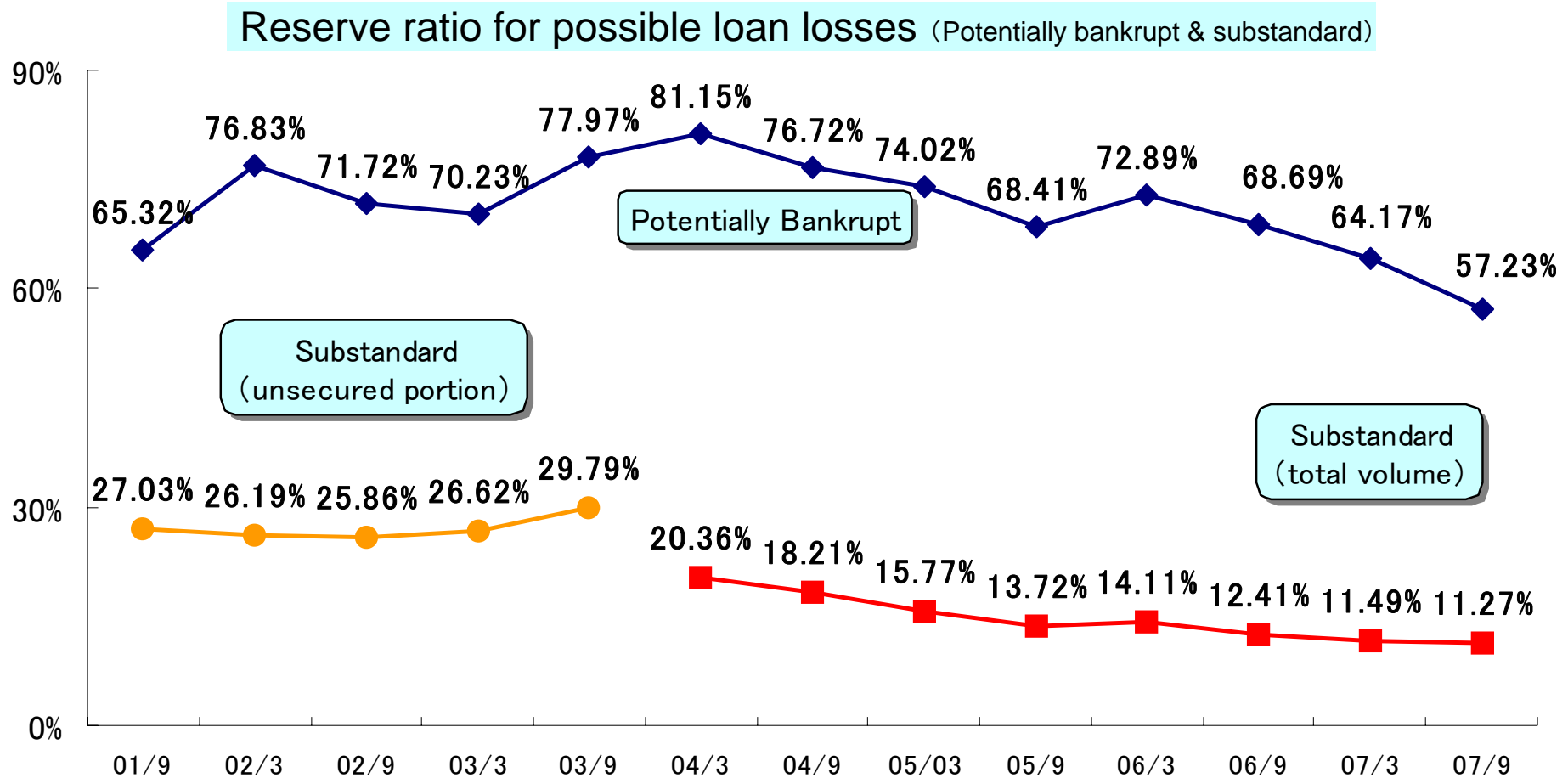
## Balance of securities

(Y bn)

	06/9		07/3		07/9		Change from 07/3	
	Balance	Proportion	Balance	Proportion	Balance	Proportion	Balance	Proportion
Yen denominated bonds	1,563.7	67.8%	1,673.0	69.7%	1,680.9	71.6%	7.9	1.8%
Duration (years)	3.10	—	3.21	—	3.07	—	▲ 0.1	—
Fixed rate notes	1,188.3	51.6%	1,339.9	55.9%	1,352.3	57.6%	12.4	1.7%
(Average yield: %)	(1.11)	—	(1.17)	—	(1.22)	—	(0.05)	—
Floating rate notes	375.3	16.3%	333.0	13.9%	328.5	14.0%	▲ 4.5	0.1%
(Average yield: %)	(0.68)	—	(0.75)	—	(0.94)	—	(0.19)	—
Foreign denominated bonds	478.1	20.7%	473.3	19.7%	426.0	18.1%	▲ 47.3	▲ 1.6%
Duration (years)	2.5	—	2.2	—	1.9	—	▲ 0.3	—
(Average yield: %)	(0.43)	—	(0.35)	—	(0.27)	—	(▲0.07)	—
Fixed rate notes	280.6	12.2%	268.4	11.2%	204.2	8.7%	▲ 64.2	▲ 2.5%
(Average yield: %)	(4.30)	—	(4.17)	—	(4.69)	—	(0.51)	—
(Average yield spread: %)	(0.48)	—	(0.31)	—	(0.13)	—	(▲0.18)	—
Floating rate notes	197.5	8.6%	204.8	8.5%	221.8	9.4%	17.0	0.9%
(Average yield: %)	(5.47)	—	(4.35)	—	(5.77)	—	(1.42)	—
(Average yield spread: %)	(0.36)	—	(0.40)	—	(0.42)	—	(0.03)	—
Stock	125.6	5.4%	130.5	5.4%	135.4	5.8%	4.9	0.3%
Tier 1 ratio	—	32.9%	—	34.8%	—	1.7%	—	▲ 33.0%
Investment trusts	137.4	6.0%	121.7	5.1%	106.7	4.5%	▲ 15.0	▲ 0.5%
Total	2,305.0	100.0%	2,398.7	100.0%	2,349.1	100.0%	▲ 49.6	0.0%
(Average yield: %)	(1.92)	—	(1.98)	—	(2.15)	—	(0.17)	—
Unrealized gains/losses	162.5	—	208.8	—	173.2	—	▲ 35.6	—

# General Reserve for Possible Loan Losses

The reserve ratio is expected to decrease due to further non-performing loan disposals.



# Management Indices (Non-consolidated)

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Yen. %

Financial targets	06/9	07/3	07/9	change
EPS	29.27	32.12	37.57	5.45
ROE (Net income basis)	7.87	6.97	7.65	0.68
	6.12	5.21	5.72	0.51
BPS	596.9	645.0	633.3	▲11.7
OHR (Core net business income basis)	59.1	57.5	57.9	0.4
ROA (Core net business income basis)	0.69	0.72	0.72	0.00

※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	06/3	06/9	07/3	change
Loan share in Ibaraki	42.33	41.43	41.89	0.46
Deposit share in Ibaraki	40.33	40.28	40.70	0.42

Inquiries related to this presentation should be addressed to

**The Joyo Bank, Ltd.**

Corporate Planning Division

Investor Relations

TEL : (81)29-300-2603

FAX : (81)29-300-2602

e-mail : [ir@joyobank.co.jp](mailto:ir@joyobank.co.jp)

<http://www.joyobank.co.jp/>

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