



Financial Results for the First Half of FY2012 and Projections for FY2012

To be the best partner bank that grows with its customers



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1. Financial Results for the First Half of FY2012

2. FY2012 Projections

Appendix

◇ Financial Highlights for the First half of FY2012

◇ Although interest income declined due to decreasing yields on loans, business profit, ordinary profit, and net income after tax increased year on year and exceeded forecasts due to higher fees and commissions and decreased credit costs

Financial highlights for the first half of FY2011

(Billions of yen)

	1H FY2012	change from 1H FY2011	Versus target
Gross business profit	57.3	△ 0.2	1.3
Net interest income	47.1	△ 1.1	△ 0.8
Fees and commissions	6.6	0.9	△ 0.3
Net other operating profit	3.5	△ 0.0	2.5
Gains/losses on bond	2.8	0.0	2.8
Expenses	35.2	△ 0.0	△ 0.7
Net transfer to general reserve for possible loan losses (A)	△ 0.7	△ 28.0	△ 1.7
Business profit	22.8	2.6	3.8
Core business profit	19.1	△ 0.2	△ 0.8
Net non-recurring gains(losses)	△ 6.9	0.0	△ 1.9
Disposal of non-performing loans (B)	5.0	0.8	0.0
Ordinary profit	15.8	2.5	1.8
Net special gains (losses)	△ 0.2	0.2	0.2
Net income before income taxes and others	15.6	2.8	2.1
Net income after tax	11.0	2.3	2.0
Net credit costs (A)+(B)	4.2	△ 1.9	△ 1.7

Breakdown of gross business profit

(Billions of yen)

	1H FY2012	change from 1H FY2011
Net interest income	47.1	△ 1.1
Interest income on domestic loans	36.7	△ 1.9
Interest income on securities	12.5	0.3
(Domestic)	11.0	0.3
(Foreign)	1.4	△ 0.0
Interest expenses on deposits	1.8	(△ 0.4)
Fees and commissions	6.6	0.9
Investment trusts, annuities and whole-life insurance	2.4	0.4

Top-line

Tax burden rate: about 30%

Dealing with the tax effects

【Fees and commissions】

YoY change +¥0.9 billions

Investment trusts, annuities and whole-life insurance +¥0.4 billion

Corporate +¥0.2 billion

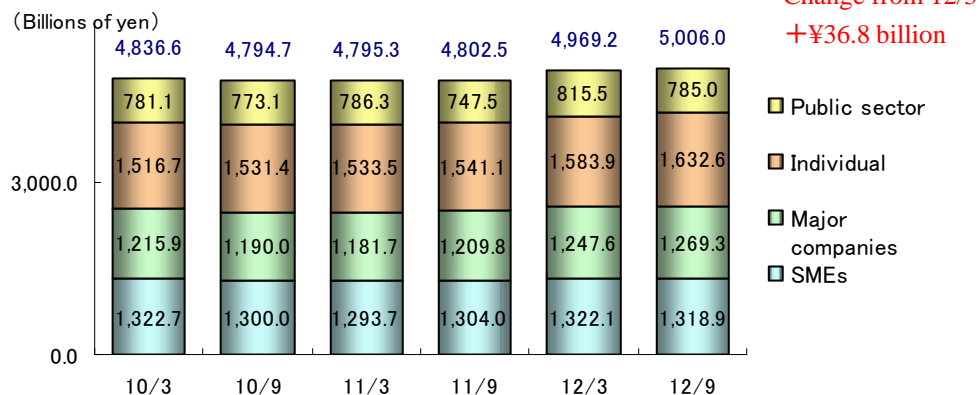
Credit card, etc +¥0.1 billion

◇ Balance of Loans and Deposits

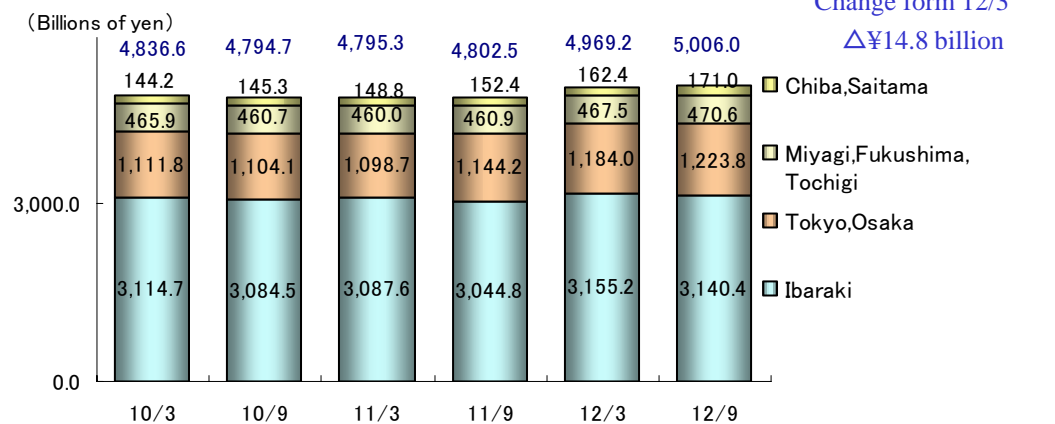
◇ Balance of loans and bills discounted – corporate, individual, and public –increased year on year to the ¥5 trillion level (up ¥203.5 billion, up 4.2%)

◇ Balance of deposits decreased for the public sector by ¥19.8 billion year on year. However, the average balance continued on an upward trend

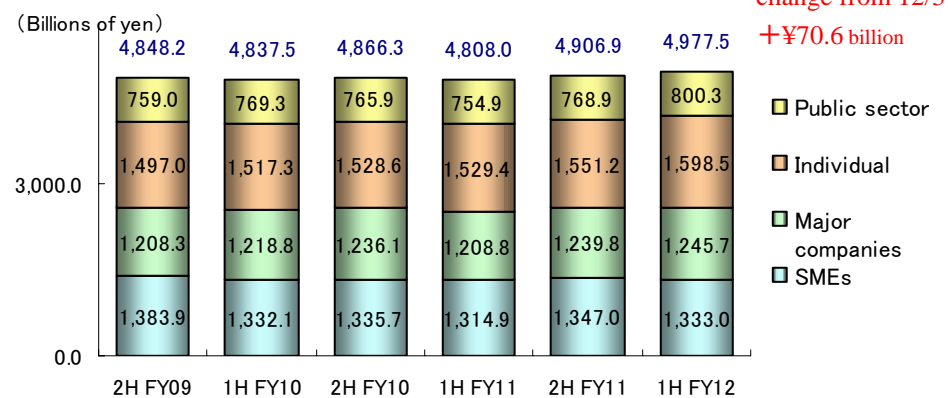
Balance of loans and bills discounted
(Breakdown by borrower type)



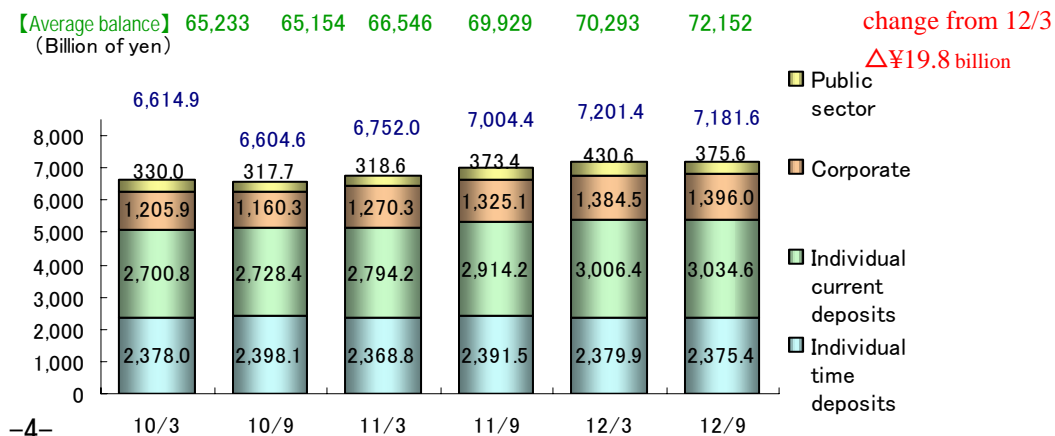
Balance of loans and bills discounted
(Breakdown by geographic area)



Balance of Yen-denominated deposits (Average balance)
(Breakdown by borrower type)



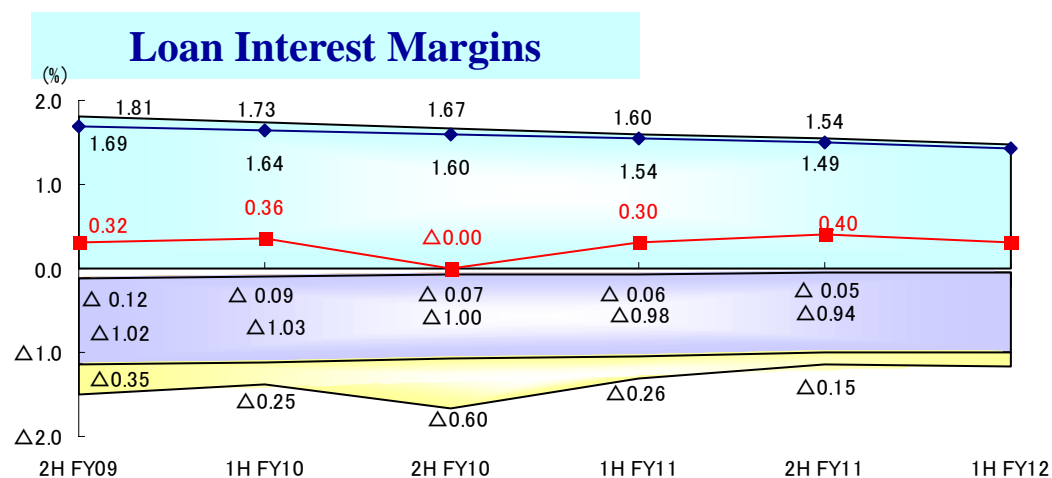
Balance of Yen-denominated deposits (Term-end balance)
(Breakdown by customer type)



◇ Loan Interest Margins ▪ Yields on Loans ▪ Interest Income

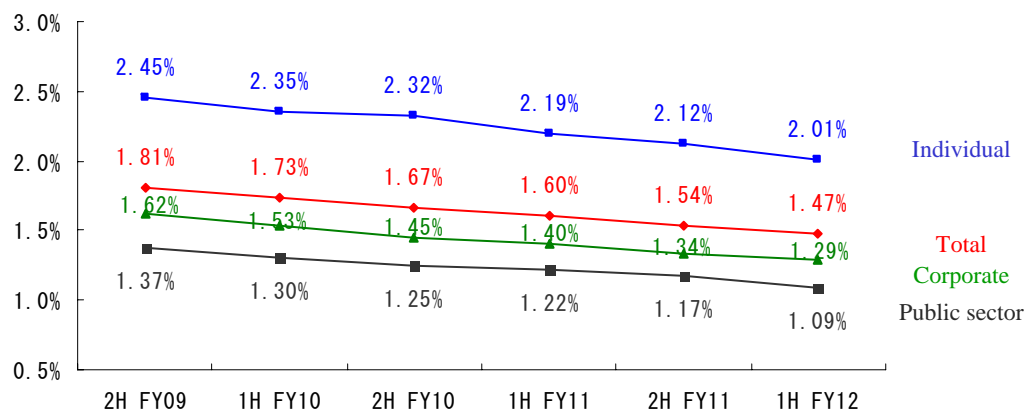
◇ Loan interest margins were down 11 bp compared with the previous interim period, and down 7 bp year on year

◇ Yields on loans declined ¥1.9 billion from the previous interim period, to ¥36.7 billion. By individual factor, the average balance increased by ¥1.4 billion, and the yield decreased by ¥3.3 billion.



1.47% (Change from 12/3 Δ 7bp) **Average yield on loans and bills discounted**
1.43% (Change from 12/3 Δ 6bp) **Interest margins**
0.31% (Change from 12/3 Δ 9bp) **Interest margins after cost deductions**
0.04% (Change from 12/3 Δ 1bp) **Average yield on deposits and NCDs**
0.95% (Change from 12/3 +1bp) **Expense ratio**
0.17% (Change from 12/3 +2bp) **Credit cost ratio**

Yields on loans



Interest Income (Loans)

(Billions of yen)

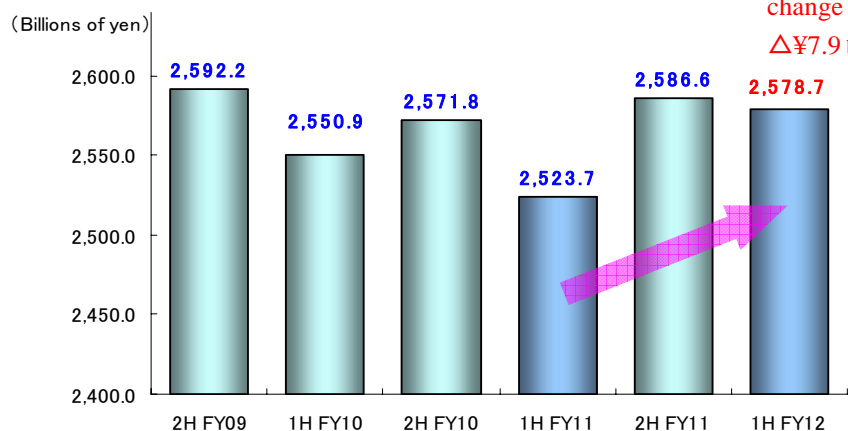
	2H FY09	1H FY10	2H FY10	1H FY11	2H FY11	1H FY12	YoY change
Interest income (Loans)	43.90	41.80	40.60	38.70	38.00	36.70	(1.90)
Change form the previous interim period	-	(2.00)	(1.20)	(2.00)	(0.60)	(1.40)	-
Factors							
Increase in average balance	-	(0.10)	0.20	(0.50)	0.80	0.50	1.40
Decrease in yields on loans	-	(1.90)	(1.50)	(1.50)	(1.40)	(2.00)	(3.30)

◇ Corporate Loans

◇ Corporate loans, which had declined due to the earthquake disaster, turned around in the second half of fiscal 2011, rising by ¥55.0 billion compared with the previous interim period, a 2.2% annual increase.

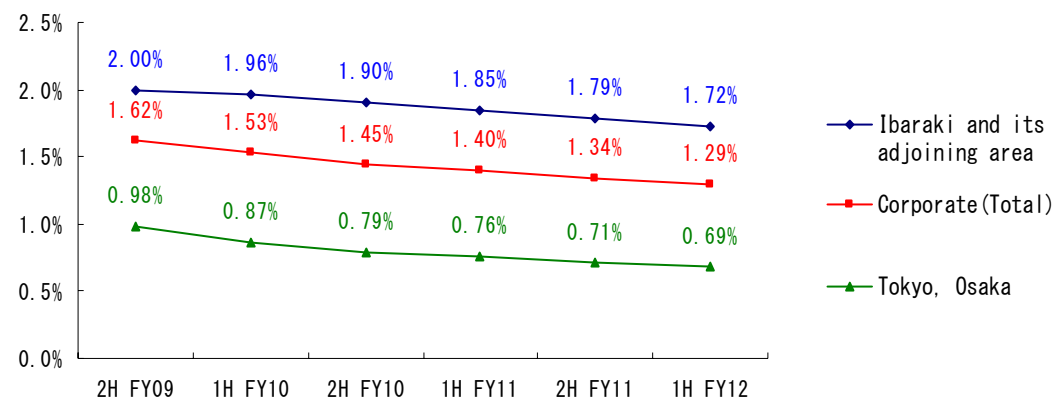
◇ Loans to SMEs increased by ¥18.1 billion, a 1.3% annual increase.

**Average balance of corporate loans
(Yen-denominated)**

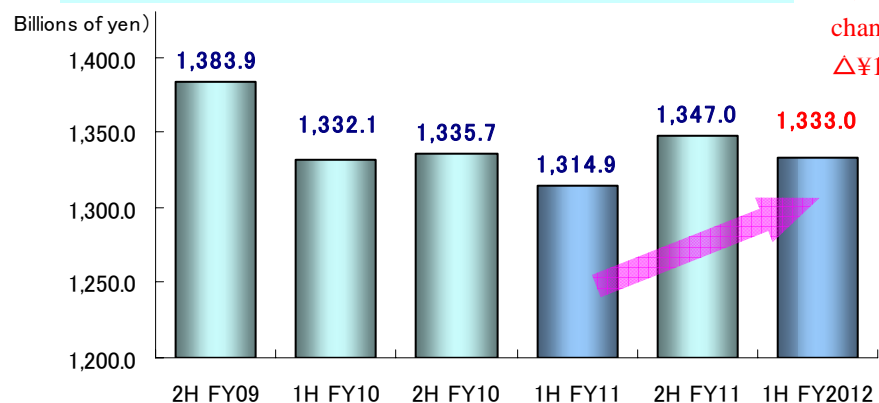


YoY change
+¥55 billion
(+2.2%)
change from 2H FY11
△¥7.9 billion

Yields on corporate loans

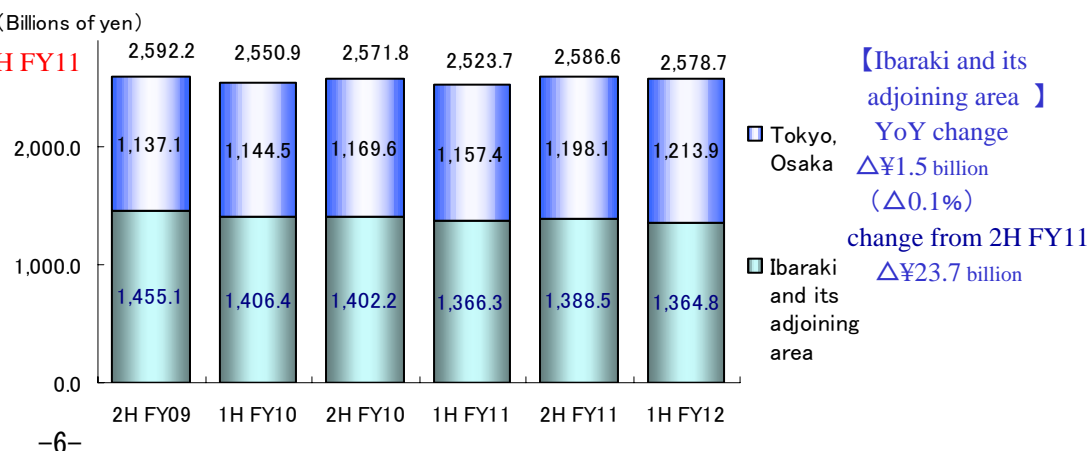


**Average balance of corporate loans
(Yen-denominated) (For SMEs)**



YoY change
+¥18.1 billion
(+1.3%)
change from 2H FY11
△¥14 billion

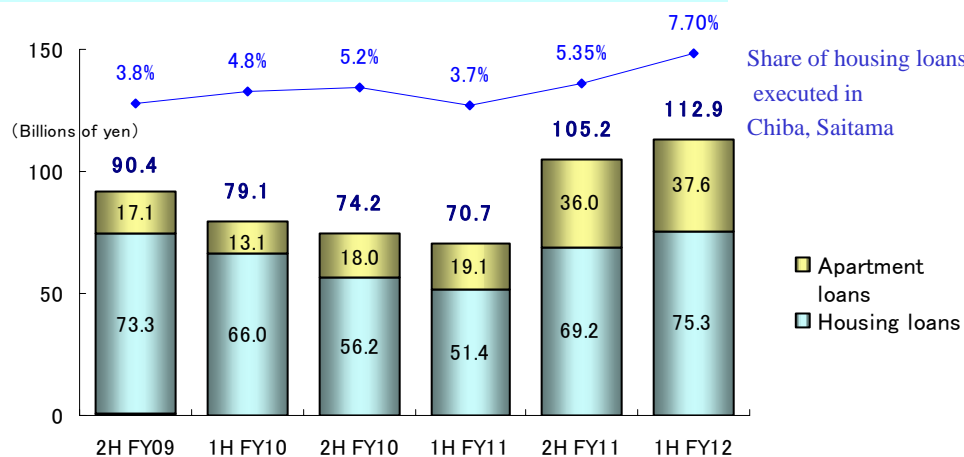
**Average balance of corporate loans
(Yen-denominated, (Breakdown by geographic area))**



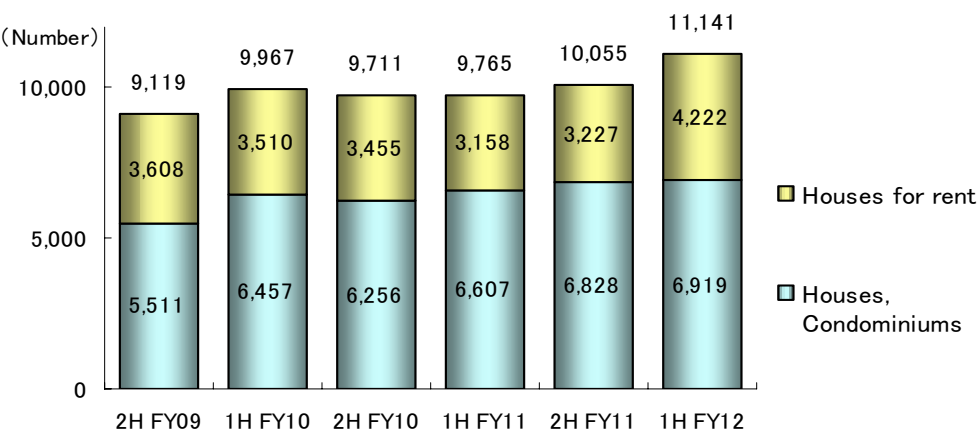
◇ Housing-Related Loans

- ◇ Amid a rebound in new housing starts in Ibaraki Prefecture, focus was on stronger relationships with major homebuilders and local homebuilding contractors.
- ◇ Housing loans and apartment loans executed have been on an accelerating uptrend from the preceding period.

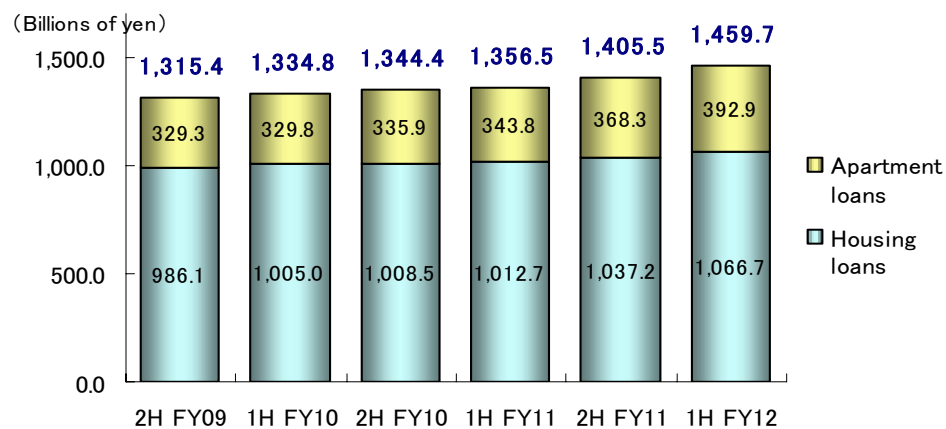
Housing-related loans executed



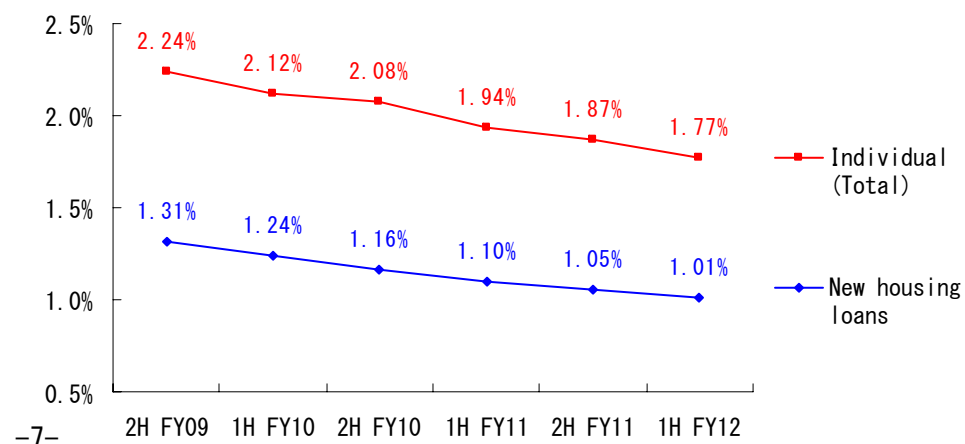
Housing starts in Ibaraki Prefecture



Balance of housing-related loans



Yields on housing loans



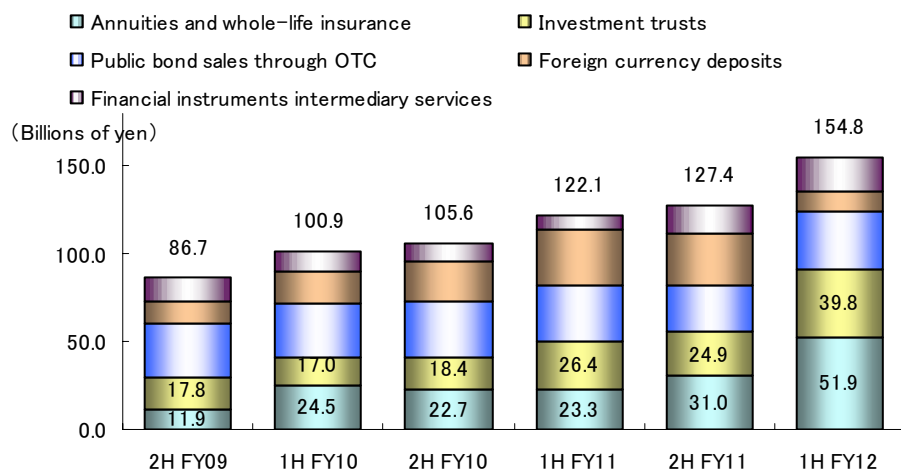
◇ Client's Assets

◇ Strengthened sales force quantitatively and qualitatively.

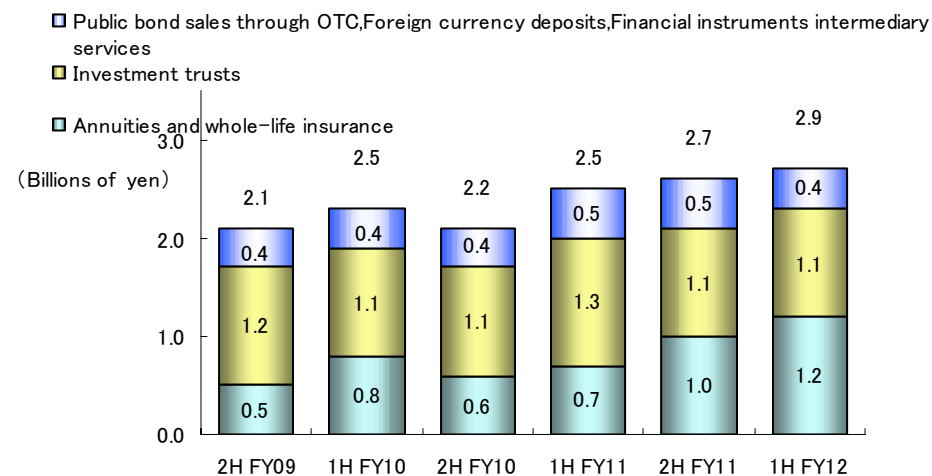
Sales of annuity and whole-life insurance products and investment trusts increased substantially.

◇ Sales: 154.8 billion (up ¥32.7 billion from previous interim period). Fees came to ¥2.9 billion (up ¥0.4 billion)

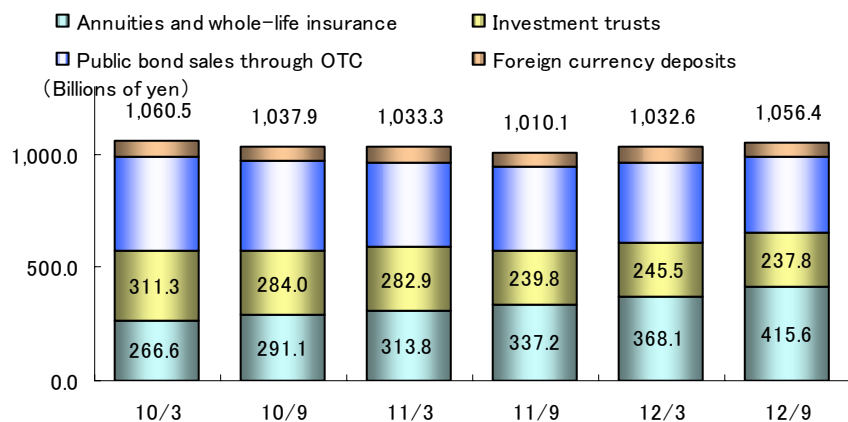
Sales of client's assets



Fees from client's assets



Balance of client's assets



Summary in 1H FY12

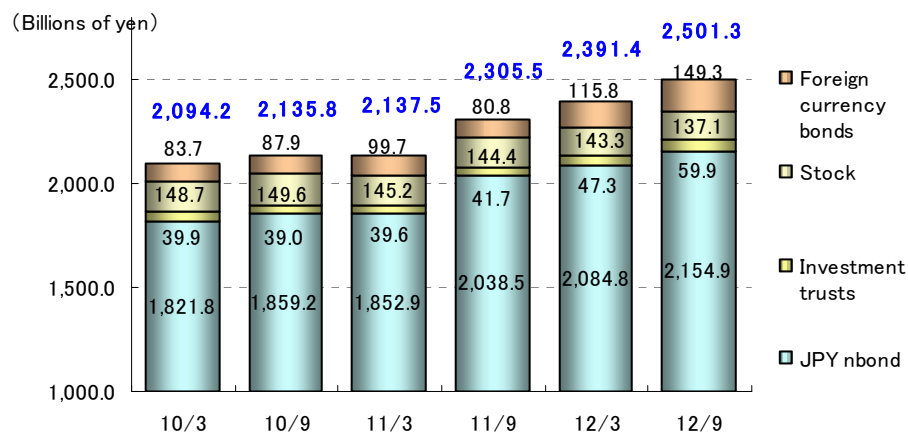
	Sales of client's assets			Fees from client's assets		
	(Billions of yen)	change from 2H FY11	change from 1H FY11	(Billions of yen)	change from 2H FY11	change from 1H FY11
Annuities and whole-life insurance	51.9	20.9	28.6	0.1	0.2	0.5
Investment trusts	39.8	14.9	13.4	0.1	(0.0)	(0.1)
Financial instruments intermediary services	18.9	2.9	10.7	0.0	0.0	0.0
Foreign currency deposits	11.7	(17.3)	(19.7)	0.3	(0.0)	(0.0)
Public bond sales through	32.3	5.7	(0.5)	0.0	(0.0)	(0.0)
Total	154.8	27.3	32.7	2.9	0.2	0.4

◇ Sales of investment trusts, particularly investment trusts made up of public and corporate bonds, increased

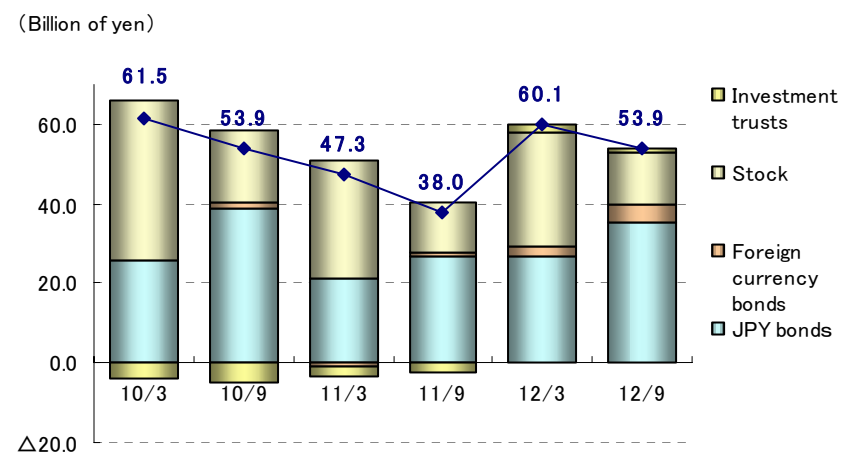
◆ Securities

- ◆ The investment balance, especially of Japanese yen bonds and foreign currency bonds, increased (up ¥109.9 billion YoY)
- ◆ Although unrealized gains on stockholdings decreased, overall valuation gain was ¥53.9 billion.

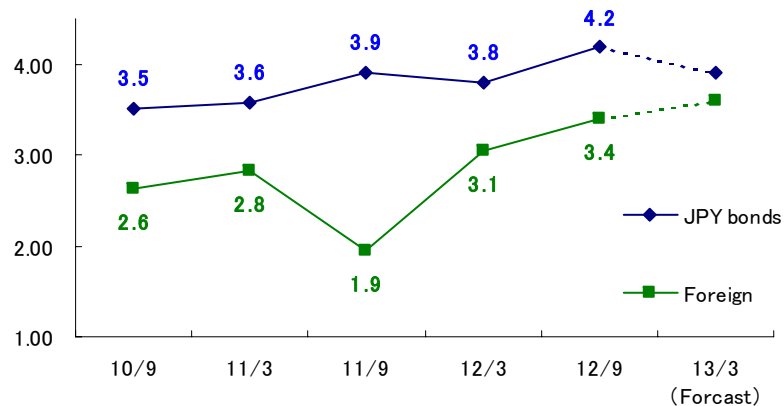
Balance of securities (Book price)



Unrealized gains (losses) on available-for-sale securities



Duration of bond portfolios



Investments and loans by country

(Billions of yen)

	Balance	
	PIIGS	Nothing
USA		91.3
Germany		24.4
France		4.7
Australia		3.4
Netherlands		3.0
United Kingdom		2.1
Canada		1.5
Sweden		1.0
Czech Rep.		1.0
Total		132.7

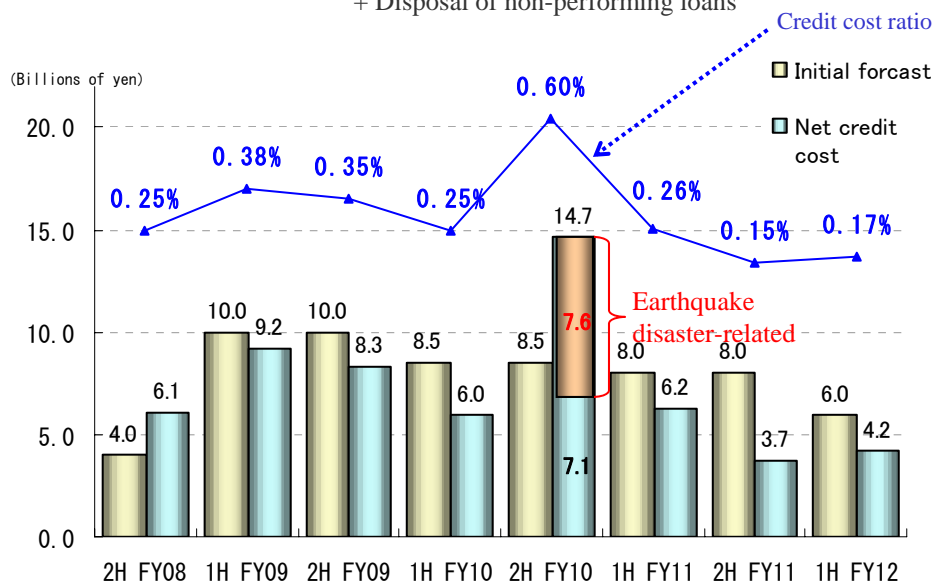
◇ Credit Costs

- ◇ Credit costs decreased year on year due to fewer corporate bankruptcies, efforts to support of operational reforms of customers, and other factors.
- ◇ Credit costs: ¥4.2 billion in first half (down ¥1.9 billion)/Full-year forecast: ¥10.0 billion (up ¥0.1 billion)

Net credit costs(※) and Credit cost ratio

	Credit cost	Credit cost ratio
1H FY11	¥6.2 billion	26bp
1H FY12	¥4.2 billion	17bp
Change from 1H FY11	△¥1.9 billion	△9bp

※Credit cost = Net transfer to general reserve for possible loan losses
+ Disposal of non-performing loans



Breakdown of credit costs

【By Item】

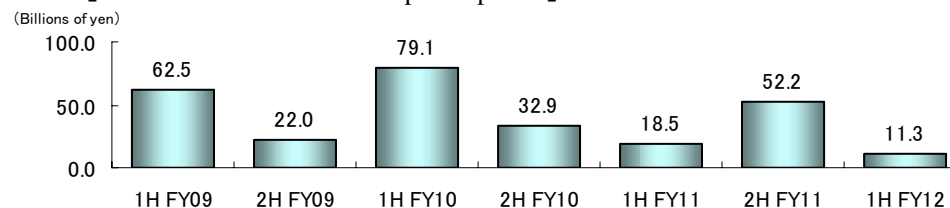
	1H FY12	1H FY11	change from 1H FY11
Net transfer to general reserve for possible loan losses	△767	2,086	△2,854
Disposal of non-performing loans	5,024	4,162	861
Written-off of claims	1,677	2,840	△1,163
Net provision for specific reserves	4,070	1,650	2,419
Losses on bulk sale of loans	51	246	△195
Other	466	475	△10
Gains on collection of loan assets	1,242	1,051	190
Total	4,256	6,249	△1,992

【By Factor】

	1H FY12	1H FY11	change from 1H FY11	
Disposal of non-performing loans	New downgrades	7,268	5,168	2,100
	Decreases in collateral value	729	945	△216
	Net provision for specific reserves	2,249	1,621	628
	Gains on collection of loan assets	1,242	1,051	190
	Other	518	741	△223
Net transfer to general reserve for possible loan losses	△767	2,086	△2,854	
Total	4,256	6,249	△1,992	

Bankruptcies in Ibaraki

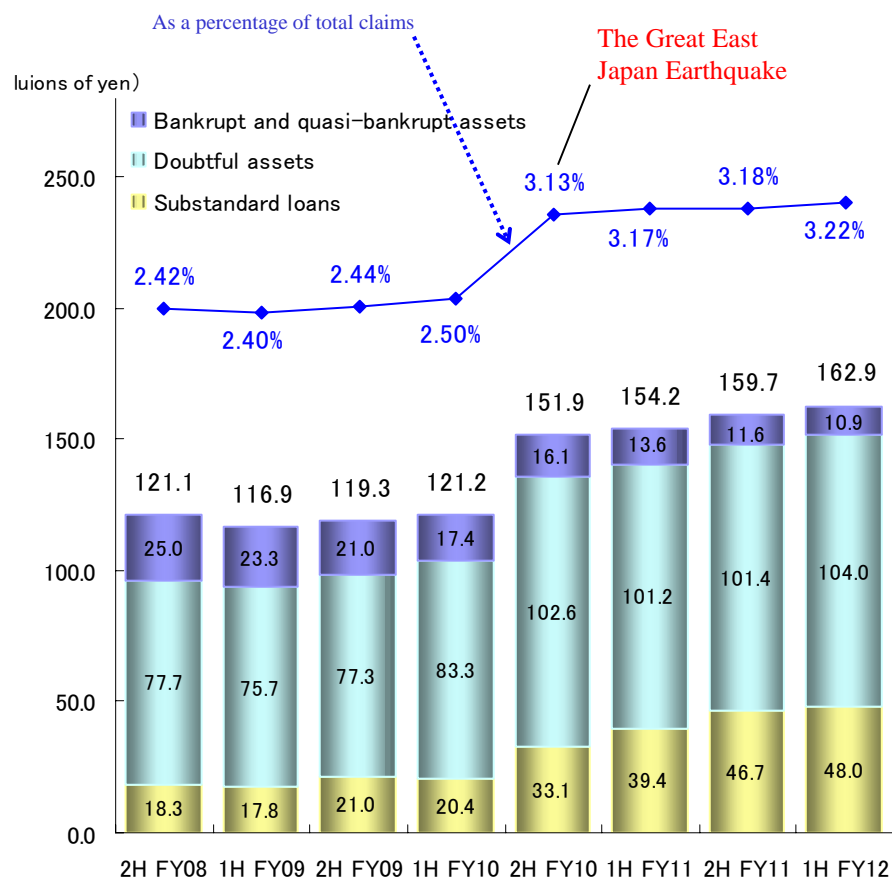
【Total debt amount of bankrupt companies】



◇ Claims for disclosure

- ◇ Claims for disclosure were up ¥3.1 billion YoY, to ¥162.9 billion, due to conservative ratings.
- ◇ Amount for borrowers requiring caution (classification of borrowers) including substandard loans decreased ¥49.6 billion.

Problem assets under the Financial Revitalization Law



Credit amount breakdown by classification of borrowers

(Billions of yen)

		Problem, non-problem assets	09/3	09/9	10/3	10/9	11/3	11/9	12/3	12/9	change from 12/3	change from 11/9
Legally bankrupt		Problem assets	8.4	6.5	5.3	4.7	4.7	3.4	2.0	1.6	(0.4)	(1.8)
Substantially bankrupt			16.5	16.8	15.6	12.7	11.4	10.0	9.5	9.2	(0.3)	(0.8)
Potentially bankrupt			77.7	75.7	77.3	83.3	102.6	101.0	101.4	103.9	2.5	2.9
Borrowers requiring caution ①	Substandard loans	Non-problem assets	18.3	17.8	21.0	20.4	33.1	39.3	46.7	47.9	1.2	8.6
	Borrowers requiring monitoring excluding substandard loans		9.6	11.4	8.7	5.2	12.6	16.5	19.4	19.1	(0.3)	2.6
Borrowers requiring caution excluding borrowers requiring monitoring			530.0	528.0	600.0	565.2	582.0	529.1	504.4	453.9	(50.5)	(75.2)
Normal assets ②			4,341.0	4,213.1	4,139.1	4,132.5	4,080.2	4,137.7	4,322.1	4,407.0	84.9	269.3
Total ③			5,001.7	4,869.6	4,867.2	4,824.2	4,826.8	4,837.3	5,005.7	5,042.9	37.2	205.6
Normal asset ratio ②/③			86.8%	86.5%	85.0%	85.7%	84.5%	85.5%	86.3%	87.4%	1.0%	1.9%
Borrowers requiring caution ratio ①/③			11.2%	11.4%	12.9%	12.2%	13.0%	12.1%	11.4%	10.3%	△1.1%	△1.8%

※ The Great East Japan Earthquake

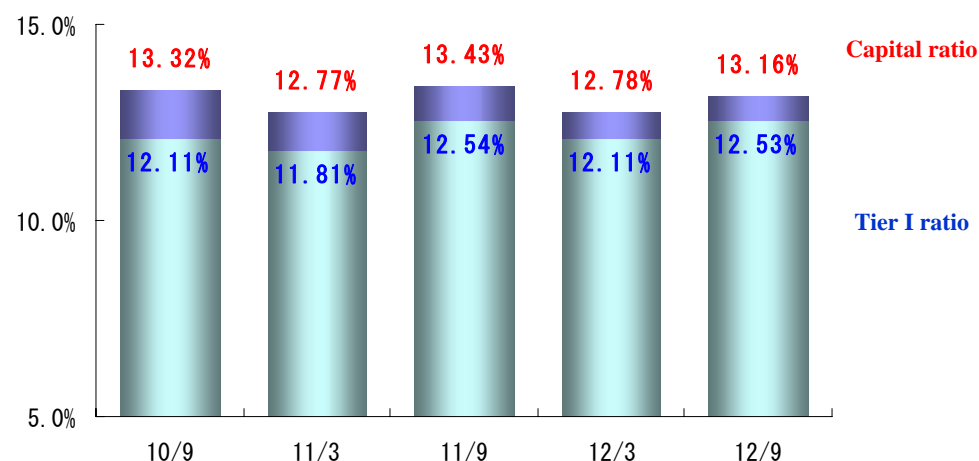
◇ Capital Management

- ◇ Traditional emphasis on Tier I capital
- ◇ Continuously managing with a target core Tier I capital ratio of about 12% (by fiscal 2014), our medium-term management plan target

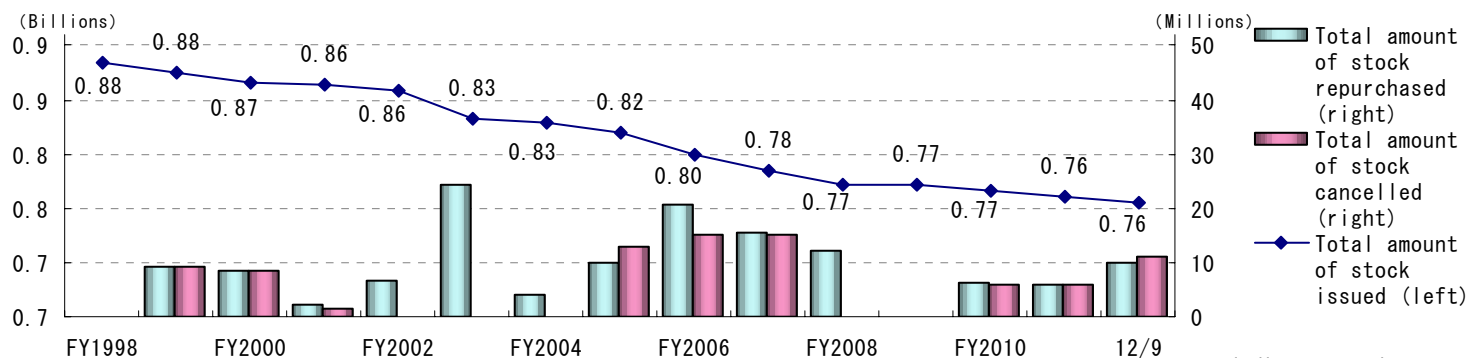
Capital Policy

Capital sufficiency	<ul style="list-style-type: none"> • Maintain sufficient capital level for our business • Conservative capital management under stress scenarios
Capital efficiency	<ul style="list-style-type: none"> • Optimize resource allocation to each business segment • Shareholder returns
Capital ratio	<ul style="list-style-type: none"> • Core Tier I ratio: about 12% (c.11.3% as of September 30, 2012) [FY2013 target, final year of 11th Medium-Term Business Plan]

Capital ratio, Tier I ratio (consolidated)



Record of stock repurchased



FY2012

Stock repurchased or cancelled

Repurchased stock: 10 million shares
 Amount paid: ¥3.8 billion
 Repurchase period: Aug-Nov 2012
 Cancelled shares: 11 million
 Time of cancellation: Sept. 2012

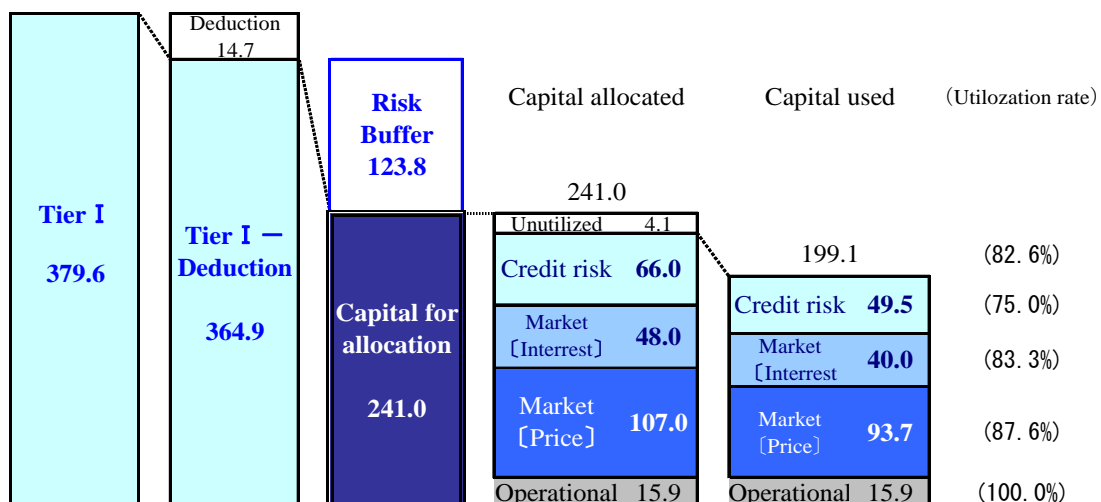
* excluding to stocks repurchased

◇ Risk Management

- ◇ Tier I-based capital is allocated to each risk category
- ◇ Verify possession of commensurate capital even when under stress

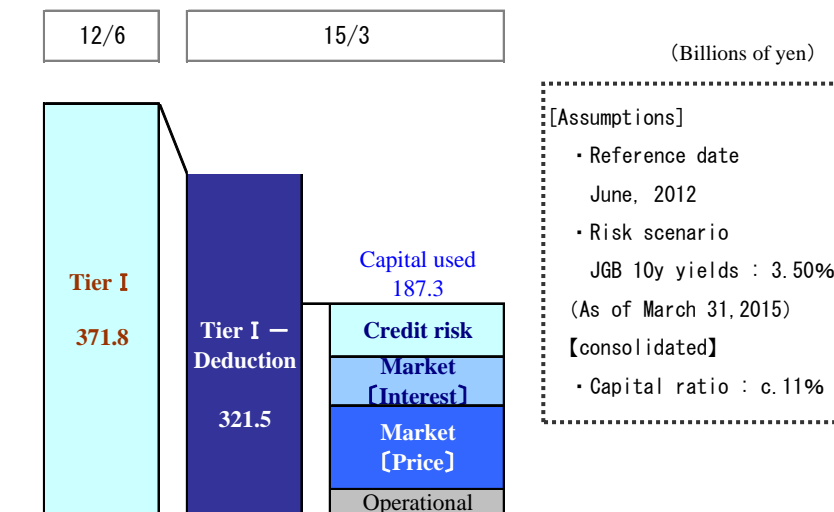
Risk capital allocation as of September 30, 2012

(Billions of yen)



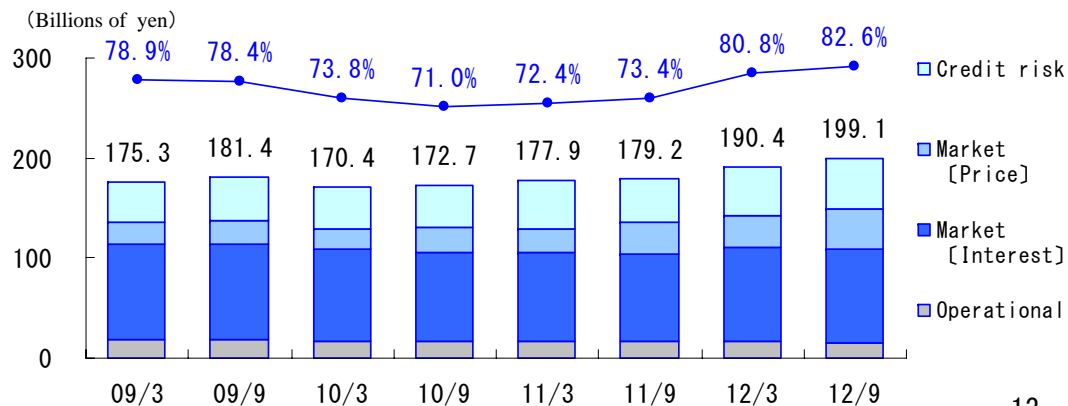
Stress test as of June 30, 2012

(Billions of yen)



Capital Used

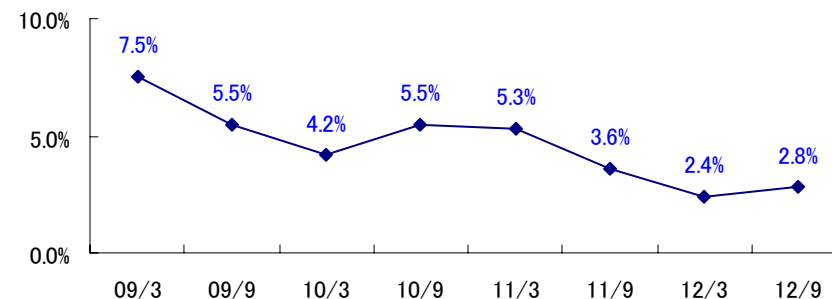
Utilization rate against capital for allocation



Market risk (Interest)

◆ Outlier ratio*

*Calculated with core-deposit internal model



◇ Shareholder Return

- ◇ Returned profits to shareholders based on shareholder return policy announced in May 2012
- ◇ Repurchased stock: 10 million shares; Amount paid: ¥3.8 billion (Aug – Nov); Annual dividend paid: ¥8.5 (projected)

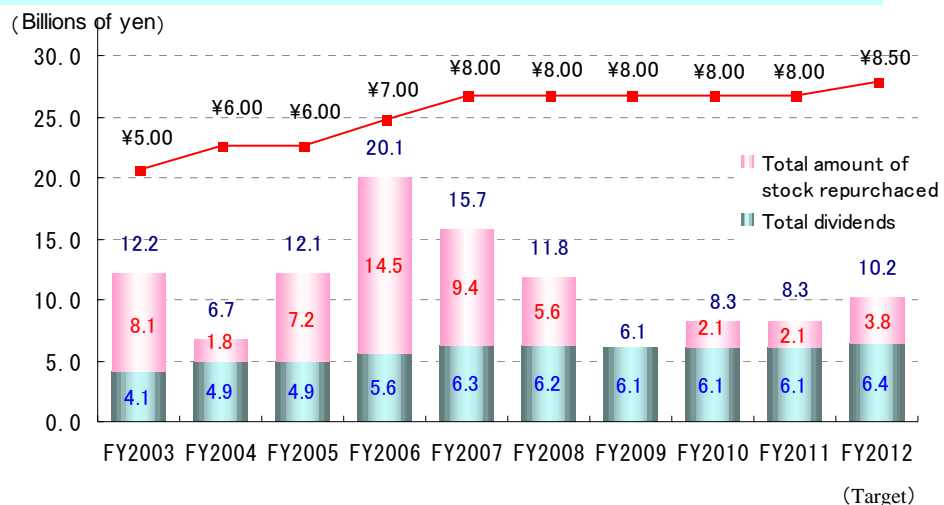
Shareholder return policy

Together with repurchased stock and cash dividend, targeting 40% or more of net income after tax (non-consolidated), and targeting 30% or more of net income after tax (non-consolidated)* as the dividend payout ratio. Returning these targeted amounts is our present shareholder return policy.

*Previously targeted 20% or more of net income after tax (non-consolidated) as dividend payout ratio

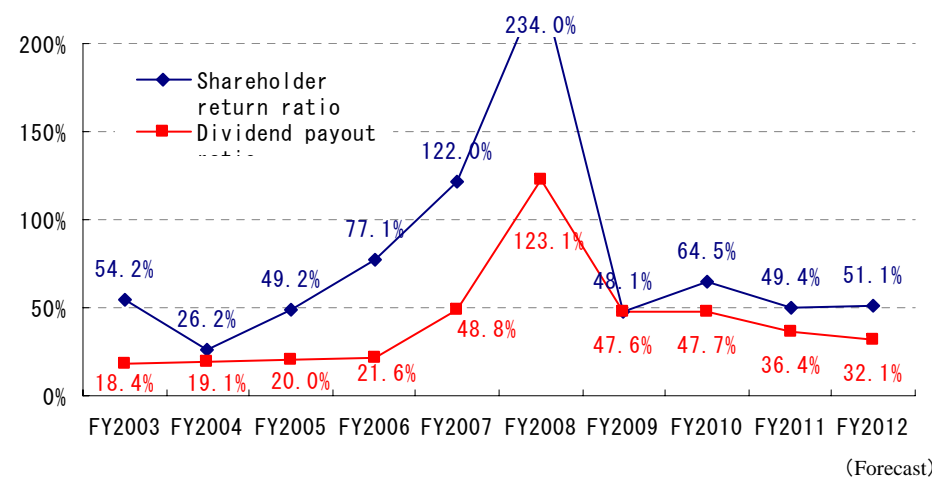
Actual shareholder return

[Total shareholder return <stock repurchased+dividend>]



Actual shareholder return

[Shareholder return ratio, dividend payout ratio]



1. Financial Results for the First Half of FY2012

2. FY2012 Projections

Appendix

◇ Shareholder Return

- ◇ Full-year earnings forecast was revised upward in light of interim results and forecast
- ◇ Continued focus on boosting net interest income (increased loans/higher yields) and fees and commissions (increased marketing of assets in custody)

FY2012 Projections

	(Adjusted) Forecast for FY2012 (a)			(Initial) Forecast for FY2012 (b)	(b) - (a)	change from FY2011
		1H FY12 (Result)	Progress			
Gross business profit	112.0	57.3	51.2%	112.0	0.0	(0.9)
Net interest income	93.5	47.1	50.4%	96.0	(2.5)	(2.2)
Fees and commissions	13.5	6.6	48.9%	14.0	(0.5)	2.1
Net other operating profit	5.0	3.5	70.0%	2.0	3.0	(0.7)
Expenses	69.0	35.2	51.0%	69.0	0.0	(0.1)
Net transfer to general reserve for possible loan losses (A)	(1.0)	(0.7)	70.0%	2.0	(3.0)	(2.7)
Business profit	44.0	22.8	51.8%	41.0	3.0	2.0
Core business profit	40.0	19.1	47.8%	43.0	(3.0)	0.5
Net non-recurring gains(losses)	(13.0)	(6.9)	53.1%	(10.0)	(3.0)	(1.0)
Disposal of non-performing loans (B)	11.0	5.0	45.5%	10.0	1.0	2.8
Net gains(losses) on equity securities	(2.0)	(2.0)	102.3%	0.0	(2.0)	(0.7)
Ordinary profit	31.0	15.8	51.0%	31.0	0.0	1.0
Net special gains (losses)	(0.5)	(0.2)	40.0%	(1.0)	0.5	0.2
Net income before income taxes and other	30.5	15.6	51.1%	30.0	0.5	1.2
Net income after tax	20.0	11.0	55.0%	19.0	1.0	3.2
Net credit costs (A) + (B)	10.0	4.2	42.0%	12.0	(2.0)	0.0

Gross business profit growth strategies

- ◇ Net interest income
 - Average balance of loans (2H FY2012)
 - 【Total】 +¥90 billion (+1.8%)
 - 【Corporate】 +¥30 billion (+1.2%)
 - 【Individual】 +¥60 billion (+3.7%)
 - ◇ Fees and commissions
 - Sales of assets in custody
 - +¥25 billion (+16.1%)
 - Fees from assets in custody
 - +¥0.8 billion (+27.5%)
- *Figures show change from 1H FY2011

◇ Strengthen Corporate Marketing

Efforts in Growth Fields

Joyo Business Award 2012

- Solicited innovative and creative business plans in growth fields and presented award for superior business plan while fully supporting commercialization of plan.

Joyo Collaborative Fund

- Provided funding based on common stock for new business plans that are innovative and have high potential for implementation in growth fields {Fund total: ¥1 billion}

Medical/Health Care Fields

- Provided services including consulting services performed by a specialized team (comprising 3 people from headquarters)
- Upstream work for drug wholesalers

Executed loans	
1H FY12	¥11 billion
2H FY12 (Target)	¥10 billion

New Energy

- Began offering “LALA Sunshine,” a loan product for solar energy business
- Initiated planned projects (¥30 billion)

Executed loans	
1H FY12	¥0.3 billion
2H FY12 (Target)	¥5 billion

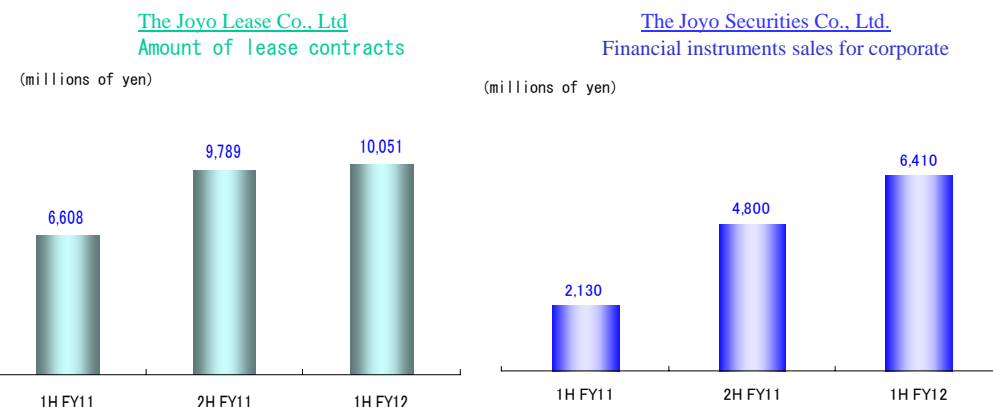
Manufacturing/Agri-Business

- Helped expand sales channels by holding small face-to-face group meetings with experts and others, business meetings at trade shows, food-related business meetings, etc.

Support for new business commercialization

Stronger Cooperation with Group Companies

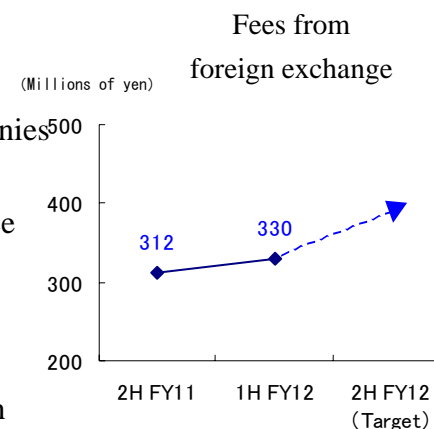
- Strengthened proposal-making ability for entire Group in the areas of leases, securities business, etc.
- Personnel exchanges (trainee system) with Group companies



Support for Overseas Market Entry

【1H FY2012 Results】

- Opened representative office in Singapore
- Issued standby credit to local companies in Thailand
- Began offering money transfer service for Asia
- Formed business alliance with Bank Negara Indonesia
- Held working-level seminars in south China region



◇ Strengthen Individual Marketing (1)

Strengthen client's assets marketing

◆ Strengthened effort by person in charge of corporate banking to approach business owners to solicit business

◆ Better collaboration with client's assets sales staff

Improve sales staff for client's assets quantitatively and qualitatively

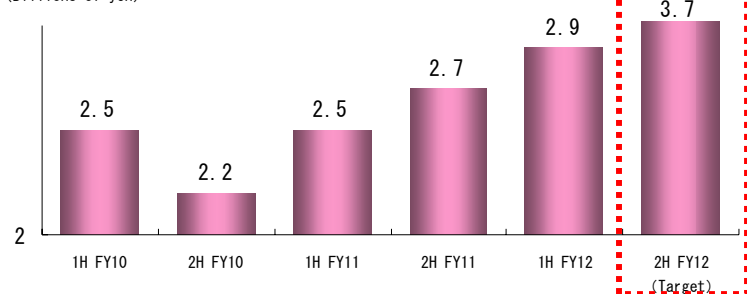
Profitable sales staff +236 (+21.3%)

Sales of client's assets +¥32.7 billion (+26.7%)

Fees from client's assets sales + ¥0.4 billion (+16.0%)

Fees from client's assets

(Billions of yen)



【Number of employees who obtain fees from client's assets sales】

	1H FY2011		1H FY2012	
Fees ¥10 Million~	62	} +188 Raise	75	} Target in 2H FY12 +200
¥5~¥10 Million	118		179	
¥1~ ¥5 Million	314		428	
~¥1 Million	611		659	
Total (a)	1,105	+236	1,341	
Number of sales force (b)	1,871		1,887	
(a) / (b)	59.0%		71.1%	
Sales of client's assets	¥122.1 billion	+¥32.7 billion	¥154.8 billion	+¥25 billion
Fees from client's assets	¥2.5 billion	+¥0.4 billion	¥2.9 billion	+¥0.8 billion

◇ Strengthen Individual Marketing (2)

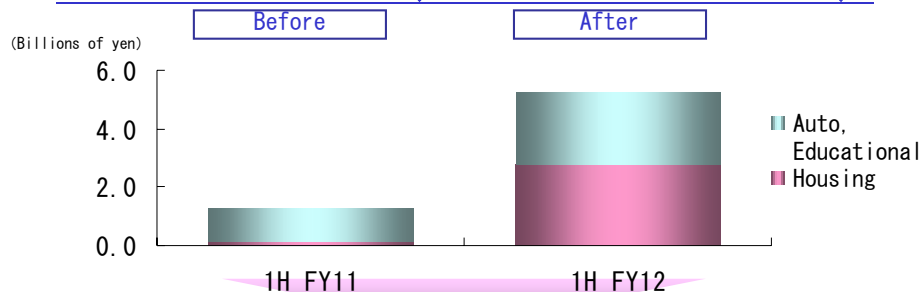
Strengthen individual loans

◇ Online loan applications

- ◆ Website updated in Autumn 2011 to make more user-friendly

Online application of mortgage, education, and car loan contract increased

1H FY12 ¥5.2billion (YoY +¥4 billion <+309%>)



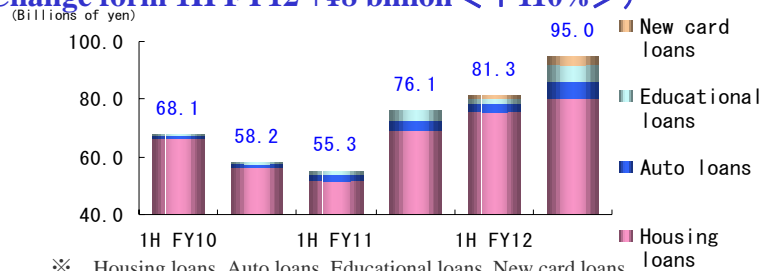
Individual loans* executed

Target in 2H FY12 ¥95 billion

(Change from 1H FY12 +¥13 billion <+15%>)

including to non-collateral loans +¥15 billion

(Change from 1H FY12 +¥8 billion <+110%>)



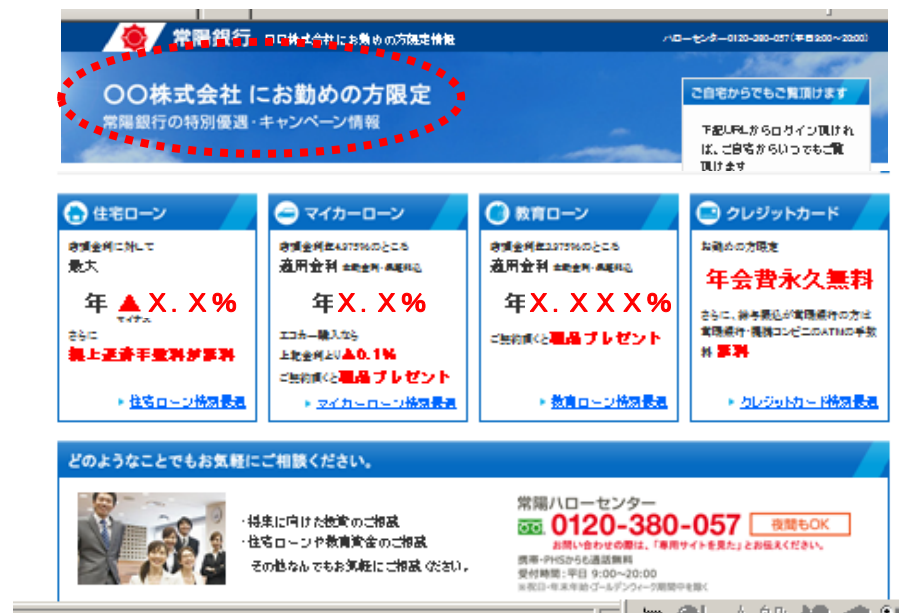
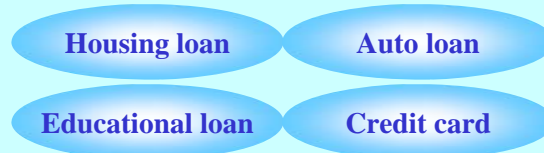
* Housing loans, Auto loans, Educational loans, New card loans

◇ Web-based service for client employees

- ◆ August, 2012 Launched individual companies Web-based service for client employees

**【Target】
500 companies/
25,000 people**

【Contents】

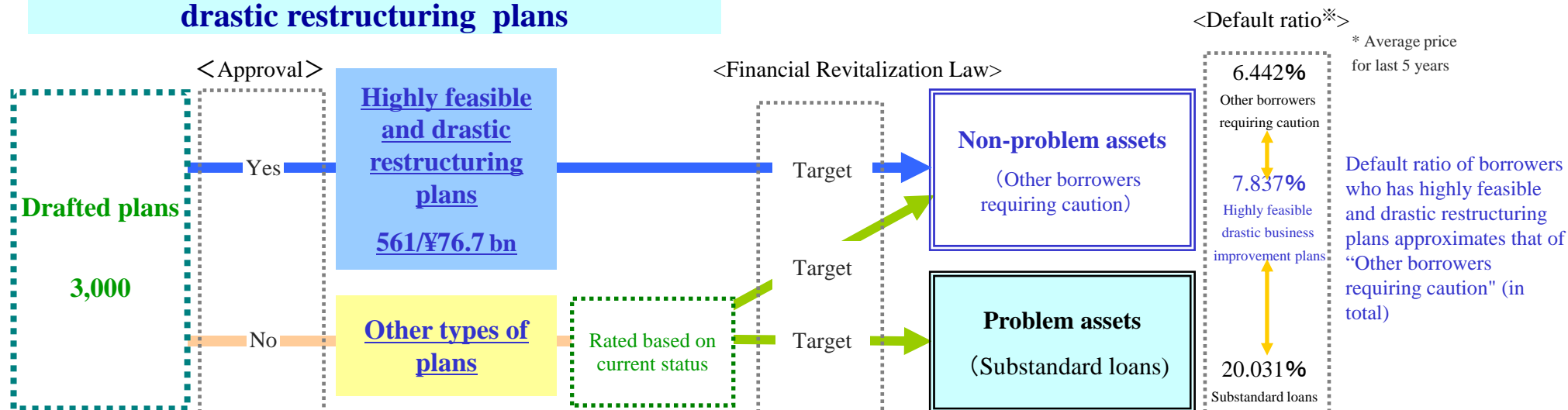


image

◇ Response to the SME Finance Facilitation Act Deadline



Status of borrowers who has highly feasible and drastic restructuring plans



Exit strategy

◇ Established SS (Solution/Support) Team

- ◆ March 2012: Established specialized team in headquarters
- ◆ Made stronger effort to "Properly provide the best solution for debtors and relevant parties who have taken steps to settle their debts"

【Status】

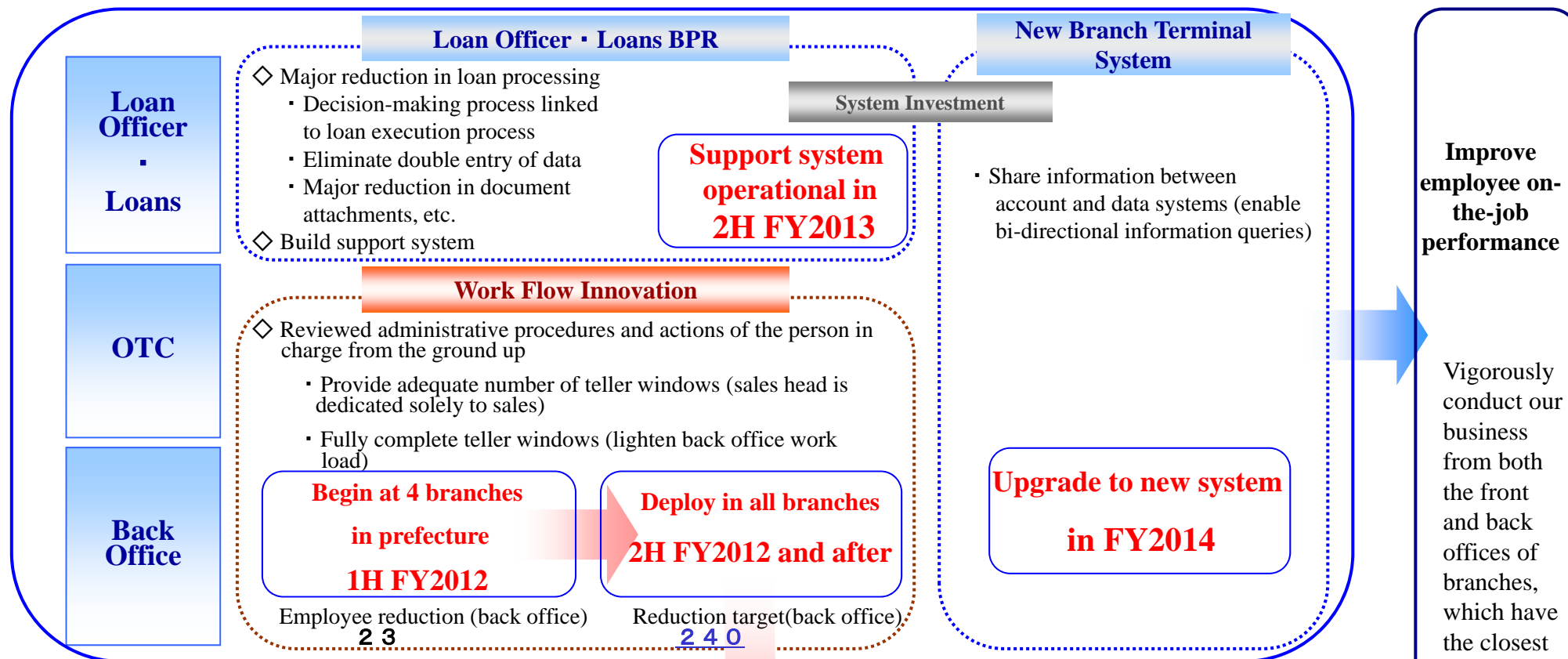
Target	Completed	In-progress Set policy	Policy Undecided
253 debtors	32	183	38
(Percentage)	(85%)		(15%)

◇ Use of revitalization fund

- ◆ Ibaraki Kizuna Fund (Established: Oct. 2011)
 - Jointly with Development Bank of Japan
 - Financial contribution: ¥0.7 billion (as of Sept. 30, 2012)
- ◆ Joyo Business Revitalization Fund (Established: Sept.2012)
 - Jointly with Risa Partners Inc.
 - Fund amount: ¥2.0 billion

◇ BPR project 'ZERO'

BPR project 'ZERO'



◇ Personnel Search

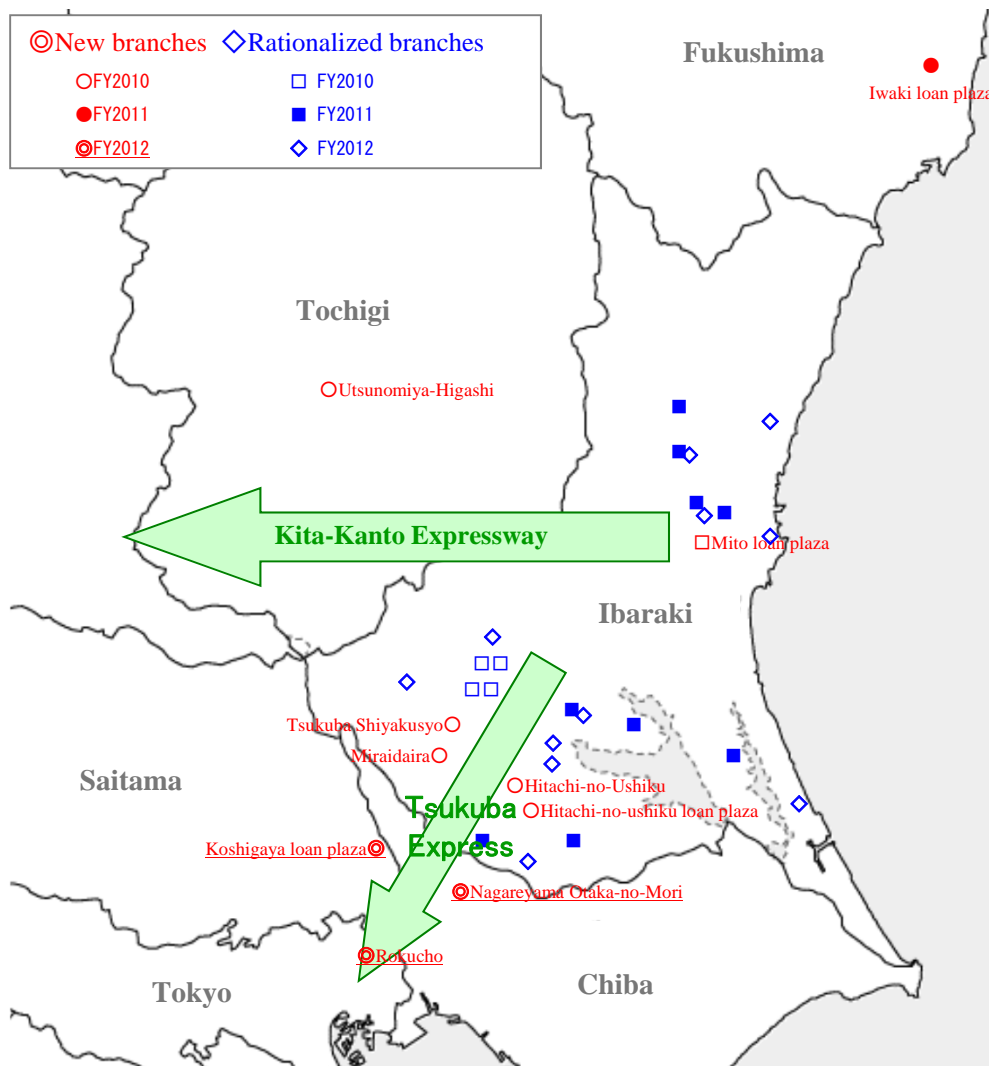
(Personnel Plan)

	11/3 (Result)	12/3 (Result)	YoY change	Change in FY12-FY13	14/3 (Target)	Change in 3 years
Front office(Loan Officer, Loans, OTC)	1,880	1,934	54	246	2,180	+300
Back office	690	665	△25	△225	440	△250
HQ, operation center, etc	830	801	△29	△21	780	△50
Total	3,400	3,400	0	0	3,400	0

Target of
11th Medium-Term
Business Plan
Front office +300

◇ Resource Allocation to Developing Areas

Expansion of branches in Ibaraki region



Rationalize branches in mature and densely populated areas * 1

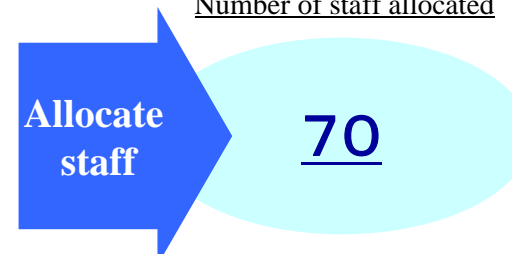
*1 Close sub-branches, change branches to sub-branches, have more branches specialize in personal banking, etc.

◇ Reallocate staff to areas where Jojo Bank is expanding its presence

Rationalized branches

FY2010	4 branches
FY2011	9 branches
FY2012	20 branches

Number of staff allocated



Open new branches/Upgrade and expand Loan Plazas

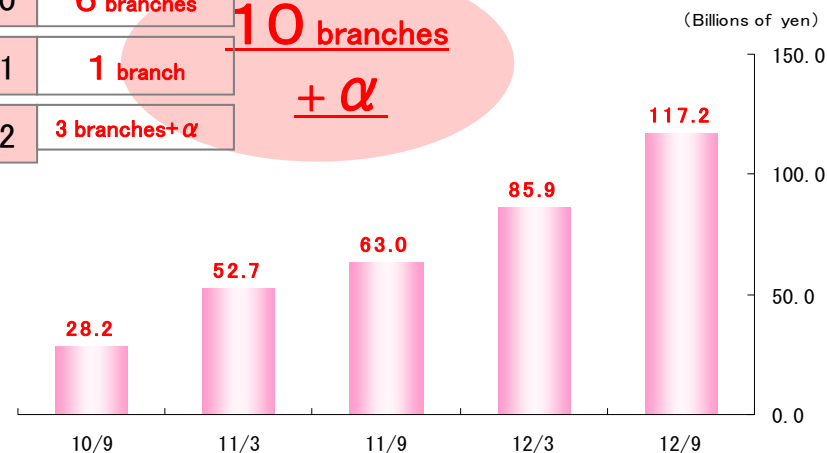
◇ Expand presence in Ibaraki region

Number of new branches (Branches and Loan Plazas)

FY2010	6 branches
FY2011	1 branch
FY2012	3 branches+α

Loan balance of new branches*2

*2 Including total cumulative loans executed by Loan Plazas



1. Financial Results for the First Half of FY2012

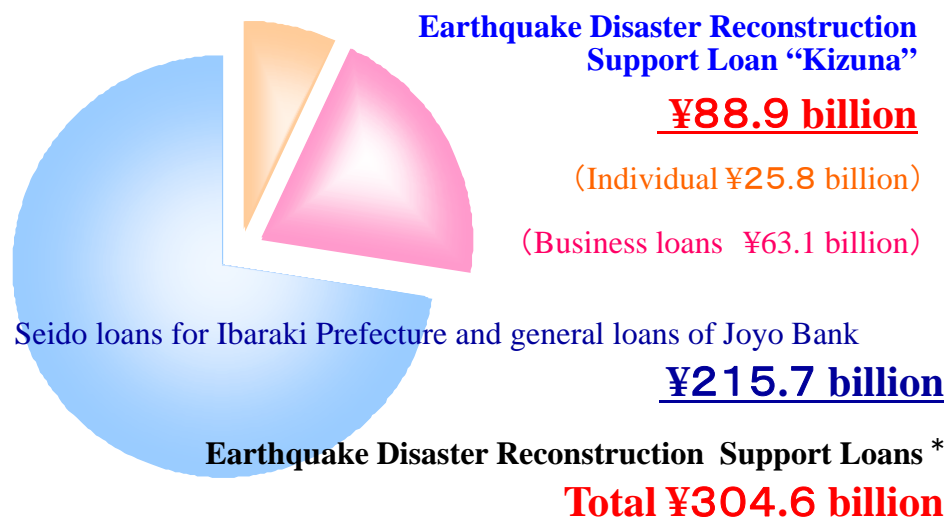
2. FY2012 Projections

Appendix

◇ Regional Reconstruction Support Project “Kizuna” (1)

◇ To contribute to the recovery of customers and the region from the Great East Japan Earthquake, keep promoting the Jojo Regional Reconstruction Project “Kizuna (Bonding)” and carrying out various initiatives.

Earthquake Disaster Reconstruction Support Loan “Kizuna”



* Cumulative value of loans since the disaster (as of Sept. 30, 2012)

Earthquake Disaster Reconstruction Support Lease “Kizuna” ~Jojo Lease~

▪ Leases solely for disaster reconstruction

Cumulative lease value※ Total ¥2.4 billion

※ Cumulative value of leases since they were first offered in Nov. 2011 and up to Sept. 30, 2012

GANBA-PPE! IBARAKI/FUKUSHIMA ¥100 Food Tasting Store

- Held in Feb. 2012 at Kairakuen Park in Mito, with 35,000 visitors
- Jojo Bank received the **Food Action Nippon Award 2012** (sponsored by Ministry of Agriculture, Forestry and Fisheries) in recognition of its efforts to help expand sales channels for local products. This is the first time a financial institution has received the award.



¥100 Food Tasting Store



Supported the restoration of valuable cultural assets and donated funds to helicopter emergency medical service



Rokkaku-do pavillion in Goura Bay



Helicopter emergency medical service

◇ Regional Reconstruction Support Project “Kizuna” (2)

Joyo Business Award 2012

- Solicited innovative and creative business plans in growth fields and presented award to superior business plan
- Fully supported the commercialization of winning plans

【Application Period】

Dec. 1, 2012 – February 15, 2013

【Prizes】

Total prize money	¥10,000,000
Grand Prize	¥3,000,000
Excellence Award	¥1,000,000
Incentive Award	¥100,000



Joyo Collaborative Fund

- Provided funding based on common stock for new business plans that are innovative and have a high implementation potential in growth fields

Fund total: ¥1 billion

Investment and loan period: 10 years after execution

- Winning plans of the Jojo Business Award 2012 must actively use award funds for plan achievement and growth

LALA Sunshine a loan product for solar energy business

- Loan program for companies and individual business owners that use the feed-in tariff scheme for renewable energy
- Sponsored seminars for solar energy business in collaboration with Ibaraki Prefecture



Solar energy business seminar

“Face-to-Face Meetings” in collaboration with industry, academia, and government

- Meet face-to-face (in small groups) with experts about technological and other problems faced by manufacturers, exchange views, and get practical technical advice



Face-to-face meeting

Annual campaign offering local specialty products, with support from the “Kizuna” (Bonding)

- Joyo Bank will present local specialty products and admission tickets to tourist facilities to individual loan customers and customers with assets under management

◇ Average Balance of Interest-Earning Assets and Interest-Bearing Liabilities



Assets

(Average balance: Billions of yen, yield: %, interest income/expenses: Millions of yen)

	1H FY2012			change from 1H FY2011		
	Average balance	Yield	Interest income	Average balance	Yield	Interest income
Loans and bills discounted	4,990.7	1.47	36,797	177.7	(0.13)	(1946)
JPY	4,975.9	1.47	36,730	170.0	(0.13)	(1986)
Foreign currency	14.8	0.90	67	7.6	0.14	40
Securities	2,352.7	1.06	12,519	192.0	(0.06)	334
Bonds	1,998.7	0.72	7,315	155.9	(0.15)	(891)
Stocks	143.0	3.37	2,416	(2.2)	0.33	196
Foreign securities	160.6	1.82	1,467	24.4	(0.37)	(29)
Others	50.3	5.22	1,318	13.9	3.80	1059
Call loans	15.3	1.18	91	12.9	0.01	77
JPY	103.0	0.11	6	103	-	6
Foreign currency	5.0	3.39	85	2.6	2.22	71
Bills purchased	-	-	-	-	-	-
Commercial paper and other debt purchased	30.7	0.45	69	(4.6)	0.01	(9)
Due from banks	304.5	0.20	307	(53.9)	(0.06)	(161)
NCDs	-	-	-	-	-	-
Foreign exchange	2.1	0.55	5	0.0	0.12	1
Others	-	-	116	-	-	(3)
Interest rate swaps	-	-	-	-	-	-
Interest-earning assets	7,696.1	1.29	49,906	324.1	(0.10)	(1707)

Liabilities

(Average balance: Billions of yen, yield: %, interest income/expenses: Millions of yen)

	1H FY2012			change from 1H FY2011		
	Average balance	Yield	Interest expense	Average balance	Yield	Interest expense
Deposits	7,279.1	0.05	1,879	221.3	(0.01)	(437)
JPY	7,215.2	0.04	1,709	222.3	(0.02)	(396)
Foreign currency	63.9	0.53	170	(0.9)	(0.12)	(41)
NCDs	20.4	0.04	4	4.5	(0.04)	(2)
Call money	18.7	0.36	34	14.5	(0.34)	19
JPY	-	-	-	-	-	-
Foreign currency	18.7	0.36	34	14.5	(0.34)	19
Payables under securities lending transactions	44.7	0.32	73	33.3	0.02	56
Bills sold	-	-	-	-	-	-
Borrowed money	89.2	0.22	100	26.8	(0.48)	(118)
Foreign exchange	0.2	-	0	0.0	-	-
Corporate bonds	15.0	1.69	127	10.0	(0.97)	60
Others	1.5	-	478	0.0	-	(105)
Interest rate swaps	-	-	472	-	-	2
Interest-bearing liabilities	7,469.1	0.07	2,740	310.7	(0.02)	(526)
Other expenses	-	-	-	-	-	-
Interest-bearing liabilities	7,469.1	0.07	2,740	310.7	(0.02)	(526)

◇ Interest Yields and Spreads

Total account

	(%)					
	1H FY08	1H FY09	1H FY10	1H FY11	1H FY12	change from 1H FY11
Average yield on interest-earning assets (A)	1.88	1.65	1.53	1.39	1.29	(0.10)
Average yield on loans and bills discounted (B)	2.05	1.88	1.73	1.60	1.47	(0.13)
Average yield on securities	1.55	1.15	1.10	1.12	1.06	(0.06)
Average yield on interest-bearing liabilities	0.42	0.19	0.12	0.09	0.07	(0.02)
Average yield on deposits and NCDs (C)	0.29	0.15	0.10	0.06	0.05	(0.01)
Expense ratio	1.12	1.05	1.04	0.99	0.96	(0.03)
Deposit and securities cost (D)	1.41	1.21	1.14	1.05	1.01	(0.04)
Funding cost (E)	1.48	1.21	1.15	1.07	1.01	(0.06)
(B)-(C)	1.76	1.73	1.63	1.54	1.42	(0.12)
Difference between average yield on loans and deposits (B)-(D)	0.64	0.67	0.59	0.55	0.46	(0.09)
(A)-(E)	0.40	0.44	0.38	0.32	0.28	(0.04)

Domestic account

	(%)					
	1H FY08	1H FY09	1H FY10	1H FY11	1H FY12	change from 1H FY11
Average yield on interest-earning assets (A)	1.72	1.60	1.50	1.36	1.26	(0.10)
Average yield on loans and bills discounted (B)	2.05	1.88	1.73	1.60	1.47	(0.13)
Average yield on securities	1.18	1.04	1.04	1.05	1.00	(0.05)
Average yield on interest-bearing liabilities	0.31	0.18	0.12	0.08	0.06	(0.02)
Average yield on deposits and NCDs (C)	0.27	0.15	0.09	0.06	0.04	(0.02)
Expense ratio	1.11	1.05	1.03	0.98	0.95	(0.03)
Deposit and securities cost (D)	1.39	1.21	1.13	1.04	1.00	(0.04)
Funding cost (E)	1.37	1.19	1.14	1.05	1.00	(0.05)
(B)-(C)	1.78	1.73	1.64	1.54	1.43	(0.11)
Difference between average yield on loans and deposits (B)-(D)	0.66	0.67	0.60	0.56	0.47	(0.09)
(A)-(E)	0.35	0.41	0.36	0.31	0.26	(0.05)

◇ Yen-Denominated Loans (1)

Breakdown by self-assessment classification of borrowers

(billions of yen)

	09/9		10/3		10/9		11/3		11/9		12/3		12/9		Change from 12/3		Change from 11/9	
	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	change ratio	Term-end balance	change ratio
Yen-denominated loans (Total)	4,817.5	100.0%	4,836.6	100.0%	4,794.7	100.0%	4,795.3	100.0%	4,802.5	100.0%	4,969.2	100.0%	5,006.0	100.0%	36.8	0.7%	203.5	4.2%
Normal (including borrowers without	4,165.3	86.5%	4,111.0	85.0%	4,106.3	85.6%	4,052.1	84.5%	4,105.2	82.6%	4,287.9	85.7%	4,372.2	87.3%	84.3	2.1%	267.0	6.5%
Ibaraki and its adjoining areas	3,120.8	64.8%	3,054.7	63.2%	3,072.8	64.1%	3,038.7	63.4%	3,026.8	60.9%	3,172.7	63.4%	3,215.4	64.2%	42.7	1.4%	188.6	6.2%
Ibaraki	2,635.7	54.7%	2,578.5	53.3%	2,598.2	54.2%	2,567.8	53.5%	2,547.1	51.3%	2,671.4	53.4%	2,693.3	53.8%	21.9	0.9%	146.2	5.7%
Miyagi , Fukushima and Tochig	367.2	7.6%	358.6	7.4%	354.8	7.4%	348.6	7.3%	351.8	7.1%	364.4	7.3%	376.7	7.5%	12.3	3.5%	24.9	7.1%
Chiba and Saitama	117.8	2.4%	117.6	2.4%	119.6	2.5%	122.3	2.6%	127.8	2.6%	136.9	2.7%	145.3	2.9%	8.4	6.9%	17.5	13.7%
Tokyo and Osaka	1,044.4	21.7%	1,056.2	21.8%	1,033.5	21.6%	1,013.3	21.1%	1,078.3	21.7%	1,115.1	22.3%	1,156.8	23.1%	41.7	4.1%	78.5	7.3%
Other borrowers requiring caution	524.1	10.9%	597.9	12.4%	562.4	11.7%	579.4	12.1%	527.5	10.6%	502.9	10.0%	452.4	9.0%	(50.5)	△8.7%	(75.1)	△14.2%
Substandard borrowers	29.1	0.6%	29.6	0.6%	25.5	0.5%	45.4	0.9%	55.5	1.1%	65.8	1.3%	66.6	1.3%	0.8	1.8%	11.1	20.0%
Potentially bankrupt or worse	98.9	2.1%	98.0	2.0%	100.4	2.1%	118.3	2.5%	114.2	2.3%	112.6	2.2%	114.7	2.3%	2.1	1.8%	0.5	0.4%

Breakdown by geographic area

(billions of yen)

	09/9		10/3		10/9		11/3		11/9		12/3		12/9		Change from 12/3		Change from 11/9	
	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	change ratio	Term-end balance	change ratio
Yen-denominated loans (Total)	4,817.5	100.0%	4,836.6	100.0%	4,794.7	100.0%	4,795.3	100.0%	4,802.5	100.0%	4,969.2	99.3%	5,006.0	100.0%	36.8	0.7%	203.5	4.2%
Ibaraki and its adjoining areas	3,711.7	77.0%	3,724.8	77.0%	3,690.6	77.0%	3,696.5	77.1%	3,658.3	76.2%	3,785.2	75.6%	3,782.1	75.6%	(3.1)	△0.1%	123.8	3.4%
Ibaraki	3,098.8	64.3%	3,114.7	64.4%	3,084.5	64.3%	3,087.6	64.4%	3,045.0	63.4%	3,155.3	63.0%	3,140.4	62.7%	(14.9)	△0.5%	95.4	3.1%
Miyagi , Fukushima and Tochigi	468.8	9.7%	465.9	9.6%	460.7	9.6%	460.0	9.6%	460.9	9.6%	467.5	9.3%	470.6	9.4%	3.1	0.7%	9.7	2.1%
Chiba and Saitama	144.0	3.0%	144.1	3.0%	145.3	3.0%	148.8	3.1%	152.4	3.2%	162.4	3.2%	171.0	3.4%	8.6	5.3%	18.6	12.2%
Tokyo and Osaka	1,105.7	23.0%	1,111.8	23.0%	1,104.1	23.0%	1,098.7	22.9%	1,144.2	23.8%	1,184.1	23.7%	1,223.8	24.4%	39.7	3.4%	79.6	7.0%

Number of medium sized companies and SMEs

※Previously based on Joyo Bank's internal management standard. From this time forward, to be based on Bank of Japan's reporting standard. (Number)

Number of medium sized companies and SMEs	09/9		10/3		10/9		11/3		11/9		12/3		12/9		Change from 12/3	Change from 11/9
	Number	Change from last term-end	Number	Change from last term-end	Number	Change from last term-end	Number	Change from last term-end	Number	Change from last term-end	Number	Change from last term-end	Number	Change from last term-end	Number	Number
	33,500	0	33,662	162	33,634	△ 28	33,565	△ 69	33,242	△ 323	33,235	△ 7	33,000	△ 235	△ 235	△ 242

◇ Yen-Denominated Loans (2)



Breakdown by borrower type

(billions of yen)

	09/9		10/3		10/9		11/3		11/9		12/3		12/9		Change from 12/3		Change from 11/9	
	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	change ratio	Term-end balance	change ratio
Yen denominated loans (Total)	4,817.5	100.0%	4,836.6	100.0%	4,794.7	100.0%	4,795.3	100.0%	4,802.5	96.6%	4,969.2	100.0%	5,006.0	100.0%	36.8	0.7%	203.5	4.2%
Individual loans	1,486.0	30.8%	1,516.7	31.4%	1,531.4	31.9%	1,533.5	32.0%	1,541.1	31.0%	1,583.9	31.6%	1,632.6	32.6%	48.7	3.2%	91.5	5.9%
Corporate loans	2,555.7	53.1%	2,538.6	52.5%	2,490.1	51.9%	2,475.4	51.6%	2,513.9	50.6%	2,569.8	51.3%	2,588.3	51.7%	18.5	0.7%	74.4	3.0%
Major companies	1,069.2	22.2%	1,087.7	22.5%	1,063.7	22.2%	1,057.5	22.1%	1,087.6	21.9%	1,124.3	22.5%	1,143.8	22.8%	19.5	1.8%	56.2	5.2%
Medium sized companies	149.5	3.1%	128.1	2.6%	126.2	2.6%	124.1	2.6%	122.2	2.5%	123.4	2.5%	125.5	2.5%	2.1	1.7%	3.3	2.7%
Small and medium sized companies	1,336.9	27.8%	1,322.7	27.3%	1,300.0	27.1%	1,293.7	27.0%	1,304.1	26.2%	1,322.1	26.4%	1,318.9	26.3%	(3.2)	△0.2%	14.8	1.1%
Public sector	775.7	16.1%	781.1	16.1%	773.1	16.1%	786.3	16.4%	747.5	15.0%	815.6	16.3%	785.0	15.7%	(30.6)	△3.9%	37.5	5.0%

Individual loans

(billions of yen)

	09/9		10/3		10/9		11/3		11/9		12/3		12/9		Change from 12/3		Change from 11/9	
	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	change ratio	Term-end balance	change ratio
Individual loans (Total)	1,486.0	100.0%	1,516.7	100.0%	1,531.4	100.0%	1,533.5	100.0%	1,541.1	100.0%	1,583.9	97.0%	1,632.7	100.0%	48.8	3.1%	91.6	5.9%
Housing-related loans	1,280.0	86.1%	1,315.5	86.7%	1,334.8	87.2%	1,344.5	87.7%	1,356.5	88.0%	1,405.6	86.1%	1,459.7	89.4%	54.1	3.8%	103.2	7.6%
Consumer loans	77.6	5.2%	77.4	5.1%	77.6	5.1%	76.1	5.0%	74.3	4.8%	72.9	4.5%	73.0	4.5%	0.1	0.1%	(1.3)	△1.7%
Loans to small businesses	128.4	8.6%	123.8	8.2%	119.0	7.8%	112.9	7.4%	110.3	7.2%	105.4	6.5%	100.0	6.1%	(5.4)	△5.1%	(10.3)	△9.3%

Corporate loans

(billions of yen)

	09/9		10/3		10/9		11/3		11/9		12/3		12/9		Change from 12/3		Change from 11/9	
	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	change ratio	Term-end balance	change ratio
Corporate loans (Total)	2,555.7	100.0%	2,538.6	100.0%	2,490.1	100.0%	2,475.4	100.0%	2,513.9	100.0%	2,569.7	99.3%	2,588.3	100.0%	18.6	0.7%	74.4	3.0%
Ibaraki and its adjoining areas	1,452.9	56.8%	1,429.7	56.3%	1,388.7	55.8%	1,379.0	55.7%	1,371.7	54.6%	1,387.8	53.6%	1,366.1	52.8%	(21.7)	△1.6%	(5.6)	△0.4%
Ibaraki	1,040.3	40.7%	1,026.4	40.4%	994.7	39.9%	985.7	39.8%	976.3	38.8%	988.2	38.2%	971.3	37.5%	(16.9)	△1.7%	(5.0)	△0.5%
Miyagi, Fukushima and Tochigi	319.3	12.5%	312.2	12.3%	303.9	12.2%	300.9	12.2%	301.0	12.0%	300.3	11.6%	293.7	11.3%	(6.6)	△2.2%	(7.3)	△2.4%
Chiba and Saitama	93.4	3.7%	91.0	3.6%	90.0	3.6%	92.4	3.7%	94.4	3.8%	99.3	3.8%	101.0	3.9%	1.7	1.7%	6.6	7.0%
Tokyo and Osaka	1,102.7	43.1%	1,108.9	43.7%	1,101.3	44.2%	1,096.4	44.3%	1,142.2	45.4%	1,181.9	45.7%	1,222.1	47.2%	40.2	3.4%	79.9	7.0%

◇ Deposits and Client Assets



Deposits

(Billions of yen)

	09/9		10/3		10/9		11/3		11/9		12/3		12/9		Change from 12/3		Change from 11/9	
	Term-end	%	Term-end	%	Term-end	%	Term-end	%	Term-end	%	Term-end	%	Term-end	%	Term-end	Change ratio	Term-end	Change ratio
Deposits (Total)	6,554.9	100.0%	6,681.1	100.0%	6,677.6	100.0%	6,817.5	100.0%	7,070.0	100.0%	7,266.6	100.0%	7,243.7	100.0%	(22.9)	△0.3%	173.7	2.5%
Yen deposits	6,452.1	98.4%	6,614.9	99.0%	6,604.6	98.9%	6,752.0	99.0%	7,004.4	99.1%	7,201.3	99.4%	7,181.6	99.1%	(19.7)	△0.3%	177.2	2.5%
Foreign deposits	66.2	1.0%	66.2	1.0%	63.9	1.0%	65.4	1.0%	65.5	0.9%	65.2	0.9%	62.1	0.9%	(3.1)	△4.7%	(3.4)	△5.2%
JOM deposits	36.6	0.6%	0.0	0.0%	9.0	0.1%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Others	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%	0.0	0.0%	0.0	0.0%
NCDs		58.8		24.5		34.7		12.9		3.3		20.9		9.4	(11.5)	△55.0%	6.1	184.8%

Yen deposits by customer type

(Billions of yen)

	09/9		10/3		10/9		11/3		11/9		12/3		12/9		Change from 12/3		Change from 11/9	
	Term-end	%	Term-end	%	Term-end	%	Term-end	%	Term-end	%	Term-end	%	Term-end	%	Term-end	Change ratio	Term-end	Change ratio
Yen deposits (Total)	6,452.1	100.0%	6,614.9	100.0%	6,604.6	100.0%	6,752.0	100.0%	7,004.4	100.0%	7,201.3	100.3%	7,181.6	100.0%	(19.7)	△0.3%	177.2	2.5%
Individual	5,028.1	77.9%	5,078.9	76.8%	5,126.5	77.6%	5,163.0	76.5%	5,305.7	75.7%	5,386.3	75.0%	5,410.0	75.3%	23.7	0.4%	104.3	2.0%
Corporate	1,157.3	17.9%	1,205.9	18.2%	1,160.3	17.6%	1,270.3	18.8%	1,325.1	18.9%	1,384.4	19.3%	1,395.8	19.4%	11.4	0.8%	70.7	5.3%
Public sector	266.6	4.1%	330.0	5.0%	317.7	4.8%	318.6	4.7%	373.4	5.3%	430.5	6.0%	375.6	5.2%	(54.9)	△12.8%	2.2	0.6%

Client's assets

(Billions of yen)

	09/9		10/3		10/9		11/3		11/9		12/3		12/9		Change from 12/3		Change from 11/9	
	Term-end	%	Term-end	%	Term-end	%	Term-end	%	Term-end	%	Term-end	%	Term-end	%	Term-end	Change ratio	Term-end	Change ratio
Individual (Total)	6,082.3	100.0%	6,139.4	100.0%	6,164.4	100.0%	6,196.3	100.0%	6,315.8	100.0%	6,418.9	99.3%	6,466.4	100.0%	47.5	0.7%	150.6	2.4%
Current	2,643.2	43.5%	2,700.8	44.0%	2,728.4	44.3%	2,794.2	45.1%	2,914.3	46.1%	3,006.3	46.5%	3,034.6	46.9%	28.3	0.9%	120.3	4.1%
Time deposits	2,384.9	39.2%	2,378.0	38.8%	2,398.1	38.9%	2,368.8	38.2%	2,391.6	37.9%	2,380.0	36.8%	2,375.4	36.7%	(4.6)	△0.2%	(16.2)	△0.7%
(Sub total)	5,028.1	82.7%	5,078.9	82.8%	5,126.5	83.2%	5,163.0	83.3%	5,305.7	84.0%	5,386.3	83.3%	5,410.0	83.7%	23.7	0.4%	104.3	2.0%
Investment	1,054.2	17.3%	1,060.5	17.2%	1,037.9	16.8%	1,033.3	16.7%	1,010.1	16.0%	1,032.6	16.0%	1,056.4	16.3%	23.8	2.3%	46.3	4.6%

◇ Investment Portfolio



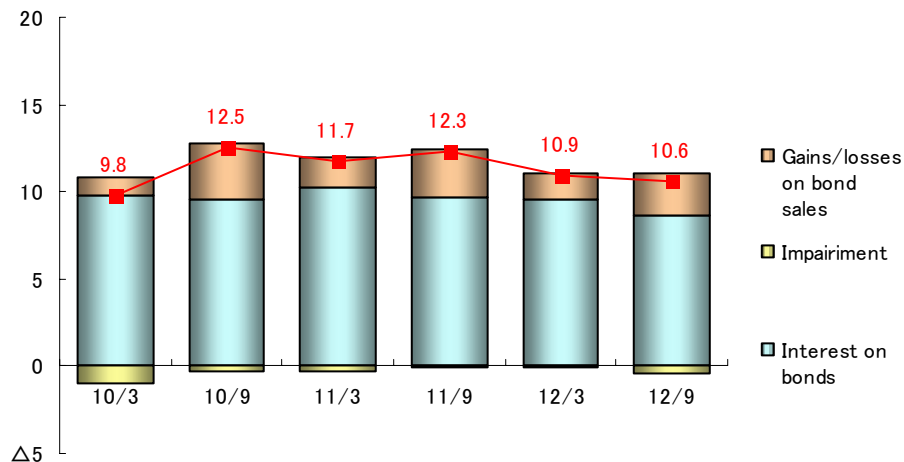
(Billions of yen)

	09/9		10/3		10/9		11/3		11/9		12/3		12/9		Change from 12/3		Change from 11/9	
	Balance	%	Balance	%	Balance	%	Balance	%	Balance	%	Balance	%	Balance	%	Balance	Change ratio	Balance	Change ratio
Yen-denominated bonds	1,818.9	86.4%	1,821.8	87.0%	1,859.2	87.0%	1,852.8	86.7%	2,038.5	88.4%	2,084.8	87.2%	2,154.8	86.1%	70.0	3.4%	116.3	5.4%
Duration [years]	3.1	—	3.2	—	3.5	—	3.6	—	3.9	—	3.8	—	4.2	—	0.4	—	0.3	—
Fixed rate notes	1,574.2	74.8%	1,590.0	75.9%	1,611.6	75.5%	1,625.3	76.0%	1,813.0	78.6%	1,863.3	77.9%	1,942.2	77.6%	78.9	4.2%	129.2	6.7%
[Average yield : %]	1.05%	—	1.00%	—	0.99%	—	1.00%	—	0.95%	—	0.87%	—	0.79%	—	△0.08%	—	△0.16%	—
Floating rate notes	244.7	11.6%	231.7	11.1%	247.6	11.6%	227.5	10.6%	225.4	9.8%	221.5	9.3%	212.6	8.5%	△8.9	△4.0%	△12.8	△6.0%
[Average yield : %]	0.60%	—	0.53%	—	0.46%	—	0.39%	—	0.39%	—	0.28%	—	0.16%	—	△0.12%	—	△0.23%	—
Foreign-denominated bonds	92.2	4.4%	83.7	4.0%	87.9	4.1%	99.7	4.7%	80.8	3.5%	115.8	4.8%	149.3	6.0%	33.5	28.9%	68.5	45.9%
Duration [years]	1.5	—	1.5	—	2.5	—	2.8	—	1.9	—	3.1	—	3.4	—	0.4	—	1.5	—
[Average yield spread : %]	2.14%	—	2.18%	—	2.51%	—	2.45%	—	2.28%	—	2.05%	—	1.75%	—	△0.30%	—	△0.53%	—
Fixed rate notes	54.8	2.6%	49.5	2.4%	66.9	3.1%	81.4	3.8%	68.1	3.0%	104.5	4.4%	138.6	5.5%	34.1	32.6%	70.5	50.9%
[Average yield : %]	4.41%	—	4.28%	—	3.76%	—	3.61%	—	3.35%	—	2.75%	—	2.24%	—	△0.51%	—	△1.12%	—
[Average yield spread : %]	3.28%	—	3.54%	—	3.20%	—	2.97%	—	2.69%	—	2.23%	—	1.85%	—	△0.38%	—	△0.84%	—
Floating rate notes	37.4	1.8%	34.2	1.6%	20.9	1.0%	18.2	0.9%	12.7	0.6%	11.3	0.5%	10.6	0.4%	△0.7	△6.2%	△2.1	△19.8%
[Average yield : %]	1.66%	—	0.69%	—	0.74%	—	0.72%	—	0.66%	—	0.83%	—	0.69%	—	△0.14%	—	0.03%	—
[Average yield spread : %]	0.72%	—	0.15%	—	0.34%	—	0.32%	—	0.31%	—	0.43%	—	0.48%	—	0.05%	—	0.17%	—
Stock	153.4	7.3%	148.7	7.1%	149.6	7.0%	145.2	6.8%	144.4	6.3%	143.3	6.0%	137.1	5.5%	△6.2	△4.3%	△7.3	△5.3%
Tier I ratio	—	42.0%	—	40.4%	—	39.0%	—	39.2%	—	38.3%	—	38.2%	—	36.1%	—	△0.0p	—	△0.0p
Investment trusts and others	39.5	1.9%	39.9	1.9%	39.0	1.8%	39.6	1.9%	41.7	1.8%	47.4	2.0%	59.9	2.4%	12.5	26.4%	18.2	30.4%
Total	2,104.2	100.0%	2,094.2	100.0%	2,135.8	100.0%	2,137.5	100.0%	2,305.5	100.0%	2,391.4	100.0%	2,501.3	100.0%	109.9	4.6%	195.8	7.8%
[Average yield : %]	1.15%	—	1.10%	—	1.10%	—	1.09%	—	1.12%	—	1.05%	—	1.06%	—	0.01%	0.95%	△0.06%	△5.66%
Unrealized gains/(losses)	52.5	—	61.5	—	53.9	—	47.3	—	38.0	—	60.1	—	53.9	—	△6.2	—	15.9	—

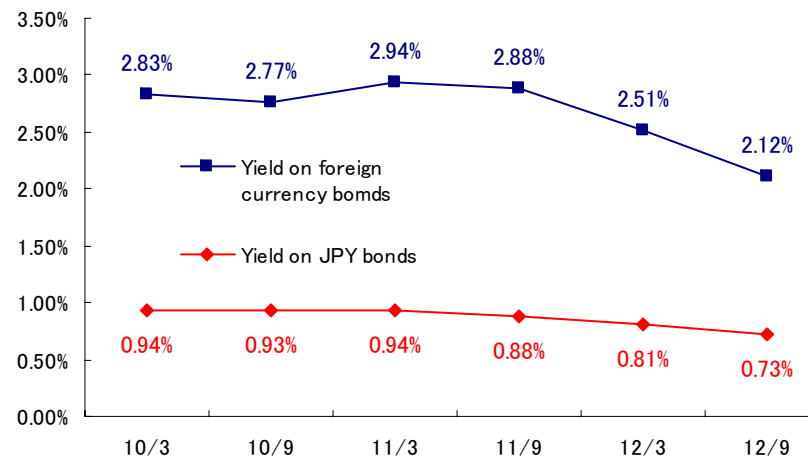
◇ Gains (losses) on Bonds, Foreign Securities Portfolio

Gains (losses) on bonds

(Billions of yen)



Yields on bonds (JPY bonds, Foreign bonds)



Securities portfolio

(Billions of yen)

	11/9		12/3		12/9		Change from 12/3		Change from 11/9	
	Balance	Unrealized gains (losses)	Balance	Unrealized gains (losses)	Balance	Unrealized gains (losses)	Balance	Unrealized gains (losses)	Balance	Unrealized gains (losses)
Domestic bonds	1995.0	26.6	2047.6	27.0	2129.1	35.5	81.5	8.4	134.1	8.8
Foreign bonds	124.3	1.3	152.9	2.0	175.1	4.3	22.1	2.2	50.7	3.0
Stocks	144.4	12.5	143.3	28.8	137.1	13.3	(6.2)	(15.5)	(7.2)	0.7
Investment trusts & Others	41.7	(2.3)	47.4	2.2	59.9	0.7	12.4	(1.4)	18.2	3.1
Trust beneficiary rights	19.0	(0.1)	16.1	0.0	14.0	0.0	(2.1)	0.0	(5.0)	0.1
Total	2324.5	38.0	2407.5	60.1	2515.4	53.9	107.8	(6.2)	190.8	15.8

※ Balance including to Trust beneficiary rights. Unrealized gains(losses) in available-for-sale securities.

Foreign bonds

(Billions of yen)

	11/9		12/3		12/9		Change from 12/3		Change from 11/9	
	Balance	Unrealized gains (losses)	Balance	Unrealized gains (losses)	Balance	Unrealized gains (losses)	Balance	Unrealized gains (losses)	Balance	Unrealized gains (losses)
Sovereign	26.3	0.9	57.1	1.0	69.8	2.2	12.6	1.2	43.5	1.3
Corporate	59.6	0.1	49.9	0.5	39.9	0.9	(10.0)	0.3	(19.6)	0.8
Pass through (Ginme Mae)	18.3	0.5	28.6	0.5	50.0	1.1	21.4	0.6	31.7	0.6
Securitization	20.0	(0.3)	17.2	(0.1)	15.3	0.0	(1.8)	0.0	(4.6)	0.2
Total	124.3	1.3	152.9	2.0	175.9	4.3	22.9	2.2	51.6	3.0

※Unrealized gains(losses) in available-for-sale securities

◇ Comparison between Self-Assessment, Disclosure of Problem Assets and Write-offs/Reserves



Breakdown by self-assessment classification of borrowers

(Billions of yen)

Classification of borrowers (Self-Assessment)					Reserve	Reserve ratio	Financial Revitalization Law	
Classification of borrowers	claim classification						Problem asset	Coverage ratio
	No-classification	II	III	IV				
Legally Bankrupt 1.6 [-0.3]	4.3	6.6	—	—	0.0 [0]	100% 《100%》	Bunkrupt and quasi-bunkrupt assets	
Substantially Bankrupt 9.2 [-0.2]	Protected by reserve, corateral-guarantee		Booking reserve on No-classification		Specific reserve		11.0 [-6]	100.00% 《100.00%》
Potentially Bankrupt 103.9 [2.5]	64.1	22.9	16.8		24.4 [1.0]	59.19% 《59.60%》	Doutful assets	
Borrowers Requiring Caution	Borrowers Requiring Caution 67 [0.9]	10.2	56.8		10.6 [0.4]	16.79% 《16.27%》	Substandard loans	
	Borrowers Requiring Monitoring 453.9 [-50.4]	199.9	253.9		General loan loss reserve		48.0 [1.3]	39.74% 《41.93%》
Normal Borrowers 4407 [84.8]	4,407.0				2.2 [-0.5]	1.38% 《1.35%》	Normal assets	
					2.8 [-0.6]	0.10% 《0.10%》	4,895.1 [34.6]	
Total	No-classification	II	III	IV	Total reserve		Total	Coverage ratio(Total)
5042.9	4,685.7	340.3	16.8	0	44.2 [-0.2]		5058	71.89% 《73.09%》

◇ Changes in Borrower Classification

Based on number of borrowers

		12/9							(Number)
		Normal Borrowers	Borrowers requiring Caution	Borrowers requiring monitoring	Potentially bankrupt	Substantially bankrupt	Legally bankrupt	others	Total
1 2 / 3	Normal borrowers	11,470	372	12	6	1	0	454	12,315
	Borrowers requiring caution	546	6,072	110	204	15	0	217	7,164
	Borrower requiring monitoring	14	62	413	47	5	0	18	559
	Potentially bankrupt	23	46	2	1,828	78	0	81	2,058
	Substantially bankrupt	0	0	0	0	166	1	153	320
	Legally bankrupt	0	0	0	0	0	110	51	161
	Total	12,053	6,552	537	2,085	265	111	974	22,577

		(Number)
Upgraded		693
unchanged		20,059
Downgraded		851
Others		974
Total		22,577

Based on borrowed amount

		12/9							(Millions of yen)
		Normal Borrowers	Borrowers requiring Caution	Borrowers requiring monitoring	Potentially bankrupt	Substantially bankrupt	Legally bankrupt	others	Total
1 2 / 3	Normal borrowers	2,308,117	41,466	2,247	691	8	27	18,213	2,370,769
	Borrowers requiring caution	44,121	407,276	13,104	8,446	173	113	5,247	478,480
	Borrower requiring monitoring	1,711	4,067	53,025	5,675	253	0	616	65,347
	Potentially bankrupt	520	2,322	127	85,389	4,179	1,525	1,834	95,896
	Substantially bankrupt	0	0	10	12	5,061	34	2,244	7,361
	Legally bankrupt	0	0	340	1,242	501	963	340	3,386
	Total	2,354,469	455,131	68,853	101,455	10,175	2,662	28,494	3,021,239

		(Millions of yen)
Upgraded		52,868
unchanged		2,859,831
Downgraded		77,941
Others		28,494
Total		3,019,134

◇ Balance of Loans by Industry/Risk-Monitored Loans

Balance of Loans by Industry

(Millions of yen)

	12/3		12/9		Change from 12/3	
	Balance	(%)	Balance	(%)	Balance	(%)
Corporate loans	308,758	62.0%	310,842	61.9%	2083.9	△0.1% P
Manufacturing	73,838.7	14.8%	74,305.3	14.8%	466.5	△0.0% P
Farming & Forestry	1,296.8	0.3%	1,406.7	0.3%	109.9	0.0% P
Fishery	335.4	0.1%	344.0	0.1%	8.6	0.0% P
Mining & quarrying of stone and gravel	1,811.0	0.4%	1,796.6	0.4%	(14.3)	△0.0% P
Construction	15,580.4	3.1%	14,780.2	2.9%	(800.1)	△0.2% P
Electric & gas utilities, water service	4,544.4	0.9%	5,098.3	1.0%	553.8	0.1% P
Information communication	4,123.0	0.8%	4,058.1	0.8%	(64.9)	△0.0% P
Transport & postal activities	15,692.0	3.1%	15,642.5	3.1%	(49.4)	△0.0% P
Wholesaling & retailing	60,653.6	12.2%	59,901.4	11.9%	(752.2)	△0.2% P
Financial & insurance	15,654.9	3.1%	16,150.6	3.2%	495.6	0.1% P
Real estate, goods rental & leasing	78,290.2	15.7%	80,250.6	16.0%	1960.3	0.3% P
Miscellaneous services	36,937.8	7.4%	37,107.8	7.4%	170.0	△0.0% P
Public sector	75,423.2	15.1%	74,266.7	14.8%	(1156.4)	△0.3% P
Others (including individual loans)	114,074.1	22.9%	117,016.8	23.3%	2942.6	0.4% P
Total	498,256.4	100.0%	502,126.5	100.0%	3870.0	-

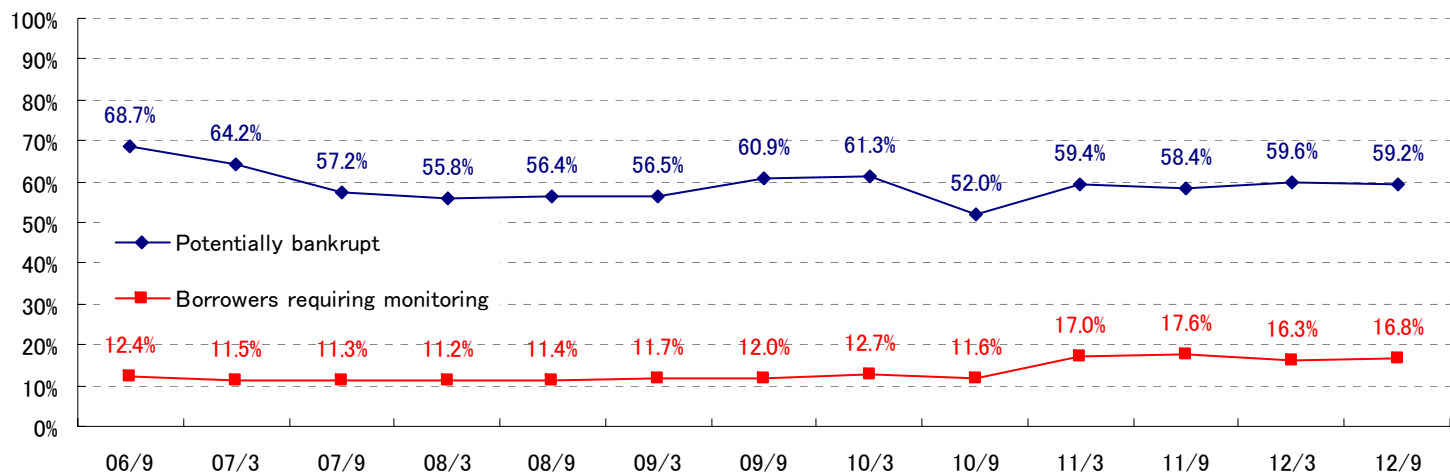
Risk-Monitored Loans

(Millions of yen)

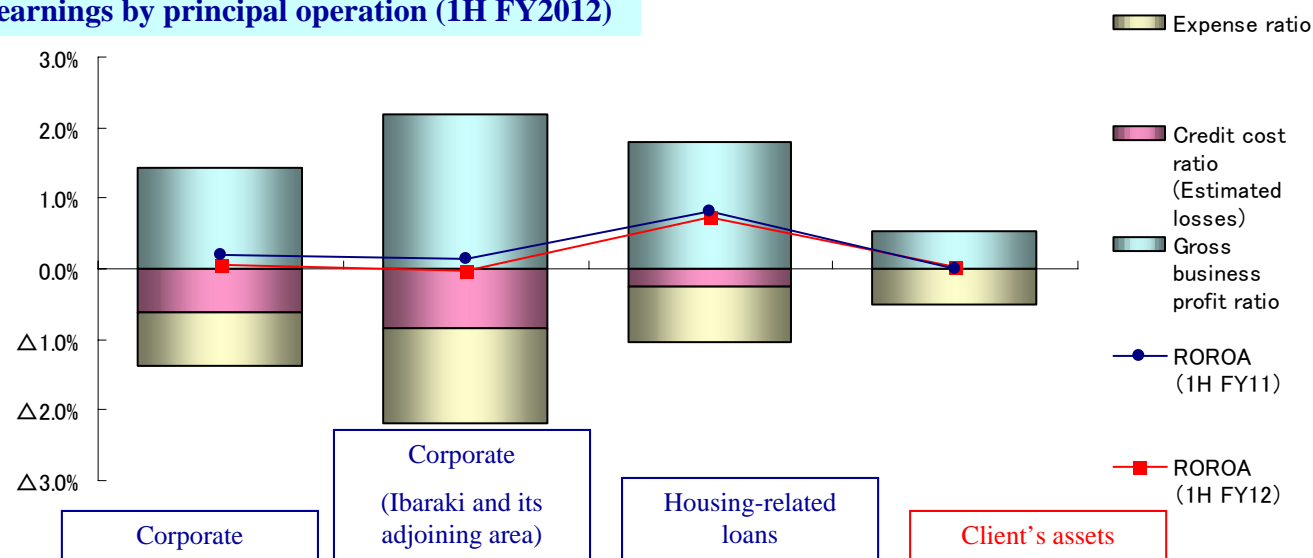
	12/3		12/9		Change from 12/3	
	Balance	(%)	Balance	(%)	Balance	(%)
Corporate loans	14,996.3	94.1%	15,300.2	94.1%	303.9	△0.1% P
Manufacturing	3,171.4	19.9%	3,396.0	20.9%	224.6	1.0% P
Farming & Forestry	165.5	1.0%	156.1	1.0%	(9.4)	△0.1% P
Fishery	40.3	0.3%	36.6	0.2%	(3.7)	△0.0% P
Mining & quarrying of stone and gravel	15.6	0.1%	12.1	0.1%	(3.5)	△0.0% P
Construction	2,146.4	13.5%	1,925.1	11.8%	(221.3)	△1.6% P
Electric & gas utilities, water service	8.1	0.1%	4.1	0.0%	(4.0)	△0.0% P
Information communication	196.6	1.2%	184.9	1.1%	(11.7)	△0.1% P
Transport & postal activities	416.4	2.6%	505.8	3.1%	89.4	0.5% P
Wholesaling & retailing	3,340.7	21.0%	3,415.4	21.0%	74.7	0.0% P
Financial & insurance	60.1	0.4%	54.3	0.3%	(5.8)	△0.0% P
Real estate, goods rental & leasing	2,280.3	14.3%	2,295.2	14.1%	14.9	△0.2% P
Miscellaneous services	3,154.9	19.8%	3,314.6	20.4%	159.7	0.6% P
Public sector	-	-	-	-	-	-
Others (including individual loans)	933.8	5.9%	966.6	5.9%	32.8	0.1% P
Total	15,930.7	100.0%	16,267.5	100.0%	336.8	-

◇ Reserve Ratio, Profit Performance Analysis

Reserve ratio (potentially bankrupt, borrowers requiring monitoring)



Status of earnings by principal operation (1H FY2012)



<Balance of loans and bills discounted ¥2.7 trillion> <Balance of loans and bills discounted ¥1.4 trillion> <Balance of loans ¥1.4 trillion> <Amount of client's assets ¥1.1 trillion>

◇ Cost Efficiency

Breakdown of expenses

(Billions of yen)

	1H FY2009	FY2009	1H FY2010	FY2010	1H FY2011	FY2011	1H FY2012	change from 1H FY2011	Forecast for FY2012	YoY change
Total expenses	35.7	69.9	35.4	69.6	35.3	69.1	35.2	(0.10)	69	(0.10)
Personnel expenses	17.7	35.5	17.5	35.1	17.6	35.0	17.7	0.10	35.3	0.30
Non-Personnel expenses	15.9	31.6	15.5	31.4	15.6	31.3	15.4	(0.20)	30.7	(0.60)
Depreciation ①	2.6	5.3	2.7	5.8	3.0	5.9	2.4	(0.60)	-	-
Deposit insurance co ②	2.6	5.2	2.7	5.4	2.7	5.5	2.9	0.20	-	-
Others (Excluding ① & ②)	10.6	21.0	10.1	20.1	9.7	19.8	10.0	0.30	-	-
Tax	2.0	2.8	2.1	3.0	2.1	2.8	2.0	(0.10)	2.9	0.10
OHR (Core net business income)	60.7%	63.1%	63.1%	62.5%	64.6%	63.7%	64.8%	0.2%	-	-

(Billions of yen)

	FY2011		FY2012(Forcast)	
	YoY change	Factors	YoY change	Factors
Personal expenses	(0)		+0.3	○In increase Social insurance +0.3
Non-Personal expenses	(0)	○In increase Deposit insurance cost +0.1 Depreciation +0.1 Repair cost +0.1 ○In decrease Administrative cost (0.4)	(0.6)	○In increase ○In decrease Depreciation (0.6) (system)

Number of employees / branches

(Number)

	09/9	10/3	10/9	11/3	11/9	12/3	12/9	YoY change
Number of employees	3,529	3,442	3,443	3,360	3,457	3,358	3,417	(40)
Network	405	397	397	400	402	403	409	7
Domestic	173	173	174	176	176	176	177	1
Overseas	1	1	1	1	1	1	2	1
ATM spot	231	223	222	223	225	226	230	5
ATM	24,952	25,718	26,591	27,307	28,143	29,104	30,277	2,134
Own	880	871	875	888	891	876	878	(13)
E-net (alliance)	9,884	10,256	10,761	11,056	11,247	11,596	12,069	822
Seven bank (alliance)	14,188	14,591	14,955	15,363	16,005	16,632	17,330	1,325

◇ Management Indices (Non-consolidated)

Management Indices (Non-consolidated)

	1H FY2009	FY2009	1H FY2009	FY2010	1H FY2011	FY2011	1H FY2012	YoY change
EPS (Yen)*1	9.25	16.81	13.77	16.74	11.32	21.91	14.54	3.22
BPS (Yen)	479.00	546.20	548.70	544.70	544.12	575.02	580.91	36.79
ROE (Net income basis: %)*2	3.63%	3.27%	5.01%	3.07%	4.14%	3.92%	5.03%	0.89p
OHR (Core business profit basis: %)	60.70%	60.60%	63.10%	62.50%	64.60%	63.70%	64.80%	0.20p
ROA (Core business profit basis: %)	0.62%	0.61%	0.56%	0.57%	0.50%	0.51%	0.48%	△0.02p

*1 The denominator of the equation for EPS is the average number of shares outstanding,

and the denominator of the equation for BPS is the number of shares outstanding at end of fiscal year (both excluding treasury stock)

*2 ROE figures are on top: net income ÷ (balance of net assets at end of previous fiscal year

+ balance of net assets at end of period) ÷ 2

Reference Indices

	09/9	10/3	10/9	11/3	11/9	12/3	YoY change
Loans and bills discounted	43.12%	43.24%	43.13%	43.25%	43.03%	44.17%	1.14p
Deposits	42.68%	42.75%	42.23%	42.71%	42.86%	43.32%	0.46p

* Share of deposits and loans in Ibaraki Prefecture, final figures for FY2011.

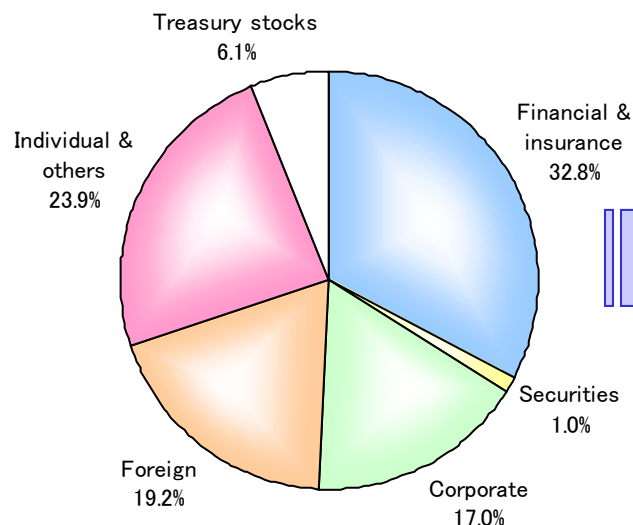
◇ Shareholder Composition



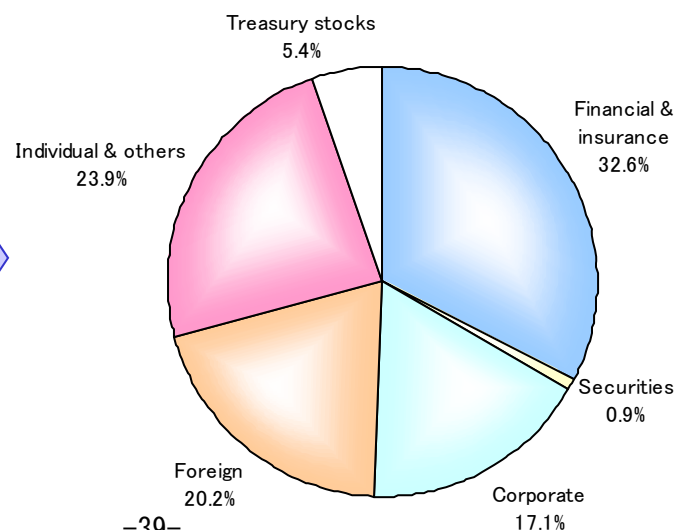
Shareholder composition

	10/3			11/3			11/9			12/3			12/9			change from 12/3		
	Stockholders	Stock (Thousands)	%	Stockholders	Stock (Thousands)	%	Stockholders	Stock (Thousands)	%	Stockholders	Stock (Thousands)	%	Stockholders	Stock (Thousands)	%	Stockholders	Stock (Thousands)	%
Public sector	3	297	0.0%	3	297	0.0%	3	297	0.0%	3	297	0.0%	3	297	0.0%	0	0	0.0%p
Financial & insurance	77	292,891	35.6%	70	270,162	33.1%	64	267,760	32.8%	65	265,761	32.8%	57	260,229	32.6%	(8)	(5,532)	△0.2%p
Securities	50	7,168	0.9%	46	7,737	0.9%	40	5,810	0.7%	38	7,944	1.0%	38	6,862	0.9%	0	(1,082)	△0.1%p
Corporate	996	140,828	17.1%	1,044	138,425	17.0%	1,030	139,121	17.0%	1,001	137,701	17.0%	985	136,554	17.1%	(16)	(1,147)	0.1%p
Foreign	306	137,273	16.7%	316	151,982	18.6%	294	157,031	19.2%	289	155,269	19.2%	297	161,553	20.2%	8	6,284	1.1%p
Individual & others	28,878	194,403	23.6%	29,674	198,209	24.3%	29,245	196,880	24.1%	28,339	193,886	23.9%	28,367	190,936	23.9%	28	(2,950)	△0.0%p
Treasury stocks	1	49,367	6.0%	1	49,416	6.1%	1	49,329	6.0%	1	49,370	6.1%	1	42,798	5.4%	0	(6,572)	△0.7%p
Total	30,311	822,231	100.0%	31,154	816,231	100.0%	30,677	816,231	100.0%	29,736	810,231	100.0%	29,748	799,231	100.0%	12	(11,000)	0.0%p

March, 2012



September, 2012



(thousand)

Increase

Foreign +6,284

Decrease

Financial & insurance (5,532)

Individual (2,950)

Corporate (1,147)

Securities (1,082)

Treasury stock* (6,572)

* 11 million shares cancelled in Sept. 2012

48 million shares held as of Nov. 2012

◇ Affiliated Companies



(Millions of yen)

	Business Description	Ordinary revenue	Ordinary profit	Net income after tax
The Joyo Lease Co., Ltd.	Leasing of machinery and equipment, and claim acquisition	8,095	472	269
The Joyo Credit Guarantee Co., Ltd.	Credit guarantee of housing loans from Joyo Bank	1,495	802	457
The Joyo Computer Service Co., Ltd.	Development and sales of software and other products, and contract data processing	608	△19	△12
The Joyo Credit Co., Ltd.	Credit card services	597	93	57
The Joyo Equipment Management Co., Ltd.	Maintenance and management of business property and equipment of the Joyo Bank	572	126	0
The Joyo Cash Service Co., Ltd.	Maintenance and management of Joyo Bank ATMs	495	1	0
The Joyo Securities Co., Ltd.	Trading of securities and mediation, commission and proxy trading of securities	428	15	14
The Joyo Business Service Co., Ltd.	Agent in charge of administrative work for Joyo Bank	406	1	0
The Joyo Industrial Research Institute, Ltd.	Consulting services and contract investigation and research services	210	22	14
Total		12,911	1,517	802

◇ Economic Indicators for Ibaraki Prefecture (1)

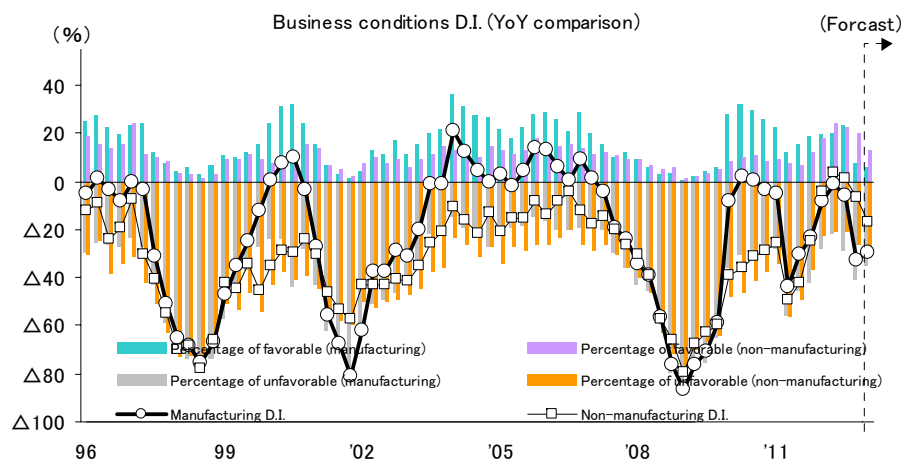
Basic data

Contents		Units	Ibaraki	Japan	Rank	Date
Land area	Total land area	km ²	6,096	377,950	24	Oct 1, 2011
	Habitable land area	km ²	3,982	122,147	4	Oct 1, 2011
Population	Population	Thousand	2,960	127,800	11	Oct 1, 2011
	Proportion of senior citizens	%	22.9	23.3	36	Oct 1, 2011
Economy	Prefectural GDP (nominal)	¥ Billion	10,312.4	474,040.2	12	FY2009
	Average prefectural income (per capita)	¥ Thousand	2,653	2,660	16	FY2009
Industry	Farm output	¥ Billion	430.6	8,121.4	2	2010
	Value of manufactured goods shipped (more than 4 employees)	¥ Billion	10,545.8	285,482.8	8	2010
	Annual merchandise sales (wholesale)	¥ Billion	3,911.1	413,531.7	16	2007
	Annual merchandise sales (retail)	¥ Billion	2,958.8	134,705.4	13	2007
	Number of business establishments (private)	-	127,252	5,886,193	13	2009
	Number of plants constructed / Plant area	Plants / ha	15/64	469/718	8/2	1H FY2012

Source: Statistics Div. of Ibaraki Pref. Ministry of Public Management, Ministry of Economy, Trade and Industry, The Cabinet Office

Business conditions D.I. [YoY comparison]

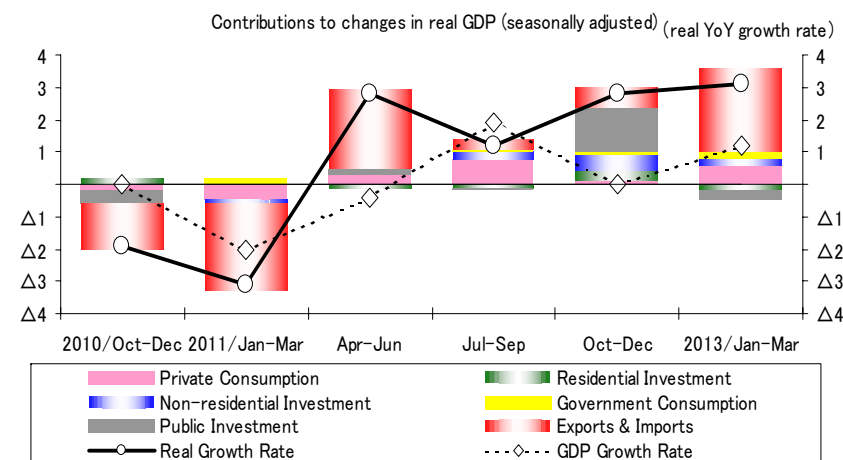
◇ Business conditions D.I. (July–September, 2012)
Manufacturing and non-manufacturing : First decrease in last 5 months



Source: Jyoyo Area Research Center

Contributions to changes in real GDP [seasonally adjusted]

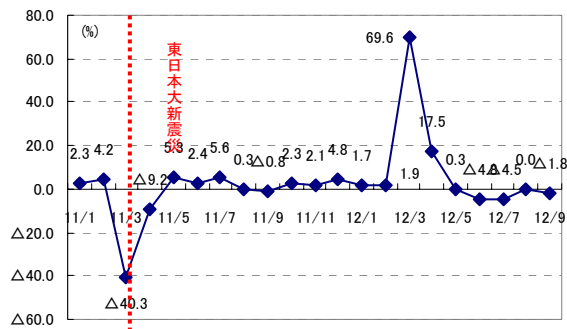
◇ Continuous GDP growth in Ibaraki over last 4 quarters



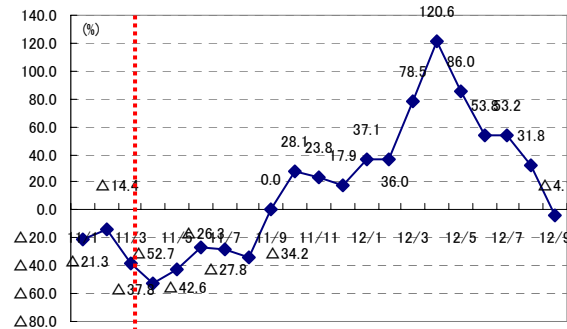
Source: Statistics Div. Of Ibaraki Pref. The Cabinet Office

◇ Economic Indicators for Ibaraki Prefecture (2)

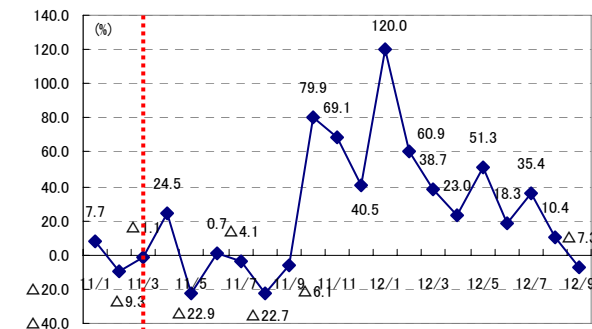
Large-scale retail store sales (YoY)



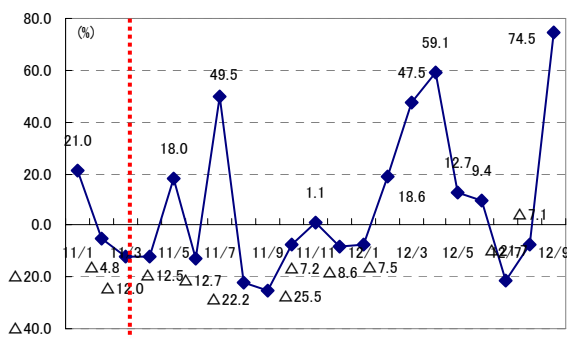
Total number of registered new automobiles (YoY)



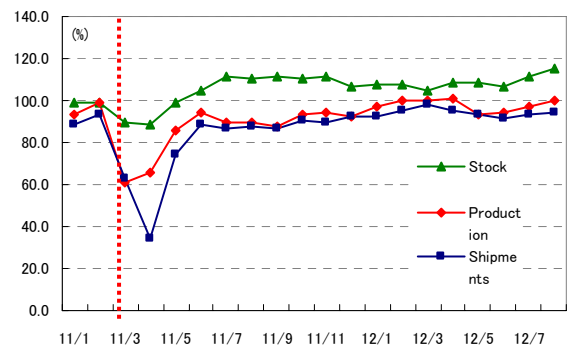
Value of public construction starts by order (YoY)



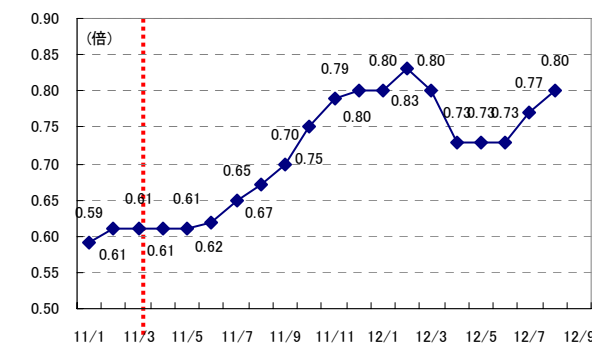
New housing starts (YoY)



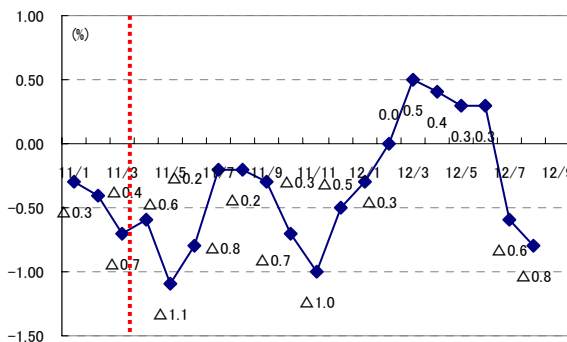
Industrial production (2005=100)



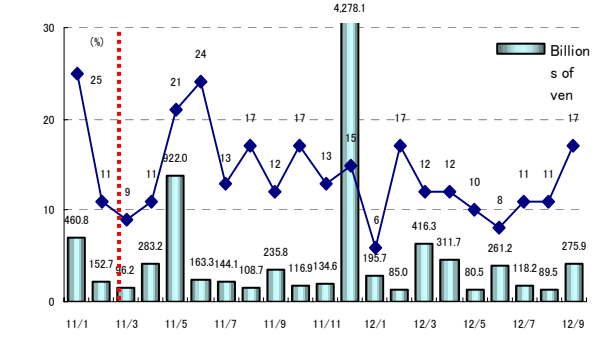
Ratio of job offers to job seekers



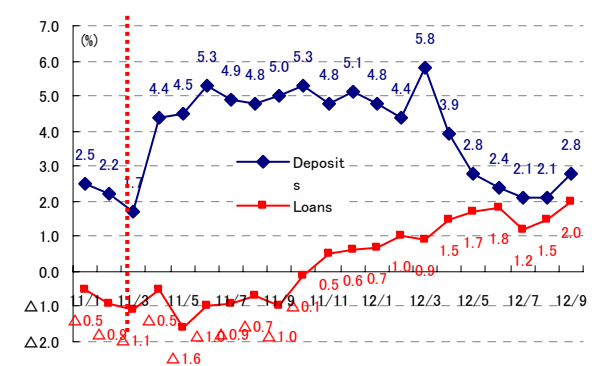
Consumer prices (YoY)



Business bankruptcies (number and value)



Deposits, Loans and bills discounted (YoY)





Inquiries related to this presentation should be addressed to:

The Jojobank, Ltd.

Corporate Planning Division

Investor Relations

TEL: (81) 29-300-2603

FAX: (81) 29-300-2602

e-mail: ir@joyobank.co.jp

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

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