



Financial Results for the First Half of FY2013 and Projections for FY2013

To be the best partner bank that grows with its customers



1. Financial High lights for the 1H of FY2013

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◇ Financial Highlights for the 1H FY2013 (1)

- ◇ Business profit declined year on year mainly due to decreasing yields on loans and gains on bonds
- ◇ Ordinary profit and net income after tax increased year on year and exceeded projection due to improvement in gains on stocks

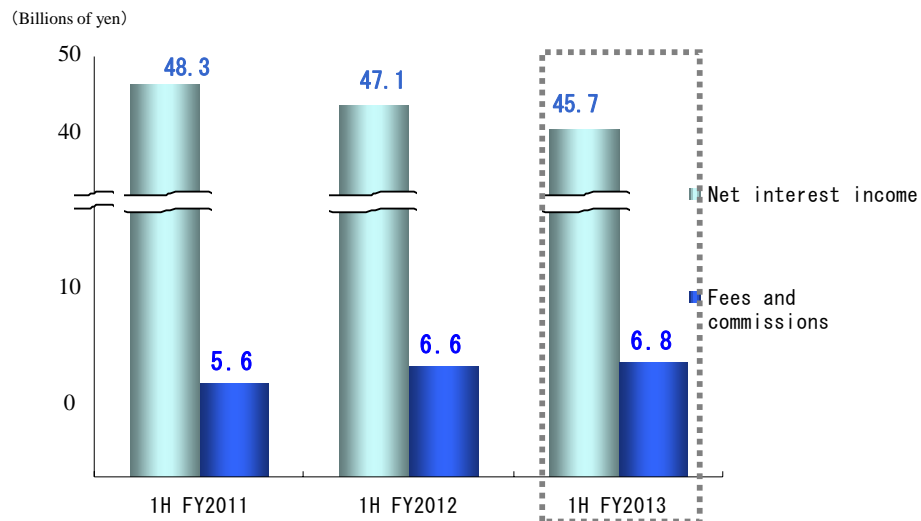
Financial highlight (Non-consolidated)

	1H FY2011	1H FY2012 ①	1H FY2013 ②	YoY change ②-①	change ratio (②-①)/①	Projection for 1H FY2013 ③	Versus projection ②-③	
Gross business profit	57.6	57.3	53.7	(3.5)	(6.2%)	57.0	(3.2)	
Net interest income	48.3	47.1	45.7	(1.4)	(3.0%)	45.5	0.2	} Refer to breakdown of Top-line on P3
Fees and commissions	5.6	6.6	6.8	0.1	2.7%	8.0	(1.1)	
Net other operating profit	3.5	3.5	1.2	(2.3)	(65.3%)	3.5	(2.2)	
Gains/losses on bonds	2.8	2.8	0.4	(2.4)	(84.5%)	3.0	3.6	} Refer to breakdown of Expenses on P4
Expenses	35.3	35.2	36.1	0.8	2.4%	36.0	0.1	
Net transfer to general reserve for possible loan losses (A)	2.0	(0.7)	(1.5)	(0.8)	107.7%	(0.5)	(1.0)	
Business profit	20.1	22.8	19.2	(3.6)	(15.7%)	21.5	(2.2)	
Core business profit	19.3	19.1	17.1	(1.9)	(10.3%)	18.0	(0.8)	
Net non-recurring gains(losses)	(6.9)	(6.9)	0.7	7.6	(110.0%)	(4.5)	5.2	
Disposal of non-performing loans (B)	4.1	5.0	5.6	0.6	12.2%	4.5	1.1	
Gains/losses on stocks	(1.2)	(2.0)	6.2	8.2	(404.8%)			
Ordinary profit	13.2	15.8	19.9	4.0	25.6%	17.0	2.9	
Net special gains (losses)	(0.4)	(0.2)	(0.2)	(0.0)	(4.5%)	0.0	(0.2)	
Net income before income taxes and others	12.8	15.6	19.6	4.0	26.1%	17.0	2.6	
Net income after tax	8.6	11.0	12.4	1.4	12.8%	11.0	1.4	
Net credit costs (A) + (B)	6.2	4.2	4.0	(0.2)	(5.0%)	4.0	0.0	
(Reference)								
Ordinary profit (Consolidated)	15.1	17.5	22.3	4.8	27.4%	19.0	3.3	} Refer to breakdown of Consolidated profit on P5
Net income after tax (Consolidated)	9.2	11.9	14.2	2.2	19.1%	12.0	2.2	

◇ Financial Highlights for the 1H FY2013 (2) ~Top-line~

◇ Net interest income declined by ¥1.4 billion (down 3.0% YoY), though such fees and commissions from asset management increased by ¥0.1 billion (up 2.7% YoY)

Breakdown of Top-line



(Billions of yen)

	1H FY2011	1H FY2012	1H FY2013	change from 1H FY2012	YoY change	Projection	Versus Projection
		①	②	②-①	(②-①)/①	③	②-③
Net interest income ①	48.3	47.1	45.7	△1.4	(3.0%)	45.5	0.2
Interest income on loans	38.7	36.7	34.9	△1.8	(5.0%)	-	-
Interest income on securities	12.1	12.5	12.8	0.3	+2.4%	-	-
Interest expenses on deposits	2.3	1.8	1.3	△0.4	(26.1%)	-	-
Fees and commissions ②	5.6	6.6	6.8	0.1	+2.7%	8.0	(1.1)
Investment trusts, annuities and whole-life insurance	2.0	2.4	2.9	0.5	+20.3%	-	-
(Investment trusts)	1.3	1.1	1.9	0.7	+64.9%	-	-
(annuities and whole-life insurance)	0.7	1.2	1.0	△0.2	(20.6%)	-	-
TOTAL (①+②)	54.0	53.7	52.5	△1.2	(2.3%)	53.5	(0.9)

Breakdown of Net interest income

(Billions of yen)

	Total		1 H FY2013				
	Results	change from 1H FY2012	Domestic		Foreign		
			Results	YoY change	Results	YoY change	
Net interest income	33.5	(1.3)	33.5	(1.5)	0.0	0.1	
Interest income on loans	34.9	(1.8)	34.8	(1.9)	0.1	0.0	
【Breakdown by factors】							
Average balance	-	1.3	-	1.2	+¥182.4 billion	-	0.0
Yield	-	(3.2)	-	(3.2)	(0.12%)	-	(0.0)
Interest expenses on deposits	1.3	(0.4)	1.3	(0.4)	0.0	(0.0)	

Breakdown of interest income on securities

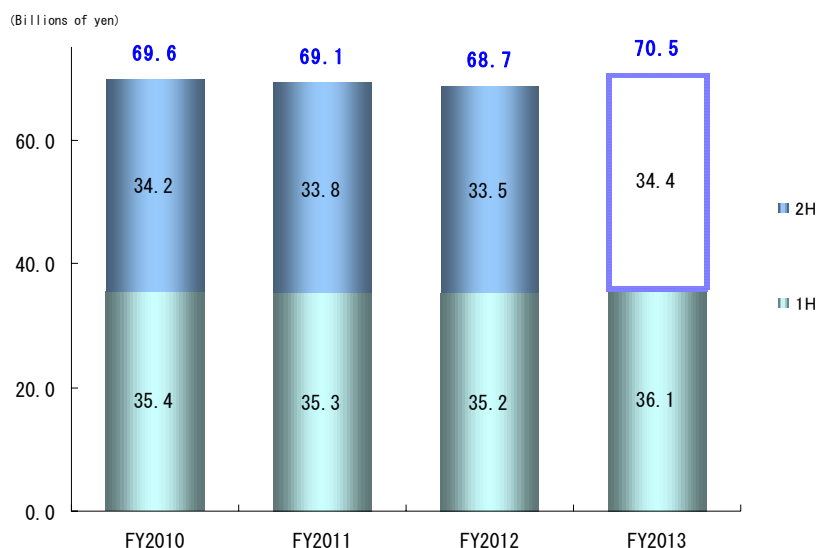
(Billions of yen)

	Total		1 H FY2013				
	Results	change from 1H FY2012	Domestic		Foreign		
			Results	change from 1H FY2012	Results	change from 1H FY2012	
Interest income on securities	12.8	0.3	10.4	(0.5)	2.3	0.8	
【Breakdown by factors】							
Average balance	-	1.4	-	0.6	+¥133.3 billion	-	0.8
Yield	-	(1.1)	-	(1.2)	(0.10%)	-	0.0

◇ Financial Highlights for the 1H FY2013 (3) ~Expenses~

◇ Expanded our branch network and invested IT Sectors to strengthen competitiveness and further growth

Expenses



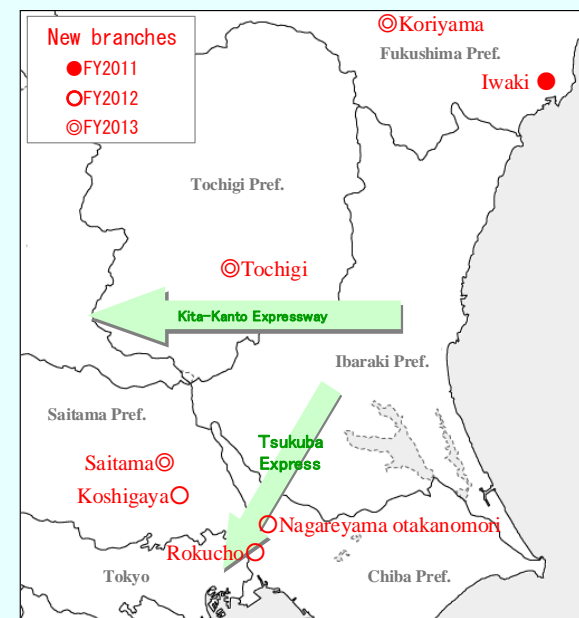
(Billions of yen)

	1H FY2011	2H FY2011	1H FY2012 ①	2H FY2012 ②	1H FY2013 ③	YoY change ③-①	Target for 2H FY2013 ④	YoY change ④-②
Personnel expenses	17.6	17.4	17.7	17.4	17.6	(0.1)	17.5	0.1
Non-Personnel expenses	15.6	15.7	15.4	15.2	16.4	1.0	15.9	0.7
depreciation	3.0	2.9	2.4	2.7	2.7	0.3	-	-
deposit insurance cost	2.7	2.8	2.9	1.9	3.0	0.1	-	-
Ohters (Excluding ① & ②)	9.7	10.1	10.0	10.5	10.6	0.6	-	-
Tax	2.1	0.7	2.0	0.9	2.1	0.1	1.0	(1.1)
Total	35.3	33.8	35.2	33.5	36.1	0.8	34.4	0.9
OHR	61.3%	61.1%	61.5%	61.7%	67.2%	+5.6%	63.8%	2.1%

Strategies

◆ Branch network expansion

- 【FY2011】
 - Iwaki loan plaza
- 【FY2012】
 - Nagareyama otakanomori branch
 - Rokucho branch
 - Koshigaya loan plaza
- 【FY2013】
 - Saitama branch
 - Tochigi branch
 - Koriyama loan plaza



◆ Strategic investment to strengthen competitiveness

- Loan Officer/Loans BPR (launch in Feb. 2014)
- New branch terminal system (launch in 1st half of FY2014)
- Increasing backbone network capacity (launch in 2nd half of FY2013)

◇ Financial Highlights for the 1H FY2013 (4) ~ Affiliated Companies ~



◇ Efforts to strengthen cooperation with affiliated companies, the variance with Jojo non-consolidated increased

Consolidated profit

	1H FY2013 Consolidated		1H FY2013 Non-consolidated		①-②	
	①	YoY change	②	YoY change		YoY change
Ordinary profit	22.3	4.8	19.9	4.0	2.4	+0.7
Net income after tax	14.2	2.2	12.4	1.4	1.7	+0.8

(Billions of yen)

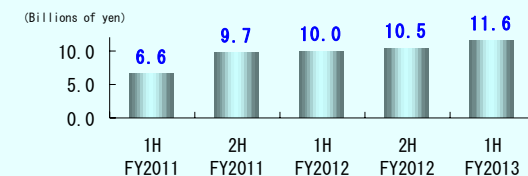
Financial results of affiliated companies

	Business Description	Ordinary revenue		Ordinary profit		Net income after tax	
		YoY change	YoY change	YoY change	YoY change		
Profitable	The Jojo Lease Co., Ltd.	8,429	333	453	(19)	312	42
	The Jojo Securities Co., Ltd.	901	473	363	347	334	319
	The Jojo Computer Service Co., Ltd.	687	79	(35)	(16)	(22)	(10)
	The Jojo Industrial Research Institute, Ltd.	205	(4)	(6)	(29)	(4)	(19)
Outsourcing	The Jojo Credit Guarantee Co., Ltd.	1,655	160	1,167	364	707	250
	The Jojo Credit Co., Ltd.	554	(42)	80	(12)	49	(8)
	The Jojo Business Service Co., Ltd.	480	73	1	0	0	0
	The Jojo Cash Service Co., Ltd.	559	63	1	0	0	0
	The Jojo Equipment Management Co., Ltd.	594	21	136	10	203	202
	【consolidation journal entry】	(3,723)	(161)	305	104	159	77
	Total	10,345	996	2,467	749	1,739	854

(Millions of yen)

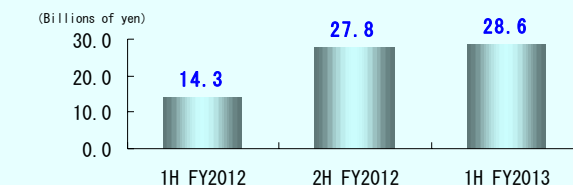
◆ The Jojo Lease Co., Ltd

- Efforts to strengthen cooperation with Jojo bank, leasing cars, medical/health care fields, solar energy facilities increased



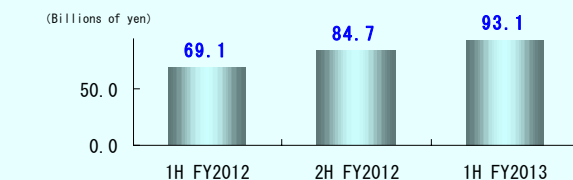
◆ The Jojo Securities Co., Ltd

- Expanded securities brokerage service to all branches of Jojo bank from February 2013



◆ The Jojo Credit Guarantee Co., Ltd

- Increased fees from housing loan and decreased credit costs

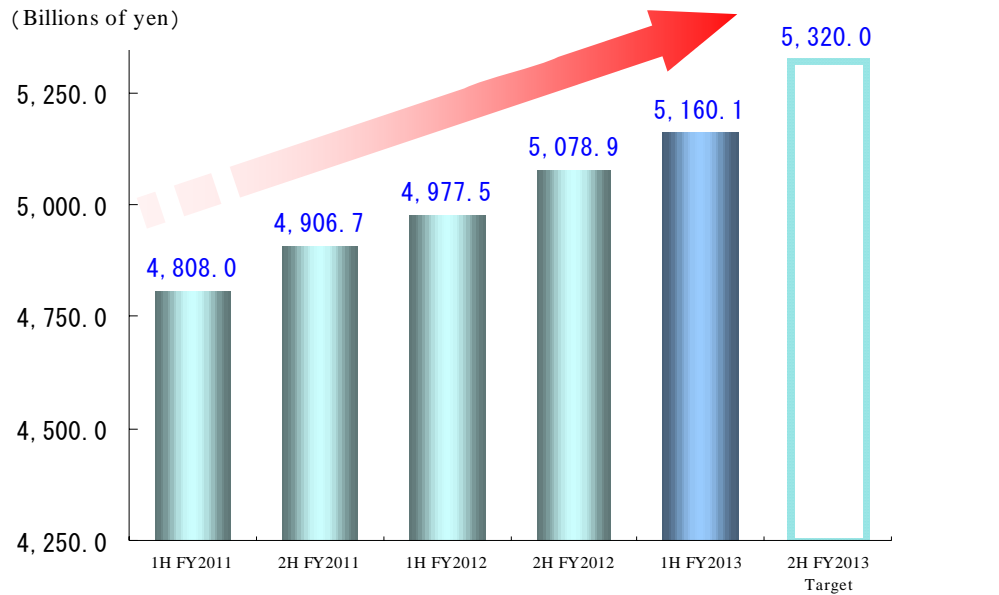


◇ Average Balance of Loans and Deposits

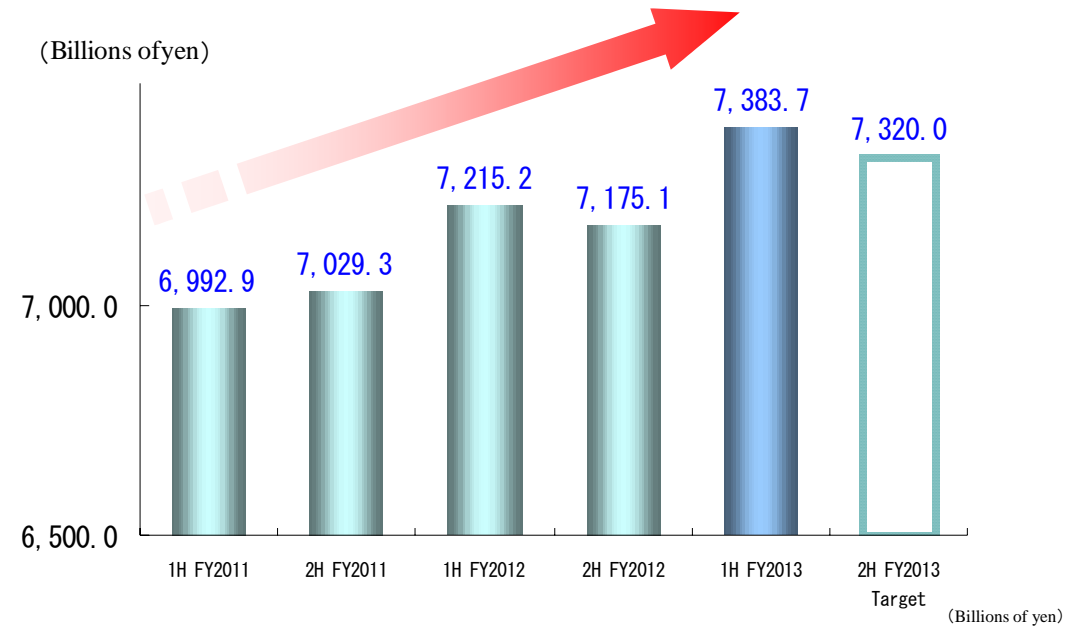
◇ Efforts to strengthen medical/health care fields and housing-related loans, the balance of loans and bills discounted increased year on year by ¥182.6 billion (a 3.6% annual increase)

◇ Deposits continued on an upward trend, the average balance increased by ¥168.5 billion (a 2.3% annual increase)

Average balance of loans and bills discounted



Average balance of yen-denominated deposits



	1H FY2011	2H FY2011	1H FY2012 ①	2H FY2012 ②	1H FY2013 ③	YoY change ③-①	change from 2H FY2012 ③-②	Target for 2H FY2013 ④	YoY change ④-②
Corporate	2,523.7	2,586.6	2,578.7	2,625.5	2,632.8	54.1	7.3	2,675.0	49.5
Ibaraki and its adjoining areas	1,366.3	1,388.5	1,364.8	1,372.3	1,372.7	7.9	0.4	1,410.0	37.7
Tokyo and Osaka	1,157.4	1,198.1	1,213.9	1,253.2	1,260.1	46.2	6.9	1,265.0	11.8
Individual	1,529.4	1,551.2	1,598.5	1,658.9	1,734.0	135.5	75.1	1,860.0	201.1
Public sector	754.9	768.9	800.3	794.5	793.3	(7.0)	(1.2)	785.0	(9.5)
Total	4,808.0	4,906.7	4,977.5	5,078.9	5,160.1	182.6	81.2	5,320.0	241.1

*Refer to end-balance on appendix, P26-P27

	1H FY2011	2H FY2011	1H FY2012 ①	2H FY2012 ②	1H FY2013 ③	YoY change ③-①	change from 2H FY2012 ③-②	Target for 2H FY2013 ④	YoY change ④-②
Corporate	1,300.1	1,341.0	1,384.0	1,373.4	1,419.5	35.5	46.1	1,415.0	41.6
Individual	5,296.5	5,360.2	5,416.8	5,452.4	5,518.0	101.2	65.6	5,535.0	82.6
Public sector	396.3	328.1	414.4	349.3	446.2	31.8	96.9	370.0	20.7
Total	6,992.9	7,029.3	7,215.2	7,175.1	7,383.7	168.5	208.6	7,320.0	144.9
Ratio of current deposits	59.0%	59.2%	60.0%	60.1%	61.2%	+1.2%	+1.0%	+61.0%	+0.9%
Ratio of time deposits	41.0%	40.8%	40.0%	39.9%	38.8%	(1.2%)	(1.0%)	+39.0%	(0.9%)

*Refer to end-balance on appendix, P28

◇ Loan-deposit Interest Margins/Average yields on Loans and bills discounted

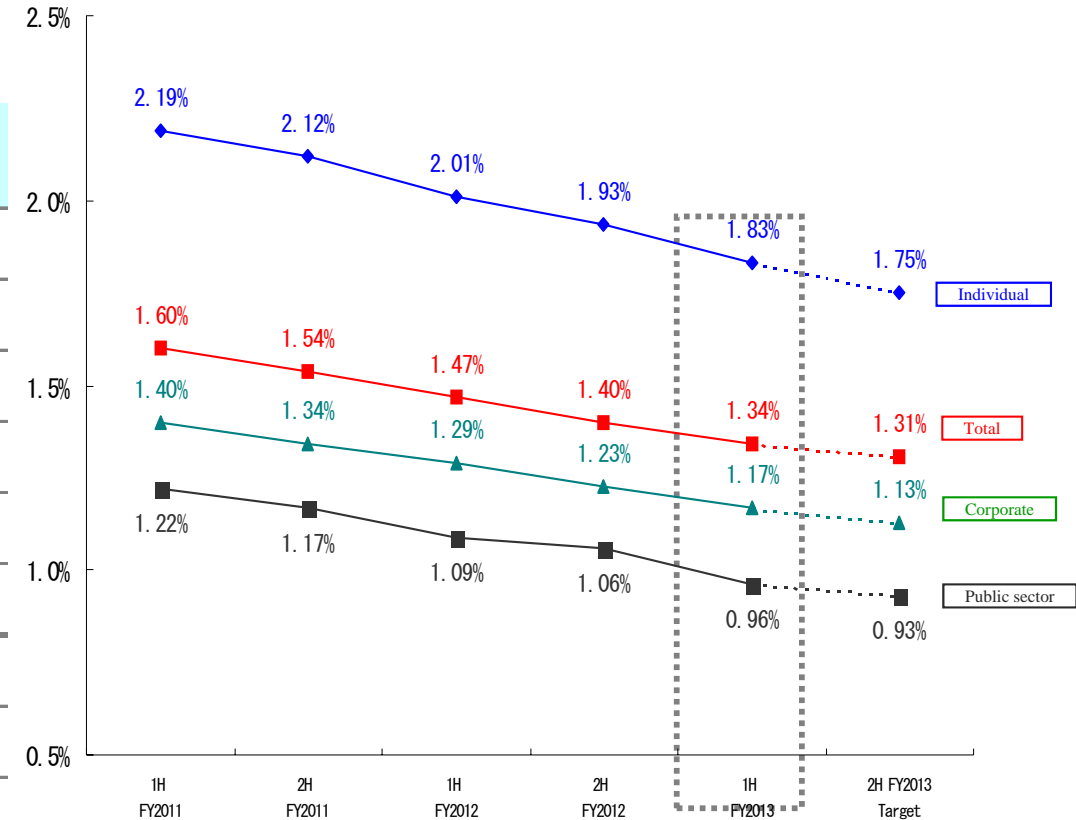
◇ Average yield on loans and bills discounted: Result in 1H FY2013: 1.34% (down 13bp YoY)
 Projection in 2H FY2013: 1.31% (down 10bp YoY)

◇ Loan-deposit interest margins: Result in 1H FY2013: 1.31% (down 11bp YoY).
 Projection in 2H FY2013: 1.28% (down 10bp YoY)

Loan-deposit interest margins, Total interest margin

		1HFY2011	1HFY2012 ①	1HFY2013 ②	YoY change ②-①	Target for FY2013 ③	YoY change ③-②
Average yield on interest-earning assets	(A)	1.39%	1.29%	1.20%	(0.09%)	-	-
Average yield on loans and bills discounted	(B)	1.60%	1.47%	1.34%	(0.13%)	1.31%	(0.1%)
Average yield on securities		1.12%	1.06%	0.99%	(0.07%)	0.92%	(0.02%)
Funding cost	(C)	1.07%	1.01%	0.98%	(0.03%)	-	-
Average yield on deposits	(D)	0.06%	0.05%	0.03%	(0.02%)	0.03%	±0%
Average yield on external liabilities		0.99%	0.96%	0.96%	±0%	-	-
Loan-deposit interest margins	(B) - (D)	1.54%	1.42%	1.31%	(0.11%)	1.28%	(0.1%)
Total interest margin	(A) - (C)	0.32%	0.28%	0.22%	(0.06%)	-	-

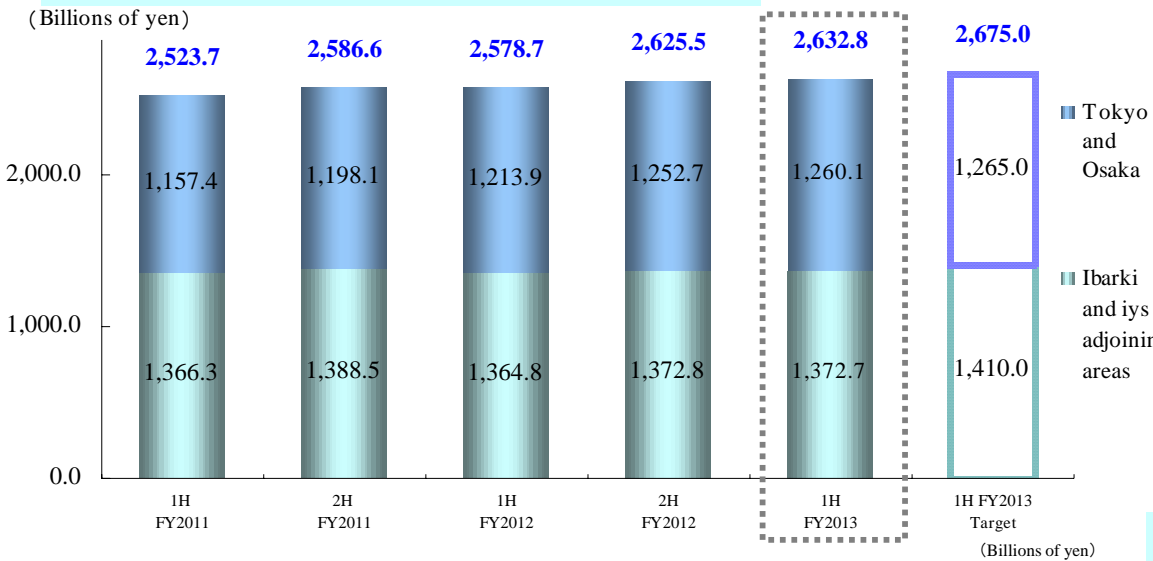
Average yields on loans and bills discounted(JPY)



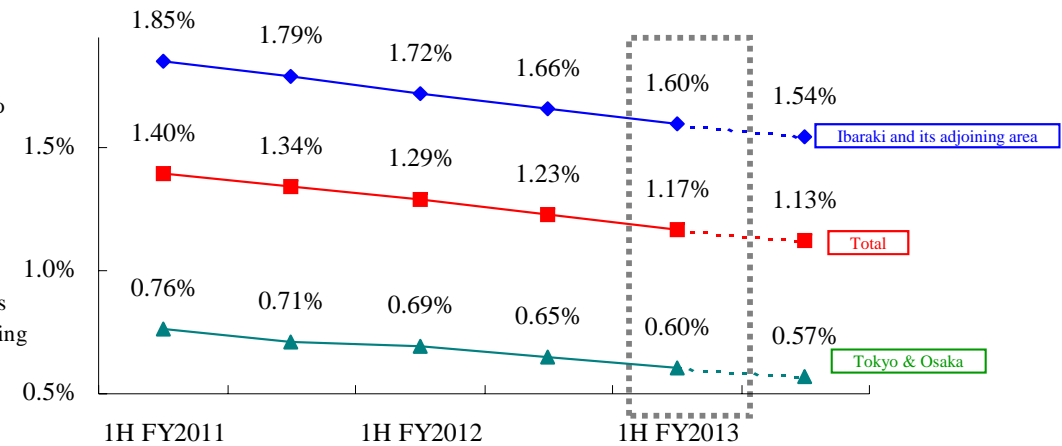
◇ Corporate Loans

- ◇ Efforts in growth fields such as medical/health care and corporate loans in Tokyo, the balance is still on upward trend
- ◇ Intensification of efforts in growth fields, reached a turning point to increase the balance of Ibaraki and its adjoining area

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



Yields on corporate loans



Efforts in growth fields

	1H FY2011	2H FY2011	1H FY2012 ①	2H FY2012 ②	1H FY2013 ③	YoY change ③-①	Target for 2H FY2013 ④	change from 2H FY2012 ④-②
Corporate loans	2,523.7	2,586.6	2,578.7	2,625.5	2,632.8	54.1	2,675.0	49.5
Ibaraki and its adjoining areas	1,366.3	1,388.5	1,364.8	1,372.8	1,372.7	7.9	1,410.0	37.2
Ibaraki	977.4	990.7	986.1	991.3	987.7	1.6	-	-
Miyagi and Fukushima	212.8	214.9	206.3	205.2	204.0	(2.3)	-	-
Tochigi	86.0	86.6	86.0	86.3	88.2	2.2	-	-
Chiba and Saitama	90.1	96.3	86.4	90.0	92.8	6.4	-	-
Tokyo and Osaka	1,157.4	1,198.1	1,213.9	1,252.7	1,260.1	46.2	1,265.0	12.3
Major companies	1,088.4	1,118.2	1,124.4	1,150.7	1,153.7	29.3	-	-
Medium sized companies	120.4	121.6	121.3	119.6	115.8	(5.5)	-	-
Small companies	1,314.9	1,346.8	1,333.0	1,352.2	1,363.3	30.3	-	-

	2HFY2011	1HFY2012 ①	2HFY2012 ②	1HFY2013 ③	YoY change ③-①	change from 2HFY2012 ③-②	FY2013 Target
Medical/Health care	11.5	11.0	17.8	15.4	4.4	(2.4)	20.0
New energy	-	0.3	6.0	8.2	7.9	2.2	5.0
Equipment investment	41.4	38.7	57.5	56.9	18.2	(0.6)	-
Ibaraki and its adjoining area	37.2	33.0	45.3	45.8	12.8	0.5	-
Tokyo & Osaka	4.2	5.7	12.2	11.1	5.4	(1.1)	-
【Reference】 End-balance							
Medical/Health care	135.4	134.5	137.1	141.7	7.2	4.6	-

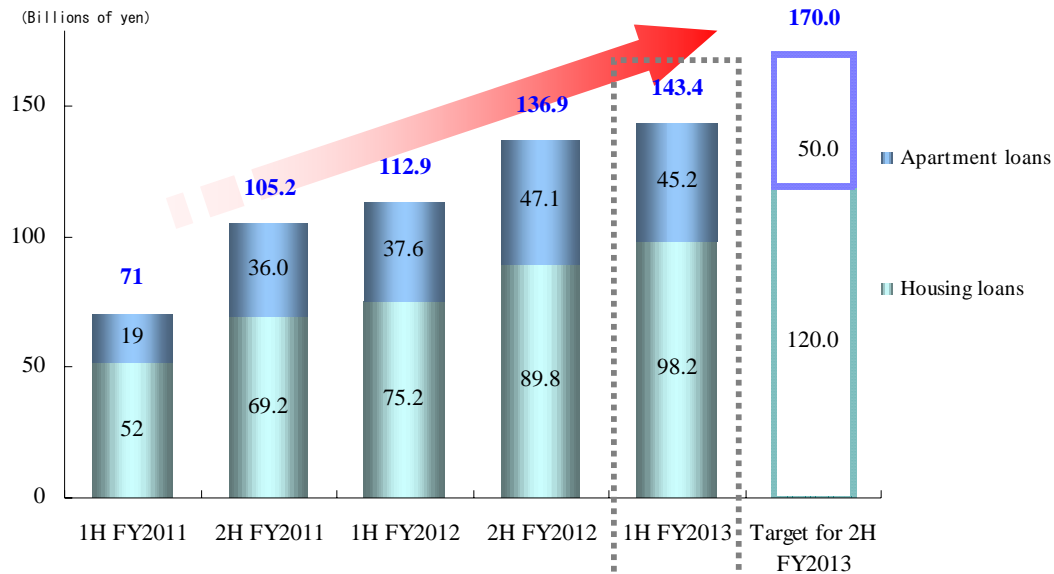
*Refer to end-balance on appendix. P26-P27

◇ Housing-Related Loans (1)

◇ Effect of branch network expansion and stronger relationships with major homebuilders and local homebuilding contractors, housing-related loans executed are still upward trend

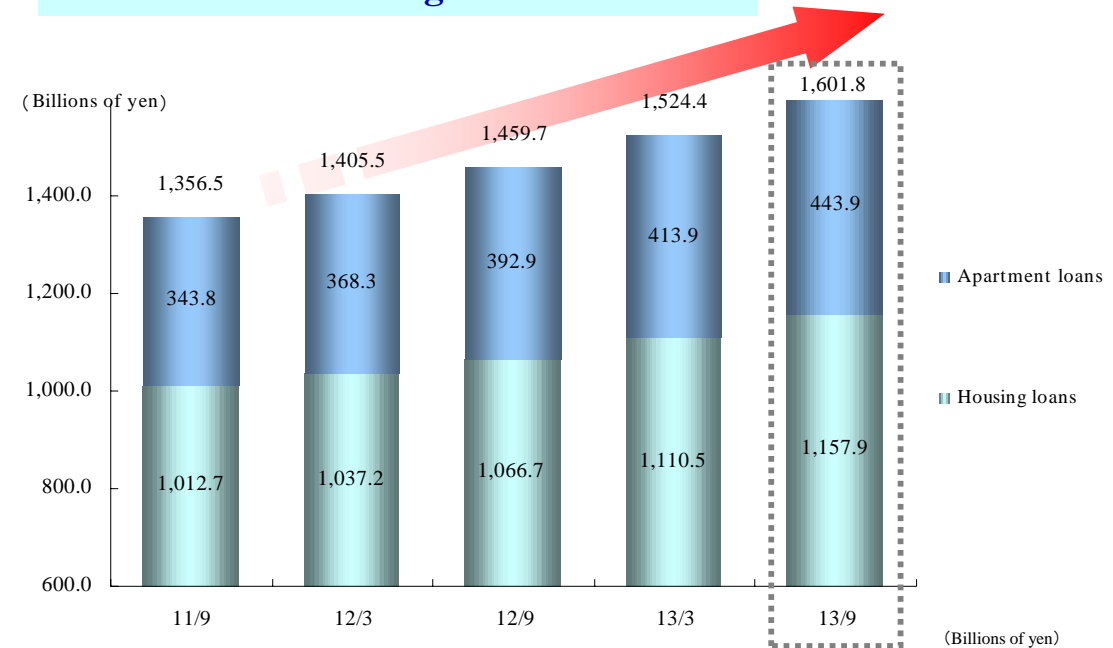
1H 2013: ¥143.4 billion (up ¥30.5 billion YoY, a 27% annual increase)

Housing-related loans executed



	1H FY2011	1H FY2012 ①	1H FY2013 ②	YoY change ③ (②-①)	YoY change ③/①	Target for 2H FY2013 ④	YoY change
Housing loans	51.5	75.2	98.2	22.9	30.5%	120.0	30.1
Ibaraki	43.7	61.5	78.2	16.7	27.1%	86.0	19.2
Miyagi and Fukushima	2.3	2.9	4.2	1.2	43.9%	6.5	2.4
Tochigi	3.4	5.0	5.1	0.1	2.5%	10.5	5.2
Chiba and Saitama	2.1	5.7	10.6	4.8	85.3%	17.0	3.2
Apartment loans	19.1	37.6	45.2	7.6	20.2%	50.0	2.9
Ibaraki	-	24.6	26.7	2.1	8.5%	27.0	(5.3)
Miyagi and Fukushima	-	2.9	6.9	4.0	137.9%	9.0	4.2
Tochigi	-	6.4	4.0	(2.4)	(37.5%)	6.0	0.8
Chiba and Saitama	-	3.4	7.7	4.3	126.4%	8.0	3.2
Total	70.7	112.9	143.4	30.5	27.0%	170.0	33.1

Balance of housing-related loans

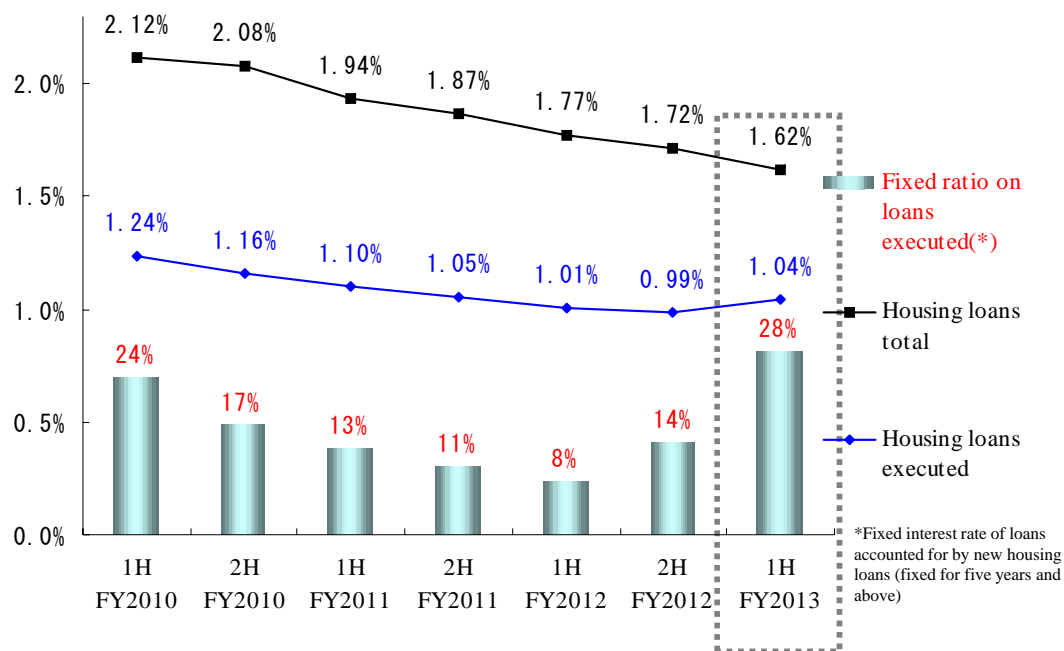


	11/9	12/9 ①	13/9 ②	YoY change ③ (②-①)	YoY change ③/①
Housing loans	1,012.7	1,066.7	1,157.9	91.2	8.5%
Ibaraki	895.4	934.2	994.1	59.9	6.4%
Fukushima and Miy	47.8	49.4	52.8	3.4	6.9%
Tochigi	40.2	46.7	53.4	6.7	14.3%
Chiba and Saitama	28.7	35.9	57.0	21.1	58.8%
Apartment loans	343.8	392.9	443.9	51.0	13.0%
Total	1,356.5	1,459.7	1,601.8	142.1	9.7%

◇ Housing-Related Loans (2)

- ◇ Due to a higher share of fixed interest rate on housing loans, yield on housing loans executed reached a turning point to increase
- ◇ Higher screening speed and stronger relationship with homebuilders will boost housing loans in 2H FY2013

Yields on housing loans



Housing starts in Ibaraki Prefecture



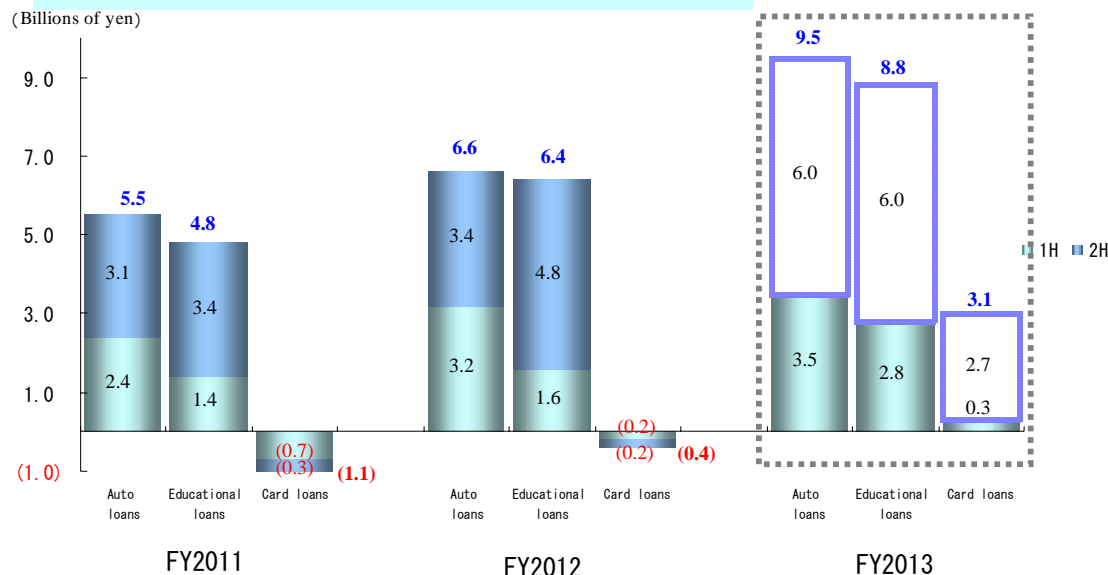
◇ Strategies in FY2013

- ◆ Boost screening speed and other areas (rearrange operational flow, redeploy Loan Plaza employees, etc.)
- ◆ Strengthen relationships with major homebuilders and local homebuilding contractors (increase business operator supervisors, manage progress using CRM, etc.)
- ◆ Strengthen renovation loan measures (web-site renewal scheduled for the first half of FY2013, etc.)
- ◆ Address customers' needs for fixed interest rates

◇ Consumer Loans

◇ Increase consumer loans executed mainly by promoting online loan application, advancing web-based service and further enhancing cross-selling. 1H FY2013 loans executed: ¥6.6 billion (up ¥2.0 billion YoY); 2H FY2013 target: ¥14.7 billion (up ¥6.7 billion YoY)

Consumer loans executed



Online loan applications

【Online loan applications】

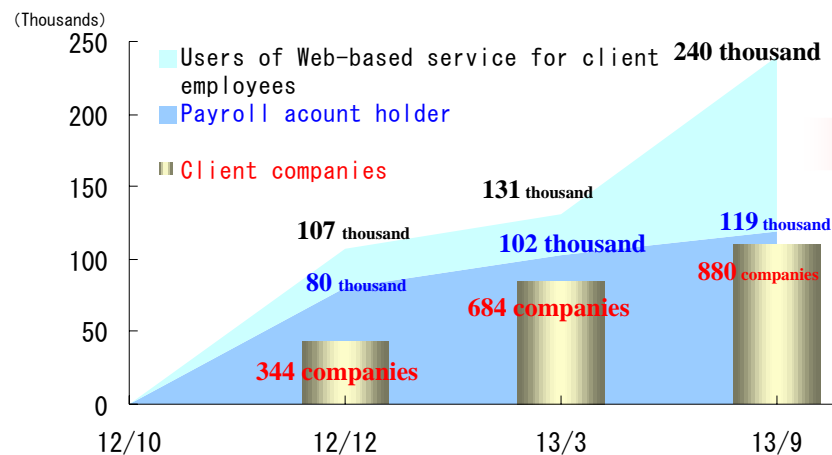
		FY2011		FY2012		1H FY2013	YoY change	change from 2H FY2012	Users of Web-based service for client employees※		change
		1H	2H	1H	2H				FY2012 2H	FY2013 1H	
Auto loans	Number	639	1,379	1,808	2,787	3,255	1,447	468	244	363	119
	Amount	0.5	1.1	1.5	2.1	2.4	0.9	0.3	0.4	0.6	0.2
Educational loans	Number	84	401	216	937	480	264	(457)	214	281	67
	Amount	0.2	0.7	0.5	1.7	1.0	0.6	(0.7)	0.7	0.9	0.2
Total	Number	723	1,780	2,024	3,724	3,735	1,711	11	458	644	186
	Amount	0.7	1.8	2.0	3.8	3.5	1.5	(0.4)	1.1	1.5	0.4
【Reference】	Number	20	348	397	507	643	246	136	※Applications through Web-based service for client employees		
Housing loans	Amount	0.1	2.9	3.3	4.1	5.3	2.0	1.1			

Cross-selling

*Amount of average card loan balance increase

	12/9	13/3 ①	13/9 ②	change from 13/3 ②-①
Borrowers of housing loans (Number)	74,739	76,787	78,523	+1,736
Auto loans	3.6%	3.7%	3.9%	+0.2%
Educational loans	4.0%	4.3%	4.1%	△0.2%
Card loans	18.0%	21.8%	25.9%	+4.1%
【Reference】 Credit cards	46.0%	45.8%	48.9%	+3.1%

◆ Web-based service for client employees (as of September 30, 2013 clients/client employees)



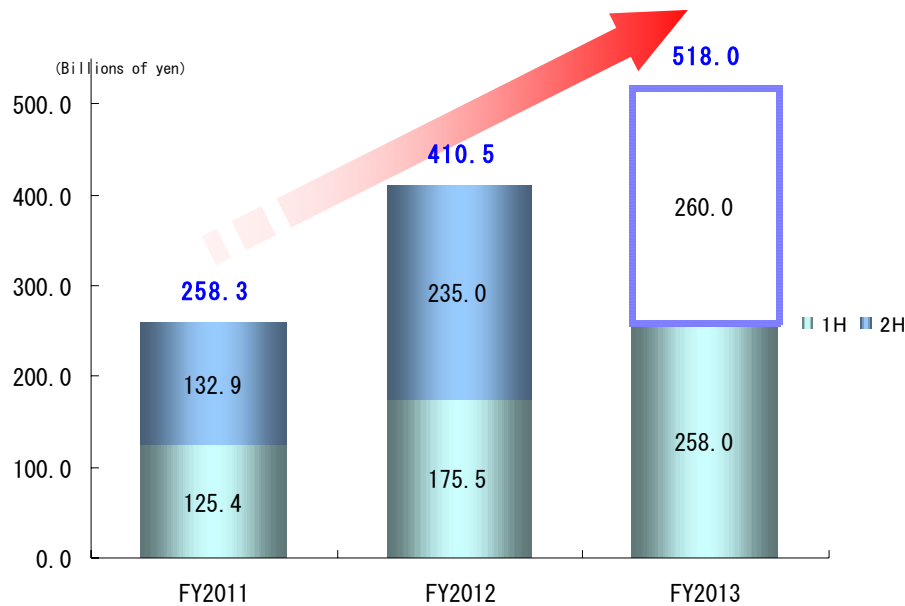
◇ Asset Management (1)

◇ Sales and fees of investment trusts and annuities and whole-life insurance increased due to strengthening sales staff quantitatively and qualitatively

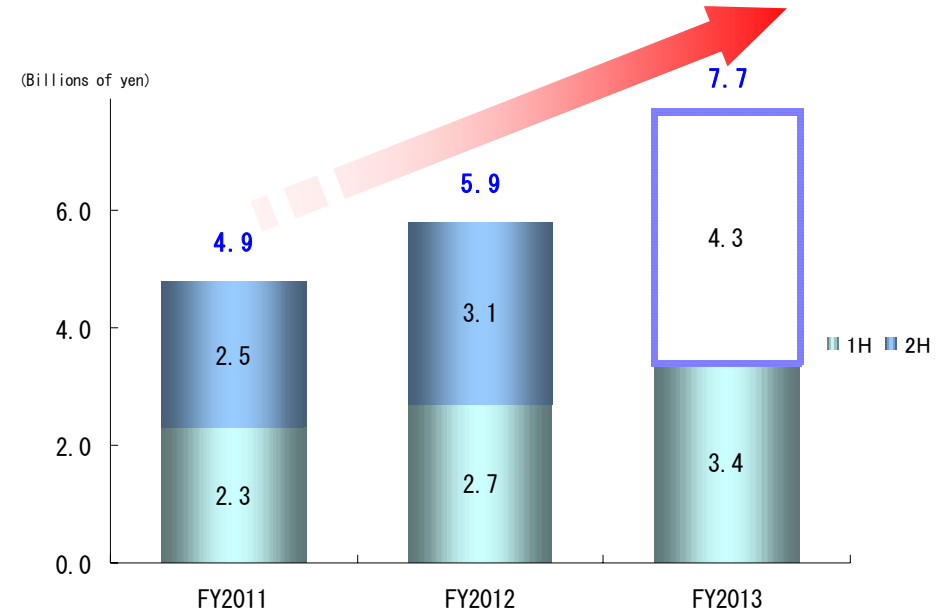
Sales of Asset management: ¥258.0 billion (up ¥ 82.5 billion YoY (a 47.0% annual increase))

Fees from Asset management: ¥3.4 billion (up ¥ 0.6 billion YoY (a 24.1% annual increase))

Sales of asset management



Fees from asset management



	FY2011		FY2012		1H FY2013 ③	YoY change ③-①	change from 2H FY2012 ③-②	Target for 2H FY2013		
	1H FY2011	2H FY2011	1H FY2012 ①	2H FY2012 ②				④	YoY change ④-②	change from 1H FY2012 ④-③
Investment trusts	26.4	24.8	39.8	99.2	92.8	52.9	(6.4)	-	-	-
Equity investment trusts	26.2	24.5	23.5	45.0	54.8	31.2	9.7	75.0	29.9	20.1
MRF	0.1	0.3	16.3	54.1	38.0	21.7	(16.1)	-	-	-
Annuities and whole-life insurance	23.3	31.0	51.9	41.3	42.9	(9.0)	1.5	47.0	5.6	4.0
Others	75.6	77.0	83.7	94.4	122.2	38.5	27.8	133.0	38.5	10.7
Public bond sales through OTC	32.8	26.5	32.2	23.7	37.6	5.3	13.8	38.0	14.2	0.3
Foreign currency deposits	31.4	29.3	32.7	39.6	53.4	20.6	13.8	60.0	20.3	6.5
Financial instruments intermediary services	11.3	21.0	18.6	31.0	31.2	12.5	0.1	35.0	3.9	3.7
Total	125.4	132.9	175.5	235.0	258.0	82.5	22.9	260.0	24.9	1.9

	FY2011		FY2012		1H FY2013 ③	YoY change ③-①	change from 2H FY2012 ③-②	Target for 2H FY2013		
	1H FY2011	2H FY2011	1H FY2012 ①	2H FY2012 ②				④	YoY change ④-②	change from 1H FY2012 ④-③
Investment trusts	1.3	1.1	1.1	1.6	1.9	0.7	0.3	2.5	0.8	0.5
Annuities and whole-life insurance	0.7	1.0	1.2	1.1	1.0	(0.2)	0.0	1.1	0.0	0.1
Others	0.3	0.3	0.2	0.4	0.4	0.1	0.0	0.6	0.2	0.2
Public bond sales through OTC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0
Foreign currency deposits	0.2	0.1	0.1	0.2	0.2	0.0	0.0	0.3	0.1	0.1
Financial instruments intermediary services	0.0	0.0	0.0	0.1	0.1	0.0	0.0	0.1	0.0	0.0
Total	2.3	2.5	2.7	3.1	3.4	0.6	0.2	4.3	1.2	0.9

※Fees from clients assets(¥3.4 billion) in the 1H FY2013 recorded separately ¥3.1 billion as "fees and commissions" and ¥0.2 billion as "net other operating profit"

◇ Asset Management (2)

- ◇ Number of sales staff who gain more than ¥1 million increase due to strong promotion of improving sales staff for client assets quantitatively and qualitatively
- ◇ In the second half of FY2013, aim to significantly increase sales and fees mainly by promotion of Japan-version ISA account

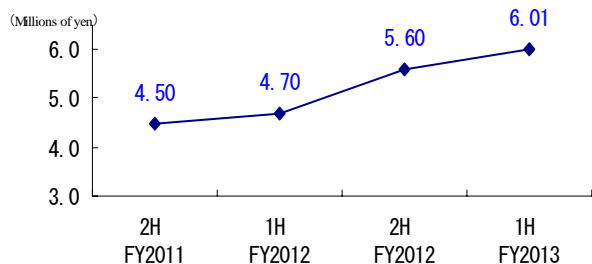
Improve sales staff for client assets quantitatively and qualitatively

【 Number of sales staff who obtain fees from client assets sales 】

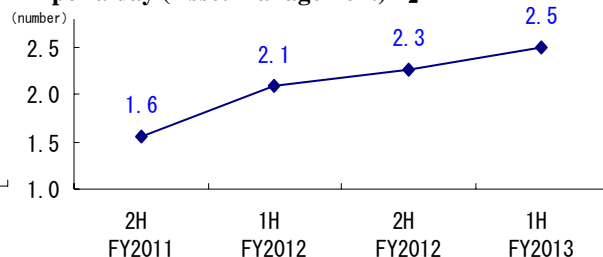
		(Number)				
		FY2011	FY2012 ①	1H FY2013 ②	change ②-①	
Fees \1Million ~	【Raise】	532	687	714	27.0	3.9%
Fees ~\1Million	【Expand base】	513	585	507	(78.0)	(13.3%)
Total	(A)	1,044	1,272	1,221	(51.0)	(4.0%)
Number of sales staff	(B)	1,934	1,965	2,037	72.0	3.7%
	(A)/(B)	54.0%	64.7%	59.9%	(4.8%)	-

※ Average numbers of sales staff in FY2011 and FY2012 show average numbers in the half of fiscal year

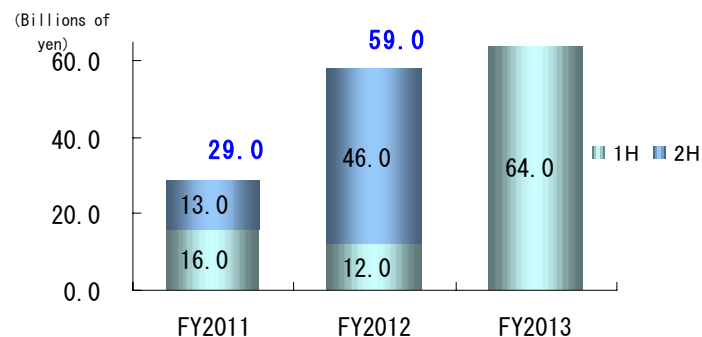
【Average fees gained by staff who obtain more than ¥1 million】



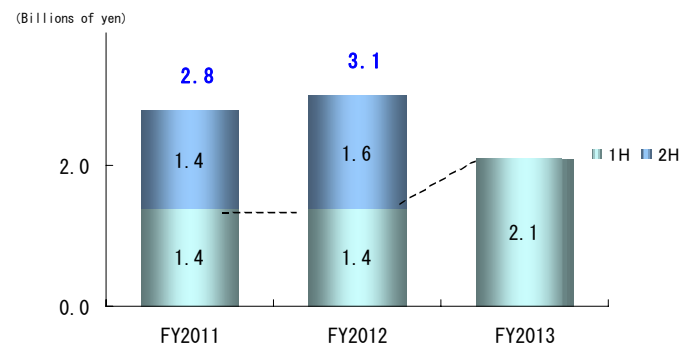
【Average numbers of meeting with clients per a day (Asset management)】



Online sales of investment trusts



Monthly automatic sales of investment trusts



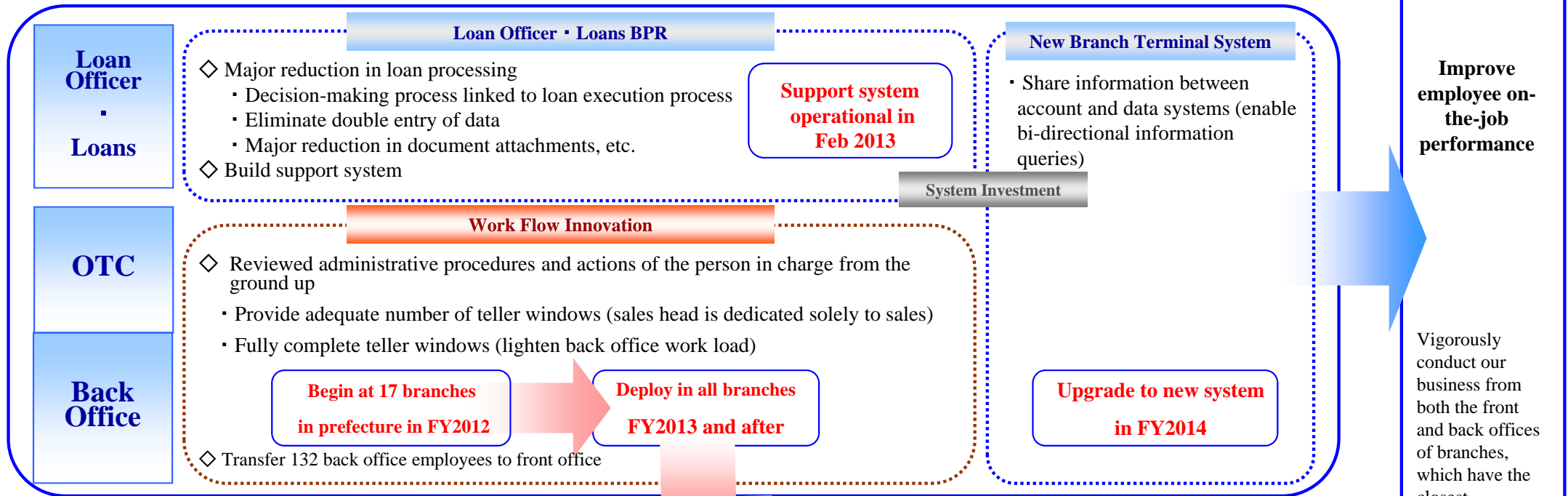
◇ Strategies in FY2013

- ◆ Strengthen investment trusts (sales promotion through breakdown by type of clients, Strengthen monthly automatic sales of investment trusts, undertake investment trusts)
- ◆ Boost coordination with Jyo Securities (redouble expansion of brokerage branches (February 2013), send employees who manage client assets for additional securities management training (plan: 60 people annually), etc.)
- ◆ Promotion of Japan-version ISA account

◇ BPR Project 'ZERO'

- ◇ 161 employees were transferred to sales staff mainly through work flow innovation, one of the BPR Projects 'ZERO'
 - ◇ Transfer a further staffs to achieve a medium-term target of 300 employees
- (* ZERO consists from 'Loan Officer/Loans BPR', 'a new branch terminal system', 'work flow innovation' and others)

BPR Project 'ZERO'



【 Personnel Search 】

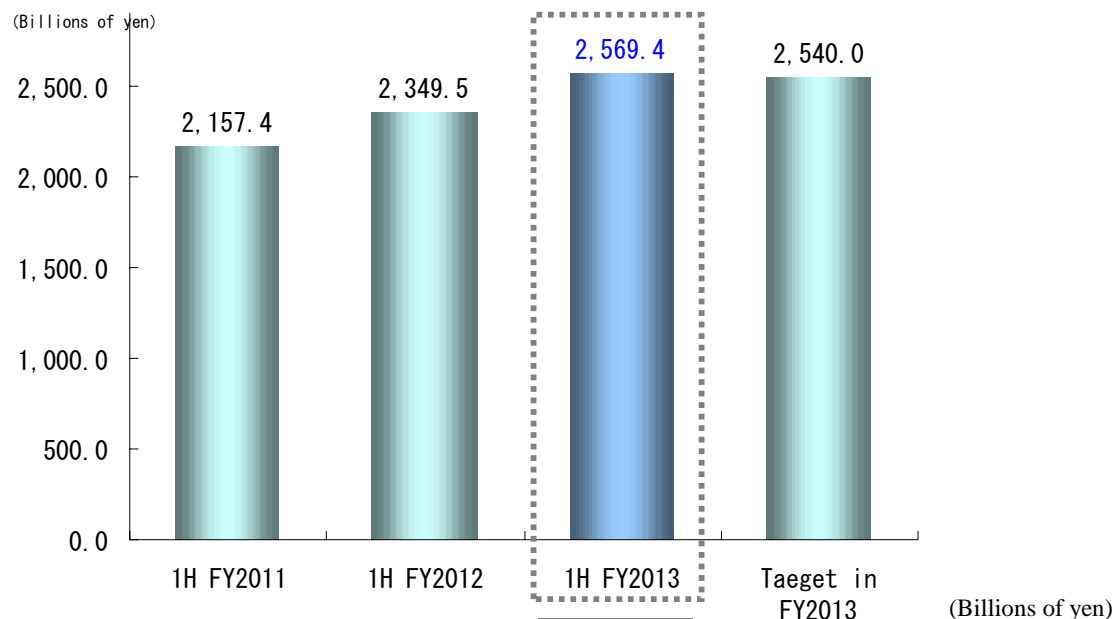
	11/03	12/03	13/03	13/09	change	Versus target	Target of 11th Medium-Term Business Plan	
	①	②	③	④	④ - ①	④ - ⑤	14/3 (⑤)	YoY change ⑤ - ①
Front office(Loan Officer, Loans, OTC)	1,880	1,934	1,965	2,041	161	(139)	2,180	300
Back office	690	665	644	558	(132)	118	440	(250)
Head office (including operation center, etc)	830	801	791	804	(26)	24	780	(50)
Total	3,400	3,400	3,400	3,403	3	3	3,400	0

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

◆ The investment balance increased (up ¥219.9 billion YoY) because of lower loan-deposit rate

From the second half of FY2012, the investment balance of foreign bonds, ETF and REIT increased to disperse currency and interest risk, etc.

Average balance of securities



	1H FY2011	1H FY2012 ①	1H FY2013 ②	YoY change ②-①	Target in 2H FY2013 ③	change from 1H FY2013 ②-③
Domestic bonds	1842.9	1998.7	2116.1	117.4	2050.0	(66.1)
Foreign bonds	135.1	159.9	246.0	86.1	280.0	34.0
Investment trusts	39.5	57.2	77.3	20.1	80.0	2.7
Stock	139.9	133.7	130.0	(3.7)	130.0	0.0
Total	2157.4	2349.5	2569.4	219.9	2540.0	(29.4)
【Duration】						
JPY bonds	3.90	4.20	3.9	(0.30) #	4.00	(0.10)
Foreign currency bonds	1.90	3.40	3.9	0.50 #	4.00	(0.10)

*Refer to end-balance of securities on appendix, P29

Gains(losses) on securities

(Billions of yen)

	1H FY2013	1H FY2012	YoY change	Products
Gains(losses) on bonds ①	0.4	2.8	(2.4)	
gains on bond selling	4.6	3.2	1.3	REIT、JGB
gains on bond redemption	0.9	0.1	0.7	
losses on bond selling	5.0	0.0	5.0	Foreign bonds、JGB
Gains(losses) on stock ②	6.2	(2.0)	8.2	
gains on stock selling	7.5	0.4	7.0	ETF
losses on stock selling	1.2	0.9	0.2	
losses on stock redemption	0.0	1.5	(1.5)	
Total (①+②)	6.6	0.8	5.8	

Securities (Balance, unrealized gains (losses))

(Billions of yen)

	Term-end balance			Unrealized gains(losses)		
	13/09	13/03	change from 13/03	13/09	13/03	change from 13/03
Domestic bonds	1998.8	2068.2	(69.3) (3.3%)	33.1	43.8	(10.7)
JGB	1289.5	1374.2	(84.6) (6.1%)	21.3	28.0	(6.7)
Foreign bonds	256.4	225.2	31.2 +13.8%	1.4	5.6	(4.2)
Government bonds	91.4	65.4	25.9 +39.6%	0.0	1.2	(1.2)
Ginnie Mae(Pass through)	67.3	69.2	(1.8) (2.6%)	(0.4)	0.1	(0.6)
Investment trusts & others	81.3	80.3	1.0 +1.2%	11.9	16.2	(4.3)
ETF	35.0	34.2	0.7 +2.1%	4.7	6.5	(1.8)
REIT	25.9	23.4	2.5 +10.8%	6.6	11.4	(4.7)
(Yields)	4.42%	4.69%	(0.27%)	-	-	-
Stocks	138.4	137.7	0.6 +0.5%	88.9	66.0	22.8
Trust beneficiary rights	9.6	11.7	(2.0) (17.3%)	0.0	0.0	0.0
Total	2484.7	2523.2	(38.4) (1.5%)	135.4	131.8	3.6

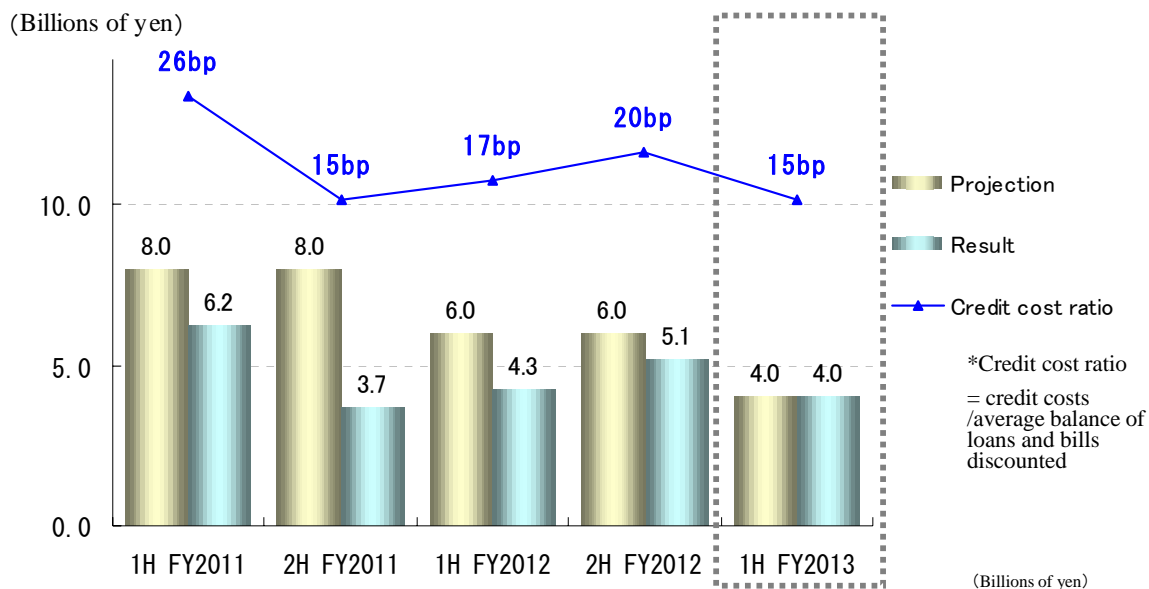
*Refer to foreign securities portfolio on appendix, P29

◇ Credit Costs

- ◇ Credit costs decreased due to fewer corporate bankruptcies, efforts to support of business improvement for customers, and other factors

Credit costs: ¥4.0 billion in 1H FY2013 (down ¥0.2 billion YoY) / 2H FY2013 projection: ¥4.0 billion (down ¥1.1 billion YoY)

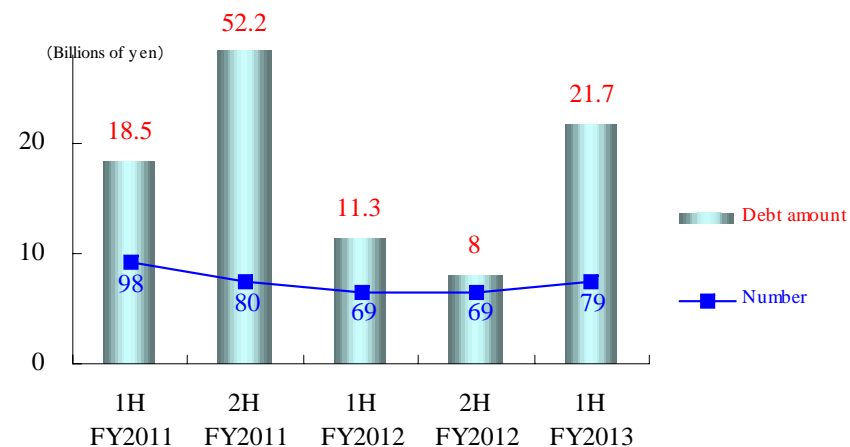
Net credit costs and credit cost ratio



(Billions of yen)

	1H FY2011	1H FY2012 (1)	1H FY2013 (2)	YoY change (2)-(1)	Projection of 2H FY2013 (3)	Versus projection (2)-(3)
New downgrades	5.1	7.2	8.0	0.7	5.6	2.4
Decrease in collateral value	0.9	0.7	0.5	(0.2)		
Losses on bulk sale of loans etc.	0.3	0.0	0.0	0.0	1.3	(0.2)
Others	0.3	0.4	0.4	0.0		
Reversal of provision for specific reserves ()	1.6	2.2	2.1	0.0	2.5	0.9
Recoveries of written-off claims ()	1.0	1.2	1.2	0.0		
Net transfer to general reserve for possible loan losses	2.0	(0.7)	(1.5)	(0.8)	(0.4)	(1.1)
Net credit costs	6.2	4.2	4.0	(0.2)	4.0	0.0

Bankruptcies in Ibaraki



Exit strategy

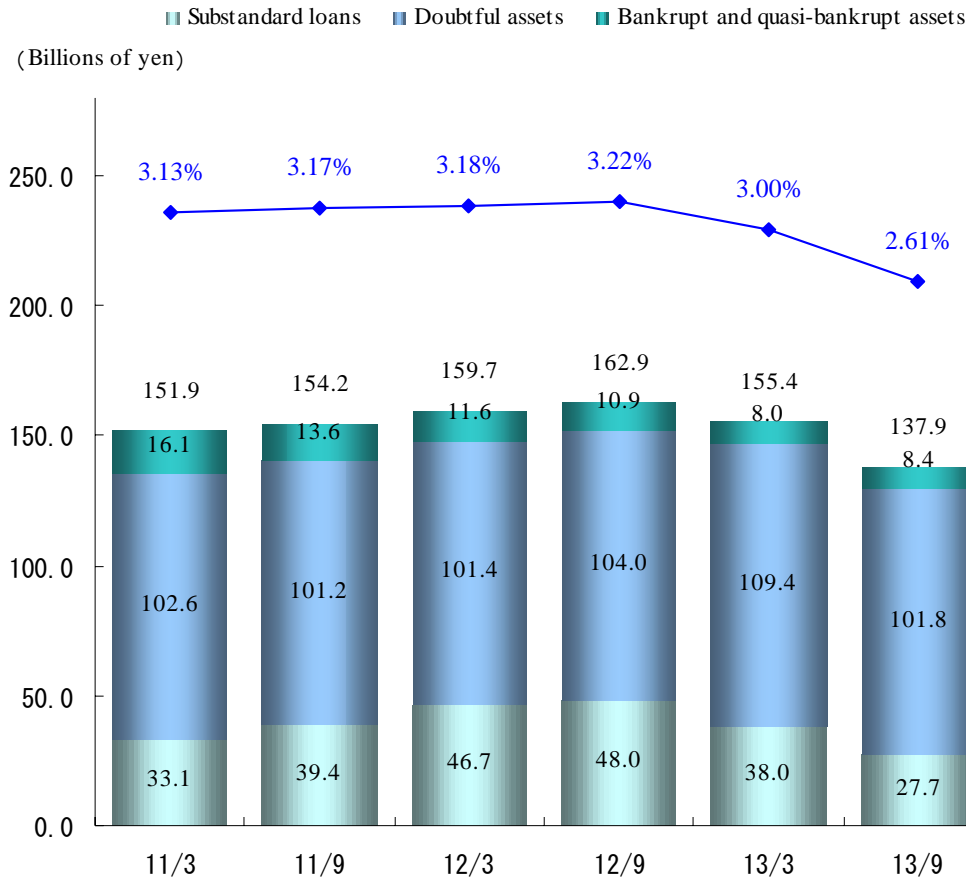
Actions of Solution support team	(Number)			
	Completed	In-progress of reconstruction	Set policy	
Our support	90	16	41	33
Support from public institution※1	22	5	12	5
Reconstruction funds※2	15	2	6	7
DES・DDS	6	1	2	3
Others	120	58	35	27
Total	253	82	96	75

1. Assistance from Ibaraki Prefectural Industrial Revitalization Corporation, Great East Japan Earthquake Business Restoration Assistance Organization, etc.
2. Assistance from Ibaraki Iki-Iki No. 2 Fund, Risa Partners Inc., etc.

◇ Claims for Disclosure

- ◇ Claims for disclosure were decreased due to fewer corporate bankruptcies, efforts to support of operational reforms of customers, and other factors
- ◇ Claims for disclosure : ¥137.9 billion in 1H FY2013 (down ¥17.4 billion)
Percentage of claims for disclosure in the total amount of loans were down to 2.61% (down 0.39p)

Problem assets under the Financial Revitalization Law



Credit amount breakdown by classification of borrowers

(Billions of yen)

classification of borrowers	Problem, non-problem assets	12/9 ①	13/3 ②	13/9 ③	YoY change ③-①	change from 13/3 ③-②
Legally bankrupt	Problem assets	1.6	1.5	1.5	(0.1)	0.0
Substantially bankrupt		9.2	6.4	6.9	(2.3)	0.5
Potentially bankrupt		103.9	109.4	101.7	(2.2)	(7.7)
Borrowers requiring caution ①	Substandard loans	47.9	37.9	27.7	(20.2)	(10.2)
		Borrowers requiring monitoring excluding borrowers requiring caution	19.0	18.3	12.0	(6.9)
	Non-problem assets	453.9	420.8	391.9	(62.0)	(28.9)
Normal assets ②		4407.0	4565.5	4718.3	311.2	152.8
Total ③		5042.9	5160.1	5260.1	217.2	100.0
Normal asset ratio ②/③		87.4%	88.5%	89.7%	2.3%	1.2%
Borrowers requiring caution ratio ①/③		10.3%	9.2%	8.2%	(2.1%)	(1.0%)

◇ Capital Management

- ◇ Continuous management with emphasis on Tier I capital
- ◇ Sufficient capital even based on the Basel III

Capital ratio, Tier I ratio

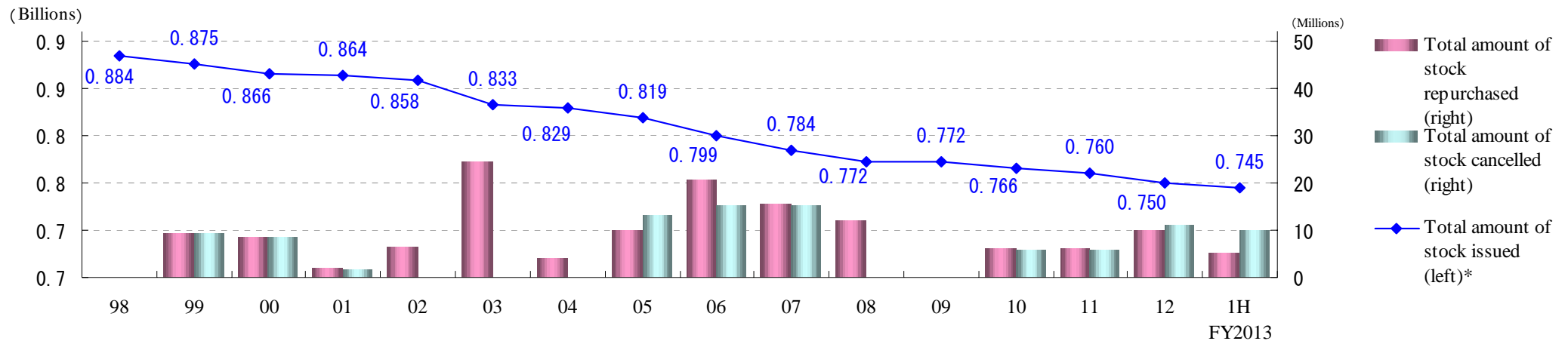
	Consolidated			Non-consolidated		
	12/3	13/3	13/9	12/3	13/3	13/9
Capital ratio	12.78%	12.81%	13.55%	12.43%	12.40%	13.11%
Tier I ratio	12.11%	12.18%	12.93%	11.89%	11.88%	12.60%

Basel III (Consolidated)

	Interim measure		Level Required
	Apply	Disapply	
Core capital ratio	c.13.3%	c.12.0%	4.00%
Core Tier I ratio	c.12.1%	c.14.5%	4.50%

*Based on international banking standards

Record of stock repurchased and retirement of treasury stock



*Excluding treasury stock

◇ Shareholder Returns

- ◇ Returned profits to shareholders based on shareholder return policy. Repurchased stocks (5million, ¥2.6 billion) in May
- ◇ In FY2013, projected a dividend increase for two consecutive fiscal years (annual dividend paid: ¥9.0 per share)

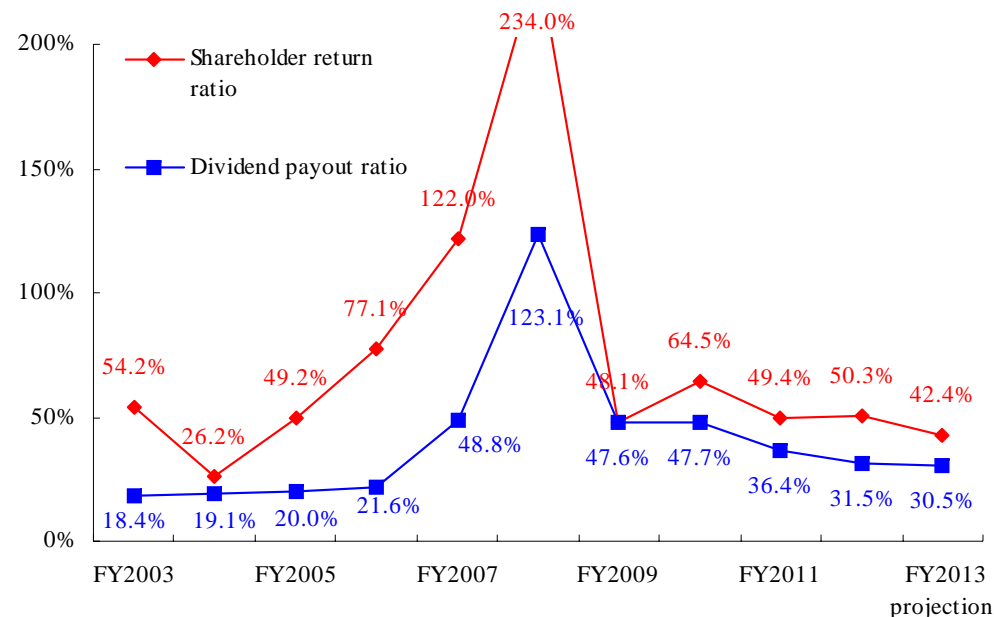
Shareholder return policy

Targeting 40% or more of net income after tax (non-consolidated) as the shareholder return ratio (together with repurchased stock and cash dividend), and targeting 30% or more of net income after tax (non-consolidated) as the dividend payout ratio

Actual shareholder return in FY2012, FY2013

		FY2012	FY2013
Dividend	Annual dividend	¥8.50	¥9.00
	(YoY change)	(+¥0.5)	(+¥0.5)
Stock repurchased	Shares*	10 million	5 million
	Amount*	¥3.8 billion	¥2.6 billion
	Release	12/8	13/5
	Period	12/8-12/11	13/5-13/8
Write-off stock repurchased	Shares	11 million	10 million
	Period	12/9	13/7

Actual shareholder return [Shareholder return ratio, dividend payout ratio]



◇ Overview of the FY2013 Projections

◇ Non-consolidated business profit is revised to ¥39 billion(down ¥ 5 billion from initial projection) due to the performance of Fees and commissions and gains on bonds

◇ Non-consolidated ordinary profit, net income projection are ¥ 34 billion(unchanged), ¥ 22 billion (unchanged), respectively

(Billions of yen)

Non-consolidated	FY2013 projection revised ①	FY2013 initial projection ②	Versus initial projection ①-②	FY2012 result ③	YoY change ①-③	1H	2H	change from 1H FY2013 ⑤-④
						FY2013 result ④	FY2013 projectio n ⑤	
Gross business profit	107.5	113.0	(5.5)	111.4	(3.9)	53.7	53.8	0.1
Net interest income	90.0	91.0	(1.0)	93.0	(2.9)	45.7	44.3	(1.4)
Net interest on loans and deposits	67.0	69.5	(2.5)	69.4	(2.4)	33.5	33.5	0.0
Interest and dividends on securities	23.0	21.5	1.5	23.5	(0.5)	12.2	10.8	(1.4)
Fees and commissions	14.5	16.0	(1.5)	13.1	1.3	6.8	7.7	0.9
Net other operating profit	3.0	6.0	(3.0)	5.2	(2.2)	1.2	1.8	0.6
Gains(losses) on bonds	1.5	5.0	(3.5)	3.9	(2.4)	0.4	1.1	0.7
Expenses	70.5	70.0	0.5	68.7	1.8	36.1	34.4	(1.7)
Net transfer to general reserve for possible loan losses (A)	(2.0)	(1.0)	(1.0)	(2.6)	0.6	(1.5)	(0.4)	1.1
Business profit	39.0	44.0	(5.0)	45.4	(6.4)	19.2	19.8	0.6
Business profit (before transfer to general reserve)	37.0	43.0	(6.0)	42.7	0.2	17.6	19.4	1.8
Core business profit	35.5	38.0	(2.5)	38.8	(3.2)	17.1	18.4	1.3
Net non-recurring gains(losses)	(5.0)	(10.0)	5.0	(13.7)	8.7	0.7	(5.7)	(6.4)
Disposal of non-performing loans (B)	10.0	9.0	1.0	12.0	(2.0)	5.6	4.4	(1.2)
Net gains/losses on equity securities	6.2	0.0	6.2	(1.4)	7.7	6.2	0.0	(6.2)
Ordinary profit	34.0	34.0	0.0	31.7	2.3	19.9	14.1	(5.8)
Net special gains(losses)	0.0	0.0	0.0	(0.8)	0.8	(0.2)	0.2	0.4
Net income before income taxes and others	34.0	34.0	0.0	30.8	3.1	19.6	14.4	(5.2)
Net income after tax	22.0	22.0	0.0	20.3	1.7	12.4	9.6	(2.8)
Net credit costs (A) + (B)	8.0	8.0	0.0	9.3	(1.3)	4.0	4.0	0.0
(Consolidated)								
Ordinary profit	38.0	38.0	0.0	31.7	6.2	22.3	15.7	(6.6)
Net income after tax	24.0	24.0	0.0	20.3	3.6	14.2	9.8	(4.4)

Progress of 11th Medium-term Business Plan

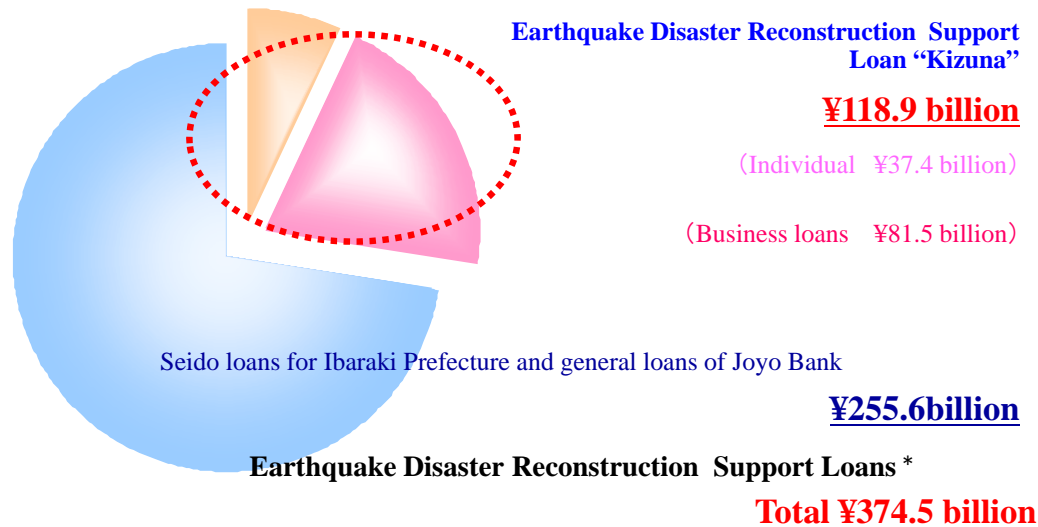
Target indices	FY2013 projections	FY2013 targets	Versus targets
【Profits】(Billions of yen)			
Core gross business profit	106.0	more than 120	(14.0)
Core business profit	35.5	more than 50	(14.5)
Net income after tax (non-consolidated)	22.0	more than 25	(3.0)
Net income after tax (consolidated)	24.0	more than 27	(3.0)
【Efficiency indices】			
OHR (Core gross business profit basis)	66.50%	c.55%	+c.10%
ROE	c.4.5%	c.5.5%	(c.1.0%)
【Soundness index】			
Core Tier I ratio	more than 12%	c.12%	will achieve

(Reference) Market indices

	current levels	Scenario of 11th Medium-term business plan
Overnight	0.07%	0.09%
3M TIBOR	0.22%	0.34%
JGB 10YR yield	0.60%	1.40%
US Treasury 10YR yield	2.75%	3.90%
Nikkei 225	c.¥14,500	c.¥12,000

◇ Joyo Bank is undertaking various initiatives to provide smooth financial functions to help customers and regions recover and grow following the Great East Japan Earthquake

Earthquake Disaster Reconstruction Support Loan “Kizuna”



*Sum total of loans executed between the disaster (March 11, 2011) and March 31, 2013

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

• Leases solely for disaster reconstruction

Cumulative lease value Total ¥5.6 billion

Expanding 「next X」Activities

- Provide assistance to local manufacturing businesses over the next decade
 - ◇ “Face-to-Face Meetings” in collaboration with industry, academia and government
 - ◇ Collaborative innovation project “Action D”
 - ◇ The Joyo Commercial Food Fair
 - ◇ The Joyo Manufacturing Forum



Face-to-Face meeting



Action D



Joyo Business Award 2012

• Solicited innovative and creative business plans in growth fields and presented award to superior business plan

- ◇ Number of plans entered 261
- Top award 1
- Award for Excellence 6
- Encouragement Award 10



Joyo Business Award 2013

- Hold “Joyo Business Award” again this year
- For the plan awarded the Joyo Business award, aggressively provide financial support to enable its realization

【Application period】

November 1st, 2013 - December 30, 2013

【Award】

Top Award ¥3 million

Award for excellence(multiple) ¥1 million



Joyo reverse mortgage “Ju-katsu Style”

- Released Joyo reverse mortgage “Ju-katsu Style”(August, 2013)
- Provide loans to move into a elderly facility, to buy a new house by utilizing own house
- First-ever reverse mortgage in nationwide collateralized rent from own house, not presupposing sale of own house
- Contribute to solve rural problems such as depopulation and vacant houses



Support the development of sales channels for food business

- Convene following events to provide business meeting opportunities to develop sales and products

◇ “Foods of Ibaraki ¥100 tasting event in Takasaki”

Co-hold with The Gunma Bank, Ltd. (January 11, 2014)

◇ Convene 13th The Joyo Commercial Food Fair (February 4, 2014)

Joyo growth support fund for Agriculture, Forestry and Fisheries

- Established the fund to innovate new business and development business with A-FIVE(*)etc.

(*)A-Five=Agriculture, forestry and fisheries Fund corporation for innovation, Value-chain and Expansion Japan

- Provide financial support through the fund to develop them to growing fields



Loan product for elderly facilities 「Silver stage」

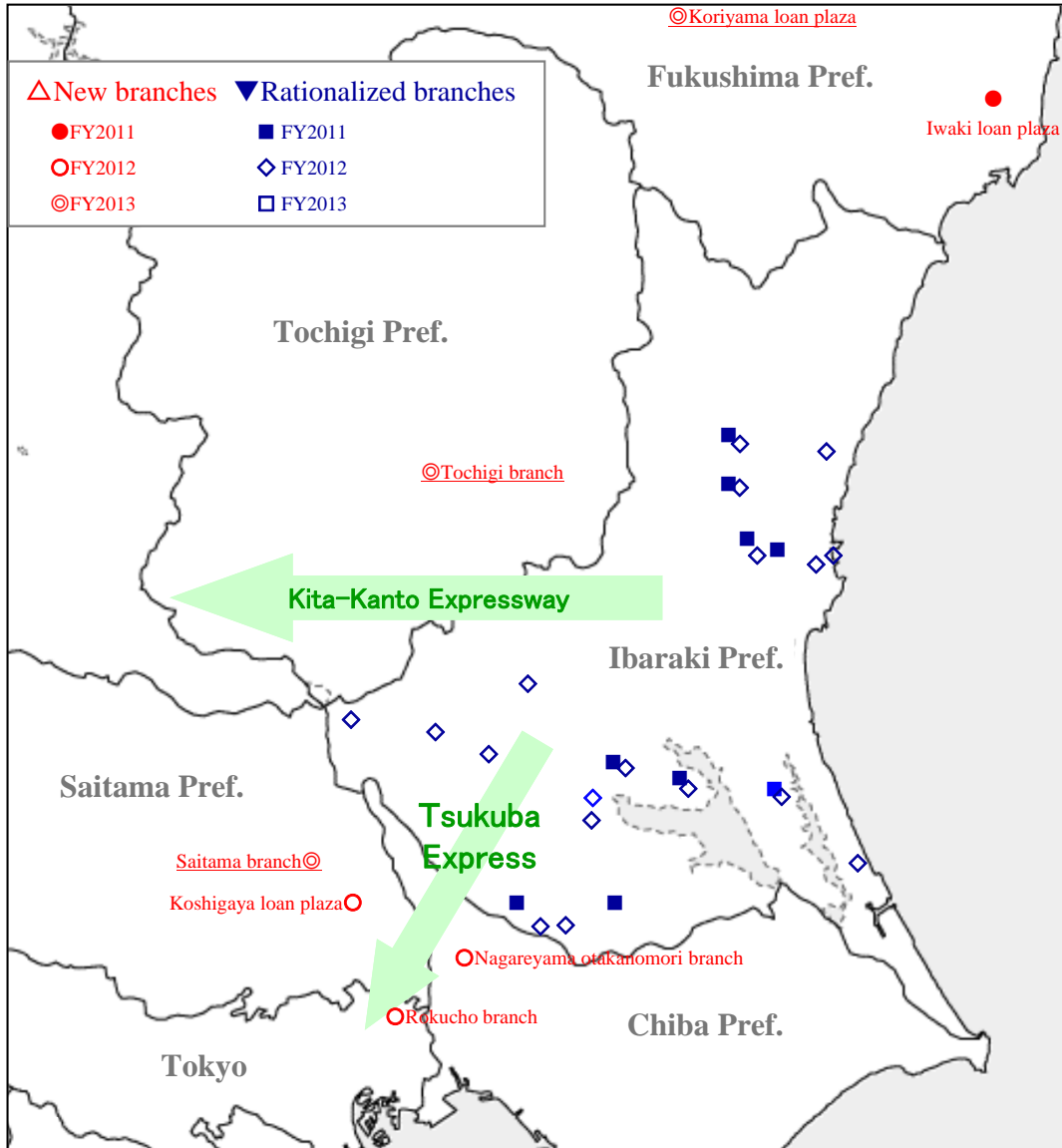
- Released the loan product for elderly facilities new-build and reformed that have barrier-free equipment and face-to-face service of professional

• JTI(*) take on elderly facilities and specify the companies that operate those facilities

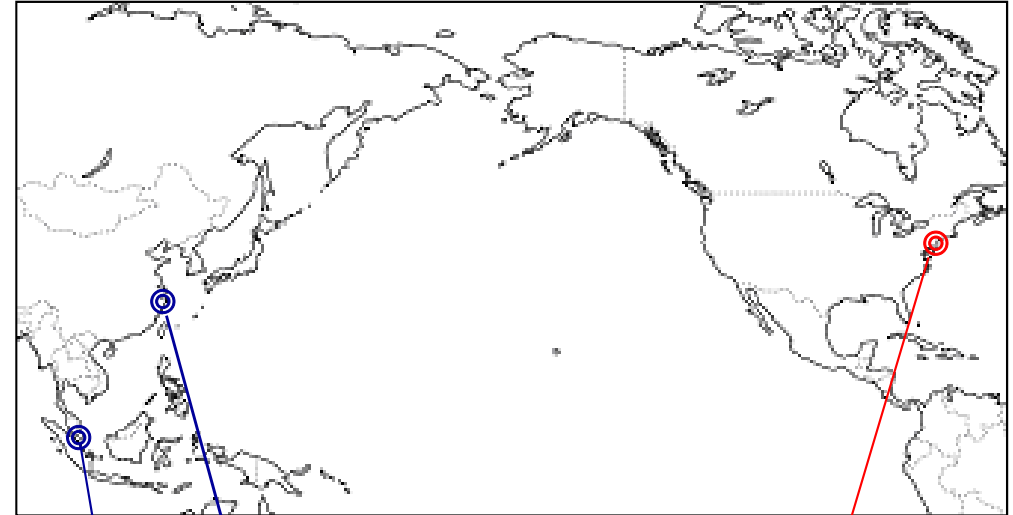
(*) JTI=Japan Trans-housing Institute

- Contribute to support safety real-estate business and provide service for elder people to live in safety

Domestic networks (Ibaraki and its adjoining area)



Overseas networks



Shanghai representative office
3 staff members
(since May 1996)

New York representative office
(In preparation for opening in next summer)

Singapore representative office
2 staff members
(since September 2012)

Trainee to foreign institutions
Five staff members

- Shanghai (Japanese Financial institution)
- Hanoi (Japanese Financial institution)
- Singapore (Japanese Financial institution)
- Thai (foreign Financial institution)
- Kuala Lumpur (JETRO)

Alliance with foreign financial institutions
_Total five institutions

- Kasikorn Bank (Thailand)
- Bangkok Bank (Thailand)
- Bank Negara Indonesia (Indonesia)
- State Bank of India (India)
- Banko de Oro Unibank (Philippines)

【Appendix】 Average Balance of Interest-Earning Assets and Interest-Bearing Liabilities



Assets

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

	1H FY2013			YoY change		
	Average balance	Yield	Interest income	Average balance	Yield	Interest income
Loans and bills discounted	5191.3	1.34	3493.6	200.5	(0.13)	(186.1)
JPY	5158.3	1.34	3481.8	182.4	(0.13)	(191.2)
Foreign currency	32.9	0.71	11.7	18.1	(0.19)	5.0
Securities	2572.8	0.99	1282.4	220.0	(0.07)	30.5
Bonds	2116.0	0.68	728.5	117.3	(0.04)	(3.0)
Stocks	138.7	3.39	236.1	(4.2)	0.02	(5.5)
Foreign securities	247.3	1.88	233.6	86.7	0.05	86.9
Others	70.6	2.36	83.9	20.2	(2.86)	(47.9)
Call loans	14.9	0.15	1.1	(0.3)	(1.03)	(8.0)
JPY	14.1	0.11	0.8	3.8	0.00	0.2
Foreign currency	0.7	0.84	0.3	(4.2)	(2.55)	(8.2)
Bills purchased	-	-	-	-	-	-
Commercial paper and other debt purchased	24.2	0.41	5.0	(6.4)	(0.04)	(1.9)
Due from banks	192.2	0.21	20.3	(112.2)	0.00	(10.4)
NCDs	-	-	-	-	-	-
Foreign exchange	2.4	0.53	0.6	0.3	(0.02)	0.1
Others	-	-	11.2	-	-	(0.4)
Interest rate swaps	-	-	-	-	-	-
Interest-earning assets	8000.6	1.20	4814.5	304.4	(0.1)	(176.1)

Liabilities

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

	1H FY2013			YoY change		
	Average balance	Yield	Interest expense	Average balance	Yield	Interest expense
Deposits	7446.1	0.03	133.8	167.0	(0.02)	(54.1)
JPY	7383.6	0.03	130.5	168.4	(0.01)	(40.4)
Foreign currency	62.4	0.26	8.3	(1.4)	(0.27)	(8.7)
NCDs	12.3	0.04	0.2	(8.1)	0.00	(0.2)
Call money	44.5	0.26	5.9	25.7	(0.10)	2.5
JPY	-	-	-	-	-	-
Foreign currency	44.5	0.26	5.9	25.7	(0.10)	2.5
Payables under securities lending transactions	97.4	0.27	13.4	52.7	(0.05)	6.1
Bills sold	-	-	-	-	-	-
Borrowed money	146.2	0.17	12.8	56.9	(0.05)	2.8
Foreign exchange	0.2	0.00	0.0	0.0	0.00	0.0
Corporate bonds	15.0	1.70	12.8	0.0	0.01	0.1
Others	1.5	72.68	57.3	0.0	-	9.5
Interest rate swaps	-	-	48.9	-	-	1.7
Interest-bearing liabilities	7763.5	0.06	241.5	294.4	(0.01)	(32.5)
Other expenses	-	-	-	-	-	-
Interest-bearing liabilities	7763.5	0.06	241.5	294.4	(0.01)	(32.5)

【Appendix】Interest Yields and Spreads



Total account

(%)

	1H FY2009	1H FY2010	1H FY2011	1H FY2012	1H FY2013	YoY change
Average yield on interest-earning assets (A)	1.65	1.53	1.39	1.29	1.20	(0.09)
Average yield on loans and bills discounted (B)	1.88	1.73	1.60	1.47	1.34	(0.13)
Average yield on securities	1.15	1.10	1.12	1.06	0.99	(0.07)
Average yield on interest-bearing liabilities	0.19	0.12	0.09	0.07	0.06	(0.01)
Average yield on deposits and NCDs (C)	0.15	0.10	0.06	0.05	0.03	(0.02)
Expense ratio	1.05	1.04	0.99	0.96	0.96	0.00
Deposit and securities cost (D)	1.21	1.14	1.05	1.01	1.00	(0.01)
Funding cost (E)	1.21	1.15	1.07	1.01	0.98	(0.03)
Loan-deposit interest margins (B)-(C)	1.73	1.63	1.54	1.42	1.31	(0.11)
Difference between average yield on loans and deposits (B)-(D)	0.67	0.59	0.55	0.46	0.34	(0.12)
Total interest margins (A)-(E)	0.44	0.38	0.32	0.28	0.22	(0.06)

Domestic account

(%)

	1H FY2009	1H FY2010	1H FY2011	1H FY2012	1H FY2013	YoY change
Average yield on interest-earning assets (A)	1.60	1.50	1.36	1.26	1.16	(0.10)
Average yield on loans and bills discounted (B)	1.88	1.73	1.60	1.47	1.34	(0.13)
Average yield on securities	1.04	1.04	1.05	1.00	0.89	(0.11)
Average yield on interest-bearing liabilities	0.18	0.12	0.08	0.06	0.05	(0.01)
Average yield on deposits and NCDs (C)	0.15	0.09	0.06	0.04	0.03	(0.01)
Expense ratio	1.05	1.03	0.98	0.95	0.95	0.00
Deposit and securities cost (D)	1.21	1.13	1.04	1.00	0.99	(0.01)
Funding cost (E)	1.19	1.14	1.05	1.00	0.98	(0.02)
Loan-deposit interest margins (B)-(C)	1.73	1.64	1.54	1.43	1.31	(0.12)
Difference between average yield on loans and deposits (B)-(D)	0.67	0.60	0.56	0.47	0.35	(0.12)
Total interest margins (A)-(E)	0.41	0.36	0.31	0.26	0.18	(0.08)

【Appendix】Yen-Denominated Loans (1)



Breakdown by self-assessment classification of borrowers

(Billions of yen)

	10/9		11/3		11/9		12/3		12/9		13/3		13/9		Change from 13/3		Change from 12/9	
	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	change ratio
Yen-denominated loans (Total)	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%	5,112.9	100.0%	5,206.6	100.0%	93.7	1.8%	200.6	4.0%
Normal (including borrowers without a credit score)	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%	4,520.3	88.4%	4,666.0	89.6%	145.7	3.4%	293.8	6.7%
Ibaraki and its adjoining areas	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%	3,365.7	65.8%	3,479.6	66.8%	113.9	3.6%	264.2	8.2%
Ibaraki	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%	2,810.6	55.0%	2,879.9	55.3%	69.3	2.6%	186.6	6.9%
Miyagi , Fukushima and Tochigi	354.8	7.4%	348.6	7.3%	351.8	7.1%	364.4	7.3%	376.7	7.5%	388.9	7.6%	414.3	8.0%	25.4	7.0%	37.6	10.0%
Chiba and Saitama	119.6	2.5%	122.3	2.6%	127.8	2.6%	136.9	2.7%	145.3	2.9%	166.2	3.3%	185.3	3.6%	19.1	14.0%	40.0	27.5%
Tokyo and Osaka	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%	1,154.5	22.6%	1,186.4	22.8%	31.9	2.9%	29.6	2.6%
Other borrowers requiring caution	562.4	11.7%	579.4	12.1%	527.5	10.6%	502.9	10.0%	452.4	9.0%	419.3	8.2%	390.9	7.5%	(28.4)	(5.65%)	(61.5)	(13.59%)
Substandard borrowers	25.5	0.5%	45.4	0.9%	55.5	1.1%	65.8	1.3%	66.6	1.3%	56.1	1.1%	39.5	0.8%	(16.6)	(25.23%)	(27.1)	(40.69%)
Potentially bankrupt or worse	100.4	2.1%	118.3	2.5%	114.2	2.3%	112.6	2.2%	114.7	2.3%	117.1	2.3%	110.0	2.1%	(7.1)	(6.31%)	(4.7)	(4.10%)

Breakdown by geographic area

(Billions of yen)

	10/9		11/3		11/9		12/3		12/9		13/3		13/9		Change from 13/3		Change from 12/9	
	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	change ratio
Yen-denominated loans (Total)	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%	5,112.9	100.0%	5,206.6	100.0%	93.7	1.8%	200.6	4.0%
Ibaraki and its adjoining areas	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%	3,879.3	75.9%	3,943.6	75.7%	64.3	1.7%	161.5	4.3%
Ibaraki	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%	3,202.7	62.6%	3,249.6	62.4%	46.9	1.5%	109.2	3.5%
Miyagi , Fukushima and Tochigi	460.7	9.6%	460.0	9.6%	460.9	9.6%	467.5	9.3%	470.6	9.4%	486.3	9.5%	501.1	9.6%	14.8	3.0%	30.5	6.5%
Chiba and Saitama	145.3	3.0%	148.8	3.1%	152.4	3.2%	162.4	3.2%	171.0	3.4%	190.2	3.7%	192.9	3.7%	2.7	1.4%	21.9	12.8%
Tokyo and Osaka	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%	1,233.6	24.1%	1,263.0	24.3%	29.4	2.4%	39.2	3.2%

Number of SMEs

(Number)

Number of SMEs	10/9		11/3		11/9		12/3		12/9		13/3		13/9		Change from 12/9
	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
	33,634	(28)	33,565	(69)	33,242	(323)	33,235	(7)	33,000	(235)	33,143	143	32,992	(151)	(8)

【Appendix】Yen-Denominated Loans (2)



Breakdown by borrower type

(Billions of yen)

	10/9		11/3		11/9		12/3		12/9		13/3		13/9		Change from 13/3		Change from 12/9	
	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)	4,794.7	100.0%	4,795.3	100.0%	4,802.5	96.6%	4,969.2	100.0%	5,006.0	100.0%	5,112.9	100.0%	5,206.6	100.0%	93.7	1.83%	200.6	4.01%
Individual loans	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%	1,705.9	33.4%	1,785.2	34.3%	79.3	5.01%	152.6	9.35%
Corporate loans	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%	2,609.9	51.0%	2,643.7	50.8%	33.8	1.32%	55.4	2.14%
Major companies	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%	1,180.6	23.1%	1,149.1	22.1%	(31.5)	(2.80%)	5.3	0.46%
Medium sized companies	126.2	2.6%	124.1	2.6%	122.2	2.5%	123.4	2.5%	125.5	2.5%	121.1	2.4%	120.2	2.3%	(0.9)	(0.73%)	(5.3)	(4.22%)
Small and medium sized companies	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%	1,308.1	25.6%	1,374.3	26.4%	66.2	5.01%	55.4	4.20%
Public sector	773.1	16.1%	7,863.0	16.4%	7,475.0	15.0%	8,156	16.3%	7,850	15.7%	7,970	15.6%	7,776	14.9%	(194.0)	(2.38%)	(74.0)	(0.94%)

Individual loans

(Billions of yen)

	10/9		11/3		11/9		12/3		12/9		13/3		13/9		Change from 13/3		Change from 12/9	
	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)	1,531.4	100.0%	1,533.5	100.0%	1,541.1	100.0%	1,583.9	97.0%	1,632.6	100.0%	1,705.9	100.0%	1,785.2	100.0%	79.3	4.65%	152.6	9.35%
Housing-related loans	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%	1,537.0	90.1%	1,616.7	90.6%	79.7	5.19%	157.0	10.76%
Consumer loans	77.6	5.1%	76.1	5.0%	74.3	4.8%	72.9	4.5%	73.0	4.5%	73.2	4.3%	74.9	4.2%	1.7	2.32%	1.9	2.60%
Loans to small businesses	119.0	7.8%	112.9	7.4%	110.3	7.2%	105.4	6.5%	100.0	6.1%	95.7	5.6%	93.6	5.2%	(2.1)	(2.19%)	(6.4)	(6.40%)

Corporate loans

(Billions of yen)

	10/9		11/3		11/9		12/3		12/9		13/3		13/9		Change from 13/3		Change from 12/9	
	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)	2,490.1	100.0%	2,475.4	100.0%	2,513.9	100.0%	2,569.7	99.3%	2,588.3	100.0%	2,609.9	100.0%	2,643.7	100.0%	33.8	1.30%	55.4	2.14%
Ibaraki and its adjoining areas	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%	1,378.1	52.8%	1,387.5	52.5%	9.4	0.68%	21.4	1.57%
Ibaraki	994.7	39.9%	985.7	39.8%	976.3	38.8%	988.2	38.2%	971.3	37.5%	976.6	37.4%	994.3	37.6%	17.7	1.81%	23.0	2.37%
Miyagi, Fukushima and Tochigi	303.9	12.2%	300.9	12.2%	301.0	12.0%	300.3	11.6%	293.7	11.3%	297.7	11.4%	297.3	11.2%	(0.4)	(0.13%)	3.6	1.23%
Chiba and Saitama	90.0	3.6%	92.4	3.7%	94.4	3.8%	99.3	3.8%	101.0	3.9%	103.8	4.0%	95.8	3.6%	(8.0)	(7.71%)	(5.2)	(5.15%)
Tokyo and Osaka	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%	1,231.7	47.2%	1,256.2	47.5%	24.5	1.99%	34.1	2.79%

[Appendix] Deposits and Client Assets



Deposits

(Billions of yen)

	10/9		11/3		11/9		12/3		12/9		13/3		13/9		Change from 13/3		Change from 12/9	
	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%
Deposits (Total)	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%	7,355.3	100.0%	7,463.3	100.0%	108.0	1.47%	219.6	3.03%
Yen deposits	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%	7,294.8	99.2%	7,407.9	99.3%	113.1	1.57%	226.3	3.15%
Foreign deposits	63.9	1.0%	65.4	1.0%	65.5	0.9%	65.2	0.9%	62.1	0.9%	60.5	0.8%	55.3	0.7%	(5.2)	(7.98%)	(6.8)	(10.95%)
JOM deposits	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%	0.0	0.00%	0.0	0.00%
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	0.00%	0.0	0.00%
NCDs		34.7		12.9		3.3		20.9		9.4		16.5		5.9	(10.6)	(64.24%)	(3.5)	(37.23%)

Yen deposits by customer type

(Billions of yen)

	10/9		11/3		11/9		12/3		12/9		13/3		13/9		Change from 13/3		Change from 12/9	
	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%
Yen deposits (Total)	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%	7,294.8	100.0%	7,407.9	100.0%	113.1	1.55%	226.3	3.15%
Individual	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%	5,466.7	74.9%	5,525.0	74.6%	58.3	1.07%	115.0	2.13%
Corporate	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%	1,404.4	19.3%	1,476.9	19.9%	72.5	5.16%	81.1	5.81%
Public sector	317.7	4.8%	318.6	4.7%	373.4	5.3%	430.5	6.0%	375.6	5.2%	423.7	5.8%	405.8	5.5%	(17.9)	(4.22%)	30.2	8.04%

Client assets

(Billions of yen)

	22年9月末		11/3		11/9		12/3		12/9		13/3		13/9		Change from 13/3		Change from 12/9	
	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%	Term-end balance	%
Individual (Total)	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%	6,604.7	100.0%	6,683.9	100.0%	79.2	1.20%	217.5	3.36%
Current	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%	3,125.7	47.3%	3,186.7	47.7%	61.0	1.95%	152.1	5.01%
Time deposits	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%	2,341.0	35.4%	2,338.3	35.0%	(2.7)	(0.12%)	(37.1)	(1.56%)
Sub total	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%	5,466.7	82.8%	5,525.0	82.7%	58.3	1.07%	115.0	2.13%
Investment	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%	1,138.0	17.2%	1,158.9	17.3%	20.9	1.84%	102.5	9.70%

【Appendix】 Investment Portfolio



Balance of securities (booking price)

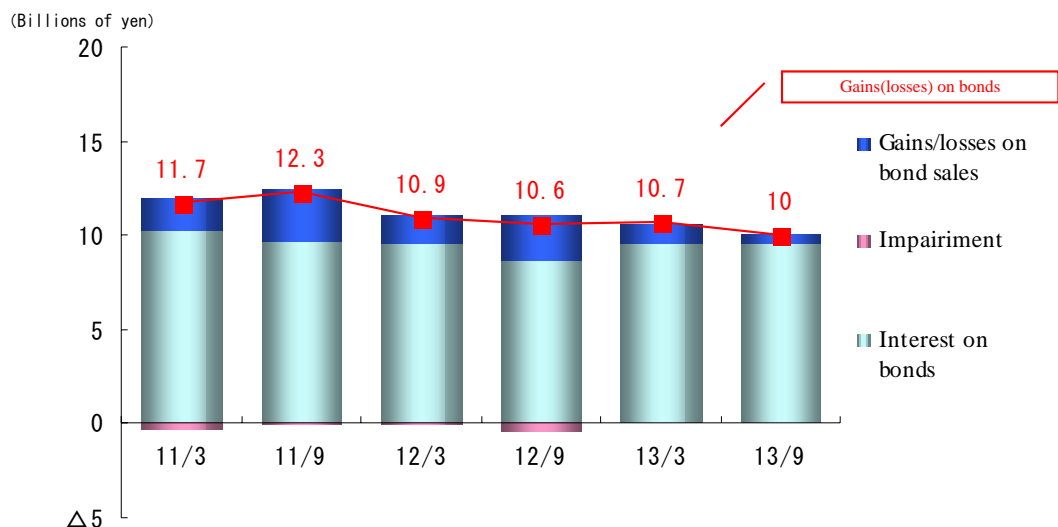
(Billions of yen)

	10/9		11/3		11/9		12/3		12/9		13/3		13/9		Change from 13/3		Change from 12/9	
	Balance	%	Balance	%	Balance	%	Balance	%	Balance	%	Balance	%	Balance	%	Balance	%	Balance	%
Yen-denominated bonds	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%	2,089.3	83.2%	2,013.6	81.4%	(75.7)	(3.62%)	(141.2)	(7.01%)
Duration [years]	3.5	—	3.6	—	3.9	—	3.8	—	4.2	—	4.0	—	3.9	—	(0.1)	-	(0.3)	-
Fixed rate notes	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%	1,883.1	75.0%	1,816.6	73.5%	(66.5)	(3.53%)	(125.6)	(6.91%)
[Average yield : %]	0.99%	—	1.00%	—	0.95%	—	0.87%	—	0.79%	—	0.79%	—	0.75%	—	(0.04%)	-	(0.04%)	-
Floating rate notes	247.6	11.6%	227.5	10.6%	225.4	9.8%	221.5	9.3%	212.6	8.5%	206.1	8.2%	197.0	8.0%	(9.1)	(4.42%)	(15.6)	(7.92%)
[Average yield : %]	0.46%	—	0.39%	—	0.39%	—	0.28%	—	0.16%	—	0.10%	—	0.07%	—	(0.03%)	-	(0.09%)	-
Foreign-denominated bonds	87.9	4.1%	99.7	4.7%	80.8	3.5%	115.8	4.8%	149.3	6.0%	204.1	8.1%	241.7	9.8%	37.6	18.42%	92.4	38.23%
Duration [years]	2.5	—	2.8	—	1.9	—	3.1	—	3.4	—	4.0	—	4.0	—	(0.0)	-	0.6	-
[Average yield spread : %]	2.51%	—	2.45%	—	2.28%	—	2.05%	—	1.75%	—	1.29%	—	1.69%	—	0.40%	-	(0.06%)	-
Fixed rate notes	66.9	3.1%	81.4	3.8%	68.1	3.0%	104.5	4.4%	138.6	5.5%	196.6	7.8%	233.9	9.5%	37.3	18.97%	95.3	40.74%
[Average yield : %]	3.76%	—	3.61%	—	3.35%	—	2.75%	—	2.24%	—	2.00%	—	1.98%	—	(0.02%)	-	(0.25%)	-
[Average yield spread : %]	3.20%	—	2.97%	—	2.69%	—	2.23%	—	1.85%	—	1.67%	—	1.71%	—	0.04%	-	(0.14%)	-
Floating rate notes	20.9	1.0%	18.2	0.9%	12.7	0.6%	11.3	0.5%	10.6	0.4%	7.4	0.3%	7.8	0.3%	0.4	5.41%	(2.8)	(35.90%)
[Average yield : %]	0.74%	—	0.72%	—	0.66%	—	0.83%	—	0.86%	—	0.73%	—	0.71%	—	(0.02%)	-	(0.15%)	-
[Average yield spread : %]	0.34%	—	0.32%	—	0.31%	—	0.43%	—	0.48%	—	0.35%	—	0.37%	—	0.02%	-	(0.10%)	-
Stock	149.6	7.0%	145.2	6.8%	144.4	6.3%	143.3	6.0%	137.1	5.5%	137.7	5.5%	138.4	5.6%	0.7	0.51%	1.3	0.94%
Tier I ratio	-	39.0%	-	39.2%	-	38.3%	-	38.2%	-	36.1%	-	35.8%	-	34.9%	-	(0.84%)	-	(1.18%)
Investment trusts and others	39.0	1.8%	39.6	1.9%	41.7	1.8%	47.4	2.0%	59.9	2.4%	80.3	3.2%	78.3	3.2%	(2.0)	(2.49%)	18.4	23.50%
Total	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%	2,511.5	100.0%	2,472.3	100.0%	(39.2)	(1.56%)	(29.0)	(1.17%)
[Average yield : %]	1.10%	—	1.09%	—	1.12%	—	1.05%	—	1.06%	—	0.94%	—	0.99%	—	0.05%	5.3%	(0.07%)	(7.1%)
Unrealized gains/(losses)	53.9	—	47.3	—	38.0	—	60.1	—	53.9	—	131.8	—	135.1	—	3.3	-	81.2	-

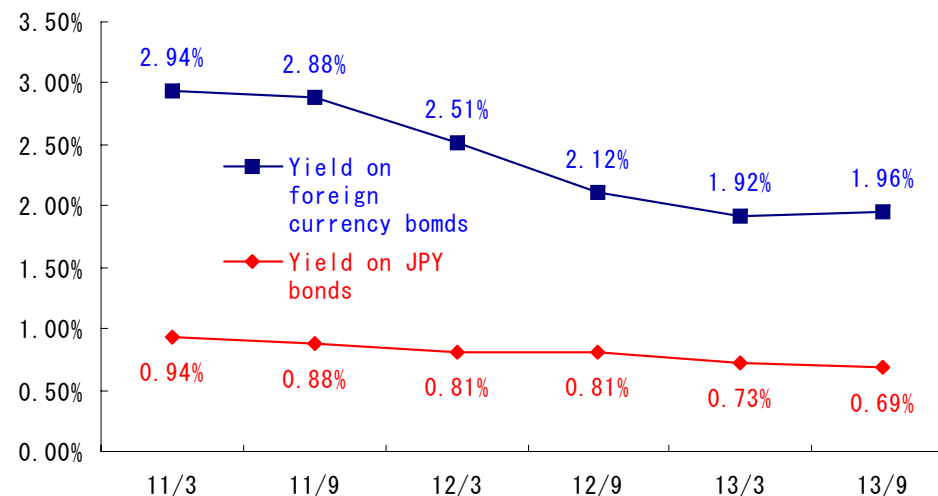
【Appendix】 Gains (Losses) on Bonds, Foreign Securities Portfolio



Gains (losses) on bonds



Yields on bonds (JPY bonds, Foreign bonds)



Securities portfolio

(Billions of yen)

	12/9		13/3		13/9		Change from 13/3		Change from 12/9	
	Balance	Unrealized gains (losses)	Balance	Unrealized gains (losses)	Balance	Unrealized gains (losses)	Balance	Unrealized gains (losses)	Balance	Unrealized gains (losses)
Domestic bonds	2129.1	35.5	2068.2	43.8	1998.8	33.1	(69.4)	(10.7)	(130.3)	(2.4)
Foreign bonds	175.1	4.3	225.2	5.6	256.4	1.4	31.2	(4.2)	81.2	(2.9)
Stocks	137.1	13.3	137.7	66.0	138.4	88.9	0.7	22.9	1.2	75.5
Investment trusts & Others	59.9	0.7	80.3	16.2	81.3	11.9	1.0	(4.3)	21.3	11.1
Trust beneficiary rights	14.0	0.0	11.7	0.0	9.6	0.0	(2.1)	0.0	(4.4)	0.0
Total	2515.4	53.9	2523.2	131.8	2484.7	135.5	(38.5)	3.7	(30.7)	81.5

Foreign bonds

(Billions of yen)

	12/9		13/3		13/9		Change from 13/3		Change from 12/9	
	Balance	Unrealized gains (losses)	Balance	Unrealized gains (losses)	Balance	Unrealized gains (losses)	Balance	Unrealized gains (losses)	Balance	Unrealized gains (losses)
Sovereign	69.8	2.2	102.1	2.7	131.7	1.0	29.5	(1.6)	61.8	(1.2)
Corporate	39.9	0.9	43.0	1.3	51.7	0.7	8.7	(0.5)	11.8	(0.1)
Pass through (Ginme Mae)	50.0	1.1	69.2	0.1	67.3	(0.4)	(1.8)	(0.6)	17.3	(1.6)
Securitization	15.3	0.0	10.9	0.0	5.6	0.1	(5.3)	0.0	(9.7)	0.2
Total	175.9	4.3	225.3	4.3	256.4	1.4	31.1	(2.8)	80.5	(2.8)

Breakdown by self-assessment classification of borrowers

Classification of borrowers (Self-Assessment)					Reserve	Reserve ratio	(Billions of yen)	
Classification of borrowers	claim classification						Problem asset	Coverage ratio
	No-classification	II	III	IV				
Legally Bankrupt 1.5 (0)	3.6	4.7	—	—	0.0 (0)	100% 《100%》	Bankrupt and quasi-bankrupt assets 8.4 (-0.5)	100.00% 《100.00%》
Substantially Bankrupt 6.9 (-0.5)	Protected by reserve, corateral · guarantee		Booking reserve on no-classification	Write-off	Specific reserve			
Potentially Bankrupt 101.7 (-7.6)	66.2	20.9	14.4	—			27.4 (0.2)	65.43% 《58.67%》
Borrowers Requiring Caution 39.7 (-16.6)	Protected by reserve, corateral · guarantee		Booking reserve on no-classification	—	General loan loss reserve			
	Borrowers Requiring Monitoring 391.9 (-28.9)	6.0	33.7	—			8.1 (-0.9)	21.86% 《17.16%》
Normal Borrowers 4718.3 (152.7)	13.5	256.9	—	—	5.7 (-0.3)	1.47% 《1.35%》	Normal assets 5,138.5 (117)	Coverage ratio (Total) 78.26% 《73.06%》
	Balance × Reserve ratio		—	—	2.3 (-0.2)	0.06% 《0.07%》		
Total	No-classification	II	III	IV	Total reserve		Total	
5260.1	4,929.2	316.4	14.4	0	43.6	(-1.3)	5276.4	

【Appendix】 Changes in Borrower Classification



Based on number of borrowers

(Millions of yen)

		13/3						Total
		Normal borrowers	Borrowers requiring caution	Borrowers requiring monitoring	Potentially bankrupt	Substantially bankrupt	Legally bankrupt	
1 3 / 9	Normal borrowers	2,429,136	45,029	6,884	0	7	0	2,481,056
	Borrowers requiring caution	21,512	332,270	9,490	4,679	70	0	368,021
	Borrower requiring monitoring	612	3,738	35,078	515	0	0	39,944
	Potentially bankrupt	1,235	5,844	2,081	89,907	40	0	99,107
	Substantially bankrupt	0	1,869	174	6,574	4,023	0	12,639
	Legally bankrupt	140	425	186	1,239	160	943	3,094
	Others	13,584	1,018	936	165	0	0	15,703
Total	2,466,219	390,193	54,829	103,080	4,299	943	3,019,564	

(Millions of yen)

Upgraded	66,714
Unchanged	2,891,358
Downgraded	45,789
Others	15,703
Total	3,019,564

Based on borrowed amount

(Number)

		13/3						Total
		Normal borrowers	Borrowers requiring caution	Borrowers requiring monitoring	Potentially bankrupt	Substantially bankrupt	Legally bankrupt	
1 3 / 9	Normal borrowers	10,914	368	14	0	1	0	11,297
	Borrowers requiring caution	308	5,654	96	32	2	0	6,092
	Borrower requiring monitoring	7	67	401	5	0	0	480
	Potentially bankrupt	6	139	36	1,900	2	0	2,083
	Substantially bankrupt	0	48	7	97	225	0	377
	Legally bankrupt	1	5	3	13	8	44	74
	Others	281	124	15	36	0	0	456
Total	11,517	6,405	572	2,083	238	44	20,859	

(Number)

Upgraded	520
Unchanged	19,138
Downgraded	745
Others	456
Total	20,859

【Appendix】 Balance of Loans by Industry/Risk-Monitored Loans



Balance of loans by industry

(Millions of yen)

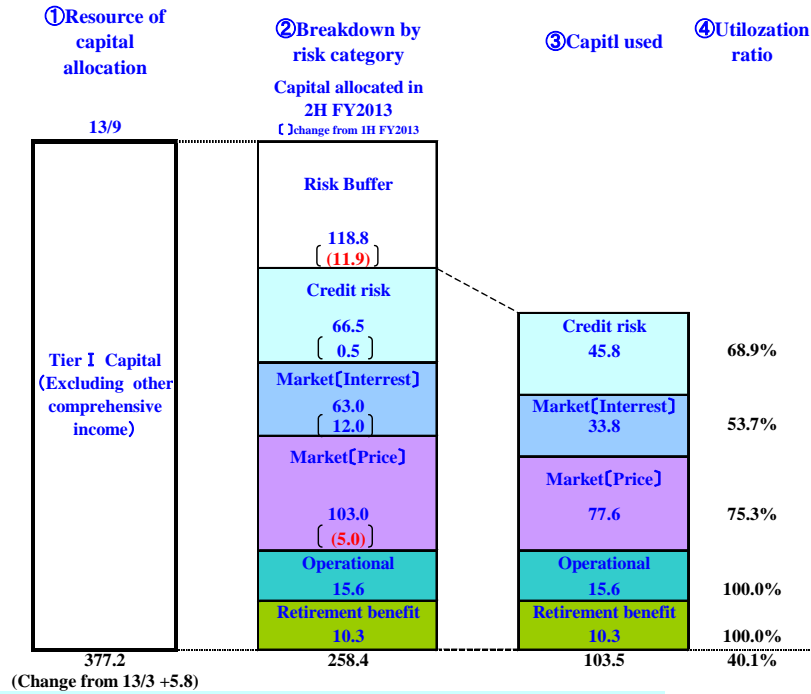
	13/3		13/9		Change from 13/3	
	Balance	(%)	Balance	(%)	Balance	(%)
Corporate loans	316,242.8	61.5%	320,403.5	61.1%	4160.7	(0.4%)
Manufacturing	76,697.8	14.9%	75,074.8	14.3%	(1623.0)	(0.6%)
Farming & Forestry	1,452.6	0.3%	1,420.4	0.3%	(32.2)	(0.0%)
Fishery	337.7	0.1%	363.2	0.1%	25.5	0.0%
Mining & quarrying of stone and gravel	1,894.6	0.4%	1,891.8	0.4%	(2.8)	(0.0%)
Construction	15,029.8	2.9%	14,924.7	2.8%	(105.1)	(0.1%)
Electric & gas utilities, water service	4,550.7	0.9%	5,275.1	1.0%	724.4	0.1%
Information communication	4,283.0	0.8%	3,613.4	0.7%	(669.6)	(0.1%)
Transport & postal activities	14,184.2	2.8%	16,061.4	3.1%	1877.2	0.3%
Wholesaling & retailing	60,115.3	11.7%	59,159.5	11.3%	(955.8)	(0.4%)
Financial & insurance	19,694.3	3.8%	20,724.7	4.0%	1030.4	0.1%
Real estate, goods rental & leasing	80,211.1	15.6%	83,322.8	15.9%	3111.7	0.3%
Miscellaneous services	37,791.7	7.4%	38,571.7	7.4%	780.0	0.0%
Public sector	76,290.3	14.8%	77,391.5	14.8%	1101.2	(0.1%)
Others (including individual loans)	121,463.5	23.6%	126,260.0	24.1%	4796.5	0.5%
Total	513,997.3	100.0%	524,055.7	100.0%	10058.4	-

Risk-monitored loans

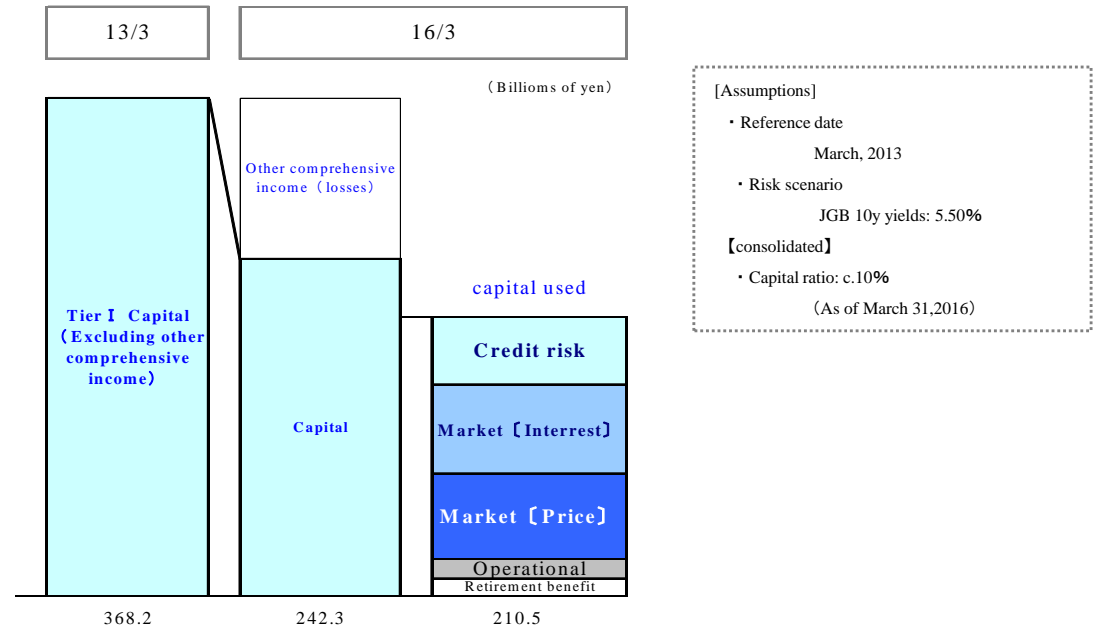
(Millions of yen)

	13/3		13/9		Change from 13/3	
	Balance	(%)	Balance	(%)	Balance	(%)
Corporate loans	14,633.2	94.3%	12,888.0	96.4%	(1745.2)	2.1%
Manufacturing	3,319.0	21.4%	2,968.4	22.2%	(350.6)	0.8%
Farming & Forestry	188.6	1.2%	184.2	1.4%	(4.4)	0.2%
Fishery	35.5	0.2%	31.5	0.2%	(4.0)	0.0%
Mining & quarrying of stone and gravel	12.1	0.1%	0.0	0.0%	(12.1)	(0.1%)
Construction	1,830.5	11.8%	1,702.6	12.7%	(127.9)	0.9%
Electric & gas utilities, water service	1.5	0.0%	1.3	0.0%	(0.2)	0.0%
Information communication	217.8	1.4%	215.3	1.6%	(2.5)	0.2%
Transport & postal activities	492.8	3.2%	374.0	2.8%	(118.8)	(0.4%)
Wholesaling & retailing	3,492.2	22.5%	3,110.8	23.3%	(381.4)	0.8%
Financial & insurance	53.8	0.3%	52.5	0.4%	(1.3)	0.0%
Real estate, goods rental & leasing	1,990.8	12.8%	1,796.8	13.4%	(194.0)	0.6%
Miscellaneous services	2,998.6	19.3%	2,450.6	18.3%	(548.0)	(1.0%)
Public sector	-	-	-	-	-	-
Others (including individual loans)	880.8	5.7%	884.2	6.6%	3.4	0.9%
Total	15,514.6	100.0%	13,372.7	100.0%	-	-

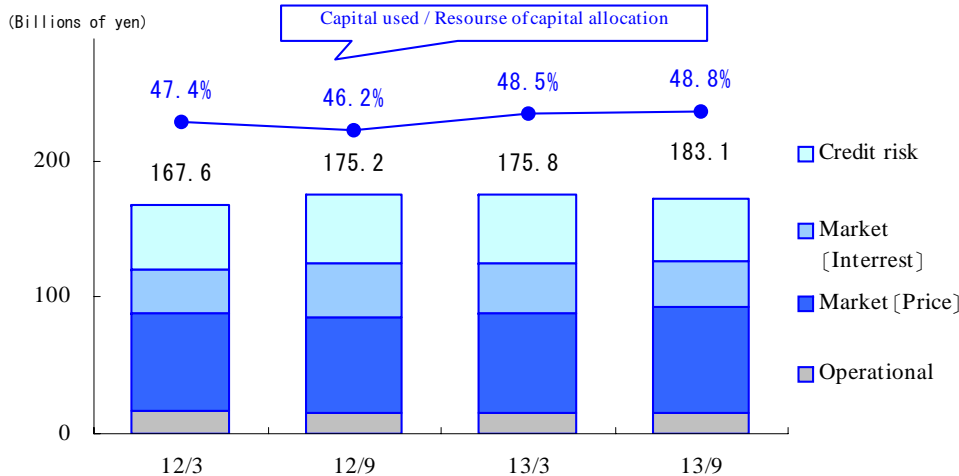
Risk capital allocation as of September 30, 2013



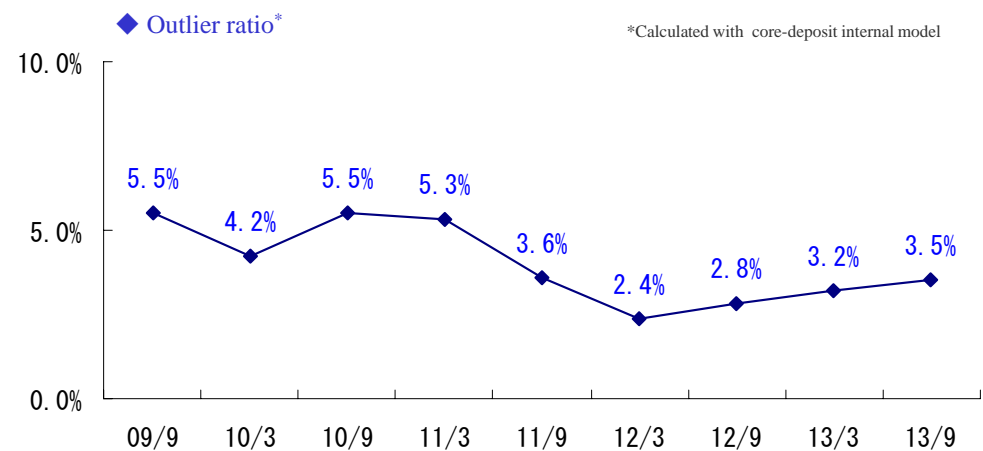
Stress test as of March 31, 2013



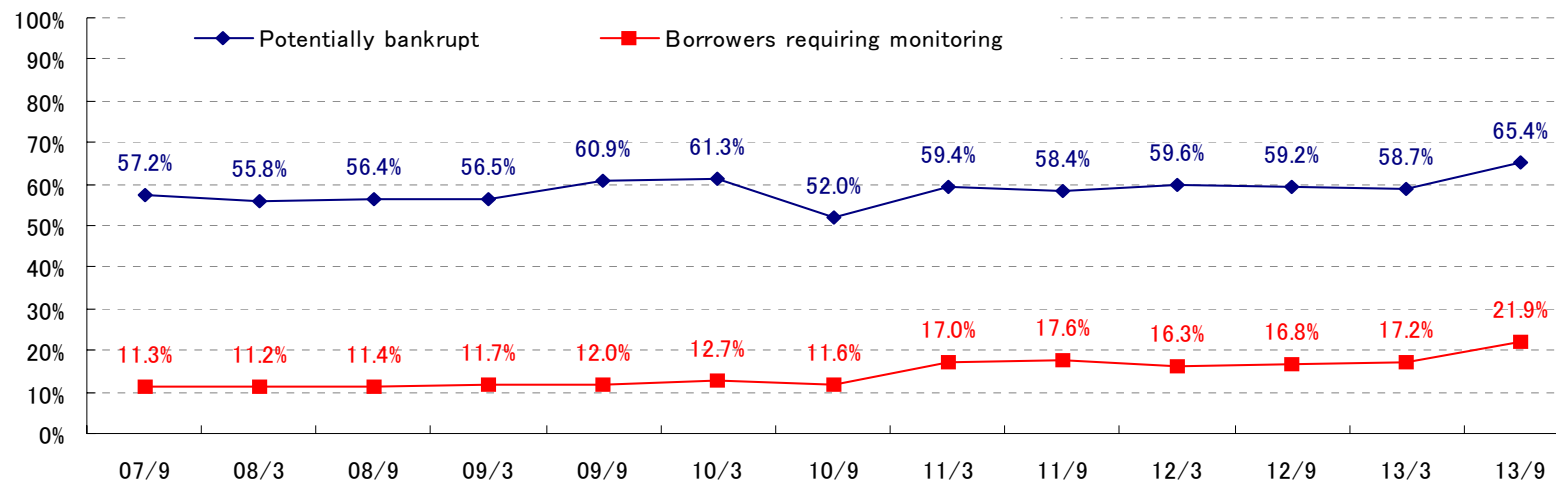
Capital used



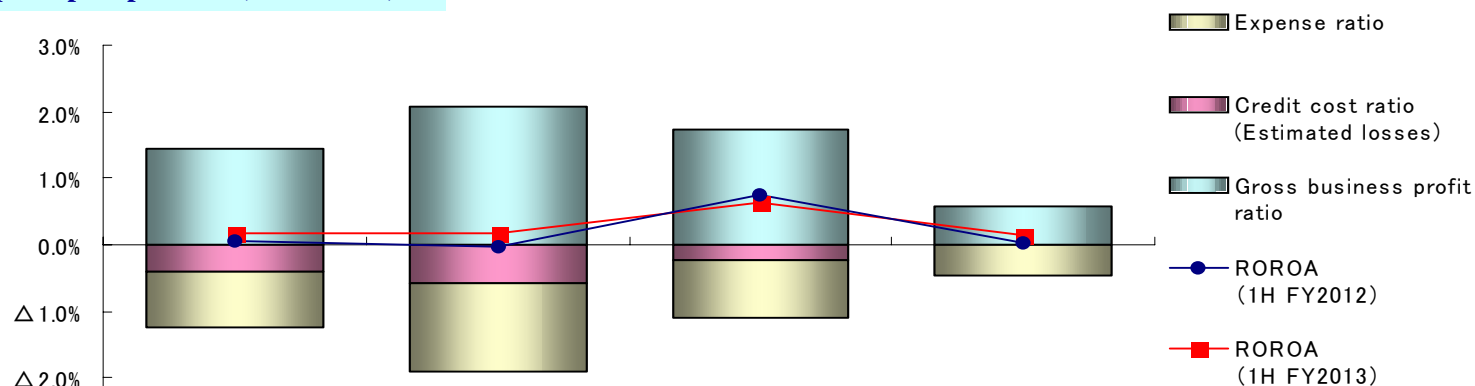
Market risk (interest)



Reserve ratio (potentially bankrupt, borrowers requiring monitoring)



Status of earnings by principal operation (1H FY2013)



	Corporate	Corporate (Ibaraki and its adjoining area)	Housing-related loans	Client assets
RAROA (1H FY2013)	0.2%	0.2%	0.6%	0.1%
RAROA (1H FY2012)	0.1%	0.0%	0.7%	0.0%
Balance (trillion)	2.7	1.5	1.6	1.2

【Appendix】 Cost Efficiency



Breakdown of expenses

(Billions of yen)

	1H FY2010	FY2010	1H FY2011	FY2011	1H FY2012	FY2012	1H FY2013	YoY change	FY2013 Projection	YoY change
Total expenses	35.4	69.6	35.3	69.1	35.2	68.7	36.1	0.8	70.5	0.9
Personnel expenses	17.5	35.1	17.6	35.0	17.7	35.1	17.6	(0.1)	35.1	(0.1)
Non-Personnel expenses	15.5	31.4	15.6	31.3	15.4	30.6	16.4	0.9	32.3	1.0
Depreciation ①	2.7	5.8	3.0	5.9	2.4	5.1	2.7	0.3	-	-
Deposit insurance cost ②	2.7	5.4	2.7	5.5	2.9	4.8	3.0	0.1	-	-
Others (Excluding ① & ②)	10.1	20.1	9.7	19.8	10.0	20.5	10.6	0.6	-	-
Tax	2.1	3.0	2.1	2.8	2.0	2.9	2.1	0.0	3.1	-
OHR (Core net business income basis)	63.1%	62.5%	64.6%	63.7%	64.8%	63.9%	67.8%	3.0%	-	-

Number of employees/branches

(Number)

	10/9	11/3	11/9	12/3	12/9	13/3	13/9	YoY change
Number of employees	3,443	3,360	3,457	3,358	3,417	3,332	3,398	(19)
Network	397	400	402	403	409	410	413	4
Domestic	174	176	176	176	177	177	178	1
Overseas	1	1	1	1	2	2	2	0
ATM spot	222	223	225	226	230	231	233	3
ATM	26,591	27,307	28,143	29,104	30,277	31,713	32,872	2,595
Own	875	888	891	876	878	878	880	2
E-net (alliance)	10,761	11,056	11,247	11,596	12,069	12,714	13,148	1,079
Seven bank (alliance)	14,955	15,363	16,005	16,632	17,330	18,123	18,844	1,514

【Appendix】 Management Indices (Non-consolidated)

Management indices (non-consolidated)

	1H FY2009	FY2010	1H FY2011	FY2011	1H FY2012	FY2012	1H FY2013	YoY change
EPS (Yen)*1	13.77	16.74	11.32	21.91	14.54	26.95	16.69	2.15
BPS (Yen)	546.20	544.70	544.12	575.02	580.91	659.16	675.79	94.88
ROE (Net income basis: %)*2	5.01%	3.07%	4.14%	3.92%	5.03%	4.37%	4.98%	(0.05%)
OHR (Core business profit basis:	63.10%	62.50%	64.60%	63.70%	64.80%	63.90%	67.80%	3.00%
ROA (Core business profit basis:	0.56%	0.57%	0.50%	0.51%	0.48%	0.49%	0.41%	(0.07%)

*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

	10/9	11/3	11/9	12/3	12/9	13/3	YoY change
Loans and bills discounted	43.13%	43.25%	43.03%	44.17%	44.12%	44.48%	0.36%
Deposits	42.23%	42.71%	42.86%	43.32%	42.82%	43.05%	0.23%

*Share of deposits and loans in Ibaraki Prefecture, final figures for September 30, 2012

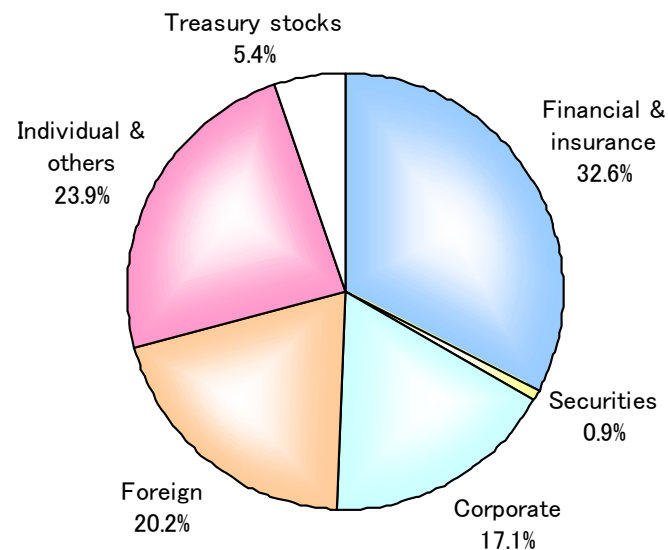
【Appendix】 Shareholder Composition



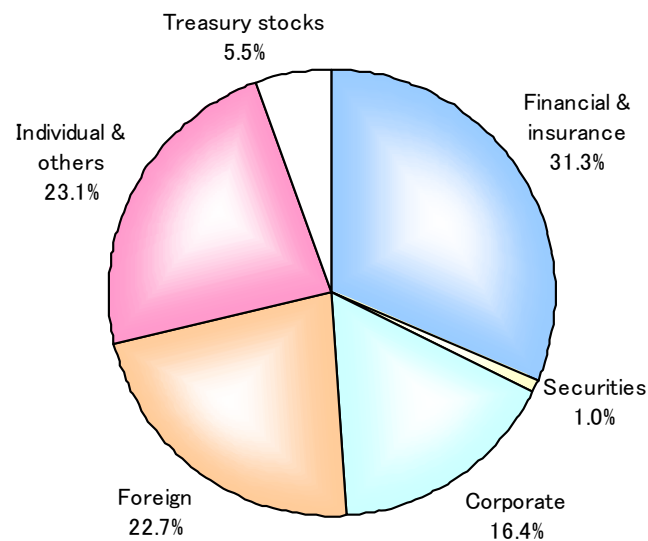
Shareholder composition

	11/9			12/3			12/9			13/3			13/9			change from 12/9		
	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	0.00%
Financial & insurance	64	267,760	32.8%	65	265,761	32.8%	57	260,229	32.6%	55	251,390	31.5%	56	247,142	31.3%	(1)	(13,087)	(1.25%)
Securities	40	5,810	0.7%	38	7,944	1.0%	38	6,862	0.9%	37	8,853	1.1%	40	7,790	1.0%	2	928	0.13%
Corporate	1,030	139,121	17.0%	1,001	137,701	17.0%	985	136,554	17.1%	959	132,793	16.6%	944	129,662	16.4%	(41)	(6,892)	(0.66%)
Foreign	294	157,031	19.2%	289	155,269	19.2%	297	161,553	20.2%	308	171,226	21.4%	312	178,847	22.7%	15	17,294	2.45%
Individual & others	29,245	196,880	24.1%	28,339	193,886	23.9%	28,367	190,936	23.9%	27,468	186,214	23.3%	26,670	182,155	23.1%	(1,697)	(8,781)	(0.81%)
Treasury stocks	1	49,329	6.0%	1	49,370	6.1%	1	42,798	5.4%	1	48,455	6.1%	1	43,335	5.5%	0	537	0.14%
Total	30,677	816,231	100.0%	29,736	810,231	100.0%	29,748	799,231	100.0%	28,831	799,231	100.0%	28,026	789,231	100.0%	(1,722)	(10,000)	0.00%

As of September 30, 2012



As of September 30, 2013



(Thousands)

Increase

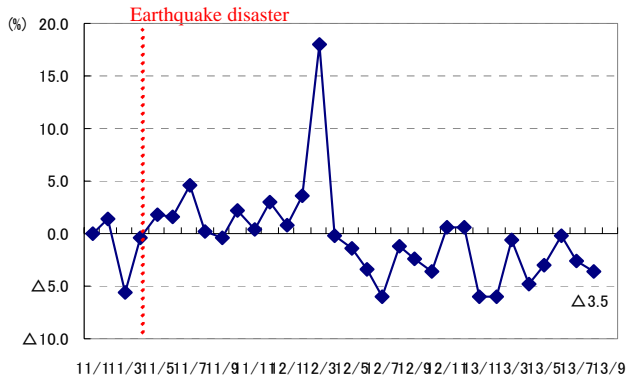
Foreign	+17,294
Securities	+928
Treasury stock	+537

Decrease

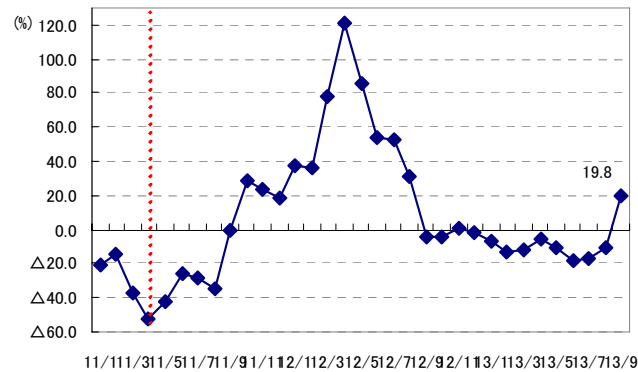
Financial & insurance	(13,087)
Individual	(8,781)
Corporate	(6,892)

【Appendix】 Economic Indicators for Ibaraki Prefecture (11/1-13/9)

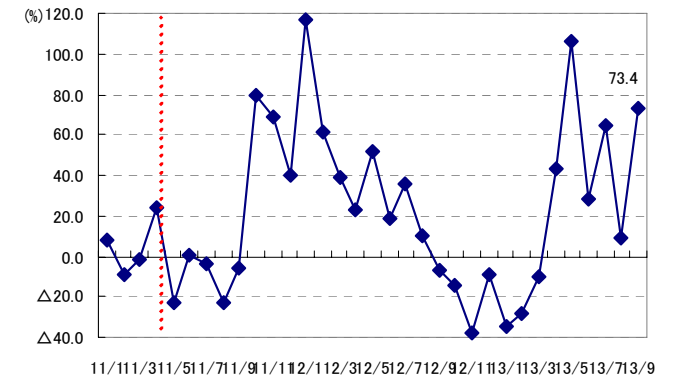
Large-scale retail store sales (YoY)



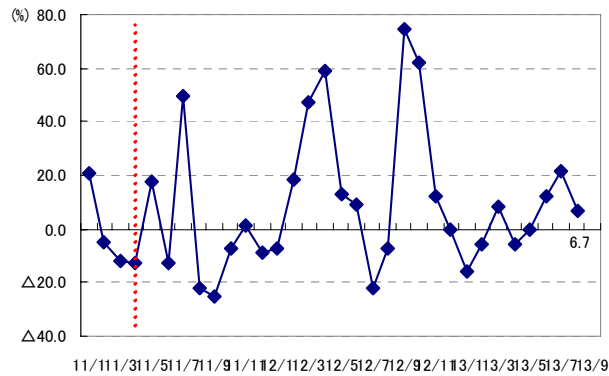
Total number of registered new automobiles (YoY)



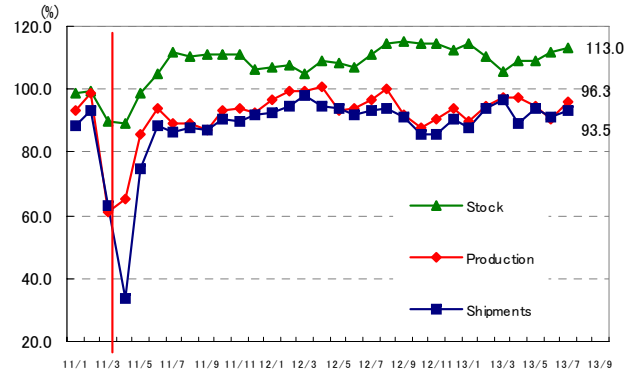
Value of public construction starts by order (YoY)



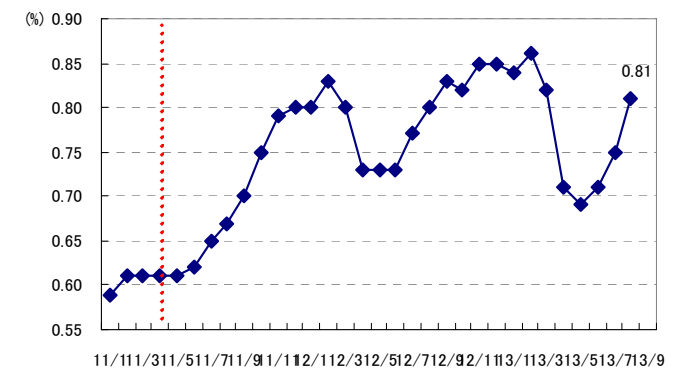
New housing starts (YoY)



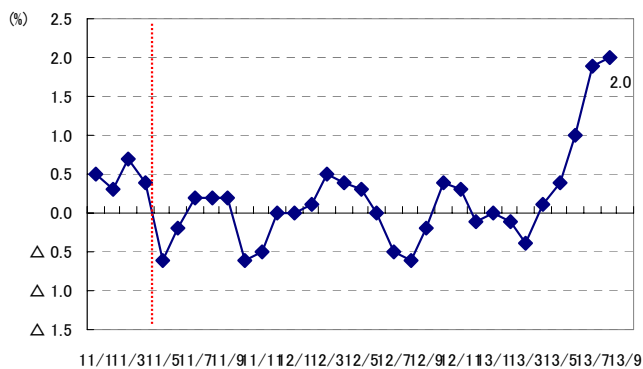
Industrial production (2005=100)



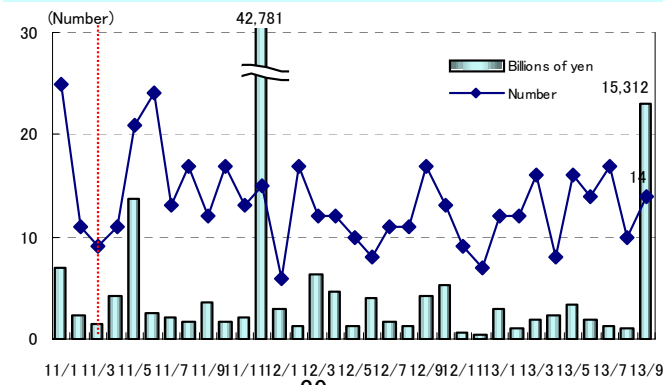
Ratio of job offers to job seekers



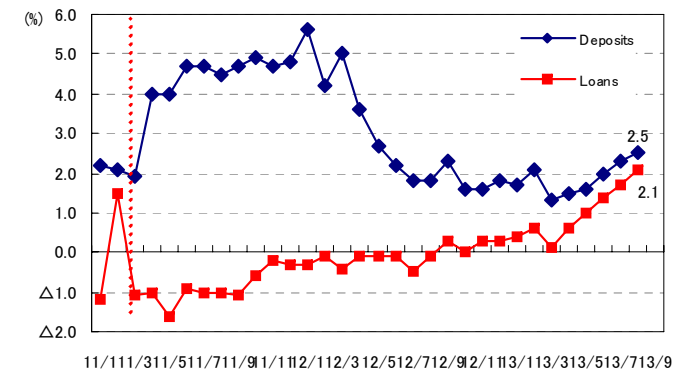
Consumer prices (YoY)



Business bankruptcies (number and value)



Deposits, loans and bills discounted (YoY)





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