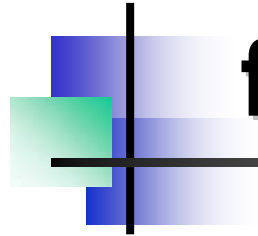


Outline of Business Results for FY2011



Highlights for FY2011

Lower interest income due mainly to a drop in interest on loans and bills discounted and on securities; deterioration in securities-related income and expenses together with a decline in credit costs

(¥ billion)

| (Non-consolidated) | FY11 | YoY change | |
|---|--------|------------|---------|
| | | FY10 | Amount |
| Gross business profit | 28.5 | 30.3 | (1.8) |
| Interest income | 25.6 | 26.6 | (1.0) |
| Fees and commissions | 2.0 | 1.7 | 0.2 |
| Fees and commissions (excluding trust fees) | 1.5 | 1.4 | 0.1 |
| Trust fee | 0.4 | 0.3 | 0.1 |
| Other business profit | 0.8 | 1.9 | (1.1) |
| Gains and losses on bond trading | 0.6 | 1.7 | (1.1) |
| Expenses (excluding non-recurrent items) | 18.8 | 18.5 | 0.2 |
| Business profit on core banking operations | 9.1 | 10.1 | (1.0) |
| Provision to general reserve for possible loan losses | (1.5) | (0.2) | (1.3) |
| Net business profit | 11.2 | 12.0 | (0.7) |
| Non-recurrent items | (2.9) | (2.4) | (0.4) |
| Gains and losses on equity securities | (0.6) | (0.3) | (0.2) |
| Bad debt disposal (non-recurrent items) | 2.5 | 1.8 | 0.7 |
| Ordinary profit | 8.3 | 9.5 | (1.1) |
| Extraordinary gains | (0.0) | (0.0) | 0.0 |
| Bad debt disposal (reversal of extraordinary losses) | — | 0.0 | (0.0) |
| Net income | 5.1 | 5.0 | 0.0 |
| Credit cost | 1.0 | 1.5 | (0.5) |
| Non-performing loan ratio | 1.63% | 1.68% | (0.05)% |
| Capital ratio | 12.25% | 12.73% | (0.48)% |

● Year-on-year changes

(¥ billion, %)

| | Average balance | Yield | Interest |
|----------------------------|------------------|--------------------|--------------------------|
| Loans and bills discounted | 14.1 [12.5] | (0.07) [(0.07)] | (0.4) [(0.4)] |
| Securities | 92.9 | (0.27) | (0.5) |
| Deposits | 139.5 [158.1] | (0.04) [(0.04)] | (0.1) [(0.1)] |
| Others | — | — | (0.2) [(0.0)] |
| Total | — | — | (1.0) [(0.8)] |

Note) Figures in square brackets include trust accounts.

Net gains on securities are posted as zero

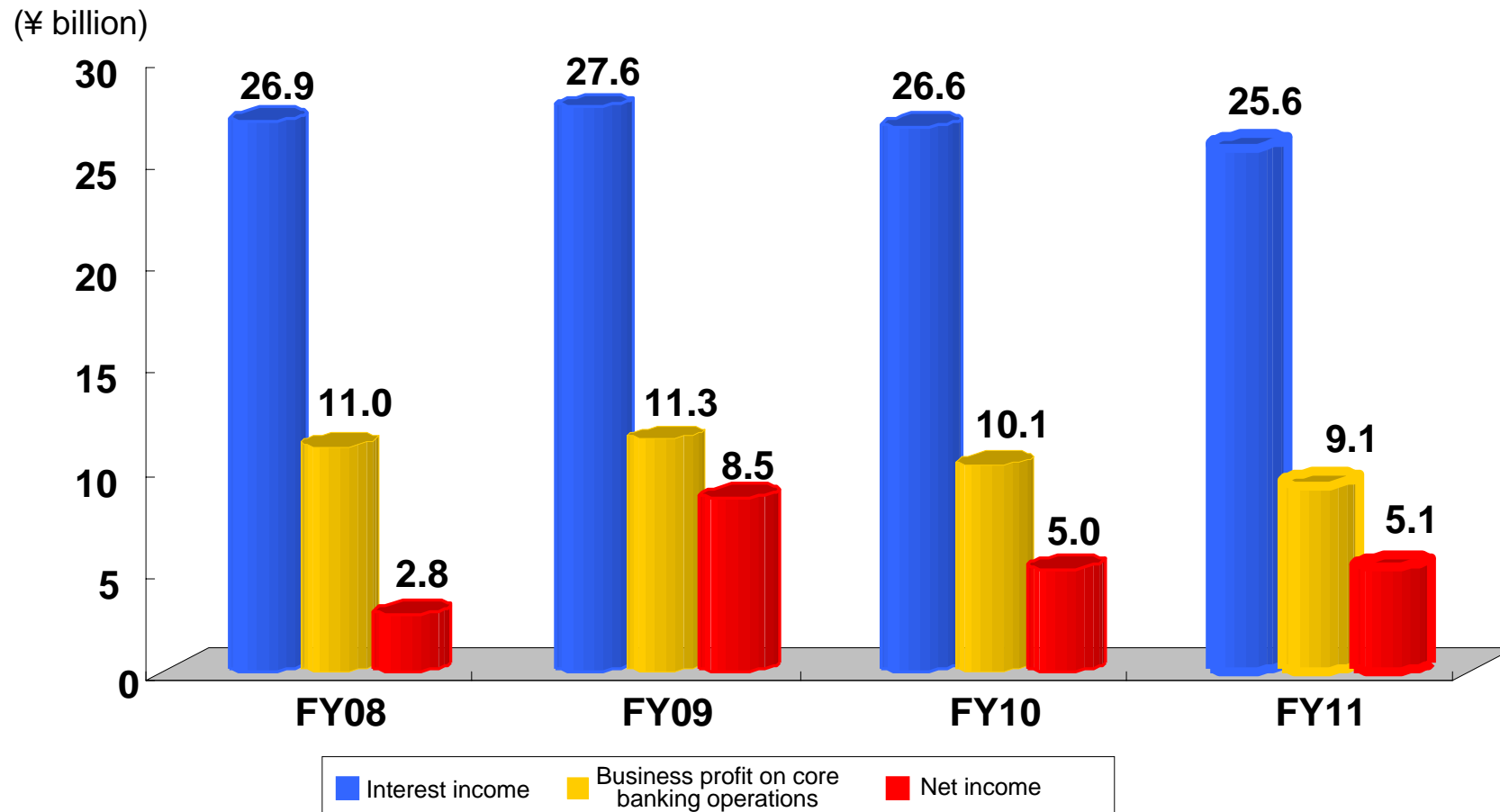
● YoY comparison of business profit on core banking operations

Decrease ← → Increase

| | | |
|-----------|--|----------|
| 4 | Interest on loans and bills discounted | |
| 5 | Interest on securities | |
| | Interest paid on deposits | 1 |
| 2 | Others | |
| | Commissions | 1 |
| 2 | Expenses | |
| | Trust account services | 1 |
| 14 | Total | 4 |

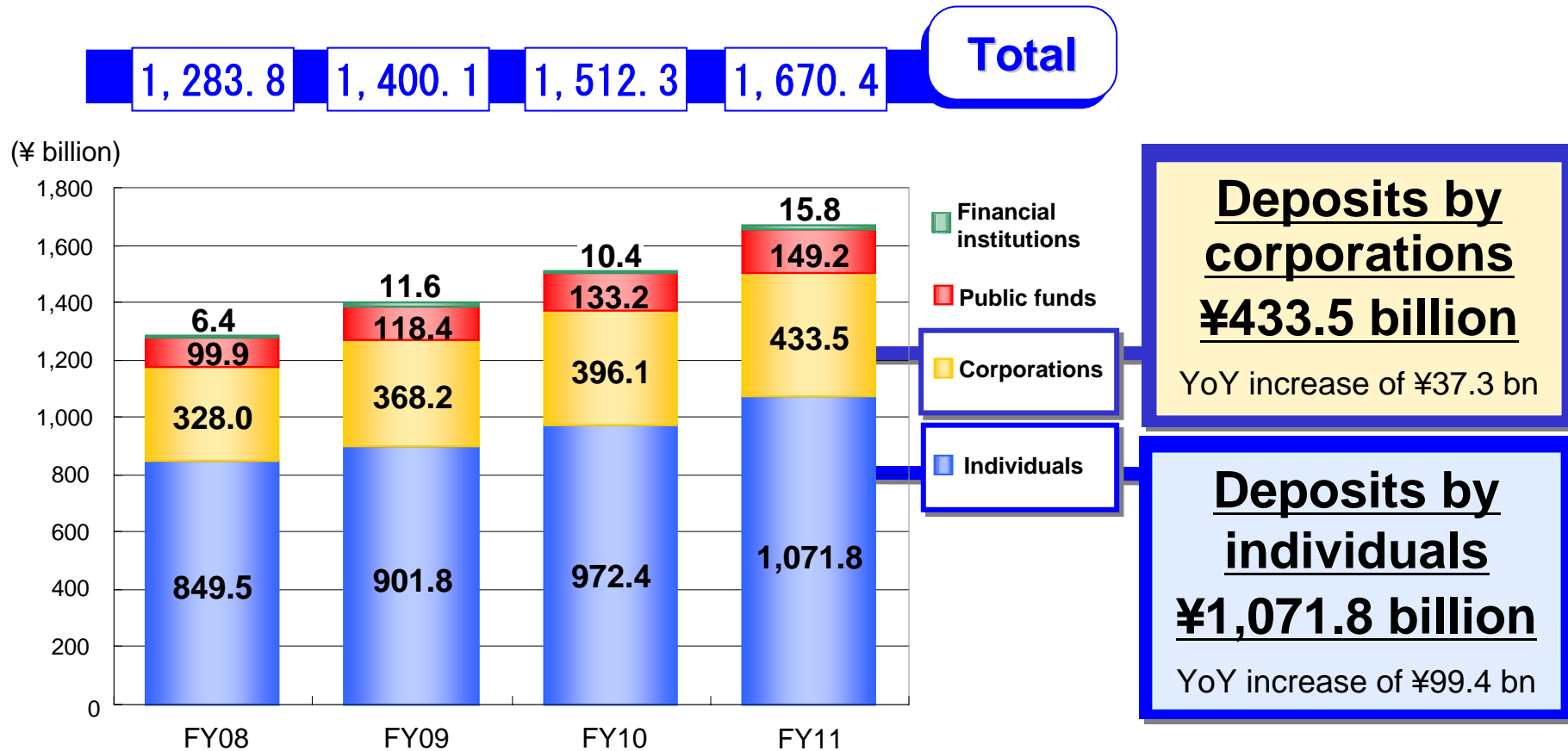
Earnings

Decrease in business profit on core banking operations
as the main factor for the decline in interest income



Deposits (Average Balance)

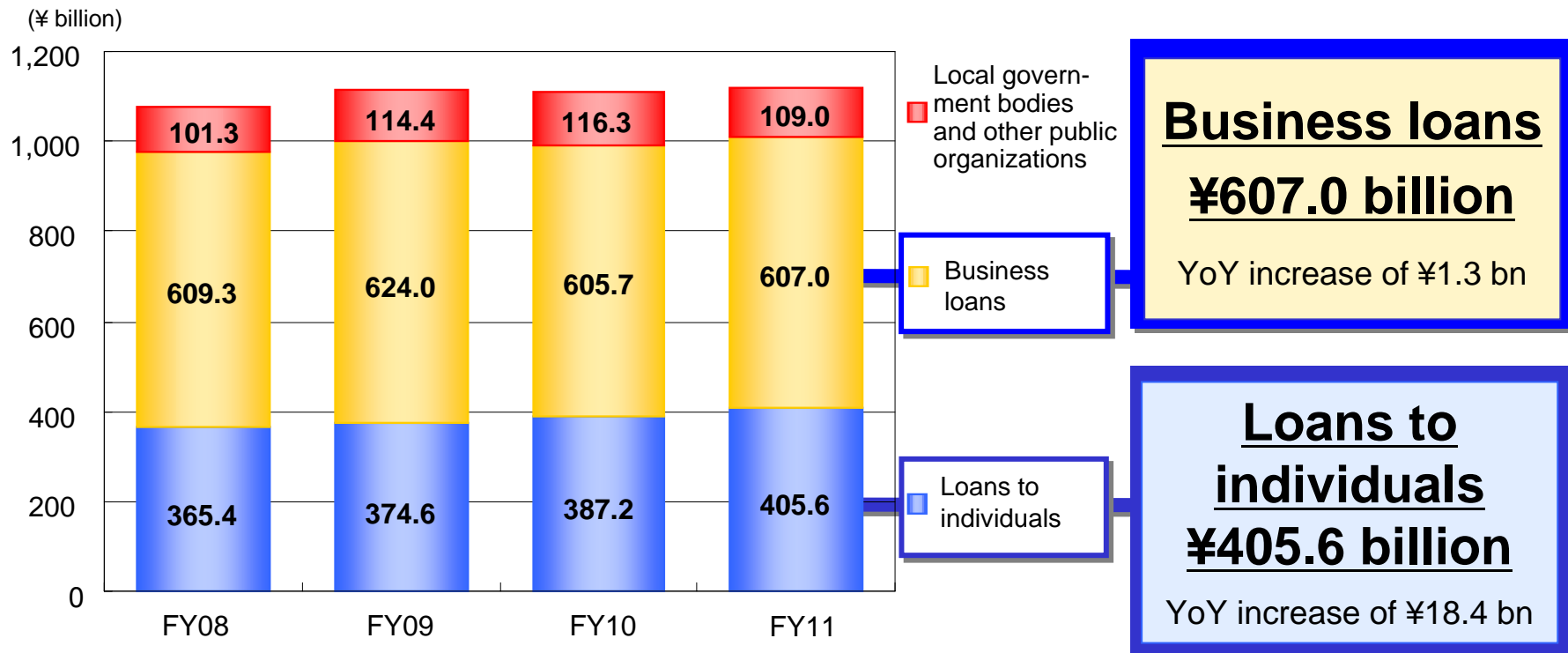
Rises seen in deposits by both individuals and corporations
¥1,670.4 billion (up ¥158.1 bn YoY)



* Including trust accounts

Loans (Average Balance)

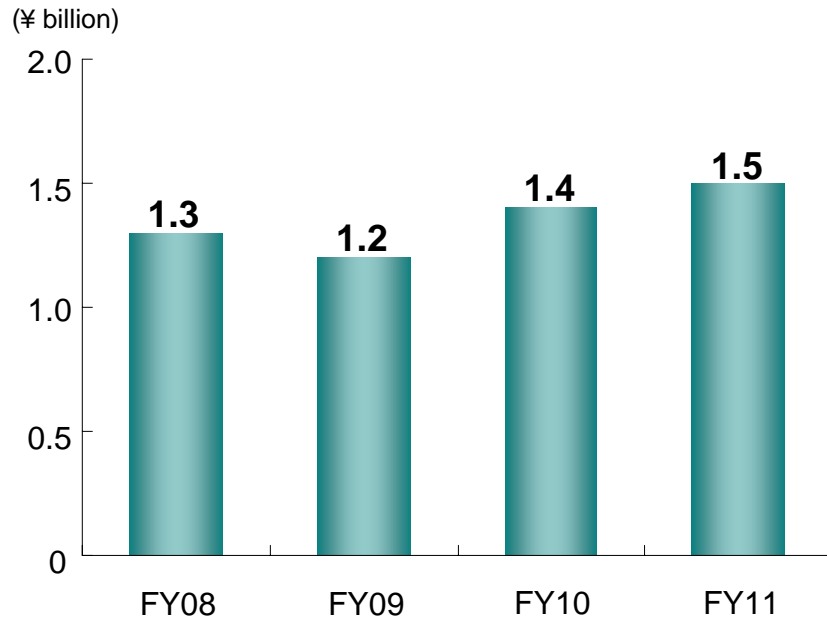
Business loans maintained from year to year
 Loans to individuals rose steadily
¥1,121.7 billion (up ¥12.5 bn YoY)



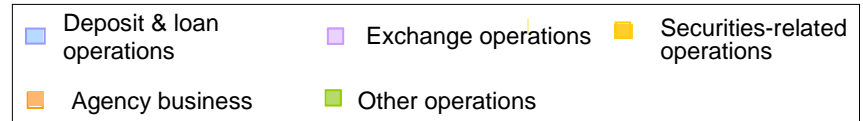
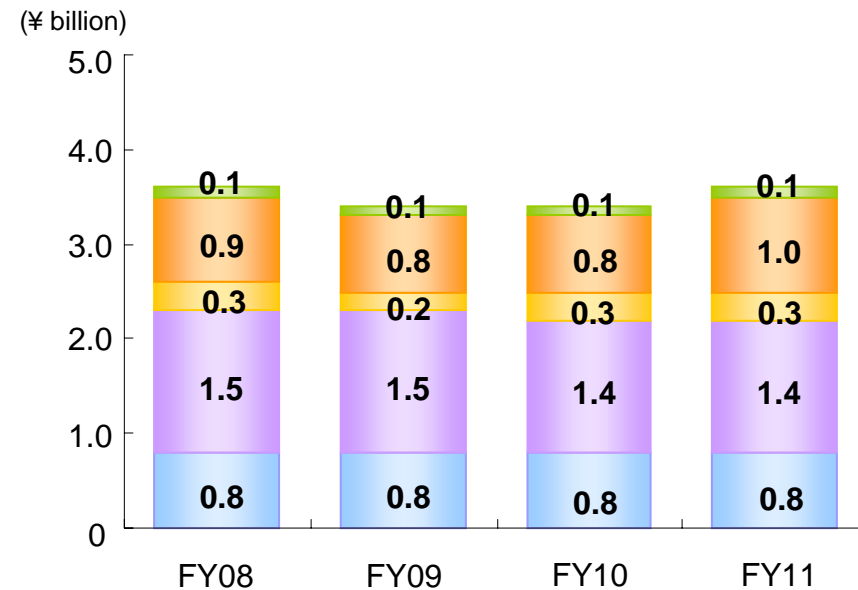
* Including trust accounts

Fees and Commissions (Excluding Trust Fees)

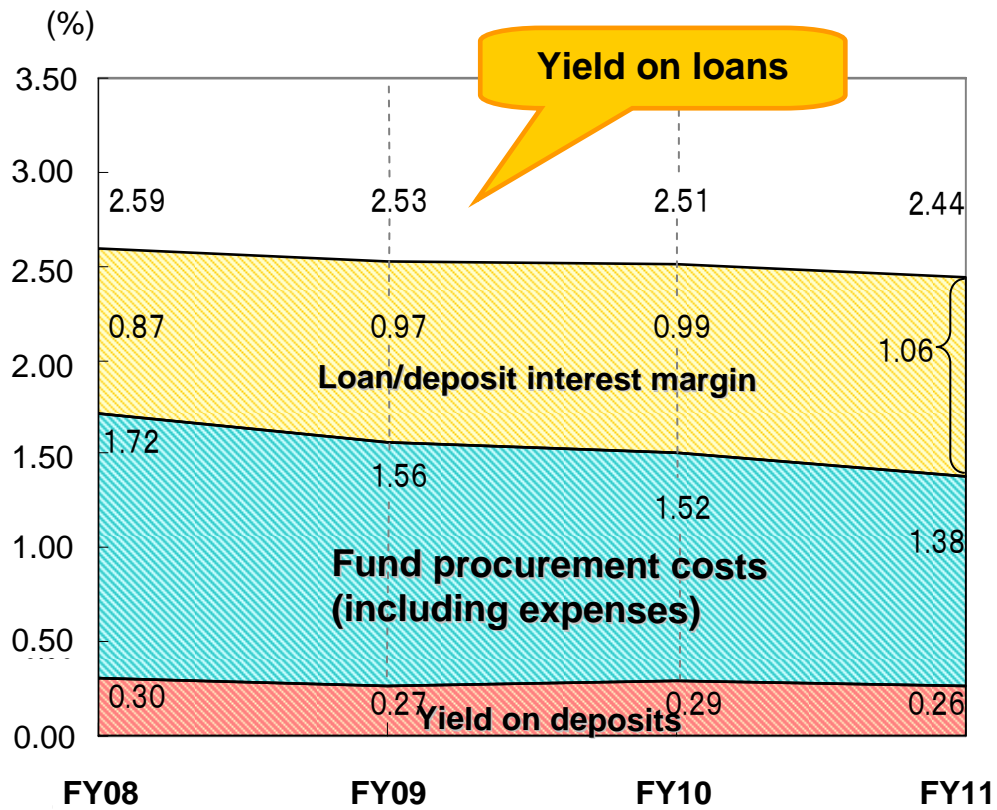
Fees and commissions
(excluding trust fees)



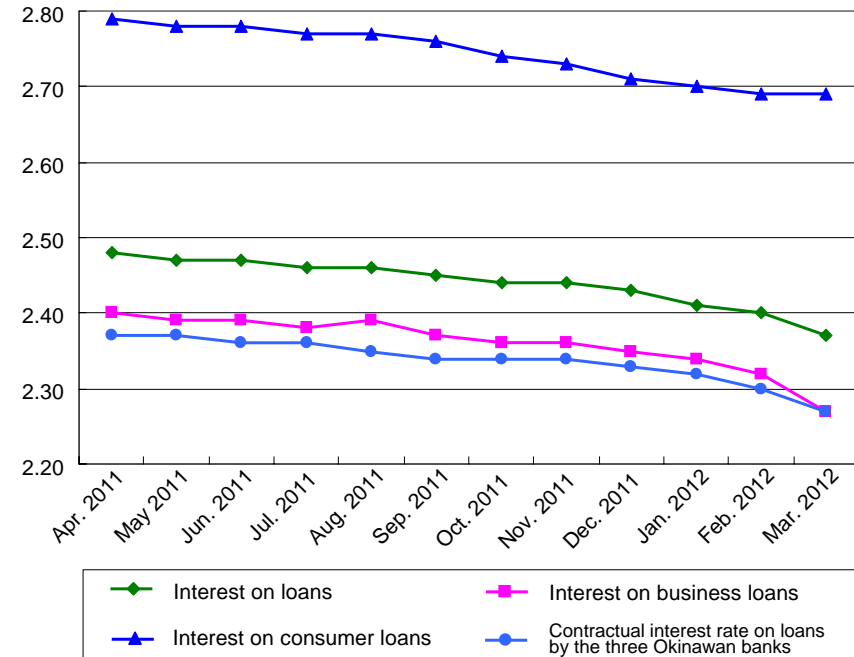
Commissions earned



Loan / Deposit Interest Margin (Domestic)



Monthly movements of yield on loans



Source: Bank of Okinawa, Bank of Japan Naha Branch

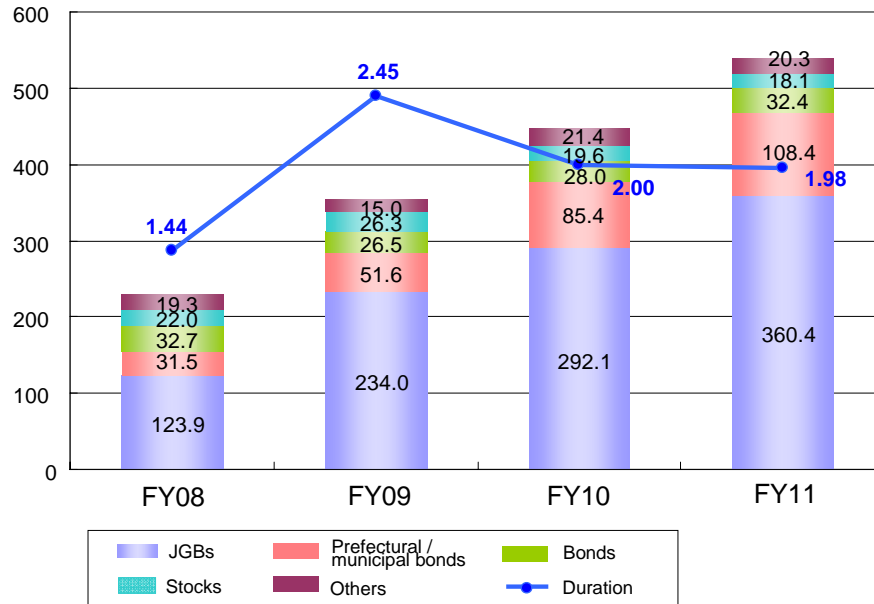
Securities (Term-End Balance)

Balance

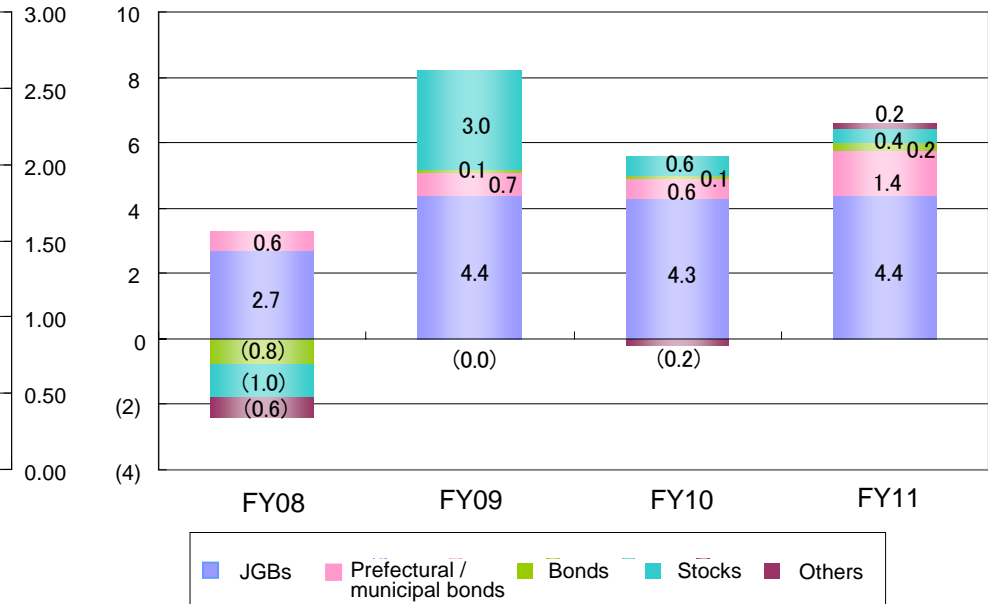
Unrealized gains (losses)



(¥ billion)



(¥ billion)

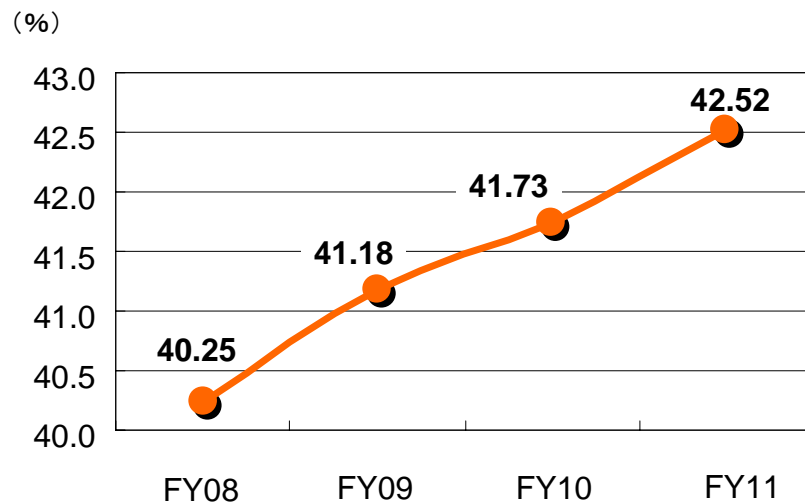


Note: Effective from the fiscal year under review, duration data includes floating-rate JGBs
Data prior to the fiscal year ended March 31, 2011 has been retroactively adjusted.

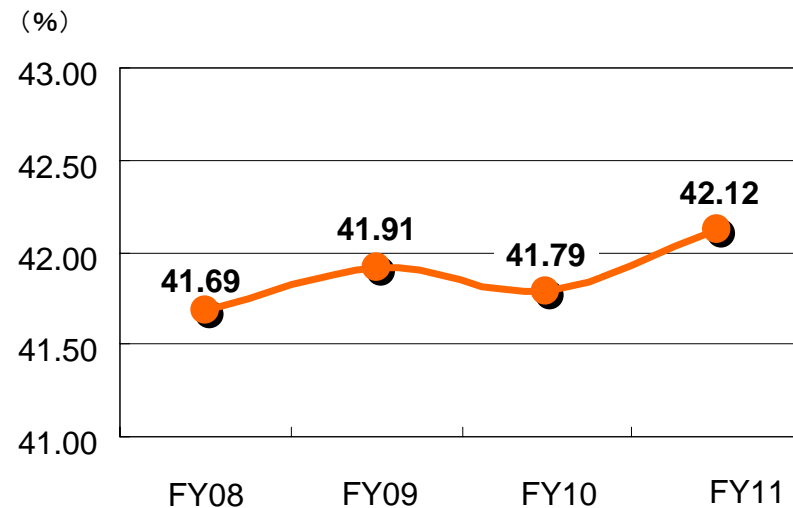
Our Share of the Market Served by the Three Okinawan Regional Banks (FY2011)

Increase in shares of both deposits and loans
Deposits: 42.52% (up 0.79 points YoY)
Loans: 42.12% (up 0.33 points YoY)

**Deposits
(average balance)**



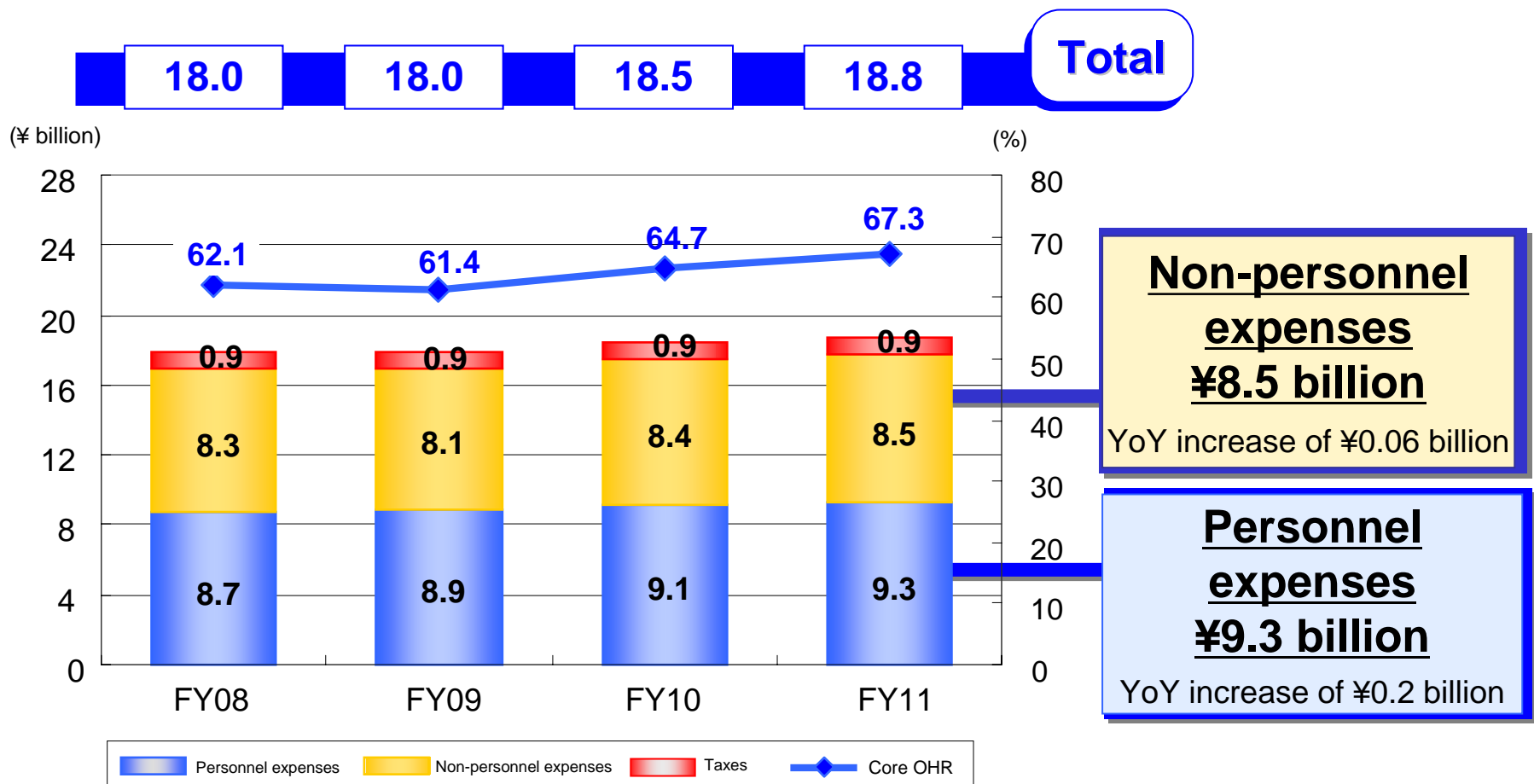
**Loans
(average balance)**



Expenses

Increase in personnel expenses due mainly to higher retirement benefit expenses;
increase in non-personnel expenses owing largely to higher deposit insurance premiums

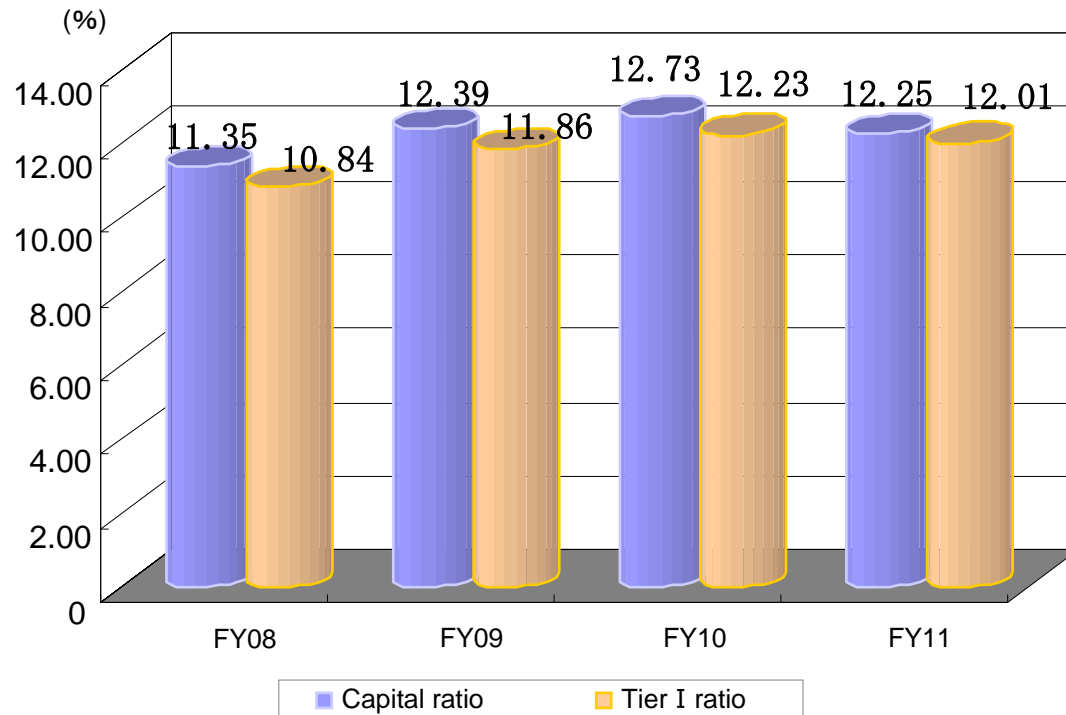
¥18.8 billion (up ¥0.2 bn YoY)



Capital Ratio and Tier I Ratio

**Capital ratio (domestic standard) at 12.25%, down 0.48% YoY
(19th among regional banks)**

Tier I ratio at 12.01%, down 0.22% YoY (11th among regional banks)



Average capital ratio of regional banks in the term ended March 2012
 Capital ratio: 11.52%
 Tier I ratio: 9.89%

Compliance with Basel II

Credit risk: Standardized approach (SA)

Operational risk: Basic indication approach (BIA)

Outlier ratio

| | Total interest rate risks | Outlier ratio |
|-------------------|---------------------------|---------------|
| End of March 2012 | ¥ 655 million | 0.59% |

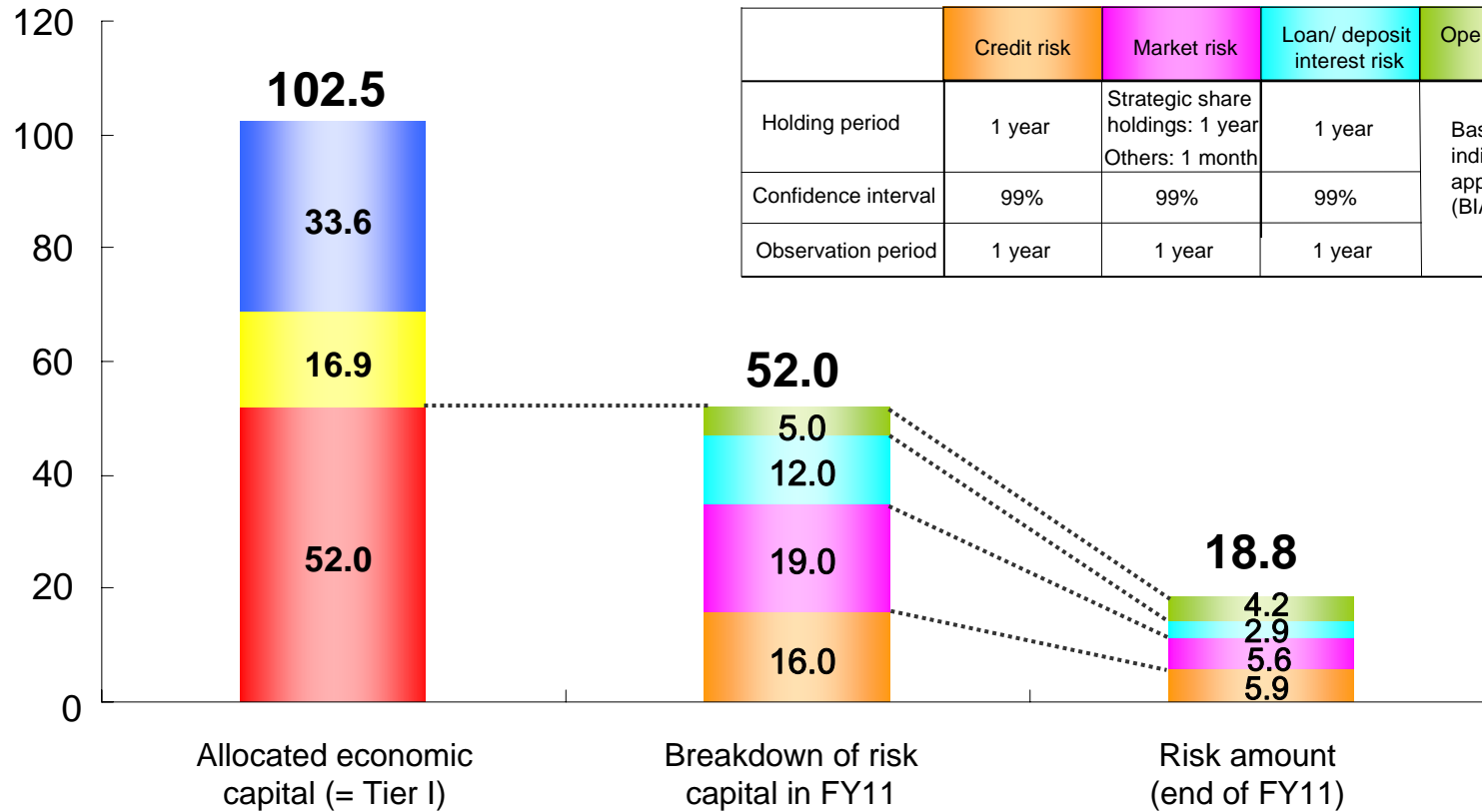
Percentile standard

Core deposits are assumed to be 50% of the term-end balance of liquid deposits. The average maturity is assumed to be 2.5 years.

Risk Management - Capital Allocation -

Controlling risks within the scope of Tier I

(¥ billion)



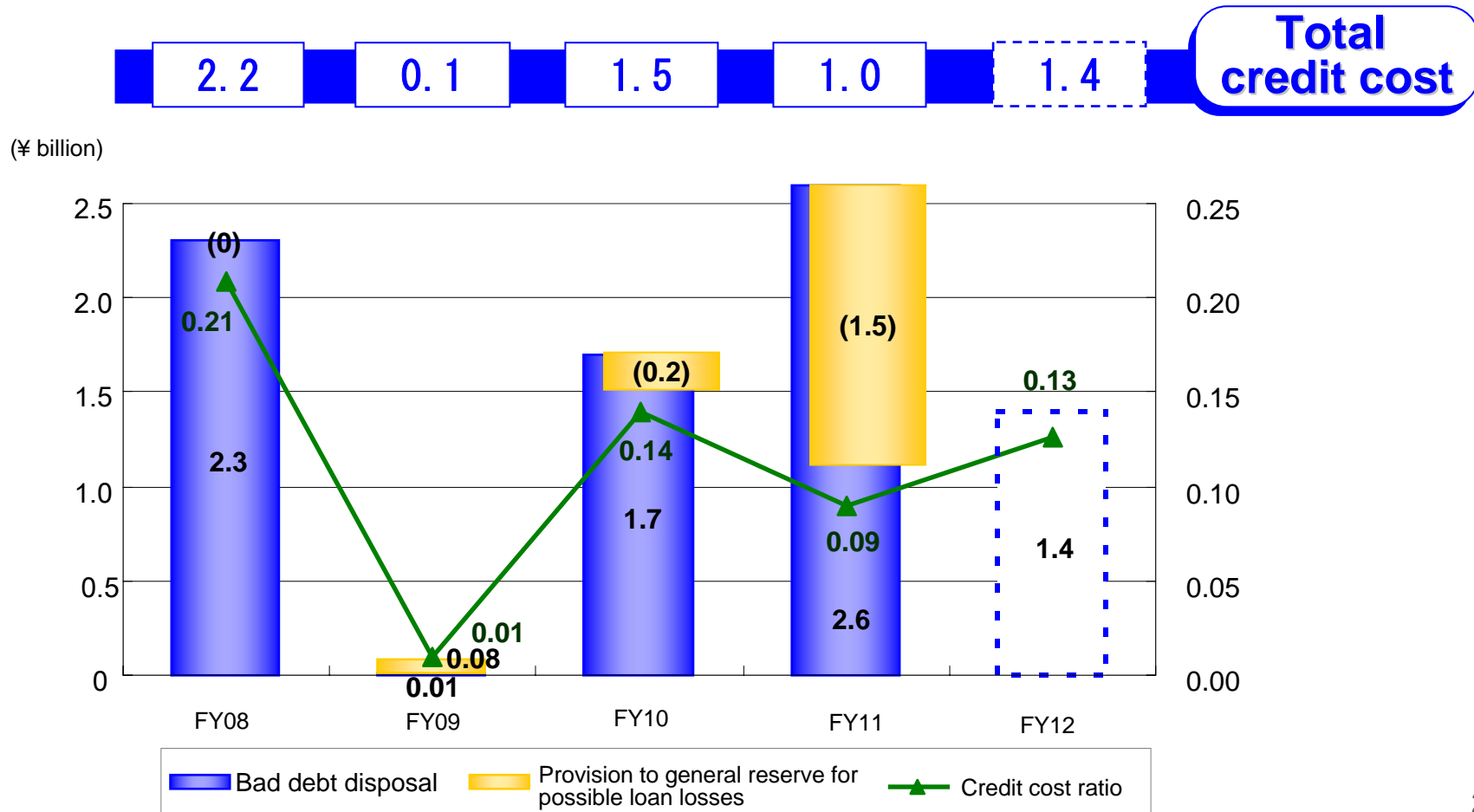
Basis for risk calculation

| | Credit risk | Market risk | Loan/ deposit interest risk | Operational risk |
|---------------------|-------------|---|-----------------------------|---------------------------------|
| Holding period | 1 year | Strategic share holdings: 1 year Others: 1 month | 1 year | Basic indication approach (BIA) |
| Confidence interval | 99% | 99% | 99% | |
| Observation period | 1 year | 1 year | 1 year | |

■ Credit risk
 ■ Market risk
 ■ Loan/deposit interest rate risk
 ■ Operational risk

Credit Cost

Decrease in credit costs reflecting improvements in borrowers' self-assessment rating
¥1.0 billion (down ¥0.5 bn YoY)



Mandatory Disclosure of Bad Debt under the Financial Reconstruction Law

Deterioration in the non-performing loan ratio due mainly to the increase in the amount of total credit
¥19.8 billion (1.63%)

