

Fiscal 2008
Interim Accounts Settlements

The Bank of Okinawa, Ltd.

Table of Contents

| | | |
|--|-------------------------------------|----|
| I. Summary of Fiscal 2008 Interim Accounts Settlements | | |
| 1. Earnings | Non-consolidated/consolidated | 1 |
| 2. Major assets and liabilities | Non-consolidated | 3 |
| 3. Expenses | Non-consolidated | 6 |
| 4. Asset soundness | Non-consolidated | 7 |
| 5. Capital ratio (domestic standards) | Non-consolidated/consolidated | 9 |
| 6. Performance forecasts | Non-consolidated/consolidated | 10 |
| II. Business Results for Fiscal 2008 Interim Term | | |
| 1. Business performance | Non-consolidated/consolidated | 11 |
| 2. Net business profit | Non-consolidated | 13 |
| 3. Interest margins | Non-consolidated | 13 |
| 4. Gains and losses on securities | Non-consolidated | 14 |
| 5. Capital ratio | Non-consolidated/consolidated | 14 |
| 6. ROE | Non-consolidated | 15 |
| III. Loans and Bills Discounted | | |
| 1. Risk-monitored loans (under the Banking Law) | Non-consolidated/consolidated | 16 |
| 2. Allowance for loan losses | Non-consolidated/consolidated | 17 |
| 3. Coverage of risk monitored loans | Non-consolidated/consolidated | 17 |
| 4. Mandatory disclosure of bad debt under the Financial Reconstruction Law | Non-consolidated/consolidated | 18 |
| 5. Coverage of assets subject to mandatory disclosure under the Financial Reconstruction Law | Non-consolidated/consolidated | 18 |
| 6. Allowance ratio and coverage ratio of assets subject to mandatory disclosure under the Financial Reconstruction Law by asset category and borrower category | Non-consolidated/consolidated | 19 |
| 7. Asset self-assessment and classification of assets | Non-consolidated | 20 |
| 8. Asset self-assessment and mandatory disclosure of assets under the Financial Reconstruction Law | Non-consolidated | 21 |
| 9. Loans and bills discounted by industrial segment | Non-consolidated | 22 |
| 1) Loans made by industrial segment | Non-consolidated | 22 |
| 2) Risk-monitored loans by industrial segment | Non-consolidated | 22 |
| 3) Loan and NPL balances -- wholesaling & retailing, construction, real estate, finance (excluding banking) | Non-consolidated | 23 |
| 4) Consumer loan balance | Non-consolidated | 24 |
| 5) Loans to SMEs and ratio of loans to SMEs to total loans | Non-consolidated | 24 |
| 10. Loans guaranteed by credit guarantee associations | Non-consolidated | 24 |
| 11. Loan balance to affiliate non-bank financial institutions | Non-consolidated | 24 |
| 12. Deposits and loan balances (non-consolidated) | Non-consolidated | 24 |
| 13. Deposit made by individuals and corporations by deposit category (average balance) | Non-consolidated | 25 |
| IV. Performance Forecasts | | |
| 1. Full-year performance forecasts for fiscal 2008 (ending March 2009) | Non-consolidated | 26 |
| 2. Restructuring | Non-consolidated | 26 |
| 3. Shareholdings | Non-consolidated | 26 |
| 4. Bond trading | Non-consolidated | 27 |
| 5. NPL | Non-consolidated | 27 |
| (1) Credit cost | Non-consolidated | 27 |
| (2) NPL balance | Non-consolidated | 27 |
| (3) NPL final disposal and new occurrence | Non-consolidated | 28 |
| (4) Reserves for possible loan losses by borrower category and reserve ratios | Non-consolidated | 28 |
| (5) NPL ratios under the Financial Reconstruction Law | Non-consolidated | 28 |

I. Summary of Fiscal 2008 Interim Accounts Settlements

1. Earnings

➤ Year-on-year comparison

Ordinary income for the reporting six-month period posted a year-on-year decline of ¥853 million, to ¥19,953 million on a non-consolidated basis. A rise in interest rates on loans caused an increase in interest income, but this was more than offset by a decrease in gains on the sale of securities and a decline in fees and commissions earned on the sale of investment trust products.

Impairment losses were recognized on a portion of the Bank's securities holdings, while credit costs rose as a result of the deterioration of customers' business situations. As a result, ordinary profit posted a year-on-year decline of ¥3,588 million, to ¥2,732 million. The implementation of early premium severance payments to support employees taking early voluntary retirement caused the posting of net extraordinary losses in the amount of ¥221 million.

As a result of the above, net income for the reporting period came to ¥1,007 million, down by ¥2,759 million from the previous first-half period.

In spite of this, business profit on core banking operations edged down by only ¥142 million to ¥5,535 million, essentially the same level as the previous year.

(1) Business performance (non-consolidated)

(¥ million)

| | No. | 1H FY07 | 1H FY08 | |
|---|-----------|--------------|--------------|-------------------------|
| | | | | YoY increase (decrease) |
| Ordinary income | 1 | 20,806 | 19,953 | (853) |
| Gross business profit | 2 | 14,975 | 12,923 | (2,052) |
| Interest income | 3 | 13,287 | 13,520 | 232 |
| Fees and commissions | 4 | 1,537 | 1,043 | (493) |
| Expenses for the disposal of bad debt included in trust account | 5 | - | 0 | 0 |
| Other business profit | 6 | 150 | (1,640) | (1,791) |
| Gains/losses on bond trading | 7 | 6 | (1,754) | (1,761) |
| Expenses (excluding nonrecurrent items) | 8 | 9,290 | 9,142 | (148) |
| Personnel expenses | 9 | 4,266 | 4,366 | 99 |
| Non-personnel expenses | 10 | 4,429 | 4,200 | (228) |
| Business profit on core banking operations (A) | 11 | 5,678 | 5,535 | (142) |
| Provision of general allowance for loan losses | 12 | - | 189 | 189 |
| Net business profit (B) | 13 | 5,684 | 3,591 | (2,093) |
| Nonrecurrent items | 14 | 636 | (858) | (1,494) |
| Net gains on equity securities | 15 | 974 | 363 | (610) |
| Bad debt disposal (nonrecurrent items) | 16 | 354 | 1,386 | 1,031 |
| Ordinary profit | 17 | 6,321 | 2,732 | (3,588) |
| Extraordinary gains (losses) | 18 | 643 | (221) | (865) |
| Early premium severance payments | 19 | - | 319 | 319 |
| Gains on collection of written-off claims | 20 | 138 | 101 | (36) |
| Reversal of bad debt reserve | 21 | 519 | 4 | (515) |
| Net income | 22 | 3,766 | 1,007 | (2,759) |

* The amount for bad debt disposal, consisting of the figure listed as No. 16 in the table at left (nonrecurrent items) minus the figure listed as No. 21 (reversal of bad debt reserve), came to ¥1,381 million. Credit cost, calculated as the amount for bad debt disposal plus the provision to general reserve for possible loan losses, came to ¥1,571 million.

* The Bank takes into account expenses for bad debt disposal in calculating net income under trust account (trust fee).

Explanation of terms

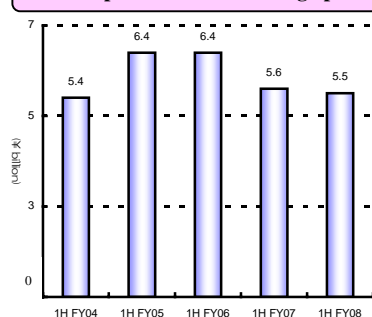
A: Business profit on core banking operations (2+5-7-8)

Profit on banking operations prior to loan-loss reserves after deduction of gains and losses on bond trading

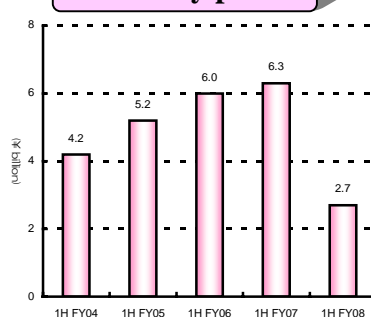
B: Net business profit (2-8-12)

Roughly equivalent to operating income at companies outside the banking sector

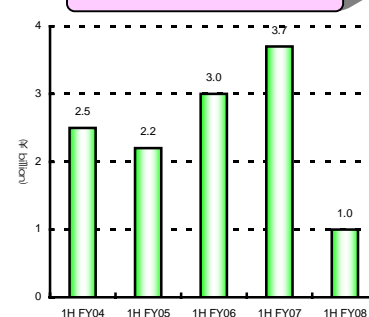
Business profit on core banking operations



Ordinary profit



Net income



(2) Comparison with forecasts (non-consolidated)

(¥ billion)

| | Initial forecasts | 1H FY08 | |
|--|-------------------|---------|-----------------------------------|
| | | | Comparison with initial forecasts |
| Ordinary income | 18.5 | 19.9 | 1.3 |
| Business profit on core banking operations | 5.4 | 5.5 | 0 |
| Net business profit | 5.2 | 3.5 | (1.7) |
| Ordinary profit | 5.5 | 2.7 | (2.8) |
| Net income | 3.6 | 1.0 | (2.6) |

* The initial forecasts were issued on May 15, 2008. Differences between revised performance estimates issued on October 24, 2008 and the final results are immaterial.

➤ **Ordinary income**

Ordinary income was ¥1.3 billion higher than the initial forecast, at ¥19.9 billion on a non-consolidated basis, due to the fact that both interest income on securities holdings and gains on the sale of securities were in excess of the initial forecasts.

➤ **Ordinary profit**

Ordinary profit fell ¥2.8 billion short of the initial forecast, at ¥2.7 billion, due to the recognition of impairment losses on a portion of the Bank's securities holdings, which was necessitated by the sharp declines in worldwide financial market prices as well as an increase in credit cost in line with the deterioration in the business conditions of the Bank's borrowers.

➤ **Net income**

In line with the decline in ordinary profit, net income came to ¥1.0 billion, ¥2.6 billion lower than the initial forecast.

(3) Business performance (consolidated)

(¥ million)

| | No. | 1H FY07 | 1H FY08 | |
|---|-----|---------|---------|-------------------------|
| | | | | YoY increase (decrease) |
| Ordinary income | 1 | 28,128 | 27,454 | (673) |
| Gross business profit | 2 | 16,784 | 14,517 | (2,266) |
| Expenses (excluding nonrecurrent items) | 3 | 9,833 | 9,905 | 72 |
| Net business profit | 4 | 6,934 | 4,426 | (2,507) |
| Credit cost | 5 | 386 | 2,220 | 1,834 |
| Ordinary profit | 6 | 7,428 | 2,922 | (4,506) |
| Extraordinary gains (losses) | 7 | 287 | (144) | (431) |
| Net income | 8 | 4,038 | 902 | (3,135) |

The Bank's accounts settlement on a consolidated basis also showed declines in both revenues and earnings, for the same reasons as in the non-consolidated accounts.

* The Bank has 25 consolidated subsidiaries as of the interim balance-sheet date.

* Bad debt disposal amounts include expenses for bad debt disposal under trust account.

2. Major assets and liabilities (non-consolidated)

(1) Loans and bills discounted

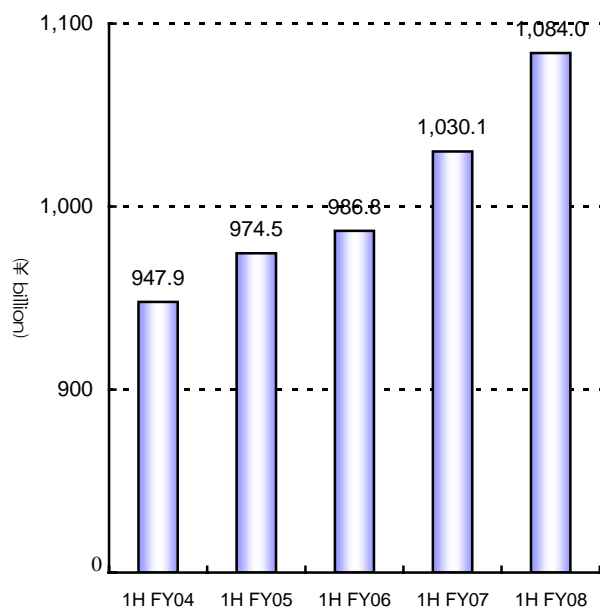
➤ Year-on-year comparison

Loans and bills discounted increased by ¥53.8 billion year-on-year, to ¥1,084 billion. Loans to individuals, particularly mortgage loans, increased by ¥13.7 billion to ¥404.7 billion.

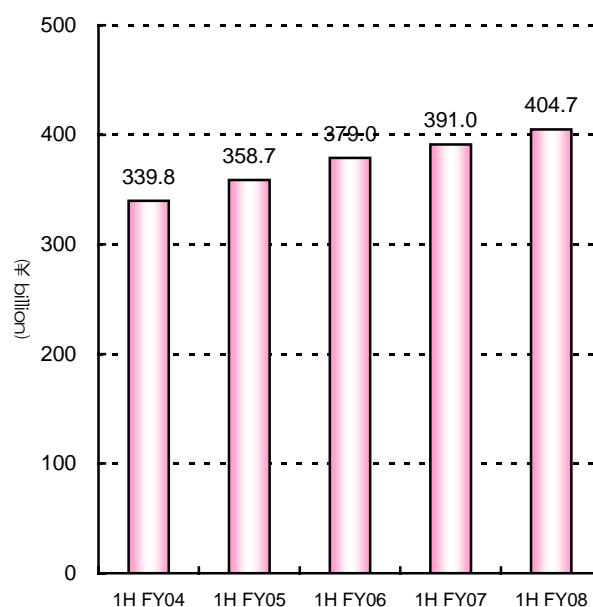
In the category of business loans, the Bank aggressively promoted loans to small and medium-sized enterprises, as well as loans to local government bodies and other public organizations in the local region.

| | 1H FY07 | 1H FY08 | | FY07 | |
|---|---------|---------|--------------|---------|----------------------------|
| | | | YoY increase | | |
| Loans and bills discounted (term-end balance) | 1,030.1 | 1,084.0 | 53.8 | 1,091.9 | |
| Business loans | 566.1 | 578.4 | 12.2 | 586.3 | |
| Loans to individuals | 391.0 | 404.7 | 13.7 | 402.6 | |
| Mortgage loans | 337.6 | 349.3 | 11.7 | 347.4 | |
| Loans to local government bodies and other public organizations | 72.9 | 100.8 | 27.8 | 102.9 | * Including trust account. |
| Loans and bills discounted (average balance) | 1,012.5 | 1,068.2 | 55.7 | 1,025.1 | |

Total loans (term-end balance)



Loans to individuals (term-end balance)



(2) Deposits

➤ Year-on-year comparison

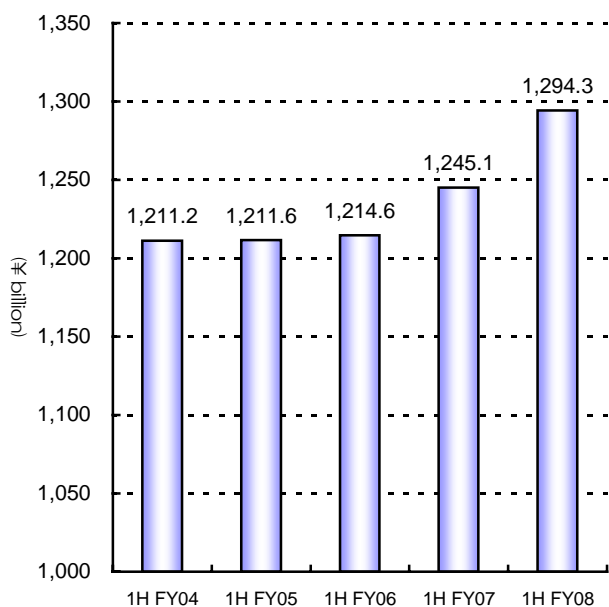
In deposit products for individuals, the Bank marketed such products as the Second Life Support Deposit, targeted at members of the baby-boom generation, as well as the Let's Teiki time deposit with cash rewards and the Mirai Kanai deposit-with-lottery-ticket product. The balance of deposits from individuals at the end of the first-half period came to ¥845.8 billion for a year-on-year increase of ¥22.5 billion. As other deposits also grew steadily, total deposits at the end of the six-month period came to ¥1,294.3 billion for a year-on-year increase of ¥49.1 billion.

| | 1H FY07 | 1H FY08 | | FY07 |
|-----------------------------|---------|---------|--------------|---------|
| | | | YoY increase | |
| Deposits (term-end balance) | 1,245.1 | 1,294.3 | 49.1 | 1,256.1 |
| Individuals | 823.3 | 845.8 | 22.5 | 825.5 |
| Corporations | 333.4 | 339.7 | 6.3 | 336.9 |
| Financial institutions | 8.2 | 13.9 | 5.7 | 9.3 |
| Public funds | 80.2 | 94.7 | 14.5 | 84.3 |
| Deposits (average balance) | 1,236.7 | 1,282.3 | 45.5 | 1,234.2 |

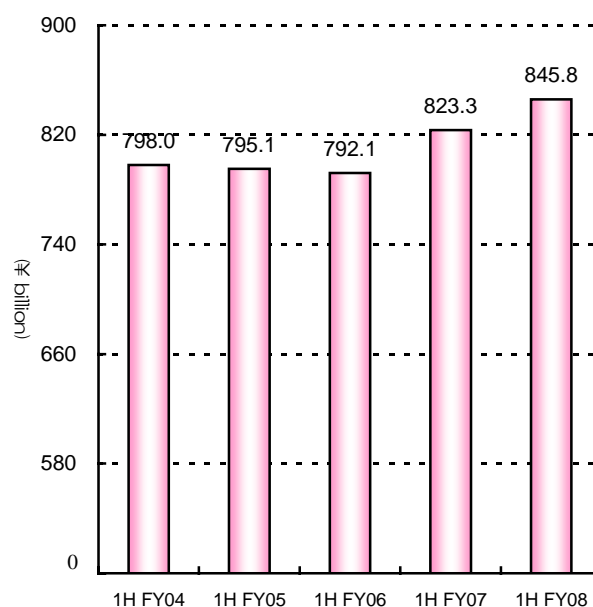
(¥ billion)

* Including trust account.

Total deposits (term-end balance)



Deposit made by individuals (term-end balance)



(3) Securities

➤ Year-on-year comparison

The Bank worked to achieve efficient fund operations and a steady flow of earnings, mainly through investment in public bonds such as JGBs and local government bonds. The value of securities holdings at the reporting period-end came to ¥267.4 billion, for an increase of ¥9.9 billion over the previous first-half end.

➤ Unrealized gains and losses on securities holdings (year-on-year comparison)

As a result of the decline in prices on financial markets worldwide, the Bank's net unrealized gain on equity holdings fell sharply, and the total net unrealized gain on securities holdings declined by ¥11.6 billion year-on-year, to ¥2.8 billion.

Term-end balance

(¥ billion)

| | 1H FY07 | 1H FY08 | | FY07 |
|------------|---------|---------|--------------|-------|
| | | | YoY increase | |
| Securities | 257.5 | 267.4 | 9.9 | 228.3 |
| Bonds | 190.1 | 219.7 | 29.6 | 177.6 |
| Stocks | 42.9 | 27.0 | (15.8) | 28.2 |
| Others | 24.4 | 20.6 | (3.8) | 22.4 |

Unrealized gains and losses

(¥ billion)

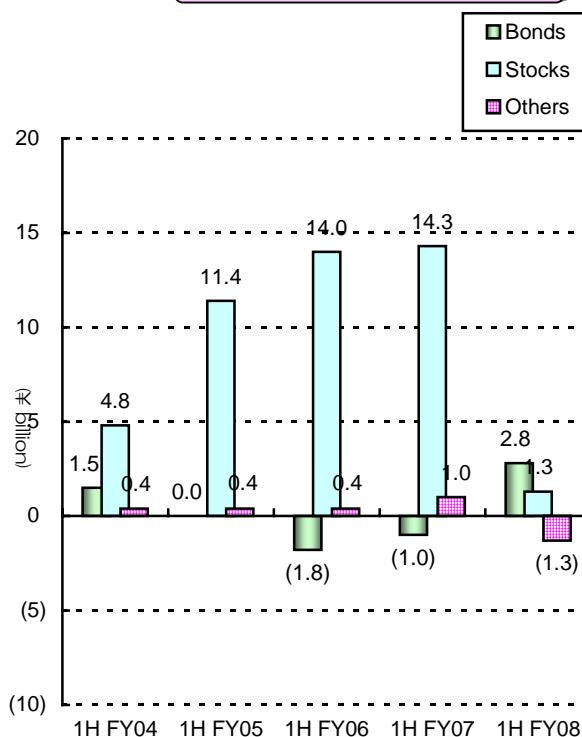
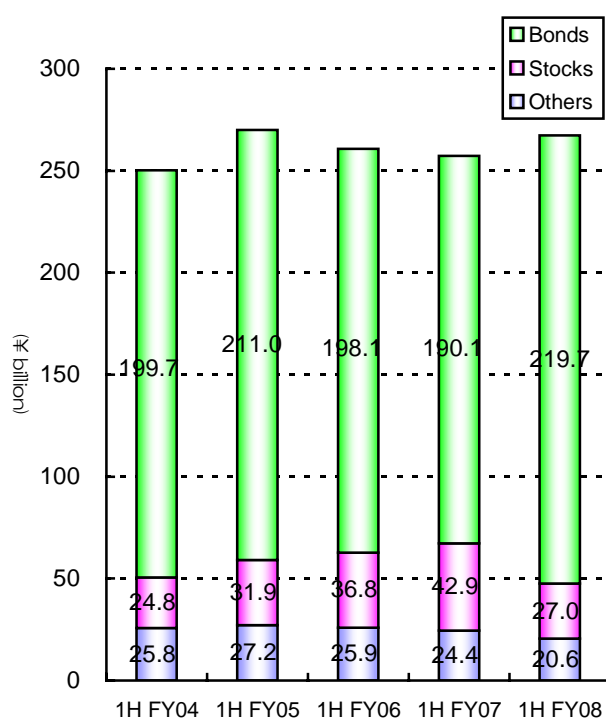
| | 1H FY07 | 1H FY08 | | FY07 |
|------------|---------|---------|--------------|-------|
| | | | YoY increase | |
| Securities | 14.4 | 2.8 | (11.6) | 0.4 |
| Bonds | (1.0) | 2.8 | 3.8 | (1.6) |
| Stocks | 14.3 | 1.3 | (13.0) | 3.3 |
| Others | 1.0 | (1.3) | (2.4) | (1.2) |

* "Others" include foreign securities and investment trusts.

Regarding long-term Japanese government bonds (floating interest, 15-year maturity), the Bank previously employed the mark-to-market method for the valuation of the said bonds. Market prices of the bonds, however, have recently shown a substantial difference from theoretical prices (calculated on reasonable assumptions) due primarily to unusual supply and demand conditions. Beginning with the reporting first-half end, the Bank has employed theoretical prices for the valuation of the said bonds in line with the Practical Solution on Measurement of Fair Value for Financial Assets (Accounting Standards Board of Japan [ASBJ]: Practical Issue Task Force, Report No. 25 issued on October 28, 2008).

Balance of securities

Unrealized gains and losses



(4) Assets in custody

➤ Year-on-year comparison

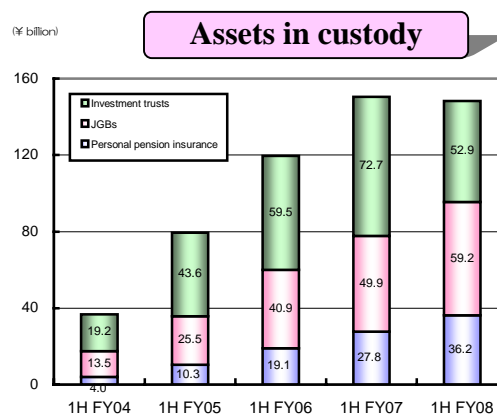
Although the value of JGBs and individuals' pension insurance plans within the category of assets in custody rose over the previous first-half period, sales of investment trusts declined as a result of the global financial market instability, and total assets in custody thus fell by ¥2.1 billion year-on-year, to ¥148.4 billion.

Term-end balance

| | 1H FY07 | 1H FY08 | | FY07 |
|----------------------------|---------|---------|--------------|-------|
| | | | YoY increase | |
| Assets in custody | 150.5 | 148.4 | (2.1) | 144.0 |
| Investment trusts | 72.7 | 52.9 | (19.7) | 57.7 |
| Japanese government bonds | 49.9 | 59.2 | 9.2 | 54.6 |
| Personal pension insurance | 27.8 | 36.2 | 8.4 | 31.6 |

Assets in custody

“Assets in custody” refer to customer asset management products.



3. Expenses (non-consolidated)

➤ Year-on-year comparison

As a result of the sale of investments in Okigin Kankyo Services Co., Ltd., in line with which staff previously employed by the company and dispatched to the Bank have been transferred to the Bank, extraordinary employment expenses increased. In addition, worsening conditions for the investment of pension assets caused an increase in expenses posted under pension accounting. As a combined result, personnel expenses rose by ¥99 million year-on-year, to ¥4,366 million.

In non-personnel expenses, the above-described transfer of personnel to direct employment by the Bank led to a decrease in the cost of administrative work outsourcing. In addition, depreciation costs also decreased, and total non-personnel expenses fell by ¥228 million to ¥4,200 million.

In spite of efforts to reduce costs, the “core” OHR, an indicator of the cost-efficiency of core banking operations, recorded a deterioration of 0.2 points from the previous first-half period, to 62.2%, owing to the decrease in the gross business profit on core banking operations.

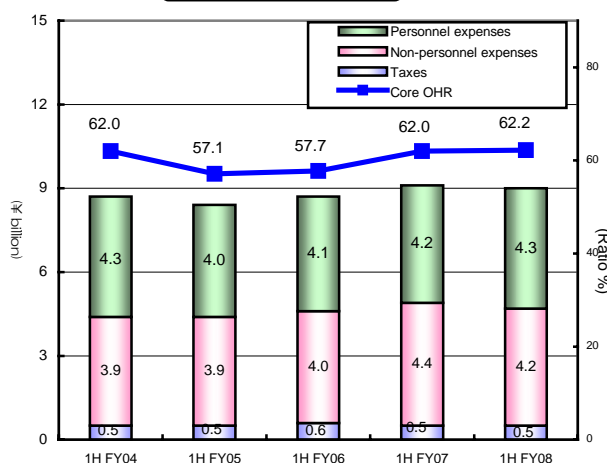
Breakdown of expenses

(¥ million)

| | 1H FY07 | 1H FY08 | |
|------------------------|---------|---------|-------------------------|
| | | | YoY increase (decrease) |
| Expenses | 9,290 | 9,142 | (148) |
| Personnel expenses | 4,266 | 4,366 | 99 |
| Non-personnel expenses | 4,429 | 4,200 | (228) |
| Taxes | 594 | 575 | (19) |
| Core OHR | 62.0% | 62.2% | 0.2% |

* Core OHR: expenses/profit on core banking operations
(business profit on core banking operations + expenses)

Expenses



4. Asset soundness

(1) Credit cost (non-consolidated)

➤ Provision to general allowance for loan losses (year-on-year comparison)

As a result of an increase in the value of loans and a rise in the loan-loss ratio, which is used in the calculation of provisions, the provision to the general reserve for possible loan losses increased by ¥324 million to ¥189 million.

➤ Expenses for disposal of bad debt (year-on-year comparison)

The deterioration in the business circumstances of a few borrowers caused expenses for disposal of bad debt to stand at ¥1,381 million, compared with a negative amount of ¥30 million for the previous first-half period.

Credit cost

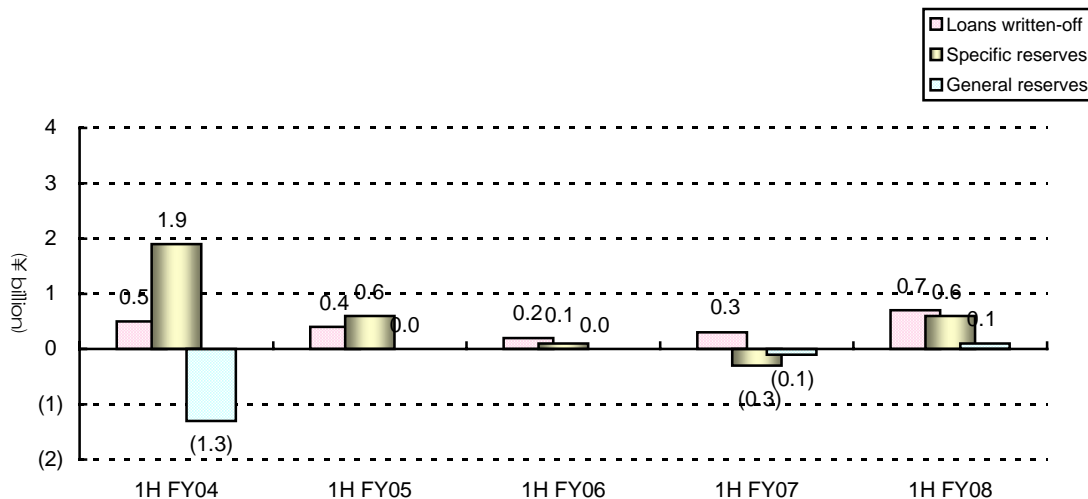
(¥ million)

| | 1H FY07 | 1H FY08 | |
|---|---------|---------|----------------------------|
| | | | YoY increase (decrease) |
| Credit cost | (165) | 1,571 | 1,736 |
| Provision to general allowance for possible loan losses | (135) | 189 | 324 |
| Bad debt disposal | (30) | 1,381 | 1,411 |
| Provision to specific allowance for loan losses | (291) | 613 | 904 |
| Allowance for impairment of principals under trust accounts | (93) | (4) | 88 |
| Loans written-off (ordinary account) | 354 | 772 | 418 |
| Loans written-off (trust account) | - | 0 | 0 |
| Losses on sale of claims (ordinary account) | - | - | - |
| Losses on sale of claims (trust account) | - | - | - |
| Gains on collection of written-off claims | 142 | 120 | (21) |

* Credit cost refers to expenses incurred in ensuring the soundness of claims (total of provision to the general reserve for possible loan losses and bad debt disposal).

* Credit cost and gains on collection of written-off claims include trust accounts.

Credit cost



(2) Mandatory disclosure of bad debt under the Financial Reconstruction Law

➤ Mandatory disclosure of bad debt (year-on-year comparison)

While making efforts to improve the borrower categories of corporate customers by helping them improve their management, the Bank also wrote off non-performing loans and took steps to recover those loans deemed recoverable. As a result, the amount of bad debt subject to mandatory disclosure under the Financial Reconstruction Law declined by ¥4.7 billion from the level of the previous first-half period, to ¥32.7 billion. In addition, the non-performing loan (NPL) ratio declined by 0.61 of a percentage point to 2.97%, thanks to an increase in loans under the category of normal assets.

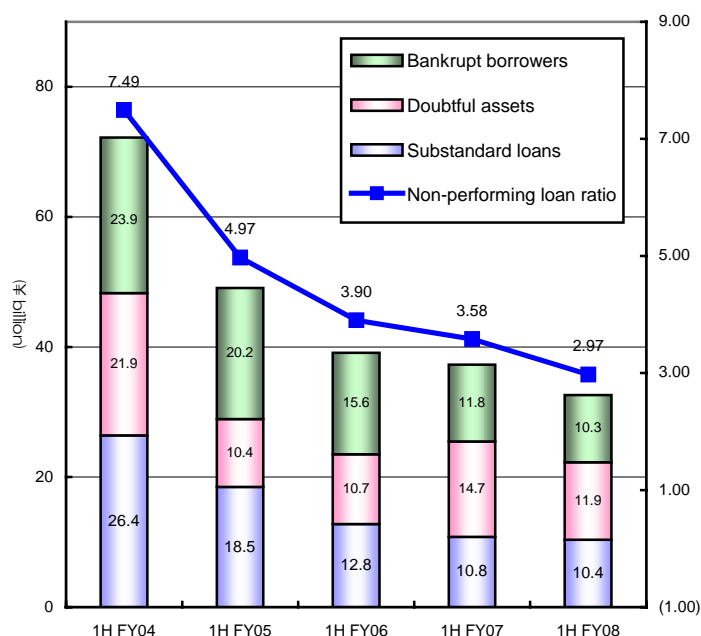
Mandatory disclosure of bad debt (non-consolidated)

(¥ billion)

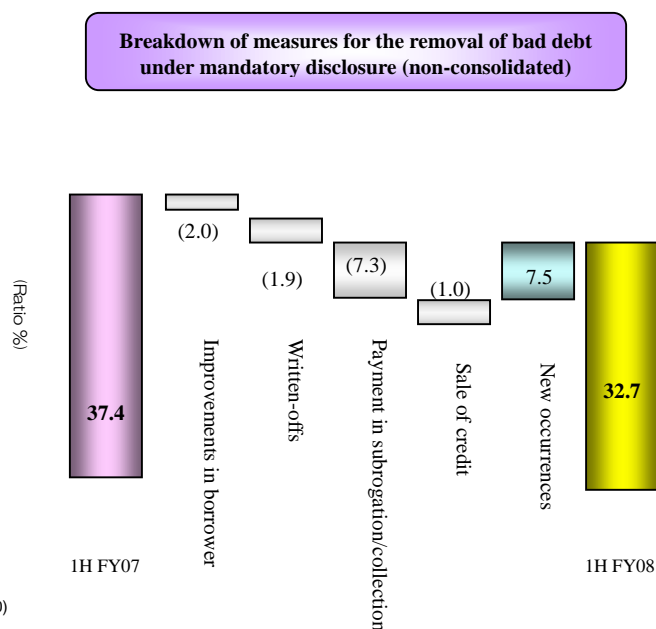
| | 1H FY07 | 1H FY08 | | (Reference) | FY07 |
|---|---------|---------|----------------------------|---------------------------------|---------|
| | | | YoY increase (decrease) | Prior to partial charge-offs | |
| Mandatory disclosure of bad debt (a) | 37.4 | 32.7 | (4.7) | 35.1 | 32.8 |
| Bankrupt borrowers | 11.8 | 10.3 | (1.5) | 12.7 | 10.6 |
| Doubtful assets | 14.7 | 11.9 | (2.8) | 11.9 | 12.2 |
| Substandard loans | 10.8 | 10.4 | (0.4) | 10.4 | 9.9 |
| Normal assets | 1,008.7 | 1,066.0 | 57.2 | 1,066.0 | 1,074.1 |
| Total credit balance (b) | 1,046.2 | 1,098.7 | 52.4 | 1,101.1 | 1,106.9 |
| Non-performing loan ratio (a/b) | 3.58% | 2.97% | (0.61%) | 3.19% | 2.96% |

* Including trust account.

Mandatory disclosure of bad debt (non-consolidated)



Breakdown of measures for the removal of bad debt under mandatory disclosure (non-consolidated)



5. Capital ratio (domestic standards)

➤ Year-on-year comparison

As a result of an increase in the Bank's retained earnings, regulatory capital rose by ¥600 million year-on-year, to ¥97.1 billion.

Risk-weighted assets increased by ¥26.5 billion year-on-year, to ¥866.1 billion, in line with the increase in loans. As a consequence, the capital ratio declined by 0.27 points to 11.21%.

Capital ratio

Non-consolidated

| | 1H FY07 | 1H FY08 | | FY07 |
|--------------------------|---------|---------|----------------------------|--------|
| | | | YoY increase (decrease) | |
| Regulatory capital (a) | 96.4 | 97.1 | 0.6 | 97.5 |
| Tier I (b) | 91.1 | 92.2 | 1.1 | 91.9 |
| Tier II | 5.8 | 6.3 | 0.5 | 6.1 |
| Exclusion | 0.5 | 1.5 | 1.0 | 0.5 |
| Risk-weighted assets (c) | 839.5 | 866.1 | 26.5 | 856.7 |
| Capital ratio (a/c) (%) | 11.48% | 11.21% | (0.27%) | 11.38% |
| Tier I ratio (b/c) (%) | 10.85% | 10.65% | (0.20%) | 10.73% |

(¥ billion)

Consolidated

| | 1H FY07 | 1H FY08 | | FY07 |
|--------------------------|---------|---------|----------------------------|--------|
| | | | YoY increase (decrease) | |
| Regulatory capital (a) | 101.6 | 102.0 | 0.4 | 102.7 |
| Tier I (b) | 95.2 | 96.6 | 1.4 | 96.3 |
| Tier II | 6.9 | 6.9 | (0) | 6.9 |
| Exclusion | 0.5 | 1.5 | 1.0 | 0.5 |
| Risk-weighted assets (c) | 867.9 | 891.9 | 23.9 | 884.1 |
| Capital ratio (a/c) (%) | 11.71% | 11.44% | (0.27%) | 11.61% |
| Tier I ratio (b/c) (%) | 10.97% | 10.83% | (0.14%) | 10.89% |

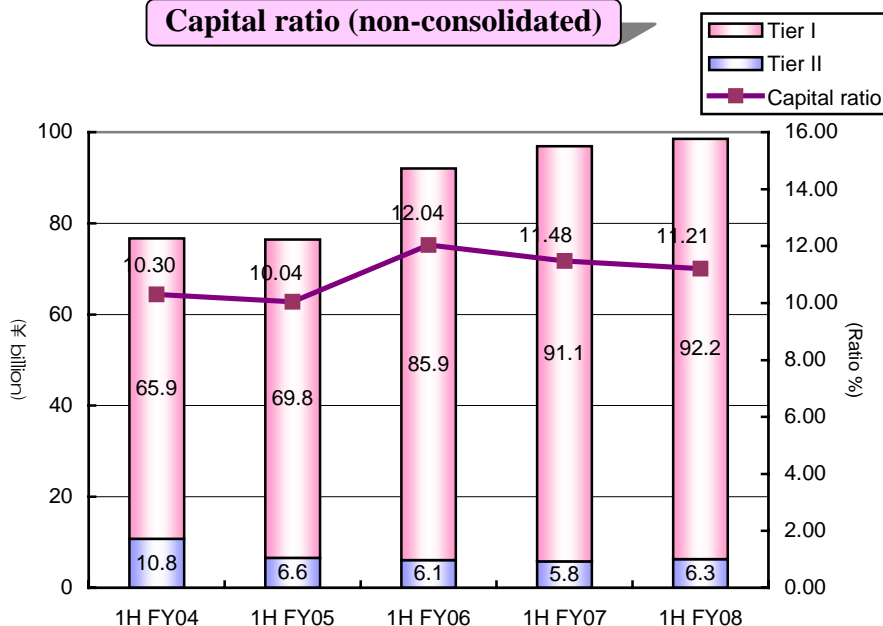
(¥ billion)

Tier I: Capital stock and statutory reserve and voluntary reserve and other surplus

Tier II: Primarily provision of allowance for loan losses, which is included in own capital in the broad sense

Risk-weighted assets: Total for each item in the asset column, multiplied by the statutory risk-weighting

Capital ratio (non-consolidated)



6. Performance forecasts

➤ **Ordinary income**

We expect ordinary income to decrease by ¥1 billion to ¥39.7 billion due to a fall in interest income from securities holdings and a decrease in gains on the sale of JGBs and other bonds.

➤ **Net business profit**

As a result of the instability that has beset the world's financial markets since the start of October, the profitability of bond trading, particularly trading in JGBs, is expected to deteriorate. Because of this, net business profit is projected at ¥7.9 billion, for a year-on-year decline of ¥2.8 billion.

➤ **Ordinary profit**

Owing to possible valuation losses, primarily on the Bank's equities holdings, and an increase in expenses for the disposal of bad debt caused by the deterioration of borrowers' business circumstances, ordinary profit is forecast to fall by ¥5.1 billion year-on-year, to ¥5.4 billion.

➤ **Net income**

As a result of the above, net income is expected to reach ¥2 billion, for a year-on-year decline of ¥3.7 billion.

Non-consolidated

(¥ billion)

| | FY08 full-term forecasts | |
|--|--------------------------|--------------|
| | | YoY decrease |
| Ordinary income | 39.7 | (1.0) |
| Business profit on core banking operations | 10.6 | (1.0) |
| Net business profit | 7.9 | (2.8) |
| Ordinary profit | 5.4 | (5.1) |
| Net income | 2.0 | (3.7) |

Consolidated

(¥ billion)

| | FY08 full-term forecasts | |
|-----------------|--------------------------|--------------|
| | | YoY decrease |
| Ordinary income | 54.7 | (1.0) |
| Ordinary profit | 6.6 | (5.3) |
| Net income | 2.2 | (4.5) |

Non-performing loans (Financial Reconstruction Law)

| | FY08 full-term forecasts | |
|---------------------------|--------------------------|--------------|
| | Non-consolidated | Consolidated |
| Non-performing loan ratio | Less than 3% | Less than 4% |

Capital ratio

| | FY08 full-term forecasts | |
|---------------|--------------------------|--------------|
| | Non-consolidated | Consolidated |
| Capital ratio | 11% or more | 11% or more |
| Tier I ratio | 10% or more | 10% or more |

II. Business Results for Fiscal 2008 Interim Term

1. Business performance

Non-consolidated

(¥ million)

| | 1H FY08 | YoY increase (decrease) | 1H FY07 |
|--|---------|----------------------------|---------|
| Gross business profit | 12,923 | (2,052) | 14,975 |
| Domestic operations | 13,037 | (1,671) | 14,708 |
| Interest income | 13,407 | 212 | 13,195 |
| Fees and commissions | 1,010 | (494) | 1,505 |
| Other business profit | (1,381) | (1,389) | 8 |
| International operations | (113) | (380) | 266 |
| Interest income | 112 | 20 | 92 |
| Fees and commissions | 32 | 0 | 32 |
| Other business profit | (259) | (401) | 142 |
| Expenses (excl. noncurrent items) | 9,142 | (148) | 9,290 |
| Personnel expenses | 4,366 | 99 | 4,266 |
| Non-personnel expenses | 4,200 | (228) | 4,429 |
| Taxes | 575 | (19) | 594 |
| Net business profit (prior to provisions to general allowance) | 3,780 | (1,904) | 5,684 |
| Excluding gains/losses on bonds trading | 5,535 | (142) | 5,678 |
| Provision to general allowance for possible loan losses | 189 | 189 | - |
| Net business profit | 3,591 | (2,093) | 5,684 |
| Gains/losses on bonds trading | (1,754) | (1,761) | 6 |
| Nonrecurrent items | (858) | (1,494) | 636 |
| Gains on equity trading | 363 | (610) | 974 |
| Bad debt disposal | 1,386 | 1,031 | 354 |
| Written-off of loans | 772 | 418 | 354 |
| Provision to specific allowance for loan losses | 772 | 418 | 354 |
| Provision to specific allowance for loan losses | 613 | 613 | - |
| Ordinary profit | 2,732 | (3,588) | 6,321 |
| Extraordinary gains (losses) | (221) | (865) | 643 |
| Losses on disposal of tangible fixed assets | (7) | 6 | (14) |
| Gains on reversal of allowance for possible loan losses | - | (426) | 426 |
| Gains on reversal of allowance for allowance for compensation of principals under trust accounts | 4 | (88) | 93 |
| Income before income taxes | 2,511 | (4,453) | 6,965 |
| Income taxes-current | 1,501 | (2,172) | 3,673 |
| Income taxes-deferred | 2 | 477 | (474) |
| Net income | 1,007 | (2,759) | 3,766 |

Note) Amounts recorded on the lower column include those posted under trust accounts.

* Total expenses for the disposal of bad debt amounted to ¥1,381 million (¥1,381 million for the inclusion of the amounts posted under trust accounts).

Reversal of allowance for impairment of principals under trust accounts (in the amount of ¥4 million) are posted under extraordinary gains.

Consolidated

(¥ million)

| | 1H FY08 | YoY increase (decrease) | 1H FY07 |
|---|---------|----------------------------|---------|
| Gross business consolidated profit | 14,517 | (2,266) | 16,784 |
| Interest income | 13,741 | 45 | 13,696 |
| Trust account services | 248 | (79) | 328 |
| Fees and commissions | 1,296 | (405) | 1,702 |
| Other business profit | (768) | (1,826) | 1,058 |
| General and administrative expenses | 9,950 | 110 | 9,839 |
| Loan-loss provisions | 2,225 | 1,745 | 479 |
| Written-off of loans | 793 | 395 | 397 |
| Provision to specific allowance for loan losses | 1,245 | 1,181 | 64 |
| Provision to general allowance for possible loan losses | 185 | 168 | 17 |
| Gains on equity trading | 395 | (578) | 973 |
| Other | 184 | 194 | (9) |
| Ordinary profit | 2,922 | (4,506) | 7,428 |
| Extraordinary gains (losses) | (144) | (431) | 287 |
| Income before income taxes and minority interests | 2,777 | (4,938) | 7,716 |
| Income taxes-current | 1,842 | (2,057) | 3,900 |
| Income taxes-deferred | (46) | 328 | (375) |
| Minority interests | 79 | (72) | 152 |
| Net income | 902 | (3,135) | 4,038 |

Note) Gross business profit = (interest income - fund procurement cost) + fees on trust business + (net fees and commissions) + net operating income (expenses)

(Reference)

(¥ million)

| | | | |
|--|-------|---------|-------|
| Net business profit (on a consolidated basis)* | 4,426 | (2,507) | 6,934 |
|--|-------|---------|-------|

Note) Gross business profit - operating expenses (excluding noncurrent items) - general provision for possible loan losses + fund procurement cost for the acquisition of money held in trust

(Consolidated)

(Number of companies)

| | | | |
|--|----|---|----|
| Number of consolidated subsidiaries | 25 | 1 | 24 |
| Number of affiliates accounted for using the equity method | 0 | 0 | 0 |

2. Net business profit (non-consolidated)

(¥ million)

| | 1H FY08 | YoY increase (decrease) | 1H FY07 |
|--|---------|----------------------------|---------|
| (1) Net business profit (prior to provision to general allowance for possible loan losses) | 3,780 | (1,904) | 5,684 |
| Per staff (¥ thousand) | 3,520 | (1,888) | 5,408 |
| (2) Net business profit | 3,591 | (2,093) | 5,684 |
| Per staff (¥ thousand) | 3,343 | (2,065) | 5,408 |

Note) The average number of employees during the term (excluding those seconded to other organization) is employed.

3. Interest margins (non-consolidated)

(1) Aggregate

(%)

| | 1H FY08 | YoY increase (decrease) | 1H FY07 |
|-----------------------------------|---------|----------------------------|---------|
| (1) Yield on fund operation (A) | 2.39 | (0.06) | 2.45 |
| (i) Yield on loans | 2.59 | (0.05) | 2.64 |
| (ii) Yield on securities | 1.47 | 0.05 | 1.42 |
| (2) Fund procurement cost (B) | 1.83 | (0.09) | 1.92 |
| (i) Yield on deposits | 0.38 | (0.02) | 0.40 |
| (ii) Yield on external debt* | 0.73 | (0.12) | 0.85 |
| (3) Gross interest margin (A)-(B) | 0.56 | 0.03 | 0.53 |

Note) External debt* = call money + collateral money received for bond lending transactions + borrowed money

(2) Domestic

(%)

| | 1H FY08 | YoY increase (decrease) | 1H FY07 |
|-----------------------------------|---------|----------------------------|---------|
| (1) Yield on fund operation (A) | 2.34 | (0.02) | 2.36 |
| (i) Yield on loans | 2.59 | (0.05) | 2.64 |
| (ii) Yield on securities | 1.44 | 0.04 | 1.40 |
| (2) Fund procurement cost (B) | 1.73 | (0.04) | 1.77 |
| (i) Yield on deposits | 0.32 | 0.03 | 0.29 |
| (ii) Yield on external debt* | 0.73 | (0.04) | 0.77 |
| (3) Gross interest margin (A)-(B) | 0.61 | 0.02 | 0.59 |

Note) External debt* = call money + collateral money received for bond lending transactions + borrowed money

4. Gains and losses on securities (non-consolidated)

(¥ million)

| | 1H FY08 | YoY increase (decrease) | 1H FY07 |
|------------------------------------|---------|----------------------------|---------|
| Gains/losses on bond trading | (1,754) | (1,761) | 6 |
| Gains on sale of bonds | 532 | (244) | 776 |
| Gains on redemption of bonds | - | - | - |
| Losses on sale of bonds | 823 | 53 | 770 |
| Losses on redemption of bonds | - | - | - |
| Write down | 1,463 | 1,463 | - |
| Gains and losses on equity trading | 363 | (610) | 974 |
| Gains on sale of equity shares | 686 | (459) | 1,145 |
| Losses on sale of equity shares | 188 | 104 | 84 |
| Write down | 133 | 47 | 86 |

5. Capital ratio (domestic standards) (non-consolidated)

(¥ million)

| | As of September 30, 2008 | Comparison with previous balance-sheet date | Comparison with previous interim balance-sheet date | As of March 31, 2008 | As of September 30, 2007 |
|--|--------------------------------|--|---|-------------------------|--------------------------------|
| (1) Capital ratio | 11.21 % | (0.17) pp | (0.27) pp | 11.38 % | 11.48 % |
| (2) Tier I | 92,285 | 356 | 1,146 | 91,929 | 91,138 |
| (3) Tier II | 6,354 | 189 | 538 | 6,165 | 5,815 |
| (i) Revaluation | 1,200 | - | - | 1,200 | 1,200 |
| (ii) Subordinated loan/securities balance | 180 | - | (180) | 180 | 360 |
| (4) Deduction | 1,518 | 1,000 | 1,000 | 518 | 518 |
| (Intentional equity holdings by other financial institutions) | 1,500 | 1,000 | 1,000 | 500 | 500 |
| (5) Capital ratio (2)+(3)-(4) | 97,121 | (454) | 685 | 97,575 | 96,436 |
| (6) Risk-weighted assets | 866,167 | 9,453 | 26,596 | 856,714 | 839,571 |

Capital ratio (domestic standards) (consolidated)

(¥ million)

| | As of September 30, 2008 | Comparison | | As of March 31, 2008 | As of September 30, 2007 |
|---|--------------------------|----------------------------------|--|----------------------|--------------------------|
| | | with previous balance-sheet date | with previous interim balance-sheet date | | |
| (1) Capital ratio | 11.44 % | (0.17) pp | (0.27) pp | 11.61 % | 11.71 % |
| (2) Tier I | 96,653 | 326 | 1,433 | 96,327 | 95,219 |
| (3) Tier II | 6,955 | 48 | (30) | 6,906 | 6,985 |
| (i) Revaluation | 1,200 | - | - | 1,200 | 1,200 |
| (ii) Subordinated loan/securities balance | 180 | - | (180) | 180 | 360 |
| (4) Deduction | 1,518 | 1,000 | 1,000 | 518 | 518 |
| (Intentional equity holdings by other financial institutions) | 1,500 | 1,000 | 1,000 | 500 | 500 |
| (5) Capital ratio (2)+(3)-(4) | 102,089 | (625) | 403 | 102,715 | 101,686 |
| (6) Risk-weighted assets | 891,924 | 7,737 | 23,971 | 884,186 | 867,952 |

6. ROE (non-consolidated)

(%)

| | 1H FY08 | Comparison | | 1H FY07 |
|--|---------|---------------------|--|---------|
| | | YoY comparison (pp) | | |
| Net business profit basis | 7.57 | (3.68) | | 11.25 |
| Business profit on core banking operations basis | 11.67 | 0.44 | | 11.23 |
| Net income basis | 2.12 | (5.33) | | 7.45 |

(Calculation formula)
$$\frac{\text{Net business profit (business profit on core banking operations, net income)}}{(\text{Net assets at the beginning of period} + \text{net assets at the end of period}) \div 2} \times 365 \div 183$$

* Business profit on core banking operations = Net business profit - gains and losses on bond trading + provision to general allowance for possible loan losses + written-off claims under trust accounts

(Reference)

ROE (owners' equity basis; non-consolidated)

(%)

| | 1H FY08 | Comparison | | 1H FY07 |
|--|---------|---------------------|--|---------|
| | | YoY comparison (pp) | | |
| Net business profit basis | 7.72 | (4.85) | | 12.57 |
| Business profit on core banking operations basis | 11.90 | (0.66) | | 12.56 |
| Net income basis | 2.16 | (6.17) | | 8.33 |

(Calculation formula)
$$\frac{\text{Net business profit (business profit on core banking operations, net income)}}{(\text{Owners' equity at the beginning of period} + \text{owners' equity at the end of period}) \div 2} \times 365 \div 183$$

III. Loans and Bills Discounted

1. Risk-monitored loans (under the Banking Law)

* Partial written-offs are implemented.

** Recognition of accrued interest (asset self-assessment basis)

Non-consolidated

(¥ million)

| | | As of September 30, 2008 | Comparison with previous balance- sheet date | Comparison with previous interim balance-sheet date | As of March 31, 2008 | As of September 30, 2007 |
|--------------------------|-----------------------------------|--------------------------------|--|---|-------------------------|--------------------------------|
| Risk-monitored assets | Loans to bankrupt borrowers | 1,149 | 95 | (416) | 1,054 | 1,565 |
| | Delinquent loans | 21,040 | (662) | (3,806) | 21,702 | 24,846 |
| | Past due loans more than 3 months | 533 | 166 | 211 | 367 | 322 |
| | Restructured loans | 9,923 | 302 | (642) | 9,621 | 10,566 |
| | Total | 32,647 | (97) | (4,653) | 32,745 | 37,301 |

Note) Simple sum of banking account and trust account

| | | | | | |
|--------------------------|-----------|---------|--------|-----------|-----------|
| Loans (term-end balance) | 1,084,060 | (7,928) | 53,886 | 1,091,988 | 1,030,173 |
|--------------------------|-----------|---------|--------|-----------|-----------|

Note) Simple sum of banking account and trust account

| | | (%) | | | | |
|-----------------------------------|-----------------------------------|------|--------|--------|------|------|
| As a percentage of total loans | Loans to bankrupt borrowers | 0.10 | 0.01 | (0.05) | 0.09 | 0.15 |
| | Delinquent loans | 1.94 | (0.04) | (0.47) | 1.98 | 2.41 |
| | Past due loans more than 3 months | 0.04 | 0.01 | 0.01 | 0.03 | 0.03 |
| | Restructured loans | 0.91 | 0.03 | (0.11) | 0.88 | 1.02 |
| | Total | 3.01 | 0.02 | (0.61) | 2.99 | 3.62 |

Note) Simple sum of banking account and trust account

Consolidated

(¥ million)

| | | As of September 30, 2008 | Comparison with previous balance- sheet date | Comparison with previous interim balance-sheet date | As of March 31, 2008 | As of September 30, 2007 |
|-----------------------|-----------------------------------|--------------------------------|--|---|-------------------------|--------------------------------|
| Risk-monitored assets | Loans to bankrupt borrowers | 1,209 | 88 | (485) | 1,120 | 1,695 |
| | Delinquent loans | 22,122 | (691) | (4,222) | 22,813 | 26,345 |
| | Past due loans more than 3 months | 533 | 166 | 211 | 367 | 322 |
| | Restructured loans | 9,923 | 302 | (642) | 9,621 | 10,566 |
| | Total | 33,790 | (132) | (5,138) | 33,923 | 38,928 |

Note) Simple sum of banking account and trust account

| | | | | | |
|--------------------------|-----------|---------|--------|-----------|-----------|
| Loans (term-end balance) | 1,071,485 | (8,725) | 54,293 | 1,080,211 | 1,017,191 |
|--------------------------|-----------|---------|--------|-----------|-----------|

Note) Simple sum of banking account and trust account

| | | (%) | | | | |
|-----------------------------------|-----------------------------------|------|--------|--------|------|------|
| As a percentage of total loans | Loans to bankrupt borrowers | 0.11 | 0.01 | (0.05) | 0.10 | 0.16 |
| | Delinquent loans | 2.06 | (0.05) | (0.53) | 2.11 | 2.59 |
| | Past due loans more than 3 months | 0.04 | 0.01 | 0.01 | 0.03 | 0.03 |
| | Restructured loans | 0.92 | 0.03 | (0.11) | 0.89 | 1.03 |
| | Total | 3.15 | 0.01 | (0.67) | 3.14 | 3.82 |

Note) Simple sum of banking account and trust account

2. Allowance for loan losses

Non-consolidated

(¥ million)

| | As of September 30, 2008 | Comparison with | | As of March 31, 2008 | As of September 30, 2007 |
|---|--------------------------------|---------------------------------|--|-------------------------|--------------------------------|
| | | previous balance- sheet date | previous interim balance-sheet date | | |
| Allowance for loan-losses | 9,683 | 47 | (137) | 9,636 | 9,821 |
| General allowance | 4,973 | 189 | 718 | 4,784 | 4,255 |
| Specific allowance | 4,709 | (141) | (855) | 4,851 | 5,565 |
| Allowance for possible impairment of principals under trust accounts | 249 | (4) | 23 | 253 | 225 |

Consolidated

(¥ million)

| | As of September 30, 2008 | Comparison with | | As of March 31, 2008 | As of September 30, 2007 |
|---|--------------------------------|---------------------------------|--|-------------------------|--------------------------------|
| | | previous balance- sheet date | previous interim balance-sheet date | | |
| Allowance for loan-losses | 14,707 | 147 | (20) | 14,560 | 14,727 |
| General allowance | 6,659 | 185 | 752 | 6,473 | 5,907 |
| Specific allowance | 8,047 | (38) | (773) | 8,086 | 8,820 |
| Allowance for possible impairment of principals under trust accounts | 249 | (4) | 23 | 253 | 225 |

3. Coverage of risk monitored loans

Non-consolidated

(¥ million)

| | As of September 30, 2008 | Comparison with | | As of March 31, 2008 | As of September 30, 2007 |
|---------------------------------|--------------------------------|---------------------------------|--|-------------------------|--------------------------------|
| | | previous balance- sheet date | previous interim balance-sheet date | | |
| Risk-monitored loans | 32,647 | (97) | (4,653) | 32,745 | 37,301 |
| Coverage | 25,223 | (215) | (3,940) | 25,438 | 29,164 |
| Allowance for loan losses (B) | 7,703 | (171) | (305) | 7,875 | 8,008 |
| Collateral and guarantees (C) | 17,520 | (43) | (3,635) | 17,563 | 21,155 |
| Coverage ratio (B+C)/(A) | 77.26 % | (0.42) pp | (0.92) pp | 77.68 % | 78.18 % |
| Allowance for loan losses (B/A) | 23.59 % | (0.45) pp | 2.12 pp | 24.04 % | 21.47 % |
| Collateral and guarantees (C/A) | 53.66 % | 0.03 % | (3.05) pp | 53.63 % | 56.71 % |

Note) Including trust account.

Consolidated

(¥ million)

| | As of September 30, 2008 | Comparison with | | As of March 31, 2008 | As of September 30, 2007 |
|---------------------------------|--------------------------------|---------------------------------|--|-------------------------|--------------------------------|
| | | previous balance- sheet date | previous interim balance-sheet date | | |
| Risk-monitored loans (A) | 33,790 | (132) | (5,138) | 33,923 | 38,928 |
| Coverage | 26,288 | (234) | (4,379) | 26,523 | 30,667 |
| Allowance for loan losses (B) | 8,441 | (180) | (278) | 8,622 | 8,720 |
| Collateral and guarantees (C) | 17,846 | (53) | (4,100) | 17,900 | 21,947 |
| Coverage ratio (B+C)/(A) | 77.79 % | (0.39) pp | (0.98) pp | 78.18 % | 78.77 % |
| Allowance for loan losses (B/A) | 24.98 % | (0.43) pp | 2.58 pp | 25.41 % | 22.40 % |
| Collateral and guarantees (C/A) | 52.81 % | 0.05 pp | (3.56) pp | 52.76 % | 56.37 % |

Note) Including trust account.

4. Mandatory disclosure of bad debt under the Financial Reconstruction Law

* Partial written-offs are implemented.

Non-consolidated

(¥ million)

| | As of September 30, 2008 | | | As of March 31, 2008 | As of September 30, 2007 |
|---|--------------------------------|--|---|-------------------------|--------------------------------|
| | | Comparison with previous balance- sheet date | Comparison with previous interim balance-sheet date | | |
| Bankrupt and quasi-bankrupt assets | 10,303 | (320) | (1,523) | 10,624 | 11,827 |
| Doubtful assets | 11,964 | (250) | (2,816) | 12,215 | 14,780 |
| Substandard loans | 10,457 | 469 | (430) | 9,988 | 10,888 |
| Total (A) | 32,725 | (102) | (4,769) | 32,828 | 37,495 |
| Normal assets | 1,066,015 | (8,155) | 57,231 | 1,074,170 | 1,008,784 |
| Total credit balance (B) | 1,098,741 | (8,257) | 52,461 | 1,106,998 | 1,046,279 |
| As a percentage of total credit balance (A)/(B) | 2.97 % | 0.01 pp | (0.61) pp | 2.96 % | 3.58 % |
| Partial written -offs | 2,432 | (1,696) | (5,138) | 4,128 | 7,570 |

Note) Including trust account.

Consolidated

(¥ million)

| | As of September 30, 2008 | | | As of March 31, 2008 | As of September 30, 2007 |
|---|--------------------------------|--|---|-------------------------|--------------------------------|
| | | Comparison with previous balance- sheet date | Comparison with previous interim balance-sheet date | | |
| Bankrupt and quasi-bankrupt assets | 11,283 | (330) | (1,882) | 11,614 | 13,165 |
| Doubtful assets | 12,128 | (276) | (2,942) | 12,404 | 15,070 |
| Substandard loans | 10,457 | 469 | (430) | 9,988 | 10,888 |
| Total (A') | 33,869 | (137) | (5,255) | 34,007 | 39,124 |
| Normal assets | 1,052,332 | (8,919) | 58,120 | 1,061,252 | 994,211 |
| Total credit balance (B') | 1,086,202 | (9,057) | 52,865 | 1,095,259 | 1,033,336 |
| As a percentage of total credit balance (A')/(B') | 3.11 % | 0.01 pp | (0.67) pp | 3.10 % | 3.78 % |
| Partial written -offs | 4,729 | (1,366) | (9,172) | 6,096 | 13,902 |

Note) Including trust account.

5. Coverage of assets subject to mandatory disclosure under the Financial Reconstruction Law

Non-consolidated

(¥ million)

| | As of September 30, 2008 | | | As of March 31, 2008 | As of September 30, 2007 |
|---------------------------|--------------------------------|--|---|-------------------------|--------------------------------|
| | | Comparison with previous balance- sheet date | Comparison with previous interim balance-sheet date | | |
| Coverage (C) | 25,301 | (213) | (4,052) | 25,515 | 29,353 |
| Allowance for loan losses | 7,711 | (177) | (333) | 7,889 | 8,045 |
| Collateral and guaranteed | 17,589 | (36) | (3,719) | 17,625 | 21,308 |

Note) Including trust account.

(%)

| | | | | | |
|------------------------|-------|--------|--------|-------|-------|
| Coverage ratio (C)/(A) | 77.31 | (0.41) | (0.97) | 77.72 | 78.28 |
|------------------------|-------|--------|--------|-------|-------|

Consolidated

(¥ million)

| | As of September 30, 2008 | Comparison with | | As of March 31, 2008 | As of September 30, 2007 |
|---------------------------|--------------------------------|---------------------------------|--|-------------------------|--------------------------------|
| | | previous balance- sheet date | previous interim balance-sheet date | | |
| Coverage (C') | 26,367 | (233) | (4,490) | 26,600 | 30,858 |
| Allowance for loan losses | 8,451 | (186) | (306) | 8,638 | 8,758 |
| Collateral and guaranteed | 17,915 | (46) | (4,184) | 17,962 | 22,100 |

Note) Including trust account.

| | (%) | | | | |
|--------------------------|-------|--------|--------|-------|-------|
| Coverage ratio (C')/(A') | 77.84 | (0.38) | (1.03) | 78.22 | 78.87 |

6. Allowance ratio and coverage ratio of assets subject to mandatory disclosure under the Financial Reconstruction Law by asset category and borrower category**Allowance ratios and coverage ratios of assets subject to mandatory disclosure under the Financial Reconstruction Law (non-consolidated)**

(¥ million)

| | As of September 30, 2008 | | | |
|-------------------------------|--|-----------------|----------------------|---------|
| | Bankrupt and quasi- bankrupt assets | Doubtful assets | Substandard loans | Total |
| Total credit balance (A) | 10,303 | 11,964 | 10,457 | 32,725 |
| Covered portion (B) | 7,374 | 7,420 | 2,794 | 17,589 |
| Uncovered portion (C)=(A)-(B) | 2,929 | 4,543 | 7,663 | 15,136 |
| Allowance for loan losses (D) | 2,929 | 1,993 | 2,788 | 7,711 |
| Allowance ratio (D)/(C) | 100.00 % | 43.87 % | 36.39 % | 50.95 % |
| Coverage ratio [(B)+(D)]/(A) | 100.00 % | 78.68 % | 53.38 % | 77.31 % |

Note) Including trust account.

Allowance ratio and coverage ratio of assets by borrower category (non-consolidated)

(¥ million)

| | As of September 30, 2008 | | | |
|-------------------------------|--|-----------------------------------|-----------------------------------|---------|
| | Bankrupt and quasi- bankrupt assets | Effectively bankrupt borrowers | Potentially bankrupt borrowers | Total |
| Total credit balance (A) | 1,157 | 9,145 | 11,964 | 22,268 |
| Covered portion (B) | 980 | 6,393 | 7,420 | 14,795 |
| Uncovered portion (C)=(A)-(B) | 177 | 2,752 | 4,543 | 7,472 |
| Allowance for loan losses (D) | 177 | 2,752 | 1,993 | 4,923 |
| Allowance ratio (D)/(C) | 100.00 % | 100.00 % | 43.87 % | 65.87 % |
| Coverage ratio [(B)+(D)]/(A) | 100.00 % | 100.00 % | 78.68 % | 88.54 % |

Note) Including trust account.

Allowance ratio and coverage ratio under the Financial Reconstruction Law (consolidated)

(¥ million)

| | As of September 30, 2008 | | | |
|-------------------------------|--|-----------------|----------------------|---------|
| | Bankrupt and quasi- bankrupt assets | Doubtful assets | Substandard loans | Total |
| Total credit balance (A) | 11,283 | 12,128 | 10,457 | 33,869 |
| Covered portion (B) | 7,700 | 7,420 | 2,794 | 17,915 |
| Uncovered portion (C)=(A)-(B) | 3,582 | 4,707 | 7,663 | 15,953 |
| Allowance for loan losses (D) | 3,582 | 2,080 | 2,788 | 8,451 |
| Allowance ratio (D)/(C) | 100.00 % | 44.18 % | 36.39 % | 52.97 % |
| Coverage ratio [(B)+(D)]/(A) | 100.00 % | 78.33 % | 53.38 % | 77.84 % |

Note) Including trust account.

Allowance ratio and coverage ratio of assets by borrower category (consolidated)

(¥ million)

| | As of September 30, 2008 | | | |
|-------------------------------|------------------------------------|-----------------------------|-----------------------------|---------|
| | Bankrupt and quasi-bankrupt assets | Effectively bankrupt assets | Potentially bankrupt assets | Total |
| Total credit balance (A) | 1,217 | 10,065 | 12,128 | 23,411 |
| Covered portion (B) | 1,001 | 6,699 | 7,420 | 15,121 |
| Uncovered portion (C)=(A)-(B) | 216 | 3,366 | 4,707 | 8,290 |
| Allowance for loan losses (D) | 216 | 3,366 | 2,080 | 5,662 |
| Allowance ratio (D)/(C) | 100.00 % | 100.00 % | 44.18 % | 68.30 % |
| Coverage ratio [(B)+(D)]/(A) | 100.00 % | 100.00 % | 78.33 % | 88.77 % |

Note) Including trust account.

7. Asset self-assessment and classification of assets (non-consolidated)

(¥ million)

| | As of September 30, 2008 | | As of March 31, 2008 | | As of September 30, 2007 | |
|-------------------------|--------------------------|-------------------------------------|----------------------|-------------------------------------|--------------------------|-------------------------------------|
| | Amount | As a percentage of total credit (%) | Amount | As a percentage of total credit (%) | Amount | As a percentage of total credit (%) |
| Total credit | 1,098,741 | 100.00 | 1,106,998 | 100.00 | 1,046,279 | 100.00 |
| Classification I | 982,425 | 89.41 | 988,907 | 89.33 | 928,127 | 88.70 |
| Total classified amount | 116,315 | 10.58 | 118,091 | 10.66 | 118,152 | 11.29 |
| Classification II | 113,799 | 10.35 | 115,469 | 10.43 | 115,518 | 11.04 |
| Classification III | 2,515 | 0.22 | 2,621 | 0.23 | 2,634 | 0.25 |
| Classification IV | - | - | - | - | - | - |

(Notes)

- Total credit: total balance of securities loaned, loans and bills discounted, foreign exchanges, accrued interest, suspension payments and customers' liabilities for acceptances and guarantees
- Classification I: Assets not classified under Classifications II, III, or IV assets, with no risks of noncollectivity or impairment of asset value
 Classification II: Assets perceived to have an above-average risk of noncollectivity
 Classification III: Assets for which final collection or asset value is very doubtful and which pose a high risk of incurring loss
 Classification IV: Assets assessed as uncollectible or worthless

| Self-assessment borrower categories | | Standards for write-offs and reserves |
|-------------------------------------|-----------------|--|
| Bankrupt assets | | Provision of allowance in an amount of the portion not covered by collateral and guarantees, or direct charge-offs |
| Effectively bankrupt assets | | |
| Potentially bankrupt assets | | Provision of specific allowance for possible loan losses in an amount of estimated losses calculated using the historical default rate |
| Assets requiring caution | Other than DCFs | Provision of general allowance for possible loan losses in an amount of estimated losses calculated using the estimated loss rate for three years based on the historical default rate |
| | DCF | Provision of general allowance s for possible loan losses in an amount of asset value after deduction of discounted present value of future cash flows |
| | DDS | Provide allowance for possible loan losses on total money claims in an amount estimated by loss ratio without regard to preference or subordination or in an amount equivalent to acquisition cost or amortized cost |
| Other assets requiring caution | | Provision of general allowance for possible loan losses in an estimated loss amount for one year based on historical default rates |
| Normal assets | | |

8. Asset self-assessment and mandatory disclosure of assets under the Financial Reconstruction Law (non-consolidated)

(¥ million)

| Asset self-assessment (by borrower category) Scope: Total credits | | | | | Assets subject to mandatory disclosure under the Financial Reconstruction Law Scope: Total credits | Risk-monitored loans Scope: Loans and bills discounted | Allowance | Coverage ratio (Reserve ratio) |
|--|--|--|------------------------------------|---|---|---|--------------|--------------------------------|
| Assets category (after charge-offs) | Classification | | | | | | | |
| | I | II | III | IV | | | | |
| Bankrupt assets 1,157 | Portion of claims secured by reserves, collateral or guarantees 399 | 758 | Fully reserved | Direct charge-offs | Bankrupt and quasi-bankrupt assets 10,303 Coverage ratio: 100.00 % | Bankrupt loans 1,149 | 177 | 100.00 % |
| Effectively bankrupt assets 9,145 | Portion of claims secured by reserves, collateral or guarantees 4,193 | 4,952 | | | | | | |
| Potentially bankrupt assets 11,964 | Portion of claims secured by reserves, collateral or guarantees 3,803 | 5,644 | Necessary amount reserved 2,515 | | Doubtful assets 11,964 Coverage ratio: 78.68 % | Delinquent loans 21,040 | 1,993 | 78.68 % (43.87) |
| Assets requiring caution | Assets requiring supervision 16,973 | Collateral: 5,562 Guarantees: 11,410 1,997 | 14,976 | Provision of reserves in an estimated loss amount for three years based on historical default rates. Fully reserved for loans converted to subordinated debt (DDS). | Substandard loans 10,457 Coverage ratio: 53.38 % | Past due loans (3 months or more) 533 | 3,195 | 51.59 % (28.00) |
| | | Other assets requiring caution 110,225 | 22,758 | | 87,467 | Subtotal 32,725 Overall coverage ratio: 77.31 % | | |
| Normal assets 949,274 | 949,274 | | | Provision of reserves in an estimated loss amount for one year based on historical default rates. | Normal assets 1,066,015 | | 426 | |
| Total 1,098,741 | 982,425 | 113,799 | 2,515 | - | 1,098,741 | 1,084,060 | 9,931 | 72.56 % (42.99) |

Note) Including trust account.

9. Loans and bills discounted by industrial segment

1) Loans made by industrial segment (non-consolidated)

(¥ million)

| | As of September 30, 2008 | | | As of March 31, 2008 | As of September 30, 2007 |
|--|--------------------------------|--|--|-------------------------|--------------------------------|
| | | Comparison with previous balance-sheet date | Comparison with previous interim balance-sheet date | | |
| Domestic branches (excl. the special account for international financial transactions) | 1,084,060 | (7,928) | 53,886 | 1,091,988 | 1,030,173 |
| Manufacturing | 42,398 | (811) | 3,346 | 43,210 | 39,052 |
| Agriculture | 1,089 | (206) | (290) | 1,295 | 1,379 |
| Forestry | - | (8) | - | 8 | - |
| Fishery | 885 | 38 | 38 | 847 | 847 |
| Mining | 2,906 | 895 | 1,064 | 2,011 | 1,842 |
| Construction | 47,670 | 1,110 | 4,316 | 46,559 | 43,353 |
| Electricity, gas, heat and water supply | 4,608 | (1,712) | (897) | 6,321 | 5,506 |
| Telecommunications | 8,358 | (929) | 128 | 9,288 | 8,229 |
| Transportation | 16,226 | 4,194 | 4,719 | 12,032 | 11,507 |
| Wholesaling | 69,490 | 388 | (495) | 69,102 | 69,986 |
| Retailing | 53,064 | (1,516) | (1,921) | 54,581 | 54,986 |
| Finance and insurance | 25,578 | 12,630 | 14,887 | 12,947 | 10,691 |
| Real estate | 140,656 | (6,230) | (5,404) | 146,887 | 146,060 |
| Miscellaneous services | 154,887 | (15,473) | (7,109) | 170,360 | 161,996 |
| Local government bodies | 88,821 | (4,110) | 15,849 | 92,932 | 72,971 |
| Other | 427,417 | 3,813 | 25,655 | 423,603 | 401,761 |

Note) Simple sum of banking account and trust account

2) Risk-monitored loans by industrial segment (non-consolidated)

(¥ million)

| | As of September 30, 2008 | | | As of March 31, 2008 | As of September 30, 2007 |
|--|--------------------------------|--|--|-------------------------|--------------------------------|
| | | Comparison with previous balance-sheet date | Comparison with previous interim balance-sheet date | | |
| Domestic branches (excl. the special account for international financial transactions) | 32,647 | (97) | (4,653) | 32,745 | 37,301 |
| Manufacturing | 1,488 | 296 | 313 | 1,192 | 1,175 |
| Agriculture | 10 | (230) | (244) | 240 | 255 |
| Fishery | 10 | (3) | (3) | 14 | 14 |
| Mining | 270 | (5) | (34) | 276 | 305 |
| Construction | 3,553 | 557 | 52 | 2,995 | 3,500 |
| Telecommunications | 373 | (13) | (12) | 387 | 386 |
| Transportation | 84 | (43) | (630) | 128 | 715 |
| Wholesaling | 3,626 | (1,003) | (1,276) | 4,629 | 4,903 |
| Retailing | 4,853 | (160) | (820) | 5,014 | 5,673 |
| Finance and insurance | - | - | (1) | - | 1 |
| Real estate | 5,345 | 56 | (478) | 5,288 | 5,823 |
| Miscellaneous services | 4,780 | 72 | (458) | 4,708 | 5,238 |
| Other | 8,249 | 380 | (1,058) | 7,869 | 9,307 |

Note) Simple sum of banking account and trust account

3) Loan and NPL balances -- wholesaling & retailing, construction, real estate, finance (excluding banking)

(¥ million)

| | | Risk-monitored loans (Banking Law) | | | | |
|----------------------------|--------------------|------------------------------------|---|-----------------------|----------------------|-------------------|
| | | Total loans | Past due loans (3 months or more) | Restructured loans | Non-accrued loans | Bankrupt loans |
| Wholesaling /retailing | September 30, 2007 | 124,972 | 8 | 4,137 | 6,252 | 179 |
| | March 31, 2008 | 123,683 | 9 | 3,815 | 5,532 | 286 |
| | September 30, 2008 | 122,555 | 6 | 3,815 | 4,487 | 170 |
| Construction | September 30, 2007 | 43,353 | 18 | 1,149 | 2,083 | 248 |
| | March 31, 2008 | 46,559 | 9 | 983 | 1,837 | 164 |
| | September 30, 2008 | 47,670 | - | 1,152 | 2,207 | 192 |
| Real estate | September 30, 2007 | 146,060 | 8 | 1,667 | 4,121 | 25 |
| | March 31, 2008 | 146,887 | 7 | 1,581 | 3,699 | - |
| | September 30, 2008 | 140,656 | - | 1,434 | 3,892 | 17 |
| Finance (excl. banking) | September 30, 2007 | 6,943 | - | - | - | - |
| | March 31, 2008 | 6,918 | - | - | - | - |
| | September 30, 2008 | 6,462 | - | - | - | - |

Note) Including trust account.

(¥ million)

| | | Mandatory disclosure under the Financial Reconstruction Law | | | |
|----------------------------|--------------------|---|-------------------|-----------------|--|
| | | Total credit | Substandard loans | Doubtful assets | Bankrupt and quasi-bankrupt assets |
| Wholesaling /retailing | September 30, 2007 | 129,865 | 4,145 | 4,518 | 1,927 |
| | March 31, 2008 | 128,605 | 3,825 | 3,877 | 1,946 |
| | September 30, 2008 | 127,509 | 3,821 | 2,912 | 1,753 |
| Construction | September 30, 2007 | 44,941 | 1,168 | 1,479 | 893 |
| | March 31, 2008 | 47,711 | 993 | 1,274 | 744 |
| | September 30, 2008 | 48,830 | 1,152 | 1,485 | 921 |
| Real estate | September 30, 2007 | 147,407 | 1,676 | 2,485 | 1,674 |
| | March 31, 2008 | 148,358 | 1,588 | 1,900 | 1,803 |
| | September 30, 2008 | 141,949 | 1,434 | 2,022 | 1,891 |
| Finance (excl. banking) | September 30, 2007 | 6,950 | - | - | - |
| | March 31, 2008 | 6,924 | - | - | - |
| | September 30, 2008 | 6,467 | - | - | 0 |

Note) Including trust account.

4) Consumer loan balance (non-consolidated)

(¥ million)

| | As of September 30, 2008 | Comparison with previous balance-sheet date | | As of March 31, 2008 | As of September 30, 2007 |
|--------------------------------------|--------------------------|---|---|----------------------|--------------------------|
| | | Comparison with previous balance-sheet date | Comparison with previous interim balance-sheet date | | |
| Loans to consumers | 401,707 | 2,606 | 14,509 | 399,100 | 387,198 |
| | 404,797 | 2,144 | 13,760 | 402,653 | 391,036 |
| Housing loans (incl. mortgage loans) | 347,735 | 2,240 | 12,218 | 345,494 | 335,516 |
| | 349,399 | 1,993 | 11,770 | 347,405 | 337,628 |
| Other than housing loans | 53,971 | 365 | 2,290 | 53,606 | 51,681 |
| | 55,398 | 151 | 1,990 | 55,247 | 53,407 |

Note) Amounts recorded on the lower column include those posted under trust accounts.

5) Loans to SMEs and ratio of loans to SMEs to total loans (non-consolidated)

(¥ million)

| | As of September 30, 2008 | Comparison with previous balance-sheet date | | As of March 31, 2008 | As of September 30, 2007 |
|--------------------------------|--------------------------|---|---|----------------------|--------------------------|
| | | Comparison with previous balance-sheet date | Comparison with previous interim balance-sheet date | | |
| Loans to SMEs | 882,369 | (4,579) | 15,518 | 886,949 | 866,851 |
| | 895,408 | (6,047) | 12,200 | 901,456 | 883,207 |
| As a percentage of total loans | 82.40 | 0.06 | (3.14) | 82.34 | 85.54 |
| | 82.59 | 0.04 | (3.14) | 82.55 | 85.73 |

Note) Amounts recorded on the lower column include those posted under trust accounts.

10. Loans guaranteed by credit guarantee associations (non-consolidated)

(¥ million)

| | September 30, 2008 | March 31, 2008 | September 30, 2007 |
|---|--------------------|----------------|--------------------|
| Loans guaranteed by credit guarantee corporations | 49,502 | 51,012 | 46,460 |
| Special credit lines | 377 | 469 | 574 |

11. Loan balance to affiliate non-bank financial institutions (non-consolidated)

(¥ million)

| September 30, 2008 | March 31, 2008 | September 30, 2007 |
|--------------------|----------------|--------------------|
| 18,977 | 18,423 | 20,318 |

12. Deposits and loan balances (non-consolidated)

(¥ million)

| | 1H FY08 | Comparison with previous period | | FY07 | 1H FY07 |
|-----------------------------|-----------|---------------------------------|---|-----------|-----------|
| | | Comparison with previous period | Comparison with previous interim period | | |
| Deposits (term-end balance) | 1,269,403 | 40,080 | 51,926 | 1,229,323 | 1,217,476 |
| | 1,294,369 | 38,170 | 49,175 | 1,256,198 | 1,245,193 |
| (average balance) | 1,256,218 | 48,910 | 46,280 | 1,207,307 | 1,209,937 |
| | 1,282,365 | 48,070 | 45,592 | 1,234,295 | 1,236,773 |
| Loans (term-end balance) | 1,070,724 | (6,341) | 57,425 | 1,077,065 | 1,013,299 |
| | 1,084,060 | (7,928) | 53,886 | 1,091,988 | 1,030,173 |
| (average balance) | 1,054,123 | 45,843 | 59,339 | 1,008,279 | 994,784 |
| | 1,068,240 | 43,067 | 55,701 | 1,025,173 | 1,012,538 |

Note) Amounts recorded on the lower column include those posted under trust accounts.

13. Deposit made by individuals and corporations by deposit category (average balance; non-consolidated)

(¥ million)

| | 1H FY08 | Comparison with previous period | Comparison with previous interim period | FY07 | 1H FY07 |
|-----------------|-----------|---------------------------------------|---|-----------|-----------|
| Individuals | 840,776 | 15,696 | 21,109 | 825,080 | 819,667 |
| Liquid deposits | 430,773 | 6,431 | 8,484 | 424,342 | 422,288 |
| Time deposits | 410,002 | 9,264 | 12,624 | 400,737 | 397,378 |
| Corporations | 441,589 | 32,374 | 24,483 | 409,215 | 417,105 |
| Liquid deposits | 256,411 | 8,441 | (933) | 247,970 | 257,345 |
| Time deposits | 185,177 | 23,932 | 25,417 | 161,245 | 159,760 |
| Total | 1,282,365 | 48,070 | 45,592 | 1,234,295 | 1,236,773 |
| Liquid deposits | 687,185 | 14,872 | 7,551 | 672,312 | 679,633 |
| Time deposits | 595,180 | 33,197 | 38,041 | 561,982 | 557,139 |

(Notes) 1. Including trust account.

2. Deposits from corporations include deposits made by local governments and other public bodies and financial institutions.

IV. Performance Forecasts

1. Full-year performance forecasts for fiscal 2008 (ending March 2009) (non-consolidated)

(¥ million)

| | FY08 forecasts | 1H FY08 results | FY07 results |
|---|----------------|-----------------|--------------|
| Ordinary income | 39,700 | 19,953 | 40,729 |
| Ordinary profit | 5,400 | 2,732 | 10,668 |
| Net income | 2,000 | 1,007 | 5,824 |
| Net business profit | 7,900 | 3,591 | 10,862 |
| (prior to provision of general allowance) | 8,100 | 3,780 | 11,256 |
| Excl. gains and losses on bond transactions | 10,600 | 5,535 | 11,684 |
| Loan losses* | 1,613 | 1,381 | 522 |

Note) Including loan losses poster under trust account.

Net business profit (non-consolidated)

(¥ million)

| | Prior to provision of general allowance | | After making provision of general allowance | Net business profit posted under trust account (prior to provision of general allowance) | | |
|------------------------|---|---|---|--|---|---|
| | | Excluding gains and losses on bond transactions | | Prior to provision of general allowance | Excluding gains and losses on bond transactions | After making provision of general allowance |
| Fiscal 2007 first-half | 5,684 | 5,678 | 5,684 | 5,684 | 5,678 | 5,684 |
| Fiscal 2007 | 11,256 | 11,684 | 10,862 | 11,290 | 11,719 | 10,896 |
| Fiscal 2008 first-half | 3,780 | 5,535 | 3,591 | 3,780 | 5,535 | 3,591 |
| Fiscal 2008 forecasts | 8,100 | 10,600 | 7,900 | 8,100 | 10,600 | 7,900 |

2. Restructuring (non-consolidated)

Major initiatives

1) Number of employees

| | As of September 30, 2008 | Target by the end of March 2009 | Target by the end of March 2010 | Target by the end of March 2011 | Decrease from the first half of fiscal 2008 |
|------------------|--------------------------|---------------------------------|---------------------------------|---------------------------------|---|
| Regularemployees | 1,124 | 1,094 | 1,083 | 1,053 | (71) |

2) Branch consolidation

| | As of September 30, 2008 | Target by the end of March 2009 | Target by the end of March 2010 | Target by the end of March 2011 | Increase from the first half of fiscal 2008 |
|--------------------|--------------------------|---------------------------------|---------------------------------|---------------------------------|---|
| Number of branches | 59 | 59 | 61 | 61 | 2 |

Note) Excluding 5 subbranches.

3. Shareholdings (non-consolidated)

(1) Value of shares held by the Bank

(¥ million)

| | Acquisition cost | Fair market value | Tier I |
|--------------------|------------------|-------------------|--------|
| September 30, 2007 | 28,530 | 42,928 | - |
| March 31, 2008 | 24,846 | 28,244 | - |
| September 30, 2008 | 25,739 | 27,091 | - |

(2) Impairment accounting

(¥ million)

| | Net gains on equity securities | |
|------------------------|--------------------------------|-----------------|
| | | Impairment loss |
| Fiscal 2007 first-half | 974 | 86 |
| Fiscal 2007 | 128 | 289 |
| Fiscal 2008 first-half | 363 | 133 |

4. Bond trading (non-consolidated)

(¥ million)

| | Net losses on JGB and other bond transactions | Unrealized losses on JGB and other bond transactions |
|------------------------|---|--|
| Fiscal 2007 first-half | (576) | (1,069) |
| Fiscal 2007 | (452) | (1,798) |
| Fiscal 2008 first-half | (150) | 2,596 |

5. NPL (non-consolidated)

(1) Credit cost

(¥ million)

| | 1) Net provision (reversal) of general allowance | 2) NPL disposal (bank account) | 3) NPL disposal (trust account) | Total credit cost 1)+2)+3) |
|------------------------|--|--------------------------------|---------------------------------|----------------------------|
| Fiscal 2007 first-half | (135) | (30) | - | (165) |
| Fiscal 2007 | 393 | 487 | 34 | 916 |
| Fiscal 2008 first-half | 189 | 1,381 | 0 | 1,571 |
| Fiscal 2008 forecasts | 191 | 1,601 | 12 | 1,805 |

2) Specific allowance for possible loan losses + bad debt written-offs + losses on sale of loan assets (excluding non-current item)

(2) NPL balance

(¥ million)

| | Asset self-assessment | | | | Total 1)+2)+3) |
|--------------------|-----------------------|--------------------------------|--|-----------------------------|----------------|
| | Bankrupt assets 1) | Potentially bankrupt assets 2) | Potentially bankrupt assets or below 1)+2) | Assets requiring caution 3) | |
| September 30, 2007 | 11,827 | 14,780 | 26,607 | 124,281 | 150,888 |
| March 31, 2008 | 10,624 | 12,215 | 22,839 | 128,808 | 151,648 |
| September 30, 2008 | 10,303 | 11,964 | 22,268 | 127,199 | 149,467 |

| | Financial Reconstruction Law | |
|--------------------|------------------------------|----------------|
| | Substandard loans 4) | Total 1)+2)+4) |
| September 30, 2007 | 10,888 | 37,495 |
| March 31, 2008 | 9,988 | 32,828 |
| September 30, 2008 | 10,457 | 32,725 |

Note) Including trust account.

(3) NPL final disposal and new occurrence

a. NPL balance (under the Financial Reconstruction Law)

(¥ million)

| | Bankrupt and quasi-bankrupt assets | Doubtful assets | Total |
|---|------------------------------------|-----------------|---------|
| September 30, 2007 | 11,827 | 14,780 | 26,607 |
| March 31, 2008 | 10,624 | 12,215 | 22,839 |
| September 30, 2008 | 10,303 | 11,964 | 22,268 |
| New occurrence during 1H FY08 | 1,839 | 2,330 | 4,170 |
| Removed from balance sheet during 1H FY08 | (2,160) | (2,581) | (4,742) |
| Net decrease during 1H FY08 | (320) | (250) | (571) |

(Note) Including trust account.

b. Removal from balance sheet by type of disposal measure

(¥ million)

| | FY08 targets | 1H FY08 results | FY07 results |
|--|--------------|-----------------|--------------|
| Liquidation and similar measures | - | - | - |
| Corporate rehabilitation | - | - | 52 |
| Improved performance by corporate rehabilitation | - | - | - |
| Securitization | 430 | - | 982 |
| Sale to RCC | - | - | - |
| Direct written-offs | 1,772 | 1,528 | 1,277 |
| Other | 6,000 | 3,214 | 8,301 |
| Collection/repayment | 4,000 | 2,081 | 6,500 |
| Improved performance | 2,000 | 1,132 | 1,801 |
| Total | 8,202 | 4,742 | 10,614 |

(4) Reserves for possible loan losses by borrower category and reserve ratios

| | | September 30, 2008 | | March 31, 2008 | | September 30, 2007 | |
|--|--|--------------------|--------------|----------------|--------------|--------------------|--------------|
| Bankrupt and effectively bankrupt assets | As a percentage of portion not secured by collateral | 100.00 % | ¥2.9 billion | 100.00 % | ¥3.0 billion | 100.00 % | ¥3.3 billion |
| Potentially bankrupt assets | As a percentage of portion not secured by collateral | 43.88 % | ¥1.9 billion | 42.66 % | ¥1.9 billion | 47.73 % | ¥2.4 billion |
| Assets requiring supervision (substandard loans) | As a percentage of debt amount | 18.82 % | ¥3.1 billion | 20.11 % | ¥3.1 billion | 16.95 % | ¥2.6 billion |
| Assets requiring caution (excl. substandard loans) | As a percentage of debt amount | 1.25 % | ¥1.3 billion | 1.07 % | ¥1.2 billion | 1.15 % | ¥1.2 billion |
| Normal assets | As a percentage of debt amount | 0.05 % | ¥0.4 billion | 0.05 % | ¥0.4 billion | 0.04 % | ¥0.3 billion |

(Note) The Bank has made a provision in an amount of ¥2 billion for possible losses on loans to borrowers requiring caution as of September 30, 2008, with regard to a portion of which has been converted into subordinated loans (DDS). The reserve ratio for claims on borrowers requiring caution stood at 8.57% after exclusion of subordinated loans.

(5) NPL ratios under the Financial Reconstruction Law (%)

| | FY06 first half | FY06 | FY07 first half | FY07 | FY08 first half | FY08 |
|------------------|-----------------|------|-----------------|------|-----------------|--------------|
| Non-consolidated | 3.90 | 3.74 | 3.58 | 2.96 | 2.97 | Less than 3% |
| Consolidated | 4.09 | 3.88 | 3.78 | 3.10 | 3.11 | Less than 4% |