

Financial Results for FY2015

May 23, 2016

THE CHIBA BANK, LTD.

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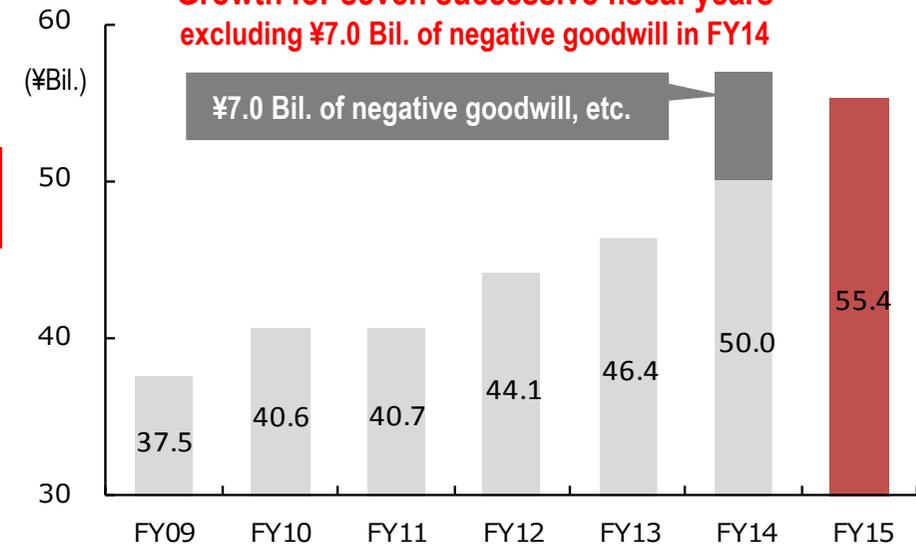
Summary of Financial Results

Consolidated		FY14	FY15	Change	From projection
(¥Bil.)					
Ordinary profit		84.2	85.5	1.3	1.0
Net income attributable to equities of parent		57.0	* 55.4	△ 1.5	1.4
* Highest profit excluding the negative goodwill in FY14					
Non-consolidated		FY14	FY15	Change	From projection
(¥Bil.)					
Gross business profits		151.7	150.0	△ 1.7	△ 1.9
Net interest income		126.0	125.4	△ 0.5	△ 1.2
Net fees and commissions income		19.2	19.0	△ 0.1	△ 0.5
Trading income		2.6	3.2	0.6	0.7
Profit from other business transactions		3.8	2.2	△ 1.5	△ 0.9
Gains (losses) related to bonds		2.0	2.2	0.1	0.7
Expenses (-)		82.6	82.0	△ 0.5	0.0
Real net business income		69.1	67.9	△ 1.1	△ 2.0
Core net business income		67.0	65.7	△ 1.3	△ 2.7
Net transfer to general allowance for loan losses (-)		-	-	-	-
Net business income		69.1	67.9	△ 1.1	△ 2.0
Non-recurrent income and losses		5.0	11.7	6.6	4.7
Disposal of non-performing loans (-)		△ 0.3	△ 2.3	△ 1.9	△ 2.3
Gains (losses) related to stocks, etc.		1.2	2.7	1.5	0.0
Ordinary profit		74.1	79.6	5.4	2.6
Extraordinary income (loss)		△ 1.1	△ 0.6	0.5	0.4
Net income		45.8	52.5	6.7	2.5
Net credit cost		△ 0.3	△ 2.3	△ 1.9	△ 2.3

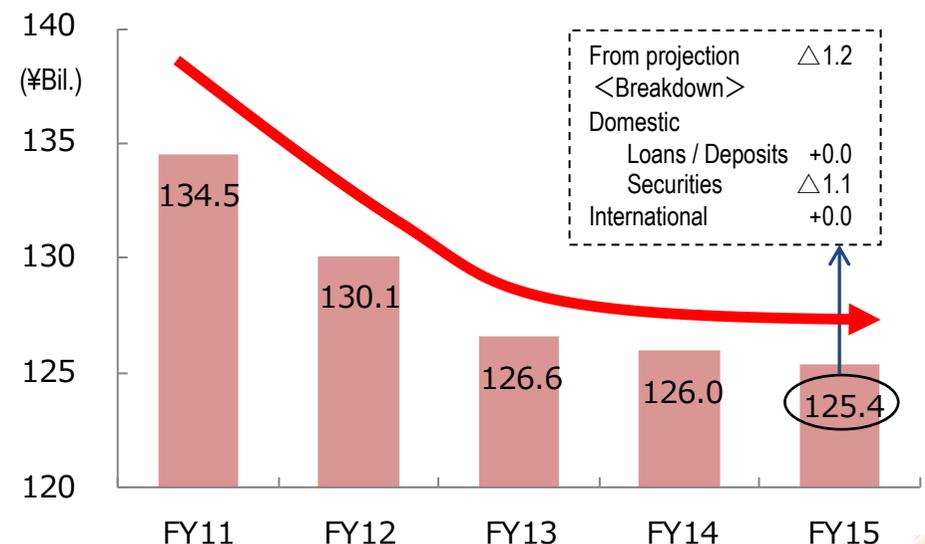
Highest profit

Net income attributable to equities of parent

Growth for seven successive fiscal years excluding ¥7.0 Bil. of negative goodwill in FY14



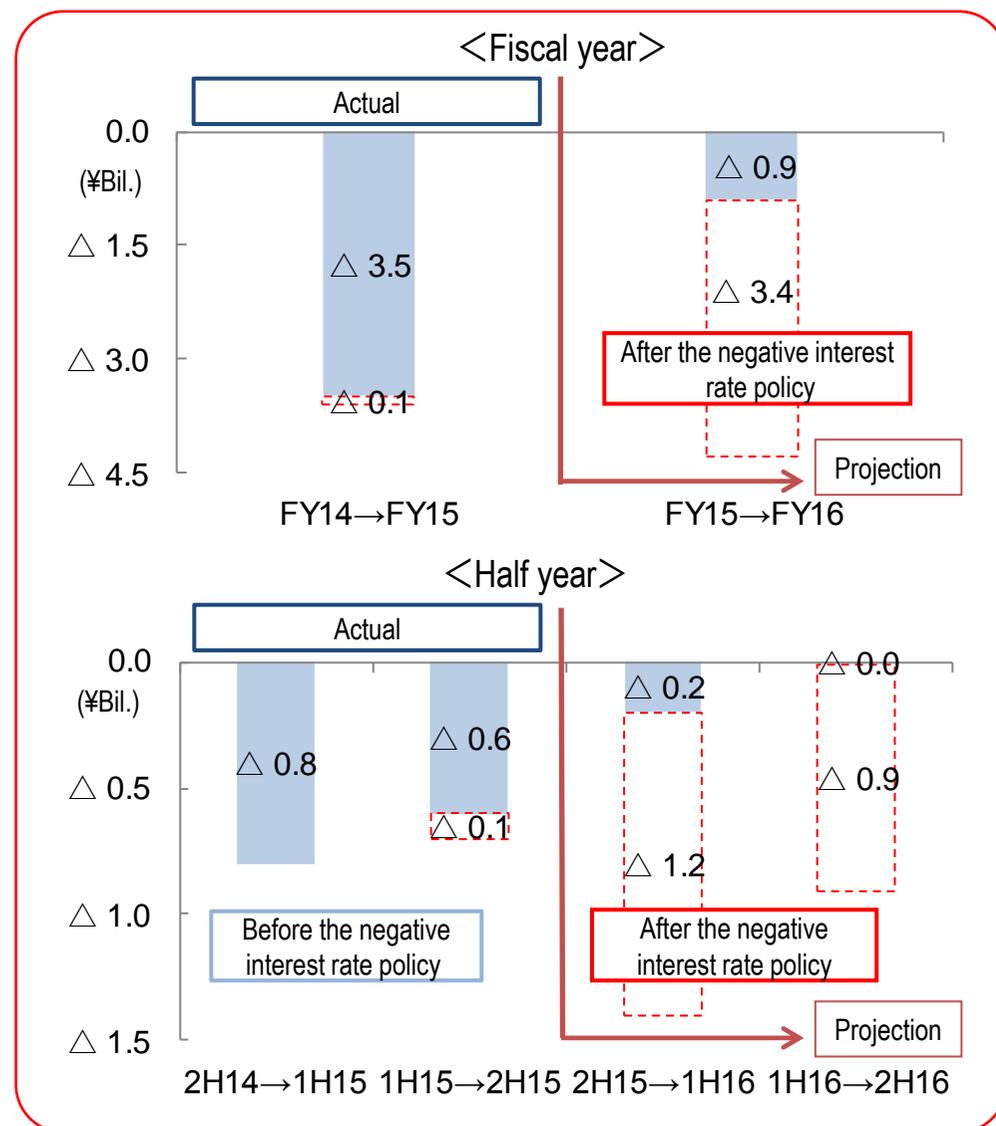
Net interest income



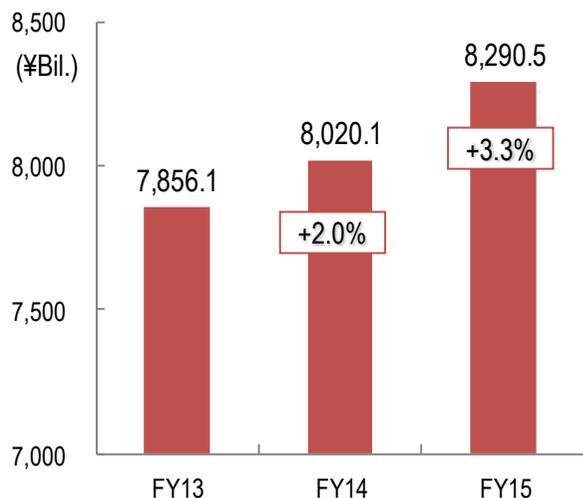
Steady increase in loans, however net interest income slightly decreased due to the negative interest policy

(¥Bil.)	FY14	Change from FY13	FY15	Change from FY14
Net interest income	126.0	△ 0.6	125.4	△ 0.5
Domestic	120.0	△ 2.0	119.4	△ 0.5
Loans and deposits	105.0	△ 4.5	101.5	△ 3.5
Loans	108.8	△ 4.8	105.1	△ 3.7
Deposits	3.8	△ 0.2	3.5	△ 0.2
Securities	15.7	2.0	18.4	2.7
Bonds	6.5	△ 0.9	5.5	△ 0.9
Stocks	5.2	0.9	6.4	1.2
Investment trusts	3.9	2.0	6.3	2.4
International	5.9	1.4	5.9	0.0

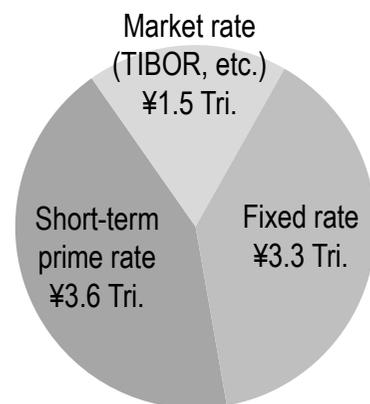
Changes in interest income (due to the negative interest rate policy)



Average balance of domestic loans



Term-end balance of JPY domestic loans (16/3)



*Internal management base

*Internal management base

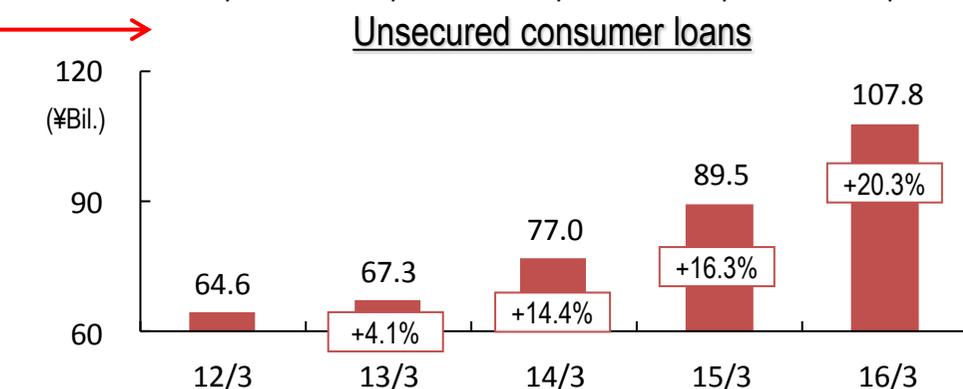
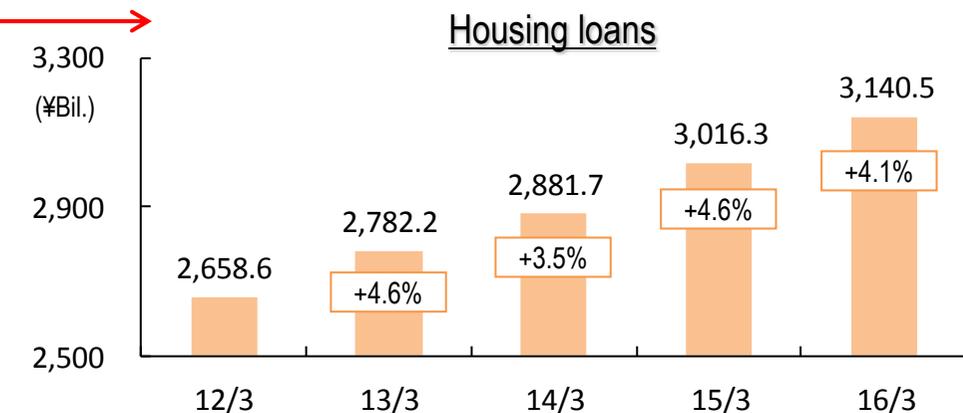
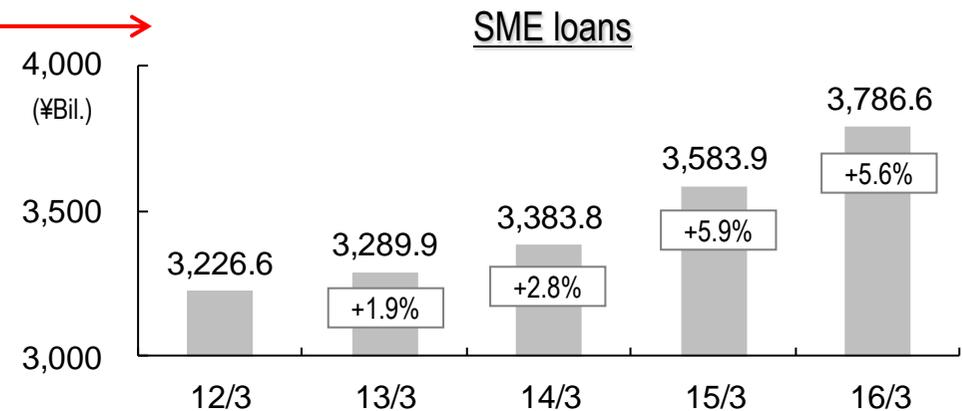
Steady growth of SME loans within and outside Chiba prefecture, large increase in unsecured consumer loans

(¥Bil.)	FY14	FY15	Change	%
Deposits	10,733.3	11,140.2	406.8	3.7%
Domestic Deposits	10,407.1	10,689.0	281.9	2.7%
Personal Deposits	7,919.8	8,071.9	152.1	1.9%

(¥Bil.)	FY14	FY15	Change	%
Loans	8,461.1	8,797.4	336.2	3.9%
Domestic loans	8,299.3	8,628.8	329.4	3.9%
ex.Public sector	8,055.1	8,399.2	344.1	4.2%
Corporate loans	4,931.9	5,135.8	203.8	4.1%
Large corporates	1,348.0	1,349.2	1.1	0.0%
SMEs	3,583.9	3,786.6	202.6	5.6%
Consumer loans	3,123.1	3,263.4	140.2	4.4%
Housing loans	3,016.3	3,140.5	124.1	4.1%
Unsecured consumer loans	89.5	107.8	18.3	20.3%
Public sector	244.2	229.5	△ 14.7	△ 6.0%

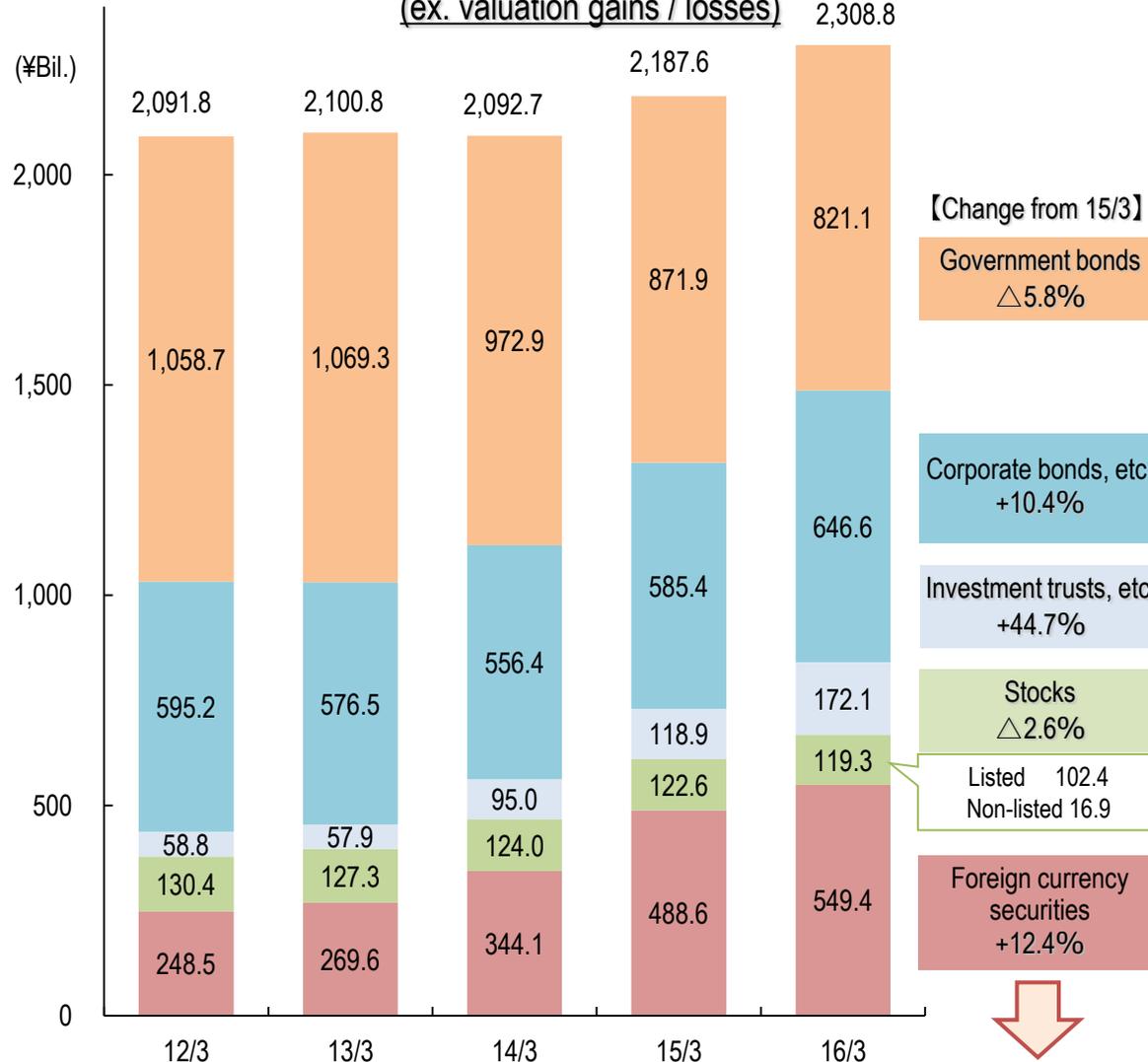
Domestic loans	8,299.3	8,628.8	329.4	3.9%
Branches in Chiba	6,067.8	6,280.8	213.0	3.5%
Branches outside Chiba	2,231.5	2,347.9	116.3	5.2%
Special Branches*	1,341.0	1,334.8	△ 6.1	△ 0.4%
Retail Branches	890.5	1,013.0	122.5	13.7%

*Tokyo Head Office, Shinjuku Branch and Osaka Branch



Controlling interest rate risk and diversifying investment

Term-end balance of investment securities
(ex. valuation gains / losses)

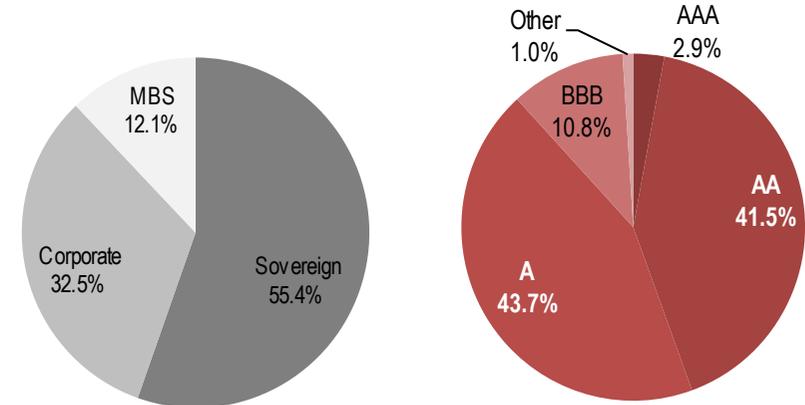


Continuing to diversify investments into foreign currency securities, stock-related investments and others, as the yields of yen bonds decline

Average duration of yen bonds

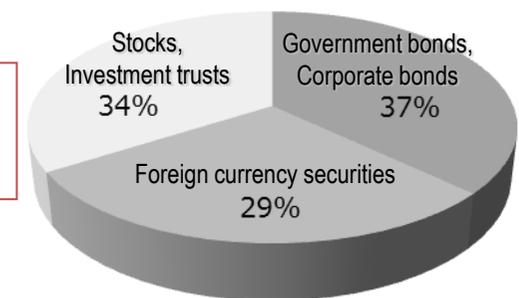
As of the end of the term (Years)	12/3	13/3	14/3	15/3	16/3
Fixed rate bonds	3.7	3.6	3.1	3.4	3.7
Total	3.4	3.3	2.9	3.2	3.5

Foreign currency securities by type and rating (16/3)



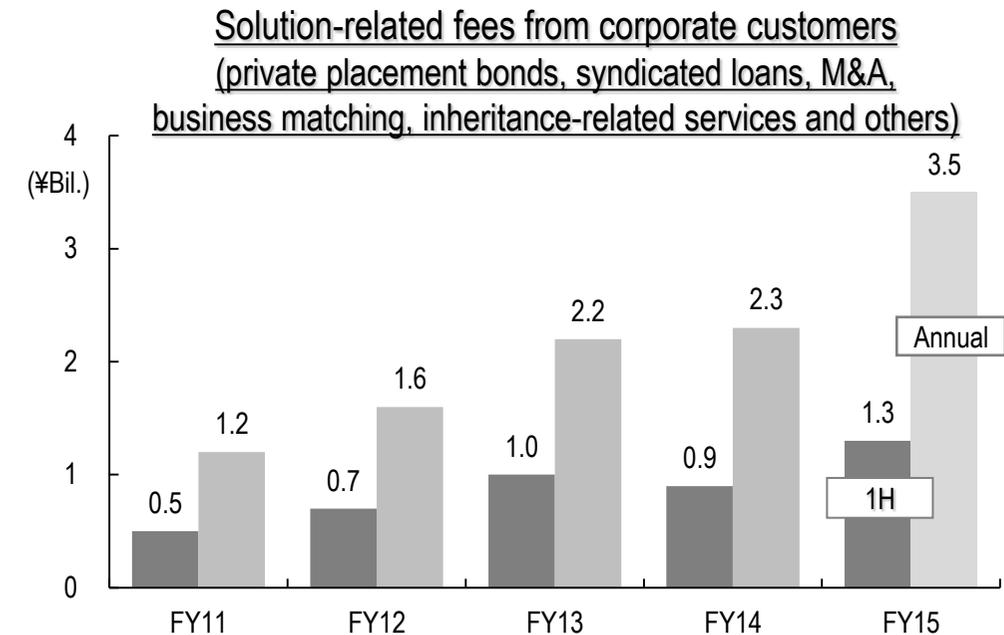
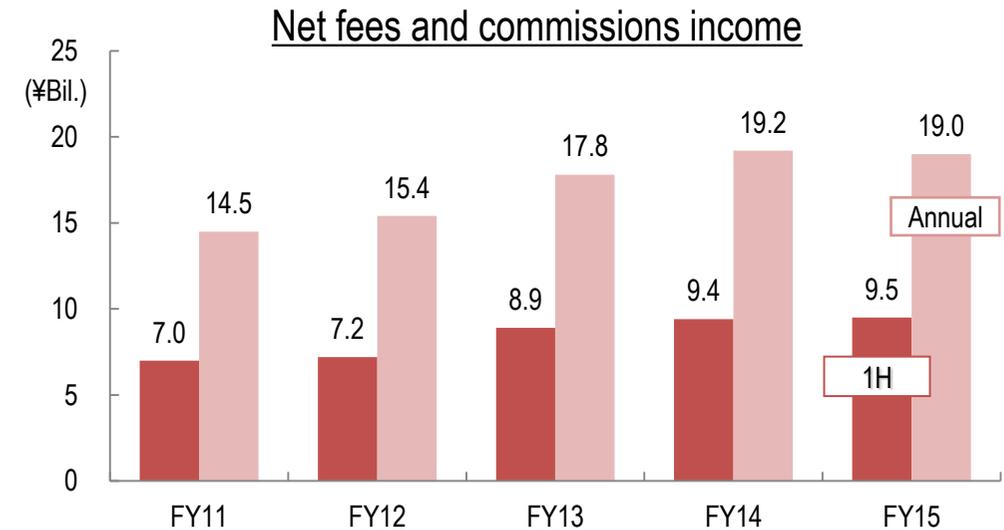
Risk balance by asset type (16/3)

Maintaining risk parity portfolio with almost same equivalent of potential risks



Favorable net fees and commissions income, supported by increasing solution-related fees from corporate customers

(¥Bil.)	FY14	FY15	Change
Net fees and commissions income	19.2	19.0	△ 0.1
Fees and commissions income	38.1	39.0	0.9
Fees and commissions payments	△ 18.9	△ 20.0	△ 1.1
<Main items>			
Investment trusts and personal annuities	12.4	11.9	△ 0.4
Investment trusts	7.8	5.9	△ 1.8
Personal annuities	4.6	5.9	1.3
Indemnity-type insurance	0.8	1.0	0.2
Introduction based agency business	0.4	0.4	△ 0.0
Solution-related fees from corporate customers	2.3	3.5	1.2
Private placement bonds	0.2	0.4	0.2
Syndicated loans	1.4	2.1	0.6
Business Matching	0.3	0.5	0.2
Payment and settlement transactions	11.7	11.8	0.0
Guarantee charges and group insurance costs	△ 12.0	△ 12.9	△ 0.9
(Reference) Other non-recurrent income and loss			
Dividends from group credit life insurance	3.0	3.3	0.2



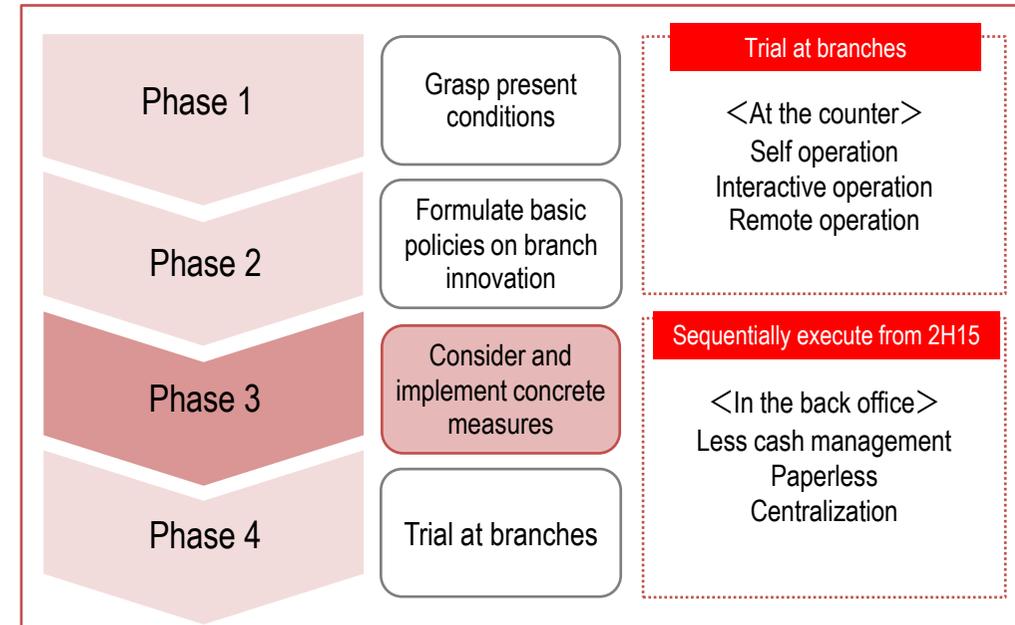
Further improving job efficiency and controlling expenses

(¥Bil.)	FY14	FY15	Change	FY16 (Projection)	Change
Expenses	82.6	82.0	△ 0.5	83.5	1.4
Personnel	41.6	41.7	0.1	42.1	0.3
Non-personnel	36.3	34.9	△ 1.3	35.4	0.4
Tax	4.6	5.3	0.7	5.9	0.6

Main increase / decrease factors in expenses

(¥Bil.)	FY15	FY16 (Projection)
Personnel	+ 0.1 Salaries +0.2 Retirement benefit costs △0.1	+ 0.3 Increase in sales staff +0.1 Salaries +0.0
Non-personnel	△ 1.3 Deposit insurance fee △2.5 Cooperation on Mainframe System +0.5 Depreciation of properties +0.2 Cooperation on bills and public payment operation +0.1 Investment for new measures +0.1	+ 0.4 Cooperation on Mainframe System +0.8 Deposit insurance +0.1 Deposit insurance △0.4
Tax	+ 0.7 Pro forma standard taxation +0.4 Consumption tax +0.2	+ 0.6 Pro forma standard taxation +0.8 Consumption tax △0.2

Constructing “Next-generation Branch Model”



- Reduce administration costs in branches by radically reviewing jobs
- Enhance branch sales (developing sales workforce)
- Standardize know-how and procedures

⇒ Reducing volume of administration work at branches by 36% (relocating workforce of almost 500)

Net credit costs remain low for the time being

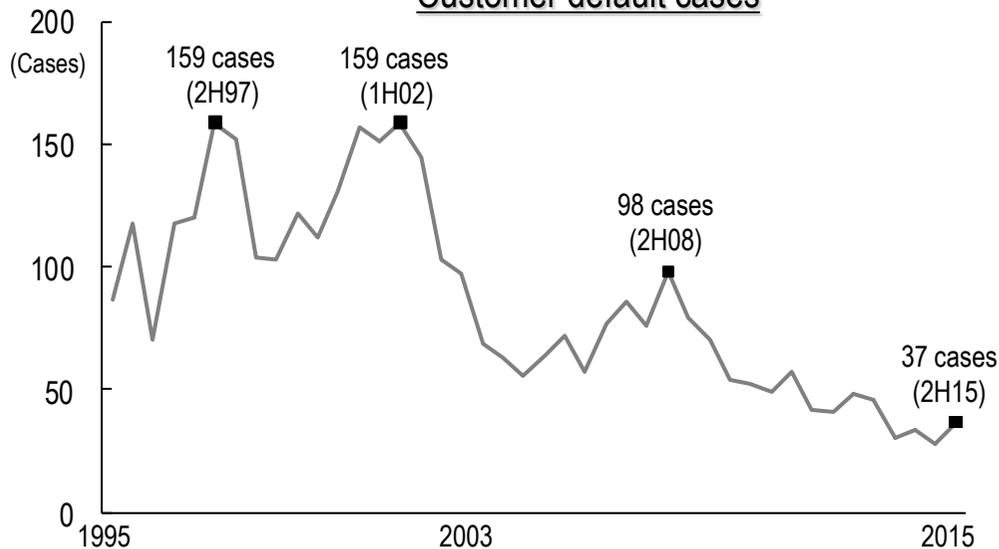
				FY16	
	FY14	FY15	Change	(Projection)	Change
Net credit costs	△ 0.3	△ 2.3	△ 1.9	1.0	3.3
Net transfer to general allowance for loan losses	△ 1.4	△ 4.3	△ 2.9	△ 2.1	2.2
Disposal of non-performing loans	1.0	2.0	0.9	3.1	1.1
Write-offs / allowances, etc.	4.8	4.6	△ 0.1	5.3	0.6
New downgrades	9.0	7.7	△ 1.2	8.0	0.2
Decreases in collateral value, etc.	0.8	0.4	△ 0.3	0.6	0.1
Collections, etc.	△ 4.7	△ 3.0	1.7	△ 3.3	△ 0.2
Recoveries of written-off claims	△ 3.8	△ 2.6	1.1	△ 2.2	0.4

(Note)

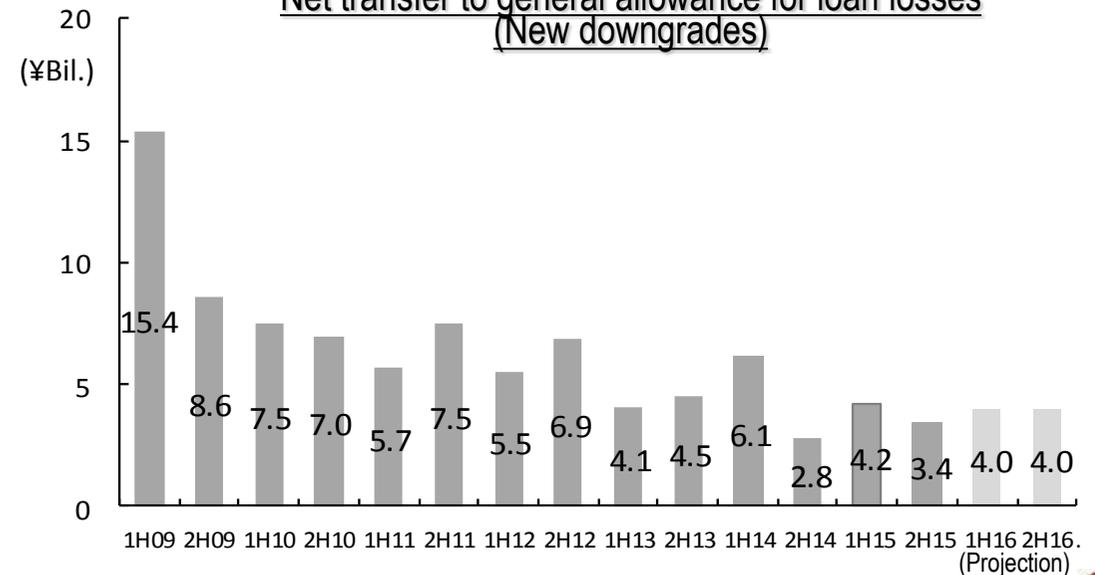
The total sum of transfer to allowance for loan losses is expressed as "Reversal of allowance for loan losses", in the case of a reversal.

However, it is indicated separately as Net transfer to general allowance for loan losses and Net transfer to specific allowance for loan losses in the left-hand table to enable comparison with previous figures.

Customer default cases



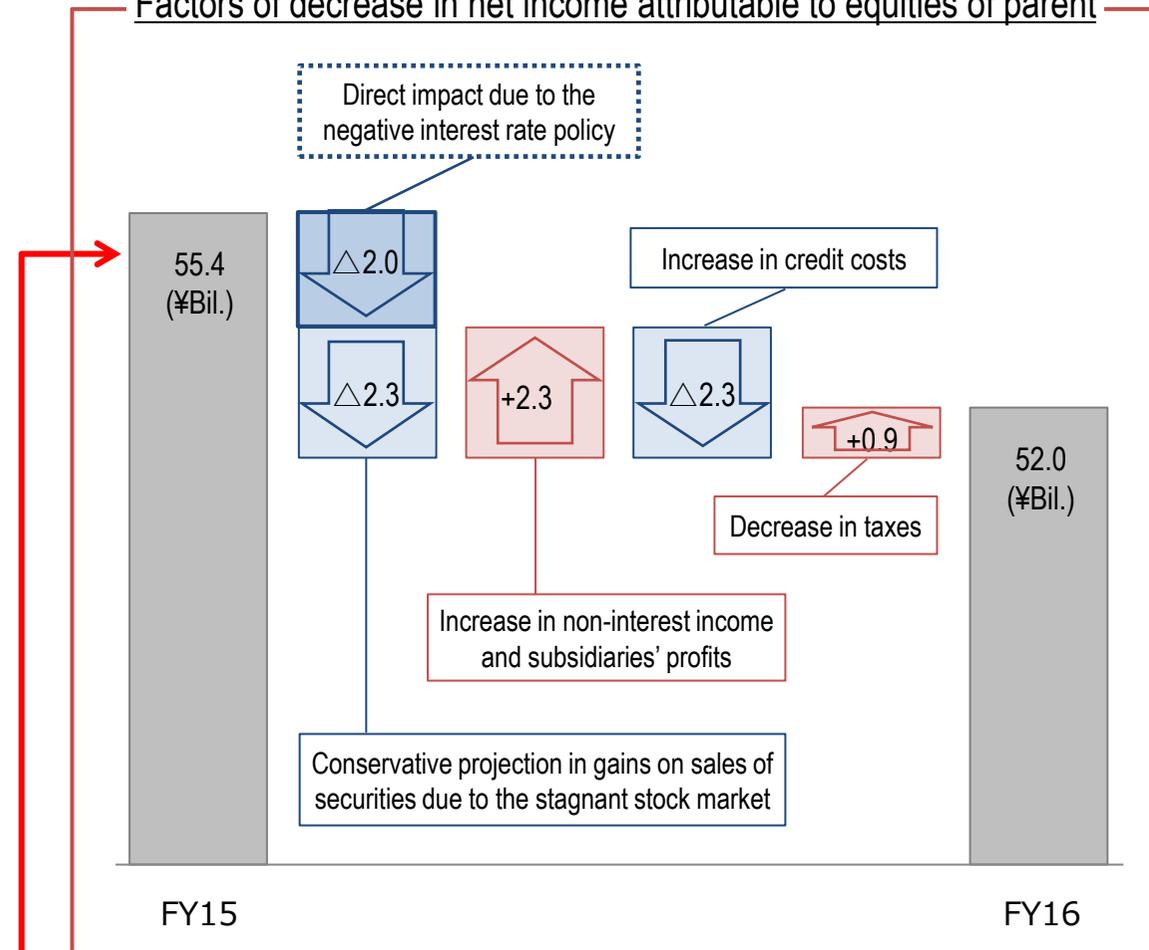
Net transfer to general allowance for loan losses (New downgrades)



Non-consolidated	(¥Bil.)	FY15	FY16 (Projection)	Change
Gross business profits		150.0	150.0	0.0
Net interest income		125.4	120.7	△ 4.7
Net fees and commissions income		19.0	21.5	2.4
Trading income		3.2	3.3	0.0
Profit from other business transactions		2.2	4.5	2.2
Gains (losses) related to bonds		2.2	2.7	0.4
Expenses (-)		82.0	83.5	1.4
Real net business income		67.9	66.5	△ 1.4
Core net business income		65.7	63.8	△ 1.9
Net transfer to general allowance for loan losses (-)		-	-	-
Net business income		67.9	66.5	△ 1.4
Non-recurring income and losses		11.7	3.0	△ 8.7
Disposal of non-performing loans (-)		△ 2.3	1.0	3.3
Gains (losses) related to stocks, etc.		2.7	1.0	△ 1.7
Ordinary profit		79.6	69.5	△ 10.1
Extraordinary income (loss)		△ 0.6	△ 1.0	△ 0.3
Net income		52.5	48.5	△ 4.0
Net credit costs (-)		△ 2.3	1.0	3.3

Consolidated	(¥Bil.)	FY15	FY16 (Projection)	Change
Ordinary profit		85.5	76.5	△ 9.0
Difference from non-consolidated ordinary profit		5.8	7.0	1.1
Net income attributable to equities of parent		55.4	52.0	△ 3.4
Difference from non-consolidated net income		2.9	3.5	0.5

Factors of decrease in net income attributable to equities of parent



Domestic deposits and loans

(¥Bil.)	15/3	16/3	Change	%
Domestic deposits	10,407.1	10,689.0	281.9	2.7%
Domestic loans	8,299.3	8,628.8	329.4	3.9%

Progress of the Medium Term Management Plan

The 12th Medium Term Management Plan

Best Bank 2020

3 years of value creation

Items which were revised in November 2015

	Previous Plan	Current Plan				Vision for year 2020		
	Final FY				Final FY		(¥Bil.)	
	2014/3	2015/3	2016/3	Progress (Target for the term)	2017/3 [Target]	Changes from 2014/3	2020/3 [Reference]	Changes from 2017/3
Balance of loans	8,083.0	8,461.1	8,797.4	77.9% (66.6%)	9,000.0	+917.0	10,000.0	+1,000.0
Balance of loans for SMEs	3,383.8	3,583.9	3,786.6	96.7% (66.6%)	3,800.0	+416.2	4,200.0	+400.0
Number of new corporate loan customers	4,150	4,533	4,731	107.5% (100.0%)	4,400	+250	5,000	+600
Balance of housing loans	2,881.7	3,016.3	3,140.5	81.3% (66.6%)	3,200.0	+318.3	3,600.0	+400.0
Balance of unsecured consumer loans	77.0	89.5	107.8	58.2% (66.6%)	130.0	+53.0	170.0	+40.0
Balance of deposits	10,121.8	10,733.3	11,140.2	115.9% (66.6%)	11,000.0	+878.2	12,000.0	+1,000.0
Group total balance of financial products	1,966.2	2,096.8	2,013.0	10.8% (66.6%)	2,400.0	+433.8	3,000.0	+600.0
Net income attributable to equities of parent	46.4	57.0	55.4	102.6% (100.0%)	57.0	+10.6	65.0	+8.0
Net fees and commissions income	17.8	19.2	19.0	97.1% (100.0%)	21.5	+3.7	30.0	+8.5
Consolidated ROE (excluding gain on negative goodwill, etc.)	6.27%	7.07% (6.20%)	6.43%	-	In 6% range	±0%	In 7% range	+1%
Consolidated Common Equity Tier 1 Capital Ratio	12.85%	13.17%	12.74%	-	In 13% range	-	In 13% range	-

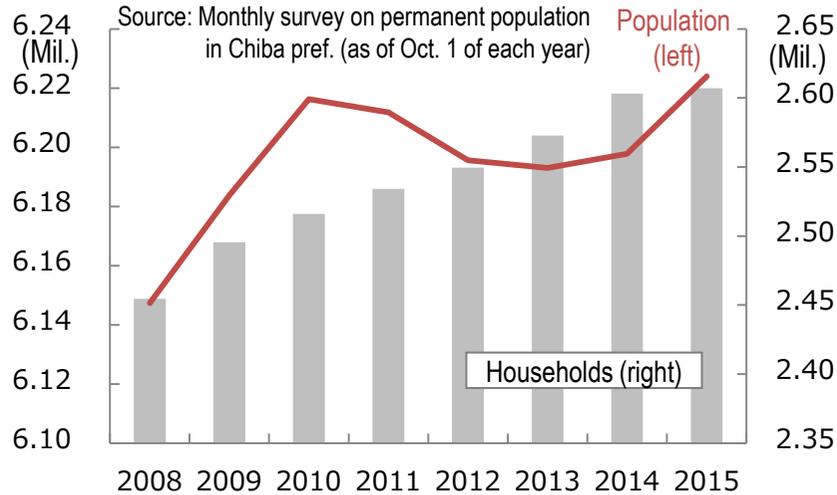
*Progress for 2016/3 is based on the revised Medium Term Management Plan announced in November 2015.

(Progress for Consolidated net income attributable to equities of parent, Net fees and commissions income, Number of new corporate loan customers are based on the plan for FY2015)

*Projection of Consolidated net income attributable to equities of parent for FY2015: ¥52.0 Bil.

Business Strategies

Population and households in Chiba pref.



2015 Population Census

Net population inflows from 2010

Eight prefectures

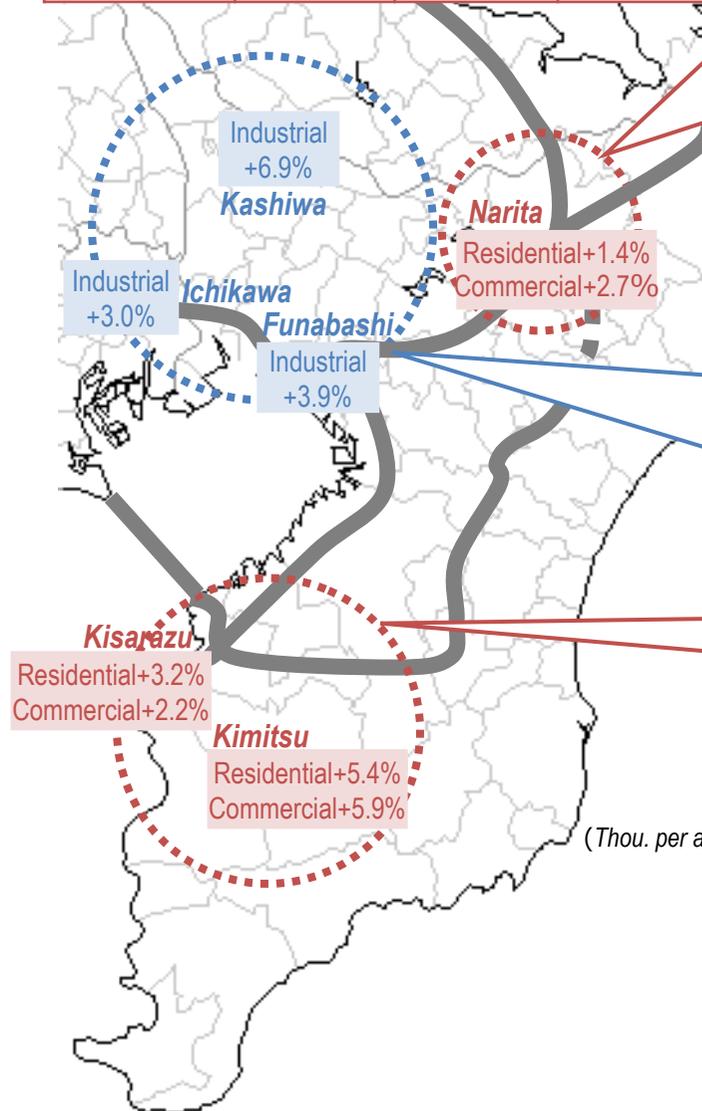
- Tokyo
- Chiba
- Kanagawa
- Fukuoka
- Aichi
- Okinawa
- Saitama
- Shiga

Four cities from Chiba prefecture ranked in top 20 of net inflows

- #14: Funabashi
- #18: Chiba
- #19: Nagareyama
- #20: Kashiwa

Land market values in Chiba pref. (year-on-year fluctuation rate by purpose)

Purpose	Residential	Commercial	Industrial
2016 (2015)	0.2% (0.1%)	0.9% (0.6%)	1.5% (1.0%)



Narita National Strategic Special Zone
“International Medical Academic City Framework”

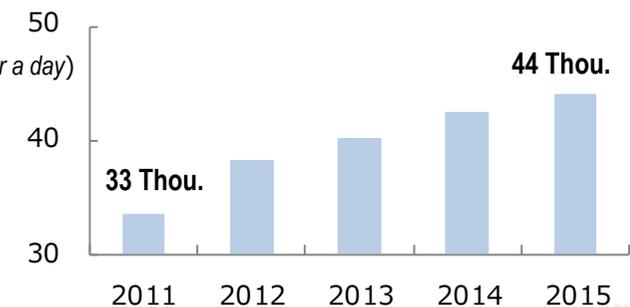
Extended Ken-O Expressway in June 2015, directly connected to Higashi Kanto Expressway;
Traffic volume +26% (Daiei JCT – Narita IC·JCT)

Developments of large logistics facilities around bay area and Kashiwa IC of Jyoban Expressway, responding to needs of same day delivery

Fluctuation rate of industrial standard sites (ranking in Japan);
#1 (Funabashi 9-5) +13.7%
#2 (Kashiwa 9-3) +11.9%

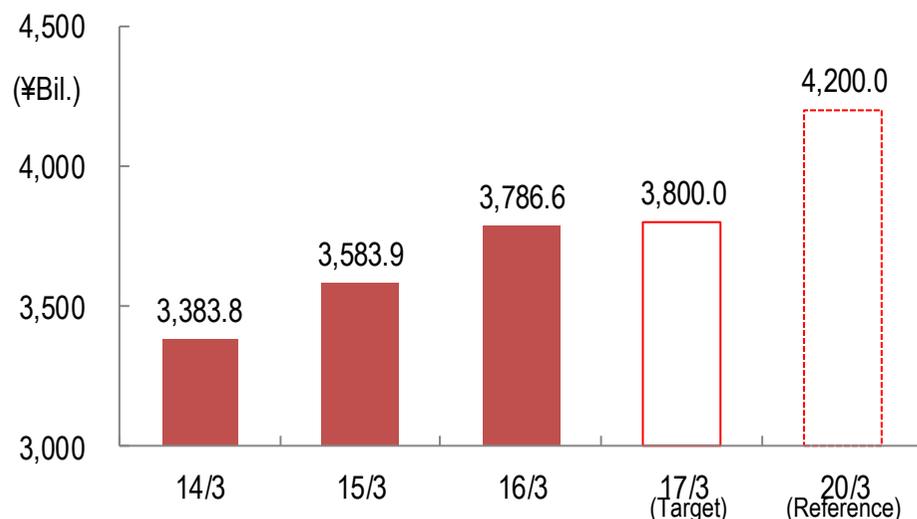
Developments of large commercial facilities and residences in areas close to Tokyo-bay Aqua Line

Number of vehicles passing Tokyo-bay Aqua Line



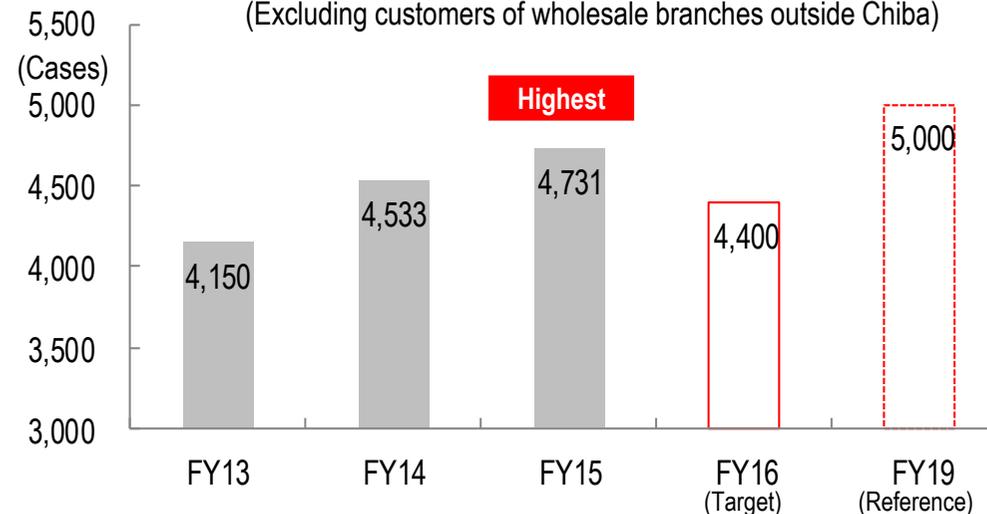
Positive approach towards meeting the financial needs in all our operating areas

Balance of SME loans



Number of new corporate loan customers

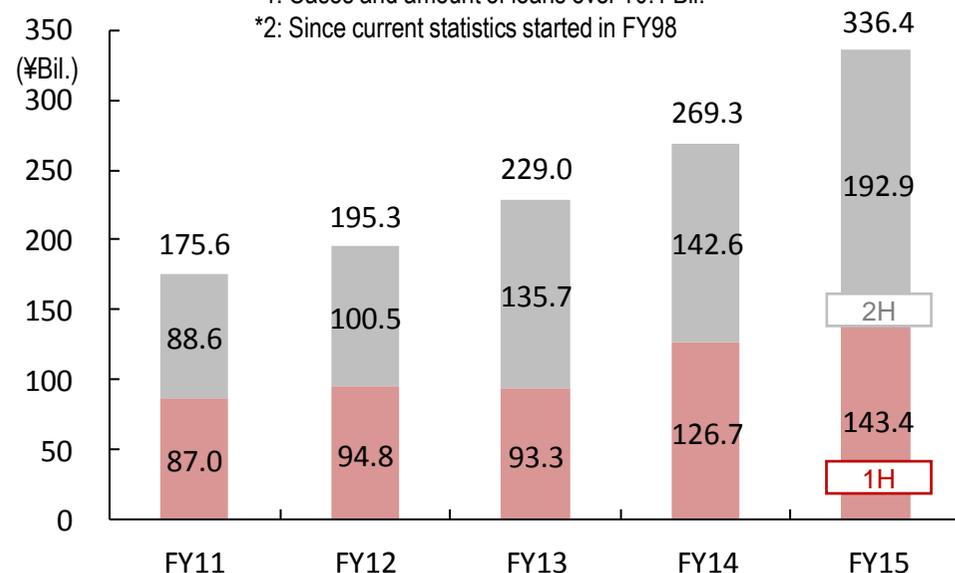
(Excluding customers of wholesale branches outside Chiba)



New loans for capital investment *1

*1: Cases and amount of loans over ¥0.1 Bil.

*2: Since current statistics started in FY98



Main Bank Survey (by Teikoku Databank)

Number of companies recognizing the Chiba Bank as a main bank

20,915

#1 as a regional bank
(for seven successive years from the first survey)

Wider Chiba regional vitalization fund

(FY15: one case)

Invested in an operation providing accommodation to be used for dance or music, and for foreign visitors



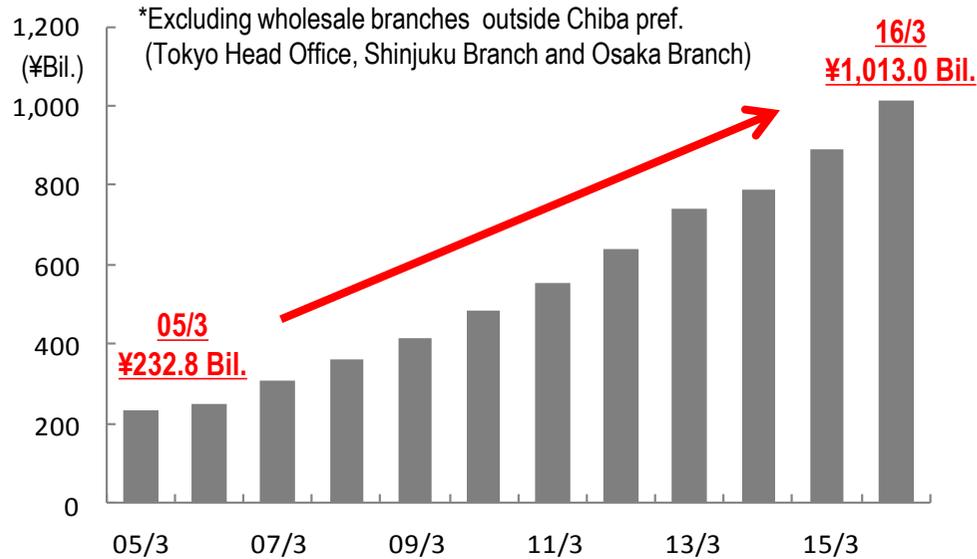
Chibagin regional revitalization loan program

(FY15: two cases)

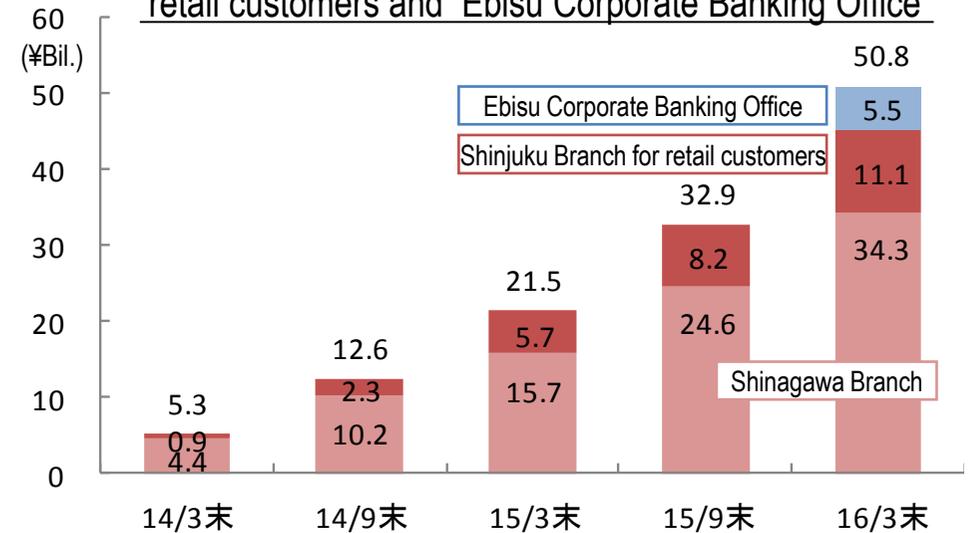
Loans for purchasing land and facilities for agriculture, and building facilities for work support for people with disabilities

Increased income, opening branches in strategic business areas

Balance of loans for retail branches outside Chiba pref.*



Balance of loans of Shinagawa Branch, Shinjuku Branch for retail customers and Ebisu Corporate Banking Office*



Shinjuku Branch Ikebukuro Corporate Banking Office (scheduled in Oct. 2016)

Main area: Toshima, Itabashi and Nerima wards
Targets: Companies / Individuals

Branch developments in Tokyo 23 wards "Strategic Business Area"

Covering all 23 Tokyo wards

Shinjuku Branch

Shinjuku Branch
Ebisu Corporate
Banking Office

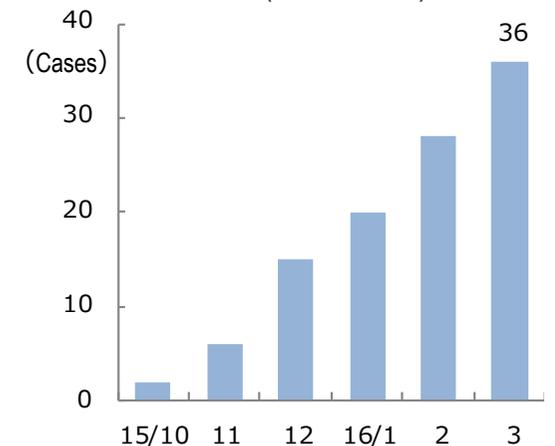
Shinagawa
Branch

At Shinjuku Branch, located two new retail staff in Oct. 2013, and increased two staff in Apr. 2014

Opened Ebisu Corporate Banking Office in Oct. 2015

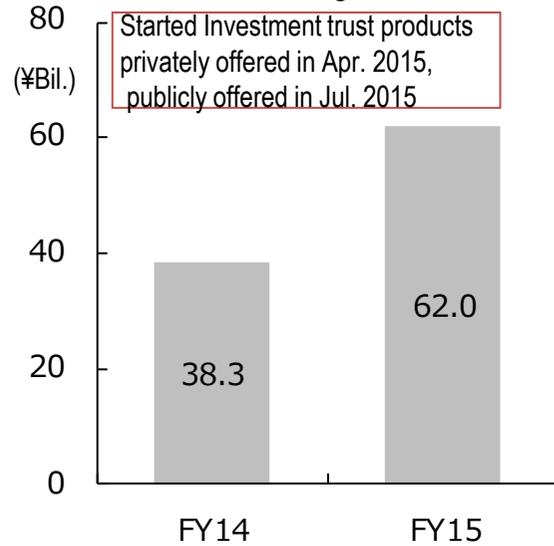
Opened Shinagawa Corporate Banking Office in Oct. 2013, and upgraded to branch in Jul. 2015

**Number of new loan customers
Ebisu Corporate Banking Office
(cumulative)**

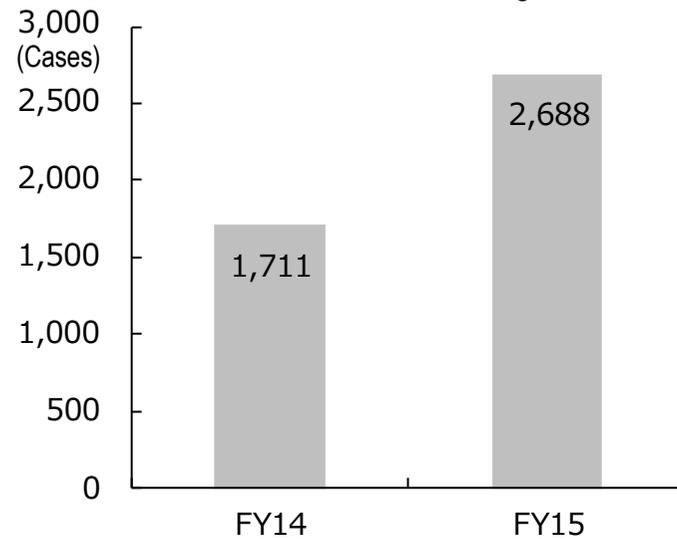


Steadily expanding business operations of group subsidiaries

Asset amount of Chibagin Asset Management



Number of introductions to Chibagin Securities



CHIBA BANK 13 Group companies

Securities, Credit Card and Leasing

- Chibagin Securities Co., Ltd.
- ◆ Chibagin JCB Card Co., Ltd.
- ◆ Chibagin DC Card Co., Ltd.
- ◆ Chibagin Leasing Co., Ltd.

Personnel Services and Outsourcing

- ◆ Chibagin Career Service Co., Ltd.
- Chibagin Heartful Co., Ltd.
- ◆ Sobu Co., Ltd.

Research and Consulting

- ◆ Chibagin Research Institute, Ltd.
- ◆ Chibagin Capital Co., Ltd.
- Chibagin Asset Management Co., Ltd.
- ◆ Chibagin Computer Service Co., Ltd.

Credit Guarantee and Credit Management

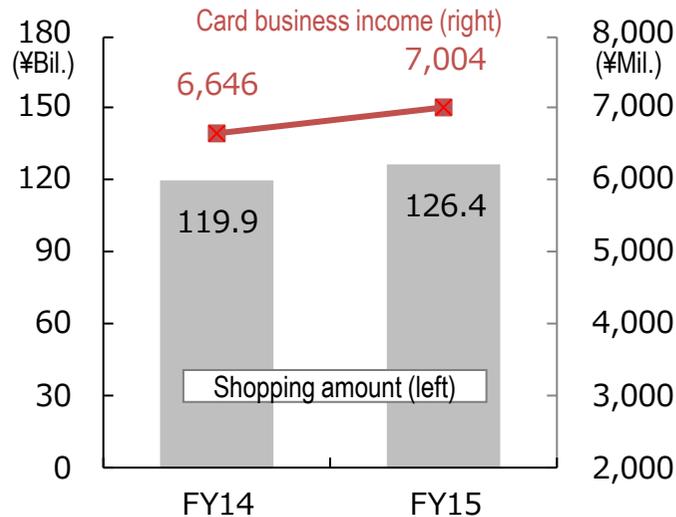
- Chibagin Guarantee Co., Ltd.
- ◆ Chiba Servicer Co., Ltd.

Chibagin Makuhari Bldg.

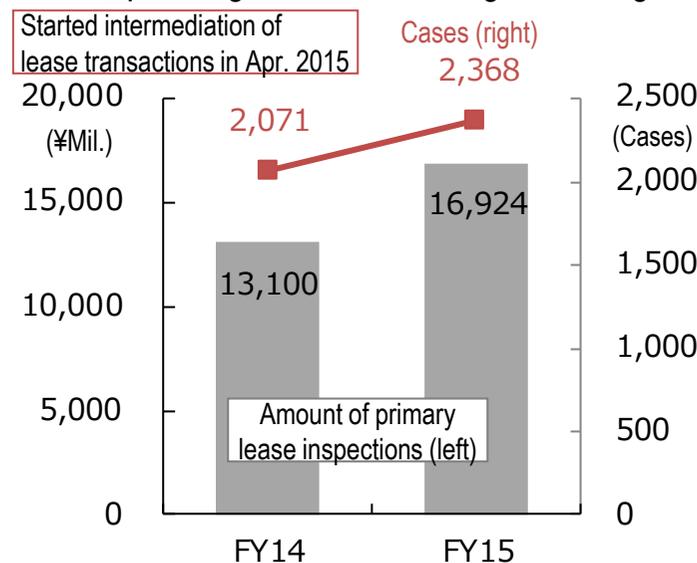
- ◆ Relocate nine subsidiaries to the same building in May 2016



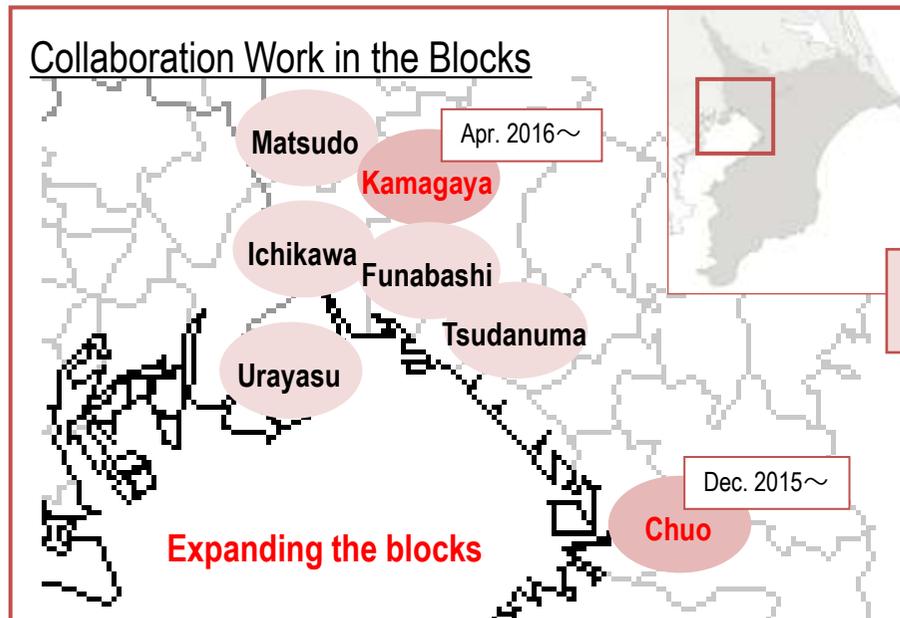
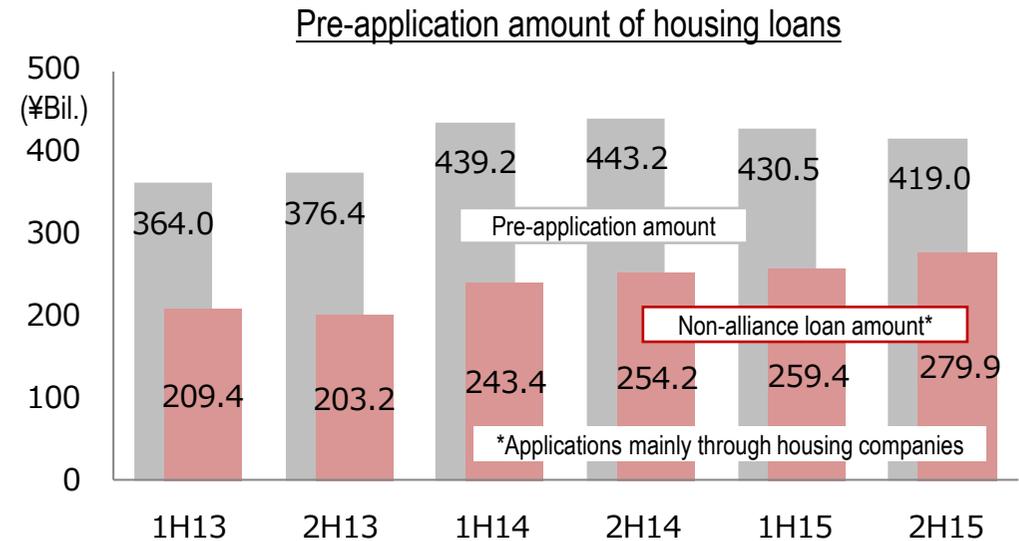
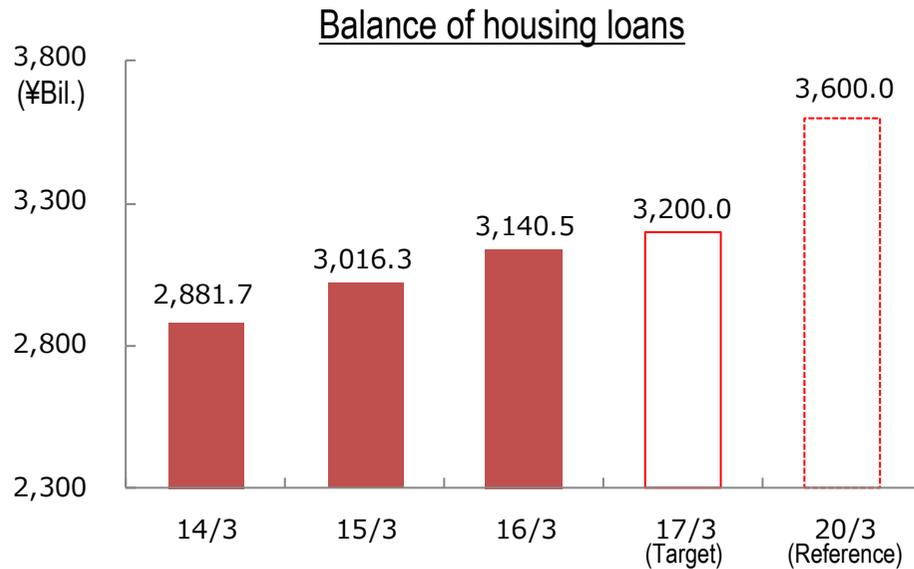
Card business income and shopping amount (group total)



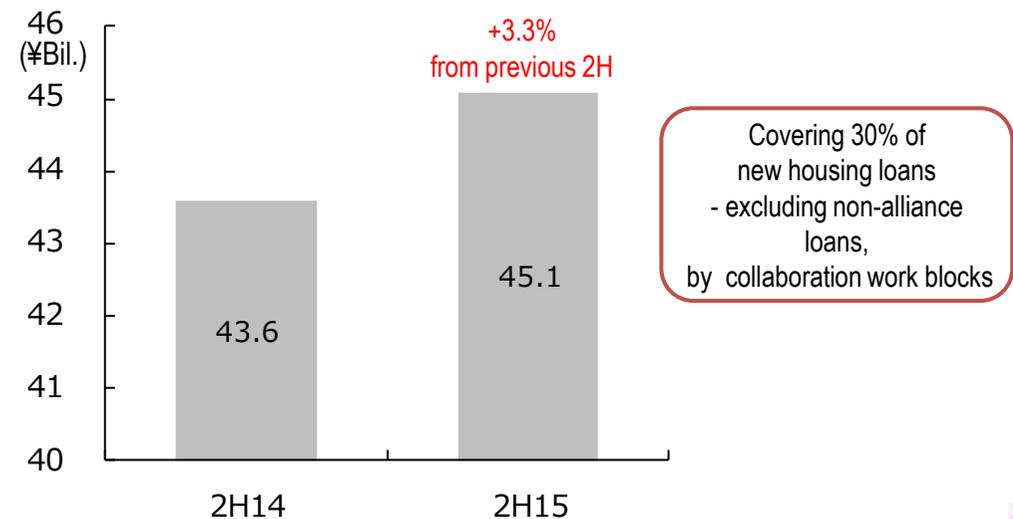
Operating results of Chibagin Leasing



Thorough approach to gathering information and effecting new loans by reviewing operating structures



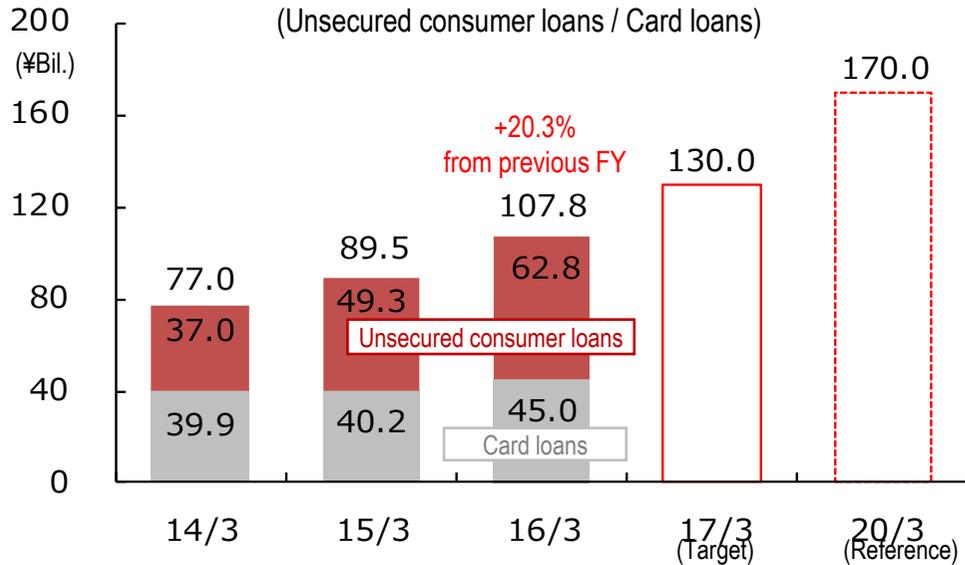
New housing loans in collaboration work blocks
(Blocks total: Urayasu / Matsudo / Tsudanuma / Ichikawa / Chuo)



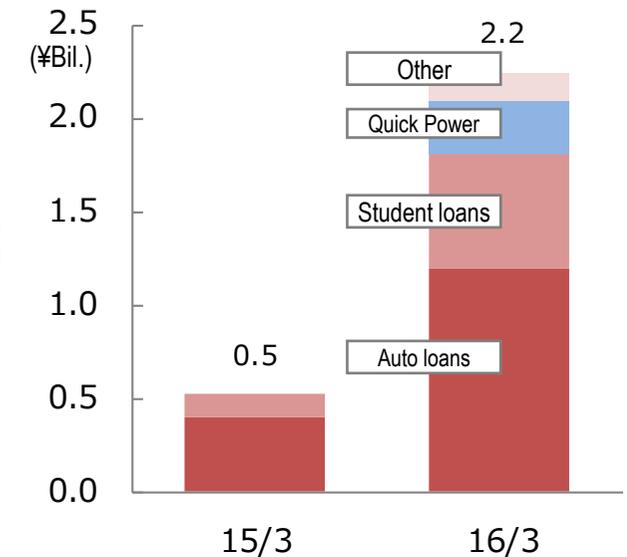
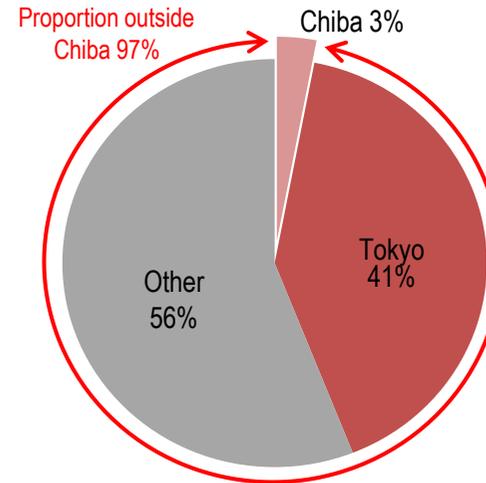
Increasing balance of loans by utilizing direct channels and enhancing marketing

Balance of unsecured consumer loans

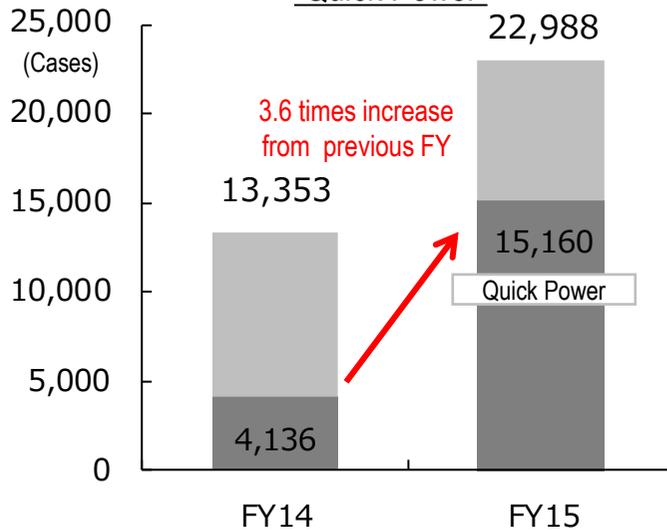
(Unsecured consumer loans / Card loans)



New loans by area and balance of Internet Branch



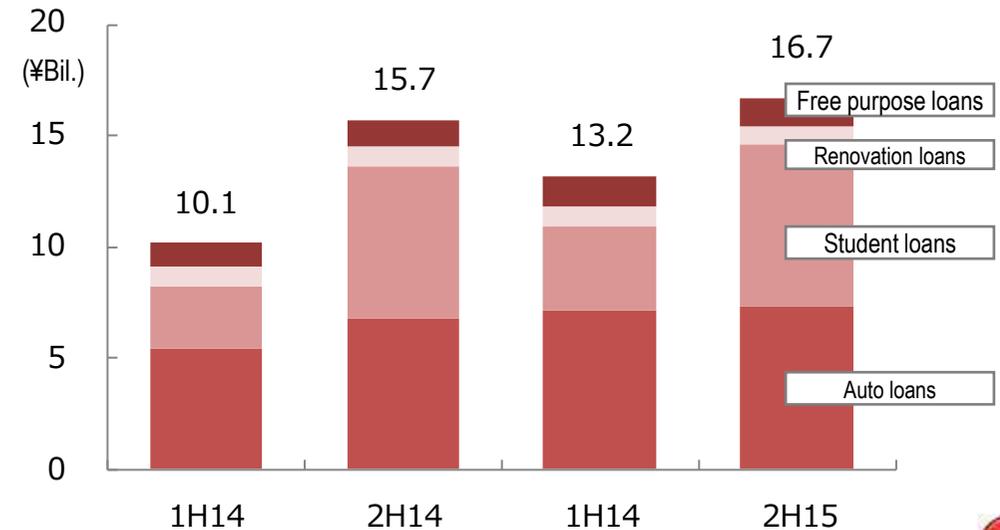
Number of contracts for card loan "Quick Power"



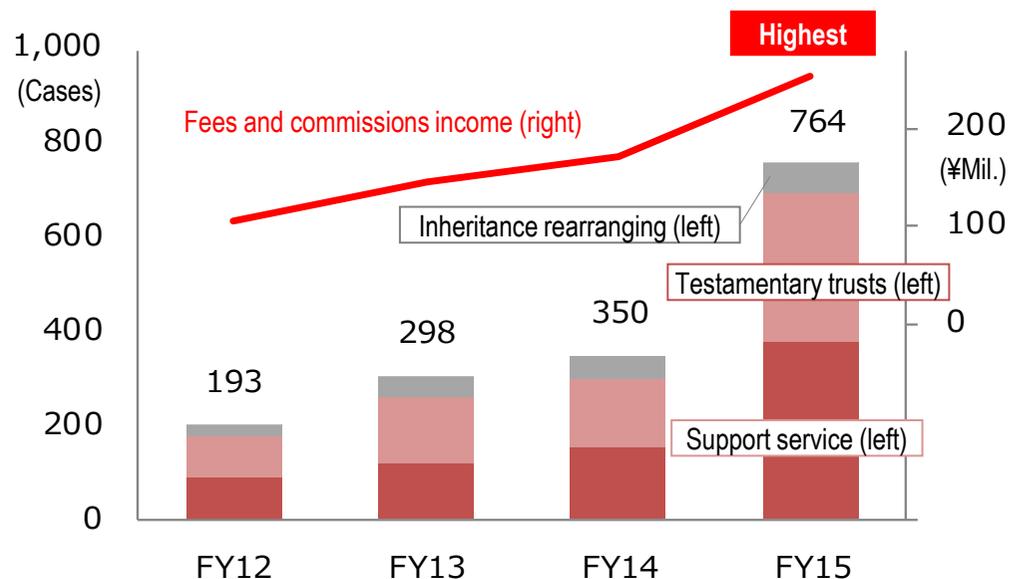
Enhancement of marketing



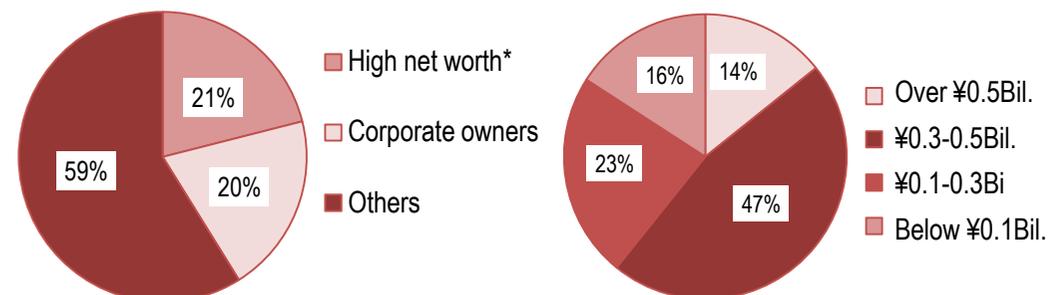
New unsecured consumer loans



Number of contracts and income for inheritance-related services

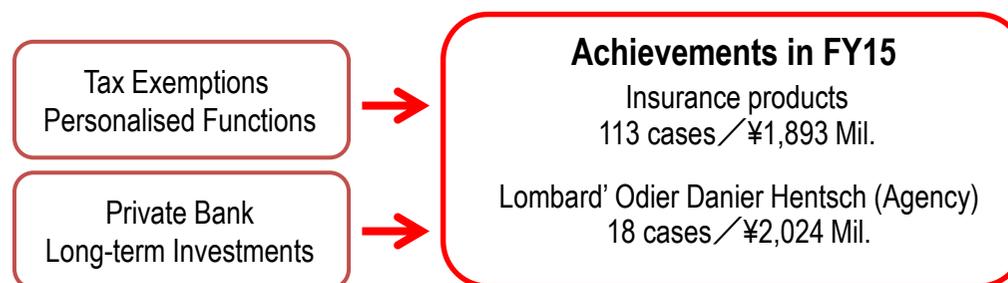


Attribution and asset size of customers for inheritance-related services



*Customer fulfills the following requirement:
over ¥0.5Bil. of total assets or ¥0.1Bil. of financial assets, etc.

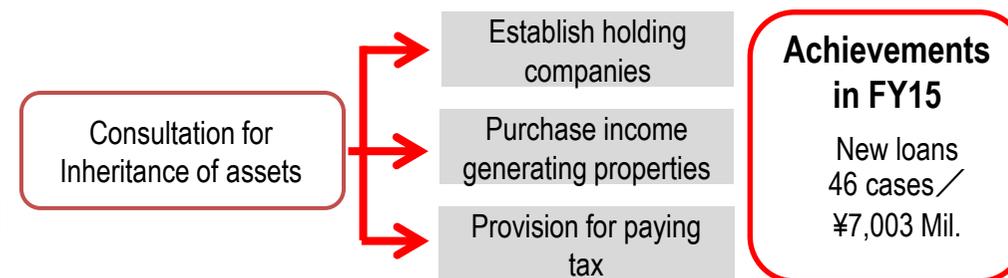
Growth effect on sales of financial products



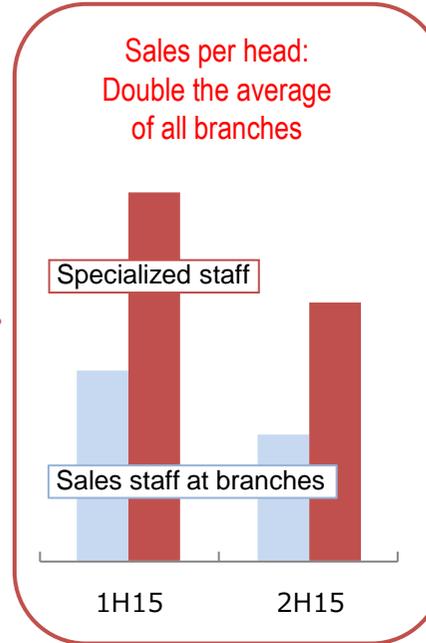
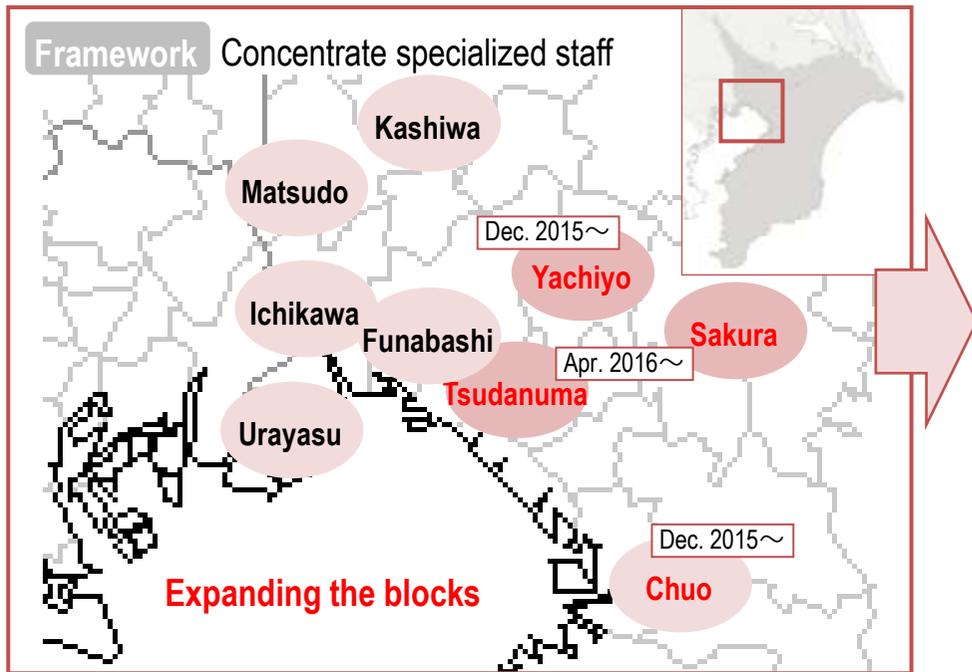
Customers' total assets for testamentary trusts with Chiba Bank



Spreading effect on loans



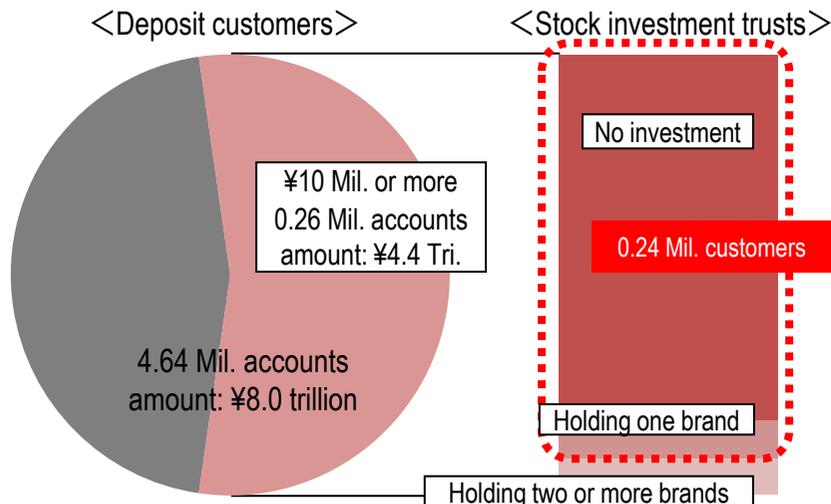
Increased group total balance of financial products, discovering customers' potential needs



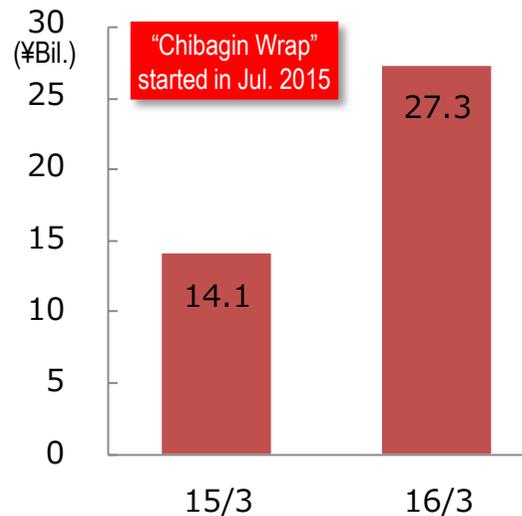
Improving Efficiency of Operations

- Simplify administration work
- Enhance functions of Contact Center
- Start out-bound operation of insurance products

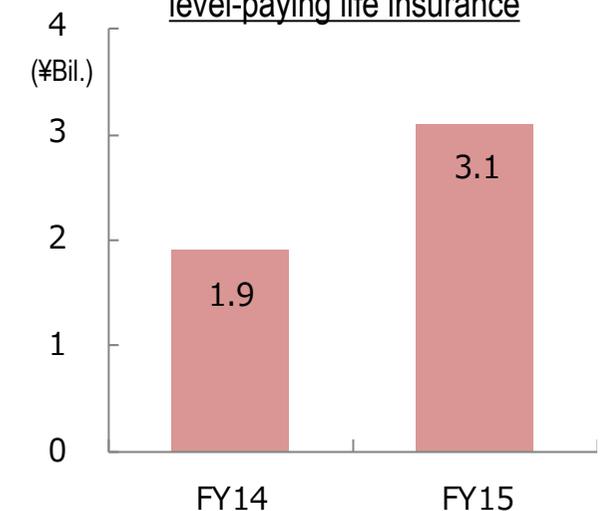
Approach target customers



Balance of core funds

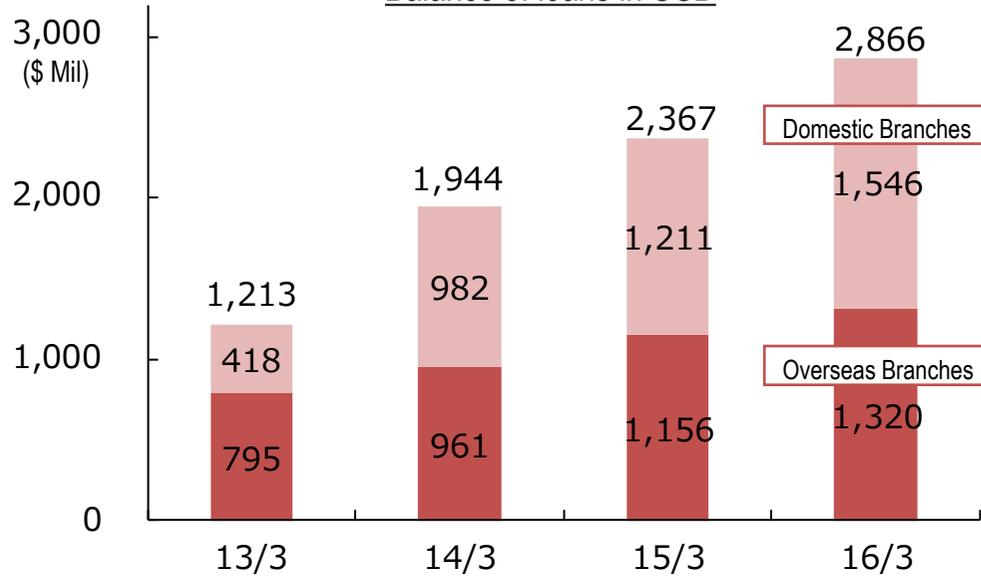


First-year premium for level-paying life insurance

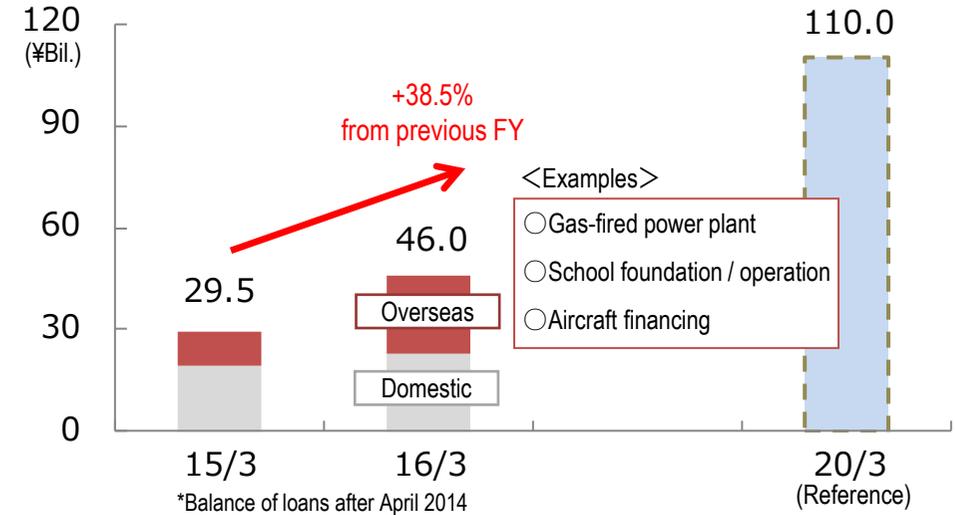


With well-developed network, increased loans in foreign currencies, considering stable funding

Balance of loans in USD



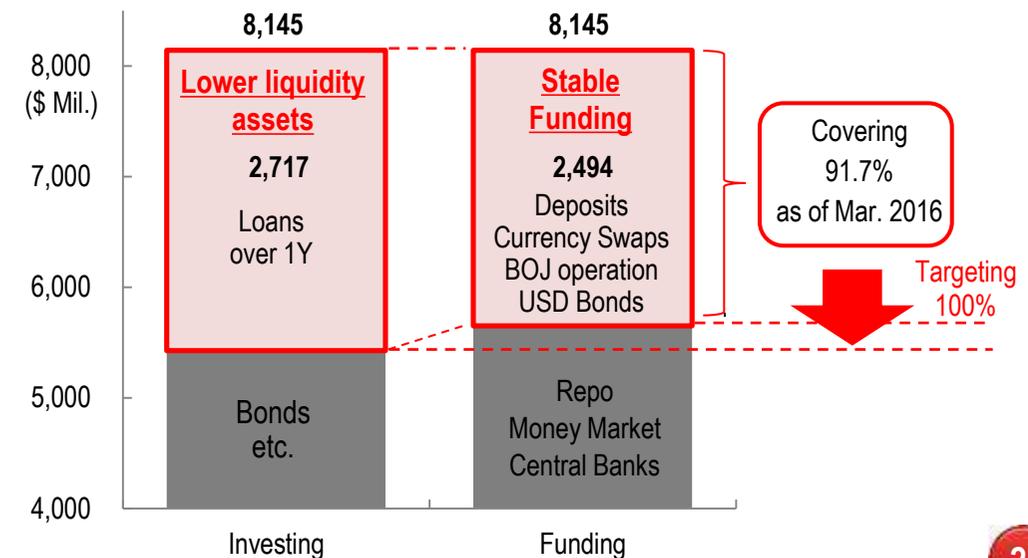
Project Financing



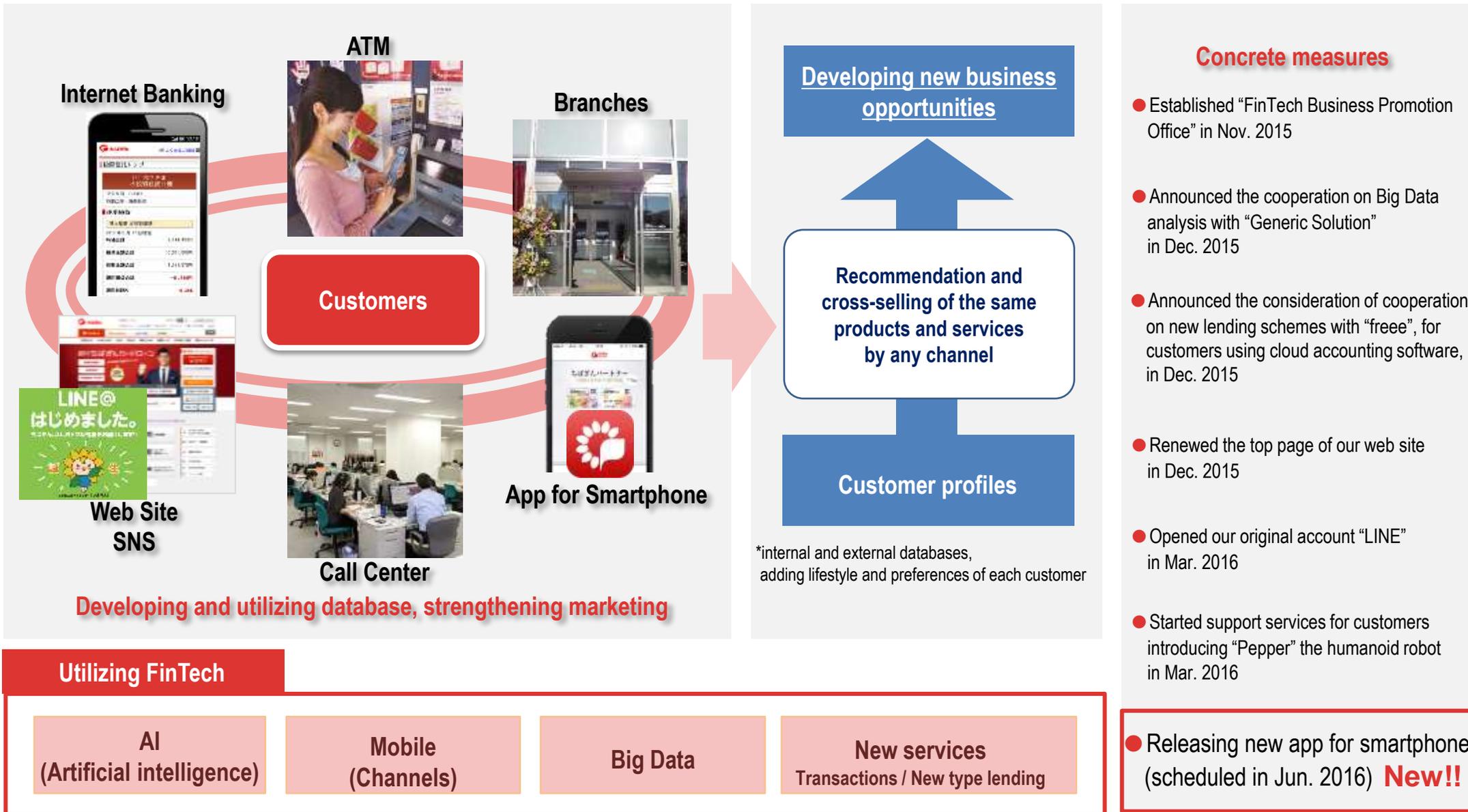
Overseas network



USD Funding



Promoting omni-channel, developing new business opportunities with customer profiles



Alliance Strategies

Pursue merits for customers in the region and deliver improvement in corporate value

Provide merits for customers in the region

Improve corporate value by increasing profit

Wider Area

TSUBASA Alliance

- Investigations and research of advanced information technologies for enhancing financial system

TSUBASA Project

- Cooperation on mainframe system, in market and International Business, etc.

Strengthen Top-line

Cost reduction

Metropolitan Area

Chiba – Musashino Alliance

- Enhancement of products and services, cooperation in back office work, etc.
- Sharing know-how, joint development products, services and IT systems, exchanging human resources and mutually utilizing group subsidiaries, etc.

Strengthen Top-line

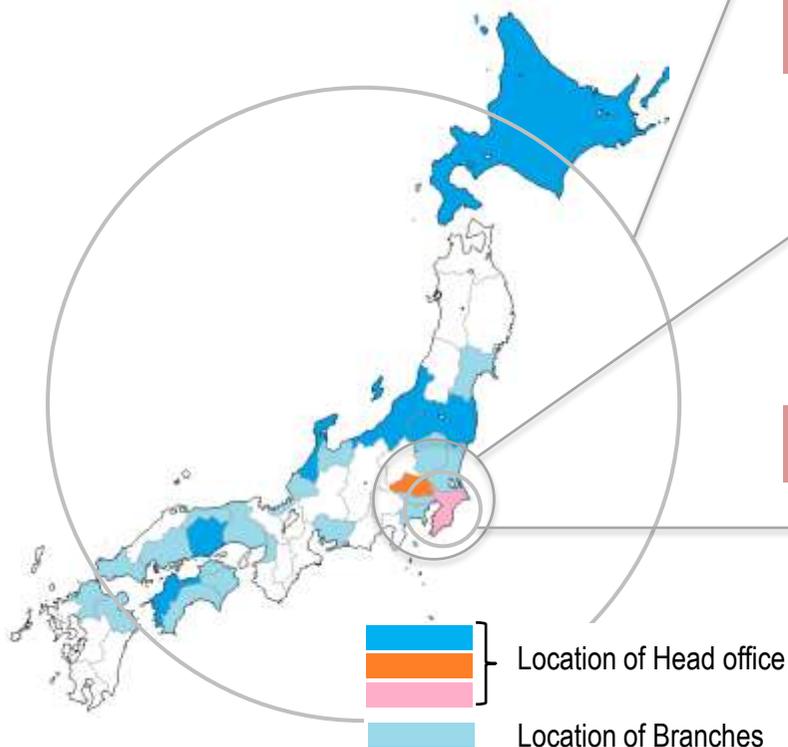
Cost reduction

In Chiba Prefecture

Cooperation with banks in the same region

- Cooperation on outsourcing of operations for bills and public payments, joint operating of transport vehicles

Cost reduction



TSUBASA Alliance

TSUBASA Alliance for Enhancing Financial System

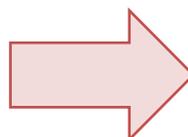


Investment



Research Investigations

T&I Innovation Center, Co. Ltd.
(Scheduled in Jul. 2016)



Company's profile

Investment ratio

Chiba Bank	40%
Daishi Bank, Chugoku Bank, Iyo Bank, Toho Bank, North Pacific Bank and IBM Japan	10% each



- Investigations and Research Businesses
System vendors, FinTech ventures and domestic trends
- Planning, Development and Sales of Financial Services
Developing business support app for regional banks
- Business Contests
Seeking FinTech ventures



System Development Partner
(Providing specialized technologies)

TSUBASA Project

Cooperation on Mainframe System



Started in Jan. 2016

Daishi Bank

Scheduled in Jan. 2017

Chugoku Bank

Scheduled in May 2017



Cost reduction
¥0.5 Bil. per year
(compared with independent development)

Mutual backup

Cooperation on a syndicated loan

The first syndicated loan to a company which provides general services regarding real estate was set up in Apr. 2016, with Chiba Bank serving as arranger

Enhancement in market and international business

Trainees to New York Branch and Hong Kong Branch from TSUBASA banks

Building a new alliance model for regional banks

New alliance model for regional banks

武蔵野銀行

The Musashino Bank, Ltd.

Deposits ¥3.9Tri.

Loans ¥3.2Tri.

- ✓ Banks rooted in local business area
- ✓ Very little duplication in branches
- ✓ Common issues, located in metropolitan area

Favorable partner to proceed with the alliance



ちばきん

The Chiba Bank, Ltd.

Deposits ¥11.2Tri.

Loans ¥8.4Tri.

Both banks will keep their own management

Business Alliance

Enhance top-line profit
Cost reduction

Capital Alliance

Cross shareholding

Unchanged commitment to
local business area

Rapid implementation of highly
effective collaboration

Organization for promoting the alliance / Discussion subjects

ちばきん

The Chiba Bank, Ltd.

武蔵野銀行

The Musashino Bank, Ltd.

Senior officers

Secretariat for promoting the alliance

11 subcommittees (including all headquarters)

Planning	Public Relations	Secretariat / HR	Credit	International business
Risk management / Compliance / Audit		Corporate customers / Regional Revitalization		
Channels / Mass retail	Administration system	Centralising back office work		

Started discussing each theme

Share know-how
Joint development

Housing loans (collaboration working)
Introduce syndicated loans
Cooperate on trust business
Utilize our overseas branches
Share credit system and know-how

Utilize group companies

Asset management / Securities / Leasing
Research Institute Corporation

Personnel interchange

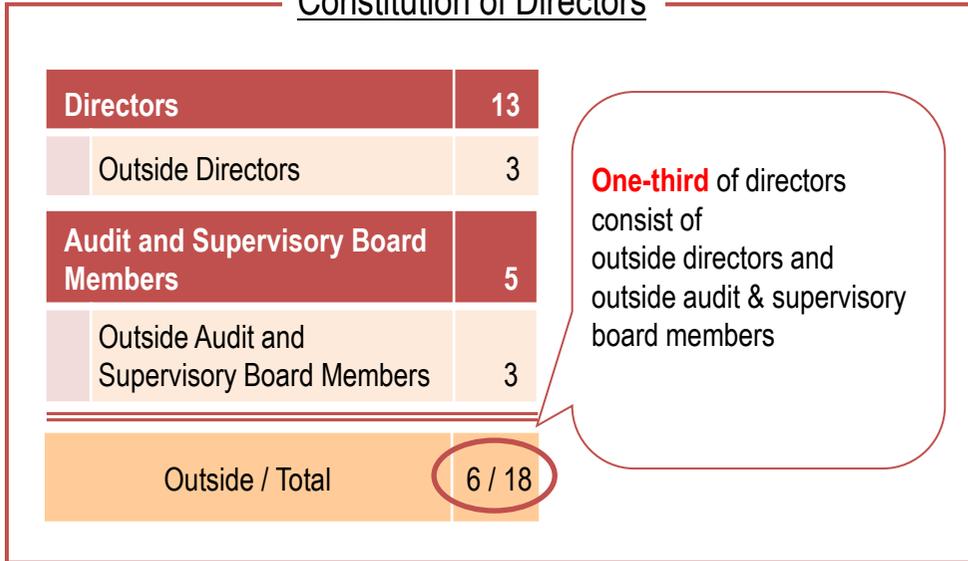
Trainees to our overseas branches
Joint seminars for staff

Aiming at ¥10 Bil. in cumulative alliance benefits within five years

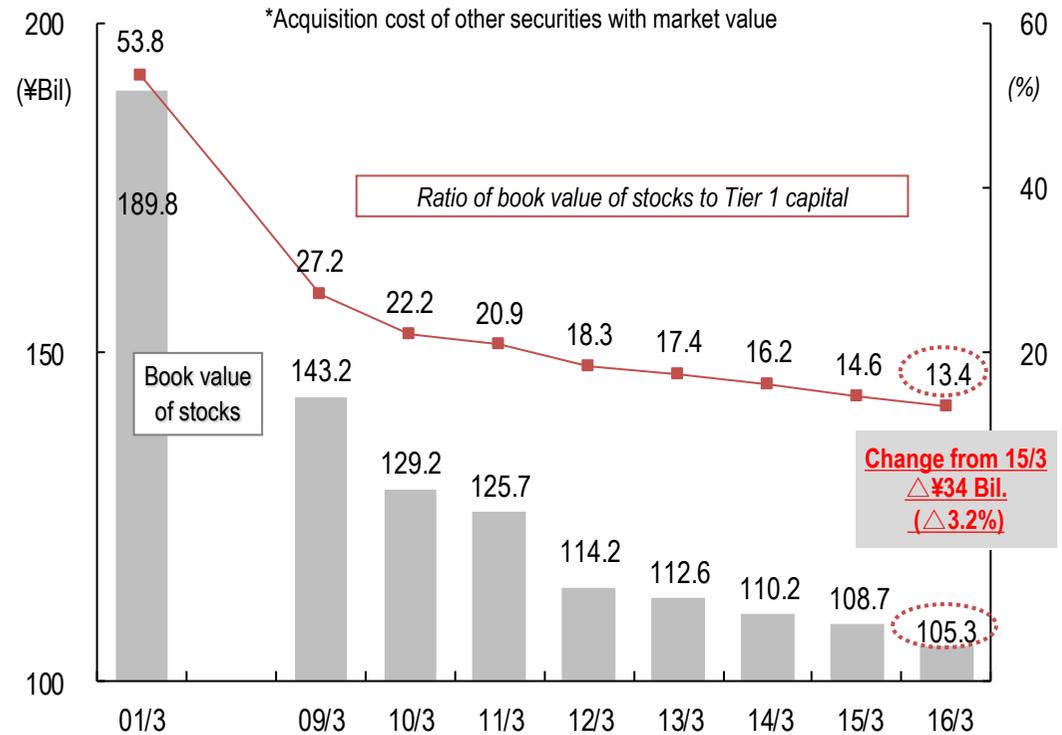
Governance / Capital Policy

Building the management structure for sustainable growth and increasing corporate value

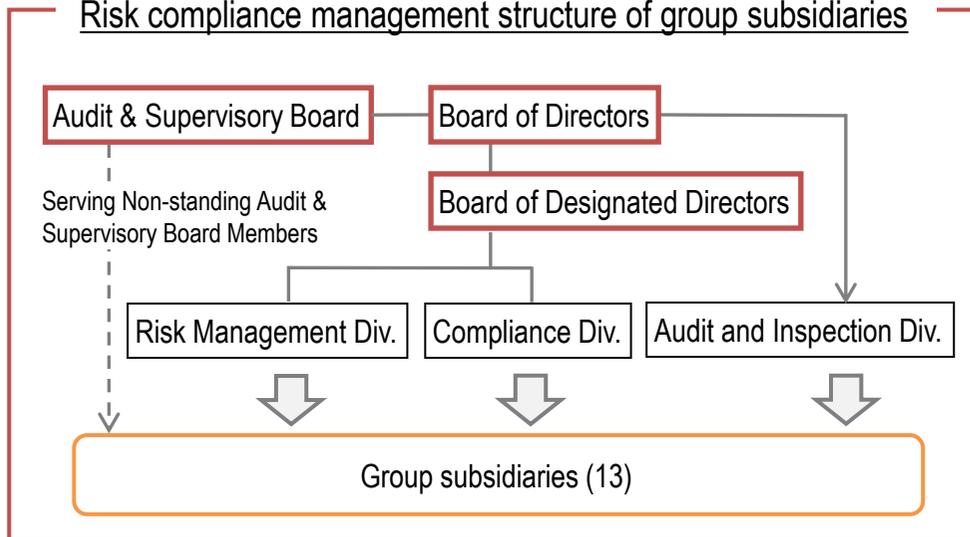
Constitution of Directors



Book Value* of stocks and ratio to Tier 1 capital (Consolidated)



Risk compliance management structure of group subsidiaries

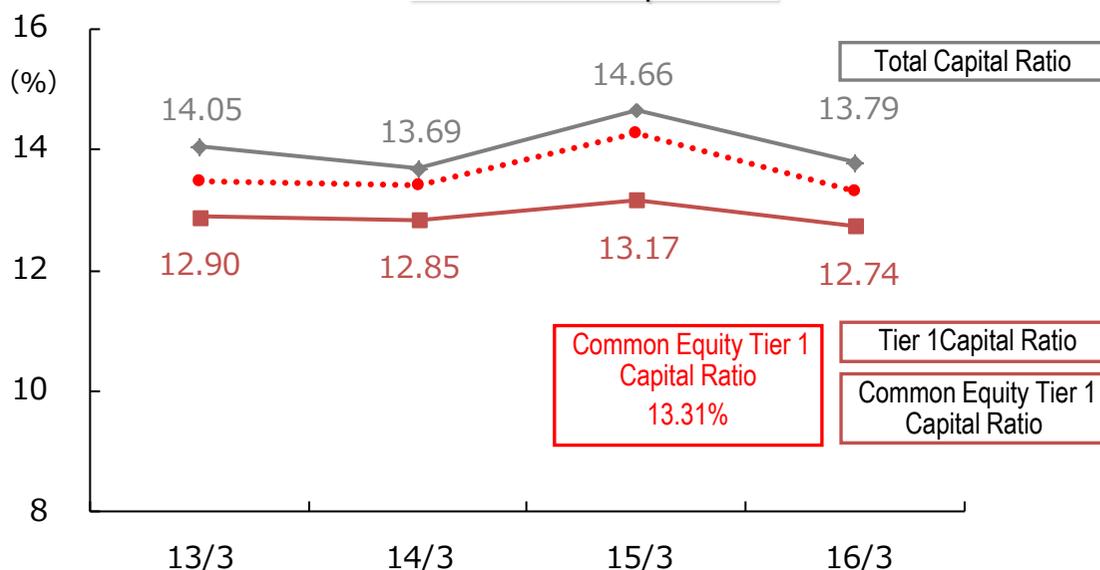


Measures for Corporate governance code (Principle 1-4)

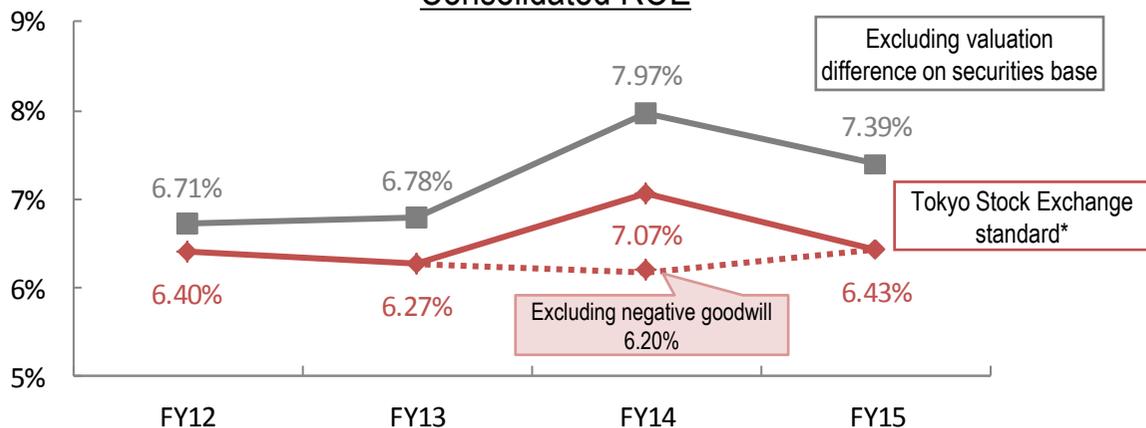
Policy of cross-shareholding	Verifying economic rationality	Standards for exercising voting rights
Hold shares in a limited way when the significance of holding shares is recognized	Regularly verify the appropriateness of holding shares, in the light of the risk-return	Judge comprehensively from the perspective of increasing corporate value both for us and the shareholding companies

Maintain solid capital in terms of quality and quantity, complying with BIS regulations

Consolidated capital ratio



Consolidated ROE



* Net income attributable to equities of parent / ((Total net assets at beginning of the term + Total net assets at end of the term) / 2)

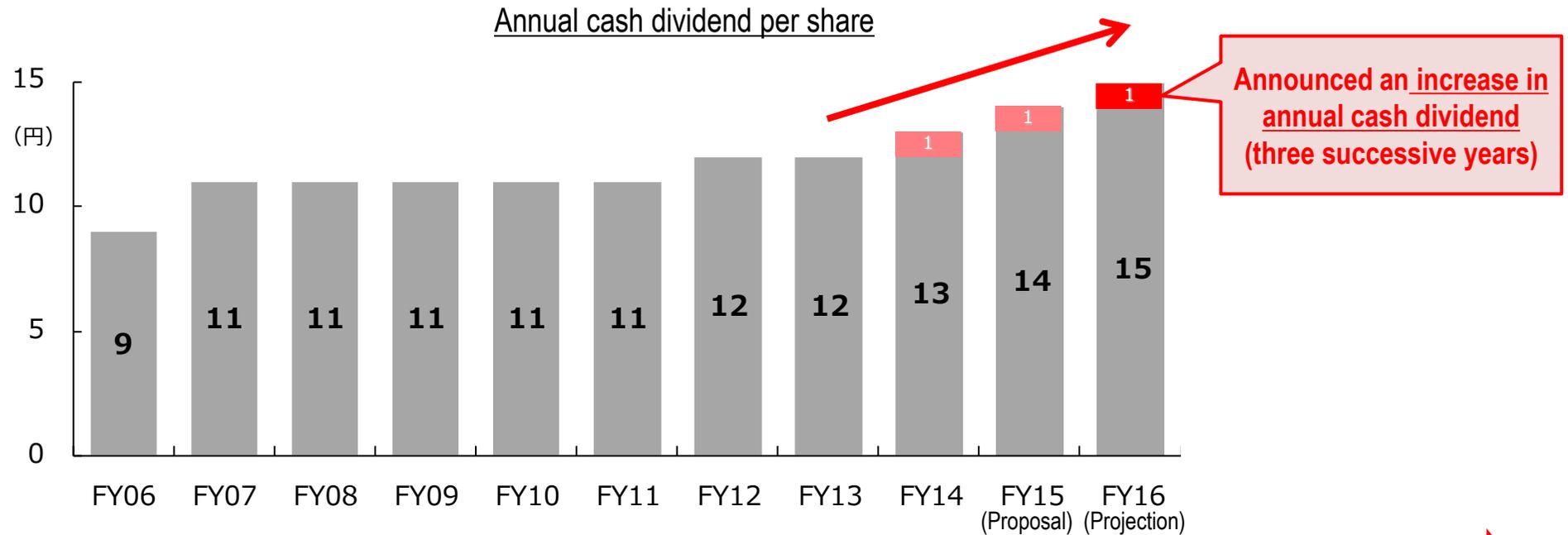
Capital and risk-weighted assets (Consolidated)

(¥Bil.)	15/3	16/3	Change
Total Capital	824.1	852.4	28.3
Tier 1 Capital	740.0	787.7	47.6
Common Equity Tier 1 Capital	740.0	787.7	47.6
Other Tier 1 Capital	-	-	-
Tier 2 Capital	84.0	64.7	△ 19.3
Total Risk-weighted Assets	5,618.1	6,181.8	563.6
Credit Risk	5,209.0	5,326.9	117.8
Market Risk	69.2	61.5	△ 7.7
Operational Risk	297.3	296.9	△ 0.3

Other BIS regulations

	16/3	Reference
Leverage ratio	5.74%	Not less than 3% (Basel Committee guidance) Final standard from 2018
Liquidity coverage ratio (LCR)	154.3%	Not less than 70% (phase-in applying) (Final standard from 2019: Not less than 100%)
Net stable funding ratio (NSFR)	125%	Not less than 100% from FY17

Effective use of capital for our development, steady increase in dividend keeping a stable dividend policy



Steady increase in dividend keeping a stable dividend policy

Flexible acquisition of own shares

Keep proactive approach toward shareholder returns

(¥Bil.)	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16 (Projection)
Annual cash dividend (a)	8.0	9.8	9.8	9.8	9.7	9.6	10.3	10.2	10.8	11.5	
Acquisition of own shares (b)	-	-	-	-	5.0	5.8	9.4	9.9	9.9	9.9	
Shareholder return (c)=(a)+(b)	8.0	9.8	9.8	9.8	14.8	15.4	19.8	20.2	20.8	21.5	
Non-consolidated net income (d)	50.1	44.6	11.3	36.2	38.1	36.0	41.2	43.2	45.8	50.0	
Payout ratio (a)/(d)*100	16.0%	22.0%	86.8%	27.1%	25.6%	26.7%	23.5%	23.6%	23.6%	21.9%	
Shareholder return ratio (c)/(d)*100	16.0%	22.0%	86.8%	27.1%	38.9%	42.9%	48.0%	46.8%	45.4%	40.9%	

Acquisition of own shares in Apr. 2016 ¥4.9 Bil.