

# Interim Financial Results for FY2015

**November 16, 2015**

**THE CHIBA BANK, LTD.**

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Summary of Financial Results

# Summary of Financial Results

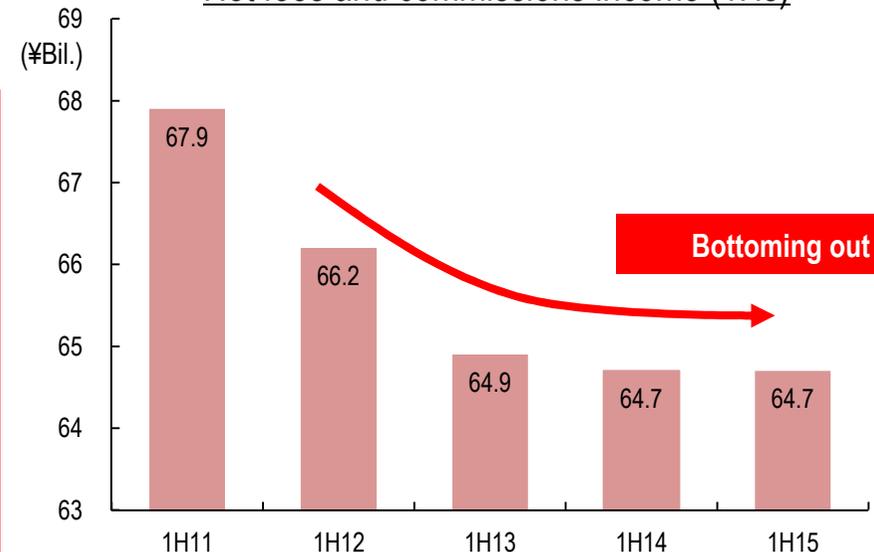
Consolidated	(¥Bil.)	Interim FY14	Interim FY15	Change	Annual Projection	Progress
Ordinary profit		44.8	48.6	3.8	84.5	57.6%
Net income attributable to equities of parent		34.9	* 32.6	△ 2.2	54.0	60.5%

\* Highest profit excluding the negative goodwill in Interim FY14

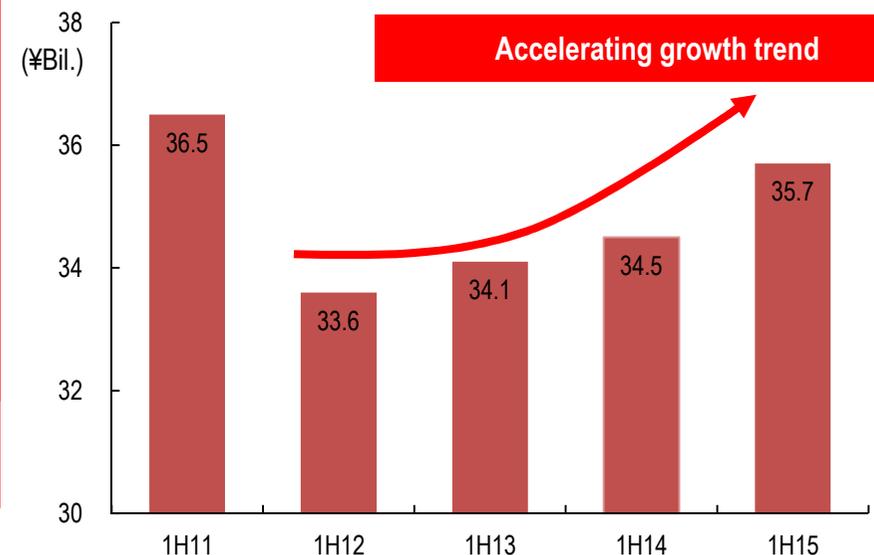
Non-consolidated	(¥Bil.)	Interim FY14	Interim FY15	Change	Annual Projection	Progress
Gross business profits		77.7	76.4	△ 1.2	152.0	50.2%
Net interest income		64.7	64.7	△ 0.0	p.4	
Net fees and commissions income		9.4	9.5	0.1	p.7	
Trading income		1.3	1.0	△ 0.2		
Profit from other business transactions		2.2	1.0	△ 1.1		
Gains (losses) related to bonds		1.3	0.4	△ 0.8		
Expenses (-)		41.8	40.2	△ 1.5	p.8	
Real net business income		35.8	36.2	0.3		
Core net business income		34.5	35.7	1.1	68.5	52.1%
Net transfer to general allowance for loan losses (-)		-	-	-	p.9	
Net business income		35.8	36.2	0.3		
Non-recurrent income and losses		4.2	10.5	6.2		
Disposal of non-performing loans (-)		0.2	△ 2.8	△ 3.1	p.9	
Gains (losses) related to stocks, etc.		1.1	2.6	1.5		
Ordinary profit		40.1	46.7	6.6	77.0	60.7%
Extraordinary income (loss)		△ 0.2	△ 0.1	0.0		
Net income		26.8	32.2	5.4	50.0	64.5%
Net credit cost (-)		0.2	△ 2.8	△ 3.1	p.9	

Highest profit

### Net fees and commissions income (1Hs)



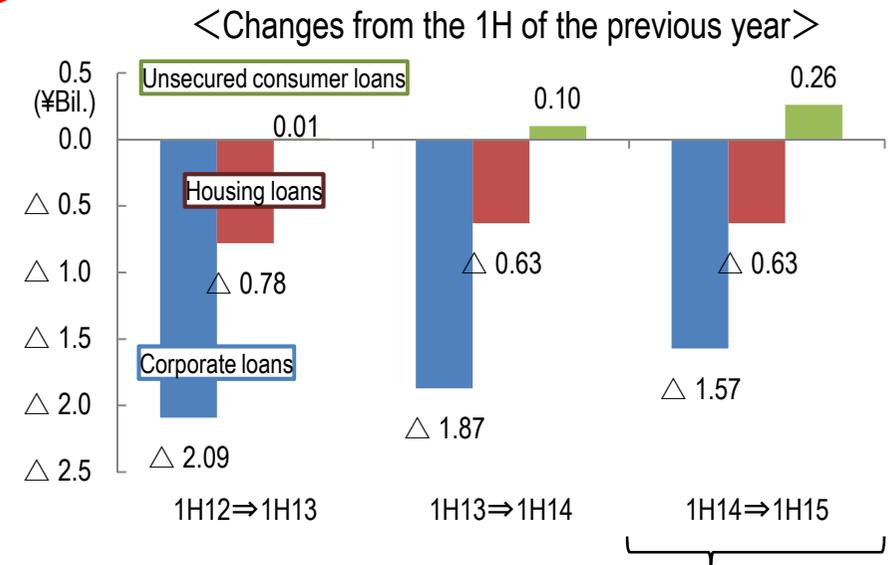
### Core net business income (1Hs)



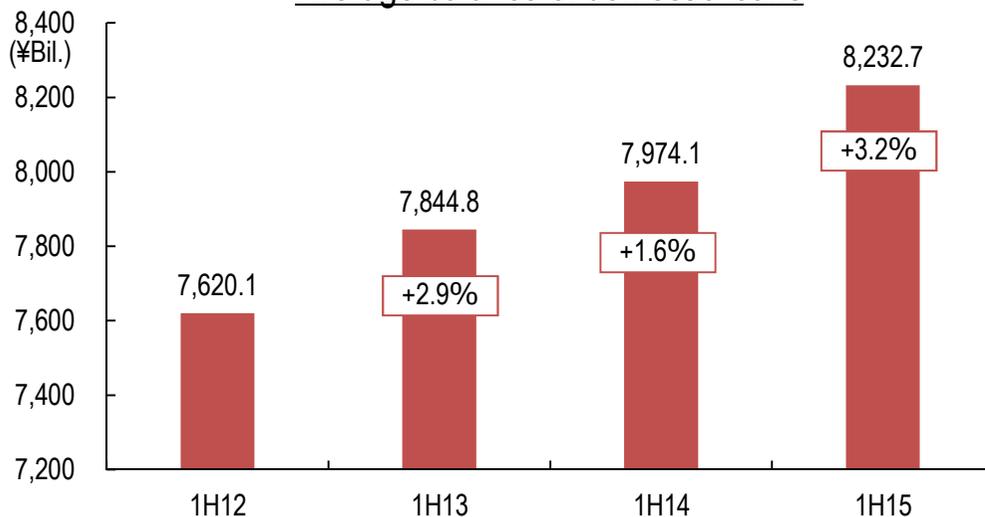
### On track to report the first growth in seven years in net interest income

(¥Bil.)	Interim FY14	Change from Interim FY13	Interim FY15	Change from Interim FY14
Net interest income	64.7	△ 0.1	64.7	△ 0.0
Domestic	61.9	△ 0.8	61.5	△ 0.3
Loans and deposits	52.8	△ 2.3	50.6	△ 2.1
Loans	54.8	△ 2.5	52.7	△ 2.1
Deposits	1.9	△ 0.1	2.0	0.0
Securities	9.3	1.2	11.1	1.7
Bonds	3.4	△ 0.5	2.9	△ 0.5
Stocks	3.7	1.0	4.8	1.0
Investment trusts	2.1	0.7	3.3	1.1
International	2.7	0.7	3.1	0.3

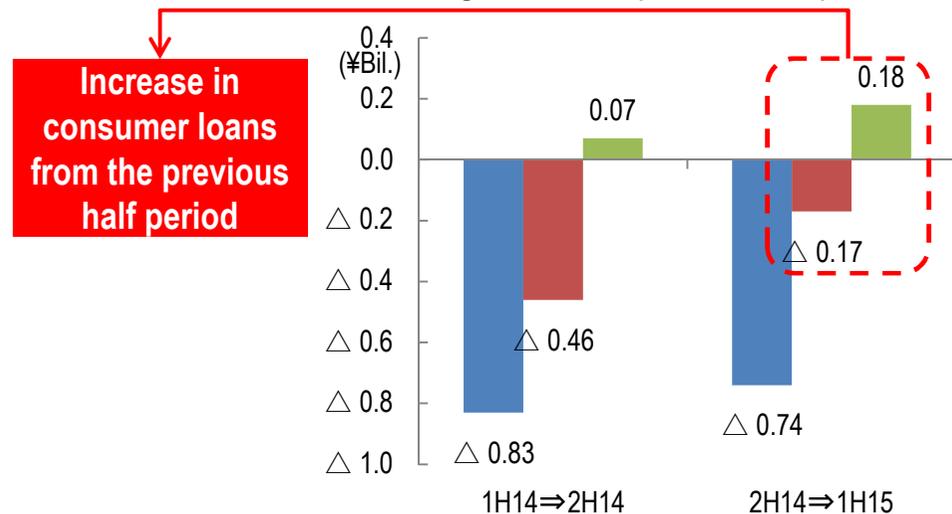
### Changes in interest income (contract lending rate base)



### Average balance of domestic loans



### <Changes from the previous half period>



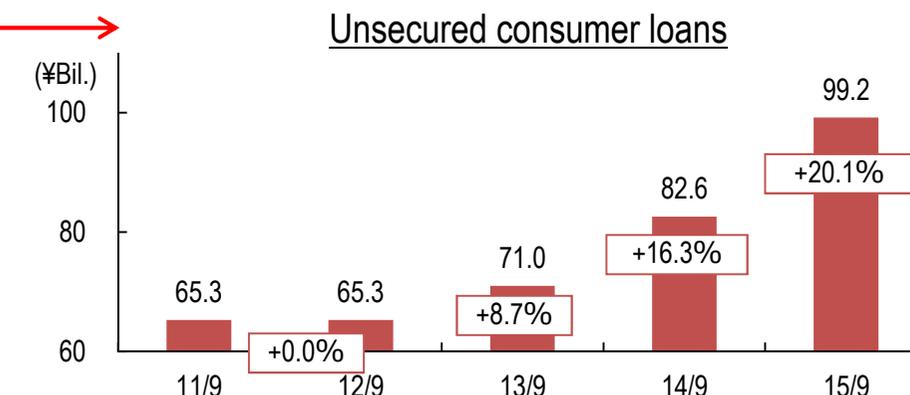
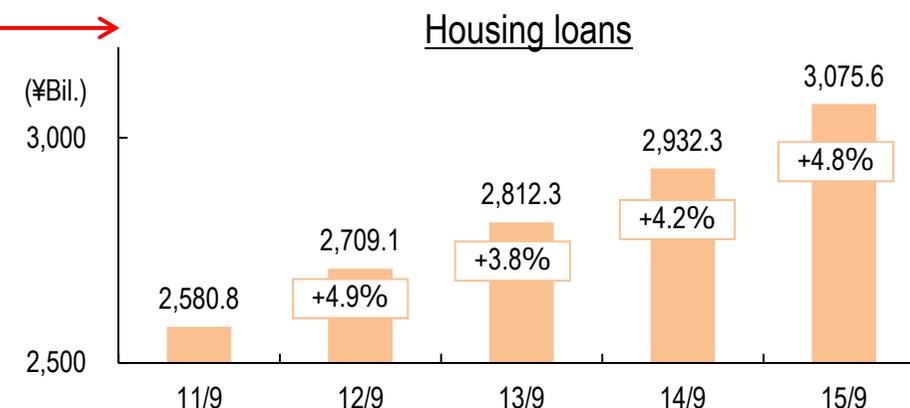
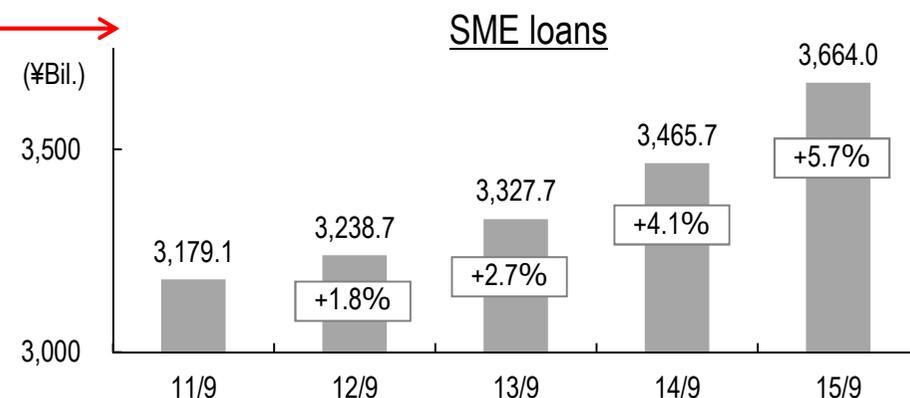
### Steady growth of SME loans within and outside Chiba prefecture, large increase in unsecured consumer loans

	(¥Bil.)	14/9	15/9	Change	%
<b>Deposits</b>		10,166.0	10,669.5	503.5	4.9%
Domestic Deposits		9,927.7	10,325.7	398.0	4.0%
Personal Deposits		7,777.5	8,007.0	229.5	2.9%

	(¥Bil.)	14/9	15/9	Change	%
<b>Loans</b>		8,275.2	8,643.0	367.7	4.4%
Domestic loans		8,146.2	8,474.0	327.8	4.0%
ex.Public sector		7,874.5	8,216.1	341.6	4.3%
Corporate loans		4,841.0	5,025.3	184.3	3.8%
Mid and large corporates		1,375.3	1,361.3	△ 13.9	△ 1.0%
SMEs		3,465.7	3,664.0	198.2	5.7%
Consumer loans		3,033.4	3,190.8	157.3	5.1%
Housing loans		2,932.3	3,075.6	143.3	4.8%
Unsecured consumer loans		82.6	99.2	16.6	20.1%
Public sector		271.7	257.8	△ 13.8	△ 5.1%

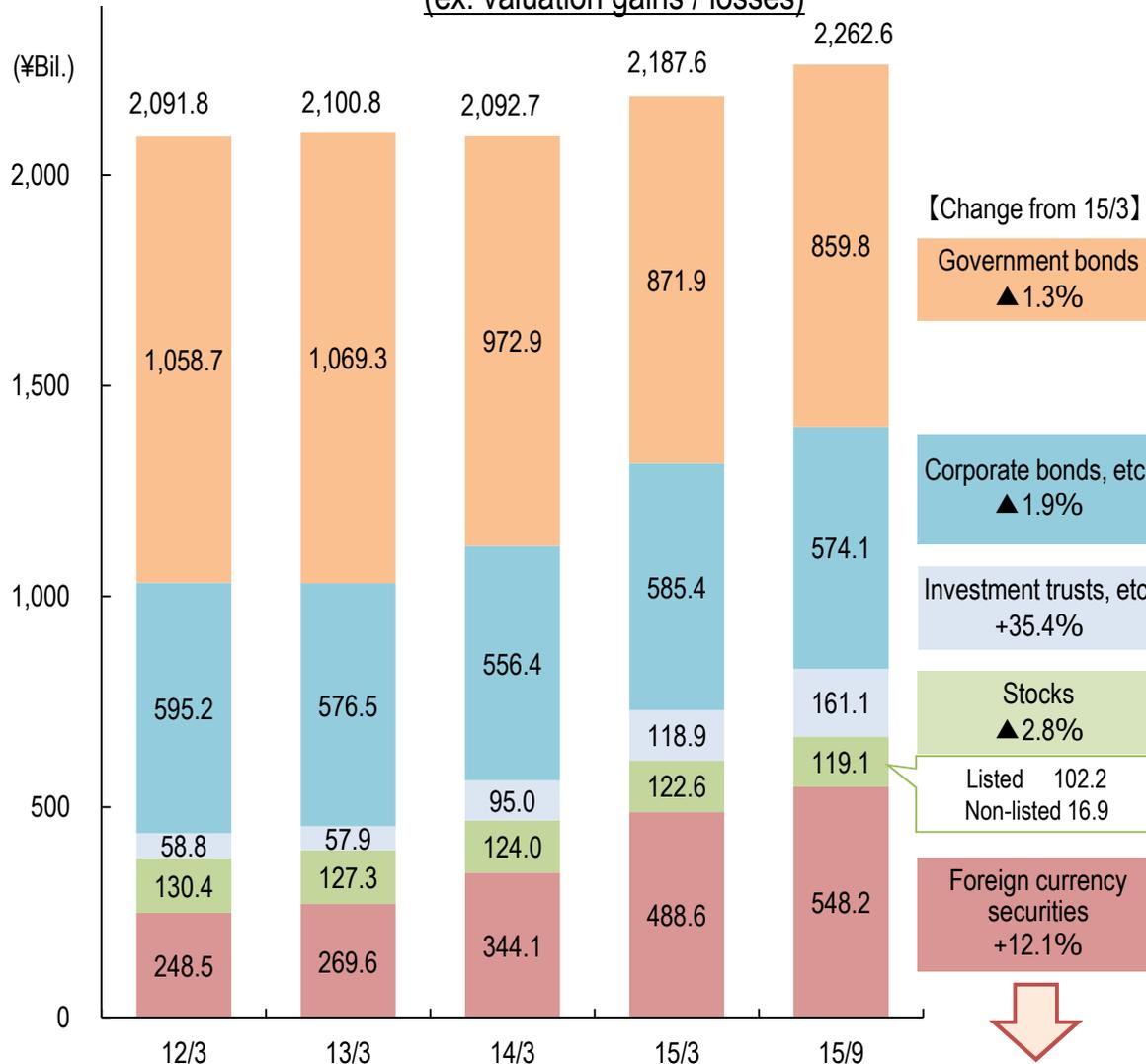
Domestic loans		8,146.2	8,474.0	327.8	4.0%
Branches in Chiba		5,971.3	6,187.1	215.8	3.6%
Branches outside Chiba		2,174.9	2,286.9	111.9	5.1%
Special Branches*		1,345.6	1,342.3	△ 3.2	△ 0.2%
ex. Special Branches		829.3	944.5	115.1	13.8%

\*Tokyo Head Office, Shinjuku Branch and Osaka Branch



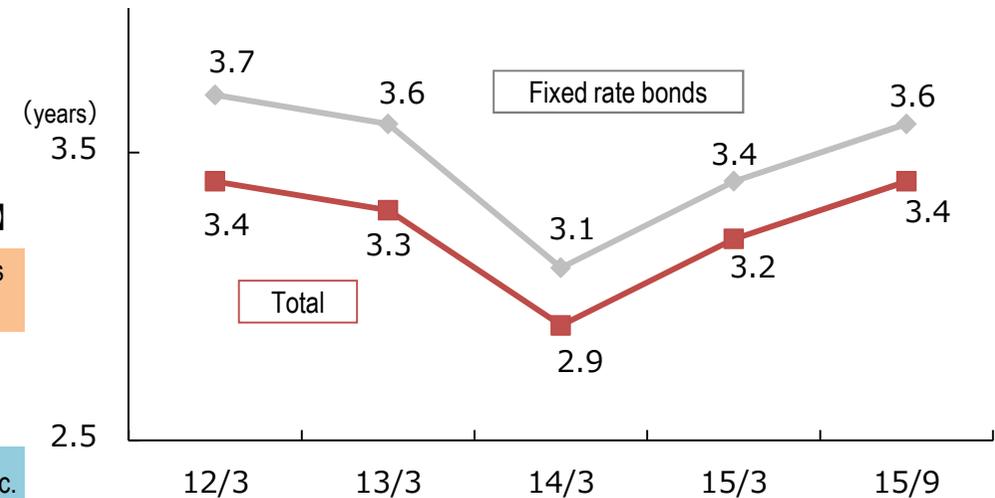
### Controlling interest rate risk and diversifying investment

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

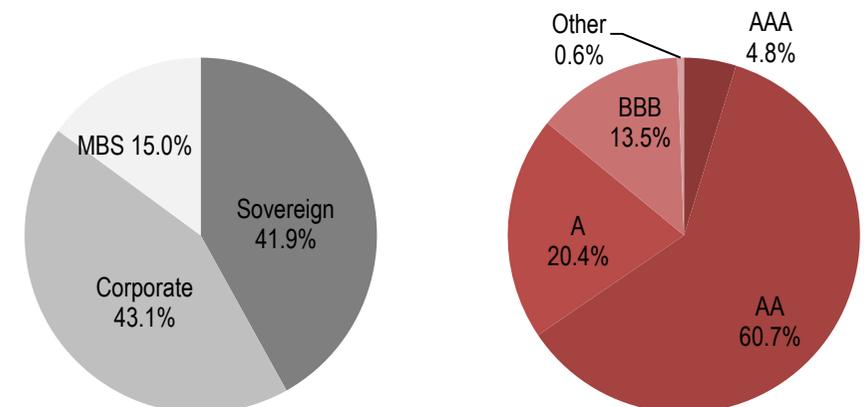


Continuing diverse investments in foreign currency securities, stock-related investments and others, as the yields of yen bonds decline

Average duration of yen bonds

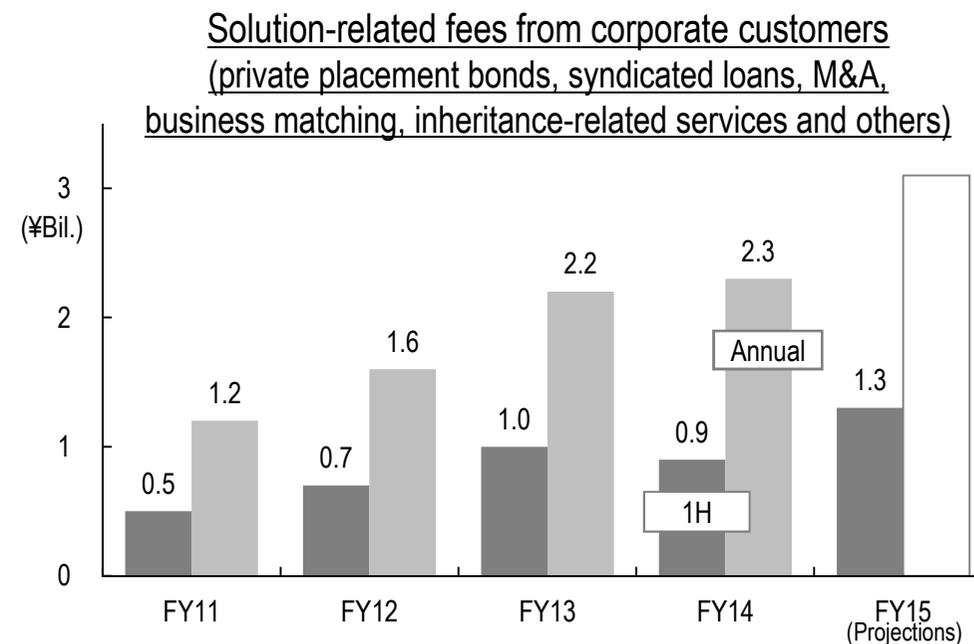
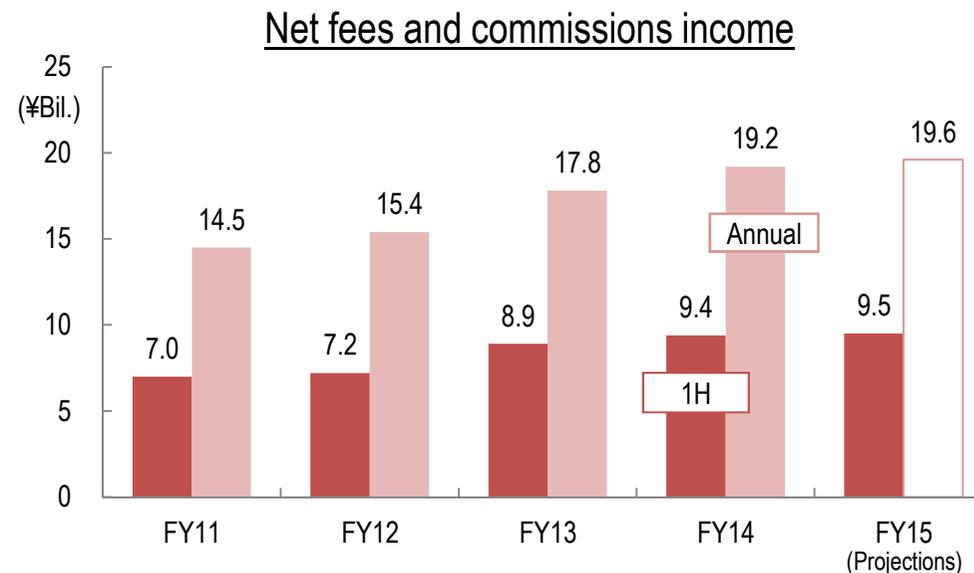


Breakdown of securities by type and rating (15/9)



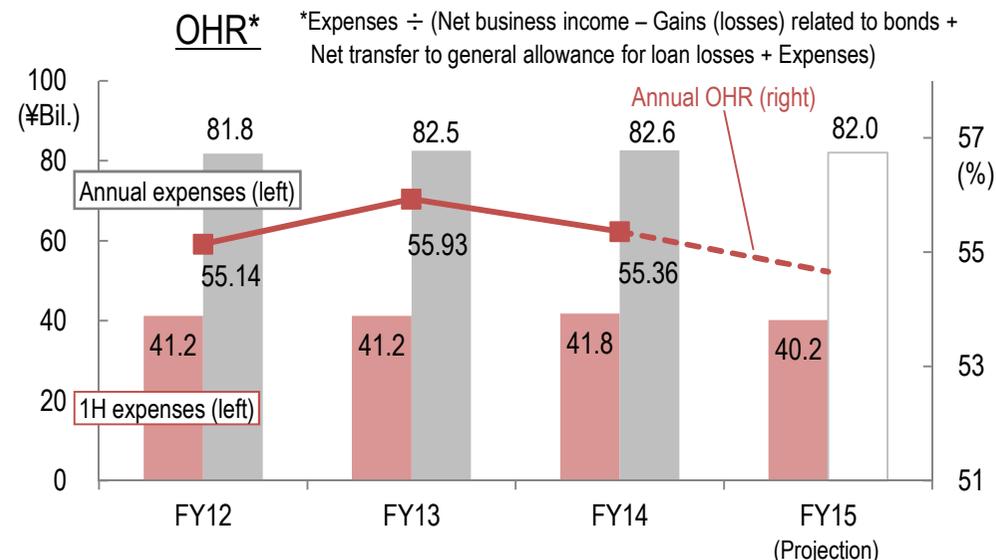
### Favorable net fees and commissions income, increasing solution-related fees from corporate customers

(¥Bil.)	Interim FY14	Interim FY15	Change
Net fees and commissions income	9.4	9.5	0.1
Fees and commissions income	18.7	19.5	0.7
Fees and commissions payments	△ 9.3	△ 9.9	△ 0.5
<Main items>			
Investment trusts and personal annuities	6.1	6.3	0.2
Investment trusts	3.6	3.6	△ 0.0
Personal annuities	2.5	2.7	0.2
Introduction based agency business	0.4	0.4	0.0
Indemnity-type insurance	0.2	0.2	0.0
Solution-related fees from corporate customers	0.9	1.3	0.3
Syndicated loans	0.5	0.8	0.2
Payment and settlement transactions	5.7	5.9	0.1
Remittance	2.9	2.9	0.0
Electronic Banking	0.9	0.9	0.0
Automatic transfer / Salary transfer	1.8	1.9	0.0
Guarantee charges and group insurance costs	△ 5.9	△ 6.3	△ 0.4
(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

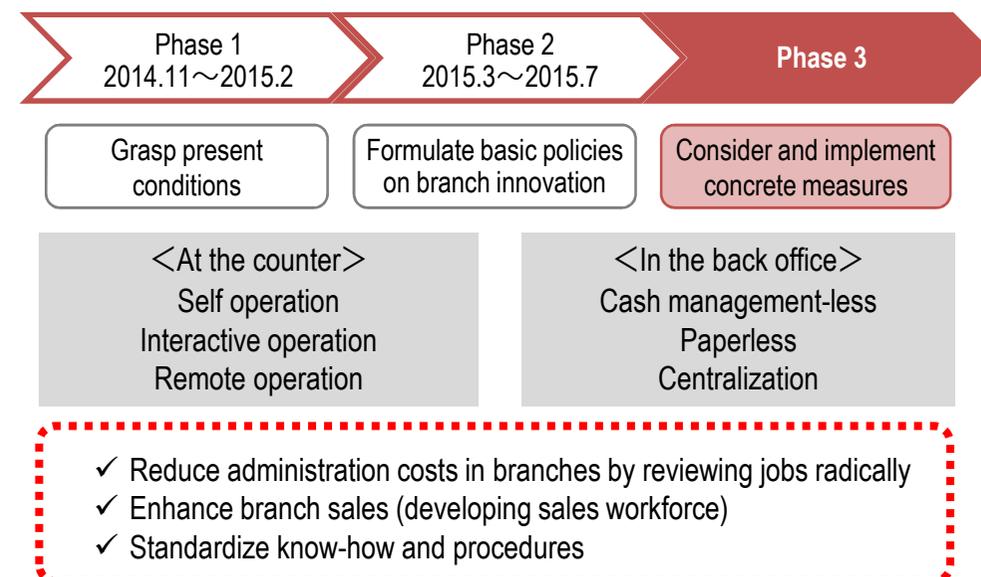
	(¥Bil.)			FY15	
	Interim FY14	Interim FY15	Change	(Projection)	Change from FY14
Expenses	41.8	40.2	△ 1.5	82.0	△ 0.6
Personnel	20.9	20.9	0.0	41.7	0.0
Non-personnel	18.6	16.8	△ 1.7	35.2	△ 1.1
Tax	2.3	2.5	0.1	5.0	0.4



### Main increase / decrease factors in expenses

	Interim FY15	FY15 (Projection)
<b>Personnel</b>	Salary +0.1 + 0.0 Extra payments △0.1 Retirement benefit costs △0.0	Salary +0.2 + 0.0 Extra payments △0.1 Retirement benefit costs △0.1
<b>Non-personnel</b>	Deposit insurance fee △1.9 New investment measures +0.0 △ 1.7 Depreciation of properties +0.1 Depreciation of software △0.0	Deposit insurance fee △2.5 Cooperation on mainframe system +0.6 △ 1.1 Branch opening / renewal +0.1 Depreciation of ATMs +0.3 Cooperation on bills and public payment operation +0.1
<b>Tax</b>	+ 0.1 Pro forma standard taxation +0.2 Consumption tax △0.0	+ 0.4 Pro forma standard taxation +0.4

### Project team for improving efficiency of internal operations

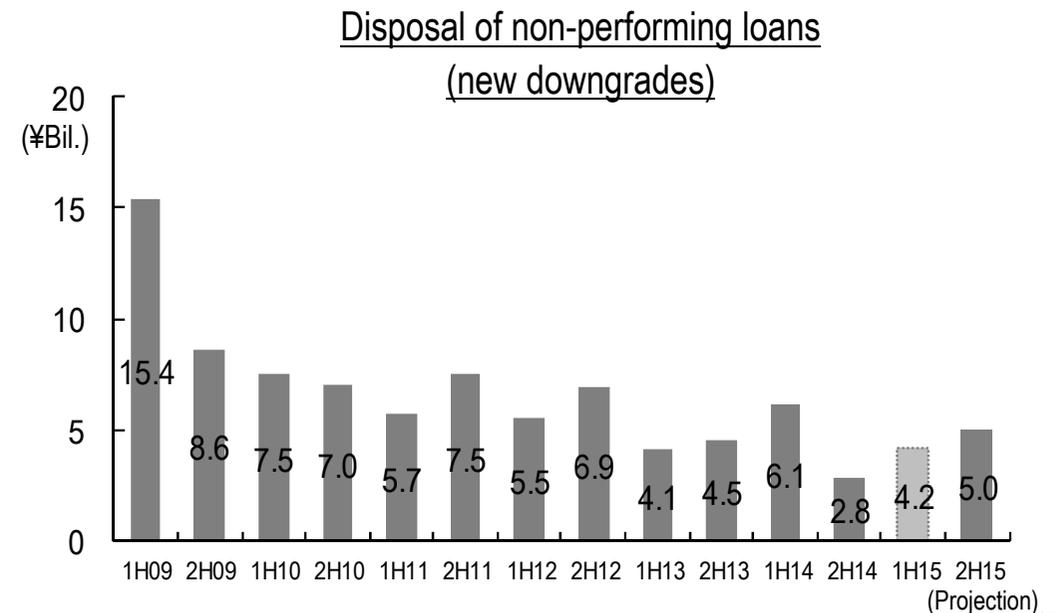
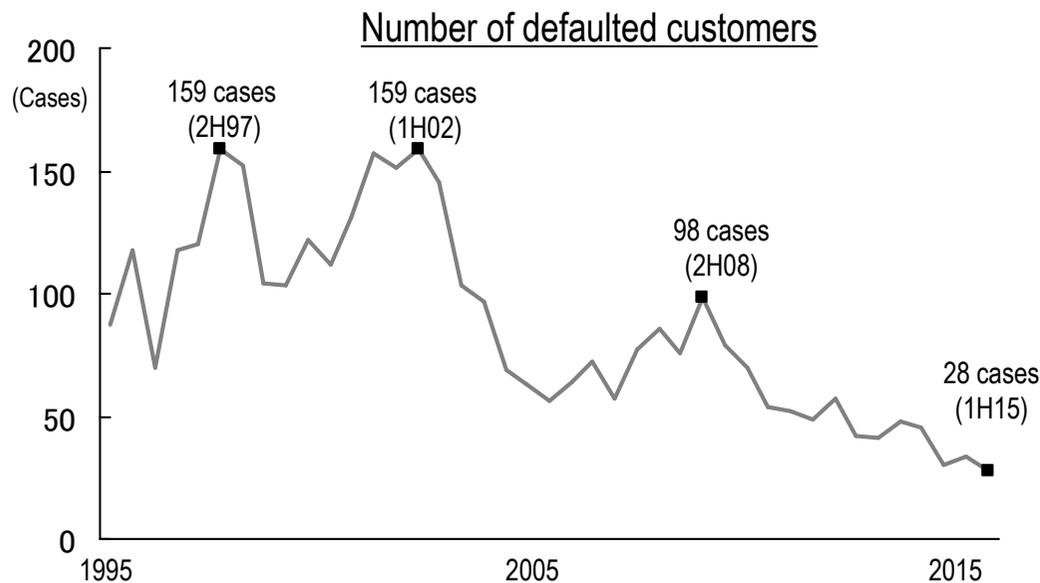


### Net credit costs remain low for the time being

	FY14		FY15	
	1H	2H	1H	2H (Projection)
Net credit costs	0.2	△ 0.6	△ 2.8	2.8
Net transfer to general allowance for loan losses	△ 2.3	0.8	△ 4.2	0.2
Disposal of non-performing loans	2.5	△ 1.5	1.3	2.6
Write-offs / allowances, etc.	4.9	△ 0.0	2.9	3.6
New downgrades	6.1	2.8	4.2	5.0
Decreases in collateral value, etc.	0.5	0.3	0.2	0.5
Collections, etc.	△ 2.1	△ 2.5	△ 1.8	△ 1.3
Recoveries of written-off claims	△ 2.3	△ 1.5	△ 1.6	△ 1.0

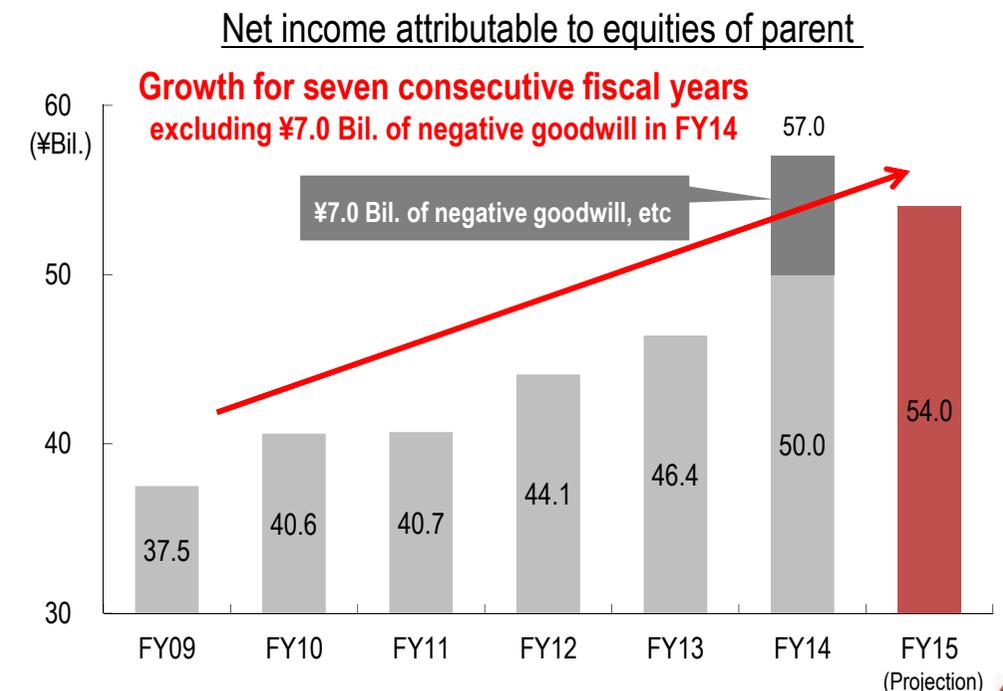
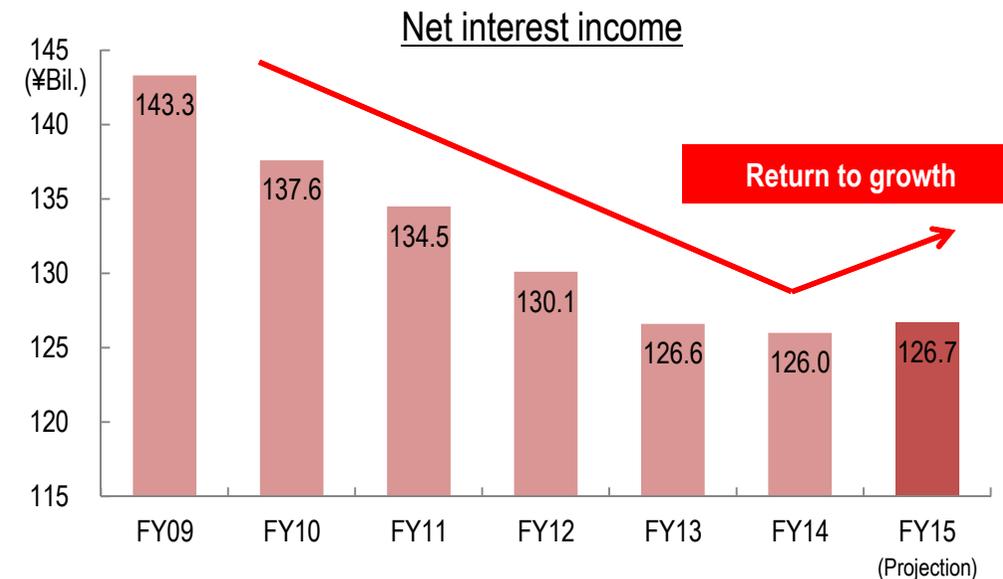
(Note)

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.



Non-consolidated	(¥Bil.)	FY14	FY15	Change	2H
			(Projection)		(Projection)
Gross business profits		151.7	152.0	0.3	75.5
Net interest income		126.0	126.7	0.6	61.9
Net fees and commissions income		19.2	19.6	0.3	10.0
Trading income		2.6	2.5	△ 0.1	1.4
Profit from other business transactions		3.8	3.2	△ 0.6	2.2
Gains (losses) related to bonds		2.0	1.5	△ 0.5	1.0
Expenses (-)		82.6	82.0	△ 0.6	41.7
Real net business income		69.1	70.0	0.9	33.7
Core net business income		67.0	68.5	1.4	32.7
Net transfer to general allowance for loan losses (-)		-	-	-	-
Net business income		69.1	70.0	0.9	33.7
Non-recurring income and losses		5.0	7.0	1.9	△ 3.5
Disposal of non-performing loans (-)		△ 0.3	0.0	0.3	2.8
Gains (losses) related to stocks, etc.		1.2	2.7	1.4	0.0
Ordinary profit		74.1	77.0	2.8	30.2
Extraordinary income (loss)		△ 1.1	△ 1.0	0.0	△ 0.9
Net income		45.8	50.0	4.1	17.7
Net credit costs (-)		△ 0.3	0.0	△ 0.3	2.8

Consolidated	(¥Bil.)	FY14	FY15	Change	2H
			(Projection)		(Projection)
Ordinary profit		84.2	84.5	0.2	35.8
Difference from non-consolidated ordinary profit		10.0	7.5	△ 2.5	5.5
Net income attributable to equities of parent		57.0	54.0	△ 3.0	21.3
Difference from non-consolidated net income		11.2	4.0	△ 7.2	3.5



**Business Strategy**

Meet the needs of our all stakeholders, aim to achieve sustainable growth and increase mid and long term corporate value

### Additional Subjects (12 items)

#### Creating new corporate value (8 items)

- Promoting lending based on customers' business potential and support for their main business
- Contribute proactively to "Regional Revitalization"
- Strengthening consultation business for increasing group total balance of financial products
- Enhancing promotion of trust business and inheritance-related services
- Strengthening promotion and management structure for enhancing cross-selling
- Further increasing unsecured consumer loans by enhancing product development capability and utilizing IT
- Providing new financial services by utilizing "FinTech (innovative financial IT)"
- Increasing profit by enhancing relationships and cooperation

#### Further improving staff training (1 item)

- Further promoting diversity

#### Building a sustainable management structure (3 items)

- Constructing next-generation branch model
- Strengthening the cyber security management structure
- Strengthening the foreign currency liquidity risk management structure

### Changes in Targets

【Initial Plan】

	Net income attributable to equities of parent	Consolidated ROE	Balance of loans for SMEs	Net fees and commissions income	Balance of unsecured consumer loans
<b>Targets to be achieved in March 2017</b>	¥50 Billion	In 6% range	¥3.6 Trillion	¥18.5 Billion	¥120.0 Billion
<b>Vision as of year 2020</b>	¥60 Billion	Around 7%	¥3.9 Trillion	¥20.0 Billion	¥150.0 Billion

【Revised Plan】

	Net income attributable to equities of parent	Consolidated ROE	Balance of loans for SMEs	Net fees and commissions income	Balance of unsecured consumer loans
	¥57.0 Billion (+7.0 Billion)	In 6% range	¥3.8 Trillion (+¥0.2 Trillion)	¥21.5 Billion (+¥3.0 Billion)	¥130.0 Billion (+¥10.0 Billion)
	¥65.0 Billion (+5.0 Billion)	In 7% range	¥4.2 Trillion (+¥0.3 Trillion)	¥30.0 Billion (+¥10.0 Billion)	¥170.0 Billion (+¥20.0 Billion)

( ) difference from initial plan

# Progress of the Medium Term Management Plan

The 12th Medium Term Management Plan

## Best Bank 2020

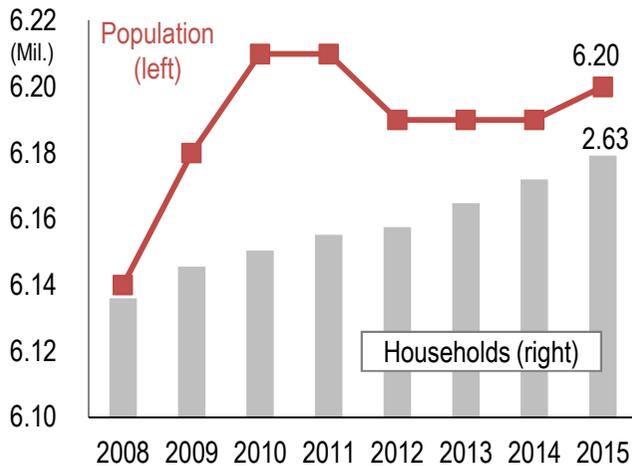
3 years of value creation

	Previous Plan				Revised Plan		Vision as of year 2020	
	2014/3	2015/3	2015/9	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	8,643.0	61.1% (50.0%)	9,000.0	+917.0	10,000.0	+1,000.0
Balance of loans for SMEs	3,383.8	3,583.9	3,664.0	129.6% (50.0%)	3,800.0	+416.2	4,200.0	+400.0
Number of new corporate loan customers	4,150	4,533	2,337 1st Half	54.3% (50.0%)	4,400.0	250.0	5,000.0	+600.0
Balance of housing loans	2,881.7	3,016.3	3,075.6	60.9% (50.0%)	3,200.0	318.3	3,600.0	+400.0
Balance of unsecured consumer loans	77.0	89.5	99.2	51.6% (50.0%)	130.0	+53.0	170.0	+40.0
Balance of deposits	10,121.8	10,733.3	10,669.5	62.4% (50.0%)	11,000.0	878.2	12,000.0	+1,000.0
Group total balance of financial products	1,966.2	2,096.8	2,008.6	9.8% (50.0%)	2,400.0	433.8	3,000.0	+600.0
Net income attributable to equities of parent	46.4	57.0	32.6 1st Half	61.6% (50.0%)	57.0	+10.6	65.0	+8.0
Net fees and commissions income	17.8	19.2	9.5 1st Half	48.5% (50.0%)	21.5	+3.7	30.0	+8.5
Consolidated ROE (excluding gain on negative goodwill, etc.)	6.27%	7.07% (6.20%)	7.58% 1st Half	-	In 6% range	±0%	In 7% range	+1%
Consolidated Common Equity Tier 1 Capital Ratio	12.85%	13.17%	12.59%	-	In 13% range	-	In 13% range	-

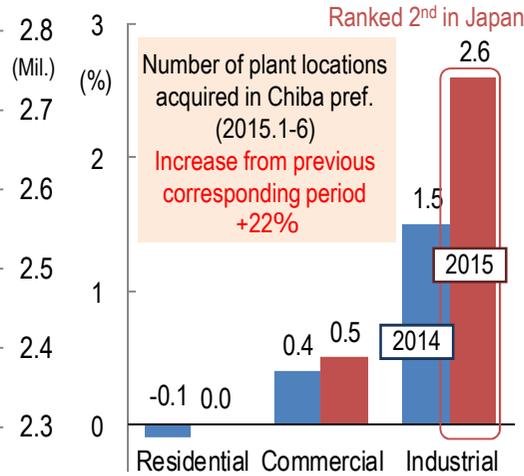
\*Progress for 2015/9 is based on the initial Medium Term Management Plan. (Progress for Consolidated net income attributable to equities of parent, Net fees and commissions income, Number of new corporate loan customers are based on the plan for FY2015)

### Contribute to regional vitalization by enhancing measures for “Regional Revitalization”

Population and households in Chiba pref.  
(as of October 1 of each year)

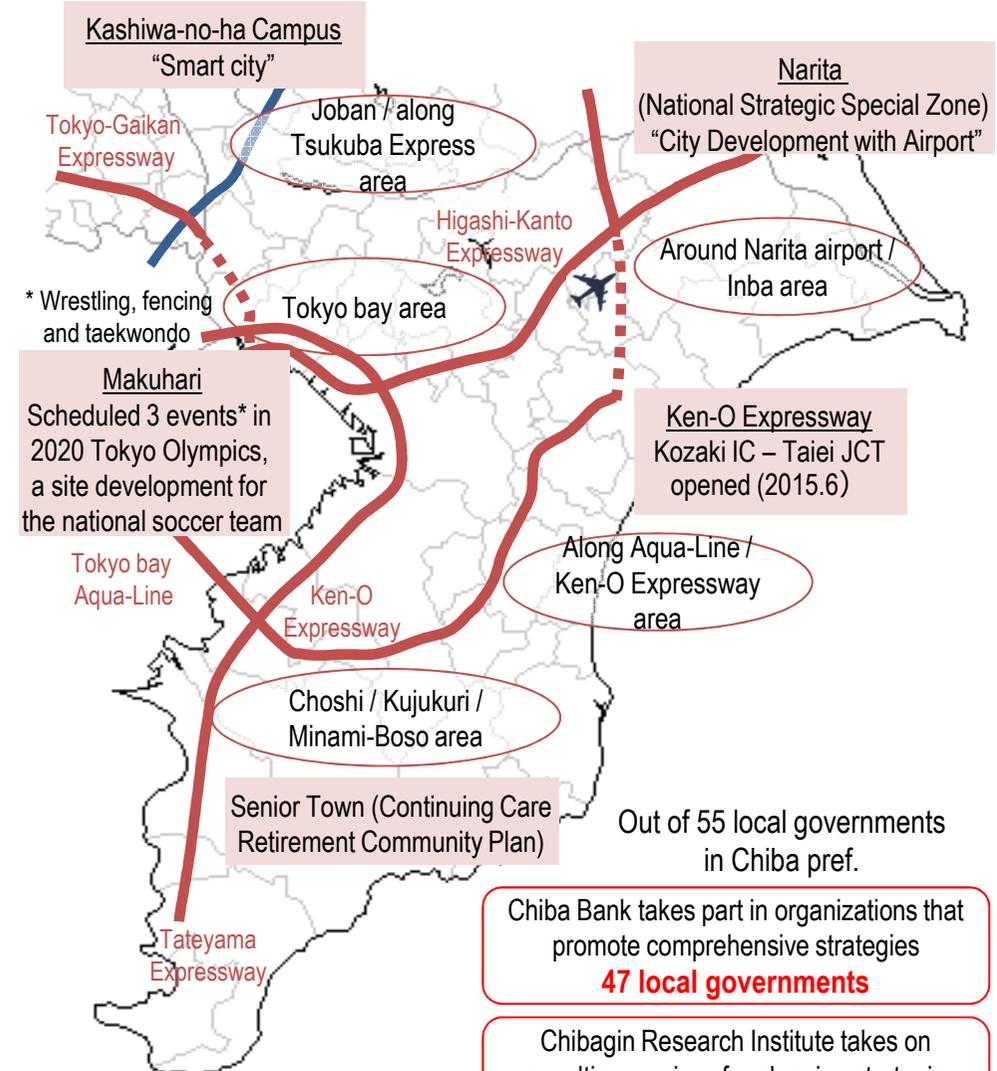


Benchmark land prices (as of July 1 of each year)  
YoY fluctuation rate by purpose in Chiba pref.



Developments in Chiba pref.

【By areas of “Revitalize Chiba Pref.” strategic plan by Chibagin Research Institute】



#### Regional Revitalization / Regional Vitalization Committee (2015.8)

Regional Revitalization Subcommittee  
Regional Revitalization Div. (2015.10)

Evaluation of Customers’ Business Potential Subcommittee

#### Wider Chiba regional vitalization fund (2015.10)

Total amount: ¥0.5 Bil. Joint general partner: Chibagin Capital / REVIC Capital

#### Chibagin regional revitalization loan program (2015.11)

Evaluate customers’ start-ups and new business potential

#### Regional revitalization-related loans (2015.10)

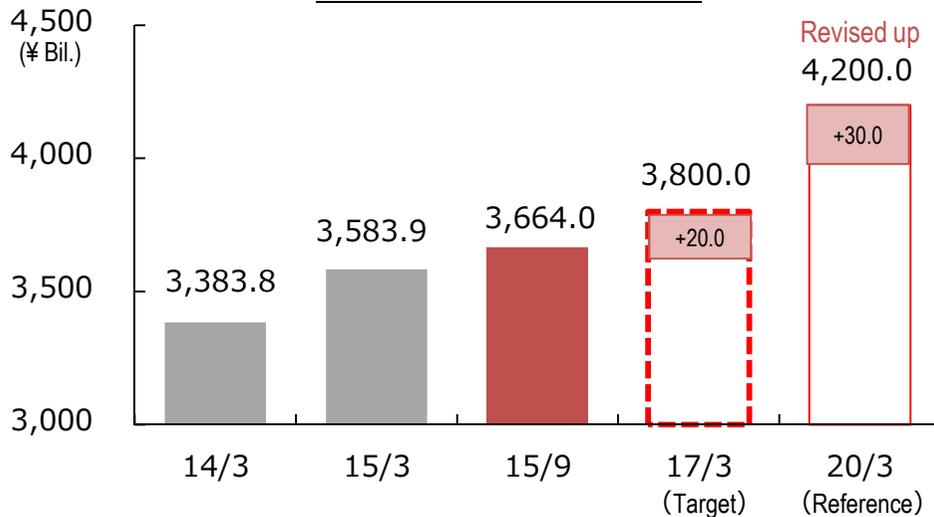
Housing loan: migration and settlement promotion plan  
Unsecured consumer loan: measures against vacant houses

Chiba Bank takes part in organizations that promote comprehensive strategies  
**47 local governments**

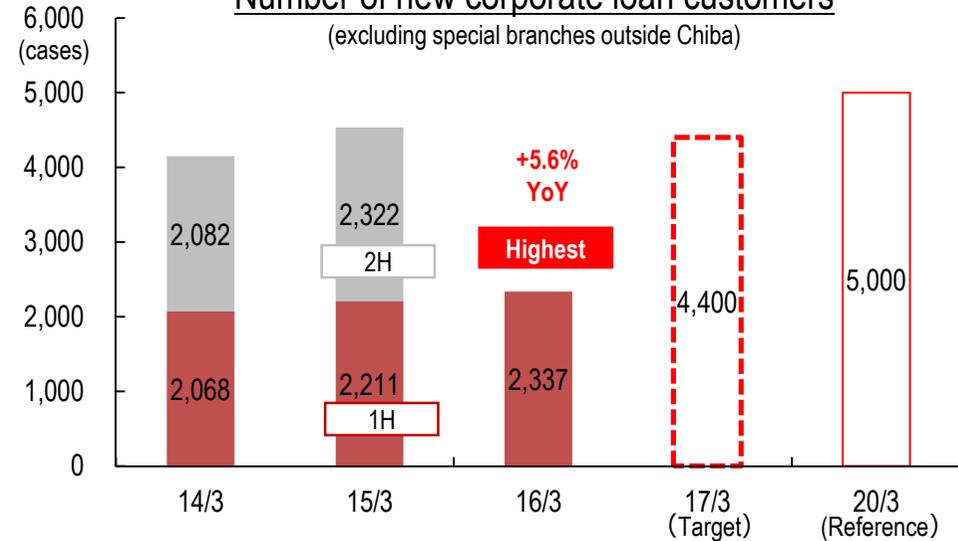
Chibagin Research Institute takes on consulting services for planning strategies  
**12 local governments**

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

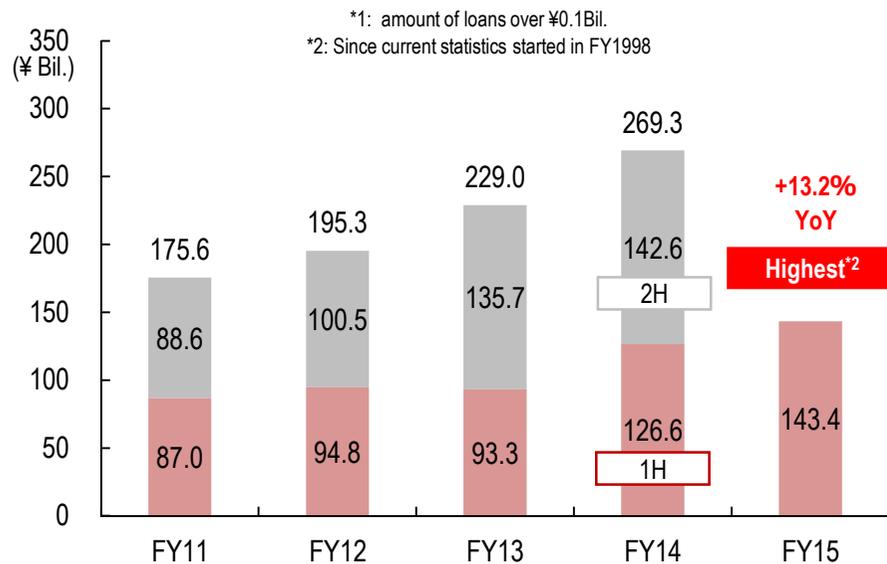
#### Balance of loans for SMEs



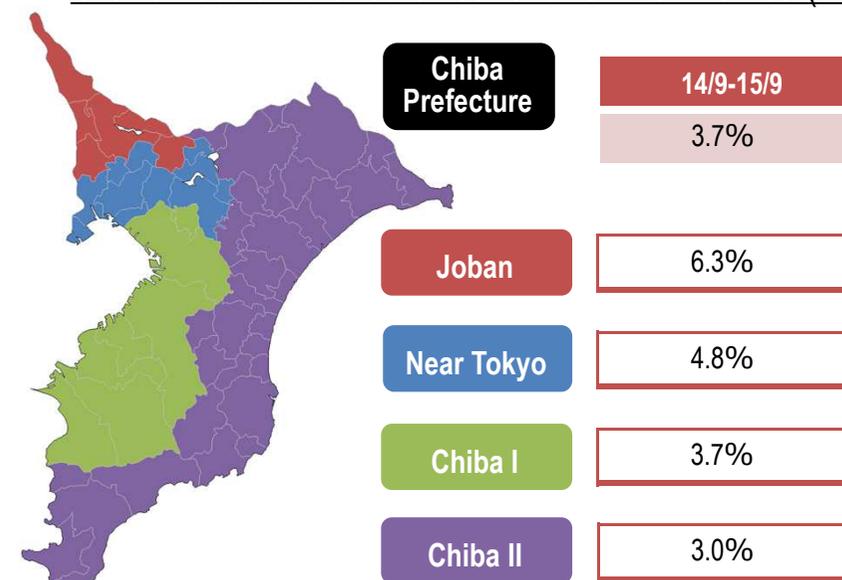
#### Number of new corporate loan customers



#### New loans for capital investments(\*1)

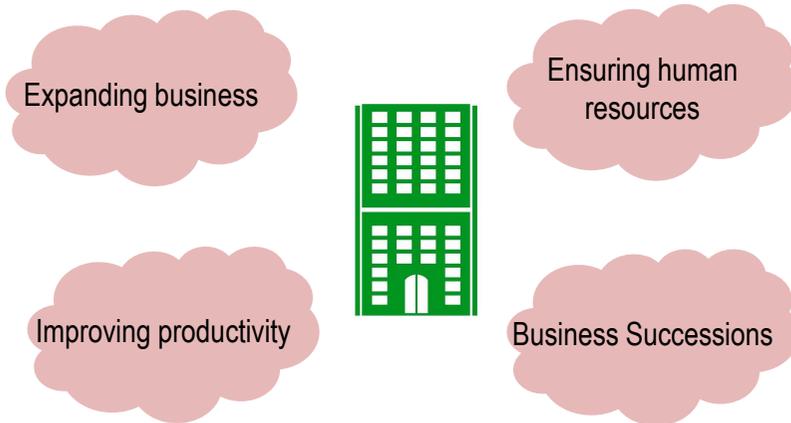


#### Growth rate of balance of loans for SMEs in Chiba (YoY)



### Provide effective solutions based on the evaluation of customers' business potential, expand profit opportunities

Lending based on the evaluation of customers' business potential and support for their main business

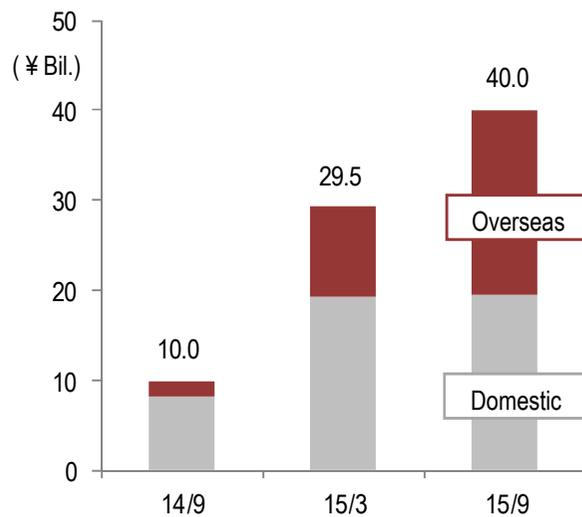


✓ Understand the customers' issue properly and provide effective solutions

- Business matching
- Consulting
- Financing
- M&A / supporting business succession
- Retirement benefit consulting (401k)
- ⋮

Amount of fees received from business matching recorded at highest ever

### Project Financing



\*Balance of loans after April 2014

✓ Variety of areas / targets

**Area**

- ◆ North America
- ◆ Europe
- ◆ Asia
- ◆ Middle East

**Investing target**

- Aircraft
- Ship
- Infrastructure
- Energy



### Strengthen settlement business

Expansion of business transactions through internet

Diversified settlement methods

**Project Team for Settlement and FinTech Utilization (2015.10)**

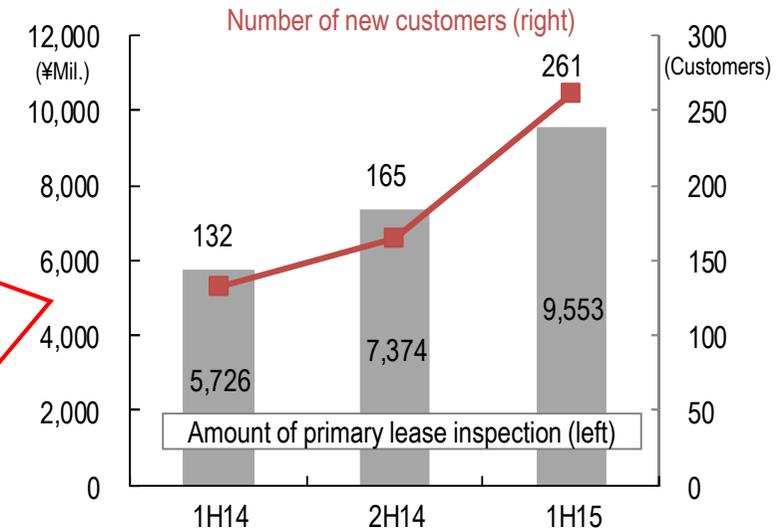
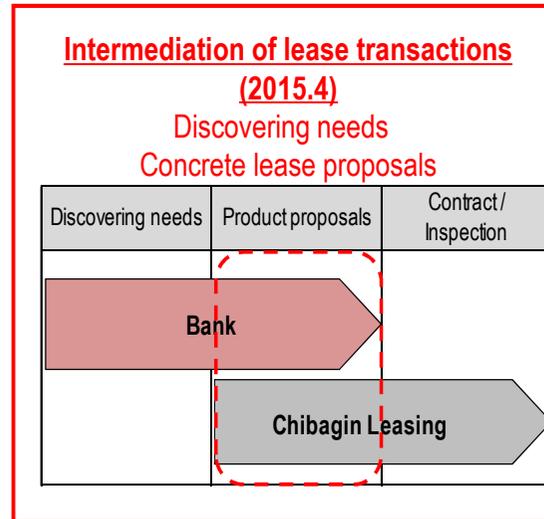
✓ Strengthen our service competitiveness

### Steadily expanding business operations of group subsidiaries

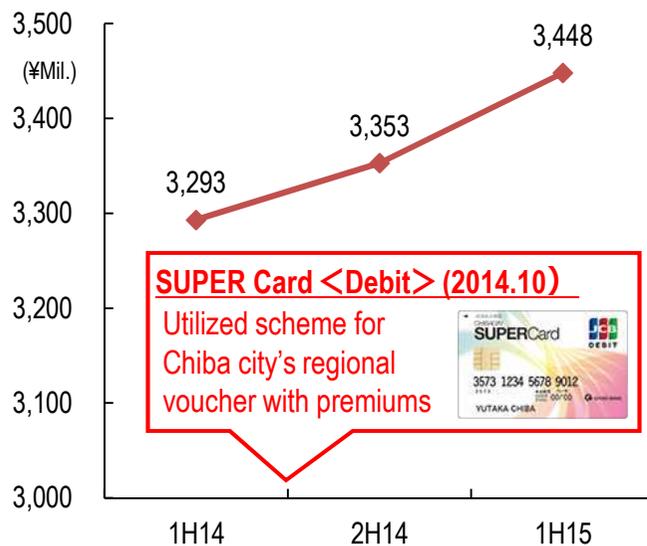
Ordinary profit of main subsidiaries

(¥Bil.)	Interim FY14	Interim FY15	Change
Ordinary profit	5.2	6.5	1.3
Chibagin Guarantee	2.6	2.8	0.1
Chibagin Securities	0.8	0.7	△ 0.0
Chibagin Leasing	0.7	0.5	△ 0.1
Chibagin JCB Card	0.6	1.1	0.4
Chibagin DC Card	0.1	0.2	0.1
Others	0.2	1.0	0.7

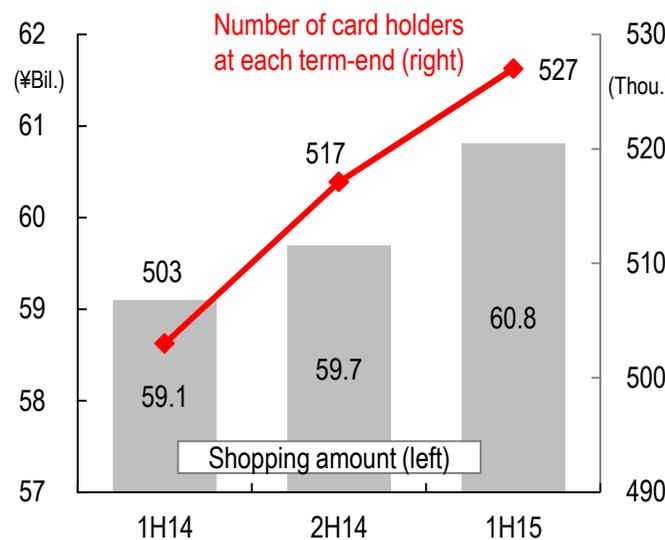
Operating results of Chibagin Leasing



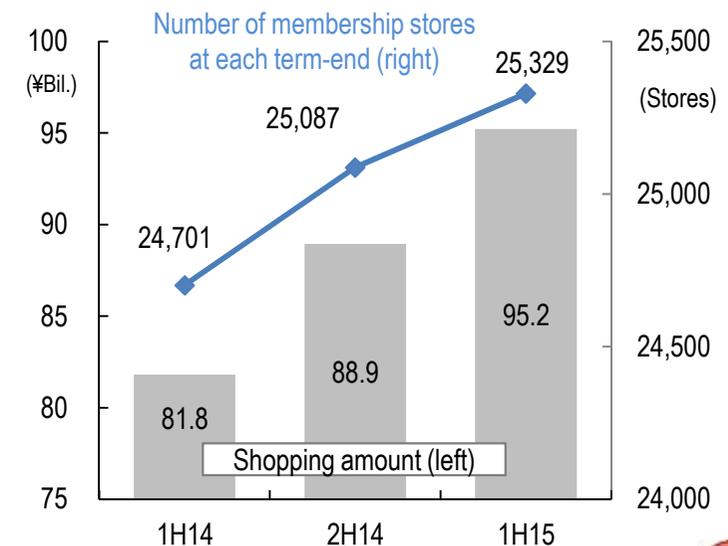
Card business income (group total)



Card holders / shopping amount (group total)

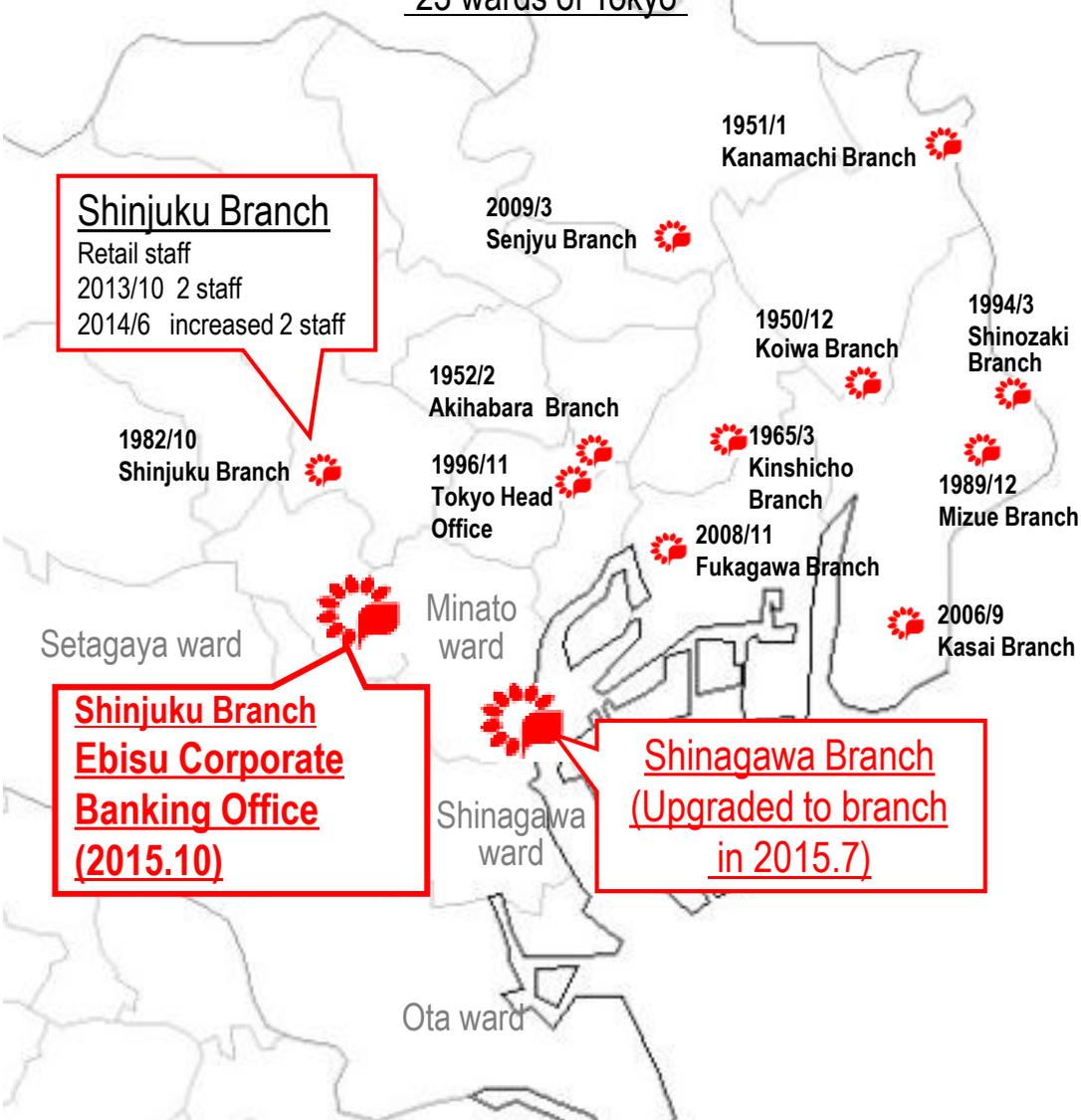


Membership stores / shopping amount

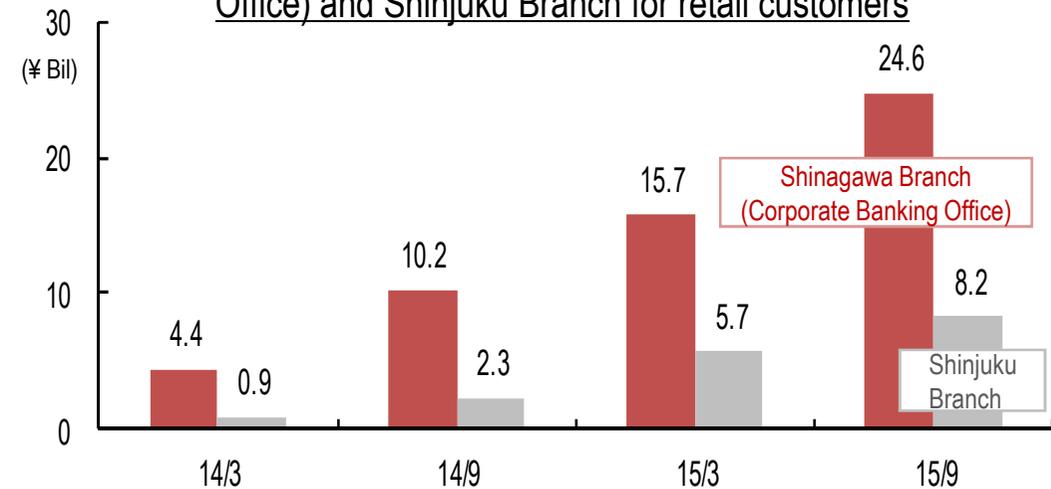


### Opening branches in strategic business areas, review function of branches

#### Branch development in strategic business area "23 wards of Tokyo"



#### Balance of loans of Shinagawa Branch (Corporate Banking Office) and Shinjuku Branch for retail customers



#### Review of branch functions and renewals

##### Streamlining

- Inside branch

##### Change function

- Money plaza (deposit / asset management)
- Specialized branch for personal banking (deposit / asset management / loan)



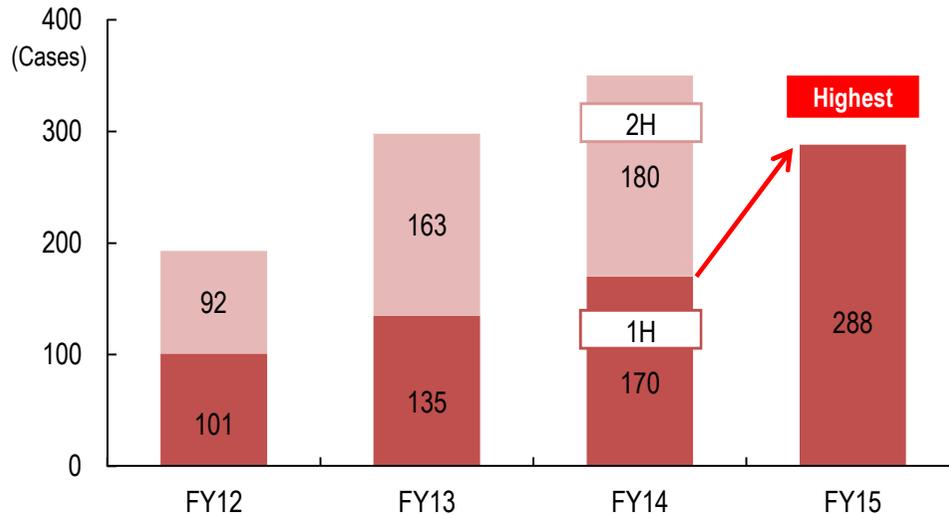
#### Kashiwa-no-ha Campus Branch (2016.6 renewal)

1<sup>st</sup> as our branch

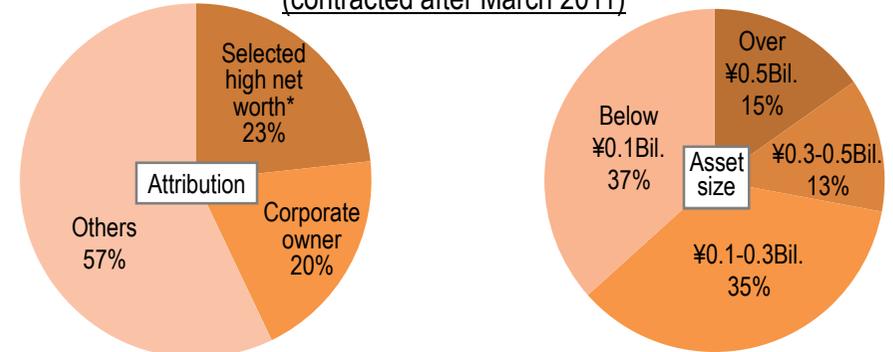
- ✓ Extend opening hours on weekdays
- ✓ Starting operation on Saturdays and holidays

### Set up a specialized department for trust business and inheritance-related services, strengthen marketing

Number of contracts for inheritance-related services  
(testamentary trust / support for making will / inheritance rearranging)

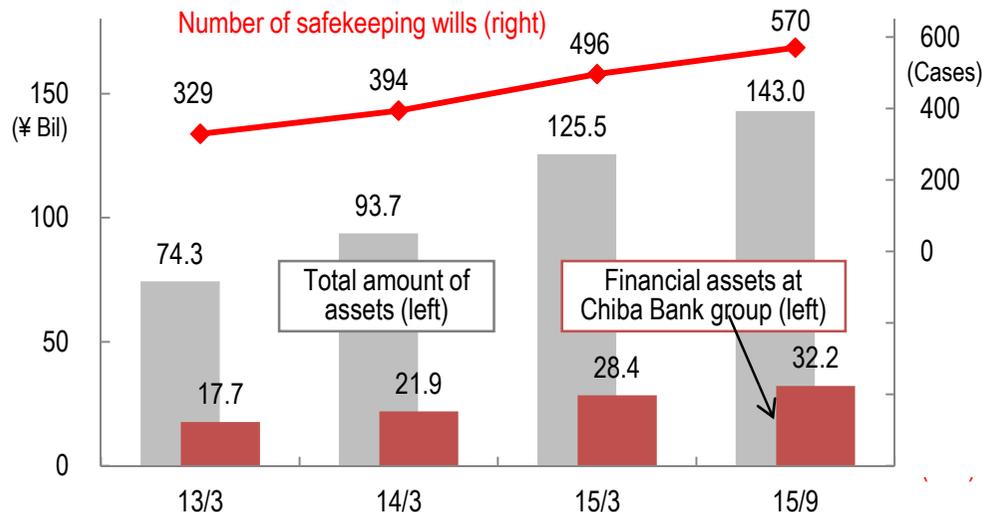


Attribution and asset size of customers for inheritance-related services  
(contracted after March 2011)

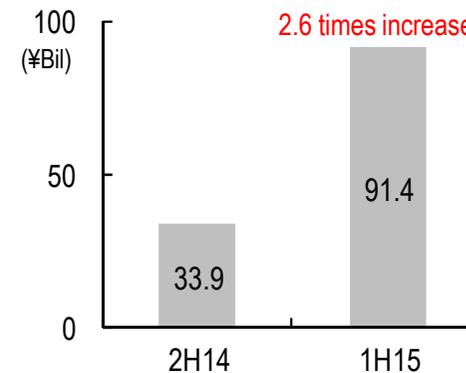


\* Customer fulfills the requirement; over ¥0.1Bil. of financial assets or over ¥0.5Bil. of total assets, etc.

Customers' total assets for testamentary trust with Chiba Bank



Sales of Lombard' Odier Danier Hench (Universal Trust)



Cooperate with PB team to provide special product for high net worth clients

Meet advanced and various needs for asset management

### Trust Business Division (2015.10)

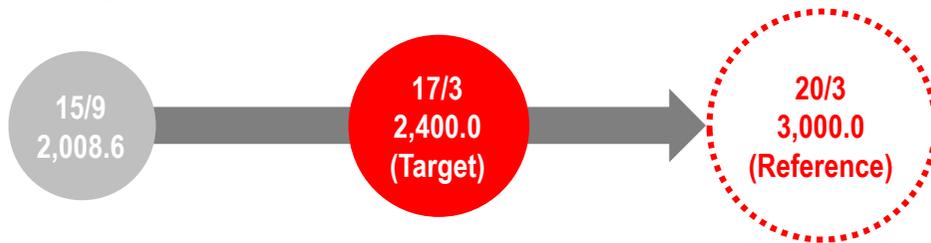
Advisory Department  
(plan / support branches)  
Trust Management Department  
(product development / management / back office)



At each branch  
Advisor of Asset Successions  
(2015.10)

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

#### Target of group total balance of financial products (¥Bil.)



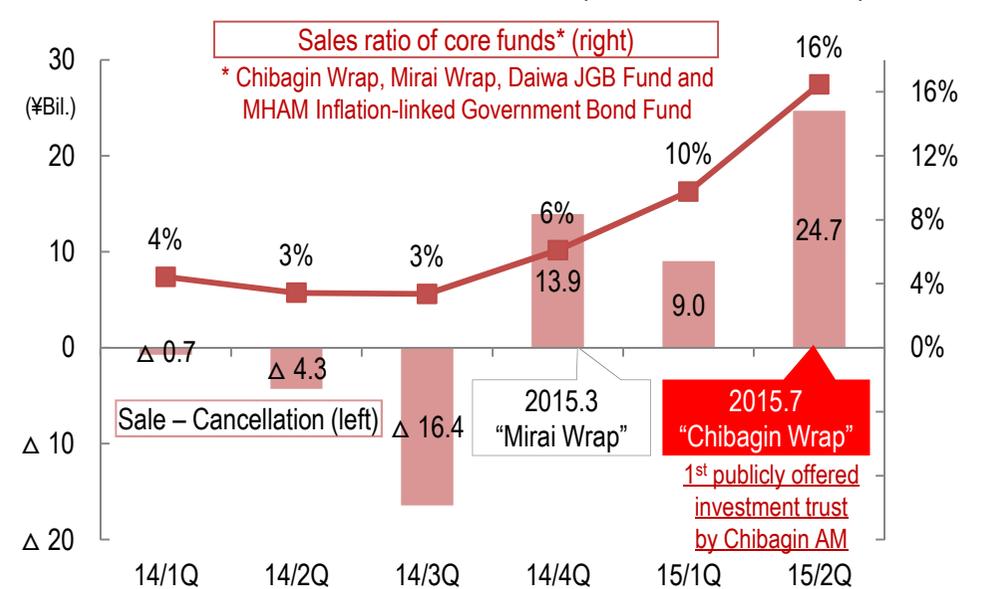
#### Expanding Area Consultant (AC) Teams

Concentrate specialized staff in the flagship branches

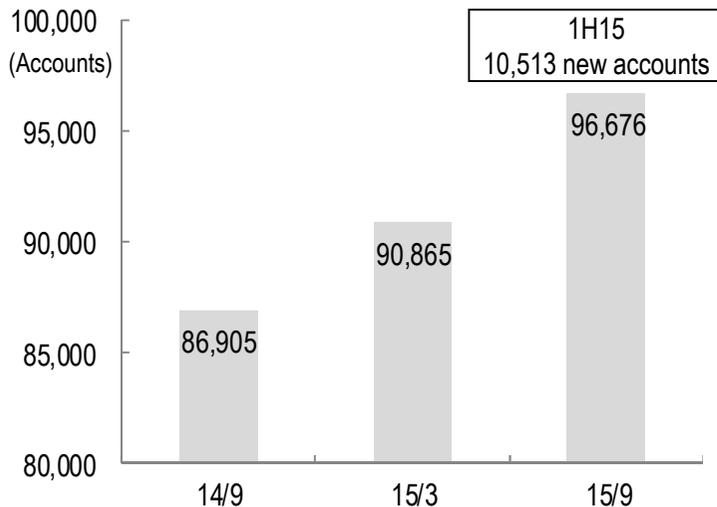


Sales per head:  
Double the average of all branches

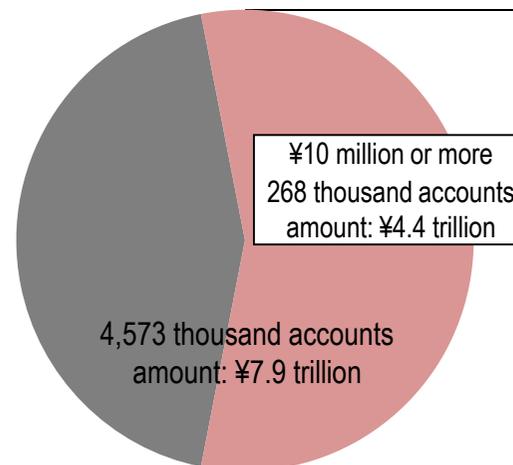
#### Sales trend of investment trusts (sale – cancellation)



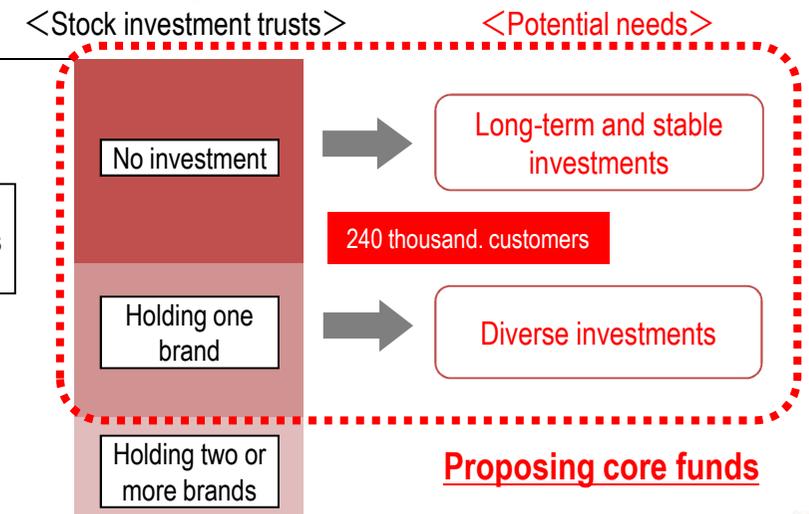
#### Number of investment trust accounts



#### <Deposit customers>

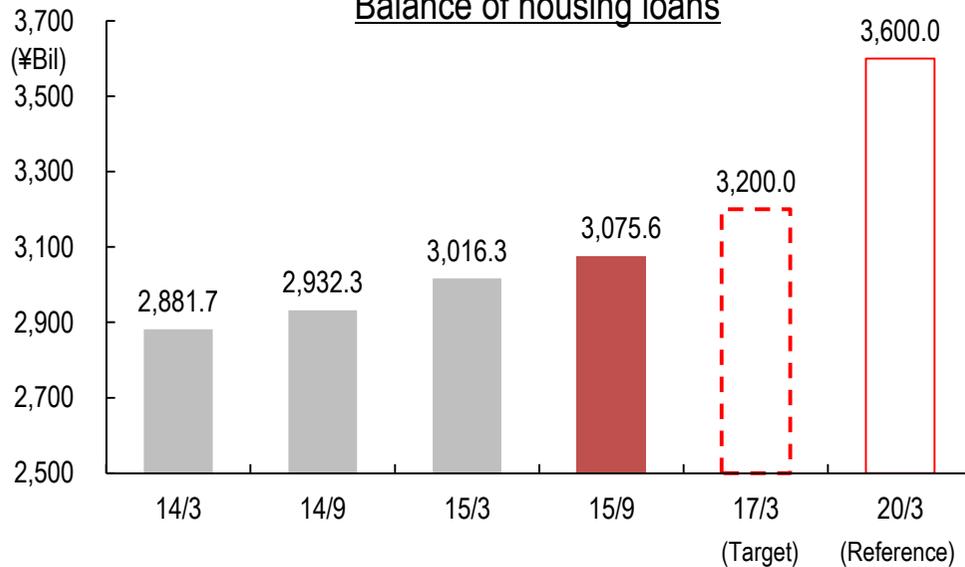


#### Approach target customers

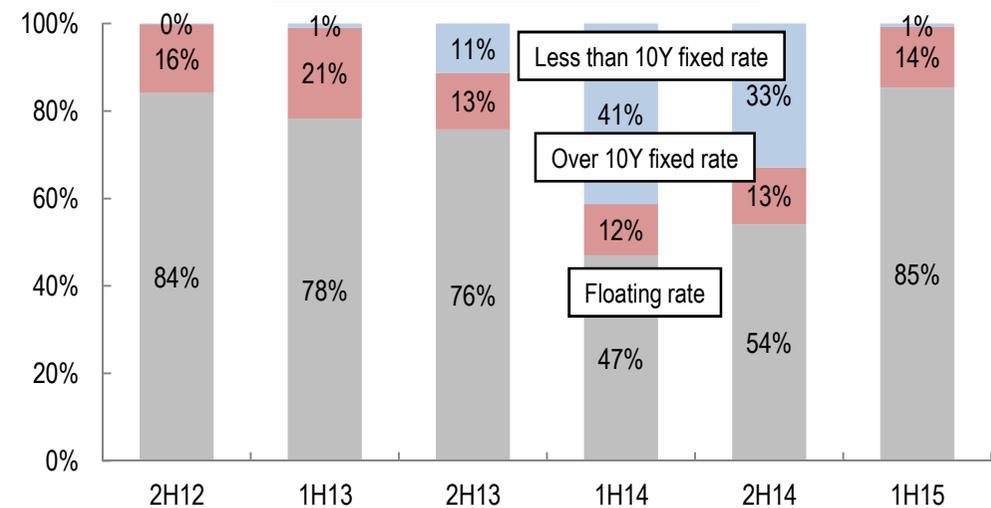


### Ensuring information gathering and new loans, reviewing operating structures

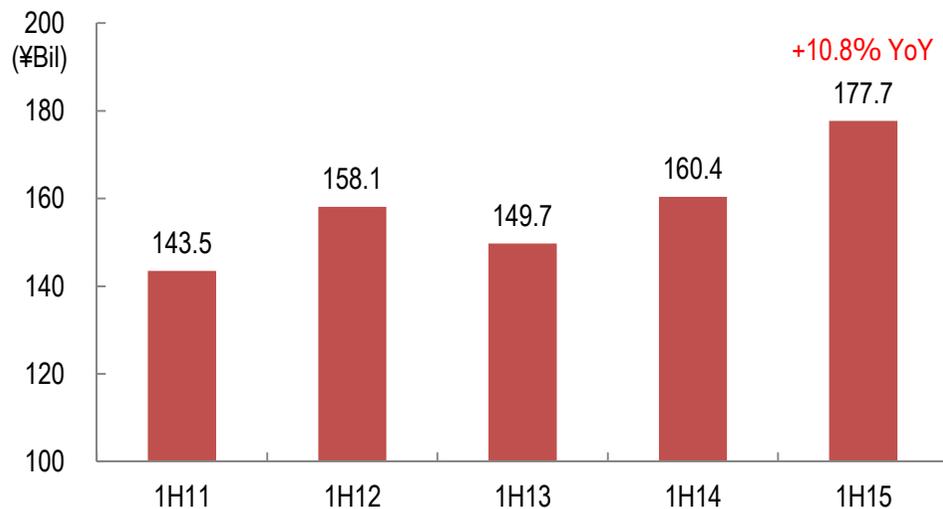
Balance of housing loans



Interest rate chosen for new loans

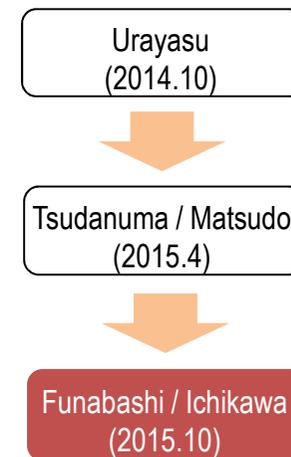


New housing loans (1Hs)



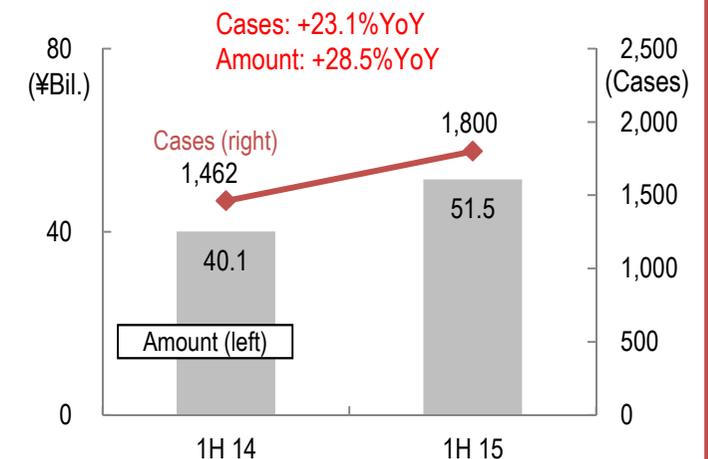
### Collaboration work in the blocks

Improving staff skill  
Developing strategic operation

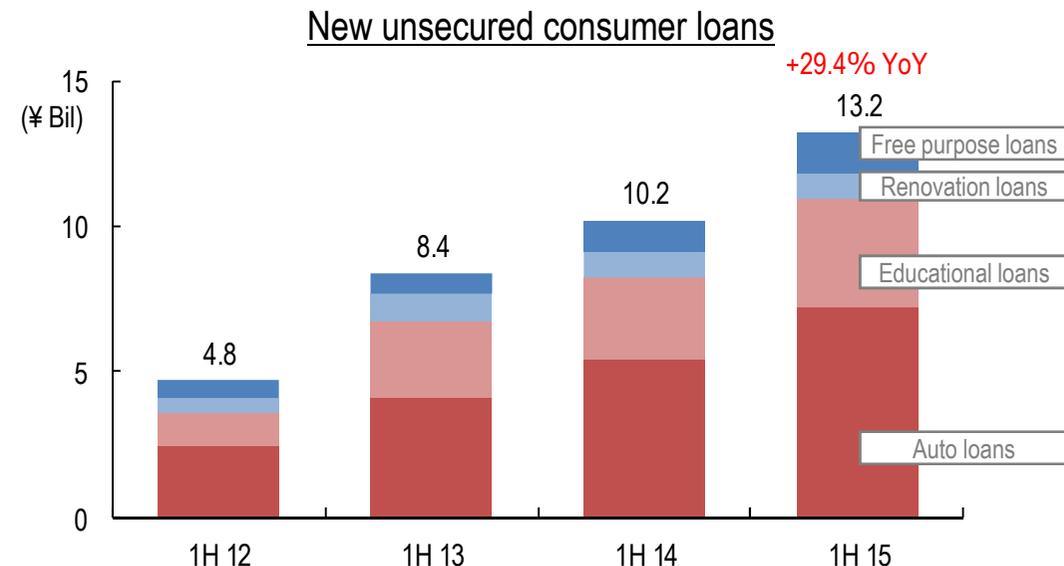
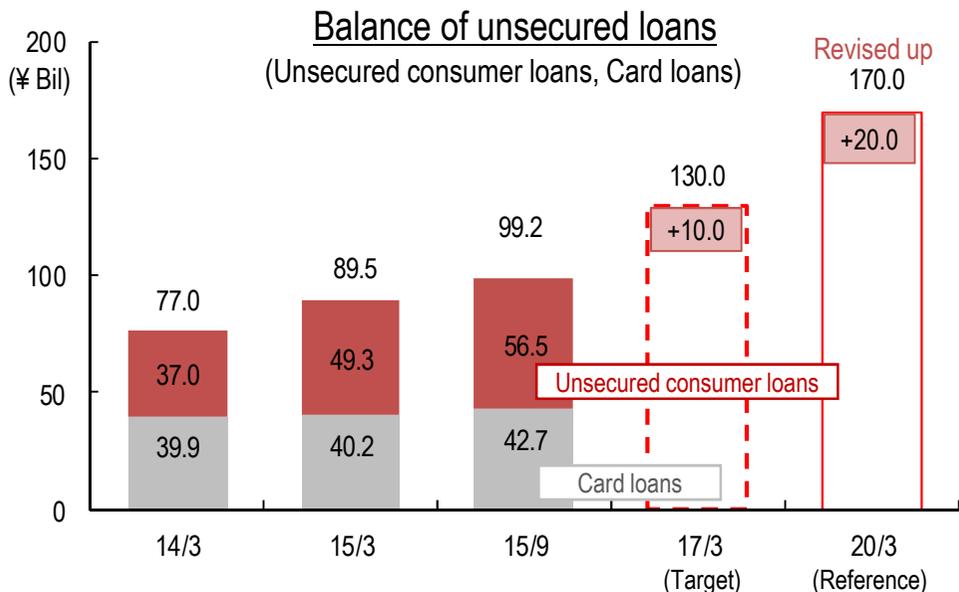


### Pre-application of housing loans

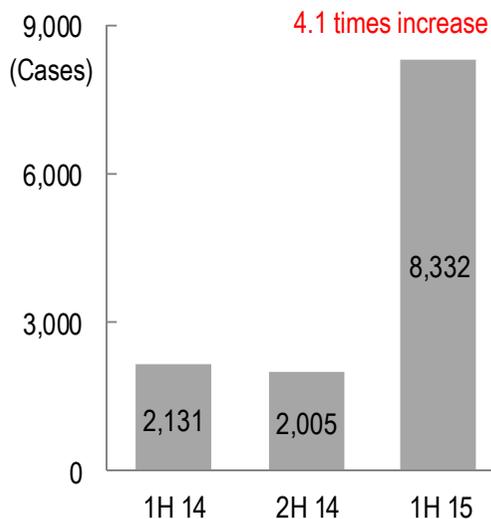
(3 blocks total: Urayasu / Tsudanuma / Matsudo)



### Utilize direct channels, increase unsecured consumer loans by enhancing marketing



#### Number of contracts for card loan "Quick Power"



#### Enhancement of marketing (2015.4)

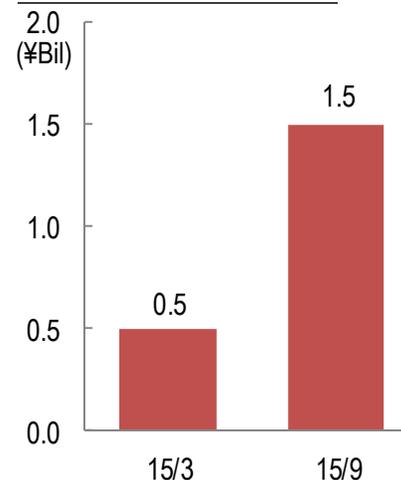
- ✓ Internet commercials
- ✓ Advertising on trains
- ✓ Poster at branches
- ✓ DM etc.

New promotion using a celebrity (2015.8)

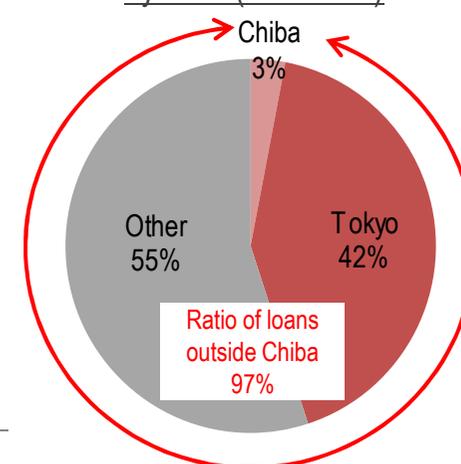


#### Internet Branch

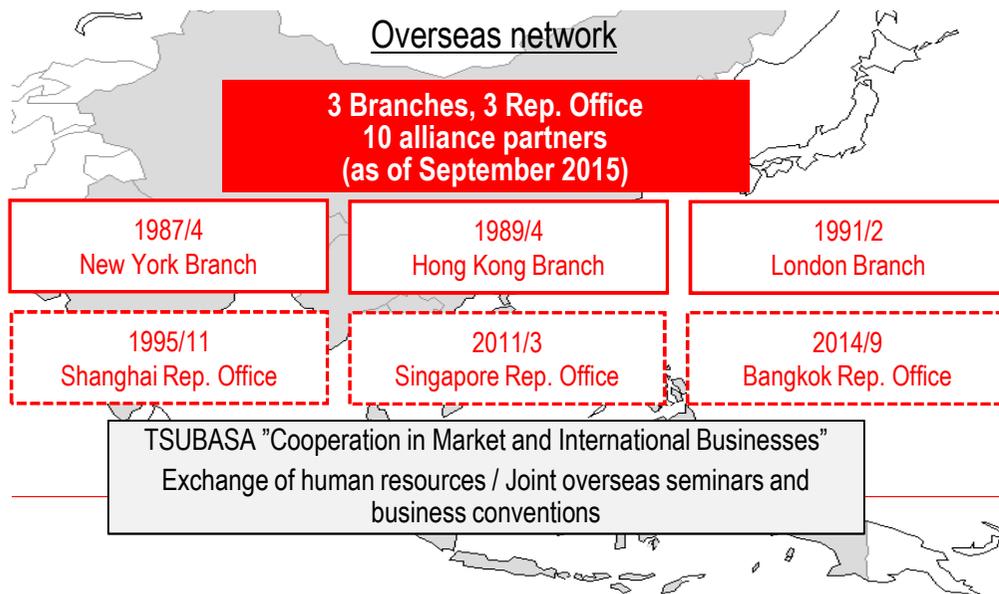
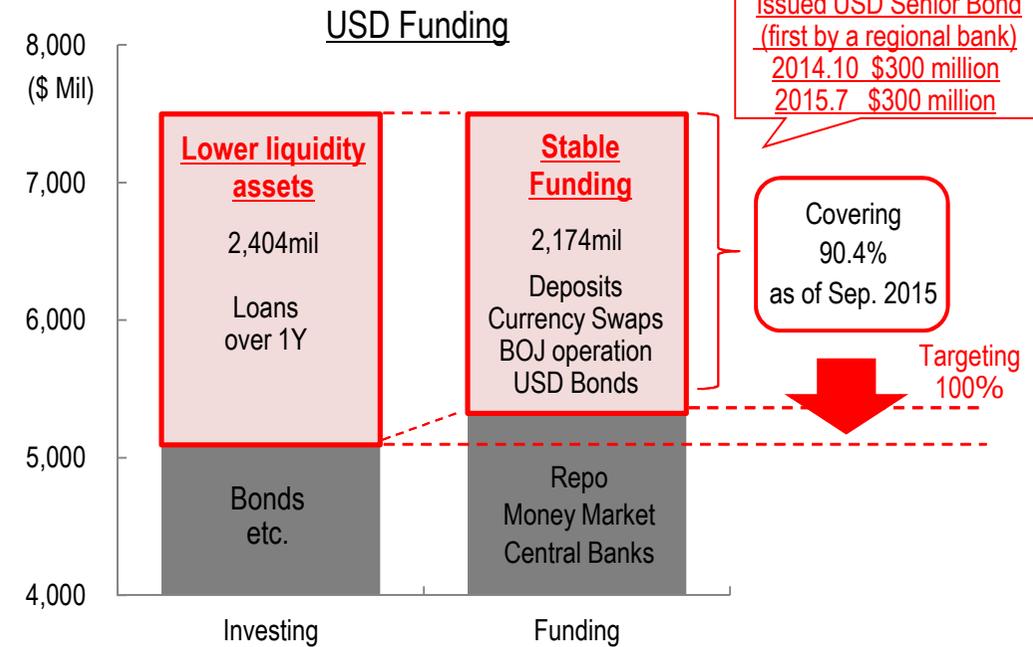
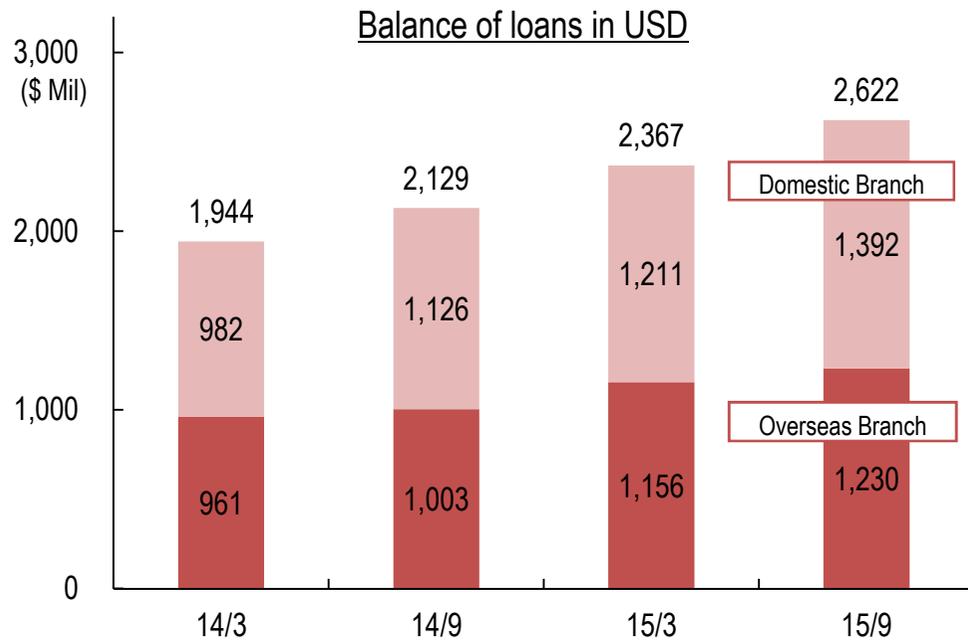
##### Balance of unsecured consumer loans of internet branch



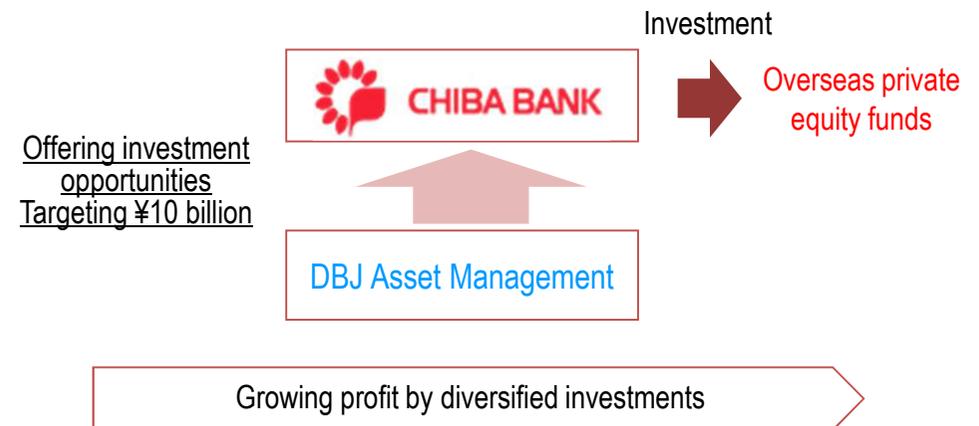
##### New unsecured consumer loans by area (14/8-15/9)



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



### Investment in USD private equity funds



### Proactive cooperation in a wide range of fields

#### Cooperation on Mainframe System

Joint development with Daishi Bank and Chugoku Bank



Scheduled in January 2016

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

Daishi Bank

Scheduled in January 2017

Chugoku Bank

Scheduled in May 2017

- 2008.3 TSUBASA Project started
- 2012.4 Toho Bank joined
- 2012.10 Formed a basic agreement on mainframe system (Chiba, Daishi, Chugoku)
- 2014.9 Cooperation in market and International Business
- 2015.7 Cooperation in utilization of intellectual properties
- 2015.8 North Pacific Bank joined
- 2015.10 Formed a basic agreement on alliance for enhancing financial system (Chiba, Daishi, Chugoku)
- 2016 (scheduled) Collaboration in shareholders' special benefit plan

#### New rationalization measures

- Joint use of branch system server (scheduled in Jan 2017)

Joint use with Daishi Bank

Cost reduction  
¥27 Mil. per year

- Joint development of system for handling national identity numbers

Joint development with Daishi Bank and Chugoku Bank

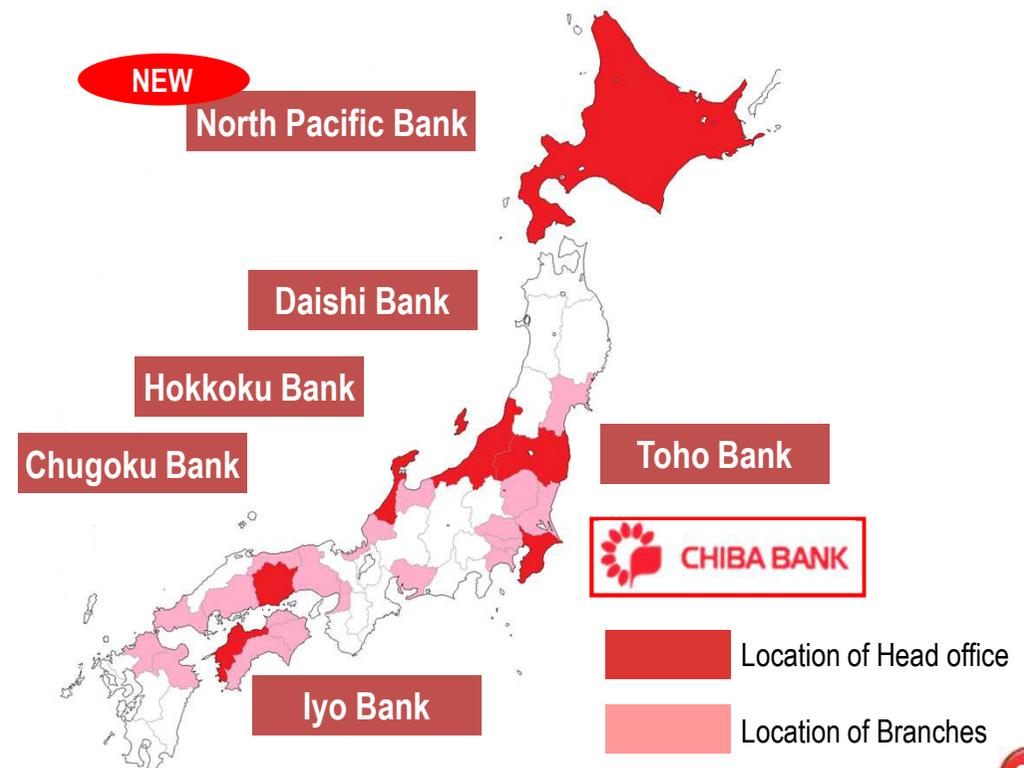
#### Collaborative Projects

- Cooperation in utilization of intellectual properties (July 2015)  
Sharing information of intellectual properties owned by SMEs  
Expanding business areas and creating new businesses of SMEs

NEW

- Collaboration in shareholders' special benefit plan (scheduled in FY2016)

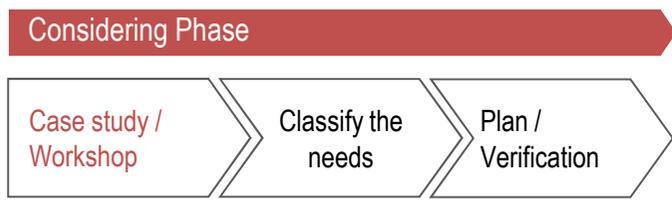
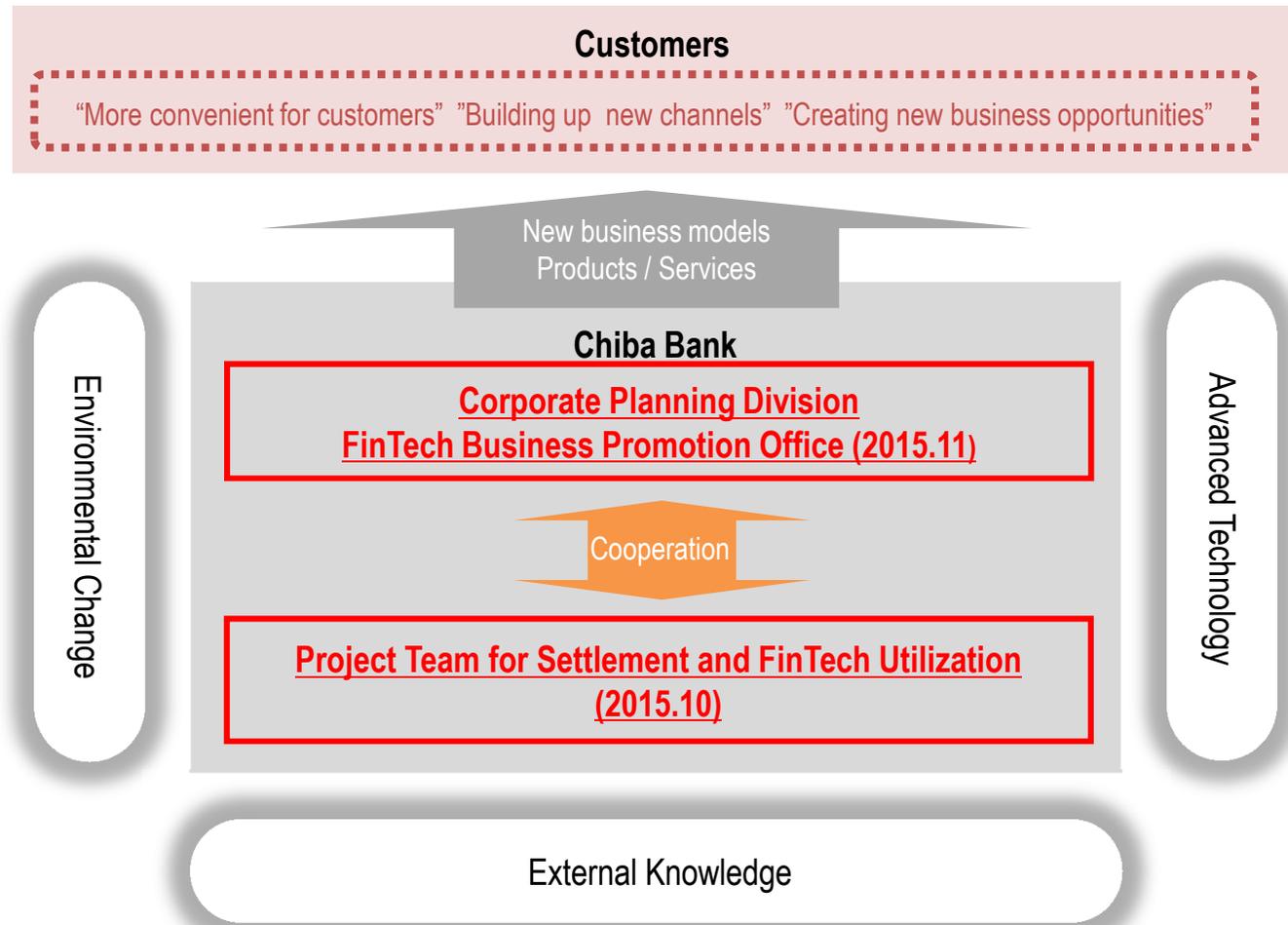
Collaborate with Daishi, Chugoku, Iyo and Toho Bank



Proactive consideration for new business model plans utilizing FinTech

**FinTech**  
**Finance × Technology**  
 Innovative financial services utilizing IT

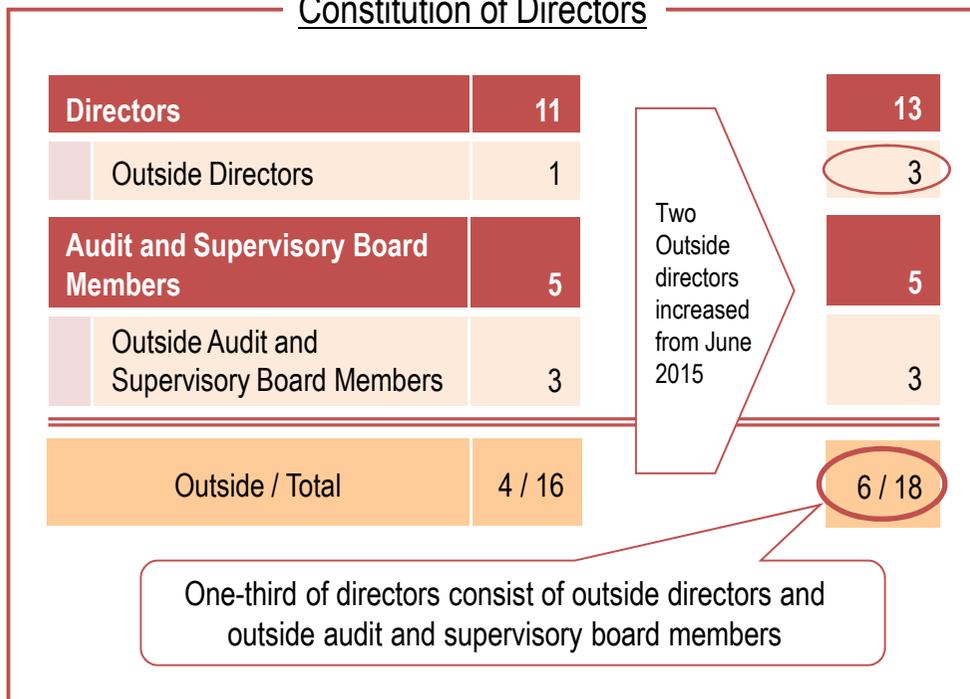
- <Main keywords for consideration>
- Smartphone
  - Analyze big-data
  - Artificial Intelligence
  - Humanoid Robot
  - ⋮



Governance / Capital Strategy

Building the management structure for sustainable growth and increasing corporate value

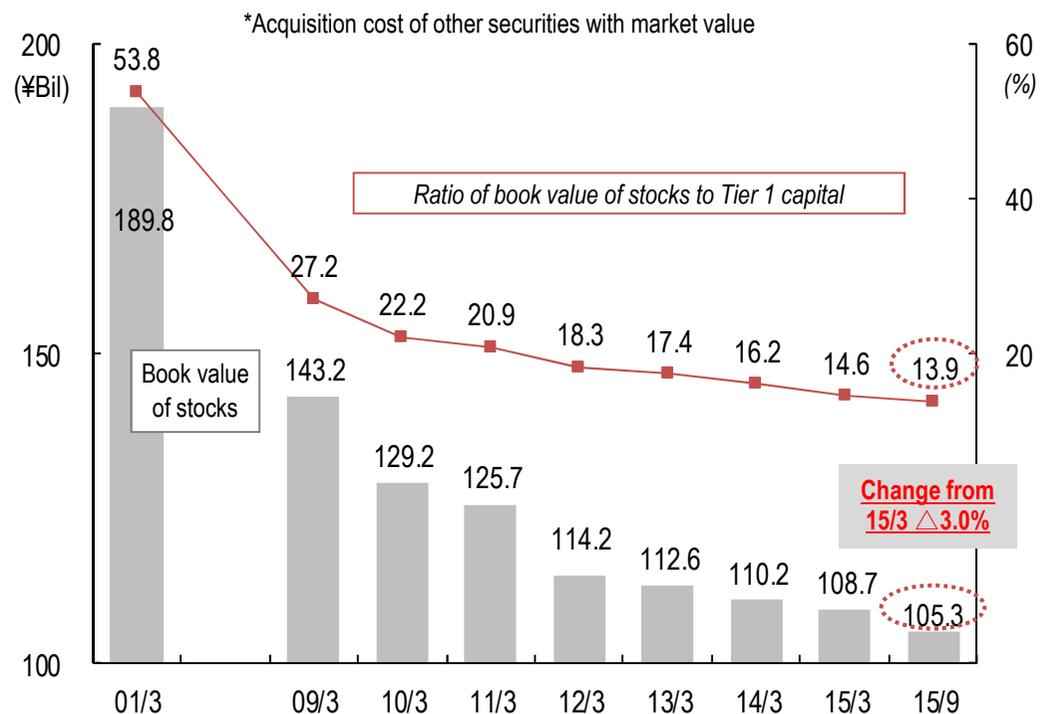
Constitution of Directors



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 significance of holding shares are recognized	Verify the significance of holding shares regularly, in light of the risk-return	Judge comprehensively by considering from perspectives on increasing corporate value of us and shareholding companies

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

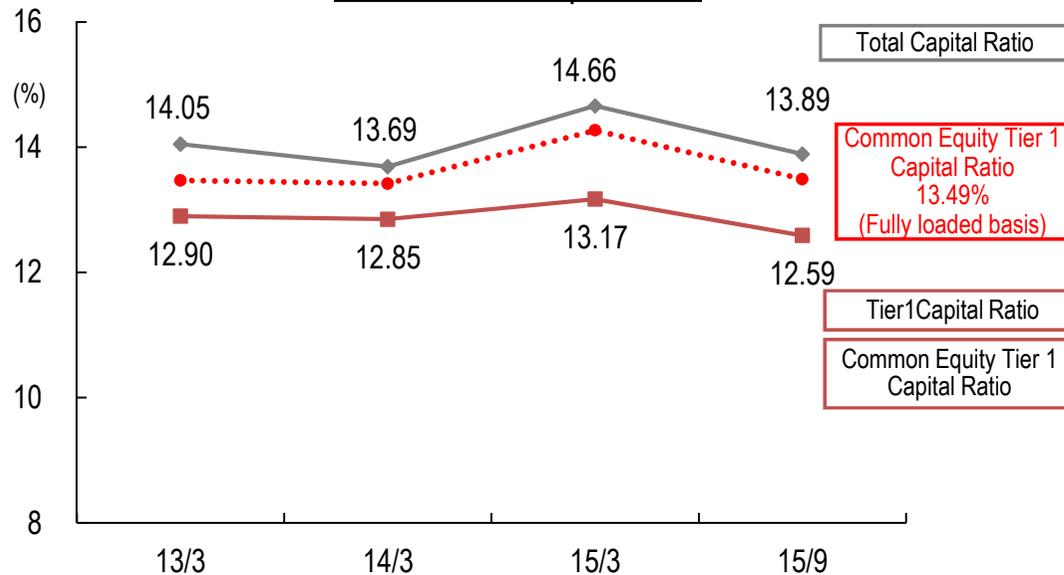


Corporate Advisory Committee (2015.8)

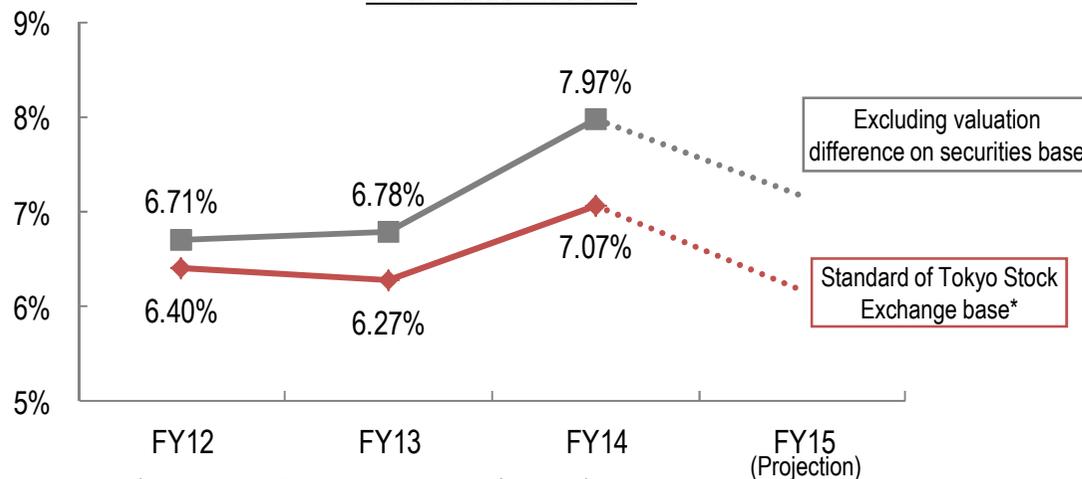
Organization	Corporate Advisory Committee
Role	Advisory organization of President
Members	In-house Directors 4 / Outside Directors 3
Consulting matters	1. Important corporate topics 2. Appointment of candidates of director, remuneration for directors, etc.

### 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)

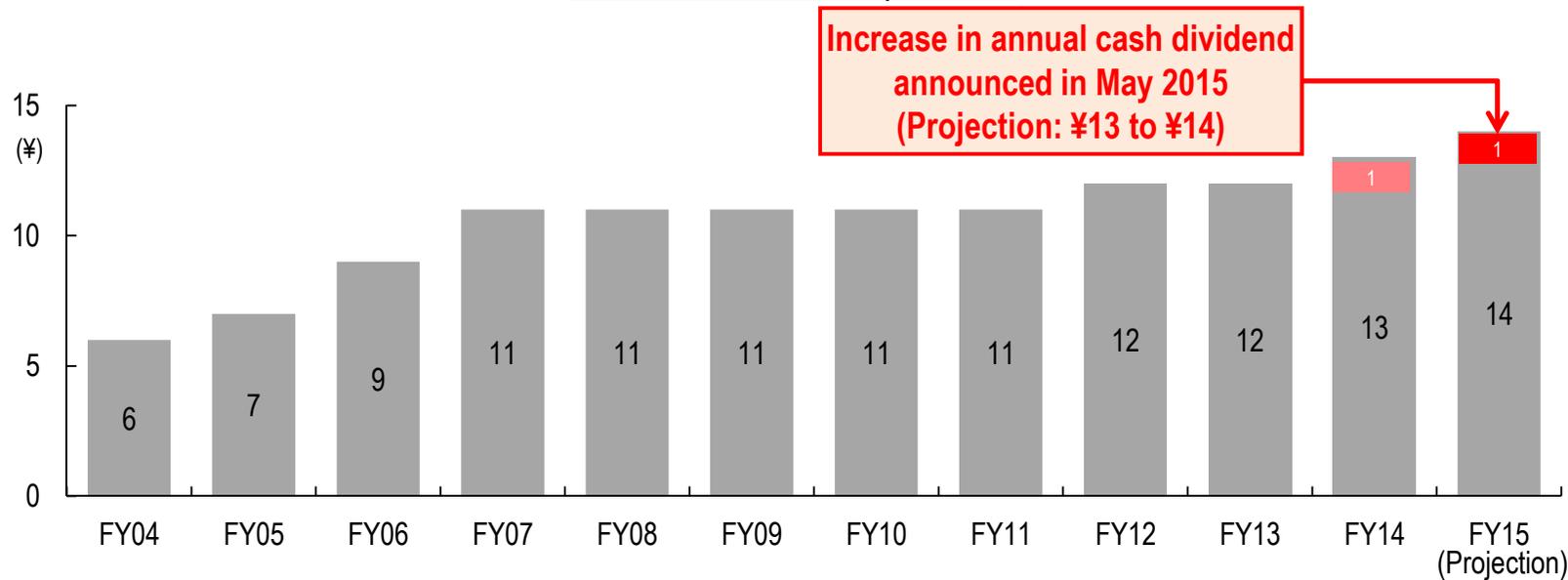
(¥Bil)	15/3	15/9	Change
<b>Total Capital</b>	824.1	835.5	11.4
Tier 1 Capital	740.0	757.4	17.3
Common Equity Tier 1 Capital	740.0	757.4	17.3
Other Tier 1 Capital	-	-	-
Tier 2 Capital	84.0	78.1	△ 5.9
<b>Total Risk-weighted Assets</b>	5,618.1	6,014.5	396.4
Credit Risk	5,209.0	5,279.7	70.7
Market Risk	69.2	64.0	△ 5.2
Operational Risk	297.3	297.3	0.0

#### Other BIS regulations(Consolidated)

	15/9	Reference
Leverage ratio	5.45%	Not less than 3% (Basel Committee guidance) Final standard from 2018
Liquidity coverage ratio (LCR)	128%	Not less than 60% (phase-in applying) (Final standard from 2019: Not less than 100%)
Net stable funding ratio (NSFR)	15/3 127%	Not less than 100% from FY2017

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

Annual cash dividend per share



Steady increase in dividend keeping stable dividend policy

Flexible acquisition of own shares

Keep proactive approach toward shareholder returns

(¥Bil.)	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15 (Projection)
Annual cash dividend (a)	5.0	6.1	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 returns (c)=(a)+(b)	5.0	6.1	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)	34.3	46.7	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	14.7%	13.0%	16.0%	22.0%	86.8%	27.1%	25.6%	26.7%	23.5%	23.6%	23.6%	23.0%
Shareholder return ratio (c)/(d)*100	14.7%	13.0%	16.0%	22.0%	86.8%	27.1%	38.9%	42.9%	48.0%	46.8%	45.4%	43.0%

**Acquisition of own shares (2015.8-10)**  
**Shares: 11.1Mil.**  
**Amount: ¥9.99 Bil.**