

1H FY2016
Earnings Results Briefing
(Reference materials)

December 2, 2016



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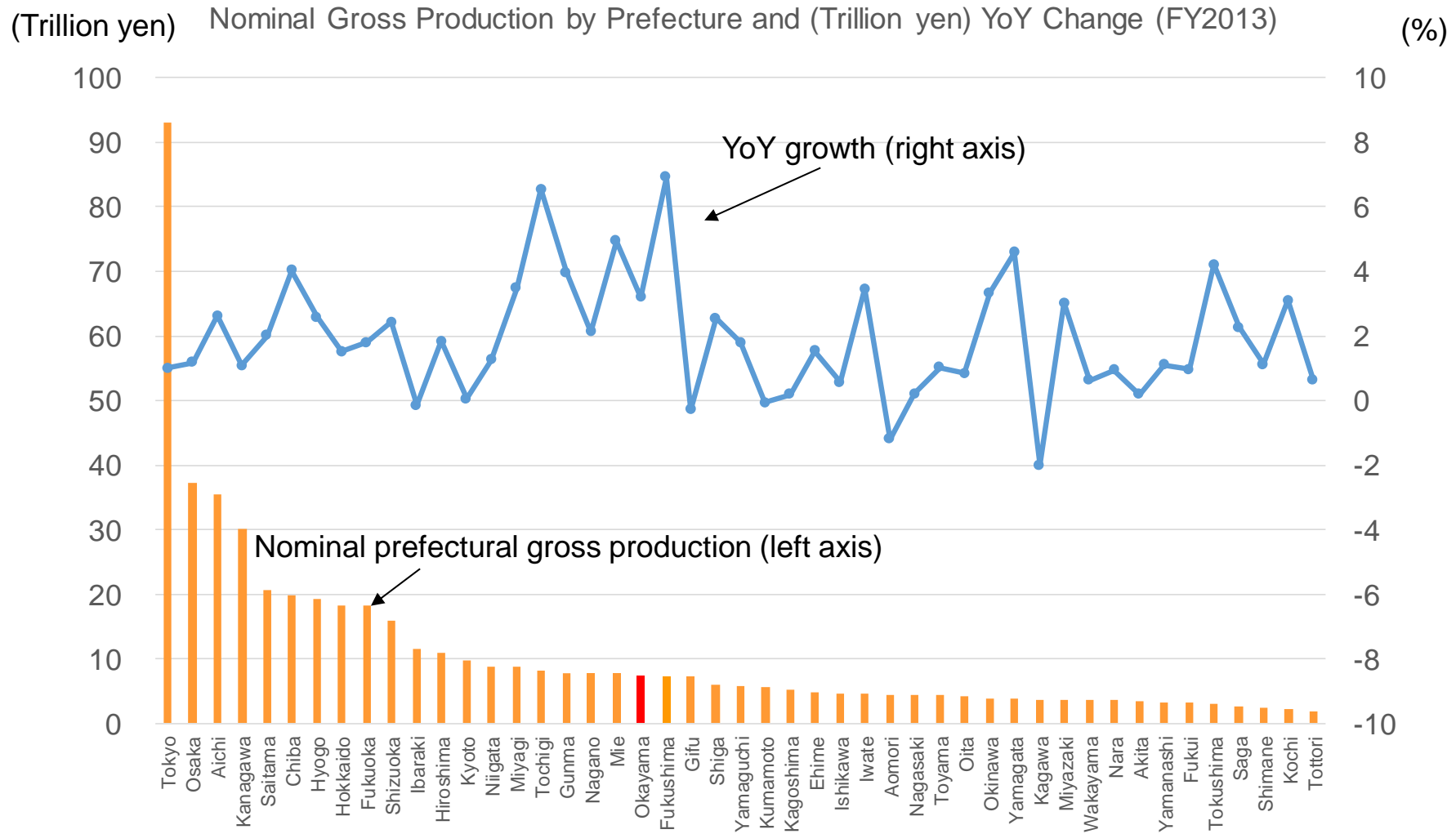
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Okayama Prefecture's Industrial Structure

Okayama Prefecture's Economic Scale

Items	Actual	Nationwide ranking (%)	Rank	Source	Survey date
Area	7,114 km ²	1.9	17	Nationwide survey on size of villages, townships, cities, and prefectures	Oct. 2015
Population	1,922,000	1.5	20	National census	Oct. 2015
Number of Households	772,977	1.4	18	National census	Oct. 2015
Prefectural gross production (nominal)	7.2734 trillion yen	1.4	20	Prefectural accounts	FY2013
Number of private enterprises	85,510	1.5	21	Economic census	Jul. 2014
Number of employees working at private enterprises	823,920	1.4	20	Economic census	Jul. 2014
Agricultural yield	123.5 billion yen	1.5	24	Statistics of Source: Agricultural Income Produced	2014
Product shipments	8.2557 trillion yen	2.7	14	Survey of Industry Statistics	2014
Information and communication industry sales	145.8 billion yen	0.3	21	Economic census	2013
Wholesale and retail industry sales	4.9866 trillion yen	1.0	19	Economic census	2013
Real estate industry sales and lease of goods	264.0 billion yen	0.7	17	Economic census	2013
Hotel and restaurant industry sales	236.4 billion yen	1.2	23	Economic census	2013
Life related services and entertainment industry sales	372.6 billion yen	1.1	25	Economic census	2013
Healthcare and welfare sales	1.1158 trillion yen	1.2	17	Economic census	2013
Construction output	645.0 billion yen	1.3	24	Construction statistics	2015
New housing starts	12,392	1.4	19	Housing start statistics	2015
Customs and trade	2.6649 trillion yen	1.7	12	Trade figures by port	2015

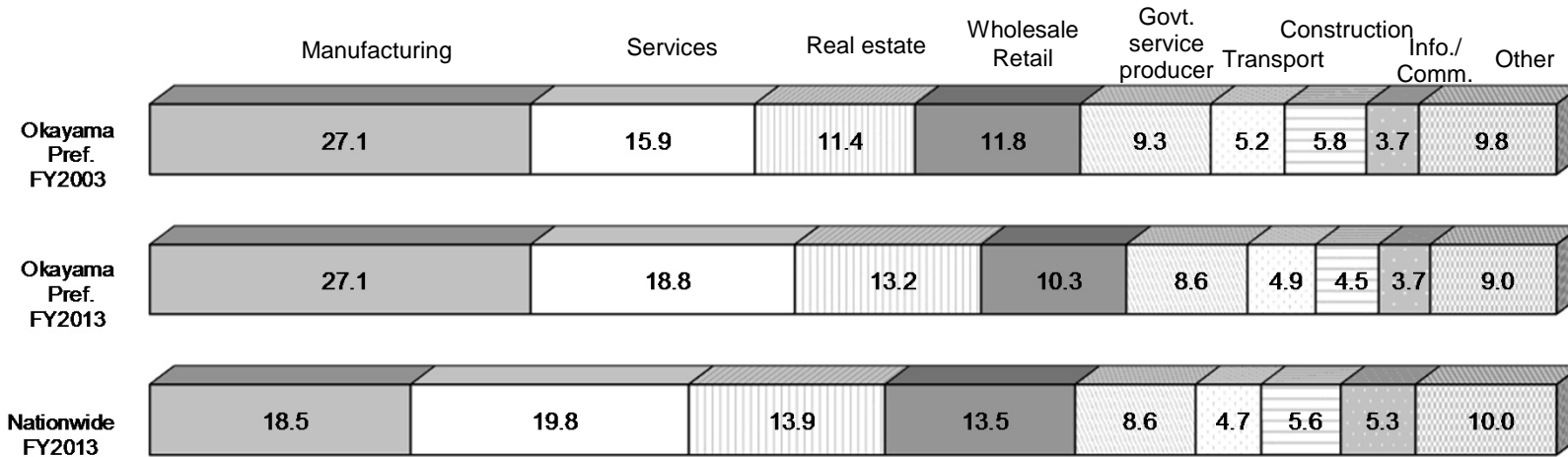
Okayama Prefecture's Economic Scale



Source: FY2013 Cabinet Office's Annual Report on Prefectural Accounts

Okayama Prefecture's Industrial Structure (1)

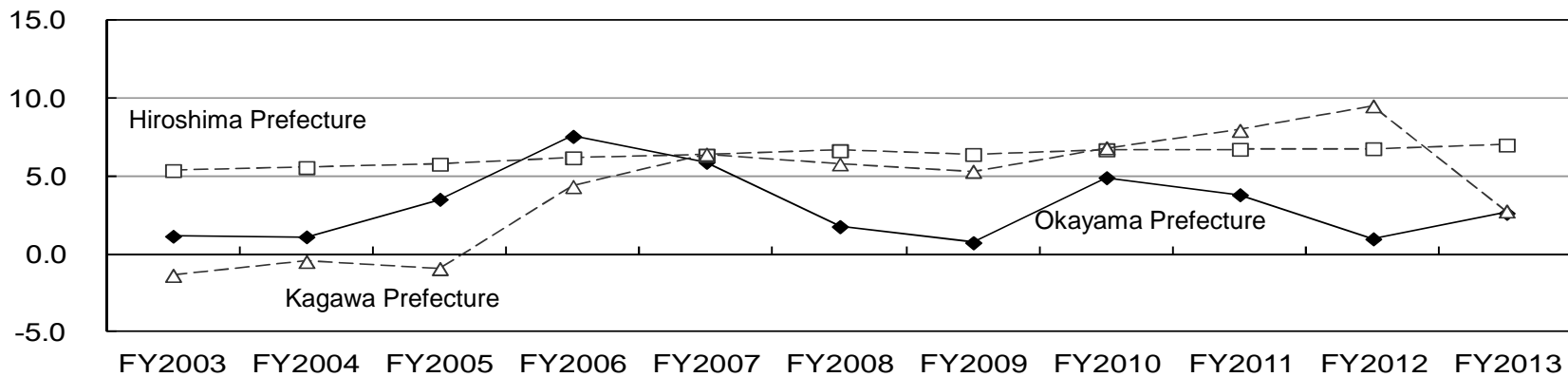
Gross production by economic activity (%)



Source: Cabinet Office's Annual Report on Prefectural Accounts

*Total figures may not be 100% due to rounding.

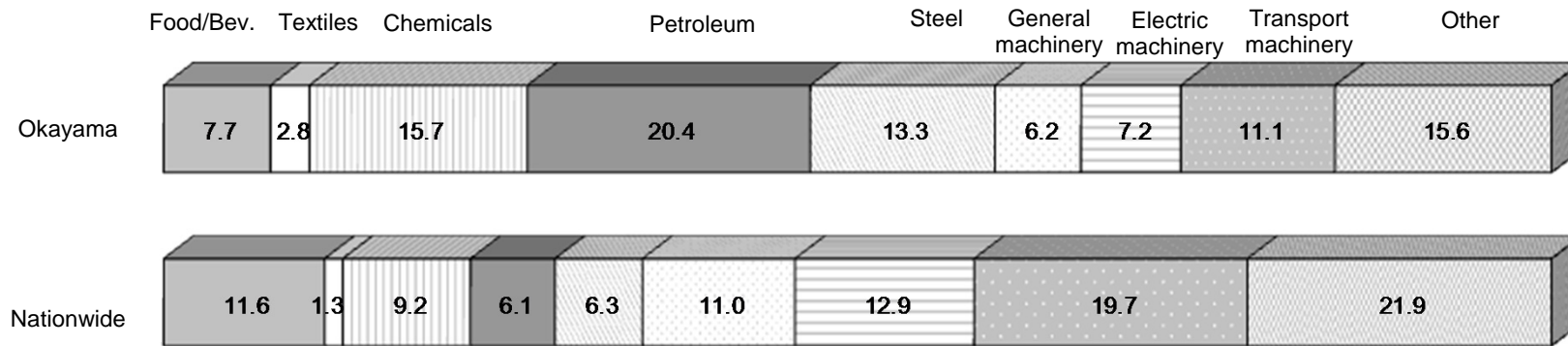
Ratio of goods and services imports/exports (net) to prefectural gross production (nominal) (%)



Source: Cabinet Office's Annual Report on Prefectural Accounts

Okayama Prefecture's Industrial Structure (2)

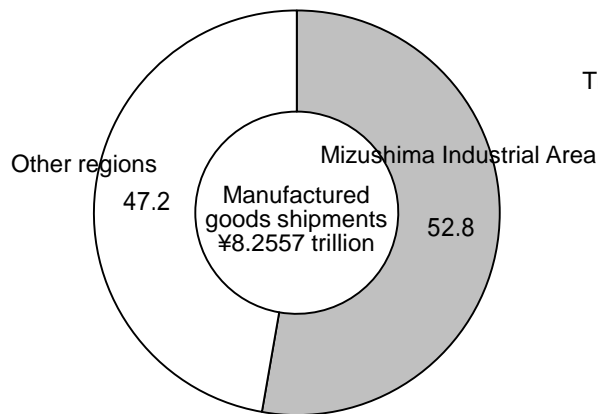
Breakdown of manufactured goods shipments (2014)



Source: METI, Survey of Industry Statistics for Okayama Prefecture

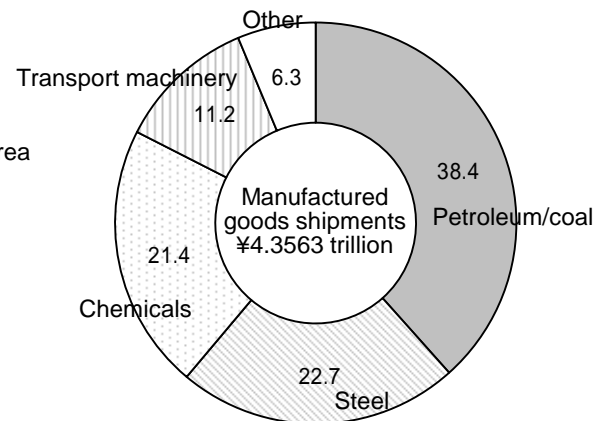
Mizushima Industrial Area's presence

Ratio of manufactured goods from the Mizushima Industrial Area versus total Okayama manufactured goods shipments (2014)



Source: Survey of Industry Statistics for Okayama Prefecture

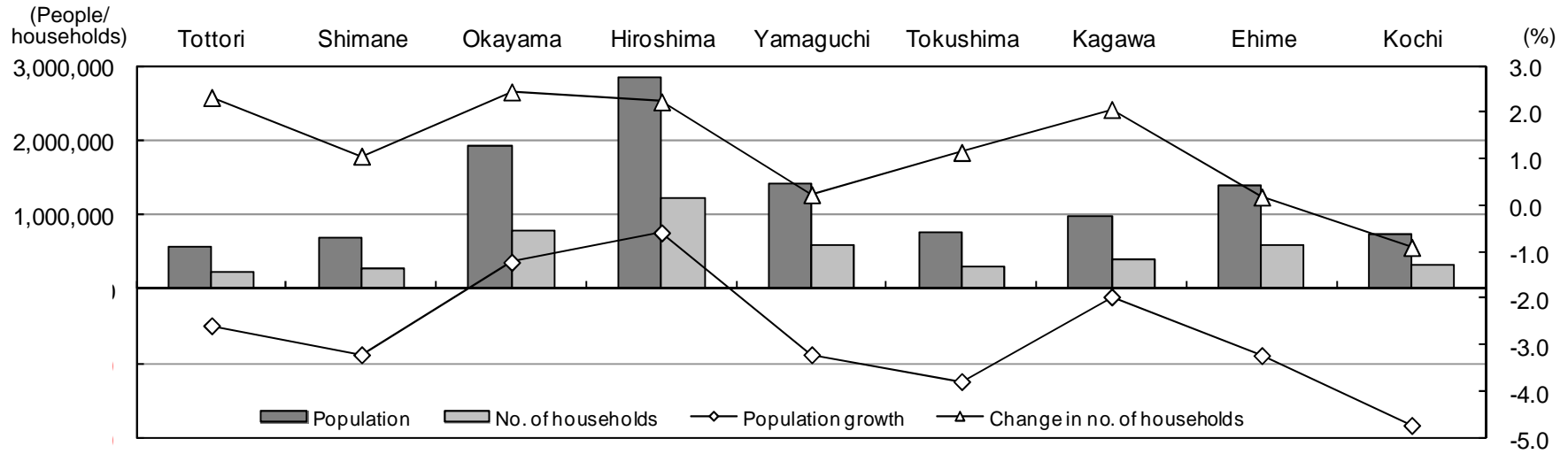
Breakdown of manufactured goods from the Mizushima Industrial Area by industry (2014)



Source: Same as on the left

Okayama Prefecture's Growth Infrastructure and Potential (1)

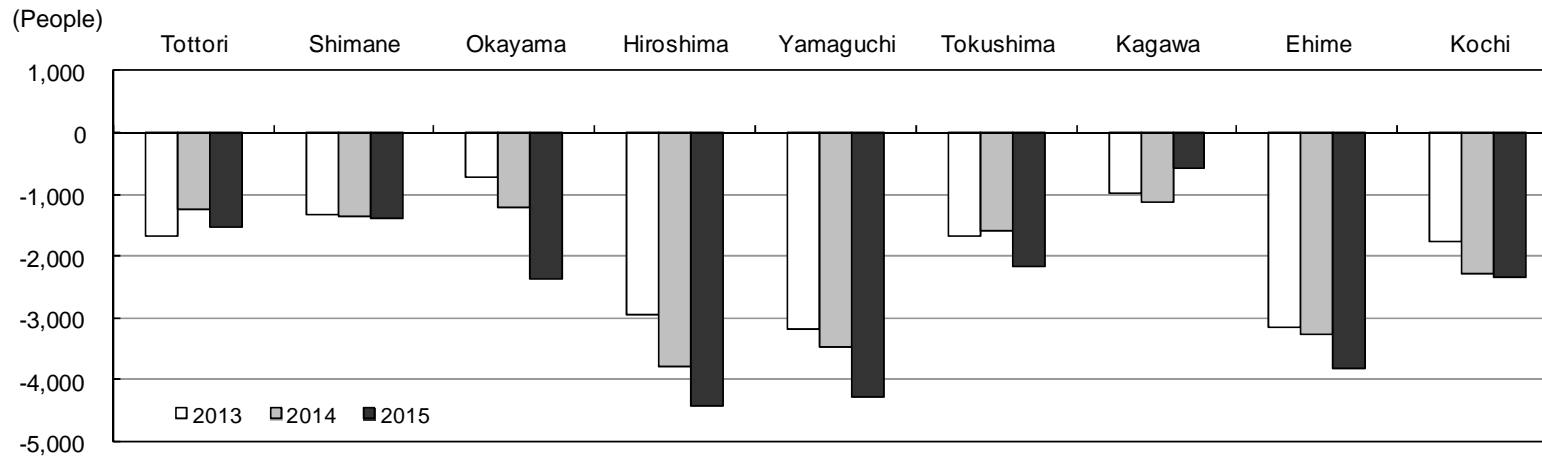
Population/No. of Households in Chugoku/Shikoku Region



Source: 2015 Population Census of Japan, Ministry of Internal Affairs and Communications

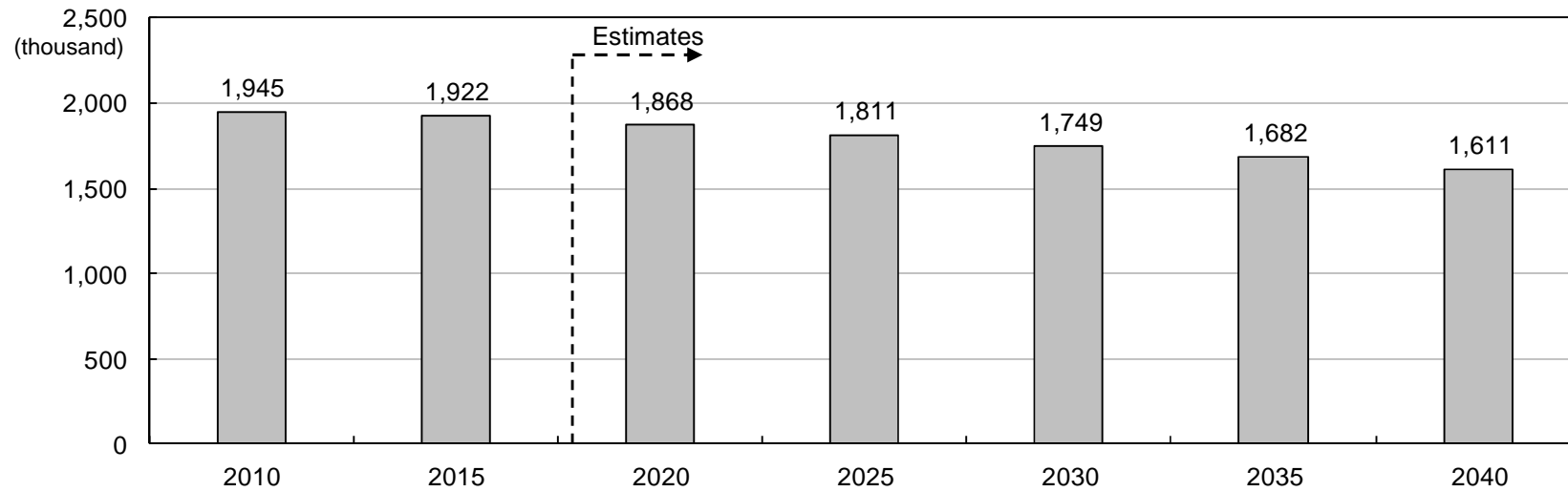
Note: Population and number of households is for October 1, 2015; The change in population and households is a comparison between October 2010 and October 2015.

Number of people moving to prefectures in the Chugoku-Shikoku region (in excess of the number of people leaving)



Source: Population transfer report based on basic resident registrations, Ministry of Internal Affairs and Communications

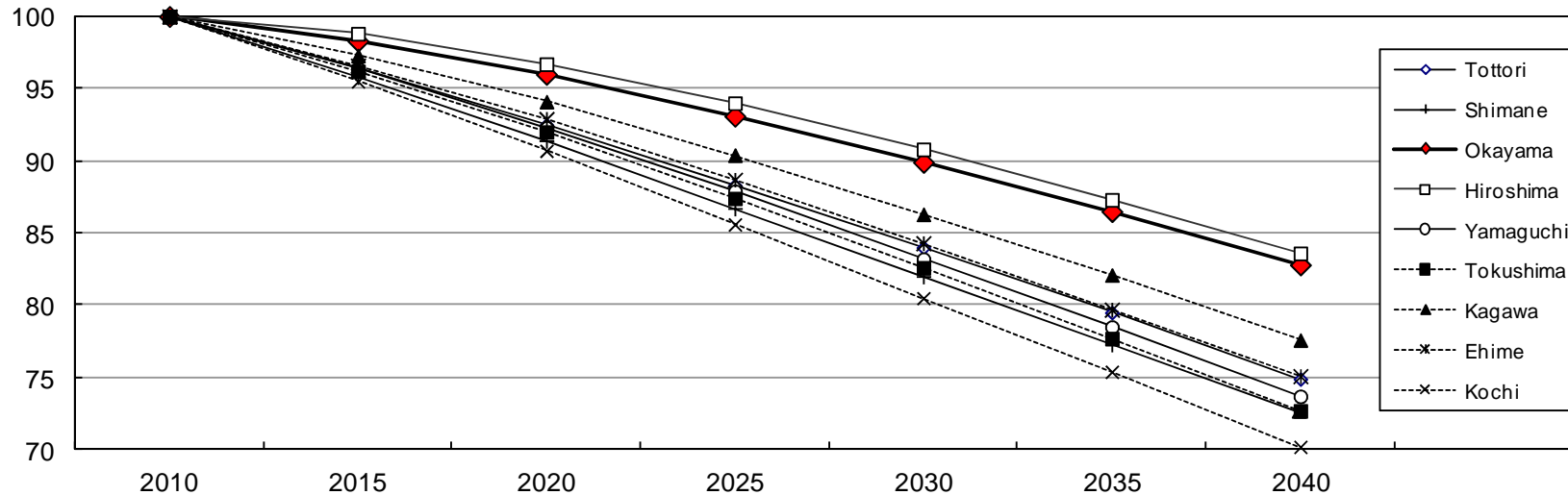
Population trends for Okayama Prefecture



Source: National Institute of Population and Social Security Research

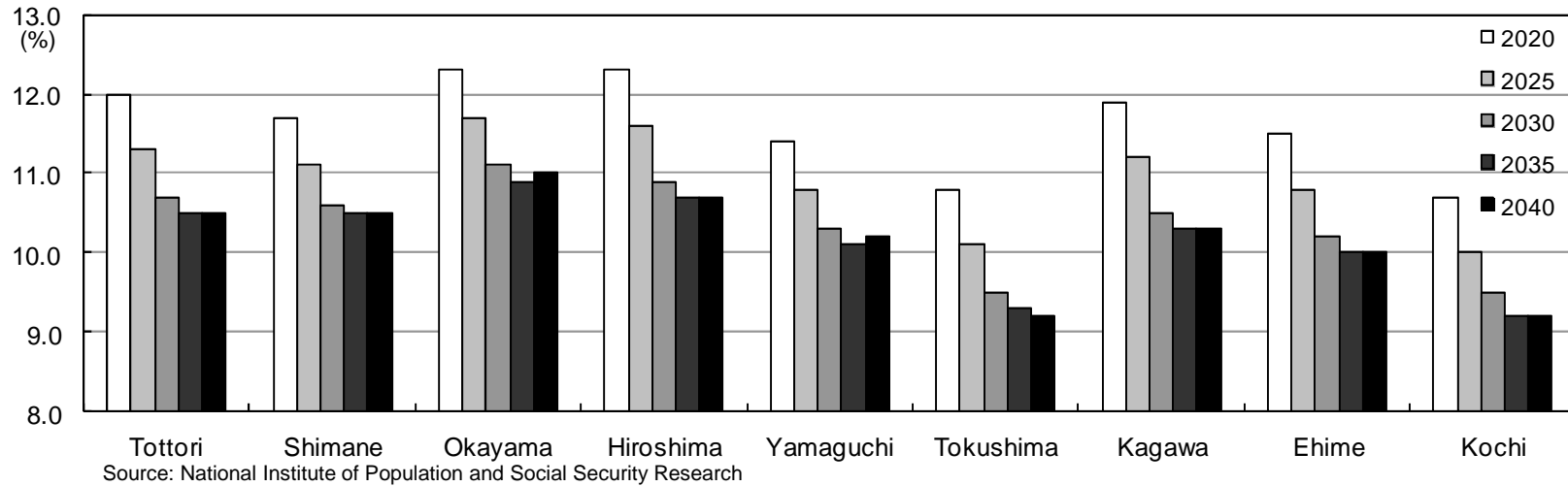
Future population trends for the Chugoku-Shikoku region

(2010 indexed at 100)

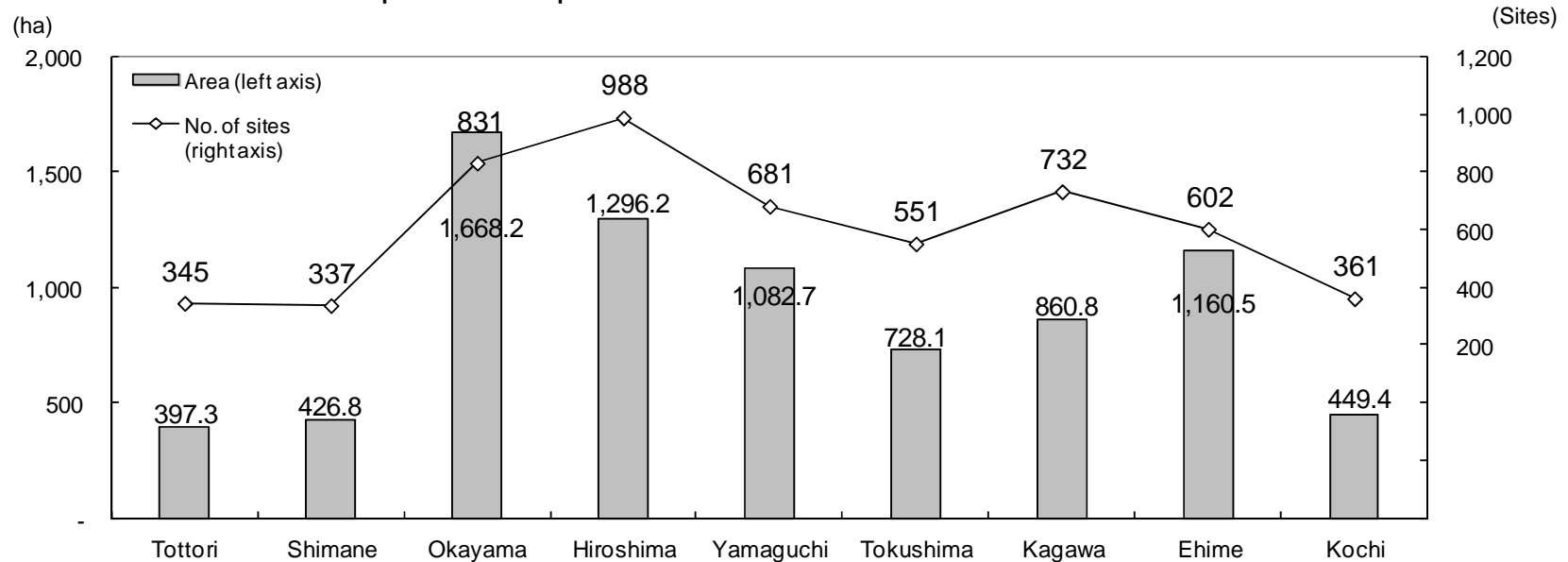


Source: National Institute of Population and Social Security Research

Youth population ratio trends in the Chugoku-Shikoku region



Cumulative total for number of prefectural plant sites and site areas



Note: Acquired sites 1,000 sq. meters or larger. Cumulative for the period from January 1988 to June 2016; Excludes the electric power industry from 2015 onward
 Source: Chugoku Bureau of Economy, Trade and Industry, Shikoku Bureau of Economy, Trade

Okayama evolving as an industrial area

Rich natural environment **Disperse disaster risk**
 Chugoku-Shikoku crossing point
Extensive transportation infrastructure

- Ongoing construction of distribution sites
 Area taken up by commercial sites in Okayama is the largest in the Chugoku-Shikoku area*
*Okayama Prefecture Warehouse Association survey (areas for warehouses in categories 1-3)
 - Example of optimal site:
Okayama IC Logistics Center
 Okayama's largest distribution facility launched in November 2015
 - Japan Post is setting up a center for launch in 2017
 - Manufacturers and distribution companies using Okayama as their main location for West Japan
 Key crossing point between Chugoku-Shikoku area and West Japan
 Distribution to East Japan possible during emergencies

- Increase in industrial zones
 Local government's active infrastructure development and promotion activities to invite companies to the prefecture
 - Companies consecutively deciding to set up large plants, including on Tamashima Harbor Island and in Maniwa Industrial Park
 - Lack of industrial land in southern part of prefecture
 Movement to newly develop area, including the development of an industrial zone to the south of the airport



Source: Okayama Prefecture website

Attractive city, people, and business environment

Number of visitors for tourism purposes is increasing

Strong **inbound** demand —To a city which foreigners also visit—

- ◆ A record number of foreign overnight travellers (FY2015)
- ◆ Korakuen, one of the Japan's Three Great Gardens, received more than 800,000 visitors for the first time in 15 years
Rated three stars in Michelin Green Guide Japan
- ◆ A biomass Tour received the Japan Tourism Awards in the category of regional management

Korakuen (Photo: Official website of Okayama Korakuen)



Cheerful life in native prefecture: Popular among people raising children

Ranking of rural areas people wish to live in **Top 5*** (2015)

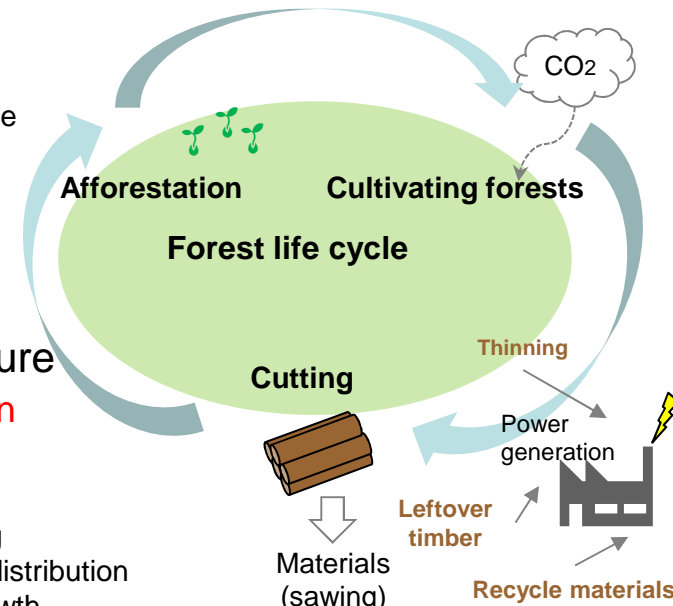
- ◆ Natural environment that also offers urban functions
- ◆ Public and private sectors promoting move to and permanent residence in Okayama
Extensive aid for child-rearing and medical subsidies
Active support for housing, farming, and job hunting

*Based on survey by NPO aiding people's return to home prefectures (NPO Furusato Kaiki Support Center)

Recycling-oriented economy in north of prefecture

Local resources to serve as model for **regional revitalization**

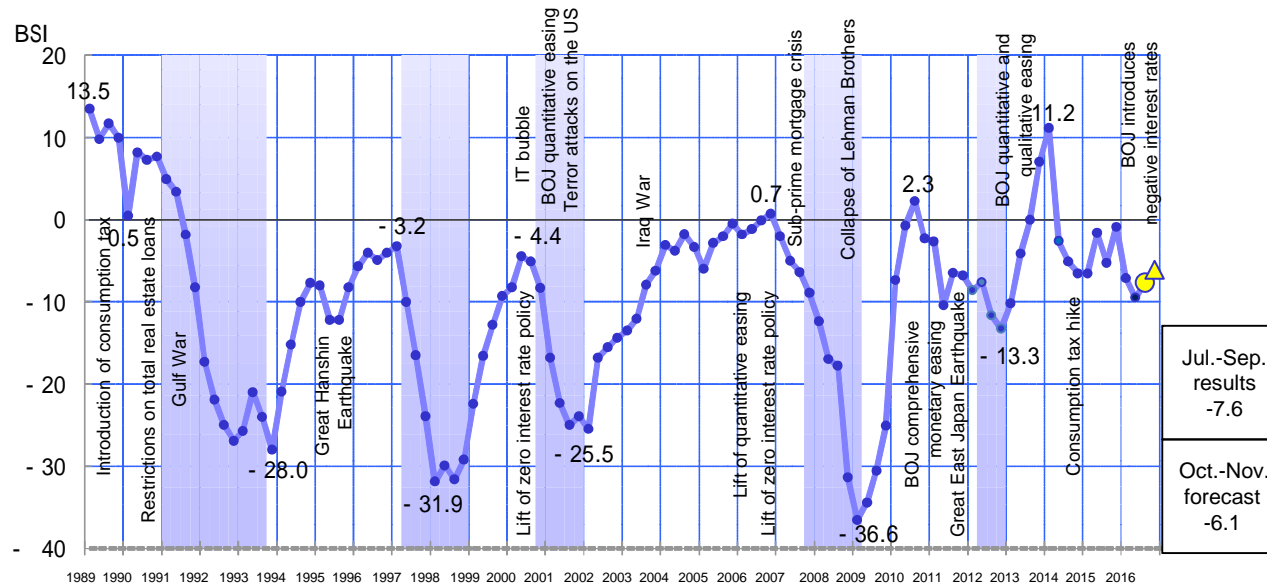
- ◆ Renewable energy by using abundant natural resources
Power generation using recyclable, wood biomass
Maintain, preserve forest functions by using timber from forest thinning
- ◆ A forestry cluster with a concentration of production, processing, and distribution
The recovery of self-sufficiency of domestic timber poses a further growth opportunity
In April 2016, the first plant dedicated to CLT* (Cross Laminated Timber) in Japan was completed



*Cross Laminated Timber: large wood panels that consist of layers of boards glued together under pressure with the grain of the boards in one layer running perpendicular to the grain in adjoining layers. They are more easily processed than steel frames and steel reinforced concrete, and are widespread mainly in Europe.

Okayama Prefecture's Economic Trends

Some parts of the economy in Okayama show signs of recovery, despite continued sluggishness



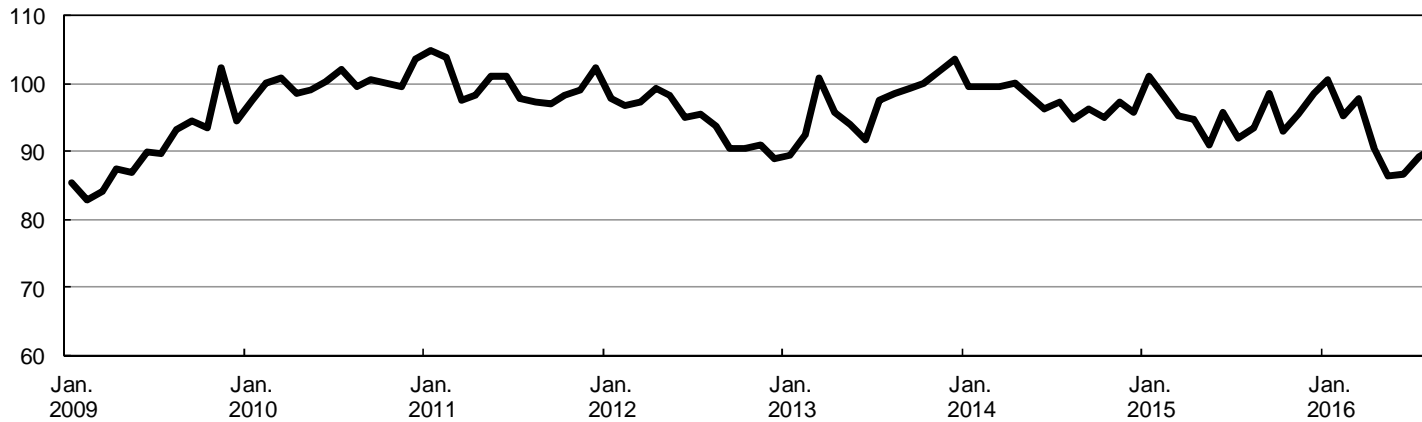
Shaded areas represent periods of economic recession (Cabinet Office)

BSI (Business Survey Index) is designed to measure corporate managers' confidence in sales and business conditions and their forecasts for their company's performance (favorable turnaround, unchanged, deterioration). A favorable turnaround year-on-year warrants an A, while unchanged performance warrants a B, and deterioration a C (A+B+C=100). The BSI is calculated by using the following equation: $(A - C) \div 2$. Consequently, the more corporate managers that indicate their company's performance is taking a positive turnaround, the closer the index reaches to 50. Conversely, the more respondents that determine performance is deteriorating the closer the index is to -50.

Local Economic Trends (2)

Industrial production ... Bottomed out due to resumption of compact vehicles production

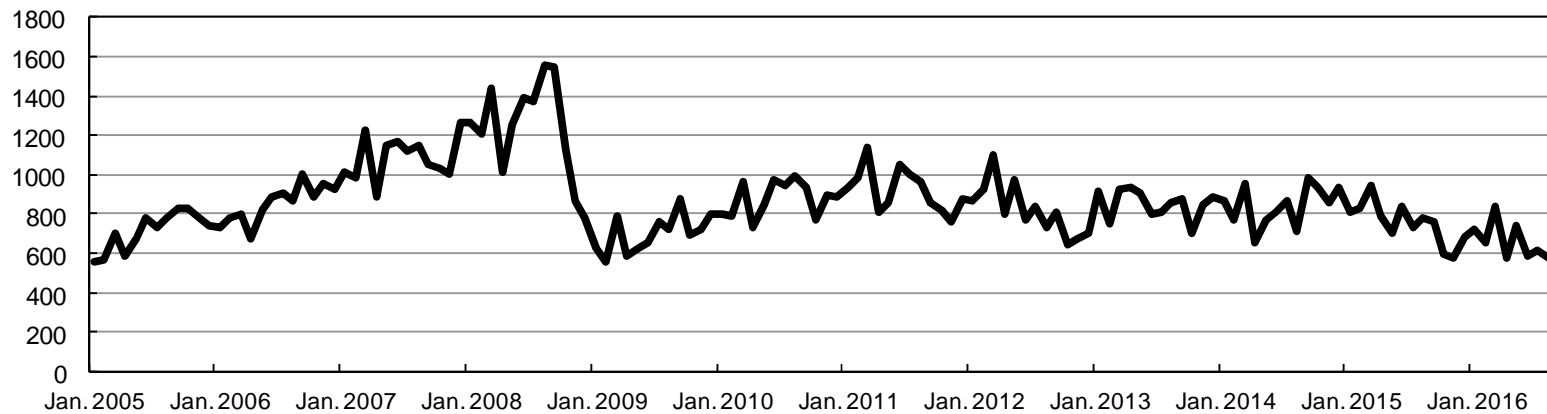
Industrial production index trends (2010 indexed at 100; seasonally adjusted)



Source: Okayama Prefecture Statistical Analysis Section

Exports ... Weak due to slow-down of the Asian economy

Customs clearance value for exports (yen basis; 100 million yen)



Source: Kobe customs

Local Economic Trends (3)

Capital investment ... Flat

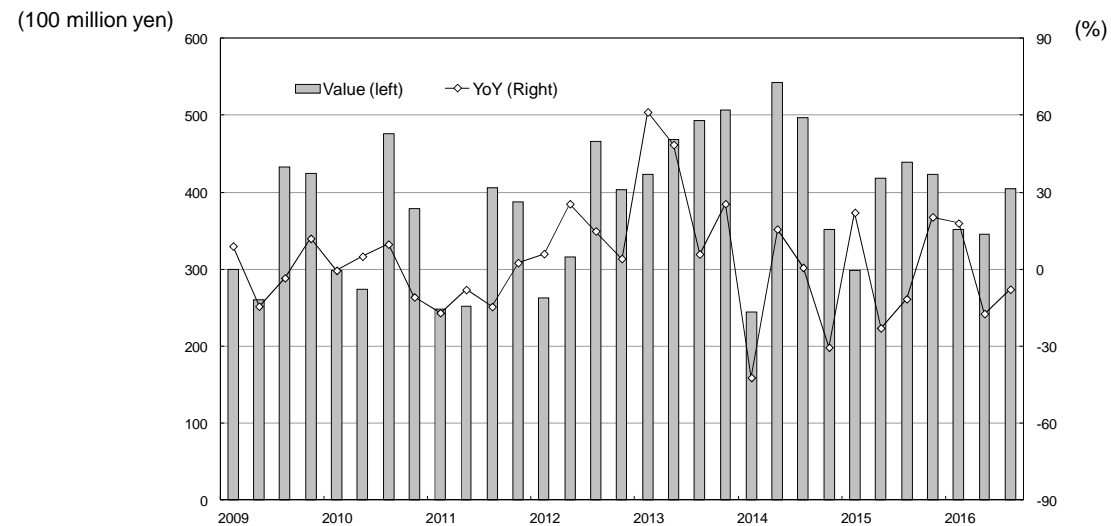
Change in capital investment year-on-year

(%)	Okayama			Nationwide		
	Manufacturing industry	Non-manufacturing	Total	Manufacturing industry	Non-manufacturing	Total
FY2013 results	-4.0	25.9	6.4	0.5	8.2	5.6
FY2014 results	0.1	-3.7	-1.4	6.8	3.1	4.3
FY2015 results	8.6	-2.5	4.4	9.1	2.9	5.0
FY2016 plan	39.9	-5.1	24.5	6.1	-6.8	1.7

Source: Bank of Japan; Okayama BOJ branch

Public investment ... Trending back and forth

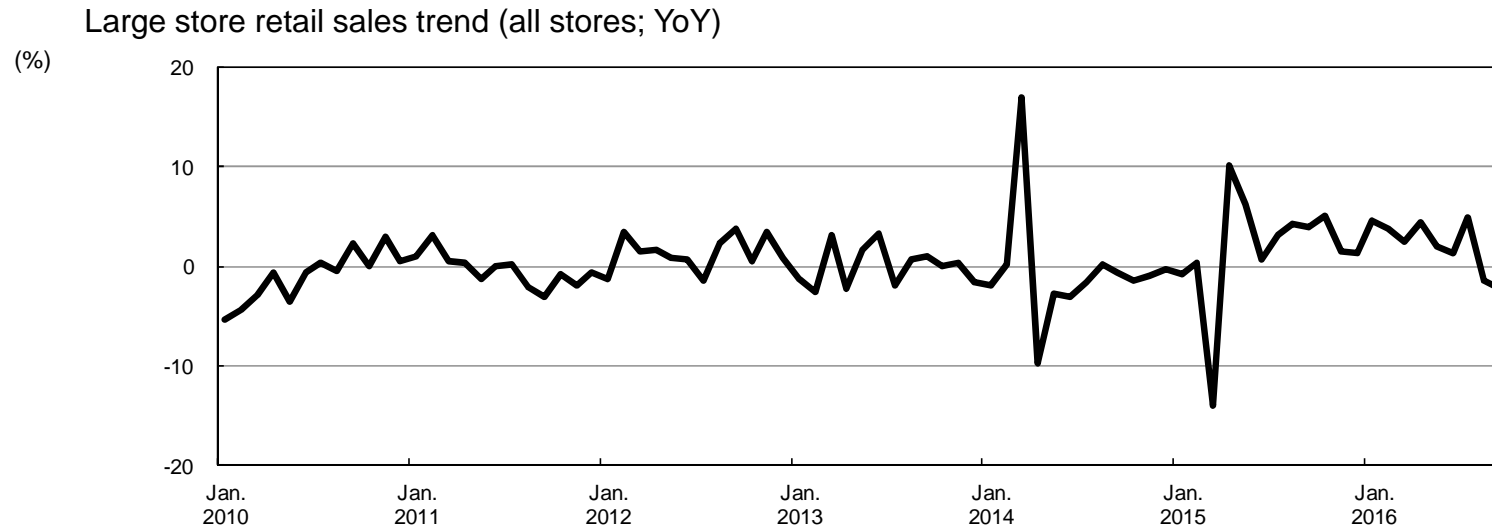
Change in public works investment year-on-year



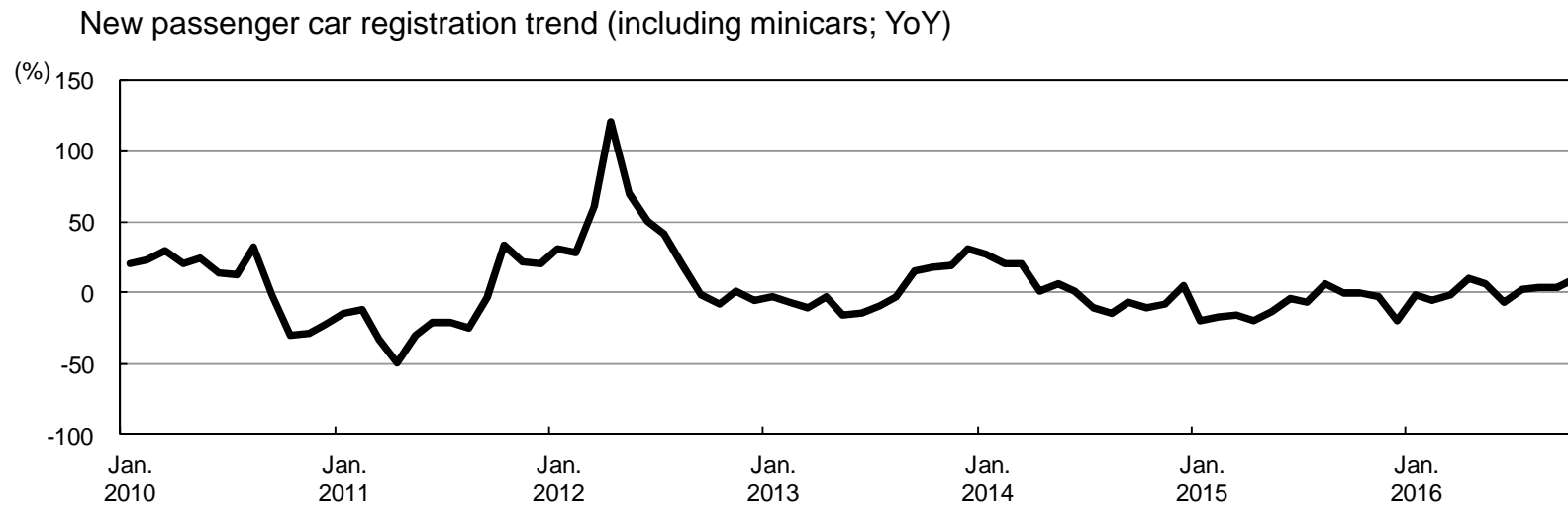
Source: West Japan Construction Surety Co.,Ltd.

Local Economic Trends (4)

Consumer spending ... Showing signs of recovery, despite an overall lack of strength

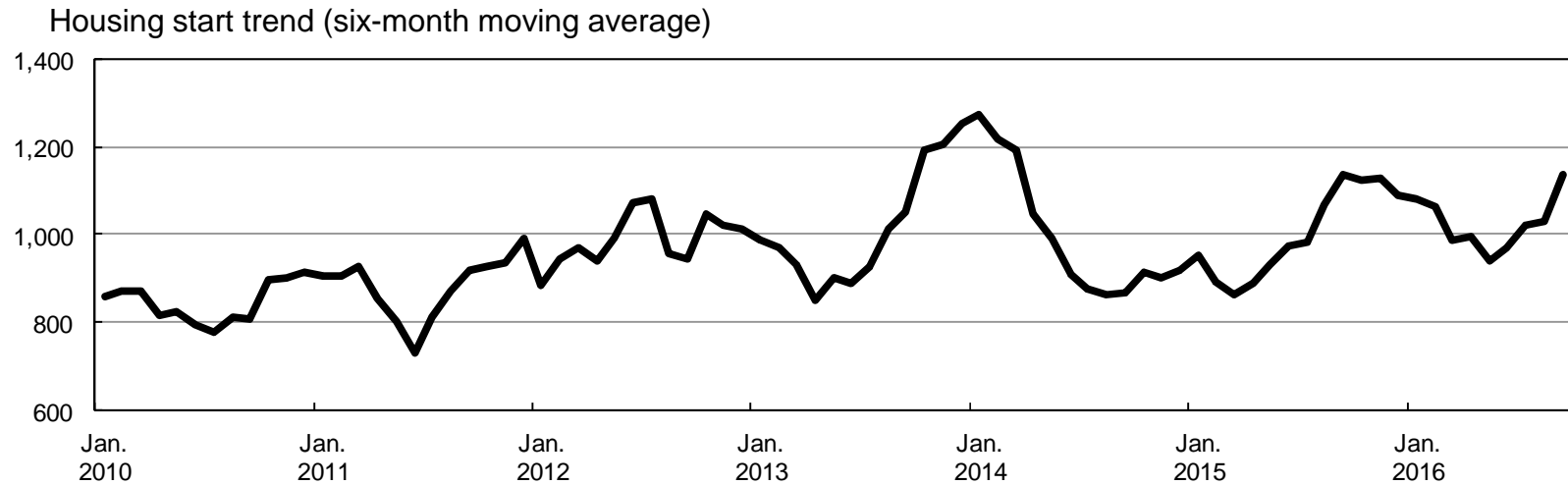


Source: Chugoku Bureau of Economy, Trade and Industry

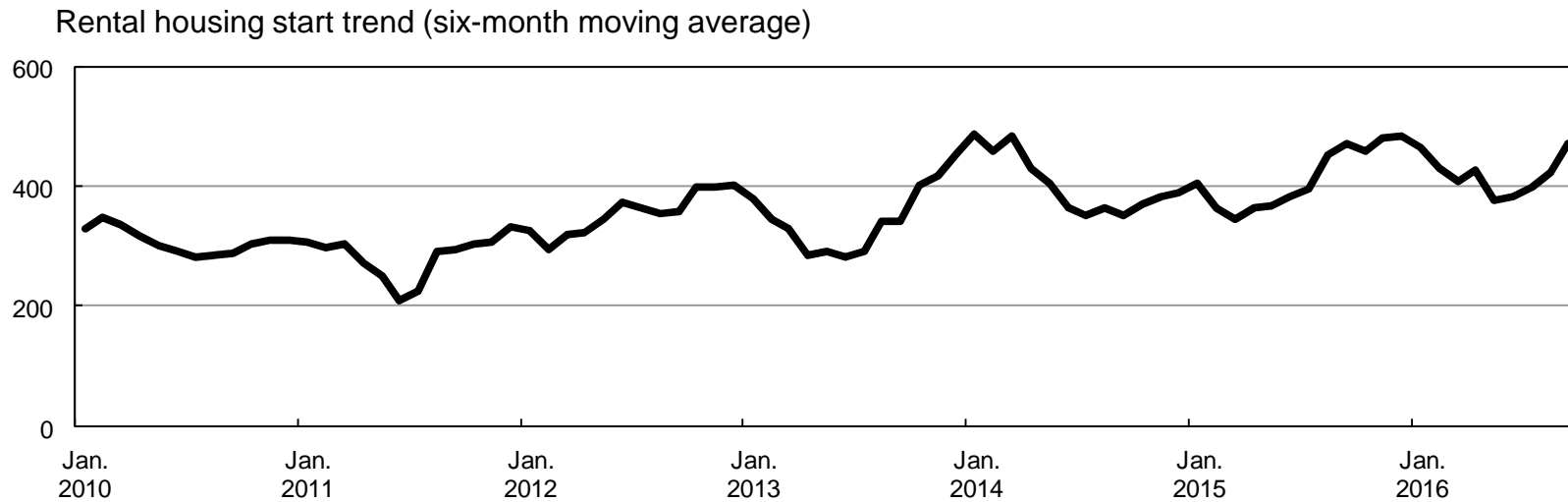


Source: Chugoku Transport & Tourism Bureau, Okayama branch

Housing investment ... Signs of recovery



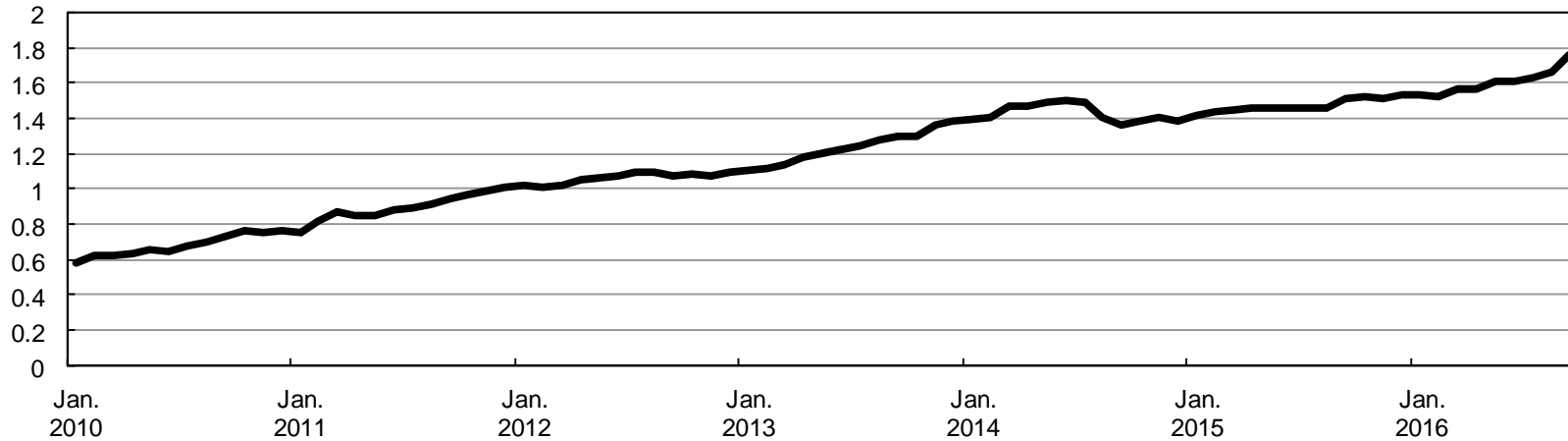
Source: MLIT



Source: MLIT

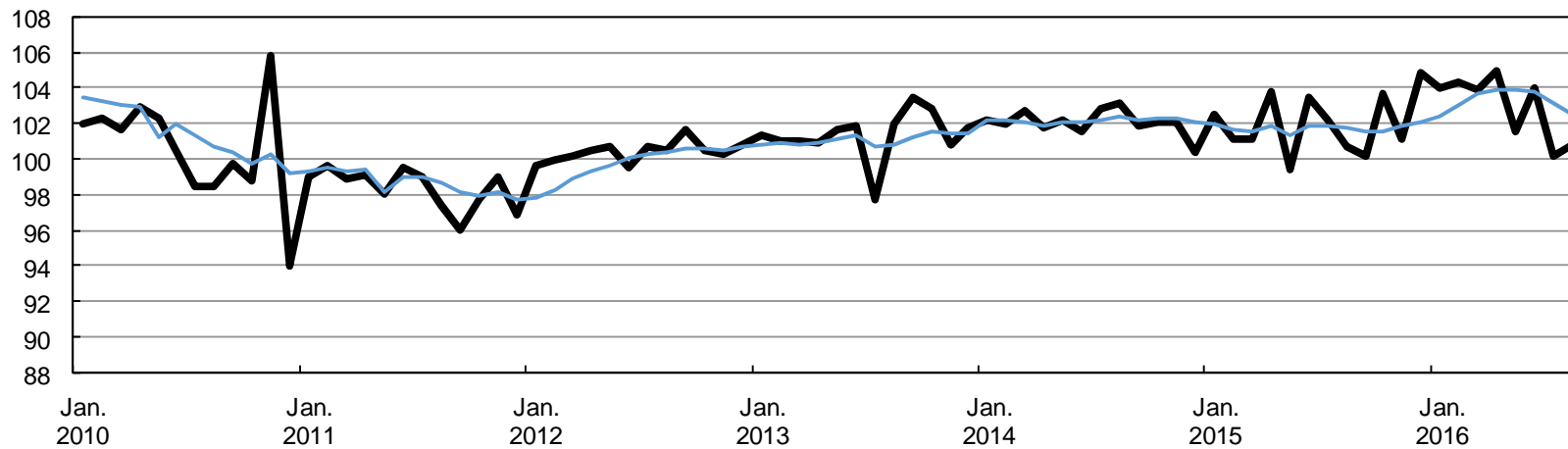
Employment and income trends ... Job opening to applicant ratio rising and trending strongly

Job openings to applicants ratio trend (seasonally adjusted)



Source: Data from employment service section Okayama Labor Bureau Ministry of Health, Labor and Welfare

Salary level trend (2010 indexed at 100; seasonally adjusted)

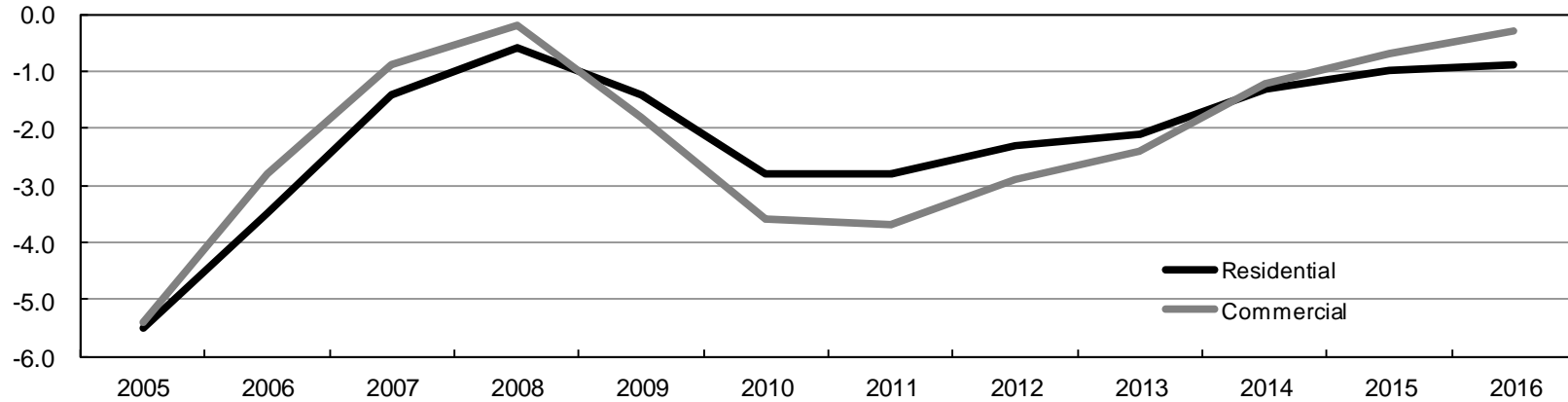


Source: Data from the Statistic Analysis Section of Okayama Prefecture seasonally adjusted by the Okayama Economic Research Institute

Local Economic Trends (7)

Land prices ... Decline has narrowed for the fifth consecutive year

(%) Standard land price trend (YoY)



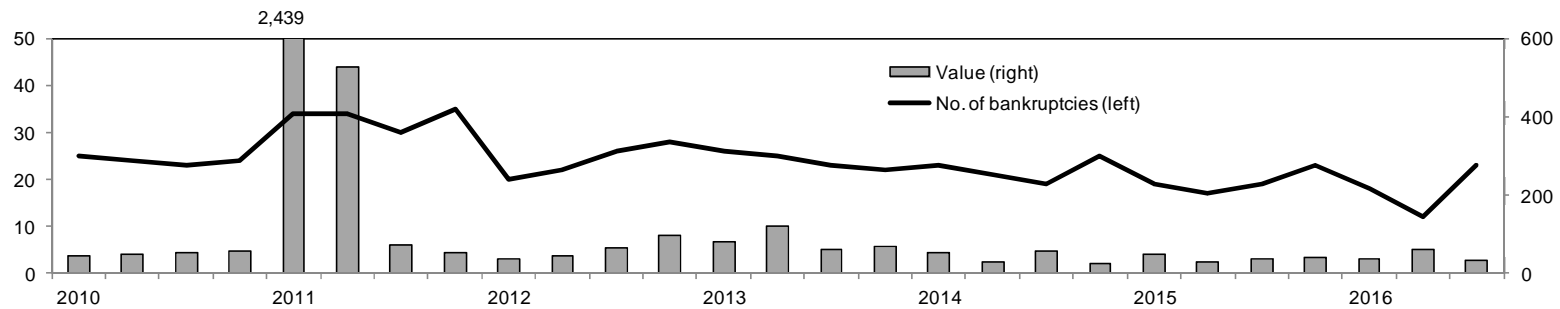
Source: Hilly and Mountainous Areas Development Division, Okayama Prefecture

Corporate bankruptcies ... Number of bankruptcies and total liabilities were at a low level

Corporate bankruptcy trend (quarterly)

(cases)

(100 million yen)



Source: Okayama branch, Teikoku Databank

Chugoku Bank's Management Indicators

Profit and Loss Statement (1)

[Parent] (Million yen)	FY2011	FY2012 1H	FY2012	FY2013 1H	FY2013	FY2014 1H	FY2014	FY2015 1H	FY2015	FY2016 1H
Ordinary revenue	117,598	51,195	102,256	60,354	117,853	55,893	109,307	58,723	113,236	58,634
Banking revenue	104,102	49,518	97,820	50,625	98,500	49,835	100,785	50,904	101,156	50,876
Extraordinary revenue	13,495	1,676	4,435	9,729	19,352	6,057	8,521	7,819	12,080	7,758
Ordinary expense	80,564	39,994	74,859	39,161	73,703	36,262	73,536	35,796	72,600	41,286
Banking expense	70,260	33,397	63,509	36,804	69,732	34,573	69,797	34,608	69,303	37,402
Extraordinary expense	10,303	6,596	11,350	2,357	3,971	1,688	3,739	1,187	3,297	3,883
Recurring profit	37,034	11,200	27,396	21,193	44,149	19,631	35,770	22,927	40,635	17,348
Banking income	33,863	16,128	34,327	13,828	28,783	15,269	31,001	16,303	31,866	13,478
Gross income	91,482	44,548	86,984	42,528	85,334	44,211	88,270	44,082	87,326	41,666
(Net interest income)	73,969	36,706	72,094	36,985	72,121	36,287	72,416	35,889	70,028	33,428
(Fees and commissions)	13,833	6,904	13,534	6,906	13,709	7,465	14,834	7,431	15,024	7,645
(Other banking income)	3,679	937	1,355	-1,363	-495	459	1,019	762	2,272	592
Expenses	57,619	29,605	56,919	28,700	56,551	28,942	57,269	27,779	55,459	28,187
General provisions for doubtful receivables	-	-1,186	-4,262	-	-	-	-	-	-	-
Extraordinary gain	15	-	8	30	91	1	1	44	46	-
Extraordinary loss	647	92	253	120	364	289	361	177	394	126
Impairment loss	442	55	79	36	143	237	246	66	124	80
Income before income tax (1H)	36,402	11,108	27,151	21,103	43,876	19,342	35,409	22,794	40,288	17,222
Corporate, residential, and business taxes	8,625	4,216	9,039	4,311	9,214	6,258	12,322	6,101	11,006	4,110
Income tax adjustments	9,556	-230	1,150	3,322	7,575	133	2,182	1,140	3,352	996
Net income (1H)	18,220	7,122	16,960	13,469	27,086	12,950	20,904	15,552	25,928	12,115

[Consolidated]										
Ordinary revenue	131,869	58,420	117,198	68,010	133,177	63,124	124,221	65,753	129,180	66,647
Recurring profit	39,651	13,093	31,216	23,189	48,107	21,306	39,106	24,262	43,440	18,473
Net income attributable to owners of the parent (1H)	19,067	7,793	18,426	14,301	28,717	13,594	24,702	16,094	27,252	12,590
Net income (1H)	19,445	8,294	19,392	14,736	29,592	13,931	25,446	16,211	27,522	12,745
Other comprehensive income	13,684	-5,419	38,713	-995	-669	15,318	48,293	-25,610	-14,871	-4,307
Valuation difference from other available-for-sale securities	14,424	-4,771	39,636	-2,067	-1,682	16,011	48,301	-25,683	-4,798	-4,566
Deferred hedge gains	-740	-647	-923	1,072	1,012	-648	-1,262	46	-1,811	-344
Comprehensive income (1H)	33,129	2,875	58,105	13,741	28,922	29,250	73,739	-9,398	12,650	8,437

Profit and Loss Statement (2)

[Parent] (million yen)	FY2011	FY2012 1H	FY2012	FY2013 1H	FY2013	FY2014 1H	FY2014	FY2015 1H	FY2015	FY2016 1H
Bond related gains/losses	439	730	1,034	-2,136	-1,626	225	45	406	1,742	732
Gain on bond sales, including JGBs	2,326	862	2,229	1,037	1,878	1,038	2,625	1,892	4,311	3,520
Gain on bond redemption, including JGBs	-	-	-	-	-	-	-	-	-	-
Loss on bond sales, including JGBs	1,887	131	1,195	3,173	3,505	813	2,580	1,485	2,568	2,788
Loss on bond redemption, including JGBs	-	-	-	-	-	-	-	-	-	-
Bond redemption, including JGBs	-	-	-	-	-	-	-	-	-	-
Equity-related gains/losses	-4,382	-2,458	-1,498	1,982	2,620	1,569	3,775	2,696	3,349	945
Gain on equity sales	1,021	302	1,628	3,574	5,062	2,438	5,448	3,255	5,126	3,401
Loss on equity sales	3,742	181	2,334	1,587	2,437	817	1,673	540	1,586	1,666
Share redemption	1,661	2,579	792	4	4	51	-	18	190	789
Non-performing loan disposal	-8,753	1,745	2,349	-4,310	-10,845	-1,827	222	-2,659	-3,755	-2,716
General provisions for doubtful receivables	456	-1,186	-4,262	-4,001	-9,456	-4,145	-6,160	-2,577	-3,652	-487
Individual provisions for doubtful accounts	-10,899	2,931	6,599	-328	-1,456	2,109	5,789	-82	-209	-2,241
Loan write-offs	1,532	-	-	-	6	-	-	-	-	-
Loss on claim sales	157	0	12	18	61	208	592	0	106	11

Ordinary Revenue Breakdown

[Parent] (million yen)	FY2011	FY2012 1H	FY2012	FY2013 1H	FY2013	FY2014 1H	FY2014	FY2015 1H	FY2015	FY2016 1H
Ordinary revenue	117,598	51,195	102,256	60,354	117,853	55,893	109,307	58,723	113,236	58,634
Banking revenue	104,102	49,518	97,820	50,625	98,500	49,835	100,785	50,904	101,156	50,876
Net interest income	80,824	39,458	77,760	39,830	77,648	39,004	78,174	39,113	77,137	37,604
Lending rate	51,070	24,421	48,241	22,945	45,475	21,991	43,673	21,195	42,622	20,789
Securities interest rate	28,854	14,789	29,041	16,656	31,751	16,787	33,951	17,526	33,777	16,432
Call loan interest rate	70	52	88	46	78	34	83	56	77	73
Interest rate on bills bought	-	-	-	-	-	-	-	-	-	-
Gensaki transaction interest rate	14	0	0	-	-	-	-	-	-	-
Deposit interest rate	423	13	40	23	39	53	207	211	410	189
Foreign currency interest income	49	26	52	30	60	26	51	23	50	28
Financial swap interest income	-	-	-	-	-	-	-	-	-	-
Other interest income	341	154	294	127	242	110	207	99	199	90
Fees and commissions	17,711	8,865	17,509	8,975	17,831	9,522	18,950	9,502	19,173	9,735
Fee and commission income	5,925	2,931	5,862	2,903	5,817	2,883	5,780	2,844	5,737	2,853
Other fee and commission income	11,777	5,931	11,642	6,072	12,012	6,639	13,167	6,657	13,435	6,882
Trust fees	7	2	3	-	1	-	1	-	1	0
Other banking revenue	5,567	1,194	2,550	1,818	3,020	1,308	3,659	2,288	4,844	3,536
Gain on sale of bonds, including JGBs	2,326	862	2,229	1,037	1,878	1,038	2,625	1,892	4,311	3,520
Gain on sale of foreign currencies	2,487	325	104	256	296	-	-	-	24	-
Gain on sale of securities	1	6	9	-	-	-	-	-	-	14
Financial derivative revenue	746	-	203	521	841	268	1,032	394	506	-
Other	4	0	2	2	4	0	2	1	3	1
Extraordinary income	13,495	1,676	4,435	9,729	19,352	6,057	8,521	7,819	12,080	7,758
Gain on sale of equities	1,021	302	1,628	3,574	5,062	2,438	5,448	3,255	5,126	3,401
Gain on investment trusts	65	6	52	119	152	50	145	-	12	5
Reversal to provisions for doubtful receivables	10,443	-	-	4,329	10,912	2,035	370	2,659	3,861	2,728
Gain on non-performing loans recovered	8	27	45	6	6	0	4	0	0	12
Other	1,957	1,339	2,709	1,700	3,218	1,532	2,553	1,903	3,079	1,610

Ordinary Expense Breakdown

[Parent]	FY2011	FY2012	FY2012	FY2013	FY2013	FY2014	FY2014	FY2015	FY2015	FY2016
(million yen)		1H		1H		1H		1H		1H
Ordinary expenses	80,564	39,994	74,859	39,161	73,703	36,262	73,536	35,796	72,600	41,286
Banking expenses	70,260	33,397	63,509	36,804	69,732	34,573	69,797	34,608	69,303	37,402
Interest expense	6,875	2,760	5,681	2,852	5,542	2,724	5,771	3,230	7,121	4,180
Expenses matching the amount of investment of money held in trust	20	7	15	7	14	6	13	6	13	4
Deposit interest	3,578	1,286	2,561	1,229	2,333	1,122	2,182	1,136	2,221	820
Negotiable certificates of deposit (NCD) interest	176	102	196	113	211	95	196	102	196	52
Call money interest	552	252	648	423	839	378	937	630	1,607	1,085
Securities lending transaction interest payable	391	236	512	130	237	161	511	384	1,134	889
Borrowed money interest payable	113	40	80	47	112	92	218	144	303	190
Foreign exchange interest payable	171	2	0	0	0	0	0	9	22	92
Financial swap interest payable	1,888	837	1,680	907	1,802	868	1,714	820	1,627	1,048
Other interest payable	2	1	2	1	5	5	10	1	8	0
Fees and commissions	3,877	1,960	3,975	2,069	4,122	2,057	4,115	2,071	4,149	2,090
Fees and commissions payable	894	437	879	440	880	435	875	441	883	454
Other fees and commissions payable	2,983	1,522	3,095	1,628	3,241	1,621	3,239	1,630	3,265	1,635
Other banking expenses	1,887	257	1,195	3,182	3,516	848	2,640	1,526	2,572	2,944
Loss on sale of bonds, including JGBs	1,887	131	1,195	3,173	3,505	813	2,580	1,485	2,568	2,788
Redemption of bonds, including JGBs	-	-	-	-	-	-	-	-	-	-
Loss on foreign exchange transactions	-	-	-	-	-	34	48	34	-	82
Loss on securities transactions	-	-	-	8	11	1	11	6	3	-
Financial derivative expenses	-	125	-	-	-	-	-	-	-	73
Other	-	-	-	-	-	-	-	-	-	-
General provisions for doubtful receivables	-	-1,186	-4,262	-	-	-	-	-	-	-
Expenses	57,619	29,605	56,919	28,700	56,551	28,942	57,269	27,779	55,459	28,187
Extraordinary expenses	10,303	6,596	11,350	2,357	3,971	1,688	3,739	1,187	3,297	3,883
Individual provisions for doubtful accounts	-	2,931	6,599	-	-	-	-	-	-	-
Redemption of loans and bills discounted	1,532	-	-	-	6	-	-	-	-	-
Loss on sale of equity	3,742	181	2,334	1,587	2,437	817	1,673	540	1,586	1,666
Equity redemption	1,661	2,579	792	4	4	51	-	18	190	789
Loss on money held in trust	151	135	17	62	25	70	3	106	182	98
Retirement expense	1,175	254	510	-37	-75	-67	13	39	78	855
Other	2,039	512	1,096	740	1,573	816	2,049	482	1,259	473

Expense Breakdown

[Parent] (million yen)	FY2011	FY2012 1H	FY2012	FY2013 1H	FY2013	FY2014 1H	FY2014	FY2015 1H	FY2015	FY2016 1H
Expenses (1)	57,619	29,605	56,919	28,700	56,551	28,942	57,269	27,779	55,459	28,187
Personnel	30,959	15,440	30,727	15,434	31,106	15,457	31,232	14,879	29,758	14,903
Salaries	16,643	8,320	16,706	8,290	16,650	8,250	16,549	8,259	16,571	8,316
Bonuses	6,078	2,923	5,640	2,879	5,894	3,029	6,268	3,107	6,146	3,002
Retirement expenses	2,448	1,216	2,433	1,222	2,437	1,011	2,024	212	426	222
Social insurance	3,297	1,682	3,371	1,714	3,461	1,753	3,550	1,789	3,580	1,804
Temporary employment expense	2,491	1,296	2,576	1,328	2,662	1,412	2,840	1,511	3,035	1,557
Property expense	23,959	12,408	23,600	11,496	23,015	11,636	23,238	10,901	22,615	11,250
Depreciation	3,270	1,375	2,849	1,382	2,829	1,368	2,837	1,456	3,135	1,730
Land and building leasing expense	647	330	676	357	722	371	757	398	787	358
Machinery leasing expense	260	102	197	62	137	58	128	60	134	62
Outsourcing expense	2,421	1,258	2,492	1,276	2,542	1,288	2,552	1,294	2,592	1,361
Maintenance expense	290	125	342	119	318	120	232	107	224	109
Travel expense	199	113	222	101	201	92	192	104	207	102
Sales promotion expense	-	16	39	26	53	33	64	33	62	34
Deposit insurance premium	4,207	2,153	3,572	2,193	3,639	2,258	3,789	1,178	2,356	1,209
Miscellaneous expense	12,663	6,932	13,209	5,976	12,570	6,042	12,681	6,266	13,114	6,283
Taxes	2,701	1,756	2,591	1,768	2,428	1,848	2,798	1,999	3,085	2,033
Core business gross profit (2)	91,043	43,818	85,950	44,664	86,960	43,986	88,225	43,676	85,583	40,933
OHR (1)-(2)	63.3%	67.6%	66.2%	64.3%	65.0%	65.8%	64.9%	63.6%	64.8%	68.8%

Major Yields

		FY2011	FY2012	FY2012	FY2013	FY2013	FY2014	FY2014	FY2015	FY2015	FY2016
			1H		1H		1H		1H		1H
Total for all branches	1. Interest-earning asset yield	1.34	1.28	1.25	1.22	1.19	1.14	1.11	1.08	1.06	1.00
	Loan yield	1.52	1.43	1.41	1.32	1.30	1.22	1.20	1.11	1.09	1.00
	Securities yield	1.15	1.11	1.06	1.14	1.08	1.10	1.10	1.21	1.16	1.12
	Call loan yield	0.18	0.17	0.19	0.14	0.14	0.20	0.18	0.17	0.19	0.30
	Deposit yield (including NCD)	0.63	0.33	0.26	0.16	0.18	0.10	0.10	0.09	0.10	0.10
	2. Interest-bearing liabilities	0.12	0.09	0.09	0.09	0.08	0.08	0.08	0.09	0.10	0.11
	Deposit yield	0.06	0.04	0.04	0.04	0.04	0.04	0.03	0.04	0.03	0.02
	Call money yield	0.51	0.45	0.45	0.36	0.35	0.32	0.37	0.51	0.65	1.00
	Loan yield	0.18	0.12	0.12	0.12	0.12	0.14	0.15	0.17	0.17	0.23
	3. Expense ratio	1.06	1.06	1.02	0.99	0.97	0.97	0.96	0.91	0.91	0.89
	4. Fundraising expense	1.13	1.10	1.05	1.01	0.99	0.97	0.94	0.90	0.90	0.88
5. Total net interest income (1-4)	0.21	0.18	0.20	0.21	0.19	0.17	0.17	0.18	0.16	0.12	
Simple loan-deposit margin	1.46	1.39	1.37	1.28	1.26	1.18	1.17	1.07	1.06	0.98	
Simple deposit-securities margin	1.09	1.07	1.02	1.10	1.04	1.06	1.07	1.17	1.13	1.10	
Domestic banking operations	1. Interest-earning asset yield	1.28	1.21	1.17	1.13	1.09	1.04	1.01	0.96	0.94	0.86
	Loan yield	1.53	1.44	1.42	1.33	1.31	1.23	1.21	1.12	1.09	0.97
	Securities yield	1.03	1.01	0.94	1.00	0.93	0.94	0.94	1.03	0.97	0.94
	Call loan yield	0.10	0.12	0.13	0.12	0.12	0.17	0.15	0.13	0.13	-0.02
	Deposit yield (including NCD)	0.43	0.24	0.24	0.16	0.18	0.10	0.10	0.09	0.10	0.10
	2. Interest-bearing liabilities	0.10	0.07	0.07	0.07	0.07	0.06	0.06	0.06	0.06	0.04
	Deposit yield	0.06	0.04	0.04	0.04	0.04	0.03	0.03	0.03	0.03	0.02
	Call money yield	0.10	0.10	0.10	0.07	0.07	0.06	0.06	0.05	0.06	-0.03
	Loan yield	0.13	0.12	0.12	0.12	0.11	0.11	0.11	0.11	0.11	0.06
	3. Expense ratio	1.04	1.04	1.00	0.97	0.95	0.95	0.93	0.88	0.88	0.87
	4. Fundraising expense	1.13	1.10	1.06	1.03	1.00	0.98	0.95	0.90	0.89	0.84
5. Total net interest income (1-4)	0.15	0.11	0.11	0.10	0.09	0.06	0.06	0.06	0.05	0.02	
Simple loan-deposit margin	1.47	1.40	1.38	1.29	1.27	1.20	1.18	1.09	1.06	0.95	
Simple deposit-securities margin	0.97	0.97	0.90	0.96	0.89	0.91	0.91	1.00	0.94	0.92	

Major Accounts (year-end balance) Assets

(100 million yen)	FY2011	FY2012 1H	FY2012	FY2013 1H	FY2013	FY2014 1H	FY2014	FY2015 1H	FY2015	FY2016 1H
Total assets	63,064	64,148	67,453	66,814	69,508	72,964	75,894	73,908	77,701	82,481
Interest-earning assets	61,730	62,902	66,364	65,425	68,159	69,468	71,082	68,344	72,100	74,626
Loans	34,273	34,036	34,811	34,486	35,664	36,121	37,289	38,610	40,365	42,173
Securities	26,460	27,613	30,240	29,672	31,431	32,013	32,614	28,773	31,073	30,347
Securities products	36	29	30	29	23	23	23	23	19	20
Money in trust	200	198	200	200	200	199	200	198	200	199
Deposits (excluding non-interest bearing portion)	1	100	300	150	150	150	52	52	53	112
Call loans	408	582	477	584	351	658	518	405	74	1,457
Debt purchased	295	300	261	239	273	242	320	198	206	222
Foreign exchange	53	40	42	62	64	58	63	81	107	76
(Interest-earnings assets)	61,530	62,703	66,164	65,224	67,959	69,268	70,882	68,145	71,900	74,427
Cash and deposits (non-interest bearing)	718	723	706	883	734	2,829	3,871	4,818	4,815	6,912
Tangible fixed assets	451	448	447	441	436	432	433	426	431	427
Intangible fixed assets	1	1	8	13	20	30	38	48	60	68
Other assets	450	324	374	375	369	350	580	355	332	461
Deferred tax assets	202	229	-	-	-	-	-	-	-	-
Guarantee endorsements	255	253	260	255	256	281	321	308	328	321
Provisions for doubtful receivables	-746	-735	-708	-580	-469	-428	-433	-392	-367	-336

Major Accounts (year-end balance) Liabilities & Net Assets



(100 million yen)	FY2011	FY2012 1H	FY2012	FY2013 1H	FY2013	FY2014 1H	FY2014	FY2015 1H	FY2015	FY2016 1H
Total liabilities and net assets	63,064	64,148	67,453	66,814	69,508	72,964	75,894	73,908	77,701	82,481
Total liabilities	59,302	60,383	63,176	62,437	65,037	68,316	70,890	69,032	72,585	77,334
Interest-bearing liabilities	58,272	59,464	62,172	61,568	64,035	67,097	69,409	67,912	71,385	76,136
Deposits	53,149	53,167	54,925	55,294	56,900	56,667	58,945	58,113	60,114	59,545
Negotiable certificates of deposit (NCD)	1,838	2,233	2,040	2,471	1,626	2,544	1,638	2,568	1,847	3,025
Call money	1,419	1,362	2,268	2,063	2,901	2,189	3,392	1,799	2,500	1,722
Payables under Securities Lending Transactions	1,228	2,052	2,308	750	1,544	4,119	3,898	3,475	5,157	10,369
Borrowed money	631	646	624	986	1,058	1,571	1,530	1,951	1,762	1,461
Foreign exchange	3	0	1	1	3	3	1	3	1	2
(Expenses matching the amount of investment of money held in trust)	200	198	200	200	200	199	200	198	200	199
(Fund procurement account)	58,072	59,266	61,972	61,367	63,835	66,897	69,209	67,713	71,185	75,937
Other liabilities	605	496	562	411	501	548	664	433	426	449
Retirement provision	140	140	139	137	134	237	233	221	209	204
Bonus provision	15	13	14	14	14	13	15	15	14	14
Director bonus provision	-	-	-	-	-	-	-	-	-	-
Director retirement provision	-	-	-	-	-	-	-	-	-	-
Point expense provision	0	0	0	0	0	0	0	0	0	0
Reversal to provision for inactive deposits	13	13	12	12	11	10	9	9	10	10
Deferred tax liabilities	-	-	15	38	83	127	236	131	209	195
Acceptances and guarantees	255	253	260	255	256	281	321	308	328	321
Total net assets	3,761	3,764	4,276	4,376	4,470	4,647	5,004	4,876	5,116	5,146
Capital	151	151	151	151	151	151	151	151	151	151
Surplus capital	62	62	62	62	62	62	62	62	62	62
Retained earnings	3,392	3,449	3,461	3,581	3,628	3,670	3,696	3,831	3,915	4,017
Treasury stock (-)	125	125	65	75	32	52	36	46	79	98
Valuation difference on other securities	316	269	712	691	694	854	1,177	922	1,130	1,080
Gain/loss on deferred hedges	-37	-44	-46	-36	-36	-43	-49	-49	-67	-71
Warrants	1	1	1	1	2	2	3	2	3	3

Major Accounts (average balance) Assets

(100 million yen)	FY2011	FY2012 1H	FY2012	FY2013 1H	FY2013	FY2014 1H	FY2014	FY2015 1H	FY2015	FY2016 1H
Total assets	61,383	62,951	63,752	66,357	66,863	69,722	71,711	73,666	74,501	78,330
Interest-earning assets	60,087	61,580	62,392	64,926	65,401	68,138	70,063	71,932	72,629	75,074
Loans	33,447	33,909	34,083	34,523	34,866	35,908	36,351	37,881	38,748	41,310
Securities	24,887	26,437	27,162	28,933	29,261	30,376	30,773	28,688	28,950	29,042
Securities products	36	32	31	29	28	24	24	22	22	20
Money in trust	199	199	199	200	200	199	200	199	199	199
Deposits (excluding non-interest bearing portion)	665	82	151	278	214	1,047	1,989	4,220	4,048	3,713
Call loans	379	592	458	641	529	329	444	645	392	483
Repurchase agreement	130	11	5	-	-	-	-	-	-	-
Debt purchased	268	242	233	206	193	187	172	176	160	144
Foreign exchange	71	72	65	114	108	63	106	97	107	157
(Interest-earnings assets)	59,887	61,380	62,192	64,726	65,201	67,938	69,863	71,732	72,430	74,874
Cash and deposits (non-interest bearing)	776	795	794	813	825	829	837	863	954	2,309
Tangible fixed assets	466	453	458	448	451	441	444	434	438	438
Intangible fixed assets	1	1	3	10	13	24	29	42	47	64
Other assets	303	230	224	242	213	209	201	226	245	224
Deferred tax assets	440	355	356	342	325	284	292	281	275	247
Guarantee endorsements	250	256	256	256	264	262	292	314	321	329
Provisions for doubtful receivables	-943	-722	-734	-683	-631	-467	-449	-428	-411	-358

Major Accounts (average balance) Liabilities & Net Assets



(100 million yen)	FY2011	FY2012 1H	FY2012	FY2013 1H	FY2013	FY2014 1H	FY2014	FY2015 1H	FY2015	FY2016 1H
Total liabilities and net assets	61,383	62,951	63,752	66,357	66,863	69,722	71,711	73,666	74,501	78,330
Total liabilities	57,837	59,434	60,177	62,746	63,184	65,977	67,892	69,768	70,530	74,267
Interest-bearing liabilities	56,975	58,605	59,336	61,915	62,344	65,153	66,944	68,864	69,544	73,384
Deposits	52,164	52,928	53,125	54,803	55,225	56,835	56,912	58,260	58,350	59,937
Negotiable certificates of deposit (NCD)	2,044	2,504	2,391	2,816	2,684	2,555	2,629	2,621	2,512	2,909
Call money	1,073	1,097	1,418	2,294	2,373	2,304	2,506	2,434	2,457	2,157
Payables under Securities Lending Transactions	1,066	1,432	1,761	1,229	1,169	2,151	3,463	3,861	4,495	6,747
Borrowed money	621	638	636	770	889	1,301	1,429	1,681	1,724	1,625
Foreign exchange	3	1	1	1	1	3	3	3	2	1
(Expenses matching the amount of investment of money held in trust)	199	199	199	200	200	199	200	199	199	199
(Fund procurement account)	56,775	58,405	59,136	61,715	62,144	64,953	66,744	68,864	69,345	73,184
Other liabilities	448	412	424	416	419	356	425	343	423	328
Retirement provision	140	139	139	137	136	186	210	228	222	206
Bonus provision	7	7	7	6	7	7	7	7	7	7
Director bonus provision	-	-	-	-	-	-	-	-	-	-
Director retirement provision	-	-	-	-	-	-	-	-	-	-
Point expense provision	0	0	0	0	0	0	0	0	0	0
Reversal to provision for inactive deposits	13	12	12	11	11	10	10	8	8	9
Deferred tax liabilities	-	-	-	-	-	-	-	-	-	-
Acceptances and guarantees	250	256	256	256	264	262	292	314	321	329
Total net assets	3,546	3,517	3,575	3,611	3,678	3,744	3,819	3,898	3,971	4,063
Capital	151	151	151	151	151	151	151	151	151	151
Surplus capital	62	62	61	62	62	62	62	62	62	62
Retained earnings	3,445	3,425	3,481	3,461	3,534	3,564	3,647	3,713	3,795	3,925
Treasury stock (-)	116	125	125	72	79	45	54	42	52	90
Valuation difference on other securities	2	2	4	6	7	9	10	11	11	12
Gain/loss on deferred hedges	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Warrants	1	1	1	2	2	2	2	2	2	3

Deposits (year-end balance)

		FY2011	FY2012	FY2012	FY2013	FY2013	FY2014	FY2014	FY2015	FY2015	FY2016
(100 million yen)			1H		1H		1H		1H		1H
Okayama		40,330	40,150	41,461	41,885	43,351	43,152	44,936	44,251	46,194	45,465
	Private portion	30,924	31,404	32,059	32,599	33,123	33,425	34,178	34,305	34,845	34,807
	Corporate portion	7,575	7,474	7,671	7,824	8,038	8,258	8,549	8,480	8,870	8,989
Hiroshima		7,410	7,406	7,915	7,688	7,803	7,884	8,388	8,055	8,101	8,172
	Private portion	5,175	5,220	5,308	5,395	5,443	5,482	5,554	5,544	5,519	5,514
	Corporate portion	2,072	1,989	2,159	2,120	2,203	2,209	2,387	2,414	2,466	2,528
Kagawa, Ehime		3,872	3,837	3,877	3,904	3,995	3,919	4,002	3,928	3,992	3,952
	Private portion	2,678	2,707	2,755	2,796	2,789	2,785	2,821	2,804	2,792	2,764
	Corporate portion	1,134	1,111	1,076	1,092	1,162	1,120	1,136	1,114	1,154	1,177
Hyogo		904	929	931	926	947	944	962	1,017	1,044	1,068
	Private portion	598	601	607	612	611	613	619	624	627	624
	Corporate portion	303	323	321	309	334	329	342	381	405	438
Tottori		85	90	93	89	94	96	102	105	105	106
	Private portion	46	49	50	50	53	51	51	51	49	50
	Corporate portion	38	40	42	38	41	44	50	53	55	55
Osaka		173	228	195	342	201	216	202	236	217	216
	Private portion	66	70	72	66	67	67	67	67	65	64
	Corporate portion	104	156	122	274	133	147	133	167	150	150
Tokyo		160	272	156	255	231	248	167	199	133	176
	Private portion	68	76	74	68	66	68	69	70	70	71
	Corporate portion	90	192	78	178	162	171	96	126	59	102
Total domestic branches (before reconciliation of transit items)		52,936	52,916	54,630	55,092	56,625	56,462	58,763	57,794	59,789	59,158
	Total for private portion	39,559	40,130	40,928	41,589	42,154	42,494	43,363	43,469	43,971	43,897
	Total for corporate portion	11,319	11,289	11,472	11,839	12,075	12,282	12,695	12,737	13,163	13,441
Overseas branches		214	253	296	205	276	206	183	321	325	388
Total deposits		53,149	53,167	54,925	55,294	56,900	56,667	58,945	58,113	60,114	59,545
	Liquidity	32,124	32,009	33,573	33,855	35,698	35,620	38,085	37,071	39,260	39,035
	Time deposits	21,025	21,158	21,352	21,439	21,201	21,046	20,860	21,042	20,853	20,510
	Domestic banking	52,384	52,402	54,071	54,506	55,942	55,895	58,196	57,153	59,187	58,569
	International banking	765	765	854	788	957	772	749	960	926	976

Deposits (average balance)

(100 million yen)		FY2011	FY2012 1H	FY2012	FY2013 1H	FY2013	FY2014 1H	FY2014	FY2015 1H	FY2015	FY2016 1H
Okayama		39,509	40,095	40,244	41,763	42,006	43,204	43,301	44,458	44,544	45,887
	Private portion	30,783	31,314	31,605	32,582	32,850	33,477	33,731	34,483	34,599	34,963
	Corporate portion	7,387	7,394	7,382	7,826	7,833	8,158	8,179	8,469	8,541	8,989
Hiroshima		7,357	7,438	7,437	7,584	7,661	7,922	7,958	8,089	8,070	8,196
	Private portion	5,158	5,210	5,246	5,378	5,413	5,481	5,510	5,577	5,565	5,522
	Corporate portion	2,064	1,977	1,971	2,050	2,104	2,209	2,244	2,408	2,414	2,510
Kagawa, Ehime		3,815	3,828	3,818	3,882	3,909	3,996	3,966	4,001	3,977	3,969
	Private portion	2,686	2,697	2,715	2,785	2,801	2,794	2,802	2,828	2,817	2,780
	Corporate portion	1,115	1,121	1,093	1,087	1,099	1,191	1,153	1,167	1,153	1,181
Hyogo		880	910	912	919	928	938	949	978	1,005	1,042
	Private portion	594	599	601	611	613	616	616	623	625	626
	Corporate portion	284	308	308	305	313	321	330	348	371	408
Tottori		86	88	89	88	90	93	93	101	101	103
	Private portion	47	47	48	50	51	52	51	53	51	50
	Corporate portion	39	40	40	37	38	40	41	47	48	52
Osaka		169	174	172	201	216	176	182	195	200	213
	Private portion	66	67	69	67	67	67	67	68	67	65
	Corporate portion	103	106	101	133	147	108	114	126	132	147
Tokyo		185	166	169	162	171	205	187	186	177	193
	Private portion	73	69	72	70	69	67	70	70	70	71
	Corporate portion	109	93	94	90	100	136	115	114	105	119
Total domestic branches		52,004	52,702	52,843	54,601	54,984	56,537	56,640	58,008	58,076	59,606
Total for private portion		39,408	40,007	40,360	41,547	41,866	42,556	42,851	43,701	43,796	44,080
Total for corporate portion		11,101	11,042	10,992	11,531	11,638	12,166	12,179	12,680	12,766	13,410
Overseas branches		159	225	281	201	240	297	272	252	274	330
Total deposits		52,164	52,928	53,125	54,803	55,225	56,835	56,912	58,260	58,350	59,937
Liquidity		30,751	31,837	31,927	33,455	33,881	35,579	35,786	37,274	37,412	39,274
Time deposits		21,413	21,090	21,197	21,347	21,343	21,255	21,126	20,986	20,938	20,663
Domestic banking		51,319	52,164	52,290	54,042	54,395	55,940	56,065	57,399	57,458	59,009
International banking		845	763	834	760	829	894	847	861	892	928

Loans (year-end balance)

		FY2011	FY2012	FY2012	FY2013	FY2013	FY2014	FY2014	FY2015	FY2015	FY2016
(100 million yen)			1H		1H		1H		1H		1H
General capital		30,365	30,212	30,829	30,598	31,663	31,918	32,710	33,669	35,298	37,059
Scale	Large-scale companies	6,300	6,536	6,802	6,950	7,234	7,555	7,597	8,001	8,431	8,869
	Medium-scale companies	1,301	1,212	1,457	1,400	1,399	1,358	1,379	1,420	1,427	1,477
	Small-scale companies	15,241	14,804	14,813	14,457	15,178	15,135	15,809	16,258	17,389	18,568
	Private individuals	7,520	7,658	7,756	7,790	7,850	7,868	7,922	7,988	8,050	8,144
Government and municipal loans		3,836	3,749	3,892	3,786	3,903	4,089	4,415	4,792	4,908	4,985
State and local public works groups		3,694	3,626	3,762	3,696	3,819	4,014	4,327	4,726	4,836	4,932
Local public corporations		141	123	130	90	84	74	87	66	71	53
Total loans by domestic branches		34,201	33,962	34,721	34,384	35,567	36,007	37,125	38,461	40,206	42,045
Region	Okayama	18,315	18,061	18,403	17,916	18,426	18,461	19,167	19,842	21,166	22,441
	Hiroshima	6,263	6,198	6,291	6,219	6,407	6,518	6,588	6,726	6,924	7,162
	Kagawa, Ehime	2,490	2,391	2,447	2,400	2,497	2,536	2,603	2,602	2,766	2,839
	Hyogo	1,272	1,317	1,373	1,421	1,494	1,539	1,628	1,705	1,873	1,996
	Tottori	259	263	263	256	276	273	267	270	278	296
	Osaka	944	1,054	924	973	986	1,029	1,049	1,162	1,175	1,286
	Tokyo	4,657	4,677	5,021	5,197	5,479	5,649	5,822	6,151	6,022	6,020
Loan liabilities		-	-	-	-	-	-	-	-	-	-
Overseas branches		72	74	89	101	97	113	163	149	158	128
Total loans		34,273	34,036	34,811	34,486	35,664	36,121	37,289	38,610	40,365	42,173

Loans (average balance)

(100 million yen)

		FY2011	FY2012	FY2012	FY2013	FY2013	FY2014	FY2014	FY2015	FY2015	FY2016	
			1H		1H		1H		1H		1H	
General capital		29,772	30,077	30,264	30,606	30,934	31,746	32,129	33,084	33,908	36,191	
	Type	Local development	16,289	15,765	15,836	15,640	15,783	16,025	16,172	16,382	16,832	17,746
		Urban	5,049	5,617	5,655	5,971	6,103	6,468	6,609	6,885	7,040	7,217
		Private loans	8,421	8,683	8,761	8,984	9,026	9,202	9,253	9,433	9,501	9,762
		Housing loan portion	6,905	7,134	7,195	7,332	7,350	7,407	7,420	7,472	7,487	7,507
		Other	13	10	10	10	21	49	94	383	532	1,464
	Government and municipal loans		3,609	3,761	3,737	3,817	3,826	4,046	4,093	4,636	4,688	4,984
	State and local public works groups		3,480	3,627	3,608	3,698	3,721	3,973	4,018	4,569	4,620	4,929
	Local public corporations		128	133	129	119	104	73	75	67	67	54
	Total loans by domestic branches		33,381	33,838	34,002	34,424	34,761	35,792	36,223	37,720	38,596	41,175
	Region	Okayama	18,253	18,024	18,101	18,118	18,178	18,472	18,641	19,533	20,021	21,812
		Hiroshima	6,125	6,186	6,216	6,233	6,295	6,468	6,524	6,626	6,733	7,008
		Kagawa, Ehime	2,425	2,402	2,385	2,377	2,413	2,494	2,517	2,582	2,639	2,781
		Hyogo	1,216	1,284	1,316	1,400	1,433	1,518	1,556	1,689	1,753	1,943
		Tottori	266	264	264	256	259	270	270	270	274	288
Osaka		858	975	971	953	973	999	1,023	1,087	1,134	1,288	
Tokyo		4,239	4,705	4,749	5,083	5,206	5,568	5,689	5,930	6,038	6,053	
Loan liabilities		-	-	-	-	-	-	-	-	-	-	
Overseas branches		65	71	81	98	104	116	127	160	152	135	
Total loans		33,447	33,909	34,083	34,523	34,866	35,908	36,351	37,881	38,748	41,310	

Loans by Industry (year-end balance)

(100 million yen)	FY2011	FY2012 1H	FY2012	FY2013 1H	FY2013	FY2014 1H	FY2014	FY2015 1H	FY2015	FY2016 1H
Domestic branches	34,201	33,962	34,721	34,384	35,567	36,007	37,125	38,461	40,206	42,045
Manufacturing	6,590	6,389	6,802	6,581	6,918	6,720	6,911	6,845	7,108	6,977
Agriculture, forestry	25	23	27	28	30	30	31	30	29	29
Fishing	2	6	3	5	2	14	10	13	11	17
Mining, stone, sand	22	23	21	19	24	23	23	24	22	22
Construction	1,328	1,227	1,205	1,145	1,203	1,167	1,130	1,119	1,159	1,140
Electric power, gas, heat supply, water	425	419	475	544	576	656	739	861	965	1,205
Information and communications	334	325	294	280	317	302	304	281	294	292
Transport, postal	1,146	1,122	1,149	1,138	1,186	1,275	1,274	1,362	1,460	1,602
Wholesale, retail	5,059	5,006	4,992	4,746	4,899	4,839	4,815	4,848	5,105	5,089
Financial, insurance	1,156	1,197	1,152	1,271	1,302	1,291	1,337	1,686	1,964	2,801
Real estate, goods leasing	3,549	3,592	3,727	3,827	3,995	4,292	4,495	4,760	4,917	5,374
Public corporations	141	123	130	90	84	74	87	66	71	53
Other	3,407	3,469	3,597	3,737	3,911	4,217	4,408	4,693	4,845	5,320
Various services	2,348	2,313	2,321	2,314	2,405	2,404	2,500	2,510	2,693	2,788
Public organizations	3,694	3,626	3,762	3,696	3,819	4,014	4,327	4,726	4,836	4,932
Other	8,517	8,689	8,785	8,784	8,884	8,975	9,222	9,389	9,637	9,770
Housing loans	7,124	7,263	7,364	7,402	7,465	7,478	7,525	7,563	7,588	7,637
Overseas branches + Offshore loans	72	74	89	101	97	113	163	149	158	128
Total	34,273	34,036	34,811	34,486	35,664	36,121	37,289	38,610	40,365	42,173

Loans by Industry (percentage)

[Parent]	FY2011	FY2012 1H	FY2012	FY2013 1H	FY2013	FY2014 1H	FY2014	FY2015 1H	FY2015	FY2016 1H
Domestic branches	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Manufacturing	19.3%	18.8%	19.6%	19.1%	19.5%	18.7%	18.6%	17.8%	17.7%	16.6%
Agriculture, forestry	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Fishing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Mining, stone, sand	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Construction	3.9%	3.6%	3.5%	3.3%	3.4%	3.2%	3.0%	2.9%	2.9%	2.7%
Electric power, gas, heat supply, water	1.2%	1.2%	1.4%	1.6%	1.6%	1.8%	2.0%	2.2%	2.4%	2.9%
Information and communications	1.0%	1.0%	0.8%	0.8%	0.9%	0.8%	0.8%	0.7%	0.7%	0.7%
Transport, postal	3.4%	3.3%	3.3%	3.3%	3.3%	3.5%	3.4%	3.5%	3.6%	3.8%
Wholesale, retail	14.8%	14.7%	14.4%	13.8%	13.8%	13.4%	13.0%	12.6%	12.7%	12.1%
Financial, insurance	3.4%	3.5%	3.3%	3.7%	3.7%	3.6%	3.6%	4.4%	4.9%	6.7%
Real estate, goods leasing	10.4%	10.6%	10.7%	11.1%	11.2%	11.9%	12.1%	12.4%	12.2%	12.8%
Public corporations	0.4%	0.4%	0.4%	0.3%	0.2%	0.2%	0.2%	0.2%	0.2%	0.1%
Other	10.0%	10.2%	10.4%	10.9%	11.0%	11.7%	11.9%	12.2%	12.0%	12.7%
Various services	6.9%	6.8%	6.7%	6.7%	6.8%	6.7%	6.7%	6.5%	6.7%	6.6%
Public organizations	10.8%	10.7%	10.8%	10.7%	10.7%	11.1%	11.7%	12.3%	12.0%	11.7%
Other	24.9%	25.6%	25.3%	25.5%	25.0%	24.9%	24.8%	24.4%	24.0%	23.2%
Housing loans	20.8%	21.4%	21.2%	21.5%	21.0%	20.8%	20.3%	19.7%	18.9%	18.2%

Share of Total Deposits

[Year-end balance]		FY2011	FY2012	FY2012	FY2013	FY2013	FY2014	FY2014	FY2015	FY2015	FY2016
(%)			1H		1H		1H		1H		1H
Okayama	Chugoku Bank	46.9	46.6	47.3	47.7	47.8	47.4	48.0	47.7	48.4	48.2
	Other than Chugoku Bank	53.1	53.4	52.7	52.3	52.2	52.6	52.0	52.3	51.6	51.8
	Local banks other than Chugoku Bank	8.4	8.4	8.3	8.3	8.3	8.3	8.3	8.4	8.1	8.1
	Secondary local banks	11.3	11.3	11.3	11.1	11.3	11.6	11.6	11.8	11.9	11.7
	City banks, trust banks	11.9	12.3	11.6	11.5	11.5	11.7	11.2	11.0	10.8	11.2
	Shinkin banks, investment association, etc.	21.5	21.4	21.3	21.4	21.1	21.0	20.9	21.1	20.8	20.8
Bingo region (Eastern region of Hiroshima)	Chugoku Bank	20.5	21.3	21.6	20.8	20.7	21.5	21.6	21.0	20.6	21.3
	Other than Chugoku Bank	79.5	78.7	78.4	79.2	79.3	78.5	78.4	79.0	79.4	78.7
	Local banks other than Chugoku Bank	39.0	37.9	38.0	38.7	39.5	39.1	39.5	40.1	40.9	40.0
	Secondary local banks	13.2	13.0	12.8	12.8	12.5	12.2	11.9	11.9	11.9	11.8
	City banks, trust banks	12.3	12.4	12.5	12.2	12.2	12.1	12.2	12.0	11.9	12.2
	Shinkin banks, investment association, etc.	15.0	15.4	15.0	15.5	15.0	15.1	14.8	15.0	14.7	14.7
Shikoku region	Chugoku Bank	8.0	8.0	7.9	8.0	7.9	7.8	7.9	7.7	7.7	7.8
	Other than Chugoku Bank	92.0	92.0	92.1	92.0	92.1	92.2	92.1	92.3	92.3	92.2
	Local banks other than Chugoku Bank	50.5	51.0	51.0	51.0	51.6	51.2	51.7	51.8	52.3	52.1
	Secondary local banks	18.4	17.7	17.6	17.3	17.0	17.2	17.2	17.2	17.1	17.2
	City banks, trust banks	10.6	10.6	10.9	11.0	11.0	11.1	10.8	10.9	10.7	10.4
	Shinkin banks, investment association, etc.	12.5	12.7	12.6	12.7	12.4	12.6	12.4	12.4	12.2	12.5

Note 1: Market shares (internal use) excluding postal savings and Nokyo savings

Note 2: Excluding offshore loans. Including our NCDs.

Share of Total Loans

[Year-end balance]
(%)

		FY2011	FY2012 1H	FY2012	FY2013 1H	FY2013	FY2014 1H	FY2014	FY2015 1H	FY2015	FY2016 1H
Okayama	Chugoku Bank	38.8	38.5	38.7	38.1	38.1	37.7	38.2	38.8	39.7	41.0
	Other than Chugoku Bank	61.2	61.5	61.3	61.9	61.9	62.3	61.8	61.2	60.3	59.0
	Local banks other than Chugoku Bank	17.4	17.6	17.5	17.8	17.8	17.8	17.9	17.8	17.7	17.4
	Secondary local banks	16.4	16.2	16.6	16.9	17.1	17.6	17.6	17.8	17.5	17.4
	City banks, trust banks	10.5	10.6	10.4	10.4	10.6	10.5	10.3	9.7	9.8	9.2
	Shinkin banks, investment association, etc.	16.9	17.1	16.8	16.8	16.4	16.4	16.0	15.9	15.3	15.0
Bingo region (Eastern region of Hiroshima)	Chugoku Bank	23.6	23.5	23.7	23.4	23.5	23.4	23.2	23.1	22.8	23.0
	Other than Chugoku Bank	76.4	76.5	76.3	76.6	76.5	76.6	76.8	76.9	77.2	77.0
	Local banks other than Chugoku Bank	42.0	42.5	42.5	43.2	42.8	43.5	44.1	43.7	43.1	43.0
	Secondary local banks	13.5	12.8	12.8	13.2	13.2	12.7	12.8	13.7	14.1	14.3
	City banks, trust banks	8.1	8.2	8.2	7.6	8.0	7.9	7.8	7.8	8.8	8.7
	Shinkin banks, investment association, etc.	12.8	13.0	12.8	12.6	12.5	12.5	12.1	11.7	11.2	11.0
Shikoku region	Chugoku Bank	10.0	9.6	9.7	9.4	9.5	9.6	9.6	9.7	10.2	10.5
	Other than Chugoku Bank	90.0	90.4	90.3	90.6	90.5	90.4	90.4	90.3	89.8	89.5
	Local banks other than Chugoku Bank	49.1	49.8	50.5	50.6	50.9	51.4	51.3	50.3	50.5	50.3
	Secondary local banks	17.3	17.4	17.0	16.7	16.5	16.5	16.5	17.2	17.5	17.9
	City banks, trust banks	11.5	11.0	11.0	11.7	11.7	11.3	11.6	11.7	10.9	10.4
	Shinkin banks, investment association, etc.	12.1	12.2	11.8	11.6	11.4	11.2	11.0	11.1	10.9	10.9

Note 1: Market shares (internal use) excluding postal savings and Nokyo savings

Securities

Balance by type

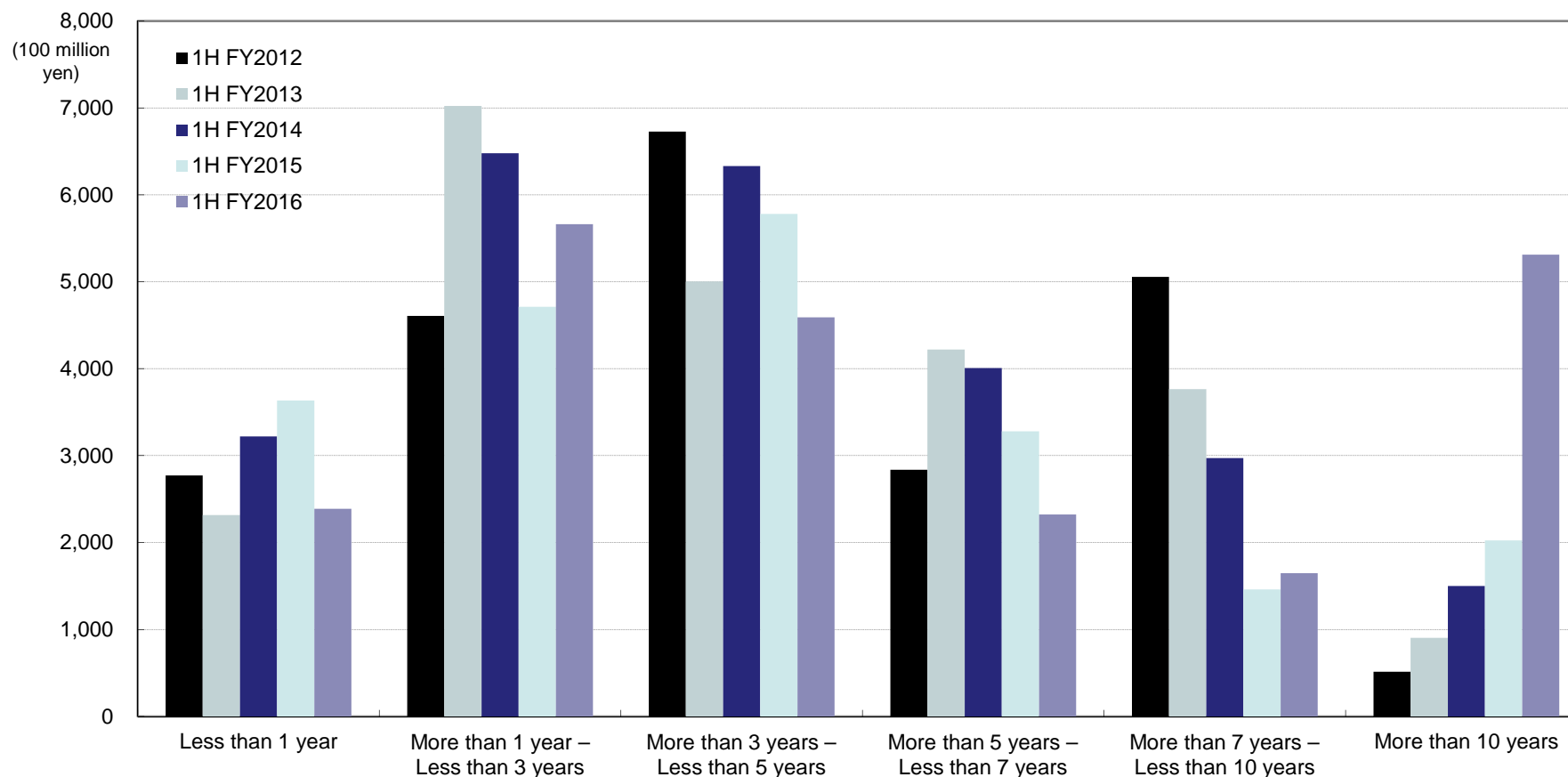
[Parent] (100 million yen)	FY2011	FY2012 1H	FY2012	FY2013 1H	FY2013	FY2014 1H	FY2014	FY2015 1H	FY2015	FY2016 1H
Year-end balance	26,460	27,613	30,240	29,672	31,431	32,013	32,614	28,773	31,073	30,347
JGBs	8,681	10,457	11,212	11,144	12,268	12,947	13,615	11,377	12,069	11,295
Local bonds	6,917	6,761	6,548	6,215	6,159	5,764	5,175	4,654	5,441	5,579
Corporate bonds	5,310	4,768	5,310	5,356	5,352	4,907	4,237	4,040	4,256	3,965
Foreign bonds (Foreign currency denominated portion)	3,719 (3,478)	3,898 (3,482)	4,777 (4,367)	4,328 (3,959)	4,813 (4,455)	5,125 (4,727)	5,803 (5,387)	5,284 (4,949)	5,883 (5,544)	6,051 (5,650)
Other securities	606	701	977	1,073	1,230	1,541	1,779	1,624	1,728	1,897
Equities	1,225	1,026	1,413	1,554	1,607	1,726	2,002	1,792	1,693	1,558

Average balance during year	24,887	26,437	27,162	28,933	29,261	30,376	30,773	28,688	28,950	29,042
JGBs	7,851	9,485	9,723	10,865	11,214	12,382	12,878	11,822	11,715	11,151
Local bonds	6,747	6,692	6,692	6,212	6,166	5,814	5,628	4,801	4,988	5,504
Corporate bonds	5,541	4,859	4,921	5,274	5,324	5,165	4,754	4,079	4,116	3,969
Foreign bonds (Foreign currency denominated portion)	3,062 (2,925)	3,630 (3,320)	4,016 (3,647)	4,600 (4,207)	4,493 (4,115)	4,684 (4,311)	5,080 (4,690)	5,392 (5,038)	5,539 (5,199)	5,743 (5,393)
Other securities	604	664	701	827	882	1,129	1,224	1,383	1,374	1,490
Equities	1,080	1,106	1,106	1,154	1,178	1,200	1,206	1,210	1,215	1,182

Valuation gain/loss

[Parent] (Million yen)	FY2011	FY2012 1H	FY2012	FY2013 1H	FY2013	FY2014 1H	FY2014	FY2015 1H	FY2015	FY2016 1H
Securities held to maturity	880	806	635	576	501	479	406	564	759	763
Subsidiary/affiliate equities	-	-	-	-	-	-	-	-	-	-
Other securities	49,174	42,377	109,917	106,181	106,859	131,344	172,331	135,180	162,262	155,021
Equities	9,962	-4,436	27,501	39,780	39,262	51,898	75,726	57,427	47,280	41,615
Bonds	35,629	41,886	48,180	37,087	38,320	40,565	41,653	40,807	69,801	68,904
Others	3,581	4,928	34,235	29,313	29,276	38,880	54,951	36,944	45,181	44,501
Total	50,054	43,184	110,552	106,757	107,360	131,823	172,738	135,744	163,022	155,785

Outstanding balance based on the remaining number of years to maturity for securities

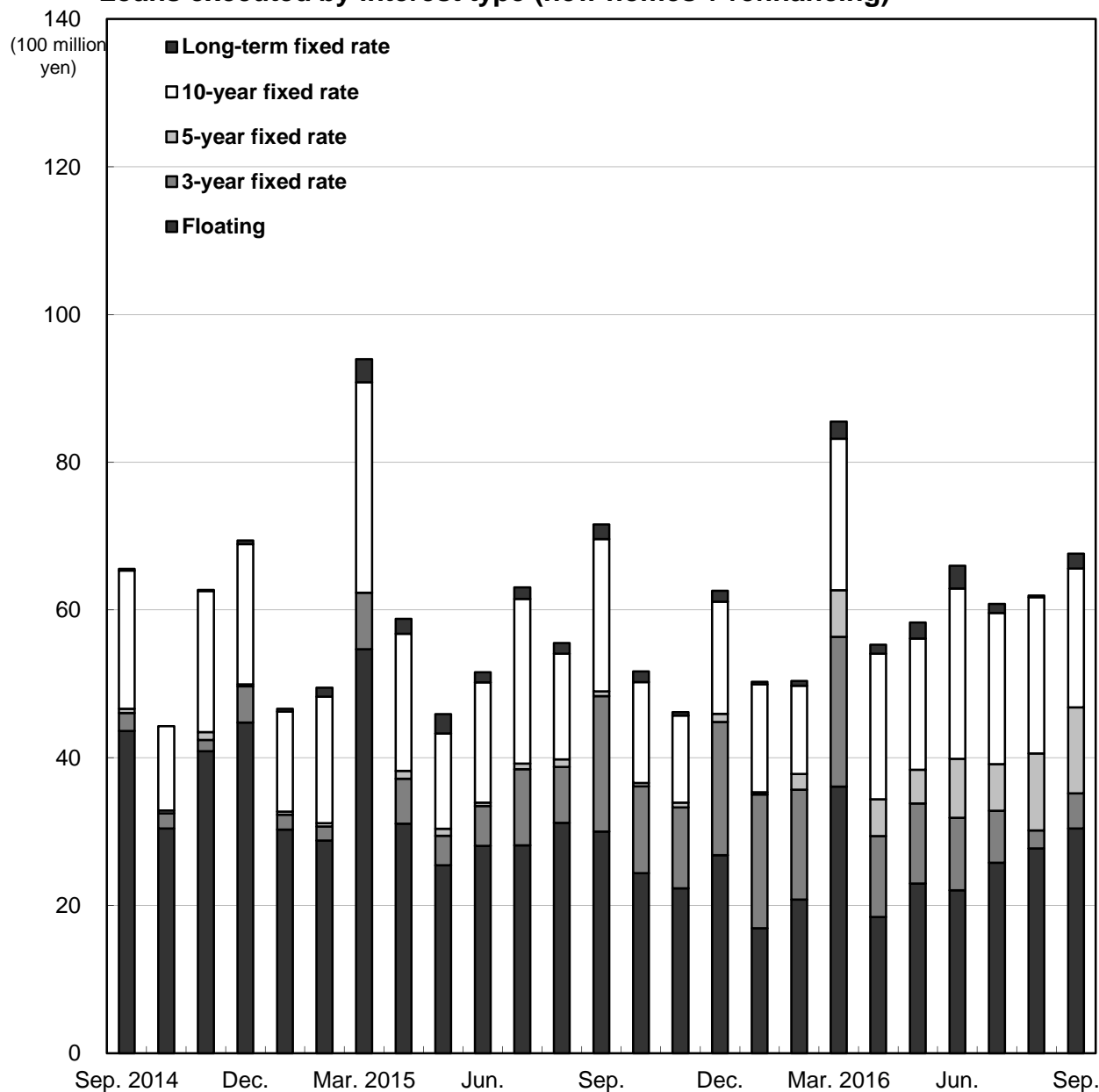


Duration

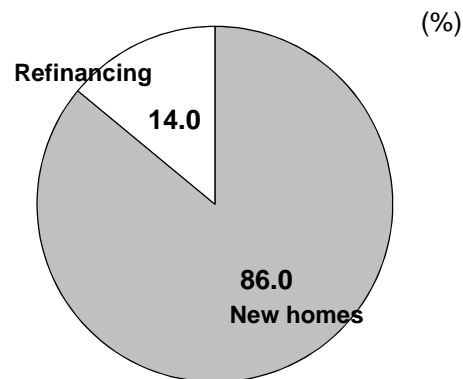
(year)	FY2011	FY2012 1H	FY2012	FY2013 1H	FY2013	FY2014 1H	FY2014	FY2015 1H	FY2015	FY2016 1H
Yen denominated	3.9	4.0	4.1	3.9	4.2	4.0	4.2	4.1	5.4	5.8
Foreign currency denominated	3.7	3.6	3.7	3.1	2.7	2.6	2.9	3.1	4.4	5.0

Housing Loans

Loans executed by interest type (new homes + refinancing)

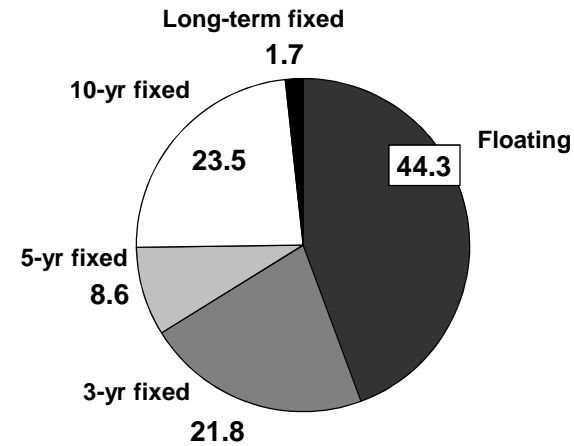


Breakdown of use of loans executed (%)



Total for period from Oct. 2015 to Sep. 2016

Ratio of loans by interest type for new homes (%)



Total for period from Oct. 2015 to Sep. 2016

Non-Performing Loans

Risk monitored loans

[Parent] (million yen, %)	FY2011	FY2012 1H	FY2012	FY2013 1H	FY2013	FY2014 1H	FY2014	FY2015 1H	FY2015	FY2016 1H
1. Loans in bankruptcy proceedings (% of total loans outstanding)	18,930 0.55	16,903 0.50	17,141 0.49	12,761 0.37	7,778 0.22	6,412 0.18	5,355 0.14	4,151 0.11	4,311 0.11	4,706 0.11
2. Delinquent loans (% of total loans outstanding)	76,459 2.23	72,942 2.14	78,034 2.24	69,770 2.02	64,003 1.79	65,215 1.81	67,891 1.82	65,206 1.69	61,003 1.51	55,528 1.32
3. Loans more than 3 months delinquent (% of total loans outstanding)	847 0.02	1,735 0.05	569 0.02	844 0.02	663 0.02	589 0.02	1,068 0.03	1,617 0.04	1,055 0.03	2,025 0.05
4. Restructured loans (% of total loans outstanding)	10,708 0.31	14,055 0.41	13,397 0.38	12,206 0.35	13,756 0.39	14,367 0.40	14,542 0.39	17,088 0.44	16,606 0.41	15,262 0.36
Total risk monitored loans (% of total loans outstanding)	106,946 3.12	105,637 3.10	109,142 3.14	95,583 2.77	86,202 2.42	86,584 2.40	88,858 2.38	88,063 2.28	82,976 2.06	77,524 1.84

Loans based on the Financial Reconstruction Act

[Parent] (million yen)	FY2011	FY2012 1H	FY2012	FY2013 1H	FY2013	FY2014 1H	FY2014	FY2015 1H	FY2015	FY2016 1H
Bankrupt and quasi-bankrupt loans (after partial direct write-off)	39,589 (11,034)	40,388 (11,003)	37,690 (10,805)	25,635 (8,112)	20,479 (7,576)	18,639 (7,067)	20,063 (8,147)	18,059 (7,357)	20,782 (8,296)	19,916 (7,592)
Doubtful loans	56,375	49,847	58,966	57,419	51,818	53,412	54,395	52,632	45,871	41,164
Substandard loans	11,556	15,791	13,966	13,051	14,420	14,956	15,611	18,705	17,662	17,288
Subtotal (A) (after partial direct write-off) (B)	107,522 (78,967)	106,027 (76,641)	110,623 (83,739)	96,106 (78,583)	86,718 (73,815)	87,008 (75,436)	90,069 (78,153)	89,398 (78,696)	84,316 (71,829)	78,368 (66,044)
Healthy loans	3,381,551	3,359,810	3,437,059	3,419,383	3,548,264	3,601,079	3,720,986	3,857,992	4,046,731	42,434
Total (C) (after partial direct write-off) (D)	3,489,074 (3,460,518)	3,465,837 (3,436,452)	3,547,683 (3,520,798)	3,515,489 (3,497,966)	3,634,982 (3,622,079)	3,688,088 (3,676,516)	3,811,056 (3,799,140)	3,947,390 (3,936,688)	4,131,048 (4,118,561)	43,217 (43,094)
Ratio of target loans (A/C)	3.08	3.06	3.12	2.73	2.39	2.36	2.36	2.26	2.04	1.81
(after partial direct write-off) (B/D)	(2.28)	(2.23)	(2.38)	(2.25)	(2.04)	(2.05)	(2.06)	(2.00)	(1.74)	(1.53)

*We do not implement partial direct write-off.

Debtor Classification Transition in 2H

(Upper level: Forecast Lower level: Value (100 million yen))

			1H FY2016							Favorable turnaroun	Deterioration
			Healthy loans	Other doubtful loans	Substandar d loans	Virtually bankrupt loans	Legally bankrupt loans	Bankrupt clients	Other (see note)		
FY2015	Healthy loans	152,730	152,064	467	36	24	26	4	109		557
		37,659	37,214	191	9	15	2	0	228		217
	Other doubtful	5,382	388	4,567	68	39	17	4	299	388	128
		2,124	346	1,693	50	6	2	1	26	346	59
	Substandar d loans	825	22	75	661	9	6	3	49	97	18
		278	40	26	207	1	0	0	4	66	1
	Virtually bankrupt loans	948	4	29	1	855	15	1	43	34	16
		456	0	34	0	400	8	0	14	34	8
	Legally bankrupt loans	500	1	4	2	4	432	7	50	11	7
		162	0	0	0	0	147	10	5	0	10
	Bankrupt clients	228	-	1	-	-	-	206	21	1	
		42	-	0	-	-	-	39	3	0	
	Total	160,613	152,479	5,143	768	931	496	225	571	531	726
		40,721	37,600	1,944	266	422	159	50	280	446	295

Note: "Other" indicates loans that were cancelled as of the end of September 2016 or those excluded from the self-assessment due to the

Debtor Classification Transition in 2H (comparison)

(Upper level: Forecast Lower level: Value (100 million yen))

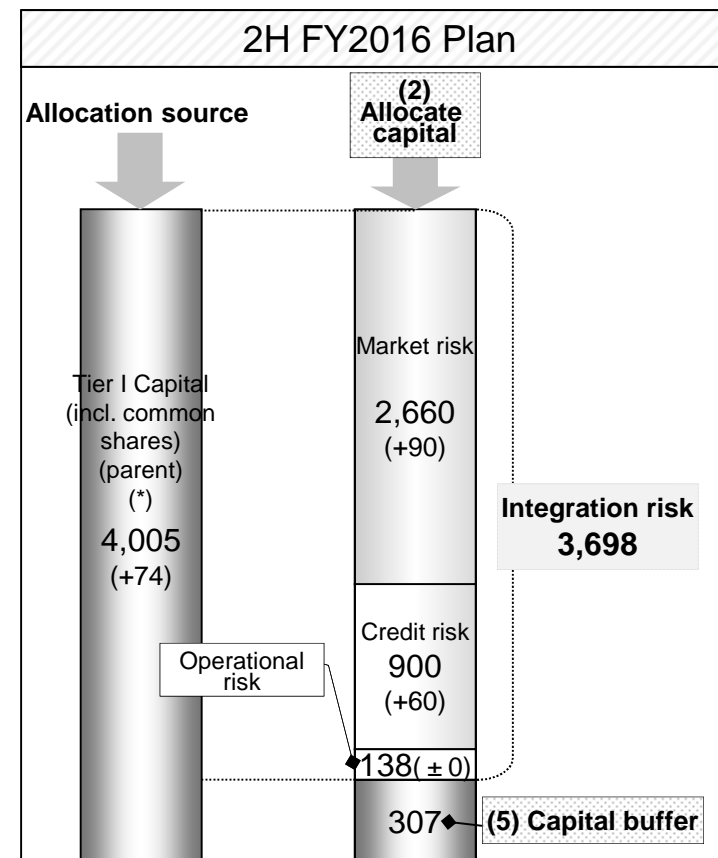
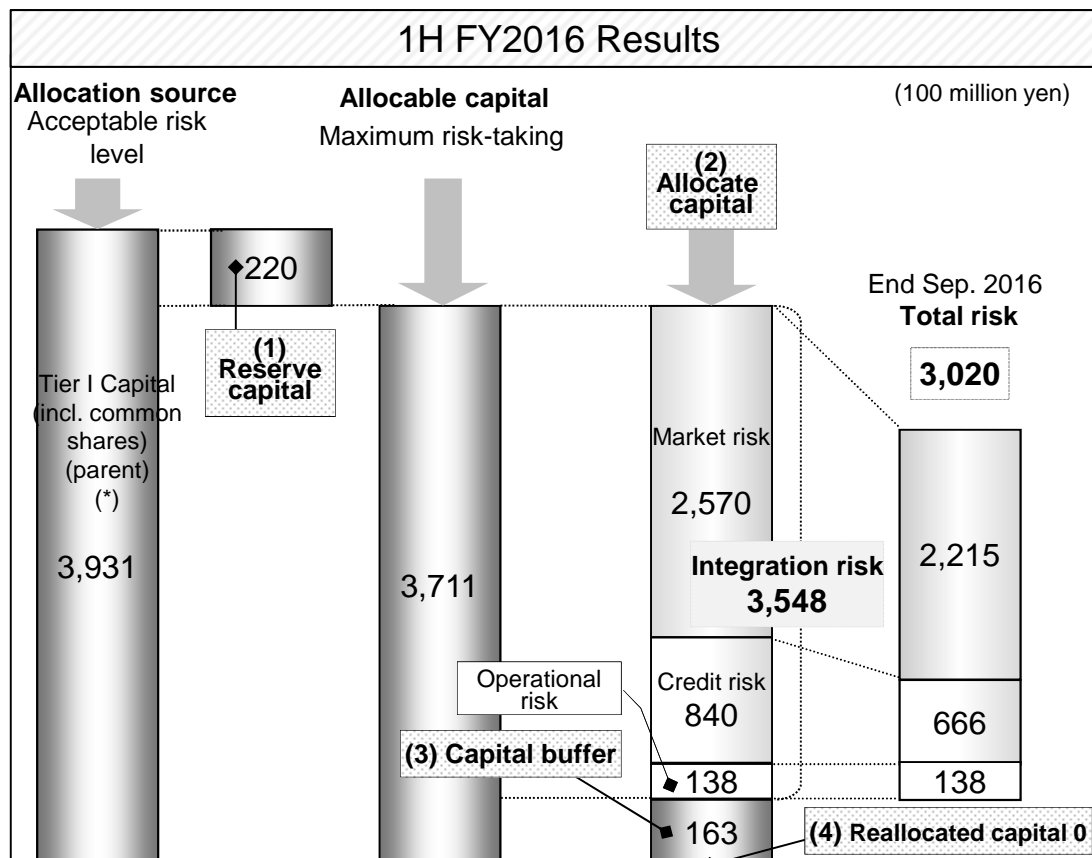
			1H FY2016							Favorable turnaroun	Deterioration
			Healthy loans	Other doubtful loans	Substandar d loans	Virtually bankrupt loans	Legally bankrupt loans	Bankrupt clients	Other (see note)		
FY2015	Healthy loans	100%	99.56%	0.31%	0.02%	0.02%	0.02%	0.00%	0.07%		0.36%
		100%	98.81%	0.51%	0.02%	0.04%	0.01%	0.00%	0.61%		0.58%
	Other doubtful	100%	7.21%	84.86%	1.26%	0.72%	0.32%	0.07%	5.56%	7.21%	2.38%
		100%	16.29%	79.71%	2.35%	0.28%	0.09%	0.05%	1.22%	16.29%	2.78%
	Substandar d loans	100%	2.67%	9.09%	80.12%	1.09%	0.73%	0.36%	5.94%	11.76%	2.18%
		100%	14.39%	9.35%	74.46%	0.36%	0.00%	0.00%	1.44%	23.74%	0.36%
	Virtually bankrupt loans	100%	0.42%	3.06%	0.11%	90.19%	1.58%	0.11%	4.54%	3.59%	1.69%
		100%	0.00%	7.46%	0.00%	87.72%	1.75%	0.00%	3.07%	7.46%	1.75%
	Legally bankrupt loans	100%	0.20%	0.80%	0.40%	0.80%	86.40%	1.40%	10.00%	2.20%	1.40%
		100%	0.00%	0.00%	0.00%	0.00%	90.74%	6.17%	3.09%	0.00%	6.17%
	Bankrupt clients	100%	-	0.44%	-	-	-	90.35%	9.21%	0.44%	
		100%	-	0.00%	-	-	-	92.86%	7.14%	0.00%	
	Total	100%	94.94%	3.20%	0.48%	0.58%	0.31%	0.14%	0.36%	0.33%	0.45%
		100%	92.33%	4.77%	0.65%	1.04%	0.39%	0.12%	0.69%	1.10%	0.72%

Note: "Other" indicates loans that were cancelled as of the end of March 2016 or those excluded from the self-assessment due to their small size.

Capital Adequacy Ratio (parent) Trends

[Basel III standards]	FY2012	1H FY2013	FY2013	1H FY2014	FY2014	1H FY2015	FY2015	1H FY2016
(%, 100 million yen)								
Overall capital adequacy ratio	15.14	15.13	14.83	14.35	14.73	14.80	14.56	13.85
Tier I ratio	12.92	13.22	13.52	12.89	13.34	13.72	13.75	13.12
Tier I ratio (including common shares)	12.92	13.22	13.52	12.89	13.34	13.72	13.75	13.12
Overall capital adequacy ratio ((1)+(2))	4,216	4,241	4,306	4,405	4,722	4,603	4,864	4,902
(1) Tier I capital	3,596	3,706	3,925	3,955	4,275	4,269	4,595	4,645
Common shares and warrants, etc.	3,596	3,706	3,795	3,819	3,857	3,983	4,034	4,117
Valuation difference on other securities	-	-	131	162	451	349	637	605
(2) Tier II capital	619	534	380	450	446	334	269	257
Gain/loss on securities valuation (45%)	492	477	383	469	460	359	285	275
General provisions for doubtful receivables	-	-	-	-	-	-	-	-
Qualified provisions that exceed expected losses	127	57	-3	-18	-13	-25	-16	-17
Risk weighted assets	27,833	28,029	29,035	30,680	32,038	31,094	33,407	35,397
Asset items (on balance sheet)	24,935	25,073	26,090	27,425	28,695	27,939	30,218	32,110
Off balance sheet transaction items	976	1,024	1,019	1,319	1,411	1,173	1,215	1,318
Amount obtained by dividing the amount equivalent to the operational risk by 8%	1,676	1,664	1,657	1,658	1,639	1,640	1,641	1,619
Amount obtained by dividing the amount equivalent to the CVA risk by 8%	228	246	243	245	261	304	296	308
Credit risk asset related to exposure connected with central clearing house	7	7	7	7	7	7	11	12
Amount including the amount for risk assets in accordance with transitional measures related to adjustment items	8	13	16	24	23	28	24	27

Capital Allocation and Integration Risks



(*) Valuation difference on available-for-sale securities, etc. excluded for positive values

Figures in parentheses are versus 1H FY2016

Role of different types of capital in 1H FY2016

(1) Reserve capital	<input type="checkbox"/> Reserves in case of erosion due to stress <input type="checkbox"/> In case of immeasurable risks	Priority on securing capital to ensure soundness
(2) Allocate capital	<input type="checkbox"/> Allocated to cover risks within the scope of Allocable capital (maximum risk-taking during normal operations)	Maximum risk for various risk categories
(3) Capital buffer	<input type="checkbox"/> When econometric model unable to estimate risk <input type="checkbox"/> Cover gap between risk and allocated capital during stress	In case risk exceeds the expected level
(4) Reallocated capital	<input type="checkbox"/> For new risk-taking (new products, strategies, etc.) <input type="checkbox"/> Allocate residual capital after allocation	Risk-taking leeway

Role of capital buffer in 2H FY2016

(5) Capital buffer	<input type="checkbox"/> Reserves of capital in case of its losses due to stress <input type="checkbox"/> In case of immeasurable risks <input type="checkbox"/> When econometric model unable to estimate risk <input type="checkbox"/> Reserves in case of new risk-taking, etc.
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In and after 2H FY2016, the capital allocation management method will be reviewed to integrate (1) Reserve capital, (3) Capital buffer, and (4) Reallocated capital into a redefined (5) Capital buffer.

Use of Allocate Capital and Risk Exposure Assumptions

Capital allocation and Integration Risk Trends (supplement)

The table below illustrates trends for Capital allocation and integration risks in 1H FY2016, and the Capital allocation trends for 2H FY2016.

In and after 2H FY2016, the Capital allocation management method will be reviewed to integrate Reserve capital, Capital buffer, and Reallocated capital into a redefined Capital buffer.

(100 million yen)

	1H FY2016		2H FY2016			Calculation methods, etc. (Supplement measurements)
	Value	Risk exposure (End Sep. 2016)	Value	YoY	Major factors that triggered change	
Allocation source	3,931		4,005	(+74)	—	Deduction of positive securities valuation gain from Tier I capital (including parent common shares) at the end of 1H FY2016
Reserve capital	220		-	(-220)	• Decrease due to integration into capital buffer in and after 2H FY2016 -220	Priority on securing capital to ensure financial soundness ⇒ Integrated into capital buffer from 2H FY2016
Allocate capital	3,711		4,005	(+294)	• Allocation source +74 • Increase owing to the abolishment of reserve capital +220	• Capital allocation to each risk up to the allocation source
Integration risk	3,548	3,020	3,698	(+150)		
Market risk total	2,570	2,215	2,660	(+90)		
Banking	2,550	1,270	2,640	(+90)	• Increase of long-term fixed loans, and management balance of foreign-currency-denominated bonds and investment trusts +90 ⇒ Increase Capital allocation due to increase in estimated maximum risk exposure in reaction to the above factors	• VaR (factor in 125-day retention period, 99.9% confidence level, core deposits) • Interest sensitive assets and liabilities, including deposits, loans, and preferred securities • Employ VaR taking into account the correlation between interest risk and equities (net investment) • Assets with price fluctuation risk, including equities and investment trusts • Includes assets and liabilities belonging to consolidated subsidiaries
		Price fluctuation risk				
		(Correlation)				
Trading	20	0	20	(0)	—	• VaR (10-day retention period, 99.9% confidence level) • Money in trust • Trading securities
Credit risk total	840	666	900	(+60)		
Commercial credit	690	530	750	(+60)	• Increase Capital allocation to consider an increase in structured transactions +60	• Monte Carlo simulation UL (1-year retention period*, 99.9% confidence level) • Commercial credit, including securities, and assets possessed by consolidated subsidiaries • For securitization, some restrictions on capital * Six months for market related credit (bonds)
Consumer credit	150	136	150	(0)	—	UL capital requirements based on an IRB approach retail RW function • Home loans, etc.
Operational risk	138	138	138	(0)	—	Post risk exposure estimated at the time business plans were created, based on the gross profit allocation methods (to be fixed during 2H FY2016)
(Unused allocate capital)		528				
Capital buffer	163		307	(+144)	[Change in definition of capital buffer] • Integrated reserve capital, capital buffer, and reallocated capital of 1H FY2016 and before. +144	(1H FY2016) Reserve capital to absorb increase in risk exposure that exceeds forecasts (2H FY2016) Reserves of capital in case of its losses due to stress, in case risk increases more than expected, and in case of new risk-taking
Reallocated capital	0		-	(0)		In cases where new risk-taking is necessary, ready additional capital for allocation ⇒ Integrated into capital buffer from 2H FY2016

Group Company Performance Trends

(Million yen, %)	Business profile	Real ownership ratio		FY2013	FY2014 1H	FY2014	FY2015 1H	FY2015	FY2016 1H
Chugin Lease Co., Ltd	Leasing	67.26	Ordinary revenue	11,381	5,589	11,378	5,684	12,855	6,975
			Recurring profit	796	346	721	427	883	570
			Net income	466	222	430	297	584	386
Chugin Credit Guarantee Co., Ltd.	Credit assurance	90.07	Ordinary revenue	1,581	798	1,677	838	1,653	851
			Recurring profit	1,760	744	1,686	837	1,562	664
			Net income	1,085	471	1,033	553	1,006	439
Chugin Card Co., Ltd.	Credit card	89.91	Ordinary revenue	1,217	606	1,196	660	1,276	699
			Recurring profit	389	148	310	184	334	201
			Net income	306	62	186	100	205	170
Chugin Asset Management Co., Ltd.	Securities investment advisor	90.28	Ordinary revenue	274	155	330	213	403	210
			Recurring profit	73	42	71	70	99	26
			Net income	59	27	44	49	68	21
Chugin Securities Co., Ltd.	Financial instrument transactions	100.00	Ordinary revenue	3,357	1,678	4,047	1,969	3,517	1,582
			Recurring profit	766	323	877	454	518	114
			Net income	469	198	563	305	349	76
CBS Co., Ltd.	Banking operation outsourcing	100.00	Ordinary revenue	1,011	509	1,014	516	1,018	549
			Recurring profit	76	55	99	46	65	95
			Net income	42	35	58	29	38	61
Chugin Operation Center Co., Ltd.	Banking operation outsourcing	100.00	Ordinary revenue	730	373	756	388	777	403
			Recurring profit	41	18	40	16	32	27
			Net income	20	13	23	9	16	17

Key Press Releases

2016	April 1	Chugoku Bank signs a comprehensive agreement on regional revitalization with Fukuyama City, and an agreement relating to the establishment of a regional comprehensive care system in the cooperating major urban areas of the Bingo region with the Bingo Region Cooperation Council
	April 5	Initiatives for the first project of the syndicate loan by participating banks of the TSUBASA Project
	April 8	Corporation with the food exposition "Oishii Japan 2016" in Singapore
	April 21	Establishment of a Customer Support Team Related to Mitsubishi Motors and the handling of an emergency loan system
	April 26	Aid for the 2016 Kumamoto Earthquake
	April 27	Transition to a company with audit committee, etc.
	May 11	Establishment of a joint venture company
	May 13	Partial amendment to the medium-term management plan "Chugin Heart 2014"
	May 16	Chugoku Bank signs an agreement to provide network for "mimamori," or watching over the elderly and children in the Kurashiki City region
	May 24	Chugoku Bank signs a comprehensive agreement concerning the support of small and medium-sized enterprises within Tsuyama City
	May 24	Chugoku Bank signs an agreement on safety and security and "mimamori" activities in the Tamano City region
	May 27	Aid for those who were affected by the 2016 Kumamoto Earthquake
	June 1	New establishment of a fund for companies related to Mitsubishi Motors
	June 1	A touch ID function is added to Chugoku Bank's security app
	June 10	The second investment project of the Chugin Agri Support Fund Investment in a branding business for tuna from remote islands of Okinawa
	June 20	Establishment of Chugin Corporate Support Loan for companies that promote employee health
	June 23	Chugoku Bank signs a memorandum concerning business partnership with Okayama Prefecture's Business Succession Support Center
	June 24	Notice concerning partial amendment to the basic policy for establishment of an internal control system
	June 27	Notice concerning the establishment of a basic policy concerning corporate governance
	June 29	Initiatives with TKC Corporation concerning FinTech services for corporations
	June 30	Promotion of community-based finance Initiatives in FY2015
	July 20	Certification of an "AI Support Company"
	July 21	Purchase Mitsubishi Motor's vehicles to add to the fleet
	July 28	Initiatives for assisting business establishment
	August 5	Chugoku Bank signs an agreement on a regional "mimamori" and mutual support network promotion business for Wakecho City
	August 31	Chugoku Bank hosts the preliminary games of the 11th nationwide championship of the high school students' finance and economic quiz "Economics Koshien" in Okayama City
	September 1	Participation in a memorandum on business cooperation with the Japan Bank for International Cooperation, the Mexican State government, and local financial institutions
	September 7	Chugoku Bank embarks on the development of an app for credit card settlement application
	September 12	Disclosure of life insurance agency fees
	September 16	Notice of the FY2016 the Consortium of Universities in Okayama "Chugin 'Financial Knowledge' Seminar"
	September 23	Participation in "Okayama Art Summit 2016"

Chugoku Bank Profile and Branch (office) Network



Chugoku Bank Profile
(As of Sep. 30, 2016)

- ☉ **Establishment**
December 9, 1930
- ☉ **Headquarters**
1-15-20 Marunouchi, Kita-ku Okayama
- ☉ **Capital**
¥15.1 billion
- ☉ **No. of employees**
3,155
- ☉ **No. of branches**
162
HQ,
domestic branches (152),
overseas branch (1),
sub-branch (7),
Internet branch (1)

No. of branches in local area

- 108 in Okayama Pref.
39 in Okayama City
20 in Kurashiki City
- 26 in Hiroshima Pref.
20 in Bingo region
3 in Hiroshima City
- 17 in the Shikoku area
- 6 in Hyogo Pref.



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