

ANNUAL FINANCIAL DATA
FOR THE FISCAL YEAR ENDED
MARCH 31, 2008

THE HACHIJUNI BANK, LTD.

FINANCIAL REVIEW

1. Summary

(1) Breakdown of income 【Non-consolidated】

A. Net business profit

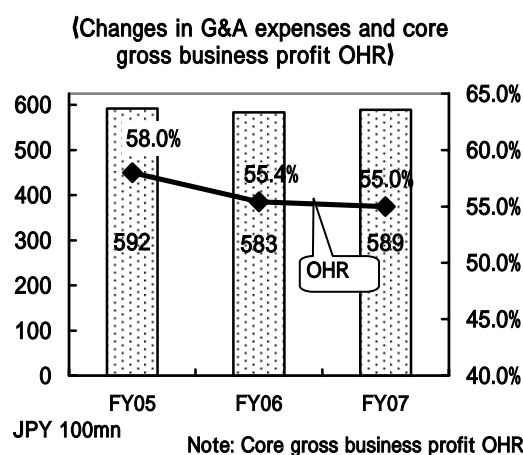
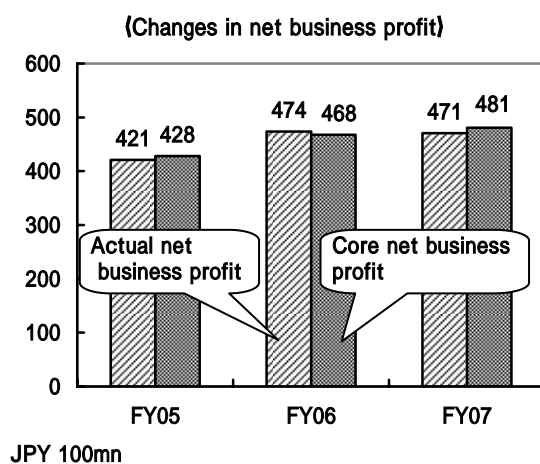
(Units: 1million yen)

	FY ended March 31, 2008 (A)		FY ended March 31, 2007 (B)
		Inc/Dec (A-B)	
Gross business profit	106,135	327	105,808
Profit on interest	91,032	3,505	87,526
Profit on fees and commissions	14,133	(768)	14,902
Trading profit	661	(352)	1,013
Profit from other business transactions	308	(2,057)	2,365
Gains (losses) related to bonds	(1,011)	(1,591)	579
General & administrative expenses	58,996	601	58,395
Personnel expenses	29,770	1,004	28,766
Non personnel expenses	26,543	(164)	26,708
Core net business profit (Note)	48,150	1,317	46,833
Actual net business profit (Note)	47,138	(274)	47,412
Transfer to general reserve for possible loan losses	(2,511)	(3,457)	945
Net business profit	49,650	3,183	46,467

Note: 1. Core net business profit means a net business profit minus gains (losses) related to bonds.

2. Actual net business profit means a net business profit before transfer to general reserve for possible loan losses.

- (a) Core net business profit increased ¥1.3 billion from a year earlier to ¥48.1 billion, because the increase in profit on interest exceeded the increase in general and administrative expenses and the decrease in profit on fees and commissions.
- (b) Actual net business profit was ¥47.1 billion, down ¥0.2 billion from a year earlier, owing to a decrease of gains related to bonds.
- (c) Net business profit amounted to ¥49.6 billion, up ¥3.1 billion from the previous year due to a reversal of general reserve for possible loan losses.
- (d) Profit on interest increased ¥3.5 billion to ¥91.0 billion due to increases in interest on loans and discounts and interest on due from banks along with the improvement in income on interest rate swaps.
- (e) Profit on fees and commissions decreased ¥0.7 billion to ¥14.1 billion owing to a decrease in commissions on investment trusts.
- (f) General and administrative expenses increased ¥0.6 billion to ¥58.9 billion due to an increase in personnel expenses owing to the increase in employees.
- (g) The change in transfer to general reserve for possible loan losses resulted in a reversal of ¥2.5 billion mainly due to the decline in the outstanding balances of loans to be covered by the reserve.



B. Operating profit

(Units: 1million yen)

	FY ended March 31, 2008 (A)		FY ended March 31, 2007 (B)
		Inc/Dec (A-B)	
Temporary profit (loss)	(17,301)	(7,219)	(10,081)
Net gains (losses) related to stocks, etc.	6,747	(9,720)	16,467
Profit (loss) on money held in trust	319	854	(534)
Disposal of nonperforming loans	25,660	(1,957)	27,618
Operating profit	32,260	(4,106)	36,366

- (a) Despite the increase in net business profit of ¥3.1 billion from the previous year as stated above, operating profit decreased ¥4.1 billion from the previous year to ¥32.2 billion due to a decrease in temporary profits of ¥7.2 billion.
- (b) Net gains related to stocks, etc. decreased ¥9.7 billion to ¥6.7 billion due to a decline in gain on sale of stocks, etc.
- (c) Disposal of nonperforming loans amounted to ¥25.6 billion, down ¥1.9 billion from a year earlier.

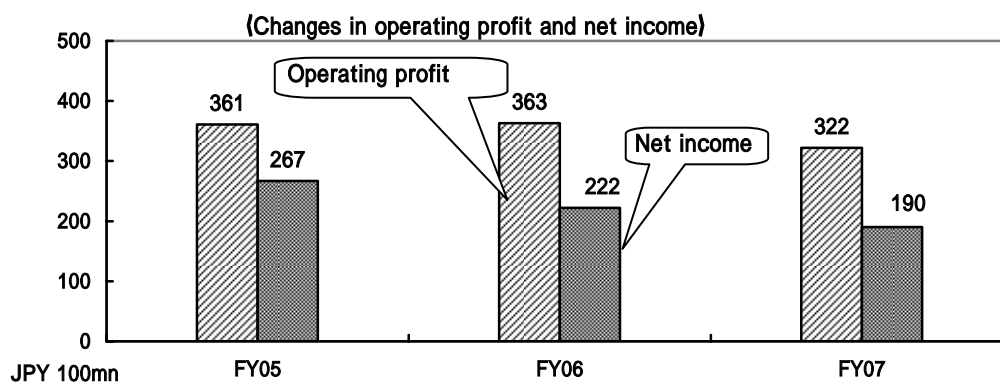
C. Current net income

(Units: 1million yen)

	FY ended March 31, 2008 (A)		FY ended March 31, 2007 (B)
		Inc/Dec (A-B)	
Extraordinary gains (losses)	(633)	(612)	(21)
Gains (losses) on disposal of fixed assets	87	64	23
Impairment losses	43	(3)	47
Transfer to reserve for directors retirement bonuses	432	432	—
Transfer to reserve for loss on refunds of dormant deposits	161	161	—
Net income before income taxes	31,627	(4,718)	36,345
Income taxes-current	13,089	(10,156)	23,245
Income taxes-deferred	(491)	8,644	(9,136)
Net income (loss)	19,029	(3,206)	22,235

Due to the change in accounting standards, reserve for directors retirement bonuses and reserve for loss on refunds of dormant deposits for past periods were recognized as extraordinary losses for the current period, so extraordinary gains shrank ¥ 0.6 billion to a negative ¥0.6 billion for the current fiscal year.

As a result, net income for the current fiscal year was ¥19.0 billion, down ¥3.2 billion from a year earlier.



(Reference)

Credit related expenses

(Units: 1million yen)

	FY ended March 31, 2008 (A)		FY ended March 31, 2007 (B)
		Inc/Dec (A-B)	
Transfer to general reserve (a)	(2,511)	(3,457)	945
Disposal of nonperforming loans (b)	25,660	(1,957)	27,618
Credit related expenses (a)+(b)	23,149	(5,414)	28,564

Credit related expenses totaling the amounts of transfer to general reserve and disposal of nonperforming loans decreased ¥5.4 billion from a year earlier.

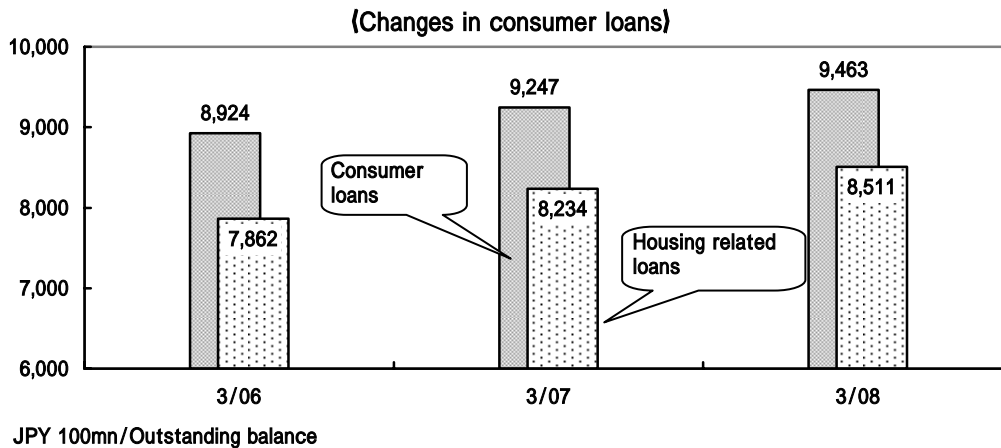
(2) Major accounts 【Non-consolidated】

A. Loans

(Units: 100 million yen)

	FY ended March 31, 2008 (A)		First half year ended Sept. 30, 2007 (B)	FY ended March 31, 2007 (C)	
		Inc/Dec (A)-(B)			Inc/Dec (A)-(C)
For all offices (outstanding balance as of the end of the period)	39,739	23	(124)	39,715	39,863
Loans to general corporations	27,582	(9)	(179)	27,592	27,761
Loans to consumers	9,463	46	216	9,417	9,247
For all offices (average balance for the period)	39,961	285	794	39,675	39,166
Loans to general corporations	27,881	305	413	27,576	27,468
Loans to consumers	9,354	65	339	9,289	9,015

- (a) The outstanding balance decreased ¥12.4 billion, or 0.3% from a year earlier to ¥3,973.9 billion due to decreases in loans to governments and to general corporations, despite an increase in loans to consumers.
(b) Average balance was ¥3,996.1 billion, up ¥79.4 billion, or 2.0% from a year earlier.



B. Securities

(Units: 100 million yen)

	FY ended March 31, 2008 (A)		First half year ended Sept. 30, 2007 (B)	FY ended March 31, 2007 (C)	
		Inc/Dec (A)-(B)			Inc/Dec (A)-(C)
For all offices (outstanding balance as of the end of the period)	14,540	(979)	(1,700)	15,520	16,241
Bonds thereof	9,048	142	(560)	8,906	9,609
Government bonds thereof	5,627	66	(346)	5,560	5,974
Stocks thereof	2,525	(946)	(1,008)	3,472	3,534
For all offices (average balance of the period)	13,568	(292)	(495)	13,860	14,063
Bonds thereof	9,436	(457)	(449)	9,894	9,886
Government bonds thereof	5,951	(321)	(180)	6,272	6,131
Stocks thereof	1,165	(19)	59	1,185	1,105

- (a) The outstanding balance decreased ¥170.0 billion, or 10.4% from a year earlier to ¥1,454.0 billion due to decreases in government bonds and stocks, etc. owing to the decline in stock prices.
(b) Average balance decreased ¥49.5 billion, or 3.5% from a year earlier to ¥1,356.8 billion.

C. Deposits

(Units: 100 million yen)

	FY ended March 31, 2008 (A)		First half year ended Sept. 30, 2007 (B)	FY ended March 31, 2007 (C)
		Inc/Dec (A)-(B)		
For all offices (outstanding balance as of the end of the period)	52,669	380	624	52,288
Individuals thereof	36,733	694	866	36,039
Corporations thereof	11,608	(575)	(352)	12,183
For all offices (average balance of the period)	52,477	(123)	1,274	52,601
Individuals thereof	36,257	292	674	35,964
Corporations thereof	11,692	(47)	(77)	11,739

- (a) The outstanding balance increased ¥62.4 billion or 1.2% from a year earlier to ¥5,266.9 billion due to increases in deposits from individual customers and public funds.
 (b) The average balance increased ¥127.4 billion or 2.4% from a year earlier to ¥5,247.7 billion.

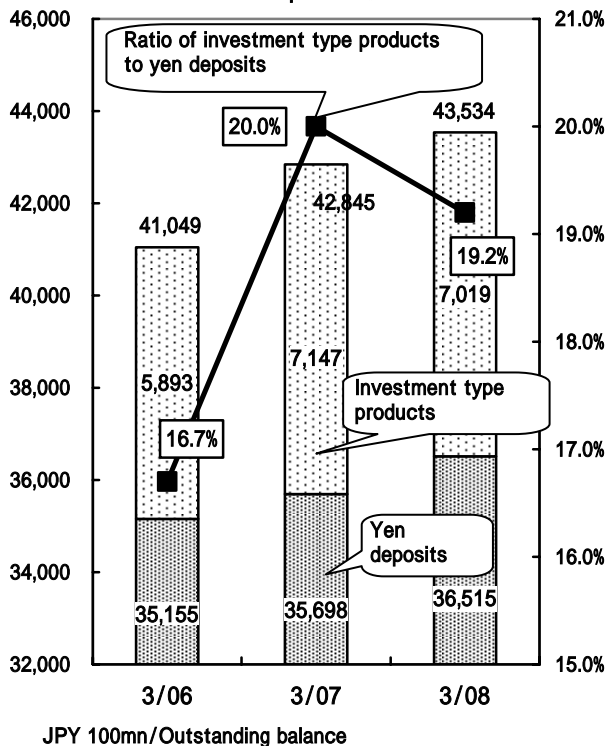
D. Personal financial assets deposited (outstanding balance)

(Units: 100 million yen)

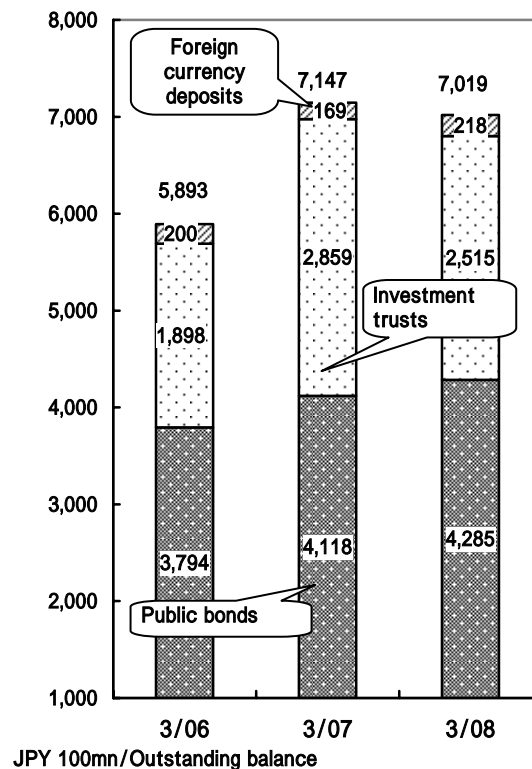
	FY ended March 31, 2008 (A)		First half year ended Sept. 30, 2007 (B)	FY ended March 31, 2007 (C)
		Inc/Dec (A)-(B)		
Yen deposits	36,515	640	817	35,874
Foreign currency deposits	218	53	48	165
Investment trusts	2,515	(579)	(344)	3,094
Public bonds (Government bonds, and other bonds)	4,285	(10)	167	4,118
Total	43,534	103	689	43,430

The outstanding balance increased ¥68.9 billion, or 1.6% from a year earlier to ¥4,353.4 billion due mainly to increases in yen deposits and public bonds such as government bonds, despite a decrease in investment trusts.

(Changes in personal financial assets deposited)



(Changes in investment type products)



(3) Risk adjusted capital ratio 【Consolidated】

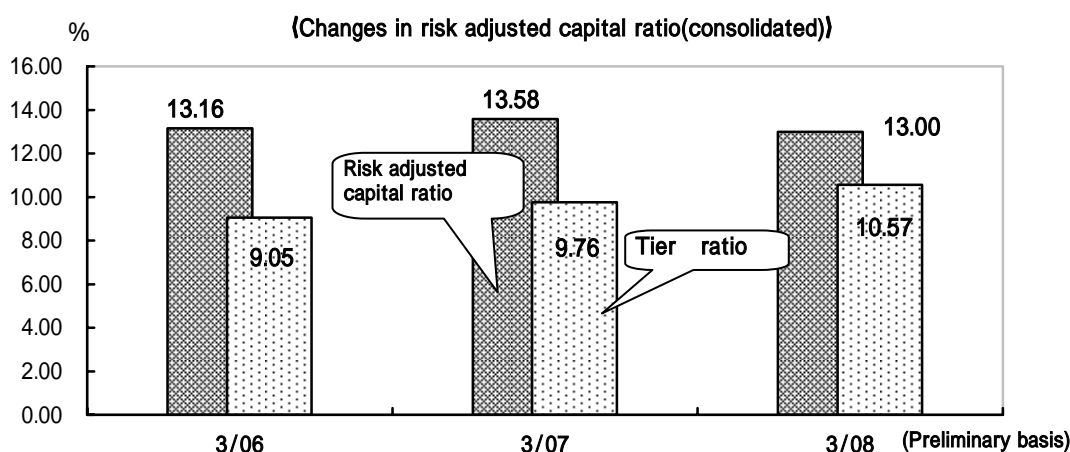
(Units: %)

	FY ended March 31, 2008 (A)			First half year ended Sept. 30, 2007 (B)	FY ended March 31, 2007 (C)
	(Preliminary)	Inc/Dec (A)-(B)	Inc/Dec (A)-(C)		
Risk adjusted capital ratio (BIS standards)	13.00	(0.97)	(0.58)	13.97	13.58
Tier I risk adjusted ratio	10.57	0.45	0.81	10.12	9.76

(Units: 100 million yen)

Tier I	(1)	3,807	68	153	3,738	3,653
Tax effect equivalent		438	(10)	5	448	432
Tier II	(2)	994	(567)	(578)	1,562	1,573
Deduction	(3)	117	(22)	(29)	139	147
Risk adjusted capital	(1)+(2)-(3)	4,684	(476)	(395)	5,161	5,079
Risk assets		36,017	(921)	(1,382)	36,939	37,400
Total required capital		2,881	(73)	(110)	2,955	2,992

- (a) Risk adjusted capital ratio declined 0.58% from a year earlier due to a decline in the Tier II mainly caused by a decrease in valuation gains on securities owing to the decline of stock prices. Tier I ratio rose 0.81% on the year.
- (b) Tax effect equivalent amounted to ¥43.8 billion, which accounts for 11.5% of Tier I, and 9.3% of risk adjusted capital.
- (c) Risk adjusted capital ratio exceeds 8.0% required by the BIS standards.



(4) Booking of valuation gains (losses) 【Non-consolidated】

Valuation gains (losses)

(Units: 100 million yen)

	As of March 31, 2008			
	Valuation gains (losses)		Valuation gains	Valuation losses
		Change from March 31, 2007		
Securities held to maturity	-	-	-	-
Other securities	1,290	(1,218)	1,469	178
Stocks	1,338	(1,076)	1,366	27
Bonds	39	92	81	42
Others	(87)	(234)	21	109

Valuation gains on other securities decreased ¥121.8 billion from a year earlier to ¥129.0 billion.

(5) Status of Assets 【Non-consolidated】

Disclosure of loans based on the Financial Revitalization Law

(Units: 100 million yen, %)

	FY ended March 31, 2008 (A)		First half year ended Sept. 30, 2007 (B)	FY ended March 31, 2007 (C)
		Inc/Dec (A)-(B)		
Bankrupt and quasi-bankrupt assets	492	(16)	(9)	508
Doubtful assets	983	61	79	922
Substandard assets	790	213	230	577
Total	2,266	257	299	2,008
As a percentage of total credits	5.56	0.64	0.75	4.92

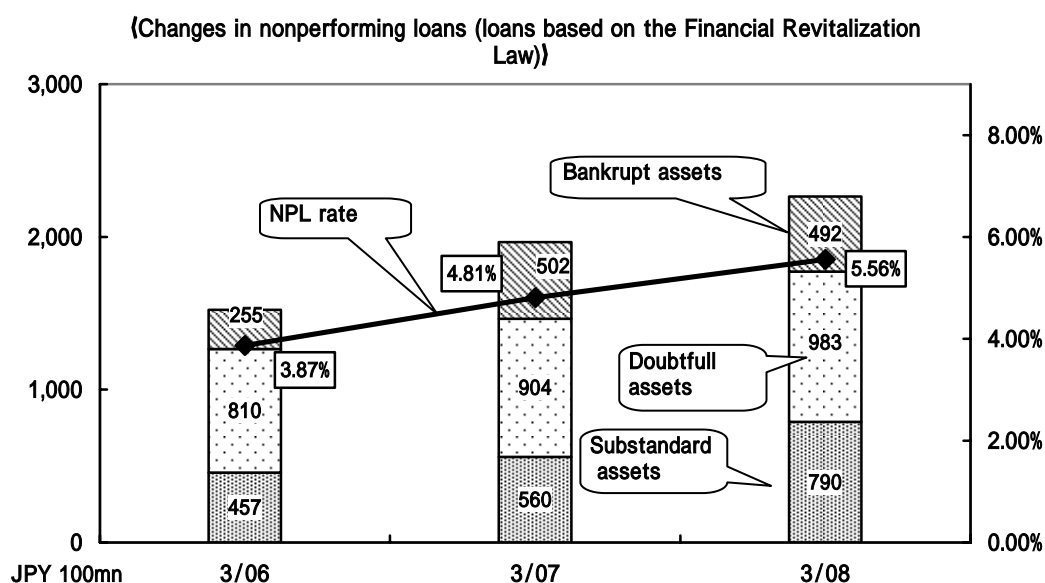
Coverage ratio	71.3	(3.5)	(5.1)	74.8	76.4
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- (a) Disclosed loans based on the Financial Revitalization Law increased ¥29.9 billion, or 15.2% from a year earlier to ¥226.6 billion due to the deterioration of business conditions of customers.
- (b) Disclosed loans based on the Financial Revitalization Law as a percentage of total credits increased 0.75% to 5.56%.
- (c) Although a partial direct charge-off was not executed, the above table would have been shown as follows if it were performed.

(Units: 100 million yen, %)

	FY ended March 31, 2008 (A)		First half year ended Sept. 30, 2007 (B)	FY ended March 31, 2007 (C)
		Inc/Dec (A)-(B)		
Bankrupt and quasi-bankrupt assets	212	(16)	(23)	229
Doubtful assets	983	61	79	922
Substandard assets	790	213	230	577
Total	1,986	257	286	1,728
As a percentage of total credits	4.90	0.63	0.72	4.27

Note: Partial direct charge-off means an execution of a direct charge-off of credit claims secured by collateral and guarantees that are determined ultimately uncollectible or valueless by an internal self-assessment (classified as Category IV), deducted by the amount estimated to be collectible through the disposal of such collateral and execution of guarantees.



2. Earning projections for the fiscal year ending March 31, 2009

【Non-consolidated】

(Units: 100 million yen)

	Projection for half year ending 2008/9/30	Projection for FY ending 2009/3/31(A)	(A-B)	Results for FY ended 2008/3/31 (B)
Operating income	695	1,390	(211)	1,601
Gross business profit	509	1,043	(18)	1,061
Profit on interest	427	874	(36)	910
Profit on fees and commissions	70	145	4	141
Trading profit	4	8	2	6
Other business profit	7	15	12	3
(Profit(losses) related to bonds(JGB etc.))	(0)	(1)	9	(10)
General and administrative expenses	317	626	37	589
(Personnel expenses)	157	311	14	297
(Non-personnel expense)	141	285	20	265
Core net business profit	192	418	(63)	481
Actual net business profit	192	417	(54)	471
Transfer to general reserve for possible loan losses (a)	(13)	(7)	18	(25)
Net business profit	205	424	(72)	496
Gains/losses on sales of stocks, etc.	(0)	5	(71)	76
Write-down of stocks, etc.			(8)	8
Profit (loss) on money held in trust	1	2	(1)	3
Disposal of nonperforming loans (b)	60	120	(136)	256
Operating profit	155	325	3	322
Extraordinary gains (losses)	(0)	(2)	4	(6)
Net income	95	200	10	190
Credit related expenses (a)+(b)	46	113	(118)	231

【Consolidated】

(Units: 100 million yen)

	Projection for half year ending 2008/9/30	Projection for FY ending 2009/3/31 (A)	(A-B)	Results for FY ended 2008/3/31 (B)
Operating income	945	1,890	(221)	2,111
Operating profit	165	350	4	346
Net income (interim)	100	208	9	199

These projections are based on certain estimates which the bank believes are reasonable, based on information available as of the date of this filing; there is the possibility that the actual results may vary significantly due to various factors in the future.