

INTERIM FINANCIAL DATA
FOR THE SIX MONTHS ENDED
SEPTEMBER 30, 2013

The Hachijuni Bank, Ltd.

FINANCIAL REVIEW (The first half fiscal year ended September 30, 2013)

1. Summary (Non-consolidated)

(1) Breakdown of income

A. Net business profit

(Units: 1million yen)

	First half of FY 2013 (A)		First half of FY 2012 (B)
		Inc/Dec (A-B)	
Gross business profit	49,286	1,025	48,260
Profit on interest	39,065	(943)	40,008
Profit on fees and commissions	5,129	121	5,007
Trading profit	58	5	53
Profit from other business transactions	5,033	1,842	3,190
Gains (losses) related to bonds	4,823	2,036	2,786
General & administrative expenses	30,096	93	30,002
Personnel expenses	15,054	19	15,034
Non personnel expenses	13,510	110	13,400
Core net business profit (Note)	14,367	(1,105)	15,472
Actual net business profit (Note)	19,190	931	18,258
Transfer to general reserve for possible loan losses (Note)	—	—	—
Net business profit (Note)	19,190	931	18,258

Note: 1. Each item was expressed by the following calculation formula;

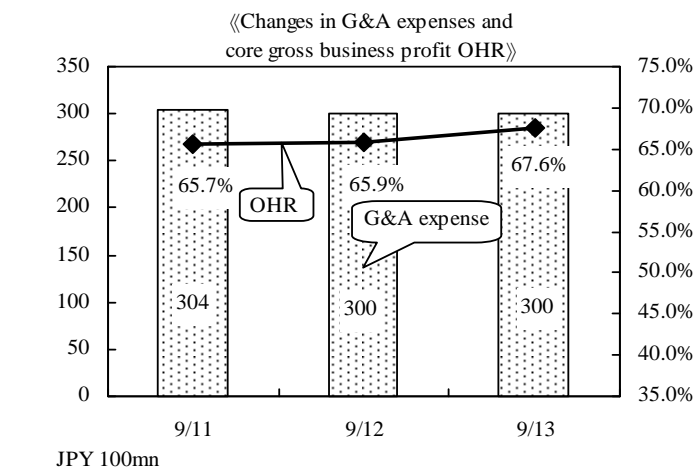
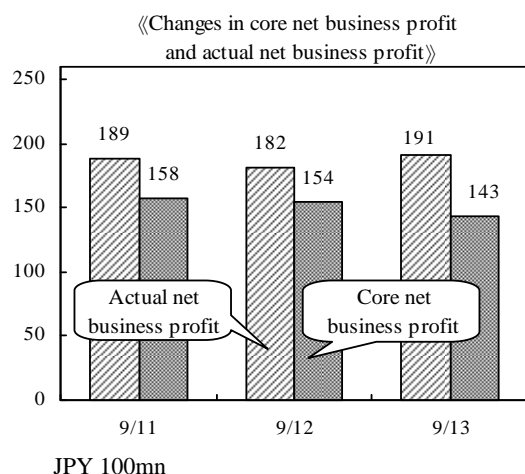
Core net business profit = gross business profit - G&A expenses - gains (losses) related to bonds

Actual net business profit = gross business profit - G&A expenses

Net business profit = gross business profit - G&A expenses - transfer to general reserve for possible loan losses

2. In the first half of FY2012 and the first half of FY2013, reversal of general reserve for possible loan losses exceeded transfer to specific reserve so the differences were included in reversal of allowance for loan losses classified in temporary profit (loss) according to the accounting standards.

- (a) Gross business profit increased by ¥1.0 billion from the same period a year earlier to ¥49.2 billion.
- Profit on interest decreased by ¥0.9 billion to ¥39.0 billion mainly due to a decline in interest margin, reflecting the decline in interest rates.
 - Profit on fees and commissions increased by ¥0.1 billion to ¥5.1 billion owing to an increase in handling fees of investment trusts.
 - Gains (losses) related to bonds increased by ¥2.0 billion to ¥4.8 billion. Though both profit and loss relating to sales of bonds increased, an increase of profit exceeded an increase of loss.
- (b) General and administrative expenses was ¥30.0 billion, the same level as the same period a year earlier.
- (c) Core net business profit decreased by ¥1.1 billion from the same period a year earlier to ¥14.3 billion due mainly to the decrease in profit on interest.
Actual net business profit increased by ¥0.9 billion to ¥19.1 billion, owing to the increase in gains (losses) related to bonds.
- (d) General reserve for possible loan losses resulted in a reversal mainly due to the decline in the outstanding balances of loans under close observation (as for transfer to general reserve for possible loan losses, please see the reference in the 3rd page).
As a result, net business profit was ¥19.1 billion, the same amount as actual net business profit.



B. Operating profit

(Units: 1million yen)

	First half of FY 2013 (A)		First half of FY 2012 (B)
		Inc/Dec (A-B)	
Temporary profit (loss)	5,353	8,944	(3,591)
Reversal of allowance for loan losses	3,638	2,200	1,438
Net gains (losses) related to equity securities	1,447	4,062	(2,615)
Profit (loss) on money held in trust	(301)	1,627	(1,928)
Disposal of nonperforming loans	460	(102)	563
Operating profit	24,502	9,855	14,646

- (a) Due to improvements in net gains (losses) related to equity securities and profit (loss) on money held in trust, and the increase in reversal of allowance for loan losses, temporary profit (loss) improved by ¥8.9 billion from the same period a year earlier to ¥5.3 billion.
- (b) Disposal of nonperforming loans decreased by ¥0.1 billion from the same period a year earlier to ¥0.4 billion (as for transfer to specific reserve, please see the reference in the 3rd page).
- (c) Operating profit increased by ¥9.8 billion from the same period a year earlier to ¥24.5 billion because net business profit increased and temporary profit (loss) substantially improved.

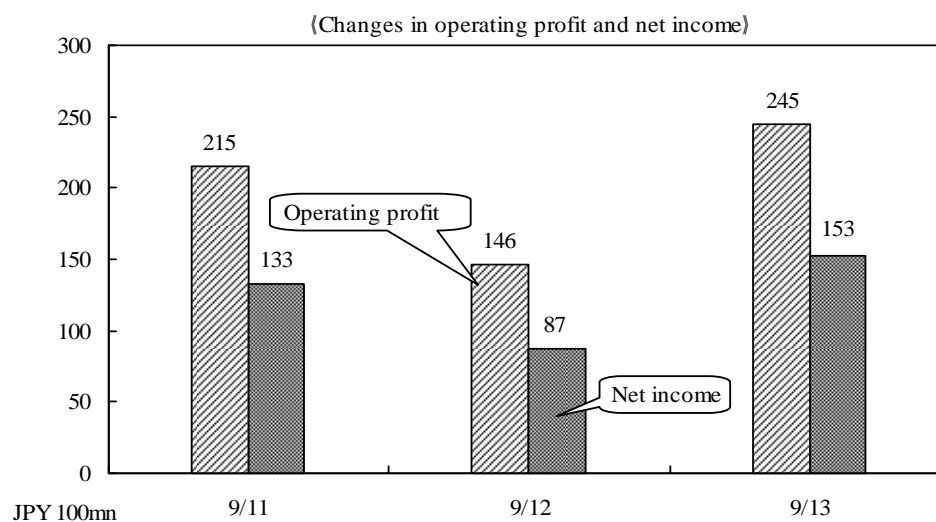
C. Current net income

(Units: 1million yen)

	First half of FY 2013 (A)		First half of FY 2012 (B)
		Inc/Dec (A-B)	
Extraordinary gains (losses)	(94)	421	(515)
Income before income taxes	24,408	10,276	14,131
Income taxes-current	7,138	2,994	4,144
Income taxes-deferred	1,922	729	1,192
Net income (loss)	15,346	6,552	8,793

Extraordinary gains (losses) improved by ¥0.4 billion from same period a year earlier to a negative ¥0.09 billion.

As a result, net income for the current interim fiscal year was ¥15.3 billion, up ¥6.5 billion from the same period a year earlier.



(Reference)

Credit related expenses

(Units: 1million yen)

	First half of FY 2013 (A)		First half of FY 2012 (B)
		Inc/Dec (A-B)	
Transfer to general reserve (a)	—	—	—
Disposal of nonperforming loans (b)	460	(102)	563
Reversal of allowance for loan losses (c)	3,638	2,200	1,438
Reversal of general reserve	4,885	1,154	3,731
Transfer to specific reserve	1,246	(1,046)	2,292
Recoveries of written-off claims (d)	0	(24)	24
Credit related expenses (a)+(b)-(c)-(d)	(3,178)	(2,279)	(899)

Credit related expenses decreased by ¥2.2 billion from the same period a year earlier to a negative ¥3.1 billion, reflecting to the increase in reversal of allowance for loan losses.

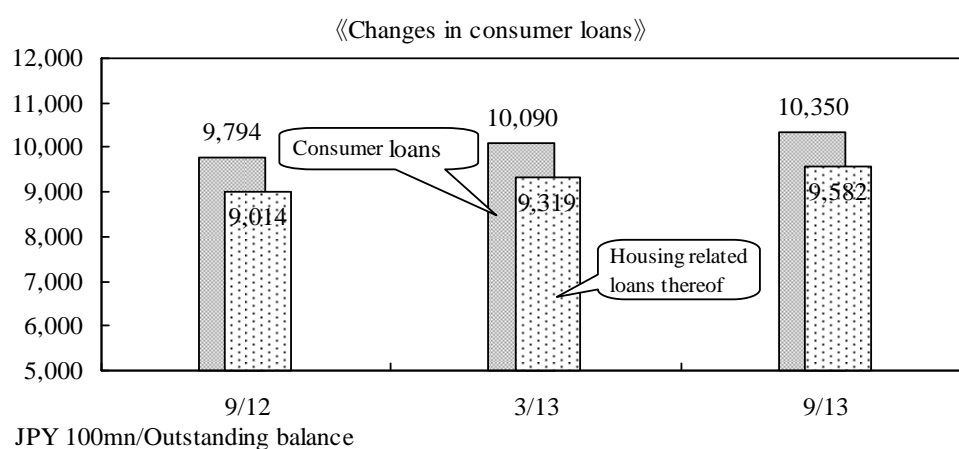
(2) Major accounts (Non-consolidated)

A. Loans

(Units: 100 million yen)

	First half of FY 2013 (A)		FY 2012 (B)	First half of FY 2012 (C)	
		Inc/Dec (A-B)			Inc/Dec (A-C)
For all offices (outstanding balance as of the end of the period)	44,071	372	1,481	43,699	42,590
Loans to general corporations	28,383	(16)	332	28,400	28,051
Loans to consumers	10,350	260	556	10,090	9,794
For all offices (average balance of the period)	44,198	1,261	1,597	42,936	42,600
Loans to general corporations	28,665	300	479	28,364	28,185
Loans to consumers	10,195	407	534	9,788	9,661

- (a) The outstanding balance increased by ¥148.1 billion, or 3.4% from the same period a year earlier to ¥4,407.1 billion due to increases in loans to consumers, to local public entities, and to general corporations.
- (b) The average balance increased by ¥159.7 billion, or 3.7% from the same period a year earlier to ¥4,419.8 billion.



B. Securities

(Units: 100 million yen)

	First half of FY 2013 (A)		FY 2012 (B)	First half of FY 2012 (C)	
		Inc/Dec (A-B)			Inc/Dec (A-C)
For all offices (outstanding balance as of the end of the period)	21,806	(849)	1,357	22,656	20,449
Bonds thereof	15,219	(1,067)	(144)	16,287	15,364
JGB thereof	11,805	(1,123)	150	12,928	11,654
Stocks thereof	2,551	202	844	2,348	1,706
For all offices (average balance of the period)	20,107	512	1,087	19,595	19,020
Bonds thereof	14,956	70	475	14,885	14,480
JGB thereof	11,631	211	684	11,420	10,946
Stocks thereof	1,148	(32)	(34)	1,180	1,182

- (a) The outstanding balance increased by ¥135.7 billion, or 6.6% from the same period a year earlier to ¥2,180.6 billion due to an increase in valuation gains of stocks on the back of the stock prices rise.
- (b) The average balance increased by ¥108.7 billion, or 5.7% from the same period a year earlier to ¥2,010.7 billion.

C. Deposits

(Units: 100 million yen)

	First half of FY 2013 (A)		FY 2012 (B)	First half of FY 2012 (C)
		Inc/Dec (A-B)		
For all offices (outstanding balance as of the end of the period)	58,974	740	58,233	56,898
Individuals thereof	40,985	539	40,445	39,964
Corporations thereof	13,827	745	13,081	12,988
For all offices (average balance of the period)	58,689	1,570	57,119	57,144
Individuals thereof	40,860	753	40,107	39,883
Corporations thereof	13,306	554	12,752	12,823

- (a) The outstanding balance increased by ¥207.5 billion, or 3.6% from the same period a year earlier to ¥5,897.4 billion due to increases in deposits from individual customers and corporate customers.
- (b) The average balance increased by ¥154.5 billion, or 2.7% from the same period a year earlier to ¥5,868.9 billion.

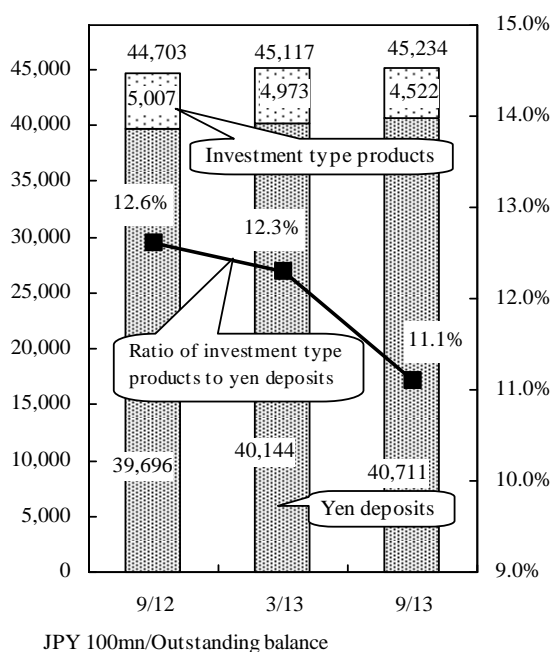
D. Personal financial assets deposited (outstanding balance)

(Units: 100 million yen)

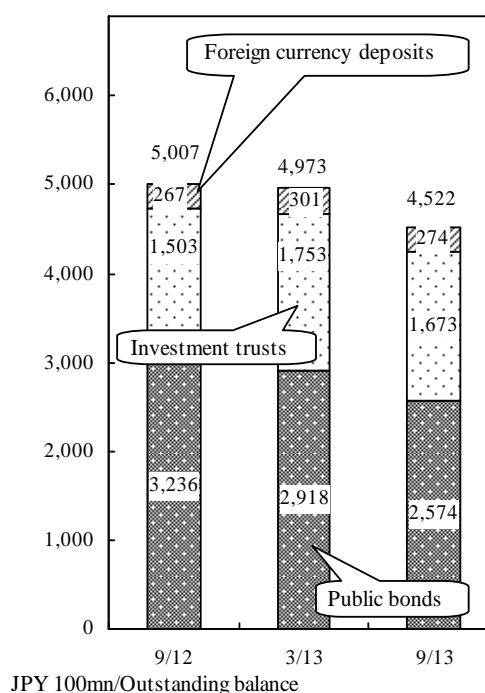
	First half of FY 2013 (A)		FY 2012 (B)	First half of FY 2012 (C)
		Inc/Dec (A-B)		
Yen deposits	40,711	567	40,144	39,696
Foreign currency deposits	274	(27)	301	267
Investment trusts	1,673	(79)	1,753	1,503
Public bonds (Government bonds, and other bonds)	2,574	(343)	2,918	3,236
Total	45,234	116	45,117	44,703

The outstanding balance of financial assets deposited increased by ¥53.0 billion, or 1.1% from the same period a year earlier to ¥4,523.4 billion owing to an increase in yen deposits, despite a decrease in public bonds (JGBs etc.).

《Changes in personal financial assets deposited》



《Changes in investment type products》



(3) Capital ratio (Basel III standards)

<Consolidated>

		As of Sep 30, 2013		As of Mar 31, 2013
			Change from Mar 31, 2013	
Total capital ratio	①/④	18.44%	0.56%	17.88%
Tier1 capital ratio	②/④	15.50%	0.53%	14.97%
Common Equity Tier1 capital ratio	③/④	15.33%	0.55%	14.78%

(Units: 100 million yen)

Total capital	①	5,398	156	5,241
Tier1 capital	②	4,539	151	4,387
Common Equity Tier1 capital	③	4,489	155	4,334
Risk weighted assets	④	29,272	(34)	29,307
Required capital		2,341	(2)	2,344

<Non-consolidated>

		As of Sep 30, 2013		As of Mar 31, 2013
			Change from Mar 31, 2013	
Total capital ratio	①/④	17.55%	0.40%	17.15%
Tier1 capital ratio	②/④	14.66%	0.40%	14.26%
Common Equity Tier1 capital ratio	③/④	14.66%	0.40%	14.26%

(Units: 100 million yen)

Total capital	①	4,986	125	4,860
Tier1 capital	②	4,164	123	4,041
Common Equity Tier1 capital	③	4,164	123	4,041
Risk weighted assets	④	28,402	74	28,328
Required capital		2,272	5	2,266

Note 1: Risk weighted assets calculation was based on the Foundation Internal Ratings-Based Approach.

Note 2: As a bank subject to international standards, the above capital ratios were calculated by new Basel III standards in the end of the previous fiscal year (Mar 31, 2013).

(Reference) Risk adjusted capital ratio as of Sep 30, 2012

		As of Sep 30, 2012	
		Consolidated	Non-consolidated
Risk adjusted capital ratio (BIS standards)	④/⑤	17.62%	16.96%
Tier1 ratio	①/⑤	16.19%	15.44%

(Units: 100 million yen)

Tier1	①	4,298	3,968
Tier2	②	429	418
Deduction	③	48	26
Risk adjusted capital	④=①+②-③	4,679	4,360
Risk assets	⑤	26,547	25,700

(4) Booking of valuation gains (losses) (Non-consolidated) (Units: 100 million yen)

	First half of FY 2013 (A)			
	Valuation gains (losses)		Valuation gains	Valuation losses
		Change from March 31, 2013		
Securities held to maturity	—	—	—	—
Other securities	2,008	(54)	2,029	21
Equity securities	1,438	208	1,443	4
Bonds	506	(194)	507	1
Others	63	(68)	78	15

Valuation gains on other securities decreased by ¥5.4 billion from the end of FY2012 (March 31, 2013) to ¥200.8 billion.

(Reference) Nikkei stock average

Sep. 30, 2013: ¥14,455

Mar. 29, 2013: ¥12,397

(5) Status of Assets (Non-consolidated)

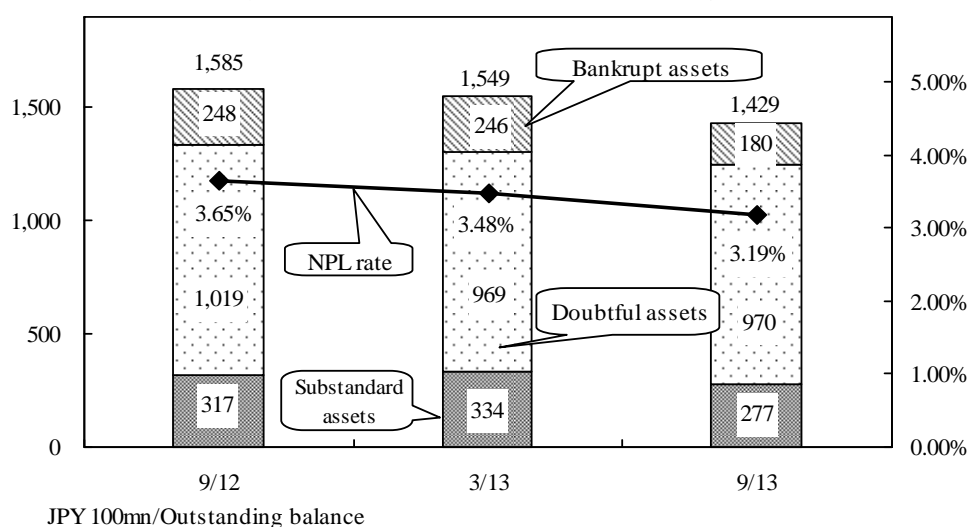
Disclosure of loans based on the Financial Revitalization Law

(Units: 100 million yen, %)

	First half of FY 2013 (A)			FY 2012 (B)	First half of FY2012 (C)
		Inc/Dec (A-B)	Inc/Dec (A-C)		
Bankrupt and quasi-bankrupt assets	180	(65)	(67)	246	248
Doubtful assets	970	1	(48)	969	1,019
Substandard assets	277	(56)	(40)	334	317
Total	1,429	(120)	(156)	1,549	1,585
As a percentage of total credits	3.19	(0.29)	(0.46)	3.48	3.65
Coverage ratio	73.0	(1.0)	(1.2)	74.0	74.2

Disclosed loans based on the Financial Revitalization Law decreased by ¥12.0 billion from the end of FY2012 (March 31, 2013) to ¥142.9 billion.

《Changes in nonperforming loans
(loans based on the Financial Revitalization law)》



2. Earning projections for FY 2013

(Non-consolidated)

(Units: 100 million yen)

	First half of FY 2013	Projection for FY 2013 (A)		FY 2012 (B)
			(A-B)	
Gross business profit	492	941	(18)	959
Profit on interest	390	768	(28)	796
Profit on fees and commissions	51	107	7	100
Trading profit	0	3	1	2
Profit from other business transactions	50	61	2	59
(Gains (losses) related to bonds (JGB etc.)) (a)	48	52	(2)	54
General and administrative expenses	300	600	14	586
(Personnel expenses)	150	298	(1)	299
(Non-personnel expense)	135	274	13	261
Core net business profit	143	290	(27)	317
Actual net business profit	191	340	(32)	372
Transfer to general reserve for possible loan losses (b)	—	—	—	—
Net business profit	191	340	(32)	372
Net gains (losses) related to equity securities (c)	14	17	22	(5)
Disposal of nonperforming loans (d)	4	7	(1)	8
Reversal of allowance for loan losses (e)	36	37	35	2
Recoveries of written-off claims (f)	0	0	0	0
Operating profit	245	400	66	334
Net income	153	250	45	205
Credit related expenses (b)+(d)-(e)-(f)	(31)	(30)	(35)	5
Profit(losses) related to securities (a)+(c)	62	69	20	49

(Consolidated)

(Units: 100 million yen)

	First half of FY 2013	Projection for FY 2013 (A)		FY 2012 (B)
			(A-B)	
Operating profit	279	460	62	398
Net income	163	265	44	221

The above figures of projections for FY2013 were changed from the previous projections disclosed in May 10.

- * 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.