

**INTERIM FINANCIAL DATA  
FOR THE SIX MONTHS ENDED  
SEPTEMBER 30, 2016**

**The Hachijuni Bank, Ltd.**

# I FINANCIAL REVIEW (The first half fiscal year ended September 30, 2016)

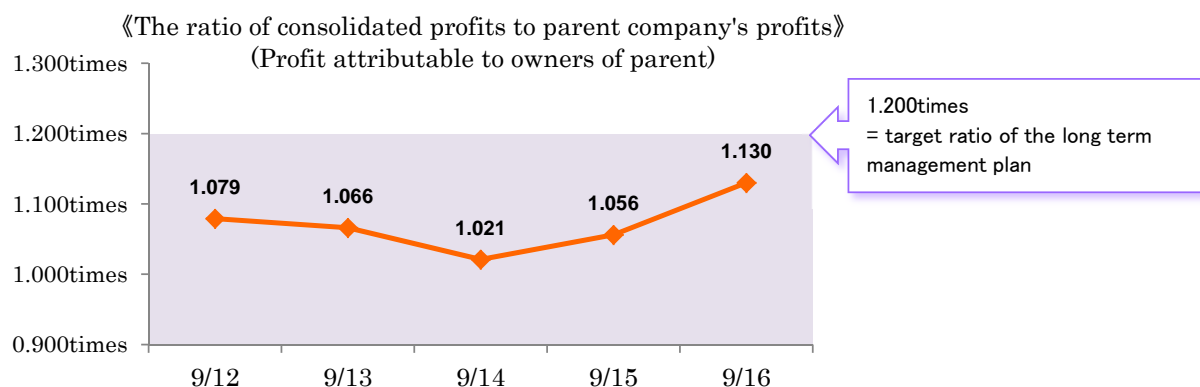
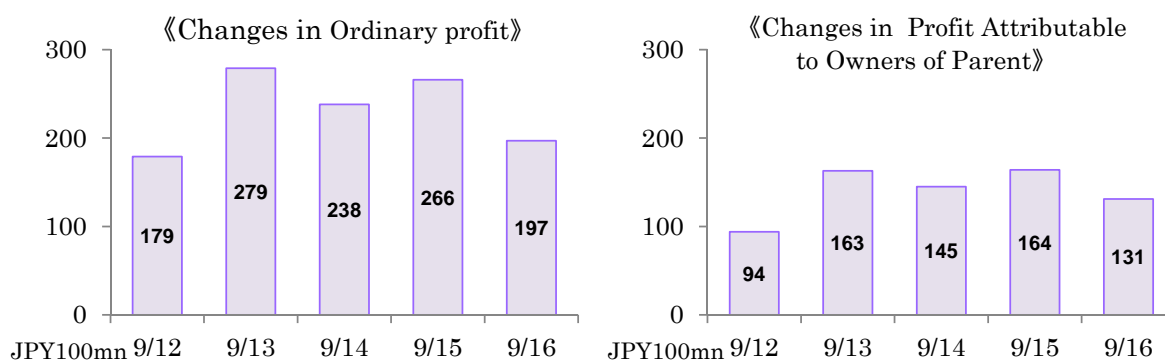
## 1. Breakdown of income

<Consolidated> (Units: 1million yen)

	First half of FY 2016 (A)	Inc/Dec (A-B)	First half of FY 2015 (B)
Consolidated gross business profit	49,106	(2,901)	52,008
Profit on interest	35,102	(3,513)	38,615
Profit on fees and commissions	6,510	(1,081)	7,592
Trading profit	624	(466)	1,090
Profit from other business transactions	6,869	2,159	4,710
General & administrative expenses	33,466	2,803	30,662
Credit related expenses	(1,948)	369	(2,317)
<b>Ordinary profit</b>	<b>19,747</b>	<b>(6,931)</b>	<b>26,678</b>
Extraordinary gains (losses)	(314)	(143)	(170)
Profit before income taxes	19,433	(7,074)	26,507
Total income taxes	5,606	(3,039)	8,646
Profit	13,826	(4,034)	17,861
Profit attributable to non-controlling interests	651	(734)	1,385
<b>Profit attributable to owners of parent</b>	<b>13,174</b>	<b>(3,300)</b>	<b>16,475</b>

(Number of Consolidated Companies)

Number of consolidated subsidiaries	10	—	10
Number of companies accounted for by the equity method	—	—	—

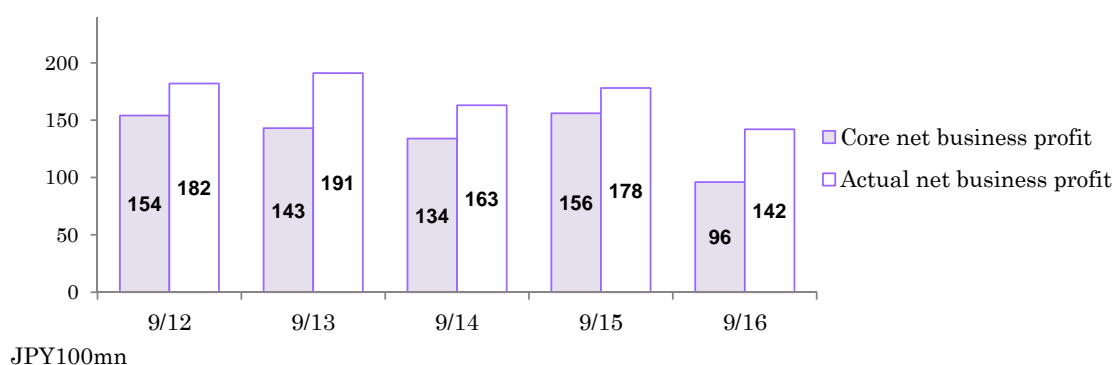


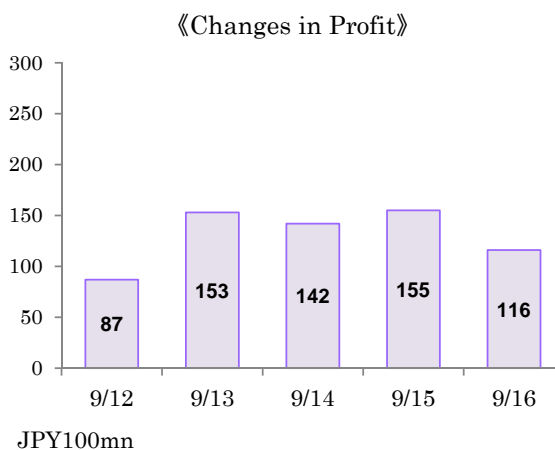
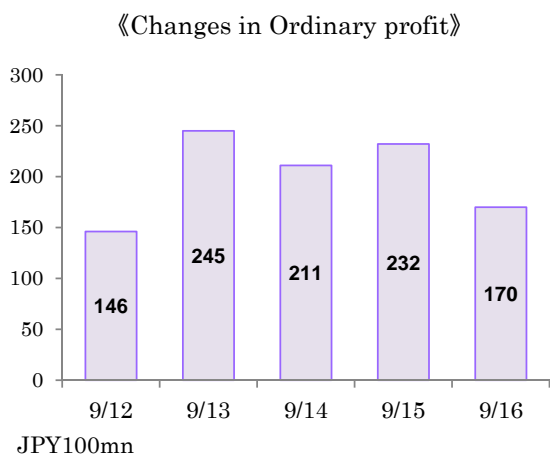
&lt;Non-consolidated&gt;

(Units: 1million yen)

		First half of FY 2016 (A)	Inc/Dec (A-B)	First half of FY 2015 (B)
Gross business profit	A	43,598	(2,662)	46,261
Profit on interest		34,971	(3,567)	38,539
Profit on fees and commissions		3,838	(1,237)	5,075
Trading profit		92	(43)	136
Profit from other business transactions		4,695	2,185	2,509
Gains (losses) related to bonds	B	4,539	2,315	2,223
General & administrative expenses	C	29,359	992	28,366
Personnel expenses		14,581	77	14,503
Non personnel expenses		12,694	726	11,968
<b>Core net business profit</b>	<b>A-B-C</b>	<b>9,699</b>	<b>(5,971)</b>	<b>15,671</b>
<b>Actual net business profit</b>	<b>A-C</b>	<b>14,239</b>	<b>(3,655)</b>	<b>17,895</b>
Transfer to general reserve for possible loan losses	D	—	—	—
Net business profit	A-C-D	14,239	(3,655)	17,895
Net gains (losses) related to equity securities	E	301	(1,511)	1,813
Profit (loss) on money held in trust		257	398	(141)
Disposal of nonperforming loans	F	(47)	(198)	151
Transfer to specific reserve		—	—	—
Reversal of allowance for loan losses	G =a+b	1,882	(618)	2,501
Reversal of general reserve	a	1,794	5,069	(3,275)
Reversal of specific reserve	b	88	(5,688)	5,776
Recoveries of written-off claims	H	1	(10)	12
<b>Ordinary profit</b>		<b>17,047</b>	<b>(6,174)</b>	<b>23,221</b>
Extraordinary gains (losses)		(315)	(144)	(170)
Income before income taxes		16,732	(6,318)	23,050
Total income taxes		5,079	(2,381)	7,461
<b>Profit</b>		<b>11,652</b>	<b>(3,936)</b>	<b>15,589</b>
Profit(losses) related to securities	B+E	4,841	804	4,036
Credit related expenses	D+F-G-H	(1,931)	430	(2,362)

《Changes in Core net business profit and Actual net business profit》



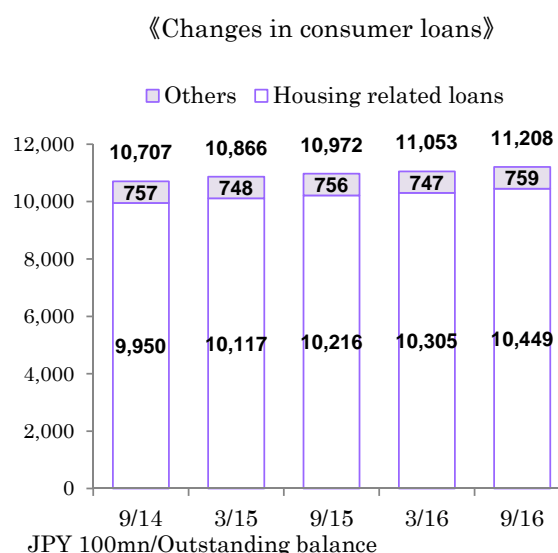
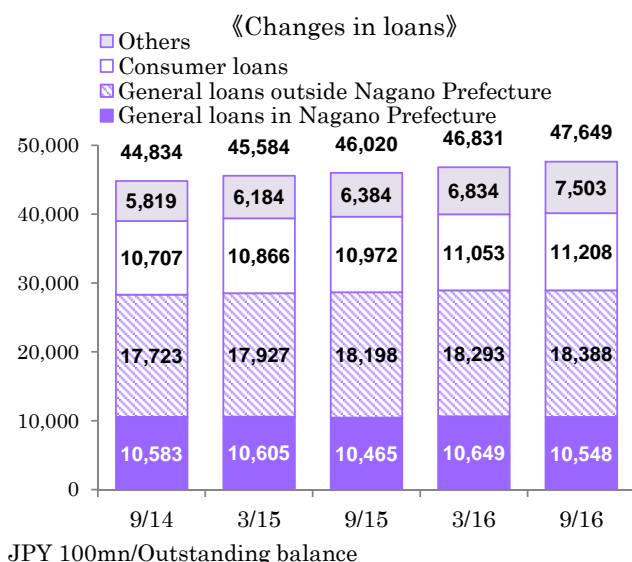


## 2. Major accounts

### ◆ Loans <Non-consolidated>

(Units: 100 million yen)

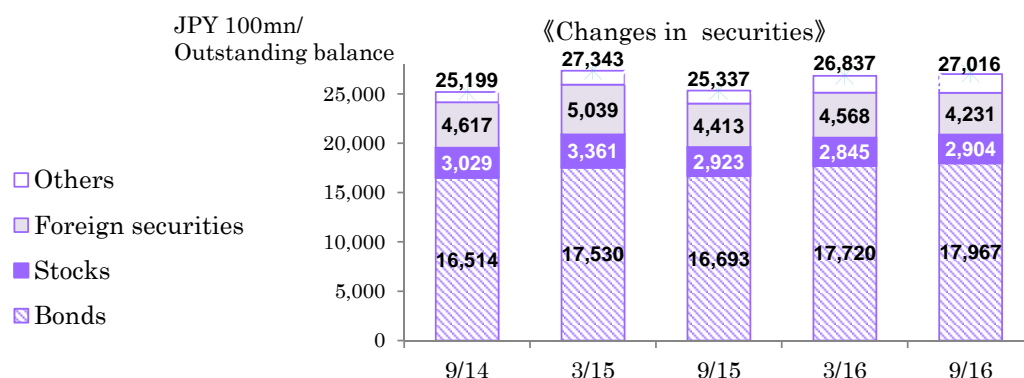
	First half of FY 2016 (A)	Inc/Dec (A-B)	Inc/Dec (A-C)	FY 2015 (B)	First half of FY 2015(C)
<b>For all offices (outstanding balance as of the end of the period)</b>	<b>47,649</b>	<b>818</b>	<b>1,629</b>	<b>46,831</b>	<b>46,020</b>
Loans to general corporations	28,937	(5)	274	28,943	28,663
Loans to consumers	11,208	155	235	11,053	10,972
Housing related loans thereof	10,449	143	232	10,305	10,216
Others	7,503	668	1,119	6,834	6,384
<b>For all offices (average balance of the period)</b>	<b>47,362</b>	<b>910</b>	<b>1,129</b>	<b>46,451</b>	<b>46,232</b>
Loans to general corporations	29,071	(16)	167	29,088	28,904
Loans to consumers	11,097	159	208	10,938	10,889
Others	7,192	768	753	6,424	6,438



◆ Securities <Non-consolidated>

(Units: 100 million yen)

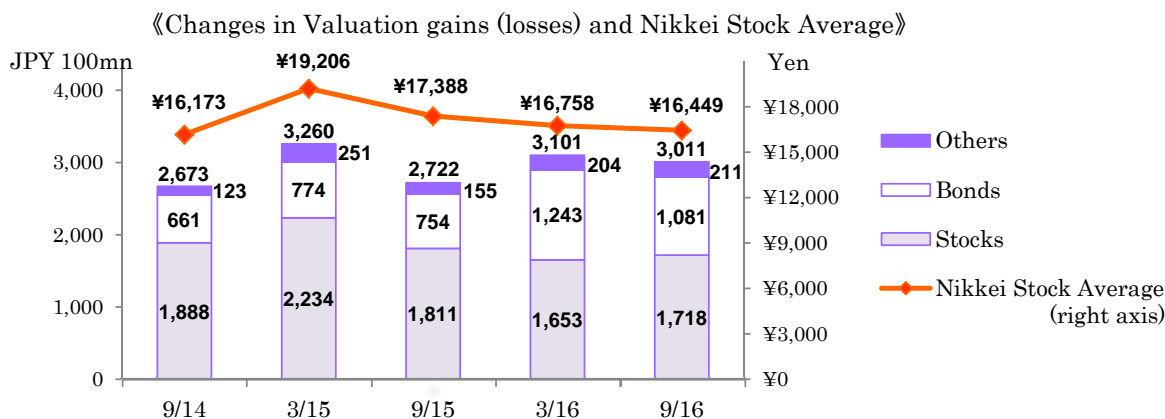
	As of September 30, 2016			FY 2015 (B)	First half of FY 2015(C)
	First half of FY 2016 (A)	Inc/Dec (A-B)	Inc/Dec (A-C)		
<b>For all offices (outstanding balance as of the end of the period)</b>	<b>27,016</b>	<b>179</b>	<b>1,678</b>	<b>26,837</b>	<b>25,337</b>
Bonds	17,967	246	1,274	17,720	16,693
JGB thereof	13,336	(174)	245	13,511	13,090
Stocks	2,904	59	(18)	2,845	2,923
Foreign securities	4,231	(336)	(182)	4,568	4,413
Others	1,913	210	605	1,702	1,307
<b>For all offices (average balance of the period)</b>	<b>23,800</b>	<b>492</b>	<b>331</b>	<b>23,307</b>	<b>23,468</b>
Bonds	16,569	286	244	16,282	16,324
JGB thereof	12,250	(421)	(668)	12,671	12,919
Stocks	1,205	11	60	1,194	1,144
Foreign securities	4,321	(165)	(386)	4,487	4,708
Others	1,703	359	412	1,343	1,290



◆ Valuation gains (losses) <Non-consolidated>

(Units: 100 million yen)

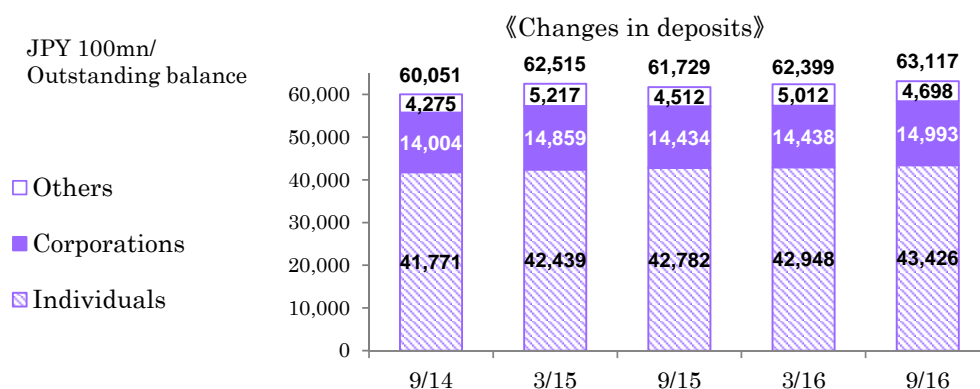
	As of September 30, 2016			
	Valuation gains (losses)	Change from March 31, 2016	Valuation gains	Valuation losses
<b>Other securities</b>	<b>3,011</b>	<b>(90)</b>	<b>3,057</b>	<b>46</b>
Stocks	1,718	64	1,726	7
Bonds	1,081	(161)	1,086	5
Others	211	6	244	33



## ◆ Deposits &lt;Non-consolidated&gt;

(Units: 100 million yen)

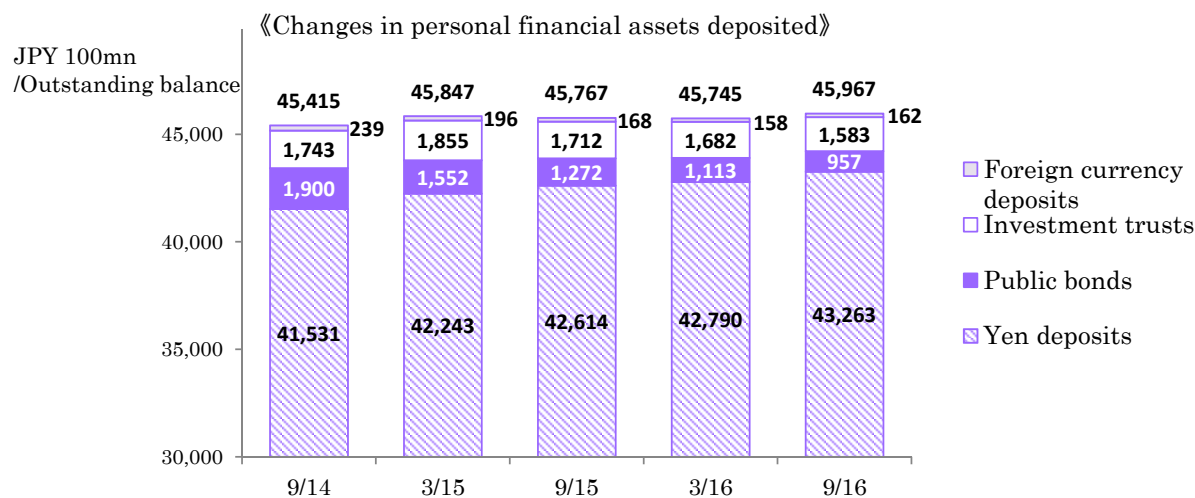
	As of			FY 2015 (B)	First half of FY 2015(C)
	First half of FY 2016 (A)	Inc/Dec (A-B)	Inc/Dec (A-C)		
<b>For all offices (outstanding balance as of the end of the period)</b>	<b>63,117</b>	<b>717</b>	<b>1,387</b>	<b>62,399</b>	<b>61,729</b>
Individuals	43,426	477	643	42,948	42,782
Corporations	14,993	554	558	14,438	14,434
Others	4,698	(314)	185	5,012	4,512
<b>For all offices (average balance of the period)</b>	<b>63,251</b>	<b>858</b>	<b>574</b>	<b>62,392</b>	<b>62,676</b>
Individuals	43,293	372	502	42,921	42,791
Corporations	15,289	302	(34)	14,987	15,324
Others	4,667	183	106	4,484	4,560



## ◆ Personal financial assets deposited &lt;Non-consolidated&gt;

(Units: 100 million yen)

	As of			As of March 31, 2016 (B)	As of September 30, 2015 (C)
	September 30, 2016 (A)	Inc/Dec (A-B)	Inc/Dec (A-C)		
<b>Total (outstanding balance)</b>	<b>45,967</b>	<b>222</b>	<b>199</b>	<b>45,745</b>	<b>45,767</b>
Yen deposits	43,263	473	649	42,790	42,614
Investment type products	2,703	(250)	(449)	2,954	3,153
Foreign currency deposits	162	4	(5)	158	168
Investment trusts	1,583	(99)	(128)	1,682	1,712
Public bonds (Government bonds, and other bonds)	957	(156)	(314)	1,113	1,272



### 3. Financial soundness

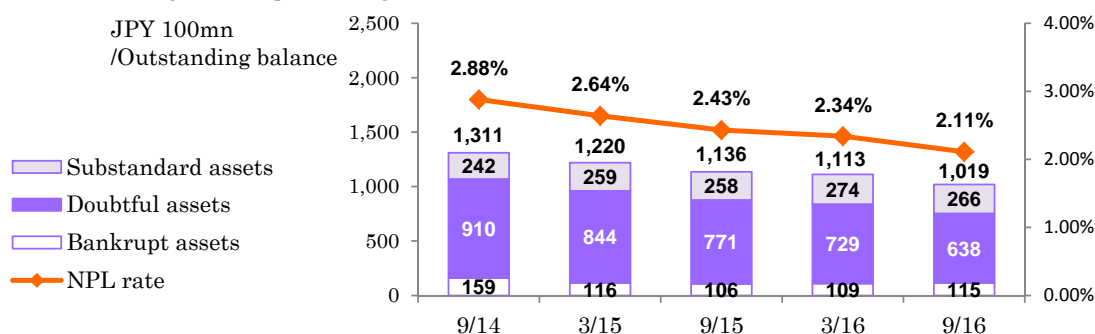
#### ◆ Disclosure of loans based on the Financial Revitalization Law

<Non-consolidated>

(Units: 100 million yen, %)

	As of			As of March 31, 2016 (B)	As of September 30, 2015 (C)
	September 30, 2016 (A)	Inc/Dec (A-B)	Inc/Dec (A-C)		
<b>Total</b>	<b>1,019</b>	<b>(93)</b>	<b>(116)</b>	<b>1,113</b>	<b>1,136</b>
Bankrupt and quasi-bankrupt assets	115	5	8	109	106
Doubtful assets	638	(91)	(133)	729	771
Substandard assets	266	(8)	7	274	258
<b>As a percentage of total credits</b>	<b>2.11</b>	<b>(0.23)</b>	<b>(0.32)</b>	<b>2.34</b>	<b>2.43</b>
Coverage ratio	74.4	3.3	1.9	71.1	72.5

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



#### ◆ Capital ratio (Basel III standards)

<Consolidated>

		As of			As of March 31, 2016 (B)	As of September 30, 2015 (C)
		September 30, 2016 (A)	Inc/Dec (A-B)	Inc/Dec (A-C)		
<b>Total capital ratio</b>	<b>A/D</b>	<b>20.90%</b>	<b>0.98%</b>	<b>1.00%</b>	<b>19.92%</b>	<b>19.90%</b>
Tier1 capital ratio	B/D	19.46%	0.94%	1.67%	18.52%	17.79%
Common Equity Tier1 capital ratio	C/D	19.30%	0.93%	1.71%	18.37%	17.59%

(Units: 100 million yen)

Total capital	A	6,444	122	324	6,321	6,120
Tier1 capital	B	6,001	122	528	5,878	5,473
Common Equity Tier1 capital	C	5,951	120	541	5,830	5,409
Risk weighted assets	D	30,823	(904)	71	31,728	30,751
Required capital	D×8%	2,465	(72)	5	2,538	2,460

<Non-consolidated>

		As of			As of March 31, 2016 (B)	As of September 30, 2015 (C)
		September 30, 2016 (A)	Inc/Dec (A-B)	Inc/Dec (A-C)		
<b>Total capital ratio</b>	<b>a/d</b>	<b>20.21%</b>	<b>1.02%</b>	<b>1.19%</b>	<b>19.19%</b>	<b>19.02%</b>
Tier1 capital ratio	b/d	18.83%	0.97%	1.85%	17.86%	16.98%
Common Equity Tier1 capital ratio	c/d	18.83%	0.97%	1.85%	17.86%	16.98%

(Units: 100 million yen)

Total capital	a	6,065	104	361	5,960	5,703
Tier1 capital	b	5,651	104	559	5,546	5,091
Common Equity Tier1 capital	c	5,651	104	559	5,546	5,091
Risk weighted assets	d	30,008	(1,046)	35	31,054	29,972
Required capital	d×8%	2,400	(83)	2	2,484	2,397

Note: In the above Risk weighted assets calculation, credit risk assets was based on The Foundation Internal Ratings-Based Approach and operational risk amount was based on The Standardized Approach.

## II Earning projections for FY 2016

### <Consolidated>

(Units: 100 million yen)

	First half of FY 2016	Projection for FY 2016		FY 2015 (B)
		(A)	(A-B)	
Ordinary profit	197	380	(110)	490
Profit attributable to owners of parent	131	245	(56)	301

### <Non-consolidated>

(Units: 100 million yen)

	First half of FY 2016	Projection for FY 2016		FY 2015 (B)
		(A)	(A-B)	
Core net business profit	96	180	(102)	282
Actual net business profit	142	260	(84)	344
Net business profit	142	260	(84)	344
Ordinary profit	170	320	(104)	424
Profit	116	220	(57)	277

※ 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.