

Frequently Asked Questions



Below are FAQs in and after the financial results briefing on November 21st, 2016.

Q1	What is the difference between loans for asset building and apartment loans?
A1	<p>Loans for asset building are mainly for the customers with high income and expected to expand their asset in future. Shizuoka Bank controls the risk moderately since the amount of loans for each customer is not so big. Financed properties are located mainly in the metropolitan area where the market liquidity is relatively high.</p> <p>Apartment loans are utilized by landowners for mainly tax-saving measure. Location of properties and profit plannings are carefully examined before loan execution.</p>

Q2	How is the outlook of expenses?
A2	Expenses will increase along the development of core banking system, and will reach at the peak between 2018 and 2019. This increase is to be offset by the increase in revenue from the new business field.

Q3	What is the lump-sum write-down of the unamortized "goodwill" related to Monex Group stock?
A3	<p>The "goodwill" had been equally amortized every year on a 20-year schedule since the acquisition of Monex Group stock.</p> <p>For the consolidated financial results, full amount of the "goodwill" was written down and recorded as equity in losses of affiliates in consolidated ordinary expenses. For the nonconsolidated financial results, the amount written down is the difference between the stock's acquisition cost and its market value at the end of September, 2016. Since the amount written down will not be written back for both the consolidated and the nonconsolidated financial results, this lump-sum write-down eliminated a factor in volatility of the financial results, and contributes to the reduction of amortization cost in the future.</p>

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