

***Results for FY2008 and Targets for
Tenth Medium-Term Management Plan:
"Dream TEN- New challenges" FY2008-FY2010***

May 27, 2009
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President

Dream with you.



静岡銀行



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I. Results for FY2008

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Results for FY2008

Consolidated (JPY bn, %)	FY2008	YoY change	
		Increase/ Decrease	Rate of change (%)
Ordinary revenue	232.2	-12.9	-5.3
Ordinary expenses (-)	212.3	+32.3	+17.9
Ordinary profit	20.0	-45.2	-69.3
Net income	13.0	-21.7	-62.6

Shizuoka Bank, Non-consolidated (JPY bn, %)	FY2008	YoY change	
		Increase/ Decrease	Rate of change (%)
Ordinary revenue	205.4	-8.1	-3.8
Gross operating profit	148.7	+12.3	+9.0
Net interest income	129.7	+10.0	+8.4
Fees	15.4	-2.3	-12.8
Commissions	1.8	-1.1	-37.2
Other operating profit	1.8	+5.6	—
(Bond-related income such as JGBs)	0.1	+6.6	—
Expenses (-)	79.6	+1.9	+2.4
Core net operating profit *	69.0	+3.8	+5.8
General transfer to loan loss reserves (-)	15.5	+15.7	—
Net operating profit	53.7	- 5.4	-9.1
Special profit and loss	-36.8	- 39.4	—
Bad debt written-off (-)	18.8	+11.0	+141.3
Gain (loss) on stocks	-17.5	- 27.8	—
Ordinary profit	16.9	- 44.8	-72.6
Extraordinary loss	-0.2	+2.9	—
Net income before taxes	16.7	- 41.9	-71.6
Corporate taxes (-)	3.9	- 19.5	-83.5
Net income	12.8	- 22.4	-63.6

*Core NOP=NOP + General transfer to loan loss reserves – Bond-related income such as JGBs

Core net operating profit: Continued growth for 8 periods

[Shizuoka Bank, Non-Consolidated]

Gross operating profit	JPY 148.7 bn (+ JPY 12.3 bn YoY)
Net operating profit	JPY 53.7 bn (- JPY 5.4 bn YoY)
Core net operating profit	JPY 69.0 bn (+ JPY 3.8 bn YoY)

[Breakdown of net interest income] (JPY bn)	FY2008	YoY change
Domestic operations division	120.0	+4.5
Of which, Interest on loans	118.0	+3.6
Interest and dividends on securities	21.1	+1.9
Interest on deposits (-)	17.8	+0.8
Overseas operations division	9.7	+5.6
Total	129.7	+10.0

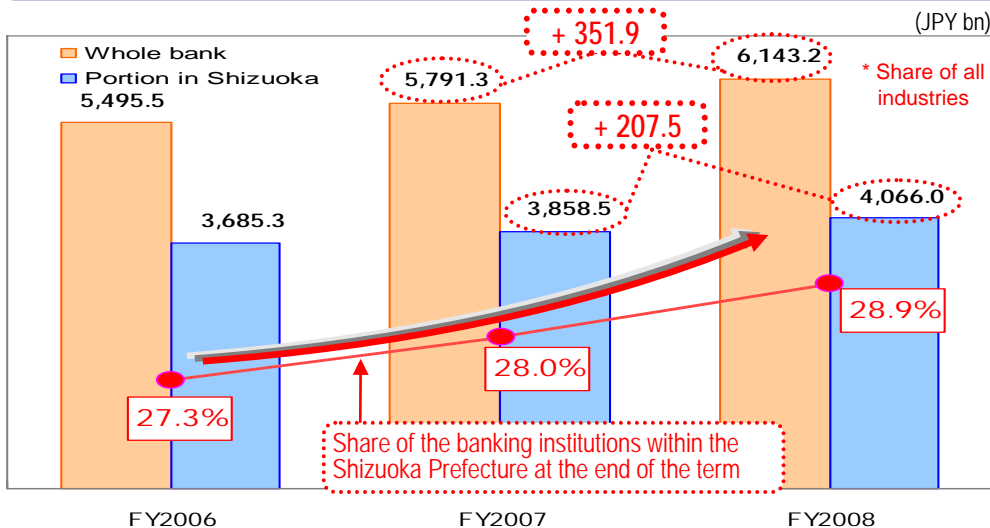
[Breakdown of credit costs] (JPY bn)	FY2008	YoY change
Credit costs (-)	34.3	+26.7
Of which, General transfer to loan loss reserves	15.5	+15.7
Transfer to specific reserves	15.6	+9.9

[Breakdown of gain (loss) on stocks] (JPY bn)	FY2008	YoY change
Gain (loss) on stocks	-17.5	-27.8
Of which, Gain (loss) on sale of stocks	-0.0	-10.5
Written-off of stocks	-17.4	-16.0



Lending

Total loan balances (average balances)



- Total loan balances (average balances) of FY2008 increased to JPY 6,143.2 bn, up JPY 351.9 bn (+6.1%) year-on-year

[SME loan balances]

Average balances increased to JPY 2,540.3 bn, up JPY 102.8 bn (+4.2%) year-on-year.

[Retail loan balances]

Average balances increased to JPY 1,948.9 bn, up JPY 132.7 bn (+7.3%) year-on-year.

[Balance of credit guarantee payments] Average balance: JPY 587.4 bn

- Urgent arrangements in Shizuoka Prefecture

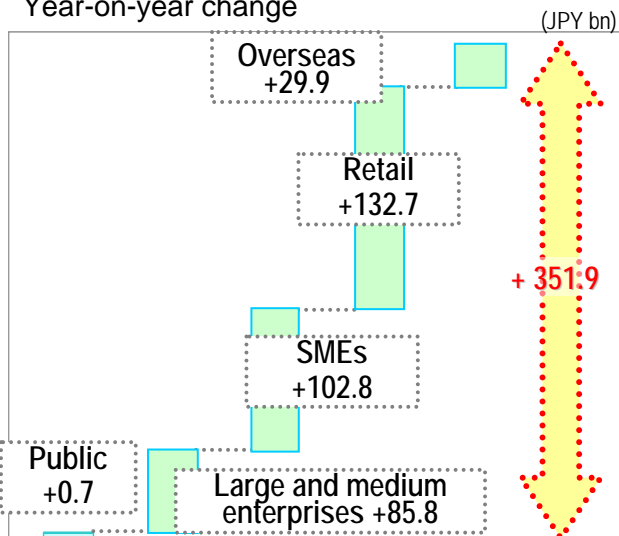
Number of payments: 6,697 cases / JPY173.6 bn

[Reference] Number of application: 7,213 cases / JPY 205.4 bn

(Share in the Shizuoka Prefecture: 45.4%)

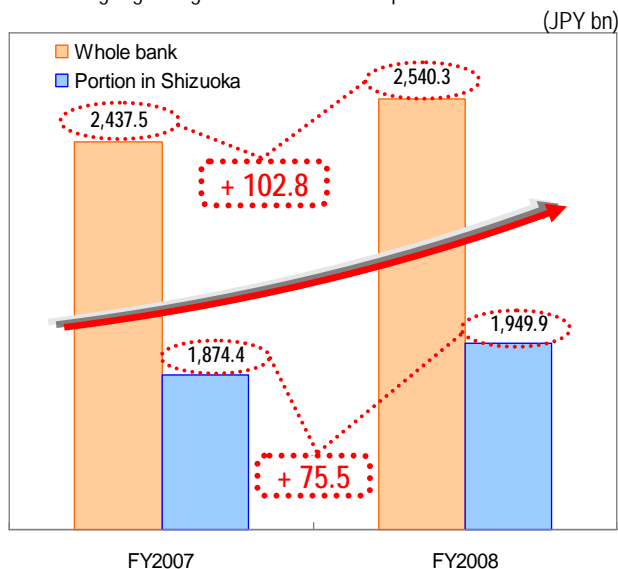
Breakdown of changes in total loan balances (average balances)

Year-on-year change

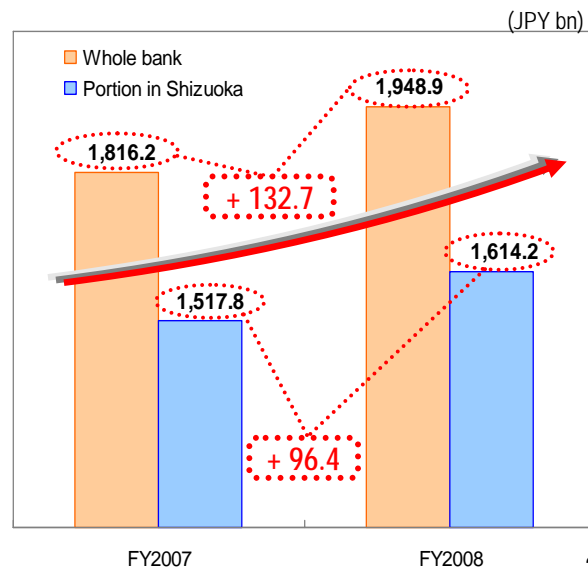


SME loan balances (average balances)

* Excluding regional government owned corporations



Retail loan balances (average balances)





Credit costs

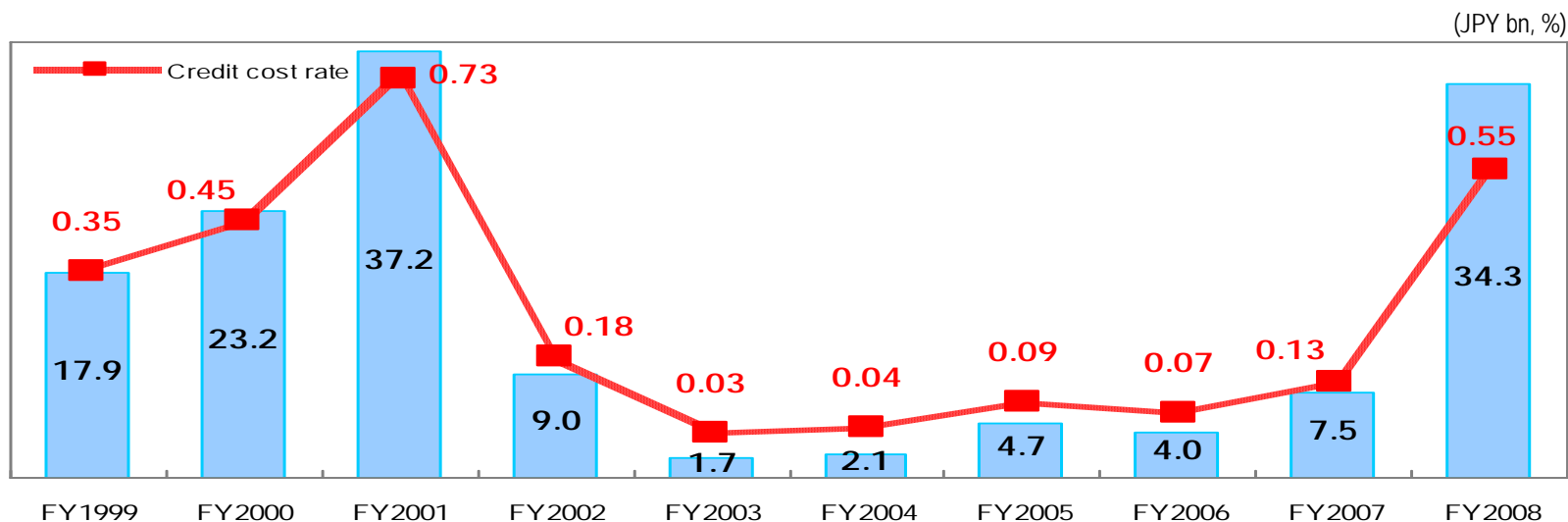
Credit costs: FY2008 JPY 34.3 bn (+ JPY 26.7 bn year-on-year), Credit cost rate: 0.55%

[Breakdown of credit costs]

- General transfer to loan loss reserves: JPY 15.5 bn
(+ JPY 15.7 bn YoY)
- NPL disposal: JPY 18.8 bn
(+ JPY 11.0 bn YoY)
(of which, transfer to specific reserves: JPY 15.6 bn)
(+ JPY 9.9 bn YoY)

- Change in debtor classification: JPY 22.2 bn
- Decline of collateral value: JPY 0.9 bn
- Reversal of specific reserves due to improvement in rating and loan recovery : - JPY 7.5 bn
- Total: JPY 15.6 bn

Credit cost and credit cost rate trends



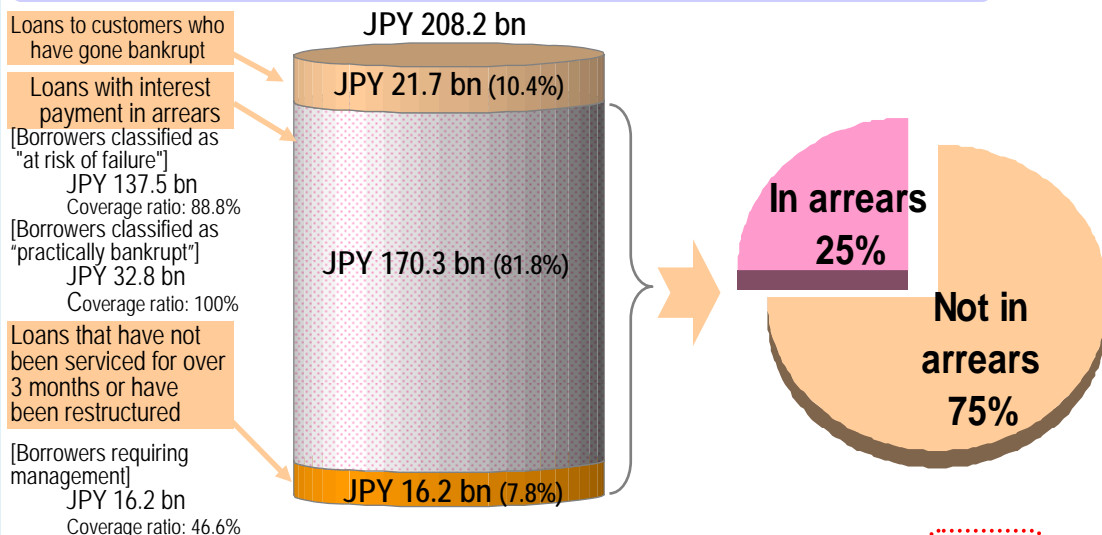
*Credit costs = NPL disposals + General transfer to loan loss reserves - Reversal of loan loss reserves, Credit cost rate = Credit costs / Average loan balance
FY2007 NPL disposal figures include transfer to other contingent loss reserves

Non-performing loans

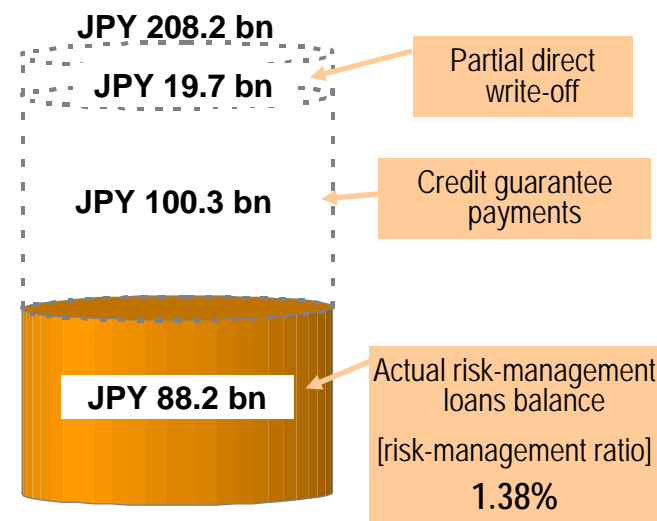
Risk-management loans balance (Non-consolidated basis)

- Total risk-management loans outstanding at the end of March 2009 amounted to JPY 208.2 bn (up JPY 12.7 bn from the end of March 2008)
- Loans to borrowers classified as "at risk of failure" or in riskier categories: + JPY 24.9 bn/ Restructured loans: - JPY 12.2 bn
- The ratio of risk-management loans stood at 3.27% (down 0.02 points from the end of March 2008)
 - Total risk-management loans adjusted for JPY 19.7 bn in written-off loans and JPY 100.3 bn in loans guaranteed by credit guarantee corporations came to JPY 88.2 bn;
 - Actual risk-management loans: 1.38% (-0.17 points from the end of March 2008)
- Coverage ratio: 88.4% (up 2.5 points from the end of March 2008)

Risk-management loans at the end of March 2009



Actual risk-management loans



NPL removal from the balance sheet

	FY2006	FY2007	FY2008
New recognition of NPLs	+48.9	+69.3	+89.2
Removal from the balance sheet (NPL to borrowers classified as "at risk of failure" or in riskier categories)	-71.5 (-60.4)	-70.6 (-60.0)	-76.5 (-53.2)
Risk-management loans	196.8	195.5	208.2

[Breakdown of JPY 53.2 bn] (JPY bn)	
Collected from borrower/ set off against deposit account	10.6
Collateral disposal/ subrogated to guarantor	24.3
Reclassified to better category	8.2
Loans sold-off	9.1
Written-off	1.0

Loans to specially designated industries

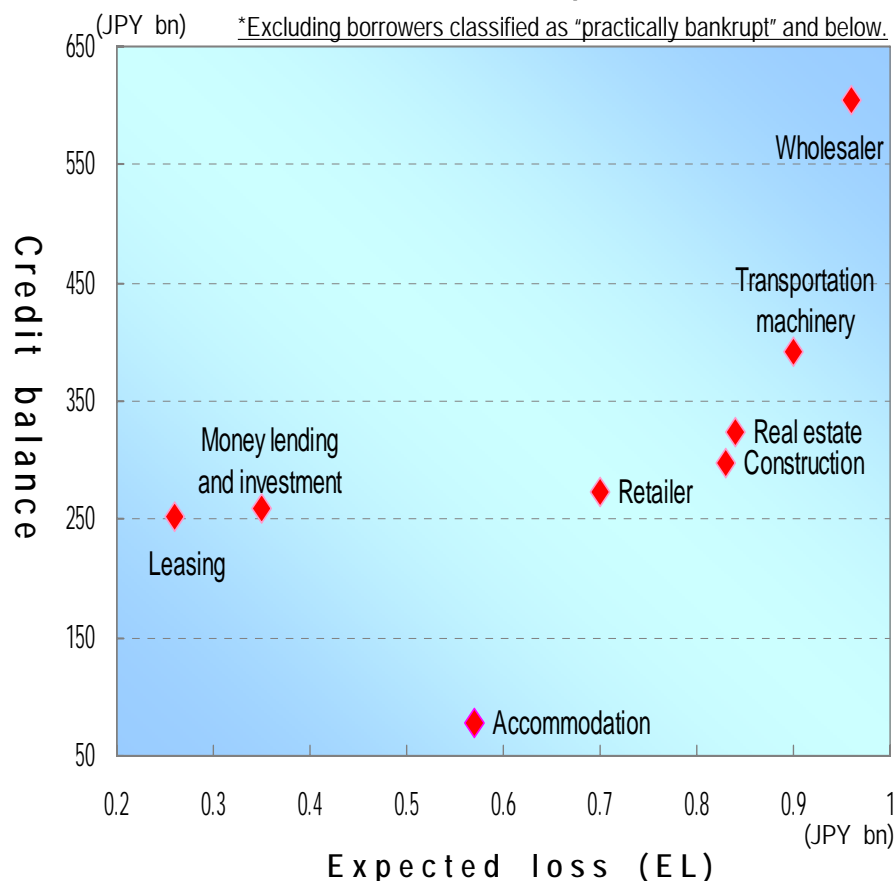
- Specially designated industries (real estate, construction, money lending, investment and leasing businesses) each account for less than 8% of lending. There is no concentrated exposure to any of these specially designated industries.
- Expected loss (EL) amounts to only JPY 10.2 bn for all loans, and less than JPY 900 mn for real estate, the specially designated industry to which the bank has the largest loan exposure.

Breakdown of business loans to the specially designated industries

[Credit balance (as end of March 2009)]

	Balance	Composition ratio	YoY change
(JPY bn, %)			
Whole industries	4,663.6	100.0	+190.8
Real estate	333.9	7.2	-2.0
Construction	306.8	6.6	+2.5
Money lending and investment	261.8	5.6	-25.9
Leasing	251.7	5.4	-32.6
Wholesaler	613.8	13.2	+42.0
Transportation machinery	392.6	8.4	+122.0
Retailer	276.9	5.9	+0.1
Accommodation	78.0	1.7	-3.2

[Loan balance vs. expected loss]

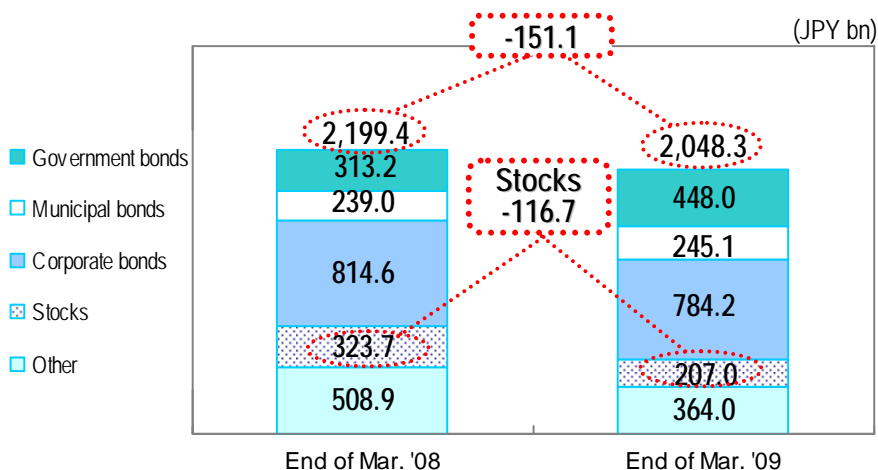




Securities

- Balance of securities at the end of March 2009 was JPY 2,048.3 bn. (down JPY 151.1 bn from the end of March 2008).
- Gain on revaluation of securities such as stocks, bonds and investment trusts at the end of March 2009 was a profit of JPY 64.2 bn (down JPY 112.0 bn from the end of March 2008) , including a gain on the revaluation of stocks of JPY 68.6 bn (down JPY 108.4 bn from the end of March 2008)

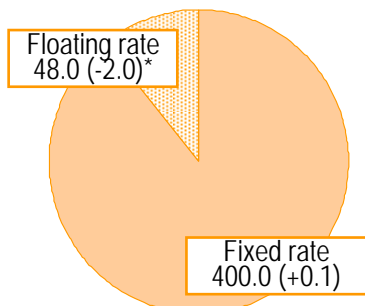
Security portfolio



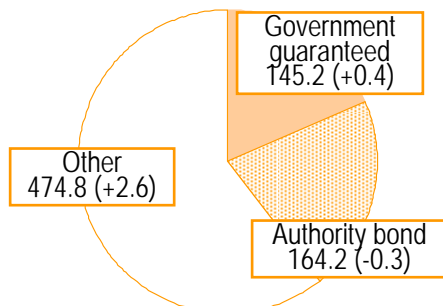
Yield and average duration to maturity

	End of Mar. '08	End of Mar. '09
Average duration to maturity (yen denominated)	3.26 y	3.90 y
Average duration to maturity (foreign currency denominated)	1.39 y	1.09 y
Gains and losses from the revaluation of securities	JPY 176.2 bn	JPY 64.2 bn
Stocks	JPY 177.0 bn	JPY 68.6 bn
Nikkei stock average	JPY 12,525.54	JPY 8,109.53

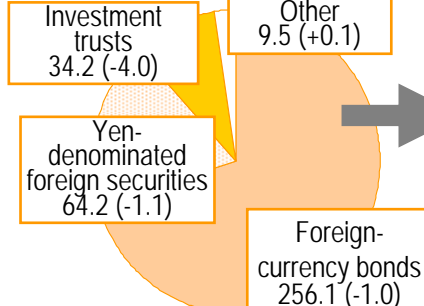
Breakdown of "Government bonds" category
JPY 448.0 bn
(YoY change +JPY 134.8 bn)



Breakdown of "Corporate bonds" category
JPY 784.2 bn
(YoY change -JPY 30.4 bn)



Breakdown of "Other" category
JPY 364.0 bn
(YoY change -JPY 144.8 bn)



Breakdown of mortgage bonds

	(Book value)	Change from End-Mar. '08	Profit or loss from valuation
Ginnie Mae	188.7	-40.4	+0.6
Fannie Mae	3.1	-0.7	-0.1
Freddie Mac	26.6	-3.5	-0.8

* Figures in parenthesis are profit or loss from valuation

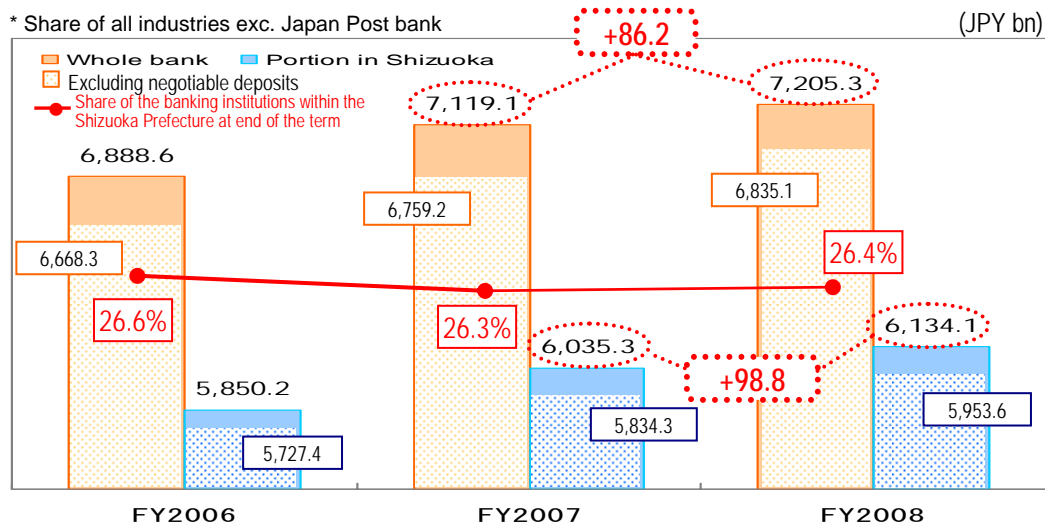
* Fair value of floating-rate bonds is evaluated by market value as in the past.



Deposits

Total deposit balances (average balances)

* Share of all industries exc. Japan Post bank



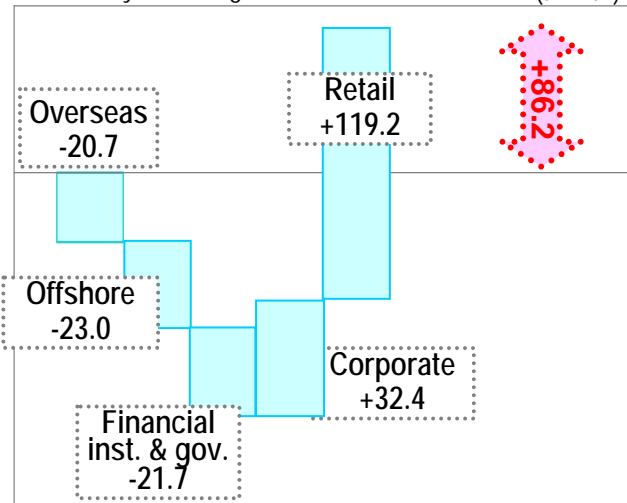
• Total deposit balances including negotiable deposits in FY2008:

**JPY 7,205.3 bn (average balances)
up JPY 86.2 bn (+1.2%) year-on-year**

- Deposit balances in Shizuoka Prefecture: JPY 6,134.1 bn, up JPY 98.8 bn (+1.6%) year-on-year.
- Retail deposit balances: JPY 5,044.7 bn, up JPY 119.2 bn (+2.4%) year-on-year.
- Corporate deposit balances: JPY 1,728.5 bn, up JPY 32.4 bn (+1.9%) year-on-year.
- Deposit-loan ratio: 85.3%, marginal loan-deposit ratio: 267.2%

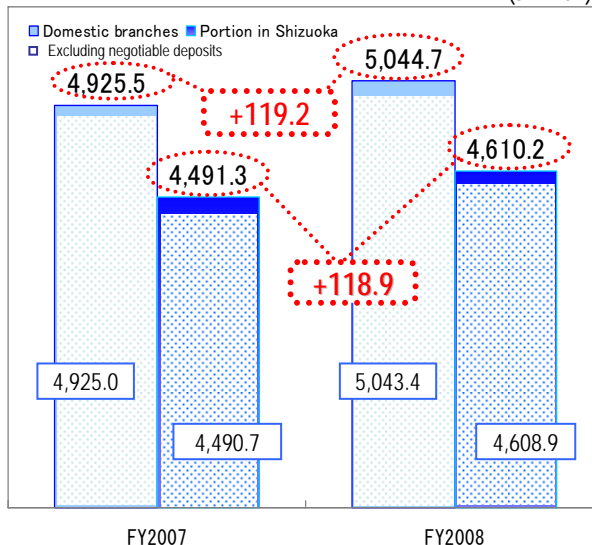
Breakdown of changes in total deposit balances (average balances)

Year-on-year change (JPY bn)



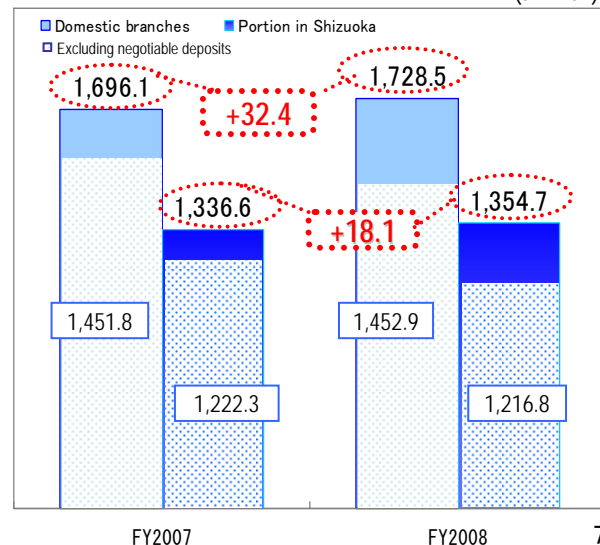
Retail deposit balances (average balances)

(JPY bn)



Corporate deposit balances (average balances)

(JPY bn)

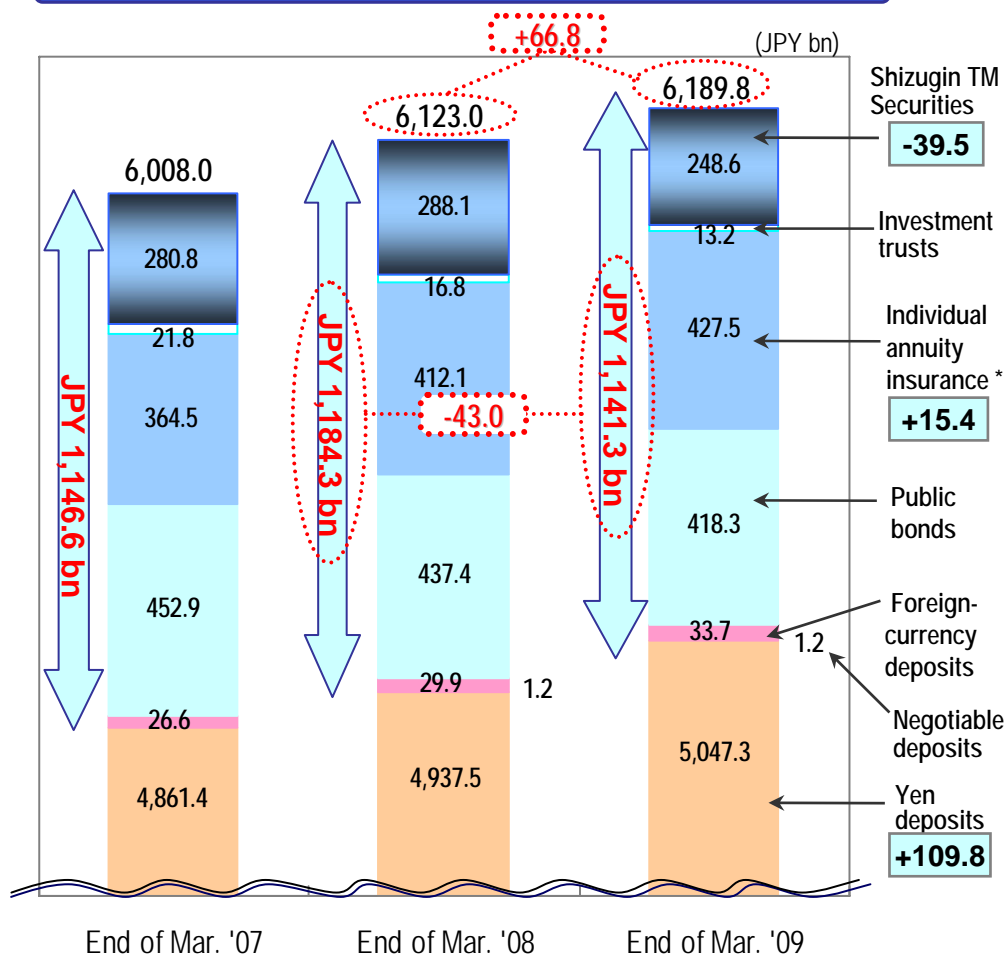




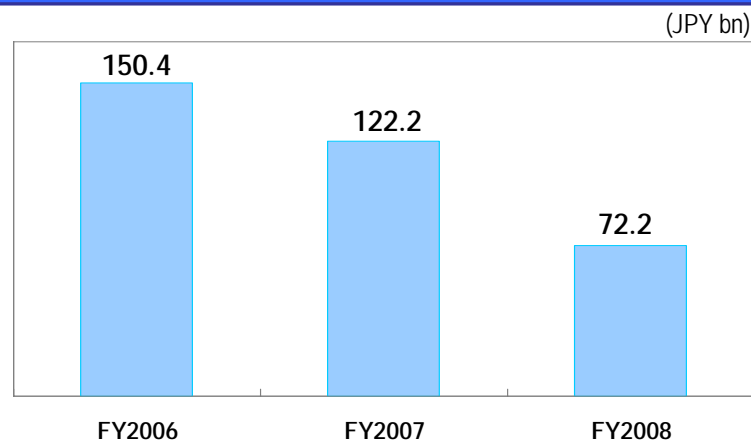
Customer assets

- Customer assets at the end of March 2009 (including the balance of Shizugin TM Securities) increased to JPY 6,189.8 bn, up JPY 66.8 bn from the end of March 2008. With yen deposits and negotiable deposits factored out, customer assets decreased to JPY 1,141.3 bn, down JPY 43.0 bn from the end of March 2008.
- OTC sales of insurance products ⇒ Variable annuities reminded top-level sales among regional banks.

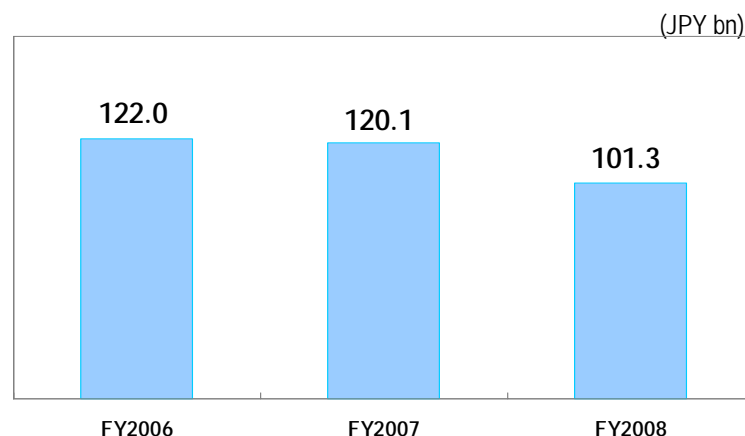
Retail customer assets (term-end balances)



OTC sales of investment trusts (including Shizugin TM Securities)



OTC sales of insurance products



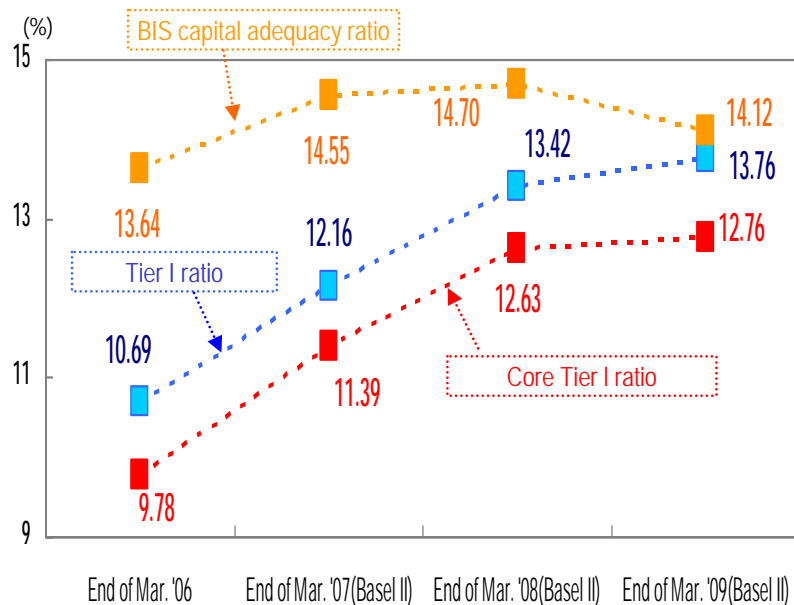
*Figures of individual annuity insurance are the balance of remaining contracts.



Capital adequacy ratio

- The Basel II capital adequacy ratio (provisional) at the end of March 2009, decreased by 0.58 percentage points from the level at the end of March 2008, to 14.12% due to a decline of unrealized gains on marketable securities.
- Tier I ratio was 13.76%, increased by 0.34 percentage points, core Tier I ratio was 12.76 %, increased by 0.13 percentage points from the level at the end of March 2008.

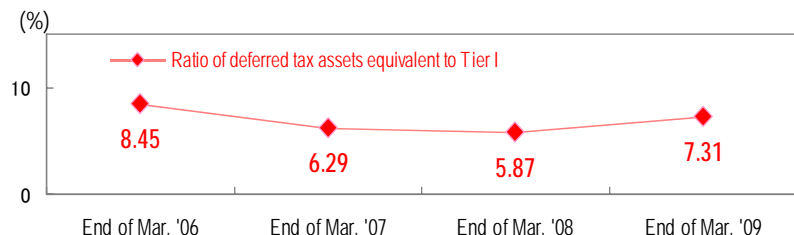
BIS capital adequacy ratio (Consolidated basis)



[Reference]

Core Tier I = Tier I – Amount corresponding to deferred tax assets*

* Exc. Unrealized gain on securities



Changes in capital and risk-adjusted assets

(JPY bn)					
	Former standard	Basel II			
	End-Mar. '06	End-Mar. '07	End-Mar. '08	End-Mar. '09	Change from End-Mar. '08
Capital	712.5	691.9	650.4	623.4	-27.0
Tier I	558.2	578.5	593.8	607.8	+14.0
Core Tier I	511.0	542.1	558.9	563.3	+4.4
Tier II	160.4	136.5	79.1	29.1	-50.0
Risk-adjusted assets	5,219.9	4,754.9	4,423.2	4,414.5	-8.7
Total credit-risk-adjusted assets	5,194.0	4,462.0	4,089.5	4,094.3	+4.8
Amount corresponding to market risk	25.9	22.0	22.0	24.8	+2.8
Amount corresponding to operational risk	—	270.9	283.7	295.4	+11.7
Adjusted floor amount	—	—	28.0	—	-28.0

Note: The calculation methods in Basel II employs the FIRB for credit risk and the Standardized approaches for operational risk.

Outlier ratio (Non-consolidated basis)

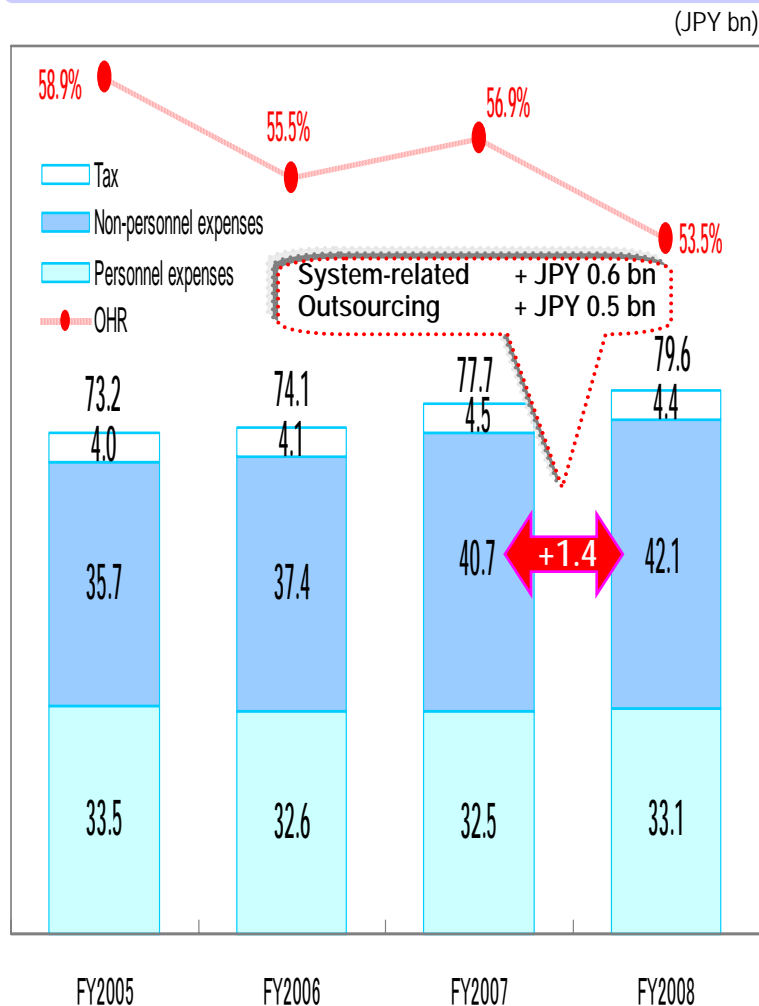
Size of maximum risk	Tier I + Tier II	Outlier ratio
JPY 80.2 bn	JPY 613.5 bn	13.1%



Expenses

- Expenses in FY2008: JPY 79.6 bn (Non-personnel expenses: JPY 42.1 bn, up JPY 1.4 bn year-on-year; personnel expenses: JPY 33.1 bn, up JPY 0.6 bn year-on-year; tax: JPY 4.4 bn, down JPY 0.1 bn)
- Non-personnel expenses rose due to increases in operational efficiency in order to raise branch productivity, and by introducing measures to promote operations.
- OHR: 53.5% (decreased 3.4 percentage points from the level at the end of March 2008.)

Expenses and OHR



Non-personnel expenses

(JPY bn)	FY2006	FY2007	FY2008	YoY Change
Non-personnel expenses	37.4	40.7	42.1	+1.4
System-related	10.9	12.3	12.9	+0.6
Outsourcing	6.6	7.5	8.0	+0.5
Others	19.9	20.9	21.2	+0.3

[Reference] Investment amount / number of personnel

(JPY bn)	FY2006	FY2007	FY2008	YoY Change
System-related	5.3	12.7	7.1	-5.6
Branches/training centers, etc.	4.1	2.3	6.4	+4.1
Total	9.4	15.0	13.5	-1.5

*Cash-out basis

(Employees)	End of Mar. '08	End of Mar. '09	YoY Change
Front office	2,411	2,685	+274
Of which bank employees	1,794	1,982	+188
Back office/assisting	1,693	1,506	-187
Of which bank employees	548	325	-223
HQ, loan operations centers and other	1,060	1,096	+36
Of which bank employees	509	534	+25
Shizuoka Bank (A)	5,164	5,287	+123
Of which bank employees	2,851	2,841	-10
Total number of employees at Group companies, etc (B)	1,873	1,927	+54
Total Group employees (A + B)	7,037	7,214	+177

*Incl. temporary and dispatched employees, etc.



Shareholder returns

- **FY2008 dividend (annual) per share of JPY 13 achieved the highest level of regional banks (dividend payout ratio 70.85%, dividend yield 1.47%)**
- **In FY2009, aim to maintain “dividend payout ratio at approx. 25%, the highest payout ratio among main regional banks” and plan to distribute dividend (annual) per share of JPY 13 by taking into account the market trends and operating performance. (Expected payout ratio: approx. 30%)**

Dividend trends

	FY2005	FY2006	FY2007	FY2008	FY2009 Forecast
Dividend per share (annual)	10.00	13.00	13.00	13.00	13.00 (6.50)
Dividend yield (Dividend/share price at end of FY)	0.84 %	1.03 %	1.10 %	1.47 %	—

(JPY, %)

(Interim dividend)

Profit distribution to shareholders

	FY2005	FY2006	FY2007	FY2008	FY '99 – '08 (10 years)
Annual dividend (1)	7.1	9.2	9.1	9.1	Accumulated total 64.4
Purchase of treasury stock (2)	—	—	12.6	—	Accumulated total 85.0
Shareholder returns (3)=(1)+(2)	7.1	9.2	21.8	9.1	Accumulated total 149.4
Net income (4)	31.4	36.3	35.2	12.8	Accumulated total 242.6
Dividend payout ratio (1)/(4)x100	22.57%	25.39%	25.96%	70.85%	Average 26.54 %
Shareholder return ratio (3)/(4)x100	22.57%	25.39%	61.82%	70.85%	Average 61.57 %

(JPY bn, %)



Projected performance for FY2009

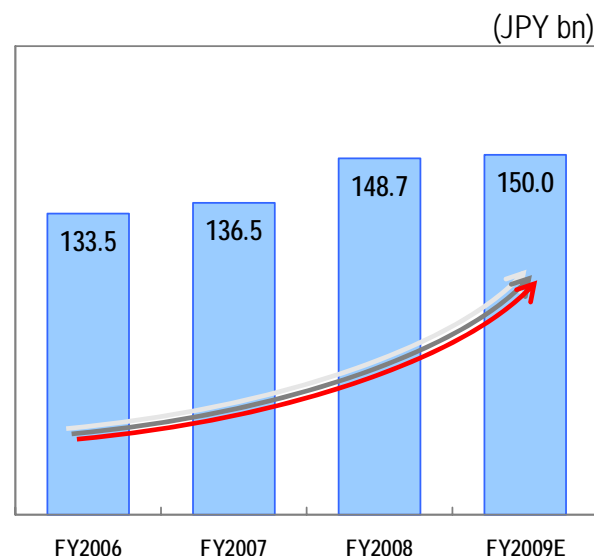
- **Although revenue decreases, gross operating profit is expected to grow.**
[Ordinary revenue] Continues to decline for 2 periods, [Gross operating profit] Continues to grow for 6 periods, record high.
- **Core net operating profit expects the first decrease in 9 periods, while ordinary profit and net income increase for the first time in 3 periods.**
[Net operating profit] First increase in 3 periods, [Core net operating profit] First decrease in 9 periods.
[Ordinary profit] Continues to grow for 3 periods, [Net income] Continues to grow for 3 periods.

Consolidated (JPY bn)	FY2008	FY2009E	YoY change
Ordinary revenue	232.2	210.0	-22.2
Ordinary profit	20.0	52.0	+32.0
Net income	13.0	30.1	+17.1

Shizuoka Bank, Non-Consolidated (JPY bn)	FY2008	FY2009E	YoY change
Ordinary revenue	205.4	185.0	-20.4
Gross operating profit	148.7	150.0	+1.3
Expenses (-)	79.6	83.5	+3.9
Core net operating profit	69.0	65.0	-4.0
General transfer to loan loss reserves (-)	15.5	2.5	-13.0
Net operating profit	53.7	64.0	+10.3
Bad debt written-off (-)	18.8	13.5	-5.3
Gain on stocks	-17.5	0	+17.5
Ordinary profit	16.9	50.0	+33.1
Net income	12.8	30.0	+17.2

Credit costs (-)	34.3	16.0	-18.3
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Gross operating profit



(Credit cost rate: 0.25%)

II. Targets for Tenth Medium-term Business Plan

Dream with you.



SHIZUOKA BANK

静岡銀行



Framework for the 10th Medium-term Business Plan

Changes in financial/ economic environment

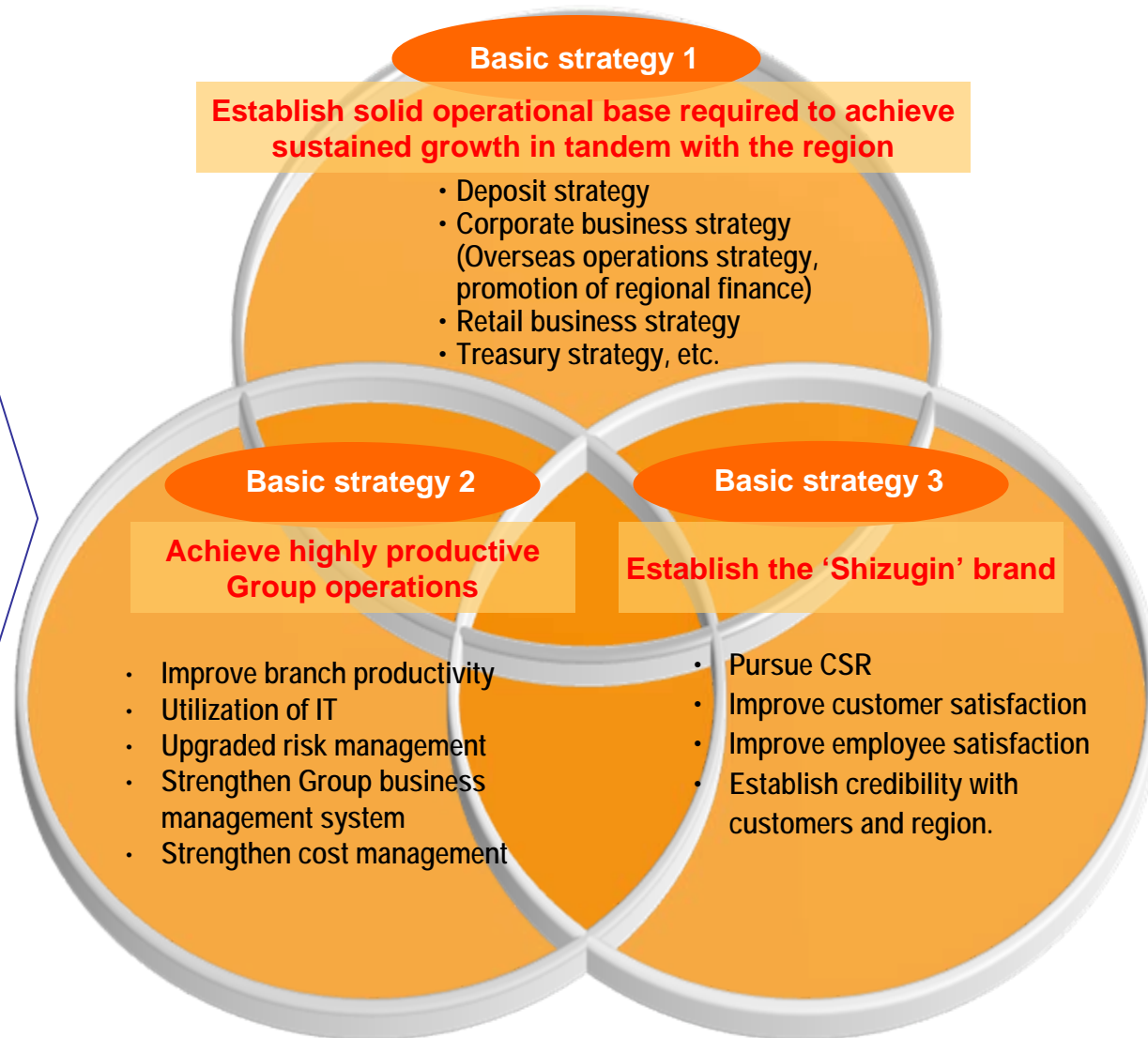
Decline of
market rates

Deteriorated
corporate earnings

Slow economic
growth

Turmoil in the
financial markets

Sluggish consumer
spending





Targets for the 10th Medium-term Business Plan

	[Final Year (FY2010)]	[Initial plan]*	[Change to initial plan]	[After revision]
Earnings Targets	Consolidated ordinary profit	JPY 85.0 bn	- JPY 20.0 bn	JPY 65.0 bn
	Non-consolidated core net operating profit	JPY 80.0 bn	- JPY 15.0 bn	JPY 65.0 bn
	Consolidated net income	JPY 50.0 bn	- JPY 15.0 bn	JPY 35.0 bn
Efficiency Index	Consolidated ROE (Net income/Tier I)	7% level	Approx. -1%	6% level
	Consolidated ROA (Net income/Total assets)	0.5% or greater	Approx. -0.1%	0.4% or greater
	Consolidated OHR (Expenses/Gross operating profit)	Approx. 50%	Approx. +5%	Approx. 55%
Soundness Index	Consolidated BIS capital adequacy ratio (Tier I ratio)	Approx. 12.0%	—	Approx. 12.0%

* Target figures for the final year (FY 2010) have been revised mainly because the policy interest rate was cut twice by 0.4% in FY 2008 while the original plan assumed it would be raised twice by 0.5% within the planned period (FY 2008-2010).



Outline of basic strategy 1

Basic strategy 1 Establish solid operational base required to achieve sustained growth in tandem with the region

Expand share and presence in the region

- Promote regional finance initiatives
- Strengthen consulting sales by upgrading solution sales
- Strengthen counter sales structure

Develop convenient sales channels

- Specialist front-office branches and mini-branches
- Direct channels and Business stations



Basic strategy 1: Establish solid operational base required to achieve sustained growth in tandem with the region

Corporate banking initiatives

Approach to regional finance initiatives

- Support improve management and business rehabilitation
- Business matching
- Shizuginship



**Support regional customers
Stabilize regional finance**

Promote comprehensive business / Strengthen solutions sales

- Understand customers' money flow
- Provide solutions throughout the corporate lifecycle



**Strengthen relationship
with customers**

**Streamline SME finance/Increase corporate
deposits/Secure fee revenues**

**Strengthen the presence of
Shizuoka Bank Group in the region**

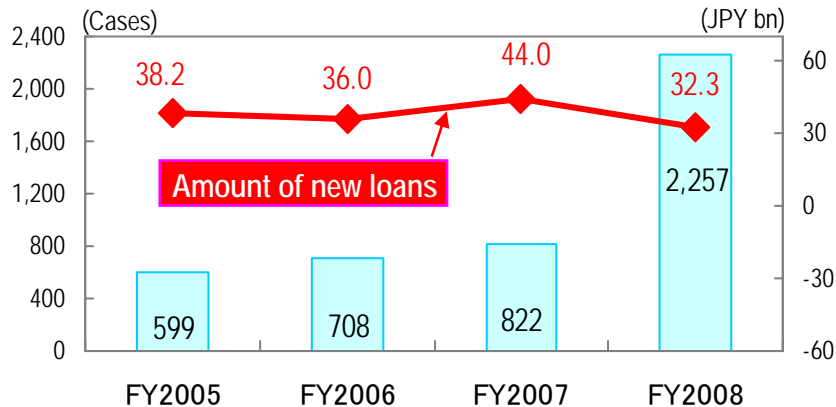


Basic strategy 1: Establish solid operational base required to achieve sustained growth in tandem with the region

Approach to regional finance initiatives

- Promote business matching services and “Shizuginship,” which has the aim of nurturing next-generation managers, and contributes to the expansion of customers’ businesses and training of successors.
- Apply various methods of revitalization, especially to companies that have a large impact on the local economy, and support their efforts for quick and smooth revitalization.

Number of successful business matching deals and the amount of new loans



[Main Conferences]

- Shizugin@gricom
- Tokyo Business Summit 2008 (Shizuoka Yume Kaido)
- Shanghai Business Matching Conference 2008, etc.

“Shizuginship” – training the next generation of managers

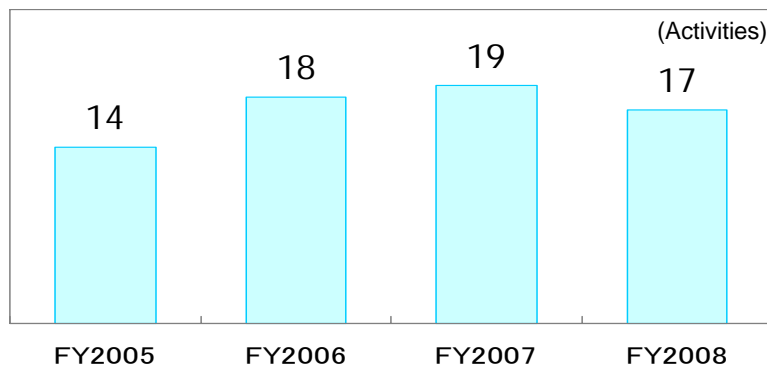
Shizuginship

- No. of members:
(As of end of March 2009)
760 companies, 1,153 members
- No. of seminars and visits:
Regional forum: 3
Seminars: 15
Lecture courses: 22
Workshop: 2
Visits: 4
Total participants: 3,021

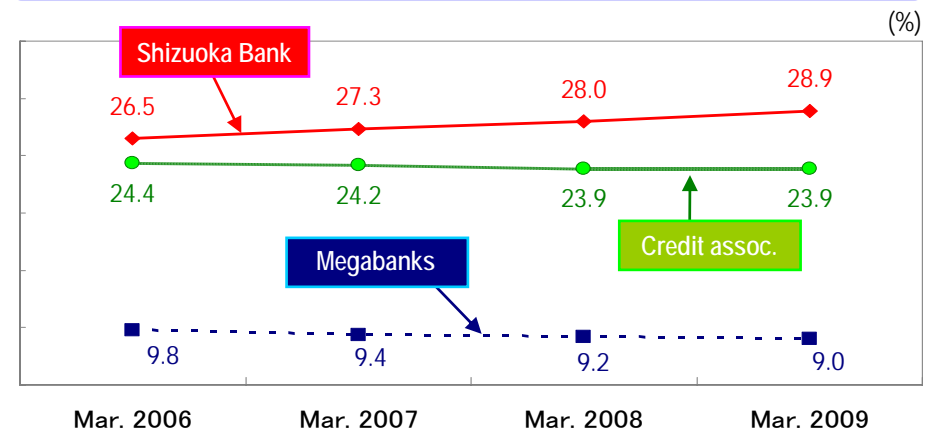


Business regeneration activities

[Number of business regeneration activities completed]



Share of loans in Shizuoka Prefecture





Basic strategy 1: Establish solid operational base required to achieve sustained growth in tandem with the region

Retail banking initiatives

Consumer loan strategy

- Enhance focus on loan conversion market
- Increase unsecured loans (Full enforcement of revised Money Lending Control Act)



Credit card strategy

- Realize cross-selling



Business for wealthy groups

- “Customer Asset Management Type” financial service (Inheritance tax strategy/asset succession)



Depopulation/Acceleration of demographic aging

Develop a retail sales structure envisioning post home loan in the future



Outline of basic strategy 2

Basic strategy 2 Achieve highly productive Group operations

Improve branch productivity

- New branch system (improvement of front office operations)

Develop an efficient operating structure through the effective use of IT

- Early establishment of IT infrastructure / realization of investment effect

Level up risk management and improve capital efficiency

Establish an effective compliance-ready structure

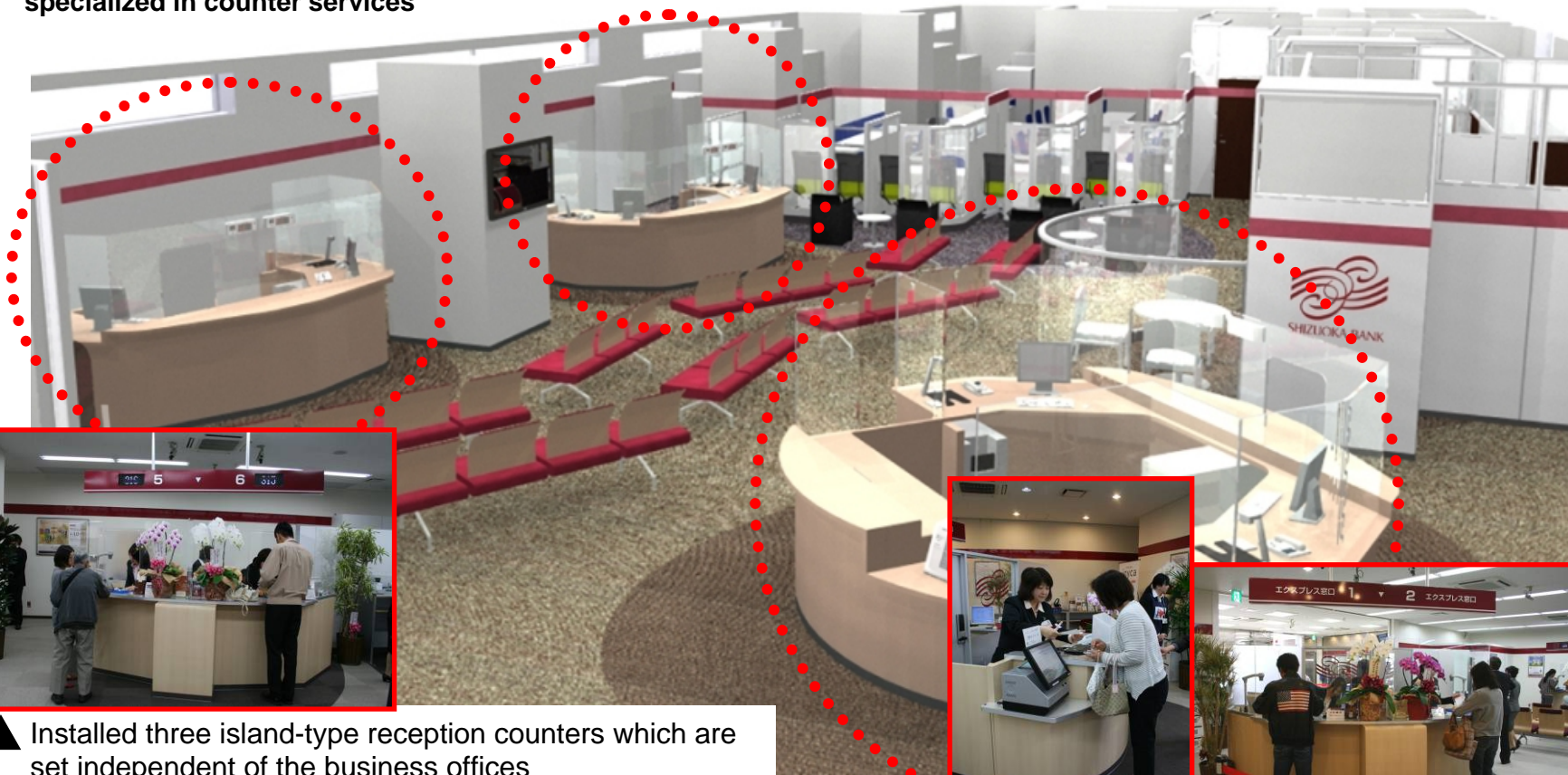
Strengthen the group management structure



Outline of basic strategy 2: Achieve highly productive Group operations

Branches specialized in counter services

- Make the best use of branch lobbies as points of sale and create opportunities for communication with customers
- Create branches specialized in counter services that focus on customer convenience in the pursuit of hospitable service from the customers' viewpoint
- Launched newly-built "Kusanagi Branch" on April 13 with a revolutionary office layout and new functionality of a branch specialized in counter services



▲ Installed three island-type reception counters which are set independent of the business offices

- (1) General Reception Counter
- (2) Retail Counter (for transactions with retail customers which require no support from business offices)
- (3) Service Counter (mainly for corporate and business transactions)

▲ General Reception Counter is placed in the lobby entrance and is combined with the Express Counter for payment of taxes and public utility charges. The floor clerk provides customers with guidance in accordance with their needs.



Outline of basic strategy 3

Basic strategy 3 Establish the 'Shizugin' brand

Pursue CSR

Improve regional appreciation and confidence

- Contribute to the regional society through "Economy, Society and Ecology"

Improve customer satisfaction

- Establish credibility with customers

Improve appreciation from shareholders and the market

- Establish soundness and credibility by maintaining a solid financial foundation

Improve employee satisfaction

- Develop culture of personal development

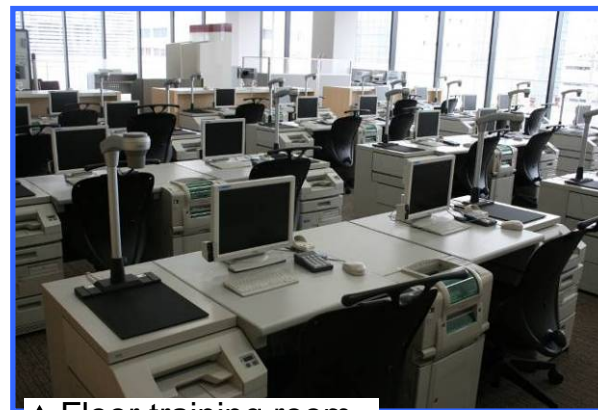


Basic strategy 3 — Establish the 'Shizugin' brand Develop culture of personal development

- Launched the New Training Center on the HQ premises and it will be our base for human resources development (April 1)



▲ Main conference room with seating capacity of 350



▲ Floor training room



▲ Meeting room (5 rooms)

Data Section

Dream with you.



SHIZUOKA BANK

静岡銀行



Corporate and retail baking initiatives (FY2009)

- Discover, in accordance with the life-cycle of customers, management issues and needs, and provide high value-added solutions
- Acquire new customer transactions and build up loans to SMEs amidst economic downturn.

Corporate banking projections for FY2009

•Average lending balance:	up JPY 42.0 bn (+1.1%)
•Average deposit balance:	up JPY 97.6 bn (+5.4%)
•Fee income earned:	JPY 2.8 bn

Retail banking projections for FY2009

•Average lending balance:	up JPY 111.1 bn (+5.7%)
•Average deposit balance:	up JPY 156.8 bn (+3.1%)
•Income earned from sales of customer assets:	JPY 4.8 bn

Main operations

FY2008 Actual FY2009 Projected
(JPY bn, cases)

Increase in average yen lending balance for SMEs	+112.9	+62.8
Average balance of credit guarantee payments	604.5	665.8
Loans to newly acquired customers (Excluding Tokyo, Nagoya and Osaka)	118.2	120.0
Fees for derivatives for customers	1.9	1.6
No. of business matching cases	2,257 (Initial Plan 1,000)	2,000

Main operations

FY2008 Actual FY2009 Projected
(JPY bn, cases)

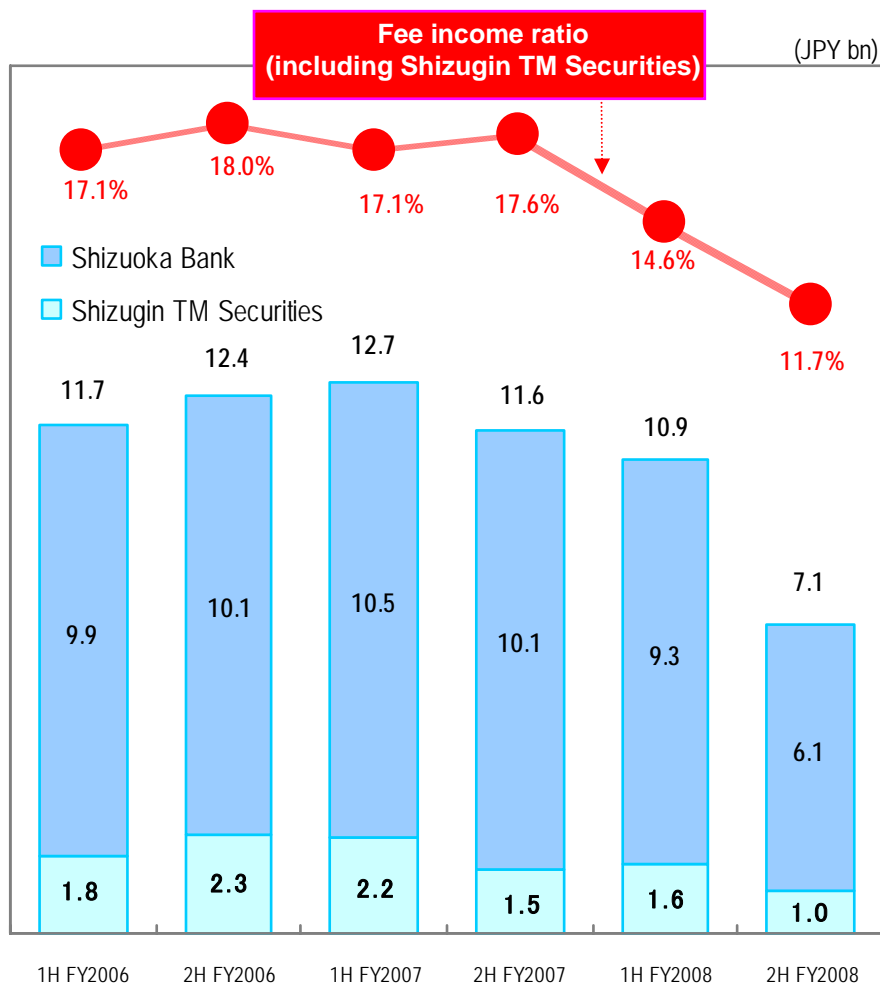
Consumer loans (increase in term-end balance)	+129.6	+62.5
Sale of Individuals' insurance annuities	101.3	107.2
Sale of Group equity investment trusts	43.9	43.4
Total number of "SELECA" holders	2,592	3,200
Total number of "joyca" holders	108,107 (Initial Plan 100,000)	100,000



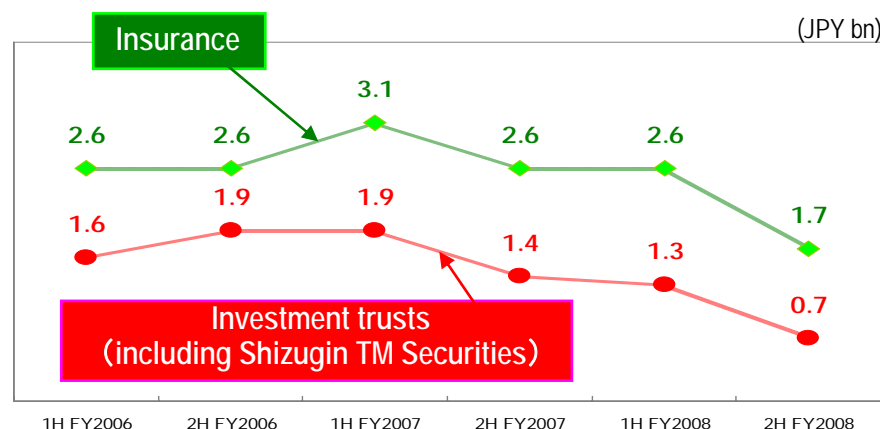
Fee incomes

- Fee income decreased owing to sluggish OTC sales of investment trusts and insurance products.

Fee income (Shizuoka Bank / Shizugin TM Securities)



Fee income from OTC sales of investment trusts and insurance products



Fee income and expenses

[Non-consolidated] (JPY bn)	FY2008	Year-on-year change
Fee income	23.4	- 2.1
Agents' fees (OTC insurance sales commission, etc.)	4.7	- 1.6
Misc. fees received	9.0	+ 0.1
Fee expenses	8.0	+ 0.1
Misc. fees paid	3.2	+ 0.3



Sound Financial Structure (Non-consolidated Balance Sheets)

[Balance Sheets as of March 2009]

(JPY bn)

Sound Loans Structure

(JPY bn)

SME loan balances:

2,580.7

Home loans:

1,805.6

Total 4,386.3

*Ratio to total balance of loans: 69%

(Credit guarantee payments: 667.4)

Sound Securities Management Portfolio

(JPY bn)

Government bonds:

448.0

Government guaranteed bonds:

309.4

Total 757.4

*Ratio to total securities: 37%

Loans

6,367.5

Securities

2,048.3

Other assets

660.2

Deposits

(Total deposits + NCDs)

7,398.5

Other liabilities

1,046.9

Net assets

630.6

Firm Fund Procurement

(JPY bn)

Retail deposits:

5,081.1

(Liquid deposits: 2,703.4)

(Term deposits: 2,377.7)

*Ratio to deposits: 69%

Enhanced Capital

(JPY bn)

BIS capital adequacy ratio:

13.91%

(Consolidated basis)

BIS capital adequacy ratio:

14.12%

Tier I ratio:

13.76%

Core Tier I ratio:

12.76%



Difference between loan and deposit interest rate

- Difference between loan and deposit interest rate in March 2009 dropped 0.11 points from the end of March 2008.

Changes in yen-denominated loans and deposit structure
(Mar. 08/Mar. 09 comparison)

March 2008			March 2009 (JPY tn, %)		
	Average balance (% of total)	Interest rate	Average balance (% of total)	Interest rate	
Loans	5.8 (100.0)	2.04	6.2 (100.0)	1.84	
Variable interest	4.2 (71.8)	2.07	4.4 (71.4)	1.80	
Short-term/new long-term prime rate standard	2.6 (44.8)	2.52	2.7 (43.6)	2.19	
Market-linked	1.5 (25.3)	1.20	1.6 (26.2)	1.09	
Fixed interest	1.6 (28.2)	1.96	1.8 (28.6)	1.95	

Difference between loan and
deposit interest rate

+1.77

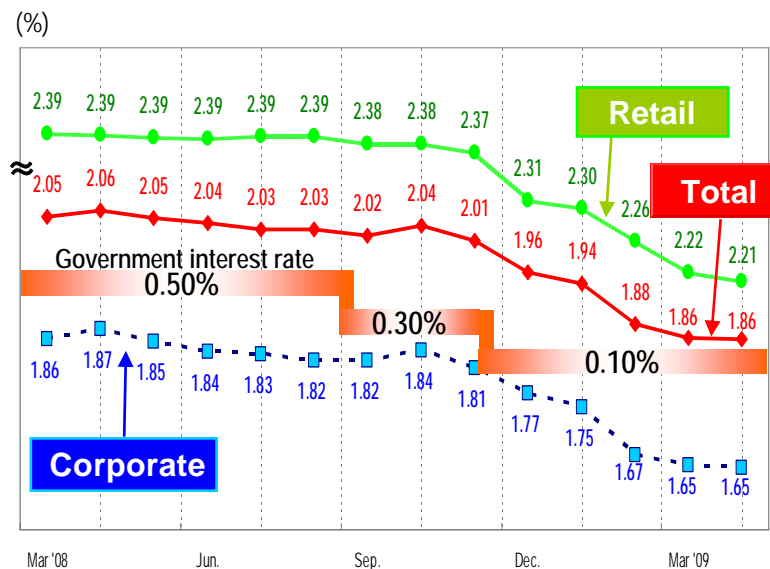
-0.11

+1.66

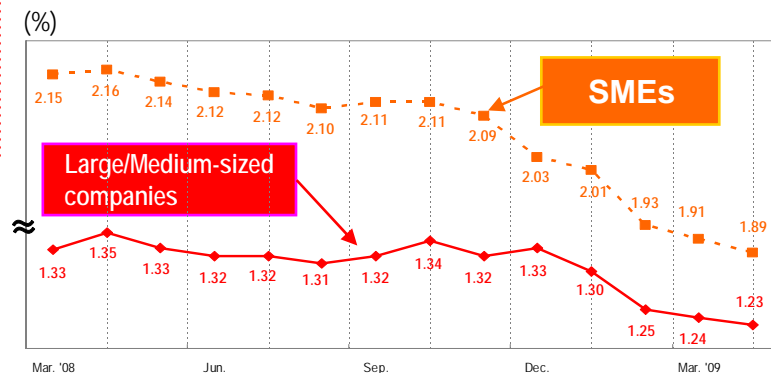
March 2008			March 2009		
	Average balance (% of total)	Interest rate		Average balance (% of total)	Interest rate
Deposits	7.1 (100.0)	0.27	7.1 (100.0)	0.18	
Liquid deposits	4.0 (56.3)	0.17	3.9 (55.4)	0.02	
Term deposits	2.7 (38.7)	0.39	2.8 (41.1)	0.37	

* Deposits include NCDs

Loan interest rates (monthly average)



Trends in corporate loan interest rates by company size





Allocation of risk capital

- Allocation of risk capital for the second half of FY 2008 amounted to JPY 559.1 bn, of which JPY 124.3 bn was allocated to credit risk, JPY 223.7 bn to market risk, JPY 23.3 bn to operational risk, and JPY 187.8 bn to buffer capital, etc.
- For the second half of FY 2008, JPY 80.6 bn was used by the branch sales division, and JPY 102.1 bn by the Treasury division.

Allocation source		Risk capital allocated	Risk capital used	Ratio of risk capital used
Core Capital 559.1 (End of December, 2008 basis)	(JPY bn)			
	Credit risk 124.3			
	Market risk 223.7			
	Operational risk 23.3			
	Buffer capital, etc. 187.8			
	Branch sales division	87.0	80.6	92.6%
	Treasury division	240.5	102.1	42.4%
	(Of which, policy investment)	126.5	50.3	39.7%
	Overseas branches	6.6	3.5	53.0%
	ALM division	8.1	0	0.0%
	Consolidated subsidiaries	5.8	4.3	74.1%
	Operational risk	23.3	23.3	100.0%
	Sub total	371.3	213.8	57.5%
	Buffer capital, etc.	187.8	-	-
	Total	559.1	213.8	38.2%

* Risk capital used = VaR

* Buffer capital is kept aside for emergencies such as the anticipated Great Tokai Earthquake and other unquantifiable risks.

- Group Companies decreased both revenue and profits: The total ordinary revenue of 11 consolidated subsidiaries declined to JPY 44.3 bn (a JPY 3.8 bn decrease year-on-year) and an ordinary profit of JPY 3.3 bn (a JPY 0.3 bn decrease year-on-year).

(JPY bn)

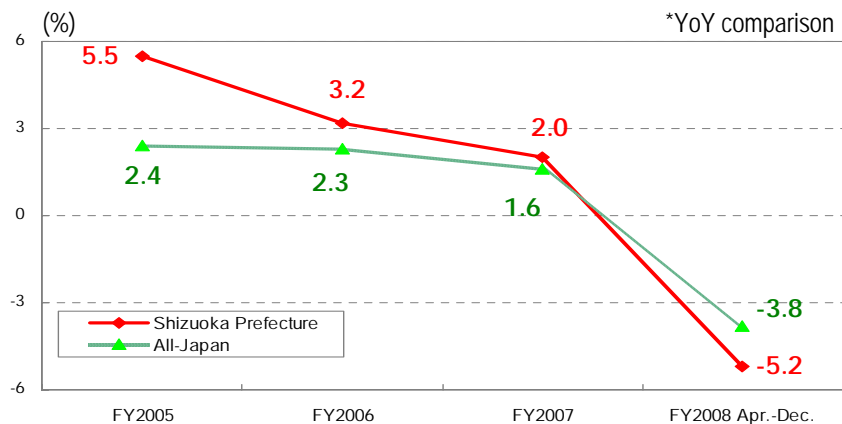
Company name	Business	Ordinary revenue	YoY change	Ordinary Profit	YoY change
Shizugin Management Consulting	Management consulting	0.3	0.0	0.1	0.0
Shizugin Lease	Leasing	20.7	-2	1.0	-0.5
Shizuoka Computer Service	Computer services, accounting	5.7	-0.4	0.3	-0.2
Shizugin Credit Guaranty	Credit guarantee	1.2	0.0	0.8	0.0
Shizugin DC Card	Credit card services Credit guarantee	2.2	0.0	0.5	0.0
Shizuoka Capital	Listing consultancy SME support	0.7	+0.1	0.1	+0.1
Shizugin TM Securities	Securities	2.6	-1.1	0.3	-0.9
Shizuoka Bank (Europe)	Banking & securities	1.8	-1.0	0.1	+1.1
Shizugin General Service	Staff dispatch	3.5	-0.1	-0.0	0.0
Shizuoka Mortgage Service	Bank valuation of real estate collateral survey services	0.8	0.0	0.0	0.0
Shizugin Business Create	Centralized processing of transactions such as transfer and collection, etc.	4.7	+0.6	0.1	0.0
Total (11 companies)		44.3	-3.8	3.3	-0.3
Shizugin Saison Card*	Credit card services	0.3	+0.2	-0.9	-0.1

*A company to which the equity method of accounting is applicable. Operations commenced in April 2007.

Shizuoka Prefecture's economic trends

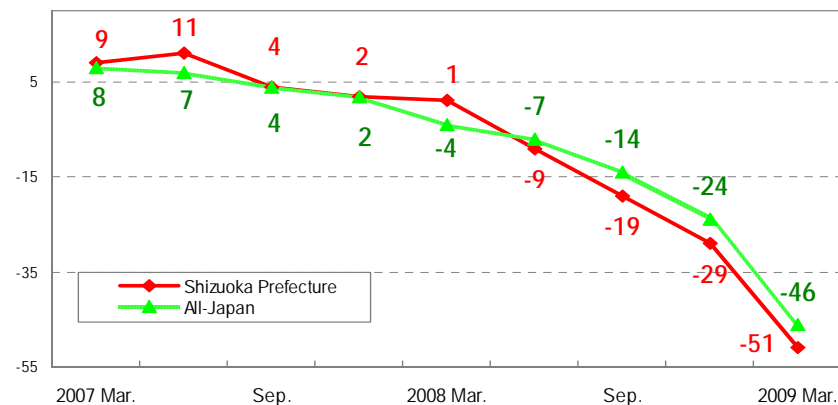
- Owing to the global economic downturn, the economy in Shizuoka Prefecture is slowing down.
- The number of bankruptcies is increasing mainly among small and medium-sized companies.

Shizuoka Prefecture real economic growth rate



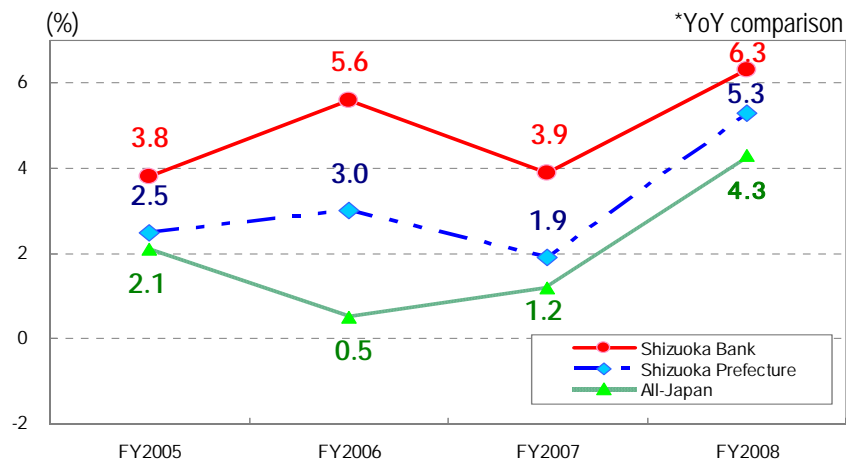
Source: Shizuoka Prefecture Planning Division

Shizuoka Prefecture business conditions diffusion index



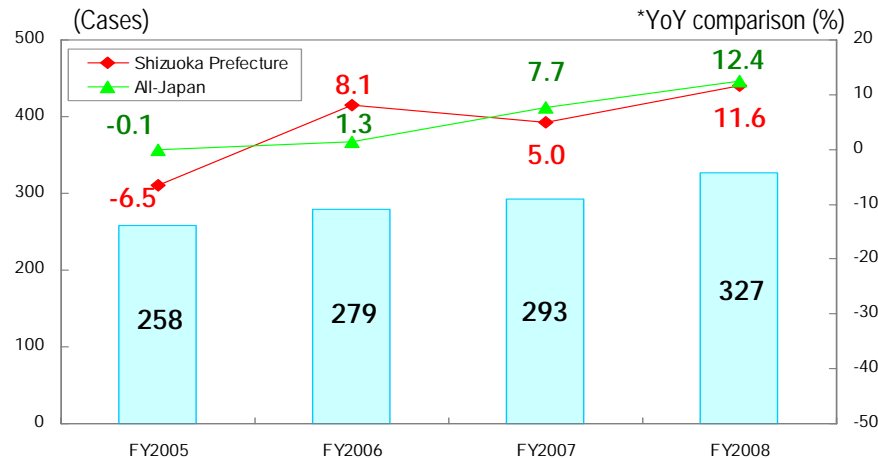
Source: Bank of Japan

Shizuoka Prefecture loans and discounts (term-end balance)



Source: Bank of Japan

Number of bankruptcies in Shizuoka Prefecture



Source: TOKYO SHOKO RESEARCH, LTD.



Advantages of economy of Shizuoka Prefecture (1)

<Size of economy> Shizuoka's economy is called a "3%, 10th-ranked economy," as on many indicators it comprises 3% of the national economy and ranks around 10th among the prefectures. The economy is strong by national standards. (JPY bn)

	FY2005	FY2006	FY2007
Prefectural GDP	16,602.2	16,866.4	-
National GDP	503,186.7	510,924.7	515,857.9
Ranking in prefectural GDP	10 th /47	10 th /47	-
Prefectural manufactured goods shipments (MGS)	17,322.7	18,234.7	19,410.2
National MGS	295,800.3	314,834.6	336,756.6
Ranking in prefectural MGS	3 rd /47	3 rd /47	3 rd /47

Note: Manufactured goods shipments (MGS) is based on calendar-year data.

<Health of economy> Shizuoka's business failure rate remains at low levels, as many businesses located there are financially healthier and stronger. Municipal government finances are sound, too, in national comparisons.

	FY2005	FY2006	FY2007	FY2008
Business failure rate (Shizuoka)	0.169%	0.254%	0.230%	0.310%
Business failure rate (Nationwide)	0.252%	0.285%	0.317%	0.402%
Ranking (The lower the rate, the higher the ranking)	8 th /47	21 th /47	7 th /47	9 th /47
The rate of loan claims subrogated to credit guarantee corporations (Shizuoka)	1.57%	1.87%	1.83%	2.01%
The rate of loan claims subrogated to credit guarantee corporations (Nationwide)	2.38%	2.37%	2.70%	3.05%
Ranking (The lower the rate, the higher the ranking)	7 th /47	10 th /47	3 rd /47	4 th /47
Fiscal solvency index (Shizuoka)	65.3	69.6	72.9	-
Fiscal solvency index (Nationwide)	42.8	46.4	49.7	-
Ranking	6 th /47	6 th /47	7 th /47	-

Note: The failure rates are based on calendar-year data; all others fiscal-year data.



Advantages of economy of Shizuoka Prefecture (2)

<Growth potential> Shizuoka sees new industries burgeoning as it hosts many enterprises exploring new business fields.

	FY2005	FY2006	FY2007	FY2008
No. of firms approved for business innovation plan (*) (Shizuoka)	194	233	262	300
No. of firms approved for business innovation plan (Nationwide)	4,421	5,258	4,736	4,272
Ranking	7 th /47	7 th /47	5 th /47	3 rd /47
No. of firms authorized for new collaboration plan (*) (Shizuoka)	6	5	10	7
No. of firms authorized for new collaboration plan (Nationwide)	162	158	142	142
No. of new facility locations (Shizuoka)	85	102	124	144
No. of new facility locations (Nationwide)	1,544	1,782	1,791	1,631
Ranking	3 rd /47	3 rd /47	1 st /47	1 st /47

* Approved/authorized under the SMB New Business Operation Promotion Law.

Note: The numbers of new facility locations are based on calendar-year data; all others on fiscal-year data.

<Regional employment & corporate earnings>

	FY2005	FY2006	FY2007	FY2008
Effective job opening to applicant ratio (Shizuoka) (times)	1.14	1.25	1.21	1.05
Effective job opening to applicant ratio (Nationwide) (times)	0.95	1.06	1.04	0.88
Monthly average wages (Shizuoka) (JPY thousand)	333	330	-	-
Monthly average wages (Nationwide) (JPY thousand)	335	336	-	-
Ranking	6 th /47	8 th /47	-	-
Corporate earnings (compared year-on-year) (Shizuoka)	- 0.5 %	+12.2 %	-5.6 %	*-72.2
Corporate earnings (compared year-on-year) (Nationwide)	+12.3 %	+10.1 %	-1.0 %	*-41.4

Note: The ratios are based on fiscal-years end, monthly data; the wages calendar-year data; the earnings fiscal-year data.

*FY2008 Plan

This document includes statements concerning future business results.

These statements do not guarantee future business results, but contain risks and uncertainties.

Please note that future business results may differ from targets for reasons such as changes in the business environment.