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Results for the First Quarter of FY2010

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President

SHIZUOKA BANK



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***Results for the First Quarter
of FY2010***

Dream with you.



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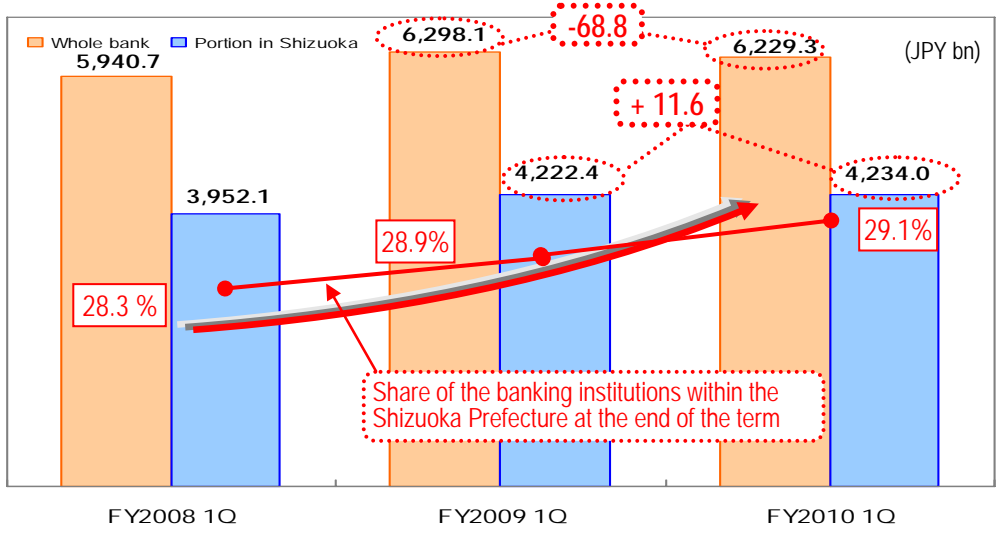
Results for FY2009 and Projected performance for FY2010

Consolidated		FY2009		YoY change		FY2010E		YoY change	1Q FY2010		
(JPY billions)									YoY change	Progress	
Ordinary revenue		214.5	-17.7		Down for 2 consecutive terms	208.0	-6.5		55.1	+0.4	26.5%
Ordinary profit		53.9	+33.9		First increase in 3 periods	53.7	-0.2		18.9	+3.1	35.2%
Net income		32.8	+19.7		First increase in 3 periods	30.7	-2.1		10.4	+0.3	33.9%
Shizuoka Bank, Non-Consolidated		FY2009		YoY change		FY2010E		YoY change	1Q FY2010		
(JPY billions)									YoY change	Progress	
Ordinary revenue		186.0	-19.3		Down for 2 consecutive terms	180.0	-6.0		47.8	+0.4	26.6%
Gross operating profit		152.0	+3.3		Up for 6 consecutive terms Record Profit	147.3	-4.7		41.8	+4.3	28.4%
Net interest income		129.3	-0.4			128.7	-0.6		33.0	-0.4	25.6%
Fees and commissions		15.7	-1.5			16.1	+0.4		3.3	-0.3	20.5%
Bond-related income such as JGBs		5.2	+5.1			0.5	-4.7		5.0	+4.6	1,000.0%
Expenses (-)		79.3	-0.2			81.8	+2.5		21.0	-0.2	25.7%
General transfer to loan loss reserves (-)		8.3	-7.2			5.5	-2.8		-0.7	-0.7	-12.7%
Net operating profit		64.3	+10.7		First increase in 3 periods Record Profit	60.0	-4.3		21.5	+5.2	35.8%
Actual net operating profit *		72.7	+3.5			65.5	-7.2		20.8	+4.4	31.8%
Core net operating profit **		67.5	-1.6			65.0	-2.5		15.8	-0.2	24.3%
Bad debt written-off (-)		14.9	-3.8			10.4	-4.5		2.3	+0.3	22.1%
Gain on stocks		2.9	+20.4		First increase in 3 periods	2.6	-0.3		-1.4	-2.6	-53.8%
Ordinary profit		50.5	+33.6			50.0	-0.5		17.5	+2.2	35.0%
Extraordinary loss		0.4	+0.6			0	-0.4		-0.6	-1.0	-
Net income		32.1	+19.3		First increase in 3 periods	30.0	-2.1		10.2	+0.2	34.0%
Credit costs (-)		23.3	-11.0			15.9	-7.4		1.6	-0.5	10.1%

* Actual NOP = NOP + General transfer to loan loss reserves

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

Total loan balances (average balances)



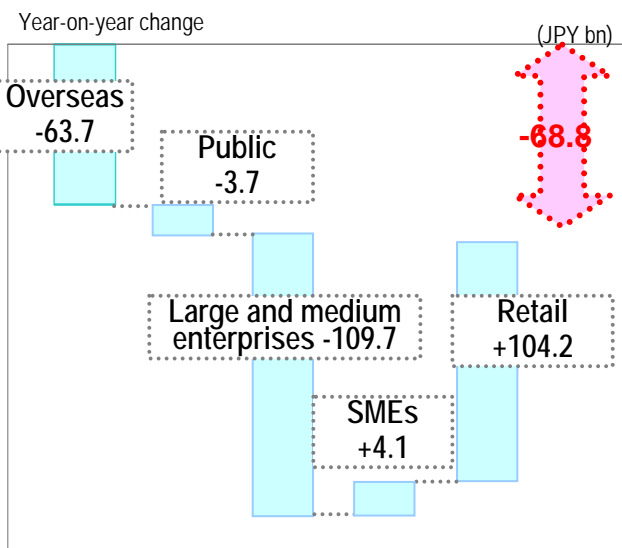
- Total loan balances (average balances) of FY2010 1Q decreased to JPY 6,229.3 bn, down JPY 68.8 bn year-on-year

[Loans for SMEs]
Average balances increased to JPY 2,545.7 bn, up JPY 4.1bn (+0.2%) year-on-year.

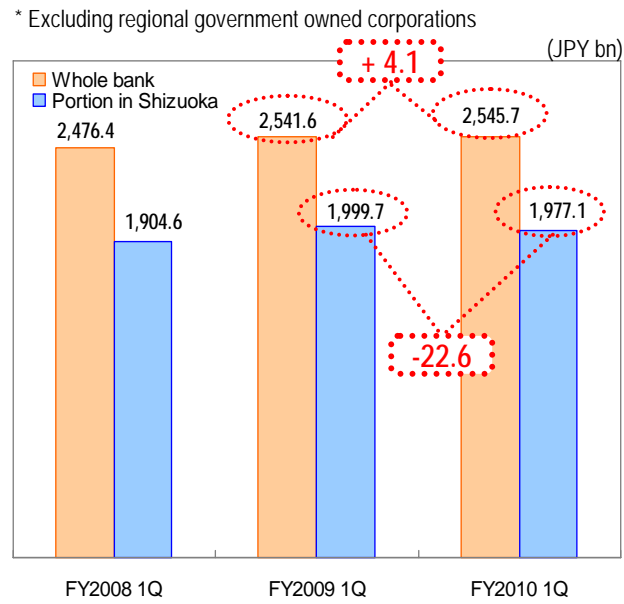
* Balance of credit guarantee payments
Average balances JPY 723.5 bn

[Loans for Retail]
Average balances increased to JPY 2,132.4 bn, up JPY 104.2 bn (+5.1%) year-on-year.

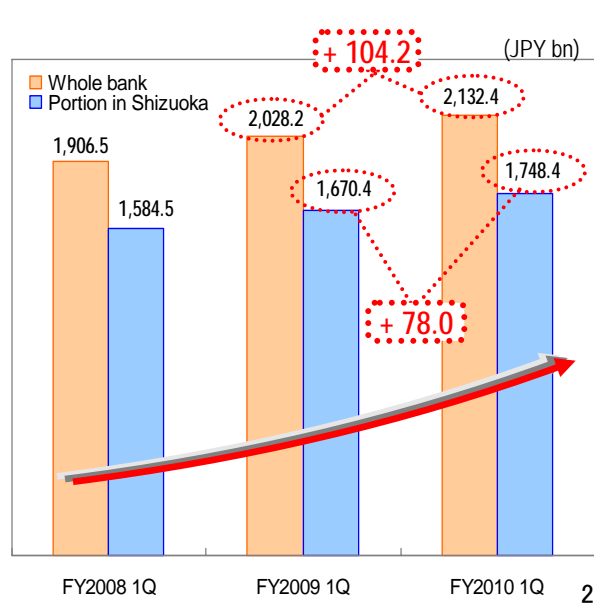
Breakdown of changes in total loan balances (average balances)



SME loan balances (average balances)



Retail loan balances (average balances)



* Excluding regional government owned corporations



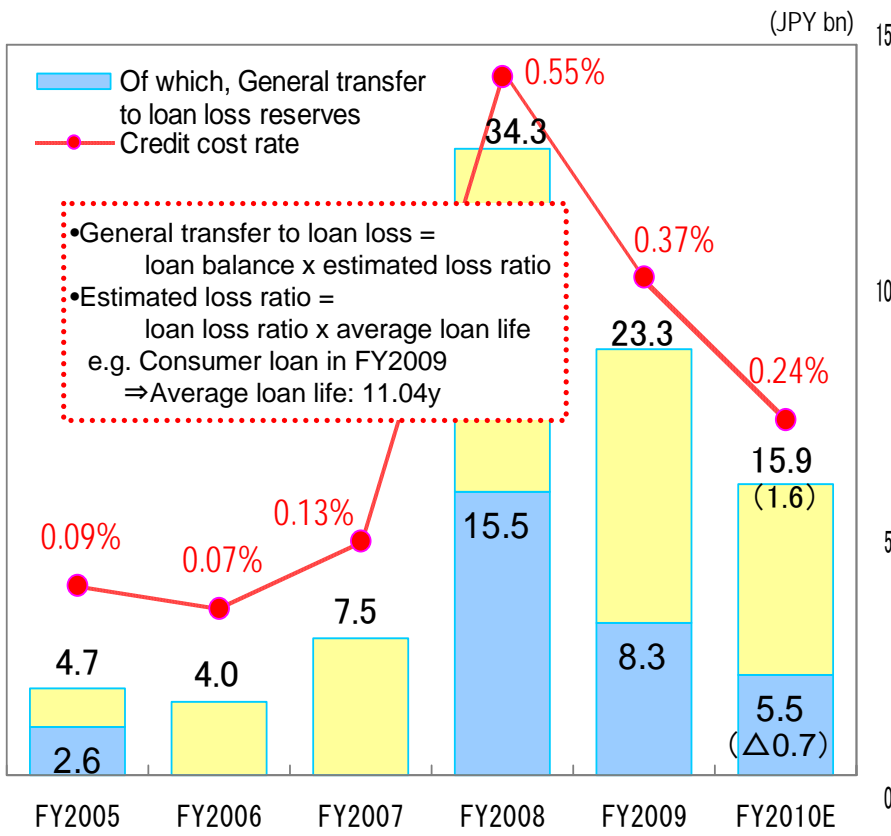
Credit costs

Credit costs: First quarter of FY2010 JPY 1.6 bn (- JPY 0.5 bn year-on-year)

[Breakdown of credit costs]

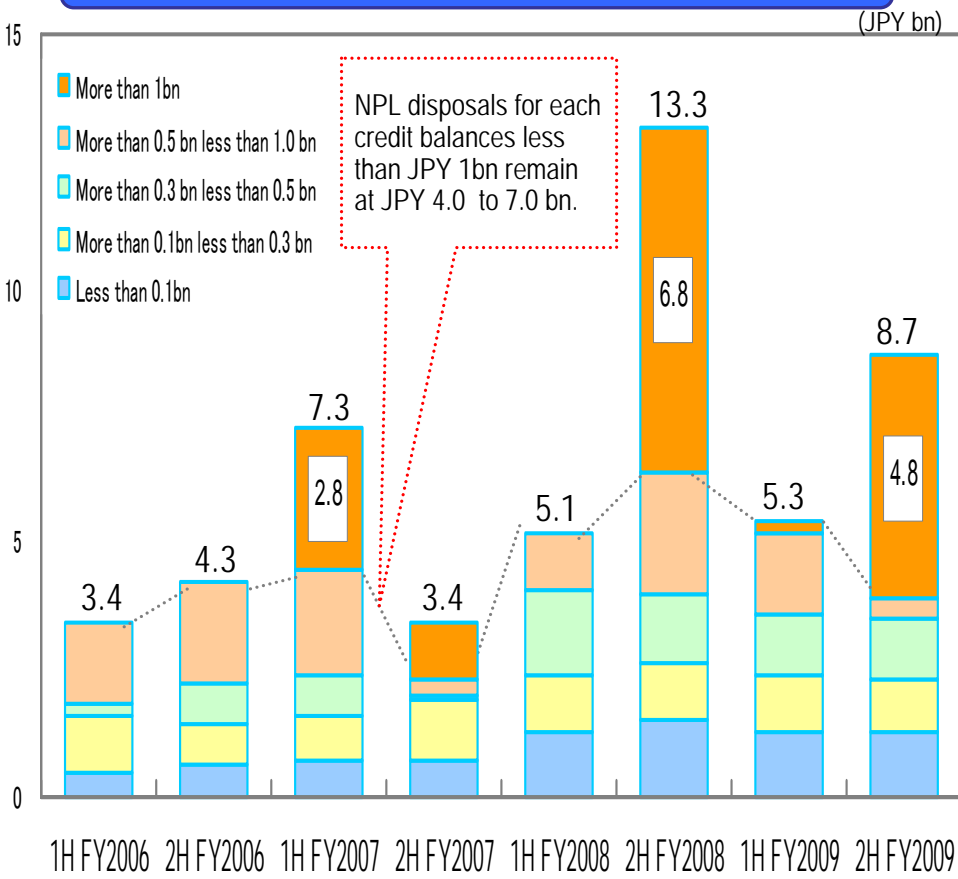
- General transfer to loan loss reserves: -JPY 0.7 bn (- JPY 0.7 bn YoY)
- NPL disposal: JPY 2.3 bn (+JPY 0.3 bn YoY)
(of which, transfer to specific reserves: JPY 2.0 bn)

Credit cost and credit cost rate trends



• General transfer to loan loss = loan balance x estimated loss ratio
 • Estimated loss ratio = loan loss ratio x average loan life
 e.g. Consumer loan in FY2009 ⇒ Average loan life: 11.04y

[Reference] Transfer to specific reserves by credit balance



NPL disposals for each credit balances less than JPY 1bn remain at JPY 4.0 to 7.0 bn.

*Credit costs = NPL disposals + General transfer to loan loss reserves
 Credit cost rate = Credit costs / Average loan balance
 From FY2007, NPL disposal includes transfer to other contingent loss reserves



Calculation of general transfer to loan loss

General transfer to loan loss = Loan balances by borrower categories x Estimated loss ratio

↓
Estimated loss ratio = Loan loss ratio x Average loan life

Borrower category	Loan loss ratio (%)	Average loan life (year)
Sound borrowers		
Consumer loans	0.05	11.04
A1, A2	0.05	2.22
B1 ~ B3	0.36	2.04
Borrowers requiring careful monitoring		
C0, C1	0.82	2.62
C2	0.83	2.79
Borrowers requiring management		
C3	1.12	3.17

↑

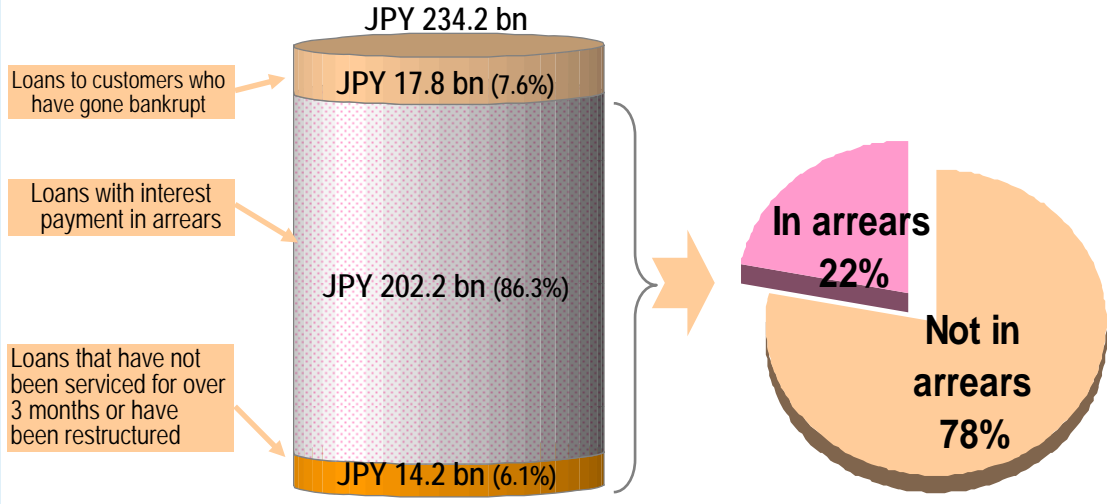
Average loan life accepted in "Financial inspection manual" :
 Sound borrowers/ Borrowers requiring careful monitoring: 1 year
 Borrowers requiring management: 3 years

Non-performing loans

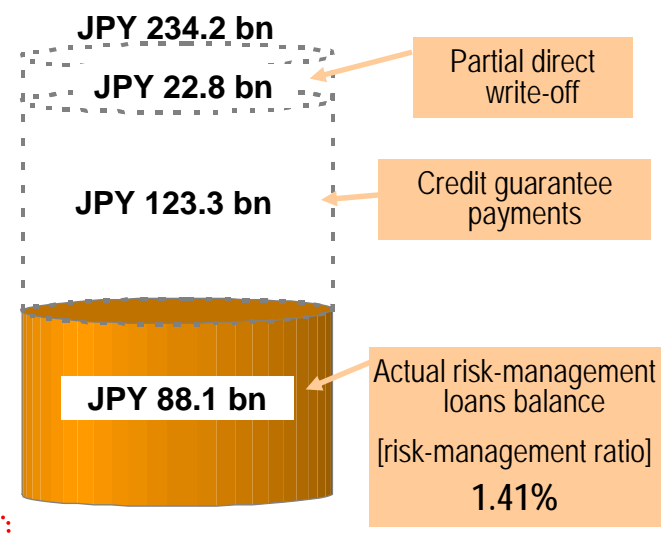
Risk-management loans balance (Non-consolidated basis)

- Total risk-management loans outstanding at the end of June 2010 amounted to JPY 234.2 bn (up JPY 4.7 bn from the end of March 2010)
- The ratio of risk-management loans stood at 3.72% (up 0.08 points from the end of March 2010)
 - Total risk-management loans adjusted for JPY 22.8 bn in written-off loans and JPY 123.3 bn in loans guaranteed by credit guarantee corporations came to JPY 88.1 bn; Actual risk-management loans: 1.41% (+0.03 points from the end of March 2010)

Risk-management loans (at the end of June 2010)



Actual risk-management loans



NPL removal from the balance sheet

(JPY bn)	FY2007	FY2008	FY2009	1Q FY2010
New recognition of NPLs (Of which, downgraded in rating)	+69.3 (+50.6)	+89.2 (+58.0)	+97.7 (+80.1)	+19.7 (+18.1)
Removal from the balance sheet (NPL to borrowers classified as "at risk of failure" or in riskier categories)	-70.6 (-60.0)	-76.5 (-53.2)	-76.4 (-69.5)	-14.9 (-13.1)
Risk-management loans	195.5	208.2	229.5	234.2

+4.7

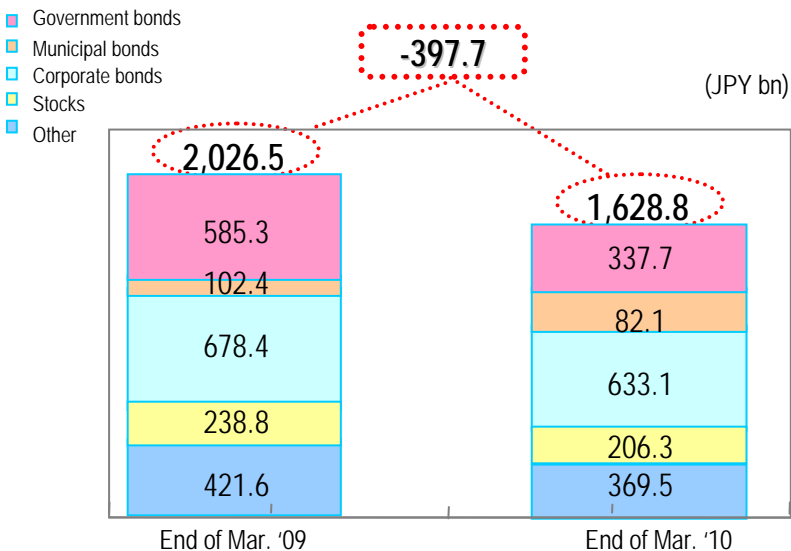
Collected from borrower/ set off against deposit account	3.4
Collateral disposal/ subrogated to guarantor	6.2
Reclassified to better category	3.5
Loans sold-off	0
Write-off of loans (before set-off)	0



Securities

- Balance of securities at the end of June 2010 was JPY 1,628.8 bn (down JPY 397.7 bn from the end of March 2010).
- Gain on revaluation of securities such as stocks, bonds, and investment trusts at the end of June 2010 was a profit of JPY 115.1 bn (down JPY 18.1 bn from the end of March 2010) . Of which ,gain on revaluation of stocks was a profit of JPY 83.7 bn (down JPY 30.8 bn from the end of March 2010) .

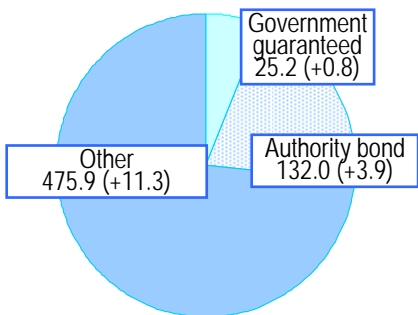
Security portfolio



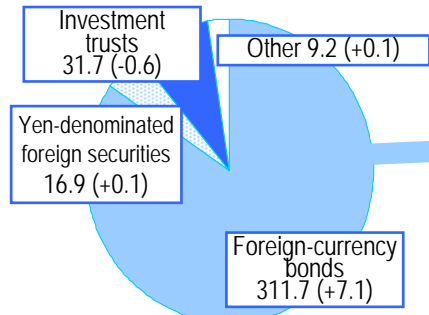
Yield and average duration to maturity

	End of Mar. '10	End of Jun. '10
Average duration to maturity (yen denominated)	4.73y	4.08 y
Average duration to maturity (foreign currency denominated)	2.60 y	0.79 y
Gains and losses from the revaluation of securities	JPY 133.2 bn	JPY 115.1bn
of which Stocks	JPY 114.5 bn	JPY 83.7 bn
Nikkei stock average	JPY 11,089.94	JPY9,382.64

Breakdown of "Corporate bonds" category JPY 633.1 bn (YoY change -JPY45.3 bn)



Breakdown of "Other" category JPY 369.5bn (YoY change -JPY 52.2 bn)

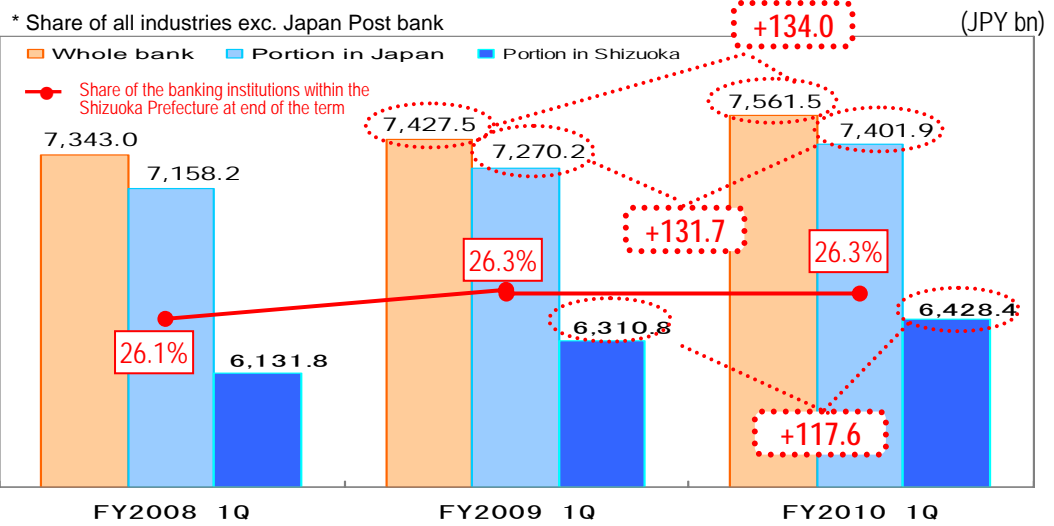


* Figures in parenthesis are gains or losses from the revaluation

Breakdown of mortgage bonds

	(Book value)	Change from End-Mar. '10	Gains and losses from the revaluation of bonds
Ginnie Mae	263.6	- 46.9	+6.5
Fannie Mae	1.7	-0.3	-0.0
Freddie Mac	16.6	-1.6	-0.1

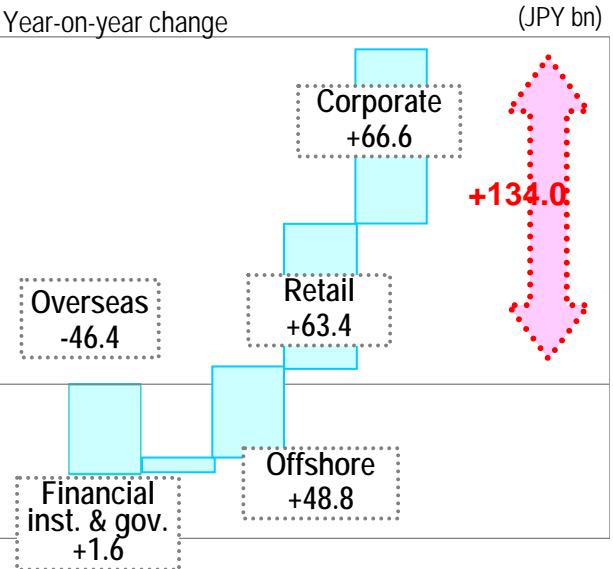
Total deposit balances (average balances)



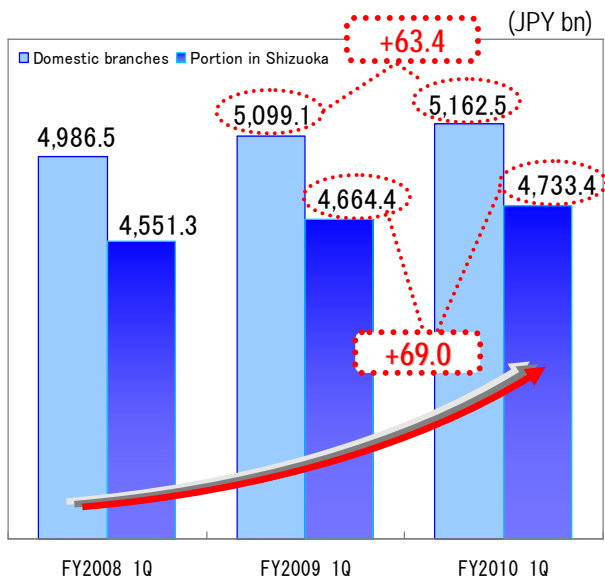
- Total deposit balances including negotiable deposits of FY2010 1Q increased to JPY 7,561.5 bn (average balances) up JPY 134.0 bn (+1.8%) year-on-year

- Deposit in domestic branches: JPY 7,401.9 bn, up JPY 131.7 bn (+1.8%) y-o-y
- Deposit balances in Shizuoka Prefecture: JPY 6,428.4 bn, up JPY 117.6 bn (+1.9%) y-o-y
- Retail deposit balances: JPY 5,162.5 bn, up JPY 63.4 bn (+1.2%) y-o-y
- Corporate deposit balances: JPY 1,918.8 bn, up JPY 66.6 bn (+3.6%) y-o-y

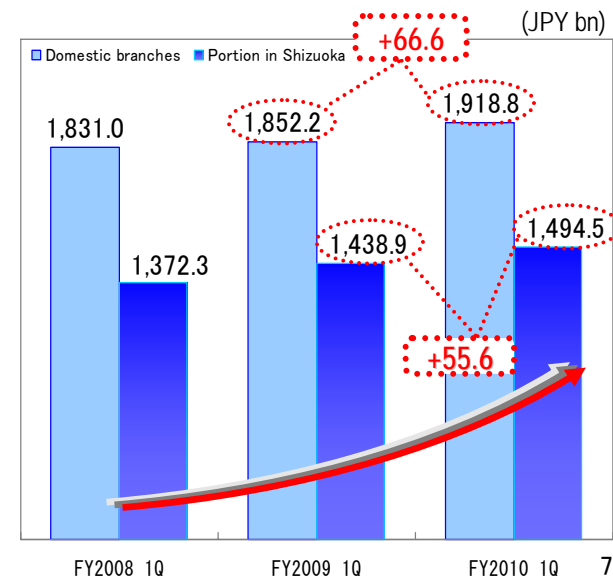
Breakdown of changes in total deposit balances (average balances)



Retail deposit balances (average balances)



Corporate deposit balances (average balances)



Difference between loan and deposit interest rates

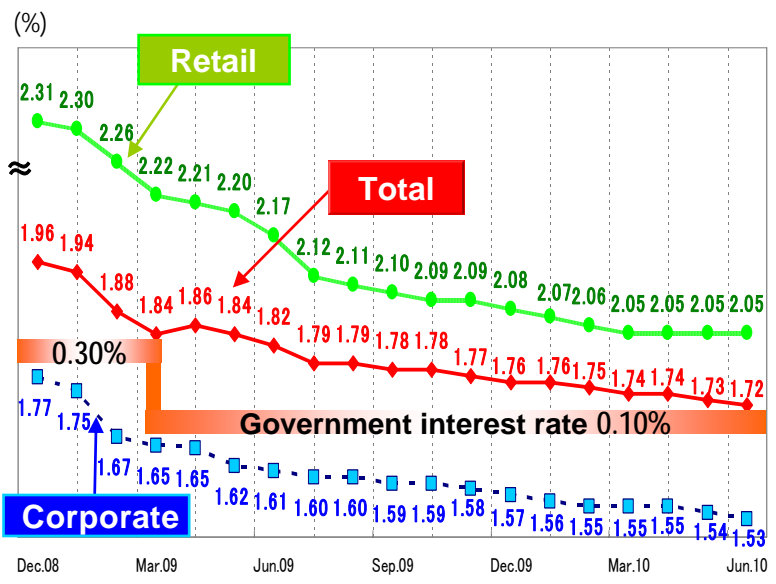
• Difference between loan and deposit interest rates in June 2010 kept +1.62%, same level as the end of March 2010.

Changes in yen-denominated loans and deposit structure (Mar. 10/Jun. 10 comparison)

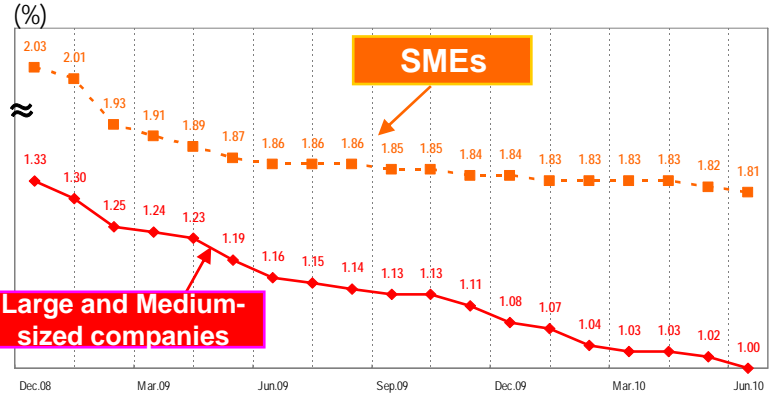
	March 2010		June 2010	
	Average balance (% of total)	Interest rate	Average balance (% of total)	Interest rate
Loans	6.1 (100.0)	1.74	6.1 (100.0)	1.72
Variable interest	4.5 (73.7)	1.67	4.5 (73.8)	1.66
Short-term/new long-term prime rate standard	2.9 (46.8)	2.08	2.9 (47.3)	2.07
Market-linked	1.6 (25.4)	0.86	1.5 (25.2)	0.82
Fixed interest	1.6 (26.3)	1.91	1.6 (26.2)	1.88

(JPY tn, %)

Loan interest rates (monthly average)



Trends in corporate loan interest rates by company size



Difference between loan and deposit interest rates

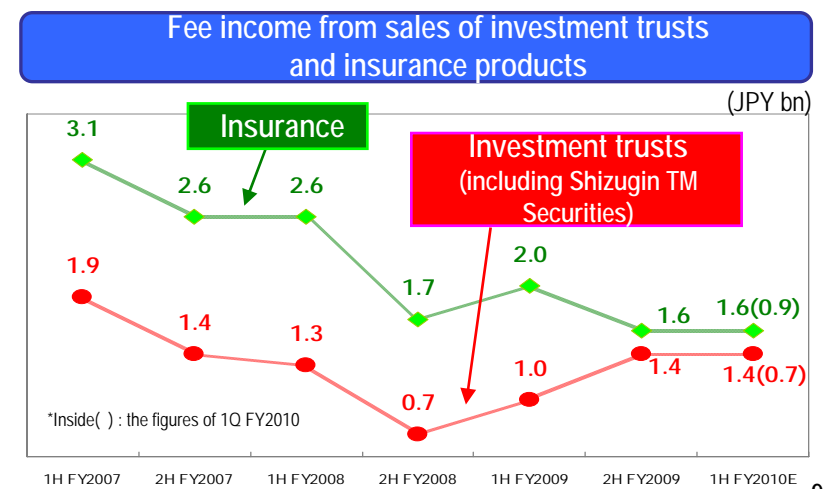
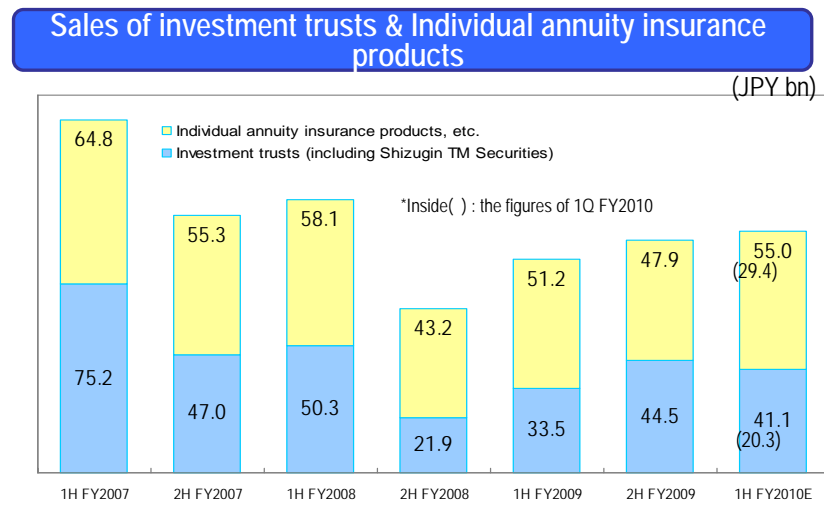
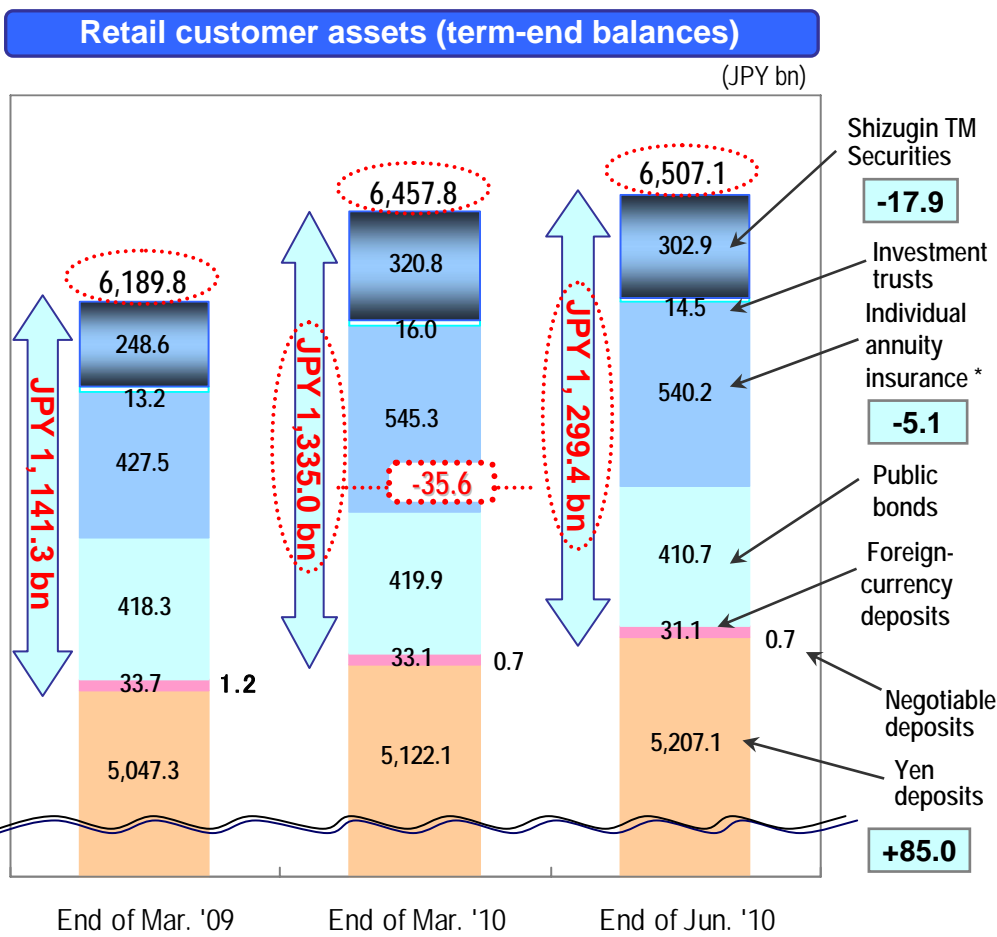
	March 2010		June 2010	
	Average balance (% of total)	Interest rate	Average balance (% of total)	Interest rate
Deposits	7.2 (100.0)	0.12	7.3 (100.0)	0.10
Liquid deposits	3.9 (53.9)	0.02	3.8 (52.6)	0.02
Term deposits	3.0 (41.3)	0.24	3.0 (41.4)	0.21

* Deposits include NCDs

-0.02

Customer assets

- Customer assets at the end of June 2010 (including the balance of Shizugin TM Securities) was 6,507.1 bn, up JPY 49.3 bn from the end of March 2010.
- Asset management products (excluding yen deposits and negotiable deposits) was JPY 1,299.4 bn, down JPY 35.6 bn from the end of March 2010.

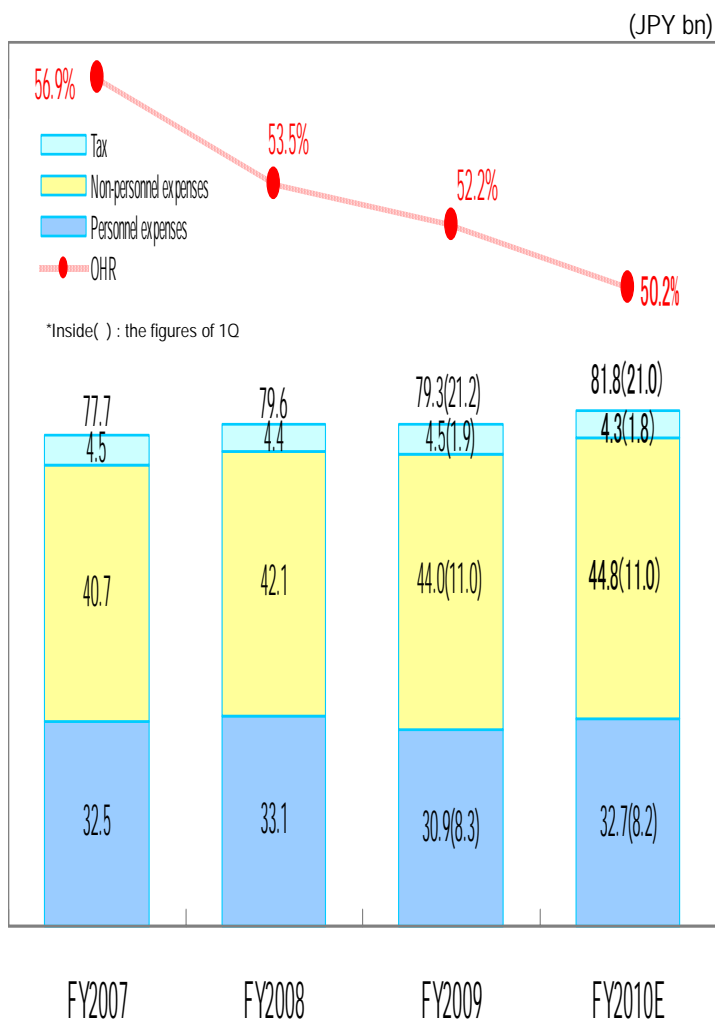


*Figures of individual annuity insurance are the balance of remaining contracts.

Expenses

- Expenses in FY2010 1Q : JPY 21.0bn (decreased JPY 0.2 bn year-on-year)
- OHR (Non-consolidated) in FY2010 1Q : 50.2%

Expenses and OHR



Non-personnel expenses

(JPY bn)	FY2007	FY2008	FY2009	FY2010E	1QFY2010
Non-personnel expenses	40.7	42.1	44.0	22.4	11.0
System-related	12.3	13.0	14.4	7.3	3.3
Outsourcing	7.5	7.9	8.0	4.0	2.0
Others	20.9	21.2	21.6	11.1	5.7

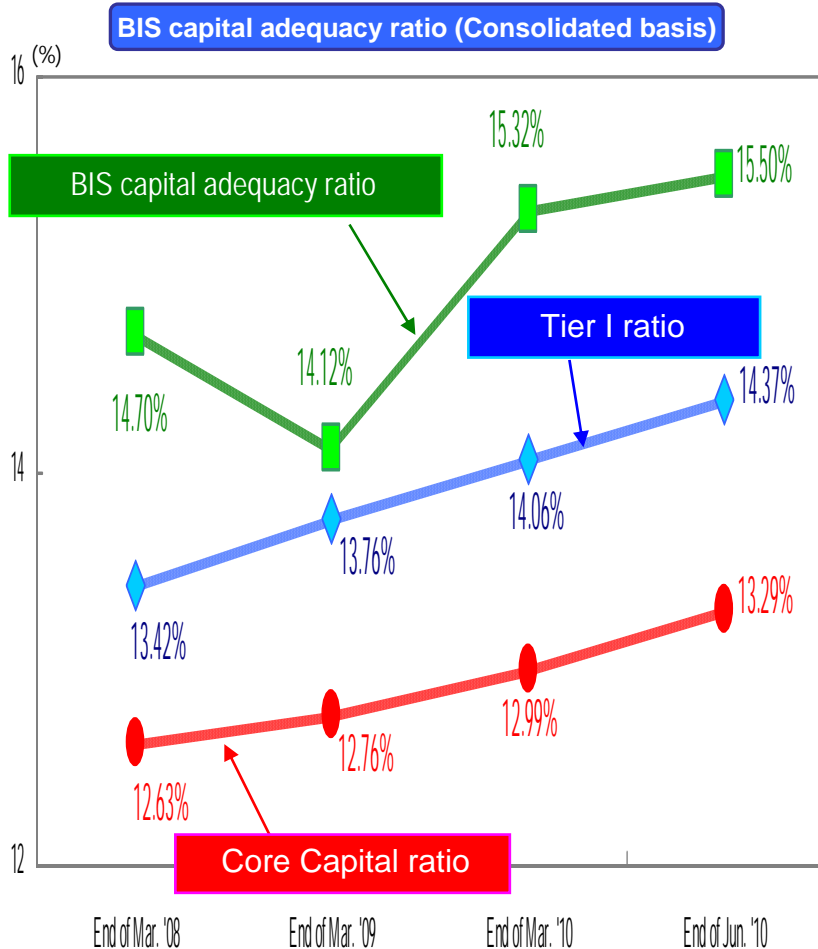
[Reference] Number of personnel

(Employees)	End of Mar '09	End of Mar '10	End of Mar '11 (estimated)	YoY
Front office	2,685	2,742	2,925	+240
Of which bank employees	1,982	1,991	2,165	+183
Back office/assisting	1,506	1,520	752	-754
Of which bank employees	325	318	115	-210
HQ, loan operations centers and other	1,096	1,013	963	-133
Of which bank employees	534	565	470	-64
Shizuoka Bank (A)	5,287	5,275	4,640	-647
Of which bank employees	2,841	2,874	2,750	-91
Total number of employees at Group companies, etc (B)	1,927	1,874	2,540	+613
Total Group employees (A + B)	7,214	7,149	7,180	-34

*Incl. temporary and dispatched employees, etc.

Capital adequacy ratio

- The Basel II capital adequacy ratio at the end of June 2010 was 15.50%.
(Up 0.18 percentage points from the level at the end of March 2010)
- Tier I ratio was 14.37%, and core capital ratio was 13.29%.



[Reference]

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

* Exc. Unrealized gain on securities

Changes in capital and risk-adjusted assets

(JPY bn)

	End-Mar. '08	End-Mar. '09	End-Mar. '10	End-Jun. '10	Change from End-Mar. '10
Capital	650.4	623.4	687.8	683.9	-3.9
Tier I	593.8	607.8	631.4	634.3	+2.9
Core Capital	558.9	563.3	583.3	586.5	+3.2
Tier II	79.1	29.1	67.6	60.7	-6.9
Risk-adjusted assets	4,423.2	4,414.8	4,488.9	4,411.5	-77.4
Total credit-risk-adjusted assets	4,089.5	4,094.6	4,166.3	4,086.5	-79.8
Amount corresponding to market risk	22.0	24.8	20.5	22.9	+2.4
Amount corresponding to operational risk	283.7	295.4	302.1	302.1	0
Adjusted floor amount	28.0	-	-	-	-

Outlier ratio (Non-consolidated basis)

Size of maximum risk	Tier I + Tier II	Outlier ratio
JPY 55.9bn	JPY 668.3bn	8.37%



Shareholder returns

- In FY2009, dividend (annual) per share of JPY 13 achieved the highest level among regional banks (dividend payout ratio 28.20%, dividend yield 1.59%)
- In FY2010, Shizuoka Bank plans the dividend per share of JPY 13, (around 25% of dividend payout ratio, highest level among regional banks) considering the market environment, results of FY2010 and so on.
- Shizuoka Bank purchased treasury stock of 5 million shares in FY2009, and 20 million shares in FY2010.

Dividend trends

(JPY, %)	FY2006	FY2007	FY2008	FY2009	FY2010 E
Dividend per share (annual)	13.00	13.00	13.00	13.00	13.00 (6.50*)
Dividend yield (Dividend/share price at end of FY)	1.03	1.10	1.47	1.59	—

*Interim dividend

Profit distribution to shareholders

	FY2006	FY2007	FY2008	FY2009	FY2010 E	(JPY bn) FY '00 – '09 (10 years)
Annual dividend (1)	9.2	9.1	9.1	9.1	8.8	Accumulated total 68.7
Purchase of treasury stock (2)	—	12.6	—	4.0	15.6	Accumulated total 79.8
Shareholder returns (3)=(1)+(2)	9.2	21.8	9.1	13.1	24.4	Accumulated total 148.6
Net income (4)	36.3	35.2	12.8	32.1	30.0	Accumulated total 247.8
Dividend payout ratio (1)/(4)x100	25.39%	25.96%	70.85%	28.20%	29.29%	Average 27.74%
Shareholder return ratio (3)/(4)x100	25.39%	61.82%	70.85%	40.64%	81.29%	Average 59.96%



Purchase of treasury stock

- Shizuoka Bank has continued to purchase treasury stocks since 1997, and the total number of shares purchased was 121 million at the end of June 2010
- In FY2010, Shizuoka bank purchased 10 million shares on May, and will purchase another 10 million until the end of September 2010

Purchase of treasury stock

	NO. of treasury stocks purchased (k)	Purchased treasury stock (JPYmn)	Shareholder return ratio(※)	Dividend payout ratio	Dividend per share (annual)
FY1997	7,226	9,997	90.3%	29.3%	JPY6.0
FY1998	6,633	9,142	86.7%	29.7%	JPY6.0
FY1999	8,357	9,143	51.4%	17.5%	JPY6.0
FY2000	24,954	23,281	152.0%	25.0%	JPY6.0
FY2001	8,234	8,267	165.4%	58.3%	JPY6.0
FY2002	29,928	23,107	229.4%	41.4%	JPY7.0
FY2003	10,712	8,566	50.8%	18.6%	JPY7.0
FY2004	—	—	17.1%	17.1%	JPY8.5
FY2005	—	—	22.5%	22.5%	JPY10.0
FY2006	—	—	25.3%	25.3%	JPY13.0
FY2007	10,000	12,621	61.8%	25.9%	JPY13.0
FY2008	—	—	70.8%	70.8%	JPY13.0
FY2009	5,000	3,996	28.8%	40.6%	JPY13.0
FY2010	10,000	7,596			
total	121,044	115,718	62.2%	27.0%	
Of which canceled	100,404	97,981			
Of which OA	3,126	3,167			
Of which reserved	17,514	14,570			

(※)(Purchase of treasure stock + Dividend) ÷ Net income × 100

Data Section

Dream with you.



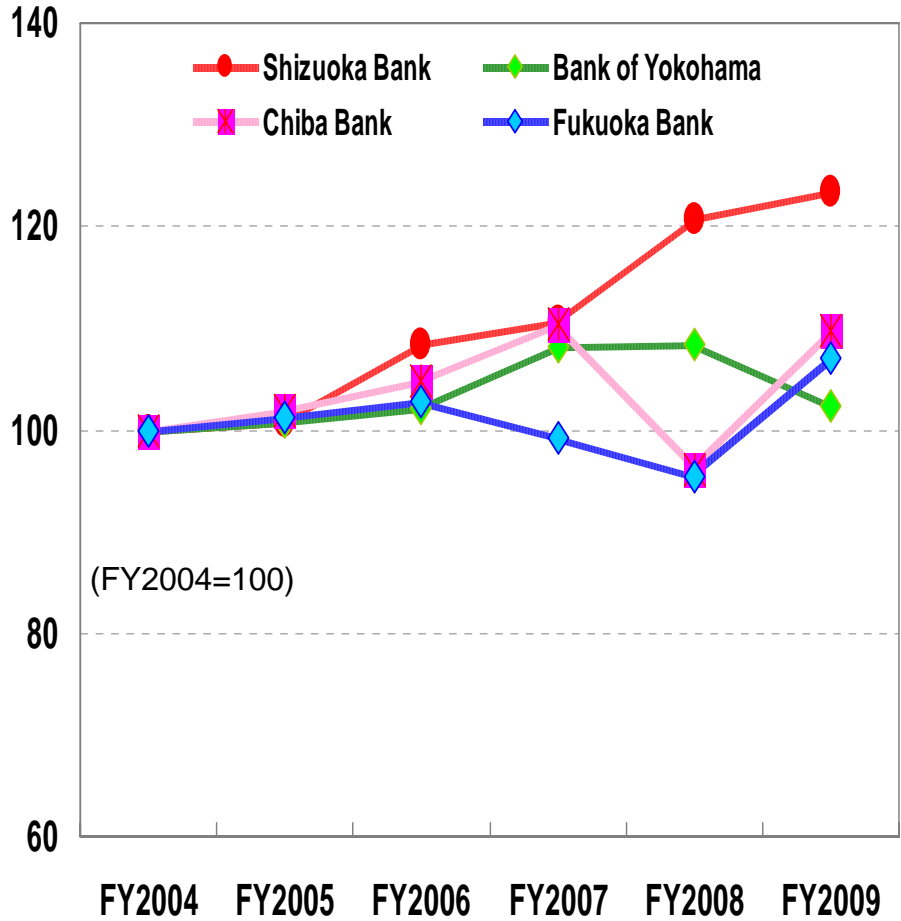
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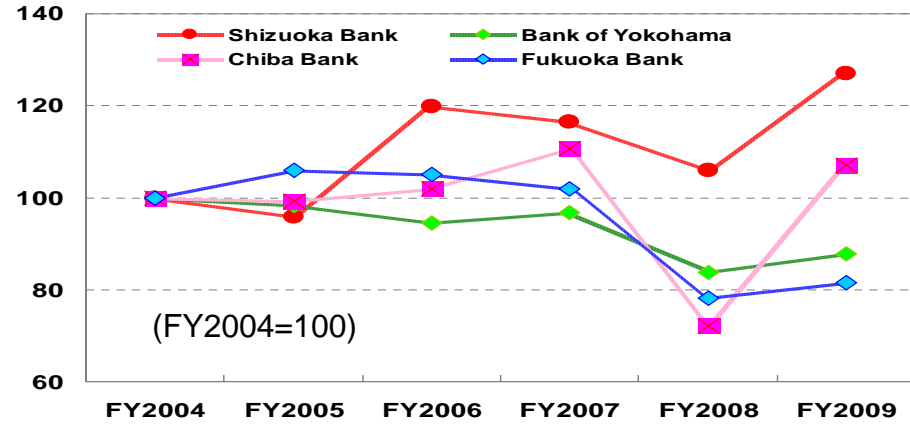
Long-term profit trend

- In FY2009, Gross operating profit and net operating profit both achieved record high.
- Gross operating profit and net operating profit show steady growth.

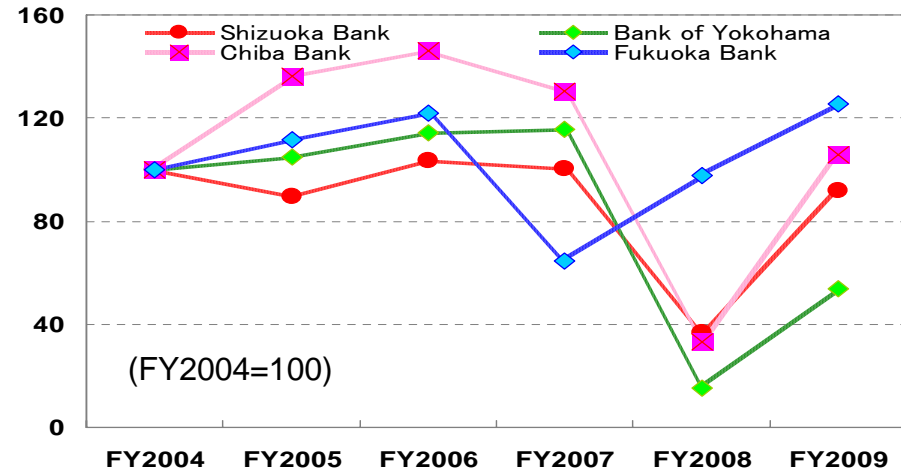
Gross operating profit (FY2004-FY2009)



Net operating profit (FY2004-FY2009)



Net income (FY2004-FY2009)

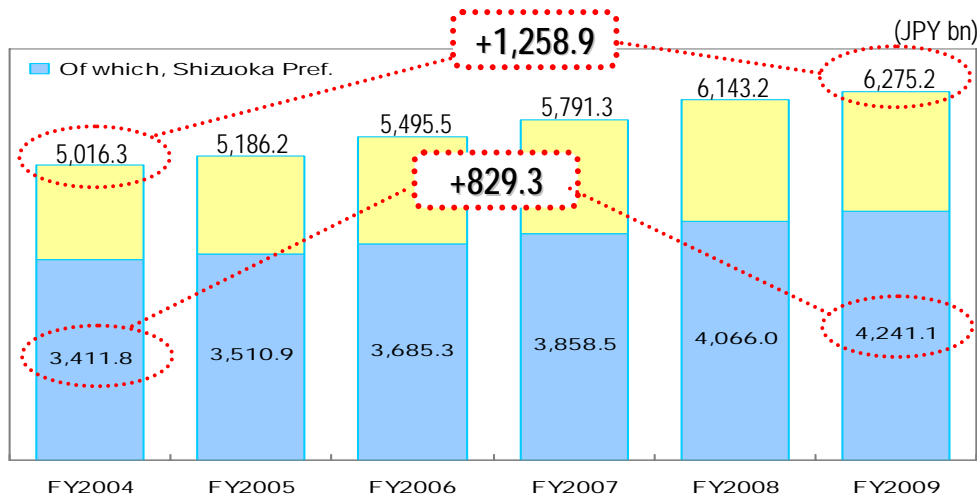




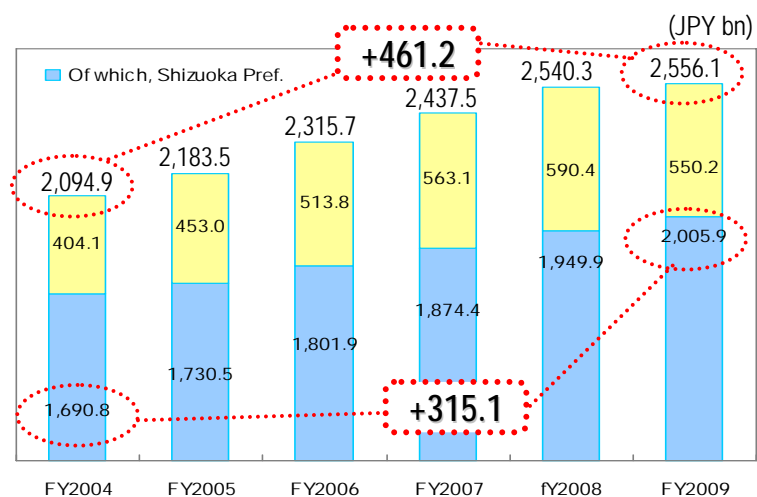
Loans and share in Shizuoka Pref.

- During five years from FY2005, total loan balances increased +JPY 1,258.9 bn, of which +829.3 in Shizuoka Pref. (Of which, SME loan balances: +JPY 461.2bn, consumer loan balances: +JPY 657.6bn)

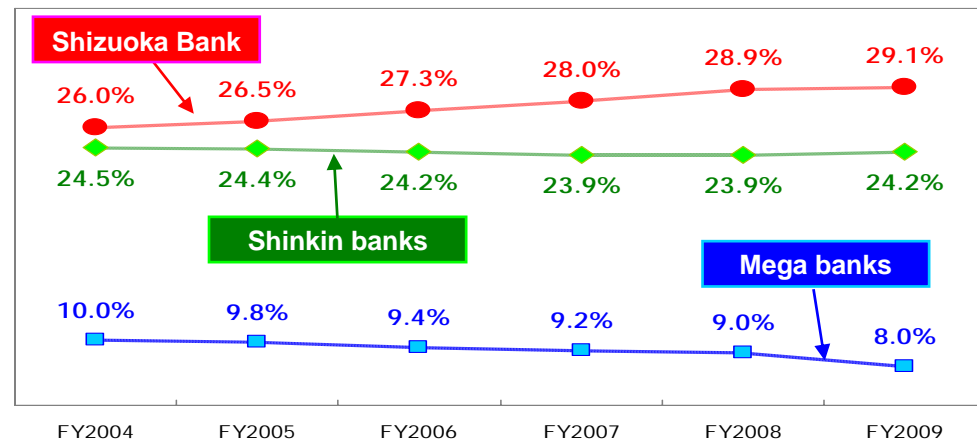
Total loan balances (average balances)



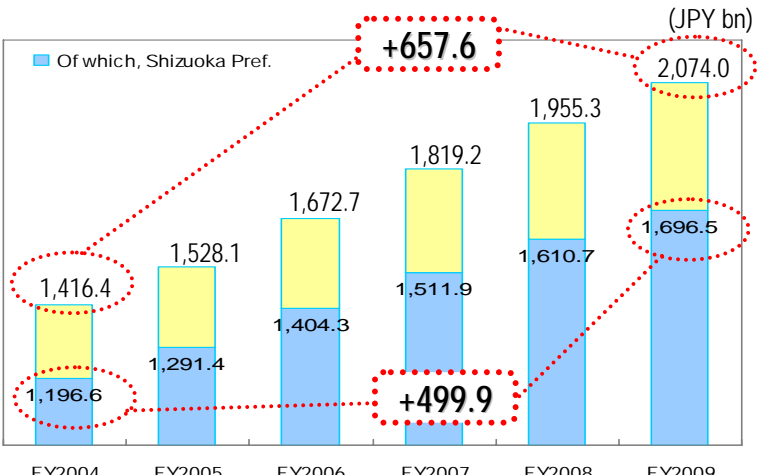
SME loan balances (average balances)



Share of loans in Shizuoka Prefecture



Consumer loan balances (average balances)

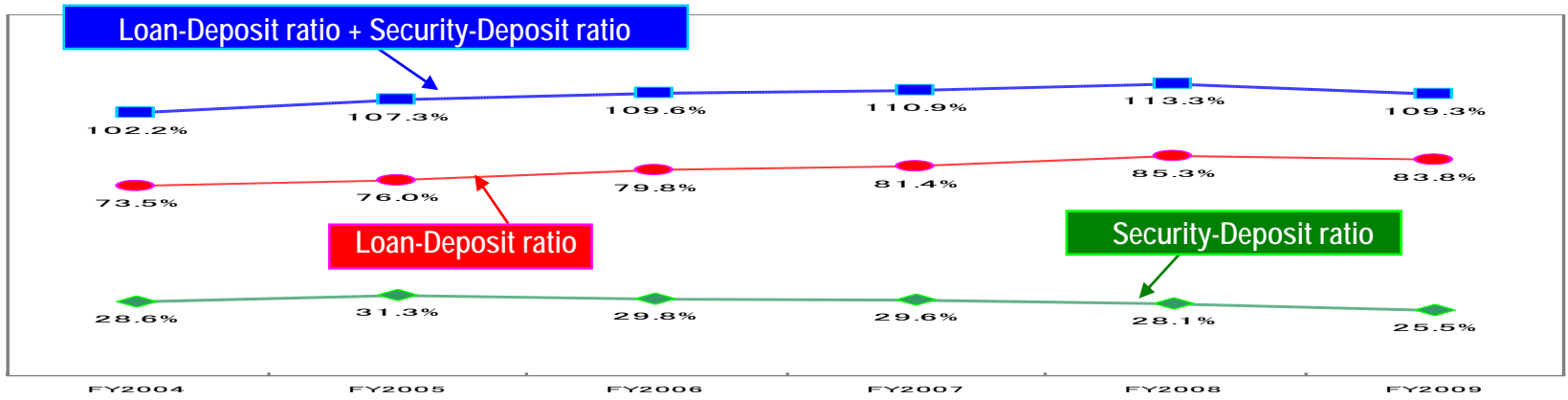




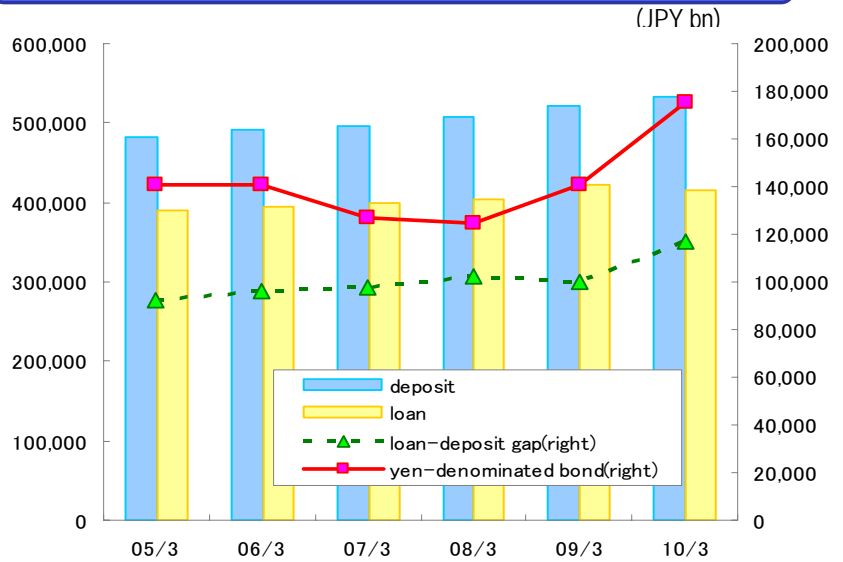
Loan-deposit gap and security investments

- The amount of loans grows steadily compared with other Japanese banks and gap between loans and deposits are decreasing while the amount of yen-denominated bond keeps at the same level

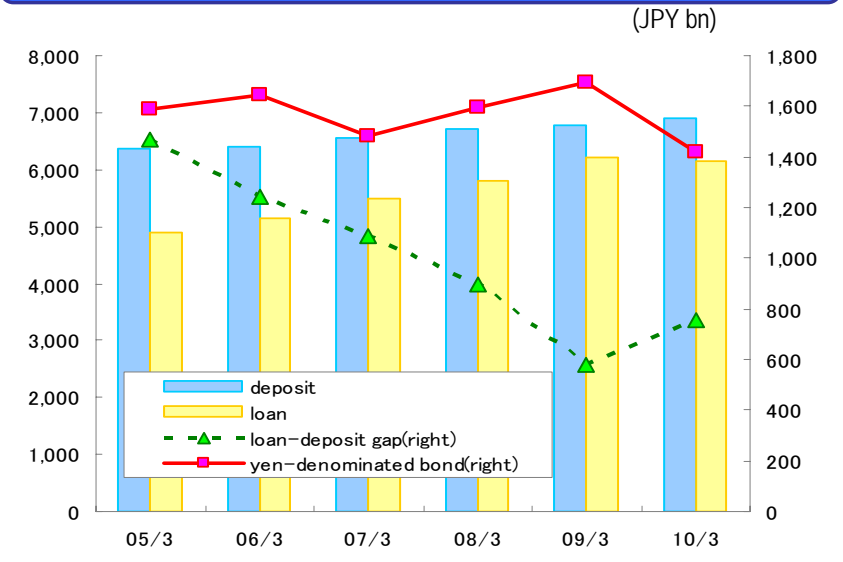
Loan-Deposit ratio / Security-Deposit ratio



Loan-deposit gap and yen-denominated bond investment (Japanese bank)



Loan-deposit gap and yen-denominated bond investment (Shizuoka bank)



Corporate banking – regional finance –

Business matching

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

	FY2007	FY2008	FY2009	1Q FY2010
Actual cases	822	2,257	2,595	788
Amount of new loans	JPY 43.9bn	JPY 32.3bn	JPY 34.4bn	JPY 7.2bn



[Number of business regeneration activities completed]

	FY2007	FY2008	FY2009	1Q FY2010
Cases	19	17	20	2

Management improvement Business regeneration

**The establishment of the solid relationship through our progressive approach
⇒ leads to an increase in market share**



Shizugin:ship

- No. of members: (As of the end of June 2010)
875 companies, 1,320 members
- No. of participants for seminars and visits:
Total 769



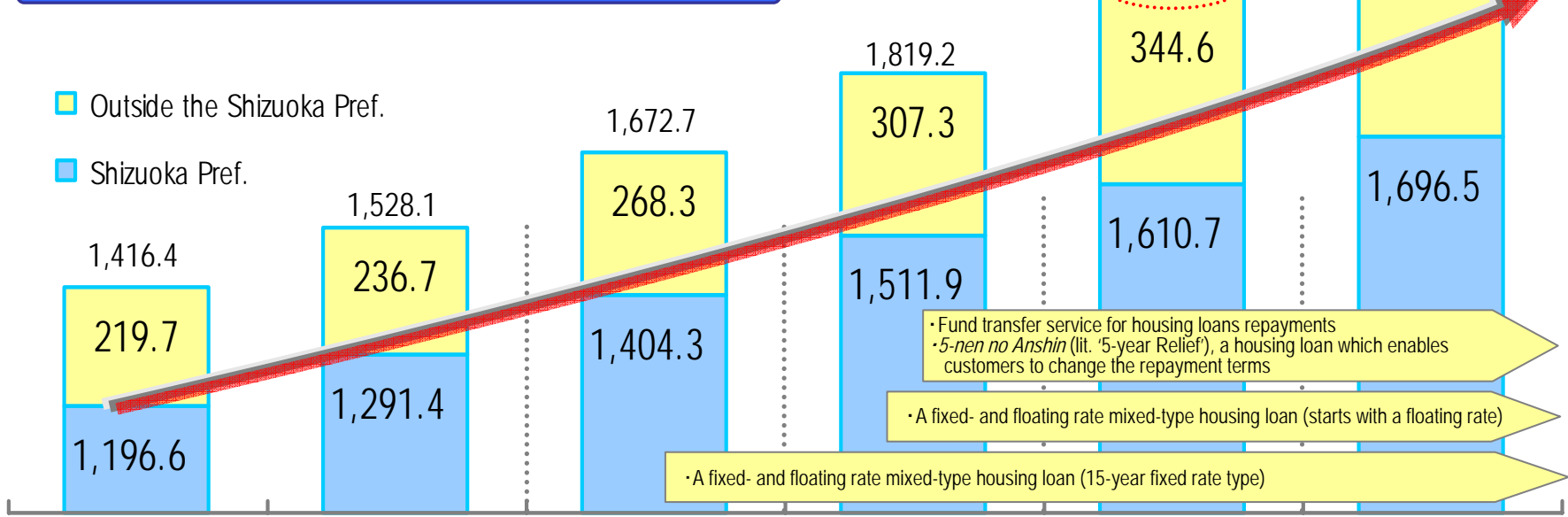
Retail banking – increase in consumer loan –

- Expansion in loan offices, enhancement of product lines, and development of sales promotion systems, including the assignment of over 200 specialist personnel

+118.7
Annual rate 6.1%

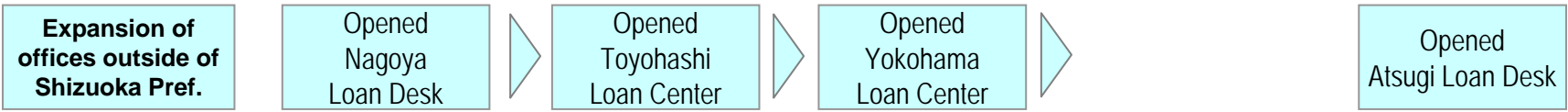
Consumer loan balances (average balances) (JPY bn)

- Outside the Shizuoka Pref.
- Shizuoka Pref.



- Fund transfer service for housing loans repayments
- 5-nen no Anshin (lit. '5-year Relief'), a housing loan which enables customers to change the repayment terms
- A fixed- and floating rate mixed-type housing loan (starts with a floating rate)
- A fixed- and floating rate mixed-type housing loan (15-year fixed rate type)

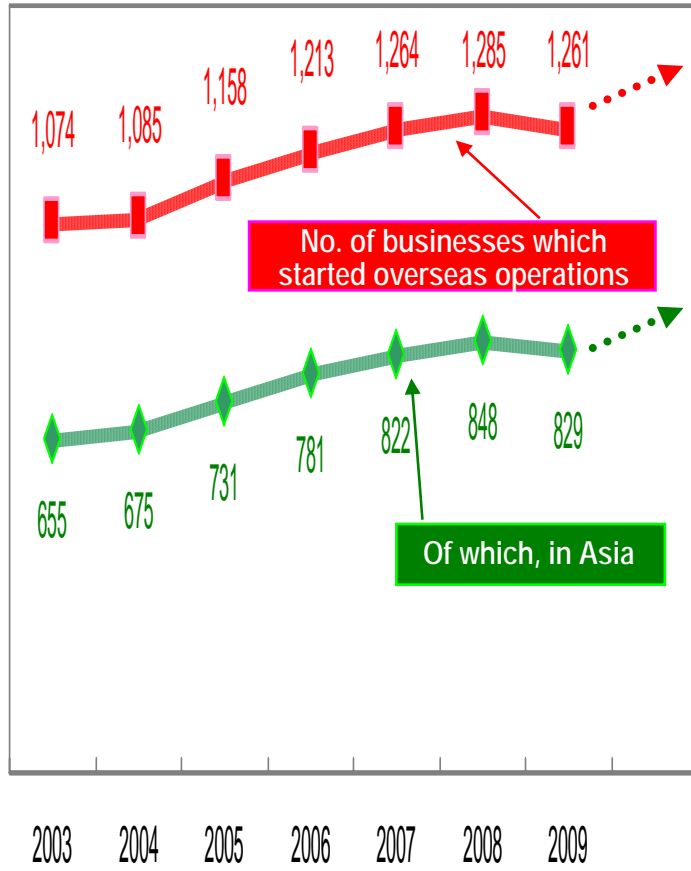
		FY2004	FY2005	FY2006	FY2007	FY2008	FY2009
Channels	Loan Center	14	⇒ 15	⇒ 16	⇒ 16	⇒ 17	
	Loan Desk	6	⇒ 7	⇒ 7	⇒ 7	⇒ 8	
No. of personnel		167	⇒ 184	⇒ 208	⇒ 218	⇒ 230	



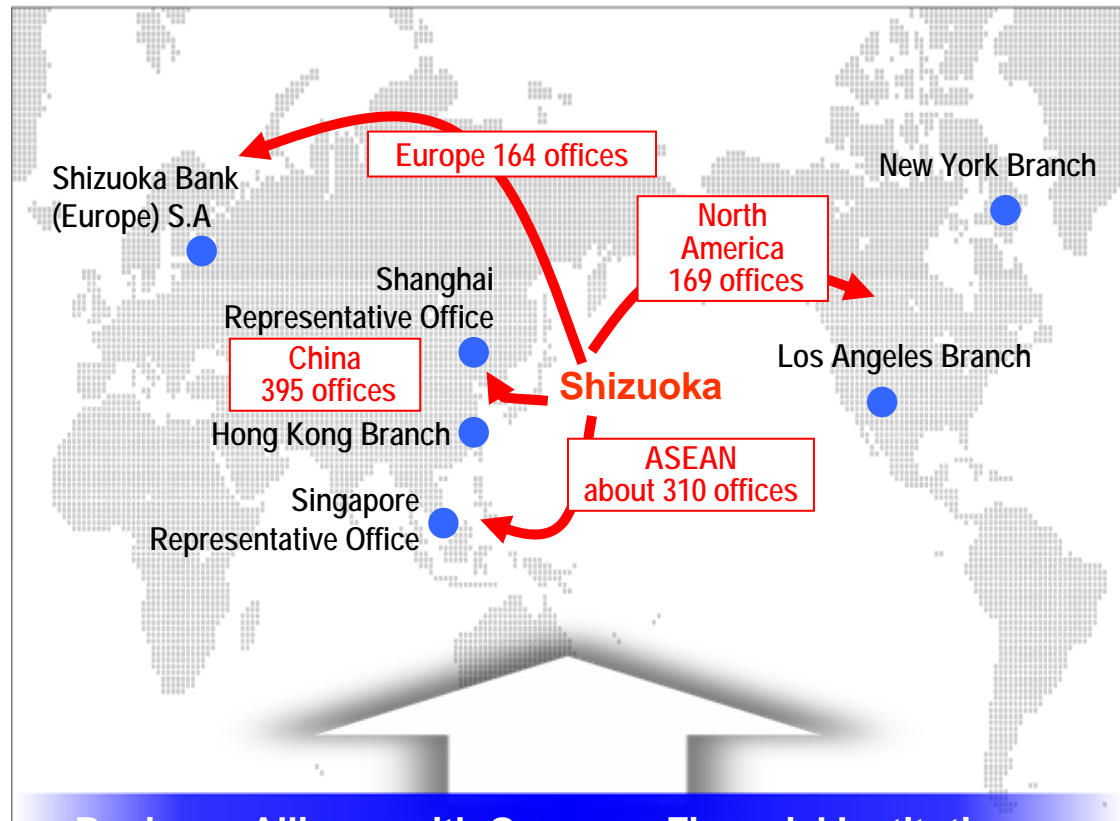
Overseas operations supporting system

- Regional companies are expanding into Asia and the rest of the world.
- Shizuoka Bank is enhancing its competitiveness as a regional financial institution by establishing a business model to support regional companies expanding their overseas businesses.

Overseas operations of regional companies



Shizuoka Bank's overseas bases and its support system

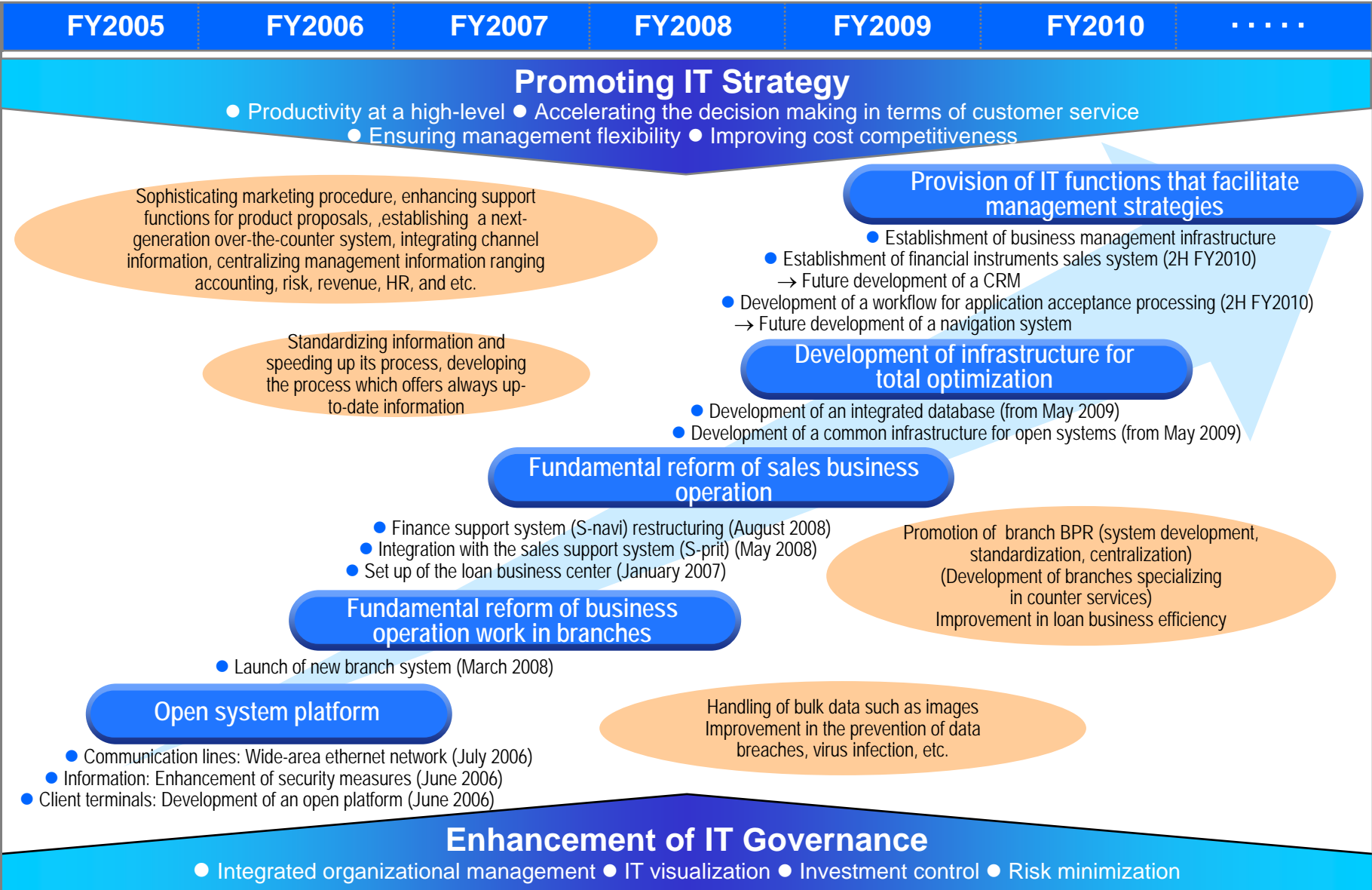


<Business Alliance with Overseas Financial Institutions>

Zhongguo Jianshe Yinhang , Bangkok Bank, Cr dit Agricole Corporate and Investment Bank

Source: Department of Economy and Industry, Shizuoka Prefectural Government.

● Since FY2004, we have systematically worked on the development of our IT infrastructure, including an open system platform, leading to an increase in productivity.



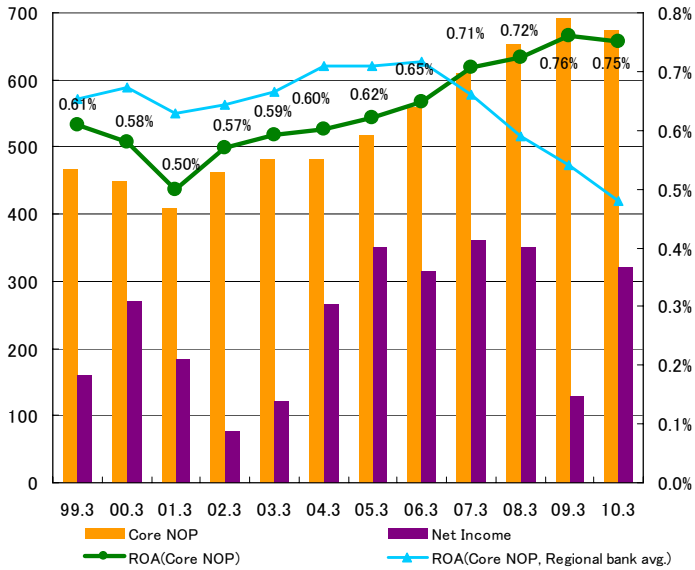
This document includes statements concerning future business results.

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

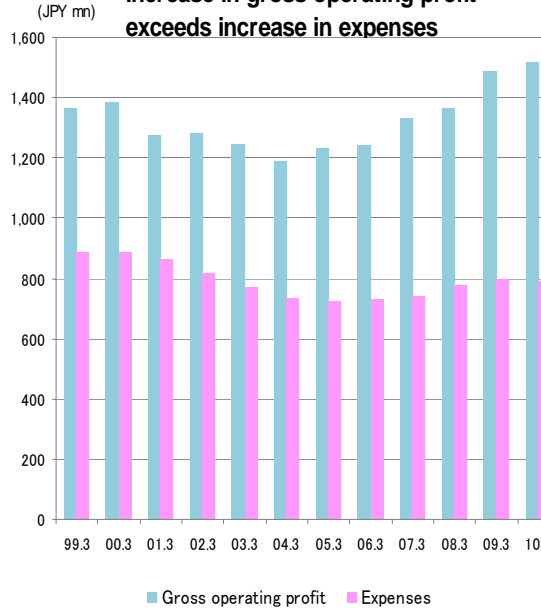
Please note that future business results may differ from targets for reasons such as changes in the business environment.

Profits in Shizuoka Bank

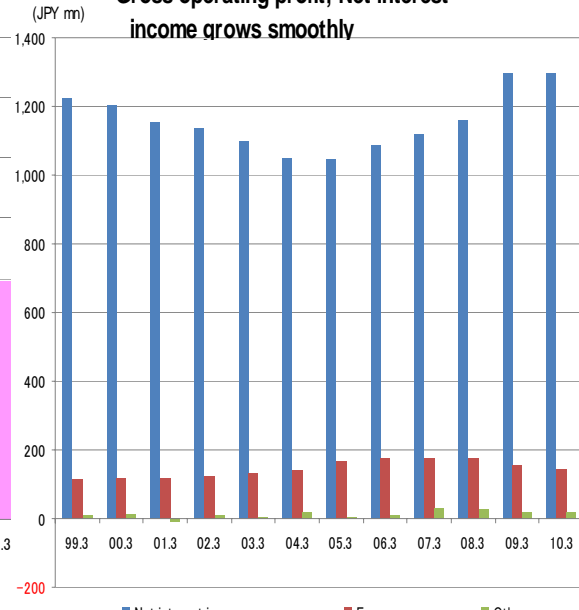
(JPY mn) **Net operating profit (NOP) grows smoothly**



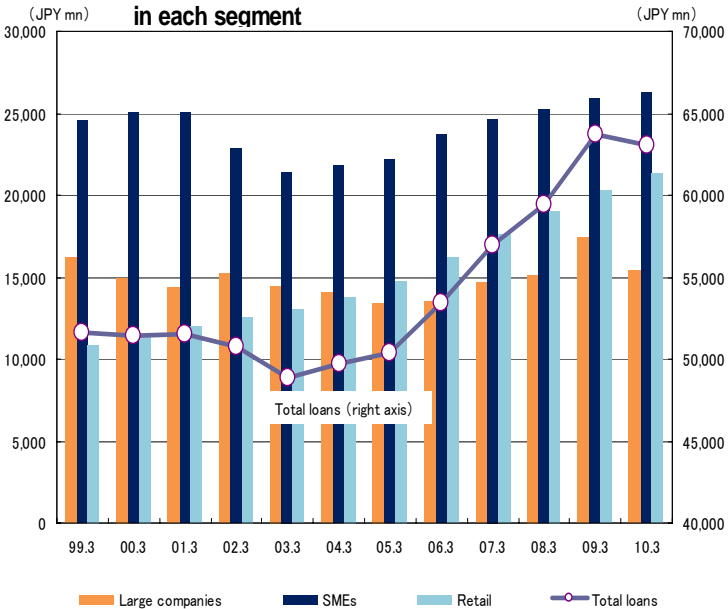
(JPY mn) **Increase in gross operating profit exceeds increase in expenses**



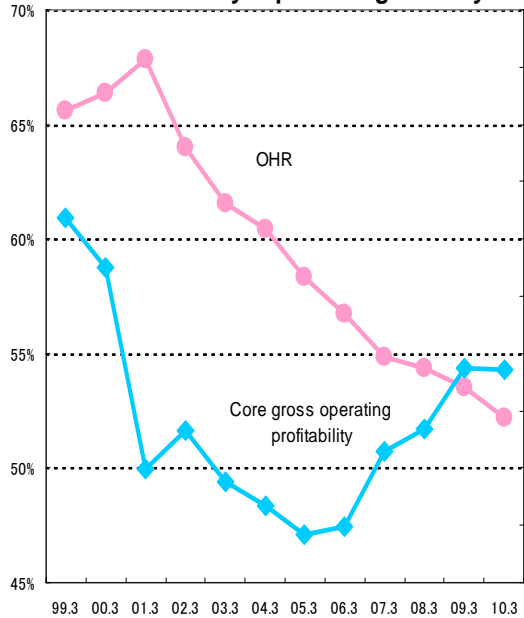
(JPY mn) **Gross operating profit; Net interest income grows smoothly**



(JPY mn) **Loan shows well-balanced growth in each segment**



Profitability improves significantly



Loans in Shizuoka Pref. grow steadily

