

Results for the First Half of FY2010 and Targets for 10th Medium-term Business Plan

Dream TEN - New challenges

November 29, 2010
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President

Dream with you.



静岡銀行



Results for the first half of FY2010 (1)

Shizuoka Bank, Non-consolidated

(JPY bn, %)

	First half FY2010	YoY change	
		Increase/ Decrease	Rate of change
Ordinary revenue	89.8	-4.1	-4.3
Gross operating profit	77.1	+2.0	+2.7
Net interest income	63.5	-1.1	-1.7
Fees and commissions	7.4	-0.0	-0.4
Trading income	-0.2	-0.6	-150.4
Other operating profit	6.4	+3.7	+137.3
[Bond-related income such as JGBs]	[5.2]	[+3.2]	[+164.9]
Expenses (-)	40.9	-0.5	-1.3
Actual net operating profit *	36.2	+2.5	+7.6
Core net operating profit **	31.0	-0.7	-2.2
General transfer to loan loss reserves (-)	2.2	-0.2	-8.4
Net operating profit	34.0	+2.7	+8.8
Special profit and loss	-7.2	-3.5	-93.3
Bad debt written-off (-)	4.9	+0.1	+1.4
Gain (loss) on stocks	-1.8	-3.3	-215.8
Ordinary profit	26.8	-0.7	-2.7
Extraordinary profit and loss	-0.1	-0.6	-128.1
Net income before taxes	26.7	-1.4	-4.8
Corporate taxes (-)	10.6	-0.1	-0.9
Net income	16.1	-1.3	-7.2

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

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

Ordinary revenue **-JPY 4.1bn YoY** (Continued decrease for 3 periods)

- JPY 89.8bn was posted (JPY 4.1bn decrease year-on-year) with the decrease in proceed from fund management, the main cause of which was the decline in both domestic and international interest rates.

Gross operating profit **+JPY 2.0bn YoY** (Continued growth for 7 periods)

- JPY 77.1bn was posted, a 2.0bn increase in profits year-on-year, rising for the seventh consecutive year, which was due to an increase in "Other operating profit," driven mainly by the profit recorded under "Bond-related income such as JGBs"

Net operating profit **+JPY 2.7bn YoY** (Continued growth for 2 periods)

- JPY 34.0bn was posted, a 2.7bn increase in profits year-on-year, due to a decrease in the profit recorded under "General transfer to loan loss reserves" and "Expenses" and to an increase in gross operating profit [**Record profits**]

Ordinary profit **-JPY 0.7bn YoY** (First decrease in 2 periods)

- JPY 26.8bn was posted, a decrease of JPY 0.7bn year-on-year, due to a deterioration of "Special profit and loss" (a negative JPY 3.5bn) centering on the worsening of "Gain (loss) on stocks" (a negative JPY 3.3bn)

Net income **-JPY 1.3bn YoY** (First decrease in 2 periods)

- JPY 16.1bn was posted, a decrease of JPY 1.3bn year-on-year, due to a deterioration of "Extraordinary profit and loss" (a negative JPY 0.6bn)



Results for the first half of FY2010 (2)

Shizuoka Bank, Consolidated (JPY bn, %)	First half FY2010	YoY change	
		Increase/ Decrease	Rate of change
Ordinary revenue	104.5	-3.4	-3.1
Ordinary profit	29.8	+1.1	+3.7
Net income	16.6	-0.9	-5.2

Consolidated / Non-consolidated ratio	First half FY2010	YoY change Increase/ Decrease
Ordinary profit	1.11 times	+0.07 times
Net income	1.02 times	+0.02 times

Ordinary revenue (Consolidated)	Continued decline for 3 periods
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Ordinary profit (Consolidated)	Continued increase in 2 periods
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Net income (Consolidated)	First decrease in 2 periods
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Consolidated Subsidiaries(11companies)

Shizugin Management Consulting Co., Ltd.
 Shizugin Lease Co., Ltd.
 Shizuoka Computer Service Co., Ltd.
 Shizugin Credit Guaranty Co., Ltd.
 Shizugin DC Card Co., Ltd.
 Shizuoka Capital Co., Ltd.
 Shizugin TM Securities Co., Ltd.
 Shizugin General Service Co., Ltd.
 Shizuoka Mortgage Service Co., Ltd.
 Shizugin Business Create Co., Ltd.
 Shizuoka Bank (Europe) S.A.

Equity-method Affiliates

Shizugin Saison Card Co., Ltd.



Net interest income

- Net interest income of 1H FY2010: JPY 63.5bn (-JPY 1.1bn YoY)
- Domestic operations division: JPY 57.6bn (-JPY 1.6bn YoY), Overseas operations division: JPY 5.8bn (+JPY 0.5bn YoY)

Breakdown of net interest income

(JPY bn)	First half FY2009	First half FY2010	Increase/Decrease
Total	64.6	63.5	-1.1
Domestic operations division	59.3	57.6	-1.6
Of which, Interest on loans	55.0	52.4	-2.6
Interest and dividends on securities	10.5	8.9	-1.6
Interest on deposits (-)	5.9	3.6	-2.3
Overseas operations division	5.3	5.8	+0.5

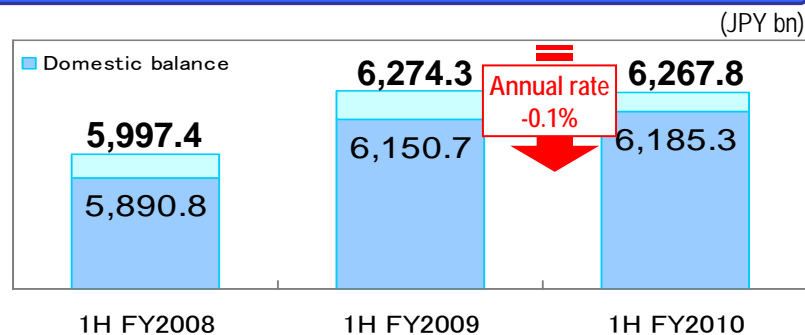
Domestic operations division

(%)	First half FY2009	First half FY2010	Increase/Decrease
Loan rate	1.79	1.70	-0.09
Deposit rate	0.16	0.09	-0.07
Yield on securities	1.24	1.37	+0.13

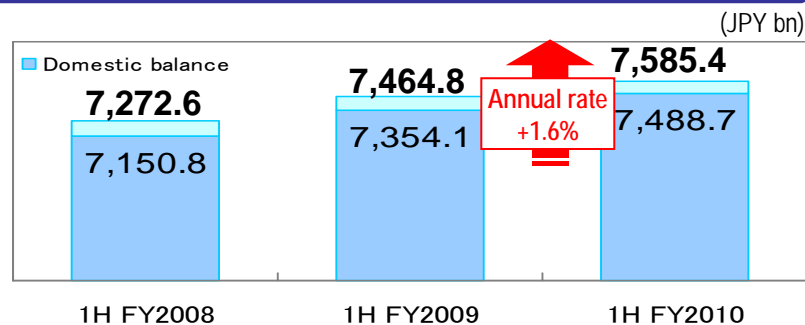
Overseas operations division

(%)	First half FY2009	First half FY2010	Increase/Decrease
Investments/procurements rate difference	1.49	1.51	+0.02

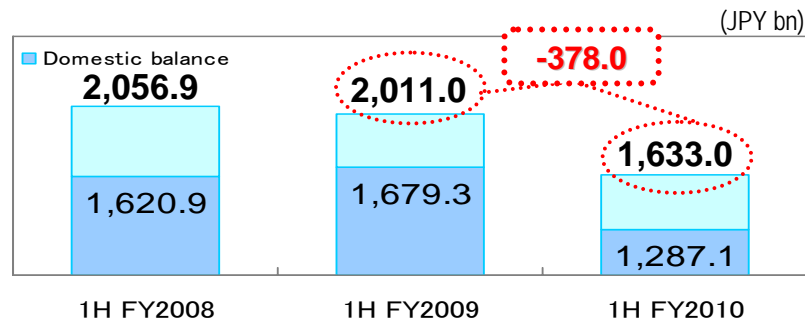
Total loan balances (average balances)



Deposit balances (average balances)



Securities (average balances)





Difference between loan and deposit interest rates

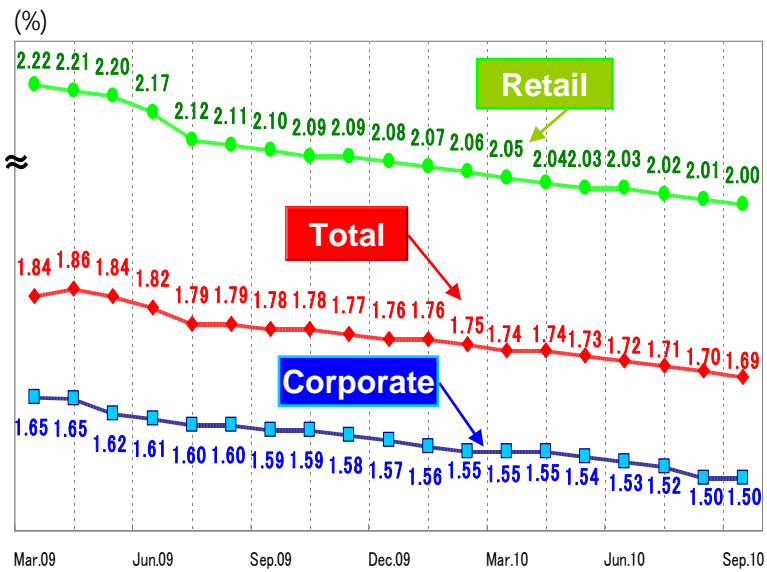
- Difference between loan and deposit interest rates in September 2010 dropped 0.01 points from the end of March 2010.
- Average new housing loan rate of 1H FY 2010 : 1.496% (+0.026 points from 2H FY2009)

Changes in yen-denominated loans and deposit structure

- Comparison of monthly records of average balances and interest rates

	[March 2010]	-0.05	[September 2010]
	Average balance (% of total)	Interest rate	Average balance (% of total) Interest rate
Loans	6.1 (100.0)	1.74	6.2 (100.0) 1.69
Variable interest	4.5 (73.7)	1.67	4.6 (74.4) 1.63
Short-term / new long-term prime rate standard	2.9 (46.8)	2.08	2.9 (47.4) 2.06
Market-linked	1.6 (25.4)	0.86	1.6 (25.7) 0.79
Fixed interest	1.6 (26.3)	1.91	1.6 (25.6) 1.85

Loan interest rates (monthly average)



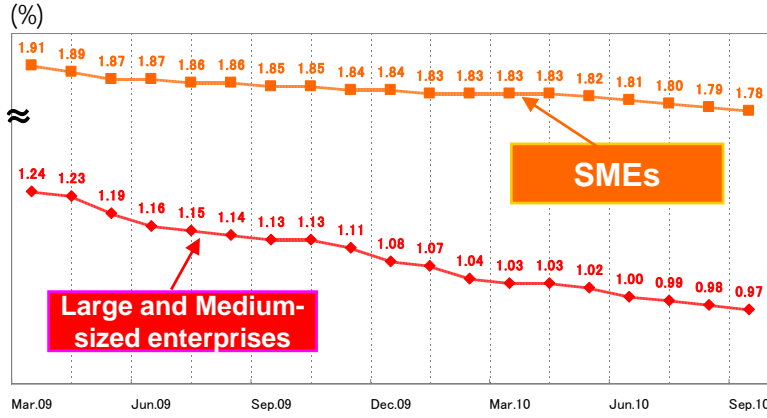
Difference between loan and deposit interest rates

	[March 2010]	+1.62	[September 2010]
	Average balance (% of total)	Interest rate	Average balance (% of total) Interest rate
Deposits	7.2 (100.0)	0.12	7.3 (100.0) 0.08
Liquid deposits	3.9 (53.9)	0.02	3.9 (52.8) 0.02
Term deposits	3.0 (41.3)	0.24	3.0 (41.0) 0.16

-0.01

-0.04

Corporate loan interest rates (monthly average)

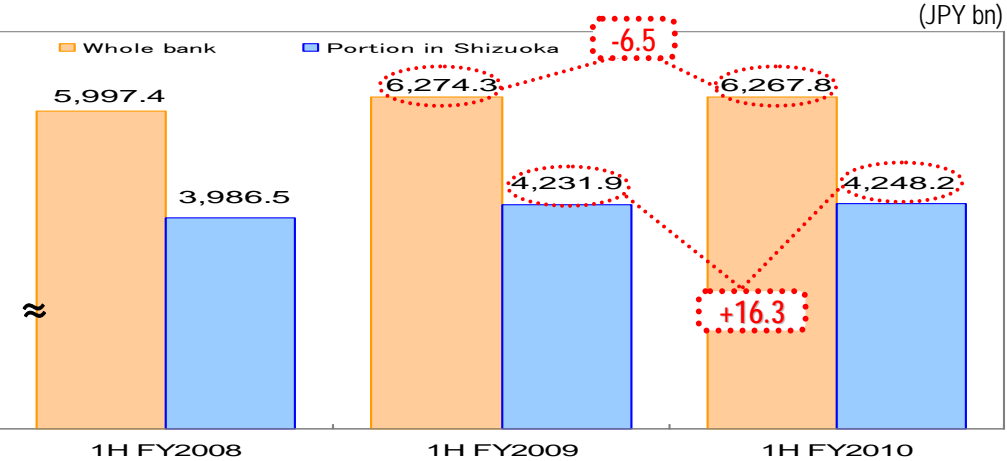


* Deposits include NCDs

Loans (1)

- Total loan balances (average balances) of 1H FY2010: JPY 6,267.8bn, down JPY 6.5bn (-0.1%) YoY
- Large and Medium-sized enterprises: down JPY 80.6bn YoY, Overseas: down JPY 41.2bn YoY

Total loan balances (average balances)



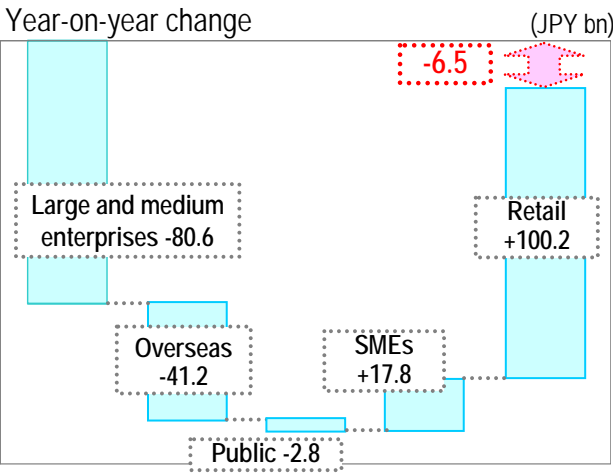
[SME loan balances]

Average balances increased to JPY 2,563.6bn, up JPY 17.8bn (+0.7%) year-on-year.
 *Balance of credit guarantee payments
 Average balance: JPY 727.7bn

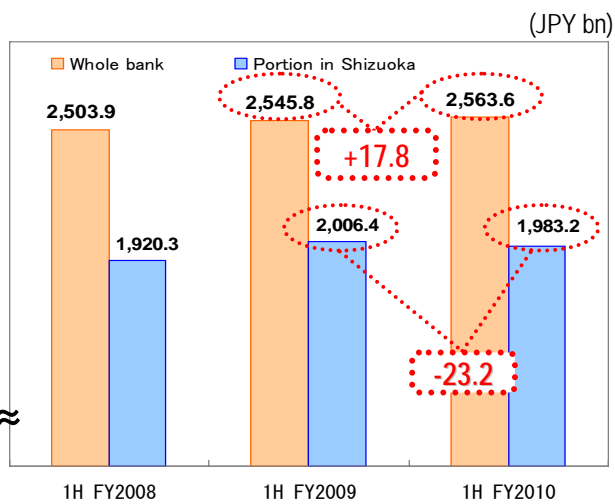
[Retail loan balances]

Average balances increased to JPY 2,140.2bn, up JPY 100.2bn (+4.9%) year-on-year.
 *Total loan balances (term-end balances):
 JPY 6,373.0bn, up 83.7bn (+1.3%) year-on-year

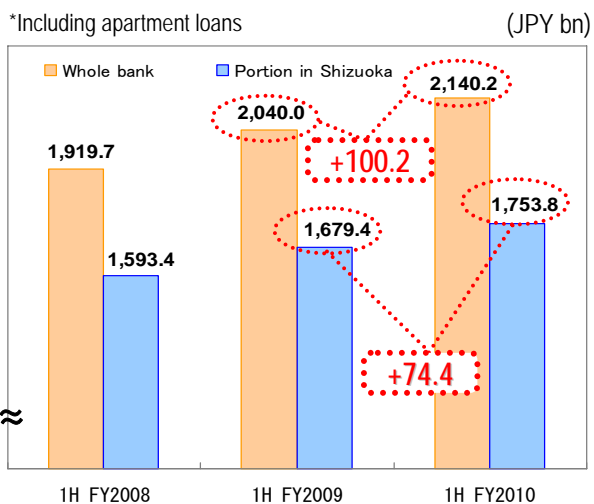
Breakdown of changes in total loan balances (average balances)



SME loan balances (average balances)



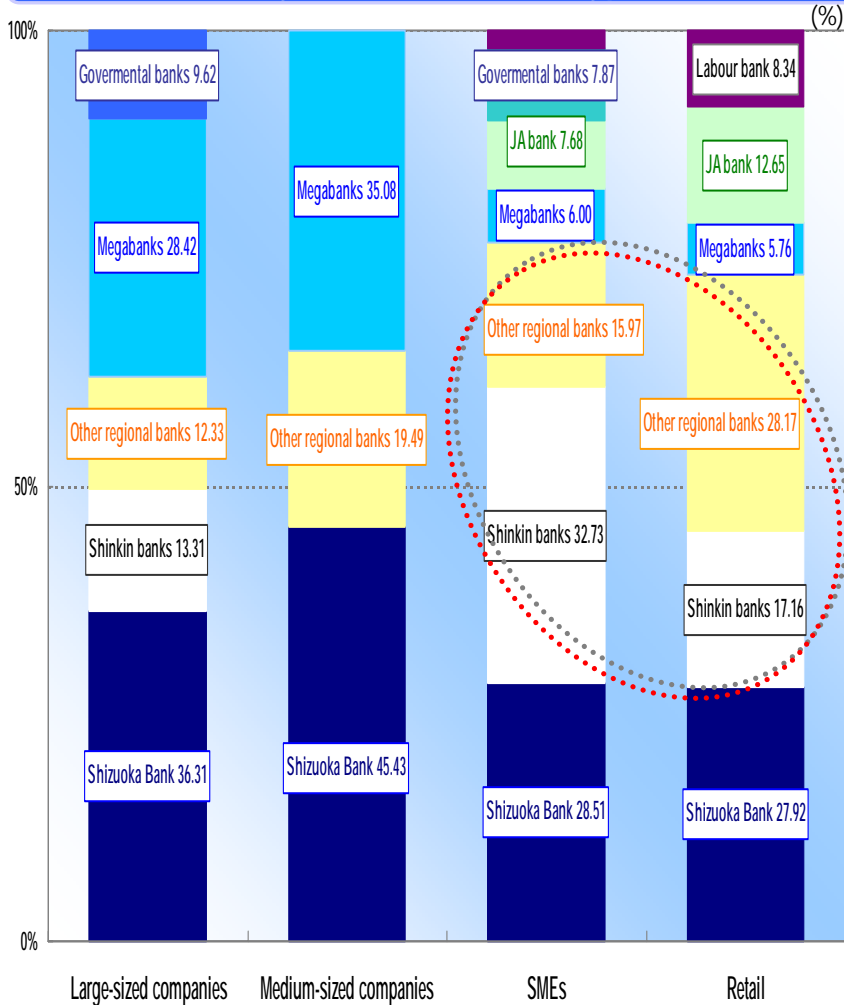
Retail loan balances (average balances)



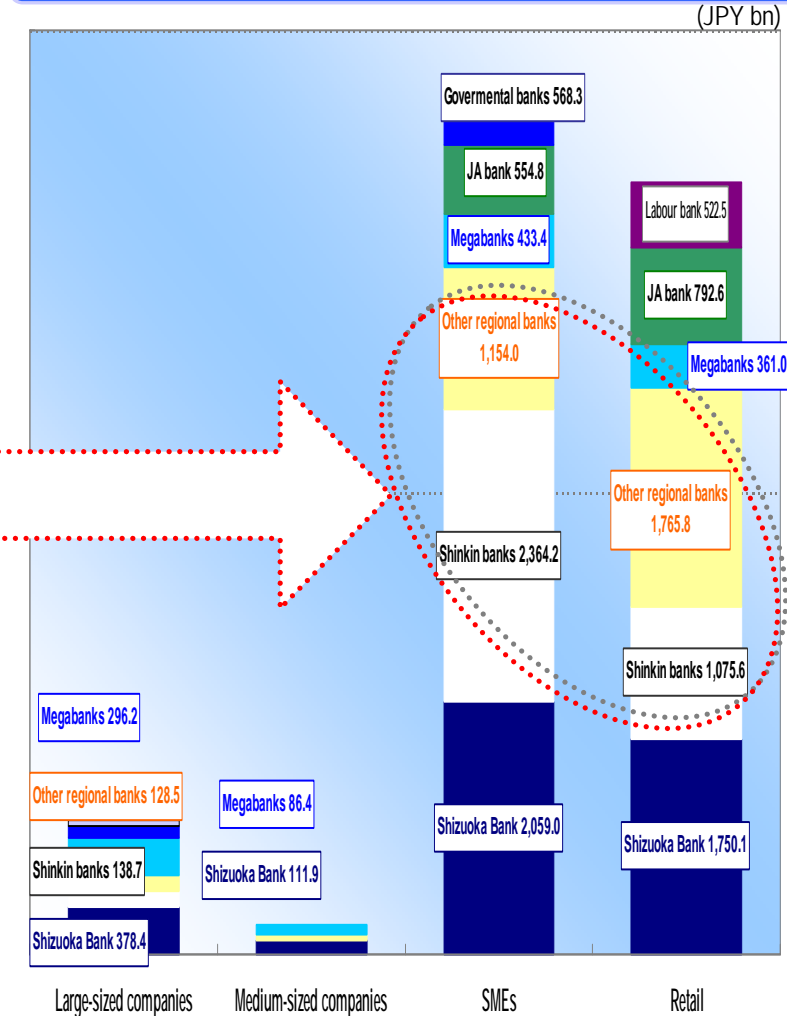
Loans (2)

- A considerable market share in loans to medium- to large-sized companies was maintained, with potential room for growth in loans to SMEs and retail

Loan market share in Shizuoka prefecture by financial institution type (%)

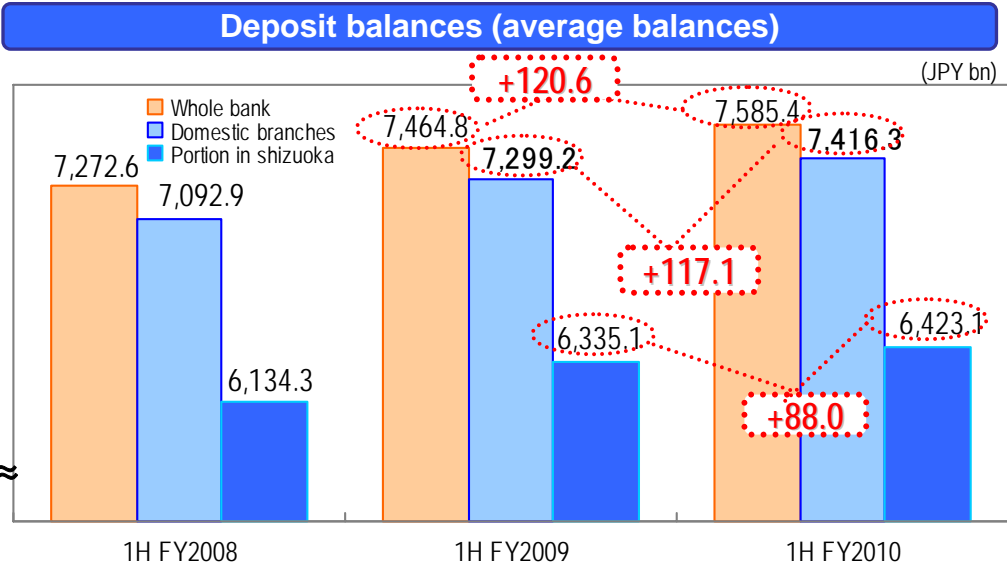


Loan balances in Shizuoka prefecture by financial institution type (As of End-Mar. '10) (JPY bn)



Deposits

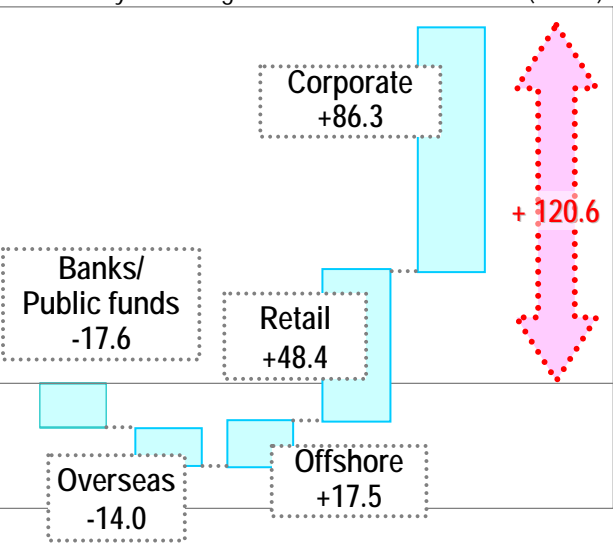
● Total deposit balances in 1H FY2010: JPY 7,585.4bn (average balances), up JPY 120.6bn (+1.6%) YoY



- Deposit balances in domestic branches: JPY 7,416.3bn (average balances) up JPY 117.1bn (+1.6%) year-on-year
- Deposit balances in Shizuoka Prefecture: JPY 6,423.1bn, up JPY 88.0bn (+1.4%) year-on-year.
- Retail deposit balances: JPY 5,173.7bn, up JPY 48.4bn (+0.9%) year-on-year.
- Corporate deposit balances: JPY 1,938.7bn, up JPY 86.3bn (+4.7%) year-on-year.

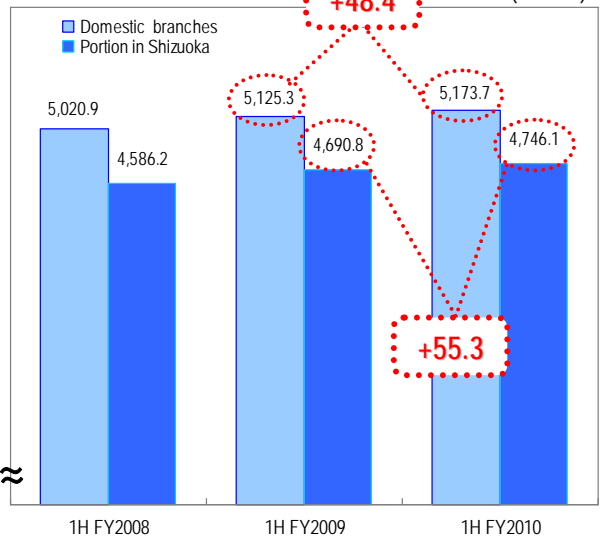
Breakdown of changes in total deposit balances (average balances)

Year-on-year change (JPY bn)



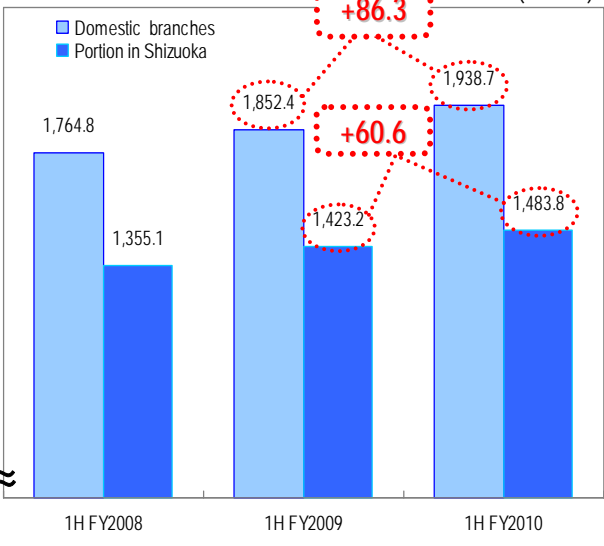
Retail deposit balances (average balances)

(JPY bn)



Corporate deposit balances (average balances)

(JPY bn)



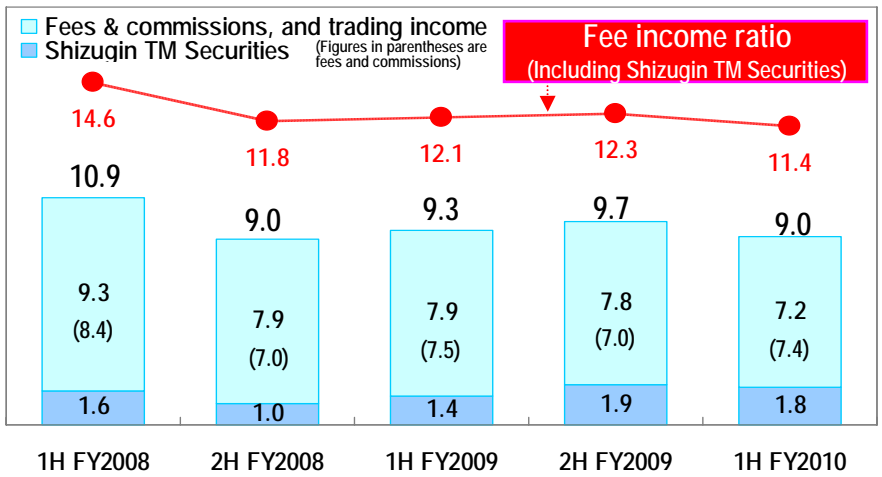


Customer assets and fee incomes

- Fees and commissions in 1H FY2010 remained almost flat year-on-year at JPY 7.4bn
- Sales amounts for individual annuity insurance and investment trusts have returned to pre-Lehman levels

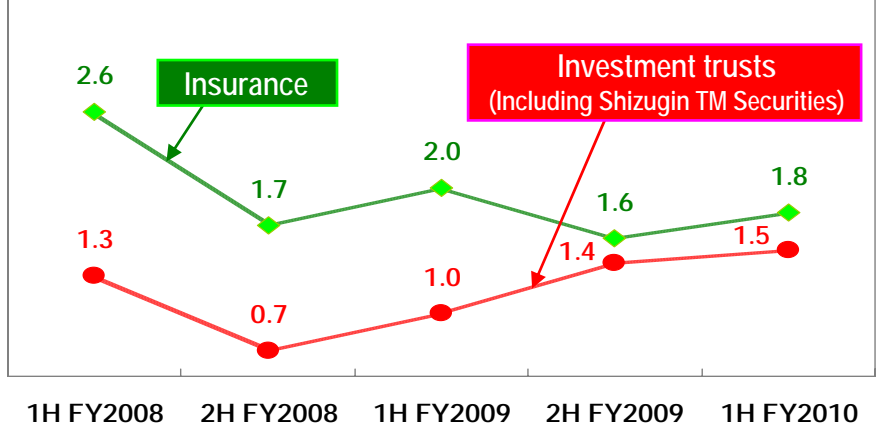
Fee incomes (Shizuoka Bank / Shizugin TM Securities)

(JPY bn, %)



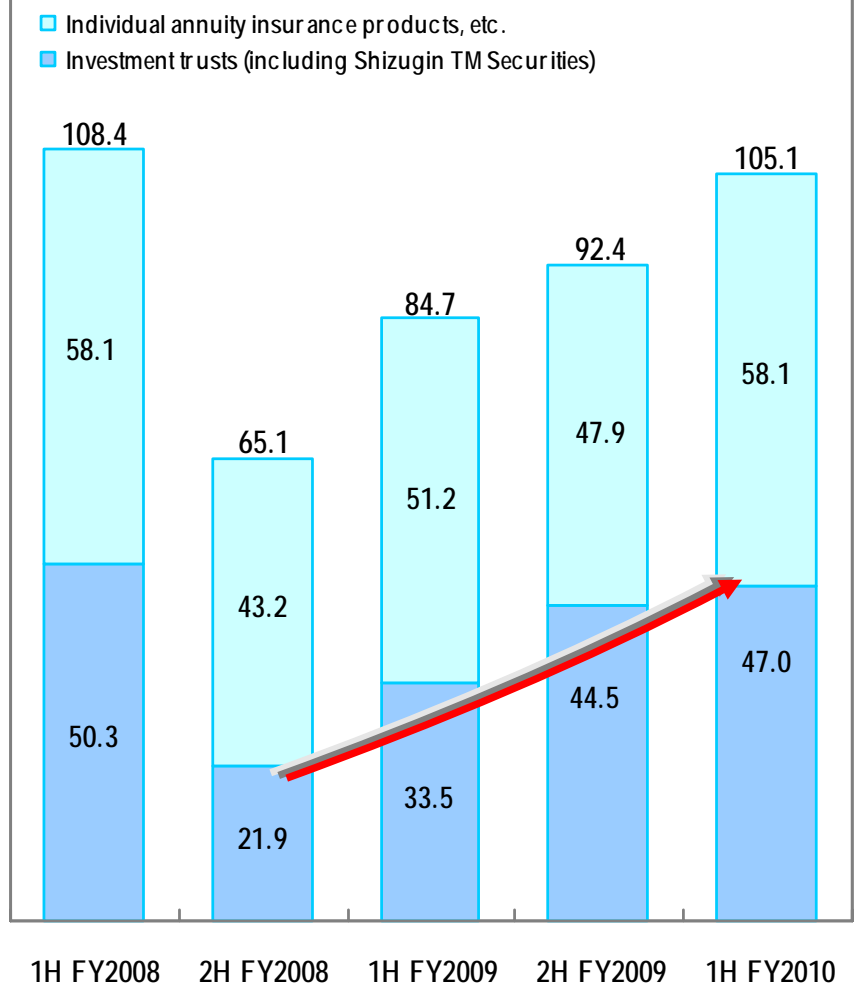
Fee income from sales of investment trusts and insurance products

(JPY bn)



Sales of investment trusts & insurance products

(JPY bn)

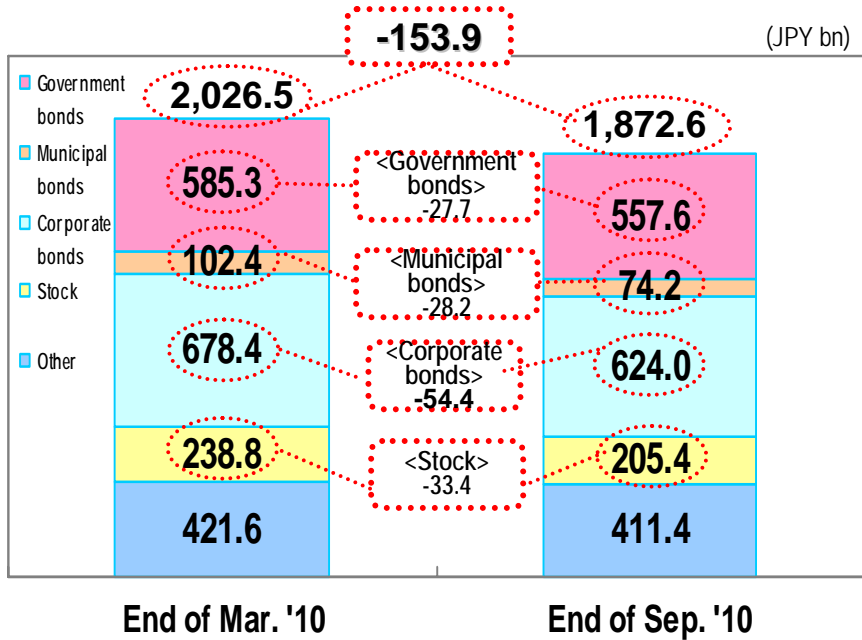




Securities-related gains and losses

- Gains and losses from bond-related income such as JGBs : JPY 5.2bn (up JPY 3.2bn YoY),
Gains and losses from stocks : - JPY 1.8bn (down JPY 3.3bn YoY)

Security portfolio



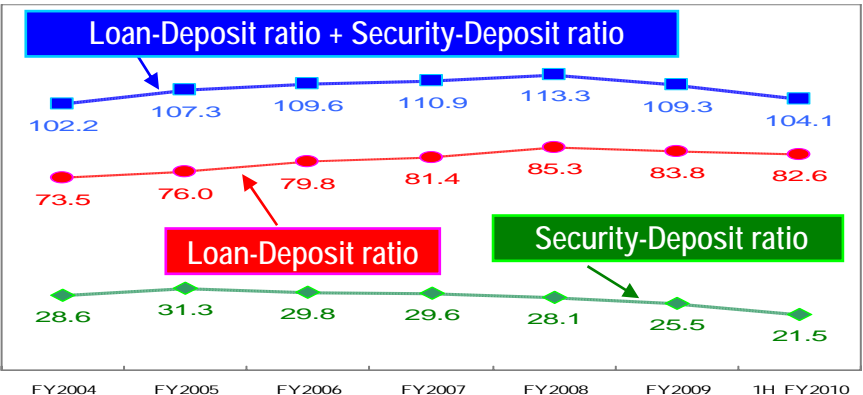
Average duration to maturity / gains and losses from revaluation of securities

	End of Mar. '10	End of Sep. '10
Duration of yen denominated bonds	4.73 y	4.74 y
Duration of foreign currency denominated bonds	2.60 y	0.62 y
Gains and losses from the revaluation of securities	JPY 133.2bn	JPY 123.2bn
Stocks	JPY 114.5bn	JPY 83.3bn
Nikkei stock average	JPY 11,089.94	JPY 9,369.35

Breakdown of gains and losses from bond-related income such as JGBs

(JPY bn)	1H FY2009	1H FY2010	Increase/Decrease
Gains and losses from JGBs	2.0	5.2	+3.2
Gain on sale of JGBs	4.4	6.9	+2.5
Loss on sale of JGBs (-)	2.5	1.1	-1.4
Devaluation of JGBs (-)	0.0	0.6	+0.6

Loan-Deposit ratio / Security-Deposit ratio



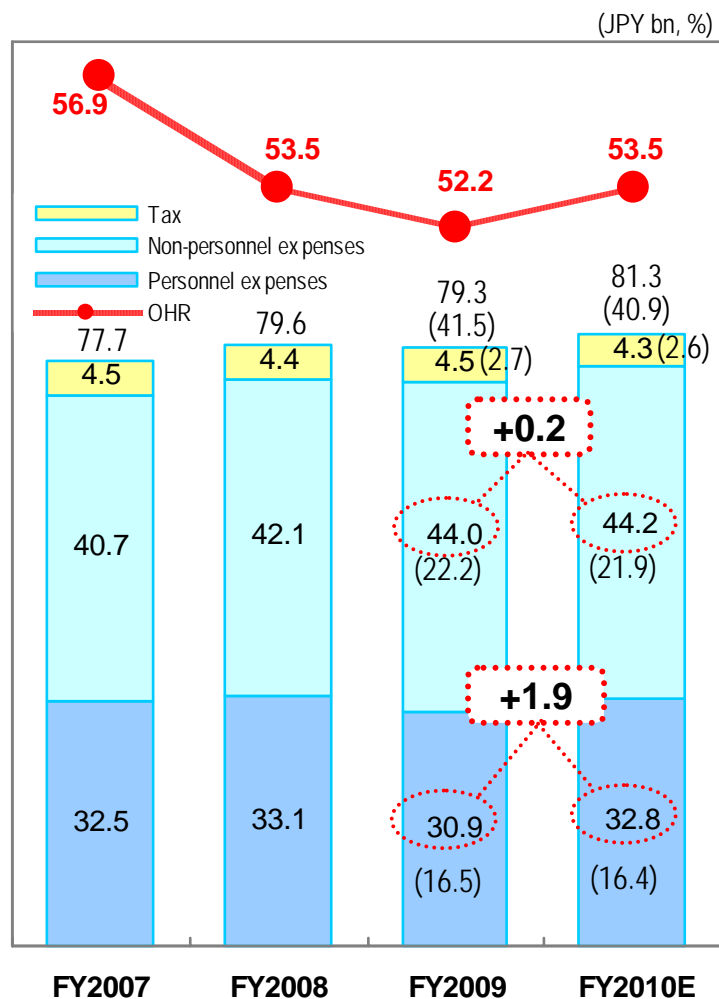
Breakdown of gains and losses from stocks

(JPY bn)	1H FY2009	1H FY2010	Increase/Decrease
Gains and losses from stocks	1.5	-1.8	-3.3
Gain on sale of stocks	2.2	0.1	-2.1
Loss on sale of stocks (-)	0.5	-	-0.5
Devaluation of stocks (-)	0.2	1.8	+1.7

Expenses

- Expenses in 1H FY2010: JPY 40.9bn (- JPY 0.5 bn YoY)
- OHR in 1H FY2010 (Non-consolidated): 53.1% (- 2.1% YoY), OHR in FY2010 (estimated): 53.5%

Expenses and OHR



* Figures in parentheses are expenses in the first half of fiscal years.

Non-personnel expenses

(JPY bn)	FY2007	FY2008	FY2009	1H FY2010
Non-personnel expenses	40.7	42.1	44.0	21.9
System-related	12.3	13.0	14.4	7.2
Outsourcing	7.5	7.9	8.0	3.9
Others	20.9	21.2	21.6	10.8

[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.

Increase in productivity

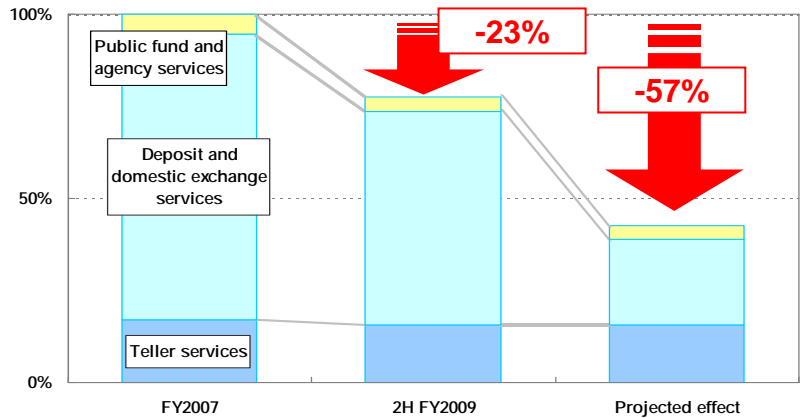
- Aggressive system investment and operational process reform under the 10th Medium-Term Business Plan
- Promotion of staff allocation to sales force to achieve top line growth

IT infrastructure development / Enhancing branch operation efficiency

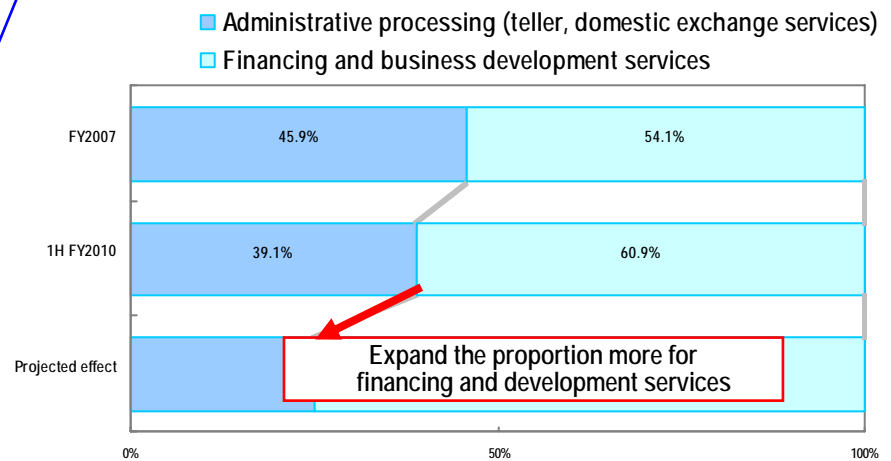
- Shifting to an open system platform
Developing wide-area Ethernet and Security measures
- Restructuring of administrative process in branches
Launching of a new branch support system for all branches
- Reforming the services of financing and business development drastically
Rebuilding of finance support system (S-navi)
Integrating the sales support system (S-prit) with S-navi
- Developing the platform for total optimization
Undertaking the development of integrated database
Developing a common infrastructure for open systems
- Establishing IT functions to realize the corporate strategy
- Centralizing back office operations - account management, document approval, call center operation, etc.



Workload reduction effects due to system investment and operational process reform



Trend of branch operation priority

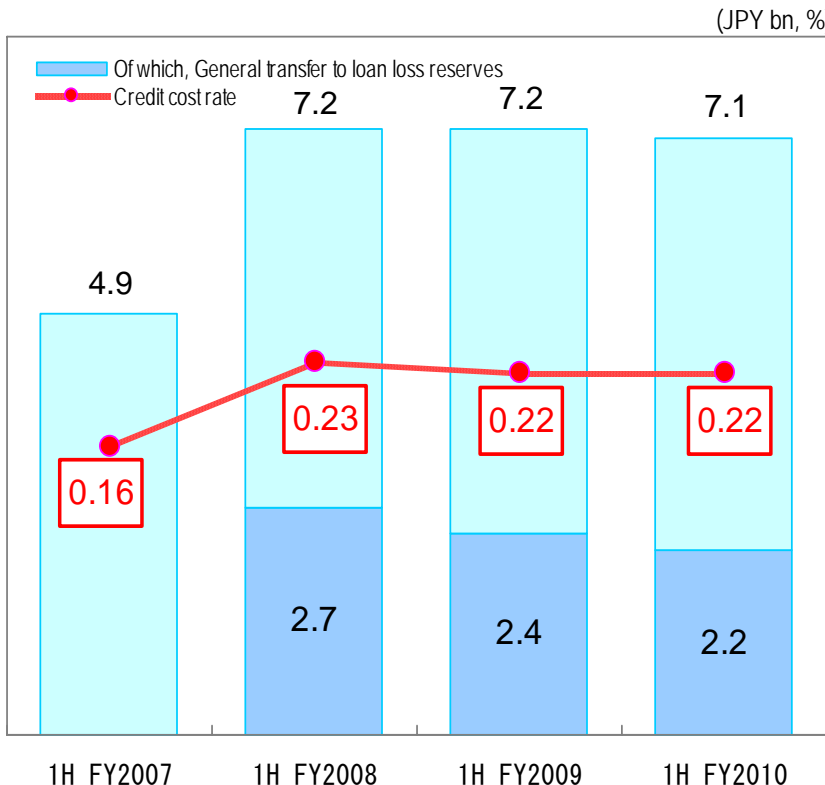




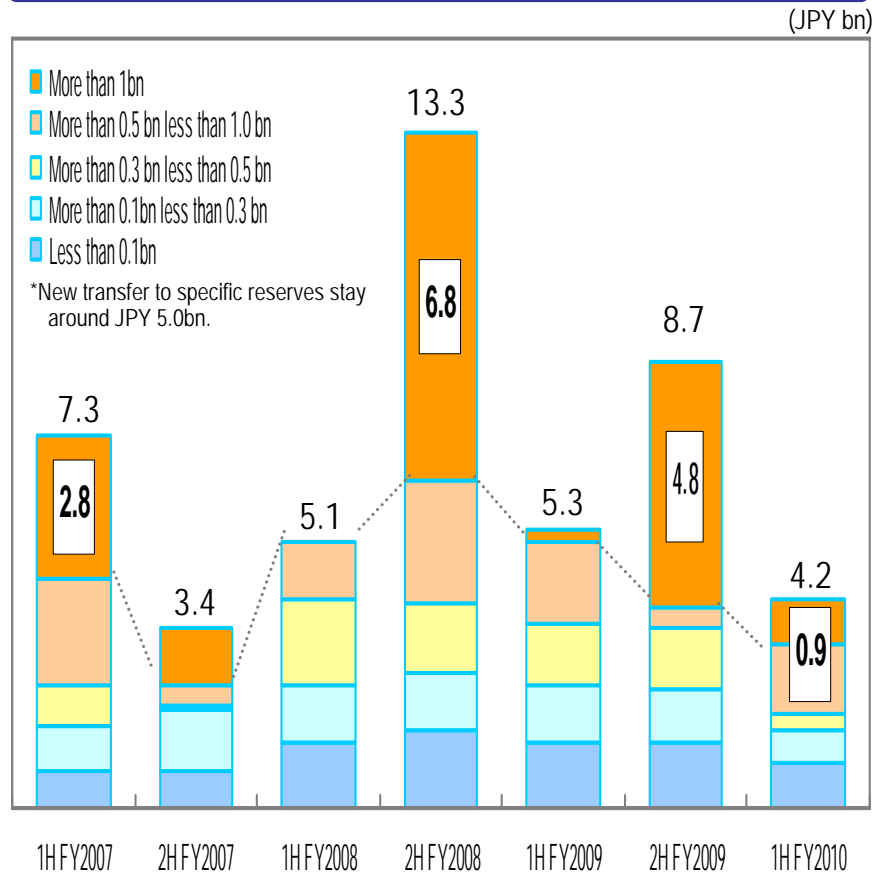
Credit costs

- Credit costs in 1H FY2010: JPY 7.1bn (-JPY 0.1bn year-on-year), Credit cost rate: 0.22% (flat to 1H FY2009)
 - General transfer to loan loss reserves: JPY 2.2bn (- JPY 0.2bn YoY)
 - NPL disposal: JPY 4.9bn (+JPY 0.1bn YoY)
 - of which, transfer to specific reserves: JPY 3.3bn (- JPY 0.6bn YoY)
- Enforce management of large corporate customers (credit limit by business categories and credit ratings, management's quality evaluation)
- Expected loss (EL): JPY 18.0bn, Unexpected Loss (UL): JPY 52.2bn at the end of Sep. 2010
 EL and UL were managed within the scope of ordinary profit (JPY 53.0bn for FY 2010E) and actual net operating profit (JPY 70.8bn for FY 2010E), respectively

Credit cost and credit cost rate trends



New transfer to specific reserves by credit balance



*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 related to the credit guarantee association joint responsibility system.



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 Specific period of time

Calculation of general transfer to loan loss

Borrower category	Loan loss ratio (%)*	Period of time	
		Shizuoka Bank (Average loan life)	Sound borrowers/ Borrowers requiring careful monitoring: 1 year Borrowers requiring management: 3 years
Sound borrowers			
Consumer loans	0.07	11.09	1
A1, A2	0.03	2.22	
B1 - B3	0.37	2.01	
Borrowers requiring careful monitoring			
C0, C1	1.29	2.41	1
C2	1.75	2.87	
Borrowers requiring management			
C3	1.35	3.25	3

*Loan loss ratio: higher rate is adopted either from ratio of average of 5 computation period or latest ratio.

[Example] General transfer to loan loss reserves for consumer loans borrowers

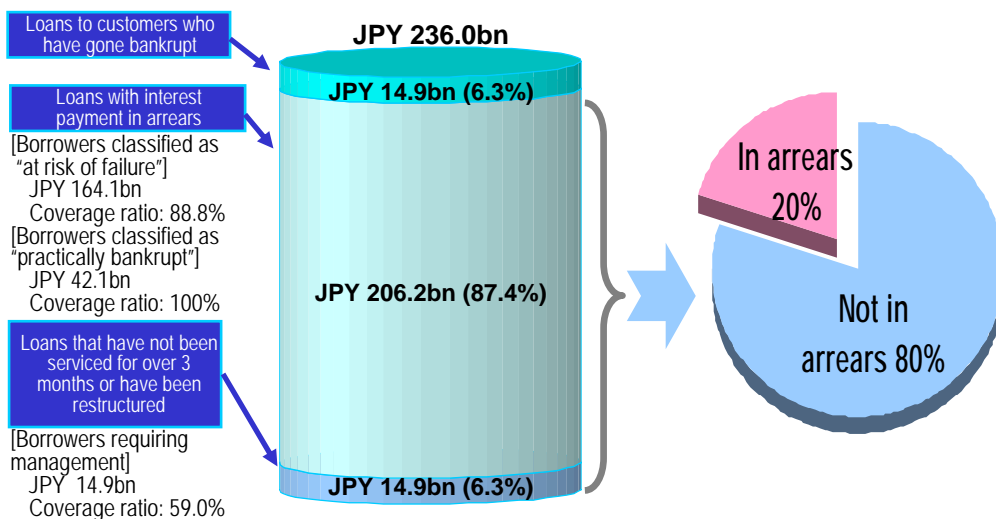
Transferred: JPY 5.2bn based on the average loan life of 11.09 years

JPY 0.5bn based on one-year rule

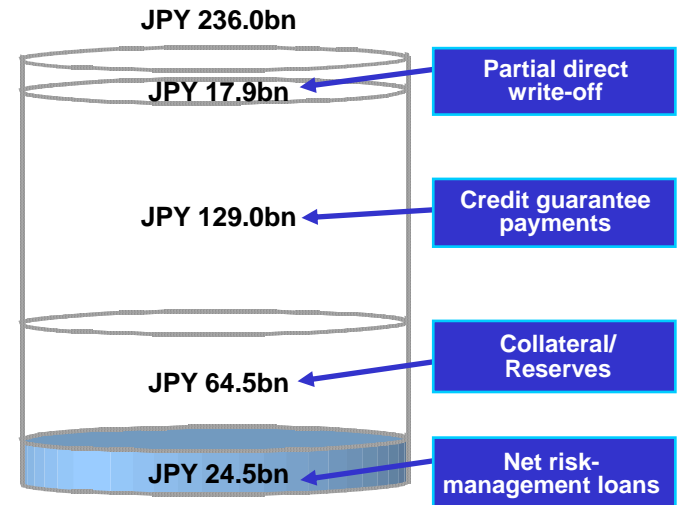
Risk-management loans

- Total risk-management loans (Non-consolidated basis): JPY 236.0bn (up JPY 6.5bn from the end of March 2010)
- The ratio of risk-management loans: 3.7% (up 0.06 percentage points from the end of March 2010)
- Net risk-management loans (Non-consolidated basis): JPY 24.5bn (down JPY 2.4bn from the end of March 2010)
- The ratio of net risk-management loans: 0.38% (down 0.04 percentage points from the end of March 2010)

Risk-management loans at the end of Sep. 2010



Net risk-management loans

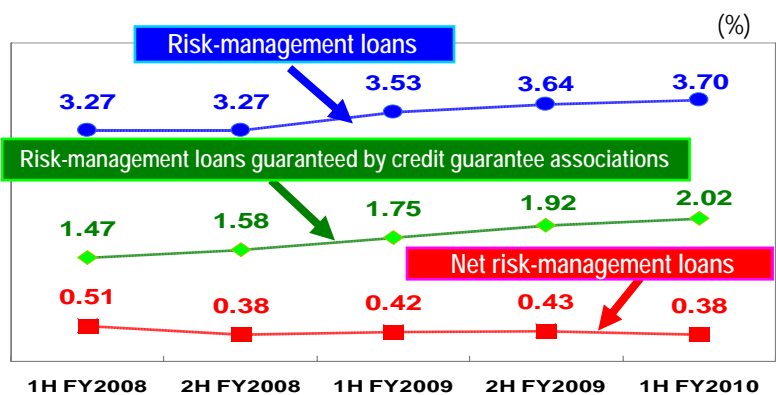


NPL removal from the balance sheet

(JPY bn)	FY2009	1H FY2009	1H FY2010
New recognition of NPLs	+97.7	+46.9	+38.0
Removal from the balance sheet (NPL to borrowers classified as "at risk of failure" or in riskier categories)	-76.4 (-69.5)	-33.0 (-30.4)	-31.5 (-28.8)
Risk-management loans	229.5	222.1	236.0

+6.5

The ratio of risk-management loans

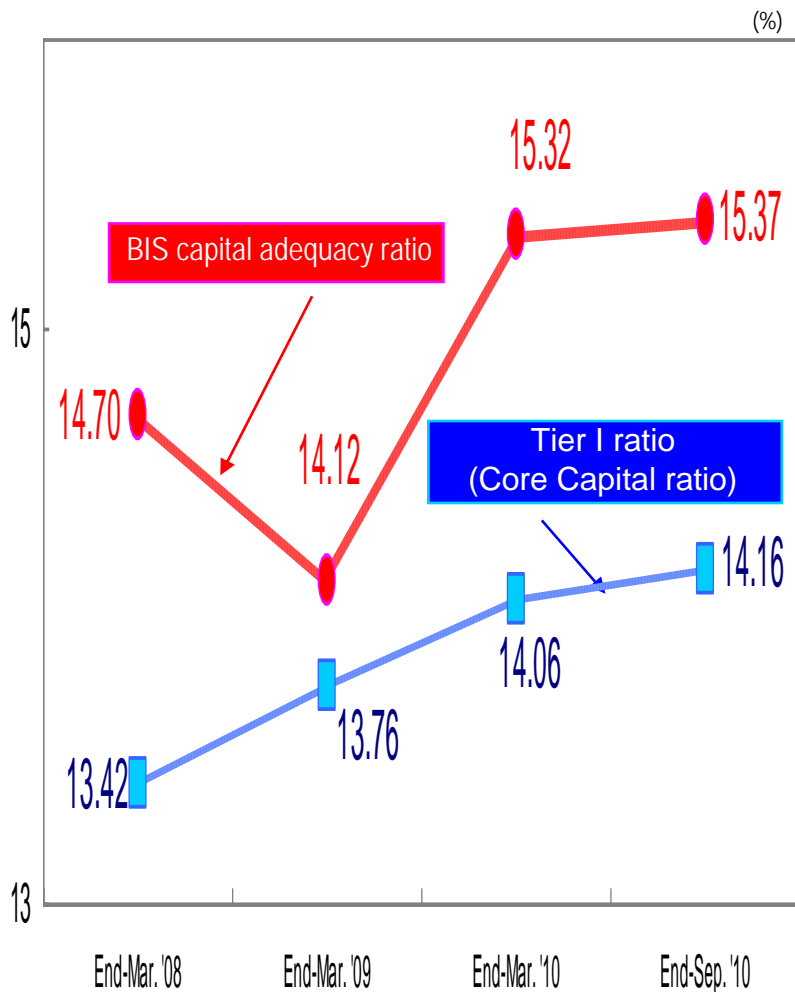




Capital adequacy ratio

- The Basel II capital adequacy ratio at the end of September 2010 was 15.37%. (Up 0.05 percentage points from the level at the end of March 2010)
- Tier I ratio (core capital ratio) was 14.16%. (Up 0.10 percentage points from the level at the end of March 2010)

BIS capital adequacy ratio (Consolidated basis)



Changes in capital and risk-adjusted assets

	End-Mar. '08	End-Mar. '09	End-Mar. '10	End-Sep. '10	Change from End-Mar. '10
Capital*	650.4	623.4	687.8	683.4	-4.4
Tier I	593.8	607.8	631.4	629.6	-1.8
Tier II	79.1	29.1	67.6	64.6	-3.0
Risk-adjusted assets	4,423.2	4,414.8	4,488.9	4,443.8	-45.1
Total credit-risk-adjusted assets	4,089.5	4,094.6	4,166.3	4,120.5	-45.8
Amount corresponding to market risk	22.0	24.8	20.5	21.2	0.7
Amount corresponding to operational risk	283.7	295.4	302.1	302.0	-0.1
Adjusted floor amount	28.0	-	-	-	-

*Capital does not include preferred shares, subordinated debts, etc.

Outlier ratio (Non-consolidated basis)

Size of maximum risk	Tier I + Tier II	Outlier ratio
70.1	666.3	10.5



Shareholder return (1)

- In the first half of FY2010, dividend per share was JPY 6.50. (dividend payout ratio 27.29%)
- In FY2010, aim to maintain “dividend payout ratio at approximately 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.
- Average shareholder return ratio from FY2000 to FY2009 is around 60%, remained high

Dividend trends

(JPY, %)

	FY2006	FY2007	FY2008	FY2009	FY2010 Forecast
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
(JPY bn, %)

Profit distribution to shareholders

	FY2006	FY2007	FY2008	FY2009	FY2010 Forecast	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 shares(2)	—	12.6	—	4.0	*15.0	Accumulated total 79.8
Shareholder returns (3)=(1)+(2)	9.2	21.8	9.1	13.1	23.8	Accumulated total 148.6
Net income (4)	36.3	35.2	12.8	32.1	32.5	Accumulated total 247.8
Dividend payout ratio (1)/(4)x100	25.39	25.96	70.85	28.20	27.03	Average 27.74
Shareholder return ratio (3)/(4)x100	25.39	61.82	70.85	40.64	73.13	Average 59.96

*Actual purchase amount of treasury shares in the first half of FY2010.



Shareholder return (2)

- Share buybacks have been carried out continuously since FY 1997, with the number of shares bought back totaling 131 million shares as of the end of September 2010
- A total of 20 million shares were bought back on two occasions during the first half of FY 2010

Historical share buybacks

	Shares bought back (thousand shares)	Purchase amount of treasury shares (JPY mn)	Number of shares cancelled (thousand shares)	Cancellation amount (JPY mn)	Shareholder return ratio (*) (%)
FY1997	7,226	9,997	7,226	9,997	90.3
FY1998	6,633	9,142	6,633	9,142	86.7
FY1999	8,357	9,143	8,357	9,143	51.4
FY2000	24,954	23,281	24,954	23,281	152.0
FY2001	8,234	8,267	8,234	8,267	165.4
FY2002	29,928	23,107	—	—	229.4
FY2003	10,712	8,566	30,000	23,381	50.8
FY2004	—	—	—	—	17.1
FY2005	—	—	—	—	22.5
FY2006	—	—	—	—	25.3
FY2007	10,000	12,621	10,000	10,130	61.8
FY2008	—	—	—	—	70.8
FY2009	5,000	3,996	5,000	4,638	40.6
FY2010	** 20,000	** 14,980	—	—	73.1
Cumulative total	131,044	123,102	100,404	97,981	63.2

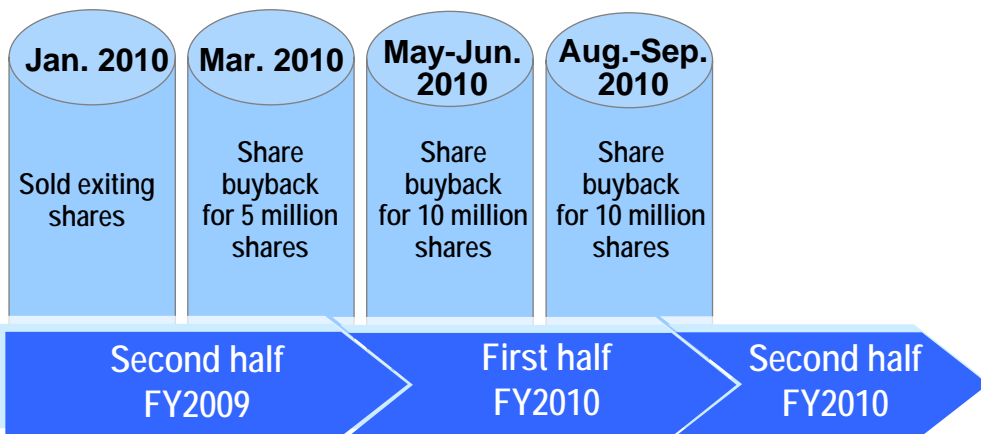
*Shareholder return ratio = (consideration for share buybacks + dividends paid) / net income x 100

**Purchase amount of treasury shares in FY2010 is an actual amount for the first half of FY2010.



Capital policy

Strategies for capital policy



Number of shareholders

	March 2009	March 2010	Change
Total number of shareholders	23,584	28,806	+5,222
Number of individual shareholders	22,082	26,998	+4,916
(Ratio of the number of shares owned by individual shareholders)	16.7%	19.1%	+2.4%

Jan. 2010	Sold the existing shares	<ul style="list-style-type: none"> • Number of shares offered: 29,900,000 shares (incl. over-allotment of 3,900,000 shares) • Personal shareholders increased by approx. 5,000 ⇒ “Increase in local individual shareholders” (diversified the field of investors)
Mar. 2010	Share buyback for 5 million shares	<ul style="list-style-type: none"> • Prevention of dilution of shareholder value and improvement of shareholder return (due to the release of treasury stock to partially satisfy the demand for shares from the over-allotted)
May-Jun. 2010	Share buyback for 10 million shares	<ul style="list-style-type: none"> • Further efforts to raise capital efficiency and improve shareholder return (improving net income per share and returning to the shareholders)
Aug.-Sep. 2010	Share buyback for 10 million shares	



Projected performance for FY2010

Consolidated (JPY bn)	FY2009	FY2010E	FY2010E	
			YoY change	Estimates as of May '10
Ordinary revenue	214.5	208.5	-6.0	+0.5
Ordinary profit	53.9	58.0	+4.1	+4.3
Net income	32.8	33.5	+0.7	+2.8

Non-Consolidated (JPY bn)	FY2009	FY2010E	FY2010E	
			YoY change	Estimates as of May '10
Ordinary revenue	186.0	180.0	-6.0	±0.0
Gross operating profit	152.0	152.1	+0.1	+4.8
Expenses (-)	79.3	81.3	+2.0	-0.5
General transfer to loan loss reserves (-)	8.3	6.3	-2.0	+0.8
Net operating profit	64.3	64.5	+0.2	+4.5
Actual net operating profit	72.7	70.8	-1.9	+5.3
Bad debt written-off (-)	14.9	9.1	-5.8	-1.3
Gains and losses from stocks	2.9	0.0	-2.9	-2.6
Ordinary profit	50.5	53.0	+2.5	+3.0
Net income	32.1	32.5	+0.4	+2.5

Credit costs (-)	23.3	15.4	-7.9	-0.5
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Basic concept for the next medium-term business plan

- 1. Raise Shizuoka Bank's presence as a major regional bank**
- 2. Local competitiveness**
- 3. Efforts to address structural changes**
- 4. Realize the benefits of the measures taken under the 10th Medium-term Business Plan**
- 5. Stakeholder balance**

Reference

Dream with you.



SHIZUOKA BANK

静岡銀行



Loans by industries

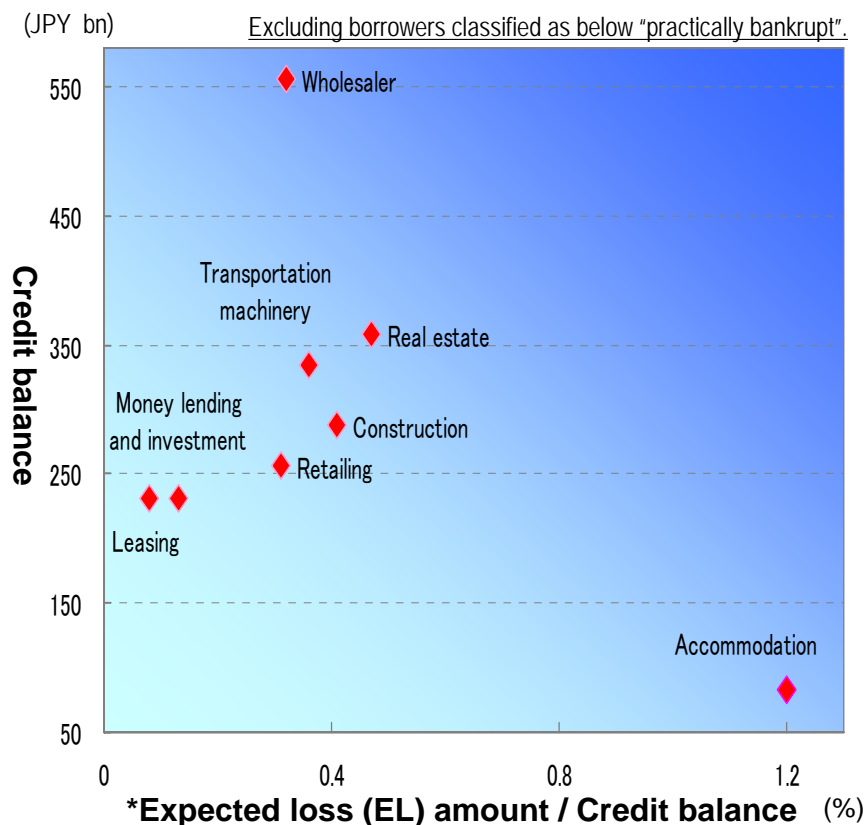
- Business loans to industries such as real estate, construction, leasing, money lending and investment each account for less than 8% of lending for whole industries. There is no concentrated exposure to any of these specially designated industries.
- Expected Loss (EL) amounts to JPY 15.4bn for all industries (JPY 1.7bn for real estate and JPY 1.2bn for construction)
- Unexpected Loss (UL) amounts to JPY 44.4bn for all industries

Breakdown of business loans to the specially designated industries

[Credit balance (as of the end of September 2010)]

	Balance	Composition ratio	YoY change
Whole industries	4,498.8	100.0	+2.7
Real estate	358.0	8.0	+28.0
Construction	287.6	6.4	-5.8
Leasing	231.0	5.1	-16.5
Money lending and investment	231.3	5.1	-3.1
Wholesaler	556.1	12.4	-2.4
Transportation machinery	335.0	7.4	-47.7
Retailer	256.6	5.7	-5.0
Accommodation	82.9	1.8	+1.5

[Credit balance vs. expected loss rate (*)]

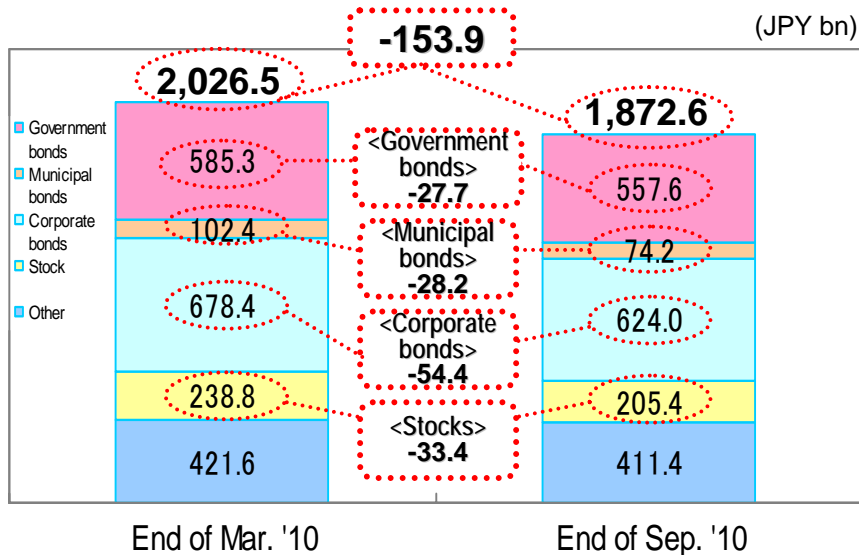




Securities

- Balance of securities at the end of September 2010 was JPY 1,872.6bn (down JPY 153.9 bn from the end of March 2010).
- Gain on revaluation of securities such as stocks, bonds, and investment trusts at the end of September 2010 was a profit of JPY 123.2bn (down JPY 10.0 bn from the end of March 2010)

Security portfolio

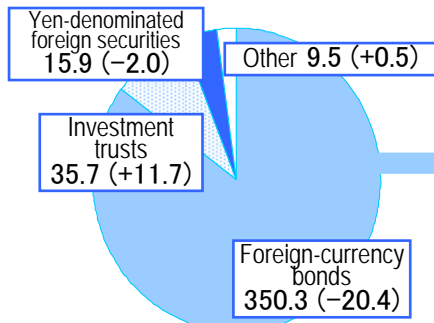
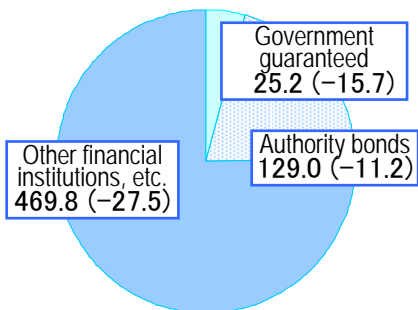


Average duration to maturity / gains and losses from revaluation of securities

	End of Mar. '10	End of Sep. '10
Duration of yen denominated bonds	4.73 y	4.74 y
Duration of foreign currency denominated bonds	2.60 y	0.62 y
Gains and losses from the revaluation of securities	JPY 133.2bn	JPY 123.2bn
Stocks	JPY 114.5bn	JPY 83.3bn
Nikkei stock average	JPY11,089.94	JPY9,369.35

Breakdown of "Corporate bonds" category
JPY 624.0bn
(Change from Mar. '10: -JPY54.4bn)

Breakdown of "Other" category JPY 411.4bn
(Change from Mar. '10: -JPY 10.2bn)



Breakdown of mortgage bonds

(JPY bn)

	(Book value)	Change from End-Mar. '10	Gains and losses from the revaluation of bonds
Ginnie Mae	305.3	-5.3	+7.6
Fannie Mae	1.5	-0.6	±0.0
Freddie Mac	15.1	-3.2	-0.0

*Figures in parenthesis are changes from the end of March 2010.

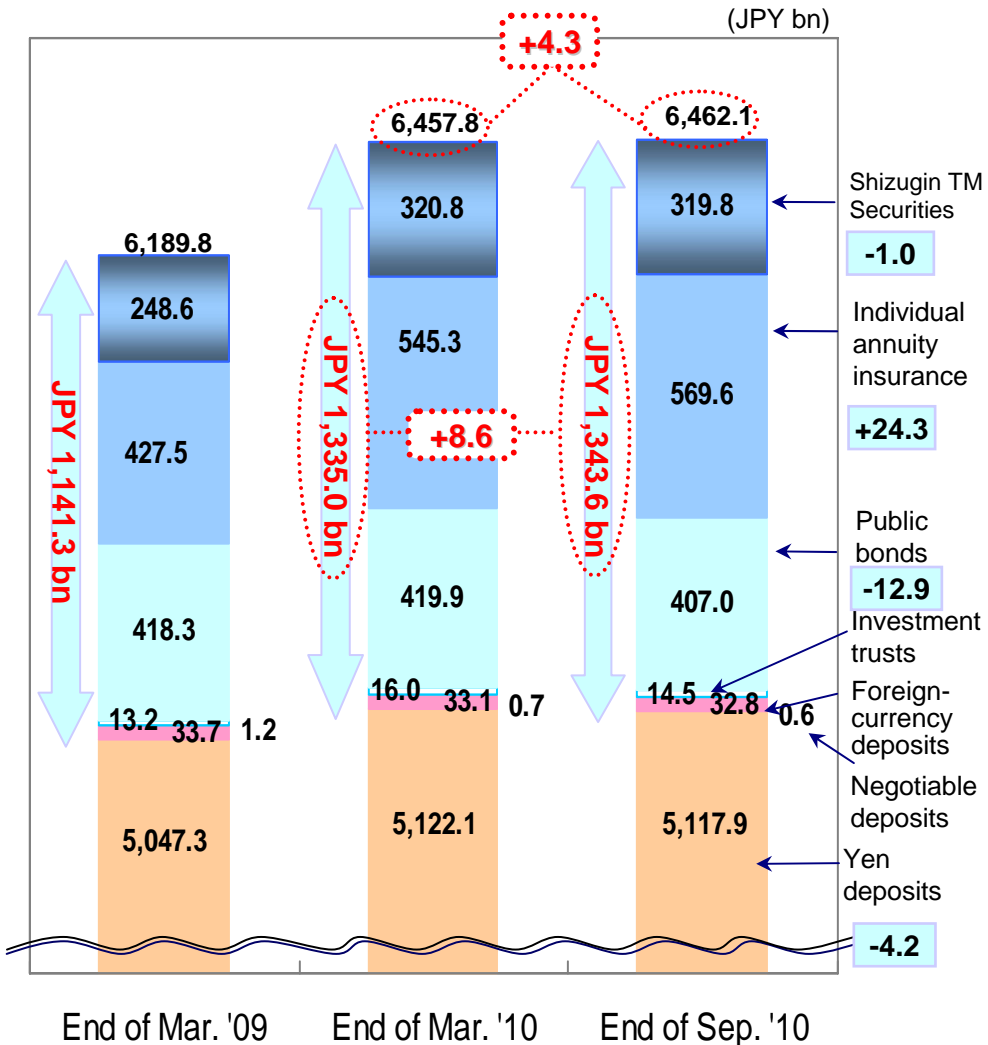


Customer assets

- Customer assets at the end of September 2010 (including the balance of Shizugin TM Securities) was 6,462.1 bn, up JPY 4.3 bn from the end of March 2010.
- Asset management products (excluding yen deposits and negotiable deposits) was JPY 1,343.6 bn, up JPY 8.6 bn from the end of March 2010.

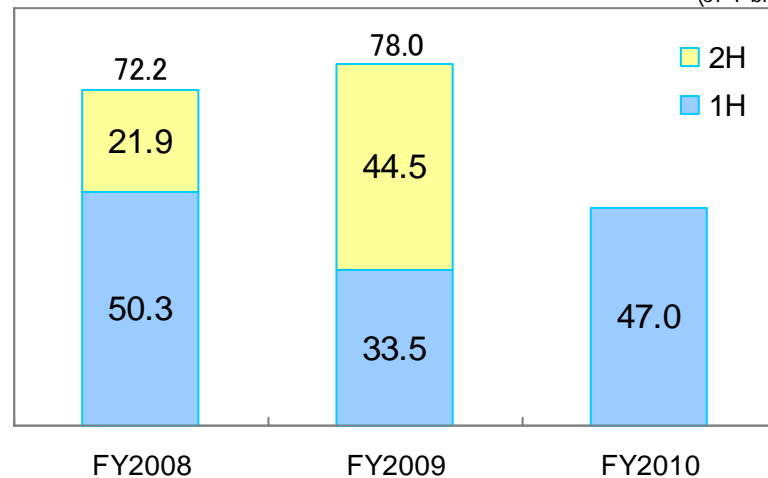
Customer assets (term-end balances)

(JPY bn)



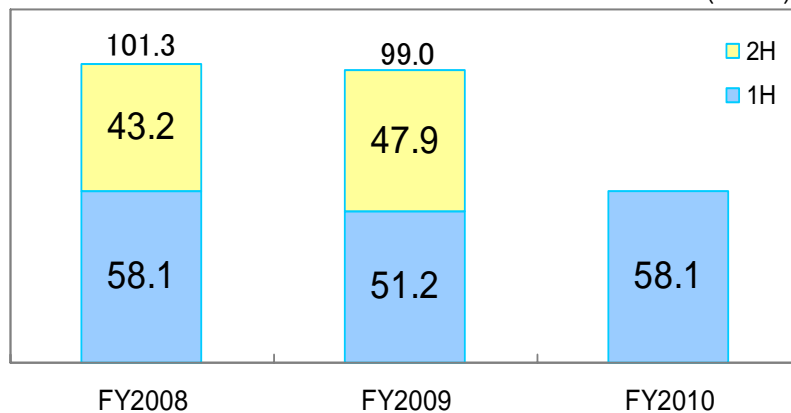
Sales of investment trusts

(JPY bn)



Individual annuity insurance products

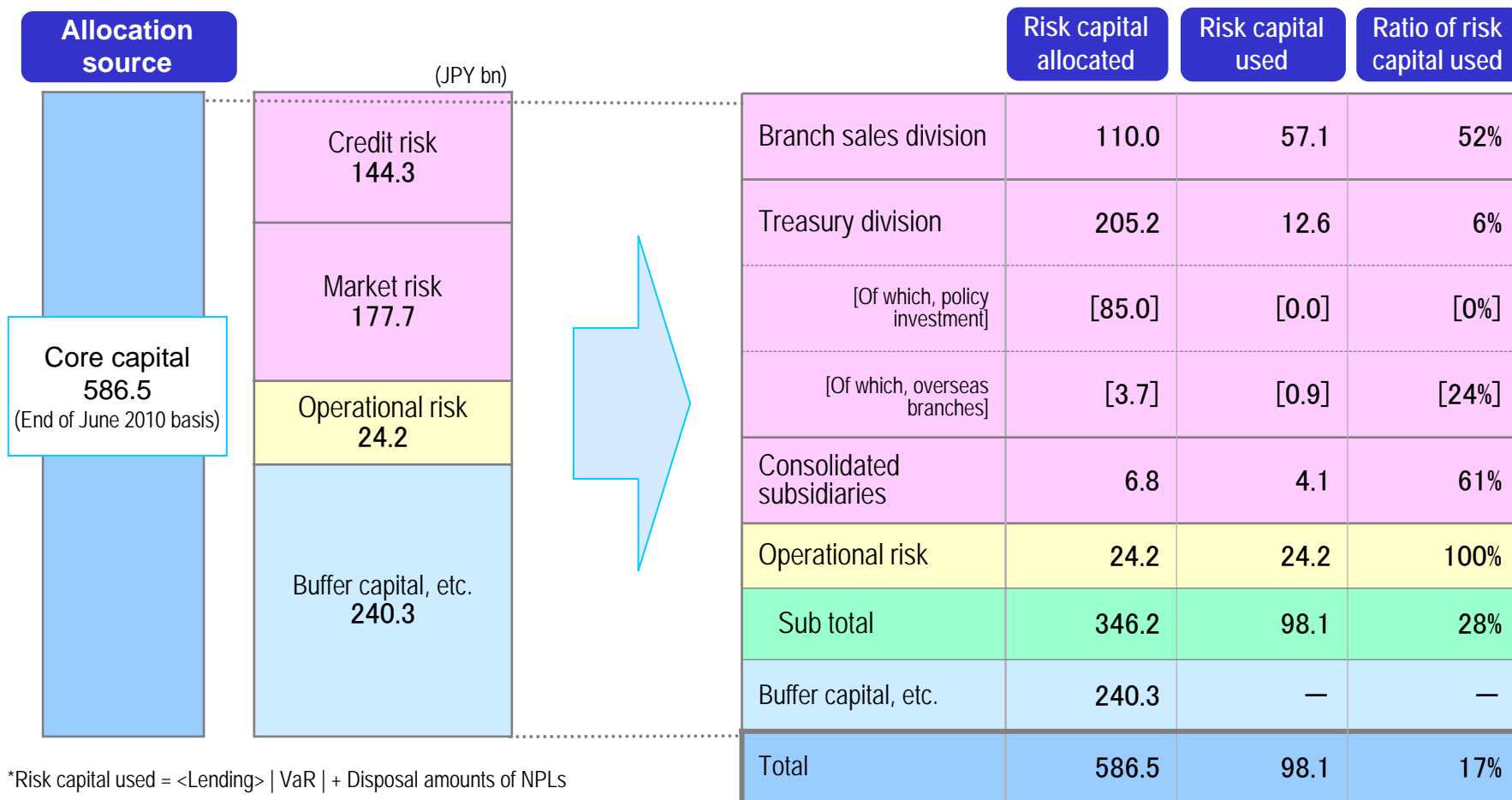
(JPY bn)





Allocation of risk capital

- Allocation of risk capital for the first half of FY 2010 amounted to JPY 586.5bn, of which JPY 144.3bn was allocated to credit risk, JPY 177.7bn to market risk, JPY 24.2bn to operational risk, and JPY 240.3bn to buffer capital, etc.
- For the first half of FY 2010, JPY 57.1bn was used by the Branch sales division, and JPY 12.6bn by the Treasury division.



*Risk capital used = <Lending> | VaR | + Disposal amounts of NPLs
 <Investment securities> | VaR | - Valuation profits
 <Others> | VaR |

*Core capital = common stock + retained earnings - asset outflow - intangible assets - prepaid pension cost

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

- **Group companies increased both revenue and profits: The total ordinary revenue of 11 consolidated subsidiaries increased to JPY 23.0bn (up JPY 0.7bn year-on-year) and the ordinary profit of JPY 2.5bn (up JPY 1.2bn year-on-year).**

(JPY bn)

Company name	Business	Ordinary revenue	YoY change	Ordinary profit	YoY change
Shizugin Management Consulting Co., Ltd.	Corporate and financial management advisory services	0.1	±0.0	-0.0	±0.0
Shizugin Lease Co., Ltd.	Leasing	12.0	+0.7	1.0	+0.9
Shizuoka Computer Service Co., Ltd.	Computer services, accounting	2.4	-0.3	0.1	±0.0
Shizugin Credit Guaranty Co., Ltd.	Guarantee of loans	0.7	±0.0	0.3	-0.1
Shizugin DC Card Co., Ltd.	Credit card and guarantee of consumer loans	1.0	-0.0	0.3	+0.1
Shizuoka Capital Co., Ltd.	Public-offering assistance Support for corporate rehabilitation	0.4	+0.1	0.2	+0.2
Shizugin TM Securities Co., Ltd.	Securities	1.8	+0.3	0.5	+0.1
Shizuoka Bank (Europe) S.A.	Finance and securities-related services	0.2	-0.1	0.0	-0.0
Shizugin General Service Co., Ltd.	Part-time employee management, etc.	1.7	-0.1	0.0	±0.0
Shizuoka Mortgage Service Co., Ltd.	Appraisal of real estate for loan collateral, etc.	0.4	±0	0.0	-0.0
Shizugin Business Create Co., Ltd.	Operation center for remittance and bill collection, etc.	2.3	-0.1	0.0	±0.0
Total (11 companies)		23.0	+0.7	2.5	1.2
Shizugin Saison Card Co., Ltd.*	Credit card services, credit guarantee	0.4	+0.2	-0.2	0.1

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



Economy of Shizuoka Prefecture

<Size of economy> Economy of Shizuoka Prefecture is called a "3%, 10th-ranked economy," as on many indicators it makes up 3% of the national economy and ranks around 10th among the 47 prefectures. The economy is strong by national standards. (JPY bn)

	FY2006	FY2007	FY2008	FY2009
Prefectural GDP	17,062.0	16,927.5	16,219.1	15,091.6 (*)
National GDP	510,937.6	515,651.0	494,199.8	—
Ranking in prefectural GDP	10 th /47	10 th /47	—	—
Prefectural manufactured goods shipments (MGS)	18,234.7	19,410.2	19,177.7	15,032.9 (*)
National MGS	314,834.6	336,756.6	335,578.8	262,850.3 (*)
Ranking in prefectural MGS	3 rd /47	3 rd /47	3 rd /47	2 nd /47(*)

No. of new facility locations (Shizuoka)	102	124	144	44
No. of new facility locations (Nationwide)	1,782	1,791	1,630	867
Ranking	3 rd /47	1 st /47	1 st /47	5 th /47

Note: Manufactured goods shipments (MGS) and No. of new facility locations are based on calendar-year data; all others on fiscal-year data.

* Based on flash reports.

< Effective job opening to applicant ratio (seasonally-adjusted) >

The ratio has been below national average since December 2009.

	Dec. 2009	Jan. 2010	Feb. 2010	Mar. 2010	Apr. 2010	May 2010	Jun. 2010	Jul. 2010	Aug. 2010	Sep. 2010
Shizuoka Pref.	0.38	0.40	0.44	0.45	0.47	0.47	0.49	0.49	0.51	0.51
Nationwide	0.43	0.46	0.47	0.49	0.48	0.50	0.52	0.53	0.54	0.55

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.