

Financial Results for the 3Q of FY2011

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President



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Results of the 3Q of FY2011

Consolidated (JPY bn)	3Q of FY2010	3Q of FY2011		
			YoY change	Progress
Ordinary revenue	158.3	163.6	+5.4	77.9%
Ordinary profit	51.4	58.2	+6.8	86.8%
Net income	29.8	30.3	+0.5	79.9%

Non-consolidated (JPY bn)	3Q of FY2010	3Q of FY2011		
			YoY change	Progress
Ordinary revenue	136.3	140.7	+4.4	78.6%
Gross operating profit	117.8	115.0	-2.8	77.7%
Net interest income	96.9	97.2	+0.3	76.3%
Fees & Commissions, Trading income	10.4	10.6	+0.2	68.9%
Other operating profit	10.5	7.2	-3.3	133.6%
(Bond-related income such as JGBs)	(8.6)	(8.5)	(-0.0)	137.8%
Expenses (-)	60.9	60.9	-0.0	75.1%
Actual net operating profit *	56.9	54.1	-2.8	80.8%
Core net operating profit **	48.3	45.6	-2.7	75.0%
General transfer to loan loss reserves (-)	1.7	—	-1.7	—
Net operating profit	55.2	54.1	-1.1	80.8%
Extraordinary profit and loss	-8.2	-0.2	+7.9	3.9%
Bad debt written-off (-)	7.3	0.4	-7.0	—
Gain on reversals from loan loss reserves	—	7.4	+7.4	387.1%
Gain (loss) on stocks	0.1	-6.4	-6.5	122.4%
Ordinary profit	47.0	53.9	+6.8	88.3%
Net income	29.1	29.4	+0.3	80.5%

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

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

[Breakdown of net interest income]	(JPY bn)	
	3Q FY2011	YoY change
Domestic operations	87.5	-0.5
Of which, Interest on loans	76.0	-2.6
Interest and dividends on securities	15.1	+0.5
Interest on deposits(-)	3.5	-1.6
Overseas operations	9.7	+0.7
Total	97.2	+0.3

[Breakdown of credit-related costs]	(JPY bn)	
	3Q FY2011	YoY change
Credit-related costs(-)	-7.0	-16.1
Of which, General transfer to loan loss reserves (-)	(-9.7)	(-11.4)
Transfer to specific reserves (-)	(2.3)	(-2.5)

* Figure in parentheses are amount before a total

[Breakdown of gain (loss) on stocks]	(JPY bn)	
	3Q FY2011	YoY change
Gain (loss) on stocks	-6.4	-6.5
Of which, Gain (loss) on sale of stocks	0.1	-0.2
Devaluation of stocks (-)	6.4	+6.2

Difference between loan and deposit interest rates

- Difference between loan and deposit interest rates in Dec. 2011 dropped 0.08 points from the end of Dec. 2010

Changes in yen-denominated loans and deposit structure

[Comparison of monthly records of average balance and interest rates]

[December 2010] **-0.09** [December 2011] (JPY tn, %)

	Average balance (% of total)	Interest rate	Average balance (% of total)	Interest Rate
Loans	6.2 (100.0)	1.66	6.3 (100.0)	1.57
Floating interest	4.7 (75.2)	1.61	4.9 (77.1)	1.52
Short-term / new long-term prime rate standard	3.0 (47.5)	2.04	3.0 (48.0)	1.97
Market-linked	1.6 (26.2)	0.76	1.8 (27.7)	0.70
Fixed interest	1.6 (24.8)	1.83	1.5 (22.9)	1.74

Difference between loan and deposit interest rates

+1.59

-0.08

+1.51

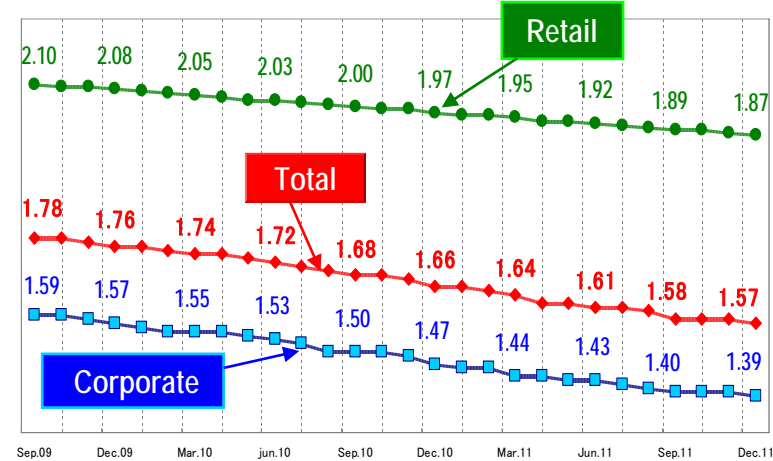
	Average balance (% of total)	Interest rate	Average balance (% of total)	Interest rate
Deposits	7.3 (100.0)	0.07	7.5 (100.0)	0.06
Liquid deposits	3.9 (53.7)	0.02	4.1 (54.2)	0.02
Term deposits	3.0 (41.0)	0.15	3.2 (42.4)	0.12

-0.01

* Deposits include NCDs

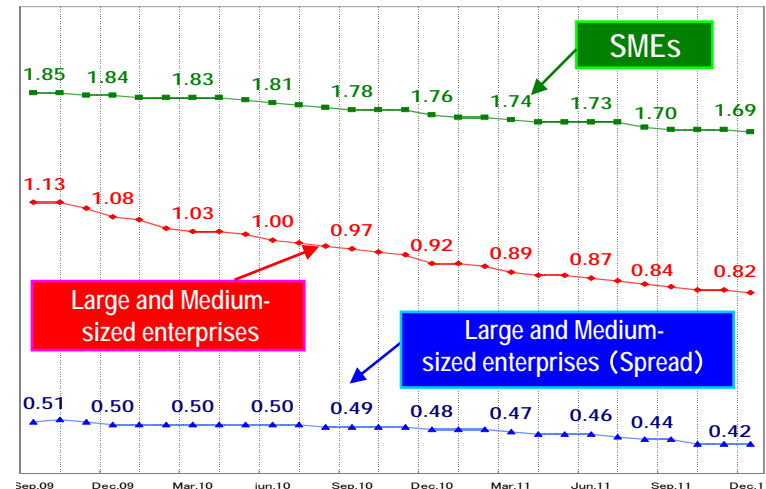
Loan interest rates (monthly average)

(%)



Trends in Corporate loan interest rates by company size

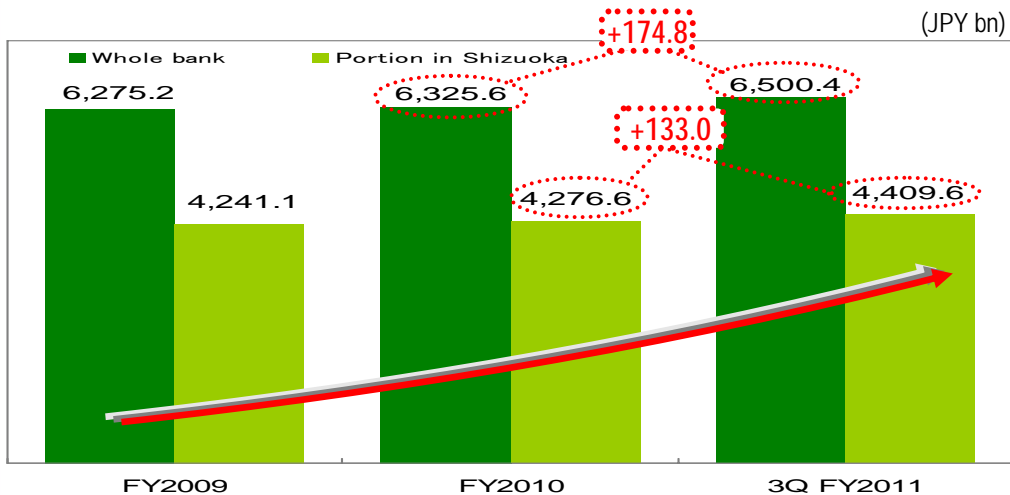
(%)



Loans(1) – Overall figures –

- Total loan balances (average balance) of 3Q FY2011: JPY 6,500.4bn, up JPY 174.8bn (+2.8%) from FY2010

Total loan balance (average balance)



[SME loan balance]

Average balance increased to JPY 2,624.5bn, by JPY 44.7bn (+1.7%) from FY2010

[Retail loan balance]

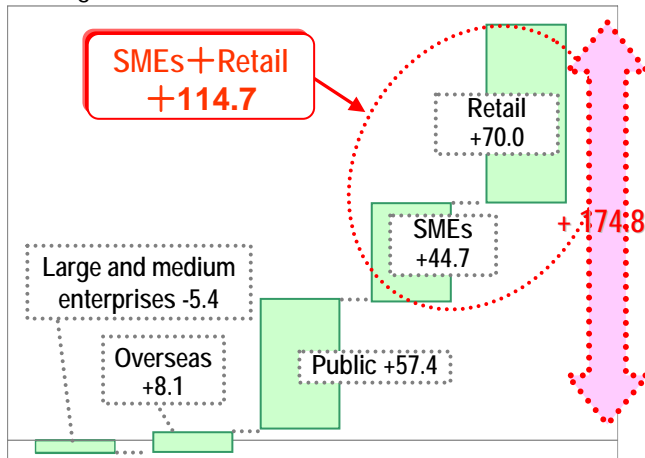
Average balance increased to JPY 2,232.1bn, by JPY 70.0bn (+3.2%) from FY2010

[Total loan balance]

Term-end balance increased to JPY 6,598.0bn, by JPY 127.2bn (+2.0%) from FY2010

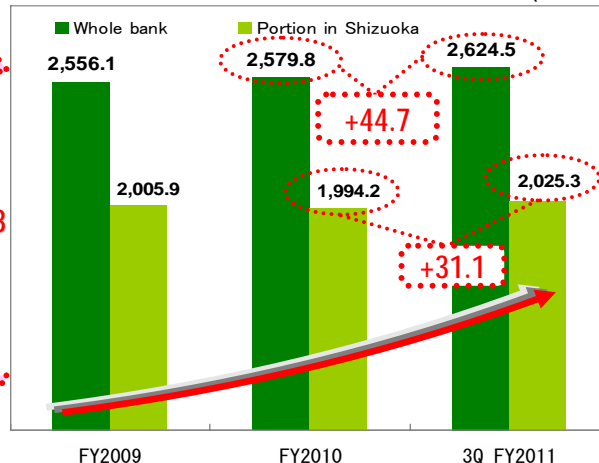
Breakdown of changes in total loan balance (average balance)

Change from FY2010 to 3Q FY2011 (JPY bn)



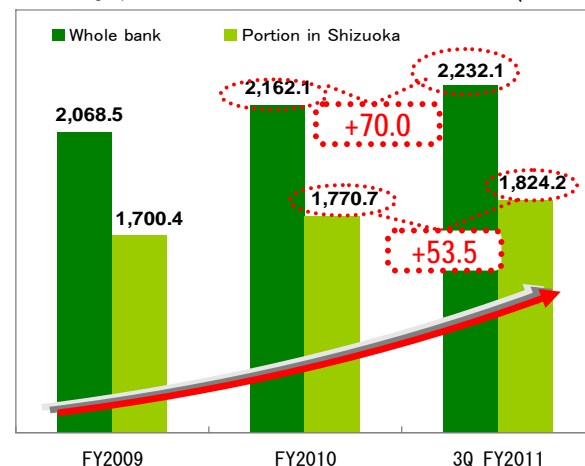
SME loan balance (average balance)

(JPY bn)



Retail loan balance (average balance)

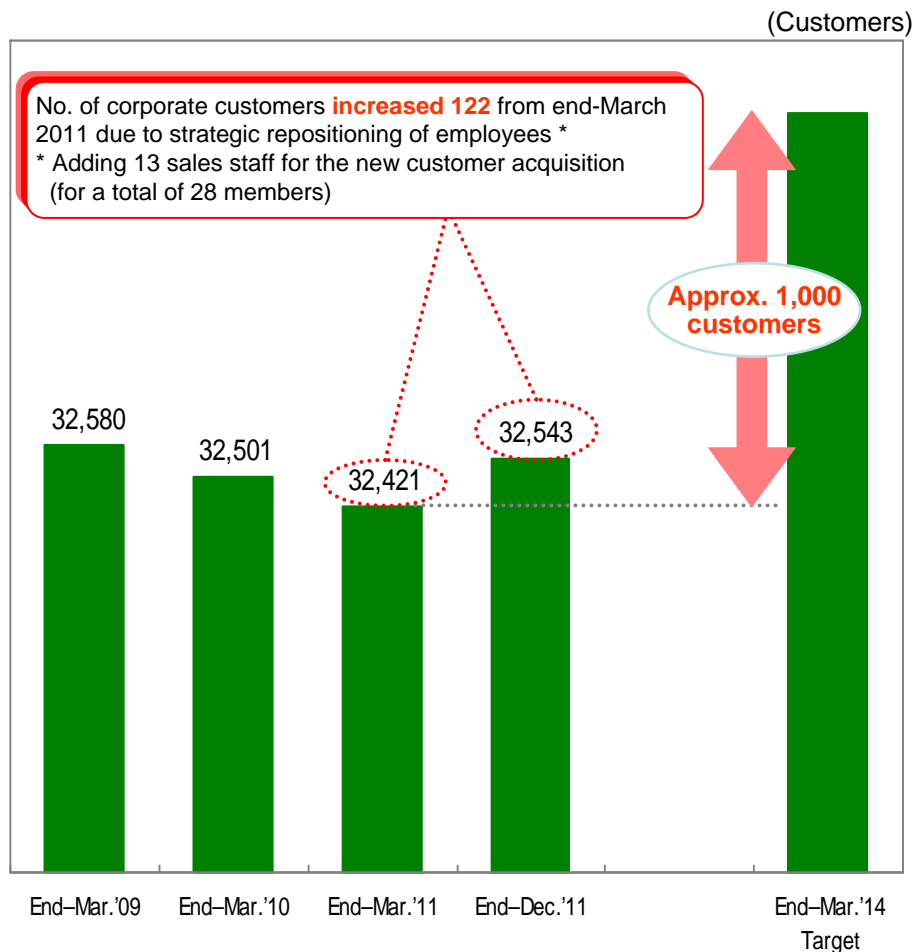
(JPY bn) *Including apartment loans



Loans(2) – Solution approach –

- As of end-December 2011, the number of corporate customers was up 122 from end-March 2011
- Aiming to generate new demand for funds by deploying various approaches to growth and untapped fields and by offering solutions that help customers develop their businesses; the goal is to expand the customer base and increase market share

Number of corporate customers



Solution approach to growth and untapped fields

Health and welfare

- ◆ Provide information and identify needs through seminars run by Shizuoka Bank
- ◆ Strengthen the specialized team for the health field by adding 3 sales staff (total of 7 members)

→ 3Q FY2011
 Loans provided to health and welfare businesses: JPY 40.3bn

Environment

- ◆ Respond to the needs of customers in the environmental field with:
 - Loans and privately placed bonds with environmental ratings
 - ISO consulting work (Shizugin Management Consulting Co., Ltd.)
- 3Q FY2011: 26 consulting projects taken on

→ 3Q FY2011
 Loans provided for environmental projects: JPY 8.8bn

Agriculture

- ◆ Participate in trade shows, develop sales channels, help agricultural producers move into up or down-stream (5 team members now qualified as agricultural business advisors)
- ◆ Work with Shizuoka Prefecture Agricultural Credit Guarantee Fund Association to meet the funding needs of agricultural producers

→ 3Q FY2011
 Loans provided for agricultural projects: JPY 6.0bn

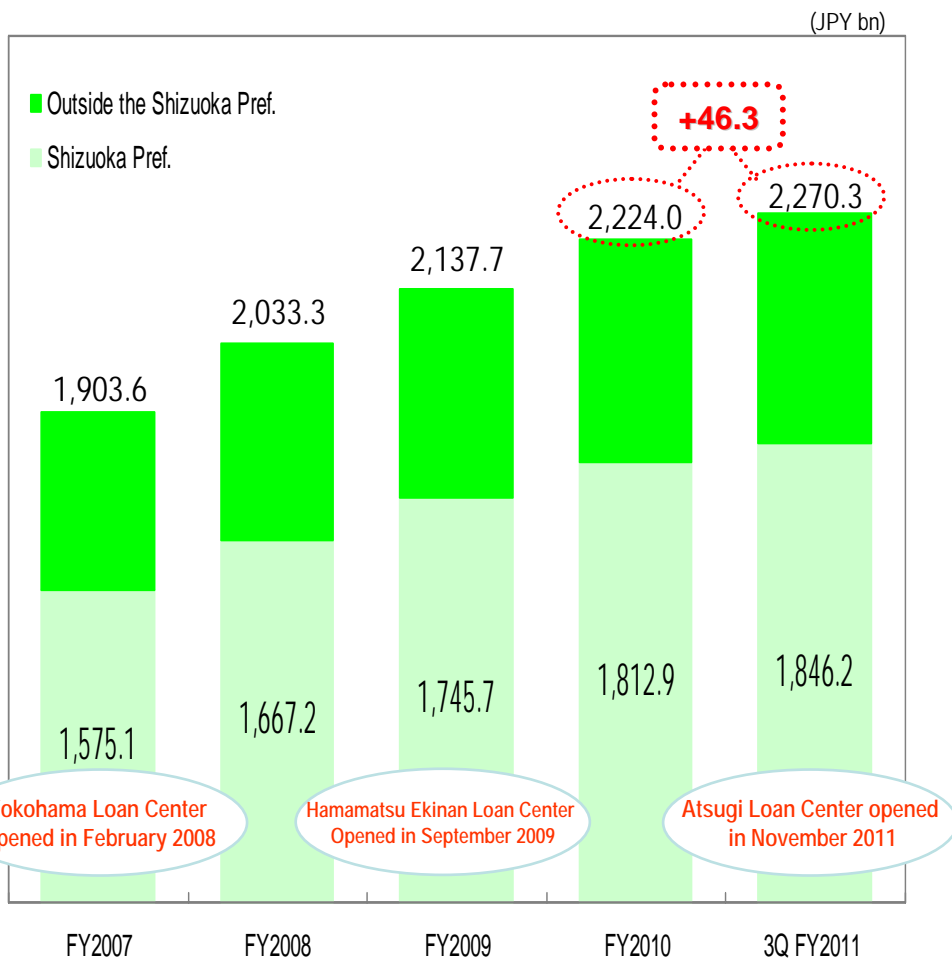
10th Medium-term Business Plan

11th Medium-term Business Plan

Loans(3) – Consumer loan –

- Consumer loan balance continues to grow by JPY 46.3bn from end-Mar. 2011 to JPY 2,270.3bn at end-Dec.2011
- We continue to boost growth in the consumer loan balance by increasing sales sites, carefully controlling loan rates, and reforming business processes to increase productivity and reduce costs

Consumer loan balances (term-end balance)



Initiatives

Loan rates

- ◆ Introduced an loan rate point system as a performance incentive for consumer loan sales staff

→ 3Q FY2011
Average rate for new housing loans: 1.260%

Business processes

- ◆ The goal of the 11th business plan the goal is to reduce workload for consumer loan sales staff by 60% through BPR (FY2011 target: reduce workload by 20%)

Maintain competitiveness by boosting the profitability of housing loans through increase in productivity and cost reduction

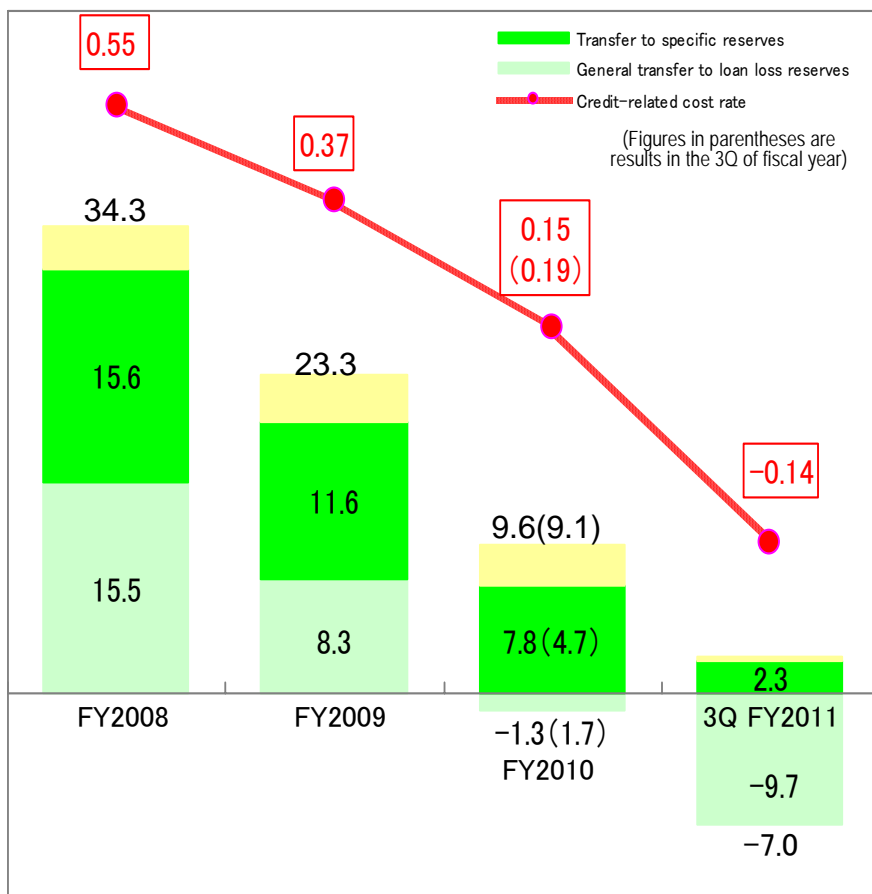
Credit-related costs (1) – Overall figures –

- Credit-related costs in 3Q FY2011: -JPY 7.0bn (-JPY 16.1bn YoY),
 Credit-related cost rate: -0.14% (-0.33 percentage points YoY)
 General transfer to loan loss reserves: -JPY 9.7bn (-JPY 11.4bn YoY)
 Transfer to specific reserves : JPY 2.3bn (-JPY 2.5bn YoY)

*Since the reversal of General transfer to loan loss reserves exceed transfer to specific reserves, the total (JPY7.4bn) was booked to extraordinary profit and loss as gain on reversals from loan loss reverses.

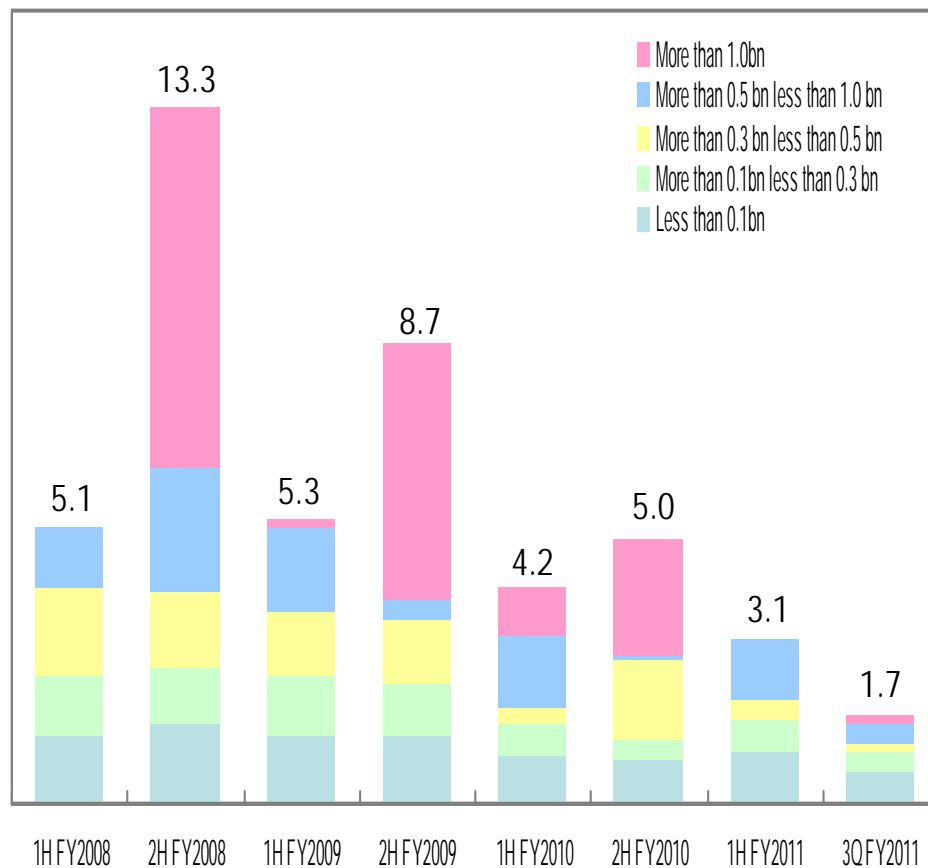
Credit-related cost and credit-related cost rate trends

(JPY bn, %)



New transfer to specific reserves by credit balance

(JPY bn)



* Credit-related cost rate = Credit-related costs / Average loan balance



Credit-related costs (2)

-Business restructuring , turn around business-

- We are accumulating expertise in SME business revitalization by actively helping companies restructure and turn around their businesses
- Our know-how & skills of turning around SMEs helps to keep new NPLs at a low level and supports the local economy

<Shizuoka Bank> **FY2003:** Corporate Support Division was established to reinforce the bank's ability to help customers restructure and turn around businesses

FY2008: 9 new members were added to the division after the collapse of Lehman Brothers, bringing the total to 43

<Group companies> **FY2004:** Shizuoka Capital set up the first business revitalization fund run by Shizuoka Bank group
It now manages a total of three such funds

Key initiatives over the last five years (FY2006–FY2010)

No.	Customer	Industry	Business turn around method
1	Company A	Hotel	Business spin-off by using our revitalization fund that Shizuoka Capital participates in as an unlimited liability partner
2	Company B	Manufacturing	The improvement of financial position by swapping debt-for using debt-for-debt swap
3	Company C	Manufacturing	Debt-for-debt swap followed by provision of a syndicated loan
4	Company D	Retailing	Businesses sold to sponsor company after improving the financial position through a debt-equity swap
5	Company E	Transport	Financial support in cooperation with a governmental financial institution (subordinated loan)
6	Company F	Service	Support for change in strategic direction through transfer of businesses
7	Company G	Hotel	Transfer of business through the Resolution and Collection Corporation
8	Company H	Paper manufacturing	Private business reorganization led by a Small and Medium-size Enterprise Revitalization Support Council (business operated by a sponsor company)
9	Company I	Retailing	Prepackaged bankruptcy procedure
10	Company J	Manufacturing	Syndicated loan based on the Industrial Revitalization Law and a government loan guarantee system

Results of initiatives

Over the past five years, **83 companies with a large impact on the regional economy have been turned around**

- **Credit-related costs held down by JPY 8.7bn***

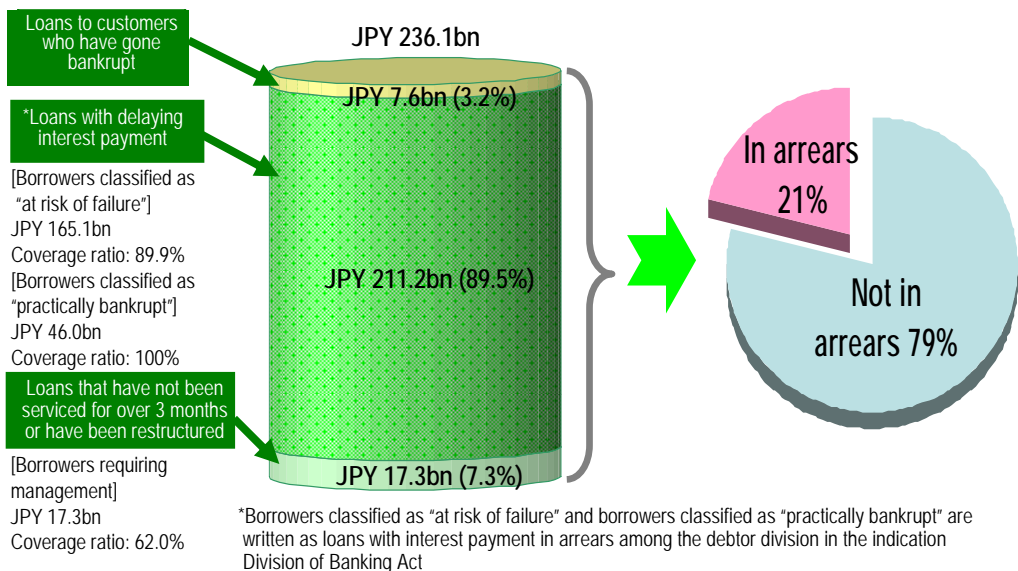
*Based on the total of (1)-(3)
 (1)Reversals from loan loss reserves for companies that had credit ratings raised
 (2)Reversals from reserves for companies that turned around through the sales of business disposals
 (3) Other
 Unnecessary of additional transfers to reserves coming from downgrades of borrower's credit rating lower than "at risk of bankruptcy"

- **Around 8,000 jobs were saved for the local economy**

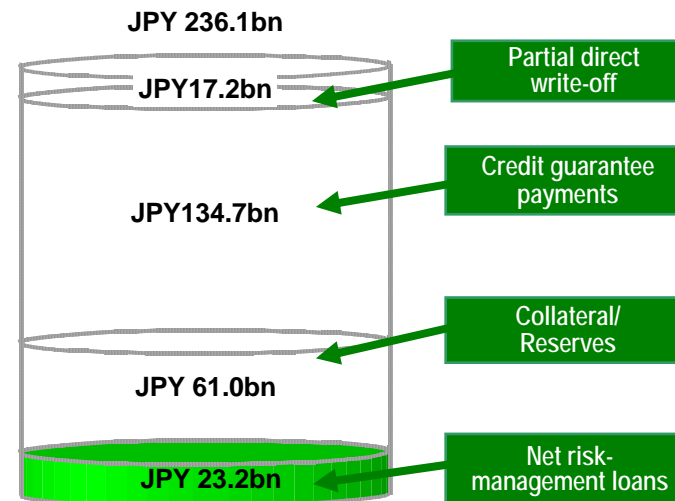
Risk-management loans

- **Total risk-management loans (Non-consolidated): JPY 236.1bn (-JPY 6.4bn from the end of March 2011)**
- **The ratio of risk-management loans: 3.58% (-0.06 percentage points from the end of March 2011)**
- **Net risk-management loans (Non-consolidated): JPY 23.2bn (-JPY 3.1bn from the end of March 2011)**
- **The ratio of net risk-management loans: 0.35% (-0.05 percentage points from the end of March 2011)**

Risk-management loans at the end of Dec. 2011



Net risk-management loans



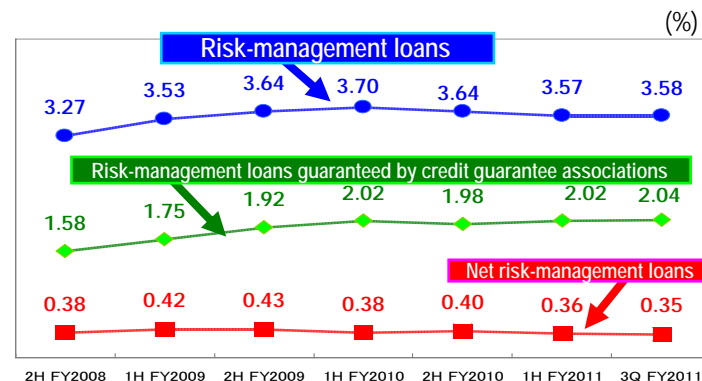
NPL removal from the balance sheet

(JPY bn)	FY2010	1H FY2011	3Q FY2011
New recognition of NPLs	+72.1	+29.9	+13.3
Removal from the balance sheet (NPL to borrowers classified as "at risk of failure" or in riskier categories)	-59.1 (-55.1)	-36.2 (-32.9)	-13.4 (-12.1)
Risk-management loans	242.5	236.2	236.1

[Breakdown of JPY 12.1bn]

	(JPY bn)
Collected from borrower/ set off against deposit account	2.9
Collateral disposal/ subrogated to guarantor	6.0
Reclassified to better credit category	3.2
Loans sold-off	0.0
Direct write-off of loans	0.0

The ratio of risk-management loans

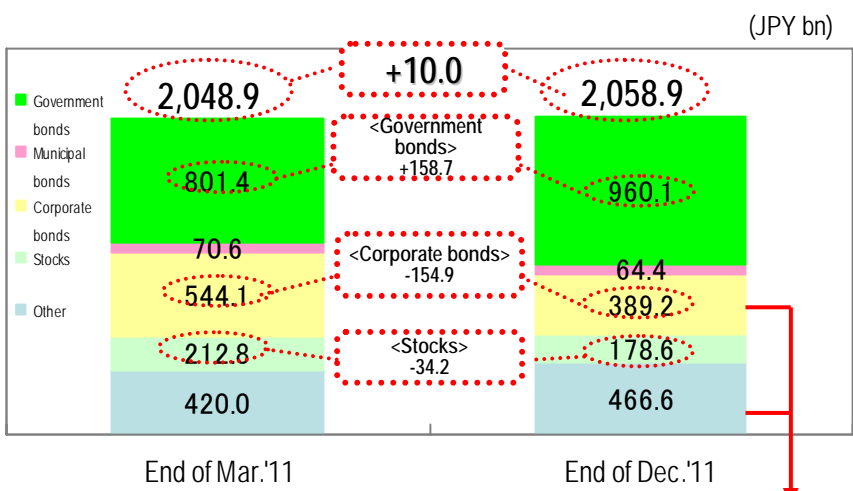


Securities (1) – Overall figures –

- Total balance of securities
- Securities revaluation profit and loss
- Gains and losses from bond-related income such as JGBs
- Gains and losses from stocks

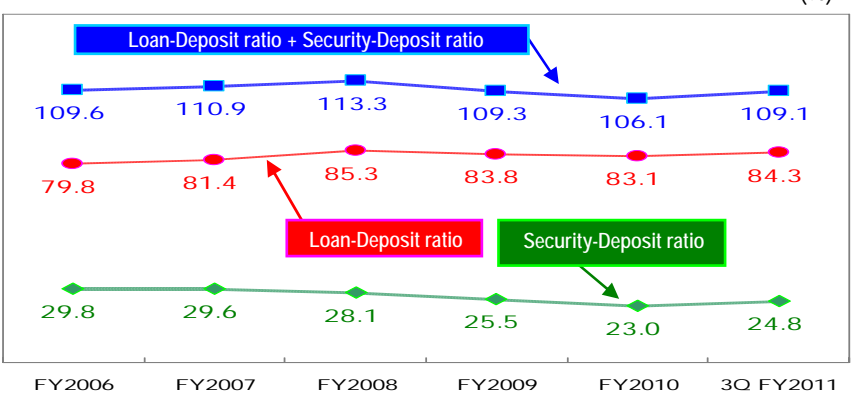
: JPY 2,058.9bn (+ JPY 10.0bn from the end of March 2011)
 : JPY 99.7bn (- JPY 3.5bn from the end of March 2011)
 : JPY 8.5bn (- JPY 0.1bn YoY)
 :- JPY 6.4bn (- JPY 6.5bn YoY)

Security portfolio



Breakdown of corporate bond and other category are indicated to next pages

Loan-Deposit ratio / Security-Deposit ratio



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

	End of Mar. '11	End of Dec. '11
Duration of yen denominated bonds	5.03y	5.50y
Duration of foreign currency denominated bonds	2.18y	3.56y
Gains and losses from the revaluation of securities	JPY 103.2bn	JPY 99.7bn
Stocks	JPY 90.3bn	JPY 62.7bn
Nikkei stock average	JPY 9,755.10	JPY 8,455.35

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

(JPY bn)	3Q FY2010	3Q FY2011	Increase/Decrease
Gains and losses from bond-related income such as JGBs	8.6	8.5	-0.1
Gain on sale of JGBs	10.9	9.7	-1.2
Loss on sale of JGBs (-)	2.0	1.2	-0.8

Breakdown of gains and losses from stocks

(JPY bn)	3Q FY2010	3Q FY2011	Increase/Decrease
Gains and losses from stocks	0.1	-6.4	-6.5
Gain on sale of stocks	0.3	0.1	-0.2
Loss on sale of stocks (-)	0.0	0.0	+0.0
Devaluation of stocks (-)	0.2	6.4	+6.2

Securities (2) – Exposure to the European market –

- As of end-December 2011, exposure to the European market totaled JPY 30.2bn (bonds: JPY 11.7bn, loans: JPY 15.0bn, other: JPY 3.4bn), with France, Germany, U.K. and Belgium accounting for more than 95% of the total
- All bonds (excluding bonds in investment trust portfolios) and borrowers have credit ratings of "A or higher" from an external credit rating agency*

*Standard & Poor's ratings as of end-December 2011

Exposure to the European market (final risk basis)

[Consolidated]

(JPY bn)

	Bonds			Loans		Others	Total
		Of which, public institutions	Of which, financial institutions		Of which, financial institutions		
France	0.1	0.0	0.0	15.0	15.0	-	15.1
Germany	7.1	7.0	-	-	-	-	7.1
U.K.	0.7	-	-	-	-	3.4	4.1
Belgium	3.0	3.0	-	-	-	-	3.0
Italy	0.8	0.0	0.7	-	-	-	0.8
Others	0.1	0.0	0.0	-	-	-	0.1
Total	11.7	10.0	0.7	15.0	15.0	3.4	30.2

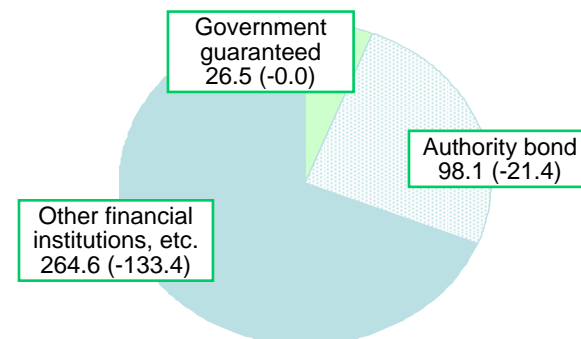
- Figures in the table do not include JPY 15.5bn in loans to Japanese companies
- Others: Total for repurchase agreements, money deposited, and derivatives trading [Forex rates]

EURO/JPY 110.70, USD/JPY 77.74, GBP/JPY 119.88, CHF/JPY 82.70

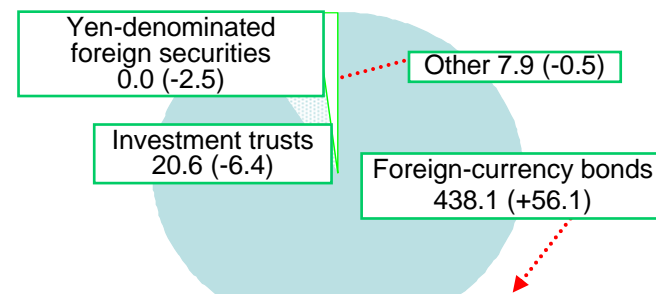
Breakdown of corporate bonds and other securities

*Figures in the parentheses show changes from end-Mar. 2011

"Corporate bonds" category JPY 389.2bn (-JPY154.9 bn)



"Other securities" category JPY 466.6bn(+JPY 46.6bn)



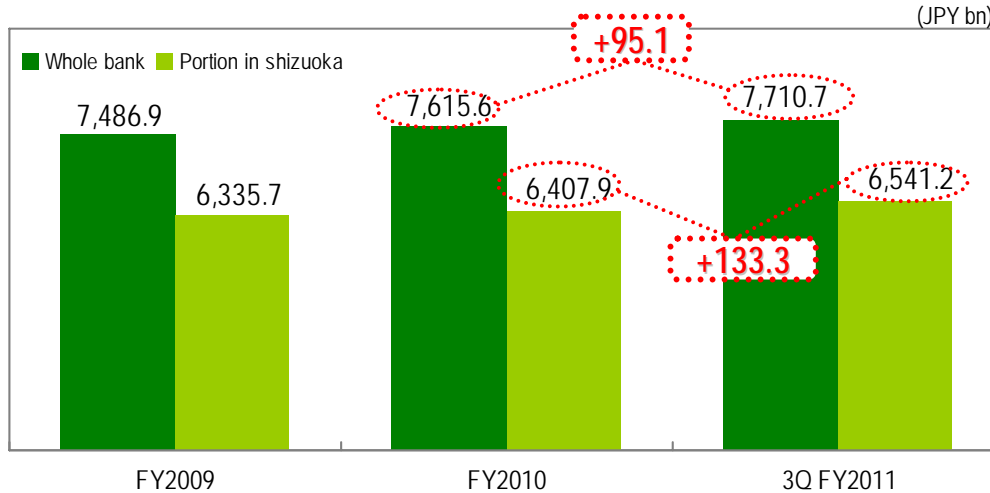
Of which, breakdown of mortgage bonds

(JPY bn)	(Book value)	Change from end-Mar. 2011	Gains and losses from the revaluation of bonds
Ginnie Mae	396.2	+41.3	+16.8

Deposits

● Total deposit balances (average balance) in 3Q FY2011: JPY 7,710.7bn , up JPY 95.1bn (+1.2%) from FY2010

Deposit balance (average balance)



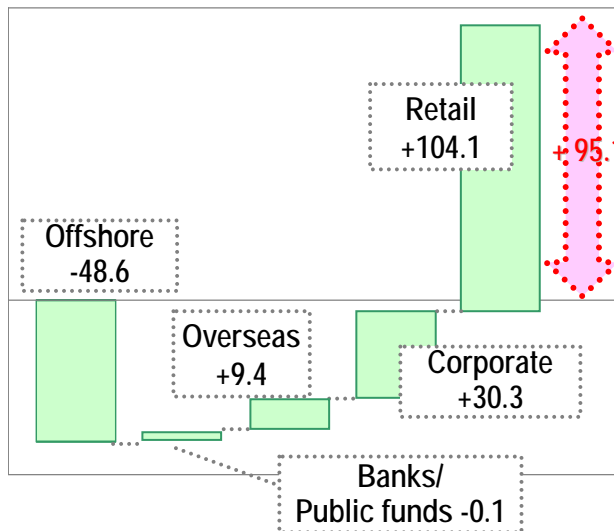
[Deposit balance in Shizuoka Prefecture]
Average balance increased to JPY 6,541.2bn, by JPY 133.3bn (+2.1%) from FY2010

[Retail deposit balance]
Average balance increased to JPY 5,288.9bn, by JPY 104.1bn (+2.0%) from FY2010

[Corporate deposit balance]
Average balance increased to JPY 1,986.3bn, by JPY 30.3bn (+1.5%) from FY2010

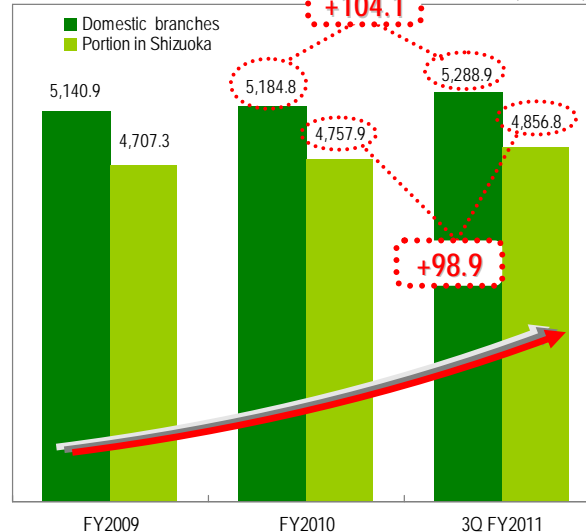
Breakdown of changes in deposits balance (average balance)

Change from FY2010 to 3Q FY2011 (JPY bn)



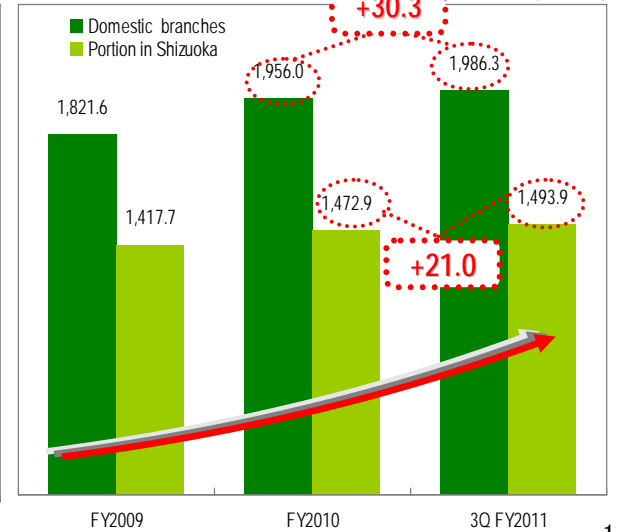
Retail deposit balance (average balance)

(JPY bn)



Corporate deposit balance (average balance)

(JPY bn)

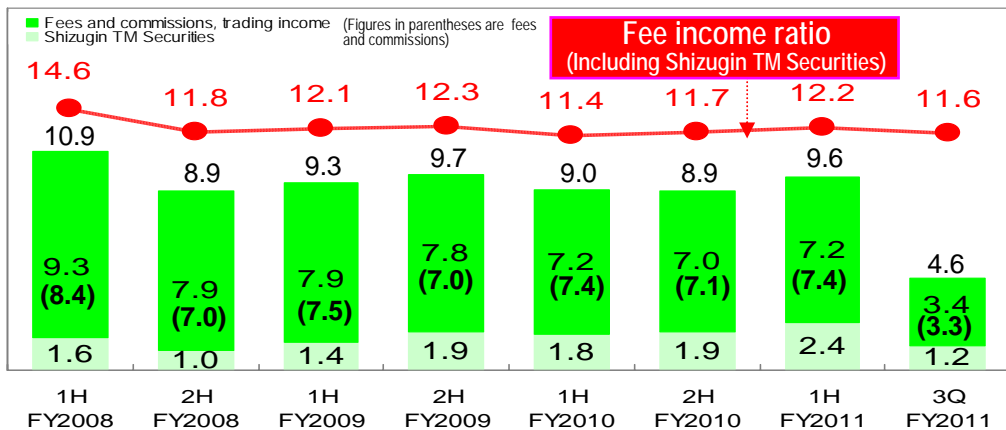


Fee incomes and customer assets

- Fees and commissions in 3Q FY2011 was JPY 10.8bn, trading income -JPY 0.2bn
- Customer assets at the end of December 2011 (including the balance of Shizugin TM Securities) was JPY 6,818.4bn, up JPY 238.8bn from the end of March 2011, of which balance of customer asset was JPY 1,384.2bn, up JPY 4.3bn from the end of March 2011

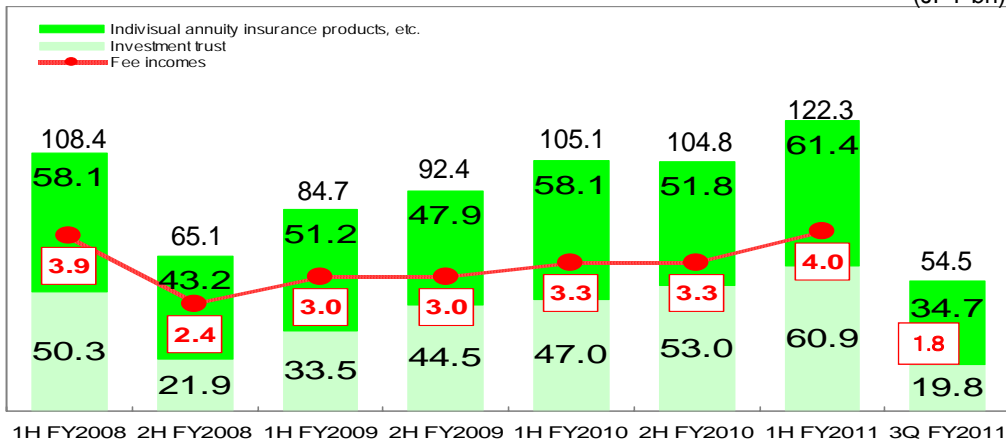
Fee incomes (Shizuoka Bank / Shizugin TM Securities)

(JPY bn, %)



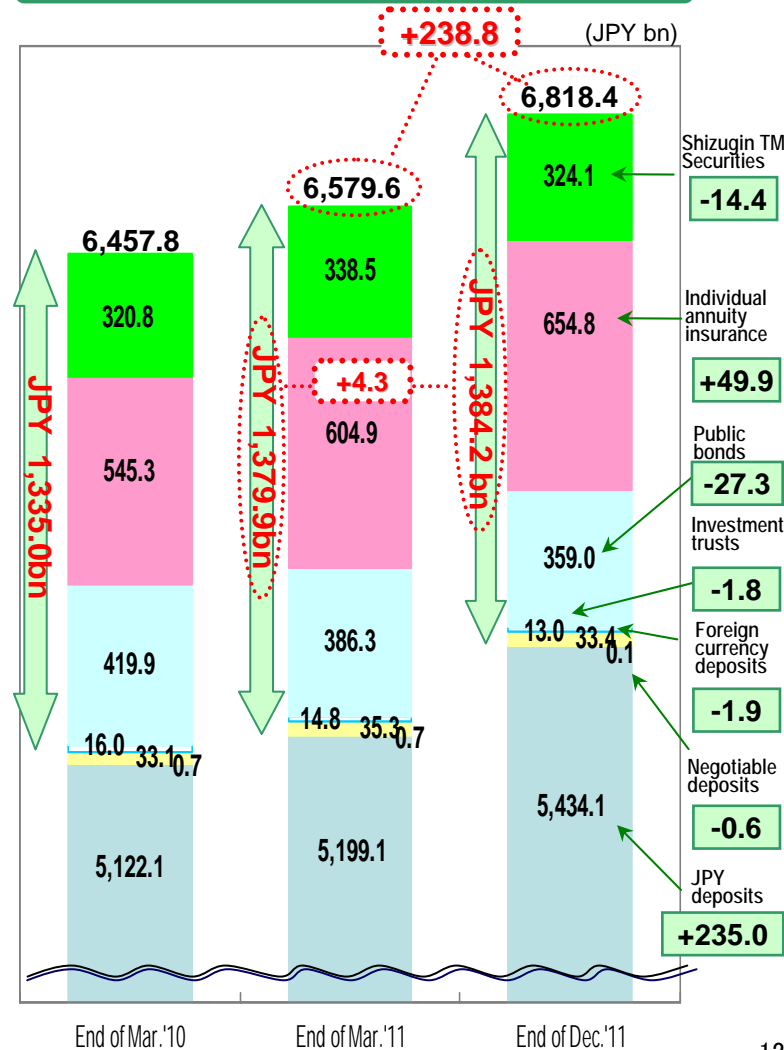
Sales and fee income from sales of investment trust and insurance products

(JPY bn)



Customer assets (term-end balances)

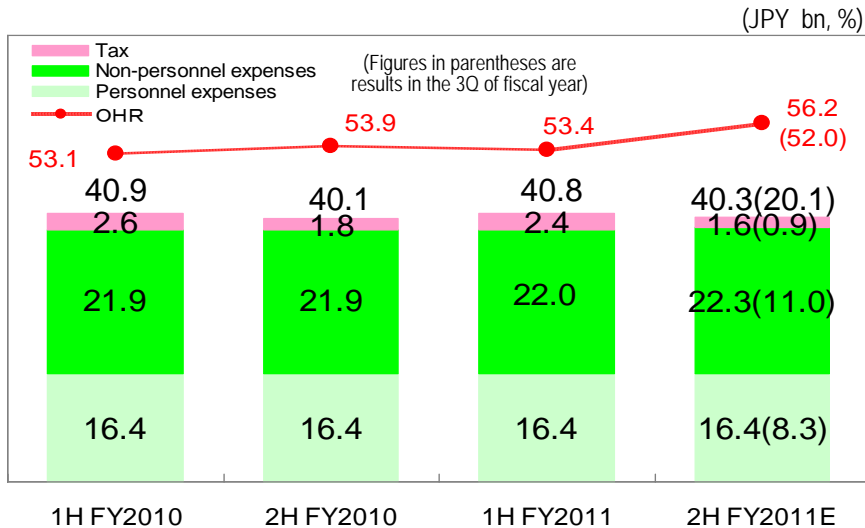
(JPY bn)



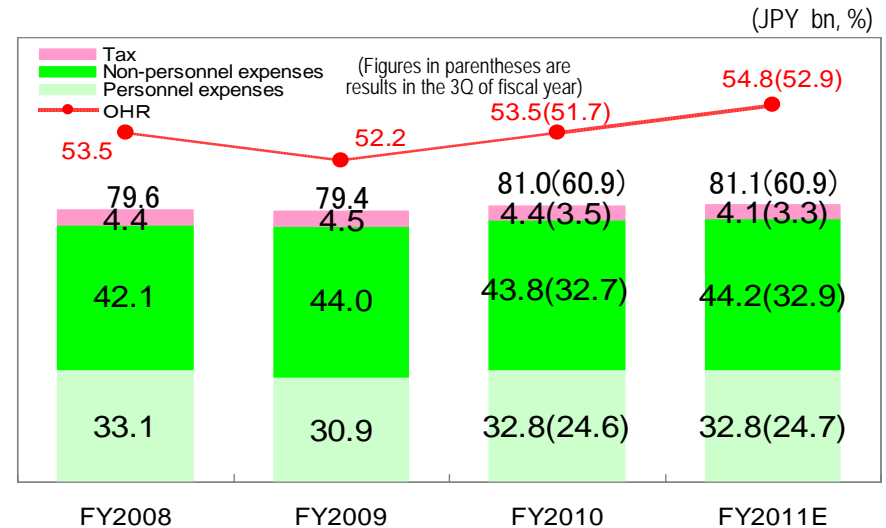
Expenses

● Expenses in 3Q FY2011: JPY 60.9bn (maintained flat YoY), OHR in FY2011E (Non-consolidated): 54.8%

Expenses and OHR (half-year basis)



Expenses and OHR (annual basis)



Amount of investments

(JPY bn)

	1H FY2010	2H FY2010	1H FY2011	2H FY2011E
Amount of investments	6.6	4.4	3.2	4.3
Software	2.5	2.2	1.8	1.6
Building	3.0	1.1	0.5	1.0
Movable property	0.9	0.8	0.5	1.0

(Reference) Major system investments from FY2011

- Response to change in basic structure of IC cash cards
- Response to digital account receivable records system
- Upgrades of integrated database
- Construction of integrated channel infrastructure

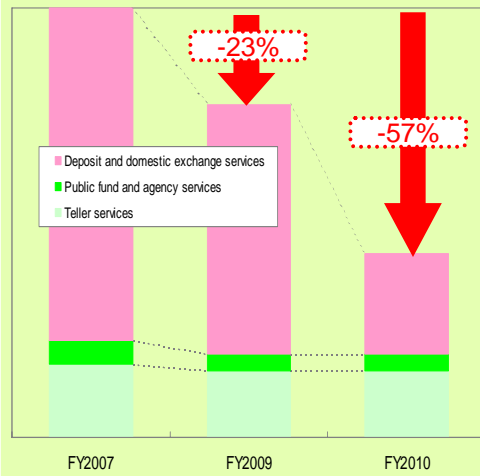
Implement strict control of IT investment and expenses to achieve well-balanced IT investment with properly dealing costs and risks

Improved productivity

- An ongoing BPR program is enabling an increase in front-office staff without boosting the overall headcount
→ sustained top-line growth



Workload reduction of branches



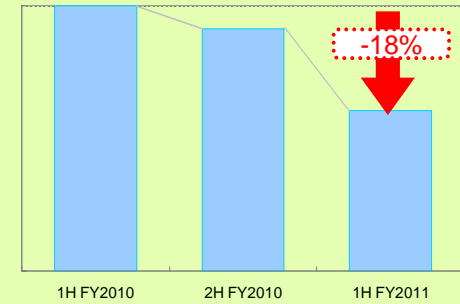
*When the amount of business in the FY2007 is set to 100

Number of personnel

(Employees)	End-Mar. '08	End-Mar. '11	End-Mar. '12 (Plan)	Change from end-Mar. '08
Front office	2,411	2,781	3,051	+640
Of which, bank employees	1,794	2,011	2,275	+481
Back office/assisting	1,693	1,314	1,004	-689
Of which, bank employees	548	286	40	-508
Shizuoka Bank	5,164	4,975	4,920	-244
Of which, bank employees	2,851	2,855	2,860	+9

Operational performance improved even while reducing headcount

-Efficiency gains and sharp decline in office incidents



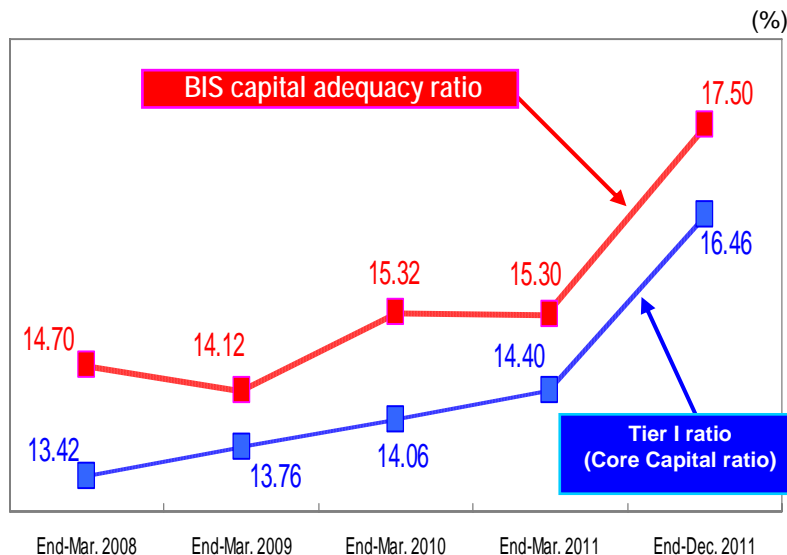
*When the office incidents number of the 1H FY2010 is set to 100

*Office incidents based on internal definitions

Capital adequacy ratio

- The Basel II capital adequacy ratio at the end of December 2011 was 17.50%. (+2.20 percentage points from the level at the end of March 2011)
- Tier I ratio (core capital ratio) was 16.46%. (+2.06 percentage points from the level at the end of March 2011)
- Based on criteria in the Basel III text released in December 2010, the end-March 2011 the level of capital adequacy ratio exceeded regulatory level

BIS capital adequacy ratio (consolidated basis)



Main reasons for decline in risk-adjusted assets

- Decline in the default ratio of borrowers due to an upturn in their earnings
- Increase in the ratio of JGB holdings in the securities portfolio

[Calculation based on criteria in the Basel III text released in December 2010 (End-March 2011 basis)]

- Capital adequacy ratio: 14.26% (Regulatory level 10.5%)
- Tier I ratio : 14.25% (ditto 8.5%)

Changes in capital and risk-adjusted assets

	End-Mar. '09	End-Mar. '10	End-Mar. '11	End-Dec. '11	Change from end-Mar. '11
Capital*	623.4	687.8	686.1	700.1	+14.0
Tier I	607.8	631.4	645.9	658.5	+12.6
Tier II	29.1	67.6	50.7	47.6	-3.1
Risk-adjusted assets	4,414.8	4,488.9	4,482.9	3,999.8	-483.1
Total credit-risk adjusted assets	4,094.6	4,166.3	4,162.8	3,684.3	-478.5
Amount corresponding to market risk	24.8	20.5	16.5	13.6	-2.9
Amount corresponding to operational risk	295.4	302.1	303.6	301.8	-1.8

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

Outlier ratio (Non-consolidated basis)

Size of maximum risk	Tier I + Tier II	Outlier ratio
28.0	669.8	4.2

Shareholder return (1) – Overall figures –

- In the first half of FY2011, dividend per share was JPY 6.50
- Based on the outlook for earnings and other factors, we plan to increase the FY2011 year-end dividend to JPY 7.00 per share (annual dividend per share: JPY 13.50), reflecting our emphasis on returning profits to shareholders.

Dividend trends

(JPY)

	FY2008	FY2009	FY2010	FY2011E
Dividend per share (annual)	13.00	13.00	13.00	13.50 (6.50*)

*Interim dividend

Profit distribution to shareholders

(JPY bn, %)

	FY2008	FY2009	FY2010	FY2011E	FY '01 – '10 (10 years)
Annual dividend (1)	9.1	9.1	8.8	8.9	Accumulated total 72.9
Repurchase of shares * (2)	—	4.0	15.0	14.6	Accumulated total 71.5
Shareholder returns (3)=(1)+(2)	9.1	13.1	23.8	23.5	Accumulated total 144.5
Net income (4)	12.8	32.1	35.4	36.5	Accumulated total 264.8
Dividend payout ratio (1)/(4)x100	70.85	28.20	24.85	24.26	Average 27.55
Shareholder return ratio (3)/(4)x100	70.85	40.64	67.22	64.19	Average 54.56

*Repurchase amount of shares in FY2011 is an actual amount for the 3Q FY2011

Shareholder return (2) – Share Buybacks –

- Share buybacks have been continuously carried out since FY1997, with the 151million of shares bought back as of the end of December 2011
- 20 million shares was bought back during the 1H FY2011

Historical share buybacks

	Shares bought back (thousand shares)	Repurchase amount of 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	20,000	15,957	67.2
Cumulative total	131,044	123,102	120,404	113,938	62.8
FY2011	* 20,000	* 14,575	—	—	—

* Repurchase amount of shares in FY2011 is an actual amount for 3Q FY2011

Projected performance for FY2011

Consolidated (JPY bn)	FY2010	FY2011E	Change from	
			FY2011	Estimates as of Aug.2011
Ordinary revenue	209.0	210.0	+1.0	—
Ordinary profit	64.2	67.0	+2.8	+2.5
Net income	36.2	38.0	+1.8	+1.0

Non-Consolidated (JPY bn)	FY2010	FY2011E	Change from	
			FY2011	Estimates as of Aug.2011
Ordinary revenue	179.3	179.0	-0.3	-2.0
Gross operating profit	151.4	148.1	-3.3	-0.1
Expenses (-)	81.0	81.1	+0.1	-0.8
Net operating profit	71.7	67.0	-4.7	-5.0
Actual net operating profit	70.4	67.0	-3.4	+0.7
Gains and losses from stocks	-1.2	-5.2	-4.1	-6.2
Ordinary profit	58.7	61.0	+2.3	+1.0
Net income	35.4	36.5	+1.1	+0.5

	FY2010		FY2011E		Change from FY2010	
	(JPY bn)	1H FY2010		1H FY2011		YoY change
Credit-related costs	9.6	7.1	-1.1	-7.3	-10.7	-14.4
General transfer to loan loss reserves	-1.3	2.2	(-7.1)	(-9.6)	(-5.8)	(-11.8)
Bad debt written-off	10.8	4.9	0.8	0.1	-10.0	-4.8
transfer to specific reserves	7.8	3.3	(5.2)	(2.2)	(-2.6)	(-1.1)
Gain on reversals from loan loss reserves(-)	—	—	1.9	7.4	—	—

* Figure in parentheses are amount before a total

Reference

Allocation of risk capital

- Allocation of risk capital for the second half of FY2011 amounted to JPY 603.3bn, of which JPY 111.8bn was allocated to credit risk, JPY 196.2bn to market risk, JPY 24.2bn to operational risk, and JPY 271.1bn to buffer capital, etc
- For the 2H FY2011, JPY 44.5bn was used by the Branch sales division, and JPY 92.3bn by the Treasury division

Allocation source	(JPY bn)	Risk capital allocated	Risk capital used	Ratio of risk capital used
Core capital 603.3 (End of September 2011 basis)	Credit risk 111.8			
	Market risk 196.2			
	Operational risk 24.2			
	Buffer capital, etc. 271.1			
	Branch sales division	80.0	44.5	56%
	Treasury division	223.0	92.3	41%
	[Of which, policy investment]	[115.5]	[65.9]	[57%]
	[Of which, overseas branches]	[2.6]	[0.6]	[21%]
Consolidated subsidiaries	5.0	3.0	59%	
Operational risk	24.2	24.2	100%	
Sub total	332.2	163.9	49%	
Buffer capital, etc.	271.1	—	—	
Total	603.3	163.9	27%	

• Risk capital used = <Lending> | VaR | + Disposal amounts of NPLs
 <Investment securities> | VaR |
 <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

- Group companies increased both revenue and profits: The total ordinary revenue of 11 consolidated subsidiaries increased to JPY 35.6bn (up JPY 1.3bn year-on-year) and the ordinary profit of JPY 4.4bn (up JPY 0.6bn year-on-year)

(JPY bn)

Company name	Business	Ordinary revenue	Ordinary Profit		
			YoY change	YoY change	
Shizugin Management Consulting Co., Ltd.	Corporate and financial management advisory services	0.2	+0.1	0.1	+0.1
Shizugin Lease Co., Ltd.	Leasing	18.1	+0.2	1.4	-0.0
Shizuoka Computer Service Co., Ltd.	Computer services, accounting	3.8	+0.2	0.2	-0.1
Shizugin Credit Guaranty Co., Ltd.	Guarantee of loans	1.2	+0.2	0.8	+0.3
Shizugin DC Card Co., Ltd	Credit card and guarantee of consumer loans	1.5	-0.1	0.5	+0.0
Shizuoka Capital Co., Ltd.	Public-offering assistance Support for corporate rehabilitation	0.3	-0.2	0.1	-0.1
Shizugin TM Securities Co., Ltd.	Securities	3.4	+0.6	1.2	+0.4
Shizuoka Bank (Europe) S.A.	Finance and securities-related services	0.4	+0.1	0.0	+0.0
Shizugin General Service Co., Ltd.	Part-time employee management, etc.	2.3	-0.2	0.0	-0.0
Shizuoka Mortgage Service Co., Ltd.	Appraisal of real estate for loan collateral, etc.	1.1	+0.4	0.0	-0.0
Shizugin Business Create Co., Ltd.	Operation center for remittance and bill collection, etc.	3.4	-0.1	0.0	-0.0
Total (11 companies)		35.6	+1.3	4.4	+0.6
Shizugin Saison Card Co., Ltd.*	Credit card services, credit guarantee	0.8	+0.1	-0.0	+0.2

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

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.