

Financial Results for the First Half
Fiscal Year Ended September 30, 2011

Ashikaga Holdings Co., Ltd
The Ashikaga Bank, Ltd

Financial Results for the First Half Fiscal Year Ended September 30, 2011

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Consolidated Financial Information for the First Half Fiscal 2011

1. Consolidated Balance Sheets	1
2. Consolidated Statements of Income and Consolidated Statements of Comprehensive Income	2
3. Consolidated Statement of Shareholders' Equity	3
4. Consolidated Statements of Cash Flows	4
5. Non-consolidated Balance Sheets	5
6. Non-consolidated Statements of Income	6
7. Non-consolidated Statement of Shareholders' Equity	7

Financial Data for the First Half Fiscal 2011 (ended September 30, 2011)

1. Income Status	8
2. Net Business Income	10
3. Interest Rate Spread	10
4. Gains and Losses on Securities	10
5. Capital Adequacy Ratio	11
6. Return on Equity	11

Status of Loans

1. Risk-monitored Loans	12
2. Reserve for Possible Loan Losses	13
3. Ratio to Reserve for Total Risk-monitored Loans	13
4. Loans subject to mandatory disclosure under the Financial Reconstruction Law	14
5. Coverage of loans subject to mandatory disclosure under the Financial Reconstruction Law	14
6. Loan Portfolio	15
(1) Classification of loans by type of industry	
(2) Classification of risk-monitored loans by type of industry	
(3) Individual loans	
(4) Loans to small-and-medium-sized enterprises	
7. Loans to Entities Overseas by Country	16
8. Balance of Deposits and Loans	16

Valuation Gains (Losses) on Securities

1. Valuation Standards of Securities	17
2. Unrealized Valuation Gains (Losses) on Other Securities (available-for-sale securities)	17

Consolidated Financial Information for the First Half Fiscal 2011

1. Consolidated Balance Sheets

【Ashikaga Holdings Co., Ltd.】

(Millions of yen)

Item	As of September 30, 2010	As of September 30, 2011
Assets		
Cash and due from banks	84,166	217,928
Call loans and bills purchased	80,468	184,061
Commercial paper and other debt purchased	7,456	8,541
Trading securities	4,926	3,778
Money held in trust	2	-
Securities	1,302,030	1,067,372
Loans and bills discounted	3,357,703	3,430,717
Foreign exchanges	4,408	5,130
Other assets	26,569	25,253
Tangible fixed assets	26,781	25,455
Intangible fixed assets	115,193	111,984
Deferred tax assets	5,650	9,997
Customer liabilities for acceptances and guarantees	22,418	18,348
Reserve for possible loan losses	(64,322)	(48,534)
Total Assets	4,973,454	5,060,033
Liabilities		
Deposits	4,305,994	4,493,442
Negotiable certificates of deposit	117,731	119,429
Borrowed money	230,356	120,175
Foreign Exchanges	545	552
Other liabilities	39,687	46,945
Reserve for directors' bonuses	23	21
Reserve for employee retirement benefits	15,365	15,827
Reserve for directors' retirement benefits	134	195
Reserve for reimbursement of deposits	1,207	1,303
Reserve for contingent losses	219	221
Reserve for credit card rewards points	51	64
Reserve for losses on disaster	-	350
Acceptances and guarantees	22,418	18,348
Total liabilities	4,733,734	4,816,879
Net Assets		
Capital stock	105,010	105,010
Capital surplus	95,780	95,780
Retained earnings	31,802	40,437
Total shareholders' equity	232,593	241,227
Net unrealized valuation gains (losses) on other securities (available for sale securities)	7,126	1,926
Total accumulated other comprehensive income	7,126	1,926
Total net assets	239,720	243,154
Total liabilities and net assets	4,973,454	5,060,033

(Note) Figures are rounded down to the nearest million.

2. Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

【Ashikaga Holdings Co., Ltd.】

(1)Consolidated Statements of Income

(Millions of yen)

Item	First half FY 2010	First half FY 2011
Operating income	55,251	52,041
Interest income	39,398	37,242
Interest on loans and discounts	33,506	31,684
Interest and dividends on securities	5,629	5,240
Fees and commissions	8,695	8,670
Other business income	6,945	5,160
Other operating income	212	967
Operating expenses	44,291	41,533
Interest expenses	4,456	3,960
Interest on deposits	2,568	2,096
Fees and commissions	2,750	2,889
Other business expenses	46	26
General and administrative expenses	30,290	32,331
Other operating expenses	6,747	2,326
Operating profit	10,960	10,507
Special gains	2,262	-
Special losses	471	41
Net profit before income taxes	12,751	10,466
Corporate, inhabitant, business taxes	310	305
Corporate tax adjustments, etc.	148	(451)
Total corporate taxes, etc.	458	(146)
Income before minority interests	12,292	10,612
Net profit	12,292	10,612

(Note) Figures are rounded down to the nearest million.

(2)Consolidated Statements of Comprehensive Income

Item	First half FY 2010	First half FY 2011
Income before minority interests	-	10,612
Other comprehensive income	-	(1,031)
Net unrealized valuation gains (losses) on other securities (available for sale securities)	-	(1,031)
Comprehensive income	-	9,580
Comprehensive income attributable to owners of the parent	-	9,580
Comprehensive income attributable to minority interests	-	-

(Note) Figures are rounded down to the nearest million.

3 . Consolidated Statement of Shareholders' Equity

【Ashikaga Holdings Co., Ltd.】

(Millions of Yen)

Item	First half FY 2011 (ended September 30, 2011)
Shareholders' equity	
Capital stock	
Balance at the end of previous period	105,010
Changes of items during the period	
Total changes of items during the period	-
Balance at the end of current period	105,010
Capital surplus	
Balance at the end of previous period	95,780
Changes of items during the period	
Total changes of items during the period	-
Balance at the end of current period	95,780
Retained earnings	
Balance at the end of previous period	35,494
Changes of items during the period	
Dividends from surplus	(5,670)
Net profit	10,612
Total changes of items during the period	4,942
Balance at the end of current period	40,437
Total shareholders' equity	
Balance at the end of previous period	236,285
Changes of items during the period	
Dividends from surplus	(5,670)
Net profit	10,612
Total changes of items during the period	4,942
Balance at the end of current period	241,227
Accumulated other comprehensive income	
Net unrealized valuation gains (losses) on other securities (available for sale securities)	
Balance at the end of previous period	2,958
Changes of items during the period	
Net changes of items other than shareholders' equity	(1,031)
Total changes of items during the period	(1,031)
Balance at the end of current period	1,926
Total accumulated other comprehensive income	
Balance at the end of previous period	2,958
Changes of items during the period	
Net changes of items other than shareholders' equity	(1,031)
Total changes of items during the period	(1,031)
Balance at the end of current period	1,926
Total net assets	
Balance at the end of previous period	239,243
Changes of items during the period	
Dividends from surplus	(5,670)
Net profit	10,612
Net changes of items other than shareholders' equity	(1,031)
Total changes of items during the period	3,910
Balance at the end of current period	243,154

(Note) Figures are rounded down to the nearest million.

4. Consolidated Statements of Cash Flows

(Millions of yen)

[Ashikaga Holdings Co., Ltd.]	First half FY ended Sep 30, 2010	First half FY ended Sep 30, 2011
Cash flows from operating activities		
Net profit before income taxes	12,751	10,466
Depreciation	1,808	2,649
Impairment losses	-	8
Amortization of goodwill	3,101	3,101
Increase (decrease) in reserve for loan losses	(6,478)	(6,562)
Increase (decrease) in reserve for directors' bonuses	(25)	(49)
Increase (decrease) in reserve for employee retirement benefits	(9)	217
Increase (decrease) in reserve for directors' retirement benefits	(7)	21
Increase (decrease) in reserve for reimbursement of deposits	(28)	(46)
Increase (decrease) in reserve for contingent losses	54	(64)
Increase (decrease) in reserve for credit card rewards points	(0)	(0)
Increase (decrease) in reserve for losses on disaster	-	(168)
Interest income	(39,398)	(37,242)
Interest expenses	4,456	3,960
Losses (gains) on securities	(5,520)	(3,414)
Losses (gains) on money held in trust	(0)	-
Losses (gains) on foreign exchange	26	334
Losses (gains) on dispositions of fixed assets	155	32
Net decrease (increase) in loans and bills discounted	9,951	43,911
Net increase (decrease) in deposits	(57,942)	11,925
Net increase (decrease) in negotiable certificates of deposit	29,995	12,310
Net increase (decrease) in borrowed money (excluding subordinated borrowed money)	14,990	(169,061)
Net decrease (increase) in due from banks (excluding due from the Bank of Japan)	(3,393)	194
Net decrease (increase) in call loans and bills purchased	67,679	(53,501)
Net decrease (increase) in trading securities	(524)	(236)
Net increase (decrease) in collateral deposits received for securities lending	(10,315)	(19,700)
Net decrease (increase) in foreign exchanges (assets)	68	1,093
Net increase (decrease) in foreign exchanges (liabilities)	109	89
Interest received	37,285	36,578
Interest paid	(2,564)	(2,865)
Other, net	(87)	3,869
Subtotal	56,138	(162,147)
Income taxes paid	(264)	(458)
Net cash provided by (used in) operating activities	55,873	(162,605)
Cash flows from investing activities		
Purchases of securities	(933,583)	(237,111)
Proceeds from sales of securities	274,863	180,726
Proceeds from redemption of securities	598,669	327,267
Proceeds from sales of money held in trust	82	-
Purchases of tangible fixed assets	(1,595)	(471)
Proceeds from sales of tangible fixed assets	165	(9)
Purchases of intangible fixed assets	(1,381)	(3,640)
Other, net	3	(10)
Net cash provided by (used in) investing activities	(62,776)	266,751
Cash flows from financing activities		
Dividends paid	(5,670)	(5,670)
Repayment of lease liabilities	(4)	(4)
Net cash provided by (used in) financing activities	(5,674)	(5,674)
Effect of exchange rate changes on cash and cash equivalents	(22)	(23)
Net increase (decrease) in cash and cash equivalents	(12,599)	98,447
Cash and cash equivalents at the beginning of the period	88,367	110,390
Cash and cash equivalents at the end of the period	75,768	208,837

5. Non-consolidated Balance Sheets

【The Ashikaga Bank, Ltd.】

(Millions of yen)

Item	As of Sep 30, 2010	As of Sep 30, 2011
Assets		
Cash and due from banks	84,165	217,926
Call loans	80,468	184,061
Commercial paper and other debt purchased	7,456	8,541
Trading securities	4,926	3,778
Money held in trust	2	-
Securities	1,331,011	1,096,349
Loans and bills discounted	3,356,237	3,429,272
Foreign exchanges	4,408	5,130
Other assets	21,613	20,882
Tangible fixed assets	27,918	26,650
Intangible fixed assets	5,107	8,069
Deferred tax assets	6,554	10,659
Customer liabilities for acceptances and guarantees	22,418	18,348
Reserve for possible loan losses	(59,430)	(43,824)
Total Assets	4,892,859	4,985,846
Liabilities		
Deposits	4,364,689	4,524,062
Negotiable certificates of deposit	117,731	149,429
Borrowed money	150,356	40,175
Foreign Exchanges	545	552
Other liabilities	23,955	31,699
Income taxes payable	278	231
Lease liabilities	18	18
Asset retirement obligations	357	456
Others	23,301	30,993
Reserve for directors' bonuses	14	12
Reserve for employee retirement benefits	14,606	15,164
Reserve for directors' retirement benefits	90	119
Reserve for reimbursement of deposits	1,207	1,303
Reserve for contingent losses	219	221
Reserve for credit card rewards points	7	23
Reserve for losses on disaster	-	350
Acceptances and guarantees	22,418	18,348
Total liabilities	4,695,841	4,781,465
Net Assets		
Capital stock	135,000	135,000
Retained earnings	48,987	62,741
Earned surplus reserve	4,423	6,434
Other earned surplus	44,563	56,306
Earned surplus brought forward	44,563	56,306
Total shareholders' equity	183,987	197,741
Net unrealized valuation gains (losses) on other securities (available for sale securities)	13,030	6,639
Total valuation and translation adjustments, etc.	13,030	6,639
Total net assets	197,018	204,380
Total liabilities and net assets	4,892,859	4,985,846

(Note) Figures are rounded down to the nearest million.

6. Non-consolidated Statements of Income

【The Ashikaga Bank, Ltd.】

(Millions of yen)

Item	First half FY 2010	First half FY 2011
Operating income	52,390	50,300
Interest income	37,409	35,602
Interest on loans and discounts	31,830	30,155
Interest and dividends on securities	5,320	5,132
Fees and commissions	7,997	7,957
Other business income	6,777	5,044
Other operating income	206	1,694
Operating expenses	38,746	35,877
Interest expenses	2,769	2,287
Interest on deposits	2,578	2,103
Fees and commissions	2,775	2,922
General and administrative expenses	26,579	28,646
Other operating expenses	6,622	2,021
Operating profit	13,643	14,422
Special gains	3,321	-
Special losses	423	41
Net profit before income taxes	16,541	14,381
Corporate, inhabitant, business taxes	42	42
Corporate tax adjustments, etc.	61	(464)
Corporate taxes, etc.	103	(422)
Net profit	16,437	14,804

(Note) Figures are rounded down to the nearest million.

7. Non-consolidated Statement of Shareholders' Equity

【The Ashikaga Bank., Ltd.】

(Millions of Yen)

Item	First half FY 2011 (ended Sep 30, 2011)
Stockholders' equity	
Capital stock	
Balance at the end of previous period	135,000
Changes of items during the period	
Total changes of items during the period	-
Balance at the end of current period	135,000
Retained earnings	
Earned surplus reserve	
Balance at the end of previous period	4,423
Changes of items during the period	
Dividends from surplus	2,010
Total changes of items during the period	2,010
Balance at the end of current period	6,434
Other earned surplus	
Earned surplus brought forward	
Balance at the end of previous period	53,567
Changes of items during the period	
Dividends from surplus	(12,064)
Net profit	14,804
Total changes of items during the period	2,739
Balance at the end of current period	56,306
Total retained earnings	
Balance at the end of previous period	57,990
Changes of items during the period	
Dividends from surplus	(10,053)
Net profit	14,804
Total changes of items during the period	4,750
Balance at the end of current period	62,741
Total shareholders' equity	
Balance at the end of previous period	192,990
Changes of items during the period	
Dividends from surplus	(10,053)
Net profit	14,804
Total changes of items during the period	4,750
Balance at the end of current period	197,741
Valuation and translation adjustments	
Net unrealized valuation gains (losses) on other securities (available for sale securities)	
Balance at the end of previous period	7,837
Changes of items during the period	
Net changes of items other than shareholders' equity	(1,197)
Total changes of items during the period	(1,197)
Balance at the end of current period	6,639
Total valuation and translation adjustments	
Balance at the end of previous period	7,837
Changes of items during the period	
Net changes of items other than shareholders' equity	(1,197)
Total changes of items during the period	(1,197)
Balance at the end of current period	6,639
Total net assets	
Balance at the end of previous period	200,828
Changes of items during the period	
Dividends from surplus	(10,053)
Net profit	14,804
Net changes of items other than shareholders' equity	(1,197)
Total changes of items during the period	3,552
Balance at the end of current period	204,380

(Note) Figures are rounded down to the nearest million.

Financial Data for the First Half Fiscal 2011 (ended September 30, 2011)

1. Income Status

【The Ashikaga Bank, Ltd. (Non-Consolidated basis)】

(Millions of yen)

Item	First half FY 2011		First half FY 2010
	(A)	(A)-(B)	(B)
Gross business profit	43,395	(3,243)	46,639
Domestic gross business profit	42,779	(3,058)	45,837
Core gross business profit	38,190	(1,332)	39,522
Net interest income	33,134	(1,260)	34,394
Net fees and commissions	4,981	(183)	5,165
Net trading income	-	-	-
Net other business income	4,662	(1,615)	6,278
International gross business profit	616	(184)	801
Core gross business profit	534	(266)	801
Net interest income	180	(63)	244
Net fees and commissions	53	(3)	57
Net trading income	-	-	-
Net other business income	382	(116)	499
Expenses	28,217	2,026	26,191
Personnel expenses	13,073	656	12,417
Non-personnel expenses	13,225	1,326	11,898
Taxes	1,918	43	1,875
Net business income (before provision for general reserve for possible loan losses)	15,177	(5,269)	20,447
Gains (losses) on bonds	4,670	(1,644)	6,315
Provision for general reserve for possible loan losses	-	-	-
Net business income (after provision for general reserve for possible loan losses)	15,177	(5,269)	20,447
Net non-recurrent gains (losses)	(754)	6,049	(6,803)
Gains (losses) on stocks	(143)	(63)	(80)
Disposal of non-performing loans	1,601	(4,737)	6,338
Write-off amount of loans	1,666	(4,315)	5,981
Provision for specific reserve for possible loan losses	-	-	-
Losses on sales of loans	-	(303)	303
Provision for reserve for contingent losses	(64)	(118)	54
Reversal of reserve for possible loan losses	888	888	-
Recovery of written-off claims	450	450	-
Operating profit	14,422	779	13,643
Net special gains (losses)	(41)	(2,939)	2,897
Reversal of reserve for possible loan losses	-	(3,011)	3,011
Recovery of written-off claims	-	(265)	265
Net gains (losses) from fixed assets	(32)	36	(69)
Gains on dispositions of fixed assets	-	(45)	45
Losses on dispositions of fixed assets	32	(81)	114
Impairment losses	8	8	-
Losses caused by adoption of accounting standard for asset retirement obligations	-	(309)	309
Net profit before income taxes	14,381	(2,159)	16,541
Corporate, inhabitant, business taxes	42	-	42
Corporate tax adjustments, etc.	(464)	(526)	61
Net profit	14,804	(1,633)	16,437

(Note) Based on "Practical Guidelines on Accounting Standards for Financial Instruments" (JICPA Accounting Practice Committee Statements No.14), "Reversal of Reserves for possible Loan losses" and "Recovery of write-off claims" have been recorded in Net non-recurrent gains (losses) beginning with this interim period. However retroactive adjustment was not made for the previous interim period.

Reference (Credit related costs)

【The Ashikaga Bank, Ltd.(Non-consolidated basis)】

(Millions of yen)

Item	First half FY 2011		First half FY 2010 (B)
	(A)	(A)-(B)	
Provision for general reserve for possible loan losses	-	-	-
Disposal of non-performing loans	1,601	(4,737)	6,338
Write-off amount of loans	1,666	(4,315)	5,981
Provision for specific reserve for possible loan losses	-	-	-
Losses on sales of loans	-	(303)	303
Provision for reserve for contingent losses	(64)	(118)	54
Reversal of reserve for possible loan losses	888	(2,122)	3,011
Reversal of general reserve for possible loan losses	1,868	(2,368)	4,236
Reversal of specific reserve for possible loan losses	(979)	245	(1,224)
Recovery of written-off claims	450	185	265
Total + - -	262	(2,799)	3,062

Reference (Consolidated Income Status)

【Ashikaga Holdings Co., Ltd.】

(Millions of yen)

Item	First half FY 2011		First half FY 2010 (B)
	(A)	(A)-(B)	
Consolidated gross business profit	44,198	(3,587)	47,786
Net interest income	33,281	(1,659)	34,941
Net fees and commissions	5,781	(164)	5,945
Net trading income	-	-	-
Net other business income	5,134	(1,763)	6,898
General and administrative expenses	32,331	2,041	30,290
Write-off and reserve expenses of loans	1,647	(4,793)	6,440
Reversal of reserve for possible loan losses	93	93	-
Recovery of written-off claims	454	454	-
Gains (losses) on stocks	(388)	(308)	(80)
Equity in gains (losses) of affiliated companies	-	-	-
Others	128	143	(14)
Operating Profit	10,507	(453)	10,960
Special gains (losses)	(41)	(1,832)	1,791
Reversal of reserve for possible loan losses	-	(1,984)	1,984
Recovery of written-off claims	-	(271)	271
Net profit before income taxes	10,466	(2,285)	12,751
Corporate, inhabitant, business taxes	305	(5)	310
Corporate tax adjustments, etc.	(451)	(600)	148
Income before minority interests	10,612	(1,680)	12,292
Minority interests	-	-	-
Net profit	10,612	(1,680)	12,292

(Note) 1. Consolidated gross business profit=(Interest income-Interest expenses)+(Fees and commissions income-Fees and commissions expenses)+

(Trading income-Trading expenses)+(Other business income-Other business expenses)

2. Based on "Practical Guidelines on Accounting Standards for Financial Instruments" (JICPA Accounting Practice Committee Statements No.14), "Reversal of Reserves for possible Loan losses" and "Recovery of write-off claims" have been recorded in other operating income beginning with this interim period. However retroactive adjustment was not made for the previous interim period.

Credit related costs (- -)	1,099	(3,085)	4,184
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Reference (Number of Consolidated Subsidiaries)

【Ashikaga Holdings Co., Ltd.】

Item	First half FY 2011		First half FY2010 (B)
	(A)	(A)-(B)	
Number of consolidated subsidiaries	7	-	7
Number of affiliated companies applicable to the equity method	-	-	-

2. Net Business Income

【The Ashikaga Bank, Ltd. (Non-consolidated basis)】

(Millions of yen)

Item	First half FY 2011		First half FY 2010 (B)
	(A)	(A)-(B)	
Net business income (before provision for reserve for possible loan losses)	15,177	(5,269)	20,447
Per head (in thousands of yen)	5,549	(2,091)	7,641
Net business income	15,177	(5,269)	20,447
Per head (in thousands of yen)	5,549	(2,091)	7,641

3. Interest Rate Spread

【The Ashikaga Bank, Ltd. (Non-consolidated basis)】

(%)

Item (Whole bank operations)	First half FY 2011		First half FY 2010 (B)
	(A)	(A)-(B)	
Average yield on interest earning assets	1.47	(0.10)	1.57
Average yield on loans and bills discounted	1.77	(0.14)	1.91
Average yield on securities	0.83	0.00	0.83
Average yield on interest bearing liabilities	1.26	0.00	1.26
Average yield on deposits and negotiable certificates of deposit	0.09	(0.03)	0.12
Average yield on call money and borrowed money	0.10	0.01	0.09
Average interest rate spread -	0.21	(0.10)	0.31

(%)

Item (Domestic operations)	First half FY 2011		First half FY 2010 (B)
	(A)	(A)-(B)	
Average yield on interest earning assets	1.47	(0.10)	1.57
Average yield on loans and bills discounted	1.77	(0.14)	1.91
Average yield on securities	0.82	0.00	0.82
Average yield on interest bearing liabilities	1.24	0.00	1.24
Average yield on deposits and negotiable certificates of deposit	0.09	(0.02)	0.11
Average interest rate spread -	0.23	(0.10)	0.33

4. Gains and Losses on Securities

【The Ashikaga Bank, Ltd. (Non-consolidated basis)】

(Millions of yen)

Item	First half FY 2011		First half FY 2010 (B)
	(A)	(A)-(B)	
Gains (losses) on bonds (Japanese government bonds, etc.)	4,670	(1,644)	6,315
Gains on sales	4,670	(1,644)	6,315
Gains on redemption	-	-	-
Losses on sales	-	-	-
Losses on redemption	-	-	-
Write-offs	-	-	-
Gains (losses) on stocks	(143)	(63)	(80)
Gains on sales	115	112	2
Losses on sales	-	(68)	68
Write-offs	258	244	14

5. Capital Adequacy Ratio (Domestic standard)

【The Ashikaga Bank, Ltd. (Non-consolidated basis)】

(Millions of yen)

Item	As of Sep 30, 2011			As of Mar 31, 2011	As of Sep 30, 2010
	(A)	(A-B)	(A-C)	(B)	(C)
Capital adequacy ratio	8.69%	0.62%	0.52%	8.07%	8.17%
Tier 1 Capital	197,741	14,804	13,753	182,936	183,987
Tier 2 Capital	15,305	(35)	67	15,341	15,237
General reserve for loan losses qualified as capital	15,305	(35)	67	15,341	15,237
Deductions	-	-	-	-	-
Capital + -	213,046	14,768	13,821	198,278	199,225
Risk assets	2,448,907	(5,736)	10,842	2,454,644	2,438,065

【Ashikaga Holdings Co., Ltd. (Consolidated basis)】

(Millions of yen)

Item	As of Sep 30, 2011			As of Mar 31, 2011	As of Sep 30, 2010
	(A)	(A-B)	(A-C)	(B)	(C)
Capital adequacy ratio	9.51%	0.88%	0.90%	8.63%	8.61%
Tier 1 Capital	137,337	13,713	14,837	123,623	122,500
Tier 2 Capital	93,808	6,809	7,463	86,999	86,344
General reserve for loan losses qualified as capital	15,140	(47)	45	15,187	15,094
Subordinated debts	80,000	-	-	80,000	80,000
(Portion of subordinated debts not qualified as capital)	(1,331)	6,856	7,418	(8,188)	(8,749)
Deductions	681	(43)	(36)	724	718
Capital + -	230,464	20,566	22,337	209,898	208,127
Risk assets	2,422,417	(7,612)	7,265	2,430,030	2,415,151

6. Return on Equity

【The Ashikaga Bank, Ltd. (Non-consolidated basis)】

(%)

Item	First half FY2011		First half FY 2010(B)
	(A)	(A)-(B)	
Net business income basis (before provision for general reserve for possible loan losses)	14.94	(5.91)	20.85
Net business income basis	14.94	(5.91)	20.85
Net profit basis	14.57	(2.19)	16.76

*A denominator (Net average assets) is calculated as follows: (Net assets at the beginning of period excludes subscription rights to shares + Net assets at term-end excludes subscription rights to shares)/2

Status of Loans

1. Risk-monitored Loans

【The Ashikaga Bank, Ltd. (Non-consolidated basis)】

(1)Risk-monitored loans

(Millions of yen)

Item	As of Sep 30, 2011			As of Mar 31, 2011	As of Sep 30, 2010
	(A)	(A-B)	(A-C)	(B)	(C)
Loans to bankrupt borrowers	4,487	96	(2,989)	4,390	7,476
Non-accrual delinquent loans	81,340	(6,979)	(15,633)	88,319	96,973
Loans past due 3 month or more	60	41	(150)	18	211
Restructured loans	33,826	7,779	10,399	26,046	23,427
Total risk-monitored loans	119,714	937	(8,374)	118,776	128,088
(Reference)Amount of partial direct write-off executed	25,251	1,795	1,120	23,456	24,130
Total loans	3,429,272	(44,016)	73,035	3,473,289	3,356,237

(2)Ratio of Risk-monitored loans to total loans

(%)

Item	As of Sep 30, 2011			As of Mar 31, 2011	As of Sep 30, 2010
	(A)	(A-B)	(A-C)	(B)	(C)
Loans to bankrupt borrowers	0.13	0.01	(0.09)	0.12	0.22
Non-accrual delinquent loans	2.37	(0.17)	(0.51)	2.54	2.88
Loans past due 3 month or more	0.00	0.00	0.00	0.00	0.00
Restructured loans	0.98	0.24	0.29	0.74	0.69
Total risk-monitored loans	3.49	0.08	(0.32)	3.41	3.81

【Ashikaga Holdings Co., Ltd. (Consolidated basis)】

(1)Risk-monitored loans

(Millions of yen)

Item	As of Sep 30, 2011			As of Mar 31, 2011	As of Sep 30, 2010
	(A)	(A-B)	(A-C)	(B)	(C)
Loans to bankrupt borrowers	4,614	60	(2,952)	4,553	7,566
Non-accrual delinquent loans	82,947	(6,767)	(15,635)	89,714	98,582
Loans past due 3 month or more	60	41	(150)	18	211
Restructured loans	33,826	7,779	10,399	26,046	23,427
Total risk-monitored loans	121,448	1,114	(8,339)	120,333	129,788
(Reference)Amount of partial direct write-off executed	28,448	1,476	642	26,972	27,805
Total loans	3,430,717	(43,911)	73,014	3,474,628	3,357,703

(2)Ratio of Risk-monitored loans to total loans

(%)

Item	As of Sep 30, 2011			As of Mar 31, 2011	As of Sep 30, 2010
	(A)	(A-B)	(A-C)	(B)	(C)
Loans to bankrupt borrowers	0.13	0.00	(0.09)	0.13	0.22
Non-accrual delinquent loans	2.41	(0.17)	(0.52)	2.58	2.93
Loans past due 3 month or more	0.00	0.00	0.00	0.00	0.00
Restructured loans	0.98	0.24	0.29	0.74	0.69
Total risk-monitored loans	3.54	0.08	(0.32)	3.46	3.86

2. Reserve for Possible Loan Losses

【The Ashikaga Bank, Ltd. (Non-consolidated basis)】

(Millions of yen)

Item	As of Sep 30, 2011			As of Mar 31, 2011	As of Sep 30, 2010
	(A)	(A-B)	(A-C)	(B)	(C)
Reserve for possible loan losses	43,824	(6,393)	(15,606)	50,217	59,430
General reserve for possible loan losses	27,702	(1,868)	(3,238)	29,570	30,940
Specific reserve for possible loan losses	16,122	(4,525)	(12,368)	20,647	28,490
Reserve for specific foreign debtors	-	-	-	-	-

【Ashikaga Holdings Co., Ltd. (Consolidated basis)】

(Millions of yen)

Item	As of Sep 30, 2011			As of Mar 31, 2011	As of Sep 30, 2010
	(A)	(A-B)	(A-C)	(B)	(C)
Reserve for possible loan losses	48,534	(6,562)	(15,788)	55,097	64,322
General reserve for possible loan losses	27,886	(1,868)	(3,257)	29,755	31,144
Specific reserve for possible loan losses	20,648	(4,693)	(12,530)	25,342	33,178
Reserve for specific foreign debtors	-	-	-	-	-

3. Ratio to Reserve for Total Risk-monitored Loans

【The Ashikaga Bank, Ltd. (Non-consolidated basis)】

(%)

Item	As of Sep 30, 2011			As of Mar 31, 2011	As of Sep 30, 2010
	(A)	(A-B)	(A-C)	(B)	(C)
Before partial direct write-off	47.57	(4.28)	(7.35)	51.85	54.92
After partial direct write-off	36.40	(5.81)	(9.89)	42.21	46.29

【Ashikaga Holdings Co., Ltd. (Consolidated basis)】

(%)

Item	As of Sep 30, 2011			As of Mar 31, 2011	As of Sep 30, 2010
	(A)	(A-B)	(A-C)	(B)	(C)
Before partial direct write-off	51.28	(4.49)	(7.21)	55.77	58.49
After partial direct write-off	39.75	(5.97)	(9.70)	45.72	49.45

4. Loans subject to mandatory disclosure under the Financial Reconstruction Law

【The Ashikaga Bank, Ltd. (Non-consolidated basis)】

(Millions of yen)

Item	As of Sep 30, 2011			As of Mar 31, 2011	As of Sep 30, 2010
	(A)	(A-B)	(A-C)	(B)	(C)
Bankrupt and substantially bankrupt claims	14,602	(2,916)	(4,421)	17,519	19,024
Doubtful claims	71,486	(3,973)	(14,458)	75,460	85,945
Claims requiring supervision	33,887	7,821	10,248	26,065	23,638
Subtotal	119,976	930	(8,631)	119,045	128,607
Normal claims	3,340,607	(43,811)	80,456	3,384,418	3,260,150
Total	3,460,583	(42,880)	71,824	3,503,463	3,388,758
(Reference) Amount of partial direct write-off executed	25,251	1,795	1,120	23,456	24,130

【Ashikaga Holdings Co., Ltd. (Consolidated basis)】

(Millions of yen)

Item	As of Sep 30, 2011			As of Mar 31, 2011	As of Sep 30, 2010
	(A)	(A-B)	(A-C)	(B)	(C)
Bankrupt and substantially bankrupt claims	16,455	(2,719)	(4,394)	19,174	20,849
Doubtful claims	71,635	(3,987)	(14,464)	75,622	86,099
Claims requiring supervision	33,887	7,821	10,248	26,065	23,638
Subtotal	121,977	1,113	(8,609)	120,863	130,587
Normal claims	3,342,701	(44,332)	80,244	3,387,034	3,262,456
Total	3,464,678	(43,218)	71,635	3,507,897	3,393,043
(Reference) Amount of partial direct write-off executed	28,448	1,476	642	26,972	27,805

5. Coverage of loans subject to mandatory disclosure under the Financial Reconstruction Law

【The Ashikaga Bank, Ltd. (Non-consolidated basis)】

(Millions of yen)

Item	As of Sep 30, 2011			As of Mar 31, 2011	As of Sep 30, 2010
	(A)	(A-B)	(A-C)	(B)	(C)
Coverage amount	80,046	(4,801)	(16,133)	84,848	96,180
Portion covered by reserve	20,870	(3,139)	(10,506)	24,009	31,377
Portion covered by collateral and guarantees	59,175	1,662	(5,626)	60,838	64,802
Reserve for specific debtors	-	-	-	-	-

(%)

Coverage ratio /	66.71	(4.56)	(8.07)	71.27	74.78
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6. Loan Portfolio

(1) Classification of loans by type of industry

【The Ashikaga Bank, Ltd. (Non-consolidated basis)】

(Millions of yen)

Item	As of Sep 30, 2011			As of Mar 31, 2011	As of Sep 30, 2010
	(A)	(A-B)	(A-C)	(B)	(C)
Total	3,429,272	(44,017)	73,035	3,473,289	3,356,237
Manufacturing	522,228	(5,736)	454	527,964	521,774
Agriculture / Forestry	15,965	(3,722)	(6,069)	19,687	22,034
Fishery	544	(102)	20	646	524
Mining / Quarrying of stone / Gravel	4,565	(382)	(9)	4,947	4,574
Construction	135,904	(14,675)	(11,076)	150,579	146,980
Electricity, gas and water	19,208	(2,749)	(2,632)	21,957	21,840
Telecommunication	39,996	(1,093)	20,440	41,089	19,556
Transportation / Postal activities	87,816	(3,579)	(2,315)	91,395	90,131
Wholesale / Retail services	395,082	(3,150)	(2,038)	398,232	397,120
Financial and insurance services	112,998	17,303	16,995	95,695	96,003
Real estate / Goods rental and leasing	325,879	32,290	54,224	293,589	271,655
Services	313,961	(20,646)	(2,115)	334,607	316,076
Local government	274,214	(51,373)	1,555	325,587	272,659
Others	1,180,901	13,597	5,600	1,167,304	1,175,301

(2) Classification of risk-monitored loans by type of industry

【The Ashikaga Bank, Ltd. (Non-consolidated basis)】

(Millions of yen)

Item	As of Sep 30, 2011			As of Mar 31, 2011	As of Sep 30, 2010
	(A)	(A-B)	(A-C)	(B)	(C)
Total	119,714	937	(8,374)	118,776	128,088
Manufacturing	28,490	2,757	(6,545)	25,732	35,035
Agriculture / Forestry	534	(418)	(386)	953	920
Fishery	-	-	-	-	-
Mining / Quarrying of stone / Gravel	52	43	52	9	-
Construction	14,224	2,723	1,780	11,501	12,444
Electricity, gas and water	2,006	1,998	1,996	8	9
Telecommunication	311	(10)	(83)	321	394
Transportation / Postal activities	2,272	(381)	(241)	2,654	2,514
Wholesale / Retail services	18,330	(1,119)	1,044	19,449	17,285
Financial and insurance services	2,055	(3,638)	(7,271)	5,694	9,326
Real estate / Goods rental and leasing	18,075	2,114	3,019	15,960	15,055
Services	17,780	(2,055)	(41)	19,836	17,822
Local government	-	-	-	-	-
Others	15,580	1,073	(1,698)	16,654	17,278

(3) Individual loans

【The Ashikaga Bank, Ltd. (Non-consolidated basis)】

(Millions of yen)

Item	As of Sep 30, 2011			As of Mar 31, 2011	As of Sep 30, 2010
	(A)	(A-B)	(A-C)	(B)	(C)
Individual loans	1,232,218	4,847	4,689	1,227,371	1,227,529
Housing loans	1,195,183	6,962	8,755	1,188,221	1,186,428
Other loans	37,035	(2,115)	(4,066)	39,150	41,101

(4) Loans to small-and-medium-sized enterprises

【The Ashikaga Bank, Ltd. (Non-consolidated basis)】

(%)

Item	As of Sep 30, 2011			As of Mar 31, 2011	As of Sep 30, 2010
	(A)	(A-B)	(A-C)	(B)	(C)
Ratio to total loans and bills discounted	74.16	0.12	(1.80)	74.04	75.96

7. Loans to Entities Overseas by Country
【The Ashikaga Bank, Ltd. (Non-consolidated basis)】
 (1) Specific overseas loans

Not applicable

(2) Loans to Asian Countries

(Millions of yen)

Item	As of Sep 30, 2011			As of Mar 31, 2011	As of Sep 30, 2010
	(A)	(A-B)	(A-C)	(B)	(C)
China	306	(26)	(28)	332	335
(Risk-monitored loans included)	-	-	-	-	-
Total	306	(26)	(28)	332	335
(Risk-monitored loans included)	-	-	-	-	-

(3) Loans to Latin American Countries

Not applicable

(4) Loans to Russia

Not applicable

8. Balance of Deposits and Loans
【The Ashikaga Bank, Ltd. (Non-consolidated basis)】

(Millions of yen)

Item	As of Sep 30, 2011			As of Mar 31, 2011	As of Sep 30, 2010
	(A)	(A-B)	(A-C)	(B)	(C)
Deposits	4,524,062	(15,483)	159,373	4,539,546	4,364,689
Deposits (Annual or semiannual average)	4,522,592	152,556	177,593	4,370,035	4,344,999
Loans	3,429,272	(44,016)	73,035	3,473,289	3,356,237
Loans (Annual or semiannual average)	3,396,449	56,606	81,270	3,339,842	3,315,178

Valuation Gains (Losses) on Securities

1. Valuation Standards of Securities

Trading purpose securities	Market value method (Valuation differences are recognized as gains or losses and stated in statement of income)
Securities held to maturity	Amortized cost method
Other securities (available-for-sale securities)	Market value method (Valuation differences are stated in net assets of balance sheet)
Stocks of subsidiaries and affiliated companies	Cost accounting method

2. Unrealized Valuation Gains (Losses) on Other Securities (available-for-sale securities) 【The Ashikaga Bank, Ltd. (Non-consolidated basis)】

(Millions of yen)

	As of Sep 30, 2011					As of Mar 31, 2011			As of Sep 30, 2010		
	Unrealized valuation gains (losses)					Unrealized valuation gains (losses)			Unrealized valuation gains (losses)		
	(A)	(A-B)	(A-C)	Valuation gains	Valuation losses	(B)	Valuation gains	Valuation losses	(C)	Valuation gains	Valuation losses
Held-to-maturity	3,953	2,584	(419)	3,960	6	1,369	1,382	13	4,372	4,393	20
Bonds	3,936	2,602	(368)	3,936	-	1,334	1,334	-	4,305	4,305	-
Others	17	(18)	(50)	23	6	35	48	13	67	87	20
Other (available-for-sale)	9,647	(325)	(9,187)	16,530	6,883	9,972	17,169	7,196	18,835	25,085	6,250
Stocks	4,614	(3,319)	(1,448)	6,013	1,399	7,933	8,958	1,025	6,062	7,313	1,250
Bonds	10,343	3,961	(7,234)	10,516	172	6,381	8,196	1,815	17,577	17,760	183
Others	(5,310)	(968)	(505)	1	5,311	(4,341)	13	4,355	(4,805)	10	4,816
Total	13,601	2,258	(9,606)	20,491	6,890	11,342	18,551	7,209	23,208	29,478	6,270
Stocks	4,614	(3,319)	(1,448)	6,013	1,399	7,933	8,958	1,025	6,062	7,313	1,250
Bonds	14,279	6,564	(7,603)	14,452	172	7,715	9,531	1,815	21,883	22,066	183
Others	(5,293)	(986)	(555)	25	5,318	(4,306)	62	4,368	(4,737)	98	4,836

(Note) Stocks in other securities (available-for-sale securities) that have market prices are stated at their average market prices during the final month of the fiscal year, and bonds and others that have market prices are stated at their fiscal (first half fiscal) year-end market prices.

【Ashikaga Holdings Co., Ltd. (Consolidated basis)】

(Millions of yen)

	As of Sep 30, 2011					As of Mar 31, 2011			As of Sep 30, 2010		
	Unrealized valuation gains (losses)					Unrealized valuation gains (losses)			Unrealized valuation gains (losses)		
	(A)	(A-B)	(A-C)	Valuation gains	Valuation losses	(B)	Valuation gains	Valuation losses	(C)	Valuation gains	Valuation losses
Held-to-maturity	3,953	2,584	(419)	3,960	6	1,369	1,382	13	4,372	4,393	20
Bonds	3,936	2,602	(368)	3,936	-	1,334	1,334	-	4,305	4,305	-
Others	17	(18)	(50)	23	6	35	48	13	67	87	20
Other (available-for-sale)	4,845	(107)	(7,649)	15,261	10,416	4,952	14,230	9,277	12,495	21,966	9,471
Stocks	(2,116)	(2,971)	404	4,600	6,717	855	5,754	4,899	(2,521)	3,809	6,330
Bonds	10,488	3,832	(7,479)	10,661	172	6,655	8,470	1,815	17,967	18,150	183
Others	(3,526)	(968)	(574)	0	3,526	(2,557)	5	2,563	(2,951)	6	2,958
Total	8,799	2,477	(8,068)	19,222	10,422	6,322	15,613	9,291	16,868	26,360	9,492
Stocks	(2,116)	(2,971)	404	4,600	6,717	855	5,754	4,899	(2,521)	3,809	6,330
Bonds	14,424	6,435	(7,848)	14,597	172	7,989	9,805	1,815	22,273	22,456	183
Others	(3,508)	(986)	(624)	23	3,532	(2,522)	53	2,576	(2,884)	94	2,978

(Note) Stocks in other securities (available-for-sale securities) that have market prices are carried at their average market prices during the final month of the fiscal year, and bonds and others that have market prices are carried at their fiscal (first half fiscal) year-end market prices.