

Financial Results for the Fiscal Year
Ended March 31, 2013

Ashikaga Holdings Co., Ltd
The Ashikaga Bank, Ltd

Financial Results for the Fiscal Year Ended March 31, 2013

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Consolidated Financial Information for Fiscal 2012

1. Consolidated Balance Sheets

【Ashikaga Holdings Co., Ltd.】

(Millions of yen)

Item	As of March 31, 2012	As of March 31, 2013
Assets		
Cash and due from banks	167,543	197,870
Call loans and bills purchased	185,694	129,460
Commercial paper and other debt purchased	8,395	8,664
Trading securities	3,230	4,288
Securities	1,202,480	1,186,910
Loans and bills discounted	3,642,549	3,775,974
Foreign exchanges	5,664	7,451
Other assets	26,321	22,622
Tangible fixed assets	24,790	23,780
Buildings	7,189	7,240
Land	12,673	12,536
Lease assets	19	19
Construction in progress	6	54
Other tangible fixed assets	4,900	3,929
Intangible fixed assets	108,206	100,594
Software	6,872	5,465
Goodwill	100,789	94,587
Lease assets	8	5
Other intangible fixed assets	536	536
Deferred tax assets	8,247	2,292
Customer liabilities for acceptances and guarantees	19,167	17,274
Reserve for possible loan losses	(48,519)	(43,039)
Total Assets	5,353,772	5,434,144
Liabilities		
Deposits	4,657,316	4,745,811
Negotiable certificates of deposit	139,914	150,927
Collateral deposits received for securities lending	-	71,951
Borrowed money	221,647	121,704
Foreign Exchanges	435	550
Other liabilities	40,214	43,009
Reserve for directors' bonuses	73	56
Reserve for employee retirement benefits	16,057	1,269
Reserve for directors' retirement benefits	219	254
Reserve for reimbursement of deposits	1,440	1,518
Reserve for contingent losses	263	326
Reserve for credit card rewards points	80	74
Reserve for losses on disaster	170	70
Acceptances and guarantees	19,167	17,274
Total liabilities	5,097,001	5,154,800
Net Assets		
Capital stock	105,010	105,010
Capital surplus	95,780	95,780
Retained earnings	46,995	56,730
Total shareholders' equity	247,785	257,521
Net unrealized valuation gains (losses) on other securities (available for sale securities)	8,984	21,954
Gains (losses) on deferred hedges	-	(132)
Total accumulated other comprehensive income	8,984	21,822
Total net assets	256,770	279,343
Total liabilities and net assets	5,353,772	5,434,144

(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	FY 2011	FY 2012
Operating income	101,268	98,389
Interest income	72,834	69,049
Interest on loans and discounts	62,709	59,634
Interest and dividends on securities	9,497	8,846
Interest on call loans and bills bought	242	305
Interest on deposits with other banks	266	146
Other interest income	118	117
Fees and commissions	17,616	19,049
Other business income	6,114	6,496
Other operating income	4,702	3,793
Recoveries of written-off claims	1,071	1,358
Gains on sales of stocks and other securities	2,212	364
Others	1,418	2,070
Operating expenses	84,067	79,692
Interest expenses	7,570	6,508
Interest on deposits	3,869	2,895
Interest on negotiable certificates of deposit	243	171
Interest on call money and bills sold	0	3
Interest on deposits for bonds lending transaction	3	14
Interest on borrowed money	3,443	3,413
Other interest expenses	9	10
Fees and commissions	5,753	5,762
Other business expenses	93	102
General and administrative expenses	62,424	58,156
Other operating expenses	8,225	9,162
Provision for reserve for possible loan losses	2,542	3,749
Write-off amount of loans	3,221	2,940
Losses on sales of stocks	963	1,489
Write-off amount of stocks	670	113
Losses on sales of loans	338	302
Other expenses or losses	489	567
Operating profit	17,201	18,697
Special gains	7	222
Gains on dispositions of fixed assets	7	222
Special losses	202	530
Losses on dispositions of fixed assets	194	276
Impairment losses	8	177
Losses on advanced depreciation of fixed assets	-	76
Net profit before income taxes	17,005	18,389
Corporate, inhabitant, business taxes	216	1,770
Corporate tax adjustments, etc.	(381)	1,214
Total corporate taxes, etc.	(164)	2,984
Income before minority interests	17,170	15,405
Net profit	17,170	15,405

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

(2) Consolidated Statements of Comprehensive Income

Item	FY 2011	FY 2012
Income before minority interests	17,170	15,405
Other comprehensive income	6,026	12,837
Net unrealized valuation gains (losses) on other securities (available for sale securities)	6,026	12,969
Gains (losses) on deferred hedges	-	(132)
Comprehensive income	23,197	28,242
Comprehensive income attributable to owners of the parent	23,197	28,242
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	FY 2012(ended March 31, 2013)
Shareholders' equity	
Capital stock	
Balance at the beginning of the period	105,010
Changes of items during the period	
Total changes of items during the period	-
Balance at the end of the period	105,010
Capital surplus	
Balance at the beginning of the period	95,780
Changes of items during the period	
Total changes of items during the period	-
Balance at the end of the period	95,780
Retained earnings	
Balance at the beginning of the period	46,995
Changes of items during the period	
Dividends from surplus	(5,670)
Net profit	15,405
Total changes of items during the period	9,735
Balance at the end of the period	56,730
Total shareholders' equity	
Balance at the beginning of the period	247,785
Changes of items during the period	
Dividends from surplus	(5,670)
Net profit	15,405
Total changes of items during the period	9,735
Balance at the end of the period	257,521
Accumulated other comprehensive income	
Net unrealized valuation gains (losses) on other securities (available for sale securities)	
Balance at the beginning of the period	8,984
Changes of items during the period	
Net changes of items other than shareholders' equity	12,969
Total changes of items during the period	12,969
Balance at the end of the period	21,954
Gains (losses) on deferred hedges	
Balance at the beginning of the period	-
Changes of items during the period	
Net changes of items other than shareholders' equity	(132)
Total changes of items during the period	(132)
Balance at the end of the period	(132)
Total accumulated other comprehensive income	
Balance at the beginning of the period	8,984
Changes of items during the period	
Net changes of items other than shareholders' equity	12,837
Total changes of items during the period	12,837
Balance at the end of the period	21,822
Total net assets	
Balance at the beginning of the period	256,770
Changes of items during the period	
Dividends from surplus	(5,670)
Net profit	15,405
Net changes of items other than shareholders' equity	12,837
Total changes of items during the period	22,572
Balance at the end of the period	279,343

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

4. Consolidated Statements of Cash Flows

(Millions of yen)

[Ashikaga Holdings Co., Ltd.]	FY ended Mar 31, 2012	FY ended Mar 31, 2013
Cash flows from operating activities		
Net profit before income taxes	17,005	18,389
Depreciation	4,926	3,814
Impairment losses	8	177
Amortization of goodwill	6,202	6,202
Increase (decrease) in reserve for loan losses	(6,578)	(5,479)
Increase (decrease) in reserve for directors' bonuses	2	(16)
Increase (decrease) in reserve for employee retirement benefits	447	(14,787)
Increase (decrease) in reserve for directors' retirement benefits	45	34
Increase (decrease) in reserve for reimbursement of deposits	90	78
Increase (decrease) in reserve for contingent losses	(22)	63
Increase (decrease) in reserve for credit card rewards points	15	(6)
Increase (decrease) in reserve for losses on disaster	(347)	(99)
Interest income	(72,834)	(69,049)
Interest expenses	7,570	6,508
Losses (gains) on securities	(3,218)	(1,662)
Losses (gains) on foreign exchange	315	(1,500)
Losses (gains) on dispositions of fixed assets	186	54
Losses on advanced depreciation of fixed assets	-	76
Net decrease (increase) in loans and bills discounted	(167,920)	(133,424)
Net increase (decrease) in deposits	175,799	88,495
Net increase (decrease) in negotiable certificates of deposit	32,795	11,013
Net increase (decrease) in borrowed money (excluding subordinated borrowed money)	(67,589)	(99,943)
Net decrease (increase) in due from banks (excluding due from the Bank of Japan)	1,972	(35,496)
Net decrease (increase) in call loans and bills purchased	(55,493)	56,149
Net decrease (increase) in trading securities	314	(1,033)
Net increase (decrease) in collateral deposits received for securities lending	(19,700)	71,951
Net decrease (increase) in foreign exchanges (assets)	558	(1,786)
Net increase (decrease) in foreign exchanges (liabilities)	(27)	114
Interest received	73,205	71,311
Interest paid	(9,162)	(9,760)
Other, net	(1,608)	5,411
Subtotal	(83,042)	(34,203)
Income taxes paid	(547)	(266)
Net cash provided by (used in) operating activities	(83,589)	(34,470)
Cash flows from investing activities		
Purchases of securities	(565,369)	(444,920)
Proceeds from sales of securities	207,987	205,402
Proceeds from redemption of securities	501,712	275,964
Purchases of tangible fixed assets	(1,117)	(1,870)
Proceeds from sales of tangible fixed assets	12	709
Purchases of intangible fixed assets	(3,974)	(412)
Other, net	(137)	78
Net cash provided by (used in) investing activities	139,114	34,952
Cash flows from financing activities		
Dividends paid	(5,670)	(5,670)
Repayment of lease liabilities	(9)	(10)
Net cash provided by (used in) financing activities	(5,679)	(5,680)
Effect of exchange rate changes on cash and cash equivalents	(4)	28
Net increase (decrease) in cash and cash equivalents	49,840	(5,170)
Cash and cash equivalents at the beginning of the period	110,390	160,230
Cash and cash equivalents at the end of the period	160,230	155,060

5. Non-consolidated Balance Sheets

【The Ashikaga Bank, Ltd.】

(Millions of yen)

Item	As of March 31, 2012	As of March 31, 2013
Assets		
Cash and due from banks	167,541	197,868
Cash	43,838	47,335
Due from banks	123,703	150,533
Call loans	185,694	129,460
Commercial paper and other debt purchased	8,395	8,664
Trading securities	3,230	4,288
Japanese government bonds	2,795	3,816
Local government bonds	332	424
Government guaranteed bonds	101	46
Securities	1,231,459	1,215,856
Japanese government bonds	363,322	439,698
Local government bonds	414,503	311,644
Corporate bonds	343,241	286,841
Stocks	67,483	80,005
Other securities	42,908	97,666
Loans and bills discounted	3,641,006	3,775,220
Bills discounted	31,701	29,036
Loans on bills	202,431	191,312
Loans on deeds	3,052,809	3,196,157
Overdrafts	354,064	358,715
Foreign exchanges	5,664	7,451
Due from foreign banks (our accounts)	5,525	7,362
Foreign bills bought	119	81
Foreign bills receivable	20	8
Other assets	22,120	17,803
Domestic exchange settlement account, debit	4	13
Prepaid expenses	96	65
Accrued income	5,952	5,373
Variation margins of future markets	0	4
Derivatives	3,760	1,916
Others	12,305	10,430
Tangible fixed assets	25,960	25,063
Buildings	7,567	7,610
Land	13,471	13,467
Lease assets	18	18
Construction in progress	6	54
Other tangible fixed assets	4,896	3,913
Intangible fixed assets	7,396	5,991
Software	6,862	5,457
Other intangible fixed assets	533	533
Deferred tax assets	8,874	3,025
Customer liabilities for acceptances and guarantees	19,167	17,274
Reserve for possible loan losses	(44,750)	(38,985)
Total Assets	5,281,761	5,368,984

Item	(Millions of yen)	
	As of March 31, 2012	As of March 31, 2013
Liabilities		
Deposits	4,686,264	4,782,156
Current deposits	166,492	167,430
Ordinary deposits	2,471,996	2,598,544
Savings deposits	66,604	69,337
Deposits at notice	10,013	10,750
Time deposits	1,805,350	1,769,911
Installment savings	15,450	14,717
Other deposits	150,355	151,464
Negotiable certificates of deposit	169,914	180,927
Collateral deposits received for securities lending	-	71,951
Borrowed money	141,647	41,704
Borrowings from other banks	141,647	41,704
Foreign Exchanges	435	550
Foreign bills sold	298	362
Foreign bills payable	137	187
Other liabilities	25,388	27,355
Domestic exchange settlement account, credit	4,254	5,417
Income taxes payable	262	1,160
Accrued expenses	9,796	7,914
Unearned income	1,107	1,015
Reserve for interest on installment savings	9	6
Derivatives	2,815	1,454
Lease liabilities	19	19
Asset retirement obligations	493	527
Others	6,628	9,838
Reserve for directors' bonuses	43	27
Reserve for employee retirement benefits	15,389	1,260
Reserve for directors' retirement benefits	135	130
Reserve for reimbursement of deposits	1,440	1,518
Reserve for contingent losses	263	326
Reserve for credit card rewards points	44	37
Reserve for losses on disaster	170	70
Acceptances and guarantees	19,167	17,274
Total liabilities	5,060,304	5,125,291
Net Assets		
Capital stock	135,000	135,000
Retained earnings	73,404	83,302
Earned surplus reserve	6,434	9,383
Other earned surplus	66,969	73,919
Earned surplus brought forward	66,969	73,919
Total shareholders' equity	208,404	218,302
Net unrealized valuation gains (losses) on other securities (available for sale securities)	13,052	25,522
Gains (losses) on deferred hedges	-	(132)
Total valuation and translation adjustments, etc.	13,052	25,390
Total net assets	221,457	243,693
Total liabilities and net assets	5,281,761	5,368,984

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

6. Non-consolidated Statements of Income

【The Ashikaga Bank, Ltd.】

(Millions of yen)

Item	FY 2011	FY 2012
Operating income	96,450	94,365
Interest income	69,613	65,959
Interest on loans and discounts	59,665	56,648
Interest and dividends on securities	9,327	8,749
Interest on call loans	242	305
Interest on deposits with other banks	265	146
Other interest income	111	108
Fees and commissions	16,472	17,968
Fees and commissions on domestic and foreign exchanges	4,781	4,797
Other fees and commissions	11,690	13,170
Other business income	5,803	6,185
Gains on foreign exchange transactions	511	471
Gains on sales of trading securities	27	37
Gains on sales of bonds	4,957	5,625
Gains on redemption of bonds	27	-
Income from derivatives	280	50
Others	0	0
Other operating income	4,561	4,253
Recoveries of written-off claims	1,064	1,351
Gains on sales of stocks and other securities	2,150	800
Others	1,346	2,102
Operating expenses	70,860	67,479
Interest expenses	4,224	3,177
Interest on deposits	3,883	2,909
Interest on negotiable certificates of deposit	243	171
Interest on call money	0	3
Interest on deposits for bonds lending transaction	3	14
Interest on borrowed money	89	73
Other interest expenses	3	4
Fees and commissions	5,819	5,836
Fees and commissions on domestic and foreign exchanges	901	863
Other fees and commissions	4,918	4,972
General and administrative expenses	54,993	50,542
Other operating expenses	5,823	7,923
Provision for reserve for possible loan losses	1,749	2,878
Write-off amount of loans	3,110	2,786
Losses on sales of stocks	0	1,429
Write-off amount of stocks	414	160
Losses on sales of loans	95	146
Other expenses or losses	453	521
Operating profit	25,589	26,886
Special gains	7	120
Gains on dispositions of fixed assets	7	120
Special losses	202	322
Losses on dispositions of fixed assets	194	246
Impairment losses	8	-
Losses on advanced depreciation of fixed assets	-	76
Net profit before income taxes	25,394	26,684
Corporate, inhabitant, business taxes	83	1,074
Corporate tax adjustments, etc.	(156)	965
Corporate taxes, etc.	(72)	2,040
Net profit	25,467	24,644

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

7. Non-consolidated Statement of Shareholders' Equity
【The Ashikaga Bank., Ltd.】

(Millions of Yen)

Item	FY 2012 (ended March 31, 2013)
Stockholders' equity	
Capital stock	
Balance at the beginning of the period	135,000
Changes of items during the period	
Total changes of items during the period	-
Balance at the end of the period	135,000
Retained earnings	
Earned surplus reserve	
Balance at the beginning of the period	6,434
Changes of items during the period	
Dividends from surplus	2,949
Total changes of items during the period	2,949
Balance at the end of the period	9,383
Other earned surplus	
Earned surplus brought forward	
Balance at the beginning of the period	66,969
Changes of items during the period	
Dividends from surplus	(17,694)
Net profit	24,644
Total changes of items during the period	6,949
Balance at the end of the period	73,919
Total retained earnings	
Balance at the beginning of the period	73,404
Changes of items during the period	
Dividends from surplus	(14,745)
Net profit	24,644
Total changes of items during the period	9,898
Balance at the end of the period	83,302
Total shareholders' equity	
Balance at the beginning of the period	208,404
Changes of items during the period	
Dividends from surplus	(14,745)
Net profit	24,644
Total changes of items during the period	9,898
Balance at the end of the period	218,302
Valuation and translation adjustments	
Net unrealized valuation gains (losses) on other securities (available for sale securities)	
Balance at the beginning of the period	13,052
Changes of items during the period	
Net changes of items other than shareholders' equity	12,469
Total changes of items during the period	12,469
Balance at the end of the period	25,522
Gains (losses) on deferred hedges	
Balance at the beginning of the period	-
Changes of items during the period	
Net changes of items other than shareholders' equity	(132)
Total changes of items during the period	(132)
Balance at the end of the period	(132)
Total valuation and translation adjustments	
Balance at the beginning of the period	13,052
Changes of items during the period	
Net changes of items other than shareholders' equity	12,337
Total changes of items during the period	12,337
Balance at the end of the period	25,390
Total net assets	
Balance at the beginning of the period	221,457
Changes of items during the period	
Dividends from surplus	(14,745)
Net profit	24,644
Net changes of items other than shareholders' equity	12,337
Total changes of items during the period	22,235
Balance at the end of the period	243,693

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

Financial Data for Fiscal 2012 (ended March 31, 2013)

1. Income Status

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

(Millions of yen)

Item	FY 2012		FY 2011
	(A)	(A)-(B)	(B)
Gross business profit	81,098	(745)	81,844
Domestic gross business profit	79,970	(769)	80,740
Core gross business profit	74,345	(1,492)	75,838
Net interest income	62,215	(2,816)	65,032
Net fees and commissions	12,032	1,483	10,548
Net trading income	-	-	-
Net other business income	5,723	563	5,159
International gross business profit	1,127	23	1,103
Core gross business profit	1,127	105	1,022
Net interest income	566	209	356
Net fees and commissions	99	(3)	103
Net trading income	-	-	-
Net other business income	461	(182)	644
Expenses	49,736	(4,391)	54,127
Personnel expenses	27,217	1,442	25,775
Non-personnel expenses	20,255	(5,469)	25,724
Taxes	2,263	(364)	2,627
Net business income (before provision for general reserve for possible loan losses)	31,362	3,645	27,717
Gains (losses) on bonds	5,625	640	4,984
Provision for general reserve for possible loan losses	(8,711)	(6,118)	(2,593)
Net business income (after provision for general reserve for possible loan losses)	40,073	9,763	30,310
Net non-recurrent gains (losses)	(13,186)	(8,466)	(4,720)
Gains (losses) on stocks	(789)	(2,526)	1,736
Disposal of non-performing loans	14,578	7,052	7,525
Write-off amount of loans	2,786	(323)	3,110
Provision for specific reserve for possible loan losses	11,589	7,246	4,342
Losses on sales of loans	146	51	95
Provision for reserve for contingent losses	63	86	(22)
Others	(8)	(8)	-
Reversal of reserve for possible loan losses	-	-	-
Recoveries of written-off claims	1,351	286	1,064
Operating profit	26,886	1,296	25,589
Net special gains (losses)	(201)	(6)	(195)
Net gains (losses) from fixed assets	(125)	61	(186)
Gains on dispositions of fixed assets	120	113	7
Losses on dispositions of fixed assets	246	51	194
Impairment losses	-	(8)	8
Losses on advanced depreciation of fixed assets	76	76	-
Net profit before income taxes	26,684	1,290	25,394
Corporate, inhabitant, business taxes	1,074	990	83
Corporate tax adjustments, etc.	965	1,122	(156)
Net profit	24,644	(823)	25,467

Reference (Credit related costs)

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

(Millions of yen)

Item	FY 2012		FY 2011 (B)
	(A)	(A)-(B)	
Provision for general reserve for possible loan losses	(8,711)	(6,118)	(2,593)
Disposal of non-performing loans	14,578	7,052	7,525
Write-off amount of loans	2,786	(323)	3,110
Provision for specific reserve for possible loan losses	11,589	7,246	4,342
Losses on sales of loans	146	51	95
Provision for reserve for contingent losses	63	86	(22)
Others	(8)	(8)	-
Reversal of reserve for possible loan losses	-	-	-
Reversal of general reserve for possible loan losses	-	-	-
Reversal of specific reserve for possible loan losses	-	-	-
Recovery of written-off claims	1,351	286	1,064
Total + - -	4,516	647	3,868

Reference (Consolidated Income Status)

【Ashikaga Holdings Co., Ltd.】

(Millions of yen)

Item	FY 2012		FY 2011 (B)
	(A)	(A)-(B)	
Consolidated gross business profit	82,222	(926)	83,148
Net interest income	62,541	(2,722)	65,263
Net fees and commissions	13,286	1,423	11,863
Net trading income	-	-	-
Net other business income	6,393	372	6,021
General and administrative expenses	58,156	(4,268)	62,424
Write-off and reserve expenses of loans	7,046	967	6,078
Reversal of reserve for possible loan losses	-	-	-
Recovery of written-off claims	1,358	286	1,071
Gains (losses) on stocks	(1,238)	(1,816)	578
Equity in gains (losses) of affiliated companies	-	-	-
Others	1,558	652	905
Operating Profit	18,697	1,496	17,201
Special gains (losses)	(307)	(112)	(195)
Net profit before income taxes	18,389	1,384	17,005
Corporate, inhabitant, business taxes	1,770	1,553	216
Corporate tax adjustments, etc.	1,214	1,595	(381)
Income before minority interests	15,405	(1,764)	17,170
Minority interests	-	-	-
Net profit	15,405	(1,764)	17,170

(Note) 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)

Credit related costs (- -)	5,687	680	5,006
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Reference (Number of Consolidated Subsidiaries)

【Ashikaga Holdings Co., Ltd.】

Item	FY 2012		FY 2011 (B)
	(A)	(A)-(B)	
Number of consolidated subsidiaries	4	(3)	7
Number of affiliated companies applicable to the equity method	-	-	-

(Note) Three subsidiaries, (Ashigin Business Service Co., Ltd, Ashigin System Kaihatsu Co., Ltd and Ashigin research Institute Co., Ltd.) were merged into one subsidiary (Ashigin Research Institute Co., Ltd.) on October 1, 2012. And another subsidiary, Ashigin Business Support Co., Ltd, which had already transferred its function to The Ashikaga Bank, Ltd, ceased doing business on Jun 30, 2012 and duly completed its liquidation on October 2, 2012.

2. Net Business Income

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

(Millions of yen)

Item	FY 2012		FY 2011 (B)
	(A)	(A)-(B)	
Net business income (before provision for reserve for possible loan losses)	31,362	3,645	27,717
Per head (in thousands of yen)	10,003	(197)	10,201
Net business income	40,073	9,763	30,310
Per head (in thousands of yen)	12,782	1,626	11,155

3. Interest Rate Spread

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

(%)

Item (Whole bank operations)	FY 2012		FY 2011 (B)
	(A)	(A)-(B)	
Average yield on interest earning assets	1.30	(0.10)	1.40
Average yield on loans and bills discounted	1.56	(0.16)	1.72
Average yield on securities	0.75	(0.03)	0.78
Average yield on interest bearing liabilities	1.07	(0.14)	1.21
Average yield on deposits and negotiable certificates of deposit	0.06	(0.02)	0.08
Average yield on call money and borrowed money	0.10	0.00	0.10
Average interest rate spread -	0.23	0.04	0.19

(%)

Item (Domestic operations)	FY 2012		FY 2011 (B)
	(A)	(A)-(B)	
Average yield on interest earning assets	1.30	(0.10)	1.40
Average yield on loans and bills discounted	1.56	(0.16)	1.72
Average yield on securities	0.74	(0.03)	0.77
Average yield on interest bearing liabilities	1.05	(0.14)	1.19
Average yield on deposits and negotiable certificates of deposit	0.06	(0.02)	0.08
Average interest rate spread -	0.25	0.04	0.21

4. Gains and Losses on Securities

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

(Millions of yen)

Item	FY 2012		FY 2011 (B)
	(A)	(A)-(B)	
Gains (losses) on bonds (Japanese government bonds, etc.)	5,625	640	4,984
Gains on sales	5,625	667	4,957
Gains on redemption	-	(27)	27
Losses on sales	-	-	-
Losses on redemption	-	-	-
Write-offs	-	-	-
Gains (losses) on stocks	(789)	(2,526)	1,736
Gains on sales	800	(1,350)	2,150
Losses on sales	1,429	1,429	0
Write-offs	160	(253)	414

5. Capital Adequacy Ratio (Domestic standard)

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

(Millions of yen)

Item	As of Mar 31, 2013			As of Sep 30, 2012	As of Mar 31, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Capital adequacy ratio	8.36%	(0.47%)	0.04%	8.83%	8.32%
Tier 1 Capital	203,557	(5,584)	9,898	209,141	193,658
Tier 2 Capital	16,438	521	713	15,917	15,725
General reserve for loan losses qualified as capital	16,438	521	713	15,917	15,725
Deductions	-	-	-	-	-
Capital + -	219,996	(5,062)	10,612	225,058	209,383
Risk assets	2,630,228	83,496	114,190	2,546,731	2,516,038

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

(Millions of yen)

Item	As of Mar 31, 2013			As of Sep 30, 2012	As of Mar 31, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Capital adequacy ratio	9.70%	(0.25%)	0.23%	9.95%	9.47%
Tier 1 Capital	157,264	1,417	15,937	155,846	141,326
Tier 2 Capital	96,290	522	712	95,767	95,578
General reserve for loan losses qualified as capital	16,290	522	712	15,767	15,578
Subordinated debts	80,000	-	-	80,000	80,000
(Portion of subordinated debts not qualified as capital)	-	-	-	-	-
Deductions	567	(10)	(101)	577	669
Capital + -	252,987	1,951	16,752	251,036	236,235
Risk assets	2,606,495	83,653	113,991	2,522,842	2,492,504

6. Return on Equity

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

(%)

Item	FY 2012		FY 2011
	(A)	(A)-(B)	(B)
Net business income basis (before provision for general reserve for possible loan losses)	13.48	0.36	13.12
Net business income basis	17.23	2.88	14.35
Net profit basis	10.59	(1.47)	12.06

*A denominator (Net average assets) is calculated as follows: (Net assets at the beginning of the period excludes subscription rights to shares + Net assets at the end of the period 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 Mar 31, 2013			As of Sep 30, 2012	As of Mar 31, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Loans to bankrupt borrowers	3,265	(1,637)	(394)	4,902	3,659
Non-accrual delinquent loans	87,391	4,463	2,560	82,928	84,831
Loans past due 3 month or more	5	5	5	-	-
Restructured loans	31,745	268	(1,868)	31,477	33,613
Total risk-monitored loans	122,407	3,099	303	119,307	122,104
(Reference)Amount of partial direct write-off executed	12,484	(2,120)	(4,792)	14,605	17,276
Total loans	3,775,220	89,565	134,214	3,685,655	3,641,006

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

(%)

Item	As of Mar 31, 2013			As of Sep 30, 2012	As of Mar 31, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Loans to bankrupt borrowers	0.08	(0.05)	(0.02)	0.13	0.10
Non-accrual delinquent loans	2.31	0.06	(0.01)	2.25	2.32
Loans past due 3 month or more	0.00	0.00	0.00	-	-
Restructured loans	0.84	(0.01)	(0.08)	0.85	0.92
Total risk-monitored loans	3.24	0.01	(0.11)	3.23	3.35

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

(1)Risk-monitored loans

(Millions of yen)

Item	As of Mar 31, 2013			As of Sep 30, 2012	As of Mar 31, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Loans to bankrupt borrowers	3,386	(1,633)	(371)	5,019	3,757
Non-accrual delinquent loans	88,194	4,190	1,740	84,003	86,454
Loans past due 3 month or more	5	5	5	-	-
Restructured loans	31,745	268	(1,868)	31,477	33,613
Total risk-monitored loans	123,331	2,831	(494)	120,500	123,825
(Reference)Amount of partial direct write-off executed	14,250	(2,930)	(6,081)	17,181	20,331
Total loans	3,775,974	89,423	133,424	3,686,551	3,642,549

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

(%)

Item	As of Mar 31, 2013			As of Sep 30, 2012	As of Mar 31, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Loans to bankrupt borrowers	0.08	(0.05)	(0.02)	0.13	0.10
Non-accrual delinquent loans	2.33	0.06	(0.04)	2.27	2.37
Loans past due 3 month or more	0.00	0.00	0.00	-	-
Restructured loans	0.84	(0.01)	(0.08)	0.85	0.92
Total risk-monitored loans	3.26	0.00	(0.13)	3.26	3.39

2. Reserve for Possible Loan Losses

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

(Millions of yen)

Item	As of Mar 31, 2013			As of Sep 30, 2012	As of Mar 31, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Reserve for possible loan losses	38,985	(1,662)	(5,765)	40,647	44,750
General reserve for possible loan losses	18,266	(882)	(8,711)	19,148	26,977
Specific reserve for possible loan losses	20,719	(780)	2,945	21,499	17,773
Reserve for specific foreign debtors	-	-	-	-	-

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

(Millions of yen)

Item	As of Mar 31, 2013			As of Sep 30, 2012	As of Mar 31, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Reserve for possible loan losses	43,039	(1,178)	(5,479)	44,218	48,519
General reserve for possible loan losses	19,051	(245)	(8,104)	19,297	27,156
Specific reserve for possible loan losses	23,987	(933)	2,624	24,920	21,362
Reserve for specific foreign debtors	-	-	-	-	-

3. Ratio to Reserve for Total Risk-monitored Loans

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

(%)

Item	As of Mar 31, 2013			As of Sep 30, 2012	As of Mar 31, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Before partial direct write-off	38.16	(2.88)	(6.31)	41.04	44.47
After partial direct write-off	31.77	(1.96)	(4.75)	33.73	36.52

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

(%)

Item	As of Mar 31, 2013			As of Sep 30, 2012	As of Mar 31, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Before partial direct write-off	41.65	(2.74)	(6.09)	44.39	47.74
After partial direct write-off	34.82	(1.54)	(4.23)	36.36	39.05

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

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

(Millions of yen)

Item	As of Mar 31, 2013			As of Sep 30, 2012	As of Mar 31, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Bankrupt and substantially bankrupt claims	9,513	(4,787)	(1,591)	14,301	11,105
Doubtful claims	81,314	7,589	3,732	73,724	77,582
Claims requiring supervision	31,750	273	(1,863)	31,477	33,613
Subtotal	122,578	3,075	277	119,502	122,301
Normal claims	3,706,193	93,516	148,370	3,612,677	3,557,822
Total	3,828,772	96,592	148,648	3,732,180	3,680,123
(Reference) Amount of partial direct write-off executed	12,484	(2,120)	(4,792)	14,605	17,276

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

(Millions of yen)

Item	As of Mar 31, 2013			As of Sep 30, 2012	As of Mar 31, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Bankrupt and substantially bankrupt claims	10,492	(5,102)	(2,452)	15,594	12,944
Doubtful claims	81,456	7,596	3,732	73,860	77,724
Claims requiring supervision	31,750	273	(1,863)	31,477	33,613
Subtotal	123,699	2,768	(582)	120,931	124,282
Normal claims	3,708,413	93,840	148,314	3,614,572	3,560,098
Total	3,832,112	96,609	147,731	3,735,503	3,684,381
(Reference) Amount of partial direct write-off executed	14,250	(2,930)	(6,081)	17,181	20,331

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 Mar 31, 2013			As of Sep 30, 2012	As of Mar 31, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Coverage amount	87,600	2,580	6,759	85,019	80,841
Portion covered by reserve	23,996	(428)	1,381	24,425	22,614
Portion covered by collateral and guarantees	63,604	3,009	5,377	60,594	58,226
Reserve for specific debtors	-	-	-	-	-

(%)

Coverage ratio /	71.46	0.32	5.36	71.14	66.10
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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 Mar 31, 2013			As of Sep 30, 2012	As of Mar 31, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Total	3,775,220	89,565	134,214	3,685,655	3,641,006
Manufacturing	528,864	7,532	4,573	521,332	524,291
Agriculture / Forestry	10,516	(1,366)	(4,334)	11,882	14,850
Fishery	556	65	(5)	491	561
Mining / Quarrying of stone / Gravel	5,286	511	538	4,775	4,748
Construction	135,259	2,522	(3,427)	132,737	138,686
Electricity, gas and water	23,939	1,463	3,135	22,476	20,804
Telecommunication	42,349	(52)	827	42,401	41,522
Transportation / Postal activities	99,415	4,787	1,841	94,628	97,574
Wholesale / Retail services	396,511	(4,837)	(3,648)	401,348	400,159
Financial and insurance services	139,933	5,016	30,057	134,917	109,876
Real estate / Goods rental and leasing	376,166	18,413	21,222	357,753	354,944
Services	274,617	(23,456)	(43,007)	298,073	317,624
Government / Local government	487,970	43,980	56,097	443,990	431,873
Others	1,253,830	34,989	70,346	1,218,841	1,183,484

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

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

(Millions of yen)

Item	As of Mar 31, 2013			As of Sep 30, 2012	As of Mar 31, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Total	122,407	3,099	303	119,307	122,104
Manufacturing	33,463	3,615	3,247	29,847	30,215
Agriculture / Forestry	378	(377)	(450)	755	828
Fishery	-	-	-	-	-
Mining / Quarrying of stone / Gravel	128	71	71	56	56
Construction	11,116	(6)	(1,977)	11,122	13,093
Electricity, gas and water	4	0	(4,001)	4	4,005
Telecommunication	1,069	38	218	1,030	850
Transportation / Postal activities	3,447	744	890	2,703	2,557
Wholesale / Retail services	22,448	2,171	4,896	20,276	17,551
Financial and insurance services	309	(1,662)	(1,853)	1,971	2,163
Real estate / Goods rental and leasing	17,420	(1,604)	(254)	19,024	17,675
Services	18,932	(346)	(309)	19,278	19,241
Government / Local government	-	-	-	-	-
Others	13,689	454	(175)	13,235	13,865

(3) Individual loans

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

(Millions of yen)

Item	As of Mar 31, 2013			As of Sep 30, 2012	As of Mar 31, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Individual loans	1,331,860	42,074	77,954	1,289,786	1,253,906
Housing loans	1,298,509	43,149	80,154	1,255,360	1,218,355
Other loans	33,351	(1,075)	(2,200)	34,426	35,551

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

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

(%)

Item	As of Mar 31, 2013			As of Sep 30, 2012	As of Mar 31, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Ratio to total loans and bills discounted	70.10	(0.81)	(0.64)	70.91	70.74

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

Item	As of Mar 31, 2013			As of Sep 30, 2012	As of Mar 31, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
China	282	49	(46)	232	328
(Risk-monitored loans included)	-	-	-	-	-
Total	282	49	(46)	232	328
(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)】

Item	As of Mar 31, 2013			As of Sep 30, 2012	As of Mar 31, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Deposits	4,782,156	122,363	95,891	4,659,792	4,686,264
Deposits (Annual or semiannual average)	4,621,202	18,711	92,258	4,602,490	4,528,944
Loans	3,775,220	89,565	134,214	3,685,655	3,641,006
Loans (Annual or semiannual average)	3,613,236	39,880	159,927	3,573,355	3,453,309

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 Mar 31, 2013					As of Sep 30, 2012			As of Mar 31, 2012		
	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	7,858	2,714	3,737	7,862	3	5,144	5,240	96	4,121	4,130	9
Bonds	7,634	2,429	3,593	7,636	1	5,205	5,205	-	4,041	4,041	-
Others	224	285	144	226	1	(60)	35	96	79	89	9
Other (available-for-sale)	34,962	25,494	17,425	35,710	748	9,467	15,718	6,251	17,537	21,978	4,441
Stocks	23,375	16,022	13,282	23,442	66	7,352	8,267	914	10,093	10,648	555
Bonds	11,518	4,419	593	11,772	253	7,098	7,380	281	10,925	11,170	244
Others	67	5,052	3,549	496	428	(4,984)	70	5,054	(3,481)	159	3,641
Total	42,820	28,209	21,162	43,573	752	14,611	20,958	6,347	21,658	26,109	4,451
Stocks	23,375	16,022	13,282	23,442	66	7,352	8,267	914	10,093	10,648	555
Bonds	19,153	6,849	4,186	19,408	255	12,304	12,586	281	14,966	15,211	244
Others	292	5,337	3,693	722	430	(5,045)	105	5,151	(3,401)	249	3,650

(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 year-end market prices.

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

(Millions of yen)

	As of Mar 31, 2013					As of Sep 30, 2012			As of Mar 31, 2012		
	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	7,858	2,714	3,737	7,862	3	5,144	5,240	96	4,121	4,130	9
Bonds	7,634	2,429	3,593	7,636	1	5,205	5,205	-	4,041	4,041	-
Others	224	285	144	226	1	(60)	35	96	79	89	9
Other (available-for-sale)	31,366	25,770	17,767	32,607	1,240	5,596	13,292	7,695	13,599	18,855	5,255
Stocks	18,592	16,925	14,320	19,354	761	1,667	5,814	4,147	4,272	7,445	3,172
Bonds	11,506	4,377	498	11,760	253	7,129	7,409	280	11,008	11,253	245
Others	1,266	4,467	2,948	1,492	225	(3,200)	67	3,267	(1,681)	156	1,838
Total	39,225	28,485	21,505	40,469	1,244	10,740	18,532	7,792	17,720	22,985	5,265
Stocks	18,592	16,925	14,320	19,354	761	1,667	5,814	4,147	4,272	7,445	3,172
Bonds	19,141	6,807	4,091	19,397	255	12,334	12,615	280	15,049	15,294	245
Others	1,491	4,752	3,093	1,718	227	(3,261)	102	3,363	(1,601)	245	1,847

(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 year-end market prices.

V Employees' Severance and Retirement Benefits

1. Projected Retirement Benefit Obligation

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

(Millions of yen)

Item	As of Mar 31, 2013		As of Mar 31, 2012
	(A)	(A-B)	(B)
Projected retirement benefit obligation	(46,865)	859	(47,724)
(Discount rate for retirement benefit)	1.0%	(1.0%)	2.0%
(Discount rate for pension plan)	1.2%	(0.8%)	2.0%
Fair value of plan assets	44,581	14,161	30,420
Unrecognized prior service cost	(1,447)	(1,447)	-
Unrecognized actuarial differences	4,349	1,500	2,849
Sub total + + +	618	15,074	(14,455)
Prepaid pension expenses	1,879	945	933
Reserve for employee retirement benefits	(1,260)	14,128	(15,389)

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

(Millions of yen)

Item	As of Mar 31, 2013		As of Mar 31, 2012
	(A)	(A-B)	(B)
Projected retirement benefit obligation	(47,041)	2,568	(49,610)
(Discount rate for retirement benefit)	1.0%	(1.0%)	2.0%
(Discount rate for pension plan)	1.2%	(0.8%)	2.0%
Fair value of plan assets	44,697	13,524	31,173
Unrecognized prior service cost	(1,448)	(1,448)	-
Unrecognized actuarial differences	4,340	1,030	3,309
Sub total + + +	548	15,675	(15,126)
Prepaid pension expenses	1,818	887	930
Reserve for employee retirement benefits	(1,269)	14,788	(16,057)

2. Retirement Benefit Costs

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

(Millions of yen)

Item	As of Mar 31, 2013		As of Mar 31, 2012
	(A)	(A-B)	(B)
Retirement benefit costs	2,361	(143)	2,505
Service cost	1,341	5	1,336
Interest cost	872	(70)	942
Expected return on plan assets	(621)	(30)	(591)
Amortization of prior service cost	(143)	(143)	-
Recognized actuarial loss	879	75	804
Other retirement cost	33	19	13

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

(Millions of yen)

Item	As of Mar 31, 2013		As of Mar 31, 2012
	(A)	(A-B)	(B)
Retirement benefit costs	2,368	(342)	2,710