

Financial Results for the First Half
Fiscal Year Ended September 30, 2013

Ashikaga Holdings Co., Ltd
The Ashikaga Bank, Ltd

Financial Results for the First Half Fiscal Year Ended September 30, 2013

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I Consolidated Financial Information for the First Half Fiscal 2013

1. Consolidated Balance Sheets

【Ashikaga Holdings Co., Ltd.】

(Millions of yen)

Item	As of September 30, 2012	As of September 30, 2013
Assets		
Cash and due from banks	99,112	279,950
Call loans and bills purchased	226,161	—
Commercial paper and other debt purchased	8,202	6,863
Trading securities	4,192	3,143
Securities	1,095,378	1,196,697
Loans and bills discounted	3,686,551	3,840,339
Foreign exchanges	7,030	9,460
Other assets	23,560	58,759
Tangible fixed assets	24,144	23,583
Intangible fixed assets	104,320	96,929
Deferred tax assets	10,030	6,094
Customer liabilities for acceptances and guarantees	18,365	16,684
Reserve for possible loan losses	(44,218)	(43,752)
Total Assets	5,262,831	5,494,753
Liabilities		
Deposits	4,623,284	4,759,479
Negotiable certificates of deposit	135,133	176,666
Call money and bills sold	—	4,887
Collateral deposits received for securities lending	35,194	48,821
Borrowed money	134,949	182,274
Foreign Exchanges	463	564
Other liabilities	44,848	37,271
Reserve for directors' bonuses	18	12
Reserve for employee retirement benefits	11,418	872
Reserve for directors' retirement benefits	240	239
Reserve for reimbursement of deposits	1,412	1,481
Reserve for contingent losses	300	375
Reserve for credit card rewards points	77	69
Reserve for losses on disaster	102	—
Acceptances and guarantees	18,365	16,684
Total liabilities	5,005,809	5,229,700
Net Assets		
Capital stock	105,010	105,010
Capital surplus	95,780	69,941
Retained earnings	52,743	69,625
Total shareholders' equity	253,534	244,576
Net unrealized valuation gains (losses) on other securities (available for sale securities)	3,487	20,246
Gains (losses) on deferred hedges	—	229
Total accumulated other comprehensive income	3,487	20,476
Total net assets	257,022	265,053
Total liabilities and net assets	5,262,831	5,494,753

(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 2012	First half FY 2013
Operating income	51,924	56,517
Interest income	34,757	35,663
Interest on loans and discounts	30,077	28,927
Interest and dividends on securities	4,353	6,500
Fees and commissions	9,303	10,522
Other business income	6,080	3,088
Other operating income	1,782	7,241
Operating expenses	38,770	40,273
Interest expenses	3,384	2,626
Interest on deposits	1,554	1,339
Fees and commissions	3,110	2,867
Other business expenses	38	1,377
General and administrative expenses	29,933	29,071
Other operating expenses	2,302	4,331
Operating profit	13,153	16,243
Special gains	144	—
Special losses	186	261
Net profit before income taxes	13,112	15,981
Corporate, inhabitant, business taxes	984	1,092
Corporate tax adjustments, etc.	709	(3,675)
Total corporate taxes, etc.	1,694	(2,583)
Income before minority interests	11,418	18,564
Net profit	11,418	18,564

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

(2) Consolidated Statements of Comprehensive Income

Item	First half FY 2012	First half FY 2013
Income before minority interests	11,418	18,564
Other comprehensive income	(5,497)	(1,346)
Net unrealized valuation gains (losses) on other securities (available for sale securities)	(5,497)	(1,708)
Gains (losses) on deferred hedges	—	362
Comprehensive income	5,921	17,218
Comprehensive income attributable to owners of the parent	5,921	17,218
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 2013 (ended September 30, 2013)
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	
Cancellation of treasury stock	(25,838)
Total changes of items during the period	(25,838)
Balance at the end of current period	69,941
Retained earnings	
Balance at the end of previous period	56,730
Changes of items during the period	
Dividends from surplus	(5,670)
Net profit	18,564
Total changes of items during the period	12,894
Balance at the end of current period	69,625
Treasury stock	
Balance at the end of previous period	—
Changes of items during the period	
Acquisition of treasury stock	(25,838)
Cancellation of treasury stock	25,838
Total changes of items during the period	—
Balance at the end of current period	—
Total shareholders' equity	
Balance at the end of previous period	257,521
Changes of items during the period	
Dividends from surplus	(5,670)
Net profit	18,564
Acquisition of treasury stock	(25,838)
Cancellation of treasury stock	—
Total changes of items during the period	(12,944)
Balance at the end of current period	244,576
Accumulated other comprehensive income	
Net unrealized valuation gains (losses) on other securities (available for sale securities)	
Balance at the end of previous period	21,954
Changes of items during the period	
Net changes of items other than shareholders' equity	(1,708)
Total changes of items during the period	(1,708)
Balance at the end of current period	20,246
Gains (losses) on deferred hedges	
Balance at the end of previous period	(132)
Changes of items during the period	
Net changes of items other than shareholders' equity	362
Total changes of items during the period	362
Balance at the end of current period	229
Total accumulated other comprehensive income	
Balance at the end of previous period	21,822
Changes of items during the period	
Net changes of items other than shareholders' equity	(1,346)
Total changes of items during the period	(1,346)
Balance at the end of current period	20,476
Total net assets	
Balance at the end of previous period	279,343
Changes of items during the period	
Dividends from surplus	(5,670)
Net profit	18,564
Acquisition of treasury stock	(25,838)
Net changes of items other than shareholders' equity	(1,346)
Total changes of items during the period	(14,290)
Balance at the end of current period	265,053

(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, 2012	First half FY ended Sep 30, 2013
Cash flows from operating activities		
Net profit before income taxes	13,112	15,981
Depreciation	1,871	1,781
Impairment losses	—	16
Amortization of goodwill	3,101	3,101
Increase (decrease) in reserve for loan losses	(4,300)	712
Increase (decrease) in reserve for directors' bonuses	(54)	(44)
Increase (decrease) in reserve for employee retirement benefits	(4,638)	(397)
Increase (decrease) in reserve for directors' retirement benefits	20	(14)
Increase (decrease) in reserve for reimbursement of deposits	(27)	(36)
Increase (decrease) in reserve for contingent losses	36	48
Increase (decrease) in reserve for credit card rewards points	(3)	(5)
Increase (decrease) in reserve for losses on disaster	(68)	(70)
Interest income	(34,757)	(35,663)
Interest expenses	3,384	2,626
Losses (gains) on securities	(3,836)	(5,623)
Losses (gains) on foreign exchange	98	(382)
Losses (gains) on dispositions of fixed assets	41	13
Net decrease (increase) in loans and bills discounted	(44,001)	(64,364)
Net increase (decrease) in deposits	(34,032)	13,667
Net increase (decrease) in negotiable certificates of deposit	(4,780)	25,738
Net increase (decrease) in borrowed money (excluding subordinated borrowed money)	(86,698)	90,570
Net decrease (increase) in due from banks (excluding due from the Bank of Japan)	4,208	1,585
Net decrease (increase) in call loans and bills purchased	(40,194)	129,675
Net decrease (increase) in trading securities	(945)	1,136
Net increase (decrease) in call money and bills sold	—	4,887
Net increase (decrease) in collateral deposits received for securities lending	35,194	(23,129)
Net decrease (increase) in foreign exchanges (assets)	(1,365)	(2,009)
Net increase (decrease) in foreign exchanges (liabilities)	27	13
Interest received	34,930	36,405
Interest paid	(4,532)	(3,613)
Other, net	7,271	(2,014)
Subtotal	(160,938)	190,592
Income taxes paid	(149)	(1,754)
Net cash provided by (used in) operating activities	(161,088)	188,837
Cash flows from investing activities		
Purchases of securities	(178,761)	(251,688)
Proceeds from sales of securities	198,088	124,134
Proceeds from redemption of securities	83,504	84,980
Purchases of tangible fixed assets	(746)	(748)
Proceeds from sales of tangible fixed assets	524	0
Purchases of intangible fixed assets	(139)	(346)
Other, net	82	(2)
Net cash provided by (used in) investing activities	102,553	(43,670)
Cash flows from financing activities		
Increase in subordinated loans	—	40,000
Repayment of subordinated loans	—	(70,000)
Dividends paid	(5,670)	(5,670)
Acquisition of treasury stock	—	(25,838)
Other, net	(5)	(5)
Net cash provided by (used in) financing activities	(5,675)	(61,514)
Effect of exchange rate changes on cash and cash equivalents	(11)	12
Net increase (decrease) in cash and cash equivalents	(64,222)	83,665
Cash and cash equivalents at the beginning of the period	160,230	155,060
Cash and cash equivalents at the end of the period	96,008	238,726

5. Non-consolidated Balance Sheets

【The Ashikaga Bank, Ltd.】

(Millions of yen)

Item	As of Sep 30, 2012	As of Sep 30, 2013
Assets		
Cash and due from banks	99,111	279,948
Call loans	226,161	—
Commercial paper and other debt purchased	8,202	6,863
Trading securities	4,192	3,143
Securities	1,124,394	1,225,639
Loans and bills discounted	3,685,655	3,889,585
Foreign exchanges	7,030	9,460
Other assets	18,608	53,744
Tangible fixed assets	25,176	24,825
Intangible fixed assets	6,613	5,424
Deferred tax assets	10,700	6,794
Customer liabilities for acceptances and guarantees	18,365	16,684
Reserve for possible loan losses	(40,647)	(40,093)
Total Assets	5,193,564	5,482,022
Liabilities		
Deposits	4,659,792	4,787,933
Negotiable certificates of deposit	165,133	216,666
Call money	—	4,887
Collateral deposits received for securities lending	35,194	48,821
Borrowed money	54,949	132,274
Foreign Exchanges	463	564
Other liabilities	29,657	21,636
Income taxes payable	771	929
Lease liabilities	16	16
Asset retirement obligations	512	530
Others	28,357	20,160
Reserve for directors' bonuses	9	5
Reserve for employee retirement benefits	11,406	863
Reserve for directors' retirement benefits	137	130
Reserve for reimbursement of deposits	1,412	1,481
Reserve for contingent losses	300	375
Reserve for credit card rewards points	41	32
Reserve for losses on disaster	102	—
Acceptances and guarantees	18,365	16,684
Total liabilities	4,976,966	5,232,357
Net Assets		
Capital stock	135,000	135,000
Retained earnings	74,141	90,928
Earned surplus reserve	9,383	12,332
Other earned surplus	64,758	78,595
Earned surplus brought forward	64,758	78,595
Total shareholders' equity	209,141	225,928
Net unrealized valuation gains (losses) on other securities (available for sale securities)	7,456	23,506
Gains (losses) on deferred hedges	—	229
Total valuation and translation adjustments, etc.	7,456	23,736
Total net assets	216,598	249,664
Total liabilities and net assets	5,193,564	5,482,022

(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 2012	First half FY 2013
Operating income	49,940	54,541
Interest income	33,206	33,885
Interest on loans and discounts	28,586	27,724
Interest and dividends on securities	4,296	5,930
Fees and commissions	8,749	9,939
Other business income	5,931	2,950
Other operating income	2,052	7,766
Operating expenses	33,051	34,959
Interest expenses	1,713	1,493
Interest on deposits	1,561	1,343
Fees and commissions	3,147	2,906
Other business expenses	—	1,334
General and administrative expenses	26,118	25,248
Other operating expenses	2,072	3,976
Operating profit	16,889	19,582
Special gains	42	—
Special losses	192	278
Net profit before income taxes	16,738	19,303
Corporate, inhabitant, business taxes	607	869
Corporate tax adjustments, etc.	648	(3,936)
Corporate taxes, etc.	1,255	(3,067)
Net profit	15,483	22,371

(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 2013 (ended Sep 30, 2013)
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	9,383
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 current period	12,332
Other earned surplus	
Earned surplus brought forward	
Balance at the end of previous period	73,919
Changes of items during the period	
Dividends from surplus	(17,694)
Net profit	22,371
Total changes of items during the period	4,676
Balance at the end of current period	78,595
Total retained earnings	
Balance at the end of previous period	83,302
Changes of items during the period	
Dividends from surplus	(14,745)
Net profit	22,371
Total changes of items during the period	7,625
Balance at the end of current period	90,928
Total shareholders' equity	
Balance at the end of previous period	218,302
Changes of items during the period	
Dividends from surplus	(14,745)
Net profit	22,371
Total changes of items during the period	7,625
Balance at the end of current period	225,928
Valuation and translation adjustments	
Net unrealized valuation gains (losses) on other securities (available for sale securities)	
Balance at the end of previous period	25,522
Changes of items during the period	
Net changes of items other than shareholders' equity	(2,016)
Total changes of items during the period	(2,016)
Balance at the end of current period	23,506
Gains (losses) on deferred hedges	
Balance at the end of previous period	(132)
Changes of items during the period	
Net changes of items other than shareholders' equity	362
Total changes of items during the period	362
Balance at the end of current period	229
Total valuation and translation adjustments	
Balance at the end of previous period	25,390
Changes of items during the period	
Net changes of items other than shareholders' equity	(1,653)
Total changes of items during the period	(1,653)
Balance at the end of current period	23,736
Total net assets	
Balance at the end of previous period	243,693
Changes of items during the period	
Dividends from surplus	(14,745)
Net profit	22,371
Net changes of items other than shareholders' equity	(1,653)
Total changes of items during the period	5,971
Balance at the end of current period	249,664

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

II Financial Data for the First Half Fiscal 2013 (ended September 30, 2013)

1. Income Status

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

(Millions of yen)

Item	First half FY 2013		First half FY 2012
	(A)	(A)-(B)	(B)
Gross business profit	41,041	(1,985)	43,027
Domestic gross business profit	40,406	(2,129)	42,536
Core gross business profit	39,033	2,120	36,912
Net interest income	31,996	718	31,278
Net fees and commissions	6,983	1,433	5,549
Net trading income	—	—	—
Net other business income	1,426	(4,282)	5,708
International gross business profit	634	144	490
Core gross business profit	634	144	490
Net interest income	395	180	215
Net fees and commissions	49	(2)	52
Net trading income	—	—	—
Net other business income	189	(33)	223
Expenses	24,771	(945)	25,716
Personnel expenses	12,834	(826)	13,661
Non-personnel expenses	10,361	(92)	10,454
Taxes	1,575	(26)	1,601
Net business income (before provision for general reserve for possible loan losses)	16,270	(1,040)	17,310
Gains (losses) on bonds	1,373	(4,250)	5,623
Provision for general reserve for possible loan losses	148	148	—
Net business income (after provision for general reserve for possible loan losses)	16,122	(1,188)	17,310
Net non-recurrent gains (losses)	3,460	3,881	(421)
Gains (losses) on stocks	6,482	6,677	(194)
Disposal of non-performing loans	3,550	1,867	1,682
Write-off amount of loans	529	(1,062)	1,591
Provision for specific reserve for possible loan losses	2,965	2,965	—
Losses on sales of loans	5	(48)	54
Provision for reserve for contingent losses	48	11	36
Reversal of reserve for possible loan losses	—	(548)	548
Recovery of written-off claims	787	346	440
Operating profit	19,582	2,693	16,889
Net special gains (losses)	(278)	(127)	(150)
Net gains (losses) from fixed assets	(13)	137	(150)
Gains on dispositions of fixed assets	—	(42)	42
Losses on dispositions of fixed assets	13	(179)	192
Impairment losses	32	32	—
Extra retirement allowances	232	232	—
Net profit before income taxes	19,303	2,565	16,738
Corporate, inhabitant, business taxes	869	262	607
Corporate tax adjustments, etc.	(3,936)	(4,584)	648
Net profit	22,371	6,887	15,483

Reference (Credit related costs)

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

(Millions of yen)

Item	First half FY 2013		First half FY 2012 (B)
	(A)	(A)-(B)	
Provision for general reserve for possible loan losses①	148	148	—
Disposal of non-performing loans②	3,550	1,867	1,682
Write-off amount of loans	529	(1,062)	1,591
Provision for specific reserve for possible loan losses	2,965	2,965	—
Losses on sales of loans	5	(48)	54
Provision for reserve for contingent losses	48	11	36
Reversal of reserve for possible loan losses③	—	(548)	548
Reversal of general reserve for possible loan losses	—	(7,829)	7,829
Reversal of specific reserve for possible loan losses	—	7,280	(7,280)
Recovery of written-off claims④	787	346	440
Total ①+②-③-④	2,910	2,216	693

Reference (Consolidated Income Status)

【Ashikaga Holdings Co., Ltd.】

(Millions of yen)

Item	First half FY 2013		First half FY 2012 (B)
	(A)	(A)-(B)	
Consolidated gross business profit	42,403	(1,203)	43,607
Net interest income	33,037	1,664	31,372
Net fees and commissions	7,655	1,463	6,192
Net trading income	—	—	—
Net other business income	1,711	(4,330)	6,042
General and administrative expenses	29,071	(861)	29,933
Write-off and reserve expenses of loans①	3,977	2,254	1,723
Reversal of reserve for possible loan losses②	—	(257)	257
Recovery of written-off claims③	791	346	445
Gains (losses) on stocks	5,962	6,328	(365)
Equity in gains (losses) of affiliated companies	—	—	—
Others	134	(731)	866
Operating Profit	16,243	3,089	13,153
Special gains (losses)	(261)	(220)	(41)
Net profit before income taxes	15,981	2,868	13,112
Corporate, inhabitant, business taxes	1,092	107	984
Corporate tax adjustments, etc.	(3,675)	(4,384)	709
Income before minority interests	18,564	7,145	11,418
Minority interests	—	—	—
Net profit	18,564	7,145	11,418

(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 (①-②-③)	3,185	2,165	1,020
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Reference (Number of Consolidated Subsidiaries)

【Ashikaga Holdings Co., Ltd.】

Item	First half FY 2013		First half FY2012 (B)
	(A)	(A)-(B)	
Number of consolidated subsidiaries	4	(3)	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 2013		First half FY 2012 (B)
	(A)	(A)-(B)	
Net business income (before provision for reserve for possible loan losses)	16,270	(1,040)	17,310
Per head (in thousands of yen)	5,267	(184)	5,452
Net business income	16,122	(1,188)	17,310
Per head (in thousands of yen)	5,219	(232)	5,452

3. Interest Rate Spread

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

(%)

Item (Whole bank operations)	First half FY 2013		First half FY 2012 (B)
	(A)	(A)-(B)	
Average yield on interest earning assets①	1.28	(0.03)	1.31
Average yield on loans and bills discounted	1.46	(0.13)	1.59
Average yield on securities	0.91	0.16	0.75
Average yield on interest bearing liabilities②	1.02	(0.09)	1.11
Average yield on deposits and negotiable certificates of deposit	0.05	(0.01)	0.06
Average yield on call money and borrowed money	0.09	(0.01)	0.10
Average interest rate spread①－②	0.26	0.06	0.20

(%)

Item (Domestic operations)	First half FY 2013		First half FY 2012 (B)
	(A)	(A)-(B)	
Average yield on interest earning assets①	1.27	(0.03)	1.30
Average yield on loans and bills discounted	1.47	(0.12)	1.59
Average yield on securities	0.91	0.16	0.75
Average yield on interest bearing liabilities②	1.01	(0.09)	1.10
Average yield on deposits and negotiable certificates of deposit	0.05	(0.01)	0.06
Average interest rate spread①－②	0.26	0.06	0.20

4. Gains and Losses on Securities

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

(Millions of yen)

Item	First half FY 2013		First half FY 2012 (B)
	(A)	(A)-(B)	
Gains (losses) on bonds (Japanese government bonds, etc.)	1,373	(4,250)	5,623
Gains on sales	2,699	(2,923)	5,623
Gains on redemption	—	—	—
Losses on sales	1,326	1,326	—
Losses on redemption	—	—	—
Write-offs	—	—	—
Gains (losses) on stocks	6,482	6,677	(194)
Gains on sales	6,572	6,571	0
Losses on sales	88	54	34
Write-offs	0	(160)	160

5. Capital Adequacy Ratio (Domestic standard)

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

(Millions of yen)

Item	As of Sep 30, 2013			As of Mar 31, 2013	As of Sep 30, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Capital adequacy ratio	9.17%	0.81%	0.34%	8.36%	8.83%
Tier 1 Capital ①	225,928	22,371	16,786	203,557	209,141
Tier 2 Capital ②	16,524	85	607	16,438	15,917
General reserve for loan losses qualified as capital	16,524	85	607	16,438	15,917
Deductions ③	—	—	—	—	—
Capital ①+②-③	242,452	22,456	17,393	219,996	225,058
Risk assets	2,643,909	13,680	97,177	2,630,228	2,546,731

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

(Millions of yen)

Item	As of Sep 30, 2013			As of Mar 31, 2013	As of Sep 30, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Capital adequacy ratio	8.38%	(1.32%)	(1.57%)	9.70%	9.95%
Tier 1 Capital ①	153,091	(4,172)	(2,755)	157,264	155,846
Tier 2 Capital ②	66,318	(29,971)	(29,449)	96,290	95,767
General reserve for loan losses qualified as capital	16,318	28	550	16,290	15,767
Subordinated debts	50,000	(30,000)	(30,000)	80,000	80,000
(Portion of subordinated debts not qualified as capital)	—	—	—	—	—
Deductions ③	426	(140)	(150)	567	577
Capital ①+②-③	218,982	(34,004)	(32,053)	252,987	251,036
Risk assets	2,610,978	4,483	88,136	2,606,495	2,522,842

6. Return on Equity

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

(%)

Item	First half FY2013		First half FY 2012(B)
	(A)	(A)-(B)	
Net business income basis (before provision for general reserve for possible loan losses)	13.15	(2.61)	15.76
Net business income basis	13.03	(2.73)	15.76
Net profit basis	18.08	3.99	14.09

*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

III 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, 2013			As of Mar 31, 2013	As of Sep 30, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Loans to bankrupt borrowers	2,926	(338)	(1,976)	3,265	4,902
Non-accrual delinquent loans	84,942	(2,449)	2,013	87,391	82,928
Loans past due 3 month or more	60	55	60	5	—
Restructured loans	32,562	817	1,085	31,745	31,477
Total risk-monitored loans	120,492	(1,915)	1,184	122,407	119,307
(Reference)Amount of partial direct write-off executed	8,743	(3,741)	(5,861)	12,484	14,605
Total loans	3,889,585	114,365	203,930	3,775,220	3,685,655

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

(%)

Item	As of Sep 30, 2013			As of Mar 31, 2013	As of Sep 30, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Loans to bankrupt borrowers	0.07	(0.01)	(0.06)	0.08	0.13
Non-accrual delinquent loans	2.18	(0.13)	(0.07)	2.31	2.25
Loans past due 3 month or more	0.00	0.00	0.00	0.00	—
Restructured loans	0.83	(0.01)	(0.02)	0.84	0.85
Total risk-monitored loans	3.09	(0.15)	(0.14)	3.24	3.23

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

(1)Risk-monitored loans

(Millions of yen)

Item	As of Sep 30, 2013			As of Mar 31, 2013	As of Sep 30, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Loans to bankrupt borrowers	3,107	(279)	(1,912)	3,386	5,019
Non-accrual delinquent loans	85,734	(2,459)	1,730	88,194	84,003
Loans past due 3 month or more	60	55	60	5	—
Restructured loans	32,562	817	1,085	31,745	31,477
Total risk-monitored loans	121,465	(1,866)	965	123,331	120,500
(Reference)Amount of partial direct write-off executed	10,355	(3,895)	(6,825)	14,250	17,181
Total loans	3,840,339	64,364	153,788	3,775,974	3,686,551

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

(%)

Item	As of Sep 30, 2013			As of Mar 31, 2013	As of Sep 30, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Loans to bankrupt borrowers	0.08	(0.00)	(0.05)	0.08	0.13
Non-accrual delinquent loans	2.23	(0.10)	(0.04)	2.33	2.27
Loans past due 3 month or more	0.00	0.00	0.00	0.00	—
Restructured loans	0.84	0.00	(0.01)	0.84	0.85
Total risk-monitored loans	3.16	(0.10)	(0.10)	3.26	3.26

2. Reserve for Possible Loan Losses

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

(Millions of yen)

Item	As of Sep 30, 2013			As of Mar 31, 2013	As of Sep 30, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Reserve for possible loan losses	40,093	1,107	(554)	38,985	40,647
General reserve for possible loan losses	18,414	148	(734)	18,266	19,148
Specific reserve for possible loan losses	21,679	959	179	20,719	21,499
Reserve for specific foreign debtors	—	—	—	—	—

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

(Millions of yen)

Item	As of Sep 30, 2013			As of Mar 31, 2013	As of Sep 30, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Reserve for possible loan losses	43,752	712	(465)	43,039	44,218
General reserve for possible loan losses	19,041	(10)	(255)	19,051	19,297
Specific reserve for possible loan losses	24,710	723	(210)	23,987	24,920
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, 2013			As of Mar 31, 2013	As of Sep 30, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Before partial direct write-off	37.81	(0.35)	(3.23)	38.16	41.04
After partial direct write-off	33.23	1.46	(0.50)	31.77	33.73

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

(%)

Item	As of Sep 30, 2013			As of Mar 31, 2013	As of Sep 30, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Before partial direct write-off	41.07	(0.58)	(3.32)	41.65	44.39
After partial direct write-off	35.97	1.15	(0.39)	34.82	36.36

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, 2013			As of Mar 31, 2013	As of Sep 30, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Bankrupt and substantially bankrupt claims	10,075	561	(4,225)	9,513	14,301
Doubtful claims	77,955	(3,359)	4,230	81,314	73,724
Claims requiring supervision	32,623	872	1,146	31,750	31,477
Subtotal ①	120,654	(1,924)	1,151	122,578	119,502
Normal claims	3,826,460	120,267	213,783	3,706,193	3,612,677
Total	3,947,114	118,342	214,934	3,828,772	3,732,180
(Reference) Amount of partial direct write-off executed	8,743	(3,741)	(5,861)	12,484	14,605

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

(Millions of yen)

Item	As of Sep 30, 2013			As of Mar 31, 2013	As of Sep 30, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Bankrupt and substantially bankrupt claims	11,112	620	(4,481)	10,492	15,594
Doubtful claims	78,082	(3,374)	4,221	81,456	73,860
Claims requiring supervision	32,623	872	1,146	31,750	31,477
Subtotal	121,818	(1,881)	886	123,699	120,931
Normal claims	3,778,881	70,468	164,309	3,708,413	3,614,572
Total	3,900,700	68,587	165,196	3,832,112	3,735,503
(Reference) Amount of partial direct write-off executed	10,355	(3,895)	(6,825)	14,250	17,181

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, 2013			As of Mar 31, 2013	As of Sep 30, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Coverage amount ②	88,111	511	3,092	87,600	85,019
Portion covered by reserve	25,232	1,236	807	23,996	24,425
Portion covered by collateral and guarantees	62,879	(725)	2,284	63,604	60,594
Reserve for specific debtors	—	—	—	—	—

(%)

Coverage ratio ②/①	73.02	1.56	1.88	71.46	71.14
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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, 2013			As of Mar 31, 2013	As of Sep 30, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Total	3,889,585	114,365	203,930	3,775,220	3,685,655
Manufacturing	535,460	6,596	14,128	528,864	521,332
Agriculture / Forestry	11,727	1,211	(155)	10,516	11,882
Fishery	497	(59)	6	556	491
Mining / Quarrying of stone / Gravel	5,241	(45)	466	5,286	4,775
Construction	130,781	(4,478)	(1,956)	135,259	132,737
Electricity, gas and water	35,458	11,519	12,982	23,939	22,476
Telecommunication	39,587	(2,762)	(2,814)	42,349	42,401
Transportation / Postal activities	102,398	2,983	7,770	99,415	94,628
Wholesale / Retail services	384,292	(12,219)	(17,056)	396,511	401,348
Financial and insurance services	207,467	67,534	72,550	139,933	134,917
Real estate / Goods rental and leasing	389,574	13,408	31,821	376,166	357,753
Services	274,050	(567)	(24,023)	274,617	298,073
National / Local government	475,309	(12,661)	31,319	487,970	443,990
Others	1,297,731	43,901	78,890	1,253,830	1,218,841

(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, 2013			As of Mar 31, 2013	As of Sep 30, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Total	120,492	(1,915)	1,184	122,407	119,307
Manufacturing	32,693	(769)	2,845	33,463	29,847
Agriculture / Forestry	321	(56)	(433)	378	755
Fishery	—	—	—	—	—
Mining / Quarrying of stone / Gravel	120	(7)	64	128	56
Construction	11,058	(57)	(64)	11,116	11,122
Electricity, gas and water	3	(0)	(1)	4	4
Telecommunication	1,095	26	65	1,069	1,030
Transportation / Postal activities	3,351	(96)	648	3,447	2,703
Wholesale / Retail services	23,035	586	2,758	22,448	20,276
Financial and insurance services	15	(293)	(1,956)	309	1,971
Real estate / Goods rental and leasing	16,267	(1,152)	(2,756)	17,420	19,024
Services	18,950	18	(328)	18,932	19,278
National / Local government	—	—	—	—	—
Others	13,577	(111)	342	13,689	13,235

(3) Individual loans

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

(Millions of yen)

Item	As of Sep 30, 2013			As of Mar 31, 2013	As of Sep 30, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Individual loans	1,383,025	51,165	93,239	1,331,860	1,289,786
Housing loans	1,351,087	52,578	95,727	1,298,509	1,255,360
Other loans	31,938	(1,413)	(2,488)	33,351	34,426

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

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

(%)

Item	As of Sep 30, 2013			As of Mar 31, 2013	As of Sep 30, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Ratio to total loans and bills discounted	70.46	0.36	(0.45)	70.10	70.91

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, 2013			As of Mar 31, 2013	As of Sep 30, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
China	195	(86)	(37)	282	232
(Risk-monitored loans included)	—	—	—	—	—
Total	195	(86)	(37)	282	232
(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, 2013			As of Mar 31, 2013	As of Sep 30, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Deposits	4,787,933	5,777	128,141	4,782,156	4,659,792
Deposits (Annual or semiannual average)	4,738,250	117,047	135,759	4,621,202	4,602,490
Loans	3,889,585	114,365	203,930	3,775,220	3,685,655
Loans (Annual or semiannual average)	3,763,438	150,202	190,082	3,613,236	3,573,355

IV 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, 2013					As of Mar 31, 2013			As of Sep 30, 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	6,918	(940)	1,773	6,918	—	7,858	7,862	3	5,144	5,240	96
Bonds	6,686	(947)	1,481	6,686	—	7,634	7,636	1	5,205	5,205	—
Others	231	7	292	231	—	224	226	1	(60)	35	96
Other (available-for-sale)	32,915	(2,046)	23,448	35,141	2,226	34,962	35,710	748	9,467	15,718	6,251
Stocks	27,693	4,318	20,341	27,803	109	23,375	23,442	66	7,352	8,267	914
Bonds	4,068	(7,449)	(3,030)	5,861	1,792	11,518	11,772	253	7,098	7,380	281
Others	1,152	1,084	6,137	1,476	324	67	496	428	(4,984)	70	5,054
Total	39,833	(2,987)	25,221	42,059	2,226	42,820	43,573	752	14,611	20,958	6,347
Stocks	27,693	4,318	20,341	27,803	109	23,375	23,442	66	7,352	8,267	914
Bonds	10,755	(8,397)	(1,548)	12,548	1,792	19,153	19,408	255	12,304	12,586	281
Others	1,383	1,091	6,429	1,707	324	292	722	430	(5,045)	105	5,151

(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 (first half 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, 2013					As of Mar 31, 2013			As of Sep 30, 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	6,918	(940)	1,773	6,918	—	7,858	7,862	3	5,144	5,240	96
Bonds	6,686	(947)	1,481	6,686	—	7,634	7,636	1	5,205	5,205	—
Others	231	7	292	231	—	224	226	1	(60)	35	96
Other (available-for-sale)	29,333	(2,033)	23,737	31,972	2,639	31,366	32,607	1,240	5,596	13,292	7,695
Stocks	23,432	4,839	21,765	23,954	522	18,592	19,354	761	1,667	5,814	4,147
Bonds	4,056	(7,450)	(3,072)	5,849	1,792	11,506	11,760	253	7,129	7,409	280
Others	1,843	576	5,044	2,167	324	1,266	1,492	225	(3,200)	67	3,267
Total	36,251	(2,974)	25,510	38,890	2,639	39,225	40,469	1,244	10,740	18,532	7,792
Stocks	23,432	4,839	21,765	23,954	522	18,592	19,354	761	1,667	5,814	4,147
Bonds	10,743	(8,398)	(1,590)	12,536	1,792	19,141	19,397	255	12,334	12,615	280
Others	2,075	584	5,336	2,399	324	1,491	1,718	227	(3,261)	102	3,363

(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 (first half fiscal) year, and bonds and others that have market prices are stated at their fiscal (first half fiscal) year-end market prices.

V. Employees' Severance and Retirement Benefits

1 . Retirement Benefit Costs

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

(Millions of yen)

Item	As of Sep 30, 2013			As of Mar 31, 2013	As of Sep 30, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Retirement benefit costs	1,003	(1,358)	(194)	2,361	1,197
Service cost	720	(621)	40	1,341	679
Interest cost	265	(606)	(181)	872	446
Expected return on plan assets	(445)	175	(135)	(621)	(310)
Amortization of prior service cost	(72)	70	(1)	(143)	(70)
Recognized actuarial loss	526	(352)	85	879	440
Other retirement cost	9	(23)	(3)	33	12

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

(Millions of yen)

Item	As of Mar 31, 2013			As of Mar 31, 2013	As of Sep 30, 2012
	(A)	(A-B)	(A-C)	(B)	(C)
Retirement benefit costs	1,005	(1,362)	(194)	2,368	1,200