

# **Financial Summary**

**For the First Half Ended September 30, 2014**



**Shinsei Bank, Limited**  
**(Code 8303, TSE First Section)**

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The following document should be read in conjunction with the consolidated and nonconsolidated financial statements prepared in accordance with generally accepted accounting principles in Japan for banks. Except as otherwise indicated, the financial information in the following discussion is based on the consolidated financial statements. Financial and operational figures that are stated in multiples of ¥0.1 billion have been truncated. All percentages unless otherwise noted have been rounded to the nearest 0.1%.

## Financial Highlights<sup>1</sup>

(Billions of yen, except percentages)

	1H FY2014 (6 months)	1H FY2013 (6 months)	Change (Amount)	FY2013 (12 months)
<b>Selected income statement items (Consolidated)</b>				
Net interest income	60.5	55.0	5.5	110.5
Noninterest income	50.5	45.2	5.3	92.5
Net fees and commissions	10.8	11.6	(0.7)	22.4
Net trading income	5.4	6.9	(1.5)	13.9
Net other business income	34.1	26.5	7.6	56.0
Total revenue	111.1	100.2	10.8	203.0
General and administrative expenses	(70.0)	(65.8)	(4.2)	(132.8)
Ordinary business profit	41.0	34.4	6.6	70.1
Net credit costs	(5.0)	(0.3)	(4.6)	(0.2)
Ordinary business profit after net credit costs	36.0	34.0	1.9	69.8
Amortization of goodwill and other intangible assets <sup>2</sup>	(4.5)	(5.1)	0.5	(9.6)
Other gains (losses)	0.7	(1.3)	2.1	(14.2)
Income before income taxes and minority interests	32.2	27.6	4.6	46.0
Current income tax	(1.2)	(1.8)	0.6	(2.4)
Deferred income tax	(0.8)	3.1	(4.0)	0.7
Minority interests in net income of subsidiaries	(1.1)	(1.6)	0.4	(2.9)
Net income	28.9	27.2	1.6	41.3
Cash basis net income <sup>3</sup>	32.9	31.7	1.2	49.8
<b>Selected balance sheet items (Consolidated)</b>				
Cash and Due from Banks	1,179.3	724.5	454.7	1,451.4
Securities	1,621.3	1,794.7	(173.4)	1,557.0
Loans and bills discounted	4,338.6	4,208.6	129.9	4,319.8
Customers' liabilities for acceptances and guarantees	331.4	453.0	(121.5)	358.4
Reserve for credit losses	(117.9)	(143.9)	26.0	(137.3)
Total assets	9,190.1	8,905.5	284.6	9,321.1
Deposits and negotiable certificates of deposit	5,611.0	5,753.4	(142.3)	5,850.4
Debentures	37.7	45.8	(8.1)	41.7
Borrowed money	720.4	619.3	101.0	643.4
Reserve for losses on interest repayments	185.4	28.6	156.8	208.2
Total liabilities	8,483.9	8,198.5	285.4	8,598.5
Total equity	706.2	706.9	(0.7)	722.5
<b>Financial ratios (%) (Consolidated)</b>				
Net interest margin	2.28	2.03		2.07
Expense-to-revenue ratio	63.1	65.6		65.4
Return on assets	0.6 <sup>4</sup>	0.6 <sup>4</sup>		0.5
Return on equity (fully diluted)	8.6 <sup>4</sup>	8.6 <sup>4</sup>		6.5
Cash basis return on assets	0.7 <sup>4</sup>	0.7 <sup>4</sup>		0.5
Cash basis return on equity (fully diluted)	10.3 <sup>4</sup>	10.7 <sup>4</sup>		8.3
<b>Capital adequacy data (Consolidated)</b>				
<b>&lt;Basel 3, Domestic Standard&gt;</b>				
Capital	813.0			817.6
Total amount of Risk-weighted assets	5,886.9			6,016.7
Capital ratio	13.81%			13.58%

(Billions of yen, except percentages)

	1H FY2014 (6 months)	1H FY2013 (6 months)	Change (Amount)	FY2013 (12 months)
<b>Per share data (Consolidated)</b>				
Common equity	257.94	242.90	15.04	247.82
Basic net income	10.90	10.26	0.63	15.59
Cash basis basic net income	12.41	11.96	0.45	18.78
<b>Nonperforming loans (Nonconsolidated)</b>				
Claims classified under the Financial Revitalization Law	110.2	202.0	(91.8)	164.7
Ratio to total claims	2.61%	4.76%		3.81%
Reserve for credit losses	63.0	90.4	(27.3)	83.5
Coverage ratio for nonperforming claims	95.7%	95.5%		95.3%
<b>Selected income statement items (Nonconsolidated)</b>				
Net interest income	43.7	37.5	6.2	80.9
Noninterest income	12.9	10.3	2.6	17.9
Net fees and commissions	6.9	6.0	0.9	7.9
Net trading income	2.0	2.5	(0.4)	5.3
Net other business income	3.9	1.7	2.1	4.6
Total revenue	56.6	47.8	8.8	98.9
General and administrative expenses	(37.1)	(34.3)	(2.8)	(69.0)
Ordinary business profit	19.5	13.5	6.0	29.8
Net credit costs	1.9	0.9	0.9	7.2
Net income	19.3	15.5	3.7	36.4

1. Represents results based on management accounting basis.

2. In our consolidated financial statements, amortization of goodwill and other intangible assets is recorded in general and administrative expenses.

3. Excludes amortization of goodwill and other intangible assets, net of tax benefit, related to the acquisition of consumer and commercial finance companies.

4. Annualized basis.

The Shinsei Bank Group posted a consolidated net income of ¥28.9 billion for the first half of fiscal year 2014 (April 1, 2014 to September 30, 2014), an increase of ¥1.6 billion compared to ¥27.2 billion in the first half of fiscal year 2013. This is an approximate 53% progression toward the ¥55.0 billion full-year net income forecast and is in line with the achievement of the target.

- Total revenue for the first half of fiscal year 2014 was ¥111.1 billion. Of this amount, net interest income was ¥60.5 billion, an increase of ¥5.5 billion compared to ¥55.0 billion for the first half of fiscal year 2013. This was due to a reduction in funding costs and a revenue increase as a result of the growth of the consumer finance business loan balance despite sluggish growth of operating assets in the Institutional Group. Noninterest income was ¥50.5 billion for the first half of fiscal year 2014, an increase of ¥5.3 billion compared to ¥45.2 billion for the first half of fiscal year 2013. This was a result of the posting of gains on the sale of Japanese national government bonds ("JGBs") for the first half of fiscal year 2014, while having recorded losses for the first half of fiscal year 2013 on the sale of JGBs made in an effort to avoid interest rate risk resulting from major fluctuations in the market. Additionally, strong revenue growth in markets related transactions also contributed.
- Regarding general and administrative expenses, while we continued to promote operational efficiency, due to the allocation of management resources in areas such as increasing personnel and advertising in order to grow our business base, general and administrative expenses were ¥70.0 billion for the first half of fiscal year 2014, an increase from ¥65.8 billion for the first half of fiscal year 2013.
- Net credit costs of ¥5.0 billion were recorded for the first half of fiscal year 2014, an increase compared to costs of ¥0.3 billion for the first half of fiscal year 2013. This was a result of factors such as the provisioning of general reserves for loan losses as a result of the growth of the loan balance of the Bank's consumer finance business.
- The balance of loans and bills discounted was ¥4,338.6 billion as of September 30, 2014, an increase of ¥18.7 billion from ¥4,319.8 billion as of March 31, 2014. Loans to institutional customers shrank slightly as a result of factors such as collections of loans and fierce competition to meet loan demand from customers. In loans to individuals, housing loans continued to steadily increase, and the consumer finance loan balance continued to grow compared to the previous fiscal year. As a result, the overall balance of loans and bills discounted for the Bank grew.

- Net interest margin of 2.28% was recorded for the first half of fiscal year 2014, up significantly from 2.03% recorded for the first half of fiscal year 2013. This was due to the significant reduction in funding costs on deposits, including negotiable certificates of deposits, resulting from the maturation of high interest rate time deposits made in previous years. In addition to this, the yield on interest-earning assets, especially on securities, increased compared to the first half of fiscal year 2013 as the result of an increase in dividend income on securities in the institutional Group and the Global Markets Group. It should be noted that the yield on loans and bills discounted in interest-earning assets was largely at the same level as that in the first half of fiscal year 2013.
- Regarding capital ratios under Basel III domestic standard (grandfathering basis), total core capital decreased as the reduction in core capital due to the redemption of perpetual preferred securities exceeded the positive impacts of the accumulation of profits and a reduction in expected losses exceeding eligible provisions reserved. On the other hand, risk assets decreased significantly due to factors such as collections of large claims. As a result, the consolidated core capital adequacy ratio rose from 13.58% as of March 31, 2014 to 13.81% as of September 30, 2014. Additionally, our Basel III international standard Common Equity Tier 1 Capital Ratio (fully loaded basis) increased from 9.2% as of March 31, 2014 to 10.6% as of September 30, 2014.
- The balance of nonperforming loans under the Financial Revitalization Law (nonconsolidated basis) as of September 30, 2014 was ¥110.2 billion, decreased by ¥54.5 billion during the first half of fiscal year 2014. In addition, the proportion of nonperforming claims to the overall loan balance improved significantly from 3.81% as of March 31, 2014 to 2.61% as of September 30, 2014.

## Section 1. Consolidated Information

### Results of Operations <sup>1</sup>-Table 1- (Consolidated)

	(Billions of yen)			
	1H FY2014 (6 months)	1H FY2013 (6 months)	Change (Amount)	FY2013 (12 months)
Net interest income	60.5	55.0	5.5	110.5
Noninterest income	50.5	45.2	5.3	92.5
Net fees and commissions	10.8	11.6	(0.7)	22.4
Net trading income	5.4	6.9	(1.5)	13.9
Net other business income	34.1	26.5	7.6	56.0
Income on lease transactions and installment receivables	18.9	17.8	1.0	36.5
<b>Total revenue</b>	<b>111.1</b>	<b>100.2</b>	<b>10.8</b>	<b>203.0</b>
<b>General and administrative expenses</b>	<b>(70.0)</b>	<b>(65.8)</b>	<b>(4.2)</b>	<b>(132.8)</b>
<b>Ordinary business profit</b>	<b>41.0</b>	<b>34.4</b>	<b>6.6</b>	<b>70.1</b>
<b>Net credit costs</b>	<b>(5.0)</b>	<b>(0.3)</b>	<b>(4.6)</b>	<b>(0.2)</b>
<b>Ordinary business profit after net credit costs</b>	<b>36.0</b>	<b>34.0</b>	<b>1.9</b>	<b>69.8</b>
<b>Amortization of goodwill and other intangible assets<sup>2</sup></b>	<b>(4.5)</b>	<b>(5.1)</b>	<b>0.5</b>	<b>(9.6)</b>
<b>Other gains (losses)</b>	<b>0.7</b>	<b>(1.3)</b>	<b>2.1</b>	<b>(14.2)</b>
<b>Income before income taxes and minority interests</b>	<b>32.2</b>	<b>27.6</b>	<b>4.6</b>	<b>46.0</b>
<b>Current income tax</b>	<b>(1.2)</b>	<b>(1.8)</b>	<b>0.6</b>	<b>(2.4)</b>
<b>Deferred income tax</b>	<b>(0.8)</b>	<b>3.1</b>	<b>(4.0)</b>	<b>0.7</b>
<b>Minority interests in net income of subsidiaries</b>	<b>(1.1)</b>	<b>(1.6)</b>	<b>0.4</b>	<b>(2.9)</b>
<b>Net income</b>	<b>28.9</b>	<b>27.2</b>	<b>1.6</b>	<b>41.3</b>
<b>Cash basis net income<sup>3</sup></b>	<b>32.9</b>	<b>31.7</b>	<b>1.2</b>	<b>49.8</b>

1. Represents results based on management accounting basis.

2. In our consolidated financial statements, amortization of goodwill and other intangible assets is recorded in general and administrative expenses.

3. Excludes amortization of goodwill and other intangible assets, net of tax benefit, related to the acquisition of consumer and commercial finance companies.

Note 1: Quarterly information is available in the Quarterly Data Book.

Noninterest income in the table above is comprised of net fees and commissions, net trading income and net other business income.

Net fees and commissions is primarily comprised of domestic real estate nonrecourse finance fee income, fee income such as servicing fees associated with specialty finance and principal transactions, fee income associated with the guarantee and other business in consumer finance and fee income from the sale of products such as mutual funds and insurance.

Net trading income is comprised of derivative related income from transactions with customers, as well as income from proprietary trading undertaken by the Bank.

Net other business income is comprised of income on lease transactions and installment receivables, gains and losses on monetary trusts primarily held in the Principal Transactions business and gains and losses on the sale of securities in ALM operations.

**Interest-Earning Assets and Interest-Bearing Liabilities -Table 2- (Consolidated)**

(Billions of yen, except percentages)

	1H FY2014 (6 months)			1H FY2013 (6 months)			FY2013 (12 months)		
	Average Balance	Interest	Yield/rate <sup>5</sup> (%)	Average Balance	Interest	Yield/rate <sup>5</sup> (%)	Average Balance	Interest	Yield/rate <sup>5</sup> (%)
<b>Interest-earning assets<sup>1</sup> :</b>									
Loans and bills discounted	4,281.4	62.7	2.92	4,264.8	62.7	2.94	4,241.5	124.4	2.93
Lease receivables and leased investment assets / installment receivables <sup>1</sup>	667.7	18.9	5.66	591.1	17.8	6.03	610.3	36.5	5.99
Securities	1,707.6	7.8	0.92	1,937.4	8.2	0.85	1,892.7	15.6	0.83
Other interest-earning assets <sup>2, 3</sup>	350.6	1.5	n.m. <sup>6</sup>	421.4	1.5	n.m. <sup>6</sup>	423.5	3.1	n.m. <sup>6</sup>
<b>Total revenue on interest-earning assets (A)<sup>1</sup></b>	<b>7,007.5</b>	<b>91.0</b>	<b>2.59</b>	<b>7,214.8</b>	<b>90.4</b>	<b>2.50</b>	<b>7,168.1</b>	<b>179.8</b>	<b>2.51</b>
<b>Interest-bearing liabilities:</b>									
Deposits, including negotiable certificates of deposit	5,729.4	5.7	0.20	5,725.5	11.3	0.39	5,821.9	20.6	0.35
Debentures	40.1	0.0	0.13	85.2	0.1	0.28	64.6	0.1	0.24
Borrowed money	661.3	2.3	0.71	634.0	2.5	0.79	642.9	4.9	0.77
Subordinated debt	64.8	0.8	2.73	90.6	1.0	2.23	88.2	1.9	2.26
Other borrowed money	596.5	1.4	0.49	543.3	1.4	0.55	554.6	2.9	0.54
Corporate bonds	179.9	2.6	2.96	186.9	2.9	3.19	192.4	5.9	3.09
Subordinated bonds	154.5	2.5	3.30	166.9	2.8	3.43	172.5	5.7	3.31
Other corporate bonds	25.3	0.1	0.88	19.9	0.1	1.19	19.8	0.2	1.12
Other interest-bearing liabilities <sup>2</sup>	849.4	0.7	n.m. <sup>6</sup>	735.8	0.5	n.m. <sup>6</sup>	743.5	1.0	n.m. <sup>6</sup>
<b>Total expense on interest-bearing liabilities (B)</b>	<b>7,460.3</b>	<b>11.4</b>	<b>0.31</b>	<b>7,367.6</b>	<b>17.5</b>	<b>0.47</b>	<b>7,465.5</b>	<b>32.7</b>	<b>0.44</b>
<b>Net interest margin (A)-(B)<sup>1</sup></b>	<b>-</b>	<b>79.5</b>	<b>2.28</b>	<b>-</b>	<b>72.9</b>	<b>2.03</b>	<b>-</b>	<b>147.0</b>	<b>2.07</b>
<b>Noninterest-bearing sources of funds:</b>									
Noninterest-bearing (assets) liabilities, net	(1,118.9)	-	-	(786.3)	-	-	(937.5)	-	-
Total equity excluding minority interests in subsidiaries <sup>4</sup>	666.1	-	-	633.6	-	-	640.1	-	-
<b>Total noninterest-bearing sources of funds (C)</b>	<b>(452.7)</b>	<b>-</b>	<b>-</b>	<b>(152.7)</b>	<b>-</b>	<b>-</b>	<b>(297.3)</b>	<b>-</b>	<b>-</b>
<b>Sum of total expense on interest-bearing liabilities and noninterest-bearing sources of funds (D)=(B)+(C)</b>									
<b>noninterest-bearing sources of funds (D)=(B)+(C)</b>	<b>7,007.5</b>	<b>11.4</b>	<b>0.33</b>	<b>7,214.8</b>	<b>17.5</b>	<b>0.48</b>	<b>7,168.1</b>	<b>32.7</b>	<b>0.46</b>
<b>Net revenue/yield on interest-earning assets (A)-(D)<sup>1</sup></b>	<b>-</b>	<b>79.5</b>	<b>2.26</b>	<b>-</b>	<b>72.9</b>	<b>2.02</b>	<b>-</b>	<b>147.0</b>	<b>2.05</b>
<b>Reconciliation of total revenue on interest-earning assets to total interest income:</b>									
Total revenue on interest-earning assets	7,007.5	91.0	2.59	7,214.8	90.4	2.50	7,168.1	179.8	2.51
Less: Income on lease transactions and installment receivables	667.7	18.9	5.66	591.1	17.8	6.03	610.3	36.5	5.99
<b>Total interest income</b>	<b>6,339.7</b>	<b>72.0</b>	<b>2.27</b>	<b>6,623.7</b>	<b>72.5</b>	<b>2.18</b>	<b>6,557.8</b>	<b>143.2</b>	<b>2.18</b>
<b>Total interest expense</b>	<b>-</b>	<b>11.4</b>	<b>-</b>	<b>-</b>	<b>17.5</b>	<b>-</b>	<b>-</b>	<b>32.7</b>	<b>-</b>
<b>Net interest income</b>	<b>-</b>	<b>60.5</b>	<b>-</b>	<b>-</b>	<b>55.0</b>	<b>-</b>	<b>-</b>	<b>110.5</b>	<b>-</b>

1. Includes lease transactions and installment receivables and related yields.

2. Other interest-earning assets and other interest-bearing liabilities include interest swaps.

3. Excludes average balance of non interest-earning assets.

4. Represents a simple average of the balance at the end of the current period and the balance at the end of the previous period.

5. Percentages have been rounded from the third decimal place.

6. n.m. is not meaningful.

Note 1: Quarterly information is available in the Quarterly Data Book.

The line item "Net revenue/yield on interest-earning assets" on the chart above includes revenues from net received interest, revenue earned on lease receivables and leased investment assets, and installment account receivables. However, while the Bank considers income on lease transactions and installment receivables to be a component of net interest income, Japanese GAAP does not include

income on lease transactions and installment accounts receivables in net interest income (in accordance with Japanese GAAP, income on lease transactions and installment accounts receivables is reported in net other business income in our consolidated statements of operations).



## Noninterest Income - Table 3- (Consolidated)

(Billions of yen)

	1H FY2014 (6 months)	1H FY2013 (6 months)	Change (Amount)	FY2013 (12 months)
<b>Institutional Group</b>	<b>19.5</b>	21.0	(1.5)	41.8
Institutional Business Sub-Group - Institutional Business	1.2	1.9	(0.7)	3.2
Institutional Business Sub-Group - Structured Finance	3.4	3.9	(0.5)	8.1
Principal Transactions Sub-Group	6.5	7.3	(0.8)	12.6
Showa Leasing	7.4	8.1	(0.7)	17.6
Others	0.9	(0.2)	1.2	0.1
<b>Global Markets Group</b>	<b>5.5</b>	3.2	2.2	7.3
Financial Institutions Sub-Group	0.9	0.8	0.0	1.6
Markets Sub-Group	3.0	0.9	2.1	2.6
Others	1.4	1.4	0.0	3.0
<b>Individual Group</b>	<b>22.7</b>	21.4	1.3	44.0
Retail Banking	2.7	4.0	(1.3)	7.0
Shinsei Financial and <i>Shinsei Bank Card Loan - Lake</i> <sup>1</sup>	(1.1)	(1.9)	0.8	(3.3)
SHINKI	(0.2)	(0.2)	0.0	(0.5)
APLUS FINANCIAL	21.3	19.4	1.8	40.6
Others	0.1	0.1	(0.0)	0.2
<b>Corporate/Other</b>	<b>2.7</b>	(0.5)	3.3	(0.7)
<b>Noninterest income</b>	<b>50.5</b>	45.2	5.3	92.5

1. Results for Shinsei Financial and "Shinsei Bank Card Loan - Lake" in the Lake business (started on October 1, 2011) are combined on a management accounting basis.

Note 1: Quarterly information is available in the Quarterly Data Book.

### Noninterest income

The Institutional Group recorded noninterest income of ¥19.5 billion for the first half of fiscal year 2014, a ¥1.5 billion decrease compared to ¥21.0 billion recorded for the first half of fiscal year 2013. In the first half of fiscal year 2013, the Institutional Business Sub-Group recorded significant fee income from new loan origination related to real estate corporations including REITs. Furthermore, fee income at Showa Leasing remained weaker compared to the previous first half.

The Global Markets Group recorded noninterest income of ¥5.5 billion for the first half of fiscal year 2014 compared to ¥3.2 billion for the first half of fiscal year 2013. The Markets Sub-Group recorded noninterest income of ¥3.0 billion, a ¥2.1 billion increase compared to ¥0.9 billion recorded for the first half of fiscal year 2013. This was the result of an increase in revenue from markets related transactions.

The Individual Group recorded noninterest income of ¥22.7 billion for the first half of fiscal year 2014, a ¥1.3 billion increase compared to ¥21.4 billion recorded for the first half of fiscal year 2013. This was the result of a steady increase in revenue related to income on installment sales finance business of APLUS FINANCIAL, which offset the deterioration in the profitability of investment product sales and increases in ATM related fees paid in Retail Banking.

Corporate/Other recorded noninterest income of ¥2.7 billion for the first half of fiscal year 2014, a ¥3.3 billion increase compared to the first half of fiscal year 2013. The primary factor behind this increase was the steady gains recorded on the sale of JGBs for the first half of fiscal year 2014, compared to the losses recorded on the sales of JGBs for the first half of fiscal year 2013, which were made in an effort to avoid interest rate risk arising from dramatic fluctuations in the market.

**General and Administrative Expenses -Table 4- (Consolidated)**

	(Billions of yen)			
	1H FY2014 (6 months)	1H FY2013 (6 months)	Change (Amount)	FY2013 (12 months)
Personnel expenses	(28.0)	(26.1)	(1.8)	(52.8)
Nonpersonnel expenses	(42.0)	(39.6)	(2.4)	(79.9)
Premises expenses	(9.5)	(9.7)	0.1	(20.0)
Technology and data processing expenses	(9.3)	(8.8)	(0.5)	(18.1)
Advertising expenses	(5.4)	(5.0)	(0.4)	(10.0)
Consumption and property taxes	(4.0)	(3.2)	(0.7)	(6.1)
Deposit insurance premium	(2.1)	(2.0)	(0.0)	(3.4)
Other general and administrative expenses	(11.5)	(10.7)	(0.8)	(22.0)
<b>General and administrative expenses</b>	<b>(70.0)</b>	<b>(65.8)</b>	<b>(4.2)</b>	<b>(132.8)</b>

Note 1: Quarterly information is available in the Quarterly Data Book.

**Net Credit Costs -Table 5- (Consolidated)**

	(Billions of yen)			
	1H FY2014 (6 months)	1H FY2013 (6 months)	Change (Amount)	FY2013 (12 months)
Losses on write-off of loans/Losses on sale of loans	(2.2)	(1.7)	(0.4)	(3.1)
Net provision of reserve for loan losses:	(7.0)	(2.6)	(4.3)	(6.2)
Net provision of general reserve for loan losses	(4.7)	(2.2)	(2.5)	(2.8)
Net provision of specific reserve for loan losses	(2.2)	(0.4)	(1.8)	(3.4)
Net provision of specific reserve for other credit losses	-	-	-	-
Other credit costs relating to leasing business	0.0	0.0	0.0	0.2
Recoveries of written-off claims	4.1	3.9	0.1	8.9
<b>Net credit costs</b>	<b>(5.0)</b>	<b>(0.3)</b>	<b>(4.6)</b>	<b>(0.2)</b>

Note 1: Quarterly information is available in the Quarterly Data Book.

**Amortization of Goodwill and Other Intangible Assets -Table 6- (Consolidated)**

	(Billions of yen)			
	1H FY2014 (6 months)	1H FY2013 (6 months)	Change (Amount)	FY2013 (12 months)
Shinsei Financial	(2.9)	(3.4)	0.5	(6.3)
SHINKI	0.1	0.1	-	0.3
APLUS FINANCIAL	(0.4)	(0.4)	0.0	(0.8)
Showa Leasing	(1.3)	(1.4)	0.0	(2.7)
Others	0.0	(0.0)	-	0.0
<b>Amortization of goodwill and other intangible assets</b>	<b>(4.5)</b>	<b>(5.1)</b>	<b>0.5</b>	<b>(9.6)</b>

Note 1: Quarterly information is available in the Quarterly Data Book.

**Other Gains (Losses) -Table 7- (Consolidated)**

	<i>(Billions of yen)</i>			
	<b>1H FY2014 (6 months)</b>	1H FY2013 (6 months)	Change (Amount)	FY2013 (12 months)
Extraordinary income (loss)	<b>(0.1)</b>	(1.1)	0.9	1.8
Net gain on disposal of premises and equipment	<b>0.2</b>	(0.1)	0.4	1.4
Other extraordinary income (loss)	<b>(0.3)</b>	(0.9)	0.5	0.4
Provisions of reserve for losses on interest repayment	-	-	-	(15.6)
Shinsei Financial	-	-	-	(0.7)
SHINKI	-	-	-	(12.8)
APLUS FINANCIAL	-	-	-	(2.0)
Other	-	-	-	-
Other	<b>0.8</b>	(0.2)	1.1	(0.4)
<b>Other gains (losses)</b>	<b>0.7</b>	(1.3)	2.1	(14.2)

Note 1: Quarterly information is available in the Quarterly Data Book.

**Minority Interests in Net Income of Subsidiaries -Table 8- (Consolidated)**

	<i>(Billions of yen)</i>			
	<b>1H FY2014 (6 months)</b>	1H FY2013 (6 months)	Change (Amount)	FY2013 (12 months)
Dividends on perpetual preferred securities (hybrid Tier I capital) issued by foreign SPCs	<b>(1.1)</b>	(1.5)	0.4	(3.1)
Others	<b>(0.0)</b>	(0.0)	0.0	0.1
<b>Minority interests in net income of subsidiaries</b>	<b>(1.1)</b>	(1.6)	0.4	(2.9)

Note 1: Quarterly information is available in the Quarterly Data Book.

**Major Balance Sheet Data -Table 9- (Consolidated)**

	(Billions of yen)				
	Sep 30 2014 (a)	Sep 30 2013 (b)	Change (Amount) (a)-(b)	Mar 31 2014 (c)	Change (Amount) (a)-(c)
Loans and bills discounted	4,338.6	4,208.6	129.9	4,319.8	18.7
Installment receivables	437.2	380.1	57.1	421.9	15.3
Leased assets, lease receivables and leased investment assets	245.3	229.0	16.2	245.5	(0.2)
Securities	1,621.3	1,794.7	(173.4)	1,557.0	64.3
Other monetary claims purchased	97.0	99.8	(2.7)	105.8	(8.7)
Other interest earning assets <sup>1</sup>	1,272.4	829.3	443.0	1,564.8	(292.3)
Trading assets	310.4	318.1	(7.7)	249.1	61.3
Monetary assets held in trust	184.8	211.0	(26.1)	199.1	(14.2)
Goodwill, net	25.9	31.9	(6.0)	28.9	(3.0)
Other intangible assets <sup>2</sup>	7.6	10.7	(3.0)	9.1	(1.5)
Other assets	435.7	482.7	(47.0)	398.6	37.0
Customer's liabilities for acceptances and guarantees	331.4	453.0	(121.5)	358.4	(26.9)
Reserve for credit losses	(117.9)	(143.9)	26.0	(137.3)	19.4
<b>Total assets</b>	<b>9,190.1</b>	<b>8,905.5</b>	<b>284.6</b>	<b>9,321.1</b>	<b>(130.9)</b>
Deposits and negotiable certificates of deposit	5,611.0	5,753.4	(142.3)	5,850.4	(239.3)
Debentures	37.7	45.8	(8.1)	41.7	(3.9)
Borrowed money	720.4	619.3	101.0	643.4	76.9
Corporate bonds	191.1	189.1	1.9	177.2	13.8
Other interest bearing liabilities <sup>3</sup>	646.4	288.1	358.2	584.5	61.8
Trading liabilities	269.1	273.5	(4.3)	218.5	50.5
Reserve for losses on interest repayments	185.4	28.6	156.8	208.2	(22.7)
Other liabilities	491.0	547.4	(56.3)	515.9	(24.8)
Acceptances and guarantees	331.4	453.0	(121.5)	358.4	(26.9)
<b>Total liabilities</b>	<b>8,483.9</b>	<b>8,198.5</b>	<b>285.4</b>	<b>8,598.5</b>	<b>(114.5)</b>
<b>Total equity</b>	<b>706.2</b>	<b>706.9</b>	<b>(0.7)</b>	<b>722.5</b>	<b>(16.3)</b>

1. Includes cash and due from banks, call loans, receivables under resale agreements and collateral related to securities borrowing transactions

2. Intangible assets recorded through consolidation of Shinsei Financial and Show a Leasing

3. Includes call money, collateral related to securities lending transactions and short-term corporate bonds

Note: Quarterly information is available in the Quarterly Data Book.

**Risk-Monitored Loans -Table 10- (Consolidated)**

	(Billions of yen)				
	Sep 30 2014 (a)	Sep 30 2013 (b)	Change (Amount) (a)-(b)	Mar 31 2014 (c)	Change (Amount) (a)-(c)
Loans to bankrupt obligors	6.2	12.5	(6.2)	10.0	(3.8)
Nonaccrual delinquent loans	128.2	212.5	(84.3)	177.7	(49.5)
Loans past due for three months or more	1.3	1.4	(0.1)	1.1	0.1
Restructured loans	29.5	35.7	(6.1)	31.7	(2.1)
<b>Total (A)</b>	<b>165.3</b>	<b>262.2</b>	<b>(96.9)</b>	<b>220.7</b>	<b>(55.3)</b>
<b>Loans and bills discounted (B)</b>	<b>4,338.6</b>	<b>4,208.6</b>	<b>129.9</b>	<b>4,319.8</b>	<b>18.7</b>
Ratio to total loans and bills discounted (A/B X 100) (%)	3.81%	6.23%	/	5.11%	/
<b>Reserve for credit losses (C)</b>	<b>117.9</b>	<b>143.9</b>	<b>(26.0)</b>	<b>137.3</b>	<b>(19.4)</b>
Reserve ratio (C/A X 100) (%)	71.3%	54.9%	/	62.2%	/

Note 1: Quarterly information is available in the Quarterly Data Book.

**Reserve for Credit Losses -Table 11- (Consolidated)**

(Billions of yen)

	Sep 30 2014 (a)	Sep 30 2013 (b)	Change (Amount) (a)-(b)	Mar 31 2014 (c)	Change (Amount) (a)-(c)
General reserve for loan losses	59.0	65.5	(6.4)	59.8	(0.7)
Specific reserve for loan losses	58.8	78.3	(19.5)	77.5	(18.7)
Reserve for loans to restructuring countries	0.0	0.0	-	0.0	-
<b>Total reserve for credit losses</b>	<b>117.9</b>	<b>143.9</b>	<b>(26.0)</b>	<b>137.3</b>	<b>(19.4)</b>

Note 1: Quarterly information is available in the Quarterly Data Book.

**Loans by Borrower Industry -Table 12- (Consolidated)**

(Billions of yen)

	Sep 30 2014 (a)	Sep 30 2013 (b)	Change (Amount) (a)-(b)	Mar 31 2014 (c)	Change (Amount) (a)-(c)
Domestic offices (excluding Japan offshore market account):					
Manufacturing	205.4	206.5	(1.1)	212.4	(7.0)
Agriculture and forestry	0.1	0.2	(0.0)	0.1	(0.0)
Fishery	0.0	-	0.0	0.0	0.0
Mining, quarrying and gravel extraction	-	0.1	(0.1)	0.1	(0.1)
Construction	11.2	13.9	(2.7)	9.9	1.2
Electric power, gas, heat supply and water supply	193.4	139.3	54.0	170.1	23.2
Information and communications	42.2	35.5	6.6	40.7	1.5
Transportation and postal service	194.5	214.2	(19.6)	203.2	(8.7)
Wholesale and retail	92.8	75.4	17.4	89.2	3.6
Finance and insurance	629.1	698.6	(69.4)	662.6	(33.5)
Real estate	534.7	561.7	(26.9)	580.0	(45.2)
Services	328.2	286.7	41.4	317.9	10.3
Local government	98.4	108.4	(10.0)	104.3	(5.8)
Others	1,939.4	1,816.1	123.2	1,897.0	42.3
Loans to individual customers (retail banking, Shinsei Bank Lake, Shinsei Financial, SHINKI and APLUS FINANCIAL)	1,687.9	1,622.4	65.5	1,657.5	30.4
<b>Total domestic (A)</b>	<b>4,270.0</b>	<b>4,157.1</b>	<b>112.8</b>	<b>4,288.2</b>	<b>(18.2)</b>
Overseas offices (including Japan offshore market accounts):					
Governments	1.3	1.6	(0.3)	1.5	(0.1)
Financial institutions	0.0	0.6	(0.5)	0.5	(0.4)
Others	67.1	49.0	18.1	29.4	37.6
<b>Total overseas (B)</b>	<b>68.6</b>	<b>51.4</b>	<b>17.1</b>	<b>31.5</b>	<b>37.0</b>
<b>Total (A+B)</b>	<b>4,338.6</b>	<b>4,208.6</b>	<b>129.9</b>	<b>4,319.8</b>	<b>18.7</b>

**Securities by Category -Table 13- (Consolidated)**

(Billions of yen)

	Sep 30 2014	Sep 30 2013	Mar 31 2014
Trading securities	0.1	0.5	0.1
Securities being held to maturity	602.7	636.7	545.6
Securities available for sale	971.8	1,115.7	967.6
Securities carried at fair value	901.1	1,045.9	895.4
Securities carried at cost whose fair value cannot be reliably determined	70.7	69.8	72.2
Equity securities of unconsolidated subsidiaries and affiliates	46.5	41.7	43.5
<b>Securities</b>	<b>1,621.3</b>	<b>1,794.7</b>	<b>1,557.0</b>

**Securities Being Held to Maturity -Table 14- (Consolidated)**

(Billions of yen)

	Sep 30, 2014			Sep 30, 2013			Mar 31, 2014		
	Carrying amount	Fair value	Unrealized gain (loss)	Carrying amount	Fair value	Unrealized gain (loss)	Carrying amount	Fair value	Unrealized gain (loss)
Fair value exceeds carrying amount									
Japanese national government bonds	561.8	563.6	1.8	584.4	587.2	2.7	497.4	499.1	1.7
Japanese corporate bonds	-	-	-	-	-	-	-	-	-
Other	40.9	44.1	3.2	52.2	56.4	4.2	48.2	52.3	4.1
Subtotal	602.7	607.8	5.0	636.7	643.6	6.9	545.6	551.5	5.8
Fair value does not exceed carrying amount									
Japanese national government bonds	-	-	-	-	-	-	-	-	-
Japanese corporate bonds	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>602.7</b>	<b>607.8</b>	<b>5.0</b>	<b>636.7</b>	<b>643.6</b>	<b>6.9</b>	<b>545.6</b>	<b>551.5</b>	<b>5.8</b>

**Securities Available for Sale -Table 15- (Consolidated)**

(Billions of yen)

	Sep 30, 2014			Sep 30, 2013			Mar 31, 2014		
	Carrying amount (Fair value)	Amortized/ Acquisition cost	Unrealized gain (loss)	Carrying amount (Fair value)	Amortized/ Acquisition cost	Unrealized gain (loss)	Carrying amount (Fair value)	Amortized/ Acquisition cost	Unrealized gain (loss)
<b>Carrying amount exceeds amortized/acquisition cost</b>									
Equity securities	21.9	12.2	9.6	18.9	11.5	7.4	18.0	11.1	6.8
Domestic bonds	53.3	52.6	0.7	67.0	66.4	0.6	62.0	61.2	0.8
Japanese national government bonds	5.2	5.2	0.0	2.5	2.5	0.0	-	-	-
Japanese local government bonds	0.5	0.5	0.0	0.5	0.5	0.0	0.5	0.5	0.0
Japanese corporate bonds	47.5	46.8	0.7	63.9	63.3	0.6	61.4	60.7	0.7
Other	105.5	101.7	3.7	93.1	88.9	4.2	101.0	96.5	4.5
Foreign securities	97.4	94.4	3.0	89.2	85.3	3.8	95.5	91.5	3.9
Foreign currency denominated foreign corporate and government bonds	58.0	56.2	1.8	44.3	42.0	2.2	48.1	45.7	2.3
Yen-denominated foreign corporate and government bonds	38.0	36.9	1.0	42.0	40.9	1.0	45.0	43.9	1.0
Foreign equity securities and others	1.3	1.2	0.1	2.8	2.3	0.5	2.3	1.8	0.4
Other securities	6.9	6.2	0.7	2.2	1.9	0.2	4.2	3.7	0.5
Other monetary claims purchased	1.0	1.0	0.0	1.6	1.5	0.0	1.3	1.2	0.0
Subtotal	180.8	166.6	14.1	179.1	166.8	12.3	181.1	168.9	12.1
<b>Carrying amount does not exceed amortized/acquisition cost</b>									
Equity securities	0.9	1.2	(0.2)	1.8	2.3	(0.4)	1.9	2.3	(0.4)
Domestic bonds	696.8	698.5	(1.7)	796.7	800.5	(3.7)	684.0	685.2	(1.1)
Japanese national government bonds	643.6	643.9	(0.2)	737.7	740.6	(2.9)	629.3	630.1	(0.7)
Japanese local government bonds	-	-	-	-	-	-	-	-	-
Japanese corporate bonds	53.1	54.6	(1.4)	59.0	59.9	(0.8)	54.6	55.0	(0.4)
Other	28.4	28.6	(0.2)	69.7	71.1	(1.4)	35.4	35.7	(0.3)
Foreign securities	21.6	21.7	(0.1)	68.0	69.4	(1.4)	27.6	27.7	(0.1)
Foreign currency denominated foreign corporate and government bonds	19.5	19.6	(0.0)	66.6	67.9	(1.3)	25.2	25.2	(0.0)
Yen-denominated foreign corporate and government bonds	1.0	1.0	-	-	-	-	0.9	1.0	(0.0)
Foreign equity securities and others	1.0	1.0	(0.0)	1.3	1.4	(0.0)	1.4	1.5	(0.0)
Other securities	1.9	1.9	(0.0)	1.7	1.7	-	1.9	1.9	(0.0)
Other monetary claims purchased	4.8	4.9	(0.1)	-	-	-	5.8	6.0	(0.1)
Subtotal	726.2	728.4	(2.2)	868.3	874.0	(5.6)	721.4	723.3	(1.9)
<b>Total<sup>1,2</sup></b>	<b>907.0</b>	<b>895.0</b>	<b>11.9</b>	<b>1,047.5</b>	<b>1,040.8</b>	<b>6.6</b>	<b>902.5</b>	<b>892.2</b>	<b>10.2</b>

1. Includes a part of other monetary claims purchased in addition to securities available for sale. Total amounts of securities available for sale excluding such other monetary claims purchased as of September 30, 2014, September 30, 2013 and March 31, 2014 were ¥901.1 billion, ¥1,045.9 billion and ¥895.4 billion, respectively.

2. Securities whose fair value cannot be reliably determined are not included.

**Unrealized Gain (Loss) on Available-for-Sale Securities (Consolidated)**

(Billions of yen)

	Sep 30, 2014	Sep 30, 2013	Mar 31, 2014
<b>Unrealized gain (loss) before deferred tax on:</b>			
Available-for-sale securities	11.9	6.6	10.2
The Bank's interests in available-for-sale securities held by partnerships recorded as securities whose fair value cannot be reliably determined and other adjustments	1.3	(0.0)	1.5
Securities being held to maturity, reclassified from available-for-sale in the past, under extremely illiquid market conditions	(2.5)	(4.3)	(3.5)
Deferred tax assets (liabilities)	(2.5)	(0.7)	(1.9)
<b>Unrealized gain (loss) on available-for-sale securities before interest adjustments</b>	<b>8.2</b>	<b>1.5</b>	<b>6.3</b>
<b>Minority interests</b>	<b>(0.1)</b>	<b>(0.0)</b>	<b>(0.0)</b>
The Bank's interests in unrealized gain (loss) on available-for-sale securities held by affiliates to which the equity method is applied	0.0	0.2	0.0
<b>Unrealized gain (loss) on available-for-sale securities</b>	<b>8.2</b>	<b>1.8</b>	<b>6.2</b>

**Hedge-Accounting Derivative Transactions -Table 16- (Consolidated)**

(Billions of yen)

Notional Principal Amount (Consolidated)	Sep 30, 2014			
	1 year or less	Over 1 year to 5 years	Over 5 years	Total
<b>Interest rate swaps:</b>				
Receive fixed and pay floating	-	468.1	14.0	482.1
Receive floating and pay fixed	14.1	137.1	97.1	248.4
Receive floating and pay floating	-	-	-	-
<b>Total notional principal amount</b>	<b>14.1</b>	<b>605.3</b>	<b>111.1</b>	<b>730.6</b>
<b>Currency swaps:</b>				
<b>Total notional principal amount</b>	<b>-</b>	<b>10.9</b>	<b>-</b>	<b>10.9</b>

**Deposits, Including Negotiable Certificates of Deposit (NCDs) -Table 17- (Consolidated)**

(Billions of yen)

	Sep 30 2014 (a)	Sep 30 2013 (b)	Change (Amount) (a)-(b)	Mar 31 2014 (c)	Change (Amount) (a)-(c)
<b>Deposits</b>	<b>5,507.9</b>	5,544.3	(36.3)	5,733.2	(225.2)
Liquid (current, ordinary, note) deposits <sup>1</sup>	1,849.9	1,605.5	244.3	1,741.8	108.0
Time deposits <sup>1</sup>	3,255.9	3,521.3	(265.3)	3,576.9	(321.0)
Other	402.1	417.4	(15.3)	414.4	(12.3)
<b>Negotiable certificates of deposits (NCDs)</b>	<b>103.1</b>	209.0	(105.9)	117.2	(14.1)
<b>Total</b>	<b>5,611.0</b>	5,753.4	(142.3)	5,850.4	(239.3)

1. Includes two-week maturity deposits

Note 1: Quarterly information is available in the Quarterly Data Book.



### Financial Ratios -Table 18- (Consolidated)

	1H FY2014 (6 months)	1H FY2013 (6 months)	FY2013 (12 months)
Return on assets <sup>1</sup>	0.6% <sup>5</sup>	0.6% <sup>5</sup>	0.5%
Return on equity <sup>2</sup>	8.6% <sup>5</sup>	8.6% <sup>5</sup>	6.5%
Return on equity (fully diluted) <sup>3</sup>	8.6% <sup>5</sup>	8.6% <sup>5</sup>	6.5%
Cash basis return on assets <sup>1</sup>	0.7% <sup>5</sup>	0.7% <sup>5</sup>	0.5%
Cash basis return on equity <sup>2,4</sup>	10.3% <sup>5</sup>	10.7% <sup>5</sup>	8.3%
Cash basis return on equity (fully diluted) <sup>3,4</sup>	10.3% <sup>5</sup>	10.7% <sup>5</sup>	8.3%
Expense-to-revenue ratio <sup>6,7</sup>	63.1%	65.6%	65.4%

1. Return on assets:

$$\frac{\text{Net income}}{(\text{Total assets at the BOP} + \text{Total assets at the EOP})/2}$$

BOP: beginning of period  
EOP: end of period

For the calculation of cash basis return on assets, goodwill and other intangibles are excluded from the amount of total assets.

2. Return on equity:

$$\frac{\text{Net income}}{(\text{Total equity eligible for common shareholders at the BOP} + \text{Total equity eligible for common shareholders at the EOP})/2}$$

3. Return on equity (fully diluted):

$$\frac{\text{Net income}}{((\text{Total equity at the BOP} - \text{Share warrants at the BOP} - \text{Minority interests at the BOP}) + (\text{Total equity at the EOP} - \text{Share warrants at the EOP} - \text{Minority interests at the EOP}))/2}$$

4. The denominator is calculated as:

((Total capital – goodwill – intangible assets acquired in business combinations (net of associated deferred tax liability) at the beginning of the period) + (the same values at the end of the period))/2.

5. Annualized basis.

6. Management accounting basis.

7. Expense denotes general and administrative expenses.

Note 1: Quarterly information is available in the Quarterly Data Book.

### Capital Adequacy Data -Table 19- (Consolidated)

< Basel 3, Domestic Standard <sup>1</sup> >

	<i>(Billions of yen, except percentages)</i>				
	Sep 30 2014 (a)	Sep 30 2013 (b)	Change (Amount) (a)-(b)	Mar 31 2014 (c)	Change (Amount) (a)-(c)
Core capital: instruments and reserves	857.9			889.5	(31.6)
Core capital: regulatory adjustments	(44.9)			(71.9)	27.0
Capital	813.0			817.6	(4.5)
Total amount of Risk-weighted assets	5,886.9			6,016.7	(129.8)
Capital ratio	13.81%			13.58%	

1. Calculated according to F-IRB.

Consolidated total required capital is ¥513.3 billion as at September 30, 2014 and ¥550.3 billion as at March 31, 2014.

Note 1: Quarterly information is available in the Quarterly Data Book.

**Per Share Data -Table 20- (Consolidated)**

(Yen)

	<b>1H FY2014 (6 months)</b>	1H FY2013 (6 months)	Change (Amount)	FY2013 (12 months)	Change (Amount)
Common equity	<b>257.94</b>	242.90	15.04	247.82	10.12
Fully diluted equity	<b>257.94</b>	242.90	15.04	247.82	10.12
Basic net income	<b>10.90</b>	10.26	0.63	15.59	
Diluted net income	<b>10.90</b>	10.26	0.63	15.59	
<b>Cash basis:</b>					
Basic net income	<b>12.41</b>	11.96	0.45	18.78	
Diluted net income	<b>12.41</b>	11.96	0.45	18.78	
For calculation of per share data (Does not include treasury shares) :					
Equity:	Number of common shares (Consolidated) <sup>1</sup>	<b>2,653,918,439</b>	2,653,919,247	2,653,919,247	
	Fully diluted number of shares (Consolidated) <sup>1</sup>	<b>2,653,918,439</b>	2,653,922,375	2,653,921,423	
Net income:	Number of common shares (Consolidated) <sup>2</sup>	<b>2,653,919,005</b>	2,653,919,247	2,653,919,247	
	Fully diluted number of shares (Consolidated) <sup>2</sup>	<b>2,653,919,005</b>	2,653,922,375	2,653,921,423	

1. Outstanding shares at the end of the respective periods.

2. Weighted average number of outstanding shares during the respective period.

Note 1: Quarterly information is available in the Quarterly Data Book.

**Business Lines Results -Table 21- (Consolidated)**

(Billions of yen)

	1H FY2014 (6 months)	1H FY2013 (6 months)	Change (Amount)	FY2013 (12 months)
<b>Institutional Group:</b>				
Net interest income	14.5	14.8	(0.3)	27.6
Noninterest income	19.5	21.0	(1.5)	41.8
<b>Total revenue</b>	<b>34.0</b>	<b>35.9</b>	<b>(1.8)</b>	<b>69.5</b>
<b>General and administrative expenses</b>	<b>(13.4)</b>	<b>(12.1)</b>	<b>(1.2)</b>	<b>(24.8)</b>
<b>Ordinary business profit</b>	<b>20.6</b>	<b>23.8</b>	<b>(3.1)</b>	<b>44.6</b>
<b>Net credit costs</b>	<b>2.0</b>	<b>2.8</b>	<b>(0.7)</b>	<b>8.5</b>
<b>Ordinary business profit after net credit costs</b>	<b>22.7</b>	<b>26.6</b>	<b>(3.9)</b>	<b>53.2</b>
<b>Global Markets Group:</b>				
Net interest income	2.1	1.9	0.1	3.9
Noninterest income	5.5	3.2	2.2	7.3
<b>Total revenue</b>	<b>7.6</b>	<b>5.2</b>	<b>2.4</b>	<b>11.2</b>
<b>General and administrative expenses</b>	<b>(4.6)</b>	<b>(4.4)</b>	<b>(0.2)</b>	<b>(8.9)</b>
<b>Ordinary business profit</b>	<b>3.0</b>	<b>0.8</b>	<b>2.1</b>	<b>2.3</b>
<b>Net credit costs</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.4</b>
<b>Ordinary business profit after net credit costs</b>	<b>3.1</b>	<b>0.8</b>	<b>2.2</b>	<b>2.8</b>
<b>Individual Group:</b>				
Net interest income	43.7	41.5	2.1	85.3
Noninterest income	22.7	21.4	1.3	44.0
<b>Total revenue</b>	<b>66.4</b>	<b>63.0</b>	<b>3.4</b>	<b>129.3</b>
<b>General and administrative expenses</b>	<b>(51.3)</b>	<b>(48.9)</b>	<b>(2.4)</b>	<b>(97.3)</b>
<b>Ordinary business profit</b>	<b>15.1</b>	<b>14.0</b>	<b>1.0</b>	<b>31.9</b>
<b>Net credit costs</b>	<b>(7.1)</b>	<b>(3.2)</b>	<b>(3.9)</b>	<b>(9.3)</b>
<b>Ordinary business profit after net credit costs</b>	<b>7.9</b>	<b>10.8</b>	<b>(2.9)</b>	<b>22.6</b>
<b>Corporate/Other<sup>1</sup>:</b>				
Net interest income	0.1	(3.3)	3.5	(6.4)
Noninterest income	2.7	(0.5)	3.3	(0.7)
<b>Total revenue</b>	<b>2.9</b>	<b>(3.9)</b>	<b>6.8</b>	<b>(7.1)</b>
<b>General and administrative expenses</b>	<b>(0.6)</b>	<b>(0.3)</b>	<b>(0.2)</b>	<b>(1.6)</b>
<b>Ordinary business profit (loss)</b>	<b>2.2</b>	<b>(4.2)</b>	<b>6.5</b>	<b>(8.8)</b>
<b>Net credit costs</b>	<b>0.0</b>	<b>(0.0)</b>	<b>0.0</b>	<b>0.0</b>
<b>Ordinary business profit after net credit costs (loss)</b>	<b>2.2</b>	<b>(4.2)</b>	<b>6.5</b>	<b>(8.8)</b>
<b>Total:</b>				
Net interest income	60.5	55.0	5.5	110.5
Noninterest income	50.5	45.2	5.3	92.5
<b>Total revenue</b>	<b>111.1</b>	<b>100.2</b>	<b>10.8</b>	<b>203.0</b>
<b>General and administrative expenses</b>	<b>(70.0)</b>	<b>(65.8)</b>	<b>(4.2)</b>	<b>(132.8)</b>
<b>Ordinary business profit</b>	<b>41.0</b>	<b>34.4</b>	<b>6.6</b>	<b>70.1</b>
<b>Net credit costs</b>	<b>(5.0)</b>	<b>(0.3)</b>	<b>(4.6)</b>	<b>(0.2)</b>
<b>Ordinary business profit after net credit costs</b>	<b>36.0</b>	<b>34.0</b>	<b>1.9</b>	<b>69.8</b>

1. "Corporate/Other" includes company-wide accounts which are not included in our reportable segments, allocation variance of indirect expense and elimination amount of inter-segment transactions.

Note 1: Quarterly information is available in the Quarterly Data Book.

It should be noted that the Structured Finance Sub-Group was integrated into the Institutional Business Sub-Group as per organizational changes put into effect on April 1, 2013. Also, as per restructuring implemented on July 1, 2013, the Shinsei Principal Investments Group was formed through the integration of Shinsei Corporate Investment Limited,

Shinsei Investment & Finance Limited, and Shinsei Servicing & Consulting Limited, which come under the umbrella of Shinsei Principal Investments Ltd., and the Bank has transferred the front office operations of the key functions of credit trading and private equity businesses from the Bank to the consolidated subsidiaries.

## Segment Information

<b>Institutional Group:</b>	Focuses primarily on corporate and public sector finance and advisory business.
<b>Institutional Business</b>	
<b>Institutional Business Sub-Group—Institutional Business</b>	The "Institutional Business Sub-Group—Institutional Business" provides financial products and services such as healthcare finance and advisory services to business and public corporations.
<b>Institutional Business Sub-Group—Structured Finance</b>	The "Institutional Business Sub-Group—Structured Finance" provides real estate related nonrecourse and corporate finance, M&A related finance, specialty finance, corporate revitalization support services and trust services.
<b>Principal Transactions</b>	The "Principal Transactions Sub-Group" comprises the credit trading and private equity businesses.
<b>Showa Leasing</b>	"Showa Leasing" primarily provides leasing related financial products and services.
<b>Other Institutional Group</b>	The "Other Institutional Group" consists of the asset-backed investment business and other businesses.
<b>Global Markets Group:</b>	Focuses primarily on financial markets business and serving financial institution clients.
<b>Financial Institutions</b>	The "Financial Institutions Sub-Group" provides financial products and services for financial institutions.
<b>Markets</b>	The "Markets Sub-Group" is engaged in foreign exchange, derivatives, equity related, alternative investment and other capital markets transactions.
<b>Other Global Markets Group</b>	The "Other Global Markets Group" consists of the profit and loss attributable to Shinsei Securities, asset management, wealth management, and other products and services in the Global Markets Group.
<b>Individual Group:</b>	Focuses on retail financial products and services.
<b>Retail Banking</b>	The "Retail Banking Sub-Group" provides financial products and services for retail customers such as yen/foreign currency/structured deposit services, investment trusts, brokerage services (through a partner institution), life and nonlife insurance (through partner institutions) and home mortgages.
<b>Shinsei Financial</b>	"Shinsei Financial" provides consumer finance products and services and guarantee services (Shinsei Financial, Shinsei Bank Lake, SHINKI).
<b>APLUS FINANCIAL</b>	"APLUS FINANCIAL" provides installment sales credit, credit cards, guarantees, financing and settlement services.
<b>Other Individual Group</b>	The "Other Individual Group" consists of profit and loss attributable to the Consumer Finance Sub-Group and other subsidiaries.
<b>Corporate/Other:</b>	"Corporate/Other" includes company-wide accounts which are not included in our reportable segments, allocation variance of indirect expense and elimination amount of inter-segment transactions.
<b>Treasury</b>	The "Treasury Sub-Group" undertakes ALM related operations and includes gains and losses from equity and subordinated debt financing activities.

**Institutional Group<sup>1</sup> - Table 22- (Consolidated)**

(Billions of yen)

	1H FY2014 (6 months)	1H FY2013 (6 months)	Change (Amount)	FY2013 (12 months)
<b>Institutional Business Sub-Group - Institutional Business :</b>				
Net interest income	5.8	4.8	1.0	9.4
Noninterest income	1.2	1.9	(0.7)	3.2
<b>Total revenue</b>	<b>7.1</b>	<b>6.8</b>	<b>0.3</b>	<b>12.7</b>
<b>General and administrative expenses</b>	<b>(3.4)</b>	<b>(3.2)</b>	<b>(0.2)</b>	<b>(6.4)</b>
<b>Ordinary business profit</b>	<b>3.6</b>	<b>3.5</b>	<b>0.0</b>	<b>6.2</b>
<b>Net credit costs</b>	<b>0.7</b>	<b>(0.7)</b>	<b>1.4</b>	<b>2.0</b>
<b>Ordinary business profit after net credit costs</b>	<b>4.3</b>	<b>2.8</b>	<b>1.5</b>	<b>8.3</b>
<b>Institutional Business Sub-Group - Structured Finance :</b>				
Net interest income	7.1	8.8	(1.7)	15.6
Noninterest income	3.4	3.9	(0.5)	8.1
<b>Total revenue</b>	<b>10.5</b>	<b>12.8</b>	<b>(2.2)</b>	<b>23.7</b>
<b>General and administrative expenses</b>	<b>(2.6)</b>	<b>(2.4)</b>	<b>(0.2)</b>	<b>(4.7)</b>
<b>Ordinary business profit</b>	<b>7.9</b>	<b>10.4</b>	<b>(2.4)</b>	<b>19.0</b>
<b>Net credit costs</b>	<b>0.1</b>	<b>3.4</b>	<b>(3.3)</b>	<b>8.0</b>
<b>Ordinary business profit after net credit costs</b>	<b>8.1</b>	<b>13.8</b>	<b>(5.7)</b>	<b>27.0</b>
<b>Principal Transactions Sub-Group:</b>				
Net interest income	2.8	2.2	0.5	5.2
Noninterest income	6.5	7.3	(0.8)	12.6
<b>Total revenue</b>	<b>9.3</b>	<b>9.6</b>	<b>(0.2)</b>	<b>17.9</b>
<b>General and administrative expenses</b>	<b>(2.5)</b>	<b>(2.1)</b>	<b>(0.4)</b>	<b>(4.2)</b>
<b>Ordinary business profit</b>	<b>6.8</b>	<b>7.4</b>	<b>(0.6)</b>	<b>13.7</b>
<b>Net credit costs</b>	<b>0.0</b>	<b>(0.0)</b>	<b>0.0</b>	<b>0.2</b>
<b>Ordinary business profit after net credit costs</b>	<b>6.8</b>	<b>7.4</b>	<b>(0.5)</b>	<b>13.9</b>
<b>Showa Leasing:</b>				
Net interest income	(1.2)	(1.3)	0.1	(2.4)
Noninterest income	7.4	8.1	(0.7)	17.6
<b>Total revenue</b>	<b>6.2</b>	<b>6.7</b>	<b>(0.5)</b>	<b>15.1</b>
<b>General and administrative expenses</b>	<b>(4.0)</b>	<b>(3.8)</b>	<b>(0.2)</b>	<b>(8.2)</b>
<b>Ordinary business profit</b>	<b>2.1</b>	<b>2.9</b>	<b>(0.7)</b>	<b>6.9</b>
<b>Net credit costs</b>	<b>1.6</b>	<b>1.8</b>	<b>(0.2)</b>	<b>2.6</b>
<b>Ordinary business profit after net credit costs</b>	<b>3.7</b>	<b>4.8</b>	<b>(1.0)</b>	<b>9.5</b>
<b>Others:</b>				
Net interest income	(0.1)	0.1	(0.3)	(0.2)
Noninterest income	0.9	(0.2)	1.2	0.1
<b>Total revenue</b>	<b>0.7</b>	<b>(0.0)</b>	<b>0.8</b>	<b>(0.1)</b>
<b>General and administrative expenses</b>	<b>(0.6)</b>	<b>(0.5)</b>	<b>(0.1)</b>	<b>(1.1)</b>
<b>Ordinary business profit (loss)</b>	<b>0.0</b>	<b>(0.6)</b>	<b>0.7</b>	<b>(1.2)</b>
<b>Net credit costs</b>	<b>(0.4)</b>	<b>(1.6)</b>	<b>1.2</b>	<b>(4.4)</b>
<b>Ordinary business profit after net credit costs (loss)</b>	<b>(0.3)</b>	<b>(2.2)</b>	<b>1.9</b>	<b>(5.6)</b>
<b>Institutional Group:</b>				
Net interest income	14.5	14.8	(0.3)	27.6
Noninterest income	19.5	21.0	(1.5)	41.8
<b>Total revenue</b>	<b>34.0</b>	<b>35.9</b>	<b>(1.8)</b>	<b>69.5</b>
<b>General and administrative expenses</b>	<b>(13.4)</b>	<b>(12.1)</b>	<b>(1.2)</b>	<b>(24.8)</b>
<b>Ordinary business profit</b>	<b>20.6</b>	<b>23.8</b>	<b>(3.1)</b>	<b>44.6</b>
<b>Net credit costs</b>	<b>2.0</b>	<b>2.8</b>	<b>(0.7)</b>	<b>8.5</b>
<b>Ordinary business profit after net credit costs</b>	<b>22.7</b>	<b>26.6</b>	<b>(3.9)</b>	<b>53.2</b>

1. Net of consolidation adjustments, if applicable.

Note 1: Quarterly information is available in the Quarterly Data Book.

Global Markets Group<sup>1</sup>-Table 23- (Consolidated)

(Billions of yen)

	1H FY2014 (6 months)	1H FY2013 (6 months)	Change (Amount)	FY2013 (12 months)
<b>Financial Institutions Sub-Group:</b>				
Net interest income	0.7	0.8	(0.0)	1.5
Noninterest income	0.9	0.8	0.0	1.6
<b>Total revenue</b>	<b>1.7</b>	<b>1.7</b>	<b>0.0</b>	<b>3.2</b>
<b>General and administrative expenses</b>	<b>(1.1)</b>	<b>(1.0)</b>	<b>(0.1)</b>	<b>(2.1)</b>
<b>Ordinary business profit</b>	<b>0.5</b>	<b>0.6</b>	<b>(0.1)</b>	<b>1.1</b>
<b>Net credit costs</b>	<b>0.1</b>	<b>(0.0)</b>	<b>0.1</b>	<b>0.4</b>
<b>Ordinary business profit after net credit costs</b>	<b>0.6</b>	<b>0.6</b>	<b>0.0</b>	<b>1.5</b>
<b>Markets Sub-Group:</b>				
Net interest income	1.2	1.1	0.1	2.2
Noninterest income	3.0	0.9	2.1	2.6
<b>Total revenue</b>	<b>4.3</b>	<b>2.0</b>	<b>2.2</b>	<b>4.9</b>
<b>General and administrative expenses</b>	<b>(1.6)</b>	<b>(1.6)</b>	<b>(0.0)</b>	<b>(3.2)</b>
<b>Ordinary business profit</b>	<b>2.7</b>	<b>0.4</b>	<b>2.2</b>	<b>1.6</b>
<b>Net credit costs</b>	<b>(0.0)</b>	<b>0.0</b>	<b>(0.1)</b>	<b>(0.0)</b>
<b>Ordinary business profit after net credit costs</b>	<b>2.6</b>	<b>0.5</b>	<b>2.1</b>	<b>1.5</b>
<b>Others:</b>				
Net interest income	0.0	0.0	0.0	0.1
Noninterest income	1.4	1.4	0.0	3.0
<b>Total revenue</b>	<b>1.5</b>	<b>1.4</b>	<b>0.1</b>	<b>3.1</b>
<b>General and administrative expenses</b>	<b>(1.8)</b>	<b>(1.7)</b>	<b>(0.0)</b>	<b>(3.5)</b>
<b>Ordinary business profit (loss)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>0.0</b>	<b>(0.4)</b>
<b>Net credit costs</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>
<b>Ordinary business profit after net credit costs (loss)</b>	<b>(0.1)</b>	<b>(0.2)</b>	<b>0.0</b>	<b>(0.3)</b>
<b>Global Markets Group :</b>				
Net interest income	2.1	1.9	0.1	3.9
Noninterest income	5.5	3.2	2.2	7.3
<b>Total revenue</b>	<b>7.6</b>	<b>5.2</b>	<b>2.4</b>	<b>11.2</b>
<b>General and administrative expenses</b>	<b>(4.6)</b>	<b>(4.4)</b>	<b>(0.2)</b>	<b>(8.9)</b>
<b>Ordinary business profit</b>	<b>3.0</b>	<b>0.8</b>	<b>2.1</b>	<b>2.3</b>
<b>Net credit costs</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.4</b>
<b>Ordinary business profit after net credit costs</b>	<b>3.1</b>	<b>0.8</b>	<b>2.2</b>	<b>2.8</b>

1. Net of consolidation adjustments, if applicable.

Note 1: Quarterly information is available in the Quarterly Data Book.

Individual Group <sup>1</sup>-Table 24- (Consolidated)

(Billions of yen)

	1H FY2014 (6 months)	1H FY2013 (6 months)	Change (Amount)	FY2013 (12 months)
<b>Retail banking:</b>				
Net interest income	11.5	12.7	(1.1)	25.3
Noninterest income	2.7	4.0	(1.3)	7.0
<b>Total revenue</b>	<b>14.3</b>	<b>16.8</b>	<b>(2.5)</b>	<b>32.4</b>
<b>General and administrative expenses</b>	<b>(16.9)</b>	<b>(16.1)</b>	<b>(0.8)</b>	<b>(31.7)</b>
<b>Ordinary business profit (loss)</b>	<b>(2.6)</b>	<b>0.6</b>	<b>(3.3)</b>	<b>0.6</b>
<b>Net credit costs</b>	<b>(0.0)</b>	<b>(0.1)</b>	<b>0.0</b>	<b>0.0</b>
<b>Ordinary business profit after net credit costs (loss)</b>	<b>(2.7)</b>	<b>0.5</b>	<b>(3.2)</b>	<b>0.6</b>
<b>Shinsei Financial and Shinsei Bank Lake <sup>2</sup>:</b>				
Net interest income	24.8	20.8	4.0	44.2
Noninterest income	(1.1)	(1.9)	0.8	(3.3)
<b>Total revenue</b>	<b>23.6</b>	<b>18.8</b>	<b>4.8</b>	<b>40.9</b>
<b>General and administrative expenses</b>	<b>(13.7)</b>	<b>(13.1)</b>	<b>(0.6)</b>	<b>(25.8)</b>
<b>Ordinary business profit</b>	<b>9.9</b>	<b>5.7</b>	<b>4.2</b>	<b>15.1</b>
<b>Net credit costs</b>	<b>(3.1)</b>	<b>0.4</b>	<b>(3.5)</b>	<b>(2.6)</b>
<b>Ordinary business profit after net credit costs</b>	<b>6.8</b>	<b>6.1</b>	<b>0.6</b>	<b>12.4</b>
<b>SHINKI:</b>				
Net interest income	3.3	3.3	0.0	6.7
Noninterest income	(0.2)	(0.2)	0.0	(0.5)
<b>Total revenue</b>	<b>3.0</b>	<b>3.0</b>	<b>0.0</b>	<b>6.1</b>
<b>General and administrative expenses</b>	<b>(2.2)</b>	<b>(2.0)</b>	<b>(0.1)</b>	<b>(4.2)</b>
<b>Ordinary business profit</b>	<b>0.8</b>	<b>0.9</b>	<b>(0.1)</b>	<b>1.8</b>
<b>Net credit costs</b>	<b>(0.5)</b>	<b>(0.1)</b>	<b>(0.3)</b>	<b>(0.1)</b>
<b>Ordinary business profit after net credit costs</b>	<b>0.3</b>	<b>0.7</b>	<b>(0.4)</b>	<b>1.7</b>
<b>APLUS FINANCIAL:</b>				
Net interest income	3.3	3.9	(0.6)	7.5
Noninterest income	21.3	19.4	1.8	40.6
<b>Total revenue</b>	<b>24.6</b>	<b>23.4</b>	<b>1.2</b>	<b>48.1</b>
<b>General and administrative expenses</b>	<b>(18.0)</b>	<b>(17.2)</b>	<b>(0.7)</b>	<b>(34.7)</b>
<b>Ordinary business profit</b>	<b>6.6</b>	<b>6.1</b>	<b>0.5</b>	<b>13.4</b>
<b>Net credit costs</b>	<b>(3.5)</b>	<b>(3.3)</b>	<b>(0.1)</b>	<b>(6.8)</b>
<b>Ordinary business profit after net credit costs</b>	<b>3.0</b>	<b>2.7</b>	<b>0.3</b>	<b>6.5</b>
<b>Others <sup>3</sup>:</b>				
Net interest income	0.6	0.7	(0.0)	1.4
Noninterest income	0.1	0.1	(0.0)	0.2
<b>Total revenue</b>	<b>0.7</b>	<b>0.8</b>	<b>(0.1)</b>	<b>1.7</b>
<b>General and administrative expenses</b>	<b>(0.3)</b>	<b>(0.3)</b>	<b>(0.0)</b>	<b>(0.7)</b>
<b>Ordinary business profit</b>	<b>0.3</b>	<b>0.5</b>	<b>(0.1)</b>	<b>0.9</b>
<b>Net credit costs</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.2</b>
<b>Ordinary business profit after net credit costs</b>	<b>0.4</b>	<b>0.6</b>	<b>(0.1)</b>	<b>1.1</b>
<b>Individual Group:</b>				
Net interest income	43.7	41.5	2.1	85.3
Noninterest income	22.7	21.4	1.3	44.0
<b>Total revenue</b>	<b>66.4</b>	<b>63.0</b>	<b>3.4</b>	<b>129.3</b>
<b>General and administrative expenses</b>	<b>(51.3)</b>	<b>(48.9)</b>	<b>(2.4)</b>	<b>(97.3)</b>
<b>Ordinary business profit</b>	<b>15.1</b>	<b>14.0</b>	<b>1.0</b>	<b>31.9</b>
<b>Net credit costs</b>	<b>(7.1)</b>	<b>(3.2)</b>	<b>(3.9)</b>	<b>(9.3)</b>
<b>Ordinary business profit after net credit costs</b>	<b>7.9</b>	<b>10.8</b>	<b>(2.9)</b>	<b>22.6</b>

1. Net of consolidation adjustments, if applicable.

2. Results for Shinsei Financial and "Shinsei Bank Card Loan - Lake" in the Lake business (started on October 1, 2011) are combined on a management accounting basis.

3. Includes Shinsei Property Finance and unallocated Consumer Finance Sub-Group financials.

Note 1: Quarterly information is available in the Quarterly Data Book.



**Individual Group Revenue by Product/Entity<sup>1</sup>-Table 25- (Consolidated)**

(Billions of yen)

	1H FY2014 (6 months)	1H FY2013 (6 months)	Change (Amount)	FY2013 (12 months)
<b>Retail Banking:</b>	<b>14.3</b>	<b>16.8</b>	<b>(2.5)</b>	<b>32.4</b>
Deposits and debentures net interest income	6.4	8.0	(1.5)	15.6
Deposits and debentures noninterest income	0.8	1.5	(0.6)	2.7
Asset management	2.4	2.7	(0.3)	4.9
Loans	4.5	4.5	(0.0)	9.0
Shinsei Financial and Shinsei Bank Card Loan - Lake <sup>2</sup>	23.6	18.8	4.8	40.9
SHINKI	3.0	3.0	0.0	6.1
APLUS FINANCIAL	24.6	23.4	1.2	48.1
Others <sup>3</sup>	0.7	0.8	(0.1)	1.7
<b>Total revenue</b>	<b>66.4</b>	<b>63.0</b>	<b>3.4</b>	<b>129.3</b>

1. Net of consolidation adjustments, if applicable.

2. Results for Shinsei Financial and "Shinsei Bank Card Loan - Lake" in the Lake business (started on October 1, 2011) are combined on a management accounting basis.

3. Includes Shinsei Property Finance and unallocated Consumer Finance Sub-Group financials.

Note 1: Quarterly information is available in the Quarterly Data Book.

**Corporate/Other<sup>1</sup>-Table 26- (Consolidated)**

(Billions of yen)

	1H FY2014 (6 months)	1H FY2013 (6 months)	Change (Amount)	FY2013 (12 months)
<b>Treasury Sub-Group:</b>				
Net interest income	0.1	(1.7)	1.9	(3.3)
Noninterest income	2.7	(0.7)	3.5	(1.0)
<b>Total revenue</b>	<b>2.9</b>	<b>(2.5)</b>	<b>5.4</b>	<b>(4.4)</b>
<b>General and administrative expenses</b>	<b>(0.8)</b>	<b>(0.7)</b>	<b>(0.0)</b>	<b>(1.5)</b>
<b>Ordinary business profit (loss)</b>	<b>2.1</b>	<b>(3.2)</b>	<b>5.4</b>	<b>(5.9)</b>
<b>Net credit costs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Ordinary business profit after net credit costs (loss)</b>	<b>2.1</b>	<b>(3.2)</b>	<b>5.4</b>	<b>(5.9)</b>
<b>Corporate/Other (excluding Treasury Sub-Group)<sup>1</sup>:</b>				
Net interest income	(0.0)	(1.6)	1.6	(3.1)
Noninterest income	(0.0)	0.1	(0.2)	0.3
<b>Total revenue</b>	<b>(0.0)</b>	<b>(1.4)</b>	<b>1.3</b>	<b>(2.7)</b>
<b>General and administrative expenses</b>	<b>0.1</b>	<b>0.4</b>	<b>(0.2)</b>	<b>(0.1)</b>
<b>Ordinary business profit (loss)</b>	<b>0.1</b>	<b>(1.0)</b>	<b>1.1</b>	<b>(2.8)</b>
<b>Net credit costs</b>	<b>0.0</b>	<b>(0.0)</b>	<b>0.0</b>	<b>0.0</b>
<b>Ordinary business profit after net credit costs (loss)</b>	<b>0.1</b>	<b>(1.0)</b>	<b>1.1</b>	<b>(2.8)</b>
<b>Corporate/Other<sup>1</sup>:</b>				
Net interest income	0.1	(3.3)	3.5	(6.4)
Noninterest income	2.7	(0.5)	3.3	(0.7)
<b>Total revenue</b>	<b>2.9</b>	<b>(3.9)</b>	<b>6.8</b>	<b>(7.1)</b>
<b>General and administrative expenses</b>	<b>(0.6)</b>	<b>(0.3)</b>	<b>(0.2)</b>	<b>(1.6)</b>
<b>Ordinary business profit (loss)</b>	<b>2.2</b>	<b>(4.2)</b>	<b>6.5</b>	<b>(8.8)</b>
<b>Net credit costs</b>	<b>0.0</b>	<b>(0.0)</b>	<b>0.0</b>	<b>0.0</b>
<b>Ordinary business profit after net credit costs (loss)</b>	<b>2.2</b>	<b>(4.2)</b>	<b>6.5</b>	<b>(8.8)</b>

1. "Corporate/Other" includes company-wide accounts which are not included in our reportable segments, allocation variance of indirect expense and elimination amount of inter-segment transactions.

Note 1: Quarterly information is available in the Quarterly Data Book.

## Interim Consolidated Balance Sheets (Consolidated)

### Assets

	(Millions of yen)				
	Sep 30 2014	Sep 30 2013	Change (Amount)	Mar 31 2014	Change (Amount)
	(a)	(b)	(a)-(b)	(c)	(a)-(c)
<b>&lt;&lt;Assets&gt;&gt;</b>					
Cash and due from banks	1,179,342	724,563	454,779	1,451,492	(272,150)
Call loans and bills bought	4,500	-	4,500	36,451	(31,951)
Receivables under resale agreements	53,216	53,216	-	53,216	-
Receivables under securities borrowing transactions	35,372	51,557	(16,185)	23,651	11,720
Other monetary claims purchased	97,062	99,839	(2,776)	105,857	(8,794)
Trading assets	310,415	318,177	(7,761)	249,115	61,300
Monetary assets held in trust	184,876	211,031	(26,155)	199,117	(14,241)
Securities	1,621,344	1,794,747	(173,402)	1,557,020	64,324
Loans and bills discounted	4,338,622	4,208,627	129,995	4,319,830	18,792
Foreign exchanges	20,973	37,746	(16,773)	25,656	(4,683)
Lease receivables and leased investment assets	226,215	211,622	14,593	227,764	(1,548)
Other assets	783,755	754,598	29,157	724,963	58,792
Premises and equipment	50,305	49,956	349	50,143	162
Intangible assets	52,264	61,870	(9,606)	57,643	(5,379)
Goodwill	25,904	31,985	(6,080)	28,949	(3,045)
Asset for retirement benefit	2,883	/	/	1,567	1,315
Deferred issuance expenses for debentures	22	47	(24)	32	(10)
Deferred tax assets	15,426	18,800	(3,374)	16,519	(1,093)
Customers' liabilities for acceptances and guarantees	331,485	453,036	(121,550)	358,414	(26,929)
Reserve for credit losses	(117,924)	(143,925)	26,001	(137,358)	19,434
<b>Total assets</b>	<b>9,190,162</b>	<b>8,905,513</b>	<b>284,648</b>	<b>9,321,103</b>	<b>(130,941)</b>

## Liabilities and Equity

(Millions of yen)

	Sep 30 2014 (a)	Sep 30 2013 (b)	Change (Amount) (a)-(b)	Mar 31 2014 (c)	Change (Amount) (a)-(c)
<b>&lt;&lt;Liabilities&gt;&gt;</b>					
Deposits	5,507,992	5,544,368	(36,375)	5,733,223	(225,231)
Negotiable certificates of deposit	103,106	209,088	(105,981)	117,223	(14,117)
Debentures	37,750	45,867	(8,116)	41,747	(3,996)
Call money and bills sold	310,000	120,000	190,000	180,000	130,000
Payables under securities lending transactions	238,866	60,216	178,649	317,599	(78,733)
Trading liabilities	269,132	273,508	(4,376)	218,585	50,547
Borrowed money	720,429	619,344	101,085	643,431	76,997
Foreign exchanges	63	25	38	37	26
Short-term corporate bonds	97,500	107,900	(10,400)	86,900	10,600
Corporate bonds	191,121	189,142	1,978	177,248	13,873
Other liabilities	472,877	535,057	(62,180)	497,804	(24,927)
Accrued employees' bonuses	4,939	4,628	311	7,782	(2,842)
Accrued directors' bonuses	39	31	8	67	(28)
Reserve for employees' retirement benefits	/	7,521	/	/	/
Liability for retirement benefit	12,513	/	/	10,116	2,397
Reserve for directors' retirement benefits	79	114	(35)	119	(40)
Reserve for losses on interest repayments	185,466	28,630	156,835	208,201	(22,734)
Deferred tax liabilities	586	56	530	9	577
Acceptances and guarantees	331,485	453,036	(121,550)	358,414	(26,929)
<b>Total liabilities</b>	<b>8,483,951</b>	<b>8,198,537</b>	<b>285,413</b>	<b>8,598,512</b>	<b>(114,560)</b>
<b>&lt;&lt;Equity&gt;&gt;</b>					
<b>Shareholders' equity:</b>					
Common stock	512,204	512,204	-	512,204	-
Capital surplus	79,461	79,461	-	79,461	-
Retained earnings	170,482	131,873	38,608	146,002	24,479
Treasury stock, at cost	(72,558)	(72,558)	(0)	(72,558)	(0)
Total shareholders' equity	689,589	650,981	38,608	665,110	24,478
<b>Accumulated other comprehensive income:</b>					
Unrealized gain (loss) on available-for-sale securities	8,205	1,842	6,362	6,288	1,916
Deferred gain (loss) on derivatives under hedge accounting	(9,840)	(9,065)	(774)	(8,769)	(1,070)
Foreign currency translation adjustments	1,234	890	343	267	966
Accumulated adjustments for retirement benefit	(4,623)	/	/	(5,195)	572
Total accumulated other comprehensive income	(5,023)	(6,332)	1,308	(7,409)	2,385
Stock acquisition rights	1,214	1,222	(8)	1,221	(7)
Minority interests	20,430	61,103	(40,673)	63,667	(43,237)
<b>Total equity</b>	<b>706,210</b>	<b>706,975</b>	<b>(765)</b>	<b>722,590</b>	<b>(16,380)</b>
<b>Total liabilities and equity</b>	<b>9,190,162</b>	<b>8,905,513</b>	<b>284,648</b>	<b>9,321,103</b>	<b>(130,941)</b>

**Interim Consolidated Statements of Income (Consolidated)**

(Millions of yen)

	1H FY2014 (6 months)	1H FY2013 (6 months)	Change (Amount)	FY2013 (12 months)
<b>Ordinary income</b>	<b>189,982</b>	186,555	3,426	375,232
Interest income	72,053	72,562	(508)	143,270
Interest on loans and bills discounted	62,710	62,768	(58)	124,400
Interest and dividends on securities	7,836	8,238	(401)	15,694
Other interest income	1,506	1,555	(48)	3,176
Fees and commissions income	21,692	22,667	(974)	43,603
Trading income	5,721	8,048	(2,326)	16,517
Other business income	75,776	70,086	5,689	142,640
Other ordinary income	14,737	13,190	1,546	29,200
<b>Ordinary expenses</b>	<b>157,580</b>	157,851	(270)	331,085
Interest expenses	11,462	17,509	(6,046)	32,752
Interest on deposits	5,649	11,198	(5,549)	20,358
Interest on borrowings	2,357	2,501	(144)	4,964
Interest on corporate bonds	2,666	2,992	(326)	5,940
Other interest expenses	789	816	(26)	1,487
Fees and commissions expenses	10,807	11,010	(202)	21,165
Trading losses	238	1,057	(818)	2,542
Other business expenses	48,069	49,875	(1,806)	100,438
General and administrative expenses	75,763	72,231	3,532	144,814
Amortization of goodwill	3,045	3,405	(360)	6,441
Amortization of intangible assets acquired in business combinations	1,530	1,767	(237)	3,305
Other general and administrative expenses	71,188	67,058	4,130	135,067
Other ordinary expenses	11,237	6,166	5,071	29,371
Provision of reserve for credit losses	7,040	2,663	4,377	6,279
Other	4,197	3,503	694	23,092
<b>Ordinary profit</b>	<b>32,401</b>	28,704	3,697	44,147
Extraordinary gains	421	140	280	3,879
Extraordinary losses	541	1,241	(700)	2,006
<b>Income before income taxes and minority interests</b>	<b>32,281</b>	27,603	4,678	46,020
Income taxes (benefit):				
Income taxes (benefit) - current	1,283	1,890	(607)	2,464
Income taxes (benefit) - deferred	893	(3,145)	4,039	(795)
Income taxes (benefit)	2,177	(1,254)	3,431	1,668
<b>Income before minority interests</b>	<b>30,104</b>	28,857	1,246	44,351
Minority interests in net income of subsidiaries	1,169	1,617	(448)	2,976
<b>Net income</b>	<b>28,935</b>	27,240	1,694	41,374

**Interim Consolidated Statements of Comprehensive Income (Consolidated)**

(Millions of yen)

	1H FY2014 (6 months)	1H FY2013 (6 months)	Change (Amount)	FY2013 (12 months)
Income before minority interests	30,104	28,857	1,246	44,351
Other comprehensive income				
Unrealized gain (loss) on available-for-sale securities	1,931	(1,923)	3,855	2,803
Deferred gain (loss) on derivatives under hedge accounting	(1,070)	2,540	(3,610)	2,835
Foreign currency translation adjustments	862	(332)	1,195	(655)
Adjustments for retirement benefit	1,221	/	/	/
Share of other comprehensive income in affiliates	532	(1)	534	(153)
Other comprehensive income	3,478	283	3,195	4,830
Comprehensive income	33,582	29,140	4,442	49,181
(Breakdown)				
Attributable to:				
Owners of the parent	31,968	27,213	4,755	45,466
Minority interests	1,613	1,927	(313)	3,715

## Interim Consolidated Statement of Changes in Equity (Consolidated)

For the first half ended September 30, 2014

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock at cost	Total shareholders' equity
Balance at beginning of the year	512,204	79,461	146,002	(72,558)	665,110
Cumulative effects of changes in accounting policies			(1,799)		(1,799)
Restated balance	512,204	79,461	144,203	(72,558)	663,311
Changes during the period					
Dividends			(2,653)		(2,653)
Net income			28,935		28,935
Purchase of treasury stock				(0)	(0)
Decrease by inclusion of consolidated subsidiaries			(0)		(0)
Decrease by exclusion of consolidated subsidiaries			(2)		(2)
Net changes during the period excluding shareholders' equity					
Total changes during the period	—	—	26,278	(0)	26,278
Balance at end of the period	512,204	79,461	170,482	(72,558)	689,589

	Accumulated other comprehensive income					Stock acquisition rights	Minority interests	Total equity
	Unrealized gain (loss) on available-for-sale securities	Deferred gain (loss) on derivatives under hedge accounting	Foreign currency translation adjustments	Accumulated adjustments for retirement benefit	Total accumulated other comprehensive income			
Balance at beginning of the year	6,288	(8,769)	267	(5,195)	(7,409)	1,221	63,667	722,590
Cumulative effects of changes in accounting policies				(648)	(648)			(2,447)
Restated balance	6,288	(8,769)	267	(5,844)	(8,057)	1,221	63,667	720,142
Changes during the period								
Dividends								(2,653)
Net income								28,935
Purchase of treasury stock								(0)
Decrease by inclusion of consolidated subsidiaries								(0)
Decrease by exclusion of consolidated subsidiaries								(2)
Net changes during the period excluding shareholders' equity	1,916	(1,070)	966	1,221	3,033	(7)	(43,237)	(40,211)
Total changes during the period	1,916	(1,070)	966	1,221	3,033	(7)	(43,237)	(13,932)
Balance at end of the period	8,205	(9,840)	1,234	(4,623)	(5,023)	1,214	20,430	706,210

## Consolidated Composition of Capital Disclosure (Consolidated)

<Basel 3, Domestic Standard<sup>1</sup>>

Millions of yen (except percentages)

	Sep 30 2014	Amounts excluded under transitional arrangements
<b>Core capital: instruments and reserves</b>		
Directly issued qualifying common share capital or preferred share capital with a compulsory conversion clause plus related capital surplus and retained earnings	689,589	
of which: capital and capital surplus	591,666	
of which: retained earnings	170,482	
of which: treasury stock (-)	(72,558)	
of which: earning to be distributed (-)	-	
of which: other than above	-	
Accumulated other comprehensive income (amount allowed to be included in Core capital)	1,234	(4,623)
of which: foreign currency translation adjustment	1,234	
of which: amount related defined benefit	-	(4,623)
Stock acquisition right to common shares and preferred shares with a compulsory conversion clause	1,214	
Adjusted minority interests (amount allowed to be included in Core capital)	-	
<b>Total of reserves included in Core capital: instruments and reserves</b>	<b>2,476</b>	
of which: general reserve for loan losses included in Core capital	2,476	
of which: eligible provision included in Core capital	-	
Eligible noncumulative perpetual preferred shares subject to transitional arrangements (amount allowed to be included in Core capital: instruments and reserves)	-	
Eligible capital instruments subject to transitional arrangements (amount allowed to be included in Core capital: instruments and reserves)	158,967	
Capital instruments issued through measures for capital enhancement by public institutions (amount allowed to be included in Core capital: instruments and reserves)	-	
Land revaluation excess after 55% discount (amount allowed to be included in Core capital: instruments and reserves)	-	
Minority interests subject to transitional arrangements (amount allowed to be included in Core capital: instruments and reserves)	4,467	
<b>Core capital: instruments and reserves</b>	<b>857,949</b>	
<b>Core capital: regulatory adjustments</b>		
Total amount of intangible assets (excluding those relating to mortgage servicing rights)	30,829	12,040
of which: goodwill (including those equivalent)	25,904	-
of which: other intangibles other than goodwill and mortgage servicing rights	4,924	12,040
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	6,925
Shortfall of eligible provisions to expected losses	4,701	-
Gain on sale of securitization	9,378	-
Gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Net defined benefit asset	-	1,856
Investments in own shares (excluding those reported in the net assets section)	-	-
Reciprocal cross-holdings in common equity	-	-
Investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation ("Other Financial Institutions"), net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above the 10% threshold)	-	-
Amount exceeding the 10% threshold on specific items	-	-
of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	-	-
of which: mortgage servicing rights	-	-
of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-
Amount exceeding the 15% threshold on specific items	-	-
of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	-	-
of which: mortgage servicing rights	-	-
of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-
<b>Core capital: regulatory adjustments</b>	<b>44,909</b>	
<b>Capital (consolidated)</b>	<b>813,039</b>	
<b>Risk-weighted assets</b>		
Total amount of credit risk-weighted assets	5,386,328	
of which: total amount included in risk-weighted assets by transitional arrangements	(26,350)	
of which: intangible assets (excluding those relating to goodwill and mortgage servicing rights)	12,040	
of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	6,925	
of which: net defined benefit asset	1,856	
of which: significant investments in the common stock of Other Financial Institutions (net of eligible short positions)	(47,172)	
of which: other than above	-	
Market risk (derived by multiplying the capital requirement by 12.5)	152,997	
Operational risk (derived by multiplying the capital requirement by 12.5)	347,586	
Credit risk adjustments	-	
Operational risk adjustments	-	
<b>Total amount of Risk-weighted assets</b>	<b>5,886,912</b>	
<b>Capital ratio (consolidated)</b>	<b>13.81%</b>	

1. Calculated according to F-IRB.

## Section 2. Nonconsolidated Information

### Results of Operations -Table 27- (Nonconsolidated)

	(Billions of yen)			
	1H FY2014 (6 months)	1H FY2013 (6 months)	Change (Amount)	FY2013 (12 months)
Net interest income	43.7	37.5	6.2	80.9
Noninterest income	12.9	10.3	2.6	17.9
Net fees and commissions <sup>1</sup>	6.9	6.0	0.9	7.9
Net trading income	2.0	2.5	(0.4)	5.3
Net other business income	3.9	1.7	2.1	4.6
<b>Total revenue<sup>1</sup></b>	<b>56.6</b>	<b>47.8</b>	<b>8.8</b>	<b>98.9</b>
Personnel expenses	(11.7)	(10.5)	(1.1)	(21.5)
Nonpersonnel expenses	(23.1)	(22.1)	(1.0)	(44.0)
Taxes	(2.2)	(1.6)	(0.6)	(3.4)
<b>General and administrative expenses</b>	<b>(37.1)</b>	<b>(34.3)</b>	<b>(2.8)</b>	<b>(69.0)</b>
<b>Net business profit<sup>1</sup></b>	<b>19.5</b>	<b>(13.5)</b>	<b>6.0</b>	<b>29.8</b>
<b>Other gains (losses)</b>				
Gains (losses) on the sales of equities	0.4	1.7	(1.2)	3.2
Net provision of reserve for credit losses <sup>2</sup>	2.2	1.2	0.9	7.2
Losses on write-off of loans	(1.3)	(0.9)	(0.3)	(2.0)
Recoveries of written-off claims	1.0	0.6	0.4	1.9
Expenses for employees' retirement benefits	(1.1)	(1.2)	0.1	(2.3)
Others	0.4	(0.2)	0.6	(0.3)
<b>Net ordinary income</b>	<b>21.2</b>	<b>14.7</b>	<b>6.4</b>	<b>37.6</b>
<b>Special gains (losses)</b>				
Gains (losses) from sales of fixed assets and impairment losses	(0.5)	(1.0)	0.5	(1.7)
Other special gains (losses)	(0.5)	0.0	(0.5)	(0.1)
<b>Income before income taxes</b>	<b>20.1</b>	<b>13.6</b>	<b>6.5</b>	<b>35.8</b>
<b>Income taxes</b>				
Current	0.0	0.1	(0.0)	0.3
Deferred	(0.8)	1.8	(2.6)	0.2
<b>Net income</b>	<b>19.3</b>	<b>15.5</b>	<b>3.7</b>	<b>36.4</b>

1. Includes income from monetary assets held in trust of ¥7.2 billion in 1H FY2014, ¥2.3 billion in 1H FY2013 and ¥3.8 billion in FY2013.

2. Reversals of reserve for loan losses was ¥2.2 billion in 1H FY2014, ¥1.2 billion in 1H FY2013 and ¥7.2 billion in FY2013.

Note 1: Quarterly information is available in the Quarterly Data Book.

The gap between nonconsolidated basis net income and consolidated basis net income results from factors such as profits or losses at our consolidated subsidiaries including Showa Leasing, Shinsei Financial, APLUS FINANCIAL and SHINKI, gains or losses on our investment in our equity method affiliate, Jih Sun Financial Holding Co., Ltd., and whether or not dividends are received from our consolidated subsidiaries.

It should be noted, gains (losses) on the sale of equities and impairments are recorded as other business income in the consolidated financial statements, reflecting the nature of the transaction. However, in the above nonconsolidated information, the same transactions are recorded as other gains (losses) in accordance with reporting requirements of the Revitalization Plan.

Total revenue of Shinsei Bank was ¥56.6 billion on a nonconsolidated basis for the first half of fiscal year 2014 compared to ¥47.8 billion for the first half of fiscal year 2013. Net interest income on a nonconsolidated

basis was ¥43.7 billion for the first half of fiscal year 2014, an increase from ¥37.5 billion for the first half of fiscal year 2013. The increase was from a reduction in funding costs which resulted from the maturation of high interest rate time deposits and growth of net interest income from the consumer finance business. These factors offset the decline in dividends received from subsidiaries ((¥6.3 billion for the first half of fiscal year 2013 (¥5.4 billion from Shinsei Financial and ¥0.8 billion from Showa Leasing) compared to ¥4.8 billion for the first half of fiscal year 2014 (¥2.9 billion from Shinsei Financial, ¥1.0 billion from Shinsei Trust and Banking and ¥0.8 billion from Showa Leasing)). Noninterest income also rose from ¥10.3 billion for the first half of fiscal year 2013 to ¥12.9 billion for the first half of fiscal year 2014, due to the gains recorded on the sale of JGBs for the first half of fiscal year 2014 in the Bank's ALM operations, compared to a loss recorded for the first half of fiscal year 2013. In addition, stable income from markets related transactions contributed to the increase in noninterest income.



General and administrative expenses increased to ¥37.1 billion for the first half of fiscal year 2014 from ¥34.3 billion for the first half of fiscal year 2013 as a result of costs incurred from the proactive implementation of measures aimed at smoothly carrying out the Second Medium-term Management Plan.

As a result of the preceding, Shinsei Bank recorded a nonconsolidated net business profit of ¥19.5 billion

for the first half of fiscal year 2014, a ¥6.0 billion increase from ¥13.5 billion recorded for the first half of fiscal year 2013. Furthermore, net income for the first half of fiscal year 2014 was ¥19.3 billion, increased by ¥3.7 billion from ¥15.5 billion recorded for the first half of fiscal year 2013, due to factors such as improvements in credit costs and deferred income taxes.

### Net Credit Costs -Table 28- (Nonconsolidated)

	(Billions of yen)			
	1H FY2014 (6 months)	1H FY2013 (6 months)	Change (Amount)	FY2013 (12 months)
Losses on write-off of loans	(1.3)	(0.9)	(0.3)	(2.0)
Net provision of reserve for loan losses	2.2	1.2	0.9	7.2
Net provision of general reserve for loan losses	0.5	0.1	0.3	7.5
Net provision of specific reserve for loan losses	1.6	1.1	0.5	(0.2)
Recoveries of written-off claims	1.0	0.6	0.4	1.9
<b>Net credit costs</b>	<b>1.9</b>	<b>0.9</b>	<b>0.9</b>	<b>7.2</b>

Note 1: Quarterly information is available in the Quarterly Data Book.

### Interest-Earning Assets and Interest-Bearing Liabilities -Table 29- (Nonconsolidated)

	(Billions of yen, except percentages)								
	1H FY2014 (6 months)			1H FY2013 (6 months)			FY2013 (12 months)		
	Average balance	Interest	Yield/rate <sup>1</sup> (%)	Average balance	Interest	Yield/rate <sup>1</sup> (%)	Average balance	Interest	Yield/rate <sup>1</sup> (%)
<b>Interest-earning assets:</b>									
Loans and bills discounted	4,056.5	37.6	1.85	4,174.1	35.7	1.70	4,141.7	71.8	1.73
Securities	2,085.5	15.1	1.44	2,324.2	16.7	1.43	2,267.6	36.9	1.62
Other interest-earning assets <sup>2, 3</sup>	382.7	1.7	n.m. <sup>4</sup>	395.7	1.8	n.m. <sup>4</sup>	391.6	3.6	n.m. <sup>4</sup>
<b>Total interest-earning assets</b>	<b>6,524.8</b>	<b>54.5</b>	<b>1.66</b>	<b>6,894.2</b>	<b>54.2</b>	<b>1.57</b>	<b>6,801.0</b>	<b>112.4</b>	<b>1.65</b>
<b>Interest-bearing liabilities:</b>									
Deposits, including negotiable certificates of deposit	5,832.5	5.7	0.19	6,014.0	11.3	0.37	6,016.7	20.6	0.34
Debentures	40.2	0.0	0.13	85.5	0.1	0.28	64.8	0.1	0.23
Borrowed money	387.4	1.1	0.60	354.0	1.3	0.74	359.5	2.5	0.71
Subordinated debt	64.8	0.8	2.72	90.8	1.0	2.22	88.3	1.9	2.25
Other borrowed money	322.6	0.2	0.17	263.1	0.3	0.23	271.1	0.5	0.21
Corporate bonds	206.4	3.8	3.68	231.9	4.5	3.91	235.2	9.1	3.87
Subordinated bonds	199.4	3.8	3.80	227.0	4.5	3.99	230.3	9.0	3.94
Other corporate bonds	7.0	0.0	0.25	4.9	0.0	0.28	4.8	0.0	0.26
Other interest-bearing liabilities <sup>2</sup>	748.8	0.4	n.m. <sup>4</sup>	591.8	0.2	n.m. <sup>4</sup>	602.9	0.5	n.m. <sup>4</sup>
<b>Total interest-bearing liabilities</b>	<b>7,215.5</b>	<b>11.2</b>	<b>0.30</b>	<b>7,277.5</b>	<b>17.5</b>	<b>0.48</b>	<b>7,279.5</b>	<b>32.9</b>	<b>0.45</b>
<b>Net interest income/yield on interest-earning assets</b>	<b>6,524.8</b>	<b>43.3</b>	<b>1.32</b>	<b>6,894.2</b>	<b>36.7</b>	<b>1.06</b>	<b>6,801.0</b>	<b>79.5</b>	<b>1.16</b>

1. Percentages have been rounded from the third decimal place.

2. Other interest-earning assets and other interest-bearing liabilities include interest swaps.

3. Excludes average balance of non interest-earning assets.

4. n.m. is not meaningful.

Note 1: Quarterly information is available in the Quarterly Data Book.

**Risk-Monitored Loans -Table 30- (Nonconsolidated)**

(Billions of yen)

	Sep 30 2014	Sep 30 2013	Change (Amount)	Mar 31 2014	Change (Amount)
	(a)	(b)	(a)-(b)	(c)	(a)-(c)
Loans to bankrupt obligors	3.2	8.2	(5.0)	7.2	(4.0)
Nonaccrual delinquent loans	89.4	171.5	(82.1)	138.6	(49.1)
Loans past due for three months or more	1.1	1.2	(0.1)	0.9	0.1
Restructured loans	3.3	5.4	(2.1)	3.8	(0.5)
<b>Total (A)</b>	<b>97.0</b>	<b>186.5</b>	<b>(89.4)</b>	<b>150.7</b>	<b>(53.6)</b>
<b>Loans and bills discounted (B)</b>	<b>4,121.0</b>	<b>4,139.9</b>	<b>(18.9)</b>	<b>4,235.7</b>	<b>(114.6)</b>
Ratio to total loans and bills discounted (A/B) (%)	2.36%	4.51%		3.56%	
<b>Reserve for credit losses (C)</b>	<b>63.0</b>	<b>90.4</b>	<b>(27.3)</b>	<b>83.5</b>	<b>(20.4)</b>
Reserve ratio (C/A) (%)	64.9%	48.5%		55.4%	

Note 1: Quarterly information is available in the Quarterly Data Book.

**Loans by Borrower Industry -Table 31- (Nonconsolidated)**

(Billions of yen)

	Sep 30 2014	Sep 30 2013	Change (Amount)	Mar 31 2014	Change (Amount)
	(a)	(b)	(a)-(b)	(c)	(a)-(c)
Domestic (excluding Japan offshore market accounts):					
Manufacturing	202.0	203.9	(1.8)	208.9	(6.8)
Agriculture and forestry	0.1	0.2	(0.0)	0.1	(0.0)
Fishery	0.0	-	0.0	0.0	0.0
Mining, quarrying and gravel extraction	-	0.1	(0.1)	0.1	(0.1)
Construction	9.4	11.5	(2.0)	7.6	1.8
Electric power, gas, heat supply and water supply	193.3	139.2	54.1	170.1	23.2
Information and communications	41.1	34.3	6.8	39.4	1.7
Transportation and postal service	180.9	203.4	(22.5)	191.1	(10.2)
Wholesale and retail	91.0	73.3	17.6	87.2	3.7
Finance and insurance	772.1	1,037.0	(264.9)	949.4	(177.2)
Real estate	518.1	542.8	(24.6)	560.2	(42.0)
Services	380.4	344.4	36.0	378.4	2.0
Local government	98.4	108.4	(10.0)	104.3	(5.8)
Individuals	1,352.0	1,254.7	97.2	1,310.4	41.5
Overseas yen loans and overseas loans booked domestically	214.5	149.3	65.1	198.1	16.4
<b>Total domestic</b>	<b>4,054.0</b>	<b>4,103.1</b>	<b>(49.1)</b>	<b>4,205.9</b>	<b>(151.9)</b>
Overseas (including Japan offshore market accounts):					
Governments	1.3	1.6	(0.3)	1.5	(0.1)
Financial institutions	0.0	0.6	(0.5)	0.5	(0.4)
Commerce and industry	65.5	34.4	31.1	27.7	37.8
Others	-	-	-	-	-
<b>Total overseas</b>	<b>67.0</b>	<b>36.8</b>	<b>30.1</b>	<b>29.7</b>	<b>37.2</b>
<b>Total</b>	<b>4,121.0</b>	<b>4,139.9</b>	<b>(18.9)</b>	<b>4,235.7</b>	<b>(114.6)</b>

Note 1: Quarterly information is available in the Quarterly Data Book.

**Risk Monitored Loans by Borrower Industry -Table 32 - (Nonconsolidated)**

(Billions of yen)

	Sep 30 2014 (a)	Sep 30 2013 (b)	Change (Amount) (a)-(b)	Mar 31 2014 (c)	Change (Amount) (a)-(c)
Domestic (excluding Japan offshore market accounts):					
Manufacturing	1.0	6.2	(5.2)	5.6	(4.5)
Agriculture and forestry	-	-	-	-	-
Fishery	-	-	-	-	-
Mining, quarrying and gravel extraction	-	-	-	-	-
Construction	0.3	-	0.3	-	0.3
Electric power, gas, heat supply and water supply	-	-	-	-	-
Information and communications	0.5	1.9	(1.4)	0.5	-
Transportation and postal service	-	2.9	(2.9)	2.9	(2.9)
Wholesale and retail	0.4	0.2	0.2	0.3	0.1
Finance and insurance	-	41.6	(41.6)	21.9	(21.9)
Real estate	58.9	84.7	(25.7)	74.6	(15.6)
Services	25.4	28.2	(2.8)	25.4	(0.0)
Local government	-	-	-	-	-
Individuals	3.3	4.4	(1.0)	3.5	(0.1)
Overseas yen loans and overseas loans booked domestically	6.8	16.0	(9.1)	15.6	(8.7)
<b>Total domestic</b>	<b>97.0</b>	<b>186.5</b>	<b>(89.4)</b>	<b>150.7</b>	<b>(53.6)</b>
Overseas (including Japan offshore market accounts):					
Governments	-	-	-	-	-
Financial institutions	-	-	-	-	-
Commerce and industry	-	-	-	-	-
Others	-	-	-	-	-
<b>Total overseas</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>97.0</b>	<b>186.5</b>	<b>(89.4)</b>	<b>150.7</b>	<b>(53.6)</b>

Note 1: Quarterly information is available in the Quarterly Data Book.

**Claims Classified under the Financial Revitalization Law -Table 33- (Nonconsolidated)**

(Billions of yen)

	Sep 30 2014 (a)	Sep 30 2013 (b)	Change (Amount) (a)-(b)	Mar 31 2014 (c)	Change (Amount) (a)-(c)
Claims against bankrupt and quasi-bankrupt obligors	8.7	33.7	(24.9)	13.2	(4.5)
Doubtful claims	97.0	161.6	(64.5)	146.7	(49.6)
Substandard claims	4.5	6.7	(2.2)	4.9	(0.4)
<b>Total (A)</b>	<b>110.2</b>	<b>202.0</b>	<b>(91.8)</b>	<b>164.7</b>	<b>(54.5)</b>
Coverage ratio	95.7%	95.5%		95.3%	
<b>Total claims (B)</b>	<b>4,218.5</b>	<b>4,246.0</b>	<b>(27.4)</b>	<b>4,328.3</b>	<b>(109.7)</b>
Loans and bills discounted	4,121.0	4,139.9	(18.9)	4,235.7	(114.6)
Others	97.5	106.0	(8.5)	92.6	4.8
Ratio to total claims (A/B X 100) (%)	2.61%	4.76%		3.81%	
(Ref. 1) Amount of write-off	53.9	63.1	(9.1)	63.5	(9.5)
(Ref. 2) Below need caution level	210.7	358.9	(148.2)	273.5	(62.7)

Note 1: Quarterly information is available in the Quarterly Data Book.

**Coverage Ratios for Nonperforming Claims Classified under the Financial Revitalization Law -Table 34- (Nonconsolidated)**

(Billions of yen, except percentages)

Sep 30, 2014					
Amounts of coverage					
Amounts of claims	Total	Reserve for loan losses	Collateral and guarantees	Coverage ratio	
Claims against bankrupt and quasi-bankrupt obligors	8.7	8.7	-	8.7	100.0%
Doubtful claims	97.0	93.8	38.9	54.9	96.7%
Substandard claims	4.5	2.9	1.7	1.2	64.9%
<b>Total</b>	<b>110.2</b>	<b>105.4</b>	<b>40.7</b>	<b>64.7</b>	<b>95.7%</b>

(Billions of yen, except percentages)

Sep 30, 2013					March 31, 2014					
Amounts of coverage					Amounts of coverage					
Amounts of claims	Total	Reserve for loan losses	Collateral and guarantees	Coverage ratio	Amounts of claims	Total	Reserve for loan losses	Collateral and guarantees	Coverage ratio	
Claims against bankrupt and quasi-bankrupt obligors	33.7	33.7	-	33.7	100.0%	13.2	13.2	-	13.2	100.0%
Doubtful claims	161.6	155.1	57.2	97.8	96.0%	146.7	140.3	58.4	81.9	95.6%
Substandard claims	6.7	4.2	1.9	2.3	62.9%	4.9	3.5	1.9	1.6	71.8%
<b>Total</b>	<b>202.0</b>	<b>193.0</b>	<b>59.1</b>	<b>133.8</b>	<b>95.5%</b>	<b>164.7</b>	<b>157.0</b>	<b>60.3</b>	<b>96.7</b>	<b>95.3%</b>

Note 1: Quarterly information is available in the Quarterly Data Book.

**Reserve for Credit Losses -Table 35- (Nonconsolidated)**

(Billions of yen)

	Sep 30 2014 (a)	Sep 30 2013 (b)	Change (Amount) (a)-(b)	Mar 31 2014 (c)	Change (Amount) (a)-(c)
Reserve for credit losses	59.1	86.5	(27.3)	79.6	(20.4)
General reserve for loan losses	19.1	28.0	(8.8)	19.9	(0.7)
Specific reserve for loan losses	39.9	58.4	(18.4)	59.7	(19.7)
Reserve for loans to restructuring countries	0.0	0.0	-	0.0	-
Specific reserve for other credit losses	3.9	3.9	-	3.9	-
<b>Total reserve for credit losses</b>	<b>63.0</b>	<b>90.4</b>	<b>(27.3)</b>	<b>83.5</b>	<b>(20.4)</b>

Note 1: Quarterly information is available in the Quarterly Data Book.

**Reserve Ratios for Borrowers' Category -Table 36- (Nonconsolidated)**

(Percentages)

	Sep 30 2014 (a)	Sep 30 2013 (b)	Change (a)-(b)	Mar 31 2014 (c)	Change (a)-(c)
Legally and virtually bankrupt (unsecured portion)	100.00	100.00	-	100.00	-
Possibly bankrupt (unsecured portion)	99.23	95.33	3.90	95.68	3.55
Substandard (unsecured portion)	59.54	51.29	8.25	67.62	(8.08)
Need caution (total claims)	5.67	5.95	(0.28)	6.57	(0.90)
(unsecured portion)	25.71	25.66	0.05	22.89	2.82
Normal (total claims)	0.28	0.40	(0.12)	0.25	0.03

Note 1: Quarterly information is available in the Quarterly Data Book.

**Housing Loans -Table 37- (Nonconsolidated)**

(Billions of yen)

	Sep 30 2014 (a)	Sep 30 2013 (b)	Change (a)-(b)	Mar 31 2014 (c)	Change (a)-(c)
Housing loans	1,195.9	1,144.8	51.1	1,178.9	17.0

**Securities Being Held to Maturity -Table 38- (Nonconsolidated)**

(Billions of yen)

	Sep 30, 2014			Sep 30, 2013			Mar 31, 2014		
	Carrying amount	Fair value	Unrealized gain (loss)	Carrying amount	Fair value	Unrealized gain (loss)	Carrying amount	Fair value	Unrealized gain (loss)
Fair value exceeds carrying amount									
Japanese national government bonds	561.8	563.6	1.8	584.4	587.2	2.7	497.4	499.1	1.7
Japanese corporate bonds	-	-	-	-	-	-	-	-	-
Other	40.9	44.1	3.2	52.2	56.4	4.2	48.2	52.3	4.1
Subtotal	602.7	607.8	5.0	636.7	643.6	6.9	545.6	551.5	5.8
Fair value does not exceed carrying amount									
Japanese national government bonds	-	-	-	-	-	-	-	-	-
Japanese corporate bonds	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
Total	602.7	607.8	5.0	636.7	643.6	6.9	545.6	551.5	5.8

**Securities Available for Sale -Table 39- (Nonconsolidated)**
*(Billions of yen)*

	Sep 30, 2014			Sep 30, 2013			Mar 31, 2014		
	Carrying amount (fair value)	Amortized/ Acquisition cost	Unrealized gain (loss)	Carrying amount (fair value)	Amortized/ Acquisition cost	Unrealized gain (loss)	Carrying amount (fair value)	Amortized/ Acquisition cost	Unrealized gain (loss)
<b>Carrying amount exceeds amortized/acquisition cost</b>									
Equity securities	15.7	9.3	6.3	13.8	8.6	5.2	12.6	8.4	4.1
Domestic bonds	53.3	52.6	0.7	67.0	66.3	0.6	62.0	61.2	0.8
Japanese national government bonds	5.2	5.2	0.0	2.5	2.5	0.0	-	-	-
Japanese local government bonds	0.5	0.5	0.0	0.5	0.5	0.0	0.5	0.5	0.0
Japanese corporate bonds	47.5	46.8	0.7	63.9	63.3	0.6	61.4	60.7	0.7
Other	102.6	98.4	4.2	90.4	85.7	4.6	98.1	93.1	5.0
Foreign securities	94.6	91.0	3.5	86.5	82.2	4.3	92.6	88.1	4.4
Foreign currency denominated foreign corporate and government bonds	56.6	54.1	2.4	42.8	40.1	2.7	46.6	43.6	3.0
Yen-denominated foreign corporate and government bonds	38.0	36.9	1.0	42.0	40.9	1.0	45.0	43.9	1.0
Foreign equity securities and others	-	-	-	1.6	1.1	0.4	0.9	0.5	0.3
Other securities	6.9	6.2	0.7	2.2	1.9	0.2	4.2	3.7	0.5
Other monetary claims purchased	1.0	1.0	0.0	1.6	1.5	0.0	1.3	1.2	0.0
Subtotal	171.7	160.4	11.3	171.3	160.8	10.5	172.8	162.8	10.0
<b>Carrying amount does not exceed amortized/acquisition cost</b>									
Equity securities	0.3	0.4	(0.1)	1.1	1.5	(0.3)	1.1	1.4	(0.3)
Domestic bonds	696.7	698.4	(1.7)	796.6	800.4	(3.7)	683.9	685.0	(1.1)
Japanese national government bonds	643.6	643.9	(0.2)	737.7	740.6	(2.9)	629.3	630.0	(0.7)
Japanese local government bonds	-	-	-	-	-	-	-	-	-
Japanese corporate bonds	53.0	54.5	(1.4)	58.9	59.8	(0.8)	54.5	54.9	(0.4)
Other	28.3	28.6	(0.2)	69.7	71.1	(1.4)	35.4	35.7	(0.3)
Foreign securities	21.6	21.7	(0.1)	67.9	69.4	(1.4)	27.6	27.7	(0.1)
Foreign currency denominated foreign corporate and government bonds	19.5	19.6	(0.0)	66.6	67.9	(1.3)	25.2	25.2	(0.0)
Yen-denominated foreign corporate and government bonds	1.0	1.0	-	-	-	-	0.9	1.0	(0.0)
Foreign equity securities and others	1.0	1.0	(0.0)	1.3	1.4	(0.0)	1.4	1.4	(0.0)
Other securities	1.9	1.9	(0.0)	1.7	1.7	-	1.9	1.9	(0.0)
Other monetary claims purchased	4.8	4.9	(0.1)	-	-	-	5.8	6.0	(0.1)
Subtotal	725.4	727.5	(2.1)	867.5	873.1	(5.5)	720.4	722.2	(1.8)
<b>Total<sup>1,2</sup></b>	<b>897.2</b>	<b>888.0</b>	<b>9.2</b>	<b>1,038.9</b>	<b>1,033.9</b>	<b>4.9</b>	<b>893.2</b>	<b>885.0</b>	<b>8.2</b>

1. Includes a part of other monetary claims purchased in addition to securities available for sale.

2. Securities whose fair value cannot be reliably determined are not included.

**Unrealized Gain (Loss) on Available-for-Sale Securities (Nonconsolidated)**
*(Billions of yen)*

	Sep 30, 2014	Sep 30, 2013	Mar 31, 2014
<b>Unrealized gain (loss) before deferred tax on:</b>			
Available-for-sale securities	9.2	4.9	8.2
Interests in available-for-sale securities held by partnerships recorded as securities whose fair value cannot be reliably determined	1.3	(0.0)	1.5
Securities being held to maturity, reclassified from available-for-sale in the past, under extremely illiquid market conditions	(2.5)	(4.3)	(3.5)
Deferred tax assets (liabilities)	(1.3)	-	(1.0)
<b>Unrealized gain (loss) on available-for-sale securities</b>	<b>6.6</b>	<b>0.6</b>	<b>5.1</b>

**Hedge-Accounting Derivative Transactions -Table 40- (Nonconsolidated)**

(Billions of yen)

Notional Principal Amount	Sep 30, 2014			
	1 year or less	Over 1 year to 5 years	Over 5 years	Total
Interest rate swaps:				
Receive fixed and pay floating	-	468.1	14.0	482.1
Receive floating and pay fixed	14.1	137.1	97.1	248.4
Receive floating and pay floating	-	-	-	-
<b>Total notional principal amount</b>	<b>14.1</b>	<b>605.3</b>	<b>111.1</b>	<b>730.6</b>
Currency swaps				
<b>Total notional principal amount</b>	<b>-</b>	<b>10.9</b>	<b>-</b>	<b>10.9</b>

**Employees' Retirement Benefit -Table 41- (Nonconsolidated)**

**Projected Benefit Obligation (NonConsolidated)**

(Billions of yen)

		Sep 30, 2014
Projected benefit obligation	(A)	62.2
Discount rate		1.2%
Fair value of plan assets	(B)	56.9
Prepaid pension cost	(C)	-
Unrecognized prior service cost	(D)	(0.8)
Unrecognized net actuarial losses	(E)	4.5
Other (Unrecognized obligation at transition, etc.)	(F)	0.3
<b>Reserve for retirement benefits</b>	<b>(A-B-C-D-E-F)</b>	<b>1.3</b>

**Pension Expenses (NonConsolidated)**

(Billions of yen)

	1H FY2014 (6 months)
Service cost	1.1
Interest	0.3
Expected return on plan assets	(0.6)
Amortization of prior service cost	(0.1)
Amortization of net actuarial losses	0.9
Amortization of unrecognized obligation at transition	0.3
Other (extraordinary severance benefit expense, etc.)	0.0
<b>Net periodic retirement benefit cost</b>	<b>2.0</b>

**Capital Adequacy Data-Table 42- (Nonconsolidated)**

(Billions of yen, except percentages)

	Sep 30 2014 (a)	Sep 30 2013 (b)	Change (Amount) (a)-(b)	Mar 31 2014 (c)	Change (Amount) (a)-(c)
Core capital: instruments and reserves	880.5			924.3	(43.8)
Core capital: regulatory adjustments	(17.4)			(34.3)	16.9
Capital	863.1			890.0	(26.9)
Total amount of Risk-weighted assets	5,681.7			5,801.8	(120.0)
Capital ratio	15.19%			15.34%	

1. Calculated according to F-IRB.

Nonconsolidated total required capital is ¥469.6 billion as at September 30, 2014 and ¥496.1 billion as at March 31, 2014.

Note 1: Quarterly information is available in the Quarterly Data Book.



**Interim Nonconsolidated Balance Sheets (Nonconsolidated)**

**Assets**

	<i>(Millions of yen)</i>				
	Sep 30 2014	Sep 30 2013	Change (Amount)	Mar 31 2014	Change (Amount)
	(a)	(b)	(a)-(b)	(c)	(a)-(c)
<b>&lt;&lt;Assets&gt;&gt;</b>					
Cash and due from banks	1,104,337	602,436	501,900	1,367,839	(263,502)
Call loans	4,500	-	4,500	36,451	(31,951)
Receivables under resale agreements	53,216	53,216	-	53,216	-
Other monetary claims purchased	190,127	191,928	(1,801)	195,287	(5,160)
Trading assets	263,523	256,012	7,511	235,097	28,426
Monetary assets held in trust	120,830	209,417	(88,586)	196,421	(75,590)
Securities	2,037,629	2,215,723	(178,094)	1,977,811	59,817
Valuation allowance for investments	(3,370)	(3,370)	-	(3,370)	-
Loans and bills discounted	4,121,030	4,139,960	(18,930)	4,235,713	(114,683)
Foreign exchanges	20,973	37,746	(16,773)	25,656	(4,683)
Other assets	209,185	222,721	(13,536)	204,706	4,478
Other	209,185	222,721	(13,536)	204,706	4,478
Premises and equipment	19,669	18,455	1,214	20,042	(373)
Intangible assets	8,713	8,651	61	9,485	(771)
Prepaid pension cost	-	1,555	(1,555)	1,830	(1,830)
Deferred issuance expenses for debentures	22	47	(24)	32	(10)
Deferred tax assets	1,725	4,536	(2,810)	2,458	(733)
Customers' liabilities for acceptances and guarantees	24,032	11,346	12,686	11,616	12,416
Reserve for credit losses	(63,054)	(90,411)	27,356	(83,550)	20,496
<b>Total assets</b>	<b>8,113,092</b>	<b>7,879,976</b>	<b>233,116</b>	<b>8,486,745</b>	<b>(373,653)</b>

## Liabilities and Equity

(Millions of yen)

	Sep 30 2014 (a)	Sep 30 2013 (b)	Change (Amount) (a)-(b)	Mar 31 2014 (c)	Change (Amount) (a)-(c)
<b>&lt;&lt;Liabilities&gt;&gt;</b>					
Deposits	5,633,089	5,694,313	(61,224)	6,076,993	(443,904)
Negotiable certificates of deposit	103,106	209,088	(105,981)	117,223	(14,117)
Debentures	37,750	45,867	(8,116)	41,747	(3,996)
Call money	310,000	120,000	190,000	180,000	130,000
Payables under securities lending transactions	199,451	-	199,451	300,690	(101,239)
Trading liabilities	240,052	228,820	11,232	206,587	33,465
Borrowed money	414,075	356,129	57,946	360,769	53,305
Foreign exchanges	63	224	(161)	37	26
Corporate bonds	182,948	238,291	(55,342)	221,891	(38,942)
Other liabilities	252,479	297,239	(44,760)	265,671	(13,192)
Income taxes payable	312	312	(0)	387	(75)
Lease obligations	-	0	(0)	-	-
Asset retirement obligations	7,354	7,198	156	7,396	(42)
Other	244,812	289,728	(44,916)	257,887	(13,074)
Accrued employees' bonuses	2,272	2,067	205	4,035	(1,763)
Reserve for retirement benefits	1,330	-	1,330	-	1,330
Acceptances and guarantees	24,032	11,346	12,686	11,616	12,416
<b>Total liabilities</b>	<b>7,400,653</b>	<b>7,203,387</b>	<b>197,265</b>	<b>7,787,262</b>	<b>(386,609)</b>
<b>&lt;&lt;Equity&gt;&gt;</b>					
<b>Shareholders' equity:</b>					
Common stock	512,204	512,204	-	512,204	-
Capital surplus	79,465	79,465	-	79,465	-
Additional paid-in capital	79,465	79,465	-	79,465	-
Retained earnings	198,939	164,148	34,791	185,023	13,916
Legal reserve	13,158	12,628	530	12,628	530
Other retained earnings	185,781	151,520	34,260	172,395	13,385
Unappropriated retained earnings	185,781	151,520	34,260	172,395	13,385
Treasury stock, at cost	(72,558)	(72,558)	(0)	(72,558)	(0)
Total shareholders' equity	718,051	683,260	34,791	704,135	13,916
<b>Net unrealized gain (loss) and translation adjustments</b>					
Unrealized gain (loss) on available-for-sale securities	6,632	625	6,006	5,140	1,492
Deferred gain (loss) on derivatives under hedge accounting	(13,458)	(8,520)	(4,938)	(11,013)	(2,445)
Total net unrealized gain (loss) and translation adjustments	(6,826)	(7,894)	1,068	(5,873)	(952)
Stock acquisition rights	1,214	1,222	(8)	1,221	(7)
<b>Total equity</b>	<b>712,439</b>	<b>676,588</b>	<b>35,851</b>	<b>699,483</b>	<b>12,955</b>
<b>Total liabilities and equity</b>	<b>8,113,092</b>	<b>7,879,976</b>	<b>233,116</b>	<b>8,486,745</b>	<b>(373,653)</b>

**Interim Nonconsolidated Statements of Income (Nonconsolidated)**

(Millions of yen)

	1H FY2014 (6 months)	1H FY2013 (6 months)	Change (Amount)	FY2013 (12 months)
<b>Ordinary income</b>	<b>83,482</b>	81,552	1,930	170,404
Interest income	54,546	54,288	257	112,486
Interest on loans and bills discounted	37,696	35,756	1,940	71,891
Interest and dividends on securities	15,113	16,700	(1,586)	36,904
Other interest income	1,736	1,832	(95)	3,690
Fees and commissions income	9,088	11,072	(1,983)	20,194
Trading income	2,463	3,605	(1,141)	8,164
Other business income	4,939	5,627	(688)	10,862
Other ordinary income	12,444	6,957	5,486	18,697
<b>Ordinary expenses</b>	<b>62,271</b>	66,814	(4,542)	132,737
Interest expenses	11,213	17,570	(6,356)	32,969
Interest on deposits	5,660	11,207	(5,547)	20,377
Interest on corporate bonds	3,812	4,556	(743)	9,106
Other interest expenses	1,741	1,806	(65)	3,486
Fees and commissions expenses	9,310	7,429	1,880	16,121
Trading losses	429	1,084	(654)	2,770
Other business expenses	1,005	3,830	(2,824)	6,215
General and administrative expenses	38,358	35,619	2,739	71,381
Other ordinary expenses	1,953	1,280	673	3,279
<b>Ordinary profit</b>	<b>21,211</b>	14,737	6,473	37,667
Extraordinary gains	7	16	(8)	17
Extraordinary losses	1,061	1,099	(38)	1,838
<b>Income before income taxes</b>	<b>20,156</b>	13,654	6,502	35,845
Income taxes (benefit)				
Income taxes (benefit) - current	(74)	(120)	46	(348)
Income taxes (benefit) - deferred	854	(1,804)	2,658	(260)
Total income taxes (benefit)	779	(1,925)	2,704	(608)
<b>Net income</b>	<b>19,377</b>	15,579	3,798	36,454

## Interim Nonconsolidated Statement of Changes in Equity (Nonconsolidated)

For the first half ended September 30, 2014

(Millions of yen)

	Shareholders' equity							
	Common stock	Capital surplus		Legal reserve	Retained earnings		Treasury stock, at cost	Total shareholders' equity
		Additional paid-in capital	Total capital surplus		Other retained earnings	Total retained earnings		
Balance at beginning of the period	512,204	79,465	79,465	12,628	172,395	185,023	(72,558)	704,135
Cumulative effects of changes in accounting policies					(2,807)	(2,807)		(2,807)
Restated balance	512,204	79,465	79,465	12,628	169,588	182,216	(72,558)	701,328
Changes during the period								
Dividends				530	(3,184)	(2,653)		(2,653)
Net income					19,377	19,377		19,377
Purchase of treasury stock							(0)	(0)
Net changes during the period excluding shareholders' equity								
Total changes during the period	-	-	-	530	16,192	16,723	(0)	16,723
Balance at end of the period	512,204	79,465	79,465	13,158	185,781	198,939	(72,558)	718,051

	Net unrealized gain (loss) and translation adjustments			Stock acquisition rights	Total equity
	Unrealized gain (loss) on available-for-sale securities	Deferred gain (loss) on derivatives under hedge accounting	Total net unrealized gain (loss) and translation adjustments		
Balance at beginning of the period	5,140	(11,013)	(5,873)	1,221	699,483
Cumulative effects of changes in accounting policies					(2,807)
Restated balance	5,140	(11,013)	(5,873)	1,221	696,676
Changes during the period					
Dividends					(2,653)
Net income					19,377
Purchase of treasury stock					(0)
Net changes during the period excluding shareholders' equity	1,492	(2,445)	(952)	(7)	(960)
Total changes during the period	1,492	(2,445)	(952)	(7)	15,762
Balance at end of the period	6,632	(13,458)	(6,826)	1,214	712,439

## Interim Nonconsolidated Composition of Capital Disclosure (Nonconsolidated)

<Basel 3, Domestic Standard<sup>1</sup>>

Millions of yen (except percentages)

	Sep 30 2014	Amounts excluded under transitional arrangements
<b>Core capital: instruments and reserves</b>		
Directly issued qualifying common share capital or preferred share capital with a compulsory conversion clause plus related capital surplus and retained earnings	718,051	
of which: capital and capital surplus	591,670	
of which: retained earnings	198,939	
of which: treasury stock (-)	(72,558)	
of which: earning to be distributed (-)	-	
of which: other than above	-	
Stock acquisition right to common shares and preferred shares with a compulsory conversion clause	1,214	
Total of reserves included in Core capital: instruments and reserves	2,342	
Total of reserves included in Core capital: instruments and reserves	2,342	
of which: eligible provision included in Core capital	-	
Eligible noncumulative perpetual preferred shares subject to transitional arrangements (amount allowed to be included in Core capital: instruments and reserves)	-	
Eligible capital instruments subject to transitional arrangements (amount allowed to be included in Core capital: instruments and reserves)	158,967	
Capital instruments issued through measures for capital enhancement by public institutions (amount allowed to be included in Core capital: instruments and reserves)	-	
Land revaluation excess after 55% discount (amount allowed to be included in Core capital: instruments and reserves)	-	
<b>Core capital: instruments and reserves</b>	<b>880,576</b>	
<b>Core capital: regulatory adjustments</b>		
Total amount of intangible assets (excluding those relating to mortgage servicing rights)	1,631	4,297
of which: goodwill (including those equivalent)	900	-
of which: other intangibles other than goodwill and mortgage servicing rights	731	4,297
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	1,958
Shortfall of eligible provisions to expected losses	6,460	-
Gain on sale of securitization	9,378	-
Gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Prepaid pension cost	-	-
Investments in own shares (excluding those reported in the net assets section)	-	-
Reciprocal cross-holdings in common equity	-	-
Investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation ("Other Financial Institutions"), net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above the 10% threshold)	-	-
Amount exceeding the 10% threshold on specific items	-	-
of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	-	-
of which: mortgage servicing rights	-	-
of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-
Amount exceeding the 15% threshold on specific items	-	-
of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	-	-
of which: mortgage servicing rights	-	-
of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-
<b>Core capital: regulatory adjustments</b>	<b>17,471</b>	
<b>Capital (nonconsolidated)</b>	<b>863,105</b>	
<b>Risk-weighted assets</b>		
Total amount of credit risk-weighted assets	5,362,377	
of which: total amount included in risk-weighted assets by transitional arrangements	(40,916)	
of which: intangible assets (excluding those relating to goodwill and mortgage servicing rights)	4,297	
of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	1,958	
of which: prepaid pension cost	-	
of which: significant investments in the common stock of Other Financial Institutions (net of eligible short positions)	(47,172)	
of which: other than above	-	
Market risk (derived by multiplying the capital requirement by 12.5)	137,584	
Operational risk (derived by multiplying the capital requirement by 12.5)	181,805	
Credit risk adjustments	-	
Operational risk adjustments	-	
<b>Total amount of Risk-weighted assets</b>	<b>5,681,767</b>	
<b>Capital ratio (nonconsolidated)</b>	<b>15.19%</b>	

1. Calculated according to F-IRB.

### Section 3. Earnings Forecast -Table 43- (Consolidated and Nonconsolidated)

(Billions of yen)

(Consolidated)	<i>Fiscal year ending</i> <b>March 2015</b>	<i>Fiscal year ended</i> March 2014
	<b>(FY2014)</b> Forecast	<b>(FY2013)</b> Actual
Ordinary profit	<b>60.0</b>	44.1
Net income	<b>55.0</b>	41.3
Cash basis net income *	<b>62.0</b>	49.8

(Nonconsolidated)	<i>Fiscal year ending</i> <b>March 2015</b>	<i>Fiscal year ended</i> March 2014
	<b>(FY2014)</b> Forecast	<b>(FY2013)</b> Actual
Net business profit	<b>42.0</b>	29.8
Net income	<b>34.0</b>	36.4
Dividends (per share in yen):		
Common stock	<b>1.00</b>	1.00

Above forecasts are based on current assumptions of future events and trends, which may be incorrect. Actual results may differ materially from those in the statements as a result of various factors.

\* Net income minus the amortization of goodwill and intangible assets, and the associated reversal of deferred tax liabilities.

In consideration of interim period financial results and the outlook going forward, full-year forecast maintained at ¥55.0 billion for consolidated reported basis net income and ¥34.0 billion for nonconsolidated net income, unchanged from the

forecast originally announced on May 8, 2014. It should be noted the Bank is newly announcing its full fiscal year 2014 consolidated ordinary profit forecast as ¥60.0 billion.

**(Reference 1) BOJ Press Club Format**

1. Nonperforming loan ratio (Financial Revitalization Law Standard)

(%)

	Mar 31, 2012	Sep 30, 2012	Mar 31, 2013
Nonconsolidated	6.66	6.16	5.32
Consolidated	8.45	7.44	6.83
	Sep 30, 2013	Mar 31, 2014	Sep 30, 2014
	4.76	3.81	2.61
	5.95	5.12	3.93

2. Equity holdings

(1) Equity held (Nonconsolidated)

(Billions of yen)

	Book value		Net unrealized gain (loss)
		Subsidiaries' shares	
1HFY2013	395.2	375.8	4.8
FY2013	394.1	376.9	3.8
1HFY2014	395.7	376.9	6.1

(2) Impairment (Nonconsolidated)

(Billions of yen)

	Equity related profits and losses (net of three accounts)	
		Impairment amount
1HFY2013	1.7	0.0
FY2013	3.2	0.0
1HFY2014	0.4	0.3

1. Other extraordinary losses for 1H FY2013 contains ¥0.0 billion in mark-down of subsidiaries' equity.
2. Other extraordinary losses for FY2013 contains ¥0.1 billion in mark-down of subsidiaries' equity.
3. Other extraordinary losses for 1H FY2014 contains ¥0.5 billion in mark-down of subsidiaries' equity.

(3) Break-even level of profit and loss of equities held (domestic) (theoretical figure) (Nonconsolidated)

Nikkei Stock Average	approximately ¥10,000
TOPIX	approximately 800

## 3. Loans to SMEs (% shows changes from the previous period)

*(Billions of yen)*

	Results	% Change	Ratio to total loan balance
Sep 30, 2013	2,800.5	1.85%	68.25%
Mar 31, 2014	2,829.2	1.02%	67.27%
Sep 30, 2014	2,683.8	(5.14)%	66.20%

1. Small- and medium-sized enterprises in this table refer to companies with ¥300 million or less in capital (¥100 million for wholesale and ¥50 million for retail and services) as well as companies or individuals with 300 employees or fewer (100 for wholesale and services and 50 for retail).
2. Revitalization Law (actual net increase/decrease excluding impact loan)  
Achieved actual results of + ¥20.0 billion for FY2013 compared to the plan of + ¥8.0 billion.

## 4. Sales performance of investment trusts and insurance

## a. Investment trust sales performance and commission

*(Billions of yen)*

	Handling commission for sales of investment trusts	Revenue from sales during the period	Amount of sales during the period
1H FY2013	2.2	1.1	56.1
FY2013	4.1	1.9	97.8
1H FY2014	1.9	0.8	68.8

## b. Insurance sales performance and commission

*(Billions of yen)*

	Handling commission for sales of insurance	Revenue from sales during the period	Amount of sales during the period
1H FY2013	0.4	0.4	9.0
FY2013	0.8	0.8	16.3
1H FY2014	0.5	0.5	11.4



**(Reference 2) Calculation Grounds of Deferred Tax Assets**

As of September 30, 2014, Shinsei Bank has ¥203.0 billion (on a nonconsolidated basis) of tax loss carryforwards and ¥318.0 billion of unrealized temporary differences due to factors such as losses recognized on securities.

Shinsei Bank continues to utilize a timeframe period of one year in the estimation of taxable income. Additionally, following the introduction of the consolidated tax system, the Bank calculates figures taking into consideration consolidated taxes.

1. Estimating future taxable income before adjustments

The following figures are calculated based upon the assumption of taxable income of ¥18.1 billion in the next one year period.

(Reference) Total taxable income before adjustment, five past years [Nonconsolidated]

*(Billions of yen)*

FY2010	FY2011	FY2012	FY2013	FY2014
(0.3)	(2.7)	19.5	20.9	15.9

2. Net deferred tax assets (As of September 30, 2014 [Nonconsolidated])

Deferred tax assets corresponding to "total taxable income before adjustment"	¥	6.2 billion*
Deferred tax liabilities	¥	4.5 billion
Net deferred tax assets on balance sheet	¥	1.7 billion

*Breakdown	{	Tax loss carryforwards	¥	76.0 billion
		Amortization/Reserve for credit losses	¥	43.0 billion
		Taxable amortization of securities	¥	38.0 billion
		Net deferred loss on hedge	¥	6.0 billion
		Other	¥	30.9 billion
		Sub total	¥	194.2 billion
		Valuation allowance	¥	(187.9) billion
Total	¥	6.2 billion		