

Financial Summary

For the Third Quarter Ended December 31, 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 Highlights¹

(Billions of yen, except percentages)

	Q3 FY2014 (9 months)	Q3 FY2013 (9 months)	Change (Amount)	FY2013 (12 months)
Selected income statement items (Consolidated)				
Net interest income	97.6	82.5	15.0	110.5
Noninterest income	78.0	69.5	8.4	92.5
Net fees and commissions	17.5	17.1	0.4	22.4
Net trading income	7.5	10.9	(3.3)	13.9
Net other business income	52.9	41.5	11.4	56.0
Total revenue	175.6	152.1	23.5	203.0
General and administrative expenses	(105.4)	(99.4)	(5.9)	(132.8)
Ordinary business profit	70.2	52.6	17.5	70.1
Net credit costs	(5.7)	(0.6)	(5.0)	(0.2)
Ordinary business profit after net credit costs	64.5	52.0	12.4	69.8
Amortization of goodwill and other intangible assets ²	(6.4)	(7.3)	0.8	(9.6)
Other gains (losses)	(1.5)	(15.0)	13.4	(14.2)
Income before income taxes and minority interests	56.5	29.6	26.8	46.0
Current income tax	(2.0)	(3.0)	0.9	(2.4)
Deferred income tax	(0.6)	3.4	(4.0)	0.7
Minority interests in net income of subsidiaries	(1.3)	(2.3)	0.9	(2.9)
Net income	52.3	27.7	24.6	41.3
Cash basis net income ³	58.1	34.2	23.9	49.8
Selected balance sheet items (Consolidated)				
Cash and Due from Banks	1,138.2	828.9	309.3	1,451.4
Securities	1,398.1	1,882.6	(484.5)	1,557.0
Loans and bills discounted	4,357.7	4,215.4	142.3	4,319.8
Customers' liabilities for acceptances and guarantees	318.8	433.5	(114.7)	358.4
Reserve for credit losses	(110.7)	(143.0)	32.3	(137.3)
Total assets	9,081.4	9,154.2	(72.7)	9,321.1
Deposits and negotiable certificates of deposit	5,622.1	5,954.2	(332.0)	5,850.4
Debentures	35.4	43.6	(8.1)	41.7
Borrowed money	774.9	630.0	144.8	643.4
Reserve for losses on interest repayments	176.9	39.2	137.7	208.2
Total liabilities	8,346.5	8,442.4	(95.9)	8,598.5
Total equity	734.9	711.8	23.1	722.5
Financial ratios (%) (Consolidated)				
Net interest margin	2.42	2.03		2.07
Expense-to-revenue ratio	60.0	65.4		65.4
Return on assets	0.8 ⁴	0.4 ⁴		0.5
Return on equity (fully diluted)	10.1 ⁴	5.8 ⁴		6.5
Cash basis return on assets	0.8 ⁴	0.5 ⁴		0.5
Cash basis return on equity (fully diluted)	11.8 ⁴	7.6 ⁴		8.3
Capital adequacy data (Consolidated)				
<Basel 3, Domestic Standard>				
Capital	840.6			817.6
Total amount of Risk-weighted assets	5,917.6			6,016.7
Capital ratio	14.20%			13.58%

(Billions of yen, except percentages)

	Q3 FY2014 (9 months)	Q3 FY2013 (9 months)	Change (Amount)	FY2013 (12 months)
Per share data (Consolidated)				
Common equity	268.40	243.96	24.43	247.82
Basic net income	19.73	10.43	9.29	15.59
Cash basis basic net income	21.91	12.89	9.02	18.78
Nonperforming loans (Nonconsolidated)				
Claims classified under the Financial Revitalization Law	84.0	191.3	(107.3)	164.7
Ratio to total claims	1.99%	4.49%		3.81%
Reserve for credit losses	49.6	89.0	(39.3)	83.5
Coverage ratio for nonperforming claims	94.7%	95.7%		95.3%
Selected income statement items (Nonconsolidated)				
Net interest income	69.9	53.9	16.0	80.9
Noninterest income	17.4	14.9	2.5	17.9
Net fees and commissions	6.1	5.3	0.8	7.9
Net trading income	2.4	4.2	(1.8)	5.3
Net other business income	8.8	5.3	3.5	4.6
Total revenue	87.4	68.9	18.5	98.9
General and administrative expenses	(56.3)	(51.9)	(4.3)	(69.0)
Ordinary business profit	31.1	16.9	14.1	29.8
Net credit costs	5.4	3.2	2.2	7.2
Net income	35.7	21.8	13.9	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 ¥52.3 billion for the first nine months of fiscal year 2014 (April 1, 2014 to December 31, 2014), an increase of ¥24.6 billion compared to ¥27.7 billion for the first nine months of fiscal year 2013. Consolidated net income for the first nine months of fiscal year 2014 was significantly higher than the same period of the previous fiscal year due to revenue growth in the Institutional Group including significant dividend income from securities investments in addition to the absence of the provisioning of reserves for interest repayment losses.

- Total revenue for the first nine months of fiscal year 2014 was ¥175.6 billion, increased ¥23.5 billion compared to the same period last year. Of this amount, net interest income was ¥97.6 billion, an increase of ¥15.0 billion compared to ¥82.5 billion for the first nine months of fiscal year 2013. While the total balance of operating assets in the Institutional Group declined slightly, a reduction in funding costs as well as significant dividend income from securities investments in the Institutional Group were the contributing factors to this performance. Noninterest income was ¥78.0 billion for the first nine months of fiscal year 2014, an increase of ¥8.4 billion compared to ¥69.5 billion for the first nine months of fiscal year 2013.

This was a result of improvements in trading revenues including ALM operations, as well as an increase in installment sales income in the consumer finance business.

- 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, were ¥105.4 billion for the first nine months of fiscal year 2014, increased from ¥99.4 billion for the first nine months of fiscal year 2013.
- Net credit costs of ¥5.7 billion were recorded for the first nine months of fiscal year 2014, an increase compared to net credit costs of ¥0.6 billion for the first nine months of fiscal year 2013. This increase was the result of factors such as the provisioning of general reserves for loan losses corresponding to the growth of the loan balance of the consumer finance business.
- The balance of loans and bills discounted as of December 31, 2014 was ¥4,357.7 billion, increased ¥37.9 billion from ¥4,319.8 billion as of March 31, 2014. Loans to institutional customers shrank as a result of factors such as collections of loans and the fiercely competitive business environment. 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 2.42% was recorded for the first nine months of fiscal year 2014, up significantly from 2.03% recorded for the first nine months of fiscal year 2013. This was due to the significant reduction in the rate on deposits, including negotiable certificates of deposits, resulting from the maturation of the majority of high interest rate time deposits made in previous years, as well as the yield on interest-earning assets, and in particular securities, increasing compared to the first nine months of fiscal year 2013 as the result of significant dividend income from securities investments in the Institutional Group. It should be noted that as a component of interest-earning assets, the yield on loans and bills discounted decreased slightly compared to the first nine months of fiscal year 2013.
- Regarding capital ratios under Basel III domestic standard (grandfathered basis), total core capital increased due the positive impacts of the

accumulation of profits and a reduction in expected losses exceeding eligible provisions reserved, despite a reduction in core capital resulting from the redemption of perpetual preferred securities. On the other hand, risk assets decreased significantly due to factors such as collections of large claims, and as a result, the consolidated core capital adequacy ratio rose from 13.58% as of March 31, 2014 to 14.20% as of December 31, 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 11.2% as of December 31, 2014.

- The balance of nonperforming loans (“NPLs”) under the Financial Revitalization Law (nonconsolidated basis) as of December 31, 2014 was ¥84.0 billion, decreased by ¥80.7 billion during the first nine months of fiscal year 2014 due to factors such as the disposal of and collections on NPLs. In addition, the proportion of nonperforming claims to the overall loan balance improved significantly from 3.81% as of March 31, 2014 to 1.99% as of December 31, 2014.

Section 1. Consolidated Information

Results of Operations ¹-Table 1- (Consolidated)

	(Billions of yen)			
	Q3 FY2014 (9 months)	Q3 FY2013 (9 months)	Change (Amount)	FY2013 (12 months)
Net interest income	97.6	82.5	15.0	110.5
Noninterest income	78.0	69.5	8.4	92.5
Net fees and commissions	17.5	17.1	0.4	22.4
Net trading income	7.5	10.9	(3.3)	13.9
Net other business income	52.9	41.5	11.4	56.0
Income on lease transactions and installment receivables	28.6	27.0	1.5	36.5
Total revenue	175.6	152.1	23.5	203.0
General and administrative expenses	(105.4)	(99.4)	(5.9)	(132.8)
Ordinary business profit	70.2	52.6	17.5	70.1
Net credit costs	(5.7)	(0.6)	(5.0)	(0.2)
Ordinary business profit after net credit costs	64.5	52.0	12.4	69.8
Amortization of goodwill and other intangible assets²	(6.4)	(7.3)	0.8	(9.6)
Other gains (losses)	(1.5)	(15.0)	13.4	(14.2)
Income before income taxes and minority interests	56.5	29.6	26.8	46.0
Current income tax	(2.0)	(3.0)	0.9	(2.4)
Deferred income tax	(0.6)	3.4	(4.0)	0.7
Minority interests in net income of subsidiaries	(1.3)	(2.3)	0.9	(2.9)
Net income	52.3	27.7	24.6	41.3
Cash basis net income ³	58.1	34.2	23.9	49.8

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)								
	Q3 FY2014 (9 months)			Q3 FY2013 (9 months)			FY2013 (12 months)		
	Average Balance	Interest	Yield/rate ¹ (%)	Average Balance	Interest	Yield/rate ¹ (%)	Average Balance	Interest	Yield/rate ¹ (%)
Interest-earning assets⁴ :									
Loans and bills discounted	4,326.6	94.1	2.89	4,251.5	93.8	2.93	4,241.5	124.4	2.93
Lease receivables and leased investment assets / installment receivables ⁴	674.4	28.6	5.64	600.9	27.0	5.98	610.3	36.5	5.99
Securities	1,640.2	18.2	1.48	1,928.9	12.1	0.83	1,892.7	15.6	0.83
Other interest-earning assets ^{2, 3}	348.7	2.1	n.m. ⁶	425.5	2.2	n.m. ⁶	423.5	3.1	n.m. ⁶
Total revenue on interest-earning assets (A)⁴	6,990.0	143.2	2.72	7,207.0	135.3	2.49	7,168.1	179.8	2.51
Interest-bearing liabilities:									
Deposits, including negotiable certificates of deposit	5,715.0	8.3	0.19	5,785.6	16.4	0.38	5,821.9	20.6	0.35
Debentures	39.0	0.0	0.13	71.8	0.1	0.26	64.6	0.1	0.24
Borrowed money	702.6	3.5	0.67	639.2	3.7	0.78	642.9	4.9	0.77
Subordinated debt	62.8	1.3	2.76	90.2	1.5	2.23	88.2	1.9	2.26
Other borrowed money	639.7	2.2	0.46	548.9	2.2	0.54	554.6	2.9	0.54
Corporate bonds	185.3	4.0	2.89	194.8	4.5	3.11	192.4	5.9	3.09
Subordinated bonds	156.4	3.8	3.28	175.3	4.3	3.32	172.5	5.7	3.31
Other corporate bonds	28.8	0.1	0.81	19.5	0.1	1.17	19.8	0.2	1.12
Other interest-bearing liabilities ²	802.6	1.0	n.m. ⁶	732.2	0.8	n.m. ⁶	743.5	1.0	n.m. ⁶
Total expense on interest-bearing liabilities (B)	7,444.7	16.9	0.30	7,423.6	25.7	0.46	7,465.5	32.7	0.44
Net interest margin (A)-(B)⁴	-	126.2	2.42	-	109.6	2.03	-	147.0	2.07
Noninterest-bearing sources of funds:									
Noninterest-bearing (assets) liabilities, net	(1,125.6)	-	-	(851.5)	-	-	(937.5)	-	-
Total equity excluding minority interests in subsidiaries ⁵	671.0	-	-	635.0	-	-	640.1	-	-
Total noninterest-bearing sources of funds (C)	(454.6)	-	-	(216.5)	-	-	(297.3)	-	-
Sum of total expense on interest-bearing liabilities and noninterest-bearing sources of funds (D)=(B)+(C)	6,990.0	16.9	0.32	7,207.0	25.7	0.47	7,168.1	32.7	0.46
Net revenue/yield on interest-earning assets (A)-(D)⁴	-	126.2	2.40	-	109.6	2.02	-	147.0	2.05
Reconciliation of total revenue on interest-earning assets to total interest income:									
Total revenue on interest-earning assets	6,990.0	143.2	2.72	7,207.0	135.3	2.49	7,168.1	179.8	2.51
Less: Income on lease transactions and installment receivables	674.4	28.6	5.64	600.9	27.0	5.98	610.3	36.5	5.99
Total interest income	6,315.6	114.5	2.41	6,606.1	108.2	2.18	6,557.8	143.2	2.18
Total interest expense	-	16.9	-	-	25.7	-	-	32.7	-
Net interest income	-	97.6	-	-	82.5	-	-	110.5	-

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. Includes lease transactions and installment receivables and related yields.

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

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)			
	Q3 FY2014 (9 months)	Q3 FY2013 (9 months)	Change (Amount)	FY2013 (12 months)
Institutional Group	28.7	31.0	△ 2.3	41.8
Institutional Business Sub-Group - Institutional Business	2.1	2.3	△ 0.1	3.2
Institutional Business Sub-Group - Structured Finance	5.0	6.5	△ 1.4	8.1
Principal Transactions Sub-Group	6.9	9.9	△ 3.0	12.6
Showa Leasing	13.6	12.1	1.5	17.6
Others	0.9	0.1	0.7	0.1
Global Markets Group	8.0	5.4	2.6	7.3
Financial Institutions Sub-Group	1.3	1.4	△ 0.0	1.6
Markets Sub-Group	4.0	1.9	2.1	2.6
Others	2.6	2.1	0.5	3.0
Individual Group	35.2	32.6	2.5	44.0
Retail Banking	4.5	5.6	△ 1.0	7.0
Shinsei Financial and <i>Shinsei Bank Card Loan - Lake</i> ¹	(1.5)	(2.5)	0.9	(3.3)
SHINKI	(0.4)	(0.4)	0.0	(0.5)
APLUS FINANCIAL	32.5	29.8	2.6	40.6
Others	0.1	0.1	△ 0.0	0.2
Corporate/Other	6.0	0.3	5.6	(0.7)
Noninterest income	78.0	69.5	8.4	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 ¥28.7 billion for the first nine months of fiscal year 2014, a ¥2.3 billion decrease compared to ¥31.0 billion recorded for the first nine months of fiscal year 2013. This was due to the recording of losses related to overseas credit trading in the Principal Transactions Sub-Group, and the absence of large income factors in the Bank's structured finance business which were recorded in the first nine months of fiscal year 2013, despite the recording of significant equity related income at Showa Leasing.

The Global Markets Group recorded noninterest income of ¥8.0 billion for the first nine months of fiscal year 2014 compared to ¥5.4 billion recorded for the first nine months of fiscal year 2013. This was due to the Markets Sub-Group recording noninterest income of ¥4.0 billion, increased from ¥1.9 billion recorded for the first nine months of fiscal year 2013 as a result of factors such as an improvement in trading revenue.

The Individual Group recorded noninterest income of ¥35.2 billion for the first nine months of fiscal year 2014, a ¥2.5 billion increase compared to ¥32.6 billion recorded for the first nine months of fiscal year 2013. This was the result of a steady increase in revenue related to the installment sales finance business of APLUS FINANCIAL, which offset the increase in ATM related fee payments incurred in Retail Banking.

Corporate/Other recorded noninterest income of ¥6.0 billion for the first nine months of fiscal year 2014, a ¥5.6 billion increase compared to the first nine months of fiscal year 2013. The primary factor behind this increase was the recording of gains on the sale of JGBs for the first nine months of fiscal year 2014, while in the first nine months of fiscal year 2013 losses were recorded on the sale of JGBs for, which were undertaken in an effort to avoid interest rate risk arising from volatility in the market.

General and Administrative Expenses -Table 4- (Consolidated)

(Billions of yen)

	Q3 FY2014 (9 months)	Q3 FY2013 (9 months)	Change (Amount)	FY2013 (12 months)
Personnel expenses	(42.4)	(39.5)	(2.9)	(52.8)
Nonpersonnel expenses	(63.0)	(59.9)	(3.0)	(79.9)
Premises expenses	(14.3)	(14.7)	0.3	(20.0)
Technology and data processing expenses	(13.9)	(13.3)	(0.6)	(18.1)
Advertising expenses	(8.2)	(7.5)	(0.6)	(10.0)
Consumption and property taxes	(5.9)	(4.9)	(1.0)	(6.1)
Deposit insurance premium	(3.1)	(3.1)	(0.0)	(3.4)
Other general and administrative expenses	(17.3)	(16.3)	(0.9)	(22.0)
General and administrative expenses	(105.4)	(99.4)	(5.9)	(132.8)

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

Net Credit Costs -Table 5- (Consolidated)

(Billions of yen)

	Q3 FY2014 (9 months)	Q3 FY2013 (9 months)	Change (Amount)	FY2013 (12 months)
Losses on write-off of loans/Losses on sale of loans	(2.3)	(1.6)	(0.7)	(3.1)
Net provision of reserve for loan losses:	(10.0)	(5.1)	(4.9)	(6.2)
Net provision of general reserve for loan losses	(9.3)	(4.3)	(5.0)	(2.8)
Net provision of specific reserve for loan losses	(0.6)	(0.7)	0.0	(3.4)
Net provision of specific reserve for other credit losses	-	-	-	-
Other credit costs relating to leasing business	0.1	0.1	(0.0)	0.2
Recoveries of written-off claims	6.6	5.9	0.6	8.9
Net credit costs	(5.7)	(0.6)	(5.0)	(0.2)

1. Amounts of losses, net provision and costs are shown in parentheses (minus). Amounts of recoveries and reversals are shown in plus.

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

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

(Billions of yen)

	Q3 FY2014 (9 months)	Q3 FY2013 (9 months)	Change (Amount)	FY2013 (12 months)
Shinsei Financial	(4.0)	(4.9)	0.8	(6.3)
SHINKI	0.2	0.2	-	0.3
APLUS FINANCIAL	(0.6)	(0.6)	0.0	(0.8)
Showa Leasing	(2.0)	(2.0)	0.0	(2.7)
Others	0.0	0.0	-	0.0
Amortization of goodwill and other intangible assets	(6.4)	(7.3)	0.8	(9.6)

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

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

(Billions of yen)

	Q3 FY2014 (9 months)	Q3 FY2013 (9 months)	Change (Amount)	FY2013 (12 months)
Extraordinary income (loss)	(0.7)	(1.1)	0.4	1.8
Net gain on disposal of premises and equipment	0.2	(0.1)	0.3	1.4
Other extraordinary income (loss)	(0.9)	(0.9)	0.0	0.4
Provisions of reserve for losses on interest repayment	(0.8)	(13.6)	12.7	(15.6)
Shinsei Financial	-	(0.7)	0.7	(0.7)
SHINKI	-	(12.8)	12.8	(12.8)
APLUS FINANCIAL	(0.8)	-	(0.8)	(2.0)
Other	-	-	-	-
Other	0.0	(0.2)	0.2	(0.4)
Other gains (losses)	(1.5)	(15.0)	13.4	(14.2)

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

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

(Billions of yen)

	Q3 FY2014 (9 months)	Q3 FY2013 (9 months)	Change (Amount)	FY2013 (12 months)
Dividends on perpetual preferred securities (hybrid Tier I capital) issued by foreign SPCs	(1.4)	(2.3)	0.9	(3.1)
Others	0.0	0.0	(0.0)	0.1
Minority interests in net income of subsidiaries	(1.3)	(2.3)	0.9	(2.9)

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

Major Balance Sheet Data -Table 9- (Consolidated)

	(Billions of yen)				
	Dec 31 2014 (a)	Dec 31 2013 (b)	Change (Amount) (a)-(b)	Mar 31 2014 (c)	Change (Amount) (a)-(c)
Loans and bills discounted	4,357.7	4,215.4	142.3	4,319.8	37.9
Installment receivables	450.6	400.1	50.4	421.9	28.6
Leased assets, lease receivables and leased investment assets	244.5	233.0	11.4	245.5	(1.0)
Securities	1,398.1	1,882.6	(484.5)	1,557.0	(158.9)
Other monetary claims purchased	99.0	111.3	(12.3)	105.8	(6.7)
Other interest earning assets ¹	1,266.3	950.7	315.5	1,564.8	(298.4)
Trading assets	349.6	301.9	47.7	249.1	100.5
Monetary assets held in trust	183.2	203.0	(19.8)	199.1	(15.8)
Goodwill, net	24.5	30.4	(5.9)	28.9	(4.4)
Other intangible assets ²	6.9	9.9	(2.9)	9.1	(2.1)
Other assets	492.4	524.7	(32.2)	398.6	93.8
Customer's liabilities for acceptances and guarantees	318.8	433.5	(114.7)	358.4	(39.5)
Reserve for credit losses	(110.7)	(143.0)	32.3	(137.3)	26.6
Total assets	9,081.4	9,154.2	(72.7)	9,321.1	(239.6)
Deposits and negotiable certificates of deposit	5,622.1	5,954.2	(332.0)	5,850.4	(228.2)
Debentures	35.4	43.6	(8.1)	41.7	(6.2)
Borrowed money	774.9	630.0	144.8	643.4	131.4
Corporate bonds	194.7	202.1	(7.4)	177.2	17.5
Other interest bearing liabilities ³	379.9	282.3	97.6	584.5	(204.5)
Trading liabilities	299.6	262.5	37.0	218.5	81.0
Reserve for losses on interest repayments	176.9	39.2	137.7	208.2	(31.2)
Other liabilities	543.8	594.6	(50.7)	515.9	27.9
Acceptances and guarantees	318.8	433.5	(114.7)	358.4	(39.5)
Total liabilities	8,346.5	8,442.4	(95.9)	8,598.5	(252.0)
Total equity	734.9	711.8	23.1	722.5	12.3

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)				
	Dec 31 2014 (a)	Dec 31 2013 (b)	Change (Amount) (a)-(b)	Mar 31 2014 (c)	Change (Amount) (a)-(c)
Loans to bankrupt obligors	6.8	13.0	(6.2)	10.0	(3.2)
Nonaccrual delinquent loans	124.3	200.5	(76.1)	177.7	(53.4)
Loans past due for three months or more	1.1	1.1	(0.0)	1.1	(0.0)
Restructured loans	29.2	34.5	(5.3)	31.7	(2.4)
Total (A)	161.5	249.3	(87.8)	220.7	(59.2)
Loans and bills discounted (B)	4,357.7	4,215.4	142.3	4,319.8	37.9
Ratio to total loans and bills discounted (A/B X 100) (%)	3.71%	5.91%	/	5.11%	/
Reserve for credit losses (C)	110.7	143.0	(32.3)	137.3	(26.6)
Reserve ratio (C/A X 100) (%)	68.5%	57.4%	/	62.2%	/

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

Reserve for Credit Losses -Table 11- (Consolidated)

(Billions of yen)

	Dec 31 2014 (a)	Dec 31 2013 (b)	Change (Amount) (a)-(b)	Mar 31 2014 (c)	Change (Amount) (a)-(c)
General reserve for loan losses	59.8	64.6	(4.8)	59.8	0.0
Specific reserve for loan losses	50.8	78.3	(27.4)	77.5	(26.6)
Reserve for loans to restructuring countries	0.0	0.0	-	0.0	-
Total reserve for credit losses	110.7	143.0	(32.3)	137.3	(26.6)

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

Loans by Borrower Industry -Table 12- (Consolidated)

(Billions of yen)

	Dec 31 2014 (a)	Dec 31 2013 (b)	Change (Amount) (a)-(b)	Mar 31 2014 (c)	Change (Amount) (a)-(c)
Domestic offices (excluding Japan offshore market account):					
Manufacturing	204.3	208.6	(4.3)	212.4	(8.1)
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	(0.0)
Construction	13.1	12.2	0.9	9.9	3.1
Electric power, gas, heat supply and water supply	194.1	157.1	37.0	170.1	24.0
Information and communications	39.5	35.1	4.3	40.7	(1.1)
Transportation and postal service	194.0	214.2	(20.2)	203.2	(9.2)
Wholesale and retail	90.5	74.5	16.0	89.2	1.3
Finance and insurance	599.0	663.4	(64.4)	662.6	(63.6)
Real estate	544.8	554.2	(9.3)	580.0	(35.2)
Services	333.8	291.2	42.5	317.9	15.8
Local government	97.5	107.4	(9.9)	104.3	(6.7)
Others	1,969.7	1,847.7	121.9	1,897.0	72.6
Loans to individual customers (retail banking, Shinsei Bank Lake, Shinsei Financial, SHINKI and APLUS FINANCIAL)	1,697.0	1,637.3	59.6	1,657.5	39.5
Total domestic (A)	4,281.0	4,166.3	114.7	4,288.2	(7.2)
Overseas offices (including Japan offshore market accounts):					
Governments	1.3	1.6	(0.3)	1.5	(0.1)
Financial institutions	-	0.5	(0.5)	0.5	(0.5)
Others	75.3	46.8	28.5	29.4	45.8
Total overseas (B)	76.6	49.0	27.5	31.5	45.1
Total (A+B)	4,357.7	4,215.4	142.3	4,319.8	37.9

Securities Being Held to Maturity -Table 13- (Consolidated)*(Billions of yen)*

	December 31, 2014			December 31, 2013			March 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	575.9	580.5	4.5	584.3	586.4	2.1	497.4	499.1	1.7
Japanese corporate bonds	-	-	-	-	-	-	-	-	-
Other	42.5	45.6	3.0	54.0	58.7	4.6	48.2	52.3	4.1
Subtotal	618.4	626.1	7.6	638.3	645.1	6.8	545.6	551.5	5.8
Fair value does not exceed carrying amount									
Japanese national government bonds	-	-	-	66.3	66.0	(0.2)	-	-	-
Japanese corporate bonds	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	66.3	66.0	(0.2)	-	-	-
Total	618.4	626.1	7.6	704.6	711.2	6.5	545.6	551.5	5.8

Securities Available for Sale -Table 14- (Consolidated)

	(Billions of yen)								
	December 31, 2014			December 31, 2013			March 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)
Carrying amount exceeds amortized/acquisition cost									
Equity securities	22.8	11.7	11.1	19.2	11.5	7.7	18.0	11.1	6.8
Domestic bonds	430.9	428.6	2.2	73.2	72.3	0.8	62.0	61.2	0.8
Japanese national government bonds	386.5	384.9	1.6	6.4	6.4	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	43.9	43.2	0.6	66.2	65.4	0.8	61.4	60.7	0.7
Other	118.9	114.9	3.9	99.1	94.4	4.7	101.0	96.5	4.5
Foreign securities	108.4	105.3	3.0	94.5	90.2	4.2	95.5	91.5	3.9
Foreign currency denominated foreign corporate and government bonds	61.4	59.7	1.7	49.3	46.7	2.5	48.1	45.7	2.3
Yen-denominated foreign corporate and government bonds	45.4	44.2	1.1	42.1	40.9	1.1	45.0	43.9	1.0
Foreign equity securities and others	1.5	1.3	0.1	3.1	2.5	0.5	2.3	1.8	0.4
Other securities	9.5	8.7	0.8	3.1	2.7	0.4	4.2	3.7	0.5
Other monetary claims purchased	0.9	0.8	0.0	1.4	1.4	0.0	1.3	1.2	0.0
Subtotal	572.8	555.4	17.3	191.6	178.2	13.3	181.1	168.9	12.1
Carrying amount does not exceed amortized/acquisition cost									
Equity securities	1.1	1.3	(0.2)	1.5	2.0	(0.4)	1.9	2.3	(0.4)
Domestic bonds	62.8	64.7	(1.8)	776.2	779.5	(3.2)	684.0	685.2	(1.1)
Japanese national government bonds	10.3	10.3	(0.0)	723.4	725.9	(2.4)	629.3	630.1	(0.7)
Japanese local government bonds	-	-	-	-	-	-	-	-	-
Japanese corporate bonds	52.4	54.3	(1.8)	52.7	53.6	(0.8)	54.6	55.0	(0.4)
Other	33.6	33.9	(0.3)	93.1	95.0	(1.8)	35.4	35.7	(0.3)
Foreign securities	27.5	27.7	(0.1)	91.1	93.0	(1.8)	27.6	27.7	(0.1)
Foreign currency denominated foreign corporate and government bonds	26.4	26.6	(0.1)	89.6	91.4	(1.7)	25.2	25.2	(0.0)
Yen-denominated foreign corporate and government bonds	-	-	-	-	-	-	0.9	1.0	(0.0)
Foreign equity securities and others	1.1	1.1	(0.0)	1.4	1.5	(0.0)	1.4	1.5	(0.0)
Other securities	1.2	1.2	(0.0)	1.9	1.9	(0.0)	1.9	1.9	(0.0)
Other monetary claims purchased	4.8	4.9	(0.0)	-	-	-	5.8	6.0	(0.1)
Subtotal	97.5	100.0	(2.4)	870.9	876.5	(5.6)	721.4	723.3	(1.9)
Total^{1,2}	670.3	655.4	14.9	1,062.6	1,054.8	7.7	902.5	892.2	10.2

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 December 31, 2014, December 31, 2013 and March 31, 2014 were ¥664.6 billion, ¥1,061.1 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)		
	December 31, 2014	December 31, 2013	March 31, 2014
Unrealized gain (loss) before deferred tax on:			
Available-for-sale securities	14.9	7.7	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	1.6	(0.0)	1.5
Securities being held to maturity, reclassified from available-for-sale in the past, under extremely illiquid market conditions	(2.5)	(4.2)	(3.5)
Deferred tax assets (liabilities)	(3.3)	(0.8)	(1.9)
Unrealized gain (loss) on available-for-sale securities before interest adjustments	10.7	2.5	6.3
Minority interests	(0.1)	(0.0)	(0.0)
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
Unrealized gain (loss) on available-for-sale securities	10.6	2.8	6.2

Deposits, Including Negotiable Certificates of Deposit (NCDs) -Table 15- (Consolidated)

(Billions of yen)

	Dec 31 2014 (a)	Dec 31 2013 (b)	Change (Amount) (a)-(b)	Mar 31 2014 (c)	Change (Amount) (a)-(c)
Deposits	5,516.8	5,754.4	(237.5)	5,733.2	(216.3)
Liquid (current, ordinary, notice) deposits	1,978.4	1,759.2	219.1	1,741.8	236.6
Time deposits ¹	3,131.0	3,597.2	(466.1)	3,576.9	(445.9)
Other	407.3	397.9	9.4	414.4	(7.0)
Negotiable certificates of deposits (NCDs)	105.2	199.7	(94.5)	117.2	(11.9)
Total	5,622.1	5,954.2	(332.0)	5,850.4	(228.2)

1. Includes two-week maturity deposits

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

Financial Ratios -Table 16- (Consolidated)

	Q3 FY2014 (9 months)	Q3 FY2013 (9 months)	FY2013 (12 months)
Return on assets ¹	0.8% ⁵	0.4% ⁵	0.5%
Return on equity ²	10.1% ⁵	5.8% ⁵	6.5%
Return on equity (fully diluted) ³	10.1% ⁵	5.8% ⁵	6.5%
Cash basis return on assets ¹	0.8% ⁵	0.5% ⁵	0.5%
Cash basis return on equity ^{2,4}	11.8% ⁵	7.6% ⁵	8.3%
Cash basis return on equity (fully diluted) ^{3,4}	11.8% ⁵	7.6% ⁵	8.3%
Expense-to-revenue ratio ^{6,7}	60.0%	65.4%	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:

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

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 17- (Consolidated)

 < Basel 3, Domestic Standard ¹ >

	(Billions of yen, except percentages)				
	Dec 31 2014 (a)	Dec 31 2013 (b)	Change (Amount) (a)-(b)	Mar 31 2014 (c)	Change (Amount) (a)-(c)
Core capital: instruments and reserves	882.4			889.5	(7.1)
Core capital: regulatory adjustments	(41.7)			(71.9)	30.2
Capital	840.6			817.6	23.0
Total amount of Risk-weighted assets	5,917.6			6,016.7	(99.1)
Capital ratio	14.20%			13.58%	

1. Calculated according to F-IRB.

Consolidated total required capital is ¥512.3 billion as at December 31, 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 18- (Consolidated)

	(Yen)				
	Q3 FY2014 (9 months) (a)	Q3 FY2013 (9 months) (b)	Change (Amount) (a)-(b)	FY2013 (12 months) (c)	Change (Amount) (a)-(c)
Common equity	268.40	243.96	24.43	247.82	20.57
Fully diluted equity	268.40	243.96	24.43	247.82	20.57
Basic net income	19.73	10.43	9.29	15.59	
Diluted net income	19.73	10.43	9.29	15.59	
Cash basis:					
Basic net income	21.91	12.89	9.02	18.78	
Diluted net income	21.91	12.89	9.02	18.78	
For calculation of per share data (Does not include treasury shares) :					
Equity:					
Number of common shares (Consolidated) ¹	2,653,918,339	2,653,919,247		2,653,919,247	
Fully diluted number of shares (Consolidated) ¹	2,653,918,339	2,653,922,643		2,653,921,423	
Net income:					
Number of common shares (Consolidated) ²	2,653,918,785	2,653,919,247		2,653,919,247	
Fully diluted number of shares (Consolidated) ²	2,653,918,785	2,653,922,643		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 19- (Consolidated)

(Billions of yen)

	Q3 FY2014 (9 months)	Q3 FY2013 (9 months)	Change (Amount)	FY2013 (12 months)
Institutional Group:				
Net interest income	27.7	21.4	6.3	27.6
Noninterest income	28.7	31.0	(2.3)	41.8
Total revenue	56.5	52.5	3.9	69.5
General and administrative expenses	(19.9)	(18.2)	(1.6)	(24.8)
Ordinary business profit	36.5	34.2	2.3	44.6
Net credit costs	5.4	5.1	0.2	8.5
Ordinary business profit after net credit costs	42.0	39.4	2.6	53.2
Global Markets Group:				
Net interest income	2.8	2.8	0.0	3.9
Noninterest income	8.0	5.4	2.6	7.3
Total revenue	10.9	8.2	2.6	11.2
General and administrative expenses	(7.0)	(6.6)	(0.3)	(8.9)
Ordinary business profit	3.9	1.5	2.3	2.3
Net credit costs	0.0	(0.0)	0.1	0.4
Ordinary business profit after net credit costs	4.0	1.5	2.5	2.8
Individual Group:				
Net interest income	65.7	63.7	1.9	85.3
Noninterest income	35.2	32.6	2.5	44.0
Total revenue	100.9	96.4	4.5	129.3
General and administrative expenses	(77.0)	(73.5)	(3.4)	(97.3)
Ordinary business profit	23.9	22.8	1.0	31.9
Net credit costs	(11.2)	(5.7)	(5.4)	(9.3)
Ordinary business profit after net credit costs	12.6	17.0	(4.4)	22.6
Corporate/Other¹:				
Net interest income	1.2	(5.4)	6.6	(6.4)
Noninterest income	6.0	0.3	5.6	(0.7)
Total revenue	7.2	(5.0)	12.3	(7.1)
General and administrative expenses	(1.4)	(0.9)	(0.5)	(1.6)
Ordinary business profit (loss)	5.7	(5.9)	11.7	(8.8)
Net credit costs	(0.0)	0.0	(0.0)	0.0
Ordinary business profit after net credit costs (loss)	5.7	(5.9)	11.7	(8.8)
Total:				
Net interest income	97.6	82.5	15.0	110.5
Noninterest income	78.0	69.5	8.4	92.5
Total revenue	175.6	152.1	23.5	203.0
General and administrative expenses	(105.4)	(99.4)	(5.9)	(132.8)
Ordinary business profit	70.2	52.6	17.5	70.1
Net credit costs	(5.7)	(0.6)	(5.0)	(0.2)
Ordinary business profit after net credit costs	64.5	52.0	12.4	69.8

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

Institutional Group:	Focuses primarily on corporate and public sector finance and advisory business.
Institutional Business	
Institutional Business Sub-Group—Institutional Business	The "Institutional Business Sub-Group—Institutional Business" provides financial products and services such as healthcare finance and advisory services to business and public corporations.
Institutional Business Sub-Group—Structured Finance	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.
Principal Transactions	The "Principal Transactions Sub-Group" comprises the credit trading and private equity businesses.
Showa Leasing	"Showa Leasing" primarily provides leasing related financial products and services.
Other Institutional Group	The "Other Institutional Group" consists of the asset-backed investment business and other businesses.
Global Markets Group:	Focuses primarily on financial markets business and serving financial institution clients.
Financial Institutions	The "Financial Institutions Sub-Group" provides financial products and services for financial institutions.
Markets	The "Markets Sub-Group" is engaged in foreign exchange, derivatives, equity related, alternative investment and other capital markets transactions.
Other Global Markets Group	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.
Individual Group:	Focuses on retail financial products and services.
Retail Banking	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.
Shinsei Financial	"Shinsei Financial" provides consumer finance products and services and guarantee services (Shinsei Financial, Shinsei Bank Lake, SHINKI).
APLUS FINANCIAL	"APLUS FINANCIAL" provides installment sales credit, credit cards, guarantees, financing and settlement services.
Other Individual Group	The "Other Individual Group" consists of profit and loss attributable to the Consumer Finance Sub-Group and other subsidiaries.
Corporate/Other:	"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.
Treasury	The "Treasury Sub-Group" undertakes ALM operations and includes gains and losses from equity and subordinated debt financing activities.

Institutional Group¹-Table 20- (Consolidated)

(Billions of yen)

	Q3 FY2014 (9 months)	Q3 FY2013 (9 months)	Change (Amount)	FY2013 (12 months)
Institutional Business Sub-Group - Institutional Business :				
Net interest income	8.1	7.2	0.8	9.4
Noninterest income	2.1	2.3	(0.1)	3.2
Total revenue	10.3	9.5	0.7	12.7
General and administrative expenses	(5.1)	(4.8)	(0.2)	(6.4)
Ordinary business profit	5.1	4.7	0.4	6.2
Net credit costs	0.4	(0.7)	1.1	2.0
Ordinary business profit after net credit costs	5.5	3.9	1.5	8.3
Institutional Business Sub-Group - Structured Finance :				
Net interest income	9.9	12.4	(2.5)	15.6
Noninterest income	5.0	6.5	(1.4)	8.1
Total revenue	15.0	19.0	(4.0)	23.7
General and administrative expenses	(3.9)	(3.6)	(0.3)	(4.7)
Ordinary business profit	11.0	15.3	(4.3)	19.0
Net credit costs	4.1	6.0	(1.9)	8.0
Ordinary business profit after net credit costs	15.1	21.4	(6.3)	27.0
Principal Transactions Sub-Group:				
Net interest income	11.7	3.5	8.2	5.2
Noninterest income	6.9	9.9	(3.0)	12.6
Total revenue	18.6	13.4	5.2	17.9
General and administrative expenses	(3.5)	(3.1)	(0.4)	(4.2)
Ordinary business profit	15.0	10.3	4.7	13.7
Net credit costs	(0.0)	(0.0)	(0.0)	0.2
Ordinary business profit after net credit costs	15.0	10.3	4.6	13.9
Showa Leasing:				
Net interest income	(1.8)	(2.0)	0.1	(2.4)
Noninterest income	13.6	12.1	1.5	17.6
Total revenue	11.8	10.0	1.7	15.1
General and administrative expenses	(6.1)	(5.8)	(0.2)	(8.2)
Ordinary business profit	5.7	4.2	1.4	6.9
Net credit costs	1.4	1.5	(0.0)	2.6
Ordinary business profit after net credit costs	7.1	5.7	1.4	9.5
Others:				
Net interest income	(0.2)	0.1	(0.4)	(0.2)
Noninterest income	0.9	0.1	0.7	0.1
Total revenue	0.6	0.3	0.3	(0.1)
General and administrative expenses	(1.0)	(0.8)	(0.2)	(1.1)
Ordinary business profit (loss)	(0.4)	(0.4)	0.0	(1.2)
Net credit costs	(0.4)	(1.6)	1.2	(4.4)
Ordinary business profit after net credit costs (loss)	(0.8)	(2.1)	1.2	(5.6)
Institutional Group:				
Net interest income	27.7	21.4	6.3	27.6
Noninterest income	28.7	31.0	(2.3)	41.8
Total revenue	56.5	52.5	3.9	69.5
General and administrative expenses	(19.9)	(18.2)	(1.6)	(24.8)
Ordinary business profit	36.5	34.2	2.3	44.6
Net credit costs	5.4	5.1	0.2	8.5
Ordinary business profit after net credit costs	42.0	39.4	2.6	53.2

1. Net of consolidation adjustments, if applicable.

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

Global Markets Group¹-Table 21- (Consolidated)

	(Billions of yen)			
	Q3 FY2014 (9 months)	Q3 FY2013 (9 months)	Change (Amount)	FY2013 (12 months)
Financial Institutions Sub-Group:				
Net interest income	1.1	1.1	(0.0)	1.5
Noninterest income	1.3	1.4	(0.0)	1.6
Total revenue	2.4	2.6	(0.1)	3.2
General and administrative expenses	(1.7)	(1.6)	(0.1)	(2.1)
Ordinary business profit	0.7	1.0	(0.2)	1.1
Net credit costs	0.0	(0.0)	0.1	0.4
Ordinary business profit after net credit costs	0.8	0.9	(0.1)	1.5
Markets Sub-Group:				
Net interest income	1.6	1.5	0.0	2.2
Noninterest income	4.0	1.9	2.1	2.6
Total revenue	5.7	3.4	2.2	4.9
General and administrative expenses	(2.4)	(2.4)	(0.0)	(3.2)
Ordinary business profit	3.2	1.0	2.2	1.6
Net credit costs	(0.0)	(0.0)	(0.0)	(0.0)
Ordinary business profit after net credit costs	3.1	1.0	2.1	1.5
Others:				
Net interest income	0.1	0.0	0.0	0.1
Noninterest income	2.6	2.1	0.5	3.0
Total revenue	2.7	2.1	0.5	3.1
General and administrative expenses	(2.8)	(2.6)	(0.1)	(3.5)
Ordinary business profit (loss)	(0.0)	(0.4)	0.4	(0.4)
Net credit costs	0.0	0.0	0.0	0.1
Ordinary business profit after net credit costs (loss)	0.0	(0.4)	0.4	(0.3)
Global Markets Group :				
Net interest income	2.8	2.8	0.0	3.9
Noninterest income	8.0	5.4	2.6	7.3
Total revenue	10.9	8.2	2.6	11.2
General and administrative expenses	(7.0)	(6.6)	(0.3)	(8.9)
Ordinary business profit	3.9	1.5	2.3	2.3
Net credit costs	0.0	(0.0)	0.1	0.4
Ordinary business profit after net credit costs	4.0	1.5	2.5	2.8

1. Net of consolidation adjustments, if applicable.

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

Individual Group ¹-Table 22- (Consolidated)

(Billions of yen)

	Q3 FY2014 (9 months)	Q3 FY2013 (9 months)	Change (Amount)	FY2013 (12 months)
Retail banking:				
Net interest income	17.1	19.1	(2.0)	25.3
Noninterest income	4.5	5.6	(1.0)	7.0
Total revenue	21.6	24.8	(3.1)	32.4
General and administrative expenses	(26.1)	(24.2)	(1.9)	(31.7)
Ordinary business profit (loss)	(4.4)	0.6	(5.0)	0.6
Net credit costs	(0.1)	(0.1)	0.0	0.0
Ordinary business profit after net credit costs (loss)	(4.5)	0.4	(5.0)	0.6
Shinsei Financial and Shinsei Bank Lake ²:				
Net interest income	37.7	32.6	5.1	44.2
Noninterest income	(1.5)	(2.5)	0.9	(3.3)
Total revenue	36.1	30.0	6.1	40.9
General and administrative expenses	(20.2)	(19.6)	(0.6)	(25.8)
Ordinary business profit	15.8	10.3	5.4	15.1
Net credit costs	(5.2)	(0.9)	(4.2)	(2.6)
Ordinary business profit after net credit costs	10.6	9.4	1.2	12.4
SHINKI:				
Net interest income	5.0	5.0	0.0	6.7
Noninterest income	(0.4)	(0.4)	0.0	(0.5)
Total revenue	4.6	4.5	0.0	6.1
General and administrative expenses	(3.3)	(3.1)	(0.1)	(4.2)
Ordinary business profit	1.3	1.4	(0.1)	1.8
Net credit costs	(0.7)	(0.0)	(0.7)	(0.1)
Ordinary business profit after net credit costs	0.5	1.3	(0.8)	1.7
APLUS FINANCIAL:				
Net interest income	4.8	5.7	(0.9)	7.5
Noninterest income	32.5	29.8	2.6	40.6
Total revenue	37.3	35.6	1.7	48.1
General and administrative expenses	(26.6)	(26.0)	(0.6)	(34.7)
Ordinary business profit	10.6	9.6	1.0	13.4
Net credit costs	(5.2)	(4.7)	(0.5)	(6.8)
Ordinary business profit after net credit costs	5.4	4.9	0.4	6.5
Others ³:				
Net interest income	0.9	1.1	(0.1)	1.4
Noninterest income	0.1	0.1	(0.0)	0.2
Total revenue	1.1	1.3	(0.2)	1.7
General and administrative expenses	(0.5)	(0.5)	(0.0)	(0.7)
Ordinary business profit	0.5	0.8	(0.2)	0.9
Net credit costs	0.0	0.0	0.0	0.2
Ordinary business profit after net credit costs	0.6	0.8	(0.2)	1.1
Individual Group:				
Net interest income	65.7	63.7	1.9	85.3
Noninterest income	35.2	32.6	2.5	44.0
Total revenue	100.9	96.4	4.5	129.3
General and administrative expenses	(77.0)	(73.5)	(3.4)	(97.3)
Ordinary business profit	23.9	22.8	1.0	31.9
Net credit costs	(11.2)	(5.7)	(5.4)	(9.3)
Ordinary business profit after net credit costs	12.6	17.0	(4.4)	22.6

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/Entity¹-Table 23- (Consolidated)

(Billions of yen)

	Q3 FY2014 (9 months)	Q3 FY2013 (9 months)	Change (Amount)	FY2013 (12 months)
Retail Banking:	21.6	24.8	(3.1)	32.4
Deposits and debentures net interest income	9.4	11.9	(2.5)	15.6
Deposits and debentures noninterest income	1.6	2.1	(0.4)	2.7
Asset management	3.8	3.9	(0.1)	4.9
Loans	6.7	6.7	0.0	9.0
Shinsei Financial and Shinsei Bank Card Loan - Lake ²	36.1	30.0	6.1	40.9
SHINKI	4.6	4.5	0.0	6.1
APLUS FINANCIAL	37.3	35.6	1.7	48.1
Others ³	1.1	1.3	(0.2)	1.7
Total revenue	100.9	96.4	4.5	129.3

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/Other¹-Table 24- (Consolidated)

(Billions of yen)

	Q3 FY2014 (9 months)	Q3 FY2013 (9 months)	Change (Amount)	FY2013 (12 months)
Treasury Sub-Group:				
Net interest income	0.9	(3.0)	3.9	(3.3)
Noninterest income	6.2	0.1	6.0	(1.0)
Total revenue	7.1	(2.8)	10.0	(4.4)
General and administrative expenses	(1.2)	(1.1)	(0.0)	(1.5)
Ordinary business profit (loss)	5.9	(4.0)	9.9	(5.9)
Net credit costs	-	-	-	-
Ordinary business profit after net credit costs (loss)	5.9	(4.0)	9.9	(5.9)
Corporate/Other (excluding Treasury Sub-Group)¹:				
Net interest income	0.2	(2.4)	2.6	(3.1)
Noninterest income	(0.1)	0.2	(0.4)	0.3
Total revenue	0.1	(2.1)	2.2	(2.7)
General and administrative expenses	(0.2)	0.2	(0.5)	(0.1)
Ordinary business profit (loss)	(0.1)	(1.9)	1.7	(2.8)
Net credit costs	(0.0)	0.0	(0.0)	0.0
Ordinary business profit after net credit costs (loss)	(0.1)	(1.9)	1.7	(2.8)
Corporate/Other¹:				
Net interest income	1.2	(5.4)	6.6	(6.4)
Noninterest income	6.0	0.3	5.6	(0.7)
Total revenue	7.2	(5.0)	12.3	(7.1)
General and administrative expenses	(1.4)	(0.9)	(0.5)	(1.6)
Ordinary business profit (loss)	5.7	(5.9)	11.7	(8.8)
Net credit costs	(0.0)	0.0	(0.0)	0.0
Ordinary business profit after net credit costs (loss)	5.7	(5.9)	11.7	(8.8)

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.

Consolidated Balance Sheets (Unaudited) (Consolidated)**Assets**

	(Millions of yen)				
	Dec 31 2014	Dec 31 2013	Change (Amount)	Mar 31 2014	Change (Amount)
	(a)	(b)	(a)-(b)	(c)	(a)-(c)
<<Assets>>					
Cash and due from banks	1,138,245	828,942	309,303	1,451,492	(313,247)
Call loans and bills bought	20,500	25,000	(4,500)	36,451	(15,951)
Receivables under resale agreements	53,216	53,216	-	53,216	-
Receivables under securities borrowing transactions	54,352	43,623	10,728	23,651	30,700
Other monetary claims purchased	99,058	111,382	(12,323)	105,857	(6,798)
Trading assets	349,692	301,989	47,702	249,115	100,576
Monetary assets held in trust	183,242	203,056	(19,814)	199,117	(15,875)
Securities	1,398,111	1,882,690	(484,578)	1,557,020	(158,909)
Loans and bills discounted	4,357,752	4,215,437	142,315	4,319,830	37,921
Foreign exchanges	21,566	31,986	(10,420)	25,656	(4,090)
Lease receivables and leased investment assets	226,168	215,730	10,438	227,764	(1,595)
Other assets	854,708	821,781	32,926	724,963	129,744
Premises and equipment	48,888	50,748	(1,859)	50,143	(1,254)
Intangible assets	50,352	59,075	(8,723)	57,643	(7,291)
Goodwill	24,543	30,457	(5,914)	28,949	(4,405)
Asset for retirement benefit	2,933	/	/	1,567	1,365
Deferred issuance expenses for debentures	15	39	(23)	32	(16)
Deferred tax assets	14,565	18,974	(4,409)	16,519	(1,954)
Customers' liabilities for acceptances and guarantees	318,820	433,567	(114,746)	358,414	(39,594)
Reserve for credit losses	(110,709)	(143,019)	32,310	(137,358)	26,649
Total assets	9,081,482	9,154,223	(72,741)	9,321,103	(239,620)

Liabilities and Equity

(Millions of yen)

	Dec 31 2014 (a)	Dec 31 2013 (b)	Change (Amount) (a)-(b)	Mar 31 2014 (c)	Change (Amount) (a)-(c)
<<Liabilities>>					
Deposits	5,516,882	5,754,427	(237,545)	5,733,223	(216,341)
Negotiable certificates of deposit	105,282	199,790	(94,508)	117,223	(11,941)
Debentures	35,453	43,628	(8,174)	41,747	(6,293)
Call money and bills sold	100,000	120,000	(20,000)	180,000	(80,000)
Payables under repurchase agreements	14,285	5,254	9,031	-	14,285
Payables under securities lending transactions	170,141	59,037	111,103	317,599	(147,458)
Trading liabilities	299,676	262,584	37,092	218,585	81,091
Borrowed money	774,906	630,089	144,816	643,431	131,474
Foreign exchanges	43	325	(282)	37	6
Short-term corporate bonds	95,500	97,700	(2,200)	86,900	8,600
Corporate bonds	194,764	202,195	(7,431)	177,248	17,516
Other liabilities	525,355	581,198	(55,842)	497,804	27,551
Accrued employees' bonuses	5,884	5,464	420	7,782	(1,897)
Accrued directors' bonuses	60	47	13	67	(7)
Reserve for employees' retirement benefits	/	7,634	/	/	/
Liability for retirement benefit	11,803	/	/	10,116	1,686
Reserve for directors' retirement benefits	84	115	(31)	119	(35)
Reserve for losses on interest repayments	176,931	39,201	137,730	208,201	(31,269)
Deferred tax liabilities	624	142	482	9	615
Acceptances and guarantees	318,820	433,567	(114,746)	358,414	(39,594)
Total liabilities	8,346,502	8,442,405	(95,902)	8,598,512	(252,009)
<<Equity>>					
Shareholders' equity:					
Common stock	512,204	512,204	-	512,204	-
Capital surplus	79,461	79,461	-	79,461	-
Retained earnings	193,910	132,329	61,581	146,002	47,907
Treasury stock, at cost	(72,558)	(72,558)	(0)	(72,558)	(0)
Total shareholders' equity	713,018	651,437	61,581	665,110	47,907
Accumulated other comprehensive income:					
Unrealized gain (loss) on available-for-sale securities	10,660	2,825	7,834	6,288	4,371
Deferred gain (loss) on derivatives under hedge accounting	(12,238)	(8,525)	(3,712)	(8,769)	(3,468)
Foreign currency translation adjustments	4,845	1,716	3,129	267	4,578
Accumulated adjustments for retirement benefit	(3,974)	/	/	(5,195)	1,221
Total accumulated other comprehensive income	(705)	(3,983)	3,277	(7,409)	6,703
Stock acquisition rights	1,211	1,222	(10)	1,221	(9)
Minority interests	21,455	63,142	(41,686)	63,667	(42,212)
Total equity	734,979	711,818	23,161	722,590	12,388
Total liabilities and equity	9,081,482	9,154,223	(72,741)	9,321,103	(239,620)

Consolidated Statements of Income (Unaudited) (Consolidated)

(Millions of yen)

	Q3 FY2014 (9 months)	Q3 FY2013 (9 months)	Change (Amount)	FY2013 (12 months)
Ordinary income	292,447	280,864	11,582	375,232
Interest income	114,575	108,288	6,287	143,270
Interest on loans and bills discounted	94,139	93,880	258	124,400
Interest and dividends on securities	18,267	12,122	6,145	15,694
Other interest income	2,169	2,285	(116)	3,176
Fees and commissions income	33,506	33,263	243	43,603
Trading income	7,820	12,915	(5,095)	16,517
Other business income	111,263	105,677	5,586	142,640
Other ordinary income	25,280	20,719	4,560	29,200
Ordinary expenses	235,220	250,068	(14,848)	331,085
Interest expenses	16,958	25,713	(8,754)	32,752
Interest on deposits	8,231	16,239	(8,007)	20,358
Interest on borrowings	3,545	3,740	(195)	4,964
Interest on corporate bonds	4,040	4,558	(518)	5,940
Other interest expenses	1,141	1,175	(34)	1,487
Fees and commissions expenses	15,931	16,160	(229)	21,165
Trading losses	260	1,959	(1,698)	2,542
Other business expenses	71,526	73,776	(2,249)	100,438
General and administrative expenses	114,268	108,756	5,512	144,814
Amortization of goodwill	4,406	4,934	(527)	6,441
Amortization of intangible assets acquired in business combinations	2,188	2,544	(356)	3,305
Other general and administrative expenses	107,673	101,277	6,396	135,067
Other ordinary expenses	16,275	23,702	(7,427)	29,371
Provision of reserve for credit losses	10,058	5,114	4,944	6,279
Other	6,216	18,588	(12,372)	23,092
Ordinary profit	57,227	30,796	26,431	44,147
Extraordinary gains	423	144	279	3,879
Extraordinary losses	1,132	1,274	(142)	2,006
Income before income taxes and minority interests	56,519	29,666	26,852	46,020
Income taxes (benefit)	2,763	(337)	3,100	1,668
Income before minority interests	53,756	30,003	23,752	44,351
Minority interests in net income of subsidiaries	1,391	2,302	(910)	2,976
Net income	52,364	27,701	24,662	41,374

Consolidated Statements of Comprehensive Income (Unaudited) (Consolidated)*(Millions of yen)*

	Q3 FY2014 (9 months)	Q3 FY2013 (9 months)	Change (Amount)	FY2013 (12 months)
Income before minority interests	53,756	30,003	23,752	44,351
Other comprehensive income				
Unrealized gain (loss) on available-for-sale securities	4,398	(938)	5,337	2,803
Deferred gain (loss) on derivatives under hedge accounting	(3,468)	3,080	(6,548)	2,835
Foreign currency translation adjustments	3,160	970	2,190	(655)
Adjustments for retirement benefit	1,871	/	/	/
Share of other comprehensive income in affiliates	2,822	60	2,762	(153)
Other comprehensive income	8,785	3,172	5,612	4,830
Comprehensive income	62,541	33,176	29,364	49,181
(Breakdown)				
Attributable to:				
Owners of the parent	59,716	30,023	29,692	45,466
Minority interests	2,824	3,152	(327)	3,715

Consolidated Composition of Capital Disclosure (Unaudited) (Consolidated)

 <Basel 3, Domestic Standard¹>

Millions of yen (except percentages)

	Dec 31 2014	Amounts excluded under transitional arrangements
Core capital: instruments and reserves		
Directly issued qualifying common share capital or preferred share capital with a compulsory conversion clause plus related capital surplus and retained earnings	713,018	
of which: capital and capital surplus	591,666	
of which: retained earnings	193,910	
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)	4,845	(3,974)
of which: foreign currency translation adjustment	4,845	
of which: amount related defined benefit	-	(3,974)
Stock acquisition right to common shares and preferred shares with a compulsory conversion clause	1,211	
Adjusted minority interests (amount allowed to be included in Core capital)	-	
Total of reserves included in Core capital: instruments and reserves	2,835	
of which: general reserve for loan losses included in Core capital	2,835	
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)	155,966	
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)	4,554	
Core capital: instruments and reserves	882,432	
Core capital: regulatory adjustments		
Total amount of intangible assets (excluding those relating to mortgage servicing rights)	29,044	12,109
of which: goodwill (including those equivalent)	24,543	-
of which: other intangibles other than goodwill and mortgage servicing rights	4,501	12,109
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	7,020
Shortfall of eligible provisions to expected losses	3,309	-
Gain on sale of securitization	9,396	-
Gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Net defined benefit asset	-	1,888
Investments in own shares (excluding those reported in the net assets section)	-	0
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)	-	-
Core capital: regulatory adjustments	41,750	
Capital (consolidated)	840,681	
Risk-weighted assets		
Total amount of credit risk-weighted assets	5,380,329	
of which: total amount included in risk-weighted assets by transitional arrangements	(27,543)	
of which: intangible assets (excluding those relating to goodwill and mortgage servicing rights)	12,109	
of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	7,020	
of which: net defined benefit asset	1,888	
of which: significant investments in the common stock of Other Financial Institutions (net of eligible short positions)	(48,562)	
of which: other than above	1	
Market risk (derived by multiplying the capital requirement by 12.5)	189,685	
Operational risk (derived by multiplying the capital requirement by 12.5)	347,586	
Credit risk adjustments	-	
Operational risk adjustments	-	
Total amount of Risk-weighted assets	5,917,600	
Capital ratio (consolidated)	14.20%	

1. Calculated according to F-IRB.

Section 2. Nonconsolidated Information

Results of Operations -Table 25- (Nonconsolidated)

	(Billions of yen)			
	Q3 FY2014 (9 months)	Q3 FY2013 (9 months)	Change (Amount)	FY2013 (12 months)
Net interest income	69.9	53.9	16.0	80.9
Noninterest income	17.4	14.9	2.5	17.9
Net fees and commissions ¹	6.1	5.3	0.8	7.9
Net trading income	2.4	4.2	(1.8)	5.3
Net other business income	8.8	5.3	3.5	4.6
Total revenue¹	87.4	68.9	18.5	98.9
Personnel expenses	(18.1)	(16.1)	(2.0)	(21.5)
Nonpersonnel expenses	(34.7)	(33.2)	(1.4)	(44.0)
Taxes	(3.4)	(2.5)	(0.8)	(3.4)
General and administrative expenses	(56.3)	(51.9)	(4.3)	(69.0)
Net business profit¹	31.1	16.9	14.1	29.8
Other gains (losses)				
Gains (losses) on the sales of equities	3.4	2.9	0.4	3.2
Net provision of reserve for credit losses ²	4.8	2.9	1.8	7.2
Losses on write-off of loans	(1.4)	(0.6)	(0.7)	(2.0)
Recoveries of written-off claims	2.0	0.9	1.1	1.9
Expenses for employees' retirement benefits	(1.7)	(1.8)	0.1	(2.3)
Others	(0.4)	(0.2)	(0.2)	(0.3)
Net ordinary income	37.8	21.0	16.7	37.6
Special gains (losses)				
Gains (losses) from sales of fixed assets and impairment losses	(1.0)	(1.1)	0.0	(1.7)
Other special gains (losses)	(0.3)	(0.0)	(0.3)	(0.1)
Income before income taxes	36.4	19.9	16.5	35.8
Income taxes				
Current	0.1	0.0	0.0	0.3
Deferred	(0.7)	1.7	(2.5)	0.2
Net income	35.7	21.8	13.9	36.4

1. Includes income from monetary assets held in trust of ¥5.9 billion in Q3 FY2014, ¥1.2 billion in Q3 FY2013 and ¥3.8 billion in FY2013.

2. Reversals of reserve for loan losses was ¥4.8 billion in 3Q FY2014, ¥2.9 billion in 3Q 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 on a nonconsolidated basis was ¥87.4 billion for the first nine months of fiscal year 2014, increased ¥18.5 billion compared to the first nine months of fiscal year 2013. Net interest

income on a nonconsolidated basis was ¥69.9 billion for the first nine months of fiscal year 2014, increased ¥16.0 billion compared to the first nine months of fiscal year 2013. This increase was a result of the reduction in funding costs from the maturation of high interest rate time deposits and the recording of significant dividend income from securities investments in the Institutional Group. These factors offset the decline in dividends received from subsidiaries to ¥4.8 billion for the first nine months 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) from ¥6.3 billion for the first nine months of fiscal year 2013 (¥5.4 billion from Shinsei Financial and ¥0.8 billion from Showa Leasing). Noninterest income was ¥17.4 billion for the first nine months of fiscal year 2014, increased ¥2.5 billion compared to the first nine months of fiscal year 2013. This was a result of improvements in trading revenues including ALM operations exceeding the decline in revenue in the Individual Group compared to the first nine months of fiscal year 2013.

General and administrative expenses of ¥56.3 billion was recorded for the first nine months of fiscal year 2014, increased ¥4.3 billion compared to the first nine months of fiscal year 2013. This was a result of costs incurred from the investment of necessary resources and 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 ¥31.1 billion for the first nine months of fiscal year 2014, increased

¥14.1 billion from the first nine months of fiscal year 2013. Additionally, in the first nine months of fiscal year 2014, while net credit costs improved ¥2.2 billion compared to the first nine months of fiscal year 2013, deferred income taxes increased ¥2.5 billion as a result of the absence of deferred tax benefits which were recorded in the first nine months of fiscal year 2013. As a result, net income for the first nine months of fiscal year 2014 was ¥35.7 billion, increased ¥13.9 billion compared to the first nine months of fiscal year 2013.

Net Credit Costs -Table 26- (Nonconsolidated)

	Q3 FY2014 (9 months)	Q3 FY2013 (9 months)	Change (Amount)	FY2013 (12 months)
Losses on write-off of loans	(1.4)	(0.6)	(0.7)	(2.0)
Net provision of reserve for loan losses	4.8	2.9	1.8	7.2
Net provision of general reserve for loan losses	0.0	0.9	(0.8)	7.5
Net provision of specific reserve for loan losses	4.7	2.0	2.7	(0.2)
Recoveries of written-off claims	2.0	0.9	1.1	1.9
Net credit costs	5.4	3.2	2.2	7.2

1. Amounts of losses, net provision and costs are shown in parentheses (minus). Amounts of recoveries and reversals are shown in plus.

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

Interest-Earning Assets and Interest-Bearing Liabilities -Table 27- (Nonconsolidated)

	Q3 FY2014 (9 months)			Q3 FY2013 (9 months)			FY2013 (12 months)		
	Average balance	Interest	Yield/rate ¹ (%)	Average balance	Interest	Yield/rate ¹ (%)	Average balance	Interest	Yield/rate ¹ (%)
Interest-earning assets:									
Loans and bills discounted	4,073.2	56.7	1.84	4,149.3	53.7	1.71	4,141.7	71.8	1.73
Securities	2,021.9	26.3	1.73	2,296.6	22.2	1.28	2,267.6	36.9	1.62
Other interest-earning assets ^{2, 3}	369.7	2.4	n.m. ⁴	392.0	2.6	n.m. ⁴	391.6	3.6	n.m. ⁴
Total interest-earning assets	6,464.9	85.6	1.75	6,838.0	78.6	1.52	6,801.0	112.4	1.65
Interest-bearing liabilities:									
Deposits, including negotiable certificates of deposit	5,789.7	8.3	0.19	5,997.3	16.4	0.36	6,016.7	20.6	0.34
Debentures	39.1	0.0	0.13	72.0	0.1	0.25	64.8	0.1	0.23
Borrowed money	399.1	1.7	0.57	356.4	1.9	0.73	359.5	2.5	0.71
Subordinated debt	62.8	1.3	2.76	90.3	1.5	2.22	88.3	1.9	2.25
Other borrowed money	336.2	0.4	0.16	266.0	0.4	0.22	271.1	0.5	0.21
Corporate bonds	198.9	5.4	3.62	234.3	6.9	3.93	235.2	9.1	3.87
Subordinated bonds	190.8	5.4	3.76	229.4	6.9	4.01	230.3	9.0	3.94
Other corporate bonds	8.0	0.0	0.26	4.9	0.0	0.27	4.8	0.0	0.26
Other interest-bearing liabilities ²	691.4	0.6	n.m. ⁴	584.2	0.3	n.m. ⁴	602.9	0.5	n.m. ⁴
Total interest-bearing liabilities	7,118.3	16.2	0.30	7,244.4	25.8	0.47	7,279.5	32.9	0.45
Net interest income/yield on interest-earning assets	6,464.9	69.3	1.42	6,838.0	52.8	1.02	6,801.0	79.5	1.16

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 28- (Nonconsolidated)

(Billions of yen)

	Dec 31 2014	Dec 31 2013	Change (Amount)	Mar 31 2014	Change (Amount)
	(a)	(b)	(a)-(b)	(c)	(a)-(c)
Loans to bankrupt obligors	3.4	8.7	(5.2)	7.2	(3.7)
Nonaccrual delinquent loans	63.3	160.5	(97.2)	138.6	(75.2)
Loans past due for three months or more	0.8	1.0	(0.1)	0.9	(0.0)
Restructured loans	3.3	5.4	(2.0)	3.8	(0.4)
Total (A)	71.0	175.8	(104.7)	150.7	(79.6)
Loans and bills discounted (B)	4,117.1	4,145.8	(28.7)	4,235.7	(118.5)
Ratio to total loans and bills discounted (A/B) (%)	1.73%	4.24%		3.56%	
Reserve for credit losses (C)	49.6	89.0	(39.3)	83.5	(33.8)
Reserve ratio (C/A) (%)	69.9%	50.6%		55.4%	

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

Loans by Borrower Industry -Table 29- (Nonconsolidated)

(Billions of yen)

	Dec 31 2014	Dec 31 2013	Change (Amount)	Mar 31 2014	Change (Amount)
	(a)	(b)	(a)-(b)	(c)	(a)-(c)
Domestic (excluding Japan offshore market accounts):					
Manufacturing	200.5	205.6	(5.1)	208.9	(8.4)
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	(0.0)
Construction	11.0	9.4	1.6	7.6	3.4
Electric power, gas, heat supply and water supply	194.1	157.0	37.1	170.1	24.0
Information and communications	38.5	33.8	4.6	39.4	(0.9)
Transportation and postal service	179.5	203.4	(23.9)	191.1	(11.6)
Wholesale and retail	88.8	72.2	16.5	87.2	1.6
Finance and insurance	738.2	989.5	(251.3)	949.4	(211.2)
Real estate	503.4	534.8	(31.4)	560.2	(56.8)
Services	384.3	349.7	34.5	378.4	5.8
Local government	97.5	107.4	(9.9)	104.3	(6.7)
Individuals	1,369.0	1,281.7	87.2	1,310.4	58.5
Overseas yen loans and overseas loans booked domestically	236.6	167.4	69.1	198.1	38.5
Total domestic	4,042.1	4,112.8	(70.6)	4,205.9	(163.7)
Overseas (including Japan offshore market accounts):					
Governments	1.3	1.6	(0.3)	1.5	(0.1)
Financial institutions	-	0.5	(0.5)	0.5	(0.5)
Commerce and industry	73.6	30.8	42.8	27.7	45.9
Others	-	-	-	-	-
Total overseas	74.9	33.0	41.9	29.7	45.2
Total	4,117.1	4,145.8	(28.7)	4,235.7	(118.5)

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

Risk Monitored Loans by Borrower Industry -Table 30 - (Nonconsolidated)

(Billions of yen)

	Dec 31 2014 (a)	Dec 31 2013 (b)	Change (Amount) (a)-(b)	Mar 31 2014 (c)	Change (Amount) (a)-(c)
Domestic (excluding Japan offshore market accounts):					
Manufacturing	1.2	6.5	(5.3)	5.6	(4.3)
Agriculture and forestry	-	-	-	-	-
Fishery	-	-	-	-	-
Mining, quarrying and gravel extraction	-	-	-	-	-
Construction	0.4	-	0.4	-	0.4
Electric power, gas, heat supply and water supply	-	-	-	-	-
Information and communications	0.5	1.7	(1.2)	0.5	0.0
Transportation and postal service	-	2.9	(2.9)	2.9	(2.9)
Wholesale and retail	0.3	0.3	(0.0)	0.3	0.0
Finance and insurance	-	41.9	(41.9)	21.9	(21.9)
Real estate	32.8	74.9	(42.1)	74.6	(41.8)
Services	25.3	25.9	(0.5)	25.4	(0.1)
Local government	-	-	-	-	-
Individuals	3.2	3.8	(0.6)	3.5	(0.3)
Overseas yen loans and overseas loans booked domestically	7.0	17.2	(10.2)	15.6	(8.5)
Total domestic	71.0	175.8	(104.7)	150.7	(79.6)
Overseas (including Japan offshore market accounts):					
Governments	-	-	-	-	-
Financial institutions	-	-	-	-	-
Commerce and industry	-	-	-	-	-
Others	-	-	-	-	-
Total overseas	-	-	-	-	-
Total	71.0	175.8	(104.7)	150.7	(79.6)

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

Claims Classified under the Financial Revitalization Law -Table 31- (Nonconsolidated)

(Billions of yen)

	Dec 31 2014 (a)	Dec 31 2013 (b)	Change (Amount) (a)-(b)	Mar 31 2014 (c)	Change (Amount) (a)-(c)
Claims against bankrupt and quasi-bankrupt obligors	7.4	34.2	(26.7)	13.2	(5.7)
Doubtful claims	72.3	150.7	(78.4)	146.7	(74.3)
Substandard claims	4.3	6.5	(2.1)	4.9	(0.5)
Total (A)	84.0	191.3	(107.3)	164.7	(80.7)
Coverage ratio	94.7%	95.7%		95.3%	
Total claims (B)	4,229.6	4,260.8	(31.2)	4,328.3	(98.7)
Loans and bills discounted	4,117.1	4,145.8	(28.7)	4,235.7	(118.5)
Others	112.4	114.9	(2.5)	92.6	19.8
Ratio to total claims (A/B X 100) (%)	1.99%	4.49%		3.81%	
(Ref. 1) Amount of write-off	55.3	63.7	(8.4)	63.5	(8.1)
(Ref. 2) Below need caution level	184.5	304.3	(119.7)	273.5	(88.9)

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

Coverage Ratios for Nonperforming Claims Classified under the Financial Revitalization Law -Table 32- (Nonconsolidated)

(Billions of yen, except percentages)

December 31, 2014					
Amounts of coverage					
Amounts of claims	Total	Reserve for loan losses	Collateral and guarantees	Coverage ratio	
Claims against bankrupt and quasi-bankrupt obligors	7.4	7.4	-	7.4	100.0%
Doubtful claims	72.3	69.3	25.2	44.1	95.9%
Substandard claims	4.3	2.7	1.7	1.1	64.0%
Total	84.0	79.5	26.9	52.6	94.7%

(Billions of yen, except percentages)

December 31, 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	34.2	34.2	-	34.2	100.0%	13.2	13.2	-	13.2	100.0%
Doubtful claims	150.7	144.9	56.7	88.2	96.1%	146.7	140.3	58.4	81.9	95.6%
Substandard claims	6.5	4.0	2.0	2.1	62.1%	4.9	3.5	1.9	1.6	71.8%
Total	191.3	183.1	58.6	124.5	95.7%	164.7	157.0	60.3	96.7	95.3%

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

Reserve for Credit Losses -Table 33- (Nonconsolidated)

(Billions of yen)

	Dec 31 2014	Dec 31 2013	Change (Amount)	Mar 31 2014	Change (Amount)
	(a)	(b)	(a)-(b)	(c)	(a)-(c)
Reserve for credit losses	45.7	85.1	(39.3)	79.6	(33.8)
General reserve for loan losses	19.4	27.1	(7.6)	19.9	(0.4)
Specific reserve for loan losses	26.2	57.9	(31.6)	59.7	(33.4)
Reserve for loans to restructuring countries	0.0	0.0	-	0.0	-
Specific reserve for other credit losses	3.9	3.9	-	3.9	-
Total reserve for credit losses	49.6	89.0	(39.3)	83.5	(33.8)

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

Securities Being Held to Maturity -Table 34- (Nonconsolidated)

(Billions of yen)

	December 31, 2014			December 31, 2013			March 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	575.9	580.5	4.5	584.3	586.4	2.1	497.4	499.1	1.7
Japanese corporate bonds	-	-	-	-	-	-	-	-	-
Other	42.5	45.6	3.0	54.0	58.7	4.6	48.2	52.3	4.1
Subtotal	618.4	626.1	7.6	638.3	645.1	6.8	545.6	551.5	5.8
Fair value does not exceed carrying amount									
Japanese national government bonds	-	-	-	66.3	66.0	(0.2)	-	-	-
Japanese corporate bonds	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	66.3	66.0	(0.2)	-	-	-
Total	618.4	626.1	7.6	704.6	711.2	6.5	545.6	551.5	5.8

Securities Available for Sale -Table 35- (Nonconsolidated)

(Billions of yen)

	December 31, 2014			December 31, 2013			March 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)
Carrying amount exceeds amortized/acquisition cost									
Equity securities	16.3	8.8	7.5	13.7	8.6	5.0	12.6	8.4	4.1
Domestic bonds	430.9	428.6	2.2	73.1	72.3	0.8	62.0	61.2	0.8
Japanese national government bonds	386.5	384.9	1.6	6.4	6.3	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	43.9	43.2	0.6	66.2	65.4	0.8	61.4	60.7	0.7
Other	115.9	111.4	4.5	96.2	90.9	5.2	98.1	93.1	5.0
Foreign securities	105.4	101.8	3.6	91.5	86.8	4.7	92.6	88.1	4.4
Foreign currency denominated foreign corporate and government bonds	60.0	57.5	2.5	47.6	44.6	3.0	46.6	43.6	3.0
Yen-denominated foreign corporate and government bonds	45.4	44.2	1.1	42.1	40.9	1.1	45.0	43.9	1.0
Foreign equity securities and others	-	-	-	1.7	1.2	0.5	0.9	0.5	0.3
Other securities	9.5	8.7	0.8	3.1	2.7	0.4	4.2	3.7	0.5
Other monetary claims purchased	0.9	0.8	0.0	1.4	1.4	0.0	1.3	1.2	0.0
Subtotal	563.2	548.9	14.3	183.1	171.9	11.1	172.8	162.8	10.0
Carrying amount does not exceed amortized/acquisition cost									
Equity securities	0.5	0.7	(0.2)	0.8	1.2	(0.3)	1.1	1.4	(0.3)
Domestic bonds	62.7	64.6	(1.8)	776.1	779.4	(3.2)	683.9	685.0	(1.1)
Japanese national government bonds	10.3	10.3	(0.0)	723.4	725.9	(2.4)	629.3	630.0	(0.7)
Japanese local government bonds	-	-	-	-	-	-	-	-	-
Japanese corporate bonds	52.3	54.2	(1.8)	52.7	53.5	(0.8)	54.5	54.9	(0.4)
Other	33.6	33.9	(0.3)	93.1	94.9	(1.8)	35.4	35.7	(0.3)
Foreign securities	27.5	27.7	(0.1)	91.1	92.9	(1.8)	27.6	27.7	(0.1)
Foreign currency denominated foreign corporate and government bonds	26.4	26.6	(0.1)	89.6	91.4	(1.7)	25.2	25.2	(0.0)
Yen-denominated foreign corporate and government bonds	-	-	-	-	-	-	0.9	1.0	(0.0)
Foreign equity securities and others	1.1	1.1	(0.0)	1.4	1.5	(0.0)	1.4	1.4	(0.0)
Other securities	1.2	1.2	(0.0)	1.9	1.9	(0.0)	1.9	1.9	(0.0)
Other monetary claims purchased	4.8	4.9	(0.0)	-	-	-	5.8	6.0	(0.1)
Subtotal	96.8	99.2	(2.4)	870.1	875.6	(5.5)	720.4	722.2	(1.8)
Total^{1,2}	660.1	648.2	11.9	1,053.2	1,047.6	5.6	893.2	885.0	8.2

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)

	December 31, 2014	December 31, 2013	March 31, 2014
Unrealized gain (loss) before deferred tax on:			
Available-for-sale securities	11.9	5.6	8.2
Interests in available-for-sale securities held by partnerships recorded as securities whose fair value cannot be reliably determined	1.6	(0.0)	1.5
Securities being held to maturity, reclassified from available-for-sale in the past, under extremely illiquid market conditions	(2.5)	(4.2)	(3.5)
Deferred tax assets (liabilities)	(2.1)	-	(1.0)
Unrealized gain (loss) on available-for-sale securities	8.9	1.3	5.1

Capital Adequacy Data-Table 36- (Nonconsolidated)< Basel 3, Domestic Standard¹ >

(Billions of yen, except percentages)

	Dec 31 2014 (a)	Dec 31 2013 (b)	Change (Amount) (a)-(b)	Mar 31 2014 (c)	Change (Amount) (a)-(c)
Core capital: instruments and reserves	893.9	/	/	924.3	(30.4)
Core capital: regulatory adjustments	(15.9)	/	/	(34.3)	18.3
Capital	877.9	/	/	890.0	(12.0)
Total amount of Risk-weighted assets	5,646.9	/	/	5,801.8	(154.9)
Capital ratio	15.54%	/	/	15.34%	/

1. Calculated according to F-IRB.

Nonconsolidated total required capital is ¥465.4 billion as at December 31, 2014 and ¥496.1 billion as at March 31, 2014.

Nonconsolidated Balance Sheets (Unaudited) (Nonconsolidated)**Assets***(Millions of yen)*

	Dec 31 2014 (a)	Dec 31 2013 (b)	Change (Amount) (a)-(b)	Mar 31 2014 (c)	Change (Amount) (a)-(c)
<<Assets>>					
Cash and due from banks	1,070,575	758,104	312,470	1,367,839	(297,264)
Call loans	20,500	25,000	(4,500)	36,451	(15,951)
Receivables under resale agreements	53,216	53,216	-	53,216	-
Other monetary claims purchased	188,607	191,851	(3,244)	195,287	(6,680)
Trading assets	283,382	250,014	33,368	235,097	48,285
Monetary assets held in trust	123,038	210,037	(86,999)	196,421	(73,382)
Securities	1,804,169	2,298,382	(494,213)	1,977,811	(173,642)
Valuation allowance for investments	(3,370)	(3,370)	-	(3,370)	-
Loans and bills discounted	4,117,136	4,145,889	(28,753)	4,235,713	(118,577)
Foreign exchanges	21,566	31,986	(10,420)	25,656	(4,090)
Other assets	276,679	265,839	10,840	204,706	71,973
Other	276,679	265,839	10,840	204,706	71,973
Premises and equipment	18,877	19,379	(502)	20,042	(1,165)
Intangible assets	8,688	8,503	185	9,485	(796)
Prepaid pension cost	-	1,598	(1,598)	1,830	(1,830)
Deferred issuance expenses for debentures	15	39	(23)	32	(16)
Deferred tax assets	900	5,168	(4,268)	2,458	(1,558)
Customers' liabilities for acceptances and guarantees	28,480	16,276	12,203	11,616	16,864
Reserve for credit losses	(49,667)	(89,018)	39,350	(83,550)	33,883
Total assets	7,962,797	8,188,900	(226,103)	8,486,745	(523,948)

Liabilities and Equity

(Millions of yen)

	Dec 31 2014 (a)	Dec 31 2013 (b)	Change (Amount) (a)-(b)	Mar 31 2014 (c)	Change (Amount) (a)-(c)
<<Liabilities>>					
Deposits	5,631,304	5,920,166	(288,861)	6,076,993	(445,688)
Negotiable certificates of deposit	105,282	199,790	(94,508)	117,223	(11,941)
Debentures	35,453	43,628	(8,174)	41,747	(6,293)
Call money	100,000	120,000	(20,000)	180,000	(80,000)
Payables under repurchase agreements	14,285	5,254	9,031	-	14,285
Payables under securities lending transactions	122,492	18,239	104,253	300,690	(178,197)
Trading liabilities	262,870	223,591	39,278	206,587	56,283
Borrowed money	443,647	373,979	69,668	360,769	82,878
Foreign exchanges	43	540	(496)	37	6
Corporate bonds	188,118	252,484	(64,366)	221,891	(33,772)
Other liabilities	302,529	332,108	(29,579)	265,671	36,858
Income taxes payable	154	170	(15)	387	(232)
Lease obligations	-	0	(0)	-	-
Asset retirement obligations	7,371	7,407	(36)	7,396	(25)
Other	295,003	324,530	(29,526)	257,887	37,116
Accrued employees' bonuses	3,266	3,013	253	4,035	(768)
Reserve for retirement benefits	1,153	-	1,153	-	1,153
Acceptances and guarantees	28,480	16,276	12,203	11,616	16,864
Total liabilities	7,238,928	7,509,072	(270,144)	7,787,262	(548,333)
<<Equity>>					
Shareholders' equity:					
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	215,358	170,385	44,973	185,023	30,334
Legal reserve	13,158	12,628	530	12,628	530
Other retained earnings	202,199	157,757	44,442	172,395	29,803
Unappropriated retained earnings	202,199	157,757	44,442	172,395	29,803
Treasury stock, at cost	(72,558)	(72,558)	(0)	(72,558)	(0)
Total shareholders' equity	734,469	689,496	44,973	704,135	30,334
Net unrealized gain (loss) and translation adjustments					
Unrealized gain (loss) on available-for-sale securities	8,957	1,368	7,589	5,140	3,817
Deferred gain (loss) on derivatives under hedge accounting	(20,770)	(12,259)	(8,511)	(11,013)	(9,757)
Total net unrealized gain (loss) and translation adjustments	(11,813)	(10,891)	(921)	(5,873)	(5,939)
Stock acquisition rights	1,211	1,222	(10)	1,221	(9)
Total equity	723,868	679,827	44,040	699,483	24,384
Total liabilities and equity	7,962,797	8,188,900	(226,103)	8,486,745	(523,948)

Nonconsolidated Statements of Income (Unaudited) (Nonconsolidated)

(Millions of yen)

	Q3 FY2014 (9 months)	Q3 FY2013 (9 months)	Change (Amount)	FY2013 (12 months)
Ordinary income	131,439	120,012	11,426	170,404
Interest income	85,612	78,675	6,937	112,486
Interest on loans and bills discounted	56,747	53,756	2,990	71,891
Interest and dividends on securities	26,365	22,233	4,131	36,904
Other interest income	2,499	2,685	(185)	3,690
Fees and commissions income	14,776	15,666	(889)	20,194
Trading income	2,954	6,221	(3,267)	8,164
Other business income	10,162	9,386	775	10,862
Other ordinary income	17,933	10,062	7,870	18,697
Ordinary expenses	93,579	98,939	(5,359)	132,737
Interest expenses	16,219	25,868	(9,649)	32,969
Interest on deposits	8,247	16,253	(8,005)	20,377
Interest on corporate bonds	5,434	6,942	(1,508)	9,106
Other interest expenses	2,537	2,673	(135)	3,486
Fees and commissions expenses	14,516	11,570	2,946	16,121
Trading losses	549	1,986	(1,437)	2,770
Other business expenses	1,249	4,000	(2,751)	6,215
General and administrative expenses	58,654	53,832	4,821	71,381
Other ordinary expenses	2,390	1,679	710	3,279
Ordinary profit	37,860	21,073	16,786	37,667
Extraordinary gains	198	16	182	17
Extraordinary losses	1,626	1,168	458	1,838
Income before income taxes	36,432	19,922	16,510	35,845
Income taxes (benefit)	636	(1,893)	2,530	(608)
Net income	35,795	21,815	13,979	36,454

Nonconsolidated Composition of Capital Disclosure (Unaudited) (Nonconsolidated)

 <Basel 3, Domestic Standard¹>

Millions of yen (except percentages)

	Dec 31 2014	Amounts excluded under transitional arrangements
Core capital: instruments and reserves		
Directly issued qualifying common share capital or preferred share capital with a compulsory conversion clause plus related capital surplus and retained earnings	734,469	
of which: capital and capital surplus	591,670	
of which: retained earnings	215,358	
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	1,211	
Total of reserves included in Core capital: instruments and reserves	2,323	
Total of reserves included in Core capital: instruments and reserves	2,323	
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)	155,966	
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)	-	
Core capital: instruments and reserves	893,972	
Core capital: regulatory adjustments		
Total amount of intangible assets (excluding those relating to mortgage servicing rights)	1,525	4,366
of which: goodwill (including those equivalent)	840	-
of which: other intangibles other than goodwill and mortgage servicing rights	685	4,366
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	1,979
Shortfall of eligible provisions to expected losses	5,074	-
Gain on sale of securitization	9,396	-
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)	-	0
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)	-	-
Core capital: regulatory adjustments	15,996	
Capital (nonconsolidated)	877,975	
Risk-weighted assets		
Total amount of credit risk-weighted assets	5,318,450	
of which: total amount included in risk-weighted assets by transitional arrangements	(42,215)	
of which: intangible assets (excluding those relating to goodwill and mortgage servicing rights)	4,366	
of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	1,979	
of which: prepaid pension cost	-	
of which: significant investments in the common stock of Other Financial Institutions (net of eligible short positions)	(48,562)	
of which: other than above	1	
Market risk (derived by multiplying the capital requirement by 12.5)	146,647	
Operational risk (derived by multiplying the capital requirement by 12.5)	181,805	
Credit risk adjustments	-	
Operational risk adjustments	-	
Total amount of Risk-weighted assets	5,646,903	
Capital ratio (nonconsolidated)	15.54%	

1. Calculated according to F-IRB.

Section 3. Earnings Forecast -Table 37- (Consolidated and Nonconsolidated)

(Consolidated)	<i>(Billions of yen)</i>	
	<i>Fiscal year ending</i> March 2015 <i>(FY2014)</i> Forecast	<i>Fiscal year ended</i> March 2014 <i>(FY2013)</i> Actual
Ordinary profit	71.0	44.1
Net income	63.0	41.3
Cash basis net income *	70.0	49.8

(Nonconsolidated)	<i>(Billions of yen)</i>	
	<i>Fiscal year ending</i> March 2015 <i>(FY2014)</i> Forecast	<i>Fiscal year ended</i> March 2014 <i>(FY2013)</i> Actual
Net business profit	42.0	29.8
Net income	42.0	36.4
Dividends (per share in yen):		
Common stock	1.00	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 light of the financial results of the third quarter of fiscal year 2014, as well as the outlook going forward, full year earnings forecasts for fiscal year 2014 that were made public on May 8 and October 31, 2014 are revised upwards as follows.

- Consolidated net income forecast revised upwards from 55.0 billion yen to 63.0 billion yen.
- Consolidated cash basis net income forecast revised upwards from 62.0 billion yen to 70.0 billion yen.
- Consolidated ordinary profit forecast revised upwards from 60.0 billion yen to 71.0 billion yen.
- Nonconsolidated net income forecast revised upwards from 34.0 billion yen to 42.0 billion yen.
- Year-end dividend per share forecast of 1.00 yen per share remains unchanged.