

Financial Summary

For the First Half Ended September 30, 2015



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%.
- Quarterly information is available in the Quarterly Data Book.

Financial Highlights¹

(Billions of yen, except percentages)

Selected income statement items (Consolidated)	1H FY2015 (6 months)	1H FY2014 (6 months)	Change (Amount)	FY2014 (12 months)
Net interest income	61.0	60.5	0.4	126.4
Noninterest income	49.3	50.5	(1.1)	108.8
Net fees and commissions	13.1	10.8	2.2	24.7
Net trading income	5.1	5.4	(0.3)	11.5
Net other business income	31.0	34.1	(3.1)	72.6
Total revenue	110.3	111.1	(0.7)	235.3
General and administrative expenses	(69.7)	(70.0)	0.3	(141.6)
Ordinary business profit	40.6	41.0	(0.4)	93.6
Net credit costs	1.2	(5.0)	6.2	(11.8)
Ordinary business profit after net credit costs	41.9	36.0	5.8	81.8
Amortization of goodwill and other intangible assets ²	(3.8)	(4.5)	0.6	(8.4)
Other gains (losses)	0.7	0.7	(0.0)	(0.5)
Income before income taxes	38.8	32.2	6.5	72.7
Current income tax	(1.2)	(1.2)	0.0	(2.4)
Deferred income tax	0.2	(0.8)	1.1	(0.9)
Profit (loss) attributable to noncontrolling interests	(0.3)	(1.1)	0.8	(1.5)
Profit (loss) attributable to owners of parent	37.4	28.9	8.5	67.8
Cash basis profit (loss) attributable to owners of parent ³	41.0	32.9	8.0	75.4

(Billions of yen)

Selected balance sheet items (Consolidated)	Sep 30 2015	March 31 2015	Change (Amount)
Cash and Due from Banks	1,129.8	881.7	248.0
Securities	1,283.6	1,477.3	(193.7)
Loans and bills discounted	4,463.2	4,461.2	1.9
Customers' liabilities for acceptances and guarantees	302.6	291.7	10.8
Reserve for credit losses	(99.2)	(108.2)	9.0
Total assets	8,999.2	8,889.8	109.3
Deposits and negotiable certificates of deposit	5,489.4	5,452.7	36.6
Borrowed money	777.8	805.2	(27.4)
Reserve for losses on interest repayments	149.6	170.2	(20.6)
Total liabilities	8,223.9	8,136.0	87.8
Total equity	775.3	753.7	21.5

Financial ratios (Consolidated)	1H FY2015 (6 months)	1H FY2014 (6 months)	FY2014 (12 months)
Net interest margin	2.33%	2.28%	2.38%
Expense-to-revenue ratio	63.2%	63.1%	60.2%
Return on assets	0.8%	0.6%	0.7%
Return on equity (fully diluted)	10.0%	8.6%	9.8%
Cash basis return on assets	0.9%	0.7%	0.8%
Cash basis return on equity (fully diluted)	11.4%	10.3%	11.4%

(Billions of yen, except percentages)

Capital adequacy data (Consolidated) <Basel 3, Domestic Standard>	Sep 30 2015	March 31 2015	Change (Amount)
Capital	821.4	841.9	(20.4)
Total amount of Risk-weighted assets	5,756.4	5,661.9	94.5
Capital ratio	14.26%	14.86%	

(yen)

Per share data (Consolidated)	1H FY2015 (6 months)	1H FY2014 (6 months)	Change (Amount)	FY2014 (12 months)
Common equity	287.49	257.94	29.54	275.45
Basic net income	14.11	10.90	3.21	25.57
Cash basis basic net income	15.45	12.41	3.03	28.42

(Billions of yen, except percentages)

Nonperforming loans (Nonconsolidated)	Sep 30 2015	March 31 2015	Change (Amount)
Claims classified under the Financial Revitalization Law	36.5	60.9	(24.4)
Ratio to total claims	0.83%	1.42%	
Reserve for credit losses	36.0	47.7	(11.6)
Coverage ratio for nonperforming claims	96.9%	96.9%	

(Billions of yen)

Selected income statement items (Nonconsolidated)	1H FY2015 (6 months)	1H FY2014 (6 months)	Change (Amount)	FY2014 (12 months)
Net interest income	44.7	43.7	1.0	91.8
Noninterest income	10.2	12.9	(2.7)	25.7
Net fees and commissions	1.7	6.9	(5.2)	10.1
Net trading income	2.7	2.0	0.7	4.5
Net other business income	5.7	3.9	1.7	11.0
Total revenue	54.9	56.6	(1.7)	117.5
General and administrative expenses	(37.2)	(37.1)	(0.0)	(75.2)
Ordinary business profit	17.7	19.5	(1.7)	42.3
Net credit costs	13.4	1.9	11.4	4.1
Net income	25.2	19.3	5.8	45.7

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 recorded a consolidated net income of ¥37.4 billion in the first half of fiscal year 2015 (April 1, 2015 to September 30, 2015), increased ¥8.5 billion compared to ¥28.9 billion recorded in the first half of fiscal year 2014. Fiscal year 2015 is the final year of the Second Medium Term Management Plan (MTMP) which was made public in March 2013, and the financial results of the first half of fiscal year 2015 represent steady progress toward the achievement the ¥70.0 billion full year net income target.

- Total revenue for the first half of fiscal year 2015 was ¥110.3 billion, slightly decreased from ¥111.1 billion recorded in the first half of fiscal year 2014. Of this amount, net interest income was ¥61.0 billion, increased ¥0.4 billion from ¥60.5 billion recorded in the first half of fiscal year 2014. This increase was due to greater revenues resulting from the growth of the loan balance in the consumer finance business and a reduction in funding costs exceeding spread compression seen primarily in the Institutional Business and the absence of one time gain factors recorded in the first half of the previous fiscal year. Additionally, noninterest income of ¥49.3 billion was recorded in the first half of fiscal year 2015, decreased from ¥50.5 billion recorded in the first half of fiscal year 2014. In the first half of fiscal year 2015, while revenues related to the sale of asset management products in the retail banking business, revenues from the installment sales finance business of APLUS FINANCIAL and revenues from markets related transactions, which includes ALM operations, were strong, there was an absence of the significant revenues from the domestic credit trading business recorded in the first half of fiscal year 2014, as well as the recording of losses due to the reassessment of fund investments, resulting in the decline in noninterest income compared to the first half of fiscal year 2014.
- Regarding general and administrative expenses, while the Bank continued to invest management resources necessary to expand our business base, due to the promotion of efficient business operations, an improvement in deposit insurance costs as well as the recording of a portion of general and administrative expenses being pushed back to after the third quarter of fiscal year 2015, general and administrative expenses of ¥69.7 billion were recorded in the first half of fiscal year 2015, reduced from ¥70.0 billion recorded in the first half of fiscal year 2014.
- Regarding net credit costs (recoveries), the Bank recorded recoveries of ¥1.2 billion in the first half of fiscal year 2015, significantly improved by ¥6.2 billion compared to costs of ¥5.0 billion in the first half of fiscal year 2014. This was mainly due to the recording of major gains on the reversal of reserves for loan losses in the Institutional Group exceeding the provisioning of reserves for loan losses in the consumer finance business made due to the growth of the loan balance.
- The balance of loans and bills discounted increased from ¥4,461.2 billion as of March 31, 2015 by ¥1.9 billion to ¥4,463.2 billion as of September 30, 2015. In the institutional business, while the balance of real estate related loans and project finance grew strongly, competition to satisfy the funding needs of customers remained fierce, and as there were some collections in existing loans, the overall balance shrank. On the other hand, in loans to individuals, housing loans continued to steadily increase, and the consumer finance loan balance continued to increase compared to the previous fiscal year, resulting in the overall balance of loans and bills discounted of the Bank increasing.
- A net interest margin of 2.33% was recorded in the first half of fiscal year 2015, increased from 2.28% recorded in the first half of fiscal year 2014. While the yield on interest earning assets was maintained at a level similar to the first half of fiscal year 2014 due to an increase in interest earned on securities, this improvement was due to a reduction in the rate on deposits including negotiable certificates of deposits due to the majority of high interest rate time deposits made in previous years reaching maturity during fiscal year 2014.
- The Basel III, domestic standard consolidated core capital adequacy ratio (grandfathering basis) decreased from 14.86% as of March 31, 2015 to 14.26% as of September 30, 2015. The consolidated core capital adequacy ratio declined in the first half of fiscal year 2015 due to a reduction in core capital resulting from the early redemption of preferred securities and callable subordinated bonds, as well as an increase in risk assets due to the purchase and new disbursement of major real estate nonrecourse loans. The Bank's Basel III international standard common equity tier 1 capital ratio (fully loaded basis) increased from 11.9% as of March 31, 2015 to 12.5% as of September 30, 2015.
- The balance of nonperforming loans under the Financial Revitalization Law (nonconsolidated basis), due in part to improvements in borrower categorizations as well as sale of assets held by the Bank, declined by ¥24.4 billion during the first half of fiscal year 2015 to ¥36.5 billion as of September 30, 2015. In addition, the proportion of nonperforming claims to the overall loan balance improved significantly from 1.42% as of March 31, 2015 to 0.83%.

Results of Operations (Consolidated)¹

(Billions of yen)

	1H FY2015 (6 months)	1H FY2014 (6 months)	Change (Amount)	FY2014 (12 months)
Net interest income	61.0	60.5	0.4	126.4
Noninterest income	49.3	50.5	(1.1)	108.8
Net fees and commissions	13.1	10.8	2.2	24.7
Net trading income	5.1	5.4	(0.3)	11.5
Net other business income	31.0	34.1	(3.1)	72.6
Income on lease transactions and installment receivables	19.3	18.9	0.3	38.0
Total revenue	110.3	111.1	(0.7)	235.3
General and administrative expenses	(69.7)	(70.0)	0.3	(141.6)
Ordinary business profit	40.6	41.0	(0.4)	93.6
Net credit costs	1.2	(5.0)	6.2	(11.8)
Ordinary business profit after net credit costs	41.9	36.0	5.8	81.8
Amortization of goodwill and other intangible assets²	(3.8)	(4.5)	0.6	(8.4)
Other gains (losses)	0.7	0.7	(0.0)	(0.5)
Income before income taxes	38.8	32.2	6.5	72.7
Current income tax	(1.2)	(1.2)	0.0	(2.4)
Deferred income tax	0.2	(0.8)	1.1	(0.9)
Profit (loss) attributable to noncontrolling interests	(0.3)	(1.1)	0.8	(1.5)
Profit (loss) attributable to owners of parent	37.4	28.9	8.5	67.8
Cash basis profit (loss) attribute to owners of parent³	41.0	32.9	8.0	75.4

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.

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 associated with credit trading of the Principal Transactions business and gains and losses on the sale of securities in the ALM business.

Interest-Earning Assets and Interest-Bearing Liabilities (Consolidated)

(Billions of yen, except percentages)

	1H FY2015 (6 months)			1H FY2014 (6 months)			FY2014 (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	4,408.8	62.3	2.82	4,281.4	62.7	2.92	4,326.8	125.0	2.89
Lease receivables and leased investment assets / installment receivables ⁴	707.3	19.3	5.44	667.7	18.9	5.66	678.3	38.0	5.62
Securities	1,479.3	6.8	0.93	1,707.6	7.8	0.92	1,604.9	20.7	1.29
Other interest-earning assets ^{2,3}	298.9	1.2	***	350.6	1.5	***	357.8	2.8	***
Total revenue on interest-earning assets (A)⁴	6,894.4	89.7	2.60	7,007.5	91.0	2.59	6,968.0	186.7	2.68
Interest-bearing liabilities:									
Deposits, including negotiable certificates of deposit	5,482.6	3.9	0.14	5,729.4	5.7	0.20	5,654.5	10.8	0.19
Borrowed money	785.5	2.4	0.61	661.3	2.3	0.71	722.1	4.7	0.66
Subordinated debt	58.4	0.8	2.83	64.8	0.8	2.73	61.7	1.7	2.78
Other borrowed money	727.1	1.5	0.44	596.5	1.4	0.49	660.3	3.0	0.46
Corporate bonds	163.0	2.2	2.71	179.9	2.6	2.96	181.7	5.1	2.85
Subordinated bonds	114.4	2.0	3.60	154.5	2.5	3.30	149.9	4.9	3.29
Other corporate bonds	48.6	0.1	0.61	25.3	0.1	0.88	31.7	0.2	0.76
Other interest-bearing liabilities ²	681.0	0.8	***	889.5	0.7	***	787.9	1.4	***
Total expense on interest-bearing liabilities (B)	7,112.3	9.4	0.26	7,460.3	11.4	0.31	7,346.4	22.1	0.30
Net interest margin (A)-(B)⁴	-	80.3	2.33	-	79.5	2.28	-	164.5	2.38
Noninterest-bearing sources of funds:									
Noninterest-bearing (assets) liabilities, net	(965.7)	-	-	(1,125.1)	-	-	(1,074.0)	-	-
Total equity excluding noncontrolling interests in subsidiaries ⁵	747.8	-	-	672.3	-	-	695.5	-	-
Total noninterest-bearing sources of funds (C)	(217.8)	-	-	(452.7)	-	-	(378.4)	-	-
Sum of total expense on interest-bearing liabilities and noninterest-bearing sources of funds (D)=(B)+(C)	6,894.4	9.4	0.27	7,007.5	11.4	0.33	6,968.0	22.1	0.32
Net revenue/yield on interest-earning assets (A)-(D)⁴	-	80.3	2.32	-	79.5	2.26	-	164.5	2.36
Reconciliation of total revenue on interest-earning									
Total revenue on interest-earning assets	6,894.4	89.7	2.60	7,007.5	91.0	2.59	6,968.0	186.7	2.68
Less: Income on lease transactions and installment receivables	707.3	19.3	5.44	667.7	18.9	5.66	678.3	38.0	5.62
Total interest income	6,187.1	70.4	2.27	6,339.7	72.0	2.27	6,289.6	148.6	2.36
Total interest expense	-	9.4	-	-	11.4	-	-	22.1	-
Net interest income	-	61.0	-	-	60.5	-	-	126.4	-

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.

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 (Consolidated)

(Billions of yen)

	1H FY2015 (6 months)	1H FY2014 (6 months)	Change (Amount)	FY2014 (12 months)
Institutional Group	16.2	20.4	(4.2)	44.3
Institutional Business	2.2	2.2	(0.0)	5.7
Structured Finance	3.5	3.4	0.1	5.5
Principal Transactions	(0.8)	7.3	(8.2)	15.9
Showa Leasing	11.3	7.4	3.9	17.1
Global Markets Group	5.1	4.5	0.5	10.2
Markets Sub-Group	3.6	3.1	0.5	7.2
Others	1.5	1.4	0.0	3.0
Individual Group	24.7	22.7	2.0	47.8
Retail Banking	3.6	2.7	0.9	6.5
Shinsei Financial and <i>Shinsei Bank Card Loan - Lake</i> ^{1,2}	(1.0)	(1.1)	0.1	(2.1)
SHINKI	(0.2)	(0.2)	0.0	(0.5)
APLUS FINANCIAL ²	22.2	21.3	0.9	43.7
Others	0.1	0.1	0.0	0.2
Corporate/Other	3.2	2.7	0.4	6.4
Noninterest income	49.3	50.5	(1.1)	108.8

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.

2. In accordance with a Group internal restructuring of the consumer finance business, a portion of the profit and loss of "Shinsei Financial and Shinsei Bank Lake" has been recombined into "APLUS FINANCIAL."

Noninterest income in the Institutional Group for the first half of fiscal year 2015 was ¥16.2 billion, decreased ¥4.2 billion from ¥20.4 billion recorded in the first half of fiscal year 2014. This reduction was due to factors such as the absence of major revenue flows from the Principal Transactions Business which were recorded in the first half of fiscal year 2014 and the recording of losses resulting from the reassessment of fund investments.

Noninterest income in the Global Markets Group for the first half of fiscal year 2015 was ¥5.1 billion, increased ¥0.5 billion from ¥4.5 billion recorded in the first half of fiscal year 2014. This increase reflects an increase in markets related transaction revenue, primarily related to derivatives transactions.

Noninterest income in the Individual Group for the first half of fiscal year 2015 was ¥24.7 billion, increased ¥2.0 billion from ¥22.7 billion recorded in the first half of fiscal year 2014. This increase reflects an increase in revenues related to the sale of asset management product in retail banking, as well as the recording of a firm revenue increase from the installment sales finance business of APLUS FINANCIAL.

Noninterest income in Corporate/Other for the first half of fiscal year 2015 was ¥3.2 billion, increased ¥0.4 billion from the first half of fiscal year 2014.

General and Administrative Expenses (Consolidated)

(Billions of yen)

	1H FY2015 (6 months)	1H FY2014 (6 months)	Change (Amount)	FY2014 (12 months)
Personnel expenses	(28.6)	(28.0)	(0.6)	(56.9)
Nonpersonnel expenses	(41.0)	(42.0)	1.0	(84.6)
Premises expenses	(9.5)	(9.5)	0.0	(19.4)
Technology and data processing expenses	(9.5)	(9.3)	(0.1)	(18.8)
Advertising expenses	(5.0)	(5.4)	0.4	(11.4)
Consumption and property taxes	(4.3)	(4.0)	(0.3)	(7.8)
Deposit insurance premium	(1.0)	(2.1)	1.0	(3.5)
Other general and administrative expenses	(11.5)	(11.5)	0.0	(23.5)
General and administrative expenses	(69.7)	(70.0)	0.3	(141.6)

Net Credit Costs (Consolidated) ¹

(Billions of yen)

	1H FY2015 (6 months)	1H FY2014 (6 months)	Change (Amount)	FY2014 (12 months)
Losses on write-off of loans/Losses on sale of loans	(0.5)	(2.2)	1.7	(4.9)
Net provision of reserve for loan losses:	(3.2)	(7.0)	3.8	(15.0)
Net provision of general reserve for loan losses	(10.9)	(4.7)	(6.1)	(14.3)
Net provision of specific reserve for loan losses	7.7	(2.2)	9.9	(0.6)
Net provision of specific reserve for other credit losses	-	-	-	-
Other credit costs relating to leasing business	(0.0)	0.0	(0.1)	0.1
Recoveries of written-off claims	5.0	4.1	0.9	8.0
Net credit costs	1.2	(5.0)	6.2	(11.8)

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

Amortization of Goodwill and Other Intangible Assets (Consolidated)

(Billions of yen)

	1H FY2015 (6 months)	1H FY2014 (6 months)	Change (Amount)	FY2014 (12 months)
Shinsei Financial	(2.3)	(2.9)	0.5	(5.2)
SHINKI	0.1	0.1	-	0.3
APLUS FINANCIAL	(0.4)	(0.4)	0.0	(0.8)
Showa Leasing	(1.2)	(1.3)	0.1	(2.7)
Others	0.0	0.0	-	0.0
Amortization of goodwill and other intangible assets	(3.8)	(4.5)	0.6	(8.4)

Other Gains (Losses) (Consolidated)

(Billions of yen)

	1H FY2015 (6 months)	1H FY2014 (6 months)	Change (Amount)	FY2014 (12 months)
Extraordinary income (loss)	0.4	(0.1)	0.5	(0.3)
Net gain on disposal of premises and equipment	(0.0)	0.2	(0.3)	0.9
Other extraordinary income (loss)	0.4	(0.3)	0.8	(1.3)
Provisions of reserve for losses on interest repayment	-	-	-	(4.0)
Shinsei Financial	-	-	-	-
SHINKI	-	-	-	-
APLUS FINANCIAL	-	-	-	(4.0)
Other	-	-	-	-
Other	0.2	0.8	(0.5)	3.8
Other gains (losses)	0.7	0.7	(0.0)	(0.5)

Profit (Losses) Attributable to Noncontrolling Interests (Consolidated)

(Billions of yen)

	1H FY2015 (6 months)	1H FY2014 (6 months)	Change (Amount)	FY2014 (12 months)
Dividends on perpetual preferred securities (hybrid Tier I capital) issued by foreign SPCs	(0.4)	(1.1)	0.7	(1.6)
Others	0.0	(0.0)	0.0	0.1
Profit (Losses) attributable to noncontrolling interests	(0.3)	(1.1)	0.8	(1.5)

Business Line Results (Consolidated)

(Billions of yen)

	1H FY2015 (6 months)	1H FY2014 (6 months)	Change (Amount)	FY2014 (12 months)
Institutional Group:				
Net interest income	13.3	15.2	(1.9)	35.0
Noninterest income	16.2	20.4	(4.2)	44.3
Total revenue	29.5	35.7	(6.1)	79.4
General and administrative expenses	(14.7)	(14.4)	(0.2)	(29.0)
Ordinary business profit	14.8	21.2	(6.4)	50.4
Net credit costs	13.4	2.1	11.2	3.9
Ordinary business profit after net credit costs	28.2	23.4	4.8	54.3
Global Markets Group:				
Net interest income	1.0	1.4	(0.3)	2.2
Noninterest income	5.1	4.5	0.5	10.2
Total revenue	6.1	5.9	0.1	12.5
General and administrative expenses	(3.7)	(3.4)	(0.3)	(7.1)
Ordinary business profit	2.3	2.5	(0.1)	5.3
Net credit costs	0.2	(0.0)	0.2	(0.0)
Ordinary business profit after net credit costs	2.6	2.4	0.1	5.3
Individual Group:				
Net interest income	44.7	43.7	1.0	88.8
Noninterest income	24.7	22.7	2.0	47.8
Total revenue	69.5	66.4	3.0	136.6
General and administrative expenses	(50.7)	(51.3)	0.6	(103.1)
Ordinary business profit	18.8	15.1	3.7	33.4
Net credit costs	(12.4)	(7.1)	(5.2)	(15.7)
Ordinary business profit after net credit costs	6.4	7.9	(1.4)	17.7
Corporate/Other¹:				
Net interest income	1.8	0.1	1.7	0.3
Noninterest income	3.2	2.7	0.4	6.4
Total revenue	5.1	2.9	2.1	6.7
General and administrative expenses	(0.4)	(0.7)	0.2	(2.3)
Ordinary business profit	4.6	2.1	2.4	4.3
Net credit costs	0.0	0.0	0.0	0.0
Ordinary business profit after net credit costs	4.6	2.1	2.4	4.3
Total:				
Net interest income	61.0	60.5	0.4	126.4
Noninterest income	49.3	50.5	(1.1)	108.8
Total revenue	110.3	111.1	(0.7)	235.3
General and administrative expenses	(69.7)	(70.0)	0.3	(141.6)
Ordinary business profit	40.6	41.0	(0.4)	93.6
Net credit costs	1.2	(5.0)	6.2	(11.8)
Ordinary business profit after net credit costs	41.9	36.0	5.8	81.8

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.

Segment Information

As of April 1, 2015, the Institutional Group and the Global Markets Group have integrated the Financial Institutions Sub-Group of the Global Markets Group into the Institutional Business Sub-Group of the Institutional Group. Furthermore, as of May 1, 2015, all Sub-Groups within the Institutional Group have been abolished as a part of organizational changes. Together with these organizational changes, the corporate revitalization support business, previously a part of Structured Finance, as well as asset backed investments and business incubation, previously a part of Others in the Institutional Group, were transferred to Principal Transactions, and the planning and administration operations of the Overseas Banking Division, previously a part of Others in the Institutional Group, were transferred to Corporate/Others.

Institutional Business	Focuses primarily on corporate, public and financial sector finance and advisory businesses.
Institutional Business	"Institutional Business" provides financial products and services, advisory services, and health care finance to businesses and public corporations and financial institutions.
Structured Finance	"Structured Finance" provides real estate related nonrecourse and corporate finance, M&A related finance, specialty finance and trust services.
Principal Transactions	"Principal Transactions" is engaged in the credit trading businesses, private equity, corporate revitalization support business, and asset-backed investment.
Showa Leasing	"Showa Leasing" primarily provides leasing related financial products and services.

Global Markets Group:	Focuses primarily on financial markets business.
Markets Sub-Group	"Markets Sub-Group" is engaged in foreign exchange, derivatives, equity related and other capital markets transactions.
Others Global Markets Group	"Other Global Markets Group" consists of the profit and loss attributable to Shinsei Securities, asset management, wealth management and other products and services of the Global Markets Group.

Individual Group:	Focuses on retail financial products and services.
Retail Banking	"Retail Banking" provides financial transactions and services to retail customers such as yen/foreign currency, structured deposits services, investment trust, brokerage service (through a partner institution), life and nonlife insurance (through partner institutions) and housing loans.
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.
Others Individual Group	The "Others Individual Group" consists of profit and loss attributable to unallocated consumer finance business 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 related operations and includes gains and losses from equity and subordinated debt financing activities.

Institutional Group¹ (Consolidated)

(Billions of yen)

	1H FY2015 (6 months)	1H FY2014 (6 months)	Change (Amount)	FY2014 (12 months)
<i>Institutional Business - Institutional Business:</i>				
Net interest income	5.1	6.6	(1.4)	11.6
Noninterest income	2.2	2.2	(0.0)	5.7
Total revenue	7.3	8.8	(1.5)	17.3
General and administrative expenses	(5.1)	(4.8)	(0.3)	(9.5)
Ordinary business profit	2.1	4.0	(1.8)	7.7
Net credit costs	(0.3)	0.8	(1.2)	(2.2)
Ordinary business profit after net credit costs	1.8	4.9	(3.0)	5.5
<i>Institutional Business - Structured Finance:</i>				
Net interest income	6.1	7.0	(0.9)	12.7
Noninterest income	3.5	3.4	0.1	5.5
Total revenue	9.7	10.4	(0.7)	18.3
General and administrative expenses	(2.7)	(2.4)	(0.3)	(5.0)
Ordinary business profit	6.9	8.0	(1.0)	13.2
Net credit costs	13.3	0.1	13.1	6.6
Ordinary business profit after net credit costs	20.3	8.2	12.0	19.9
<i>Principal Transactions :</i>				
Net interest income	3.0	2.7	0.2	12.8
Noninterest income	(0.8)	7.3	(8.2)	15.9
Total revenue	2.1	10.1	(8.0)	28.7
General and administrative expenses	(2.6)	(3.1)	0.4	(6.2)
Ordinary business profit (loss)	(0.4)	7.0	(7.5)	22.5
Net credit costs	0.0	(0.4)	0.5	(1.7)
Ordinary business profit after net credit costs (loss)	(0.4)	6.6	(7.0)	20.7
<i>Showa Leasing:</i>				
Net interest income	(1.0)	(1.2)	0.1	(2.1)
Noninterest income	11.3	7.4	3.9	17.1
Total revenue	10.2	6.2	4.0	14.9
General and administrative expenses	(4.1)	(4.0)	(0.0)	(8.1)
Ordinary business profit	6.1	2.1	4.0	6.8
Net credit costs	0.4	1.6	(1.2)	1.2
Ordinary business profit after net credit costs	6.5	3.7	2.8	8.0
<i>Institutional Group:</i>				
Net interest income	13.3	15.2	(1.9)	35.0
Noninterest income	16.2	20.4	(4.2)	44.3
Total revenue	29.5	35.7	(6.1)	79.4
General and administrative expenses	(14.7)	(14.4)	(0.2)	(29.0)
Ordinary business profit	14.8	21.2	(6.4)	50.4
Net credit costs	13.4	2.1	11.2	3.9
Ordinary business profit after net credit costs	28.2	23.4	4.8	54.3

1. Net of consolidation adjustments, if applicable.

Global Markets Group¹ (Consolidated)

(Billions of yen)

	1H FY2015 (6 months)	1H FY2014 (6 months)	Change (Amount)	FY2014 (12 months)
Markets Sub-Group:				
Net interest income	1.0	1.3	(0.3)	2.0
Noninterest income	3.6	3.1	0.5	7.2
Total revenue	4.6	4.4	0.1	9.2
General and administrative expenses	(1.7)	(1.6)	(0.1)	(3.3)
Ordinary business profit	2.8	2.8	0.0	5.9
Net credit costs	0.0	(0.0)	0.1	(0.0)
Ordinary business profit after net credit costs	2.9	2.7	0.2	5.9
Others:				
Net interest income	0.0	0.0	(0.0)	0.1
Noninterest income	1.5	1.4	0.0	3.0
Total revenue	1.5	1.5	0.0	3.2
General and administrative expenses	(2.0)	(1.8)	(0.2)	(3.7)
Ordinary business profit (loss)	(0.4)	(0.2)	(0.1)	(0.5)
Net credit costs	0.1	0.0	0.0	(0.0)
Ordinary business profit after net credit costs (loss)	(0.3)	(0.2)	(0.0)	(0.5)
Global Markets Group:				
Net interest income	1.0	1.4	(0.3)	2.2
Noninterest income	5.1	4.5	0.5	10.2
Total revenue	6.1	5.9	0.1	12.5
General and administrative expenses	(3.7)	(3.4)	(0.3)	(7.1)
Ordinary business profit	2.3	2.5	(0.1)	5.3
Net credit costs	0.2	(0.0)	0.2	(0.0)
Ordinary business profit after net credit costs	2.6	2.4	0.1	5.3

1. Net of consolidation adjustments, if applicable.

Individual Group (Consolidated) ¹

(Billions of yen)

	1H FY2015 (6 months)	1H FY2014 (6 months)	Change (Amount)	FY2014 (12 months)
Retail banking:				
Net interest income	10.6	11.5	(0.9)	23.8
Noninterest income	3.6	2.7	0.9	6.5
Total revenue	14.3	14.3	(0.0)	30.3
General and administrative expenses	(16.4)	(16.9)	0.5	(34.4)
Ordinary business profit (loss)	(2.1)	(2.6)	0.5	(4.1)
Net credit costs	(0.1)	(0.0)	(0.1)	0.2
Ordinary business profit after net credit costs (loss)	(2.3)	(2.7)	0.4	(3.9)
Shinsei Financial and Shinsei Bank Lake ^{2,3}:				
Net interest income	26.7	24.6	2.1	50.2
Noninterest income	(1.0)	(1.1)	0.1	(2.1)
Total revenue	25.7	23.5	2.2	48.1
General and administrative expenses	(13.8)	(13.5)	(0.2)	(27.7)
Ordinary business profit	11.9	9.9	1.9	20.4
Net credit costs	(7.3)	(3.3)	(3.9)	(8.9)
Ordinary business profit after net credit costs	4.5	6.6	(2.0)	11.5
SHINKI:				
Net interest income	3.4	3.3	0.1	6.7
Noninterest income	(0.2)	(0.2)	0.0	(0.5)
Total revenue	3.2	3.0	0.1	6.2
General and administrative expenses	(1.8)	(2.2)	0.4	(4.4)
Ordinary business profit	1.4	0.8	0.6	1.7
Net credit costs	(0.7)	(0.5)	(0.2)	(1.1)
Ordinary business profit after net credit costs	0.7	0.3	0.4	0.6
APLUS FINANCIAL ³:				
Net interest income	3.2	3.4	(0.2)	6.7
Noninterest income	22.2	21.3	0.9	43.7
Total revenue	25.5	24.8	0.6	50.4
General and administrative expenses	(18.2)	(18.1)	(0.0)	(35.8)
Ordinary business profit	7.2	6.6	0.6	14.6
Net credit costs	(4.2)	(3.3)	(0.9)	(6.1)
Ordinary business profit after net credit costs	3.0	3.3	(0.3)	8.4
Others ⁴:				
Net interest income	0.5	0.6	(0.0)	1.2
Noninterest income	0.1	0.1	0.0	0.2
Total revenue	0.7	0.7	(0.0)	1.4
General and administrative expenses	(0.3)	(0.3)	(0.0)	(0.6)
Ordinary business profit	0.3	0.3	(0.0)	0.7
Net credit costs	0.1	0.0	0.0	0.1
Ordinary business profit after net credit costs	0.4	0.4	0.0	0.9
Individual Group:				
Net interest income	44.7	43.7	1.0	88.8
Noninterest income	24.7	22.7	2.0	47.8
Total revenue	69.5	66.4	3.0	136.6
General and administrative expenses	(50.7)	(51.3)	0.6	(103.1)
Ordinary business profit	18.8	15.1	3.7	33.4
Net credit costs	(12.4)	(7.1)	(5.2)	(15.7)
Ordinary business profit after net credit costs	6.4	7.9	(1.4)	17.7

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. In accordance with a Group internal restructuring of the consumer finance business, a portion of the profit and loss of "Shinsei Financial and Shinsei Bank Lake" has been recombined into "APLUS FINANCIAL."

4. Includes Shinsei Property Finance and unallocated consumer finance business financials.

Retail Banking Business Revenue by Product (Consolidated)¹

(Billions of yen)

	1H FY2015 (6 months)	1H FY2014 (6 months)	Change (Amount)	FY2014 (12 months)
Retail Banking:	14.3	14.3	(0.0)	30.3
Deposits and debentures net interest income	5.4	6.4	(1.0)	13.5
Deposits and debentures noninterest income	1.1	0.8	0.2	2.4
Asset management	3.1	2.4	0.6	5.1
Loans	4.6	4.5	0.0	9.1
Shinsei Financial and Shinsei Bank Card Loan - Lake ^{2,3}	25.7	23.5	2.2	48.1
SHINKI	3.2	3.0	0.1	6.2
APLUS FINANCIAL ³	25.5	24.8	0.6	50.4
Others ⁴	0.7	0.7	(0.0)	1.4
Total revenue	69.5	66.4	3.0	136.6

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. In accordance with a Group internal restructuring of the consumer finance business, a portion of the profit and loss of "Shinsei Financial and Shinsei Bank Lake" has been recombined into "APLUS FINANCIAL."

4. Includes Shinsei Property Finance and unallocated consumer finance business financials.

Corporate/Other (Consolidated)¹

(Billions of yen)

	1H FY2015 (6 months)	1H FY2014 (6 months)	Change (Amount)	FY2014 (12 months)
Treasury Sub-Group :				
Net interest income	1.8	0.1	1.7	0.3
Noninterest income	2.6	2.7	(0.1)	6.1
Total revenue	4.5	2.9	1.5	6.4
General and administrative expenses	(0.8)	(0.8)	(0.0)	(1.6)
Ordinary business profit	3.7	2.1	1.5	4.8
Net credit costs	-	-	-	-
Ordinary business profit after net credit costs	3.7	2.1	1.5	4.8
Corporate/Other (excluding Treasury Sub-Group)¹ :				
Net interest income	(0.0)	(0.0)	(0.0)	(0.0)
Noninterest income	0.5	(0.0)	0.6	0.3
Total revenue	0.5	(0.0)	0.6	0.3
General and administrative expenses	0.3	0.0	0.2	(0.7)
Ordinary business profit (loss)	0.9	0.0	0.8	(0.4)
Net credit costs	0.0	0.0	0.0	0.0
Ordinary business profit after net credit costs (loss)	0.9	0.0	0.8	(0.4)
Corporate/Other¹ :				
Net interest income	1.8	0.1	1.7	0.3
Noninterest income	3.2	2.7	0.4	6.4
Total revenue	5.1	2.9	2.1	6.7
General and administrative expenses	(0.4)	(0.7)	0.2	(2.3)
Ordinary business profit	4.6	2.1	2.4	4.3
Net credit costs	0.0	0.0	0.0	0.0
Ordinary business profit after net credit costs	4.6	2.1	2.4	4.3

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.

Major Balance Sheet Data (Consolidated)

(Billions of yen)

	Sep 30 2015	Mar 31 2015	Change (Amount)
Loans and bills discounted	4,463.2	4,461.2	1.9
Installment receivables	480.0	459.1	20.8
Leased assets, lease receivables and leased investment assets	238.6	244.6	(5.9)
Securities	1,283.6	1,477.3	(193.7)
Other monetary claims purchased	90.1	93.4	(3.2)
Other interest earning assets ¹	1,210.7	973.7	237.0
Trading assets	330.3	317.3	12.9
Monetary assets held in trust	264.7	233.9	30.8
Goodwill, net	20.4	23.1	(2.7)
Other intangible assets ²	5.1	6.3	(1.1)
Other assets	408.7	415.8	(7.1)
Customer's liabilities for acceptances and guarantees	302.6	291.7	10.8
Reserve for credit losses	(99.2)	(108.2)	9.0
Total assets	8,999.2	8,889.8	109.3
Deposits and negotiable certificates of deposit	5,489.4	5,452.7	36.6
Borrowed money	777.8	805.2	(27.4)
Corporate bonds	131.1	157.5	(26.3)
Other interest bearing liabilities ³	651.3	490.8	160.5
Trading liabilities	270.1	267.9	2.1
Reserve for losses on interest repayments	149.6	170.2	(20.6)
Other liabilities	451.7	499.7	(48.0)
Acceptances and guarantees	302.6	291.7	10.8
Total liabilities	8,223.9	8,136.0	87.8
Total equity	775.3	753.7	21.5

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 Showa Leasing.

3. Includes call money, payables under repurchase agreements, collateral related to securities lending transactions, debentures and short-term corporate bonds.

Reserve for Credit Losses (Consolidated)

(Billions of yen)

	Sep 30 2015	Mar 31 2015	Change (Amount)
General reserve for loan losses	62.8	60.2	2.5
Specific reserve for loan losses	36.3	47.9	(11.6)
Reserve for loans to restructuring countries	0.0	0.0	-
Total reserve for credit losses	99.2	108.2	(9.0)

Risk-Monitored Loans (Consolidated)

(Billions of yen)

	Sep 30 2015	Mar 31 2015	Change (Amount)
Loans to bankrupt obligors	3.7	3.2	0.4
Nonaccrual delinquent loans	67.1	87.7	(20.6)
Loans past due for three months or more	1.5	1.3	0.1
Restructured loans	27.3	29.1	(1.7)
Total (A)	99.7	121.5	(21.8)
Loans and bills discounted (B)	4,463.2	4,461.2	1.9
Ratio to total loans and bills discounted (A/B X 100) (%)	2.23%	2.72%	
Reserve for credit losses (C)	99.2	108.2	(9.0)
Reserve ratio (C/A X 100) (%)	99.5%	89.1%	

Loans by Borrower Industry (Consolidated)

(Billions of yen)

	Sep 30 2015	Mar 31 2015	Change (Amount)
Domestic offices (excluding Japan offshore market account):			
Manufacturing	198.9	197.8	1.0
Agriculture and forestry	0.0	0.1	(0.0)
Fishery	0.0	0.0	0.0
Mining, quarrying and gravel extraction	0.2	0.1	0.1
Construction	9.8	10.7	(0.9)
Electric power, gas, heat supply and water supply	205.2	204.6	0.5
Information and communications	38.0	39.6	(1.5)
Transportation and postal service	175.6	187.9	(12.3)
Wholesale and retail	103.4	99.2	4.2
Finance and insurance	578.6	628.6	(49.9)
Real estate	579.0	549.0	29.9
Services	297.4	344.4	(47.0)
Local government	80.7	94.2	(13.4)
Others	2,106.5	2,023.4	83.0
Loans to individual customers (retail banking, Shinsei Bank Lake, Shinsei Financial, SHINKI and APLUS FINANCIAL)	1,760.0	1,727.1	32.9
Total domestic (A)	4,373.9	4,380.2	(6.2)
Overseas offices (including Japan offshore market accounts):			
Governments	0.9	1.1	(0.1)
Financial institutions	9.4	-	9.4
Others	78.8	79.8	(1.0)
Total overseas (B)	89.2	81.0	8.2
Total (A+B)	4,463.2	4,461.2	1.9

Securities by Category (Consolidated)

	<i>(Billions of yen)</i>		
	Sep 30 2015	Mar 31 2015	Change (Amount)
Trading securities	0.0	0.0	0.0
Securities being held to maturity	625.5	644.5	△ 18.9
Securities available for sale	609.2	781.3	△ 172.0
Securities carried at fair value	560.4	720.5	△ 160.1
Securities carried at cost whose fair value cannot be reliably determined	48.8	60.7	△ 11.9
Equity securities of unconsolidated subsidiaries and affiliates	48.7	51.4	△ 2.7
Securities	1,283.6	1,477.3	△ 193.7

Securities Being Held to Maturity (Consolidated)

(Billions of yen)

	Sep 30, 2015			Mar 31, 2015		
	Carrying amount	Fair value	Unrealized gain (loss)	Carrying amount	Fair value	Unrealized gain (loss)
Fair value exceeds carrying amount						
Japanese national government bonds	596.9	600.5	3.5	508.5	511.0	2.4
Other	28.5	29.9	1.3	39.0	41.6	2.6
Subtotal	625.5	630.5	4.9	547.5	552.6	5.0
Fair value does not exceed carrying amount						
Japanese national government bonds	-	-	-	96.9	96.8	(0.0)
Other	-	-	-	-	-	-
Subtotal	-	-	-	96.9	96.8	(0.0)
Total	625.5	630.5	4.9	644.5	649.5	5.0

Securities Available for Sale (Consolidated)

(Billions of yen)

	Sep 30, 2015			Mar 31, 2015		
	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	21.7	12.2	9.4	24.7	12.0	12.7
Domestic bonds	59.1	58.5	0.5	127.8	127.2	0.6
Japanese national government bonds	31.3	31.3	0.0	100.4	100.3	0.0
Japanese local government bonds	0.5	0.5	0.0	0.5	0.5	0.0
Japanese corporate bonds	27.2	26.7	0.5	26.9	26.3	0.5
Other	168.9	165.3	3.5	148.1	143.3	4.8
Foreign securities	158.4	155.8	2.6	140.9	137.0	3.9
Foreign currency denominated foreign corporate and government bonds	85.5	84.0	1.5	81.5	79.3	2.2
Yen-denominated foreign corporate and government bonds	71.3	70.5	0.7	57.5	56.4	1.1
Foreign equity securities and others	1.5	1.2	0.3	1.7	1.1	0.5
Other securities	9.8	8.9	0.9	6.4	5.5	0.9
Other monetary claims purchased	0.5	0.5	0.0	0.7	0.7	0.0
Subtotal	249.7	236.1	13.6	300.7	282.5	18.1
Carrying amount does not exceed amortized/acquisition cost						
Equity securities	1.2	1.6	(0.3)	0.8	1.0	(0.2)
Domestic bonds	228.7	229.4	(0.7)	341.9	343.7	(1.8)
Japanese national government bonds	191.6	191.7	(0.0)	284.8	285.6	(0.7)
Japanese local government bonds	-	-	-	-	-	-
Japanese corporate bonds	37.0	37.7	(0.6)	57.0	58.1	(1.0)
Other	97.7	99.9	(2.1)	82.6	82.7	(0.1)
Foreign securities	73.5	74.4	(0.8)	75.4	75.5	(0.0)
Foreign currency denominated foreign corporate and government bonds	49.9	50.3	(0.4)	36.2	36.2	(0.0)
Yen-denominated foreign corporate and government bonds	20.1	20.2	(0.1)	39.2	39.2	(0.0)
Foreign equity securities and others	3.4	3.7	(0.2)	0.0	0.0	-
Other securities	7.6	8.6	(0.9)	2.2	2.3	(0.0)
Other monetary claims purchased	16.5	16.8	(0.2)	4.8	4.9	(0.0)
Subtotal	327.7	331.0	(3.2)	425.4	427.6	(2.2)
Total^{1, 2}	577.5	567.1	10.3	726.2	710.2	15.9

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, 2015 and March 31, 2015 were ¥560.4 billion and ¥720.5 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, 2015	Mar 31, 2015
Unrealized gain (loss) before deferred tax on:		
Available-for-sale securities	10.3	15.9
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	2.0	1.1
Securities being held to maturity, reclassified from available-for-sale in the past, under extremely illiquid market conditions	(1.1)	(2.1)
Other monetary assets held in trust	(0.9)	(1.2)
(-) Deferred tax liabilities	2.1	2.8
Unrealized gain (loss) on available-for-sale securities before interest adjustments	7.9	10.8
(-) Noncontrolling interests	0.0	0.1
(+) 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	0.0
Unrealized gain (loss) on available-for-sale securities	7.9	10.8

Deposits (Consolidated)

	<i>(Billions of yen)</i>		
	Sep 30 2015	Mar 31 2015	Change (Amount)
Deposits	5,352.6	5,367.1	(14.5)
Liquid (current, ordinary, notice) deposits	1,982.8	2,048.3	(65.4)
Time deposits ¹	2,980.0	2,954.1	25.8
Other	389.6	364.6	25.0
Negotiable certificates of deposits (NCDs)	136.7	85.5	51.2
Total	5,489.4	5,452.7	36.6

1. Includes two-week maturity deposits

Hedge-Accounting Derivative Transactions (Consolidated)

(Billions of yen)

Notional Principal Amount	September 30, 2015			
	1 year or less	Over 1 year to 5 years	Over 5 years	Total
Interest rate swaps:				
Receive fixed and pay floating	32.4	436.4	27.0	495.8
Receive floating and pay fixed	13.5	117.1	110.9	241.5
Receive floating and pay floating	-	-	-	-
Total notional principal amount	45.9	553.5	137.9	737.4
Currency swaps				
Total notional principal amount	12.0	29.9	23.7	65.7

Financial Ratios (Consolidated)

	1H FY2015 (6 months)	1H FY2014 (6 months)	FY2014 (12 months)
Return on assets ¹	0.8% ⁵	0.6% ⁵	0.7%
Return on equity ²	10.0% ⁵	8.6% ⁵	9.8%
Return on equity (fully diluted) ³	10.0% ⁵	8.6% ⁵	9.8%
Cash basis return on assets ¹	0.9% ⁵	0.7% ⁵	0.8%
Cash basis return on equity ^{2, 4}	11.4% ⁵	10.3% ⁵	11.4%
Cash basis return on equity (fully diluted) ^{3, 4}	11.4% ⁵	10.3% ⁵	11.4%
Expense-to-revenue ratio ^{6, 7}	63.2%	63.1%	60.2%

1. Return on assets:

Profit (Losses) Attributable to Owners of Parent	BOP: beginning of period
(Total assets at the BOP + Total assets at the EOP)/2	EOP: end of period

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

2. Return on equity:

Profit (Losses) Attributable to Owners of Parent
(Total equity eligible for common shareholders at the BOP + Total equity eligible for common shareholders at the EOP)/2

3. Return on equity (fully diluted):

Profit (Losses) Attributable to Owners of Parent
((Total equity at the BOP - Share warrants at the BOP - Noncontrolling interests at the BOP) + (Total equity at the EOP - Share warrants at the EOP - Noncontrolling 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.

Capital Adequacy Ratios (Consolidated)

<Basel 3, Domestic Standard¹>

	(Billions of yen, except percentages)		
	Sep 30 2015	Mar 31 2015	Change (Amount)
Core capital: instruments and reserves	858.0	882.3	(24.3)
Core capital: regulatory adjustments	(36.6)	(40.4)	3.8
Capital	821.4	841.9	(20.4)
Total amount of Risk-weighted assets	5,756.4	5,661.9	94.5
Capital ratio	14.26%	14.86%	

1. Calculated according to F-IRB.

Consolidated total required capital is ¥492.6 billion as at September 30, 2015, ¥490.6 billion as at March 31, 2015.

Per Share Data (Consolidated)

	1H FY2015 (6 months)	1HFY2014 (6 months)	Change (Amount)	FY2014 (12 months)
Common equity	287.49	257.94	29.54	275.45
Fully diluted equity	287.49	257.94	29.54	275.45
Basic net income	14.11	10.90	3.21	25.57
Diluted net income	14.11	10.90	3.21	25.57
Cash basis:				
Basic net income	15.45	12.41	3.03	28.42
Diluted net income	15.45	12.41	3.03	28.42
For calculation of per share data (Does not include treasury shares) :				
Equity:				
Number of common shares (Consolidated) ¹	2,653,918,082	2,653,918,439		2,653,918,339
Fully diluted number of shares (Consolidated) ²	2,653,924,928	2,653,918,439		2,653,918,339
Net income:				
Number of common shares (Consolidated) ²	2,653,918,242	2,653,919,005		2,653,918,675
Fully diluted number of shares (Consolidated) ²	2,653,925,088	2,653,919,005		2,653,918,675

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

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

Interim Consolidated Balance Sheets

(Millions of yen)

	Sep 30 2015	Mar 31 2015	Change (Amount)
<<Assets>>			
Cash and due from banks	1,129,819	881,776	248,043
Call loans and bills bought	15,000	30,000	(15,000)
Receivables under resale agreements	34,853	53,216	(18,362)
Receivables under securities borrowing transactions	31,070	8,750	22,319
Other monetary claims purchased	90,141	93,412	(3,270)
Trading assets	330,311	317,399	12,912
Monetary assets held in trust	264,771	233,918	30,853
Securities	1,283,612	1,477,352	(193,739)
Loans and bills discounted	4,463,209	4,461,281	1,928
Foreign exchanges	17,593	18,537	(943)
Lease receivables and leased investment assets	218,027	227,047	(9,020)
Other assets	802,136	788,647	13,489
Premises and equipment	49,096	46,285	2,811
Intangible assets	46,348	49,655	(3,306)
Goodwill	20,483	23,197	(2,714)
Assets for retirement benefits	3,692	3,625	67
Deferred issuance expenses for debentures	6	12	(5)
Deferred tax assets	16,152	15,373	778
Customers' liabilities for acceptances and guarantees	302,615	291,795	10,820
Reserve for credit losses	(99,212)	(108,232)	9,020
Total assets	8,999,248	8,889,853	109,394
<<Liabilities>>			
Deposits	5,352,607	5,367,167	(14,560)
Negotiable certificates of deposit	136,796	85,565	51,230
Debentures	25,434	32,300	(6,865)
Call money and bills sold	280,000	230,000	50,000
Payables under repurchase agreements	53,382	29,152	24,229
Payables under securities lending transactions	191,672	103,369	88,302
Trading liabilities	270,174	267,976	2,197
Borrowed money	777,807	805,217	(27,409)
Foreign exchanges	67	27	40
Short-term corporate bonds	100,800	96,000	4,800
Corporate bonds	131,192	157,505	(26,312)
Other liabilities	438,271	481,359	(43,088)
Accrued employees' bonuses	5,089	8,774	(3,685)
Accrued directors' bonuses	33	88	(55)
Liabilities for retirement benefits	7,528	8,749	(1,220)
Reserve for directors' retirement benefits	-	95	(95)
Reserve for losses on interest repayments	149,635	170,250	(20,615)
Deferred tax liabilities	795	694	100
Acceptances and guarantees	302,615	291,795	10,820
Total liabilities	8,223,905	8,136,091	87,814
<<Equity>>			
Shareholders' equity:			
Common stock	512,204	512,204	-
Capital surplus	79,461	79,461	(0)
Retained earnings	244,231	209,419	34,812
Treasury stock, at cost	(72,559)	(72,558)	(0)
Total shareholders' equity	763,339	728,526	34,812
Accumulated other comprehensive income:			
Unrealized gain (loss) on available-for-sale securities	7,970	10,830	(2,860)
Deferred gain (loss) on derivatives under hedge accounting	(10,502)	(11,501)	998
Foreign currency translation adjustments	2,404	3,682	(1,278)
Defined retirement benefit plans	(229)	(515)	286
Total accumulated other comprehensive income	(356)	2,496	(2,853)
Stock acquisition rights	512	1,211	(698)
Noncontrolling interests	11,848	21,528	(9,680)
Total equity	775,342	753,762	21,579
Total liabilities and equity	8,999,248	8,889,853	109,394

Interim Consolidated Statements of Income

	(Millions of yen)			
	1H FY2015 (6 months)	1H FY2014 (6 months)	Change (Amount)	FY2014 (12 months)
Ordinary income	190,220	189,982	237	397,394
Interest income	70,459	72,053	(1,594)	148,626
Interest on loans and bills discounted	62,356	62,710	(353)	125,085
Interest and dividends on securities	6,897	7,836	(939)	20,713
Other interest income	1,205	1,506	(301)	2,827
Fees and commissions income	23,876	21,692	2,183	45,869
Trading income	5,221	5,721	(500)	11,716
Other business income	73,295	75,776	(2,480)	154,695
Other ordinary income	17,366	14,737	2,628	36,485
Ordinary expenses	151,835	157,580	(5,744)	324,311
Interest expenses	9,437	11,462	(2,025)	22,164
Interest on deposits	3,868	5,649	(1,780)	10,749
Interest on borrowings	2,421	2,357	64	4,730
Interest on corporate bonds	2,212	2,666	(454)	5,175
Other interest expenses	935	789	145	1,508
Fees and commissions expenses	10,735	10,807	(71)	21,171
Trading losses	95	238	(143)	189
Other business expenses	52,396	48,069	4,327	99,715
General and administrative expenses	74,025	75,763	(1,738)	152,895
Amortization of goodwill	2,714	3,045	(330)	5,780
Amortization of intangible assets acquired in business combinations	1,192	1,530	(337)	2,832
Other general and administrative expenses	70,119	71,188	(1,069)	144,282
Other ordinary expenses	5,145	11,237	(6,092)	28,175
Provision of reserve for credit losses	3,217	7,040	(3,822)	15,060
Other	1,927	4,197	(2,269)	13,114
Ordinary profit	38,384	32,401	5,982	73,082
Extraordinary gains	1,159	421	737	1,357
Extraordinary losses	713	541	172	1,679
Income before income taxes	38,829	32,281	6,548	72,760
Income taxes (benefit):				
Income taxes (benefit) - current	1,266	1,283	(16)	2,450
Income taxes (benefit) - deferred	(247)	893	(1,141)	908
Total Income taxes (benefit)	1,018	2,177	(1,158)	3,358
Profit	37,810	30,104	7,706	69,402
Profit attributable to noncontrolling interests	344	1,169	(824)	1,528
Profit attributable to owners of parent	37,466	28,935	8,531	67,873

Interim Consolidated Statements of Comprehensive Income

(Millions of yen)

	1H FY2015 (6 months)	1H FY2014 (6 months)	Change (Amount)	FY2014 (12 months)
Profit	37,810	30,104	7,706	69,402
Other comprehensive income				
Unrealized gain (loss) on available-for-sale securities	(2,880)	1,931	(4,811)	4,559
Deferred gain (loss) on derivatives under hedge accounting	998	(1,070)	2,069	(2,731)
Foreign currency translation adjustments	(5)	862	(868)	1,556
Defined retirement benefit plans	285	1,221	(935)	5,329
Share of other comprehensive income in affiliates	(1,287)	532	(1,820)	3,251
Other comprehensive income	(2,888)	3,478	(6,366)	11,966
Comprehensive income	34,922	33,582	1,340	81,368
(Breakdown)				
Attributable to:				
Owners of parent	34,613	31,968	2,644	78,426
Noncontrolling interests	309	1,613	(1,304)	2,941

Interim Consolidated Statement of Changes in Equity

For the first half ended September 30, 2015

(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	209,419	(72,558)	728,526
Changes during the period					
Dividends			(2,653)		(2,653)
Profit attributable to owners of parent			37,466		37,466
Purchase of treasury stock				(0)	(0)
Change in ownership interest of parent related to transactions with noncontrolling interests		(0)			(0)
Decrease by inclusion of consolidated subsidiaries			(0)		(0)
Net changes during the period excluding shareholders' equity					
Total changes during the period	-	(0)	34,812	(0)	34,812
Balance at end of the period	512,204	79,461	244,231	(72,559)	763,339

	Accumulated other comprehensive income					Stock acquisition rights	Noncontrolling interests	Total equity
	Unrealized gain (loss) on available-for-sale securities	Deferred gain (loss) on derivatives under hedge accounting	Foreign currency translation adjustments	Defined retirement benefit plans	Total accumulated other comprehensive income			
Balance at beginning of the year	10,830	(11,501)	3,682	(515)	2,496	1,211	21,528	753,762
Changes during the period								
Dividends								(2,653)
Profit attributable to owners of parent								37,466
Purchase of treasury stock								(0)
Change in ownership interest of parent related to transactions with noncontrolling interests								(0)
Decrease by inclusion of consolidated subsidiaries								(0)
Net changes during the period excluding shareholders' equity	(2,860)	998	(1,278)	286	(2,853)	(698)	(9,680)	(13,232)
Total changes during the period	(2,860)	998	(1,278)	286	(2,853)	(698)	(9,680)	21,579
Balance at end of the period	7,970	(10,502)	2,404	(229)	(356)	512	11,848	775,342

Consolidated Composition of Capital Disclosure

<Basel 3, Domestic Standard¹>

Millions of yen (except percentages)

	Sep 30 2015	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	763,339	
of which: capital and capital surplus	591,666	
of which: retained earnings	244,231	
of which: treasury stock (-)	(72,559)	
of which: earning to be distributed (-)	-	
of which: other than above	-	
Accumulated other comprehensive income (amount allowed to be included in Core capital)	2,369	(138)
of which: foreign currency translation adjustment	2,404	
of which: amount related defined benefit	(34)	(138)
Stock acquisition right to common shares and preferred shares with a compulsory conversion clause	512	
Adjusted noncontrolling interests (amount allowed to be included in Core capital)	12	
Total of reserves included in Core capital: instruments and reserves	4,454	
of which: general reserve for loan losses included in Core capital	910	
of which: eligible provision included in Core capital	3,543	
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)	83,319	
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)	-	
Noncontrolling interests subject to transitional arrangements (amount allowed to be included in Core capital: instruments and reserves)	4,028	
Core capital: instruments and reserves	858,036	
Core capital: regulatory adjustments		
Total amount of intangible assets (excluding those relating to mortgage servicing rights)	26,708	11,089
of which: goodwill (including those equivalent)	20,483	-
of which: other intangibles other than goodwill and mortgage servicing rights	6,224	11,089
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	1,139	4,558
Shortfall of eligible provisions to expected losses	-	-
Gain on sale of securitization	8,265	-
Gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Net defined benefit asset	494	1,977
Investments in own shares (excluding those reported in the net assets section)	1	5
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	36,608	
Capital (consolidated)	821,427	
Risk-weighted assets		
Total amount of credit risk-weighted assets	5,152,609	
of which: total amount included in risk-weighted assets by transitional arrangements	3,434	
of which: intangible assets (excluding those relating to goodwill and mortgage servicing rights)	11,089	
of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	4,558	
of which: net defined benefit asset	1,977	
of which: significant investments in the common stock of Other Financial Institutions (net of eligible short positions)	(14,201)	
of which: other than above	10	
Market risk (derived by multiplying the capital requirement by 12.5)	244,751	
Operational risk (derived by multiplying the capital requirement by 12.5)	359,105	
Credit risk adjustments	-	
Operational risk adjustments	-	
Total amount of Risk-weighted assets	5,756,466	
Capital ratio (consolidated)	14.26%	

1. Calculated according to F-IRB.

Results of Operations (Nonconsolidated)

(Billions of yen)

	1H FY2015 (6 months)	1H FY2014 (6 months)	Change (Amount)	FY2014 (12 months)
Net interest income	44.7	43.7	1.0	91.8
Noninterest income	10.2	12.9	(2.7)	25.7
Net fees and commissions ¹	1.7	6.9	(5.2)	10.1
Net trading income	2.7	2.0	0.7	4.5
Net other business income	5.7	3.9	1.7	11.0
Total revenue¹	54.9	56.6	(1.7)	117.5
Personnel expenses	(13.5)	(11.7)	(1.7)	(24.4)
Nonpersonnel expenses	(21.1)	(23.1)	2.0	(46.2)
Taxes	(2.5)	(2.2)	(0.3)	(4.5)
General and administrative expenses	(37.2)	(37.1)	(0.0)	(75.2)
Net business profit¹	17.7	19.5	(1.7)	42.3
Other gains (losses)				
Gains (losses) on the sales of equities	0.1	0.4	(0.2)	4.1
Net provision of reserve for credit losses ²	10.5	2.2	8.3	5.6
Losses on write-off of loans	(0.0)	(1.3)	1.2	(3.6)
Recoveries of written-off claims	2.9	1.0	1.8	2.1
Expenses for employees' retirement benefits	(0.4)	(1.1)	0.7	(2.0)
Others	0.6	0.4	0.1	(0.6)
Net ordinary income	31.5	21.2	10.3	47.8
Special gains (losses)				
Gains (losses) from sales of fixed assets and impairment losses	(0.3)	(0.5)	0.1	(1.2)
Other special gains (losses)	(5.3)	(0.5)	(4.7)	(0.1)
Income before income taxes	25.8	20.1	5.7	46.3
Income taxes - Current	0.1	0.0	0.0	0.4
Income taxes - Deferred	(0.7)	(0.8)	0.0	(1.0)
Net income	25.2	19.3	5.8	45.7

1. Includes income from monetary assets held in trust of ¥3.1 billion in 1HFY2015, ¥7.2 billion in 1HFY2014 and ¥9.0 billion in FY2014.

2. Reversals of reserve for loan losses was ¥10.5 billion in 1HFY2015, ¥2.2 billion in 1HFY2014 and ¥5.6 billion in FY2014.

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 that 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 preceding 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 ¥54.9 billion in the first half of fiscal year 2015, decreased ¥1.7 billion compared to the first half of fiscal year 2014. Of this, net interest income was ¥44.7 billion in the first half of fiscal year 2015, increased ¥1.0 billion from the first half of fiscal year 2014. This net interest income growth is the result of the growth of net interest income from the consumer finance business as well as a reduction in funding costs reflecting the maturation of high interest rate time deposits in the previous fiscal year more than offsetting a decrease in dividend income received from subsidiaries from ¥4.8 billion in the first half of fiscal year 2014 (¥2.9 billion from Shinsei Financial, ¥1.0 billion from Shinsei Trust and Banking, ¥0.8 billion from Showa Leasing) to ¥4.3 billion in the first half of fiscal year 2015 (¥2.9 billion from Shinsei Financial, ¥0.8 billion from Showa Leasing and others). On the other hand, noninterest income was ¥10.2 billion, down ¥2.7 billion compared to the first half of fiscal year 2014. This was due to the absence of major revenues in the Institutional Group which were recorded in the first half of fiscal year 2014, despite the recording of strong revenues in the retail banking business.

General and administrative expenses of ¥37.2 billion were recorded in the first half of fiscal year 2015, slightly increased from ¥37.1 billion recorded in the first half of fiscal year 2014. This was due to the investment of resources necessary in order to stabilize and expand the business base of the Bank.

As a result of the preceding, Shinsei Bank recorded a nonconsolidated net business profit of ¥17.7 billion for the first half of fiscal year 2015, decreased ¥1.7 billion from the first half of fiscal year 2014. At the same time, it should be noted that in the first half of fiscal year 2015, due to factors such as net credit costs improving significantly by ¥11.4 billion compared to the first half of fiscal year 2014, net income for the first half of fiscal year 2015 was ¥25.2 billion, increased ¥5.8 billion from the first half of fiscal year 2014.

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

(Billions of yen, except percentages)

	1H FY2015 (6 months)			1H FY2014 (6 months)			FY2014 (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	4,183.6	39.6	1.89	4,056.5	37.6	1.85	4,088.0	75.8	1.85
Securities	1,865.6	11.7	1.26	2,085.5	15.1	1.44	1,982.3	33.0	1.66
Other interest-earning assets ^{2, 3}	320.0	1.3	***	382.7	1.7	***	374.5	3.2	***
Total interest-earning assets	6,369.2	52.8	1.65	6,524.8	54.5	1.66	6,444.9	112.1	1.73
Interest-bearing liabilities:									
Deposits, including negotiable certificates of deposit	5,589.3	3.9	0.14	5,832.5	5.7	0.19	5,744.3	10.8	0.18
Borrowed money	428.8	1.0	0.50	387.4	1.1	0.60	410.3	2.2	0.55
Subordinated debt	58.4	0.8	2.83	64.8	0.8	2.72	61.7	1.7	2.78
Other borrowed money	370.4	0.2	0.14	322.6	0.2	0.17	348.5	0.5	0.16
Corporate bonds	142.0	2.5	3.63	206.4	3.8	3.68	194.8	6.8	3.49
Subordinated bonds	130.7	2.5	3.91	199.4	3.8	3.80	185.8	6.7	3.64
Other corporate bonds	11.3	0.0	0.33	7.0	0.0	0.25	8.9	0.0	0.28
Other interest-bearing liabilities ²	584.7	0.6	***	789.1	0.5	***	681.8	0.9	***
Total interest-bearing liabilities	6,745.0	8.2	0.24	7,215.5	11.2	0.30	7,031.3	20.9	0.29
Net interest income/yield on interest-earning assets	6,369.2	44.5	1.39	6,524.8	43.3	1.32	6,444.9	91.1	1.41

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.

Interest spread (All, Domestic) (Nonconsolidated)

(All) (Percentages)

	1H FY2015 (6 months)	1H FY2014 (6 months)	Change	FY2014 (12 months)
Yield on interest earning assets (A)	1.65	1.66	(0.01)	1.73
Total cost of funding (B)	1.35	1.33	0.02	1.36
Cost of interest bearing liabilities (C)	0.24	0.30	(0.06)	0.29
Overall interest spread (A) – (B)	0.30	0.33	(0.03)	0.37
Net interest margin (A) – (C)	1.41	1.36	0.05	1.44

Total cost of funding includes expenses as a part of funding costs

(Domestic) ⁽¹⁾ (Percentages)

	1H FY2015 (6 months)	1H FY2014 (6 months)	Change	FY2014 (12 months)
Yield on interest earning assets (A)	1.56	1.63	(0.07)	1.71
Interest earned on loans and bills discounted	1.91	1.84	0.07	1.85
Interest earned on securities	1.06	1.34	(0.28)	1.63
Total cost of funding (B) ⁽²⁾	1.33	1.29	0.04	1.33
Cost of interest bearing liabilities (C)	0.17	0.22	(0.05)	0.22
Interest paid on deposits ⁽³⁾	0.11	0.17	(0.06)	0.15
Overall interest spread (A) – (B)	0.23	0.34	(0.11)	0.38
Net interest margin (A) – (C)	1.39	1.41	(0.02)	1.49

(1) Domestic includes transactions denominated in Japanese yen for residents in Japan (excluding the special international financial transaction accounts).

(2) Total cost of funding includes expenses as a part of funding costs

(3) Deposits include Negotiable certificates of deposits (NCDs)

Gains (Losses) on Securities (Nonconsolidated)

(All) (Billions of yen)

	1H FY2015 (6 months)	1H FY2014 (6 months)	Change (Amount)	FY2014 (12 months)
Gains (losses) on bonds	1.8	1.4	0.4	2.6
Gains on sales	2.3	2.1	0.2	5.2
Gains on redemption	-	0.0	(0.0)	0.0
Losses on sales	(0.5)	(0.0)	(0.4)	(0.5)
Losses on redemption	-	-	-	-
Losses on devaluation	-	(0.6)	0.6	(2.0)
Gains (losses) on stocks	0.1	0.4	(0.2)	4.1
Gains on sales	0.7	0.7	0.0	4.5
Losses on sales	(0.3)	(0.0)	(0.3)	(0.0)
Losses on devaluation	(0.2)	(0.3)	0.0	(0.4)

Net Credit Costs (Nonconsolidated) ¹*(Billions of yen)*

	1H FY2015 (6 months)	1H FY2014 (6 months)	Change (Amount)	FY2014 (12 months)
Losses on write-off of loans	(0.0)	(1.3)	1.2	(3.6)
Net provision of reserve for loan losses	10.5	2.2	8.3	5.6
Net provision of general reserve for loan losses	(1.8)	0.5	(2.4)	(0.7)
Net provision of specific reserve for loan losses	12.4	1.6	10.7	6.3
Recoveries of written-off claims	2.9	1.0	1.8	2.1
Net credit costs	13.4	1.9	11.4	4.1

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

Loans by Borrower Industry (Nonconsolidated)

(Billions of yen)

	Sep 30 2015	March 31 2015	Change (Amount)
Domestic (excluding Japan offshore market accounts):			
Manufacturing	195.6	194.5	1.1
Agriculture and forestry	0.0	0.1	(0.0)
Fishery	0.0	0.0	0.0
Mining, quarrying and gravel extraction	0.2	0.1	0.1
Construction	7.4	8.2	(0.7)
Electric power, gas, heat supply and water supply	204.4	203.9	0.5
Information and communications	37.0	38.6	(1.5)
Transportation and postal service	160.2	173.2	(12.9)
Wholesale and retail	100.1	97.7	2.4
Finance and insurance	681.6	734.8	(53.1)
Real estate	564.5	537.0	27.4
Services	348.0	395.7	(47.6)
Local government	80.7	94.2	(13.4)
Individuals	1,438.6	1,403.5	35.1
Overseas yen loans and overseas loans booked domestically	314.3	261.4	52.9
Total domestic	4,133.3	4,143.3	(9.9)
Overseas (including Japan offshore market accounts):			
Governments	0.9	1.1	(0.1)
Financial institutions	9.4	-	9.4
Commerce and industry	77.7	78.4	(0.6)
Others	-	-	-
Total overseas	88.1	79.5	8.6
Total	4,221.5	4,222.9	(1.3)

Risk-Monitored Loans (Nonconsolidated)

	<i>(Billions of yen)</i>		
	Sep 30 2015	March 31 2015	Change (Amount)
Loans to bankrupt obligors	0.7	0.7	(0.0)
Nonaccrual delinquent loans	32.4	55.6	(23.2)
Loans past due for three months or more	1.3	1.1	0.1
Restructured loans	2.0	3.3	(1.3)
Total (A)	36.4	60.8	(24.4)
Loans and bills discounted (B)	4,221.5	4,222.9	(1.3)
Ratio to total loans and bills discounted (A/B) (%)	0.86%	1.44%	/
Reserve for credit losses (C)	36.0	47.7	(11.6)
Reserve ratio (C/A) (%)	98.8%	78.4%	/

Risk Monitored Loans by Borrower Industry (Nonconsolidated)

	<i>(Billions of yen)</i>		
	Sep 30 2015	March 31 2015	Change (Amount)
Domestic (excluding Japan offshore market accounts):			
Manufacturing	0.8	0.9	(0.0)
Agriculture and forestry	-	-	-
Fishery	-	-	-
Mining, quarrying and gravel extraction	-	-	-
Construction	-	-	-
Electric power, gas, heat supply and water supply	-	-	-
Information and communications	0.5	0.5	-
Transportation and postal service	1.1	-	1.1
Wholesale and retail	0.5	1.0	(0.5)
Finance and insurance	-	-	-
Real estate	26.2	26.3	(0.0)
Services	0.9	25.2	(24.3)
Local government	-	-	-
Individuals	3.1	3.4	(0.3)
Overseas yen loans and overseas loans booked domestically	2.9	3.1	(0.2)
Total domestic	36.4	60.8	(24.4)
Overseas (including Japan offshore market accounts):			
Governments	-	-	-
Financial institutions	-	-	-
Commerce and industry	-	-	-
Others	-	-	-
Total overseas	-	-	-
Total	36.4	60.8	(24.4)

Claims Classified under the Financial Revitalization Law (Nonconsolidated)

(Billions of yen)

	Sep 30 2015	March 31 2015	Change (Amount)
Claims against bankrupt and quasi-bankrupt obligors	5.2	4.3	0.9
Doubtful claims	27.9	52.1	(24.1)
Substandard claims	3.4	4.5	(1.1)
Total (A)	36.5	60.9	(24.4)
Coverage ratio	96.9%	96.9%	
Total claims (B)	4,368.5	4,299.8	68.6
Loans and bills discounted	4,221.5	4,222.9	(1.3)
Others	146.9	76.9	70.0
Ratio to total claims (A/B X 100) (%) ¹	0.83%	1.42%	
(Ref. 1) Amount of write-off	45.4	54.8	(9.4)
(Ref. 2) Below need caution level	119.5	135.5	(15.9)

1. Truncating the numbers beyond the third decimal point from June 30, 2015.

Coverage Ratios for Non-Performing Claims Disclosed under the Financial Revitalization Law (Nonconsolidated)

(Billions of yen, except percentages)

	Sep 30, 2015					March 31, 2015				
	Amounts of coverage					Amounts of coverage				
	Amounts of claims (a)	Total (b)	Reserve for loan losses	Collateral and guarantees	Coverage ratio (b)/(a)	Amounts of claims (a)	Total (b)	Reserve for loan losses	Collateral and guarantees	Coverage ratio (b)/(a)
Claims against bankrupt and quasi-bankrupt	5.2	5.2	-	5.2	100.0%	4.3	4.3	-	4.3	100.0%
Doubtful claims	27.9	27.6	10.7	16.8	98.7%	52.1	51.4	23.7	27.7	98.6%
Substandard claims	3.4	2.6	0.8	1.8	77.0%	4.5	3.4	1.2	2.2	74.6%
Total	36.5	35.4	11.5	23.9	96.9%	60.9	59.0	24.9	34.2	96.9%

Reserve for Credit Losses (Nonconsolidated)

(Billions of yen)

	Sep 30 2015	March 31 2015	Change (Amount)
Reserve for credit losses	32.1	43.8	(11.6)
General reserve for loan losses	20.6	19.3	1.2
Specific reserve for loan losses	11.5	24.4	(12.9)
Reserve for loans to restructuring countries	0.0	0.0	-
Specific reserve for other credit losses	3.9	3.9	-
Total reserve for credit losses	36.0	47.7	(11.6)

Reserve Ratios for Borrowers' Category (Nonconsolidated)

		<i>(Percentage)</i>		
		Sep 30 2015	March 31 2015	Change (Amount)
Legally and virtually bankrupt	(unsecured portion)	100.0	100.0	-
Possibly bankrupt	(unsecured portion)	97.5	97.4	0.1
Substandard	(unsecured portion)	58.2	54.4	3.8
Need caution	(total claims)	3.6	4.0	(0.4)
	(unsecured portion)	7.7	8.9	(1.2)
Normal	(total claims)	0.4	0.4	0.0

Housing Loans (Nonconsolidated)

	<i>(Billions of yen)</i>		
	Sep 30 2015	March 31 2015	Change (Amount)
Housing loans	1,241.8	1,225.8	16.0

Securities Being Held to Maturity (Nonconsolidated)

	Sep 30, 2015			March 31, 2015		
	Carrying amount	Fair value	Unrealized gain (loss)	Carrying amount	Fair value	Unrealized gain (loss)
Fair value exceeds carrying amount						
Japanese national government bonds	596.9	600.5	3.5	508.5	511.0	2.4
Other	28.5	29.9	1.3	39.0	41.6	2.6
Subtotal	625.5	630.5	4.9	547.5	552.6	5.0
Fair value does not exceed carrying amount						
Japanese national government bonds	-	-	-	96.9	96.8	(0.0)
Other	-	-	-	-	-	-
Subtotal	-	-	-	96.9	96.8	(0.0)
Total	625.5	630.5	4.9	644.5	649.5	5.0

Securities Available for Sale (Nonconsolidated)

(Billions of yen)

	Sep 30, 2015			March 31, 2015		
	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	15.2	8.9	6.3	17.5	9.1	8.4
Domestic bonds	57.9	57.4	0.5	127.8	127.2	0.6
Japanese national government bonds	30.8	30.8	0.0	100.4	100.3	0.0
Japanese local government bonds	0.5	0.5	0.0	0.5	0.5	0.0
Japanese corporate bonds	26.6	26.1	0.5	26.9	26.3	0.5
Other	166.1	162.0	4.1	145.5	140.1	5.3
Foreign securities	155.7	152.5	3.2	138.2	133.8	4.4
Foreign currency denominated foreign corporate and government bonds	84.4	81.9	2.4	80.6	77.3	3.3
Yen-denominated foreign corporate and government bonds	71.3	70.5	0.7	57.5	56.4	1.1
Foreign equity securities and others	0.0	0.0	0.0	-	-	-
Other securities	9.8	8.9	0.9	6.4	5.5	0.9
Other monetary claims purchased	0.5	0.5	0.0	0.7	0.7	0.0
Subtotal	239.4	228.4	11.0	290.9	276.4	14.4
Carrying amount does not exceed amortized/acquisition cost						
Equity securities	0.6	0.9	(0.3)	0.5	0.7	(0.1)
Domestic bonds	228.7	229.4	(0.7)	341.8	343.6	(1.8)
Japanese national government bonds	191.6	191.7	(0.0)	284.8	285.6	(0.7)
Japanese local government bonds	-	-	-	-	-	-
Japanese corporate bonds	37.0	37.7	(0.6)	56.9	58.0	(1.0)
Other	97.5	99.7	(2.1)	82.6	82.7	(0.1)
Foreign securities	73.3	74.2	(0.8)	75.4	75.5	(0.0)
Foreign currency denominated foreign corporate and government bonds	49.9	50.3	(0.4)	36.2	36.2	(0.0)
Yen-denominated foreign corporate and government bonds	20.1	20.2	(0.1)	39.2	39.2	(0.0)
Foreign equity securities and others	3.3	3.5	(0.2)	0.0	0.0	-
Other securities	7.6	8.6	(0.9)	2.2	2.3	(0.0)
Other monetary claims purchased	16.5	16.8	(0.2)	4.8	4.9	(0.0)
Subtotal	326.9	330.2	(3.2)	425.0	427.2	(2.1)
Total^{1,2}	566.4	558.6	7.7	715.9	703.7	12.2

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)

	Sep 30, 2015	March 31, 2015
Unrealized gain (loss) before deferred tax on:		
Available-for-sale securities	7.7	12.2
Interests in available-for-sale securities held by partnerships recorded as securities whose fair value cannot be reliably determined	2.1	1.1
Securities being held to maturity, reclassified from available-for-sale in the past, under extremely illiquid market conditions	(1.1)	(2.1)
Other monetary assets held in trust	(0.9)	(1.2)
(-) Deferred tax liabilities	1.2	1.5
Unrealized gain (loss) on available-for-sale securities	6.4	8.5

Hedge-Accounting Derivative Transactions (Nonconsolidated)

(Billions of yen)

Notional Principal Amount	Sep 30, 2015			
	1 year or less	Over 1 year to 5 years	Over 5 years	Total
Interest rate swaps:				
Receive fixed and pay floating	32.4	436.4	27.0	495.8
Receive floating and pay fixed	13.5	117.1	110.9	241.5
Receive floating and pay floating	-	-	-	-
Total notional principal amount	45.9	553.5	137.9	737.4
Currency swaps				
Total notional principal amount	12.0	29.9	23.7	65.7

Project Benefit Obligation (Nonconsolidated)

(Billions of yen)

		Sep 30, 2015
Projected benefit obligation	(A)	63.6
Discount rate		1.2%
Fair value of plan assets	(B)	63.6
Prepaid pension cost	(C)	0.2
Unrecognized prior service cost	(D)	(0.5)
Unrecognized net actuarial losses	(E)	0.9
Other (Unrecognized obligation at transition, etc.)	(F)	-
Reserve for retirement benefits	(A-B-C-D-E-F)	-

(Billions of yen)

Pension Expenses (Nonconsolidated)	1H FY2015 (6 months)
Service cost	1.3
Interest	0.3
Expected return on plan assets	(0.6)
Amortization of prior service cost	(0.1)
Amortization of net actuarial losses	0.4
Amortization of unrecognized obligation at transition	-
Other (extraordinary severance benefit expense, etc.)	0.0
Net periodic retirement benefit cost	1.3

Capital Adequacy Ratios (Nonconsolidated)

<Basel 3, Domestic Standard¹>

(Billions of yen, except percentages)

	Sep 30 2015	March 31 2015	Change (Amount)
Core capital: instruments and reserves	851.0	889.5	(38.5)
Core capital: regulatory adjustments	(12.1)	(11.1)	(1.0)
Capital	838.8	878.4	(39.5)
Total amount of Risk-weighted assets	5,315.5	5,360.3	(44.8)
Capital ratio	15.78%	16.38%	

1. Calculated according to F-IRB.

Nonconsolidated total required capital is ¥437.1 billion as at September 30, 2015 and ¥438.3 billion as at March 31, 2015.

Nonconsolidated Balance Sheets

(Millions of yen)

	Sep 30 2015	March 31 2015	Change (Amount)
<<Assets>>			
Cash and due from banks	1,053,029	808,296	244,733
Call loans	15,000	30,000	(15,000)
Receivables under resale agreements	34,853	53,216	(18,362)
Receivables under securities borrowing transactions	2,420	-	2,420
Other monetary claims purchased	194,809	185,707	9,101
Trading assets	259,857	279,159	(19,302)
Monetary assets held in trust	181,606	166,285	15,321
Securities	1,655,811	1,863,774	(207,962)
Valuation allowance for investments	-	(3,370)	3,370
Loans and bills discounted	4,221,545	4,222,922	(1,377)
Foreign exchanges	17,593	18,537	(943)
Other assets	249,181	253,808	(4,626)
Other	249,181	253,808	(4,626)
Premises and equipment	17,768	18,609	(841)
Intangible assets	9,747	8,988	758
Prepaid pension cost	247	-	247
Deferred issuance expenses for debentures	6	12	(5)
Deferred tax assets	963	1,071	(107)
Customers' liabilities for acceptances and guarantees	40,850	13,381	27,468
Reserve for credit losses	(36,049)	(47,715)	11,666
Total assets	7,919,242	7,872,684	46,557
<<Liabilities>>			
Deposits	5,486,759	5,514,725	(27,966)
Negotiable certificates of deposit	136,796	85,565	51,230
Debentures	25,434	32,300	(6,865)
Call money	280,000	230,000	50,000
Payables under repurchase agreements	53,382	29,152	24,229
Payables under securities lending transactions	159,733	101,280	58,453
Trading liabilities	242,000	259,128	(17,127)
Borrowed money	407,749	444,139	(36,390)
Foreign exchanges	67	27	40
Corporate bonds	93,647	148,423	(54,775)
Other liabilities	233,654	272,383	(38,729)
Income taxes payable	641	351	289
Asset retirement obligations	7,284	7,249	35
Other	225,728	264,783	(39,054)
Accrued employees' bonuses	2,411	4,645	(2,233)
Reserve for employees' retirement benefits	-	750	(750)
Reserve for directors' retirement benefits	-	47	(47)
Acceptances and guarantees	40,850	13,381	27,468
Total liabilities	7,162,487	7,135,951	26,535
<<Equity>>			
Shareholders' equity:			
Common stock	512,204	512,204	-
Capital surplus	79,465	79,465	-
Additional paid-in capital	79,465	79,465	-
Retained earnings	247,882	225,303	22,578
Legal reserve	13,689	13,158	530
Other retained earnings	234,192	212,144	22,048
Unappropriated retained earnings	234,192	212,144	22,048
Treasury stock, at cost	(72,559)	(72,558)	(0)
Total shareholders' equity	766,993	744,415	22,578
Net unrealized gain (loss) and translation adjustments			
Unrealized gain (loss) on available-for-sale securities	6,470	8,502	(2,031)
Deferred gain (loss) on derivatives under hedge accounting	(17,222)	(17,395)	172
Total net unrealized gain (loss) and translation adjustments	(10,751)	(8,893)	(1,858)
Stock acquisition rights	512	1,211	(698)
Total equity	756,754	736,733	20,021
Total liabilities and equity	7,919,242	7,872,684	46,557

Nonconsolidated Statements of Income

(Millions of yen)

	1H FY2015 (6 months)	1H FY2014 (6 months)	Change (Amount)	FY2014 (12 months)
Ordinary income	91,751	83,482	8,268	175,751
Interest income	52,839	54,546	(1,707)	112,124
Interest on loans and bills discounted	39,684	37,696	1,988	75,873
Interest and dividends on securities	11,773	15,113	(3,340)	33,007
Other interest income	1,381	1,736	(355)	3,243
Fees and commissions income	10,613	9,088	1,524	20,959
Trading income	2,864	2,463	401	5,021
Other business income	6,658	4,939	1,719	14,662
Other ordinary income	18,775	12,444	6,330	22,984
Ordinary expenses	60,200	62,271	(2,070)	127,900
Interest expenses	8,260	11,213	(2,953)	20,933
Interest on deposits	3,875	5,660	(1,785)	10,768
Interest on corporate bonds	2,579	3,812	(1,233)	6,804
Other interest expenses	1,806	1,741	64	3,359
Fees and commissions expenses	12,056	9,310	2,745	19,908
Trading losses	119	429	(309)	491
Other business expenses	947	1,005	(57)	3,589
General and administrative expenses	37,709	38,358	(649)	78,004
Other ordinary expenses	1,107	1,953	(846)	4,972
Ordinary profit	31,550	21,211	10,339	47,851
Extraordinary gains	699	7	692	357
Extraordinary losses	6,350	1,061	5,288	1,842
Income before income taxes	25,899	20,156	5,742	46,366
Income taxes (benefit)				
Income taxes (benefit) - current	(105)	(74)	(31)	(422)
Income taxes (benefit) - deferred	772	854	(81)	1,047
Total income taxes (benefit)	667	779	(112)	625
Net income	25,232	19,377	5,855	45,740

Interim Nonconsolidated Statement of Changes in Equity

For the first half ended September 30, 2015

(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	13,158	212,144	225,303	(72,558)	744,415
Changes during the period								
Dividends				530	(3,184)	(2,653)		(2,653)
Net income					25,232	25,232		25,232
Purchase of treasury stock							(0)	(0)
Net changes during the period								
Total changes during the period	-	-	-	530	22,048	22,578	(0)	22,578
Balance at end of the period	512,204	79,465	79,465	13,689	234,192	247,882	(72,559)	766,993

	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	8,502	(17,395)	(8,893)	1,211	736,733
Changes during the period					
Dividends					(2,653)
Net income					25,232
Purchase of treasury stock					(0)
Net changes during the period	(2,031)	172	(1,858)	(698)	(2,557)
Total changes during the period	(2,031)	172	(1,858)	(698)	20,021
Balance at end of the period	6,470	(17,222)	(10,751)	512	756,754

Nonconsolidated Composition of Capital Disclosure

<Basel 3, Domestic Standard¹>

Millions of yen (except percentages)

	Sep 30 2015	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	766,993	
of which: capital and capital surplus	591,670	
of which: retained earnings	247,882	
of which: treasury stock (-)	(72,559)	
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	512	
Total of reserves included in Core capital: instruments and reserves	220	
of which: general reserve for loan losses included in Core capital	220	
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)	83,319	
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	851,047	
Core capital: regulatory adjustments		
Total amount of intangible assets (excluding those relating to mortgage servicing rights)	2,332	4,410
of which: goodwill (including those equivalent)	660	-
of which: other intangibles other than goodwill and mortgage servicing rights	1,672	4,410
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	354	1,416
Shortfall of eligible provisions to expected losses	1,161	-
Gain on sale of securitization	8,265	-
Gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Prepaid pension cost	33	132
Investments in own shares (excluding those reported in the net assets section)	1	5
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	12,147	
Capital (nonconsolidated)	838,899	
Risk-weighted assets		
Total amount of credit risk-weighted assets	4,958,426	
of which: total amount included in risk-weighted assets by transitional arrangements	(8,141)	
of which: intangible assets (excluding those relating to goodwill and mortgage servicing rights)	4,410	
of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	1,416	
of which: prepaid pension cost	132	
of which: significant investments in the common stock of Other Financial Institutions (net of eligible short positions)	(14,112)	
of which: other than above	10	
Market risk (derived by multiplying the capital requirement by 12.5)	172,448	
Operational risk (derived by multiplying the capital requirement by 12.5)	184,632	
Credit risk adjustments	-	
Operational risk adjustments	-	
Total amount of Risk-weighted assets	5,315,507	
Capital ratio (nonconsolidated)	15.78%	

1. Calculated according to F-IRB.

Earnings Forecasts¹

(Billions of yen)

(Consolidated)	FY2015 Forecast	FY2014 Actual
Profit (Losses) attributable to owners of parent	70.0	67.8
Cash basis profit (losses) attributable to owners of parent *	76.0	75.4

(Nonconsolidated)	FY 2015 Forecast	FY2014 Actual
Net business profit	37.0	42.3
Net income	42.0	45.7
Dividends (per share in yen): Common stock	1.00	1.00

1. 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.

* Profit (Losses) attributable to owners of parent minus the amortization of goodwill and intangible assets, and the associated reversal of deferred tax liabilities.

(Reference) BOJ Club Format

[English translation of Japanese original prepared using the format required by Bank of Japan Press Club]

1. Nonperforming loan ratio (Financial Revitalization Law Standard) (%)

	Mar 31, 2013	Sep 30, 2013	Mar 31, 2014
Nonconsolidated	5.32	4.76	3.81
Consolidated	6.83	5.95	5.12
	Sep 30, 2014	Mar 31, 2015	Sep 30, 2015
Nonconsolidated	2.61	1.42	0.83
Consolidated	3.93	2.74	2.28

2. Equity holdings (Nonconsolidated)

(1) Equity held

(Billions of yen)

	Book value		Net unrealized gain (loss)
		Subsidiaries' shares	
1HFY2014	395.7	376.9	6.1
FY2014	396.9	376.9	8.2
1HFY2015	394.8	376.9	6.0

(2) Impairment

(Billions of yen)

	Equity related profits and losses (net of three accounts)	
		Impairment amount
1HFY2014	0.4	0.3
FY2014	4.1	0.4
1HFY2015	0.1	0.2

1. Other extraordinary losses for 1H FY2014 contains ¥0.5 billion in mark-down of subsidiaries' equity.
2. Other extraordinary losses for FY2014 contains ¥0.5 billion in mark-down of subsidiaries' equity.
3. Other extraordinary losses for 1HFY2015 contains ¥5.8 billion in mark-down of subsidiaries' equity.

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

Nikkei Stock Average	approximately	¥11,000
TOPIX	approximately	900

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

(Billions of yen, except percentage)

	Results	% Change	Ratio to total loan balance
Sep 30, 2014	2,683.8	(5.14)	66.20
Mar 31, 2015	2,741.5	2.15	66.17
Sep 30, 2015	2,755.0	0.49	66.65

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 + ¥17.1 billion for FY2014 compared to the plan of + ¥10.0 billion.

4. Sales performance of investment trusts and insurance (Nonconsolidated)

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 FY2014	1.9	0.8	68.8
FY2014	4.3	2.0	154.9
1H FY2015	2.5	1.3	93.6

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 FY2014	0.5	0.5	11.4
FY2014	1.0	1.0	24.3
1H FY2015	0.6	0.6	14.7

(Reference) Calculation Grounds of Deferred Tax Assets

As of September 30, 2015, Shinsei Bank has 214.0 billion yen (on a nonconsolidated basis) of tax loss carryforwards and 272.0 billion yen of the unrealized temporary differences due to factors such as losses recognized on securities.

Regarding the evaluation criteria of the recoverability of deferred tax assets, Shinsei Bank applies example category Note 4 of the Japanese Institute of Certified Public Accountants Audit Committee Report No. 66, and the 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. Future year taxable income estimate before adjustment

Taxable income for the next year before adjustment (under the consolidated tax system) is estimated to be 11.5 billion yen.

(Reference) Total taxable income before adjustment, five past years 【Non-consolidated】

(billions of yen)				
FY2011	FY2012	FY2013	FY2014	FY2015
(2.7)	19.5	20.9	42.4	21.9

2. Net deferred tax liabilities(As of September 30, 2015 【Non-consolidated】)

Deferred tax assets corresponding to "total taxable income before adjustment"	4.9 billion yen (*)
Deferred tax liabilities	3.9 billion yen
Net deferred tax assets on balance sheet	0.9 billion yen

(*)Breakdown	{	Tax loss carryforwards	70.9 billion yen
		Reserve for credit losses	26.4 billion yen
		Securities	29.1 billion yen
		Net deferred loss on hedge	6.7 billion yen
		Other	25.6 billion yen
		Sub total	158.8 billion yen
		Valuation allowance	(153.9) billion yen
Total	4.9 billion yen		