

# **Financial Summary**

**For the Third Quarter Ended December 31, 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 Highlights<sup>1</sup>

(Billions of yen, except percentages)

Selected income statement items (Consolidated)	Q3 FY2015 (9 months)	Q3 FY2014 (9 months)	Change (Amount)	FY2014 (12 months)
Net interest income	90.4	97.6	(7.1)	126.4
Noninterest income	73.8	78.0	(4.1)	108.8
Net fees and commissions	19.7	17.5	2.1	24.7
Net trading income	6.4	7.5	(1.0)	11.5
Net other business income	47.6	52.9	(5.2)	72.6
Total revenue	164.3	175.6	(11.3)	235.3
General and administrative expenses	(104.6)	(105.4)	0.7	(141.6)
Ordinary business profit	59.6	70.2	(10.5)	93.6
Net credit costs	(3.5)	(5.7)	2.2	(11.8)
Ordinary business profit after net credit costs	56.1	64.5	(8.3)	81.8
Amortization of goodwill and other intangible assets <sup>2</sup>	(5.6)	(6.4)	0.8	(8.4)
Other gains	0.4	(1.5)	1.9	(0.5)
Income before income taxes	50.9	56.5	(5.5)	72.7
Current income tax	(2.4)	(2.0)	(0.3)	(2.4)
Deferred income tax	(0.0)	(0.6)	0.6	(0.9)
Profit attributable to noncontrolling interests	(0.3)	(1.3)	1.0	(1.5)
Profit attributable to owners of the parent	48.1	52.3	(4.2)	67.8
Cash basis profit attributable to owners of the parent <sup>3</sup>	53.3	58.1	(4.7)	75.4

(Billions of yen)

Selected balance sheet items (Consolidated)	Dec 31 2015	Mar 31 2015	Change (Amount)
Cash and Due from Banks	1,569.0	881.7	687.2
Securities	1,193.4	1,477.3	(283.8)
Loans and bills discounted	4,513.5	4,461.2	52.2
Customers' liabilities for acceptances and guarantees	285.9	291.7	(5.8)
Reserve for credit losses	(98.9)	(108.2)	9.3
Total assets	9,329.6	8,889.8	439.7
Deposits and negotiable certificates of deposit	5,992.1	5,452.7	539.4
Borrowed money	738.0	805.2	(67.1)
Reserve for losses on interest repayments	140.0	170.2	(30.1)
Total liabilities	8,542.5	8,136.0	406.4
Total equity	787.0	753.7	33.3

Financial ratios (Consolidated)	Q3 FY2015 (9 months)	Q3 FY2014 (9 months)	FY2014 (12 months)
Net interest margin	2.34%	2.42%	2.38%
Return on assets	0.7%	0.8%	0.7%
Return on equity (fully diluted)	8.5%	10.1%	9.8%
Cash basis return on assets	0.8%	0.8%	0.8%
Cash basis return on equity (fully diluted)	9.8%	11.8%	11.4%
Expense-to-revenue ratio	63.7%	60.0%	60.2%

(Billions of yen, except percentages)

Capital adequacy data (Consolidated) <Basel 3, Domestic Standard>	Dec 31 2015	Mar 31 2015	Change (Amount)
Capital	818.6	841.9	(23.2)
Total amount of Risk-weighted assets	5,709.7	5,661.9	47.8
Capital ratio	14.33%	14.86%	

(yen)

Per share data (Consolidated)	Q3 FY2015 (9 months)	Q3 FY2014 (9 months)	Change (Amount)	FY2014 (12 months)
Common equity	291.89	268.40	23.49	275.45
Basic EPS	18.13	19.73	(1.59)	25.57
Cash basis basic EPS	20.11	21.91	(1.80)	28.42

(Billions of yen, except percentages)

Nonperforming loans (Nonconsolidated)	Dec 31 2015	Mar 31 2015	Change (Amount)
Claims classified under the Financial Revitalization Law	35.3	60.9	(25.6)
Ratio to total claims	0.81%	1.42%	
Reserve for credit losses	35.7	47.7	(11.9)
Coverage ratio for nonperforming claims	98.3%	96.9%	

(Billions of yen)

Selected income statement items (Nonconsolidated)	Q3 FY2015 (9 months)	Q3 FY2014 (9 months)	Change (Amount)	FY2014 (12 months)
Net interest income	64.4	69.9	(5.5)	91.8
Noninterest income	13.4	17.4	(4.0)	25.7
Net fees and commissions	1.9	6.1	(4.2)	10.1
Net trading income	3.5	2.4	1.0	4.5
Net other business income	8.0	8.8	(0.8)	11.0
Total revenue	77.9	87.4	(9.5)	117.5
General and administrative expenses	(56.3)	(56.3)	(0.0)	(75.2)
Ordinary business profit	21.5	31.1	(9.5)	42.3
Net credit costs	12.9	5.4	7.4	4.1
Net income	28.7	35.7	(7.0)	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<sup>1</sup> of ¥48.1 billion in the nine months ended December 31, 2015 (April 1, 2015 to December 31, 2015), decreased ¥4.2 billion compared to ¥52.3 billion recorded in the nine months ended December 31, 2014. In the nine months ended December 31, 2015, while the Bank has continued to strengthen its revenue base in the consumer finance business, there was an absence of significant dividend income from securities investments recorded in the nine months ended December 31, 2014, and furthermore, a loss resulting from the reassessment of a fund investment was recorded in the nine months ended December 31, 2015, resulting in the decline in net income compared to the previous fiscal year.

- Total revenue for the nine months ended December 31, 2015, was ¥164.3 billion, decreased ¥11.3 billion compared to the same period of fiscal year 2014. Of this amount, net interest income was ¥90.4 billion, decreased ¥7.1 billion compared to ¥97.6 billion recorded in the nine months ended December 31, 2014. This decrease was due primarily to the positive impacts of an increase in revenue from the growth of the consumer finance loan balance, as well as a reduction in funding costs, being exceeded by the negative impacts of the absence of significant dividend income from securities investments in the Institutional Group, which were recorded in the nine months ended December 31, 2014, as well as a reduction in revenue, primarily in the Institutional Group, as a result of spread compression. Additionally, noninterest income of ¥73.8 billion was recorded, decreased ¥4.1 billion compared to ¥78.0 billion recorded in the nine months ended December 31, 2014. In the nine months ended December 31, 2015, there was an absence of the significant revenues recorded from the principal transactions business in the nine months ended December 31, 2014, as well as the recording of a loss due to the reassessment of fund investments, resulting in the decline in noninterest income compared to the nine months ended December 31, 2014.
- Regarding general and administrative expenses, while the Bank continued to invest the management resources necessary in order to expand our business base (such as increasing headcount), due to the promotion of efficient business operations, as well as a decrease in deposit insurance costs, general and administrative expenses in the nine months ended December 31, 2015, totaled ¥104.6 billion, reduced ¥0.7 billion compared to ¥105.4 billion recorded in the nine months ended December 31, 2014.
- Regarding net credit costs, while the Bank recorded costs due to the provisioning of reserves for loan losses in the consumer finance business as a result of the growth of the loan balance, major recoveries recorded in the Institutional Group offset a portion of these costs, resulting in the recording of net credit costs of ¥3.5 billion in the nine months ended December 31, 2015. This is a ¥2.2 billion improvement compared to costs of ¥5.7 billion recorded in the nine months ended December 31, 2014.
- The balance of loans and bills discounted increased from ¥4,461.2 billion as of March 31, 2015 by ¥52.2 billion to ¥4,513.5 billion as of December 31, 2015. In the institutional business, while competition to satisfy the funding needs of customers remained fierce, the balance of real estate related loans and project finance grew steadily, resulting in a slight increase in the overall balance. Additionally, in loans to individuals, housing loans continued to steadily increase, and the consumer finance loan balance continued to grow compared to the previous fiscal year.
- A net interest margin of 2.34% was recorded in the nine months ended December 31, 2015, decreased from 2.42% recorded in the nine months ended December 31, 2014. While the rate on deposits including negotiable certificates of deposits continued to decline, the decline in interest earned on securities exceeded the reduction in costs, resulting in this reduction in net interest margin.
- The Basel III, domestic standard consolidated core capital adequacy ratio (grandfathering basis) decreased from 14.86% as of March 31, 2015, to 14.33% as of December 31, 2015. The consolidated core capital adequacy ratio declined in the nine months ended December 31, 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 an increase in market risk and new disbursements 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 12.8% as of December 31, 2015.
- The balance of nonperforming loans under the Financial Revitalization Law (nonconsolidated basis), due in part to improvements in obligor categorizations as well as the sale of assets, declined ¥25.6 billion during the nine months ended December 31, 2015, to ¥35.3 billion as of December 31, 2015. In addition, the proportion of nonperforming claims to the overall loan balance improved significantly from 1.42% as of March 31, 2015, to 0.81% as of December 31, 2015.

<sup>1</sup> In accordance with the revision of the Accounting Standard for Business Combination, as of FY2015 net income and cash basis net income are referred to as profit attributable to owners of the parent and cash basis profit attributable to owners of the parent.

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

(Billions of yen)

	Q3 FY2015 (9 months)	Q3 FY2014 (9 months)	Change (Amount)	FY2014 (12 months)
Net interest income	90.4	97.6	(7.1)	126.4
Noninterest income	73.8	78.0	(4.1)	108.8
Net fees and commissions	19.7	17.5	2.1	24.7
Net trading income	6.4	7.5	(1.0)	11.5
Net other business income	47.6	52.9	(5.2)	72.6
Income on lease transactions and installment receivables	29.2	28.6	0.6	38.0
<b>Total revenue</b>	<b>164.3</b>	<b>175.6</b>	<b>(11.3)</b>	<b>235.3</b>
<b>General and administrative expenses</b>	<b>(104.6)</b>	<b>(105.4)</b>	<b>0.7</b>	<b>(141.6)</b>
<b>Ordinary business profit</b>	<b>59.6</b>	<b>70.2</b>	<b>(10.5)</b>	<b>93.6</b>
<b>Net credit costs</b>	<b>(3.5)</b>	<b>(5.7)</b>	<b>2.2</b>	<b>(11.8)</b>
<b>Ordinary business profit after net credit costs</b>	<b>56.1</b>	<b>64.5</b>	<b>(8.3)</b>	<b>81.8</b>
<b>Amortization of goodwill and other intangible assets<sup>2</sup></b>	<b>(5.6)</b>	<b>(6.4)</b>	<b>0.8</b>	<b>(8.4)</b>
<b>Other gains</b>	<b>0.4</b>	<b>(1.5)</b>	<b>1.9</b>	<b>(0.5)</b>
<b>Income before income taxes</b>	<b>50.9</b>	<b>56.5</b>	<b>(5.5)</b>	<b>72.7</b>
<b>Current income tax</b>	<b>(2.4)</b>	<b>(2.0)</b>	<b>(0.3)</b>	<b>(2.4)</b>
<b>Deferred income tax</b>	<b>(0.0)</b>	<b>(0.6)</b>	<b>0.6</b>	<b>(0.9)</b>
<b>Profit attributable to noncontrolling interests</b>	<b>(0.3)</b>	<b>(1.3)</b>	<b>1.0</b>	<b>(1.5)</b>
<b>Profit attributable to owners of the parent</b>	<b>48.1</b>	<b>52.3</b>	<b>(4.2)</b>	<b>67.8</b>
<b>Cash basis profit attribute to owners of the parent<sup>3</sup></b>	<b>53.3</b>	<b>58.1</b>	<b>(4.7)</b>	<b>75.4</b>

1. Represents results based on management accounting basis.

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

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

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)

	Q3 FY2015 (9 months)			Q3 FY2014 (9 months)			FY2014 (12 months)		
	Average Balance	Interest	Yield/rate <sup>1</sup> (%)	Average Balance	Interest	Yield/rate <sup>1</sup> (%)	Average Balance	Interest	Yield/rate <sup>1</sup> (%)
<b>Interest-earning assets<sup>4</sup>:</b>									
Loans and bills discounted	4,428.8	93.6	2.81	4,326.6	94.1	2.89	4,326.8	125.0	2.89
Lease receivables and leased investment assets / installment receivables <sup>4</sup>	712.5	29.2	5.46	674.4	28.6	5.64	678.3	38.0	5.62
Securities	1,402.3	8.9	0.84	1,640.2	18.2	1.48	1,604.9	20.7	1.29
Other interest-earning assets <sup>2,3</sup>	293.0	1.8	***	348.7	2.1	***	357.8	2.8	***
<b>Total revenue on interest-earning assets (A)<sup>4</sup></b>	<b>6,836.7</b>	<b>133.7</b>	<b>2.60</b>	<b>6,990.0</b>	<b>143.2</b>	<b>2.72</b>	<b>6,968.0</b>	<b>186.7</b>	<b>2.68</b>
<b>Interest-bearing liabilities:</b>									
Deposits, including negotiable certificates of deposit	5,573.8	6.2	0.15	5,715.0	8.3	0.19	5,654.5	10.8	0.19
Borrowed money	779.4	3.6	0.62	702.6	3.5	0.67	722.1	4.7	0.66
Subordinated debt	58.1	1.2	2.83	62.8	1.3	2.76	61.7	1.7	2.78
Other borrowed money	721.2	2.3	0.44	639.7	2.2	0.46	660.3	3.0	0.46
Corporate bonds	143.5	2.5	2.38	185.3	4.0	2.89	181.7	5.1	2.85
Subordinated bonds	90.0	2.3	3.43	156.4	3.8	3.28	149.9	4.9	3.29
Other corporate bonds	53.4	0.2	0.59	28.8	0.1	0.81	31.7	0.2	0.76
Other interest-bearing liabilities <sup>2</sup>	648.3	1.4	***	841.6	1.0	***	787.9	1.4	***
<b>Total expense on interest-bearing liabilities (B)</b>	<b>7,145.1</b>	<b>13.9</b>	<b>0.26</b>	<b>7,444.7</b>	<b>16.9</b>	<b>0.30</b>	<b>7,346.4</b>	<b>22.1</b>	<b>0.30</b>
<b>Net interest margin (A)-(B)<sup>4</sup></b>	<b>-</b>	<b>119.7</b>	<b>2.34</b>	<b>-</b>	<b>126.2</b>	<b>2.42</b>	<b>-</b>	<b>164.5</b>	<b>2.38</b>
<b>Noninterest-bearing sources of funds:</b>									
Noninterest-bearing (assets) liabilities, net	(1,062.0)	-	-	(1,140.8)	-	-	(1,074.0)	-	-
Total equity excluding noncontrolling interests in subsidiaries <sup>5</sup>	753.7	-	-	686.2	-	-	695.5	-	-
<b>Total noninterest-bearing sources of funds (C)</b>	<b>(308.3)</b>	<b>-</b>	<b>-</b>	<b>(454.6)</b>	<b>-</b>	<b>-</b>	<b>(378.4)</b>	<b>-</b>	<b>-</b>
<b>Sum of total expense on interest-bearing liabilities and noninterest-bearing sources of funds (D)=(B)+(C)</b>	<b>6,836.7</b>	<b>13.9</b>	<b>0.27</b>	<b>6,990.0</b>	<b>16.9</b>	<b>0.32</b>	<b>6,968.0</b>	<b>22.1</b>	<b>0.32</b>
<b>Net revenue/yield on interest-earning assets (A)-(D)<sup>4</sup></b>	<b>-</b>	<b>119.7</b>	<b>2.33</b>	<b>-</b>	<b>126.2</b>	<b>2.40</b>	<b>-</b>	<b>164.5</b>	<b>2.36</b>
<b>Reconciliation of total revenue on interest-earning</b>									
Total revenue on interest-earning assets	6,836.7	133.7	2.60	6,990.0	143.2	2.72	6,968.0	186.7	2.68
Less: Income on lease transactions and installment receivables	712.5	29.2	5.46	674.4	28.6	5.64	678.3	38.0	5.62
Total interest income	6,124.2	104.4	2.26	6,315.6	114.5	2.41	6,289.6	148.6	2.36
Total interest expense	-	13.9	-	-	16.9	-	-	22.1	-
<b>Net interest income</b>	<b>-</b>	<b>90.4</b>	<b>-</b>	<b>-</b>	<b>97.6</b>	<b>-</b>	<b>-</b>	<b>126.4</b>	<b>-</b>

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

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

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

4. 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)

	Q3 FY2015 (9 months)	Q3 FY2014 (9 months)	Change (Amount)	FY2014 (12 months)
<b>Institutional Group</b>	<b>24.4</b>	30.0	(5.5)	44.3
Institutional Business	3.2	3.7	(0.5)	5.7
Structured Finance	4.9	5.0	(0.0)	5.5
Principal Transactions	1.4	7.6	(6.1)	15.9
Showa Leasing	14.7	13.6	1.0	17.1
<b>Global Markets Group</b>	<b>7.4</b>	6.6	0.7	10.2
Markets Sub-Group	5.3	4.3	0.9	7.2
Others	2.1	2.3	(0.2)	3.0
<b>Individual Group</b>	<b>37.1</b>	35.2	1.9	47.8
Retail Banking	4.6	4.5	0.0	6.5
Shinsei Financial and <i>Shinsei Bank Card Loan - Lake</i> <sup>1,2</sup>	(1.3)	(1.5)	0.2	(2.1)
SHINKI	(0.3)	(0.4)	0.0	(0.5)
APLUS FINANCIAL <sup>2</sup>	34.0	32.5	1.5	43.7
Others	0.1	0.1	0.0	0.2
<b>Corporate/Other</b>	<b>4.7</b>	6.0	(1.2)	6.4
<b>Noninterest income</b>	<b>73.8</b>	78.0	(4.1)	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 nine months ended December 31, 2015, was ¥24.4 billion, decreased ¥5.5 billion compared to ¥30.0 billion recorded in the nine months ended December 31, 2014. This reduction was due to factors such as the absence of major revenue flows from the Principal Transactions Business recorded in the nine months ended December 31, 2014, and the recording of a loss resulting from the revaluation of a fund investment.

Noninterest income in the Global Markets Group for the nine months ended December 31, 2015, was ¥7.4 billion, increased ¥0.7 billion compared to ¥6.6 billion recorded in the nine months ended December 31, 2014. This increase reflects an increase in markets related transaction revenue, primarily related to derivatives transactions.

Noninterest income in the Individual Group for the nine months ended December 31, 2015, was ¥37.1 billion, increased ¥1.9 billion compared to ¥35.2 billion recorded in the nine months ended December 31, 2014. This was due to an increase in revenues related to the sale of asset management products 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/Others for the nine months ended December 31, 2015, was ¥4.7 billion, decreased ¥1.2 billion compared to the nine months ended December 31, 2014.



## General and Administrative Expenses (Consolidated)

(Billions of yen)

	Q3 FY2015 (9 months)	Q3 FY2014 (9 months)	Change (Amount)	FY2014 (12 months)
Personnel expenses	(42.7)	(42.4)	(0.3)	(56.9)
Nonpersonnel expenses	(61.9)	(63.0)	1.1	(84.6)
Premises expenses	(14.2)	(14.3)	0.1	(19.4)
Technology and data processing expenses	(14.2)	(13.9)	(0.2)	(18.8)
Advertising expenses	(7.4)	(8.2)	0.8	(11.4)
Consumption and property taxes	(6.8)	(5.9)	(0.8)	(7.8)
Deposit insurance premium	(1.5)	(3.1)	1.6	(3.5)
Other general and administrative expenses	(17.6)	(17.3)	(0.3)	(23.5)
<b>General and administrative expenses</b>	<b>(104.6)</b>	<b>(105.4)</b>	<b>0.7</b>	<b>(141.6)</b>

## Net Credit Costs (Consolidated) <sup>1</sup>

(Billions of yen)

	Q3 FY2015 (9 months)	Q3 FY2014 (9 months)	Change (Amount)	FY2014 (12 months)
Losses on write-off of loans/Losses on sale of loans	(0.7)	(2.3)	1.6	(4.9)
Net provision of reserve for loan losses:	(9.7)	(10.0)	0.2	(15.0)
Net provision of general reserve for loan losses	(16.3)	(9.3)	(6.9)	(14.3)
Net provision of specific reserve for loan losses	6.5	(0.6)	7.2	(0.6)
Net provision of specific reserve for other credit losses	-	-	-	-
Other credit costs relating to leasing business	0.1	0.1	0.0	0.1
Recoveries of written-off claims	6.8	6.6	0.2	8.0
<b>Net credit costs</b>	<b>(3.5)</b>	<b>(5.7)</b>	<b>2.2</b>	<b>(11.8)</b>

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)

	Q3 FY2015 (9 months)	Q3 FY2014 (9 months)	Change (Amount)	FY2014 (12 months)
Shinsei Financial	(3.2)	(4.0)	0.8	(5.2)
SHINKI	0.2	0.2	-	0.3
APLUS FINANCIAL	(0.6)	(0.6)	0.0	(0.8)
Showa Leasing	(2.0)	(2.0)	0.0	(2.7)
Others	0.0	0.0	-	0.0
<b>Amortization of goodwill and other intangible assets</b>	<b>(5.6)</b>	<b>(6.4)</b>	<b>0.8</b>	<b>(8.4)</b>

## Other Gains (Consolidated)

(Billions of yen)

	Q3 FY2015 (9 months)	Q3 FY2014 (9 months)	Change (Amount)	FY2014 (12 months)
Extraordinary income	0.3	(0.7)	1.1	(0.3)
Net gain on disposal of premises and equipment	(0.0)	0.2	(0.3)	0.9
Other extraordinary income	0.4	(0.9)	1.4	(1.3)
Provisions of reserve for losses on interest repayment	-	(0.8)	0.8	(4.0)
Shinsei Financial	-	-	-	-
SHINKI	-	-	-	-
APLUS FINANCIAL	-	(0.8)	0.8	(4.0)
Other	-	-	-	-
Other	0.0	0.0	0.0	3.8
<b>Other gains</b>	<b>0.4</b>	<b>(1.5)</b>	<b>1.9</b>	<b>(0.5)</b>

## Profit Attributable to Noncontrolling Interests (Consolidated)

(Billions of yen)

	Q3 FY2015 (9 months)	Q3 FY2014 (9 months)	Change (Amount)	FY2014 (12 months)
Dividends on perpetual preferred securities (hybrid Tier I capital) issued by foreign SPCs	(0.5)	(1.4)	0.8	(1.6)
Others	0.1	0.0	0.1	0.1
<b>Profit attributable to noncontrolling interests</b>	<b>(0.3)</b>	<b>(1.3)</b>	<b>1.0</b>	<b>(1.5)</b>

## Business Line Results (Consolidated)

(Billions of yen)

	Q3 FY2015 (9 months)	Q3 FY2014 (9 months)	Change (Amount)	FY2014 (12 months)
<b>Institutional Group:</b>				
Net interest income	18.1	28.7	(10.6)	35.0
Noninterest income	24.4	30.0	(5.5)	44.3
<b>Total revenue</b>	<b>42.6</b>	<b>58.8</b>	<b>(16.2)</b>	<b>79.4</b>
<b>General and administrative expenses</b>	<b>(22.1)</b>	<b>(21.4)</b>	<b>(0.7)</b>	<b>(29.0)</b>
<b>Ordinary business profit</b>	<b>20.4</b>	<b>37.3</b>	<b>(16.9)</b>	<b>50.4</b>
<b>Net credit costs</b>	<b>13.5</b>	<b>5.5</b>	<b>8.0</b>	<b>3.9</b>
<b>Ordinary business profit after net credit costs</b>	<b>34.0</b>	<b>42.9</b>	<b>(8.9)</b>	<b>54.3</b>
<b>Global Markets Group:</b>				
Net interest income	1.4	1.8	(0.4)	2.2
Noninterest income	7.4	6.6	0.7	10.2
<b>Total revenue</b>	<b>8.8</b>	<b>8.5</b>	<b>0.3</b>	<b>12.5</b>
<b>General and administrative expenses</b>	<b>(5.6)</b>	<b>(5.3)</b>	<b>(0.3)</b>	<b>(7.1)</b>
<b>Ordinary business profit</b>	<b>3.2</b>	<b>3.2</b>	<b>(0.0)</b>	<b>5.3</b>
<b>Net credit costs</b>	<b>0.3</b>	<b>0.0</b>	<b>0.3</b>	<b>(0.0)</b>
<b>Ordinary business profit after net credit costs</b>	<b>3.5</b>	<b>3.2</b>	<b>0.3</b>	<b>5.3</b>
<b>Individual Group:</b>				
Net interest income	67.6	65.7	1.9	88.8
Noninterest income	37.1	35.2	1.9	47.8
<b>Total revenue</b>	<b>104.8</b>	<b>100.9</b>	<b>3.8</b>	<b>136.6</b>
<b>General and administrative expenses</b>	<b>(75.7)</b>	<b>(77.0)</b>	<b>1.2</b>	<b>(103.1)</b>
<b>Ordinary business profit</b>	<b>29.0</b>	<b>23.9</b>	<b>5.1</b>	<b>33.4</b>
<b>Net credit costs</b>	<b>(17.4)</b>	<b>(11.2)</b>	<b>(6.1)</b>	<b>(15.7)</b>
<b>Ordinary business profit after net credit costs</b>	<b>11.6</b>	<b>12.6</b>	<b>(1.0)</b>	<b>17.7</b>
<b>Corporate/Other<sup>1</sup>:</b>				
Net interest income	3.2	1.2	1.9	0.3
Noninterest income	4.7	6.0	(1.2)	6.4
<b>Total revenue</b>	<b>7.9</b>	<b>7.2</b>	<b>0.6</b>	<b>6.7</b>
<b>General and administrative expenses</b>	<b>(1.0)</b>	<b>(1.6)</b>	<b>0.6</b>	<b>(2.3)</b>
<b>Ordinary business profit</b>	<b>6.9</b>	<b>5.6</b>	<b>1.3</b>	<b>4.3</b>
<b>Net credit costs</b>	<b>0.0</b>	<b>(0.0)</b>	<b>0.0</b>	<b>0.0</b>
<b>Ordinary business profit after net credit costs</b>	<b>6.9</b>	<b>5.6</b>	<b>1.3</b>	<b>4.3</b>
<b>Total:</b>				
Net interest income	90.4	97.6	(7.1)	126.4
Noninterest income	73.8	78.0	(4.1)	108.8
<b>Total revenue</b>	<b>164.3</b>	<b>175.6</b>	<b>(11.3)</b>	<b>235.3</b>
<b>General and administrative expenses</b>	<b>(104.6)</b>	<b>(105.4)</b>	<b>0.7</b>	<b>(141.6)</b>
<b>Ordinary business profit</b>	<b>59.6</b>	<b>70.2</b>	<b>(10.5)</b>	<b>93.6</b>
<b>Net credit costs</b>	<b>(3.5)</b>	<b>(5.7)</b>	<b>2.2</b>	<b>(11.8)</b>
<b>Ordinary business profit after net credit costs</b>	<b>56.1</b>	<b>64.5</b>	<b>(8.3)</b>	<b>81.8</b>

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

## 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.

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

<b>Global Markets Group:</b>	Focuses primarily on financial markets business.
<b>Markets Sub-Group</b>	"Markets Sub-Group" is engaged in foreign exchange, derivatives, equity related and other capital markets transactions.
<b>Others Global Markets Group</b>	"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.

<b>Individual Group:</b>	Focuses on retail financial products and services.
<b>Retail Banking</b>	"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.
<b>Shinsei Financial</b>	"Shinsei Financial" provides consumer finance products and services and guarantee services (Shinsei Financial, Shinsei Bank Lake, SHINKI).
<b>APLUS FINANCIAL</b>	"APLUS FINANCIAL" provides installment sales credit, credit cards, guarantees, financing and settlement services.
<b>Others Individual Group</b>	The "Others Individual Group" consists of profit and loss attributable to unallocated consumer finance business and other subsidiaries.

<b>Corporate/Other:</b>	"Corporate/Other" includes company-wide accounts which are not included in our reportable segments, allocation variance of indirect expense and elimination amount of inter-segment transactions.
<b>Treasury</b>	The "Treasury Sub-Group" undertakes ALM related operations and includes gains and losses from equity and subordinated debt financing activities.

**Institutional Group<sup>1</sup> (Consolidated)**
*(Billions of yen)*

	Q3 FY2015 (9 months)	Q3 FY2014 (9 months)	Change (Amount)	FY2014 (12 months)
<b><i>Institutional Business :</i></b>				
Net interest income	7.6	9.1	(1.4)	11.6
Noninterest income	3.2	3.7	(0.5)	5.7
<b>Total revenue</b>	<b>10.9</b>	<b>12.9</b>	<b>(2.0)</b>	<b>17.3</b>
<b>General and administrative expenses</b>	<b>(7.9)</b>	<b>(7.1)</b>	<b>(0.7)</b>	<b>(9.4)</b>
<b>Ordinary business profit</b>	<b>2.9</b>	<b>5.7</b>	<b>(2.8)</b>	<b>7.8</b>
<b>Net credit costs</b>	<b>(0.8)</b>	<b>0.5</b>	<b>(1.3)</b>	<b>(2.2)</b>
<b>Ordinary business profit after net credit costs</b>	<b>2.1</b>	<b>6.3</b>	<b>(4.1)</b>	<b>5.6</b>
<b><i>Structured Finance :</i></b>				
Net interest income	8.4	9.8	(1.3)	12.7
Noninterest income	4.9	5.0	(0.0)	5.5
<b>Total revenue</b>	<b>13.4</b>	<b>14.8</b>	<b>(1.3)</b>	<b>18.3</b>
<b>General and administrative expenses</b>	<b>(4.2)</b>	<b>(3.8)</b>	<b>(0.4)</b>	<b>(5.1)</b>
<b>Ordinary business profit</b>	<b>9.2</b>	<b>11.0</b>	<b>(1.7)</b>	<b>13.1</b>
<b>Net credit costs</b>	<b>13.3</b>	<b>4.2</b>	<b>9.1</b>	<b>6.6</b>
<b>Ordinary business profit after net credit costs</b>	<b>22.6</b>	<b>15.2</b>	<b>7.3</b>	<b>19.8</b>
<b><i>Principal Transactions :</i></b>				
Net interest income	3.5	11.6	(8.1)	12.8
Noninterest income	1.4	7.6	(6.1)	15.9
<b>Total revenue</b>	<b>5.0</b>	<b>19.2</b>	<b>(14.2)</b>	<b>28.7</b>
<b>General and administrative expenses</b>	<b>(3.8)</b>	<b>(4.4)</b>	<b>0.5</b>	<b>(6.2)</b>
<b>Ordinary business profit</b>	<b>1.1</b>	<b>14.8</b>	<b>(13.6)</b>	<b>22.5</b>
<b>Net credit costs</b>	<b>(0.0)</b>	<b>(0.6)</b>	<b>0.5</b>	<b>(1.7)</b>
<b>Ordinary business profit after net credit costs</b>	<b>1.1</b>	<b>14.2</b>	<b>(13.0)</b>	<b>20.7</b>
<b><i>Showa Leasing:</i></b>				
Net interest income	(1.5)	(1.8)	0.3	(2.1)
Noninterest income	14.7	13.6	1.0	17.1
<b>Total revenue</b>	<b>13.2</b>	<b>11.8</b>	<b>1.4</b>	<b>14.9</b>
<b>General and administrative expenses</b>	<b>(6.1)</b>	<b>(6.1)</b>	<b>(0.0)</b>	<b>(8.1)</b>
<b>Ordinary business profit</b>	<b>7.0</b>	<b>5.7</b>	<b>1.3</b>	<b>6.8</b>
<b>Net credit costs</b>	<b>1.0</b>	<b>1.4</b>	<b>(0.3)</b>	<b>1.2</b>
<b>Ordinary business profit after net credit costs</b>	<b>8.0</b>	<b>7.1</b>	<b>0.9</b>	<b>8.0</b>
<b><i>Institutional Group:</i></b>				
Net interest income	18.1	28.7	(10.6)	35.0
Noninterest income	24.4	30.0	(5.5)	44.3
<b>Total revenue</b>	<b>42.6</b>	<b>58.8</b>	<b>(16.2)</b>	<b>79.4</b>
<b>General and administrative expenses</b>	<b>(22.1)</b>	<b>(21.4)</b>	<b>(0.7)</b>	<b>(29.0)</b>
<b>Ordinary business profit</b>	<b>20.4</b>	<b>37.3</b>	<b>(16.9)</b>	<b>50.4</b>
<b>Net credit costs</b>	<b>13.5</b>	<b>5.5</b>	<b>8.0</b>	<b>3.9</b>
<b>Ordinary business profit after net credit costs</b>	<b>34.0</b>	<b>42.9</b>	<b>(8.9)</b>	<b>54.3</b>

1. Net of consolidation adjustments, if applicable.

## Global Markets Group<sup>1</sup> (Consolidated)

(Billions of yen)

	Q3 FY2015 (9 months)	Q3 FY2014 (9 months)	Change (Amount)	FY2014 (12 months)
<b>Markets Sub-Group:</b>				
Net interest income	1.3	1.7	(0.3)	2.0
Noninterest income	5.3	4.3	0.9	7.2
<b>Total revenue</b>	<b>6.6</b>	<b>6.0</b>	<b>0.6</b>	<b>9.2</b>
<b>General and administrative expenses</b>	<b>(2.6)</b>	<b>(2.4)</b>	<b>(0.1)</b>	<b>(3.3)</b>
<b>Ordinary business profit</b>	<b>4.0</b>	<b>3.5</b>	<b>0.4</b>	<b>5.9</b>
<b>Net credit costs</b>	<b>0.0</b>	<b>(0.0)</b>	<b>0.1</b>	<b>(0.0)</b>
<b>Ordinary business profit after net credit costs</b>	<b>4.1</b>	<b>3.5</b>	<b>0.6</b>	<b>5.9</b>
<b>Others:</b>				
Net interest income	0.0	0.1	(0.0)	0.1
Noninterest income	2.1	2.3	(0.2)	3.0
<b>Total revenue</b>	<b>2.2</b>	<b>2.4</b>	<b>(0.2)</b>	<b>3.2</b>
<b>General and administrative expenses</b>	<b>(3.0)</b>	<b>(2.8)</b>	<b>(0.2)</b>	<b>(3.7)</b>
<b>Ordinary business profit</b>	<b>(0.8)</b>	<b>(0.3)</b>	<b>(0.5)</b>	<b>(0.5)</b>
<b>Net credit costs</b>	<b>0.2</b>	<b>0.0</b>	<b>0.1</b>	<b>(0.0)</b>
<b>Ordinary business profit after net credit costs</b>	<b>(0.5)</b>	<b>(0.2)</b>	<b>(0.3)</b>	<b>(0.5)</b>
<b>Global Markets Group:</b>				
Net interest income	1.4	1.8	(0.4)	2.2
Noninterest income	7.4	6.6	0.7	10.2
<b>Total revenue</b>	<b>8.8</b>	<b>8.5</b>	<b>0.3</b>	<b>12.5</b>
<b>General and administrative expenses</b>	<b>(5.6)</b>	<b>(5.3)</b>	<b>(0.3)</b>	<b>(7.1)</b>
<b>Ordinary business profit</b>	<b>3.2</b>	<b>3.2</b>	<b>(0.0)</b>	<b>5.3</b>
<b>Net credit costs</b>	<b>0.3</b>	<b>0.0</b>	<b>0.3</b>	<b>(0.0)</b>
<b>Ordinary business profit after net credit costs</b>	<b>3.5</b>	<b>3.2</b>	<b>0.3</b>	<b>5.3</b>

1. Net of consolidation adjustments, if applicable.

## Individual Group (Consolidated) <sup>1</sup>

(Billions of yen)

	Q3 FY2015 (9 months)	Q3 FY2014 (9 months)	Change (Amount)	FY2014 (12 months)
<b>Retail banking:</b>				
Net interest income	16.0	17.1	(1.1)	23.8
Noninterest income	4.6	4.5	0.0	6.5
<b>Total revenue</b>	<b>20.6</b>	<b>21.6</b>	<b>(1.0)</b>	<b>30.3</b>
<b>General and administrative expenses</b>	<b>(24.7)</b>	<b>(26.1)</b>	<b>1.3</b>	<b>(34.4)</b>
<b>Ordinary business profit</b>	<b>(4.1)</b>	<b>(4.4)</b>	<b>0.3</b>	<b>(4.1)</b>
<b>Net credit costs</b>	<b>(0.2)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>0.2</b>
<b>Ordinary business profit after net credit costs</b>	<b>(4.4)</b>	<b>(4.5)</b>	<b>0.1</b>	<b>(3.9)</b>
<b>Shinsei Financial and Shinsei Bank Lake <sup>2,3</sup>:</b>				
Net interest income	40.5	37.5	3.0	50.2
Noninterest income	(1.3)	(1.5)	0.2	(2.1)
<b>Total revenue</b>	<b>39.2</b>	<b>35.9</b>	<b>3.3</b>	<b>48.1</b>
<b>General and administrative expenses</b>	<b>(20.5)</b>	<b>(20.0)</b>	<b>(0.5)</b>	<b>(27.7)</b>
<b>Ordinary business profit</b>	<b>18.6</b>	<b>15.8</b>	<b>2.8</b>	<b>20.4</b>
<b>Net credit costs</b>	<b>(10.0)</b>	<b>(5.7)</b>	<b>(4.3)</b>	<b>(8.9)</b>
<b>Ordinary business profit after net credit costs</b>	<b>8.6</b>	<b>10.1</b>	<b>(1.4)</b>	<b>11.5</b>
<b>SHINKI:</b>				
Net interest income	5.2	5.0	0.1	6.7
Noninterest income	(0.3)	(0.4)	0.0	(0.5)
<b>Total revenue</b>	<b>4.8</b>	<b>4.6</b>	<b>0.1</b>	<b>6.2</b>
<b>General and administrative expenses</b>	<b>(2.5)</b>	<b>(3.3)</b>	<b>0.8</b>	<b>(4.4)</b>
<b>Ordinary business profit</b>	<b>2.3</b>	<b>1.3</b>	<b>1.0</b>	<b>1.7</b>
<b>Net credit costs</b>	<b>(1.0)</b>	<b>(0.7)</b>	<b>(0.2)</b>	<b>(1.1)</b>
<b>Ordinary business profit after net credit costs</b>	<b>1.2</b>	<b>0.5</b>	<b>0.7</b>	<b>0.6</b>
<b>APLUS FINANCIAL <sup>3</sup>:</b>				
Net interest income	4.9	5.0	(0.0)	6.7
Noninterest income	34.0	32.5	1.5	43.7
<b>Total revenue</b>	<b>39.0</b>	<b>37.5</b>	<b>1.4</b>	<b>50.4</b>
<b>General and administrative expenses</b>	<b>(27.2)</b>	<b>(26.9)</b>	<b>(0.3)</b>	<b>(35.8)</b>
<b>Ordinary business profit</b>	<b>11.7</b>	<b>10.6</b>	<b>1.1</b>	<b>14.6</b>
<b>Net credit costs</b>	<b>(6.1)</b>	<b>(4.6)</b>	<b>(1.4)</b>	<b>(6.1)</b>
<b>Ordinary business profit after net credit costs</b>	<b>5.5</b>	<b>5.9</b>	<b>(0.3)</b>	<b>8.4</b>
<b>Others <sup>4</sup>:</b>				
Net interest income	0.8	0.9	(0.0)	1.2
Noninterest income	0.1	0.1	0.0	0.2
<b>Total revenue</b>	<b>1.0</b>	<b>1.1</b>	<b>(0.0)</b>	<b>1.4</b>
<b>General and administrative expenses</b>	<b>(0.5)</b>	<b>(0.5)</b>	<b>(0.0)</b>	<b>(0.6)</b>
<b>Ordinary business profit</b>	<b>0.4</b>	<b>0.5</b>	<b>(0.1)</b>	<b>0.7</b>
<b>Net credit costs</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>
<b>Ordinary business profit after net credit costs</b>	<b>0.5</b>	<b>0.6</b>	<b>(0.0)</b>	<b>0.9</b>
<b>Individual Group:</b>				
Net interest income	67.6	65.7	1.9	88.8
Noninterest income	37.1	35.2	1.9	47.8
<b>Total revenue</b>	<b>104.8</b>	<b>100.9</b>	<b>3.8</b>	<b>136.6</b>
<b>General and administrative expenses</b>	<b>(75.7)</b>	<b>(77.0)</b>	<b>1.2</b>	<b>(103.1)</b>
<b>Ordinary business profit</b>	<b>29.0</b>	<b>23.9</b>	<b>5.1</b>	<b>33.4</b>
<b>Net credit costs</b>	<b>(17.4)</b>	<b>(11.2)</b>	<b>(6.1)</b>	<b>(15.7)</b>
<b>Ordinary business profit after net credit costs</b>	<b>11.6</b>	<b>12.6</b>	<b>(1.0)</b>	<b>17.7</b>

1. Net of consolidation adjustments, if applicable.

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

3. 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)<sup>1</sup>

(Billions of yen)

	Q3 FY2015 (9 months)	Q3 FY2014 (9 months)	Change (Amount)	FY2014 (12 months)
Retail Banking:	20.6	21.6	(1.0)	30.3
Deposits and debentures net interest income	8.2	9.4	(1.2)	13.5
Deposits and debentures noninterest income	0.8	1.6	(0.7)	2.4
Asset management	4.7	3.8	0.8	5.1
Loans	6.8	6.7	0.0	9.1
Shinsei Financial and Shinsei Bank Card Loan - Lake <sup>2,3</sup>	39.2	35.9	3.3	48.1
SHINKI	4.8	4.6	0.1	6.2
APLUS FINANCIAL <sup>3</sup>	39.0	37.5	1.4	50.4
Others <sup>4</sup>	1.0	1.1	(0.0)	1.4
<b>Total revenue</b>	<b>104.8</b>	<b>100.9</b>	<b>3.8</b>	<b>136.6</b>

1. Net of consolidation adjustments, if applicable.

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

3. 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)<sup>1</sup>

(Billions of yen)

	Q3 FY2015 (9 months)	Q3 FY2014 (9 months)	Change (Amount)	FY2014 (12 months)
<b>Treasury Sub-Group :</b>				
Net interest income	3.2	0.9	2.2	0.3
Noninterest income	4.0	6.2	(2.1)	6.1
<b>Total revenue</b>	<b>7.2</b>	<b>7.1</b>	<b>0.0</b>	<b>6.4</b>
<b>General and administrative expenses</b>	<b>(1.2)</b>	<b>(1.2)</b>	<b>(0.0)</b>	<b>(1.6)</b>
<b>Ordinary business profit</b>	<b>5.9</b>	<b>5.9</b>	<b>0.0</b>	<b>4.8</b>
<b>Net credit costs</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Ordinary business profit after net credit costs</b>	<b>5.9</b>	<b>5.9</b>	<b>0.0</b>	<b>4.8</b>
<b>Corporate/Other (excluding Treasury Sub-Group)<sup>1</sup> :</b>				
Net interest income	(0.0)	0.2	(0.2)	(0.0)
Noninterest income	0.7	(0.1)	0.8	0.3
<b>Total revenue</b>	<b>0.7</b>	<b>0.1</b>	<b>0.6</b>	<b>0.3</b>
<b>General and administrative expenses</b>	<b>0.2</b>	<b>(0.4)</b>	<b>0.6</b>	<b>(0.7)</b>
<b>Ordinary business profit</b>	<b>0.9</b>	<b>(0.3)</b>	<b>1.2</b>	<b>(0.4)</b>
<b>Net credit costs</b>	<b>0.0</b>	<b>(0.0)</b>	<b>0.0</b>	<b>0.0</b>
<b>Ordinary business profit after net credit costs</b>	<b>0.9</b>	<b>(0.3)</b>	<b>1.2</b>	<b>(0.4)</b>
<b>Corporate/Other<sup>1</sup> :</b>				
Net interest income	3.2	1.2	1.9	0.3
Noninterest income	4.7	6.0	(1.2)	6.4
<b>Total revenue</b>	<b>7.9</b>	<b>7.2</b>	<b>0.6</b>	<b>6.7</b>
<b>General and administrative expenses</b>	<b>(1.0)</b>	<b>(1.6)</b>	<b>0.6</b>	<b>(2.3)</b>
<b>Ordinary business profit</b>	<b>6.9</b>	<b>5.6</b>	<b>1.3</b>	<b>4.3</b>
<b>Net credit costs</b>	<b>0.0</b>	<b>(0.0)</b>	<b>0.0</b>	<b>0.0</b>
<b>Ordinary business profit after net credit costs</b>	<b>6.9</b>	<b>5.6</b>	<b>1.3</b>	<b>4.3</b>

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



## Major Balance Sheet Data (Consolidated)

(Billions of yen)

	Dec 31 2015	Mar 31 2015	Change (Amount)
Loans and bills discounted	4,513.5	4,461.2	52.2
Installment receivables	501.4	459.1	42.3
Leased assets, lease receivables and leased investment assets	232.1	244.6	(12.5)
Securities	1,193.4	1,477.3	(283.8)
Other monetary claims purchased	85.6	93.4	(7.7)
Other interest earning assets <sup>1</sup>	1,655.4	973.7	681.7
Trading assets	288.7	317.3	(28.6)
Monetary assets held in trust	251.8	233.9	17.8
Goodwill, net	19.2	23.1	(3.9)
Other intangible assets <sup>2</sup>	4.6	6.3	(1.6)
Other assets	396.2	415.8	(19.5)
Customer's liabilities for acceptances and guarantees	285.9	291.7	(5.8)
Reserve for credit losses	(98.9)	(108.2)	9.3
<b>Total assets</b>	<b>9,329.6</b>	<b>8,889.8</b>	<b>439.7</b>
Deposits and negotiable certificates of deposit	5,992.1	5,452.7	539.4
Borrowed money	738.0	805.2	(67.1)
Corporate bonds	95.4	157.5	(62.0)
Other interest bearing liabilities <sup>3</sup>	617.0	490.8	126.1
Trading liabilities	254.1	267.9	(13.8)
Reserve for losses on interest repayments	140.0	170.2	(30.1)
Other liabilities	419.6	499.7	(80.1)
Acceptances and guarantees	285.9	291.7	(5.8)
<b>Total liabilities</b>	<b>8,542.5</b>	<b>8,136.0</b>	<b>406.4</b>
<b>Total equity</b>	<b>787.0</b>	<b>753.7</b>	<b>33.3</b>

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

2. Intangible assets recorded through consolidation of Shinsei Financial and 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)*

	Dec 31 2015	Mar 31 2015	Change (Amount)
General reserve for loan losses	63.2	60.2	2.9
Specific reserve for loan losses	35.7	47.9	(12.2)
Reserve for loans to restructuring countries	0.0	0.0	-
<b>Total reserve for credit losses</b>	<b>98.9</b>	<b>108.2</b>	<b>(9.3)</b>

## Risk-Monitored Loans (Consolidated)

*(Billions of yen)*

	Dec 31 2015	Mar 31 2015	Change (Amount)
Loans to bankrupt obligors	4.2	3.2	1.0
Nonaccrual delinquent loans	64.8	87.7	(22.9)
Loans past due for three months or more	1.5	1.3	0.1
Restructured loans	26.6	29.1	(2.4)
<b>Total (A)</b>	<b>97.3</b>	<b>121.5</b>	<b>(24.1)</b>
<b>Loans and bills discounted (B)</b>	<b>4,513.5</b>	<b>4,461.2</b>	<b>52.2</b>
Ratio to total loans and bills discounted (A/B X 100) (%)	2.16%	2.72%	
<b>Reserve for credit losses (C)</b>	<b>98.9</b>	<b>108.2</b>	<b>(9.3)</b>
Reserve ratio (C/A X 100) (%)	101.6%	89.1%	

## Loans by Borrower Industry (Consolidated)

(Billions of yen)

	Dec 31 2015	Mar 31 2015	Change (Amount)
Domestic offices (excluding Japan offshore market account):			
Manufacturing	221.0	197.8	23.2
Agriculture and forestry	0.0	0.1	(0.0)
Fishery	0.0	0.0	0.0
Mining, quarrying and gravel extraction	0.1	0.1	0.0
Construction	10.2	10.7	(0.4)
Electric power, gas, heat supply and water supply	219.9	204.6	15.2
Information and communications	33.9	39.6	(5.6)
Transportation and postal service	182.2	187.9	(5.6)
Wholesale and retail	96.2	99.2	(3.0)
Finance and insurance	555.8	628.6	(72.8)
Real estate	573.8	549.0	24.7
Services	294.0	344.4	(50.3)
Local government	80.2	94.2	(13.9)
Others	2,142.6	2,023.4	119.2
Loans to individual customers (retail banking, Shinsei Bank Lake, Shinsei Financial, SHINKI and APLUS FINANCIAL)	1,774.0	1,727.1	46.8
<b>Total domestic (A)</b>	<b>4,410.8</b>	<b>4,380.2</b>	<b>30.5</b>
Overseas offices (including Japan offshore market accounts):			
Governments	0.9	1.1	(0.1)
Financial institutions	8.8	-	8.8
Others	92.8	79.8	13.0
<b>Total overseas (B)</b>	<b>102.7</b>	<b>81.0</b>	<b>21.7</b>
<b>Total (A+B)</b>	<b>4,513.5</b>	<b>4,461.2</b>	<b>52.2</b>

## Securities Being Held to Maturity (Consolidated)

*(Billions of yen)*

	Dec 31, 2015			Mar 31, 2015		
	Carrying amount	Fair value	Unrealized gain (loss)	Carrying amount	Fair value	Unrealized gain (loss)
<b>Fair value exceeds carrying amount</b>						
Japanese national government bonds	536.4	540.5	4.1	508.5	511.0	2.4
Other	25.9	26.9	0.9	39.0	41.6	2.6
Subtotal	562.3	567.5	5.1	547.5	552.6	5.0
<b>Fair value does not exceed carrying amount</b>						
Japanese national government bonds	-	-	-	96.9	96.8	(0.0)
Other	-	-	-	-	-	-
Subtotal	-	-	-	96.9	96.8	(0.0)
<b>Total</b>	<b>562.3</b>	<b>567.5</b>	<b>5.1</b>	<b>644.5</b>	<b>649.5</b>	<b>5.0</b>

## Securities Available for Sale (Consolidated)

(Billions of yen)

	Dec 31, 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	24.5	12.0	12.5	24.7	12.0	12.7
Domestic bonds	153.0	152.2	0.7	127.8	127.2	0.6
Japanese national government bonds	129.1	129.0	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	23.3	22.6	0.6	26.9	26.3	0.5
Other	108.1	105.0	3.0	148.1	143.3	4.8
Foreign securities	100.1	98.0	2.1	140.9	137.0	3.9
Foreign currency denominated foreign corporate and government bonds	57.1	55.8	1.3	81.5	79.3	2.2
Yen-denominated foreign corporate and government bonds	41.3	40.9	0.3	57.5	56.4	1.1
Foreign equity securities and others	1.6	1.1	0.4	1.7	1.1	0.5
Other securities	7.5	6.6	0.9	6.4	5.5	0.9
Other monetary claims purchased	0.4	0.4	0.0	0.7	0.7	0.0
Subtotal	285.7	269.3	16.3	300.7	282.5	18.1
Carrying amount does not exceed amortized/acquisition cost						
Equity securities	1.2	1.7	(0.4)	0.8	1.0	(0.2)
Domestic bonds	40.2	41.0	(0.7)	341.9	343.7	(1.8)
Japanese national government bonds	-	-	-	284.8	285.6	(0.7)
Japanese local government bonds	-	-	-	-	-	-
Japanese corporate bonds	40.2	41.0	(0.7)	57.0	58.1	(1.0)
Other	221.8	224.9	(3.1)	82.6	82.7	(0.1)
Foreign securities	191.8	194.1	(2.3)	75.4	75.5	(0.0)
Foreign currency denominated foreign corporate and government bonds	136.3	138.1	(1.7)	36.2	36.2	(0.0)
Yen-denominated foreign corporate and government bonds	51.0	51.3	(0.3)	39.2	39.2	(0.0)
Foreign equity securities and others	4.4	4.6	(0.2)	0.0	0.0	-
Other securities	13.4	13.9	(0.4)	2.2	2.3	(0.0)
Other monetary claims purchased	16.5	16.7	(0.2)	4.8	4.9	(0.0)
Subtotal	263.3	267.6	(4.3)	425.4	427.6	(2.2)
<b>Total<sup>1, 2</sup></b>	<b>549.0</b>	<b>536.9</b>	<b>12.0</b>	<b>726.2</b>	<b>710.2</b>	<b>15.9</b>

1. Includes a part of other monetary claims purchased in addition to securities available for sale. Total amounts of securities available for sale excluding such other monetary claims purchased as of December 31, 2015 and March 31, 2015 were ¥532.0 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)

	Dec 31, 2015	Mar 31, 2015
Unrealized gain (loss) before deferred tax on:		
Available-for-sale securities	12.0	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	2.5	1.1
Securities being held to maturity, reclassified from available-for-sale in the past, under extremely illiquid market conditions	(0.9)	(2.1)
Other monetary assets held in trust	(0.9)	(1.2)
(-) Deferred tax liabilities	2.7	2.8
Unrealized gain (loss) on available-for-sale securities before interest adjustments	9.9	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	9.9	10.8

## Deposits (Consolidated)

*(Billions of yen)*

	<b>Dec 31 2015</b>	Mar 31 2015	Change (Amount)
Deposits	<b>5,542.3</b>	5,367.1	175.2
Liquid (current, ordinary, notice) deposits	<b>2,039.0</b>	2,048.3	(9.2)
Time deposits <sup>1</sup>	<b>3,094.1</b>	2,954.1	140.0
Other	<b>409.1</b>	364.6	44.4
Negotiable certificates of deposits (NCDs)	<b>449.7</b>	85.5	364.2
<b>Total</b>	<b>5,992.1</b>	5,452.7	539.4

1. Includes two-week maturity deposits

## Financial Ratios (Consolidated)

	Q3 FY2015 (9 months)	Q3 FY2014 (9 months)	FY2014 (12 months)
Return on assets <sup>1</sup>	0.7% <sup>5</sup>	0.8% <sup>5</sup>	0.7%
Return on equity <sup>2</sup>	8.5% <sup>5</sup>	10.1% <sup>5</sup>	9.8%
Return on equity (fully diluted) <sup>3</sup>	8.5% <sup>5</sup>	10.1% <sup>5</sup>	9.8%
Cash basis return on assets <sup>1</sup>	0.8% <sup>5</sup>	0.8% <sup>5</sup>	0.8%
Cash basis return on equity <sup>2,4</sup>	9.8% <sup>5</sup>	11.8% <sup>5</sup>	11.4%
Cash basis return on equity (fully diluted) <sup>3,4</sup>	9.8% <sup>5</sup>	11.8% <sup>5</sup>	11.4%
Expense-to-revenue ratio <sup>6,7</sup>	63.7%	60.0%	60.2%

1. Return on assets:

Profit (Losses) Attributable to Owners of the 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 the 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 the 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 Standard<sup>1</sup>>

	<i>(Billions of yen, except percentages)</i>		
	Dec 31 2015	Mar 31 2015	Change (Amount)
Core capital: instruments and reserves	854.1	882.3	(28.2)
Core capital: regulatory adjustments	(35.4)	(40.4)	5.0
Capital	818.6	841.9	(23.2)
Total amount of Risk-weighted assets	5,709.7	5,661.9	47.8
Capital ratio	14.33%	14.86%	

1. Calculated according to F-IRB.

Consolidated total required capital is ¥490.1 billion as at December 31, 2015, ¥490.6 billion as at March 31, 2015.

## Per Share Data (Consolidated)

	<i>(Yen)</i>			
	Q3 FY2015 (9 months)	Q3 FY2014 (9 months)	Change (Amount)	FY2014 (12 months)
Common equity	291.89	268.40	23.49	275.45
Fully diluted equity	291.89	268.40	23.49	275.45
Basic EPS	18.13	19.73	(1.59)	25.57
Diluted EPS	18.13	19.73	(1.59)	25.57
Cash basis:				
Basic EPS	20.11	21.91	(1.80)	28.42
Diluted EPS	20.11	21.91	(1.80)	28.42
For calculation of per share data (Does not include treasury shares) :				
Equity:				
Number of common shares (Consolidated) <sup>1</sup>	2,653,918,082	2,653,918,339		2,653,918,339
Fully diluted number of shares (Consolidated) <sup>1</sup>	2,653,923,913	2,653,918,339		2,653,918,339
EPS				
Number of common shares (Consolidated) <sup>2</sup>	2,653,918,189	2,653,918,785		2,653,918,675
Fully diluted number of shares (Consolidated) <sup>2</sup>	2,653,924,020	2,653,918,785		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.

## Consolidated Balance Sheets (Unaudited)

(Millions of yen)

	Dec 31 2015	Mar 31 2015	Change (Amount)
<b>&lt;&lt;Assets&gt;&gt;</b>			
Cash and due from banks	1,569,068	881,776	687,291
Call loans and bills bought	30,000	30,000	-
Receivables under resale agreements	34,853	53,216	(18,362)
Receivables under securities borrowing transactions	21,577	8,750	12,826
Other monetary claims purchased	85,656	93,412	(7,755)
Trading assets	288,793	317,399	(28,605)
Monetary assets held in trust	251,802	233,918	17,884
Securities	1,193,467	1,477,352	(283,885)
Loans and bills discounted	4,513,560	4,461,281	52,279
Foreign exchanges	16,951	18,537	(1,585)
Lease receivables and leased investment assets	212,398	227,047	(14,649)
Other assets	810,097	788,647	21,450
Premises and equipment	47,729	46,285	1,444
Intangible assets	46,467	49,655	(3,188)
Goodwill	19,290	23,197	(3,907)
Assets for retirement benefits	4,211	3,625	585
Deferred issuance expenses for debentures	4	12	(7)
Deferred tax assets	15,965	15,373	591
Customers' liabilities for acceptances and guarantees	285,957	291,795	(5,837)
Reserve for credit losses	(98,928)	(108,232)	9,304
<b>Total assets</b>	<b>9,329,634</b>	<b>8,889,853</b>	<b>439,780</b>
<b>&lt;&lt;Liabilities&gt;&gt;</b>			
Deposits	5,542,394	5,367,167	175,227
Negotiable certificates of deposit	449,779	85,565	364,214
Debentures	19,239	32,300	(13,061)
Call money and bills sold	245,000	230,000	15,000
Payables under repurchase agreements	62,749	29,152	33,596
Payables under securities lending transactions	168,780	103,369	65,411
Trading liabilities	254,162	267,976	(13,814)
Borrowed money	738,060	805,217	(67,157)
Foreign exchanges	142	27	114
Short-term corporate bonds	121,100	96,000	25,100
Corporate bonds	95,467	157,505	(62,038)
Other liabilities	404,504	481,359	(76,854)
Accrued employees' bonuses	6,138	8,774	(2,636)
Accrued directors' bonuses	52	88	(35)
Liabilities for retirement benefits	7,680	8,749	(1,068)
Reserve for directors' retirement benefits	-	95	(95)
Reserve for losses on interest repayments	140,073	170,250	(30,177)
Deferred tax liabilities	1,255	694	561
Acceptances and guarantees	285,957	291,795	(5,837)
<b>Total liabilities</b>	<b>8,542,539</b>	<b>8,136,091</b>	<b>406,448</b>
<b>&lt;&lt;Equity&gt;&gt;</b>			
<b>Shareholders' equity:</b>			
Common stock	512,204	512,204	-
Capital surplus	79,461	79,461	(0)
Retained earnings	254,890	209,419	45,471
Treasury stock, at cost	(72,559)	(72,558)	(0)
<b>Total shareholders' equity</b>	<b>773,998</b>	<b>728,526</b>	<b>45,471</b>
<b>Accumulated other comprehensive income:</b>			
Unrealized gain (loss) on available-for-sale securities	9,977	10,830	(853)
Deferred gain (loss) on derivatives under hedge accounting	(11,534)	(11,501)	(32)
Foreign currency translation adjustments	2,432	3,682	(1,250)
Defined retirement benefit plans	(200)	(515)	315
<b>Total accumulated other comprehensive income</b>	<b>674</b>	<b>2,496</b>	<b>(1,821)</b>
Stock acquisition rights	512	1,211	(698)
Noncontrolling interests	11,908	21,528	(9,619)
<b>Total equity</b>	<b>787,094</b>	<b>753,762</b>	<b>33,331</b>
<b>Total liabilities and equity</b>	<b>9,329,634</b>	<b>8,889,853</b>	<b>439,780</b>



## Consolidated Statements of Income(Unaudited)

(Millions of yen)

	Q3 FY2015 (9 months)	Q3 FY2014 (9 months)	Change (Amount)	FY2014 (12 months)
<b>Ordinary income</b>	<b>278,958</b>	292,447	(13,488)	397,394
Interest income	104,436	114,575	(10,139)	148,626
Interest on loans and bills discounted	93,675	94,139	(463)	125,085
Interest and dividends on securities	8,918	18,267	(9,349)	20,713
Other interest income	1,841	2,169	(327)	2,827
Fees and commissions income	35,612	33,506	2,106	45,869
Trading income	6,634	7,820	(1,185)	11,716
Other business income	109,951	111,263	(1,312)	154,695
Other ordinary income	22,324	25,280	(2,956)	36,485
<b>Ordinary expenses</b>	<b>228,354</b>	235,220	(6,865)	324,311
Interest expenses	13,949	16,958	(3,009)	22,164
Interest on deposits	6,127	8,231	(2,104)	10,749
Interest on borrowings	3,618	3,545	73	4,730
Interest on corporate bonds	2,570	4,040	(1,470)	5,175
Other interest expenses	1,633	1,141	492	1,508
Fees and commissions expenses	15,886	15,931	(44)	21,171
Trading losses	153	260	(107)	189
Other business expenses	74,807	71,526	3,281	99,715
General and administrative expenses	110,985	114,268	(3,282)	152,895
Amortization of goodwill	4,080	4,406	(325)	5,780
Amortization of intangible assets acquired in business combinations	1,679	2,188	(508)	2,832
Other general and administrative expenses	105,225	107,673	(2,448)	144,282
Other ordinary expenses	12,572	16,275	(3,703)	28,175
Provision of reserve for credit losses	9,791	10,058	(267)	15,060
Other	2,780	6,216	(3,436)	13,114
<b>Ordinary profit</b>	<b>50,603</b>	57,227	(6,623)	73,082
Extraordinary gains	1,161	423	738	1,357
Extraordinary losses	769	1,132	(362)	1,679
<b>Income before income taxes</b>	<b>50,996</b>	56,519	(5,522)	72,760
Income taxes (benefit)	2,502	2,763	(260)	3,358
<b>Profit</b>	<b>48,494</b>	53,756	(5,262)	69,402
Profit attributable to noncontrolling interests	368	1,391	(1,022)	1,528
<b>Profit attributable to owners of the parent</b>	<b>48,125</b>	52,364	(4,239)	67,873

## Consolidated Statements of Comprehensive Income (Unaudited)

*(Millions of yen)*

	Q3 FY2015 (9 months)	Q3 FY2014 (9 months)	Change (Amount)	FY2014 (12 months)
Profit	48,494	53,756	(5,262)	69,402
Other comprehensive income				
Unrealized gain (loss) on available-for-sale securities	(886)	4,398	(5,285)	4,559
Deferred gain (loss) on derivatives under hedge accounting	(32)	(3,468)	3,435	(2,731)
Foreign currency translation adjustments	(184)	3,160	(3,345)	1,556
Defined retirement benefit plans	309	1,871	(1,562)	5,329
Share of other comprehensive income in affiliates	(1,014)	2,822	(3,836)	3,251
Other comprehensive income	(1,808)	8,785	(10,593)	11,966
Comprehensive income	46,685	62,541	(15,855)	81,368
(Breakdown)				
Attributable to:				
Owners of the parent	46,304	59,716	(13,411)	78,426
Noncontrolling interests	381	2,824	(2,443)	2,941

## Consolidated Composition of Capital Disclosure

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

Millions of yen (except percentages)

	Dec 31 2015	Amounts excluded under transitional arrangements
<b>Core capital: instruments and reserves</b>		
Directly issued qualifying common share capital or preferred share capital with a compulsory conversion clause plus related capital surplus and retained earnings	773,998	
of which: capital and capital surplus	591,666	
of which: retained earnings	254,890	
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)	2,391	(160)
of which: foreign currency translation adjustment	2,432	
of which: amount related defined benefit	(40)	(160)
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)	11	
Total of reserves included in Core capital: instruments and reserves	2,074	
of which: general reserve for loan losses included in Core capital	963	
of which: eligible provision included in Core capital	1,110	
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)	71,198	
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)	3,931	
<b>Core capital: instruments and reserves</b>	<b>854,118</b>	
<b>Core capital: regulatory adjustments</b>		
Total amount of intangible assets (excluding those relating to mortgage servicing rights)	25,429	12,052
of which: goodwill (including those equivalent)	19,290	-
of which: other intangibles other than goodwill and mortgage servicing rights	6,139	12,052
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	1,142	4,569
Shortfall of eligible provisions to expected losses	-	-
Gain on sale of securitization	8,287	-
Gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Net defined benefit asset	563	2,255
Investments in own shares (excluding those reported in the net assets section)	1	4
Reciprocal cross-holdings in common equity	-	-
Investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation ("Other Financial Institutions"), net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above the 10% threshold)	-	-
Amount exceeding the 10% threshold on specific items	-	-
of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	-	-
of which: mortgage servicing rights	-	-
of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-
Amount exceeding the 15% threshold on specific items	-	-
of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	-	-
of which: mortgage servicing rights	-	-
of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-
<b>Core capital: regulatory adjustments</b>	<b>35,425</b>	
<b>Capital (consolidated)</b>	<b>818,693</b>	
<b>Risk-weighted assets</b>		
Total amount of credit risk-weighted assets	5,117,072	
of which: total amount included in risk-weighted assets by transitional arrangements	8,026	
of which: intangible assets (excluding those relating to goodwill and mortgage servicing rights)	12,052	
of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	4,569	
of which: net defined benefit asset	2,255	
of which: significant investments in the common stock of Other Financial Institutions (net of eligible short positions)	(10,859)	
of which: other than above	9	
Market risk (derived by multiplying the capital requirement by 12.5)	233,593	
Operational risk (derived by multiplying the capital requirement by 12.5)	359,105	
Credit risk adjustments	-	
Operational risk adjustments	-	
<b>Total amount of Risk-weighted assets</b>	<b>5,709,771</b>	
<b>Capital ratio (consolidated)</b>	<b>14.33%</b>	

1. Calculated according to F-IRB.

## Results of Operations (Nonconsolidated)

(Billions of yen)

	Q3 FY2015 (9 months)	Q3 FY2014 (9 months)	Change (Amount)	FY2014 (12 months)
Net interest income	64.4	69.9	(5.5)	91.8
Noninterest income	13.4	17.4	(4.0)	25.7
Net fees and commissions <sup>1</sup>	1.9	6.1	(4.2)	10.1
Net trading income	3.5	2.4	1.0	4.5
Net other business income	8.0	8.8	(0.8)	11.0
<b>Total revenue<sup>1</sup></b>	<b>77.9</b>	<b>87.4</b>	<b>(9.5)</b>	<b>117.5</b>
Personnel expenses	(20.2)	(18.1)	(2.0)	(24.4)
Nonpersonnel expenses	(31.9)	(34.7)	2.7	(46.2)
Taxes	(4.1)	(3.4)	(0.7)	(4.5)
<b>General and administrative expenses</b>	<b>(56.3)</b>	<b>(56.3)</b>	<b>(0.0)</b>	<b>(75.2)</b>
<b>Net business profit<sup>1</sup></b>	<b>21.5</b>	<b>31.1</b>	<b>(9.5)</b>	<b>42.3</b>
<b>Other gains</b>				
Gains on the sales of equities	0.5	3.4	(2.9)	4.1
Net provision of reserve for credit losses <sup>2</sup>	9.7	4.8	4.9	5.6
Losses on write-off of loans	(0.2)	(1.4)	1.2	(3.6)
Recoveries of written-off claims	3.4	2.0	1.3	2.1
Expenses for employees' retirement benefits	(0.6)	(1.7)	1.0	(2.0)
Others	0.5	(0.4)	0.9	(0.6)
<b>Net ordinary income</b>	<b>34.8</b>	<b>37.8</b>	<b>(2.9)</b>	<b>47.8</b>
<b>Special gains</b>				
Gains from sales of fixed assets and impairment losses	(0.3)	(1.0)	0.7	(1.2)
Others	(5.2)	(0.3)	(4.8)	(0.1)
<b>Income before income taxes</b>	<b>29.2</b>	<b>36.4</b>	<b>(7.1)</b>	<b>46.3</b>
Income taxes - Current	0.2	0.1	0.0	0.4
Income taxes - Deferred	(0.7)	(0.7)	0.0	(1.0)
<b>Net income</b>	<b>28.7</b>	<b>35.7</b>	<b>(7.0)</b>	<b>45.7</b>

1. Includes income from monetary assets held in trust of ¥5.1 billion in Q3FY2015, ¥5.9 billion in Q3FY2014 and ¥9.0 billion in FY2014.

2. Reversals of reserve for loan losses was ¥9.7 billion in Q3FY2015, ¥4.8 billion in Q3FY2014 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 for the nine months ended December 31, 2015, was ¥77.9 billion, decreased ¥9.5 billion compared to the same period in fiscal year 2014. Of this, net interest income was ¥64.4 billion, decreased ¥5.5 billion compared to the same period in fiscal year 2014. This decrease was due primarily to the negative impact of the absence of significant dividend income from securities investments, which was recorded in the nine months ended December 31, 2014, being greater than the positive impacts of an increase in net interest income associated with the consumer finance business and a reduction in funding costs due to the maturation of high interest rate time deposits in the previous fiscal year. It should be noted that dividend income received from subsidiaries in the nine months ended December 31, 2015, totaled ¥4.3 billion (¥2.9 billion from Shinsei Financial, ¥0.8 billion from Showa Leasing and others) compared to ¥4.8 billion received in the nine months ended December 31, 2014, (¥2.9 billion from Shinsei Financial, ¥1.0 billion from Shinsei Trust and Banking, ¥0.8 billion from Showa Leasing). Noninterest income

General and administrative expenses of ¥56.3 billion were recorded for the nine months ended December 31, 2015, the same amount recorded up to the end of the third quarter of fiscal year 2014. This was due to continued focus on efficient operational management while simultaneously investing the resources necessary 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 ¥21.5 billion for the nine months ended December 31, 2015, decreased ¥9.5 billion compared to the same period of fiscal year 2014. In the nine months ended December 31, 2015, while net credit costs improved significantly by ¥7.4 billion compared to the same period of fiscal year 2014, due to factors such as the recording of a loss in "Others" as a result of the revaluation of a fund investment, net income for the nine months ended December 31, 2015, totaled ¥28.7 billion, decreased ¥7.0 billion compared to the same period of fiscal year 2014.

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

*(Billions of yen, except percentages)*

	Q3 FY2015 (9 months)			Q3 FY2014 (9 months)			FY2014 (12 months)		
	Average balance	Interest	Yield/rate <sup>1</sup> (%)	Average balance	Interest	Yield/rate <sup>1</sup> (%)	Average balance	Interest	Yield/rate <sup>1</sup> (%)
<b>Interest-earning assets:</b>									
Loans and bills discounted	4,193.2	59.9	1.90	4,073.2	56.7	1.84	4,088.0	75.8	1.85
Securities	1,783.6	14.2	1.06	2,021.9	26.3	1.73	1,982.3	33.0	1.66
Other interest-earning assets <sup>2, 3</sup>	321.4	2.0	***	369.7	2.4	***	374.5	3.2	***
<b>Total interest-earning assets</b>	<b>6,298.2</b>	<b>76.2</b>	<b>1.61</b>	<b>6,464.9</b>	<b>85.6</b>	<b>1.75</b>	<b>6,444.9</b>	<b>112.1</b>	<b>1.73</b>
<b>Interest-bearing liabilities:</b>									
Deposits, including negotiable certificates of deposit	5,670.6	6.2	0.14	5,789.7	8.3	0.19	5,744.3	10.8	0.18
Borrowed money	417.6	1.6	0.51	399.1	1.7	0.57	410.3	2.2	0.55
Subordinated debt	58.1	1.2	2.84	62.8	1.3	2.76	61.7	1.7	2.78
Other borrowed money	359.4	0.3	0.14	336.2	0.4	0.16	348.5	0.5	0.16
Corporate bonds	117.6	3.0	3.43	198.9	5.4	3.62	194.8	6.8	3.49
Subordinated bonds	105.2	3.0	3.80	190.8	5.4	3.76	185.8	6.7	3.64
Other corporate bonds	12.4	0.0	0.34	8.0	0.0	0.26	8.9	0.0	0.28
Other interest-bearing liabilities <sup>2</sup>	543.5	1.1	***	730.6	0.7	***	681.8	0.9	***
<b>Total interest-bearing liabilities</b>	<b>6,749.4</b>	<b>12.0</b>	<b>0.23</b>	<b>7,118.3</b>	<b>16.2</b>	<b>0.30</b>	<b>7,031.3</b>	<b>20.9</b>	<b>0.29</b>
<b>Net interest income/yield on interest-earning assets</b>	<b>6,298.2</b>	<b>64.1</b>	<b>1.35</b>	<b>6,464.9</b>	<b>69.3</b>	<b>1.42</b>	<b>6,444.9</b>	<b>91.1</b>	<b>1.41</b>

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

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

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

## Interest spread (All, Domestic) (Nonconsolidated)

(All) (Percentages)

	Q3 FY2015 (9 months)	Q3 FY2014 (9 months)	Change	FY2014 (12 months)
Yield on interest earning assets (A)	1.61	1.75	(0.14)	1.73
Total cost of funding (B)	1.36	1.34	0.02	1.36
Cost of interest bearing liabilities (C)	0.23	0.29	(0.06)	0.29
Overall interest spread (A) – (B)	0.25	0.41	(0.16)	0.37
Net interest margin (A) – (C)	1.38	1.46	(0.08)	1.44

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

( Domestic ) <sup>(1)</sup> (Percentages)

	Q3 FY2015 (9 months)	Q3 FY2014 (9 months)	Change	FY2014 (12 months)
Yield on interest earning assets (A)	1.51	1.74	(0.23)	1.71
Interest earned on loans and bills discounted	1.92	1.84	0.08	1.85
Interest earned on securities	0.85	1.73	(0.88)	1.63
Total cost of funding (B) <sup>(2)</sup>	1.34	1.30	0.04	1.33
Cost of interest bearing liabilities (C)	0.17	0.22	(0.05)	0.22
Interest paid on deposits <sup>(3)</sup>	0.12	0.16	(0.04)	0.15
Overall interest spread (A) – (B)	0.17	0.44	(0.27)	0.38
Net interest margin (A) – (C)	1.34	1.52	(0.18)	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)

	Q3 FY2015 (9 months)	Q3 FY2014 (9 months)	Change (Amount)	FY2014 (12 months)
<b>Gains (losses) on bonds</b>	<b>2.9</b>	<b>3.6</b>	<b>(0.6)</b>	<b>2.6</b>
Gains on sales	3.5	4.3	(0.8)	5.2
Gains on redemption	-	0.0	(0.0)	0.0
Losses on sales	(0.6)	(0.1)	(0.4)	(0.5)
Losses on redemption	-	-	-	-
Losses on devaluation	-	(0.6)	0.6	(2.0)
<b>Gains (losses) on stocks</b>	<b>0.5</b>	<b>3.4</b>	<b>(2.9)</b>	<b>4.1</b>
Gains on sales	1.2	3.7	(2.5)	4.5
Losses on sales	(0.3)	(0.0)	(0.3)	(0.0)
Losses on devaluation	(0.3)	(0.3)	(0.0)	(0.4)

**Net Credit Costs (Nonconsolidated) <sup>1</sup>***(Billions of yen)*

	<b>Q3 FY2015 (9 months)</b>	Q3 FY2014 (9 months)	Change (Amount)	FY2014 (12 months)
Losses on write-off of loans	<b>(0.2)</b>	(1.4)	1.2	(3.6)
Net provision of reserve for loan losses	<b>9.7</b>	4.8	4.9	5.6
Net provision of general reserve for loan losses	<b>(3.0)</b>	0.0	(3.1)	(0.7)
Net provision of specific reserve for loan losses	<b>12.8</b>	4.7	8.0	6.3
Recoveries of written-off claims	<b>3.4</b>	2.0	1.3	2.1
<b>Net credit costs</b>	<b>12.9</b>	5.4	7.4	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)

	<i>(Billions of yen)</i>		
	Dec 31 2015	Mar 31 2015	Change (Amount)
Domestic (excluding Japan offshore market accounts):			
Manufacturing	215.8	194.5	21.3
Agriculture and forestry	0.0	0.1	(0.0)
Fishery	0.0	0.0	0.0
Mining, quarrying and gravel extraction	0.1	0.1	0.0
Construction	8.3	8.2	0.0
Electric power, gas, heat supply and water supply	219.0	203.9	15.1
Information and communications	33.0	38.6	(5.6)
Transportation and postal service	165.8	173.2	(7.3)
Wholesale and retail	92.9	97.7	(4.8)
Finance and insurance	663.6	734.8	(71.2)
Real estate	555.4	537.0	18.3
Services	346.1	395.7	(49.6)
Local government	80.2	94.2	(13.9)
Individuals	1,450.3	1,403.5	46.8
Overseas yen loans and overseas loans booked domestically	338.3	261.4	76.9
<b>Total domestic</b>	<b>4,169.4</b>	<b>4,143.3</b>	<b>26.0</b>
Overseas (including Japan offshore market accounts):			
Governments	0.9	1.1	(0.1)
Financial institutions	8.8	-	8.8
Commerce and industry	91.8	78.4	13.4
Others	-	-	-
<b>Total overseas</b>	<b>101.7</b>	<b>79.5</b>	<b>22.1</b>
<b>Total</b>	<b>4,271.1</b>	<b>4,222.9</b>	<b>48.2</b>



## Risk-Monitored Loans (Nonconsolidated)

	<i>(Billions of yen)</i>		
	Dec 31 2015	Mar 31 2015	Change (Amount)
Loans to bankrupt obligors	1.3	0.7	0.5
Nonaccrual delinquent loans	31.4	55.6	(24.1)
Loans past due for three months or more	1.2	1.1	0.0
Restructured loans	1.2	3.3	(2.1)
<b>Total (A)</b>	<b>35.2</b>	<b>60.8</b>	<b>(25.5)</b>
<b>Loans and bills discounted (B)</b>	<b>4,271.1</b>	<b>4,222.9</b>	<b>48.2</b>
Ratio to total loans and bills discounted (A/B) (%)	<b>0.83%</b>	1.44%	/
<b>Reserve for credit losses (C)</b>	<b>35.7</b>	47.7	(11.9)
Reserve ratio (C/A) (%)	<b>101.4%</b>	78.4%	/

## Risk Monitored Loans by Borrower Industry (Nonconsolidated)

	<i>(Billions of yen)</i>		
	Dec 31 2015	Mar 31 2015	Change (Amount)
Domestic (excluding Japan offshore market accounts):			
Manufacturing	0.7	0.9	(0.1)
Agriculture and forestry	-	-	-
Fishery	-	-	-
Mining, quarrying and gravel extraction	-	-	-
Construction	-	-	-
Electric power, gas, heat supply and water supply	-	-	-
Information and communications	0.0	0.5	(0.5)
Transportation and postal service	1.2	-	1.2
Wholesale and retail	0.3	1.0	(0.7)
Finance and insurance	-	-	-
Real estate	26.2	26.3	(0.1)
Services	0.5	25.2	(24.7)
Local government	-	-	-
Individuals	2.8	3.4	(0.6)
Overseas yen loans and overseas loans booked domestically	3.3	3.1	0.2
<b>Total domestic</b>	<b>35.2</b>	<b>60.8</b>	<b>(25.5)</b>
Overseas (including Japan offshore market accounts):			
Governments	-	-	-
Financial institutions	-	-	-
Commerce and industry	-	-	-
Others	-	-	-
<b>Total overseas</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>35.2</b>	<b>60.8</b>	<b>(25.5)</b>

## Claims Classified under the Financial Revitalization Law (Nonconsolidated)

(Billions of yen)

	Dec 31 2015	Mar 31 2015	Change (Amount)
Claims against bankrupt and quasi-bankrupt obligors	5.5	4.3	1.2
Doubtful claims	27.3	52.1	(24.8)
Substandard claims	2.5	4.5	(2.0)
<b>Total (A)</b>	<b>35.3</b>	<b>60.9</b>	<b>(25.6)</b>
Coverage ratio	98.3%	96.9%	
<b>Total claims (B)</b>	<b>4,358.3</b>	<b>4,299.8</b>	<b>58.5</b>
Loans and bills discounted	4,271.1	4,222.9	48.2
Others	87.2	76.9	10.3
Ratio to total claims (A/B X 100) (%) <sup>1</sup>	0.81%	1.42%	
(Ref. 1) Amount of write-off	34.9	54.8	(19.9)
(Ref. 2) Below need caution level	103.4	135.5	(32.0)

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

## Coverage Ratios for Nonperforming Claims Disclosed under the Financial Revitalization Law (Nonconsolidated)

*(Billions of yen, except percentages)*

	Dec 31, 2015					Mar 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	5.5	5.5	-	5.5	100.0%	4.3	4.3	-	4.3	100.0%
Doubtful claims	27.3	27.1	10.3	16.9	99.4%	52.1	51.4	23.7	27.7	98.6%
Substandard claims	2.5	2.0	0.5	1.6	81.8%	4.5	3.4	1.2	2.2	74.6%
<b>Total</b>	<b>35.3</b>	<b>34.7</b>	<b>10.8</b>	<b>23.9</b>	<b>98.3%</b>	<b>60.9</b>	<b>59.0</b>	<b>24.9</b>	<b>34.2</b>	<b>96.9%</b>

## Reserve for Credit Losses (Nonconsolidated)

(Billions of yen)

	<b>Dec 31 2015</b>	Mar 31 2015	Change (Amount)
Reserve for credit losses	<b>31.8</b>	43.8	(11.9)
General reserve for loan losses	<b>20.8</b>	19.3	1.5
Specific reserve for loan losses	<b>11.0</b>	24.4	(13.4)
Reserve for loans to restructuring countries	<b>0.0</b>	0.0	-
Specific reserve for other credit losses	<b>3.9</b>	3.9	-
<b>Total reserve for credit losses</b>	<b>35.7</b>	47.7	(11.9)

## Securities Being Held to Maturity (Nonconsolidated)

	Dec 31, 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	536.4	540.5	4.1	508.5	511.0	2.4
Other	25.9	26.9	0.9	39.0	41.6	2.6
Subtotal	562.3	567.5	5.1	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)
<b>Total</b>	<b>562.3</b>	<b>567.5</b>	<b>5.1</b>	<b>644.5</b>	<b>649.5</b>	<b>5.0</b>

## Securities Available for Sale (Nonconsolidated)

(Billions of yen)

	Dec 31, 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	17.3	8.8	8.5	17.5	9.1	8.4
Domestic bonds	150.8	150.0	0.7	127.8	127.2	0.6
Japanese national government bonds	127.1	127.0	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	23.2	22.5	0.6	26.9	26.3	0.5
Other	105.4	101.8	3.6	145.5	140.1	5.3
Foreign securities	97.4	94.8	2.6	138.2	133.8	4.4
Foreign currency denominated foreign corporate and government bonds	56.1	53.8	2.2	80.6	77.3	3.3
Yen-denominated foreign corporate and government bonds	41.3	40.9	0.3	57.5	56.4	1.1
Foreign equity securities and others	0.0	0.0	0.0	-	-	-
Other securities	7.5	6.6	0.9	6.4	5.5	0.9
Other monetary claims purchased	0.4	0.4	0.0	0.7	0.7	0.0
Subtotal	273.6	260.7	12.9	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	39.7	40.4	(0.7)	341.8	343.6	(1.8)
Japanese national government bonds	-	-	-	284.8	285.6	(0.7)
Japanese local government bonds	-	-	-	-	-	-
Japanese corporate bonds	39.7	40.4	(0.7)	56.9	58.0	(1.0)
Other	221.6	224.7	(3.1)	82.6	82.7	(0.1)
Foreign securities	191.6	194.0	(2.3)	75.4	75.5	(0.0)
Foreign currency denominated foreign corporate and government bonds	136.3	138.1	(1.7)	36.2	36.2	(0.0)
Yen-denominated foreign corporate and government bonds	51.0	51.3	(0.3)	39.2	39.2	(0.0)
Foreign equity securities and others	4.2	4.4	(0.2)	0.0	0.0	-
Other securities	13.4	13.9	(0.4)	2.2	2.3	(0.0)
Other monetary claims purchased	16.5	16.7	(0.2)	4.8	4.9	(0.0)
Subtotal	262.0	266.2	(4.2)	425.0	427.2	(2.1)
<b>Total<sup>1,2</sup></b>	<b>535.7</b>	<b>527.0</b>	<b>8.6</b>	<b>715.9</b>	<b>703.7</b>	<b>12.2</b>

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

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

## Unrealized Gain (Loss) on Available-for-Sale Securities (Nonconsolidated)

(Billions of yen)

	Dec 31, 2015	Mar 31, 2015
Unrealized gain (loss) before deferred tax on:		
Available-for-sale securities	8.6	12.2
Interests in available-for-sale securities held by partnerships recorded as securities whose fair value cannot be reliably determined	2.6	1.1
Securities being held to maturity, reclassified from available-for-sale in the past, under extremely illiquid market conditions	(0.9)	(2.1)
Other monetary assets held in trust	(0.9)	(1.2)
(-) Deferred tax liabilities	1.5	1.5
<b>Unrealized gain (loss) on available-for-sale securities</b>	<b>7.9</b>	<b>8.5</b>

## Capital Adequacy Ratios (Nonconsolidated)

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

	<i>(Billions of yen, except percentages)</i>		
	<b>Dec 31 2015</b>	<b>Mar 31 2015</b>	<b>Change (Amount)</b>
Core capital: instruments and reserves	<b>842.4</b>	889.5	(47.0)
Core capital: regulatory adjustments	<b>(14.1)</b>	(11.1)	(3.0)
Capital	<b>828.3</b>	878.4	(50.1)
Total amount of Risk-weighted assets	<b>5,223.9</b>	5,360.3	(136.3)
Capital ratio	<b>15.85%</b>	16.38%	

1. Calculated according to F-IRB.

Nonconsolidated total required capital is ¥431.8 billion as at December 31, 2015 and ¥438.3 billion as at March 31, 2015.



## Nonconsolidated Balance Sheets (Unaudited)

(Millions of yen)

	Dec 31 2015	Mar 31 2015	Change (Amount)
<b>&lt;&lt;Assets&gt;&gt;</b>			
Cash and due from banks	1,499,100	808,296	690,803
Call loans	30,000	30,000	-
Receivables under resale agreements	34,853	53,216	(18,362)
Other monetary claims purchased	193,554	185,707	7,846
Trading assets	246,068	279,159	(33,091)
Monetary assets held in trust	150,824	166,285	(15,460)
Securities	1,557,023	1,863,774	(306,750)
Valuation allowance for investments	-	(3,370)	3,370
Loans and bills discounted	4,271,147	4,222,922	48,224
Foreign exchanges	16,951	18,537	(1,585)
Other assets	226,583	253,808	(27,224)
Other	226,583	253,808	(27,224)
Premises and equipment	17,365	18,609	(1,244)
Intangible assets	11,460	8,988	2,471
Prepaid pension cost	727	-	727
Deferred issuance expenses for debentures	4	12	(7)
Deferred tax assets	625	1,071	(445)
Customers' liabilities for acceptances and guarantees	26,050	13,381	12,669
Reserve for credit losses	(35,779)	(47,715)	11,935
<b>Total assets</b>	<b>8,246,560</b>	<b>7,872,684</b>	<b>373,875</b>
<b>&lt;&lt;Liabilities&gt;&gt;</b>			
Deposits	5,680,072	5,514,725	165,346
Negotiable certificates of deposit	449,779	85,565	364,214
Debentures	19,239	32,300	(13,061)
Call money	245,000	230,000	15,000
Payables under repurchase agreements	62,749	29,152	33,596
Payables under securities lending transactions	152,673	101,280	51,393
Trading liabilities	232,650	259,128	(26,478)
Borrowed money	362,603	444,139	(81,536)
Foreign exchanges	142	27	114
Corporate bonds	58,344	148,423	(90,078)
Other liabilities	192,782	272,383	(79,601)
Income taxes payable	601	351	250
Asset retirement obligations	7,284	7,249	34
Other	184,896	264,783	(79,886)
Accrued employees' bonuses	3,564	4,645	(1,080)
Reserve for employees' retirement benefits	-	750	(750)
Reserve for directors' retirement benefits	-	47	(47)
Acceptances and guarantees	26,050	13,381	12,669
<b>Total liabilities</b>	<b>7,485,652</b>	<b>7,135,951</b>	<b>349,701</b>
<b>&lt;&lt;Equity&gt;&gt;</b>			
<b>Shareholders' equity:</b>			
Common stock	512,204	512,204	-
Capital surplus	79,465	79,465	-
Additional paid-in capital	79,465	79,465	-
Retained earnings	251,441	225,303	26,137
Legal reserve	13,689	13,158	530
Other retained earnings	237,751	212,144	25,606
Unappropriated retained earnings	237,751	212,144	25,606
Treasury stock, at cost	(72,559)	(72,558)	(0)
<b>Total shareholders' equity</b>	<b>770,552</b>	<b>744,415</b>	<b>26,137</b>
<b>Net unrealized gain (loss) and translation adjustments</b>			
Unrealized gain (loss) on available-for-sale securities	7,955	8,502	(546)
Deferred gain (loss) on derivatives under hedge accounting	(18,112)	(17,395)	(717)
<b>Total net unrealized gain (loss) and translation adjustments</b>	<b>(10,157)</b>	<b>(8,893)</b>	<b>(1,263)</b>
Stock acquisition rights	512	1,211	(698)
<b>Total equity</b>	<b>760,907</b>	<b>736,733</b>	<b>24,174</b>
<b>Total liabilities and equity</b>	<b>8,246,560</b>	<b>7,872,684</b>	<b>373,875</b>

## Nonconsolidated Statements of Income(Unaudited)

(Millions of yen)

	Q3 FY2015 (9 months)	Q3 FY2014 (9 months)	Change (Amount)	FY2014 (12 months)
<b>Ordinary income</b>	<b>124,981</b>	131,439	(6,458)	175,751
Interest income	76,232	85,612	(9,380)	112,124
Interest on loans and bills discounted	59,915	56,747	3,168	75,873
Interest and dividends on securities	14,232	26,365	(12,133)	33,007
Other interest income	2,083	2,499	(415)	3,243
Fees and commissions income	14,902	14,776	125	20,959
Trading income	3,680	2,954	726	5,021
Other business income	9,230	10,162	(931)	14,662
Other ordinary income	20,935	17,933	3,002	22,984
<b>Ordinary expenses</b>	<b>90,106</b>	93,579	(3,473)	127,900
Interest expenses	12,095	16,219	(4,123)	20,933
Interest on deposits	6,137	8,247	(2,109)	10,768
Interest on corporate bonds	3,039	5,434	(2,394)	6,804
Other interest expenses	2,918	2,537	381	3,359
Fees and commissions expenses	18,136	14,516	3,619	19,908
Trading losses	178	549	(370)	491
Other business expenses	1,185	1,249	(63)	3,589
General and administrative expenses	56,985	58,654	(1,669)	78,004
Other ordinary expenses	1,525	2,390	(865)	4,972
<b>Ordinary profit</b>	<b>34,875</b>	37,860	(2,984)	47,851
Extraordinary gains	813	198	614	357
Extraordinary losses	6,414	1,626	4,787	1,842
<b>Income before income taxes</b>	<b>29,274</b>	36,432	(7,157)	46,366
Income taxes (benefit)	482	636	(153)	625
<b>Net income</b>	<b>28,791</b>	35,795	(7,004)	45,740

## Nonconsolidated Composition of Capital Disclosure

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

Millions of yen (except percentages)

	Dec 31 2015	Amounts excluded under transitional arrangements
<b>Core capital: instruments and reserves</b>		
Directly issued qualifying common share capital or preferred share capital with a compulsory conversion clause plus related capital surplus and retained earnings	770,552	
of which: capital and capital surplus	591,670	
of which: retained earnings	251,441	
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	235	
of which: general reserve for loan losses included in Core capital	235	
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)	71,198	
Capital instruments issued through measures for capital enhancement by public institutions (amount allowed to be included in Core capital: instruments and reserves)	-	
Land revaluation excess after 55% discount (amount allowed to be included in Core capital: instruments and reserves)	-	
<b>Core capital: instruments and reserves</b>	<b>842,499</b>	
<b>Core capital: regulatory adjustments</b>		
Total amount of intangible assets (excluding those relating to mortgage servicing rights)	2,471	5,398
of which: goodwill (including those equivalent)	599	-
of which: other intangibles other than goodwill and mortgage servicing rights	1,871	5,398
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	389	1,559
Shortfall of eligible provisions to expected losses	2,946	-
Gain on sale of securitization	8,287	-
Gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Prepaid pension cost	97	389
Investments in own shares (excluding those reported in the net assets section)	1	4
Reciprocal cross-holdings in common equity	-	-
Investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation ("Other Financial Institutions"), net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above the 10% threshold)	-	-
Amount exceeding the 10% threshold on specific items	-	-
of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	-	-
of which: mortgage servicing rights	-	-
of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-
Amount exceeding the 15% threshold on specific items	-	-
of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	-	-
of which: mortgage servicing rights	-	-
of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-
<b>Core capital: regulatory adjustments</b>	<b>14,194</b>	
<b>Capital (nonconsolidated)</b>	<b>828,304</b>	
<b>Risk-weighted assets</b>		
Total amount of credit risk-weighted assets	4,874,851	
of which: total amount included in risk-weighted assets by transitional arrangements	(3,502)	
of which: intangible assets (excluding those relating to goodwill and mortgage servicing rights)	5,398	
of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	1,559	
of which: prepaid pension cost	389	
of which: significant investments in the common stock of Other Financial Institutions (net of eligible short positions)	(10,859)	
of which: other than above	9	
Market risk (derived by multiplying the capital requirement by 12.5)	164,507	
Operational risk (derived by multiplying the capital requirement by 12.5)	184,632	
Credit risk adjustments	-	
Operational risk adjustments	-	
<b>Total amount of Risk-weighted assets</b>	<b>5,223,992</b>	
<b>Capital ratio (nonconsolidated)</b>	<b>15.85%</b>	

1. Calculated according to F-IRB.

## Earnings Forecasts<sup>1</sup>

(Billions of yen)

(Consolidated)	FY2015 Forecast	FY2014 Actual
Profit attributable to owners of the parent	62.0	67.8
Cash basis profit attributable to owners of the parent *	68.0	75.4

(Nonconsolidated)	FY 2015 Forecast	FY2014 Actual
Net business profit	34.0	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 attributable to owners of the parent minus the amortization of goodwill and intangible assets, and the associated reversal of deferred tax liabilities.

Due to factors such as the business results up to the third quarter of fiscal year 2015, as well as the deterioration in market conditions, the consolidated full year earnings forecasts for the fiscal year ending March 31, 2016 that were made public on May 12, 2015 are revised downwards as follows:

- Profit attributable to owners of the parent forecast revised downwards from 70.0 billion yen to 62.0 billion yen
- Nonconsolidated net business profit forecast revised downwards from 37.0 billion yen to 34.0 billion yen
- Nonconsolidated net income forecast of 42.0 billion yen remains unchanged
- Year-end dividend per share forecast of 1.00 yen per share remains unchanged