

Financial Results for the First Half
of Fiscal Year Ending March 31, 2015
- Supplementary Information -

Tokyo TY Financial Group, Inc.
The Yachiyo Bank, Limited

Contents

I. Overview of Financial Results for the First Half of the Fiscal Year Ending March 31, 2015		
1. Overview of Profit/Loss	<Non-consolidated/Consolidated>	1
2. Business Income	<Non-consolidated>	3
3. Margin	<Non-consolidated>	3
4. ROE	<Non-consolidated>	4
5. ROA	<Non-consolidated>	4
6. OHR	<Non-consolidated>	4
7. Gain/Loss on Securities	<Non-consolidated>	4
8. Capital Ratio (Domestic Standards)	<Non-consolidated/Consolidated>	5
II. Status of Loans		
1. Problem Assets Subject to Disclosure Under - the Financial Reconstruction Law (After partial direct write-offs)	<Non-consolidated>	6
2. Risk-monitored Loans (After partial direct write-offs)	<Non-consolidated/Consolidated>	6
3. Coverage Status of Problem Assets Subject to Disclosure Under the Financial Reconstruction Law (After partial direct write-offs)	<Non-consolidated>	7
4. Status of Reserve for Possible Loan Losses	<Non-consolidated/Consolidated>	7
5. Status of Problem Assets Subject to Disclosure	<Non-consolidated>	8
6. Loan Breakdown by Industrial Sector	<Non-consolidated>	9
7. Deposits and Loans	<Non-consolidated>	11
III. Valuation Gain/Loss on Securities		
1. Valuation Standards	<Non-consolidated/Consolidated>	12
2. Gain/Loss on Valuation	<Non-consolidated/Consolidated>	12
IV. Tokyo TY Financial Group Two-Bank Totals (simple total for the two banks on a non-consolidated basis)		13

I. Overview of Financial Results for the First Half of the Fiscal Year Ending March 31, 2015

1. Overview of Profit/Loss

<Non-consolidated>

(Millions of yen)

		First half ended Sept. 30, 2014 (A)	Difference (A) – (B)	First half ended Sept. 30, 2013 (B)
Ordinary income	1	20,674	(1,179)	21,853
Gross business profit	2	16,687	(1,425)	18,112
(Excluding income (loss) on bonds)	3	15,567	(403)	15,970
(Gross core business profit)				
Gross domestic business profit	4	16,290	(1,536)	17,826
(Excluding income (loss) on bonds)	5	15,189	(504)	15,693
Net interest income	6	13,613	(737)	14,350
Net fees and commissions	7	1,513	206	1,307
Other business income (loss)	8	1,164	(1,004)	2,168
Gross international business profit	9	396	110	286
(Excluding income (loss) on bonds)	10	378	102	276
Net interest income	11	146	51	95
Net fees and commissions	12	36	(3)	39
Other business income (loss)	13	213	62	151
Expenses (excluding non-recurring losses)	14	13,152	(351)	13,503
Personnel expenses	15	7,245	(163)	7,408
Non-personnel expenses	16	5,058	(235)	5,293
Taxes	17	849	48	801
Net business income (before transfer to reserve for general possible loan losses)	18	3,534	(1,075)	4,609
(Net business income)				
(Excluding income (loss) on bonds)	19	2,414	(52)	2,466
(Core business income)				
Transfer to reserve for general possible loan losses (1)	20	-	-	-
Net business income	21	3,534	(1,075)	4,609
(Of which, income (loss) on bonds)	22	1,119	(1,023)	2,142
Non-recurring profit (loss)	23	1,302	938	364
Loss from write-off of non-performing loans (2)	24	434	(517)	951
Depreciation of loans	25	247	(504)	751
Transfer to reserve for individual possible loan losses	26	-	-	-
Loss on transfer of receivables	27	40	(16)	56
Provision for contingent loss	28	-	-	-
Credit guarantee association responsibility-sharing system charge	29	146	3	143
Other losses from write-off of non-performing loans	30	-	-	-
Reversal of allowance for loan losses (3)	31	1,046	420	626
Recoveries of written-off claims	32	576	216	360
Gains (losses) on stocks and other securities	33	81	81	0
Gain on sale of stocks and other securities	34	81	(3)	84
Loss on sale of stocks and other securities	35	-	(30)	30
Loss on devaluation of stocks and other securities	36	-	(53)	53
Other non-recurring profit (loss)	37	32	(296)	328
Ordinary profit	38	4,837	(136)	4,973
Extraordinary profit (loss)	39	(3)	21	(24)
Income before income taxes	40	4,833	(115)	4,948
Total income taxes	41	1,382	(248)	1,630
Income taxes – current	42	844	819	25
Income taxes – deferred	43	538	(1,067)	1,605
Net income	44	3,451	133	3,318
Credit-related costs (1) + (2) - (3)	45	(612)	(936)	324

<Consolidated>

(Millions of yen)

		First half ended Sept. 30, 2014 (A)	Difference (A) – (B)	First half ended Sept. 30, 2013 (B)
Ordinary income	1	21,048	(1,174)	22,222
Gross business profit	2	17,028	(1,564)	18,592
(Excluding income (loss) on bonds)	3	15,908	(541)	16,449
Net interest income	4	13,548	(832)	14,380
Net fees and commissions	5	1,944	198	1,746
Other business income (loss)	6	1,535	(929)	2,464
Expenses (excluding non-recurring losses)	7	13,280	(427)	13,707
Credit-related costs	8	(712)	(1,041)	329
Depreciation of loans	9	250	(512)	762
Transfer to reserve for individual possible loan losses	10	-	-	-
Other credit-related costs	11	(962)	(530)	(432)
Gains (losses) on stocks and other securities	12	96	96	0
Profit on investments based on the equity method	13	-	-	-
Others	14	606	(78)	684
Ordinary profit	15	5,163	(76)	5,239
Extraordinary profit (loss)	16	(3)	21	(24)
Income before income taxes and minority interests	17	5,160	(54)	5,214
Total income taxes	18	1,547	(221)	1,768
Income taxes – current	19	974	876	98
Income taxes – deferred	20	573	(1,097)	1,670
Income before minority interests	21	3,612	166	3,446
Minority interests	22	8	3	5
Net income	23	3,604	164	3,440

(Number of consolidated subsidiaries and equity-method affiliates)

(Number of companies)

Consolidated subsidiaries	24	4	-	4
Equity-method affiliates	25	-	-	-

2. Business Income <Non-consolidated>

(Millions of yen)

	First half ended September 30, 2014		First half ended September 30, 2013 (B)
	(A)	Difference (A) – (B)	
Net business income (before transfer to reserve for general possible loan losses)	3,534	(1,075)	4,609
Per employee (thousands of yen)	2,122	(611)	2,733
Net business income	3,534	(1,075)	4,609
Per employee (thousands of yen)	2,122	(611)	2,733
Net core business income	2,414	(52)	2,466
Per employee (thousands of yen)	1,450	(12)	1,462

Note: For employees above, the average number of employees during the period under review including executive officers but excluding temporary employees, fixed-term employees, and secondees has been used.

3. Margin <Non-consolidated> <Total>

(%)

	First half ended September 30, 2014		First half ended September 30, 2013 (B)
	(A)	Difference (A) – (B)	
Yields on interest-earning assets (1)	1.33	(0.09)	1.42
Loans and bills discounted (a)	1.57	(0.12)	1.69
Securities	0.95	(0.03)	0.98
Cost of funding (2)	1.30	(0.06)	1.36
Deposits, etc. (b)	0.06	-	0.06
External liabilities	1.60	(0.06)	1.66
Difference of interest rates between deposits and loans (a) – (b)	1.51	(0.12)	1.63
Net interest margin (1) – (2)	0.03	(0.03)	0.06

<Domestic Operations>

(%)

	First half ended September 30, 2014		First half ended September 30, 2013 (B)
	(A)	Difference (A) – (B)	
Yields on interest-earning assets (1)	1.32	(0.09)	1.41
Loans and bills discounted (a)	1.57	(0.12)	1.69
Securities	0.92	(0.05)	0.97
Cost of funding (2)	1.29	(0.06)	1.35
Deposits, etc. (b)	0.06	-	0.06
External liabilities	1.60	(0.06)	1.66
Difference of interest rates between deposits and loans (a) – (b)	1.51	(0.12)	1.63
Net interest margin (1) – (2)	0.03	(0.03)	0.06

4. ROE <Non-consolidated>

(%)

	First half ended September 30, 2014 (A)	Difference (A) – (B)	First half ended September 30, 2013 (B)
	On a basis of net business income (before transfer to reserve for general possible loan losses)	7.03	(1.86)
On a basis of net business income	7.03	(1.86)	8.89
On a basis of net core business income	4.80	0.05	4.75
On a basis of net income	6.87	0.47	6.40

Note: ROE = $\frac{\text{Net income} \times 365/183}{(\text{Net assets at the beginning of the period} + \text{net assets at the end of the period})/2} \times 100$

5. ROA <Non-consolidated>

(%)

	First half ended September 30, 2014 (A)	Difference (A) – (B)	First half ended September 30, 2013 (B)
	On a basis of net business income (before transfer to reserve for general possible loan losses)	0.31	(0.10)
On a basis of net business income	0.31	(0.10)	0.41
On a basis of net core business income	0.21	(0.01)	0.22
On a basis of net income	0.30	-	0.30

Note: ROA = $\frac{\text{Net income} \times 365/183}{\text{Net income}/(\text{balance of total assets} - \text{balance of repayment on which payment is approved})} \times 100$

6. OHR <Non-consolidated>

(%)

	First half ended September 30, 2014 (A)	Difference (A) – (B)	First half ended September 30, 2013 (B)
	On a basis of gross core business profit	84.48	(0.07)
On a basis of gross business profit	78.81	4.26	74.55

Note: OHR = $\frac{\text{Expenses}}{\text{Gross business profit}} \times 100$

7. Gain/Loss on Securities <Non-consolidated>

(Millions of yen)

	First half ended September 30, 2014 (A)	Difference (A) – (B)	First half ended September 30, 2013 (B)
	Gains (losses) on bonds	1,119	(1,023)
Gain on sale of bonds	1,119	(1,045)	2,164
Gain on redemption of bonds	-	-	-
Loss on sale of bonds	-	(21)	21
Loss on redemption of bonds	-	-	-
Amortization on bonds	-	-	-
Gain (loss) on securities from application of mark-to-market accounting (securities)	81	81	0
Gain on sale of stock and other securities	81	(3)	84
Loss on sale of stock and other securities	-	(30)	30
Amortization on stock and other securities	-	(53)	53

8. Capital Ratio (Domestic Standards)

Note that accompanying a revision notice from the FSA, the capital ratio (domestic standards) has been calculated based on the new Basel III standards from the fiscal year ended March 31, 2014.

(Millions of yen)

	Non-consolidated			Consolidated		
	September 30, 2014 (A)	Difference (A) – (B)	March 31, 2014 (B)	September 30, 2014 (A)	Difference (A) – (B)	March 31, 2014 (B)
(1) Capital ratio (%) (4)/(5)	9.86	(0.07)	9.93	10.14	(0.05)	10.19
(2) Basic items in core capital	105,451	1,128	104,323	108,727	1,263	107,464
(3) Adjustments in core capital	-	-	-	-	-	-
(4) Capital (2) – (3)	105,451	1,128	104,323	108,727	1,263	107,464
(5) Risk-weighted assets	1,068,622	18,403	1,050,219	1,071,983	17,877	1,054,106
(6) Total necessary capital (5) x 4%	42,744	736	42,008	42,879	715	42,164

Note: Capital ratio is calculated based on the “Standard to determine the relevance of capital adequacy based on the assets held by the bank in accordance with the provisions of Article 14-2 of the Banking Law” (2006 FSA Announcement No. 19). The standardized approach is applied for calculating credit risks and assets, while the fundamental approach is applied for calculating the amount equivalent to operational risk.

(Reference)

Capital Ratio (Basel II/domestic standards)

(Millions of yen)

	Non-consolidated	Consolidated
	September 30, 2013	September 30, 2013
(1) Capital ratio (%)	9.98	10.25
Tier I ratio	9.16	9.40
(2) Tier I capital	92,935	95,586
(3) Tier II capital	8,904	9,274
Revaluation reserve for land posted in capital	1,486	1,486
Reserve for general possible loan losses posted in capital	5,418	5,788
Subordinated debt posted in capital	2,000	2,000
(4) Deduction items	643	643
(5) Capital (2) + (3) – (4)	101,197	104,217
(6) Risk-weighted assets	1,013,969	1,016,006
(7) Total necessary capital ((6) x 4%)	40,558	40,640

II. Status of Loans

1. Problem Assets Subject to Disclosure Under the Financial Reconstruction Law (After partial direct write-offs) <Non-consolidated>

(Millions of yen)

	September 30, 2014 (A)	September 30, 2014		March 31, 2014 (B)	September 30, 2013 (C)
		Difference (A) – (B)	Difference (A) – (C)		
Bankrupt and quasi-bankrupt assets	3,370	(1,228)	(1,422)	4,598	4,792
Doubtful assets	47,229	422	(2,891)	46,807	50,120
Substandard loans	2,591	(1,998)	(3,425)	4,589	6,016
Subtotal (a)	53,191	(2,804)	(7,737)	55,995	60,928
Normal assets	1,399,792	21,954	69,724	1,377,838	1,330,068
Total credit amount (b)	1,452,983	19,150	61,986	1,433,833	1,390,997
Ratio of total credit amount (%) (a)/(b)	3.66	(0.24)	(0.72)	3.90	4.38

2. Risk-monitored Loans (After partial direct write-offs) <Non-consolidated>

(1) Risk-monitored loan amount

(Millions of yen)

	September 30, 2014 (A)	September 30, 2014		March 31, 2014 (B)	September 30, 2013 (C)
		Difference (A) – (B)	Difference (A) – (C)		
Bankrupt loans	433	(168)	(509)	601	942
Non-accrual loans	49,911	(612)	(3,730)	50,523	53,641
Past due loans (3 months or more)	27	3	(29)	24	56
Restructured loans	2,563	(2,002)	(3,396)	4,565	5,959
Risk-monitored loan amount	52,935	(2,779)	(7,665)	55,714	60,600
Loan balances	1,444,146	16,879	59,792	1,427,267	1,384,354

(2) Loan balance ratio

(%)

	September 30, 2014 (A)	September 30, 2014		March 31, 2014 (B)	September 30, 2013 (C)
		Difference (A) – (B)	Difference (A) – (C)		
Bankrupt loans	0.02	(0.02)	(0.04)	0.04	0.06
Non-accrual loans	3.45	(0.08)	(0.42)	3.53	3.87
Past due loans (3 months or more)	0.00	-	-	0.00	0.00
Restructured loans	0.17	(0.14)	(0.26)	0.31	0.43
Loan balance ratio	3.66	(0.24)	(0.71)	3.90	4.37

<Consolidated>

(1) Risk-monitored loan amount

(Millions of yen)

	September 30, 2014 (A)	September 30, 2014		March 31, 2014 (B)	September 30, 2013 (C)
		Difference (A) – (B)	Difference (A) – (C)		
Bankrupt loans	559	(130)	(498)	689	1,057
Non-accrual loans	50,556	(857)	(4,047)	51,413	54,603
Past due loans (3 months or more)	27	3	(29)	24	56
Restructured loans	2,563	(2,002)	(3,396)	4,565	5,959
Risk-monitored loan amount	53,706	(2,987)	(7,971)	56,693	61,677
Loan balances	1,444,364	16,536	59,412	1,427,828	1,384,952

(2) Loan balance ratio

	September 30, 2014			March 31, 2014 (B)	September 30, 2013 (C)
	(A)	Difference (A) – (B)	Difference (A) – (C)		
Bankrupt loans	0.03	(0.01)	(0.04)	0.04	0.07
Non-accrual loans	3.50	(0.10)	(0.44)	3.60	3.94
Past due loans (3 months or more)	0.00	-	-	0.00	0.00
Restructured loans	0.17	(0.14)	(0.26)	0.31	0.43
Loan balance ratio	3.71	(0.26)	(0.74)	3.97	4.45

3. Coverage Status of Problem Assets Subject to Disclosure Under the Financial Reconstruction Law (After partial direct write-offs) <Non-consolidated>

	September 30, 2014			March 31, 2014 (B)	September 30, 2013 (C)
	(A)	Difference (A) – (B)	Difference (A) – (C)		
Covered amount (a)	45,261	(2,123)	(5,486)	47,384	50,747
Reserve for possible loan losses (c)	7,831	(72)	542	7,903	7,289
Bankrupt and quasi-bankrupt assets	420	(95)	(203)	515	623
Doubtful assets	7,049	645	1,570	6,404	5,479
Substandard loans	360	(622)	(825)	982	1,185
Collateral, guarantees, etc. (d)	37,430	(2,051)	(6,028)	39,481	43,458
Bankrupt and quasi-bankrupt assets	2,950	(1,132)	(1,218)	4,082	4,168
Doubtful assets	33,348	(408)	(3,638)	33,756	36,986
Substandard loans	1,131	(511)	(1,172)	1,642	2,303
Problem assets (b)	53,191	(2,804)	(7,737)	55,995	60,928
Coverage ratio (%) (a) / (b)	85.09	0.47	1.80	84.62	83.29
Reserve ratio (%) (c) / {(b) – (d)}	49.68	1.83	7.96	47.85	41.72

4. Status of Reserve for Possible Loan Losses <Non-consolidated>

	September 30, 2014			March 31, 2014 (B)	September 30, 2013 (C)
	(A)	Difference (A) – (B)	Difference (A) – (C)		
Reserve for possible loan losses	11,223	(1,155)	(808)	12,378	12,031
Provision of general reserve for possible loan losses	3,335	(1,649)	(2,083)	4,984	5,418
Provision for individual possible loan losses	7,887	493	1,275	7,394	6,612

<Consolidated>

	September 30, 2014			March 31, 2014 (B)	September 30, 2013 (C)
	(A)	Difference (A) – (B)	Difference (A) – (C)		
Reserve for possible loan losses	12,460	(1,397)	(1,108)	13,857	13,568
Provision of general reserve for possible loan losses	3,677	(1,675)	(2,111)	5,352	5,788
Provision for individual possible loan losses	8,782	278	1,002	8,504	7,780

5. Status of Problem Assets Subject to Disclosure <Non-consolidated>

First Half of the Fiscal year ending March 2015 (as of September 30, 2014)

(Billions of yen)

Self-assessment (Object: Total credits)					Disclosed debts based on Financial Reconstruction Law (Object: Total credits) After implementation of partial direct write-offs			Risk-monitored loans under the Banking Law (Object: Loans) After implementation of partial direct write-offs	
Classification of borrowers	Classification				Disclosed debts (credit balance)	Reserve ratio	Coverage ratio	Disclosed debts (loan balance)	
	Not classified	Classification II	Classification III	Classification IV					
Bankrupt borrowers 0.4	0.1	0.3	- [0]	- [0]	Bankrupt and quasi-bankrupt 3.3	100.0%	100.0%	Bankrupt loans 0.4	
Virtually bankrupt borrowers 2.9	0.7	2.2	- [0.2]	- [0.1]				Non-accrual loans 49.9	
Borrowers with bankruptcy concerns 47.2	16.3	16.9	13.8 [7.0]		Doubtful assets 47.2	26.6%	85.5%	Past due loans (3 months or more) 0	
Borrowers requiring caution 256.1	Substandard borrowers 3.2	0.5	2.7		Substandard loans 2.5	13.9%	57.6%	Restructured loans 2.5	
	Borrowers requiring caution, excluding claims to substandard borrowers 252.8	60.8	191.9		Subtotal 53.1		Total 85.0%	Total 52.9	
Normal borrowers 1,146.2	1,146.2				(Claims to borrowers requiring caution, excluding claims to substandard borrowers) 253.5	0.2%			
Total 1,452.9	1,224.9	214.1	13.8	-	Normal assets 1,399.7	0.0%			
Ratio to total debts					84.3%	14.7%	0.9%	-	

Notes:

- Self-assessment is loans, repayment for which payment is approved, foreign exchange, provisional payment pursuant to loans, accrued interests and privately placed bonds guaranteed by banks. The amount for privately placed bonds guaranteed by banks is recorded in fair value.
- Brackets indicate the reserve amounts against the classified amounts based on the self-assessment results.
- Partial direct write-off means that, regarding debts with collateral/guarantees that are judged uncollectible or valueless, the classification IV amount is decreased from the debt amount directly as a loan loss write-off.
- The reserve ratio for bankrupt borrowers, virtually bankrupt borrowers, and borrowers with bankruptcy concerns is the reserve ratio for the non-covered loan amount.
However, because the reserve amounts for some borrowers with bankruptcy concerns have been calculated based on the DCF method, the reserve ratio for these borrowers differs from the reserve ratio stated above.
In addition, the reserve ratio for substandard borrowers, borrowers requiring caution, and normal borrowers is the reserve ratio for the loan amount. However, because the reserve amounts for some substandard borrowers and borrowers requiring caution have been calculated based on the DCF method, the reserve ratio for these borrowers differs from the reserve ratio stated above.
Of the loan amount stated above, approximately 18.2 billion yen is a reserve that has been calculated based on the DCF method, and the reserve ratio applied for the total non-covered loan amount is an average of approximately 53%.

6. Loan Breakdown by Industrial Sector <Non-consolidated>

(i) Loan breakdown by industrial sector

(Millions of yen)

	September 30, 2014				March 31, 2014 (B)	September 30, 2013 (C)
	(A)	(%)	Difference (A) – (B)	Difference (A) – (C)		
All branches	1,444,146	100.00	16,879	59,792	1,427,267	1,384,354
Manufacturing	120,645	8.35	(866)	(3,791)	121,511	124,436
Agriculture, forestry	85	0.00	(7)	(22)	92	107
Fishery	-	-	-	-	-	-
Mining, quarrying of stone and gravel	-	-	-	-	-	-
Construction	83,759	5.79	1,732	4,172	82,027	79,587
Electricity, gas and heat supplies, and waterworks	5,400	0.37	423	380	4,977	5,020
Communication service	23,141	1.60	281	6,043	22,860	17,098
Transportation, postal activities	37,641	2.60	1,614	1,535	36,027	36,106
Commerce	123,172	8.52	(51)	894	123,223	122,278
Banks and other financial institutions	96,712	6.69	(2,812)	17,176	99,524	79,536
Real estate	379,359	26.26	6,877	17,056	372,482	362,303
(Real estate brokerage)	132,249	9.15	4,845	10,360	127,404	121,889
(Real estate leasing)	247,109	17.11	2,032	6,696	245,077	240,413
Goods rental and leasing	29,342	2.03	903	353	28,439	28,989
Scientific research, professional and technical services	18,514	1.28	13	2,547	18,501	15,967
Accommodations	4,954	0.34	737	688	4,217	4,266
Restaurant businesses	14,343	0.99	244	(191)	14,099	14,534
Living-related and personal services, amusement services	16,678	1.15	28	(433)	16,650	17,111
Education, learning support	7,406	0.51	886	768	6,520	6,638
Medical health care and welfare	22,226	1.53	1,125	2,722	21,101	19,504
Other services	36,493	2.52	2,407	(285)	34,086	36,778
Local governments	55,946	3.87	1,001	3,287	54,945	52,659
Other	368,318	25.50	2,340	6,891	365,978	361,427

Notes:

1. Special international financial transaction account is included in "Other," and the same applies to (ii) next page.
2. Real estate brokerage consists of real estate services by businesses with a license for real estate brokerage, while real estate leasing consists of leasing by personal businesses mainly engaged in apartment management. The same applies for (ii) below.

(ii) Risk-monitored loans by industrial sector (after partial direct write-offs)

(Millions of yen)

	September 30, 2014				March 31, 2014 (B)	September 30, 2013 (C)
	(A)	(%)	Difference (A) – (B)	Difference (A) – (C)		
All branches	52,935	100.00	(2,779)	(7,665)	55,714	60,600
Manufacturing	9,856	18.61	(449)	(1,527)	10,305	11,383
Agriculture, forestry	-	-	-	-	-	-
Fishery	-	-	-	-	-	-
Mining, quarrying of stone and gravel	-	-	-	-	-	-
Construction	4,927	9.30	(445)	(1,853)	5,372	6,780
Electricity, gas and heat supplies, and waterworks	-	-	-	-	-	-
Communication service	1,926	3.63	41	(175)	1,885	2,101
Transportation, postal activities	1,177	2.22	(141)	(73)	1,318	1,250
Commerce	8,245	15.57	244	489	8,001	7,756
Banks and other financial institutions	17	0.03	(690)	(693)	707	710
Real estate	11,254	21.26	(491)	(1,792)	11,745	13,046
(Real estate brokerage)	4,183	7.90	(796)	(1,116)	4,979	5,299
(Real estate leasing)	7,071	13.35	306	(675)	6,765	7,746
Goods rental and leasing	17	0.03	(1)	(36)	18	53
Scientific research, professional and technical services	867	1.63	(33)	(97)	900	964
Accommodations	328	0.61	(26)	(54)	354	382
Restaurant businesses	994	1.87	(92)	(187)	1,086	1,181
Living-related and personal services, amusement services	1,372	2.59	232	285	1,140	1,087
Education, learning support	16	0.03	(3)	(8)	19	24
Medical health care and welfare	347	0.65	225	202	122	145
Other services	1,629	3.07	18	(57)	1,611	1,686
Local governments	-	-	-	-	-	-
Other	9,955	18.80	(1,170)	(2,090)	11,125	12,045

7. Deposits and Loans <Non-consolidated>

(1) Status of loans

(Millions of yen)

	September 30, 2014 (A)	Difference		March 31, 2014 (B)	September 30, 2013 (C)
		(A) – (B)	(A) – (C)		
Loans (balance)	1,444,146	16,879	59,792	1,427,267	1,384,354
Excluding offshore accounts (a)	1,444,146	16,879	59,792	1,427,267	1,384,354
Loans to small- and medium-sized enterprises (b)	1,163,590	14,646	34,989	1,148,944	1,128,601
Small- and medium-sized enterprise loans	795,272	12,306	28,098	782,966	767,174
Personal loans	368,318	2,340	6,891	365,978	361,427
Percentage of total loans (b) / (a)	80.57	0.08	(0.95)	80.49	81.52
Loans (average balance)	1,425,788	41,270	60,994	1,384,518	1,364,794

(2) Consumer loan balance

(Millions of yen)

	September 30, 2014 (A)	Difference		March 31, 2014 (B)	September 30, 2013 (C)
		(A) – (B)	(A) – (C)		
Consumer loan balance	333,643	4,211	11,299	329,432	322,344
Housing-related loans	320,776	4,563	11,605	316,213	309,171
Other loans	12,866	(353)	(306)	13,219	13,172

(3) Status of deposits

(Millions of yen)

	September 30, 2014 (A)	Difference		March 31, 2014 (B)	September 30, 2013 (C)
		(A) – (B)	(A) – (C)		
Deposits (balance)	2,124,820	45,718	46,746	2,079,102	2,078,074
Personal deposits	1,676,843	2,286	10,667	1,674,557	1,666,176
Corporate deposits	428,599	32,162	42,760	396,437	385,839
Other deposits	19,377	11,270	(6,681)	8,107	26,058
Deposits, etc. (average balance)	2,083,326	17,596	20,188	2,065,730	2,063,138

(4) Deposits and loan balances by region

(Millions of yen)

	September 30, 2014 (A)	Difference		March 31, 2014 (B)	September 30, 2013 (C)
		(A) – (B)	(A) – (C)		
Deposits	2,124,820	45,718	46,746	2,079,102	2,078,074
Tokyo Metropolis	1,167,695	30,049	28,297	1,137,646	1,139,398
Kanagawa Prefecture	942,062	15,506	18,577	926,556	923,485
Others	15,061	162	(129)	14,899	15,190
Loans	1,444,146	16,879	59,792	1,427,267	1,384,354
Tokyo Metropolis	962,236	8,912	47,608	953,324	914,628
Kanagawa Prefecture	475,641	7,650	11,516	467,991	464,125
Others	6,268	316	668	5,952	5,600

(5) Assets under management

(Millions of yen)

	September 30, 2014 (A)	Difference		March 31, 2014 (B)	September 30, 2013 (C)
		(A) – (B)	(A) – (C)		
Assets under management	193,251	8,155	10,063	185,096	183,188
Investment trust	53,658	7,184	10,813	46,474	42,845
Life insurance	71,636	5,307	9,112	66,329	62,524
Public bonds	67,956	(4,337)	(9,861)	72,293	77,817

III. Valuation Gain/Loss on Securities

1. Valuation Standards

Trading-purpose securities	Mark-to-market method
Marketable bonds held to maturity	Amortized cost method
Available-for-sale securities	
Available-for-sale securities with market value	Mark-to-market method (Valuation gains or losses on available-for-sale securities are recorded as a separate item under net assets.)
Available-for-sale securities whose market values are considered to be extremely difficult to assess	Cost method
Investments in subsidiaries and affiliates	Cost method

2. Gain/Loss on Valuation

<Non-consolidated>

(Millions of yen)

	September 30, 2014 (A)				September 30, 2013 (B)		
	Gain (loss) on valuation	(A) – (B)	Valuation gain	Valuation loss	Gain (loss) on valuation	Valuation gain	Valuation loss
Held-to-maturity securities	10,156	3,059	10,162	6	7,097	7,107	9
Available-for-sale securities	3,566	693	4,471	905	2,873	4,329	1,456
Stocks	1,388	(484)	2,066	677	1,872	1,943	71
Bonds	1,870	1,163	1,978	108	707	1,810	1,102
Others	307	15	427	119	292	575	282
Total	13,723	3,753	14,634	911	9,970	11,436	1,466

Note: Because available-for-sale securities are securities with market value, the difference between the acquisition cost and the market value is recorded as the gain/loss on valuation. The same applies below for Consolidated.

<Consolidated>

(Millions of yen)

	September 30, 2014 (A)				September 30, 2013 (B)		
	Gain (loss) on valuation	(A) – (B)	Valuation gain	Valuation loss	Gain (loss) on valuation	Valuation gain	Valuation loss
Held-to-maturity securities	10,156	3,059	10,162	6	7,097	7,107	9
Available-for-sale securities	3,613	702	4,518	905	2,911	4,369	1,457
Stocks	1,435	(474)	2,112	677	1,909	1,980	71
Bonds	1,870	1,161	1,979	108	709	1,812	1,103
Others	307	15	427	119	292	575	282
Total	13,769	3,761	14,681	911	10,008	11,476	1,467

IV. Tokyo TY Financial Group Two-Bank Totals
(simple total for the two banks on a non-consolidated basis)

1. Income/Loss
[simple total for the two banks on a non-consolidated basis]

(Millions of yen)

		First half ended Sept. 30, 2014 (A)	Difference (A) – (B)	First half ended Sept. 30, 2013 (B)
Ordinary income	1	43,411	(1,021)	44,432
Gross business profit	2	35,580	(1,180)	36,760
(Excluding income (loss) on bonds)	3	34,277	(184)	34,461
(Gross core business profit)				
Gross domestic business profit	4	34,038	(1,351)	35,389
(Excluding income (loss) on bonds)	5	32,893	(208)	33,101
Net interest income	6	27,918	(986)	28,904
Net fees and commissions	7	4,575	648	3,927
Other business income (loss)	8	1,544	(1,014)	2,558
Gross international business profit	9	1,542	171	1,371
(Excluding income (loss) on bonds)	10	1,383	23	1,360
Net interest income	11	618	228	390
Net fees and commissions	12	123	(8)	131
Other business income (loss)	13	801	(47)	848
Expenses (excluding non-recurring losses)	14	27,678	(777)	28,455
Personnel expenses	15	13,954	(291)	14,245
Non-personnel expenses	16	12,137	(624)	12,761
Taxes	17	1,587	138	1,449
Net business income (before transfer to reserve for general possible loan losses)	18	7,902	(402)	8,304
(Net business income)				
(Excluding income (loss) on bonds)	19	6,598	593	6,005
(Core business income)				
Transfer to reserve for general possible loan losses (1)	20	(395)	180	(575)
Net business income	21	8,297	(583)	8,880
(Of which, Income (loss) on bonds)	22	1,303	(995)	2,298
Non-recurring profit (loss)	23	453	2,130	(1,677)
Loss from write-off of non-performing loans (2)	24	1,128	(1,928)	3,056
Depreciation of loans	25	247	(682)	929
Transfer to reserve for individual possible loan losses	26	1,097	(313)	1,410
Loss on transfer of receivables	27	(399)	(895)	496
Provision for contingent loss	28	(73)	(78)	5
Credit guarantee association responsibility-sharing system charge	29	249	23	226
Other losses from write-off of non-performing loans	30	6	19	(13)
Reversal of allowance for loan losses (3)	31	1,046	420	626
Recoveries of written-off claims	32	576	214	362
Gains (losses) on stocks and other securities	33	159	(680)	839
Gain on sale of stocks and other securities	34	193	(786)	979
Loss on sale of stocks and other securities	35	17	(13)	30
Loss on devaluation of stocks and other securities	36	16	(93)	109
Other non-recurring profit (loss)	37	(200)	249	(449)
Ordinary profit	38	8,750	1,548	7,202
Extraordinary profit (loss)	39	(55)	43	(98)
Income before income taxes	40	8,695	1,591	7,104
Total income taxes	41	2,684	731	1,953
Income taxes – current	42	1,115	1,081	34
Income taxes – deferred	43	1,569	(349)	1,918
Net income	44	6,010	859	5,151
Credit-related costs (1) + (2) - (3)	45	(313)	(2,167)	1,854

2. Business Income

[simple total for the two banks on a non-consolidated basis]

(Millions of yen)

	First half ended September 30, 2014		First half ended September 30, 2013
	(A)	Difference (A) – (B)	(B)
Net business income (before transfer to reserve for general possible loan losses)	7,902	(402)	8,304
Per employee (thousands of yen)	2,473	(58)	2,531
Net business income	8,297	(583)	8,880
Per employee (thousands of yen)	2,596	(110)	2,706
Net core business income	6,598	593	6,005
Per employee (thousands of yen)	2,065	235	1,830

3. Gain/Loss on Securities

[simple total for the two banks on a non-consolidated basis]

(Millions of yen)

	First half ended September 30, 2014		First half ended September 30, 2013
	(A)	Difference (A) – (B)	(B)
Gains (losses) on bonds	1,303	(995)	2,298
Gain on sale of bonds	1,318	(1,015)	2,333
Gain on redemption of bonds	-	-	-
Loss on sale of bonds	14	(20)	34
Loss on redemption of bonds	-	-	-
Amortization on bonds	-	-	-
Gain (loss) on securities from application of mark-to-market accounting (securities)	159	(680)	839
Gain on sale of stock and other securities	193	(786)	979
Loss on sale of stock and other securities	17	(13)	30
Amortization on stock and other securities	16	(93)	109

4. Problem Assets Subject to Disclosure Under the Financial Reconstruction Law (After partial direct write-offs)

[simple total for the two banks on a non-consolidated basis]

(Millions of yen)

	September 30, 2014			March 31, 2014 (B)	September 30, 2013 (C)
	(A)	Difference (A) – (B)	Difference (A) – (C)		
Bankrupt and quasi-bankrupt assets	9,243	(3,137)	(3,797)	12,380	13,040
Doubtful assets	98,931	(4,554)	(11,743)	103,485	110,674
Substandard loans	5,196	(2,611)	(5,420)	7,807	10,616
Subtotal (a)	113,371	(10,302)	(20,960)	123,673	134,331
Normal assets	3,138,112	(19,369)	71,542	3,157,481	3,066,570
Total credit amount (b)	3,251,484	(29,671)	50,583	3,281,155	3,200,901
Ratio of total credit amount (%) (a) / (b)	3.48	(0.28)	(0.71)	3.76	4.19

5. Risk-monitored Loans (After partial direct write-offs)

[simple total for the two banks on a non-consolidated basis]

(1) Risk-monitored loan amount

(Millions of yen)

	September 30, 2014			March 31, 2014 (B)	September 30, 2013 (C)
	(A)	Difference (A) – (B)	Difference (A) – (C)		
Bankrupt loans	1,790	(81)	(448)	1,871	2,238
Non-accrual loans	105,994	(7,604)	(14,986)	113,598	120,980
Past due loans (3 months or more)	372	14	(494)	358	866
Restructured loans	4,824	(2,625)	(4,926)	7,449	9,750
Risk-monitored loan amount	112,982	(10,294)	(20,854)	123,276	133,836
Loan balances	3,220,513	(31,376)	49,320	3,251,889	3,171,193

(2) Loan balance ratio

(%)

	September 30, 2014			March 31, 2014 (B)	September 30, 2013 (C)
	(A)	Difference (A) – (B)	Difference (A) – (C)		
Bankrupt loans	0.05	-	(0.02)	0.05	0.07
Non-accrual loans	3.29	(0.20)	(0.52)	3.49	3.81
Past due loans (3 months or more)	0.01	-	(0.01)	0.01	0.02
Restructured loans	0.14	(0.08)	(0.16)	0.22	0.30
Loan balance ratio	3.50	(0.29)	(0.72)	3.79	4.22

6. Coverage Status of Problem Assets Subject to Disclosure Under the Financial Reconstruction Law (After partial direct write-offs)**[simple total for the two banks on a non-consolidated basis]**

(Millions of yen)

	September 30, 2014			March 31, 2014 (B)	September 30, 2013 (C)
	(A)	Difference (A) – (B)	Difference (A) – (C)		
Covered amount (a)	94,582	(9,413)	(17,275)	103,995	111,857
Reserve for possible loan losses (c)	16,084	(27)	(1,070)	16,111	17,154
Bankrupt and quasi-bankrupt assets	474	(97)	(207)	571	681
Doubtful assets	14,975	750	121	14,225	14,854
Substandard loans	634	(679)	(984)	1,313	1,618
Collateral, guarantees, etc. (d)	78,498	(9,386)	(16,204)	87,884	94,702
Bankrupt and quasi-bankrupt assets	8,769	(3,040)	(3,590)	11,809	12,359
Doubtful assets	67,392	(5,397)	(9,935)	72,789	77,327
Substandard loans	2,336	(949)	(2,680)	3,285	5,016
Problem assets (b)	113,371	(10,302)	(20,960)	123,673	134,331
Coverage ratio (%) (a) / (b)	83.42	(0.66)	0.16	84.08	83.26
Reserve ratio (%) (c) / {(b) – (d)}	46.12	1.11	2.84	45.01	43.28

7. Status of Reserve for Possible Loan Losses**[simple total for the two banks on a non-consolidated basis]**

(Millions of yen)

	September 30, 2014			March 31, 2014 (B)	September 30, 2013 (C)
	(A)	Difference (A) – (B)	Difference (A) – (C)		
Reserve for possible loan losses	29,858	(2,270)	(5,384)	32,128	35,242
Provision of general reserve for possible loan losses	6,182	(2,043)	(3,134)	8,225	9,316
Provision for individual possible loan losses	23,676	(226)	(2,249)	23,902	25,925

8. Loan Breakdown by Industrial Sector
[simple total for the two banks on a non-consolidated basis]

(Millions of yen)

	September 30, 2014				March 31, 2014 (B)	September 30, 2013 (C)
	(A)	(%)	Difference (A) – (B)	Difference (A) – (C)		
All branches	3,227,085	100.00	(31,703)	47,759	3,258,788	3,179,326
Manufacturing	337,486	10.45	(12,107)	(17,007)	349,593	354,493
Agriculture, forestry	1,272	0.03	22	(46)	1,250	1,318
Fishery	23	0.00	(2)	(5)	25	28
Mining, quarrying of stone and gravel	662	0.02	(136)	(682)	798	1,344
Construction	163,176	5.05	4,111	5,718	159,065	157,458
Electricity, gas and heat supplies, and waterworks	12,020	0.37	1,701	1,592	10,319	10,428
Communication service	73,302	2.27	(1,797)	5,660	75,099	67,642
Transportation, postal activities	84,002	2.60	920	831	83,082	83,171
Commerce	378,138	11.71	(14,530)	(18,213)	392,668	396,351
Banks and other financial institutions	209,379	6.48	(27,820)	4,417	237,199	204,962
Real estate	610,247	18.91	11,864	30,362	598,383	579,885
(Real estate brokerage)	220,709	6.83	12,868	23,004	207,841	197,705
(Real estate leasing)	389,537	12.07	(1,004)	7,358	390,541	382,179
Goods rental and leasing	78,078	2.41	2,755	4,707	75,323	73,371
Scientific research, professional and technical services	45,893	1.42	(1,237)	3,577	47,130	42,316
Accommodations	9,598	0.29	715	1,307	8,883	8,291
Restaurant businesses	24,983	0.77	(640)	(72)	25,623	25,055
Living-related and personal services, amusement services	44,240	1.37	(1,975)	(1,818)	46,215	46,058
Education, learning support	15,198	0.47	831	(307)	14,367	15,505
Medical health care and welfare	85,898	2.66	2,957	8,291	82,941	77,607
Other services	67,893	2.10	2,662	1,297	65,231	66,596
Local governments	146,766	4.54	988	9,118	145,778	137,648
Other	838,807	25.99	(990)	9,028	839,797	829,779

**9. Risk-monitored Loans by Industrial Sector (after partial direct write-offs)
[simple total for the two banks on a non-consolidated basis]**

(Millions of yen)

	September 30, 2014				March 31, 2014 (B)	September 30, 2013 (C)
	(A)	(%)	Difference (A) – (B)	Difference (A) – (C)		
All branches	112,982	100.00	(10,294)	(20,854)	123,276	133,836
Manufacturing	20,728	18.34	(2,404)	(3,805)	23,132	24,533
Agriculture, forestry	283	0.25	-	176	283	107
Fishery	-	-	-	-	-	-
Mining, quarrying of stone and gravel	-	-	(82)	(82)	82	82
Construction	7,866	6.96	(1,081)	(2,851)	8,947	10,717
Electricity, gas and heat supplies, and waterworks	-	-	-	-	-	-
Communication service	6,456	5.71	1,096	1,071	5,360	5,385
Transportation, postal activities	2,672	2.36	(948)	(177)	3,620	2,849
Commerce	25,658	22.70	(441)	(4,547)	26,099	30,205
Banks and other financial institutions	103	0.09	(705)	(712)	808	815
Real estate	19,652	17.39	(1,222)	(3,589)	20,874	23,241
(Real estate brokerage)	5,472	4.84	(1,037)	(1,920)	6,509	7,392
(Real estate leasing)	14,180	12.55	(184)	(1,669)	14,364	15,849
Goods rental and leasing	33	0.02	(135)	(161)	168	194
Scientific research, professional and technical services	3,459	3.06	(522)	(747)	3,981	4,206
Accommodations	584	0.51	(26)	(55)	610	639
Restaurant businesses	1,576	1.39	(397)	(360)	1,973	1,936
Living-related and personal services, amusement services	1,890	1.67	(122)	10	2,012	1,880
Education, learning support	93	0.08	(78)	(120)	171	213
Medical health care and welfare	875	0.77	388	602	487	273
Other services	4,178	3.69	(1)	(217)	4,179	4,395
Local governments	-	-	-	-	-	-
Other	16,868	14.92	(3,613)	(5,290)	20,481	22,158

10. Status of Loans

[simple total for the two banks on a non-consolidated basis]

(Millions of yen)

	September 30, 2014			March 31, 2014 (B)	September 30, 2013 (C)
	(A)	Difference (A) – (B)	Difference (A) – (C)		
Loans (balance)	3,227,086	(31,703)	47,759	3,258,789	3,179,327
Excluding offshore accounts (a)	3,226,538	(31,993)	47,455	3,258,531	3,179,083
Loans to small and medium-sized enterprises (b)	2,596,106	(5,234)	49,134	2,601,340	2,546,972
Small and medium-sized enterprise loans	1,757,845	(3,954)	40,409	1,761,799	1,717,436
Personal loans	838,260	(1,280)	8,725	839,540	829,535
Percentage of total loans (b) / (a)	80.46	0.63	0.35	79.83	80.11
Loans (average balance)	3,202,133	52,118	85,409	3,150,015	3,116,724

11. Consumer Loan Balance

[simple total for the two banks on a non-consolidated basis]

(Millions of yen)

	September 30, 2014			March 31, 2014 (B)	September 30, 2013 (C)
	(A)	Difference (A) – (B)	Difference (A) – (C)		
Consumer loans	792,249	(145)	12,324	792,394	779,925
Housing-related loans	664,059	6,810	21,360	657,249	642,699
Other loans	128,190	(6,954)	(9,036)	135,144	137,226

12. Status of Deposits

[simple total for the two banks on a non-consolidated basis]

(Millions of yen)

	September 30, 2014			March 31, 2014 (B)	September 30, 2013 (C)
	(A)	Difference (A) – (B)	Difference (A) – (C)		
Deposits (balance)	4,511,011	63,130	67,748	4,447,881	4,443,263
Personal deposits	3,122,700	(1,894)	11,969	3,124,594	3,110,731
Corporate deposits	1,300,335	28,898	52,748	1,271,437	1,247,587
Other deposits	87,975	36,127	3,031	51,848	84,944
Deposits, etc. (average balance)	4,399,609	37,068	63,901	4,362,541	4,335,708

13. Deposits and Loan Balances by Region

[simple total for the two banks on a non-consolidated basis]

(Millions of yen)

	September 30, 2014			March 31, 2014 (B)	September 30, 2013 (C)
	(A)	Difference (A) – (B)	Difference (A) – (C)		
Deposits	4,511,011	63,130	67,748	4,447,881	4,443,263
Tokyo Metropolis	3,458,364	46,833	50,157	3,411,531	3,408,207
Kanagawa Prefecture	972,421	15,532	17,542	956,889	954,879
Others	80,226	765	50	79,461	80,176
Loans	3,227,086	(31,703)	47,759	3,258,789	3,179,327
Tokyo Metropolis	2,682,332	(39,948)	35,326	2,722,280	2,647,006
Kanagawa Prefecture	500,448	8,564	13,023	491,884	487,425
Others	44,305	(319)	(590)	44,624	44,895

14. Assets Under Management

[simple total for the two banks on a non-consolidated basis]

(Millions of yen)

	September 30, 2014			March 31, 2014 (B)	September 30, 2013 (C)
	(A)	Difference (A) – (B)	Difference (A) – (C)		
Assets under management	490,842	11,659	8,775	479,183	482,067
Investment trust	205,028	15,113	22,251	189,915	182,777
Life insurance	190,423	5,422	3,472	185,001	186,951
Public bonds	95,390	(8,875)	(16,948)	104,265	112,338

15. Status of Branches and Employees

[simple total for the two banks on a non-consolidated basis]

(Branches, persons)

	September 30, 2014			March 31, 2014 (B)	September 30, 2013 (C)
	(A)	Difference (A) – (B)	Difference (A) – (C)		
Domestic head office and branch offices (including representative offices)	161	-	-	161	161
Tokyo Metropolis	122	-	-	122	122
Kanagawa Prefecture	35	-	-	35	35
Others	4	-	-	4	4
Number of executives and employees	3,187	45	(62)	3,142	3,249
Number of executives	26	1	1	25	25
Number of employees	3,161	44	(63)	3,117	3,224

Note: For employees above, the number of employees including executive officers but excluding temporary employees, fixed-term employees, and secondees has been used.

16. Valuation Gain/Loss on Securities

[simple total for the two banks on a non-consolidated basis]

(Millions of yen)

	September 30, 2014 (A)				September 30, 2013 (B)		
	Gain (loss) on valuation	(A) – (B)	Valuation gain	Valuation loss	Gain (loss) on valuation	Valuation gain	Valuation loss
Held-to-maturity securities	17,957	5,848	17,963	6	12,109	12,211	102
Available-for-sale securities	8,040	2,701	9,506	1,465	5,339	8,110	2,771
Stocks	4,685	1,315	5,838	1,153	3,370	4,645	1,274
Bonds	2,816	1,235	2,977	161	1,581	2,795	1,213
Others	539	153	690	150	386	669	282
Total	25,998	8,550	27,470	1,471	17,448	20,322	2,873