

Financial Results for Fiscal 2014
(From April 1, 2014 to March 31, 2015)

THE HIROSHIMA BANK, LTD.

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Consolidated Financial Information for Fiscal 2014

1. Consolidated Balance Sheets

Item	Millions of yen	
	As of March 31, 2014	As of March 31, 2015
ASSETS		
Cash and due from banks	¥ 197,940	¥ 427,769
Call loans and bills purchased	13,989	20,722
Financial receivables purchased	4,702	6,564
Trading assets	12,589	18,558
Money held in trust	156	156
Securities	1,986,123	2,135,659
Loans and bills discounted	4,804,602	5,102,855
Foreign exchanges	8,059	6,285
Other assets	29,889	27,466
Tangible fixed assets	85,297	84,798
Buildings	12,849	13,031
Land	58,139	57,225
Lease assets	864	815
Construction in progress	116	119
Other tangible fixed assets	13,326	13,606
Intangible fixed assets	8,103	8,750
Software	6,138	6,119
Other intangible fixed assets	1,965	2,631
Net defined benefit asset	34,395	57,454
Deferred tax assets	6,654	835
Customers' liabilities for acceptances and guarantees	45,870	54,970
Reserve for possible loan losses	(32,798)	(35,807)
Total Assets	¥7,205,576	¥7,917,039
LIABILITIES AND NET ASSETS		
Liabilities		
Deposits	¥6,185,611	¥6,520,655
Negotiable certificates of deposit	165,954	273,007
Call money and bills sold	38,009	28,406
Payables under repurchase agreements	—	88,861
Deposits received for bonds lending / borrowing transactions	192,120	250,963
Trading liabilities	10,345	16,284
Borrowed money	99,724	150,960
Foreign exchanges	900	135
Bonds	50,000	20,000
Due to trust account	58	47
Other liabilities	40,984	36,573
Net defined benefit liability	23	38
Reserve for retirement benefits of directors and corporate auditors	22	36
Reserve for reimbursement of deposits	1,304	1,413
Reserve for point loyalty programs	63	100
Deferred tax liabilities	—	24,324
Deferred tax liabilities for land revaluation reserve	16,075	14,062
Acceptances and guarantees	45,870	54,970
Total liabilities	¥6,847,068	¥7,480,843
Net Assets		
Common stock	¥ 54,573	¥ 54,573
Capital surplus	30,635	30,704
Retained earnings	221,787	240,990
Common stock in treasury	(1,754)	(1,416)
Total stockholders' equity	305,242	324,851
Net unrealized holding gains on securities available for sale	26,122	65,661
Net deferred losses on hedging instruments, net of tax	(1,447)	(1,125)
Land revaluation reserve, net of tax	26,040	27,344
Foreign currency translation adjustments	(0)	—
Remeasurements of defined benefit plans	2,262	19,080
Total accumulated other comprehensive income	52,977	110,960
Subscription rights to shares	287	383
Total net assets	358,507	436,195
Total liabilities and net assets	¥7,205,576	¥7,917,039

2. Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

Item	Millions of yen	
	FY2013	FY2014
Operating income	¥143,784	¥128,816
Interest income	85,728	82,983
Interest on loans and discounts	66,057	64,844
Interest and dividends on securities	18,228	15,555
Interest on call loans and bills purchased	236	227
Interest on deposits with banks	101	116
Other interest income	1,104	2,239
Trust fees	109	136
Fees and commissions	25,779	27,243
Trading income	355	397
Other operating income	18,865	11,620
Other income	12,946	6,434
Reversal of reserve for possible loan losses	6,082	—
Recoveries of written-off claims	16	28
Other	6,848	6,405
Operating expenses	104,388	88,500
Interest expenses	8,837	7,740
Interest on deposits	3,980	3,505
Interest on negotiable certificates of deposit	332	307
Interest on call money and bills sold	180	178
Interest on payables under repurchase agreement	—	55
Interest on bonds lending / borrowing transactions	372	368
Interest on borrowings and rediscounts	1,733	1,104
Interest on bonds	1,019	463
Other interest expenses	1,218	1,756
Fees and commissions	9,139	9,190
Other operating expenses	19,553	11,672
General and administrative expenses	56,080	55,464
Other expenses	10,778	4,432
Transfer to reserve for possible loan losses	—	2,406
Other	10,778	2,025
Operating profits	39,395	40,315
Extraordinary gains	32	2,538
Gains on dispositions of fixed assets	32	21
Gain on bargain purchase	—	2,517
Extraordinary losses	685	1,207
Gain on step acquisitions	—	430
Losses on dispositions of fixed assets	95	87
Impairment losses	588	689
Other	1	—
Income before income taxes and others	38,742	41,647
Provision for income taxes and others	9,041	7,141
Deferred income taxes	6,033	7,942
Total income taxes	15,075	15,083
Income before minority interests	23,666	26,563
Minority interests	784	—
Net income	¥ 22,882	¥ 26,563

Consolidated Statements of Comprehensive Income

Item	Millions of yen	
	FY2013	FY2014
Income before minority interests	¥23,666	¥26,563
Other comprehensive income	739	58,437
Net unrealized holding gains on securities available for sale	311	39,549
Net deferred (gains) losses on hedging	426	322
Land revaluation reserve, net of tax	—	1,757
Foreign currency translation adjustment for affiliated company accounted for the equity-method	0	0
Remeasurements of defined benefit plans	—	16,817
Amount equivalent to interest	0	(10)
Comprehensive income	24,406	85,000
Comprehensive income attributable to owners of the parent	23,621	85,000
Comprehensive income attributable to minority interests	784	—

3. Consolidated Statements of Stockholders' Equity

Item	Millions of yen				
	FY2013				
	Stockholders' equity				
	Common stock	Capital surplus	Retained earnings	Common stock in treasury	Total stockholders' equity
Balance at the beginning of current period	¥54,573	¥30,635	¥202,865	¥(2,204)	¥285,869
Cumulative effect of changes in accounting policies					—
Restated balance	54,573	30,635	202,865	(2,204)	285,869
Changes of items during the period					
Dividends from surplus			(4,031)		(4,031)
Net income			22,882		22,882
Purchase of common stock in treasury				(10)	(10)
Disposal of common stock in treasury			(19)	461	441
Reversal of land revaluation reserve			91		91
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	—	18,922	450	19,373
Balance at the end of current period	¥54,573	¥30,635	¥221,787	¥(1,754)	¥305,242

Item	Millions of yen								
	FY2013								
	Accumulated other comprehensive income								
	Net unrealized holding gains on securities available for sale	Net deferred (gains) losses on hedging	Land revaluation reserve, net of tax	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Subscription rights to shares	Minority interests	Total net assets
Balance at the beginning of current period	¥25,809	¥(1,874)	¥26,132	¥(0)	¥ —	¥50,067	¥241	¥ 30,172	¥366,351
Cumulative effect of changes in accounting policies									—
Restated balance	25,809	(1,874)	26,132	(0)	—	50,067	241	30,172	366,351
Changes of items during the period									
Dividends from surplus									(4,031)
Net income									22,882
Purchase of common stock in treasury									(10)
Disposal of common stock in treasury									441
Reversal of land revaluation reserve									91
Net changes of items other than shareholders' equity	312	426	(91)	0	2,262	2,910	45	(30,172)	(27,216)
Total changes of items during the period	312	426	(91)	0	2,262	2,910	45	(30,172)	(7,843)
Balance at the end of current period	¥26,122	¥(1,447)	¥26,040	¥(0)	¥2,262	¥52,977	¥287	¥ —	¥358,507

Item	Millions of yen				
	FY2014				
	Stockholders' equity				
	Common stock	Capital surplus	Retained earnings	Common stock in treasury	Total stockholders' equity
Balance at the beginning of current period	¥54,573	¥30,635	¥221,787	¥(1,754)	¥305,242
Cumulative effect of changes in accounting policies			(2,534)		(2,534)
Restated balance	54,573	30,635	219,253	(1,754)	302,707
Changes of items during the period					
Dividends from surplus			(5,280)		(5,280)
Net income			26,563		26,563
Purchase of common stock in treasury				(20)	(20)
Disposal of common stock in treasury		68		358	427
Reversal of land revaluation reserve			453		453
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	68	21,736	337	22,143
Balance at the end of current period	¥54,573	¥30,704	¥240,990	¥(1,416)	¥324,851

Item	Millions of yen								
	FY2014								
	Accumulated other comprehensive income								
	Net unrealized holding gains on securities available for sale	Net deferred (gains) losses on hedging	Land revaluation reserve, net of tax	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Subscription rights to shares	Minority interests	Total net assets
Balance at the beginning of current period	¥26,122	¥(1,447)	¥26,040	¥(0)	¥ 2,262	¥ 52,997	¥287	¥—	¥358,507
Cumulative effect of changes in accounting policies									(2,534)
Restated balance	26,122	(1,447)	26,040	(0)	2,262	52,997	287	—	355,972
Changes of items during the period									
Dividends from surplus									(5,280)
Net income									26,563
Purchase of common stock in treasury									(20)
Disposal of common stock in treasury									427
Reversal of land revaluation reserve									453
Net changes of items other than shareholders' equity	39,538	322	1,303	0	16,817	57,983	95	—	58,078
Total changes of items during the period	39,538	322	1,303	0	16,817	57,983	95	—	80,222
Balance at the end of current period	¥65,661	¥(1,125)	¥27,344	¥—	¥19,080	¥110,960	¥383	¥—	¥436,195

4. Consolidated Statements of Cash Flows

Item	Millions of yen	
	FY2013	FY2014
Cash flows from operating activities:		
Income before income taxes and minority interests	¥ 38,742	¥ 41,647
Depreciation of premise, equipment and others	4,196	4,058
Impairment losses of fixed assets	588	689
Gain on bargain purchase	—	(2,517)
Equity in earnings of affiliates	(753)	(757)
Net change in reserve for possible loan losses	(13,130)	674
Decrease (increase) in net defined benefit asset	(4,814)	(27,018)
Increase (decrease) in net defined benefit liability	(45)	(0)
Net change in reserve for executive retirement benefits	1	(5)
Net change in reserve for reimbursement of dormant deposits	55	109
Net change in reserve for point loyalty programs	(4)	0
Interest income	(85,728)	(82,983)
Interest expense	8,837	7,740
Net losses on securities transactions	678	(569)
Net losses on dispositions of fixed assets	62	65
Gain on step acquisitions	—	430
Net change in trading assets	2,996	(5,968)
Net change in trading liabilities	(2,867)	5,939
Net change in loans	(159,438)	(297,543)
Net change in deposits	254,759	337,678
Net change in negotiable certificates of deposits	(34,844)	112,397
Net change in borrowed money excluding subordinated loans	(26,538)	78,235
Net change in due from banks other than from the BANK OF JAPAN	10,155	(68)
Net change in call loans and bills bought	3,915	(6,969)
Net change in call money and bills sold	4,314	79,258
Net change in deposits received for bonds lending/borrowing transactions	50,693	58,843
Net change in foreign exchanges (assets)	(3,459)	1,773
Net change in foreign exchanges (liabilities)	549	(764)
Net change in issuance and redemption of ordinary bonds	(20,000)	(20,000)
Interest received	91,162	90,875
Interest paid	(14,120)	(8,187)
Other – net	(19,148)	(8,299)
Subtotal	86,820	358,763
Income taxes paid	(10,949)	(10,643)
Net cash provided by operating activities	75,871	348,120
Cash flows from investment activities:		
Purchases of securities	(2,162,195)	(1,716,267)
Proceeds from sales of securities	2,133,723	1,550,566
Proceeds from maturity of securities	76,366	92,666
Increase in money held in trust	(1)	(1)
Decrease in money held in trust	1	1
Purchases of tangible fixed assets	(3,381)	(1,944)
Purchase of intangible assets	(1,966)	(2,796)
Proceeds from sales of tangible fixed assets	209	47
Proceeds from liquidation of subsidiaries	—	737
Purchase of investments in subsidiaries resulting in change in scope of consolidation	—	0
Net cash used in investing activities	42,754	(76,989)
Cash flows from financing activities:		
Repayments of subordinated loans	(29,000)	(27,000)
Repayments of subordinated bonds and bonds with stock subscription rights	—	(10,000)
Repayments to minority stockholders	(30,000)	—
Dividends paid	(4,044)	(5,279)
Dividends paid to minority interests	(957)	—
Purchase of treasury stock	(10)	(20)
Proceeds from sales of treasury stock	379	389
Payment of lease liabilities	(80)	(73)
Net cash used in financing activities	(63,713)	(41,983)
Effect of foreign exchange rate changes on cash and cash equivalents	0	(10)
Net change in cash and cash equivalents	54,913	229,136
Cash and cash equivalents at the beginning of year	140,487	195,401
Cash and cash equivalents at the end of year (Note 13)	¥ 195,401	¥ 424,537

Non-Consolidated Financial Information for Fiscal 2014

1. Non-Consolidated Balance Sheets

Item	Millions of yen	
	As of March 31, 2014	As of March 31, 2015
ASSETS		
Cash and due from banks	¥ 197,940	¥ 427,145
Cash	83,571	81,454
Due from banks	114,369	345,691
Call loans	13,989	20,722
Financial receivables purchased	4,702	4,939
Trading assets	12,589	18,558
Trading account securities	853	995
Trading-related financial derivatives	11,735	17,562
Money held in trust	156	156
Securities	1,989,145	2,139,431
National government bonds	1,128,322	1,134,648
Local government bonds	142,880	145,002
Corporate bonds	162,146	155,044
Stocks	108,139	131,796
Other securities	447,656	572,938
Loans and bills discounted	4,804,602	5,102,145
Bills discounted	26,073	26,329
Loans on bills	152,348	141,021
Loans on deeds	4,030,060	4,337,506
Overdrafts	596,119	597,287
Foreign exchanges	8,059	6,285
Due from foreign banks (our accounts)	6,461	4,585
Foreign bills bought	512	611
Foreign bills receivable	1,086	1,089
Other assets	28,796	23,905
Domestic exchange settlement account, debit	9	3
Prepaid expenses	0	161
Accrued income	6,709	7,843
Derivatives other than for trading-assets	7,346	5,624
Cash collateral paid for financial instruments	—	300
Other	14,729	9,971
Tangible fixed assets	85,278	84,461
Buildings	12,838	12,989
Land	58,139	57,225
Lease assets	864	815
Construction in progress	116	119
Other tangible fixed assets	13,319	13,311
Intangible fixed assets	8,092	8,731
Software	6,127	6,105
Other intangible fixed assets	1,964	2,626
Prepaid pension cost	30,860	29,395
Deferred tax assets	8,605	—
Customers' liabilities for acceptances and guarantees	45,870	52,204
Reserve for possible loan losses	(32,700)	(33,378)
Reserve for investment losses	(4,990)	(4,827)
Total Assets	¥7,200,997	¥7,879,877

Item	Millions of yen	
	As of March 31, 2014	As of March 31, 2015
LIABILITIES AND NET ASSETS		
Liabilities		
Deposits	¥6,188,148	¥6,525,108
Current deposits	306,185	357,729
Ordinary deposits	3,072,351	3,225,107
Saving deposits	73,196	70,114
Deposits at notice	54,876	34,605
Time deposits	2,335,439	2,484,740
Installment savings	44	40
Other deposits	346,054	352,770
Negotiable certificates of deposit	166,124	278,442
Call money	38,009	28,406
Payables under repurchase agreements	—	88,861
Deposits received for bonds lending/borrowing transactions	192,120	250,963
Trading liabilities	10,345	16,284
Trading-related financial derivatives	10,345	16,284
Borrowed money	99,724	150,960
Borrowings from other banks	99,724	150,960
Foreign exchanges	900	135
Foreign bills sold	788	110
Foreign bills payable	111	24
Bonds	50,000	20,000
Due to trust account	58	47
Other liabilities	40,784	28,562
Domestic exchange settlement account, credit	333	274
Income taxes payable	5,876	2,348
Accrued expenses	7,254	6,652
Unearned revenue	2,004	1,972
Reserve for interest on installment savings	1	1
Derivatives other than for trading-liabilities	9,541	8,604
Cash collateral received for financial instruments	—	1,560
Lease obligations	903	852
Asset retirement obligations	279	297
Other	14,587	5,998
Reserve for reimbursement of deposits	1,304	1,413
Reserve for point loyalty programs	63	63
Deferred tax liabilities	—	14,686
Deferred tax liabilities for land revaluation reserve	16,075	14,062
Acceptances and guarantees	45,870	52,204
Total liabilities	¥6,849,529	¥7,470,205
Net Assets		
Common stock	¥ 54,573	¥ 54,573
Capital surplus	30,634	30,703
Capital reserve	30,634	30,634
Other capital surplus	—	68
Retained earnings	217,010	233,536
Legal earned reserve	40,153	40,153
Other retained earnings	176,857	193,383
Voluntary reserve	154,604	170,604
Earned surplus brought forward	22,253	22,779
Common stock in treasury	(1,740)	(1,402)
Total stockholders' equity	300,478	317,411
Net unrealized holding gains on securities available for sale	26,108	65,658
Net deferred losses on hedging instruments, net of taxes	(1,447)	(1,125)
Land revaluation reserve, net of tax	26,040	27,344
Total valuation and translation adjustments	50,701	91,878
Subscription rights to shares	287	383
Total net assets	351,468	409,672
Total liabilities and net assets	¥7,200,997	¥7,879,877

2. Non-Consolidated Statements of Income

Item	Millions of yen	
	FY2013	FY2014
Operating income	¥142,361	¥127,524
Interest income	85,890	83,234
Interest on loans and discounts	66,057	64,844
Interest and dividends on securities	18,390	15,806
Interest on call loans	236	227
Interest on deposits with banks	101	116
Other interest income	1,104	2,239
Trust fees	109	136
Fees and commissions	24,554	26,257
Fees and commissions on domestic and foreign exchanges	7,745	7,576
Other fees and commissions	16,809	18,680
Trading income	355	397
Gains on trading account securities transactions	161	125
Income from trading-related financial derivatives transactions	193	271
Other operating income	18,865	11,620
Gains on foreign exchange transactions	1,860	1,766
Gains on sales of bonds	16,759	9,691
Income from derivatives other than for trading or hedging	244	161
Other	0	0
Other income	12,586	5,878
Reversal of reserve for possible loan losses	6,104	—
Recoveries of written-off claims	16	28
Gains on sales of stocks	3,467	2,728
Other	2,997	3,120
Operating expenses	104,223	87,790
Interest expense	9,625	7,740
Interest on deposits	3,980	3,506
Interest on negotiable certificates of deposit	332	307
Interest on call money	180	178
Interest on payables under repurchase agreement	—	55
Interest on bonds lending / borrowing transactions	372	368
Interest on borrowings and rediscounts	2,520	1,104
Interest on bonds	1,019	463
Interest on interest swaps	720	687
Other interest expenses	497	1,068
Fees and commissions	8,500	8,838
Fees and commissions on domestic and foreign exchanges	2,702	2,838
Other fees and commissions	5,798	6,000
Other operating expenses	19,553	11,672
Losses on sales of bonds	19,519	11,672
Write-off amount of bonds	33	—
General and administrative expenses	55,777	55,134
Other expenses	10,766	4,404
Transfer to reserve for possible loan losses	—	2,394
Written-off amount of loans	6,986	—
Losses on sales of stocks	1,311	178
Write-off amount of stocks	41	0
Other	2,427	1,831
Operating profits	38,138	39,733
Extraordinary gains	32	21
Gains on dispositions of fixed assets	32	21
Extraordinary losses	685	776
Losses on dispositions of fixed assets	95	87
Impairment losses	588	689
Other	1	—
Income before income taxes and others	37,485	38,978
Provision for income taxes and others	8,953	7,049
Deferred income taxes	6,081	8,042
Total income taxes	15,034	15,091
Net income	¥ 22,450	¥ 23,887

3. Non-Consolidated Statements of Stockholders' Equity

Millions of yen										
FY2013										
Stockholders' equity										
Item	Capital surplus				Retained earnings					
	Common stock	Capital reserve	Other capital surplus	Total capital surplus	Legal earned	Other retained earnings			Common stock in treasury	Total stockholders' equity
						Voluntary reserve	Earned surplus brought forward	Total retained earnings		
Balance at the beginning of current period	¥54,573	¥30,634	¥—	¥30,634	¥40,153	¥141,604	¥ 16,762	¥198,520	¥(2,191)	¥281,537
Cumulative effect of changes in accounting policies								—		—
Restated balance	54,573	30,634	—	30,634	40,153	141,604	16,762	198,520	(2,191)	281,537
Changes of items during the period										
Dividends from surplus							(4,031)	(4,031)		(4,031)
Voluntary reserve						13,000	(13,000)	—		
Net income							22,450	22,450		22,450
Purchase of common stock in treasury									(10)	(10)
Disposal of common stock in treasury								(19)	(19)	461
Reversal of land revaluation reserve							91	91		91
Net changes of items other than shareholders' equity										
Total changes of items during the period	—	—	—	—	—	13,000	5,490	18,490	450	18,941
Balance at the end of current period	¥54,573	¥30,634	¥—	¥30,634	¥40,153	¥154,604	¥ 22,253	¥217,010	¥(1,740)	¥300,478

Millions of yen						
FY2013						
Valuation and translation adjustments						
Item	Net unrealized holding gains on securities available for sale	Net deferred (gains) losses on hedging	Land revaluation reserve, net of tax	Total valuation and translation adjustments	Subscription rights to shares	Total net assets
Balance at the beginning of current period	¥25,796	¥(1,874)	¥26,132	¥50,054	¥241	¥331,834
Cumulative effect of changes in accounting policies						
Restated balance	25,796	(1,874)	26,132	50,054	241	331,834
Changes of items during the period						
Dividends from surplus						(4,031)
Voluntary reserve						
Net income						22,450
Purchase of common stock in treasury						(10)
Disposal of common stock in treasury						441
Reversal of land revaluation reserve						91
Net changes of items other than shareholders' equity	311	426	(91)	647	45	692
Total changes of items during the period	311	426	(91)	647	45	19,633
Balance at the end of current period	¥26,108	¥(1,447)	¥26,040	¥50,701	¥287	¥351,468

Millions of yen										
FY2014										
Stockholders' equity										
Item	Capital surplus				Retained earnings					
	Common stock	Capital reserve	Other capital surplus	Total capital surplus	Legal earned	Other retained earnings			Common stock in treasury	Total stockholders' equity
						Voluntary reserve	Earned surplus brought forward	Total retained earnings		
Balance at the beginning of current period	¥54,573	¥30,634	¥—	¥30,634	¥40,153	¥154,604	¥ 22,253	¥217,010	¥(1,740)	¥300,478
Cumulative effect of changes in accounting policies							(2,534)	(2,534)		(2,534)
Restated balance	54,573	30,634	—	30,634	40,153	154,604	19,718	214,475	(1,740)	297,943
Changes of items during the period										
Dividends from surplus							(5,280)	(5,280)		(5,280)
Voluntary reserve						16,000	(16,000)	—		
Net income							23,887	23,887		23,887
Purchase of common stock in treasury									(20)	(20)
Disposal of common stock in treasury			68	68					358	427
Reversal of land revaluation reserve							453	453		453
Net changes of items other than shareholders' equity										
Total changes of items during the period	—	—	68	68	—	16,000	3,060	19,060	337	19,467
Balance at the end of current period	¥54,573	¥30,634	¥68	¥30,703	¥40,153	¥170,604	¥ 22,779	¥233,536	¥(1,402)	¥317,411

Millions of yen						
FY2014						
Valuation and translation adjustments						
Item	Valuation and translation adjustments			Subscription rights to shares	Total net assets	
	Net unrealized holding gains on securities available for sale	Net deferred (gains) losses on hedging	Land revaluation reserve, net of tax			
Balance at the beginning of current period	¥26,108	¥(1,447)	¥26,040	¥50,701	¥287	¥ 351,468
Cumulative effect of changes in accounting policies						(2,534)
Restated balance	26,108	(1,447)	26,040	50,701	287	348,933
Changes of items during the period						
Dividends from surplus						(5,280)
Voluntary reserve						
Net income						23,887
Purchase of common stock in treasury						(20)
Disposal of common stock in treasury						427
Reversal of land revaluation reserve						453
Net changes of items other than shareholders' equity	39,549	322	1,303	41,176	95	41,272
Total changes of items during the period	39,549	322	1,303	41,176	95	60,739
Balance at the end of current period	¥65,658	¥(1,125)	¥27,344	¥91,878	¥383	¥ 409,672

Financial Data for Fiscal 2014

1. Income Status

(Non-Consolidated)

Item	Millions of yen		
	FY2014 (A)	(A) – (B)	FY2013 (B)
Gross banking profit	¥93,394	¥ 1,299	¥92,095
Core gross banking profit	95,375	486	94,889
Domestic gross banking profit	82,181	(4,904)	87,085
Core gross banking profit	85,220	(171)	85,391
Interest income	67,655	(1,567)	69,222
Fees and commissions	17,274	1,513	15,761
Trading income	125	(36)	161
Other operating income	(2,873)	(4,812)	1,939
Gains (losses) from securities	(3,039)	(4,733)	1,694
International gross banking profit	11,212	6,202	5,010
Core gross banking profit	10,154	656	9,498
Interest income	7,838	796	7,042
Fees and commissions	281	(121)	402
Trading income	271	78	193
Other operating income	2,821	5,448	(2,627)
Gains (losses) from securities	1,058	5,545	(4,487)
Expenses	54,181	(602)	54,783
Personnel expenses	28,808	(100)	28,908
Non-personnel expenses	22,615	(780)	23,395
Taxes	2,757	279	2,478
Banking profit (before transfer to general reserve for possible loan losses)	39,212	1,900	37,312
Core banking profit *1	41,193	1,087	40,106
Transfer to general reserve for possible loan losses (i)	(6,413)	(6,413)	—
Banking profit (after transfer to general reserve for possible loan losses) *2	45,625	8,313	37,312
Gains (losses) on bonds	(1,980)	813	(2,793)
Gains on sales of bonds	9,691	(7,068)	16,759
Losses on sales of bonds	11,672	(7,847)	19,519
Write-off amount of bonds	—	(33)	33
Non-recurrent gains (losses)	(5,892)	(6,717)	825
Gains (losses) on stocks	2,550	436	2,114
Gains on sales of stocks	2,728	(739)	3,467
Losses on sales of stocks	178	(1,133)	1,311
Write-off amount of stocks	0	(41)	41
Gains (losses) from securities	569	1,247	(678)
Disposal of non-performing loans (ii)	9,001	7,021	1,980
Write-off amount of loans	—	(6,986)	6,986
Net transfer to specific reserve for possible loan losses	8,807	8,807	—
Losses on sales of loans to credit	339	(775)	1,114
Reversal of reserve for possible loan losses	—	(6,104)	6,104
Recoveries of written-off claims	145	129	16
Credit cost ((i) + (ii))	2,588	608	1,980
Other non-recurrent gains (losses)	559	(131)	690
Operating profits	39,733	1,595	38,138
Extraordinary gains (losses)	(754)	(102)	(652)
Net gains (losses) from fixed assets	(754)	(104)	(650)
Gains on dispositions of fixed assets	21	(11)	32
Losses on dispositions of fixed assets	87	(8)	95
Impairment losses	689	101	588
Income before income taxes and others	38,978	1,493	37,485
Provision for income taxes and others	7,049	(1,904)	8,953
Deferred income taxes	8,042	1,961	6,081
Net income taxes	15,091	57	15,034
Net income	¥23,887	¥ 1,437	¥22,450

Notes 1. Core banking profit excludes gains/ (losses) from securities, transfer to general reserve for possible loan losses.

2. Banking profit excludes transfer to general reserve for possible loan losses.

(Consolidated)

Item	Millions of yen		
	FY2014 (A)	(A) – (B)	FY2013 (B)
Consolidated gross banking profit	¥93,778	¥ 472	¥93,306
Interest income	75,243	(1,647)	76,890
Fees and commissions	18,190	1,442	16,748
Trading income	397	42	355
Other operating income	(51)	637	(688)
General and administrative expenses	55,464	(616)	56,080
Credit cost	2,616	604	2,012
Write-off amount of loans	—	(6,986)	6,986
Net transfer to specific reserve for possible loan losses	8,819	8,819	—
Net transfer to general reserve for possible loan losses	(6,413)	(6,413)	—
Losses on sales of loans to credit	355	(769)	1,124
Reversal of reserve for possible loan losses	—	(6,082)	6,082
Recoveries of write-off claims	145	129	16
Gains (losses) on stocks	2,550	436	2,114
Equity in gains (losses) of affiliated companies	757	4	753
Others	1,310	(2)	1,312
Operating profits	40,315	920	39,395
Extraordinary gains (losses)	1,331	1,983	(652)
Income before income taxes and others	41,647	2,905	38,742
Provision for income taxes and others	7,141	(1,900)	9,041
Deferred income taxes	7,942	1,909	6,033
Net income taxes	15,083	8	15,075
Income before minority interests	26,563	2,897	23,666
Minority interests	—	(784)	784
Net income	¥26,563	¥ 3,681	¥22,882

Note: Consolidated gross banking profit = (Interest income – Interest expenses) + (Fees and commissions income – Fees and commissions expenses) + (Trading income – Trading expenses) + (Other operating income – Other operating expenses)

[Reference: Consolidated Core Banking Profit]

Item	Millions of yen		
	FY2014 (A)	(A) – (B)	FY2013 (B)
Consolidated core banking profit	¥41,256	¥234	¥41,022

Note: Consolidated core banking profit = Consolidated gross banking profit – Expenses – gains/ (losses) from securities

[Reference: Number of Consolidated Subsidiaries]

Item	Number of companies		
	FY2014 (A)	(A) – (B)	FY2013 (B)
Number of consolidated subsidiaries	6	—	6
Number of affiliated companies applicable to the equity method	3	(2)	5

2. Banking Profit

(Non-Consolidated)

Item	Millions of yen		
	FY2014 (A)	(A) – (B)	FY2013 (B)
Core banking profit	¥41,193	¥1,087	¥40,106
Per head (in thousands of yen)	13,173	(191)	13,364
Banking profit (before transfer to general reserve for possible loan losses)	39,212	1,900	37,312
Per head (in thousands of yen)	12,540	107	12,433
Banking profit	45,625	8,313	37,312
Per head (in thousands of yen)	14,590	2,157	12,433

3. Interest Rate Spread [Domestic Operations]

(Non-Consolidated)

Item	%		FY2013 (B)
	FY2014 (A)	(A) – (B)	
Average yield on interest earnings assets (i)	1.12	(0.08)	1.20
Average yield on loans and bills discounted	1.30	(0.10)	1.40
Average yield on securities	0.72	(0.13)	0.85
Average yield on interest bearing liabilities (ii)	0.90	(0.06)	0.96
Average yield on deposits and negotiable certificates of deposit	0.05	(0.01)	0.06
Average interest rate spread on loans and deposits	0.43	(0.04)	0.47
Average interest rate spread ((i) – (ii))	0.22	(0.02)	0.24

4. Gains and Losses on Securities

(Non-Consolidated)

Item	Millions of yen		
	FY2014 (A)	(A) – (B)	FY2013 (B)
Gains (losses) on bonds (National government bonds, etc.)	¥ (1,980)	¥ 813	¥ (2,793)
Gains on sales	9,691	(7,068)	16,759
Losses on sales	11,672	(7,847)	19,519
Write-offs	—	(33)	33

Item	Millions of yen		
	FY2014 (A)	(A) – (B)	FY2013 (B)
Gains (losses) on stocks	¥2,550	¥ 436	¥2,114
Gains on sales	2,728	(739)	3,467
Losses on sales	178	(1,133)	1,311
Write-offs	0	(41)	41

5. Return on Equity

(Non-Consolidated)

Item	%		FY2013 (B)
	FY2014 (A)	(A) – (B)	
Core banking profit basis	10.86	(0.88)	11.74
Banking profit basis (before transfer to general reserve for possible loan losses)	10.34	(0.58)	10.92
Banking profit basis	12.03	1.11	10.92
Net income basis	6.30	(0.27)	6.57

$$ROE = \frac{\text{Core banking profit (Banking profit (before transfer to general reserve for possible loan losses) or (Banking profit) or (Net income))}}{(\text{Net assets at beginning of period excludes subscription rights to shares} + \text{Net assets at term-end excludes subscription rights to shares}) / 2}$$

6. Capital Adequacy Ratio (Domestic Standard)

Capital adequacy ratio is calculated on both a consolidated basis and on a non-consolidated basis according to the calculation formula specified under “the standards for judgment of the appropriateness of equity capital sufficiency based on assets, etc., held by banks pursuant to the provisions of Article 14-2 of the Banking Act” (FSA’s Notice No. 19 of 2006).

Hiroshima Bank has applied domestic standards and calculated the capital adequacy ratio according to the new domestic standards based on Basel III since the end of March 2014.

In addition, Hiroshima Bank used the foundation internal ratings-based approach in the calculation of credit risk assets and the gross profit allotment approach in the calculation of the operational risk value.

For the equity capital structure, please see the homepage of Hiroshima Bank. (<http://www.hirogin.co.jp/>)

(Non-Consolidated)

Item	Billions of yen		
	As of March 31, 2015		As of March 31, 2014 (B)
	(A)	(A) – (B)	
Base items related to core capital (i)	¥ 357.4	¥ (22.5)	¥ 379.9
Adjustment items related to core capital (ii)	17.1	12.2	4.9
Capital (iii): (i) – (ii)	340.3	(34.7)	375.0
Sum of risk assets, etc. (iv)	3,092.0	(53.9)	3,145.9
Capital adequacy ratio: (iii) / (iv)	11.00%	(0.92)%	11.92%

(Consolidated)

Item	Billions of yen		
	As of March 31, 2015		As of March 31, 2014 (B)
	(A)	(A) – (B)	
Base items related to core capital (i)	¥ 368.7	¥ (16.0)	¥ 384.7
Adjustment items related to core capital (ii)	20.9	16.0	4.9
Capital (iii): (i) – (ii)	347.7	(32.0)	379.7
Sum of risk assets, etc. (iv)	3,116.9	(30.7)	3,147.6
Capital adequacy ratio: (iii) / (iv)	11.15%	(0.91)%	12.06%

7. Deferred Tax Assets

(Non-Consolidated)

Item	Millions of yen	
	As of March 31, 2015	As of March 31, 2014
Breakdown of cause of deferred tax assets and liabilities		
Deferred tax assets		
Reserve for possible loan losses	¥ 14,021	¥ 20,590
Write-down of securities	1,057	1,338
Depreciation	983	1,118
Others	4,832	5,937
Deferred tax assets	20,894	28,985
Valuation allowance	(2,686)	(2,971)
Subtotal deferred tax assets	18,207	26,014
Deferred tax liability		
Allowance for severance and retirement benefits	(2,871)	(3,896)
Losses and gains on securities contributed to severance and retirement benefit trust	(713)	(875)
Net unrealized holding gains on securities	(29,308)	(12,636)
Subtotal deferred tax liability	(32,893)	(17,409)
Net deferred tax assets	¥(14,686)	¥ 8,605

8. Market Value of Securities

(Consolidated)

Held to maturity securities: Not applicable.

[Other Securities]

Item	Millions of yen		
	As of March 31, 2015		
	Consolidated balance sheet amount (A)	Acquisition cost (B)	Net unrealized gains (losses) (A) – (B)
Other securities with unrealized gains			
Stocks	¥ 101,975	¥ 49,388	¥52,587
Bonds	1,310,313	1,298,124	12,189
National government bonds	1,031,173	1,024,497	6,675
Local government bonds	137,293	134,725	2,568
Corporate bonds	141,846	138,900	2,945
Others	543,628	509,149	34,479
Subtotal	1,955,917	1,856,662	99,255
Other securities with unrealized losses			
Stocks	12,433	13,012	(579)
Bonds	124,381	124,803	(421)
National government bonds	103,474	103,790	(315)
Local government bonds	7,708	7,747	(38)
Corporate bonds	13,197	13,265	(67)
Others	33,835	36,607	(2,772)
Subtotal	170,650	174,424	(3,773)
Total	¥2,126,568	¥2,031,086	¥95,482

Note: Unlisted stocks are not included in the above table since their fair values are deemed extremely difficult to determine.

Item	Millions of yen		
	As of March 31, 2014		
	Consolidated balance sheet amount (A)	Acquisition cost (B)	Net unrealized gains (losses) (A) – (B)
Other securities with unrealized gains			
Stocks	¥ 65,974	¥ 34,817	¥31,157
Bonds	1,268,032	1,258,442	9,589
National government bonds	982,921	979,213	3,707
Local government bonds	139,777	136,498	3,278
Corporate bonds	145,333	142,730	2,602
Others	165,403	158,959	6,444
Subtotal	1,499,410	1,452,219	47,191
Other securities with unrealized losses			
Stocks	24,156	27,742	(3,585)
Bonds	165,317	165,693	(375)
National government bonds	145,401	145,667	(266)
Local government bonds	3,103	3,108	(5)
Corporate bonds	16,812	16,917	(104)
Others	288,176	291,609	(3,433)
Subtotal	477,651	485,046	(7,394)
Total	¥1,977,062	¥1,937,266	¥39,796

Note: Unlisted stocks are not included in the above table since their fair values are deemed extremely difficult to determine.

9. Objected Retirement Benefit Obligation and Retirement Benefit Costs

(Non-Consolidated)

(1) Hiroshima Bank has adopted Lump-sum retirement plan, Defined-Benefit corporate pension plan and Defined contribution pension plan.

(2) Objected Retirement Benefit Obligation

Item		Millions of yen	
		FY2014	FY2013
Objected retirement benefit obligation	(A)	¥ (43,829)	¥(41,137)
Fair value of plan assets	(B)	101,283	75,533
Non-savings retirement benefit debt	(C) = (A) + (B)	57,454	34,395
Unappropriated costs of accounting record change	(D)	—	—
Unrecognized actuarial loss	(E)	(28,058)	(3,534)
Unrecognized prior service cost	(F)	—	—
Sub total	(G) = (C) + (D) + (E) + (F)	29,395	30,860
Prepaid pension cost	(H)	29,395	30,860
Allowance for severance and retirement benefits	(G) – (H)	—	—

(3) Retirement Benefit Costs

Item	Millions of yen	
	FY2014	FY2013
Service Cost	¥ 1,033	¥ 1,015
Interest Cost	308	868
Expected return on plan assets	(3,021)	(2,989)
Amortization of prior service cost	615	693
Recognized actuarial loss	—	—
Other retirement cost	295	297
Retirement benefit costs	(767)	(114)

Note: Amounts contributed to defined contribution pension plan are included in Other.

[Loans and Other Assets Information]

1. Loans Outstanding

(1) Breakdown of Loans Outstanding for Our Hometown Area (Non-Consolidated)

Loans outstanding (average balance)	Billions of yen		
	FY2014 (A)	(A) – (B)	FY2013 (B)
Loans outstanding in Hiroshima Prefecture	¥3,449.9	¥152.6	¥3,297.3
Loans outstanding in Okayama Prefecture	275.1	18.1	257.0
Loans outstanding in Yamaguchi Prefecture	163.7	12.1	151.6
Loans outstanding in Ehime Prefecture	401.6	38.4	363.2
Loans outstanding except for our Hometown Area	697.5	19.7	677.8
Total	¥4,987.8	¥240.9	¥4,746.9

Note: Hometown Area means Hiroshima, Okayama, Yamaguchi, and Ehime Prefecture.

Loans outstanding (term-end balance)	Billions of yen		
	As of March 31, 2015 (A)	(A) – (B)	As of March 31, 2014 (B)
Loans outstanding in Hiroshima Prefecture	¥3,519.9	¥194.4	¥3,325.5
Loans outstanding in Okayama Prefecture	282.1	21.2	260.9
Loans outstanding in Yamaguchi Prefecture	171.6	16.9	154.7
Loans outstanding in Ehime Prefecture	416.3	29.9	386.4
Loans outstanding except for our Hometown Area	712.2	35.1	677.1
Total	¥5,102.1	¥297.5	¥4,804.6

Note: Hometown Area means Hiroshima, Okayama, Yamaguchi, and Ehime Prefecture.

(2) Individual Loans (Non-Consolidated)

Item	Billions of yen		
	As of March 31, 2015 (A)	(A) – (B)	As of March 31, 2014 (B)
Individual loans	¥1,280.8	¥48.9	¥1,231.9
Housing loans	884.5	15.4	869.1
Other loans	396.3	33.5	362.8

(3) Breakdown of Individual Loans for Our Hometown Area (Non-Consolidated)

Item	Billions of yen		
	As of March 31, 2015 (A)	(A) – (B)	As of March 31, 2014 (B)
Individual loans in Hiroshima Prefecture	¥1,070.7	¥33.4	¥1,037.3
Individual loans in Okayama Prefecture	111.3	7.2	104.1
Individual loans in Yamaguchi Prefecture	65.4	6.4	59.0
Individual loans in Ehime Prefecture	25.7	1.6	24.1

(4) Loans Outstanding to Small-and Medium-Sized Businesses and Individuals (Non-Consolidated)

Item	Billions of yen		
	As of March 31, 2015 (A)	(A) – (B)	As of March 31, 2014 (B)
Loans outstanding to small- and medium-sized businesses and individuals	¥3,424.5	¥182.0	¥3,242.5
Ratio to total loans and bill discounted	67.1%	(0.4)%	67.5%

(5) Breakdown of Loans Outstanding to Small- and Medium-Sized Businesses and Individuals for Our Hometown Area (Non-Consolidated)

Item	Billions of yen		
	As of March 31, 2015		As of March 31, 2014 (B)
	(A)	(A) – (B)	
Loans outstanding to small-and medium-sized businesses and individuals in Hiroshima Prefecture	¥2,453.7	¥110.5	¥2,343.2
Loans outstanding to small-and medium-sized businesses and individuals in Okayama Prefecture	237.6	17.6	220.0
Loans outstanding to small-and medium-sized businesses and individuals in Yamaguchi Prefecture	154.2	14.6	139.6
Loans outstanding to small-and medium-sized businesses and individuals in Ehime Prefecture	375.5	30.9	344.6

(6) Breakdown of Loans Outstanding Insured by the Association for Our Hometown Area (Non-Consolidated)

Item	Billions of yen		
	As of March 31, 2015		As of March 31, 2014 (B)
	(A)	(A) – (B)	
Loans outstanding insured by the Association in Hiroshima Prefecture	¥221.7	¥(3.3)	¥225.0
Loans outstanding insured by the Association in Okayama Prefecture	16.7	0.5	16.2
Loans outstanding insured by the Association in Yamaguchi Prefecture	10.4	(1.1)	11.5
Loans outstanding insured by the Association in Ehime Prefecture	8.0	0.1	7.9

2. Risk Managed Loans

(Non-Consolidated)

Item	Millions of yen		
	As of March 31, 2015		As of March 31, 2014 (B)
	(A)	(A) – (B)	
Loans to debtors legally bankrupt	¥ 1,363	¥ (337)	¥ 1,700
Other delinquent loans	75,673	21,370	54,303
Loans past due 3 months or more	2,149	(385)	2,534
Restructured loans	16,691	(15,659)	32,350
Total risk managed loans	¥95,878	¥ 4,990	¥90,888

(Consolidated)

Item	Millions of yen		
	As of March 31, 2015		As of March 31, 2014 (B)
	(A)	(A) – (B)	
Loans to debtors legally bankrupt	¥ 1,430	¥ (270)	¥ 1,700
Other delinquent loans	75,673	21,370	54,303
Loans past due 3 months or more	2,149	(385)	2,534
Restructured loans	16,691	(15,659)	32,350
Total risk managed loans	¥95,944	¥ 5,056	¥90,888

Notes: Hiroshima Bank adopts partial direct write-off.

Hiroshima Bank has adopted the uniform non-accrual loan accounting method for loans to customers in the self-assessment categories.

3. Reserve for Possible Loan Losses

(Non-Consolidated)

Item	Millions of yen		
	As of March 31, 2015		As of March 31, 2014 (B)
	(A)	(A) – (B)	
Reserve for possible loan losses	¥33,378	¥ 678	¥32,700
General reserve for possible loan losses	15,419	(6,413)	21,832
Specific reserve for possible loan losses	17,959	7,091	10,868
Reserve for specific foreign borrowers/countries	—	—	—

(Consolidated)

Item	Millions of yen		
	As of March 31, 2015		As of March 31, 2014 (B)
	(A)	(A) – (B)	
Reserve for possible loan losses	¥35,807	¥ 3,009	¥32,798
General reserve for possible loan losses	16,393	(5,439)	21,832
Specific reserve for possible loan losses	19,414	8,448	10,966
Reserve for specific foreign borrowers/countries	—	—	—

4. Ratio to Reserve for Total Risk Managed Loans

(Non-Consolidated)

Item	%		
	As of March 31, 2015		As of March 31, 2014 (B)
	(A)	(A) – (B)	
Before partial direct write-off	43.4	(8.1)	51.5
After partial direct write-off	34.7	(1.1)	35.8

(Consolidated)

Item	%		
	As of March 31, 2015		As of March 31, 2014 (B)
	(A)	(A) – (B)	
Before partial direct write-off	43.4	(8.1)	51.5
After partial direct write-off	34.7	(1.1)	35.8

5. Problem Loans Disclosed under the Financial Revitalization Law

(Non-Consolidated)

Item	Millions of yen		
	As of March 31, 2015		As of March 31, 2014 (B)
	(A)	(A) – (B)	
Loans to bankrupt and quasi-bankrupt loans	¥ 8,888	¥ (3,127)	¥12,015
Doubtful loans	69,994	24,072	45,922
Substandard loans	18,840	(16,044)	34,884
Total (i)	¥97,722	¥ 4,900	¥92,822

6. Coverage of Problem Loans Disclosed under the Financial Revitalization Law

(Non-Consolidated)

Item	Millions of yen		
	As of March 31, 2015 (A)	(A) – (B)	As of March 31, 2014 (B)
Coverage amount (ii)	¥75,061	¥3,647	¥71,414
Portion covered by reserve (iii)	20,710	4,599	16,111
Portion covered by collateral	54,350	(953)	55,303
Specific reserve for loan losses	—	—	—
Coverage ratio to disclosed totals (ii)/(i)	76.8%	(0.1%)	76.9%
Coverage ratio before partial direct write-off	79.9%	(2.6%)	82.5%
Excluding collateral and guarantees (iv)	43,371	5,852	37,519
Coverage ratio (iii)/(iv)	47.8%	4.9%	42.9%
Ratio to total loans outstanding	1.88%	(0.02)%	1.90%

7. Loans to Entities Overseas by Country

(1) Loans to Asian Countries (Non-Consolidated)

Not applicable.

(2) Loans to Latin American Countries (Non-Consolidated)

Not applicable.

8. Loan Portfolio

(1) Classification of Loans by Type of Industry

(Non-Consolidated)

Item	Millions of yen		
	As of March 31, 2015 (A)	(A) – (B)	As of March 31, 2014 (B)
Domestic (excluding JOM account)	¥5,102,145	¥297,543	¥4,804,602
Manufacturing	747,759	13,838	733,921
Agriculture/Forestry	4,178	918	3,260
Fishery	480	6	474
Mining/Quarrying of stone/Gravel	537	140	397
Construction	154,210	10,371	143,839
Electricity, gas and water	112,478	21,062	91,416
Telecommunication	36,631	(1,422)	38,053
Transportation/Postal activities	239,574	11,518	228,056
Wholesale/Retail services	511,393	22,755	488,638
Financial and insurance services	330,788	27,158	303,630
Retail estate/Goods rental and leasing	774,981	73,421	701,560
Services	339,276	14,708	324,568
Municipal government	475,911	47,050	428,861
Others	1,373,936	56,021	1,317,915

Note: Others are included in the following loans.

Item	Millions of yen		
	As of March 31, 2015 (A)	(A) – (B)	As of March 31, 2014 (B)
Individual	¥994,220	¥14,546	¥979,674
Ship chartering industry (nonresidents)	345,954	30,637	315,317

Note: Ship chartering industry (nonresidents) refers primarily to foreign subsidiaries of domestic ship chartering companies.

Ship related loans, including loans to the ship chartering industry (domestic and nonresidents and shipbuilding companies, amounted to 504,061 million yen as of March 31, 2015.

**(2) Breakdown of Classification of Loans by Type of Industry for Our Hometown Area
(Non-Consolidated)**

Item	Billions of yen			
	Hiroshima Prefecture	Okayama Prefecture	Yamaguchi Prefecture	Ehime Prefecture
Total	¥3,519.9	¥282.1	¥171.6	¥416.3
Manufacturing	425.6	44.9	23.1	45.1
Agriculture/Forestry	2.5	0.9	0.3	0.2
Fishery	0.5	0.0	—	—
Mining/Quarrying of stone/Gravel	0.2	0.0	0.3	—
Construction	105.5	19.6	13.9	4.9
Electricity, gas and water	89.7	0.5	0.8	2.3
Telecommunication	26.4	2.1	0.4	0.1
Transportation/Postal activities	101.9	7.3	7.9	69.5
Wholesale/Retail services	351.1	40.4	29.0	28.1
Financial and insurance services	233.1	2.0	0.0	1.6
Retail estate/Goods rental and leasing	472.7	58.7	24.7	20.6
Services	246.3	27.1	18.8	16.0
Municipal government	459.5	9.3	3.3	—
Others	1,004.9	69.3	49.1	227.9

**(3) Classification of Risk Managed Loans by Type of Industry
(Non-Consolidated)**

Item	Millions of yen		
	As of March 31, 2015		As of March 31, 2014 (B)
	(A)	(A) – (B)	
Domestic (excluding JOM account)	¥95,878	¥ 4,990	¥90,888
Manufacturing	13,067	(7,100)	20,167
Agriculture/Forestry	82	(27)	109
Fishery	16	1	15
Mining/Quarrying of stone/Gravel	72	(39)	111
Construction	9,047	(1,256)	10,303
Electricity, gas and water	—	—	—
Telecommunication	230	(165)	395
Transportation/Postal activities	4,842	2,174	2,668
Wholesale/Retail services	7,330	(3,759)	11,089
Financial and insurance services	1,036	(242)	1,278
Retail estate/Goods rental and leasing	30,162	17,413	12,749
Services	9,437	(903)	10,340
Municipal government	—	—	—
Others	20,552	(1,107)	21,659

[Deposits and Other Liabilities Information]

1. Deposits Outstanding

(1) Breakdown of Deposits Outstanding for Our Hometown Area

Deposits outstanding (average balance)	Billions of yen		
	FY2014 (A)	(A) – (B)	FY2013 (B)
Deposits outstanding in Hiroshima Prefecture	¥5,676.9	¥249.3	¥5,427.6
Deposits outstanding in Okayama Prefecture	287.4	9.6	277.8
Deposits outstanding in Yamaguchi Prefecture	193.7	7.4	186.3
Deposits outstanding in Ehime Prefecture	187.7	17.9	169.8
Deposits outstanding except for our Hometown Area	188.4	14.1	174.3
Total	¥6,534.1	¥298.3	¥6,235.8

Note: Hometown Area means Hiroshima, Okayama, Yamaguchi and Ehime Prefecture.
Deposits outstanding includes negotiable certificates of deposit.

Deposits outstanding (term-end balance)	Billions of yen		
	As of March 31, 2015 (A)	(A) – (B)	As of March 31, 2014 (B)
Deposits outstanding in Hiroshima Prefecture	¥5,917.5	¥375.5	¥5,542.0
Deposits outstanding in Okayama Prefecture	291.5	11.6	279.9
Deposits outstanding in Yamaguchi Prefecture	198.0	10.6	187.4
Deposits outstanding in Ehime Prefecture	193.4	18.4	175.0
Deposits outstanding except for our Hometown Area	203.1	33.2	169.9
Total	¥6,803.5	¥449.3	¥6,354.2

Note: Hometown Area means Hiroshima, Okayama, Yamaguchi and Ehime Prefecture.
Deposits outstanding includes negotiable certificates of deposit.

2. Individual Custody Assets

(1) Outstanding Individual Custody Assets (Non-Consolidated)

Outstanding individual custody assets	Billions of yen		
	As of March 31, 2015 (A)	(A) – (B)	As of March 31, 2014 (B)
Outstanding individual custody assets	¥5,263.7	¥153.2	¥5,110.5
Individual deposits	4,376.9	189.5	4,187.4
Insurance	408.6	(2.7)	411.3
Investment trusts	293.4	6.4	287.0
Public bonds (National government bonds, etc.)	121.0	(35.6)	156.6
Foreign bonds, and derivative bonds, etc.	63.8	(4.4)	68.2

Note: Individual deposits includes negotiable certificates of deposit.

(2) Breakdown of Outstanding Individual Custody Assets for Our Hometown Area

Hiroshima Prefecture	Billions of yen		
	As of March 31, 2015		As of March 31, 2014 (B)
	(A)	(A) – (B)	
Outstanding individual custody assets	¥4,749.1	¥153.1	¥4,596.0
Individual deposits	3,953.7	184.0	3,769.7
Insurance	368.8	(2.3)	371.1
Investment trusts	264.5	6.8	257.7
Public bonds (National government bonds, etc.)	106.0	(31.4)	137.4
Foreign bonds, and derivative bonds, etc.	56.1	(4.0)	60.1

Okayama Prefecture	Billions of yen		
	As of March 31, 2015		As of March 31, 2014 (B)
	(A)	(A) – (B)	
Outstanding individual custody assets	¥224.1	¥ 0.2	¥223.9
Individual deposits	182.9	1.2	181.7
Insurance	17.8	(0.1)	17.9
Investment trusts	14.0	0.2	13.8
Public bonds (National government bonds, etc.)	6.1	(0.9)	7.0
Foreign bonds, and derivative bonds, etc.	3.3	(0.2)	3.5

Yamaguchi Prefecture	Billions of yen		
	As of March 31, 2015		As of March 31, 2014 (B)
	(A)	(A) – (B)	
Outstanding individual custody assets	¥165.5	¥ 0.6	¥164.9
Individual deposits	136.7	3.4	133.3
Insurance	12.9	(0.6)	13.5
Investment trusts	9.1	0.1	9.0
Public bonds (National government bonds, etc.)	5.0	(1.9)	6.9
Foreign bonds, and derivative bonds, etc.	1.8	(0.4)	2.2

Ehime Prefecture	Billions of yen		
	As of March 31, 2015		As of March 31, 2014 (B)
	(A)	(A) – (B)	
Outstanding individual custody assets	¥80.1	¥(1.1)	¥81.2
Individual deposits	64.6	0.5	64.1
Insurance	7.7	0.2	7.5
Investment trusts	4.3	(0.7)	5.0
Public bonds (National government bonds, etc.)	2.7	(1.0)	3.7
Foreign bonds, and derivative bonds, etc.	0.8	(0.1)	0.9