

Financial Summary

For the First Quarter Ended June 30, 2013



Shinsei Bank, Limited
(Code 8303, TSE First Section)

<u>Contents</u>	<u>Page</u>
Financial and Economic Environment1
Financial Highlights2
Section 1. Consolidated Information5
<i>Results of Operations -Table 1-</i>	<i>(Consolidated)5</i>
<i>Interest-Earning Assets and Interest-Bearing Liabilities -Table 2-</i>	<i>(Consolidated)6</i>
<i>Non-Interest Income -Table 3-</i>	<i>(Consolidated)7</i>
<i>General and Administrative Expenses -Table 4-</i>	<i>(Consolidated)8</i>
<i>Net Credit Costs -Table 5-</i>	<i>(Consolidated)9</i>
<i>Amortization of Goodwill and Other Intangible Assets -Table 6-</i>	<i>(Consolidated)9</i>
<i>Other Gains (Losses) -Table 7-</i>	<i>(Consolidated)10</i>
<i>Minority Interests in Net Income of Subsidiaries -Table 8-</i>	<i>(Consolidated)10</i>
<i>Major Balance Sheet Data -Table 9-</i>	<i>(Consolidated)11</i>
<i>Risk-Monitored Loans -Table 10-</i>	<i>(Consolidated)12</i>
<i>Reserve for Credit Losses -Table 11-</i>	<i>(Consolidated)12</i>
<i>Loans by Borrower Industry -Table 12-</i>	<i>(Consolidated)13</i>
<i>Securities Being Held to Maturity -Table 13-</i>	<i>(Consolidated)13</i>
<i>Securities Available for Sale -Table 14-</i>	<i>(Consolidated)14</i>
<i>Deposits, Including Negotiable Certificates of Deposit (NCDs) -Table 15-</i>	<i>(Consolidated)15</i>
<i>Financial Ratios -Table 16-</i>	<i>(Consolidated)15</i>
<i>Capital Adequacy Data -Table 17-</i>	<i>(Consolidated)16</i>
<i>Per Share Data -Table 18-</i>	<i>(Consolidated)16</i>
<i>Business Lines Results -Table 19-</i>	<i>(Consolidated)17</i>
<i>Institutional Group -Table 20-</i>	<i>(Consolidated)18</i>
<i>Global Markets Group -Table 21-</i>	<i>(Consolidated)20</i>
<i>Individual Group -Table 22-</i>	<i>(Consolidated)22</i>
<i>Individual Group Revenue by Product/Entity -Table 23-</i>	<i>(Consolidated)23</i>
<i>Corporate/Other -Table 24-</i>	<i>(Consolidated)25</i>
<i>Segment Information</i>26
<i>Consolidated Balance Sheets (Unaudited)</i>	<i>(Consolidated)27</i>
<i>Consolidated Statements of Income (Unaudited)</i>	<i>(Consolidated)29</i>
<i>Consolidated Statements of Comprehensive Income (Unaudited)</i>	<i>(Consolidated)30</i>

Section 2. Non-Consolidated Information31
<i>Results of Operations -Table 25-</i>	<i>(Non-Consolidated)31</i>
<i>Net Credit Costs -Table 26-</i>	<i>(Non-Consolidated)32</i>
<i>Interest-Earning Assets and Interest-Bearing Liabilities -Table 27-</i>	<i>(Non-Consolidated)32</i>
<i>Risk-Monitored Loans -Table 28-</i>	<i>(Non-Consolidated)33</i>
<i>Loans by Borrower Industry -Table 29-</i>	<i>(Non-Consolidated)33</i>
<i>Risk Monitored Loans by Borrower Industry -Table 30 -</i>	<i>(Non-Consolidated)34</i>
<i>LBO -Table 31-</i>	<i>(Non-Consolidated)34</i>
<i>Overseas and Offshore Loans by Region -Table 32-</i>	<i>(Non-Consolidated)35</i>
<i>Risk-Monitored Overseas and Offshore Loans by Region -Table 33-</i>	<i>(Non-Consolidated)35</i>
<i>Claims Classified under the Financial Revitalization Law -Table 34-</i>	<i>(Non-Consolidated)35</i>
<i>Coverage Ratios for Non-Performing Claims Classified</i> <i>under the Financial Revitalization Law -Table 35-</i>	<i>(Non-Consolidated)36</i>
<i>Reserve for Credit Losses -Table 36-</i>	<i>(Non-Consolidated)36</i>
<i>Securities Being Held to Maturity -Table 37-</i>	<i>(Non-Consolidated)37</i>
<i>Securities Available for Sale -Table 38-</i>	<i>(Non-Consolidated)38</i>
<i>Capital Adequacy Data-Table 39-</i>	<i>(Non-Consolidated)39</i>
<i>Non-Consolidated Balance Sheets (Unaudited)</i>	<i>(Non-Consolidated)40</i>
<i>Non-Consolidated Statements of Operations (Unaudited)</i>	<i>(Non-Consolidated)42</i>
Section 3. Earnings Forecast -Table 40-	(Consolidated and Non-Consolidated)43

The following discussion should be read in conjunction with the consolidated and non-consolidated 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 data that are stated in multiples of ¥0.1 billion have been truncated. All percentages have been rounded to the nearest 0.1%.

Financial and Economic Environment

- During the first three months of fiscal year 2013 (April 1, 2013- June 30, 2013), the Japanese economy has made steady steps toward a recovery, and as a result of high expectations for “Abenomics” implemented by the Abe administration, there have been early indicators of improvements in business sentiment such as a correction in the price of the yen, improvements in exports as a result of gradual improvements in the U.S. economy, improvements in corporate production activities and consumer spending, and, while the overall environment is still harsh, improvements in the job market.
- In these circumstances, the Japanese Government (Government) and Bank of Japan (BOJ) have worked to promote a variety of policies to enable the realization of “Abenomics.” Of these, on April 4, 2013, the BOJ chose to introduce new monetary easing measures that are “of a different dimension, both in terms of quantity and quality.” Additionally, the Government will undertake a flexible financial policy called a “fifteen-month budget,” and promote the establishment of a growth strategy that will stimulate private investment.
- In the financial market, exchange rates, interest rates and stock prices has seen large fluctuations since the decision by the BOJ to implement an unprecedented monetary easing policy at the beginning of the fiscal year. First, regarding the exchange rate, the trend of a weakening yen has intensified from the beginning of the fiscal year, and while there were times when the exchange rate for the yen approached the ¥103/USD1 and ¥134/EUR1 levels in the second half of May, due in part to a brief period of buybacks of the yen, the exchange rate for the yen at the end of June was approximately ¥99/USD1 (appreciation of approximately ¥5 versus end of March, 2013) and ¥129/EUR1 (appreciation of approximately ¥8 versus end of March, 2013).
- Next, regarding domestic interest rates, the long-term interest rate (10 year government bond yields) experienced great volatility, starting at under 0.6% at the end of March, 2013, and then temporarily plummeted to 0.3% immediately following the announcement of the monetary easing policy. After this drop-off, as a result of funds transfers following the rise in stock prices, and also due to effects of the rise in the US long-term interest rate, the interest rate then at one point rose as high as 1% on May 23, 2013. However, the interest rate has remained at the 0.8%-0.9% level throughout the month of June, 2013. In contrast, the short term interest rate continues to remain steady at low levels.
- Finally, regarding the Nikkei Stock Average, due to rising expectations for an economic recovery, the Stock Average rose at a rapid rate in the first quarter, and nearly reached the ¥16,000 mark on May 23, 2013. However, following this initial rise, there were days in which the Stock Average experienced steep drops in value, and due to a continuation of what could be called an adjustment phase, the Nikkei Stock Average finished at ¥13,677.32 at the end of June 2013 (appreciation of approximately ¥1,280 versus end of March, 2013). While the financial market appears to be regaining normalcy, the situation calls for a continuation of careful monitoring of future market trends.

Financial Highlights⁽¹⁾

(Billions of yen, except percentages)

	Q1 FY2013 (3 months)	Q1 FY2012 (3 months)	Change % or Amount	FY2012 (12 months)
Selected income statement items (Consolidated)				
Net interest income	26.9	28.2	(4.3)%	111.6
Non-interest income	23.5	23.8	(1.5)%	87.3
Net fees and commissions	5.7	4.7	20.6%	19.1
Net trading income	3.5	4.3	(19.2)%	20.0
Net other business income	14.2	14.7	(3.3)%	48.1
Total revenue	50.5	52.0	(3.0)%	199.0
General and administrative expenses	32.6	31.7	2.8%	128.6
Ordinary business profit	17.8	20.2	(12.1)%	70.3
Net credit costs	(0.0)	(0.6)	85.8%	5.5
Ordinary business profit after net credit costs	17.9	20.9	(14.4)%	64.8
Amortization of goodwill and other intangible assets ⁽²⁾	2.5	2.8	(9.6)%	10.7
Other gains (losses)	(0.8)	(0.3)	(111.3)%	(0.1)
Income before income taxes and minority interests	14.5	17.7	(18.0)%	53.8
Current income tax	1.3	0.2	340.8%	0.5
Deferred income tax	(0.3)	0.0	n.m. ⁽⁵⁾	(1.3)
Minority interests in net income of subsidiaries	0.8	0.9	(17.5)%	3.5
Net income	12.7	16.4	(22.2)%	51.0
Cash basis net income ⁽³⁾	15.0	18.8	(20.4)%	60.4
Selected balance sheet items (Consolidated)				
Securities	1,871.5	1,864.2	7.3	1,842.3
Loans and bills discounted	4,232.9	4,237.2	(4.2)	4,292.4
Customers' liabilities for acceptances and guarantees	485.5	559.0	(73.4)	511.0
Reserve for credit losses	(147.1)	(170.2)	23.1	(161.8)
Total assets	8,811.3	8,563.1	248.1	9,029.3
Deposits and negotiable certificates of deposit	5,680.7	5,333.2	347.5	5,457.5
Debentures	49.5	287.1	(237.5)	262.3
Borrowed money	587.9	586.4	1.5	719.2
Reserve for losses on interest repayments	31.6	45.8	(14.1)	34.9
Total liabilities	8,119.6	7,922.2	197.4	8,345.6
Total equity	691.6	640.9	50.7	683.6
Financial ratios (%) (Consolidated)				
Net interest margin	1.98	2.13		2.02
Expense-to-revenue ratio	64.7	61.1		64.6
Return on assets	0.6	0.8 ⁽⁴⁾		0.6
Return on equity (fully diluted)	8.2	11.6 ⁽⁴⁾		8.6
Cash basis return on assets	0.7	0.9 ⁽⁴⁾		0.7
Cash basis return on equity (fully diluted)	10.4	14.6 ⁽⁴⁾		11.1
Capital adequacy data (Consolidated)				
Tier I	631.5	552.3	79.1	608.8
Total capital	743.8	658.1	85.7	715.8
Risk assets	5,815.2	6,019.7	(204.4)	5,847.7
Capital adequacy ratio	12.79%	10.93%		12.24%
Tier I capital ratio	10.85%	9.17%		10.41%

(Billions of yen, except percentages)

	Q1 FY2013 (3 months)	Q1 FY2012 (3 months)	Change % or Amount	FY2012 (12 months)
Per share data (Consolidated)				
Common equity	236.25	217.39	8.7%	233.65
Basic net income	4.81	6.19	(22.2)%	19.24
Cash basis basic net income	5.66	7.11	(20.4)%	22.77
Non-performing loans (Non-Consolidated)				
Claims classified under the Financial Revitalization Law	216.4	283.5	(67.1)	242.6
Ratio to total claims	4.80%	6.20%		5.32%
Reserve for credit losses	94.6	112.4	(17.7)	106.5
Coverage ratio for non-performing claims	96.3%	97.0%		95.9%
Selected income statement items (Non-Consolidated)				
Net interest income	21.2	16.2	30.8%	62.0
Non-interest income	5.9	8.6	(31.9)%	31.2
Net fees and commissions	2.8	4.4	(36.8)%	10.3
Net trading income	1.5	4.1	(62.1)%	14.5
Net other business income	1.5	0.1	1,236.0%	6.3
Total revenue	27.1	24.8	9.0%	93.3
General and administrative expenses	16.9	16.7	1.7%	67.3
Ordinary business profit	10.1	8.1	23.8%	25.9
Net credit costs (recoveries)	1.5	(0.9)	260.0%	(1.2)
Net income	8.4	7.4	13.9%	24.6

(1) Represents results based on management accounting basis.

(2) In our consolidated financial statements, amortization of goodwill and other intangible assets is recorded in total 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.

(5) n.m. is not meaningful.

- The Shinsei Bank Group recognized consolidated net income of ¥12.7 billion for the first quarter of fiscal year 2013 (April 1, 2013 to June 30, 2013). Fiscal year 2013 is the first year of the bank's Second Medium-Term Management Plan, which was disclosed in March 2013. Results were steady, representing 26% of the ¥48.0 billion full-year target set for fiscal year 2013.
- Total revenue amounted to ¥50.5 billion for the first quarter of fiscal year 2013, including net interest income of ¥26.9 billion, a decrease as compared to ¥28.2 billion for the first quarter of fiscal year 2012. This was due to the continuation of progress made in the First Medium-Term Management Plan at reducing non-core assets and due to the declining balance of consumer finance loans on account of the ongoing effects of the revised Money-Lending Business Control and Regulation Law, etc. However, the pace of decline of the consumer finance loan balance has slowed during fiscal year 2012, and has shifted to an increasing trend starting from the fourth quarter of fiscal year 2012. Non-interest income was ¥23.5 billion for the first quarter of fiscal year 2013, almost at the same level as non-interest income for the first quarter of fiscal year 2012.
- Regarding general and administrative expenses, we continued promoting operational efficiency. However, as we actively expanded resources such as increasing personnel and advertising, in order to expand our business base, the general and administrative expenses were ¥32.6 billion for the first quarter of fiscal year 2013, a slight increase as compared to ¥31.7 billion for the first quarter of fiscal year 2012.
- Regarding net credit recoveries there were no major recoveries of written-off claims and reversal of reserves for credit losses recorded during the first quarter of fiscal year 2013, which were recorded in the first quarter of fiscal year 2012. On the other hand, no large reserves for credit losses were recorded as in previous years, as a result of the reduction in non-core assets aimed at limiting potential risks, and credit quality continues to improve in our consumer finance business. As a result, net credit recoveries amounted to ¥0.0 billion (¥95 million).
- Regarding performance within respective business groups, ordinary business profit after net credit costs were recorded at all groups following fiscal year 2012, as the bank's earnings continued to stabilize.
 - In the Institutional Group, the expansion of the customer base continued, with progress in further differentiation of strategic areas, aimed towards strengthening earnings, as ordinary business profit after net credit costs increased from ¥9.1 billion recorded for the first quarter of fiscal year 2012, to ¥12.8 billion recorded for the first quarter of fiscal year 2013, and performance remained stable.
 - In the Global Markets Group, ordinary business profit after net credit costs of ¥0.9 billion was recorded for the first quarter of fiscal year 2013, a decrease as compared to ¥3.1 billion for the first quarter of fiscal year 2012. Efforts were made towards the expansion of the customer base, and development and provision of products tailored to the needs of our customers. However, no major collections on written-off claims were recorded in the first quarter of fiscal year 2013, which were recorded in the first quarter of fiscal year 2012, and we were also impacted by the temporary turbulence in the financial markets.
 - In the Individual Group, revenue decreased as compared to the first quarter of fiscal year 2012 due to the declining balance of consumer finance loans on account of the ongoing effects of the revised Money-Lending Business Control and Regulation Law. However, the declining pace of the consumer finance loan balance has slowed down during fiscal

year 2012, and has shifted to an increasing trend starting from the fourth quarter of fiscal year 2012. Also, sales of investment products were continuously strong at Retail Banking, hence ordinary business profit after net credit costs of ¥7.4 billion was recorded for the first quarter of fiscal year 2013.

- Balance of loans and bills discounted decreased from ¥4,292.4 billion at March 31, 2013, to ¥4,232.9 billion at June 30, 2013. Housing loans to individual customers were continuously strong with an increase, and the loan balance of consumer finance has shifted to an increasing trend starting from the fourth quarter of fiscal year 2012. However, loans to institutional customers reached maturity based on the credit requirements at the end of March 2013, which had an impact on the decrease of loans and bills discounted.
- Net interest margin of 1.98% was recorded for the first quarter of fiscal year 2013, a slight decrease as compared to 2.13% for the first quarter of fiscal year 2012. This was mainly due to the decrease in the balance of consumer finance loans bearing relatively high interest rates resulting in a decrease in the yield on interest-earning assets. However, a portion of time deposits bearing high interest rates sold in previous years reached maturity, and expenses on interest-bearing liabilities of deposits and negotiable certificates of deposit also decreased, which mitigated the decrease in the net interest margin.
- Regarding capital ratios, Tier I capital and total capital increased due to the accumulation of consolidated net income and amortization of goodwill and other intangible assets during the first quarter of fiscal year 2013, which resulted in improvement of the total capital adequacy ratio and Tier I capital ratio on a consolidated basis, to 12.79% and 10.85%, respectively, as of June 30, 2013 compared to 12.24% and 10.41% as of March 31, 2013.
- The balance of non-performing loans under the Financial Revitalization Law (non-consolidated) totaled ¥216.4 billion as of June 30, 2013, a decrease of ¥26.2 billion during the first quarter of fiscal year 2013, mainly due to sales and collections of non-performing loans, etc. In addition, the proportion of non-performing claims to the balance of total claims improved from 5.32% at the end of March 2013, to 4.80% as at June 30, 2013.

Section 1. Consolidated Information

Results of Operations ⁽¹⁾ -Table 1- (Consolidated)

	<i>(Billions of yen, except percentages)</i>			
	Q1 FY2013 (3 months)	Q1 FY2012 (3 months)	% Change	FY2012 (12 months)
Net interest income	26.9	28.2	(4.3)	111.6
Non-interest income	23.5	23.8	(1.5)	87.3
Net fees and commissions	5.7	4.7	20.6	19.1
Net trading income	3.5	4.3	(19.2)	20.0
Net other business income	14.2	14.7	(3.3)	48.1
Total revenue	50.5	52.0	(3.0)	199.0
General and administrative expenses	32.6	31.7	2.8	128.6
Ordinary business profit	17.8	20.2	(12.1)	70.3
Net credit costs (recoveries)	(0.0)	(0.6)	85.8	5.5
Ordinary business profit after net credit costs	17.9	20.9	(14.4)	64.8
Amortization of goodwill and other intangible assets ⁽²⁾	2.5	2.8	(9.6)	10.7
Other gains (losses)	(0.8)	(0.3)	(111.3)	(0.1)
Income before income taxes and minority interests	14.5	17.7	(18.0)	53.8
Current income tax	1.3	0.2	340.8	0.5
Deferred income tax	(0.3)	0.0	n.m. ⁽⁴⁾	(1.3)
Minority interests in net income of subsidiaries	0.8	0.9	(17.5)	3.5
Net income	12.7	16.4	(22.2)	51.0
Cash basis net income ⁽³⁾	15.0	18.8	(20.4)	60.4

(1) Represents results based on management accounting basis.

(2) In our consolidated financial statements, amortization of goodwill and other intangible assets is recorded in total 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) n.m. is not meaningful.

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

- Shinsei Bank reported total revenue of ¥50.5 billion for the first quarter of fiscal year 2013, consisting of net interest income of ¥26.9 billion and non-interest income of ¥23.5 billion. This represented a decrease as compared to total revenue of ¥52.0 billion for the first quarter of fiscal year 2012. However, it was an increase as compared to ¥48.6 billion for the fourth quarter of fiscal year 2012, and represented approximately 23% of ¥215.0 billion, the fiscal year 2013 target set in the Second Medium-Term Management Plan. This was mainly due to the completion of a fundamental framework from a financial and operational aspect, and almost no impact of non-recurring losses such as impairments as those recorded in the first quarter of the previous fiscal year.
- Net interest income of ¥26.9 billion recorded for the first quarter of fiscal year 2013, represented approximately 23% of ¥115.0 billion, the fiscal year 2013 target set in the Second Medium-Term Management Plan. This was a decrease as compared to ¥28.2 billion for the first quarter of fiscal year 2012, mainly due to compression of non-core assets, and the lower balance of consumer finance loans. However, the consumer finance loan balance has shifted to an increasing trend starting from the fourth quarter of fiscal year 2012, and the accumulation of housing loans is getting stronger. Net interest income for the institutional business was almost at the same level as that of the first quarter of fiscal year 2012.

Interest-Earning Assets and Interest-Bearing Liabilities -Table 2- (Consolidated)

	(Billions of yen, except percentages)								
	Q1 FY2013 (3 months)			Q1 FY2012 (3 months)			FY2012 (12 months)		
	Average Balance	Interest	Yield/rate (%)	Average Balance	Interest	Yield/rate (%)	Average Balance	Interest	Yield/rate (%)
Interest-earning assets ⁽¹⁾ :									
Loans and bills discounted	4,283.8	31.4	2.95	4,148.6	32.2	3.12	4,246.2	128.5	3.03
Lease receivables and leased investment assets / installment receivables ⁽¹⁾	585.7	8.8	6.06	561.5	8.8	6.29	568.4	35.6	6.26
Securities	2,016.4	3.6	0.73	1,843.3	4.5	0.99	2,014.3	17.0	0.85
Other interest-earning assets ⁽²⁾⁽³⁾	390.4	0.6	n.m. ⁽⁵⁾	378.9	0.4	n.m. ⁽⁵⁾	420.8	2.2	n.m. ⁽⁵⁾
Total revenue on interest-earning assets (A) ⁽¹⁾	7,276.4	44.6	2.46	6,932.4	46.0	2.66	7,249.9	183.4	2.53
Interest-bearing liabilities:									
Deposits, including negotiable certificates of deposit	5,666.8	5.7	0.41	5,341.3	5.9	0.45	5,450.2	23.4	0.43
Debentures	121.7	0.0	0.30	292.4	0.2	0.39	281.5	0.9	0.35
Borrowed money	641.8	1.2	0.79	543.9	1.2	0.94	654.4	5.2	0.80
Subordinated debt	91.9	0.5	2.22	93.0	0.4	2.07	92.5	1.9	2.08
Other borrowed money	549.9	0.7	0.55	450.9	0.7	0.70	561.8	3.3	0.59
Corporate bonds	181.7	1.4	3.21	163.7	1.2	3.10	176.9	5.4	3.09
Subordinated bonds	161.3	1.3	3.46	140.0	1.1	3.38	153.7	5.0	3.30
Other corporate bonds	20.4	0.0	1.25	23.6	0.0	1.46	23.2	0.3	1.70
Other interest-bearing liabilities ⁽²⁾	715.0	0.2	n.m. ⁽⁵⁾	405.2	0.2	n.m. ⁽⁵⁾	490.8	0.9	n.m. ⁽⁵⁾
Total expense on interest-bearing liabilities (B)	7,327.3	8.8	0.48	6,746.7	9.0	0.54	7,054.0	36.1	0.51
Net interest margin (A)-(B) ⁽¹⁾	-	35.8	1.98	-	37.0	2.13	-	147.2	2.02
Non interest-bearing sources of funds:									
Non interest-bearing (assets) liabilities, net	(675.6)	-	-	(386.3)	-	-	(397.8)	-	-
Total equity excluding minority interests in subsidiaries ⁽⁴⁾	624.7	-	-	572.0	-	-	593.7	-	-
Total non interest-bearing sources of funds (C)	(50.8)	-	-	185.6	-	-	195.8	-	-
Sum of total expense on interest-bearing liabilities and non-interest-bearing sources of funds (D)=(B)+(C)	7,276.4	8.8	0.49	6,932.4	9.0	0.52	7,249.9	36.1	0.50
Net revenue/yield on interest-earning assets (A)-(D) ⁽¹⁾	-	35.8	1.98	-	37.0	2.14	-	147.2	2.03
Reconciliation of total revenue on interest-earning assets to total interest income:									
Total revenue on interest-earning assets	7,276.4	44.6	2.46	6,932.4	46.0	2.66	7,249.9	183.4	2.53
Less: Income on lease transactions and installment receivables	585.7	8.8	6.06	561.5	8.8	6.29	568.4	35.6	6.26
Total interest income	6,690.7	35.8	2.15	6,370.9	37.2	2.34	6,681.4	147.8	2.21
Total interest expense	-	8.8	-	-	9.0	-	-	36.1	-
Net interest income	-	26.9	-	-	28.2	-	-	111.6	-

(1) Includes lease transactions and installment receivables and related yields.

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

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

(4) Represents a simple average of the balance at the end of the current period and the balance at the end of the previous period.

(5) n.m. is not meaningful.

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

- Net revenue on interest-earning assets includes net interest income as well as revenue earned on lease receivables and leased investment assets and installment receivables. The Bank considers income on lease transactions and installment receivables to be a component of interest income, but Japanese GAAP does not include income on lease transactions and installment receivables in net interest income. Under Japanese GAAP, therefore, income on lease transactions and installment receivables is reported in net other business income in our consolidated statements of operations.
- The net interest margin decreased to 1.98% for the first quarter of fiscal year 2013, compared to 2.13% for the first quarter of fiscal year 2012.
 - This reflects the decrease in the yield on interest-earning assets mainly caused by the lower balance of relatively high-yield consumer finance loans, the increased balance of relatively low-yield Japanese Government Bonds compared to the first quarter of

fiscal year 2012. However, the decrease in the rate on interest-bearing liabilities as a result of a decrease in the rate on deposits including negotiable certificates of deposit from 0.45% in the first quarter of fiscal year 2012 to 0.41% in the first quarter of fiscal year 2013, caused by maturities of relatively high-yield time deposits, mitigated the decrease in the net interest margin.

- The revenue on interest-earning assets for the first quarter of fiscal year 2013 was ¥35.8 billion, decreasing from ¥37.0 billion in the first quarter of fiscal year 2012.
 - While the total expense on interest-bearing liabilities decreased by ¥0.1 billion from ¥9.0 billion in the first quarter of fiscal year 2012 to ¥8.8 billion in the first quarter of fiscal year 2013, this was offset by a ¥1.3 billion decrease in total revenue on interest-earning assets.

Non-Interest Income -Table 3- (Consolidated)

(Billions of yen, except percentages)

	Q1 FY2013 (3 months)	Q1 FY2012 (3 months)	% Change	FY2012 (12 months)
Net fees and commissions	5.7	4.7	20.6	19.1
Net trading income	3.5	4.3	(19.2)	20.0
Net other business income	14.2	14.7	(3.3)	48.1
Income on lease transactions and installment receivables	8.8	8.8	0.6	35.6
Total non-interest income	23.5	23.8	(1.5)	87.3

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

- Non-interest income consists of fees and commissions, trading income and other business income such as income on lease transactions and installment receivables and gains and losses on sales of available-for-sale securities.
- Total non-interest income of ¥23.5 billion was recorded for the first quarter of fiscal year 2013, almost at the same level as compared to ¥23.8 billion in the first quarter of fiscal year 2012. This represents about 24% of ¥100.0 billion, the fiscal year 2013 target set in Second Medium-Term Management plan. This also represents an increase as compared to ¥21.2 billion in the fourth quarter of fiscal year 2012, due mainly to the near completion of the formulation of a basic framework for stabilizing the earnings and reducing non-core assets in FY2012, in addition to developing and providing products tailored to the needs of our customers, with a proactive approach focusing on major sectors and businesses.
- Net fees and commissions were mainly recorded from non-recourse finance on domestic real estate, servicing fees in specialty finance and principal transactions, guarantee and other businesses operated by consumer finance subsidiaries, and sales of mutual funds and variable annuities. Net fees and commissions of ¥5.7 billion were recorded for the first quarter of fiscal year 2013, increasing from ¥4.7 billion for the first quarter of fiscal year 2012, mainly due to an increase in fees from mutual funds and structured bonds in retail banking.
- Net trading income includes revenues from derivatives with customer-driven transactions and those from proprietary trading. Net trading income of ¥3.5 billion decreased for the first quarter of fiscal year 2013, as compared to ¥4.3 billion for the first quarter of fiscal year 2012.
- Net other business income of ¥14.2 billion was recorded in the first quarter of fiscal year 2013 as compared to ¥14.7 billion in the first quarter of fiscal year 2012. Income on lease transactions and installment receivables of ¥8.8 billion was recorded for the first quarter of fiscal year 2013, and was almost at the same level as that of the first quarter of fiscal year 2012. Income from monetary trust management at the principal transactions business, which focuses on credit trading, was strong with ¥2.6 billion recorded for the first quarter of fiscal year 2013, a substantial increase as compared to ¥1.9 billion for the first quarter of fiscal year 2012. Impairment on securities held, also decreased to ¥0.1 billion in the first quarter of fiscal year 2013 from ¥0.9 billion in the first quarter of fiscal year 2012. However, net other business income decreased as compared to the first quarter of fiscal year 2012, as a loss of ¥1.4 billion was incurred on sales of Japanese National Government Bonds in our ALM operations, in order to avoid interest rate risk resulting from major fluctuations in the market.

General and Administrative Expenses -Table 4- (Consolidated)

	<i>(Billions of yen, except percentages)</i>			
	Q1 FY2013 (3 months)	Q1 FY2012 (3 months)	% Change	FY2012 (12 months)
Personnel expenses	12.7	12.4	2.8	51.5
Non-personnel expenses ⁽¹⁾	19.9	19.3	2.7	77.0
Premises expenses	4.8	4.7	0.9	19.4
Technology and data processing expenses	4.4	4.4	(1.1)	17.6
Advertising expenses	2.4	2.1	11.5	9.2
Consumption and property taxes	1.7	1.8	(1.5)	6.5
Deposit insurance premium	1.0	1.0	(4.0)	3.5
Other general and administrative expenses	5.4	5.0	7.1	20.6
General and administrative expenses	32.6	31.7	2.8	128.6

(1) Items included in non-personnel expenses have been reclassified from Q3 FY2012.

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

- General and administrative expenses of ¥32.6 billion were recorded in the first quarter of fiscal year 2013 representing a slight increase compared to the ¥31.7 billion recorded in the first quarter of fiscal year 2012. In order to carry out further expansion of our customer base and enhancement of our profitability smoothly, which are the major targets set in our Second Medium-Term Management Plan, we prioritized the allocation of management resources to relevant business areas while promoting continuous business rationalization and streamlining through strict expense management for each expense category.
- Personnel expenses of ¥12.7 billion in the first quarter of fiscal year 2013 increased slightly as compared to ¥12.4 billion in the first quarter of fiscal year 2012. We have allocated additional personnel to relevant business areas with the aim of expanding our customer base and enhancing our profitability.
- Non-personnel expenses were ¥19.9 billion in the first quarter of fiscal year 2013 representing a limited increase as compared to ¥19.3 billion in the first quarter of fiscal year 2012, as we have worked to rationalize expenses across all of our business lines through a strict expense control discipline, while also enhancing our business infrastructure.
 - Premises expenses of ¥4.8 billion recorded in the first quarter of fiscal year 2013 were almost at the same level as compared to ¥4.7 billion in the first quarter of fiscal year 2012, reflecting our continuous efforts at expense streamlining.
 - Technology and data processing expenses of ¥4.4 billion in the first quarter of fiscal year 2013 were almost at the same level of those in the first quarter of fiscal year 2012, while investments to stabilize our information technology infrastructure will fully progress hereafter.
 - Advertising expenses of ¥2.4 billion in the first quarter of fiscal year 2013 increased slightly from ¥2.1 billion in the first quarter of fiscal year 2012, as we have promoted advertising activities with the aim of expanding our customer base.
 - Consumption and property taxes of ¥1.7 billion in the first quarter of fiscal year 2013 were almost at the same level as compared to ¥1.8 billion in the first quarter of fiscal year 2012. However, consumption tax derived from capital expenditures related to stabilization of our information technology infrastructure is to be accounted for hereafter.
 - Deposit insurance premium expenses of ¥1.0 billion in the first quarter of fiscal year 2013 were almost at the same level of those in the first quarter of fiscal year 2012, since average balance of deposits, etc., which form the basis for calculating our deposit insurance premium, did not fluctuate drastically and the insurance premium rate did not change.
 - Other general and administrative expenses of ¥5.4 billion in the first quarter of fiscal year 2013 increased from ¥5.0 billion in the first quarter of fiscal year 2012, as temporary staff expenses and outsourced expenses for ensuring stable operations of our information technology systems increased.

Net Credit Costs -Table 5- (Consolidated)

	<i>(Billions of yen, except percentages)</i>			
	Q1 FY2013 (3 months)	Q1 FY2012 (3 months)	% Change	FY2012 (12 months)
Losses on write-off of loans/Losses on sale of loans	0.4	1.1	(59.6)	8.4
Net provision of reserve for loan losses:	1.3	1.4	(6.9)	13.7
Net provision (reversal) of general reserve for loan losses	(0.0)	(1.1)	92.9	(5.3)
Net provision of specific reserve for loan losses	1.4	2.6	(45.2)	19.1
Net provision (reversal) of reserve for loan losses to restructuring countries	-	-	-	-
Net provision (reversal) of specific reserve for other credit losses	-	(0.0)	100.0	(0.0)
Other credit costs (reversal) relating to leasing business	(0.0)	(0.3)	96.1	(0.4)
Recoveries of written-off claims	(1.9)	(2.8)	33.5	(16.2)
Net credit costs (recoveries)	(0.0)	(0.6)	85.8	5.5

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

- Net credit recoveries of ¥0.0 billion (¥95 million) were recorded in the first quarter of fiscal year 2013, as compared to net credit recoveries of ¥0.6 billion in the first quarter of fiscal year 2012. No major recoveries of written-off claims and reversal of reserves for credit losses were recorded during the first quarter of fiscal year 2013, which were recorded in the first quarter of fiscal year 2012. On the other hand, no large reserves for credit losses were recorded as in previous years, as a result of a reduction in non-core assets aimed at limiting potential risks, and credit quality continues to improve in our consumer finance operations.
- For the first quarter of fiscal year 2013, recoveries of written-off claims were ¥1.9 billion, compared to ¥2.8 billion of recoveries of written-off claims in the first quarter of fiscal year 2012. This shows that the performance of ¥1.8 billion recorded in the first quarter of fiscal year 2013 has improved as compared to ¥2.2 billion recorded in the first quarter of fiscal year 2012, even after excluding recoveries of written-off claims from net credit costs.
- The recoveries of written-off claims in the first quarter of fiscal year 2013 of ¥1.9 billion included ¥1.4 billion from Shinsei Financial, ¥0.2 billion from SHINKI, and ¥0.1 billion from Shinsei Bank (non-consolidated basis).

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

	<i>(Billions of yen, except percentages)</i>			
	Q1 FY2013 (3 months)	Q1 FY2012 (3 months)	% Change	FY2012 (12 months)
Shinsei Financial	1.7	1.9	(13.5)	7.4
SHINKI	(0.0)	(0.0)	0.0	(0.3)
APLUS FINANCIAL	0.2	0.2	2.2	0.8
Showa Leasing	0.7	0.7	(1.1)	2.8
Others	(0.0)	(0.0)	0.0	(0.0)
Amortization of goodwill and other intangible assets	2.5	2.8	(9.6)	10.7

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

- Amortization of goodwill and other intangible assets associated with the acquisition of consumer and commercial finance companies totaled ¥2.5 billion in the first quarter of fiscal year 2013 compared to ¥2.8 billion in the first quarter of fiscal year 2012.
- The lower amount is attributable to factors including the sum-of-the-years' digits method for amortization of goodwill and intangible assets related to Shinsei Financial.
- Amortization of goodwill and other intangible assets of APLUS FINANCIAL was ¥0.2 billion in the first quarter of fiscal year 2013 related to the amortization of goodwill for Zen-Nichi Shinpan, a subsidiary of APLUS FINANCIAL. Full impairment of goodwill and intangible assets for APLUS FINANCIAL was taken at the end of fiscal year 2009.

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

(Billions of yen, except percentages)

	Q1 FY2013 (3 months)	Q1 FY2012 (3 months)	% Change	FY2012 (12 months)
Extraordinary income (loss)	(0.5)	(0.1)	(236.5)	(0.6)
Net gain on disposal of premises and equipment	(0.0)	0.2	(103.6)	0.1
Other extraordinary income (loss)	(0.5)	(0.4)	(26.3)	(0.8)
Provisions of reserve for losses on interest repayment	-	-		-
Shinsei Financial	-	-		-
SHINKI	-	-		-
APLUS FINANCIAL	-	-		-
Other	-	-		-
Other	(0.3)	(0.2)	(32.3)	0.4
Other gains (losses)	(0.8)	(0.3)	(111.3)	(0.1)

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

- Other losses of ¥0.8 billion were recorded in the first quarter of fiscal year 2013, as compared to ¥0.3 billion in the first quarter of fiscal year 2012, which was mainly due to ¥0.4 billion impairments losses on fixed assets recorded, through the optimization of our branches and equipments to smoothly carry out the Second Medium-Term Management Plan.

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

(Billions of yen, except percentages)

	Q1 FY2013 (3 months)	Q1 FY2012 (3 months)	% Change	FY2012 (12 months)
Dividends on perpetual preferred securities (hybrid Tier I capital) issued by foreign SPCs	0.7	0.7	2.7	3.1
Others	0.0	0.2	(86.4)	0.4
Minority interests in net income of subsidiaries	0.8	0.9	(17.5)	3.5

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

- Minority interests in net income of subsidiaries in the first quarter of fiscal year 2013 were ¥0.8 billion. Minority interests in net income of subsidiaries largely reflect dividends accrued on perpetual preferred securities issued by the bank's subsidiaries, and minority interests in the net income of other consolidated subsidiaries in the first quarter of fiscal year 2013. Minority interests in net income of subsidiaries in the first quarter of fiscal year 2013 were almost at the same level as compared to ¥0.9 billion recorded in the first quarter of fiscal year 2012.

Major Balance Sheet Data -Table 9- (Consolidated)

	(Billions of yen)				
	June 30 2013 (a)	June 30 2012 (b)	Change (a)-(b)	March 31 2013 (c)	Change (a)-(c)
Loans and bills discounted	4,232.9	4,237.2	(4.2)	4,292.4	(59.4)
Installment receivables	364.7	348.5	16.1	365.8	(1.1)
Leased assets, lease receivables and leased investment assets	222.6	214.7	7.8	222.5	0.1
Securities	1,871.5	1,864.2	7.3	1,842.3	29.2
Other monetary claims purchased	105.4	129.0	(23.5)	112.3	(6.8)
Other interest earning assets ⁽¹⁾	581.1	455.6	125.4	765.2	(184.1)
Trading assets	304.4	211.8	92.5	287.9	16.5
Monetary assets held in trust	228.6	262.9	(34.2)	233.8	(5.2)
Goodwill, net	33.6	40.1	(6.4)	35.3	(1.7)
Other intangible assets ⁽²⁾	11.6	15.2	(3.6)	12.4	(0.8)
Other assets	515.9	394.5	121.3	509.6	6.2
Customer's liabilities for acceptances and guarantees	485.5	559.0	(73.4)	511.0	(25.4)
Reserve for credit losses	(147.1)	(170.2)	23.1	(161.8)	14.6
Total assets	8,811.3	8,563.1	248.1	9,029.3	(218.0)
Deposits and negotiable certificates of deposit	5,680.7	5,333.2	347.5	5,457.5	223.2
Debentures ⁽³⁾	49.5	287.1	(237.5)	262.3	(212.7)
Borrowed money	587.9	586.4	1.5	719.2	(131.3)
Corporate bonds	187.9	164.3	23.6	174.2	13.6
Other interest bearing liabilities ⁽⁴⁾	261.8	287.3	(25.4)	300.1	(38.2)
Trading liabilities	265.0	154.7	110.2	240.0	24.9
Reserve for losses on interest repayments	31.6	45.8	(14.1)	34.9	(3.2)
Other liabilities	569.2	504.1	65.1	645.9	(76.7)
Acceptances and guarantees	485.5	559.0	(73.4)	511.0	(25.4)
Total liabilities	8,119.6	7,922.2	197.4	8,345.6	(226.0)
Total equity	691.6	640.9	50.7	683.6	8.0

(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) In accordance with migration from Zaikei debentures to Zaikei time deposits in April 2013, the amount of debentures has been moved into time deposits.

(4) Includes call money, collateral related to securities lending transactions and short-term corporate bonds

Note: Quarterly information is available in the Quarterly Data Book

- The balance of Shinsei Bank's loans and bills discounted as of June 30, 2013 was ¥4,232.9 billion compared to ¥4,292.4 billion as of March 31, 2013.
 - Regarding the Individual Group balance of loans and bills discounted, the balance of housing loans increased continuously. The loan balance of our consumer finance business continuously decreased due to the impact of the revised Money-Lending Business Control and Regulation Law. However, the pace of decrease in the consumer finance loan balance has gradually become less pronounced, due mainly to the commencement of the Bank-based consumer finance business from October 2011. The loan balance of our consumer finance business has increased slightly from the fourth quarter of fiscal year 2012 on a quarterly basis.
 - The Institutional Group balance of loans and bills discounted decreased, as loans to institutional customers reached maturity based on credit requirements at the end of March 2013. However, the Institutional Group's assets are growing due to the further expansion of the customer base due to the business reorganization implemented in fiscal year 2013.
- The securities balance as of June 30, 2013 was ¥1,871.5 billion, compared to ¥1,842.3 billion as of March 31, 2013.
 - As a measure to diversify bonds in ALM operation, the balance of foreign bonds such as U.S. Treasury Notes increased to ¥52.9 billion as of June 30, 2013 compared to ¥38.5 billion as of March 31, 2013. Securities held include REITs, private equity investments and structured bonds that are invested in upon consideration of the credit risks.
- The balance of total deposits and negotiable certificates of deposits, including Zaikei debentures which were converted to Zaikei deposits, increased to ¥5,680.7 billion as of June 30, 2013, compared to ¥5,457.5 billion as of March 31, 2013.
 - Shinsei Bank is continuing to optimize its funding base by further promoting its Retail Banking operations.

Risk-Monitored Loans -Table 10- (Consolidated)

	(Billions of yen)				
	June 30 2013 (a)	June 30 2012 (b)	Change (a)-(b)	March 31 2013 (c)	Change (a)-(c)
Loans to bankrupt obligors	12.8	13.3	(0.4)	20.5	(7.7)
Non-accrual delinquent loans	227.7	301.7	(74.0)	252.9	(25.1)
Loans past due for three months or more	1.2	1.1	0.0	1.2	0.0
Restructured loans	36.2	43.8	(7.5)	38.1	(1.8)
Total (A)	278.2	360.1	(81.9)	312.8	(34.6)
Loans and bills discounted (B)	4,232.9	4,237.2	(4.2)	4,292.4	(59.4)
Ratio to total loans and bills discounted (A / B X 100) (%)	6.57%	8.50%	/	7.29%	/
Reserve for credit losses (C)	147.1	170.2	(23.1)	161.8	(14.6)
Reserve ratio (C / A X 100)	52.9%	47.3%	/	51.7%	/

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

- Risk monitored loans totaled ¥278.2 billion as of June 30 2013, compared to ¥312.8 billion as of March 31, 2013, and ¥432.3 billion as of March 31, 2010 at the start of the Bank's First Medium-Term Management Plan. During the first quarter of fiscal year 2013, risk monitored loans steadily decreased by ¥34.6 billion.
- The ratio of risk monitored loans to total loans and bills discounted was 6.57% as of June 30, 2013 representing a decline of 72 basis points compared to March 31, 2013.

Reserve for Credit Losses -Table 11- (Consolidated)

	(Billions of yen)				
	June 30 2013 (a)	June 30 2012 (b)	Change (a)-(b)	March 31 2013 (c)	Change (a)-(c)
General reserve for loan losses	65.7	77.9	(12.1)	67.7	(1.9)
Specific reserve for loan losses	81.3	92.3	(10.9)	94.1	(12.7)
Reserve for loans to restructuring countries	0.0	0.0	-	0.0	-
Total reserve for credit losses	147.1	170.2	(23.1)	161.8	(14.6)

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

Loans by Borrower Industry -Table 12- (Consolidated)

	(Billions of yen)				
	June 30 2013 (a)	June 30 2012 (b)	Change (a)-(b)	March 31 2012 (c)	Change (a)-(c)
Domestic offices (excluding Japan offshore market account):					
Manufacturing	231.9	248.1	(16.1)	242.9	(11.0)
Agriculture and forestry	0.2	0.3	(0.0)	0.2	(0.0)
Fishery	-	-	-	-	-
Mining, quarrying and gravel extraction	0.1	0.2	(0.0)	0.1	0.0
Construction	12.5	13.8	(1.3)	13.9	(1.4)
Electric power, gas, heat supply and water supply	133.5	77.0	56.4	124.8	8.6
Information and communications	31.1	40.5	(9.3)	31.7	(0.6)
Transportation and postal service	224.1	241.5	(17.3)	230.0	(5.8)
Wholesale and retail	73.2	82.6	(9.3)	74.4	(1.2)
Finance and insurance	691.8	772.9	(81.1)	720.0	(28.2)
Real estate	568.3	595.8	(27.5)	597.7	(29.3)
Services	313.7	304.7	8.9	314.2	(0.4)
Local government	109.1	118.3	(9.2)	114.0	(4.9)
Others	1,797.3	1,650.6	146.7	1,768.1	29.1
Loans to individual customers (retail banking, Shinsei Bank Card Loan Lake, Shinsei Financial, SHINKI and APLUS FINANCIAL)	1,589.7	1,457.4	132.3	1,561.3	28.4
Total domestic (A)	4,187.4	4,147.0	40.3	4,232.7	(45.3)
Overseas offices (including Japan offshore market accounts):					
Governments	1.8	2.0	(0.1)	1.8	-
Financial institutions	0.9	1.0	(0.0)	0.8	0.0
Others	42.7	87.1	(44.3)	56.9	(14.2)
Total overseas (B)	45.5	90.2	(44.6)	59.7	(14.1)
Total (A+B)	4,232.9	4,237.2	(4.2)	4,292.4	(59.4)

Securities Being Held to Maturity -Table 13- (Consolidated)

	(Billions of yen)								
	June 30, 2013			June 30, 2012			March 31, 2013		
	Carrying amount	Fair value	Unrealized gain (loss)	Carrying amount	Fair value	Unrealized gain (loss)	Carrying amount	Fair value	Unrealized gain (loss)
Fair value exceeds carrying amount									
Japanese national government bonds	584.6	587.7	3.1	585.4	591.1	5.7	584.8	589.4	4.5
Japanese corporate bonds	-	-	-	22.4	22.6	0.1	-	-	-
Other	55.6	60.3	4.7	39.1	43.0	3.8	51.9	56.7	4.8
Subtotal	640.3	648.1	7.8	647.0	656.8	9.7	636.7	646.1	9.3
Fair value does not exceed carrying amount									
Japanese national government bonds	-	-	-	-	-	-	-	-	-
Japanese corporate bonds	-	-	-	-	-	-	-	-	-
Other	-	-	-	9.0	8.5	(0.4)	3.0	3.0	(0.0)
Subtotal	-	-	-	9.0	8.5	(0.4)	3.0	3.0	(0.0)
Total	640.3	648.1	7.8	656.0	665.3	9.2	639.8	649.1	9.3

Securities Available for Sale -Table 14- (Consolidated)

	(Billions of yen)								
	June 30, 2013			June 30, 2012			March 31, 2013		
	Carrying amount (Fair value)	Amortized/ Acquisition cost	Unrealized gain (loss)	Carrying amount (Fair value)	Amortized/ Acquisition cost	Unrealized gain (loss)	Carrying amount (Fair value)	Amortized/ Acquisition cost	Unrealized gain (loss)
Carrying amount exceeds amortized/acquisition cost									
Equity securities	18.9	10.4	8.5	12.1	8.2	3.8	16.4	10.0	6.4
Domestic bonds	43.4	42.6	0.8	538.6	534.9	3.6	80.6	78.3	2.2
Japanese national government bonds	10.6	10.2	0.3	463.3	460.2	3.0	39.6	38.1	1.4
Japanese local government bonds	0.5	0.5	0.0	1.7	1.7	0.0	0.5	0.5	0.0
Japanese corporate bonds	32.2	31.8	0.4	73.5	72.9	0.5	40.4	39.6	0.7
Other	89.9	85.8	4.1	81.3	77.6	3.7	89.1	84.7	4.4
Foreign securities	87.0	83.1	3.8	67.7	64.2	3.4	86.0	81.9	4.1
Foreign currency denominated foreign corporate and government bonds	44.8	42.5	2.2	46.0	43.5	2.4	46.0	43.4	2.5
Yen-denominated foreign corporate and government bonds	39.9	38.9	0.9	17.6	17.4	0.1	37.9	36.9	1.0
Foreign equity securities and others	2.2	1.6	0.6	4.0	3.2	0.8	2.0	1.5	0.5
Other securities	1.1	0.9	0.2	1.1	0.9	0.2	1.1	0.9	0.2
Other monetary claims purchased	1.7	1.7	0.0	12.5	12.4	0.0	1.9	1.9	0.0
Subtotal	152.4	138.8	13.5	632.1	620.9	11.2	186.3	173.1	13.1
Carrying amount does not exceed amortized/acquisition cost									
Equity securities	2.8	3.4	(0.5)	4.8	5.7	(0.9)	2.9	3.6	(0.6)
Domestic bonds	886.8	895.2	(8.4)	402.7	406.1	(3.3)	856.0	859.1	(3.0)
Japanese national government bonds	737.2	743.3	(6.1)	249.5	250.1	(0.5)	712.8	713.8	(0.9)
Japanese local government bonds	-	-	-	-	-	-	-	-	-
Japanese corporate bonds	149.5	151.9	(2.3)	153.2	156.0	(2.7)	143.1	145.2	(2.0)
Other	79.2	81.1	(1.8)	80.8	83.7	(2.9)	51.4	51.9	(0.5)
Foreign securities	77.6	79.5	(1.8)	78.9	81.9	(2.9)	50.8	51.4	(0.5)
Foreign currency denominated foreign corporate and government bonds	72.1	73.8	(1.7)	33.7	36.3	(2.6)	46.8	47.1	(0.3)
Yen-denominated foreign corporate and government bonds	3.0	3.1	(0.0)	45.2	45.5	(0.3)	2.9	3.0	(0.1)
Foreign equity securities and others	2.4	2.6	(0.1)	0.0	0.0	-	1.1	1.1	(0.0)
Other securities	1.5	1.5	-	0.5	0.5	-	0.5	0.5	-
Other monetary claims purchased	-	-	-	1.3	1.3	(0.0)	-	-	-
Subtotal	968.9	979.8	(10.9)	488.4	495.6	(7.1)	910.4	914.7	(4.2)
Total⁽¹⁾⁽²⁾	1,121.3	1,118.7	2.6	1,120.6	1,116.5	4.0	1,096.7	1,087.9	8.8

(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 June 30, 2013, June 30, 2012 and March 31, 2013 were ¥1,119.6 billion, ¥1,106.8 billion and ¥1,094.8 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)		
	June 30, 2013	June 30, 2012	March 31, 2013
Unrealized gain (loss) before deferred tax on:			
Available-for-sale securities	2.6	4.0	8.8
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	(0.0)	(0.0)	0.0
Securities being held to maturity, reclassified from available-for-sale in the past, under extremely illiquid market conditions	(4.8)	(4.8)	(4.9)
Deferred tax assets (liabilities)	(0.5)	(0.1)	(0.4)
Unrealized gain (loss) on available-for-sale securities before interest adjustments	(2.7)	(0.9)	3.5
Minority interests	(0.0)	(0.0)	(0.0)
The Bank's interests in unrealized gain (loss) on available-for-sale securities held by affiliates to which the equity method is applied	0.3	0.2	0.3
Unrealized gain (loss) on available-for-sale securities	(2.4)	(0.7)	3.8

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

(Billions of yen)

	June 30 2013 (a)	June 30 2012 (b)	Change (a)-(b)	March 31 2013 (c)	Change (a)-(c)
Deposits	5,526.4	5,126.5	399.8	5,252.9	273.4
Liquid (current, ordinary, note) deposits	1,612.9	1,556.6	56.3	1,584.5	28.4
Time deposits ⁽¹⁾⁽²⁾	3,489.0	3,197.2	291.8	3,250.5	238.5
Other	424.3	372.6	51.6	417.8	6.4
Negotiable certificates of deposits (NCDs)	154.3	206.7	(52.3)	204.6	(50.2)
Total	5,680.7	5,333.2	347.5	5,457.5	223.2

(1) Includes two-week maturity deposits

(2) In accordance with migration from Zaikai debentures to Zaikai time deposits in April 2013, the amount of debentures has been moved into time deposits.

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

Financial Ratios -Table 16- (Consolidated)

	Q1 FY2013 (3 months)	Q1 FY2012 (3 months)	FY2012 (12 months)
Return on assets ⁽¹⁾	0.6% ⁽⁵⁾	0.8% ⁽⁵⁾	0.6%
Return on equity ⁽²⁾	8.2% ⁽⁵⁾	11.6% ⁽⁵⁾	8.6%
Return on equity (fully diluted) ⁽³⁾	8.2% ⁽⁵⁾	11.6% ⁽⁵⁾	8.6%
Cash basis return on assets ⁽¹⁾	0.7% ⁽⁵⁾	0.9% ⁽⁵⁾	0.7%
Cash basis return on equity ⁽²⁾⁽⁴⁾	10.4% ⁽⁵⁾	14.6% ⁽⁵⁾	11.1%
Cash basis return on equity (fully diluted) ⁽³⁾⁽⁴⁾	10.4% ⁽⁵⁾	14.6% ⁽⁵⁾	11.1%
Expense-to-revenue ratio ⁽⁶⁾⁽⁷⁾	64.7%	61.1%	64.6%

(1) Return on assets:

$$\frac{\text{Net income}}{(\text{Total assets at the BOP} + \text{Total assets at the EOP}) / 2}$$

BOP: beginning of period

EOP: end of period

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

(2) Return on equity:

$$\frac{\text{Net income}}{(\text{Total equity eligible for common shareholders at the BOP} + \text{Total equity eligible for common shareholders at the EOP}) / 2}$$

(3) Return on equity (fully diluted):

$$\frac{\text{Net income}}{((\text{Total equity at the BOP} - \text{Share warrants at the BOP} - \text{Minority interests at the BOP}) + (\text{Total equity at the EOP} - \text{Share warrants at the EOP} - \text{Minority interests at the EOP})) / 2}$$

(4) The denominator is calculated as:

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

(5) Annualized basis.

(6) Management accounting basis.

(7) Expense denotes general and administrative expenses.

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

Capital Adequacy Data -Table 17- (Consolidated)

(Billions of yen, except percentages)

	June 30 2013 (a)	June 30 2012 (b)	Change (a)-(b)	March 31 2013 (c)	Change (a)-(c)
Basic items (Tier I)	631.5	552.3	79.1	608.8	22.6
Amount eligible for inclusion in capital (Tier II)	179.5	188.0	(8.4)	178.7	0.8
General reserve for loan losses	9.0	8.5	0.4	8.9	0.0
Perpetual/non-perpetual preferred stocks and perpetual/non-perpetual subordinated debt and bonds	170.5	179.4	(8.9)	169.7	0.7
Deductions	-	-	-	-	-
Deduction	(67.2)	(82.2)	15.0	(71.7)	4.5
Total capital ⁽²⁾	743.8	658.1	85.7	715.8	28.0
Risk assets	5,815.2	6,019.7	(204.4)	5,847.7	(32.5)
Capital adequacy ratio	12.79%	10.93%		12.24%	
Tier I capital ratio	10.85%	9.17%		10.41%	

(1) Calculated according to Basel II, F-IRB. Figures are calculated in accordance with FSA Notification Number 79 issued in December 2008 and FSA Notification Number 56 issued in June 2012 (special treatment of FSA Notification Number 19 issued in 2006). As a result, ¥2.4 billion net unrealized losses on securities available-for-sale, net of taxes, as of June 30, 2013 and ¥0.7 billion as of June 30, 2012 are not included in BIS capital. Net unrealized gains on securities available-for-sale were recorded as of March 31, 2013.

(2) Consolidated total required capital is ¥359.5 billion as at June 30, 2013, ¥412.7 billion as at June 30, 2012 and ¥374.5 billion as at March 31, 2013.

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

Per Share Data -Table 18- (Consolidated)

(Yen, except percentages)

	Q1 FY2013 (3 months)	Q1 FY2012 (3 months)	% Change	FY2012 (12 months)	% Change
Common equity	236.25	217.39	8.7	233.65	1.1
Fully diluted equity	236.25	217.39	8.7	233.65	1.1
Basic net income	4.81	6.19	(22.2)	19.24	
Diluted net income	4.81	6.19	(22.2)	19.24	
Cash basis:					
Basic net income	5.66	7.11	(20.4)	22.77	
Diluted net income	5.66	7.11	(20.4)	22.77	
For calculation of per share data (Does not include treasury shares) :					
Equity:					
Number of common shares ⁽¹⁾	2,653,919,247	2,653,919,247		2,653,919,247	
Fully diluted number of shares ⁽¹⁾	2,653,924,683	2,653,919,247		2,653,919,247	
Net income:					
Number of common shares ⁽²⁾	2,653,919,247	2,653,919,247		2,653,919,247	
Fully diluted number of shares ⁽²⁾	2,653,924,683	2,653,919,247		2,653,919,247	

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

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

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

- We recorded ¥12.7 billion in consolidated net income in the first quarter of fiscal year 2013, decreasing from ¥16.4 billion in the first quarter of fiscal year 2012. As a result, the diluted net income per share in the first quarter of fiscal year 2013 decreased to ¥4.81 from ¥6.19 in the

first quarter of fiscal year 2012. Cash basis diluted net income per share in the first quarter of fiscal year 2013 also decreased to ¥5.66 from ¥7.11 in the first quarter of fiscal year 2012.

Business Lines Results -Table 19- (Consolidated)

	(Billions of yen, except percentages)			
	Q1 FY2013 (3 months)	Q1 FY2012 (3 months)	% Change	FY2012 (12 months)
Institutional Group:				
Net interest income	7.1	6.9	3.2	29.8
Non-interest income	11.6	8.3	40.1	27.0
Total revenue	18.8	15.2	23.3	56.8
General and administrative expenses	5.8	6.0	(2.4)	24.2
Ordinary business profit	12.9	9.2	40.1	32.6
Net credit costs	0.0	0.0	(20.6)	6.3
Ordinary business profit after net credit costs	12.8	9.1	40.7	26.3
Global Markets Group:				
Net interest income	1.0	0.9	18.0	2.9
Non-interest income	2.0	3.6	(44.2)	11.2
Total revenue	3.1	4.5	(31.9)	14.2
General and administrative expenses	2.1	2.2	(4.5)	9.0
Ordinary business profit	0.9	2.3	(58.9)	5.2
Net credit costs (recoveries)	(0.0)	(0.8)	98.1	(7.5)
Ordinary business profit after net credit costs (recoveries)	0.9	3.1	(69.5)	12.7
Individual Group:				
Net interest income	20.6	21.8	(5.5)	84.4
Non-interest income	10.9	10.1	8.5	42.0
Total revenue	31.6	31.9	(1.1)	126.4
General and administrative expenses	24.4	23.4	4.5	93.3
Ordinary business profit	7.1	8.5	(16.4)	33.1
Net credit costs (recoveries)	(0.3)	(0.0)	(887.0)	6.2
Ordinary business profit after net credit costs (recoveries)	7.4	8.5	(13.0)	26.9
Corporate/Other⁽¹⁾:				
Net interest income	(1.8)	(1.5)	(25.3)	(5.6)
Non-interest income	(1.1)	1.7	(167.6)	6.9
Total revenue	(3.0)	0.2	(1,420.1)	1.3
General and administrative expenses	0.1	0.0	149.1	2.0
Ordinary business profit (loss)	(3.2)	0.1	(1,920.5)	(0.6)
Net credit costs (recoveries)	0.1	0.1	32.4	0.5
Ordinary business profit (loss) after net credit costs (recoveries)	(3.3)	0.0	(7,649.2)	(1.1)
Total:				
Net interest income	26.9	28.2	(4.3)	111.6
Non-interest income	23.5	23.8	(1.5)	87.3
Total revenue	50.5	52.0	(3.0)	199.0
General and administrative expenses	32.6	31.7	2.8	128.6
Ordinary business profit	17.8	20.2	(12.1)	70.3
Net credit costs (recoveries)	(0.0)	(0.6)	85.8	5.5
Ordinary business profit after net credit costs (recoveries)	17.9	20.9	(14.4)	64.8

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

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

⁽¹⁾
Institutional Group - Table 20- (Consolidated)

(Billions of yen, except percentages)

	Q1 FY2013 (3 months)	Q1 FY2012 (3 months)	% Change	FY2012 (12 months)
Institutional Business Sub-Group - Institutional Business: ⁽²⁾⁽³⁾				
Net interest income	2.4	2.5	(1.0)	9.4
Non-interest income	0.7	0.7	(1.2)	4.4
Total revenue	3.2	3.2	(1.1)	13.9
General and administrative expenses	1.5	1.5	(2.1)	6.1
Ordinary business profit	1.6	1.6	(0.1)	7.7
Net credit costs (recoveries)	(0.4)	(0.1)	(365.4)	(3.0)
Ordinary business profit after net credit costs (recoveries)	2.1	1.7	21.0	10.8
Institutional Business Sub-Group - Structured Finance: ⁽³⁾				
Net interest income	4.0	4.3	(7.0)	17.0
Non-interest income	2.7	1.4	93.0	4.3
Total revenue	6.7	5.7	17.8	21.4
General and administrative expenses	1.1	1.2	(1.5)	4.8
Ordinary business profit	5.5	4.5	22.9	16.5
Net credit costs	1.3	0.5	142.7	5.8
Ordinary business profit after net credit costs	4.2	3.9	6.3	10.7
Principal Transactions Sub-Group:				
Net interest income	1.3	0.8	61.5	5.0
Non-interest income	4.1	1.7	136.0	6.3
Total revenue	5.4	2.5	111.5	11.4
General and administrative expenses	0.9	0.9	2.1	3.8
Ordinary business profit	4.5	1.6	170.1	7.5
Net credit costs (recoveries)	(0.0)	(0.0)	90.9	(0.5)
Ordinary business profit after net credit costs (recoveries)	4.5	1.7	163.8	8.1
Showa Leasing:				
Net interest income	(0.6)	(0.6)	6.8	(1.6)
Non-interest income	3.9	3.7	5.6	15.7
Total revenue	3.3	3.0	8.2	14.0
General and administrative expenses	1.9	1.9	0.8	7.8
Ordinary business profit	1.4	1.1	20.3	6.2
Net credit costs (recoveries)	(1.2)	(0.7)	(70.1)	(0.0)
Ordinary business profit after net credit costs (recoveries)	2.6	1.9	39.6	6.3
Others: ⁽²⁾				
Net interest income	(0.0)	(0.0)	(30.3)	(0.0)
Non-interest income	0.1	0.6	(84.3)	(3.8)
Total revenue	0.0	0.5	(95.6)	(3.9)
General and administrative expenses	0.2	0.4	(30.8)	1.5
Ordinary business profit (loss)	(0.2)	0.1	(250.9)	(5.4)
Net credit costs	0.4	0.4	11.9	4.1
Ordinary business profit (loss) after net credit costs	(0.7)	(0.2)	(201.7)	(9.6)
Institutional Group:				
Net interest income	7.1	6.9	3.2	29.8
Non-interest income	11.6	8.3	40.1	27.0
Total revenue	18.8	15.2	23.3	56.8
General and administrative expenses	5.8	6.0	(2.4)	24.2
Ordinary business profit	12.9	9.2	40.1	32.6
Net credit costs	0.0	0.0	(20.6)	6.3
Ordinary business profit after net credit costs	12.8	9.1	40.7	26.3

(1) Net of consolidation adjustments, if applicable.

(2) Results for Advisory business are included in the Institutional Business Sub-Group on a management accounting basis from Q1 FY2012.

(3) In accordance with the organizational changes implemented on April 1, 2013, results of shipping finance have been transferred from Institutional Banking to Structured Finance from Q1 FY2012.

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

The Shinsei Bank Group provides various financial products and services to our institutional and individual customers through the Institutional Group, the Global Markets Group and the Individual Group. Concerning business for institutional customers, the Institutional Group primarily undertakes corporate and public sector finance and solutions, and the Global Markets Group mainly undertakes financial markets business and serves financial institution clients.

Institutional Group:

- The Institutional Group reporting segments consist of: 1) Institutional Business Sub-Group which provides financial products and services for the corporate and public sectors, and also provides structured finance businesses such as real estate finance and project finance, 2) Principal Transactions Sub-Group which covers credit trading and private equity business, 3) Showa Leasing and 4) others including asset-backed investments.

The Structured Finance Sub-Group was integrated into the Institutional Business Sub-Group as per the organizational changes implemented on April 1, 2013. Also, as per the restructuring from July 1, 2013 onwards, the Shinsei Principal Investments Group was formed through the integration of Shinsei Corporate Investment Limited, Shinsei Investment & Finance Limited, and Shinsei Servicing & Consulting Limited, which come under the umbrella of Shinsei Principal Investments Ltd. The Bank has transferred the key functions of credit trading and private equity business from the Principal Transactions Sub-Group to the newly consolidated subsidiary.

Total revenue

- The Institutional Group business recorded revenue of ¥18.8 billion in the first quarter of fiscal year 2013, an increase from ¥15.2 billion in the first quarter of fiscal year 2012, as the progress made during the First Medium-Term Management Plan towards rebuilding our customer franchise and stabilizing our earnings capacity steadily led to yielding results and a stronger performance. Net interest income was ¥7.1 billion in the first quarter of fiscal year 2013, an increase from ¥6.9 billion in the first quarter of fiscal year 2012. Non-interest income was ¥11.6 billion in the first quarter of fiscal year 2013, an increase from ¥8.3 billion in the first quarter of fiscal year 2012.
- Institutional Business Sub-Group, a sub-group under the Institutional Group, consists of Institutional Business, for which the revenue was ¥3.2 billion in the first quarter of fiscal year 2013, the same level as ¥3.2 billion in the first quarter of fiscal year 2012. Continuous efforts were undertaken into identifying new outlets for corporate lending and increasing the loan balance, with continuous cross selling focusing on development and provision of financial products and services tailored to the needs of our customers in order to expand our client base. Structured Finance recorded total revenue of ¥6.7 billion in the first quarter of fiscal year 2013, an increase

from ¥5.7 billion in the first quarter of fiscal year 2012. The increase was mainly due to fee acquisition related to REIT institutional real estate and new credit at specialty finance, etc.

- The Principal Transactions Sub-Group recorded total revenue of ¥5.4 billion in the first quarter of fiscal year 2013, an increase from ¥2.5 billion in the first quarter of fiscal year 2012. The performance continued to be stable mainly due to continued domestic credit trading operations efforts, and ¥0.7 billion of gains on sales of private equity investments were recorded. In addition, ¥1.0 billion of impairment on private equity investment was recognized in the first quarter of fiscal year 2012, which was contained under ¥0.1 billion in the first quarter of fiscal year 2013.
- Total revenue at Others was ¥0.0 billion (¥26 million) in the first quarter of fiscal year 2013, as compared to ¥0.5 billion in the first quarter of fiscal year 2012. The impact on the profit and loss was limited due to continuous reduction of non-core assets.

Expenses

- General and administrative expenses were ¥5.8 billion in the first quarter of fiscal year 2013, a slight decrease from ¥6.0 billion in the first quarter of fiscal year 2012. This was due to the result of efficiency improvements in each business after scaling-down and exiting from non-core businesses, while the group focused on areas where the Bank can demonstrate its strengths to improve profitability.

Net credit costs

- Net credit costs were ¥0.0 billion (¥90 million) in the first quarter of fiscal year 2013, as compared to ¥0.0 billion (¥71 million) in the first quarter of fiscal year 2012. Net credit costs remained limited at the Institutional Group, as no large reserves for credit losses were recorded due to reduction of non-core assets aimed at limiting potential risks during the Bank's First Medium-Term Management Plan. In addition, the creditworthiness of some accounts improved.

Ordinary business profit after net credit costs

- As a result, the Institutional Group recorded an ordinary business profit after net credit costs of ¥12.8 billion in the first quarter of fiscal year 2013, an increase from ¥9.1 billion in the first quarter of fiscal year 2012.

Showa Leasing

- Showa Leasing recorded ¥2.6 billion of ordinary business profit after net credit costs in the first quarter of fiscal year 2013, an increase as compared to ¥1.9 billion in the first quarter of fiscal year 2012. Revenue recorded was ¥3.3 billion in the first quarter of fiscal year 2013, steady as compared to ¥3.0 billion in the first quarter of fiscal year 2012. Net credit recoveries were ¥1.2 billion in the first quarter of fiscal year 2013, compared to recoveries of ¥0.7 billion in the first quarter of fiscal year 2012, due to improvement of credit quality and collections.

Global Markets Group ⁽¹⁾-Table 21- (Consolidated)

(Billions of yen, except percentages)

	Q1 FY2013 (12 months)	Q1 FY2012 (3 months)	% Change	FY2012 (12 months)
Financial Institutions Sub-Group:				
Net interest income	0.4	0.4	(0.2)	1.6
Non-interest income	0.5	1.3	(59.5)	2.9
Total revenue	0.9	1.7	(44.7)	4.5
General and administrative expenses	0.5	0.5	(10.2)	2.3
Ordinary business profit	0.4	1.1	(61.5)	2.2
Net credit costs (recoveries)	0.0	(0.6)	105.5	(6.2)
Ordinary business profit after net credit costs (recoveries)	0.4	1.8	(76.5)	8.5
Markets Sub-Group:				
Net interest income	0.5	0.4	34.4	1.2
Non-interest income	0.7	1.8	(56.5)	5.9
Total revenue	1.3	2.2	(38.8)	7.2
General and administrative expenses	0.8	0.8	(1.6)	3.1
Ordinary business profit	0.5	1.4	(59.6)	4.0
Net credit costs (recoveries)	(0.0)	(0.1)	95.8	(1.0)
Ordinary business profit after net credit costs (recoveries)	0.5	1.5	(62.7)	5.0
Others:				
Net interest income	0.0	0.0	56.5	0.1
Non-interest income	0.7	0.5	39.0	2.3
Total revenue	0.7	0.5	39.7	2.4
General and administrative expenses	0.8	0.8	(3.4)	3.5
Ordinary business profit (loss)	(0.0)	(0.3)	70.9	(1.0)
Net credit costs (recoveries)	(0.0)	(0.0)	53.2	(0.2)
Ordinary business profit (loss) after net credit costs (recoveries)	(0.0)	(0.2)	77.7	(0.8)
Global Markets Group: ⁽²⁾				
Net interest income	1.0	0.9	18.0	2.9
Non-interest income	2.0	3.6	(44.2)	11.2
Total revenue	3.1	4.5	(31.9)	14.2
General and administrative expenses	2.1	2.2	(4.5)	9.0
Ordinary business profit	0.9	2.3	(58.9)	5.2
Net credit costs (recoveries)	(0.0)	(0.8)	98.1	(7.5)
Ordinary business profit after net credit costs (recoveries)	0.9	3.1	(69.5)	12.7

(1) Net of consolidation adjustments, if applicable.

(2) From the FY2012 interim period, financial results for the Treasury Sub-Group have been transferred from the "Global Markets Group" to the "Corporate/Other" account.

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

Global Markets Group:

The Global Markets Group reporting segments consists of: 1) Financial Institutions Sub-Group which provides financial products and services for financial institutions, 2) Markets Sub-Group which deals with foreign exchange, derivatives and other capital markets business, and 3) others which covers asset management, wealth management, and Shinsei Securities' businesses. The Treasury Sub-Group, which governs the ALM for the Bank overall, was transferred to the Finance Group as part of organizational changes implemented on July 1, 2012, and their results are now included in the Corporate/Other segment.

Total revenue

- The Global Markets Group generated total revenue of ¥3.1 billion in the first quarter of fiscal year 2013, compared to ¥4.5 billion in the first quarter of fiscal year 2012. Total revenue decreased because temporary fluctuations in financial markets affected market related-transaction. However, the group continued efforts to expand the client base, as well as developing and providing financial products which meet customers' needs.
- The Financial Institutions Sub-Group's total revenue was ¥0.9 billion in the first quarter of fiscal year 2013, compared to ¥1.7 billion in the first quarter of fiscal year 2012. For the first quarter of fiscal year 2013, the sub-group promoted business alliances utilizing their well developed network with financial institutions, while striving to promote sales providing various products and transactions in line with customers' needs. However, temporary fluctuations in the financial markets affected the results and total revenue decreased compared to the first quarter of fiscal year 2012.

- The Markets Sub-Group earned total revenue of ¥1.3 billion in the first quarter of fiscal year 2013, decreasing from ¥2.2 billion in the first quarter of fiscal year 2012. The volume of customer transactions was lower in the first quarter of fiscal year 2013 as compared to that of the first quarter of fiscal year 2012. Also temporary fluctuations in the financial markets affected the results.
- Others earned total revenue of ¥0.7 billion for the first quarter of fiscal year 2013, an increase as compared to ¥0.5 billion for the first quarter of fiscal year 2012.

Expenses

- The Global Markets Group recorded ¥2.1 billion of general and administrative expenses for the first quarter of fiscal year 2013, a slight decrease as compared to ¥2.2 billion in the first quarter of fiscal year 2012. While the allocation of resources to relevant business areas for rebuilding the client base was prioritized, continuous cost rationalization was implemented across the group. As a result, expenses decreased slightly as compared to the first quarter of fiscal year 2012.

Net credit costs

- Net credit recoveries of ¥0.0 billion (¥16 million) were recorded in the first quarter of fiscal year 2013, compared to recoveries of ¥0.8 billion in the first quarter of fiscal year 2012. The group continued to collect written-off claims and recorded recoveries of written-off claims and recorded major credit recoveries in the first quarter of fiscal year 2012.

Ordinary business profit after net credit costs

- As a result, the Global Markets Group recorded ¥0.9 billion of ordinary business profit after net credit costs in the first quarter of fiscal year 2013, compared to ¥3.1 billion in the first quarter of fiscal year 2012.

Individual Group - Table 22- (Consolidated)

(Billions of yen, except percentages)

	Q1 FY2013 (3 months)	Q1 FY2012 (3 months)	% Change	FY2012 (12 months)
Retail banking:				
Net interest income	6.3	6.6	(3.9)	26.0
Non-interest income	2.4	1.8	29.7	7.0
Total revenue	8.7	8.4	3.5	33.1
General and administrative expenses	8.1	7.7	4.9	30.2
Ordinary business profit	0.6	0.7	(11.3)	2.8
Net credit costs (recoveries)	(0.0)	0.0	(110.1)	0.0
Ordinary business profit after net credit costs (recoveries)	0.6	0.7	(6.6)	2.8
Shinsei Financial and Shinsei Bank Card Loan Lake ⁽²⁾ :				
Net interest income	10.2	10.4	(2.3)	40.9
Non-interest income	(0.9)	(0.7)	(30.2)	(3.2)
Total revenue	9.2	9.7	(4.8)	37.6
General and administrative expenses	6.5	6.3	2.8	25.2
Ordinary business profit	2.7	3.3	(19.1)	12.3
Net credit costs (recoveries)	(1.6)	(1.4)	(9.4)	(0.1)
Ordinary business profit after net credit costs (recoveries)	4.3	4.8	(10.5)	12.4
SHINKI:				
Net interest income	1.6	1.8	(8.7)	6.9
Non-interest income	(0.1)	(0.1)	5.1	(0.5)
Total revenue	1.5	1.6	(9.1)	6.3
General and administrative expenses	1.0	0.9	7.5	4.0
Ordinary business profit	0.4	0.6	(32.8)	2.2
Net credit costs (recoveries)	0.0	(0.1)	126.4	(0.0)
Ordinary business profit after net credit costs (recoveries)	0.4	0.8	(47.1)	2.2
APLUS FINANCIAL:				
Net interest income	2.0	2.5	(21.2)	9.2
Non-interest income	9.6	9.1	5.5	38.5
Total revenue	11.6	11.6	(0.3)	47.8
General and administrative expenses	8.6	8.2	4.9	33.2
Ordinary business profit	3.0	3.4	(12.7)	14.6
Net credit costs	1.2	1.5	(15.8)	6.4
Ordinary business profit after net credit costs	1.7	1.9	(10.3)	8.1
Others ⁽³⁾ :				
Net interest income	0.3	0.3	(2.6)	1.4
Non-interest income	0.0	0.0	37.3	0.1
Total revenue	0.4	0.4	2.0	1.6
General and administrative expenses	0.1	0.1	15.5	0.5
Ordinary business profit	0.2	0.2	(3.7)	1.1
Net credit costs (recoveries)	(0.0)	(0.0)	(169.4)	(0.0)
Ordinary business profit after net credit costs (recoveries)	0.3	0.3	5.8	1.1
Individual Group:				
Net interest income	20.6	21.8	(5.5)	84.4
Non-interest income	10.9	10.1	8.5	42.0
Total revenue	31.6	31.9	(1.1)	126.4
General and administrative expenses	24.4	23.4	4.5	93.3
Ordinary business profit	7.1	8.5	(16.4)	33.1
Net credit costs (recoveries)	(0.3)	(0.0)	(887.0)	6.2
Ordinary business profit after net credit costs (recoveries)	7.4	8.5	(13.0)	26.9

(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 from Q3 FY2011.

(3) Includes Shinsei Property Finance and unallocated Consumer Finance Sub-Group financials.

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

Individual Group Revenue by Product/Entity - Table 23- (Consolidated)⁽¹⁾

(Billions of yen, except percentages)

	Q1 FY2013 (3 months)	Q1 FY2012 (3 months)	% Change	FY2012 (12 months)
Retail Banking:	8.7	8.4	3.5	33.1
Deposits and debentures net interest income	4.0	4.6	(13.7)	17.6
Deposits and debentures non-interest income	1.0	0.8	16.1	3.6
Asset management	1.4	1.2	24.3	4.3
Loans	2.2	1.7	29.1	7.4
Shinsei Financial and Shinsei Bank Card Loan Lake ⁽²⁾	9.2	9.7	(4.8)	37.6
SHINKI	1.5	1.6	(9.1)	6.3
APLUS FINANCIAL	11.6	11.6	(0.3)	47.8
Others ⁽³⁾	0.4	0.4	2.0	1.6
Total revenue	31.6	31.9	(1.1)	126.4

(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 from Q3 FY2011.

(3) Includes Shinsei Property Finance and unallocated Consumer Finance Sub-Group financials.

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

- The Individual Group consists of the Retail Banking business as well as Shinsei Bank Card Loan - Lake, and the subsidiaries Shinsei Financial, SHINKI, APLUS FINANCIAL and Shinsei Property Finance. In addition, the foreign remittance service "GoRemit Shinsei Overseas Remittance Service" which was acquired from Lloyds TSB Bank on March 1, 2013, is included in Retail Banking.
- The Individual Group's ordinary business profit after net credit costs was ¥7.4 billion in the first quarter of fiscal year 2013, compared to ¥8.5 billion in the first quarter of fiscal year 2012.

Retail Banking

- Total revenue of retail banking increased to ¥8.7 billion in the first quarter of fiscal year 2013, from ¥8.4 billion in the first quarter of fiscal year 2012. Net interest income totaled ¥6.3 billion in the first quarter of fiscal year 2013, compared to ¥6.6 billion in the first quarter of fiscal year 2012. New housing loan disbursements remained strong, resulting in a net increase of the loan balance, and revenue also increased. However, net interest income from deposits including liquid deposits decreased due to prevailing low interest rates. As a result, net interest income decreased compared to the first quarter of fiscal year 2012. Non-interest income increased to ¥2.4 billion in the first quarter of fiscal year 2013, as compared to ¥1.8 billion in the first quarter of fiscal year 2012. Sales of investment products are growing steadily and continued to increase starting from the fourth quarter of fiscal year 2013, due to the efforts undertaken to accrue fee income from other investment products by offering products which actively and readily meet the customer's needs.
- General and administrative expenses were ¥8.1 billion in the first quarter of fiscal year 2013, an increase as compared to ¥7.7 billion in the first quarter of fiscal year 2012, due to measures taken to smoothly carry out the Second Medium-Term Management Plan. However, we implemented various rationalization and efficiency measures, such as reconsidering the unit price for advertising.
- Net credit recoveries totaled ¥0.0 billion (¥3 million) in the first quarter of fiscal year 2013, compared to ¥0.0 billion (¥33 million) of costs in the first quarter of fiscal year 2012. As a result, ordinary business profit after net credit costs was ¥0.6 billion in the first quarter of fiscal year 2013,

compared to ordinary business profit after net credit costs of ¥0.7 billion in the first quarter of fiscal year 2012.

Shinsei Financial and Shinsei Bank Card Loan - Lake

- The ordinary business profit after net credit costs of Shinsei Financial and Shinsei Bank Card Loan - Lake after related consolidation adjustments was ¥4.3 billion in the first quarter of fiscal year 2013, compared to ¥4.8 billion for the first quarter of fiscal year 2012.
- Total revenue was ¥9.2 billion in the first quarter of fiscal year 2013, compared to ¥9.7 billion in the first quarter of fiscal year 2012, as the loan balance continued to decrease due to the ongoing effects of the revised Money-Lending Business Control and Regulation Law. Total revenue increased from ¥9.0 billion in the fourth quarter of fiscal year 2012. However, the declining pace of the combined loan balances at Shinsei Financial and Shinsei Bank Card Loan - Lake has slowed, due to the commencement of the Bank-based consumer finance business from October 2011, and although marginal, there has been an increase in the fourth quarter of fiscal year 2012. Specifically, the loan balance increased by ¥2.3 billion in the fourth quarter of fiscal year 2012, and an increase of ¥3.9 billion was recorded in the first quarter of fiscal year 2013 (after including the loan balance of the Bank's consumer finance business).
- Consumer finance is expected to incur a certain amount of credit costs due to the inherent nature of the business. However, we are implementing strict credit management and have established a strong structure for loan collections, while credit quality continues to improve since the implementation of the income-linked borrowing limitation regulation in 2010. Combined with the decline in loan balance, this resulted in net credit recoveries of ¥1.6 billion in the first quarter of fiscal year 2013. Also, the fact that net credit recoveries of ¥1.4 billion were recorded in the first quarter of fiscal year 2012 reflects the impact of a significant decrease in the loan balance before the first quarter of fiscal year 2012.

SHINKI

- The ordinary business profit after net credit costs of SHINKI after related consolidation adjustments was ¥0.4 billion in the first quarter of fiscal year 2013, compared to ¥0.8 billion in the first quarter of fiscal year 2012. Similar to Shinsei Financial, SHINKI's total revenue also decreased due to the revised Money-Lending Business Control and Regulation Law. However, the pace of decline has slowed, and the total revenue increased from the fourth quarter of fiscal year 2012.

APLUS FINANCIAL

- The ordinary business profit after net credit costs of APLUS FINANCIAL after the related consolidation adjustments amounted to ¥1.7 billion in the first quarter of fiscal year 2013, compared to ¥1.9 billion in the first quarter of fiscal year 2012. Net interest income decreased to ¥2.0 billion in the first quarter of fiscal year 2013, compared to ¥2.5 billion in the first quarter of fiscal year 2012 due to the decrease in the loan balance following the implementation of the revised Money-Lending Business Control and Regulation Law. However, the pace of decline has slowed, and the loan balance remained at the same level as that of the fourth quarter of fiscal year 2012. Non-interest income increased to ¥9.6 billion in the first quarter of fiscal year 2013, compared to ¥9.1 billion in the first quarter of fiscal year 2012 due to the steady increase in volume in the installment sales credit and settlement business. General and administrative expenses increased to ¥8.6 billion in the first quarter of fiscal year 2013, from ¥8.2 billion in the first quarter of fiscal year 2012, due to an increase in temporary staff expenses to ensure the stable operation of the IT system, despite continued rationalization and efficient business processes. Net credit costs were ¥1.2 billion in the first quarter of fiscal year 2013, compared to ¥1.5 billion in the first quarter of fiscal year 2012.

- Others include the financial results of Shinsei Property Finance Co., Ltd and the Consumer Finance Sub-Group.

Interest Repayment

- Regarding reserves for losses on interest repayment, no additional reserves were made in the first quarter of fiscal year 2013 or the first quarter of fiscal year 2012. The usage of reserves for losses on interest repayment in the first quarter of fiscal year 2013 decreased, compared to the first quarter of fiscal year 2012 at Shinsei Financial, SHINKI and APLUS FINANCIAL.
- Shinsei Financial's usage of reserves for losses on interest repayment and others amounted to ¥1.1 billion in the first quarter of fiscal year 2013, from ¥1.4 billion in the first quarter of fiscal year 2012. Additional reserves were not made resulting in a total balance of ¥20.2 billion in reserves for losses on interest repayment as of June 30, 2013, compared to ¥21.3 billion as of March 31, 2013. Losses on interest repayment at Shinsei Financial have been recorded for the portion of the portfolio not covered by the GE indemnity included in the purchase agreement of Shinsei Financial from GE.
- SHINKI's usage of reserves for losses on interest repayment amounted to ¥1.3 billion in the first quarter of fiscal year 2013, from ¥2.1 billion in the first quarter of fiscal year 2012. Additional reserves were not made resulting in a total balance of ¥6.5 billion in reserves for losses on interest repayment as of June 30, 2013, compared to ¥7.8 billion as of March 31, 2013.
- APLUS FINANCIAL and its consolidated subsidiaries' usage of reserves for losses on interest repayment amounted to ¥0.7 billion in the first quarter of fiscal year 2013, from ¥1.5 billion in the first quarter of fiscal year 2012. Additional reserves were not made resulting in a total balance of ¥4.9 billion in reserves for losses on interest repayment as of June 30, 2013, compared to ¥5.7 billion as of March 31, 2013.

Corporate/Other -Table 24- (Consolidated)

	(Billions of yen, except percentages)			
	Q1 FY2013 (3 months)	Q1 FY2012 (3 months)	% Change	FY2012 (12 months)
Treasury Sub-Group⁽²⁾ :				
Net interest income	(1.0)	(0.8)	(23.1)	(2.7)
Non-interest income	(1.2)	1.6	(177.1)	7.2
Total revenue	(2.3)	0.7	(412.3)	4.4
General and administrative expenses	0.3	0.3	24.2	1.2
Ordinary business profit (loss)	(2.7)	0.4	(729.1)	3.2
Net credit costs	-	-	-	-
Ordinary business profit (loss) after net credit costs	(2.7)	0.4	(729.1)	3.2
Corporate/Other (excluding Treasury Sub-Group):⁽¹⁾				
Net interest income	(0.8)	(0.6)	(28.5)	(2.8)
Non-interest income	0.0	0.1	(26.4)	(0.2)
Total revenue	(0.7)	(0.5)	(40.1)	(3.1)
General and administrative expenses	(0.2)	(0.2)	2.9	0.7
Ordinary business profit (loss)	(0.4)	(0.2)	(83.3)	(3.8)
Net credit costs	0.1	0.1	32.4	0.5
Ordinary business profit (loss) after net credit costs	(0.6)	(0.3)	(66.2)	(4.3)
Corporate/Other:⁽¹⁾				
Net interest income	(1.8)	(1.5)	(25.3)	(5.6)
Non-interest income	(1.1)	1.7	(167.6)	6.9
Total revenue	(3.0)	0.2	(1,420.1)	1.3
General and administrative expenses	0.1	0.0	149.1	2.0
Ordinary business profit (loss)	(3.2)	0.1	(1,920.5)	(0.6)
Net credit costs	0.1	0.1	32.4	0.5
Ordinary business profit (loss) after net credit costs	(3.3)	0.0	(7,649.2)	(1.1)

(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.

(2) From the FY2012 interim period, financial results for the Treasury Sub-Group have been transferred from the "Global Markets Group" to the "Corporate/Other" account.

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

- The Treasury Sub-Group, which governs the ALM for the Bank overall, was transferred to the Finance Group as part of organizational changes implemented on July 1, 2012, and its results are now included in the Corporate/Other segment. The Treasury Sub-Group's total revenue was a loss of ¥2.3 billion in the first quarter of fiscal year 2013, compared to a gain of ¥0.7 billion in

the first quarter of fiscal year 2012. The sub-group holds liquidity reserves and Japanese National Government Bonds for ALM purposes. A ¥1.4 billion loss was incurred on the sales of Japanese National Government Bonds at the ALM operations in order to avoid the interest rate risk resulting from major fluctuations in the market.

Segment Information

Institutional Group:	Focuses primarily on corporate and public sector finance and advisory business.
Institutional Business	The "Institutional Business Sub-Group" provides financial products and services, including healthcare finance for corporations and the public sector, advisory business and real estate-related non-recourse, corporate finance, M&A and other specialty finance, corporate restructuring, and trust businesses.
Principal Transactions	The "Principal Transactions Sub-Group" comprises the credit trading and private equity businesses.
Showa Leasing	"Showa Leasing" primarily provides leasing related financial products and services.
Other Institutional Group	The "Other Institutional Group" consists of the asset-backed investment business and other businesses.
Global Markets Group:	Focuses primarily on financial markets business and serving financial institution clients.
Financial Institutions	The "Financial Institutions Sub-Group" provides financial products and services for financial institutions.
Markets	The "Markets Sub-Group" is engaged in foreign exchange, derivatives, equity related, alternative investment and other capital markets transactions.
Other Global Markets Group	The "Other Global Markets Group" consists of the profit and loss attributable to Shinsei Securities, asset management, wealth management, and other products and services in the Global Markets Group.
Individual Group:	Focuses on retail financial products and services.
Retail Banking	The "Retail Banking Sub-Group" provides financial products and services for retail customers such as yen/foreign currency/structured deposit services, investment trusts, brokerage services (through a partner institution), life and non-life insurance (through partner institutions) and home mortgages.
Shinsei Financial	"Shinsei Financial" provides consumer finance products and services and guarantee services (Shinsei Financial, Shinsei Bank Card Loan Lake, SHINKI).
APLUS FINANCIAL	"APLUS FINANCIAL" provides installment sales credit, credit cards, guarantees, financing and settlement services.
Other Individual Group	The "Other Individual Group" consists of profit and loss attributable to the Consumer Finance Sub-Group and other subsidiaries.
Corporate/Other:	"Corporate/Other" includes company-wide accounts which are not included in our reportable segments, allocation variance of indirect expense and elimination amount of inter-segment transactions.
Treasury	The "Treasury Sub-Group" undertakes ALM related operations and includes gains and losses from equity and subordinated debt financing activities.

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

(Millions of yen)

	June 30 2013 (a)	June 30 2012 (b)	Change (a)-(b)	March 31 2013 (c)	Change (a)-(c)
<<Assets>>					
Cash and due from banks	481,784	373,590	108,194	648,897	(167,112)
Call loans and bills bought	-	8,595	(8,595)	18,806	(18,806)
Receivables under resale agreements	58,510	38,387	20,123	78,507	(19,997)
Receivables under securities borrowing transactions	40,856	35,116	5,740	19,083	21,773
Other monetary claims purchased	105,454	129,041	(23,586)	112,318	(6,863)
Trading assets	304,441	211,866	92,575	287,907	16,534
Monetary assets held in trust	228,645	262,921	(34,275)	233,847	(5,201)
Securities	1,871,582	1,864,233	7,349	1,842,344	29,237
Loans and bills discounted	4,232,998	4,237,269	(4,270)	4,292,464	(59,465)
Foreign exchanges	26,860	16,772	10,088	33,857	(6,997)
Lease receivables and leased investment assets	204,053	195,363	8,689	203,590	462
Other assets	784,063	653,281	130,781	770,905	13,157
Premises and equipment	51,450	55,139	(3,689)	52,716	(1,266)
Intangible assets	64,977	77,181	(12,204)	68,429	(3,452)
Goodwill	33,678	40,117	(6,439)	35,394	(1,716)
Deferred issuance expenses for debentures	56	123	(67)	95	(39)
Deferred tax assets	17,124	15,457	1,667	16,339	784
Customers' liabilities for acceptances and guarantees	485,595	559,069	(73,474)	511,032	(25,437)
Reserve for credit losses	(147,149)	(170,283)	23,133	(161,810)	14,661
Total assets	8,811,306	8,563,125	248,181	9,029,335	(218,028)

Liabilities and Equity

(Millions of yen)

	June 30 2013 (a)	June 30 2012 (b)	Change (a)-(b)	March 31 2013 (c)	Change (a)-(c)
<<Liabilities>>					
Deposits	5,526,411	5,126,543	399,867	5,252,935	273,475
Negotiable certificates of deposit	154,378	206,721	(52,343)	204,600	(50,222)
Debentures	49,594	287,113	(237,518)	262,342	(212,747)
Call money and bills sold	120,098	120,158	(60)	170,094	(49,995)
Payables under securities lending transactions	41,234	91,255	(50,021)	47,069	(5,834)
Trading liabilities	265,010	154,781	110,228	240,099	24,910
Borrowed money	587,951	586,420	1,531	719,292	(131,340)
Foreign exchanges	37	18	18	174	(136)
Short-term corporate bonds	100,500	75,900	24,600	82,800	17,700
Corporate bonds	187,912	164,300	23,612	174,286	13,626
Other liabilities	559,362	494,148	65,214	630,759	(71,396)
Accrued employees' bonuses	2,330	2,152	177	7,604	(5,274)
Accrued directors' bonuses	15	8	6	54	(38)
Reserve for employees' retirement benefits	7,380	7,095	285	7,309	70
Reserve for directors' retirement benefits	119	250	(131)	245	(126)
Reserve for losses on interest repayments	31,695	45,813	(14,118)	34,983	(3,288)
Reserve under special law	0	1	(0)	0	-
Deferred tax liabilities	9	447	(437)	7	2
Acceptances and guarantees	485,595	559,069	(73,474)	511,032	(25,437)
Total liabilities	8,119,638	7,922,202	197,436	8,345,690	(226,051)
<<Equity>>					
Shareholders' equity:					
Common stock	512,204	512,204	-	512,204	-
Capital surplus	79,461	79,461	-	79,461	-
Retained earnings	117,414	72,642	44,772	107,288	10,126
Treasury stock, at cost	(72,558)	(72,558)	-	(72,558)	-
Total shareholders' equity	636,522	591,750	44,772	626,395	10,126
Accumulated other comprehensive income :					
Unrealized gain (loss) on available-for-sale securities	(2,420)	(738)	(1,682)	3,825	(6,245)
Deferred gain (loss) on derivatives under hedge accounting	(9,043)	(11,797)	2,754	(11,605)	2,562
Foreign currency translation adjustments	1,950	(2,271)	4,221	1,475	475
Total accumulated other comprehensive income	(9,513)	(14,807)	5,294	(6,305)	(3,208)
Stock acquisition rights	1,208	1,338	(130)	1,238	(30)
Minority interests	63,450	62,641	808	62,315	1,134
Total equity	691,668	640,923	50,744	683,644	8,023
Total liabilities and equity	8,811,306	8,563,125	248,181	9,029,335	(218,028)

Consolidated Statements of Income (Unaudited) (Consolidated)

(Millions of yen, except percentages)

	Q1 FY2013 (3 months)	Q1 FY2012 (3 months)	Change		FY2012 (12 months)
			Amount	%	
Ordinary income	93,493	95,328	(1,835)	(1.9)	386,079
Interest income	35,831	37,205	(1,374)	(3.7)	147,834
Interest on loans and bills discounted	31,491	32,254	(762)	(2.4)	128,560
Interest and dividends on securities	3,647	4,536	(889)	(19.6)	17,028
Other interest income	692	414	277	66.9	2,246
Fees and commissions income	11,410	10,076	1,333	13.2	40,309
Trading income	3,620	5,697	(2,077)	(36.5)	22,698
Other business income	35,229	35,454	(224)	(0.6)	141,266
Other ordinary income	7,401	6,893	507	7.4	33,969
Ordinary expenses	78,446	77,455	991	1.3	331,584
Interest expenses	8,836	9,003	(166)	(1.8)	36,149
Interest on deposits	5,667	5,892	(225)	(3.8)	23,066
Interest on borrowings	1,267	1,269	(2)	(0.2)	5,264
Interest on corporate bonds	1,453	1,267	186	14.7	5,467
Other interest expenses	448	573	(125)	(21.8)	2,351
Fees and commissions expenses	5,696	5,338	357	6.7	21,134
Trading losses	98	1,339	(1,240)	(92.6)	2,669
Other business expenses	25,183	22,043	3,139	14.2	99,833
General and administrative expenses	35,891	35,141	750	2.1	141,798
Amortization of goodwill	1,711	1,833	(121)	(6.6)	7,036
Amortization of intangible assets acquired in business combinations	878	994	(115)	(11.6)	3,774
Other general and administrative expenses	33,300	32,313	987	3.1	130,987
Other ordinary expenses	2,739	4,589	(1,849)	(40.3)	29,998
Provision of reserve for credit losses	1,375	1,470	(94)	(6.4)	13,785
Other	1,363	3,118	(1,755)	(56.3)	16,213
Ordinary profit	15,046	17,873	(2,826)	(15.8)	54,495
Extraordinary gains	30	401	(370)	(92.3)	1,162
Extraordinary losses	550	556	(5)	(0.9)	1,782
Income before income taxes and minority interests	14,526	17,718	(3,192)	(18.0)	53,875
Income taxes (benefit)	931	297	634	213.5	(738)
Income before minority interests	13,595	17,421	(3,826)	(22.0)	54,614
Minority interests in net income of subsidiaries	814	987	(173)	(17.5)	3,534
Net income	12,780	16,433	(3,653)	(22.2)	51,079

Consolidated Statements of Comprehensive Income (Unaudited) (Consolidated)

(Millions of yen, except percentages)

	Q1 FY2013 (3 months)	Q1 FY2012 (3 months)	Change		FY2012 (12 months)
			Amount	%	
Income before minority interests	13,595	17,421	(3,826)	(22.0)	54,614
Other comprehensive income					
Unrealized gain (loss) on available-for-sale securities	(6,258)	(179)	(6,079)	(3,390.0)	4,266
Deferred gain (loss) on derivatives under hedge accounting	2,562	(43)	2,606	5,960.4	148
Foreign currency translation adjustments	779	(958)	1,737	181.3	2,889
Share of other comprehensive income in affiliates	39	(267)	307	114.7	794
Other comprehensive income	(2,878)	(1,449)	(1,428)	(98.5)	8,098
Comprehensive income	10,717	15,971	(5,254)	(32.9)	62,713
(Breakdown)					
Attributable to:					
Owners of the parent	9,572	15,171	(5,599)	(36.9)	58,319
Minority interests	1,144	800	344	43.1	4,393

Section 2. Non-Consolidated Information

Results of Operations -Table 25- (Non-Consolidated)

	(Billions of yen, except percentages)			
	Q1 FY2013 (3 months)	Q1 FY2012 (3 months)	% Change	FY2012 (12 months)
Net interest income	21.2	16.2	30.8	62.0
Non-interest income	5.9	8.6	(31.9)	31.2
Net fees and commissions ⁽¹⁾	2.8	4.4	(36.8)	10.3
Net trading income	1.5	4.1	(62.1)	14.5
Net other business income	1.5	0.1	1,236.0	6.3
Total revenue ⁽¹⁾	27.1	24.8	9.0	93.3
Personnel expenses	5.0	5.0	0.7	21.1
Non-personnel expenses	11.0	10.8	1.8	42.9
Taxes	0.8	0.8	5.2	3.2
General and administrative expenses	16.9	16.7	1.7	67.3
Net business profit ⁽¹⁾	10.1	8.1	23.8	25.9
Other gains (losses)				
Gains (losses) on the sales of equities	1.1	(0.3)	490.8	1.7
Net reversal of reserve for credit losses (Provision of reserve for loan losses) ⁽²⁾	(1.4)	0.7	(295.2)	(0.4)
Losses on write-off of loans	(0.2)	(0.5)	56.3	(6.8)
Recoveries of written-off claims	0.1	0.7	(76.5)	8.5
Expenses for employees' retirement benefits	(0.6)	(0.5)	(21.8)	(2.3)
Other losses, expenses	(0.4)	(0.5)	23.5	(0.9)
Net ordinary income	8.7	7.7	12.9	25.7
Special gains (losses)				
Gains (losses) from sales of fixed assets	(0.5)	(0.1)	(196.1)	(0.8)
Other special gains (losses)	0.0	(0.3)	106.0	(1.4)
Income before income taxes	8.2	7.2	14.5	23.4
Income taxes (benefit)				
Current	(0.1)	(0.1)	29.5	(0.7)
Deferred	(0.0)	(0.0)	(120.0)	(0.4)
Net income	8.4	7.4	13.9	24.6

(1) Includes income from monetary assets held in trust of ¥0.7 billion in Q1 FY2013, ¥2.8 billion in Q1 FY2012 and ¥5.1 billion in FY2012.

(2) In the first quarter fiscal year 2012, reversals of general reserve for loan losses was ¥0.7 billion.

Provision of reserve for loan losses was ¥1.4 billion in the first quarter fiscal year 2013, and ¥0.4 billion in FY2012.

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

- The gap between net income on a non-consolidated basis and consolidated basis results derives from the 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 major consolidated subsidiaries.
- In addition, gains (losses) on the sale of equities and impairments are recorded as other business income in the consolidated financial statement, reflecting the nature of the transaction. However, in the above non-consolidated statement, the same transactions are recorded as other gains (losses) in accordance with the reporting requirements on a Revitalization Plan basis.
- Total revenue of Shinsei Bank was ¥27.1 billion on a non-consolidated basis in the first quarter of fiscal year 2013 compared to ¥24.8 billion in the first quarter of fiscal year 2012.
- Net interest income on a non-consolidated basis was ¥21.2 billion in the first quarter of fiscal year 2013, an increase as compared to ¥16.2 billion in the first quarter of fiscal year 2012. This was mainly due to the dividends received from subsidiaries including Shinsei Financial of ¥6.3 billion in the first quarter of fiscal year 2013, as compared to ¥2.6 billion in the first quarter of fiscal year 2012. Net interest income excluding dividends received from subsidiaries, was an increase of ¥1.2 billion. This was mainly due to continued strong accumulation of housing loans and the commencement of the consumer finance business in October 2011, at the Bank. Non-interest income on a non-consolidated basis was ¥5.9 billion in the first quarter of fiscal year 2013, a decrease as compared to ¥8.6 billion in the first quarter of fiscal year 2012. Efforts were undertaken to provide various products and transactions in line with customers' needs, accumulating stable income from transactions with customers. However, we were impacted by the temporary turbulence in the financial markets, and a loss was incurred on the sales of Japanese National Government Bonds at ALM operations in order to avoid the interest rate risk resulting from major fluctuations in market.
- General and administrative expenses were ¥16.9 billion on a non-consolidated basis in the first quarter of fiscal year 2013, a slight increase compared to ¥16.7 billion in the first quarter of fiscal year 2012. This was due to costs incurred for measures taken to smoothly carry out the Second Medium-Term Management Plan, while

continuing rationalization and efficient business processes across business groups.

- As a result, Shinsei Bank recorded a non-consolidated net income of ¥8.4 billion for the first quarter of fiscal year 2013, an increase as compared to ¥7.4 billion for the first quarter of fiscal year 2012.

Net Credit Costs -Table 26- (Non-Consolidated)

	(Billions of yen, except percentages)			
	Q1 FY2013 (3 months)	Q1 FY2012 (3 months)	% Change	FY2012 (12 months)
Losses on write-off of loans	0.2	0.5	(56.3)	6.8
Net provision (reversal) of reserve for loan losses	1.4	(0.7)	295.2	0.4
Net provision (reversal) of general reserve for loan losses	0.5	(1.6)	131.6	(10.0)
Net provision of specific reserve for loan losses	0.9	0.9	(1.8)	10.4
Net provision (reversal) of reserve for loan losses to restructuring countries	-	-	-	-
Recoveries of written-off claims	(0.1)	(0.7)	76.5	(8.5)
Net credit costs (recoveries)	1.5	(0.9)	260.0	(1.2)

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

Interest-Earning Assets and Interest-Bearing Liabilities -Table 27- (Non-Consolidated)

	Q1 FY2013 (3 months)			Q1 FY2012 (3 months)			FY2012 (12 months)		
	Average balance	Interest	Yield/rate (%)	Average balance	Interest	Yield/rate (%)	Average balance	Interest	Yield/rate (%)
Interest-earning assets:									
Cash and due from banks	25.3	0.1	2.19	23.0	0.0	1.01	20.5	0.2	1.21
Call loans	49.4	0.0	0.11	42.3	0.0	0.16	60.4	0.0	0.12
Receivables under resale agreements	59.3	0.0	0.36	21.8	0.0	0.39	46.8	0.1	0.39
Collateral related to securities borrowing transactions	3.3	0.0	0.11	14.9	0.0	0.11	15.7	0.0	0.11
Securities	2,406.7	10.9	1.83	2,259.5	8.0	1.42	2,382.7	26.1	1.09
Loans and bills discounted	4,197.4	17.7	1.70	4,082.5	15.9	1.56	4,169.6	67.0	1.60
Other interest-earning assets ⁽²⁾	238.7	0.4	0.81	241.9	0.5	0.86	254.7	2.0	0.79
Interest rate and funding swaps	-	0.1	-	-	0.0	-	-	0.2	-
Total interest-earning assets	6,980.5	29.6	1.70	6,686.2	24.6	1.47	6,950.7	96.0	1.38
Interest-bearing liabilities:									
Deposits	5,741.1	5.6	0.39	5,499.1	5.8	0.43	5,407.6	23.0	0.42
Negotiable certificates of deposit	222.5	0.0	0.12	203.0	0.0	0.15	257.8	0.3	0.14
Debentures	122.0	0.0	0.30	292.9	0.2	0.39	282.0	0.9	0.34
Call money	126.1	0.0	0.10	129.6	0.0	0.10	141.4	0.1	0.10
Payable under repurchase agreements	15.5	0.0	0.22	-	-	-	5.5	0.0	0.19
Collateral related to securities lending transactions	440.0	0.0	0.06	160.1	0.0	0.10	222.7	0.2	0.11
Borrowed money	361.4	0.6	0.74	270.9	0.6	0.91	401.1	2.6	0.66
Corporate bonds	227.4	2.2	3.93	209.1	1.9	3.80	211.8	8.3	3.95
Other interest-bearing liabilities ⁽³⁾	6.1	0.0	n.m. ⁽¹⁾	0.1	0.0	n.m. ⁽¹⁾	4.5	0.0	n.m. ⁽¹⁾
Interest rate and funding swaps	-	-	-	-	-	-	-	-	-
Total interest-bearing liabilities	7,262.5	8.8	0.48	6,765.1	8.9	0.52	6,934.8	35.8	0.51
Net interest income/yield on interest-earning assets	6,980.5	20.7	1.19	6,686.2	15.7	0.94	6,950.7	60.1	0.86

(1) n.m. is not meaningful.

(2) Include Cash collateral paid for financial instruments in Q1 FY2013 (3 months) and FY2012 (12 months).

(3) Include Cash collateral received for financial instruments in Q1 FY2013 (3 months) and FY2012 (12 months).

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

Risk-Monitored Loans -Table 28- (Non-Consolidated)

	(Billions of yen)				
	June 30 2013	June 30 2012	Change	March 31 2013	Change
	(a)	(b)	(a)-(b)	(c)	(a)-(c)
Loans to bankrupt obligors	8.5	3.2	5.3	8.1	0.3
Non-accrual delinquent loans	185.6	251.4	(65.7)	211.2	(25.5)
Loans past due for three months or more	1.0	0.8	0.1	1.1	(0.1)
Restructured loans	4.2	1.8	2.3	4.5	(0.3)
Total (A)	199.5	257.3	(57.8)	225.0	(25.5)
Loans and bills discounted (B)	4,193.5	4,201.5	(7.9)	4,224.4	(30.8)
Ratio to total loans and bills discounted (A / B) (%)	4.76%	6.13%		5.33%	
Reserve for credit losses (C)	94.6	112.4	(17.7)	106.5	(11.8)
Reserve ratio (C / A) (%)	47.4%	43.7%		47.3%	

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

Loans by Borrower Industry -Table 29- (Non-Consolidated)

	(Billions of yen)				
	June 30 2013	June 30 2012	Change	March 31 2013	Change
	(a)	(b)	(a)-(b)	(c)	(a)-(c)
Domestic offices (excluding Japan offshore market account):					
Manufacturing	228.9	240.8	(11.8)	232.0	(3.0)
Agriculture and forestry	0.2	0.2	(0.0)	0.2	0.0
Fishery	-	-	-	-	-
Mining, quarrying and gravel extraction	0.1	0.2	(0.0)	0.1	0.0
Construction	9.9	9.1	0.7	10.6	(0.7)
Electric power, gas, heat supply and water supply	133.4	77.0	56.3	124.7	8.6
Information and communications	29.8	39.0	(9.1)	30.4	(0.5)
Transportation and postal service	213.2	232.6	(19.4)	219.0	(5.8)
Wholesale and retail	70.6	79.5	(8.9)	70.2	0.4
Finance and insurance	1,072.4	1,232.8	(160.3)	1,098.8	(26.4)
Real estate	551.5	577.2	(25.7)	581.1	(29.5)
Services	369.6	368.5	1.0	369.5	0.0
Local government	109.1	118.3	(9.2)	114.0	(4.9)
Individual	1,210.6	1,007.1	203.4	1,166.1	44.4
Overseas yen loan and overseas loans booked domestically	162.3	143.0	19.2	160.6	1.6
Total domestic	4,162.2	4,126.1	36.0	4,178.0	(15.7)
Overseas offices (including Japan offshore market accounts):					
Governments	1.8	2.0	(0.1)	1.8	0.0
Financial institutions	0.9	1.0	(0.0)	0.8	0.0
Commerce and industry	28.5	72.3	(43.8)	43.6	(15.1)
Others	-	-	-	-	-
Total overseas	31.3	75.4	(44.0)	46.4	(15.1)
Total	4,193.5	4,201.5	(7.9)	4,224.4	(30.8)

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

Risk Monitored Loans by Borrower Industry -Table 30 - (Non-Consolidated)

	(Billions of yen)				
	June 30 2013 (a)	June 30 2012 (b)	Change (a)-(b)	March 31 2013 (c)	Change (a)-(c)
Domestic offices (excluding Japan offshore market account):					
Manufacturing	6.5	6.6	(0.0)	7.5	(0.9)
Agriculture and forestry	-	-	-	-	-
Fishery	-	-	-	-	-
Mining, quarrying and gravel extraction	-	-	-	-	-
Construction	-	0.0	(0.0)	-	-
Electric power, gas, heat supply and water supply	-	-	-	-	-
Information and communications	1.6	-	1.6	2.1	(0.4)
Transportation and postal service	2.9	4.9	(1.9)	2.9	-
Wholesale and retail	0.1	0.0	0.1	-	0.1
Finance and insurance	41.9	43.7	(1.7)	41.9	-
Real estate	104.3	156.4	(52.1)	128.4	(24.1)
Services	28.1	26.2	1.9	28.2	(0.1)
Local government	-	-	-	-	-
Individual	4.1	3.7	0.4	4.1	(0.0)
Overseas yen loan and overseas loans booked domestically	9.4	15.5	(6.1)	9.4	(0.0)
Total domestic	199.5	257.3	(57.8)	225.0	(25.5)
Overseas offices (including Japan offshore market accounts):					
Governments	-	-	-	-	-
Financial institutions	-	-	-	-	-
Commerce and industry	-	-	-	-	-
Others	-	-	-	-	-
Total overseas	-	-	-	-	-
Total	199.5	257.3	(57.8)	225.0	(25.5)

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

LBO -Table 31- (Non-Consolidated)

	(Billions of yen)				
	June 30 2013 (a)	June 30 2012 (b)	Change (a)-(b)	March 31 2013 (c)	Change (a)-(c)
LBO⁽¹⁾⁽³⁾	172.5	198.9	(26.4)	169.7	2.8
Japan	171.1 ⁽²⁾	196.8	(25.7)	167.7	3.4
U.S.	1.3	1.6	(0.3)	1.4	(0.1)
Europe	-	-	-	-	-
Other	-	0.4	(0.4)	0.5	(0.5)
(Breakdown by Industry Sector)					
Manufacturing	11.3%				
Information and Communications	2.3%				
Wholesale and Retail	3.4%				
Finance and Insurance	12.8%				
Services	70.2%				
Total	100.0%				

(1) The amount includes unfunded commitment line.

(2) As of June 30, 2013, unfunded commitment line (only domestic) is ¥3.4billion.

(3) This table includes deals made through foreign SPCs, but classification is by risk location.

Overseas and Offshore Loans by Region -Table 32- (Non-Consolidated)

	(Billions of yen)				
	June 30 2013 (a)	June 30 2012 (b)	Change (a)-(b)	March 31 2013 (c)	Change (a)-(c)
US	8.3	39.5	(31.2)	8.3	(0.0)
Asset-backed investments ⁽¹⁾ in US	-	4.8	(4.8)	-	-
Europe	25.2	45.6	(20.4)	43.6	(18.3)
Asset-backed investments ⁽¹⁾ in Europe	12.8	23.0	(10.1)	18.5	(5.6)
Others	160.0	133.2	26.8	155.0	5.0
Total overseas and offshore loans	193.6	218.4	(24.7)	207.0	(13.4)
Total asset-backed investments ⁽¹⁾	12.8	27.9	(15.0)	18.5	(5.6)

(1) "Asset-backed investments" is another term for the Asset-Backed Investments Program, one of our old product programs. Under this program, loans backed mainly by collateral (including infrastructure related assets or equipment, real estate, business and operating assets) are referred to as "asset-backed investments" for disclosure purposes.

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

Risk-Monitored Overseas and Offshore Loans by Region -Table 33- (Non-Consolidated)

	(Billions of yen)				
	June 30 2013 (a)	June 30 2012 (b)	Change (a)-(b)	March 31 2013 (c)	Change (a)-(c)
US	-	-	-	-	-
Asset-backed investments ⁽¹⁾ in US	-	-	-	-	-
Europe	6.3	12.1	(5.7)	5.9	0.4
Asset-backed investments ⁽¹⁾ in Europe	6.3	12.0	(5.6)	5.9	0.4
Others	3.0	3.4	(0.4)	3.5	(0.4)
Total overseas and offshore loans	9.4	15.5	(6.1)	9.4	(0.0)
Total asset-backed investments ⁽¹⁾⁽²⁾	6.3	12.0	(5.6)	5.9	0.4

(1) "Asset-backed investments" is another term for the Asset-Backed Investments Program, one of our old product programs. Under this program, loans backed mainly by collateral (including infrastructure related assets or equipment, real estate, business and operating assets) are referred to as "asset-backed investments" for disclosure purposes.

(2) As of June 30, 2013, reserve for loan losses and collateral/guarantees for risk monitored loans related to asset-backed investments were ¥0.4billion and ¥5.4billion, respectively, and the coverage ratio was 91.6%.

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

Claims Classified under the Financial Revitalization Law -Table 34- (Non-Consolidated)

	(Billions of yen)				
	June 30 2013 (a)	June 30 2012 (b)	Change (a)-(b)	March 31 2013 (c)	Change (a)-(c)
Claims against bankrupt and quasi-bankrupt obligors	34.8	55.5	(20.6)	38.6	(3.8)
Doubtful claims	176.3	225.4	(49.0)	198.3	(21.9)
Substandard claims	5.2	2.7	2.5	5.7	(0.4)
Total (A)	216.4	283.5	(67.1)	242.6	(26.2)
Coverage ratio	96.3%	97.0%		95.9%	
Total claims (B)	4,511.2	4,574.0	(62.8)	4,560.5	(49.2)
Loans and bills discounted	4,193.5	4,201.5	(7.9)	4,224.4	(30.8)
Others	317.6	372.5	(54.8)	336.0	(18.4)
Ratio to total claims (A / B) X 100 (%)	4.80%	6.20%		5.32%	
(Ref. 1) Amount of write-off	63.1	70.2	(7.0)	58.2	4.9
(Ref. 2) Below need caution level	419.0	568.9	(149.9)	438.6	(19.6)

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

Coverage Ratios for Non-Performing Claims Classified under the Financial Revitalization Law -Table 35- (Non-Consolidated)

(Billions of yen, except percentages)

June 30, 2013					
Amounts of coverage					
Amounts of claims	Total	Reserve for loan losses	Collateral and guarantees	Coverage ratio	
Claims against bankrupt and quasi-bankrupt obligors	34.8	34.8	-	34.8	100.0%
Doubtful claims	176.3	170.4	60.6	109.8	96.7%
Substandard claims	5.2	3.1	1.1	2.0	58.9%
Total	216.4	208.3	61.7	146.6	96.3%

(Billions of yen, except percentages)

June 30, 2012					March 31, 2013					
Amounts of coverage					Amounts of coverage					
Amounts of claims	Total	Reserve for loan losses	Collateral and guarantees	Coverage ratio	Amounts of claims	Total	Reserve for loan losses	Collateral and guarantees	Coverage ratio	
Claims against bankrupt and quasi-bankrupt obligors	55.5	55.5	3.3	52.1	100.0%	38.6	38.6	-	38.6	100.0%
Doubtful claims	225.4	217.6	66.0	151.6	96.5%	198.3	191.0	72.9	118.0	96.3%
Substandard claims	2.7	2.1	0.9	1.2	78.1%	5.7	3.1	1.1	2.0	55.1%
Total	283.5	275.1	70.1	205.0	97.0%	242.6	232.7	74.1	158.7	95.9%

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

Reserve for Credit Losses -Table 36- (Non-Consolidated)

(Billions of yen)

	June 30 2013 (a)	June 30 2012 (b)	Change (a)-(b)	March 31 2013 (c)	Change (a)-(c)
Reserve for credit losses	90.7	108.5	(17.7)	102.6	(11.8)
General reserve for loan losses	28.9	37.7	(8.7)	28.5	0.3
Specific reserve for loan losses	61.8	70.7	(8.9)	74.0	(12.2)
Reserve for loans to restructuring countries	0.0	0.0	-	0.0	-
Specific reserve for other credit losses	3.9	3.9	-	3.9	-
Total reserve for credit losses	94.6	112.4	(17.7)	106.5	(11.8)

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

Securities Being Held to Maturity -Table 37- (Non-Consolidated)*(Billions of yen)*

	June 30, 2013			June 30, 2012			March 31, 2013		
	Carrying amount	Fair value	Unrealized gain (loss)	Carrying amount	Fair value	Unrealized gain (loss)	Carrying amount	Fair value	Unrealized gain (loss)
Fair value exceeds carrying amount									
Japanese national government bonds	584.6	587.7	3.1	585.4	591.1	5.7	584.8	589.4	4.5
Japanese corporate bonds	-	-	-	22.4	22.6	0.1	-	-	-
Other	55.6	60.3	4.7	39.1	43.0	3.8	51.9	56.7	4.8
Subtotal	640.3	648.1	7.8	647.0	656.8	9.7	636.7	646.1	9.3
Fair value does not exceed carrying amount									
Japanese national government bonds	-	-	-	-	-	-	-	-	-
Japanese corporate bonds	-	-	-	-	-	-	-	-	-
Other	-	-	-	9.0	8.5	(0.4)	3.0	3.0	(0.0)
Subtotal	-	-	-	9.0	8.5	(0.4)	3.0	3.0	(0.0)
Total	640.3	648.1	7.8	656.0	665.3	9.2	639.8	649.1	9.3

Securities Available for Sale -Table 38- (Non-Consolidated)

	(Billions of yen)								
	June 30, 2013			June 30, 2012			March 31, 2013		
	Carrying amount (Fair value)	Amortized/ Acquisition cost	Unrealized gain (loss)	Carrying amount (Fair value)	Amortized/ Acquisition cost	Unrealized gain (loss)	Carrying amount (Fair value)	Amortized/ Acquisition cost	Unrealized gain (loss)
Carrying amount exceeds amortized/acquisition cost									
Equity securities	14.5	7.7	6.7	8.7	5.6	3.1	12.4	7.4	4.9
Domestic bonds	43.4	42.5	0.8	538.6	534.9	3.6	80.5	78.2	2.2
Japanese national government bonds	10.6	10.2	0.3	463.3	460.2	3.0	39.5	38.0	1.4
Japanese local government bonds	0.5	0.5	0.0	1.7	1.7	0.0	0.5	0.5	0.0
Japanese corporate bonds	32.2	31.8	0.4	73.5	72.9	0.5	40.4	39.6	0.7
Other	88.4	83.9	4.5	78.2	74.5	3.7	87.7	82.9	4.7
Foreign securities	85.4	81.2	4.1	67.7	64.2	3.4	84.6	80.1	4.4
Foreign currency denominated foreign corporate and government bonds	43.3	40.6	2.6	46.0	43.5	2.4	44.5	41.6	2.9
Yen-denominated foreign corporate and government bonds	39.9	38.9	0.9	17.6	17.4	0.1	37.9	36.9	1.0
Foreign equity securities and others	2.2	1.6	0.6	4.0	3.2	0.8	2.0	1.5	0.5
Other securities	1.1	0.9	0.2	1.1	0.9	0.2	1.1	0.9	0.2
Other monetary claims purchased	1.7	1.7	0.0	9.3	9.2	0.0	1.9	1.9	0.0
Subtotal	146.4	134.2	12.1	625.5	615.0	10.5	180.8	168.7	12.0
Carrying amount does not exceed amortized/acquisition cost									
Equity securities	1.9	2.4	(0.4)	3.8	4.5	(0.6)	2.1	2.6	(0.5)
Domestic bonds	888.9	897.3	(8.4)	405.5	408.8	(3.3)	858.7	861.8	(3.0)
Japanese national government bonds	737.2	743.3	(6.1)	249.5	250.1	(0.5)	712.8	713.8	(0.9)
Japanese local government bonds	-	-	-	-	-	-	-	-	-
Japanese corporate bonds	151.7	154.0	(2.3)	155.9	158.7	(2.7)	145.9	147.9	(2.0)
Other	78.1	79.9	(1.8)	80.0	82.8	(2.8)	50.3	50.8	(0.5)
Foreign securities	76.5	78.3	(1.8)	78.2	81.0	(2.8)	49.7	50.2	(0.5)
Foreign currency denominated foreign corporate and government bonds	72.1	73.8	(1.7)	32.9	35.4	(2.4)	46.7	47.1	(0.3)
Yen-denominated foreign corporate and government bonds	3.0	3.1	(0.0)	45.2	45.5	(0.3)	2.9	3.0	(0.1)
Foreign equity securities and others	1.3	1.4	(0.0)	0.0	0.0	-	0.0	0.0	(0.0)
Other securities	1.5	1.5	-	0.5	0.5	-	0.5	0.5	-
Other monetary claims purchased	-	-	-	1.2	1.2	(0.0)	-	-	-
Subtotal	969.0	979.7	(10.7)	489.4	496.2	(6.8)	911.2	915.3	(4.1)
Total⁽¹⁾⁽²⁾	1,115.4	1,114.0	1.4	1,115.0	1,111.3	3.6	1,092.0	1,084.1	7.9

(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 (Non-Consolidated)

	(Billions of yen)		
	June 30, 2013	June 30, 2012	March 31, 2013
Unrealized gain (loss) before deferred tax on:			
Available-for-sale securities	1.4	3.6	7.9
Interests in available-for-sale securities held by partnerships recorded as securities whose fair value cannot be reliably determined	0.0	0.0	0.0
Securities being held to maturity, reclassified from available-for-sale in the past, under extremely illiquid market conditions	(4.8)	(4.8)	(4.9)
Deferred tax assets (liabilities)	-	-	-
Unrealized gain (loss) on available-for-sale securities	(3.4)	(1.1)	2.9

Capital Adequacy Data-Table 39- (Non-Consolidated)⁽¹⁾

(Billions of yen, except percentages)

	June 30 2013 (a)	June 30 2012 (b)	Change (a)-(b)	March 31 2013 (c)	Change (a)-(c)
Basic items (Tier I)	705.7	663.6	42.0	690.4	15.2
Supplementary items (Tier II)	173.1	181.6	(8.4)	172.2	0.8
Deduction	(32.4)	(53.0)	20.5	(39.0)	6.5
Total capital ⁽²⁾	846.4	792.2	54.1	823.7	22.6
Risk assets	5,757.7	5,850.9	(93.2)	5,754.6	3.0
Capital adequacy ratio	14.70%	13.54%	1.16%	14.31%	0.39%
Tier I capital ratio	12.25%	11.34%	0.91%	11.99%	0.26%

(1) Calculated according to Basel II, F-IRB. Figures are calculated in accordance with FSA Notification Number 79 issued in December 2008 and FSA Notification Number 56 issued in June 2012 (special treatment of FSA Notification Number 19 issued in 2006). As a result, ¥3.4 billion of net unrealized losses on securities available-for-sale, net of taxes, as of June 30, 2013 and ¥1.1 billion as of June 30, 2012 are not included in BIS capital.

Net unrealized gains on securities available-for-sale were recorded as of March 31, 2013.

(2) Non-Consolidated total required capital is ¥289.6 billion as at June 30, 2013, ¥332.3 billion as at June 30, 2012 and ¥302.7 billion as at March 31, 2013.

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

Non-Consolidated Balance Sheets (Unaudited) (Non-Consolidated)

Assets

(Millions of yen)

	June 30 2013 (a)	June 30 2012 (b)	Change (a)-(b)	March 31 2013 (c)	Change (a)-(c)
<<Assets>>					
Cash and due from banks	381,083	275,786	105,296	546,411	(165,327)
Call loans	-	8,595	(8,595)	18,806	(18,806)
Receivables under resale agreements	58,510	38,387	20,123	78,507	(19,997)
Other monetary claims purchased	194,588	224,555	(29,967)	198,768	(4,180)
Trading assets	242,163	186,304	55,858	258,902	(16,739)
Monetary assets held in trust	227,817	298,519	(70,702)	255,505	(27,688)
Securities	2,304,793	2,280,460	24,333	2,282,624	22,169
Valuation allowance for investments	(3,370)	(3,370)	-	(3,370)	-
Loans and bills discounted	4,193,585	4,201,576	(7,991)	4,224,433	(30,848)
Foreign exchanges	26,860	16,772	10,088	33,857	(6,997)
Other assets	463,626	431,526	32,099	476,920	(13,293)
Other	463,626	431,526	32,099	476,920	(13,293)
Premises and equipment	18,898	20,982	(2,084)	19,600	(701)
Intangible assets	9,190	9,954	(764)	9,333	(143)
Deferred issuance expenses for debentures	56	123	(67)	95	(39)
Deferred tax assets	2,764	-	2,764	1,210	1,554
Customers' liabilities for acceptances and guarantees	17,561	11,489	6,071	12,566	4,994
Reserve for credit losses	(94,633)	(112,408)	17,774	(106,518)	11,885
Total assets	8,043,496	7,889,257	154,239	8,307,655	(264,158)

Liabilities and Equity

(Millions of yen)

	June 30 2013 (a)	June 30 2012 (b)	Change (a)-(b)	March 31 2013 (c)	Change (a)-(c)
<<Liabilities>>					
Deposits	5,885,917	5,559,224	326,692	5,631,651	254,266
Negotiable certificates of deposit	154,378	206,721	(52,343)	204,600	(50,222)
Debentures	51,794	289,813	(238,018)	265,042	(213,247)
Call money	120,098	120,158	(60)	170,094	(49,995)
Payables under securities lending transactions	2,000	60,467	(58,467)	28,377	(26,377)
Trading liabilities	226,083	127,606	98,476	226,202	(119)
Borrowed money	345,779	370,768	(24,989)	479,854	(134,075)
Foreign exchanges	239	184	54	368	(129)
Corporate bonds	236,202	206,450	29,752	220,713	15,489
Other liabilities	336,728	282,578	54,149	398,199	(61,471)
Income taxes payable	138	175	(36)	317	(179)
Lease obligations	0	1	(1)	1	(0)
Asset retirement obligations	7,176	6,924	251	6,986	189
Other	329,412	275,476	53,935	390,894	(61,481)
Accrued employees' bonuses	1,082	888	193	4,091	(3,009)
Deferred tax liabilities	-	2,396	(2,396)	-	-
Acceptances and guarantees	17,561	11,489	6,071	12,566	4,994
Total liabilities	7,377,865	7,238,749	139,115	7,641,761	(263,896)
<<Equity>>					
Shareholders' equity:					
Common stock	512,204	512,204	-	512,204	-
Capital surplus	79,465	79,465	-	79,465	-
Additional paid-in capital	79,465	79,465	-	79,465	-
Retained earnings	157,024	133,993	23,031	151,223	5,800
Legal reserve	12,628	12,097	530	12,097	530
Other retained earnings	144,396	121,895	22,500	139,126	5,270
Unappropriated retained earnings	144,396	121,895	22,500	139,126	5,270
Treasury stock, at cost	(72,558)	(72,558)	-	(72,558)	-
Total shareholders' equity	676,136	653,104	23,031	670,335	5,800
Net unrealized gain (loss) and translation adjustments					
Unrealized gain (loss) on available-for-sale securities	(3,430)	(1,135)	(2,295)	2,976	(6,407)
Deferred gain (loss) on derivatives under hedge accounting	(8,282)	(2,800)	(5,482)	(8,657)	374
Total net unrealized gain (loss) and translation adjustments	(11,713)	(3,935)	(7,777)	(5,680)	(6,032)
Stock acquisition rights	1,208	1,338	(130)	1,238	(30)
Total equity	665,631	650,507	15,123	665,893	(261)
Total liabilities and equity	8,043,496	7,889,257	154,239	8,307,655	(264,158)

Non-Consolidated Statements of Operations (Unaudited) (Non-Consolidated)*(Millions of yen, except percentages)*

	Q1 FY2013 (3 months)	Q1 FY2012 (3 months)	Change		FY2012 (12 months)
			Amount	%	
Ordinary income	43,727	41,128	2,599	6.3	161,220
Interest income	29,641	24,648	4,992	20.3	96,029
Interest on loans and bills discounted	17,797	15,959	1,837	11.5	67,040
Interest and dividends on securities	10,996	8,025	2,971	37.0	26,144
Other interest income	847	663	183	27.6	2,845
Fees and commissions income	5,790	4,139	1,651	39.9	17,004
Trading income	1,665	5,472	(3,806)	(69.6)	17,006
Other business income	4,287	1,830	2,456	134.2	11,925
Other ordinary income	2,342	5,037	(2,695)	(53.5)	19,254
Ordinary expenses	34,948	33,349	1,598	4.8	135,510
Interest expenses	8,851	8,936	(85)	(1.0)	35,895
Interest on deposits	5,672	5,897	(225)	(3.8)	23,085
Interest on corporate bonds	2,231	1,985	246	12.4	8,381
Other interest expenses	947	1,054	(106)	(10.1)	4,428
Fees and commissions expenses	3,694	2,558	1,136	44.4	11,865
Trading losses	107	1,363	(1,256)	(92.1)	2,427
Other business expenses	2,743	1,713	1,029	60.1	5,551
General and administrative expenses	17,638	17,220	418	2.4	69,701
Other ordinary expenses	1,913	1,557	355	22.8	10,068
Ordinary profit	8,778	7,778	1,000	12.9	25,710
Extraordinary gains	30	5	24	480.0	107
Extraordinary losses	530	555	(25)	(4.5)	2,410
Income before income taxes	8,278	7,229	1,049	14.5	23,406
Income taxes (benefit)	(176)	(196)	20	10.2	(1,249)
Net income	8,454	7,426	1,028	13.8	24,656

Section 3. Earnings Forecast -Table 40- (Consolidated and Non-Consolidated)

(Consolidated)	<i>(Billions of yen)</i>	
	<i>Fiscal year ending</i> March 2014 <i>(FY2013)</i> Forecast	<i>Fiscal year ended</i> March 2013 <i>(FY2012)</i> Actual
Net income	48.0	51.0
Cash basis net income *	56.0	60.4

(Non-Consolidated)	<i>(Billions of yen)</i>	
	<i>Fiscal year ending</i> March 2014 <i>(FY2013)</i> Forecast	<i>Fiscal year ended</i> March 2013 <i>(FY2012)</i> Actual
Net business profit	36.2	25.9
Net income	26.0	24.6
Dividends (per share in yen):		
Common stock	1.00	1.00

Above forecasts are based on current assumptions of future events and trends, which may be incorrect. Actual results may differ materially from those in the statements as a result of various factors.

*Cash-basis figures are calculated by excluding amortization of goodwill and other intangible assets, net of tax benefit

There has been no change to the fiscal year 2013 earnings forecast or dividend forecast for fiscal year 2013 originally announced in May 2013.