

Information Meeting

—The Year Ended March 2017—

Appendix



THE NANTO BANK, LTD.

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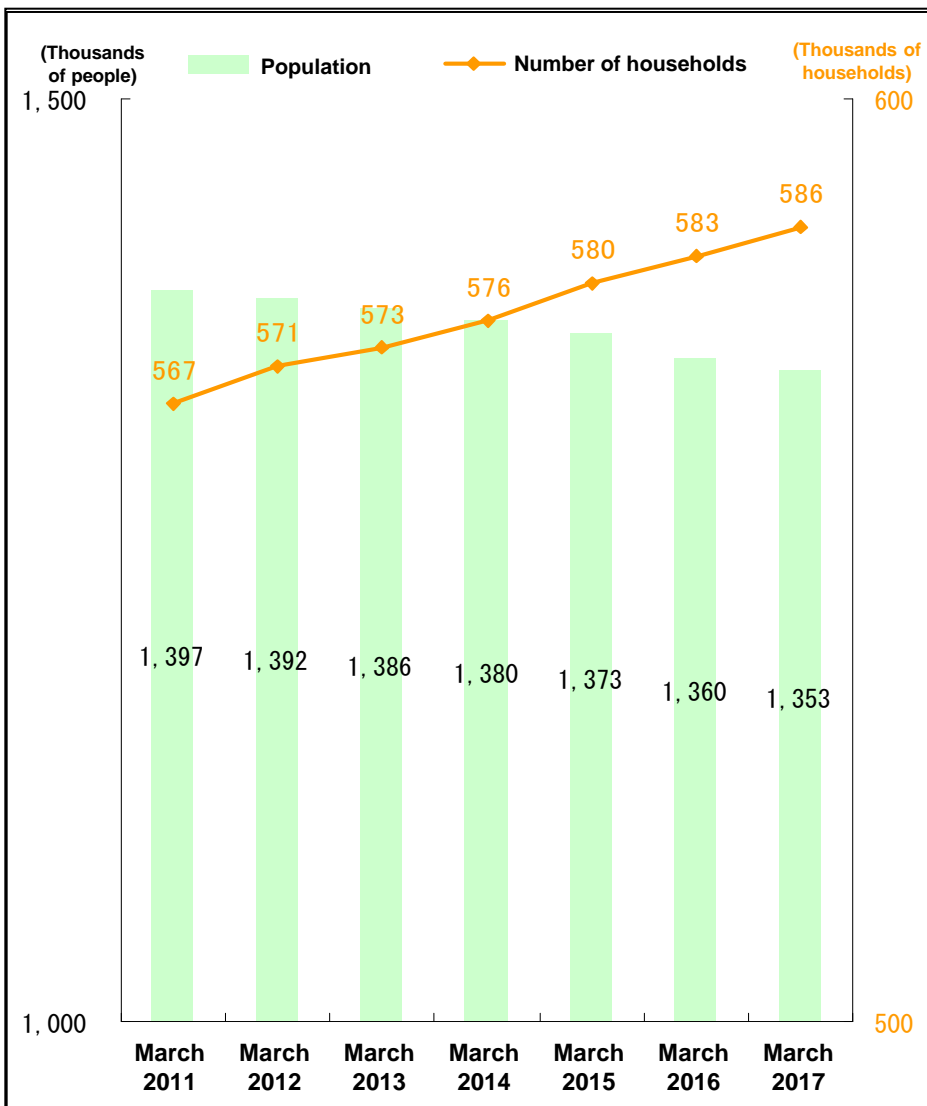
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I. Current Status of the Regional Economy

1. Population and Number of Households

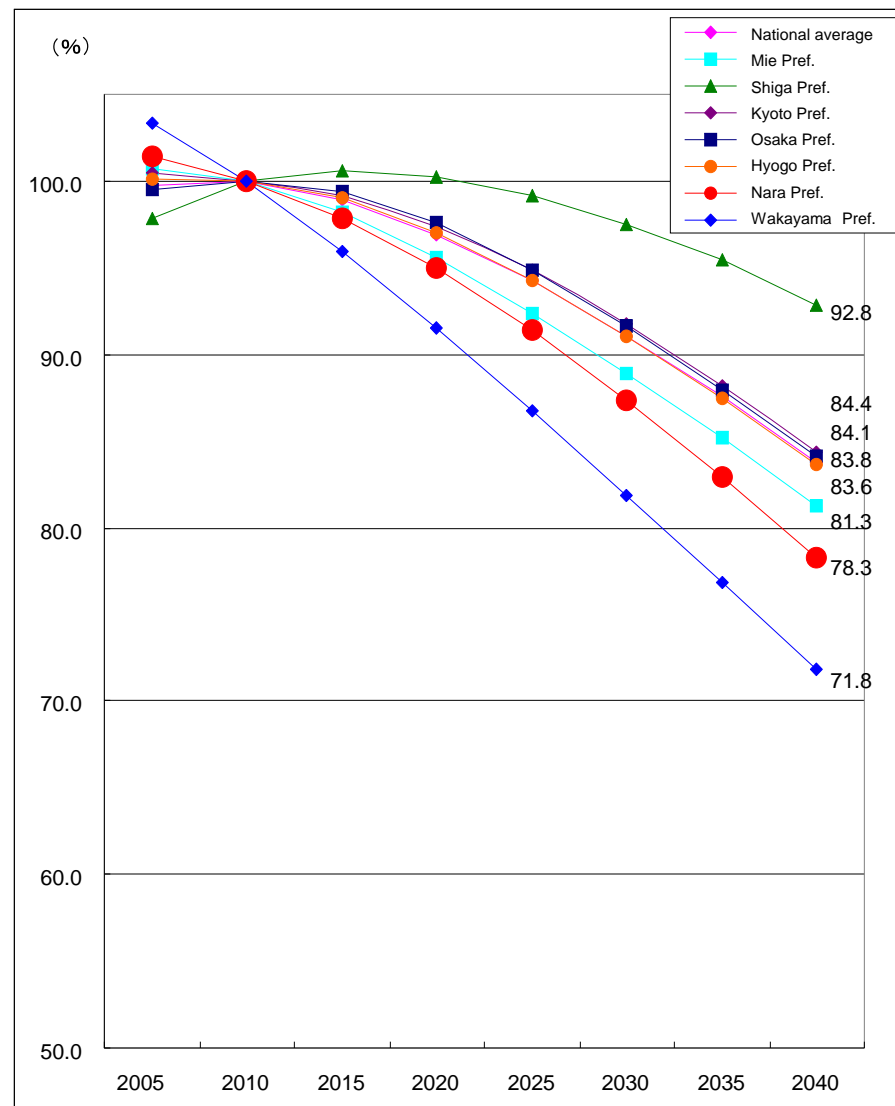
Population and Number of Households (Nara Prefecture)



(Source: Nara Prefecture)

Future Population Estimates (by prefecture)

(2010 = 100)



(Source: National Institute of Population and Social Security Research)

2. Number of Private Enterprises

Number of Private Enterprises

	Jul. 31, 2009	Feb. 29, 2012	Jul. 31, 2014	Change from Feb. 29, 2012	
				Change (number)	Change (%)
National average	5,886,193	5,453,635	5,541,634	87,999	1.6
Osaka Pref.	443,848	408,713	413,110	4,397	1.1
Nara Pref.	50,424	46,711	48,034	1,323	2.8

(Source: Ministry of Internal Affairs and Communications)

Number of Private Enterprises by Industry (Nara Prefecture)

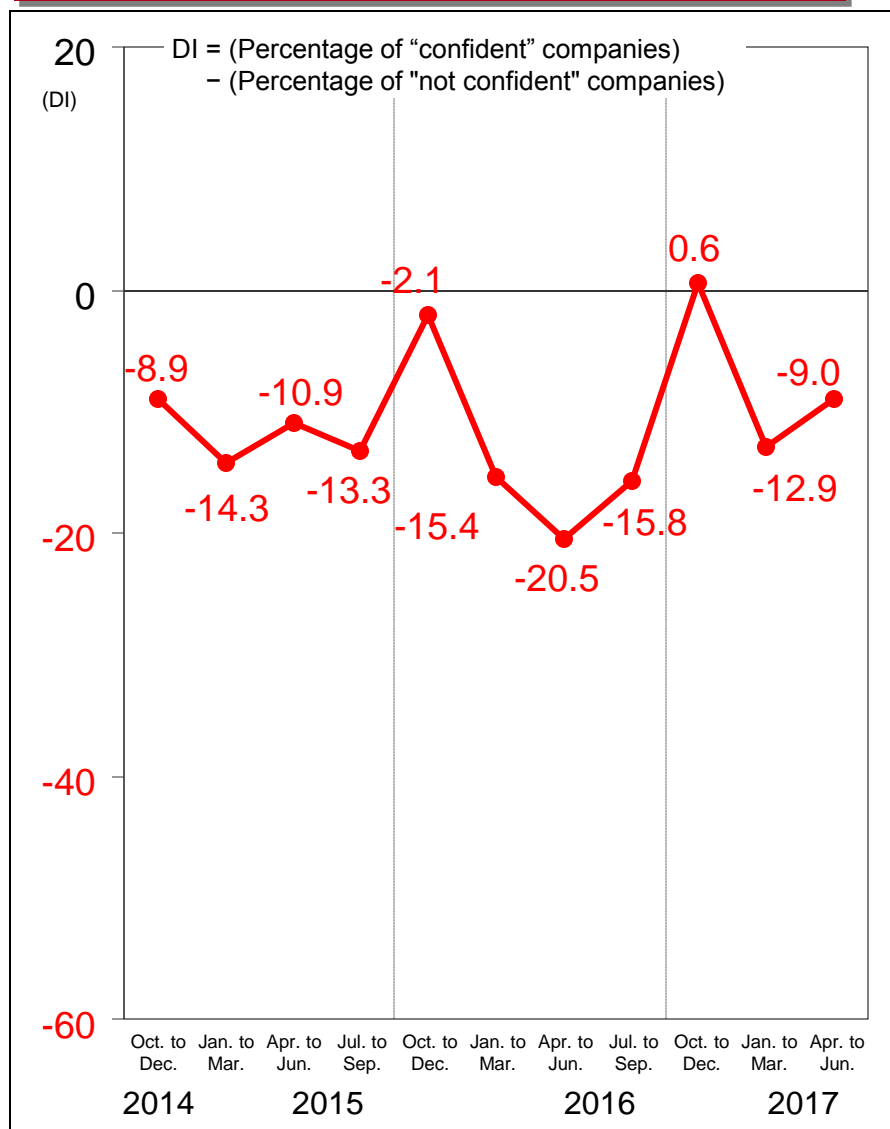
	Jul. 31, 2009	Feb. 29, 2012	Jul. 31, 2014	Change from Feb. 29, 2012	
				Change (number)	Change (%)
All industries	50,424	46,711	48,034	1,323	2.8
Agriculture, fishery and forestry	132	117	141	24	20.5
Mining, stone and gravel quarrying	5	6	5	-1	-16.7
Construction	4,394	3,882	3,851	-31	-0.8
Manufacturing	5,423	5,073	5,030	-43	-0.8
Electric, gas, heat supply and water supply	35	34	37	3	8.8
Information communication	342	282	279	-3	-1.1
Transportation and postal services	821	785	745	-40	-5.1
Wholesaling and retailing	14,073	12,434	12,538	104	0.8
Finance and insurance	732	694	703	9	1.3
Real estate and leasing	3,288	3,050	3,107	57	1.9
Academic research and specialized and technology services	1,568	1,446	1,555	109	7.5
Accommodation and food services	5,552	5,184	5,349	165	3.2
Living and entertainment services	4,365	4,101	4,231	130	3.2
Education and learning-aid services	1,630	1,629	1,767	138	8.5
Medical and welfare services	3,451	3,603	4,251	648	18.0
Integrated services	443	323	424	101	31.3
Others (*)	4,170	4,068	4,021	-47	-1.2

(*) Others: Religion; car maintenance; political, economic and culture associations; and waste treatment services

(Source: Ministry of Internal Affairs and Communications)

3. Business Sentiment among Nara Prefecture-based Companies

Business Sentiment among Nara Prefecture-based Companies (Quarter on quarter DI)



(Source: Nanto Economic Research Institute)

DI by Sector

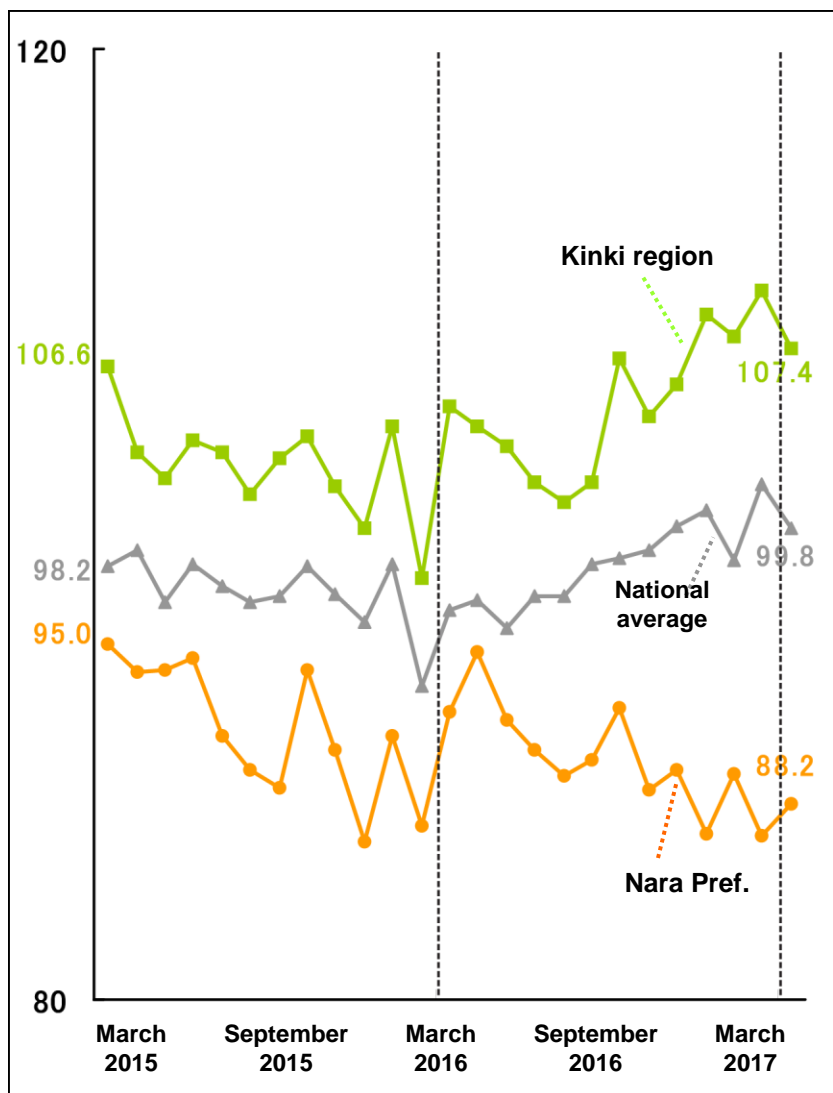
DI by sector (Nara Prefecture)	Number of respondent companies	Quarter on quarter DI		
		Previous quarter Oct.–Dec. period A	Current quarter Jan.–Mar. period B	Next quarter Apr.–Jun. period (Forecast) C
All sectors	311	0.6	-12.9	-9.0
Manufacturing	143	-4.5	-12.6	-9.8
Foods	18	31.3	-33.3	11.1
Textile products (Socks)	24	-36.8	-37.5	-29.2
Lumber and wood products	15	-30.8	-33.3	-26.7
Chemicals and pharmaceuticals	14	16.7	-14.3	-35.7
Plastic products	9	9.1	0.0	0.0
Metal products and non- ferrous metals	20	0.0	-5.0	5.0
Machinery	18	5.6	22.2	16.7
Other manufacturing sectors	10	33.3	10.0	0.0
Non-manufacturing	30	-31.3	-16.7	-26.7
Wholesaling	168	5.0	-13.1	-8.3
Retailing	27	-24.3	-37.0	-22.2
Construction	24	-9.5	-8.3	-16.7
Real estate	44	21.4	13.6	-15.9
Transportation	9	14.3	0.0	0.0
Hotels and inns	13	0.0	-15.4	0.0
Services	11	81.8	-54.5	36.4
Other non-manufacturing sectors	17	5.0	-23.5	17.6
	23	0.0	-17.4	-17.4

(Source: Nanto Economic Research Institute)

2017 Research

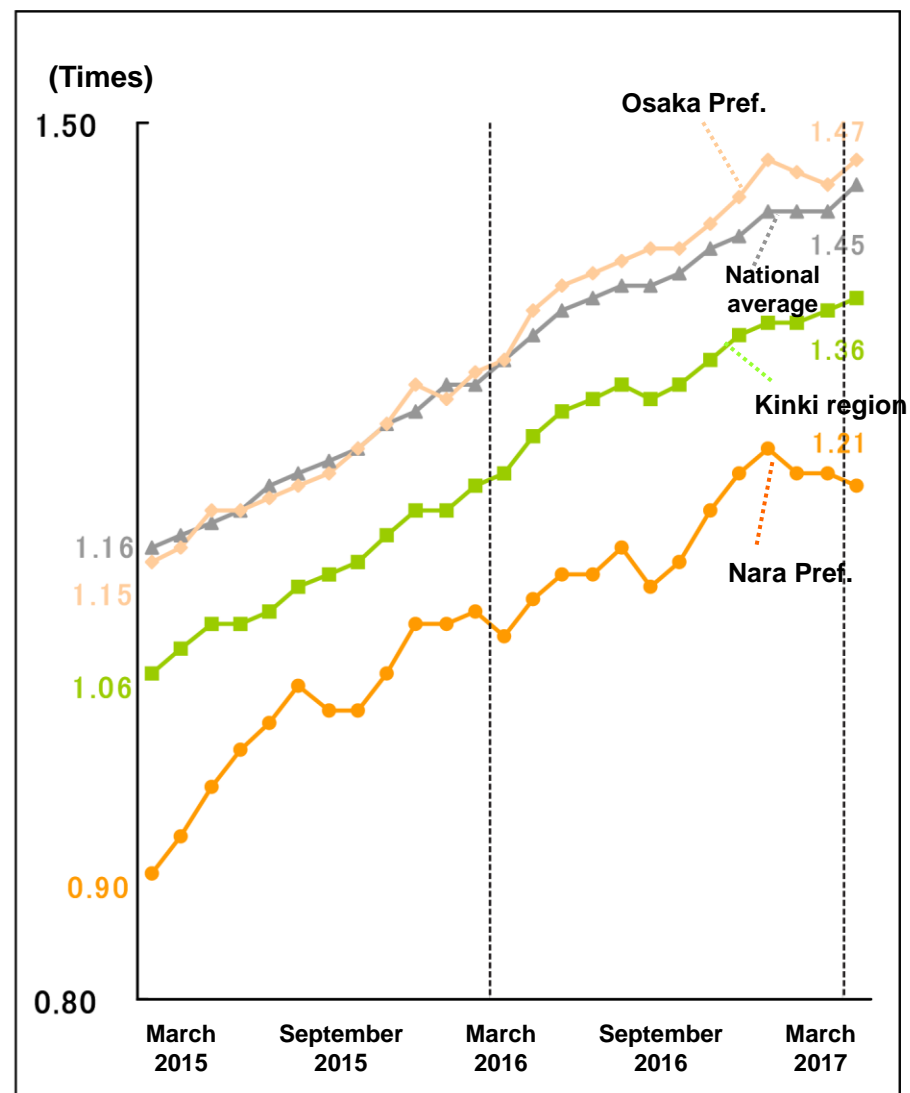
4. Industrial Production Index and Employment Conditions

Industrial Production Index



(Source: Ministry of Economy, Trade and Industry, Kinki Bureau of Economy, Trade and Industry, Nara Prefecture)

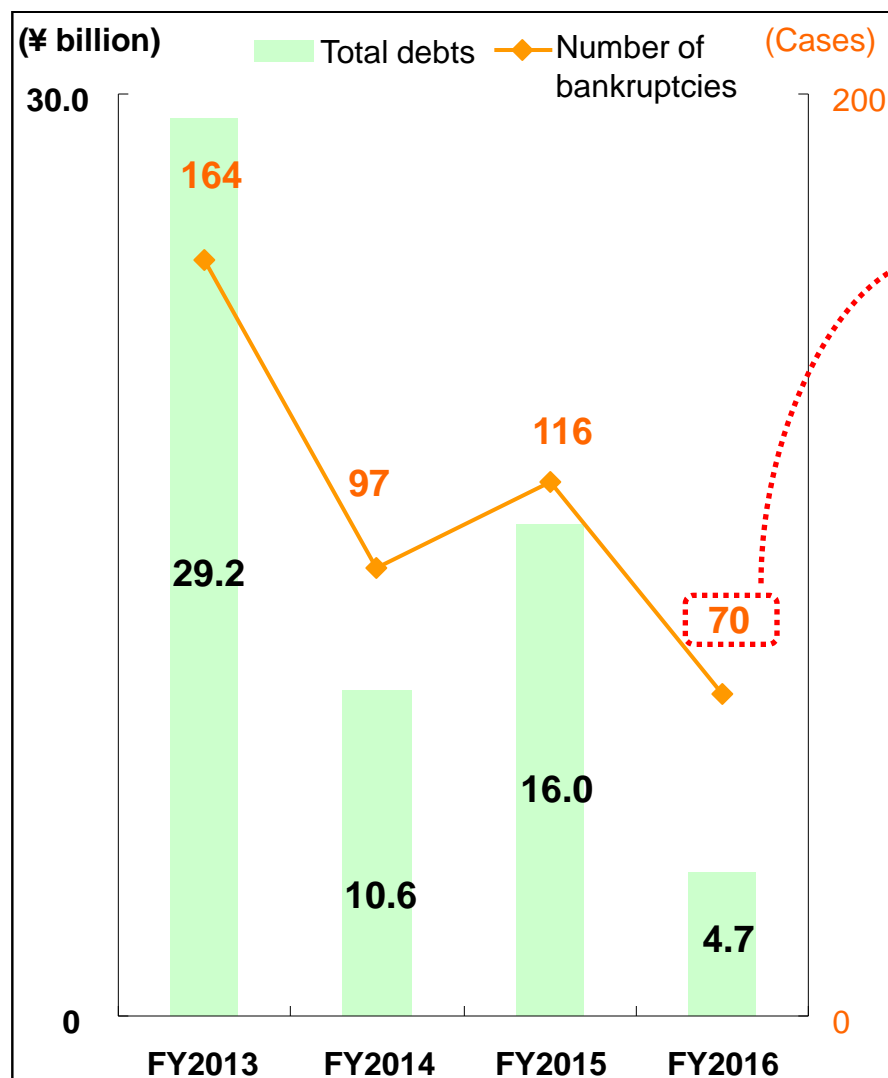
Effective Ratio of Job Offers to Applicants



(Source: Ministry of Health, Labour and Welfare)

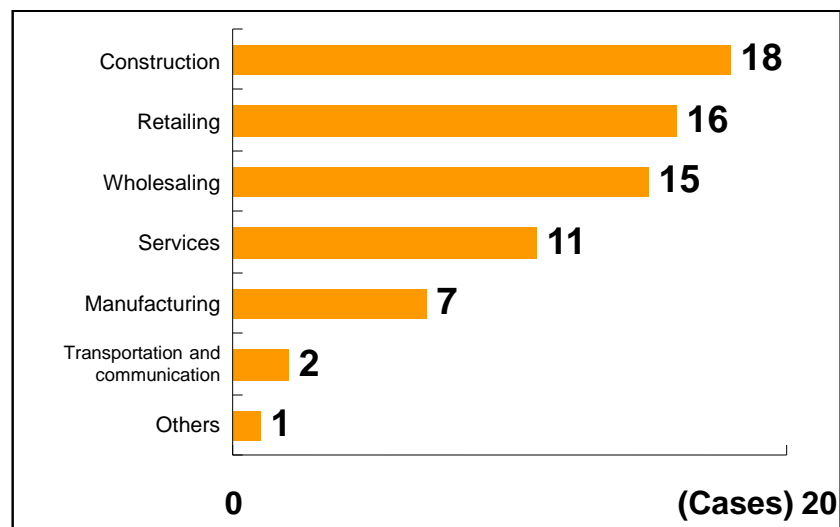
5. Business Bankruptcy

Number of Bankruptcies in Nara Pref.



(Source: Teikoku Databank)

Number of Bankruptcies by Industry



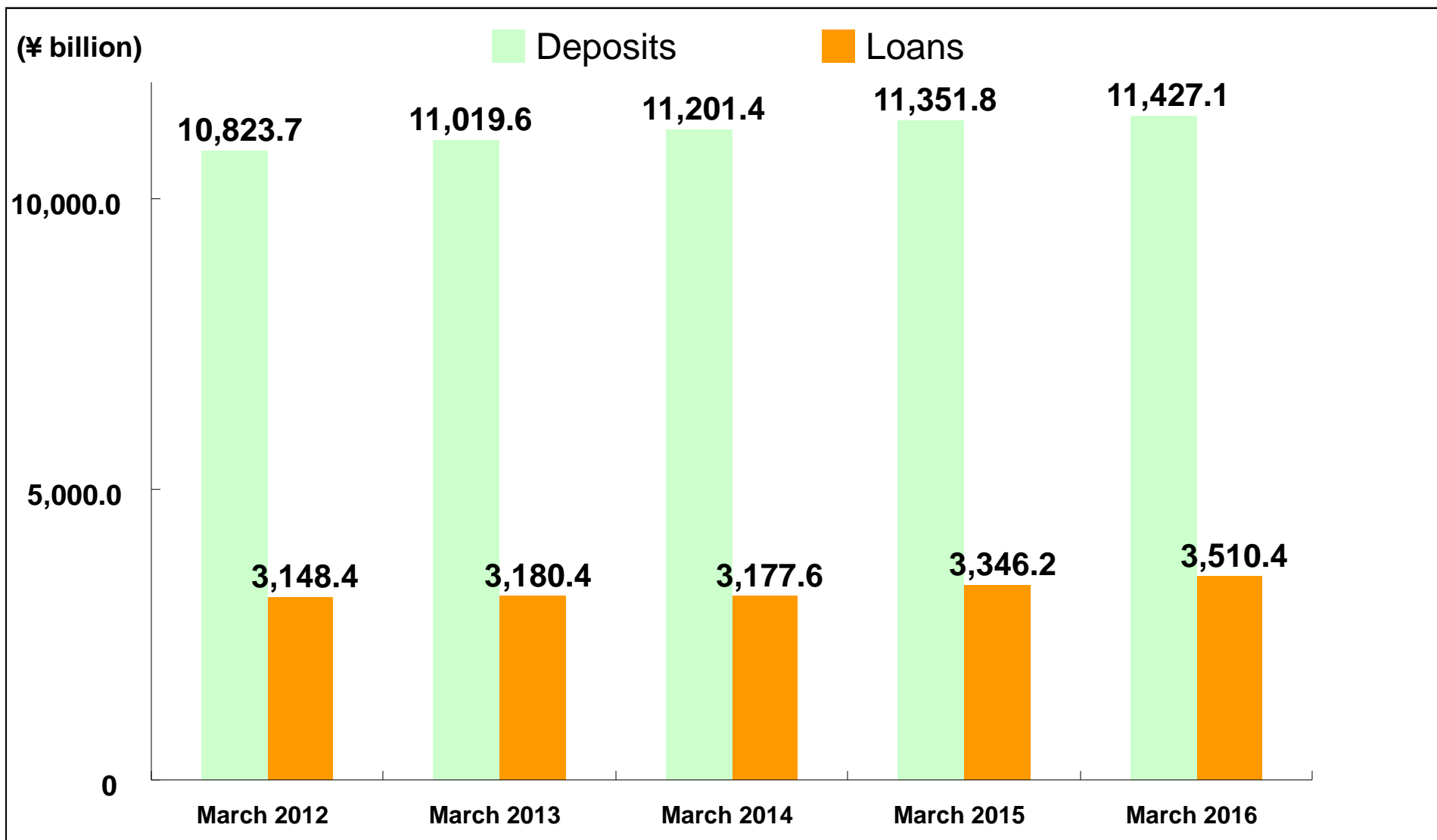
(Source: Teikoku Databank)

<Changes in the Number of Bankruptcies by Industry>

	FY2013	FY2014	FY2015	FY2016
Construction	40	21	24	18
Retailing	40	28	28	16
Wholesaling	11	10	13	15
Manufacturing	21	12	16	7
Services	43	22	29	11
Transportation and communication	5	3	3	2
Others	4	1	3	1
Total	164	97	116	70

(Source: Teikoku Databank)

6. Balances of Deposits and Loans in Nara Prefecture



(Source: Kinyu Journal, *Financial Map*)

II. Numerical Data and Metrics

1. Profits and Losses

(¥ million)

	FY2012		FY2013		FY2014		FY2015		FY2016	
		Y/Y change		Y/Y change		Y/Y change		Y/Y change		Y/Y change
Gross business profit	63,735	-330	60,772	-2,962	61,238	465	55,380	-5,857	57,929	2,548
Interest income	54,227	-1,377	52,018	-2,209	51,143	-875	49,640	-1,503	49,663	23
Interest on loans	41,153	-2,432	38,532	-2,621	36,512	-2,019	34,785	-1,726	32,411	-2,374
Interest and dividends from securities	17,535	-398	17,360	-175	17,871	510	17,925	53	20,371	2,446
Interest on deposits	3,345	-985	3,004	-340	2,513	-491	2,293	-219	1,198	-1,094
Interest on borrowings	290	-438	75	-215	171	96	290	119	426	136
Fees and commissions	5,699	119	5,769	69	6,248	479	6,131	-117	5,387	-743
Other operating income	3,807	926	2,984	-823	3,846	861	-390	-4,237	2,877	3,268
Gains/Losses on bonds (JGBs, etc.)	4,070	889	2,923	-1,147	4,274	1,351	823	-3,450	3,973	3,149
Cost of derivative financial products	296	-224	107	-189	736	629	1,483	746	1,322	-160
Expenses	47,570	-1,972	44,994	-2,575	45,119	124	43,275	-1,843	40,170	-3,104
Net business profit (before net transfer to general provision for possible loan losses)	16,164	1,641	15,777	-386	16,119	341	12,105	-4,013	17,758	5,653
Core net business profit	12,093	752	12,854	760	11,844	-1,009	11,281	-562	13,785	2,503
Net transfer to general provision for possible loan losses	-1,420	-1,420	1,113	2,533	1,768	655	-3,702	-5,470	3,011	6,713
Net business profit	17,585	3,062	14,664	-2,920	14,350	-313	15,807	1,456	14,747	-1,060
Non-recurrent gains/losses	-7,685	-2,341	3,558	11,243	2,028	-1,530	-2,705	-4,733	1,312	4,018
Gains/Losses on stocks	-1,516	2,704	1,607	3,123	1,515	-91	1,529	14	2,235	705
Disposal of non-performing loans	6,890	4,673	-5	-6,896	308	313	5,092	4,784	730	-4,362
Bad debt recovered	746	-146	1,454	708	578	-875	296	-281	802	505
Ordinary income	9,899	720	18,223	8,323	16,379	-1,843	13,101	-3,277	16,059	2,958
Extraordinary gains/losses	-493	-49	-78	414	234	313	483	248	-118	-602
Income before taxes	9,406	671	18,144	8,738	16,614	-1,530	13,585	-3,028	15,941	2,355
Income taxes	1,858	-3,560	9,316	7,457	6,861	-2,454	1,878	-4,982	3,824	1,945
Net income	7,547	4,232	8,827	1,280	9,752	924	11,706	1,954	12,116	409
Credit-related costs	4,723	4,551	-346	-5,070	1,497	1,844	1,094	-403	2,939	1,845

2. Principal Accounts (Deposits)

All deposits

(¥ billion)

	FY2012		FY2013		FY2014		FY2015		FY2016	
		Y/Y change		Y/Y change		Y/Y change		Y/Y change		Y/Y change
All deposits (period-end balance)	4,529.6	174.0	4,679.0	149.3	4,770.2	91.1	4,781.7	11.5	4,780.7	-1.0
Deposits	4,432.1	142.2	4,597.0	164.9	4,702.4	105.3	4,730.2	27.7	4,747.7	17.5
Personal deposits	3,438.8	89.3	3,531.4	92.5	3,601.2	69.8	3,625.4	24.1	3,672.6	47.1
Corporate deposits	779.0	8.2	849.0	70.0	871.0	21.9	886.0	14.9	875.9	-10.0
Government deposits	204.8	43.8	204.8	-0.0	210.8	6.0	207.6	-3.2	192.0	-15.6
Negotiable CD	97.5	31.8	81.9	-15.6	67.7	-14.1	51.5	-16.2	33.0	-18.5
All deposits (average balance)	4,416.5	106.5	4,625.4	208.9	4,733.2	107.7	4,881.2	147.9	4,809.2	-71.9
Deposits	4,341.7	102.5	4,498.6	156.8	4,622.6	123.9	4,767.2	144.5	4,761.5	-5.6
Negotiable CD	74.7	3.9	126.8	52.0	110.5	-16.2	114.0	3.4	47.6	-66.3

All deposits = Deposits + Negotiable CD

Deposits by region (period-end balance)

(¥ billion)

	FY2012		FY2013		FY2014		FY2015		FY2016	
		Y/Y change		Y/Y change		Y/Y change		Y/Y change		Y/Y change
Nara Pref.	3,609.6	137.3	3,714.0	104.4	3,794.2	80.2	3,820.6	26.3	3,861.2	40.5
Other prefectures	822.4	4.8	883.0	60.5	908.1	25.0	909.5	1.3	886.4	-23.0
Osaka Pref. (including Hyogo Pref.)	250.3	11.6	280.5	30.2	289.0	8.5	296.4	7.3	287.5	-8.8
Kyoto Pref.	324.1	0.3	333.8	9.6	343.4	9.6	356.1	12.6	343.6	-12.4
Wakayama Pref.	175.0	4.3	179.2	4.1	183.5	4.3	178.9	-4.6	179.2	0.3
Mie Pref.	66.6	1.3	69.3	2.6	69.2	-0.0	70.3	1.1	70.9	0.6
Tokyo	6.1	-12.8	20.1	13.9	22.7	2.6	7.7	-15.0	5.0	-2.7

3. Principal Accounts (Loans)

Loans (¥ billion)

	FY2012		FY2013		FY2014		FY2015		FY2016	
		Y/Y change		Y/Y change		Y/Y change		Y/Y change		Y/Y change
Loans (period-end balance)	2,909.6	113.2	2,983.9	74.2	3,088.7	104.8	3,198.1	109.4	3,262.3	64.1
Consumer loans	928.6	22.1	944.6	16.0	966.0	21.4	989.8	23.8	1,017.6	27.8
Housing mortgage loans	817.5	23.3	836.5	18.9	857.6	21.1	883.0	25.4	917.6	34.5
Loans (average balance)	2,779.5	65.0	2,888.9	109.3	2,983.5	94.6	3,109.1	125.6	3,247.0	137.8

Loans to SMEs (period-end balance)	1,832.3	10.9	1,872.5	40.1	1,892.0	19.4	1,939.4	47.4	2,035.0	95.6
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Loans by region (period-end balance) (¥ billion)

	FY2012		FY2013		FY2014		FY2015		FY2016	
		Y/Y change		Y/Y change		Y/Y change		Y/Y change		Y/Y change
Nara Pref.	1,489.8	14.3	1,464.9	-24.8	1,517.4	52.4	1,583.7	66.2	1,658.7	75.0
Osaka Pref. + Hyogo Pref.	658.5	57.5	712.6	54.0	745.8	33.1	759.2	13.4	790.5	31.3
Osaka Pref.	620.3	41.4	653.2	32.9	687.1	33.9	699.5	12.3	731.4	31.9
Hyogo Pref.	38.2	16.1	59.3	21.1	58.6	-0.7	59.6	1.0	59.0	-0.6
Others	761.2	41.3	806.2	44.9	825.4	19.1	855.2	29.8	812.9	-42.2
Kyoto Pref.	199.0	1.1	201.5	2.4	207.6	6.1	222.6	14.9	245.1	22.4
Wakayama Pref.	77.7	2.4	79.2	1.5	81.0	1.8	86.4	5.3	94.3	7.9
Mie Pref.	22.8	-0.0	21.8	-0.9	20.7	-1.0	20.6	-0.1	21.7	1.1
Tokyo	461.6	37.8	503.6	41.9	515.8	12.2	525.5	9.6	451.6	-73.8

4. Principal Accounts (Assets under Management)

Assets under management

(¥ billion)

	FY2012		FY2013		FY2014		FY2015		FY2016	
		Y/Y change		Y/Y change		Y/Y change		Y/Y change		Y/Y change
Personal deposit assets (period-end balance)	246.5	-0.3	212.4	-34.0	201.5	-10.9	183.7	-17.8	173.6	-10.0
Foreign currency deposits	16.2	1.2	14.1	-2.0	11.1	-2.9	9.6	-1.4	10.0	0.3
Public bonds	83.7	-11.6	65.1	-18.5	44.4	-20.7	29.3	-15.0	19.8	-9.5
Investment trusts	146.5	10.0	133.1	-13.3	145.9	12.8	144.6	-1.2	143.8	-0.8

	FY2012		FY2013		FY2014		FY2015		FY2016	
		Y/Y change		Y/Y change		Y/Y change		Y/Y change		Y/Y change
Value of deposit assets sold	82.8	-1.0	90.3	7.4	103.1	12.8	93.3	-9.8	65.4	-27.9
Investment trusts	38.3	3.3	50.4	12.0	62.6	12.2	57.6	-4.9	43.8	-13.7
Life insurance policies	44.4	-4.3	39.8	-4.6	40.4	0.5	35.6	-4.8	21.5	-14.1

5. Interest Margins

Overall

(%)

	FY2012		FY2013		FY2014		FY2015		FY2016	
		Y/Y change		Y/Y change		Y/Y change		Y/Y change		Y/Y change
Returns from cash investments (A)	1.26	-0.10	1.15	-0.11	1.08	-0.07	1.00	-0.08	0.98	-0.02
Returns from loans (B)	1.48	-0.12	1.33	-0.15	1.22	-0.11	1.11	-0.11	0.99	-0.12
Returns from securities	0.98	-0.08	0.92	-0.06	1.00	0.08	1.06	0.06	1.16	0.10
Returns from financing	0.10	-0.04	0.08	-0.02	0.07	-0.01	0.07	0.00	0.06	-0.01
Returns from deposits	0.07	-0.03	0.06	-0.01	0.05	-0.01	0.04	-0.01	0.02	-0.02
Returns from external debts	0.36	-0.74	0.14	-0.22	0.16	0.02	0.18	0.02	0.18	0.00
Cost of deposits (C)	1.15	-0.10	1.04	-0.11	1.00	-0.04	0.93	-0.07	0.86	-0.07
Expense ratio	1.07	-0.07	0.97	-0.10	0.95	-0.02	0.88	-0.07	0.83	-0.05
Cost of funds raised (D)	1.13	-0.11	1.02	-0.11	0.98	-0.04	0.90	-0.08	0.80	-0.10
Deposit-loan margin (B) – (C)	0.33	-0.02	0.29	-0.04	0.22	-0.07	0.18	-0.04	0.13	-0.05
Total interest margin (A) – (D)	0.13	0.01	0.13	0.00	0.10	-0.03	0.10	0.00	0.18	0.08

Domestic business divisions

(%)

	FY2012		FY2013		FY2014		FY2015		FY2016	
		Y/Y change		Y/Y change		Y/Y change		Y/Y change		Y/Y change
Returns from cash investments (A)	1.23	-0.09	1.11	-0.12	1.02	-0.09	0.92	-0.10	0.89	-0.03
Returns from loans (B)	1.48	-0.12	1.33	-0.15	1.23	-0.10	1.12	-0.11	0.99	-0.13
Returns from securities	0.95	-0.04	0.87	-0.08	0.91	0.04	0.94	0.03	1.03	0.09
Returns from financing	0.09	-0.03	0.08	-0.01	0.07	-0.01	0.05	-0.02	0.02	-0.03
Returns from deposits	0.07	-0.03	0.06	-0.01	0.05	-0.01	0.04	-0.01	0.02	-0.02
Returns from external debts	0.10	0.00	0.10	0.00	0.09	-0.01	0.09	0.00	0.03	-0.06
Cost of deposits (C)	1.14	-0.10	1.03	-0.11	1.00	-0.03	0.92	-0.08	0.85	-0.07
Expense ratio	1.06	-0.08	0.96	-0.10	0.94	-0.02	0.87	-0.07	0.82	-0.05
Cost of funds raised (D)	1.14	-0.11	1.04	-0.10	1.00	-0.04	0.91	-0.09	0.79	-0.12
Deposit-loan margin (B) – (C)	0.34	-0.02	0.30	-0.04	0.23	-0.07	0.20	-0.03	0.14	-0.06
Total interest margin (A) – (D)	0.09	0.02	0.07	-0.02	0.02	-0.05	0.01	-0.01	0.10	0.09

6. Loans by Industry

Loans Outstanding and Ratio of Loans by Industry

(¥ billion, %)

	Mar. 31, 2014		Mar. 31, 2015		Mar. 31, 2016		Mar. 31, 2017		
		Ratio		Ratio		Ratio		Ratio	Change from Mar. 31, 2016
Total lending volume	2,983.9	100.00	3,088.7	100.00	3,198.1	100.00	3,262.3	100.00	64.1
Manufacturing	490.3	16.43	502.3	16.26	500.7	15.65	491.3	15.06	-9.4
Agriculture and forestry	3.0	0.10	2.9	0.09	2.7	0.08	2.2	0.07	-0.4
Fishery	4.1	0.14	4.3	0.14	3.7	0.11	3.4	0.10	-0.3
Mining, stone and gravel quarrying	7.3	0.24	7.1	0.23	11.7	0.36	11.1	0.34	-0.5
Construction	85.9	2.88	84.0	2.72	85.1	2.66	80.3	2.46	-4.8
Electric, gas, heat supply and water supply	23.6	0.79	27.6	0.89	27.8	0.87	23.5	0.72	-4.2
Information communication	34.7	1.16	36.3	1.17	39.7	1.24	42.6	1.30	2.8
Transportation and postal services	94.7	3.17	91.0	2.94	105.2	3.29	107.6	3.30	2.4
Wholesaling and retailing	290.9	9.74	300.9	9.74	292.2	9.13	287.8	8.82	-4.3
Finance and insurance	158.6	5.31	158.5	5.13	148.4	4.64	127.9	3.92	-20.4
Real estate and leasing	327.7	10.98	344.8	11.16	359.8	11.25	375.6	11.51	15.8
Services	164.6	5.51	166.4	5.38	177.5	5.55	186.2	5.70	8.6
Local public entity	436.4	14.62	483.9	15.66	541.6	16.93	589.2	18.06	47.6
Others	861.5	28.87	878.0	28.42	901.3	28.18	932.8	28.59	31.5

7. Classification of Debtors

<As of March 31, 2017>

- ◆ Total credit (loans): ¥3,283.4 billion (increase of ¥67.6 billion from Mar. 31, 2016)
- ◆ Loans to normal debtors: ¥3,113.2 billion (increase of ¥93.1 billion from Mar. 31, 2016)
- ◆ Loans to debtors requiring caution and substandard debtors: ¥113.2 billion (decrease of ¥18.4 billion from Mar. 31, 2016)
- ◆ Loans to potentially bankrupt debtors and lower: ¥56.8 billion (decrease of ¥6.9 billion from Mar. 31, 2016)

(¥ billion)

	(Subject: Credit related claimable assets such as loans)	As of March 31, 2016 a	As of March 31, 2017					
			Normal assets b	Assets requiring caution c	Substandard assets d	Potentially bankrupt assets e	Bankrupt and effectively bankrupt assets f	For collection or write-offs g
1	Normal debtors	3,020.1	2,917.7	16.2	3.0	2.5	0.6	79.8
2	Debtors requiring caution	118.7	27.6	74.1	5.0	3.4	1.3	6.9
3	Substandard debtors	13.0	2.7	0.4	7.5	0.7	0.0	1.4
4	Potentially bankrupt debtors	58.0	0.2	4.5	0.6	41.6	4.1	6.8
5	Bankrupt and effectively bankrupt debtors	5.8	0.0	0.0	0.0	0.2	2.0	3.5
6	New debtors	0.0	164.7	1.4	0.0	0.0	0.0	0.0
7	Total	3,215.7	3,113.2	96.9	16.3	48.6	8.3	98.5

Change over March 31, 2016					
Normal assets	Assets requiring Caution	Substandard Assets	Potentially bankrupt Assets	Bankrupt and effectively bankrupt assets	Total
93.1	-21.7	3.2	-9.4	2.4	40.2

8. Capital Adequacy Ratio

[Non-consolidated]

(¥ billion)

	FY2012		FY2013		FY2014		FY2015		FY2016	
		Y/Y change		Y/Y change		Y/Y change		Y/Y change		Y/Y change
Capital adequacy ratio	10.16%	-1.07	10.03%	-	9.29%	-0.74	9.11%	-0.18	9.19%	0.08
Core capital-related fundamental items (A)	-	-	204.7	-	194.0	-10.7	200.1	6.0	213.3	13.2
Core capital-related adjustment items (B)	-	-	-	-	0.6	0.6	1.1	0.5	1.8	0.6
Capital value (A) - (B)	197.1	-14.5	204.7	-	193.4	-11.3	198.9	5.5	211.5	12.6
Risk assets	1,938.3	54.8	2,039.8	-	2,080.8	40.9	2,181.1	100.3	2,300.7	119.5
Total capital requirement	77.5	2.1	81.5	-	83.2	1.6	87.2	4.0	92.0	4.7

* Previous standard (Basel II)

[Consolidated]

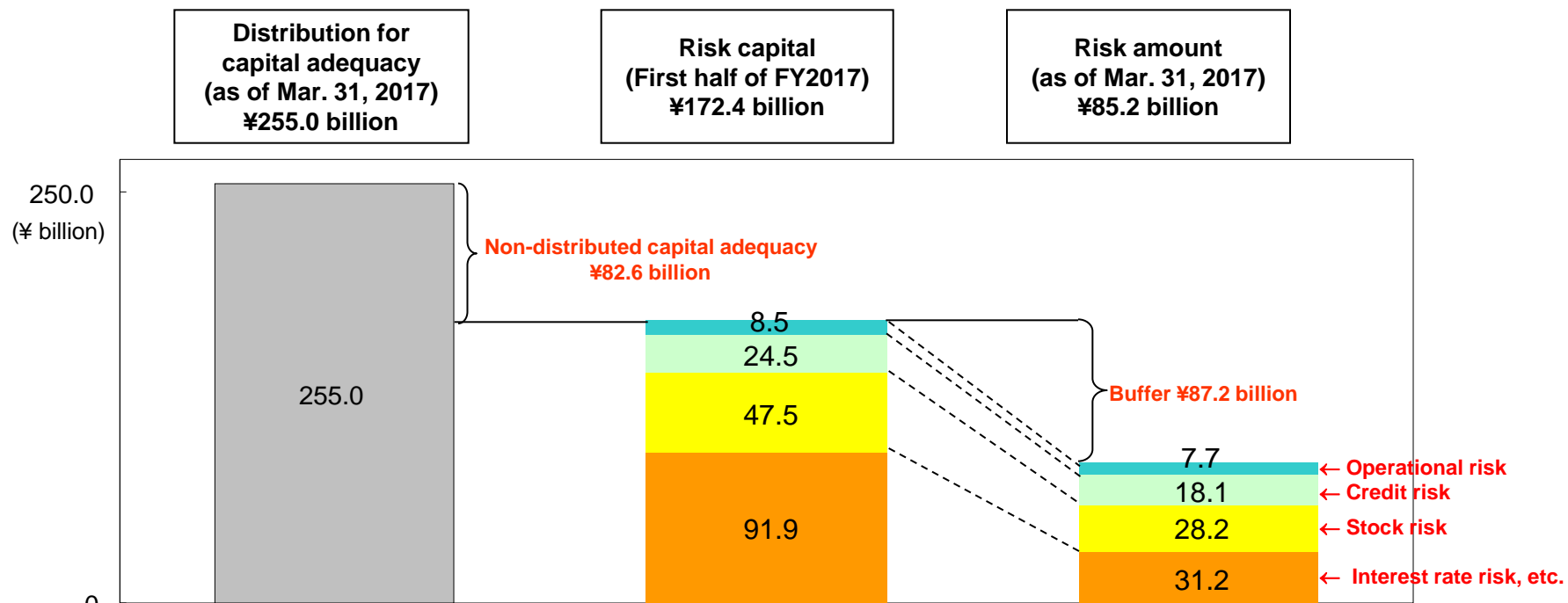
(¥ billion)

	FY2012		FY2013		FY2014		FY2015		FY2016	
		Y/Y change		Y/Y change		Y/Y change		Y/Y change		Y/Y change
Capital adequacy ratio	10.66%	-0.97	10.51%	-	9.72%	-0.79	9.36%	-0.36	9.42%	0.06
Core capital-related fundamental items (A)	-	-	216.4	-	205.0	-11.4	208.2	3.2	221.3	13.0
Core capital-related adjustment items (B)	-	-	-	-	0.7	0.7	1.3	0.6	1.9	0.6
Capital value (A) - (B)	208.2	-13.3	216.4	-	204.3	-12.1	206.9	2.6	219.3	12.3
Risk assets	1,952.1	48.5	2,059.2	-	2,101.7	42.5	2,209.7	107.9	2,327.7	117.9
Total capital requirement	78.0	1.9	82.3	-	84.0	1.7	88.3	4.3	93.1	4.7

* Previous standard (Basel II)

9. Total Risk Management

Total Risk Management



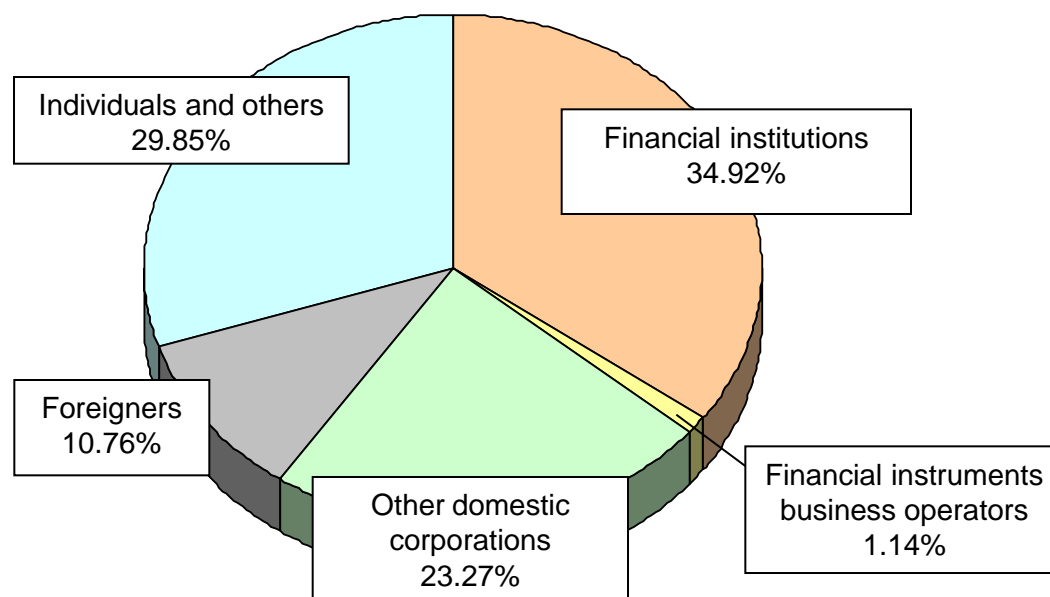
- Distribution for capital adequacy = Core capital + Valuation difference on available-for-sale securities reported on the balance sheet
- Interest-rate risk measurement includes use of an internal model that considers core deposits

<Risk Measurement Method>

		Measurement approach	Confidence level	Holding period
Credit risk		VaR	99%	1 year
Market risk	Interest rate, investment purposes	VaR	99%	120 business days
	Strategic purposes	VaR	99%	240 business days
	Short-term trade	VaR	99%	10 business days
Operational risk		Gross profit distribution approach		

10. Composition of Shareholders

As of March 31, 2017



(Thousands of shares, %)

	FY2012		FY2013		FY2014		FY2015		FY2016	
		Ratio		Ratio		Ratio		Ratio		Ratio
Number of shares outstanding	275,756	100.00	272,756	100.00	272,756	100.00	272,756	100.00	27,275	100.00
Financial institutions (Banks, trust banks, life insurers, P&C insurers and others)	96,689	35.06	92,368	33.86	92,341	33.85	94,169	34.52	9,524	34.92
Financial instruments business operators	2,633	0.95	2,469	0.91	3,237	1.19	2,360	0.87	311	1.14
Other domestic corporations	64,299	23.31	64,658	23.71	64,025	23.47	66,103	24.24	6,349	23.27
Foreigners	17,924	6.50	20,964	7.69	25,504	9.35	22,740	8.34	2,935	10.76
Individuals and others	94,102	34.12	92,187	33.79	87,539	32.09	87,274	31.99	8,142	29.85
National and municipal governments	107	0.03	107	0.04	107	0.04	107	0.04	10	0.03

* A 1-for-10 stock merger was conducted in October 2016.

11. Outline and Results of the Previous Medium-Term Management Plan

Outline of the Previous Medium-Term Management Plan “Vitality Creation Plan” (from April 2014 to March 2017)

Basic philosophy

- Aim to enhance top-line profit through practicing customer-centricity and effective investment of funds
- Strive to realize management efficiency through optimum deployment of corporate resources
- Build-up an organization enabling self-fulfillment through human resource development and revitalization

Key strategies

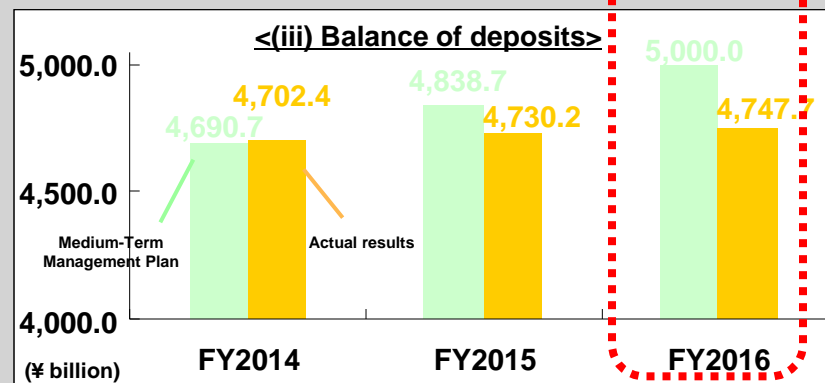
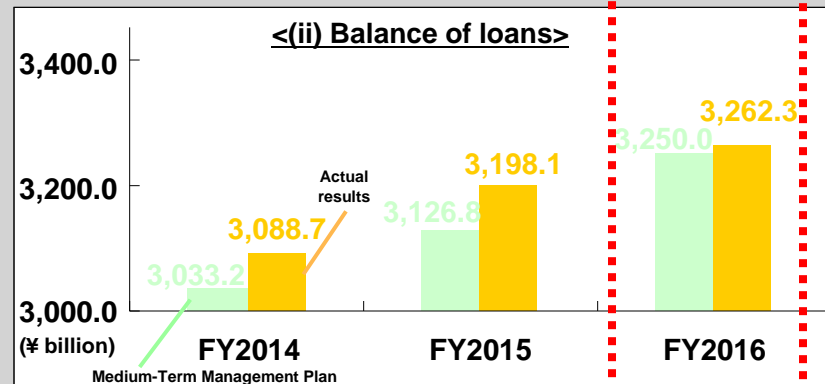
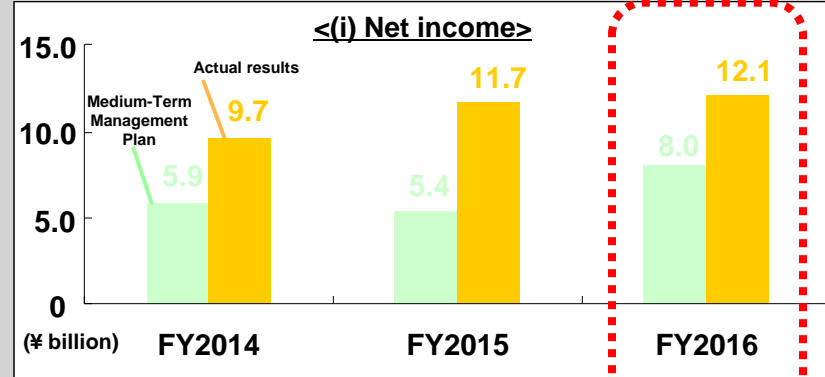
- Vitalizing the community
- Establishing a revenue base
- Strengthening human resources and the organization
- Improving operations productivity
- Strengthening the internal management system

Numerical targets

<FY2016>

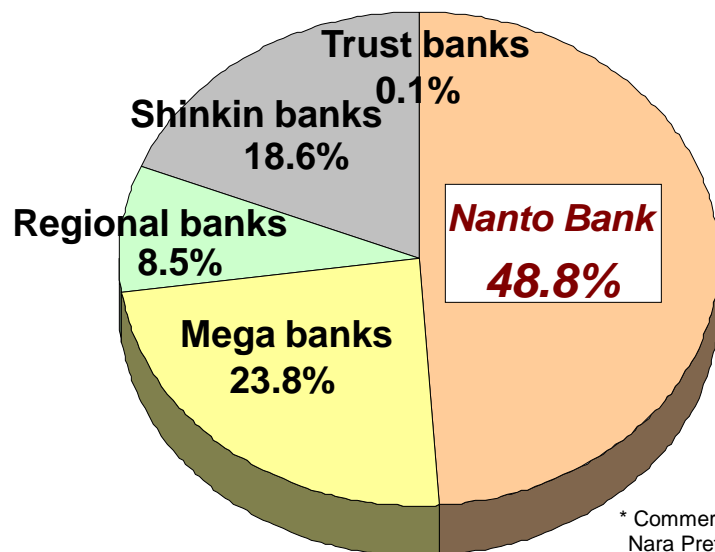
- (i) Net income : ¥8.0 billion or above
- (ii) Balance of loans : ¥3,250.0 billion or above
- (iii) Balance of deposits : ¥5,000.0 billion or above

<Numerical targets: Actual results>

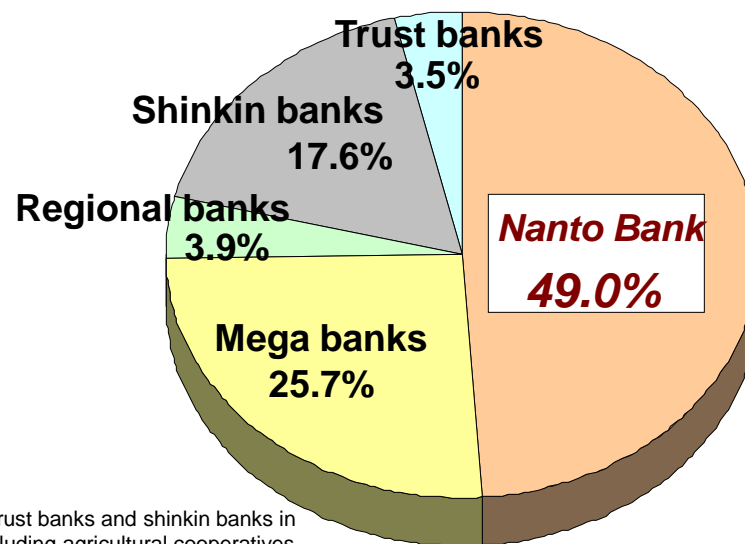


12. Share in Nara Prefecture

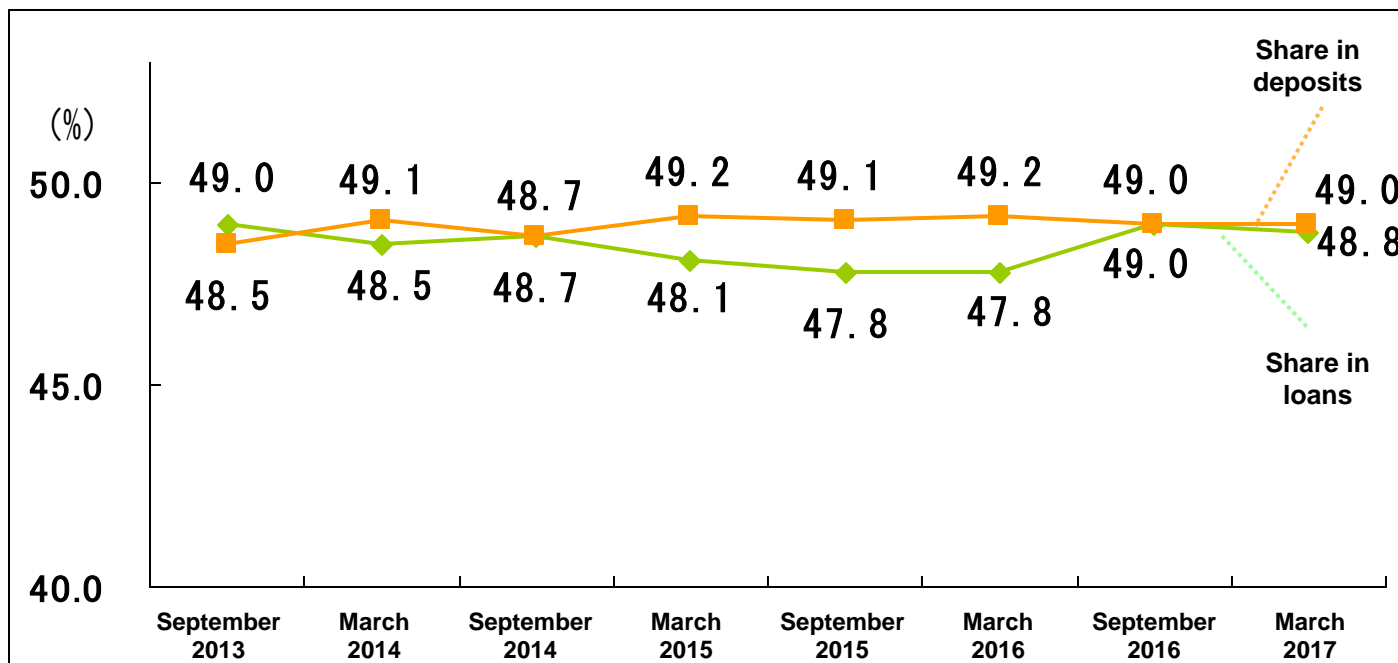
Share in Loans



Share in Deposits



* Commercial banks, trust banks and shinkin banks in Nara Prefecture. (excluding agricultural cooperatives, Japan Post Bank) (as of March 31, 2017)



13. Business Performance for Nanto Bank Group Companies

(¥ million)

Company name	Principal business	Capital	Ratio of shares held by the Bank	Business performance for FY2016		
				Net sales	Ordinary income	Net income
Nanto Estate Co., Ltd.	Leasing and management of real estate	30	100%	364	69	36
Nanto Business Service Co., Ltd.	Centralized processing of clerical operations for the Bank	10	100%	442	52	34
Nanto Credit Guarantee Co., Ltd.	Credit guarantee	10	100%	1,308	633	402
Nanto Lease Co., Ltd.	Leasing	500	100%	6,495	420	312
Nanto Computer Service Co., Ltd.	Computer software development and services	10	100%	719	95	62
Nanto Investment Management Co., Ltd.	Investment advisory services	120	100%	77	17	9
Nanto DC Card Co., Ltd.	Credit card business	50	100%	473	83	54
Nanto Card Services Co., Ltd.	Credit card business	50	100%	572	19	3
Nanto Staff Service Co., Ltd.	Dispatch of temporary staff	20	100%	79	15	10
Nangin Agency Co., Ltd.	Bank agency services	50	100%	71	15	10

14. Pursuit of CSR Activities

Environmental Preservation Activities

Forest preservation activities

- ★ Assistance for “the Yoshino Heart Project”
⇒ Help to mitigate global warming by growing forests



Participated in the Third Forests, Trees and Houses of Nara Festa event as one of the promoters



Utilization of a brochure stand made from Yoshino cedar

Participation in “the Yoshino Cherry Tree Preservation Group”

- ★ Under the image of a local financial institution, actively cooperate in activities to preserve and grow Yoshino cherry trees

Deliver environmentally-conscious financial products

- ★ Green personal car loans and green renovation loans

Social Contribution Activities

Nanto Bank hockey team “SHOOTING STARS”

- ★ Organize hockey school classes for local primary school students



Won their seventh title, their first in 11 years, at the 38th Women's Amateur National Field Hockey Championship

Financial and economic education initiatives

- ★ Held the Nanto Parent-Child Financial Seminar (November 2016 and March 2017)
⇒ Used a communication robot “PALRO”



Nanto Nara cheer squad

- ★ Volunteer guides consisting of former Bank employees

<Offer “Nanto CSR Private Placement Bonds”>

- ★ After buying goods which assist children and students in their growth and studies, the Bank will make a donation to public primary and junior high schools.
⇒ Demonstrates the bond issuing company's efforts on CSR activities
- ★ Offering results: 34 cases totaling ¥3.3 billion (as of March 31, 2017) *Offering was launched in July 2015

**In this material, we refer to the future performance of the bank.
However, please be aware that these contents do not guarantee our future performance and it may change due to the unexpected risks and uncertainties in the operating environment.**

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Nanto Bank is a supporter of the Yoshino Heart Project and the Kizukai Drive.