

Information Meeting

—The Year Ended March 2018—

Appendix



THE NANTO BANK, LTD.

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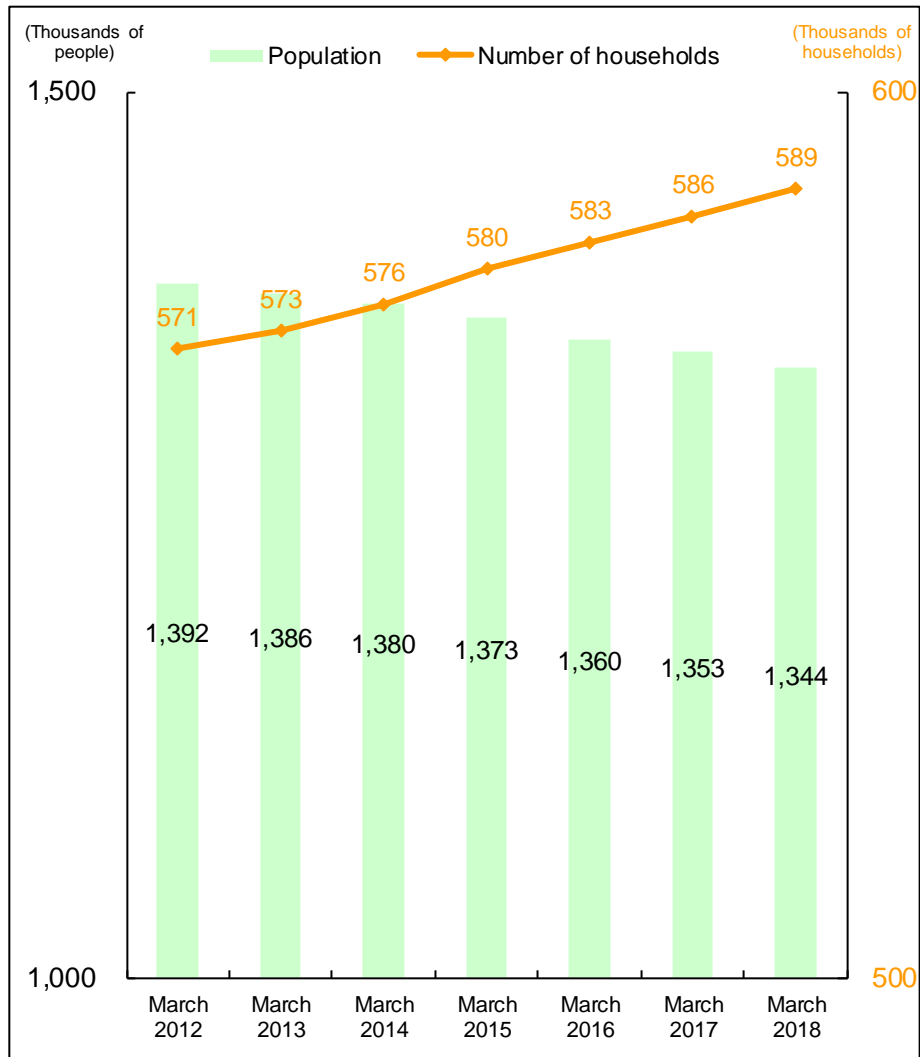
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I. Current Status of the Regional Economy

1. Population and Number of Households

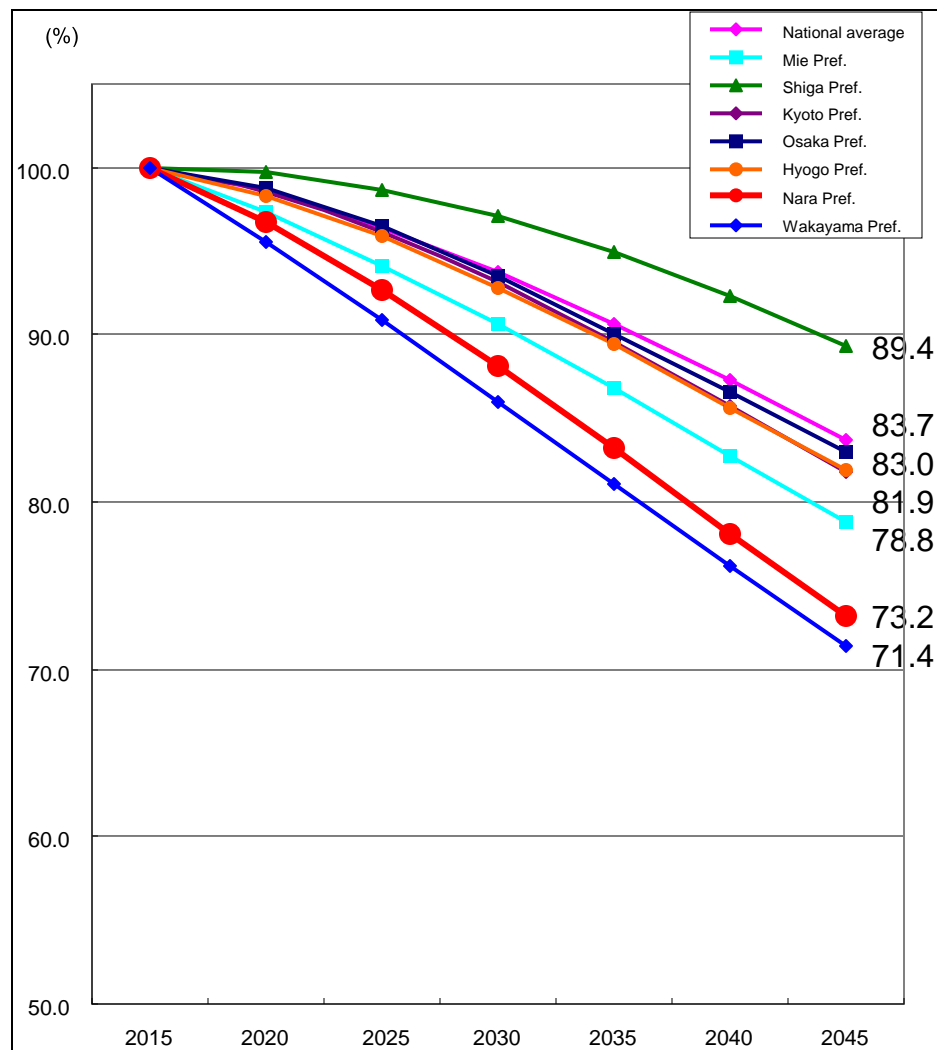
Population and Number of Households (Nara Prefecture)



(Source: Nara Prefecture)

Future Population Estimates (by prefecture)

(2015 = 100)



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

2. Number of Private Enterprises

Number of Private Enterprises

	Jul. 2009	Feb. 2012	Jul. 2014	Change from Feb. 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)

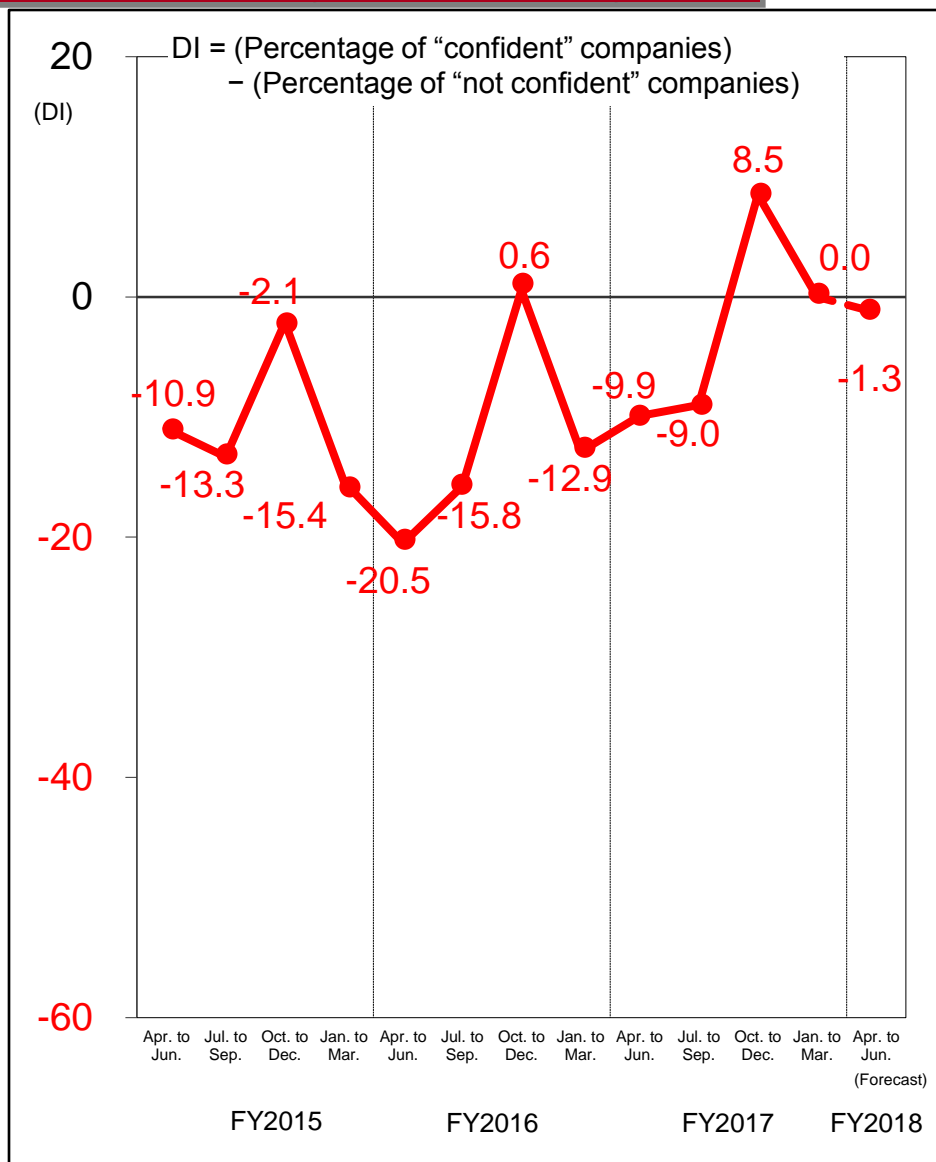
	Jul. 2009	Feb. 2012	Jul. 2014	Change from Feb. 2012	
				Change (number)	Change (%)
All industries	50,424	46,711	48,034	1,323	2.8
Agriculture, fishery and forestry	132	117	141	24	20.5
Mining, stone and gravel quarrying	5	6	5	-1	-16.7
Construction	4,394	3,882	3,851	-31	-0.8
Manufacturing	5,423	5,073	5,030	-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)

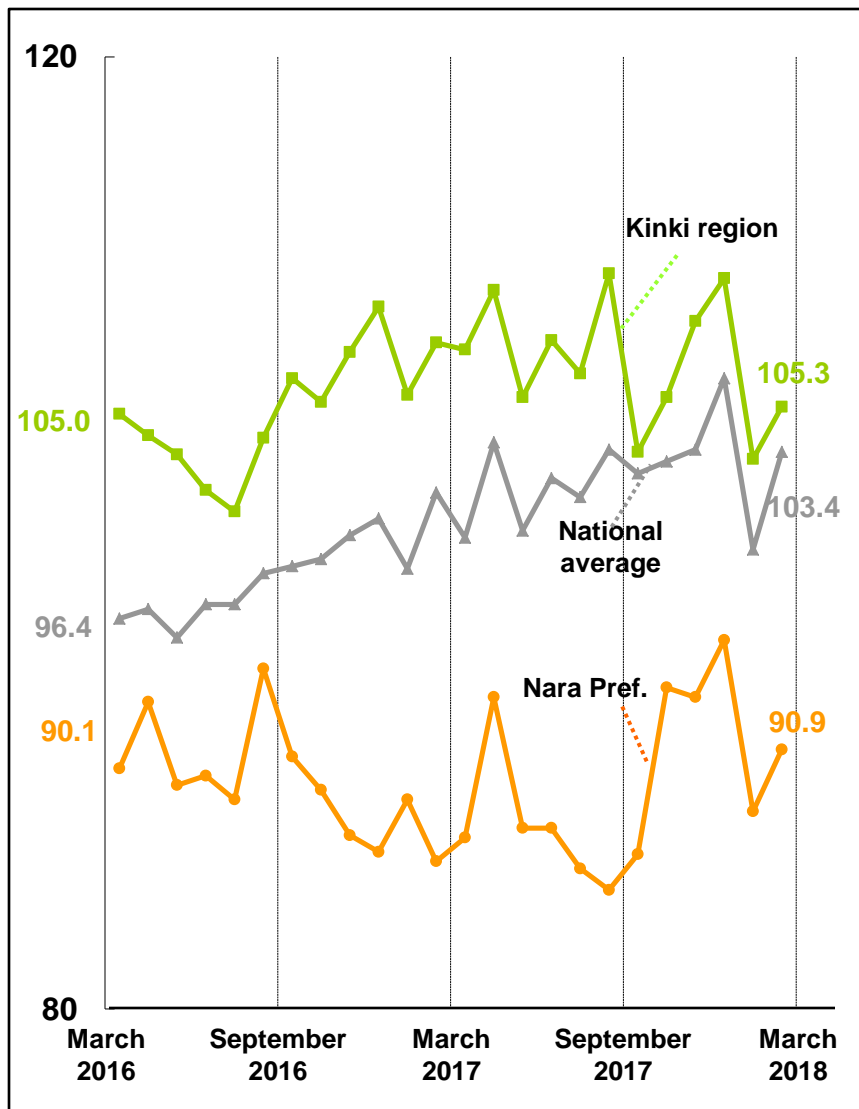
DI by Sector

DI by sector (Nara Prefecture)	Number of respondent companies	Quarter on quarter DI		
		Previous quarter Oct.–Dec. period	Current quarter Jan.–Mar. period	Next quarter Apr.–Jun. period (Forecast)
All sectors	303	8.5	0.0	-1.3
Manufacturing	149	7.9	3.4	0.7
Foods	21	11.1	-33.3	0.0
Textile products (Socks)	28	-21.9	-21.4	-25.0
Lumber and wood products	13	-26.7	-23.1	-23.1
Chemicals and pharmaceuticals	14	6.3	21.4	7.1
Plastic products	10	0.0	0.0	10.0
Metal products and non-ferrous metals	19	30.0	21.1	10.5
Machinery	16	22.7	18.8	25.0
Other manufacturing sectors	13	26.7	38.5	23.1
Non-manufacturing	28	6.7	10.7	-10.7
Wholesaling	154	9.0	-3.2	-3.2
Retailing	33	-10.0	-21.2	-9.1
Construction	21	-16.7	-28.6	-33.3
Real estate	37	20.0	29.7	2.7
Transportation	10	8.3	10.0	-10.0
Hotels and inns	10	36.4	20.0	20.0
Services	10	54.5	-80.0	50.0
Other non-manufacturing sectors	15	22.2	0.0	13.3
	18	4.8	11.1	-22.2

(Source: Nanto Economic Research Institute, January–March 2018 Research)

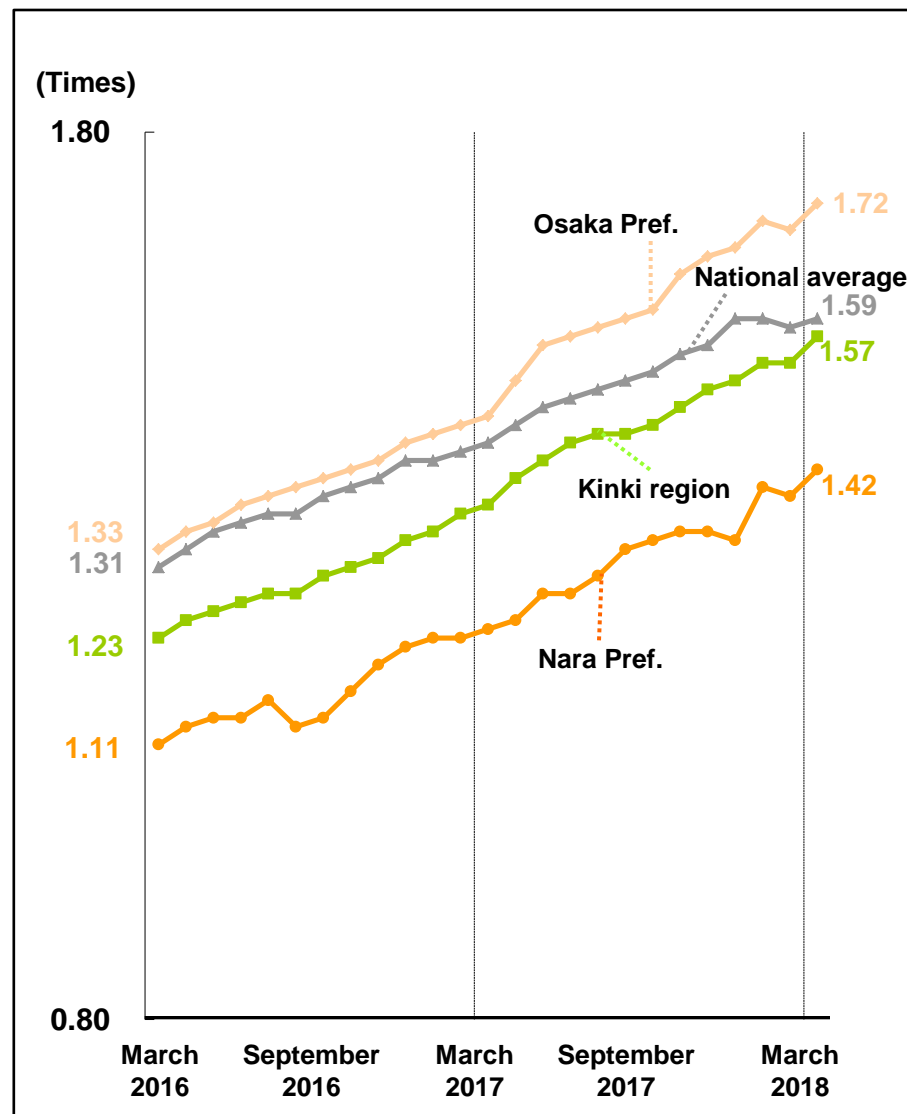
4. Industrial Production Index and Employment Conditions

Industrial Production Index



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

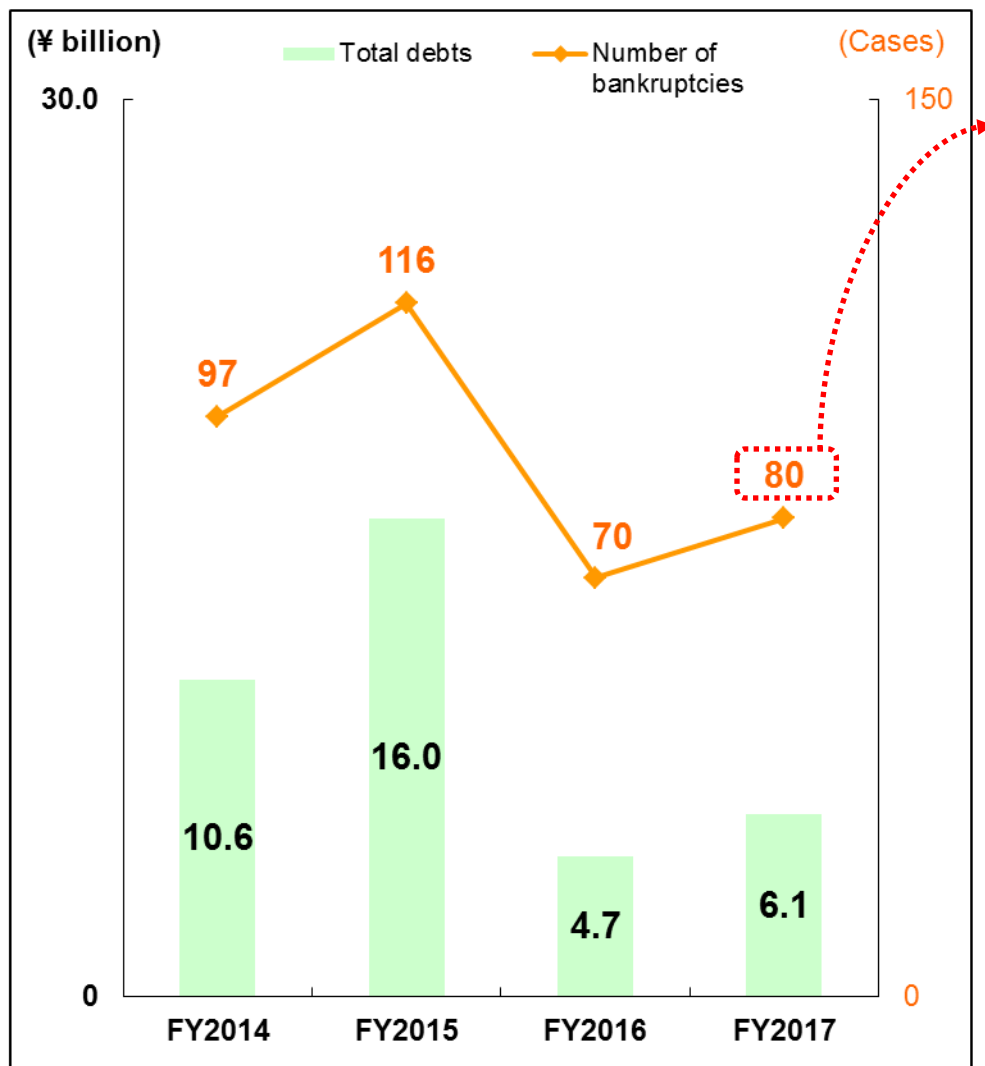
Effective Ratio of Job Offers to Applicants



(Source: Ministry of Health, Labour and Welfare)

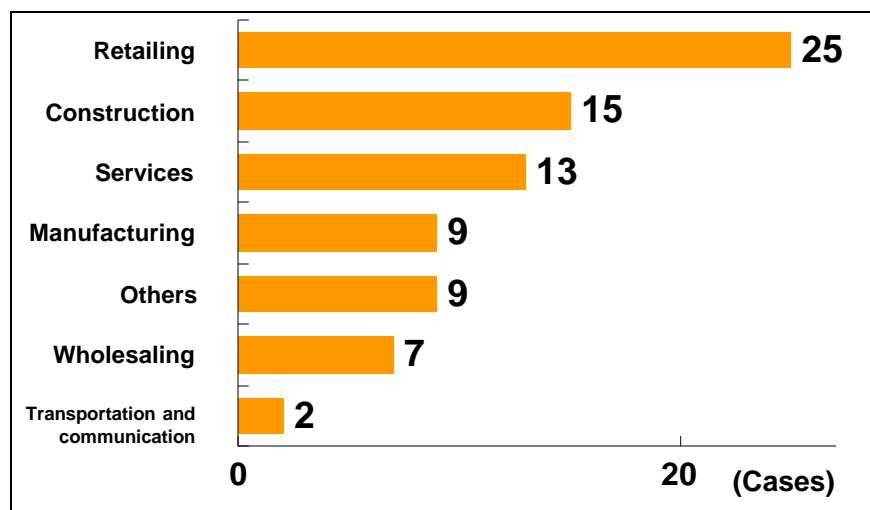
5. Business Bankruptcy

Number of Bankruptcies in Nara Prefecture



(Source: Teikoku Databank)

Number of Bankruptcies by Industry



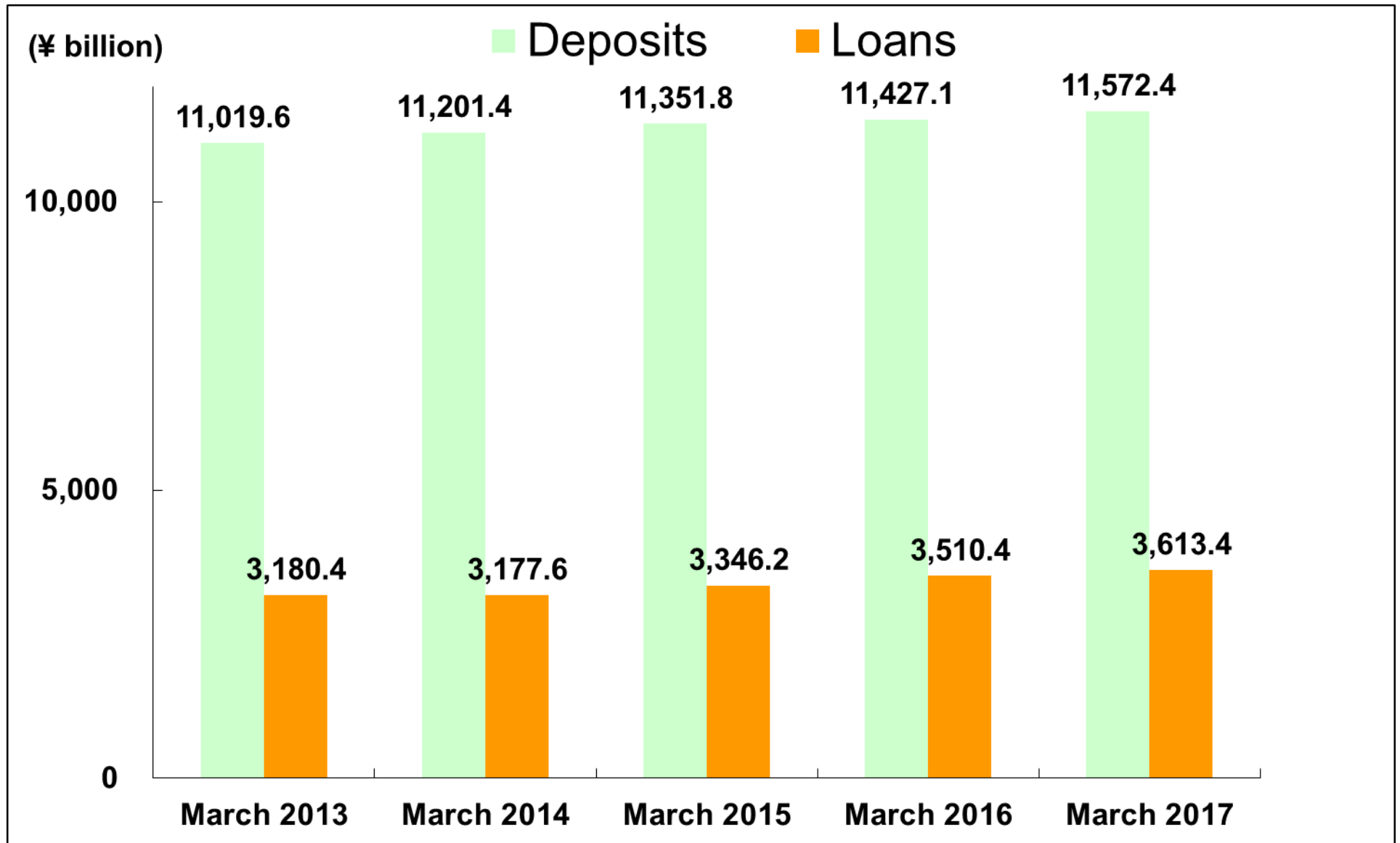
(Source: Teikoku Databank)

<Changes in the Number of Bankruptcies by Industry>

	FY2014	FY2015	FY2016	FY2017
Retailing	28	28	16	25
Construction	21	24	18	15
Services	22	29	11	13
Manufacturing	12	16	7	9
Others	1	3	1	9
Wholesaling	10	13	15	7
Transportation and communication	3	3	2	2
Total	97	116	70	80

(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)

	FY2013		FY2014		FY2015		FY2016		FY2017	
		Y/Y change		Y/Y change		Y/Y change		Y/Y change		Y/Y change
Gross business profit	60,772	-2,962	61,238	465	55,380	-5,857	57,929	2,548	51,001	-6,927
Interest income	52,018	-2,209	51,143	-875	49,640	-1,503	49,663	23	47,221	-2,442
Interest on loans	38,532	-2,621	36,512	-2,019	34,785	-1,726	32,411	-2,374	30,927	-1,483
Interest and dividends from securities	17,360	-175	17,871	510	17,925	53	20,371	2,446	19,544	-826
Interest on deposits	3,004	-340	2,513	-491	2,293	-219	1,198	-1,094	776	-422
Interest on borrowings	75	-215	171	96	290	119	426	136	414	-12
Fees and commissions	5,769	69	6,248	479	6,131	-117	5,387	-743	5,313	-74
Other operating income	2,984	-823	3,846	861	-390	-4,237	2,877	3,268	-1,532	-4,410
Gains/Losses on bonds (JGBs, etc.)	2,923	-1,147	4,274	1,351	823	-3,450	3,973	3,149	-1,405	-5,379
Cost of derivative financial products	107	-189	736	629	1,483	746	1,322	-160	493	-828
Expenses	44,994	-2,575	45,119	124	43,275	-1,843	40,170	-3,104	40,372	201
Net business profit (before net transfer to general provision for possible loan losses)	15,777	-386	16,119	341	12,105	-4,013	17,758	5,653	10,629	-7,129
Core net business profit	12,854	760	11,844	-1,009	11,281	-562	13,785	2,503	12,035	-1,750
Net transfer to general provision for possible loan losses	1,113	2,533	1,768	655	-3,702	-5,470	3,011	6,713	-	-3,011
Net business profit	14,664	-2,920	14,350	-313	15,807	1,456	14,747	-1,060	10,629	-4,117
Non-recurrent gains/losses	3,558	11,243	2,028	-1,530	-2,705	-4,733	1,312	4,018	6,546	5,233
Gains/Losses on stocks	1,607	3,123	1,515	-91	1,529	14	2,235	705	3,565	1,330
Disposal of non-performing loans	-5	-6,896	308	313	5,092	4,784	730	-4,362	344	-385
Reversal of provision for loan losses	-	-	-	-	-	-	-	-	3,086	3,086
Bad debt recovered	1,454	708	578	-875	296	-281	802	505	512	-289
Ordinary income	18,223	8,323	16,379	-1,843	13,101	-3,277	16,059	2,958	17,175	1,115
Extraordinary gains/losses	-78	414	234	313	483	248	-118	-602	-22	96
Income before income taxes	18,144	8,738	16,614	-1,530	13,585	-3,028	15,941	2,355	17,153	1,212
Income taxes	9,316	7,457	6,861	-2,454	1,878	-4,982	3,824	1,945	4,329	505
Net income	8,827	1,280	9,752	924	11,706	1,954	12,116	409	12,823	706
Credit-related costs	-346	-5,070	1,497	1,844	1,094	-403	2,939	1,845	-3,253	-6,193

2. Principal Accounts (Deposits)

All deposits

(¥ billion)

	FY2013		FY2014		FY2015		FY2016		FY2017	
		Y/Y change		Y/Y change		Y/Y change		Y/Y change		Y/Y change
All deposits (period-end balance)	4,679.0	149.3	4,770.2	91.1	4,781.7	11.5	4,780.7	-1.0	4,850.9	70.1
Deposits	4,597.0	164.9	4,702.4	105.3	4,730.2	27.7	4,747.7	17.5	4,826.9	79.1
Personal deposits	3,531.4	92.5	3,601.2	69.8	3,625.4	24.1	3,672.6	47.1	3,740.4	67.8
Corporate deposits	849.0	70.0	871.0	21.9	886.0	14.9	875.9	-10.0	882.4	6.5
Government deposits	204.8	-0.0	210.8	6.0	207.6	-3.2	192.0	-15.6	194.9	2.9
Negotiable CD	81.9	-15.6	67.7	-14.1	51.5	-16.2	33.0	-18.5	24.0	-8.9

All deposits (average balance)	4,625.4	208.9	4,733.2	107.7	4,881.2	147.9	4,809.2	-71.9	4,860.3	51.0
Deposits	4,498.6	156.8	4,622.6	123.9	4,767.2	144.5	4,761.5	-5.6	4,820.9	59.3
Negotiable CD	126.8	52.0	110.5	-16.2	114.0	3.4	47.6	-66.3	39.4	-8.2

All deposits = Deposits + Negotiable CD

Deposits by region (period-end balance)

(¥ billion)

	FY2013		FY2014		FY2015		FY2016		FY2017	
		Y/Y change		Y/Y change		Y/Y change		Y/Y change		Y/Y change
Nara Pref.	3,714.0	104.4	3,794.2	80.2	3,820.6	26.3	3,861.2	40.5	3,918.0	56.7
Other prefectures	883.0	60.5	908.1	25.0	909.5	1.3	886.4	-23.0	908.8	22.3
Osaka Pref. (including Hyogo Pref.)	280.5	30.2	289.0	8.5	296.4	7.3	287.5	-8.8	300.4	12.8
Kyoto Pref.	333.8	9.6	343.4	9.6	356.1	12.6	343.6	-12.4	348.4	4.7
Wakayama Pref.	179.2	4.1	183.5	4.3	178.9	-4.6	179.2	0.3	180.8	1.6
Mie Pref.	69.3	2.6	69.2	-0.0	70.3	1.1	70.9	0.6	73.0	2.0
Tokyo	20.1	13.9	22.7	2.6	7.7	-15.0	5.0	-2.7	6.0	1.0

3. Principal Accounts (Loans)

Loans

(¥ billion)

	FY2013		FY2014		FY2015		FY2016		FY2017	
		Y/Y change		Y/Y change		Y/Y change		Y/Y change		Y/Y change
Loans (period-end balance)	2,983.9	74.2	3,088.7	104.8	3,198.1	109.4	3,262.3	64.1	3,340.8	78.5
Consumer loans	944.6	16.0	966.0	21.4	989.8	23.8	1,017.6	27.8	1,053.7	36.0
Housing mortgage loans	836.5	18.9	857.6	21.1	883.0	25.4	917.6	34.5	959.3	41.6
Loans (average balance)	2,888.9	109.3	2,983.5	94.6	3,109.1	125.6	3,247.0	137.8	3,291.1	44.1

Loans to SMEs (period-end balance)	1,872.5	40.1	1,892.0	19.4	1,939.4	47.4	2,035.0	95.6	2,130.5	95.5
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Loans by region (period-end balance)

(¥ billion)

	FY2013		FY2014		FY2015		FY2016		FY2017	
		Y/Y change		Y/Y change		Y/Y change		Y/Y change		Y/Y change
Nara Pref.	1,464.9	-24.8	1,517.4	52.4	1,583.7	66.2	1,658.7	75.0	1,713.1	54.3
Osaka Pref. + Hyogo Pref.	712.6	54.0	745.8	33.1	759.2	13.4	790.5	31.3	828.8	38.3
Osaka Pref.	653.2	32.9	687.1	33.9	699.5	12.3	731.4	31.9	771.0	39.6
Hyogo Pref.	59.3	21.1	58.6	-0.7	59.6	1.0	59.0	-0.6	57.8	-1.2
Others	806.2	44.9	825.4	19.1	855.2	29.8	812.9	-42.2	798.8	-14.1
Kyoto Pref.	201.5	2.4	207.6	6.1	222.6	14.9	245.1	22.4	248.2	3.1
Wakayama Pref.	79.2	1.5	81.0	1.8	86.4	5.3	94.3	7.9	94.4	0.0
Mie Pref.	21.8	-0.9	20.7	-1.0	20.6	-0.1	21.7	1.1	21.7	-0.0
Tokyo	503.6	41.9	515.8	12.2	525.5	9.6	451.6	-73.8	434.4	-17.2

4. Principal Accounts (Assets under Management)

Assets under management

(¥ billion)

	FY2013		FY2014		FY2015		FY2016		FY2017	
		Y/Y change		Y/Y change		Y/Y change		Y/Y change		Y/Y change
Personal deposit assets (period-end balance)	212.4	-34.0	201.5	-10.9	183.7	-17.8	173.6	-10.0	159.6	-14.0
Foreign currency deposits	14.1	-2.0	11.1	-2.9	9.6	-1.4	10.0	0.3	9.6	-0.4
Public bonds	65.1	-18.5	44.4	-20.7	29.3	-15.0	19.8	-9.5	17.2	-2.6
Investment trusts	133.1	-13.3	145.9	12.8	144.6	-1.2	143.8	-0.8	132.7	-11.0

	FY2013		FY2014		FY2015		FY2016		FY2017	
		Y/Y change		Y/Y change		Y/Y change		Y/Y change		Y/Y change
Value of deposit assets sold	90.3	7.4	103.1	12.8	93.3	-9.8	65.4	-27.9	71.6	6.2
Investment trusts	50.4	12.0	62.6	12.2	57.6	-4.9	43.8	-13.7	49.9	6.0
Life insurance policies	39.8	-4.6	40.4	0.5	35.6	-4.8	21.5	-14.1	21.6	0.1

5. Interest Margins

Overall

(%)

	FY2013		FY2014		FY2015		FY2016		FY2017	
		Y/Y change		Y/Y change		Y/Y change		Y/Y change		Y/Y change
Returns from cash investments (A)	1.15	-0.11	1.08	-0.07	1.00	-0.08	0.98	-0.02	0.95	-0.03
Returns from loans (B)	1.33	-0.15	1.22	-0.11	1.11	-0.11	0.99	-0.12	0.93	-0.06
Returns from securities	0.92	-0.06	1.00	0.08	1.06	0.06	1.16	0.10	1.24	0.08
Returns from financing	0.08	-0.02	0.07	-0.01	0.07	0.00	0.06	-0.01	0.06	0.00
Returns from deposits	0.06	-0.01	0.05	-0.01	0.04	-0.01	0.02	-0.02	0.01	-0.01
Returns from external debts	0.14	-0.22	0.16	0.02	0.18	0.02	0.18	0.00	0.20	0.02
Cost of deposits (C)	1.04	-0.11	1.00	-0.04	0.93	-0.07	0.86	-0.07	0.84	-0.02
Expense ratio	0.97	-0.10	0.95	-0.02	0.88	-0.07	0.83	-0.05	0.83	0.00
Cost of funds raised (D)	1.02	-0.11	0.98	-0.04	0.90	-0.08	0.80	-0.10	0.80	0.00
Deposit-loan margin (B) – (C)	0.29	-0.04	0.22	-0.07	0.18	-0.04	0.13	-0.05	0.09	-0.04
Total interest margin (A) – (D)	0.13	0.00	0.10	-0.03	0.10	0.00	0.18	0.08	0.15	-0.03

Domestic business divisions

(%)

	FY2013		FY2014		FY2015		FY2016		FY2017	
		Y/Y change		Y/Y change		Y/Y change		Y/Y change		Y/Y change
Returns from cash investments (A)	1.11	-0.12	1.02	-0.09	0.92	-0.10	0.89	-0.03	0.87	-0.02
Returns from loans (B)	1.33	-0.15	1.23	-0.10	1.12	-0.11	0.99	-0.13	0.93	-0.06
Returns from securities	0.87	-0.08	0.91	0.04	0.94	0.03	1.03	0.09	1.10	0.07
Returns from financing	0.08	-0.01	0.07	-0.01	0.05	-0.02	0.02	-0.03	0.01	-0.01
Returns from deposits	0.06	-0.01	0.05	-0.01	0.04	-0.01	0.02	-0.02	0.01	-0.01
Returns from external debts	0.10	0.00	0.09	-0.01	0.09	0.00	0.03	-0.06	-0.00	-0.03
Cost of deposits (C)	1.03	-0.11	1.00	-0.03	0.92	-0.08	0.85	-0.07	0.83	-0.02
Expense ratio	0.96	-0.10	0.94	-0.02	0.87	-0.07	0.82	-0.05	0.82	0.00
Cost of funds raised (D)	1.04	-0.10	1.00	-0.04	0.91	-0.09	0.79	-0.12	0.78	-0.01
Deposit-loan margin (B) – (C)	0.30	-0.04	0.23	-0.07	0.20	-0.03	0.14	-0.06	0.10	-0.04
Total interest margin (A) – (D)	0.07	-0.02	0.02	-0.05	0.01	-0.01	0.10	0.09	0.09	-0.01

6. Loans by Industry

Loans Outstanding and Ratio of Loans by Industry

(¥ billion, %)

	Mar. 2014	Ratio	Mar. 2015	Ratio	Mar. 2016	Ratio	Mar. 2017	Ratio	Mar. 2018	Ratio	Change from Mar. 2017
Total lending volume	2,983.9	100.00	3,088.7	100.00	3,198.1	100.00	3,262.3	100.00	3,340.8	100.00	78.5
Manufacturing	490.3	16.43	502.3	16.26	500.7	15.65	491.3	15.06	474.7	14.21	-16.5
Agriculture and forestry	3.0	0.10	2.9	0.09	2.7	0.08	2.2	0.07	2.2	0.06	0.0
Fishery	4.1	0.14	4.3	0.14	3.7	0.11	3.4	0.10	2.3	0.06	-1.1
Mining, stone and gravel quarrying	7.3	0.24	7.1	0.23	11.7	0.36	11.1	0.34	11.4	0.34	0.2
Construction	85.9	2.88	84.0	2.72	85.1	2.66	80.3	2.46	80.0	2.39	-0.2
Electric, gas, heat supply and water supply	23.6	0.79	27.6	0.89	27.8	0.87	23.5	0.72	29.3	0.87	5.7
Information communication	34.7	1.16	36.3	1.17	39.7	1.24	42.6	1.30	29.8	0.89	-12.7
Transportation and postal services	94.7	3.17	91.0	2.94	105.2	3.29	107.6	3.30	106.9	3.19	-0.7
Wholesaling and retailing	290.9	9.74	300.9	9.74	292.2	9.13	287.8	8.82	277.3	8.30	-10.4
Finance and insurance	158.6	5.31	158.5	5.13	148.4	4.64	127.9	3.92	135.5	4.05	7.5
Real estate and leasing	327.7	10.98	344.8	11.16	359.8	11.25	375.6	11.51	421.3	12.61	45.6
Services	164.6	5.51	166.4	5.38	177.5	5.55	186.2	5.70	196.6	5.88	10.4
Local public entity	436.4	14.62	483.9	15.66	541.6	16.93	589.2	18.06	600.4	17.97	11.1
Others	861.5	28.87	878.0	28.42	901.3	28.18	932.8	28.59	972.5	29.11	39.6

7. Classification of Debtors

<As of March 31, 2018>

- ◆ Total credit (loans): ¥3,365.7 billion (increase of ¥82.2 billion from Mar. 31, 2017)
- ◆ Loans to normal debtors: ¥3,215.7 billion (increase of ¥102.5 billion from Mar. 31, 2017)
- ◆ Loans to debtors requiring caution and substandard debtors: ¥101.5 billion (decrease of ¥11.8 billion from Mar. 31, 2017)
- ◆ Loans to potentially bankrupt debtors and lower: ¥48.4 billion (decrease of ¥8.4 billion from Mar. 31, 2017)

(¥ billion)

	(Subject: Credit related claimable assets such as loans)	As of March 31, 2017	As of March 31, 2018					For collection or write-offs
			Normal assets	Assets requiring caution	Substandard assets	Potentially bankrupt assets	Bankrupt and effectively bankrupt assets	
		a	b	c	d	e	f	g
1	Normal debtors	3,113.2	3,120.4	5.4	0.1	0.5	0.6	29.2
2	Debtors requiring caution	96.9	8.4	81.6	2.8	0.9	0.0	2.6
3	Substandard debtors	16.3	0.1	2.5	6.0	0.4	0.0	6.5
4	Potentially bankrupt debtors	48.6	0.2	1.2	0.1	42.0	0.2	2.0
5	Bankrupt and effectively bankrupt debtors	8.3	0.0	0.0	0.0	0.1	3.0	0.8
6	New debtors	0.0	86.4	1.2	0.0	0.3	0.0	0.0
7	Total	3,283.4	3,215.7	92.1	9.3	44.4	4.0	41.3

Change over March 31, 2017

Normal assets	Assets requiring caution	Substandard assets	Potentially bankrupt assets	Bankrupt and effectively bankrupt assets	Total
102.5	-4.8	-7.0	-4.1	-4.2	82.2

8. Capital Adequacy Ratio

[Non-consolidated]

(¥ billion)

	FY2013		FY2014		FY2015		FY2016		FY2017	
		Y/Y change		Y/Y change		Y/Y change		Y/Y change		Y/Y change
Capital adequacy ratio	10.03%	—	9.29%	-0.74	9.11%	-0.18	9.19%	0.08	9.64%	0.45
Core capital-related fundamental items (A)	204.7	—	194.0	-10.7	200.1	6.0	213.3	13.2	239.0	25.6
Core capital-related adjustment items (B)	—	—	0.6	0.6	1.1	0.5	1.8	0.6	2.3	0.4
Capital value (A) - (B)	204.7	—	193.4	-11.3	198.9	5.5	211.5	12.6	236.6	25.1
Risk assets	2,039.8	—	2,080.8	40.9	2,181.1	100.3	2,300.7	119.5	2,454.1	153.3
Total capital requirement	81.5	—	83.2	1.6	87.2	4.0	92.0	4.7	98.1	6.1

* The previous standard (Basel II) was applied in FY2012.

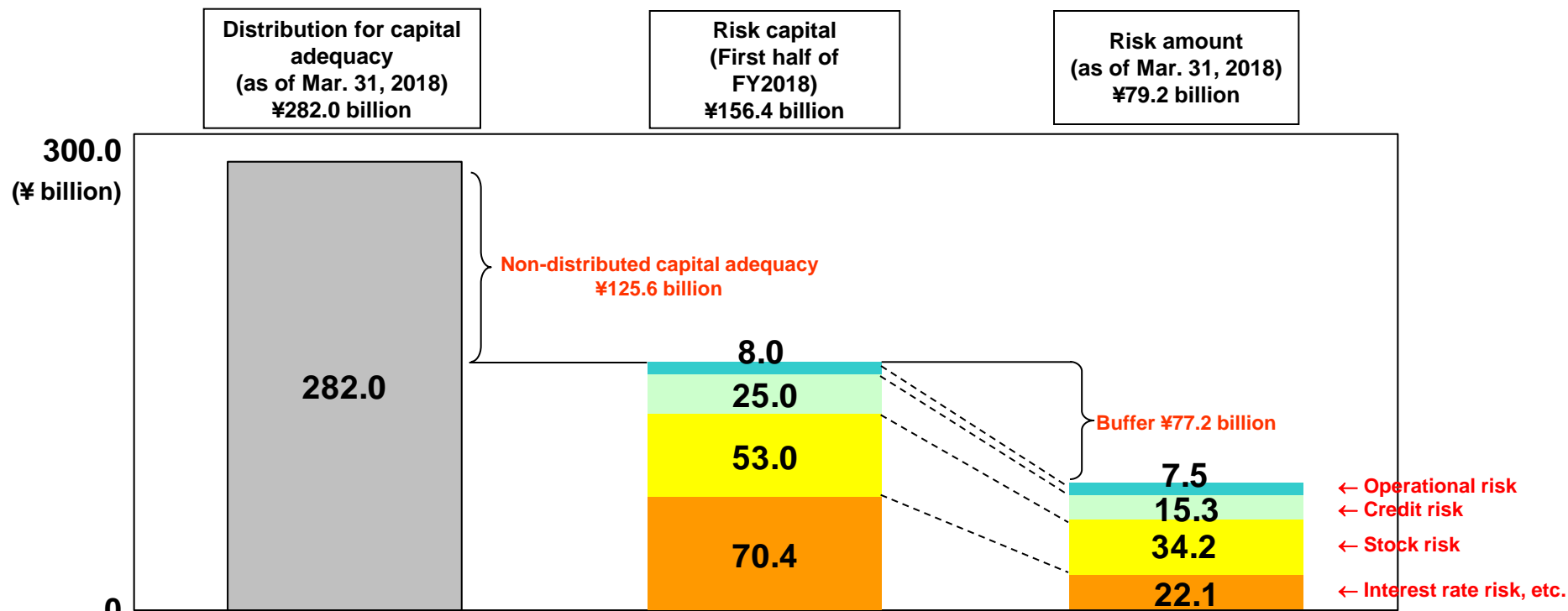
[Consolidated]

(¥ billion)

	FY2013		FY2014		FY2015		FY2016		FY2017	
		Y/Y change		Y/Y change		Y/Y change		Y/Y change		Y/Y change
Capital adequacy ratio	10.51%	—	9.72%	-0.79	9.36%	-0.36	9.42%	0.06	9.88%	0.46
Core capital-related fundamental items (A)	216.4	—	205.0	-11.4	208.2	3.2	221.3	13.0	248.0	26.7
Core capital-related adjustment items (B)	—	—	0.7	0.7	1.3	0.6	1.9	0.6	2.5	0.5
Capital value (A) - (B)	216.4	—	204.3	-12.1	206.9	2.6	219.3	12.3	245.5	26.2
Risk assets	2,059.2	—	2,101.7	42.5	2,209.7	107.9	2,327.7	117.9	2,482.6	154.9
Total capital requirement	82.3	—	84.0	1.7	88.3	4.3	93.1	4.7	99.3	6.1

* The previous standard (Basel II) was applied in FY2012.

9. Total Risk Management

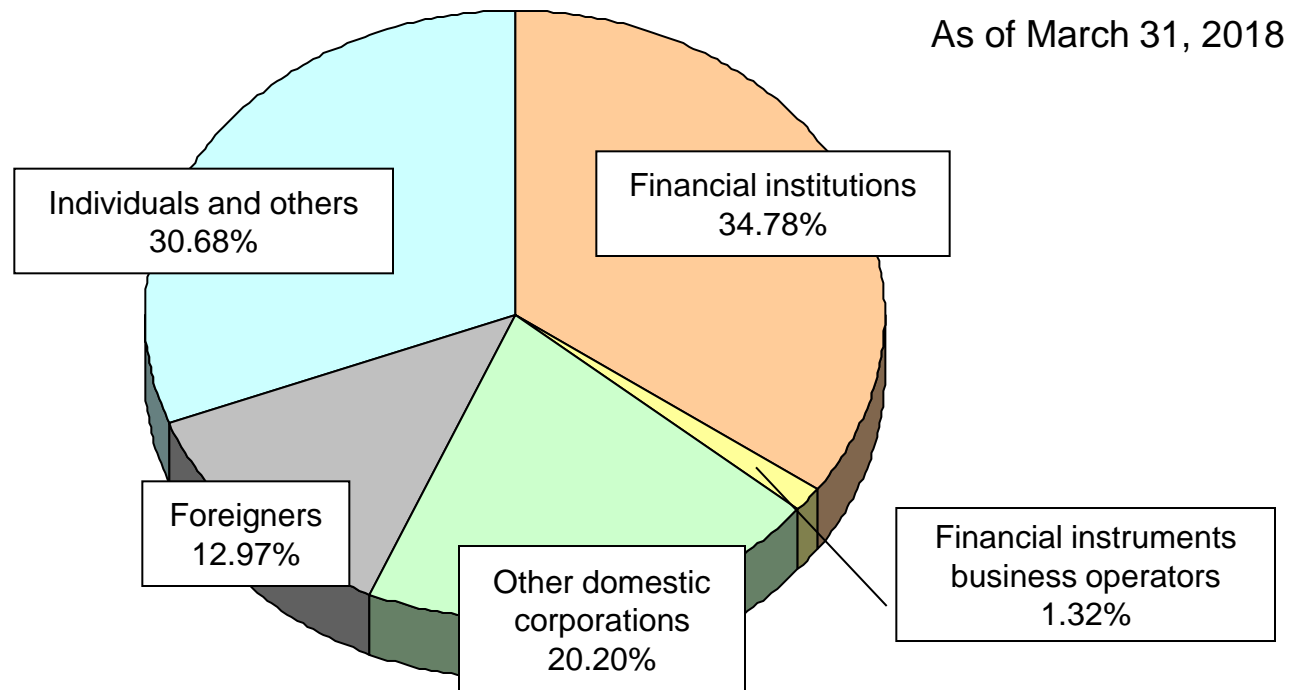


- Distribution for capital adequacy = Core capital + Valuation difference on available-for-sale securities reported on the balance sheet
- Interest-rate risk measurement includes use of an internal model that considers core deposits

<Risk Measurement Method>

		Measurement approach	Confidence level	Holding period
Credit risk		Monte Carlo simulation	99%	1 year
Market risk	Interest/Stocks, etc. for investment purposes	Historical simulation	99%	120 business days
	Strategic purposes	Historical simulation	99%	240 business days
	Short-term trade	Historical simulation	99%	10 business days
Operational risk		Gross profit distribution approach		

10. Composition of Shareholders



(Thousands of shares, %)

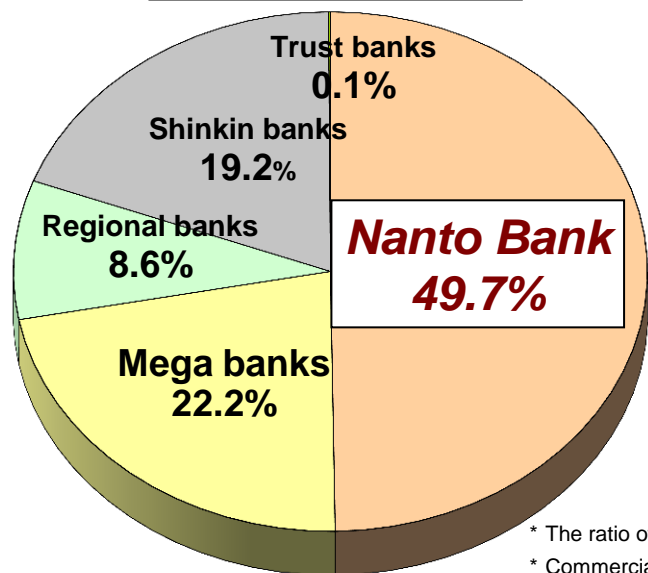
	As of March 31, 2014		As of March 31, 2015		As of March 31, 2016		As of March 31, 2017		As of March 31, 2018	
	Number of shares	Ratio	Number of shares	Ratio	Number of shares	Ratio	Number of shares	Ratio	Number of shares	Ratio
Number of shares outstanding	272,756	100.00	272,756	100.00	272,756	100.00	27,275	100.00	33,025	100.00
Financial institutions (Banks, trust banks, life insurers, P&C insurers and others)	92,368	33.86	92,341	33.85	94,169	34.52	9,524	34.92	11,488	34.78
Financial instruments business operators	2,469	0.91	3,237	1.19	2,360	0.87	311	1.14	435	1.32
Other domestic corporations	64,658	23.71	64,025	23.47	66,103	24.24	6,349	23.27	6,672	20.20
Foreigners	20,964	7.69	25,504	9.35	22,740	8.34	2,935	10.76	4,283	12.97
Individuals and others	92,187	33.79	87,539	32.09	87,274	31.99	8,142	29.85	10,133	30.68
National and municipal governments	107	0.04	107	0.04	107	0.04	10	0.03	10	0.03

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

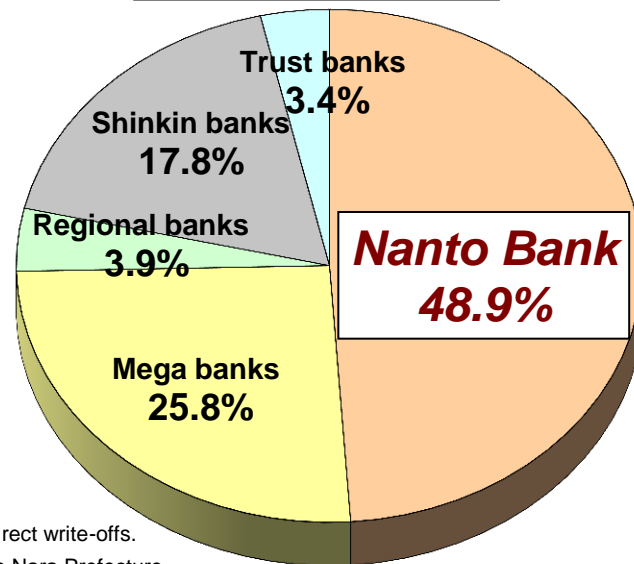
* The Bank implemented a capital increase during the first half of FY2017, adding 5.75 million issued shares.

11. Share in Nara Prefecture

Share in Loans

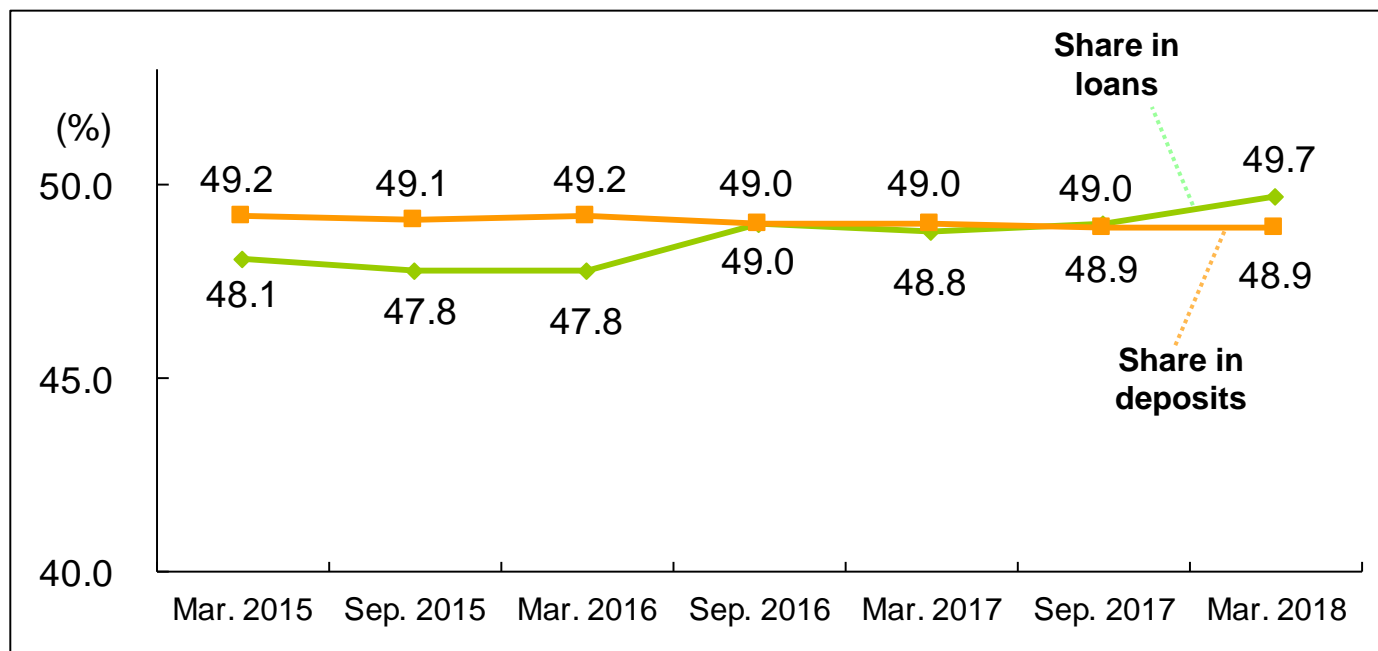


Share in Deposits



* The ratio of loans shown is after deducting partial direct write-offs.

* Commercial banks, trust banks and shinkin banks in Nara Prefecture. (excluding agricultural cooperatives, Japan Post Bank) (as of March 31, 2018)



12. Business Performance for Nanto Bank Group Companies

(¥ million)

Company name	Principal business	Capital	Ratio of shares held by the Bank	Results	FY2016	FY2017	Y/Y change
Nanto Estate Co., Ltd.	Leasing and management of real estate	30	100%	Net sales	364	382	17
				Ordinary income	69	41	-27
				Net income	36	-43	-80
Nanto Business Service Co., Ltd.	Centralized processing of clerical operations for the Bank	10	100%	Net sales	442	431	-10
				Ordinary income	52	56	3
				Net income	34	37	2
Nanto Credit Guarantee Co., Ltd.	Credit guarantee	10	100%	Net sales	1,308	1,327	19
				Ordinary income	633	650	17
				Net income	402	331	-71
Nanto Lease Co., Ltd.	Leasing	500	100%	Net sales	6,495	6,713	217
				Ordinary income	420	474	53
				Net income	312	344	32
Nanto Computer Service Co., Ltd.	Computer software development and services	10	100%	Net sales	719	793	74
				Ordinary income	95	83	-12
				Net income	62	54	-7
Nanto Investment Management Co., Ltd.	Investment advisory services	120	100%	Net sales	77	73	-3
				Ordinary income	17	14	-2
				Net income	9	9	0
Nanto DC Card Co., Ltd.	Credit card business	50	100%	Net sales	473	525	52
				Ordinary income	83	59	-24
				Net income	54	37	-16
Nanto Card Services Co., Ltd.	Credit card business	50	100%	Net sales	572	614	42
				Ordinary income	19	53	34
				Net income	3	42	38
Nanto Staff Service Co., Ltd.	Employment placement operations	20	100%	Net sales	79	78	0
				Ordinary income	15	12	-2
				Net income	10	3	-6
Nangin Agency Co., Ltd.	Bank agency services	50	100%	Net sales	71	61	-9
				Ordinary income	15	10	-4
				Net income	10	6	-4

13. Initiatives for ESG

Environment

★ Participating in the Yoshino Cherry Tree Preservation Group

Initiatives to grow and preserve 30,000 cherry trees at Mt. Yoshino

★ Initiatives for environmental ISO activities

Initiatives for environmental preservation conforming to the environmental ISO (ISO14001)

★ Paper recycling at a recycling center

Regenerated 310 tons of papers in FY2017

★ Delivering environmentally-conscious financial products

Retail: Green personal car and green renovation loans
Corporate: Green private placement bonds

★ Promoting forest preservation activities

Using paper made from timber from forest thinning and using timber for branches



Cherry trees at Mt. Yoshino



Nanto Bank women's hockey team

Social

Social contribution

★ Organizing the Nanto Manyo Charity Walk

Organizing ancient city tours and contributing the amount in accordance with the number of participants to welfare organizations

★ Initiatives for financial and economic education

Organized workplace tours and visiting lectures at 16 schools in total in FY2017

★ Nanto Bank Small Kindness Group

Conducting activities benefitting the public such as cleaning and blood donation

★ Public interest incorporated foundation:

Nanto Scholarship Society

As of April 30, 2018: 67 scholarship students, total number of graduates: 1,387

★ Women's hockey team: SHOOTING STARS

Organizing hockey school classes, etc.

★ Nanto Nara cheer squad

Volunteer group consisting of former Bank employees that provides guided tours at shrines and temples

Promoting the empowerment of women

★ Increasing the appointment to managerial positions

[As of April 1, 2018] Percentage out of total managerial positions: 13.0%

★ Enhancing a working systems

Expanding leave and shortened work-hour systems

Governance

★ Partial amendment in the executive system

April 2016: Introduced an executive officer system
April 2017: Partially amended the executive system

★ Utilization of outside officers

2 outside directors (8 directors in total)
2 outside auditors (4 auditors in total)
*As of April 2018

★ Assigning a director dedicated to the Audit Division

In June 2017, the Audit Division became under the direct control of the board of directors, and a dedicated director was assigned.

★ Holding of Shareholders' Social Gathering

Hold a social gathering for our shareholders once a year to make the most of constructive dialog with shareholders in our management

**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.**

[Contact, if any:]

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