

Investor Relations Meeting

Presentation material



The San-in Godo Bank, Ltd.

December 2010

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- 9-1. Promote Further Common Use of Systems

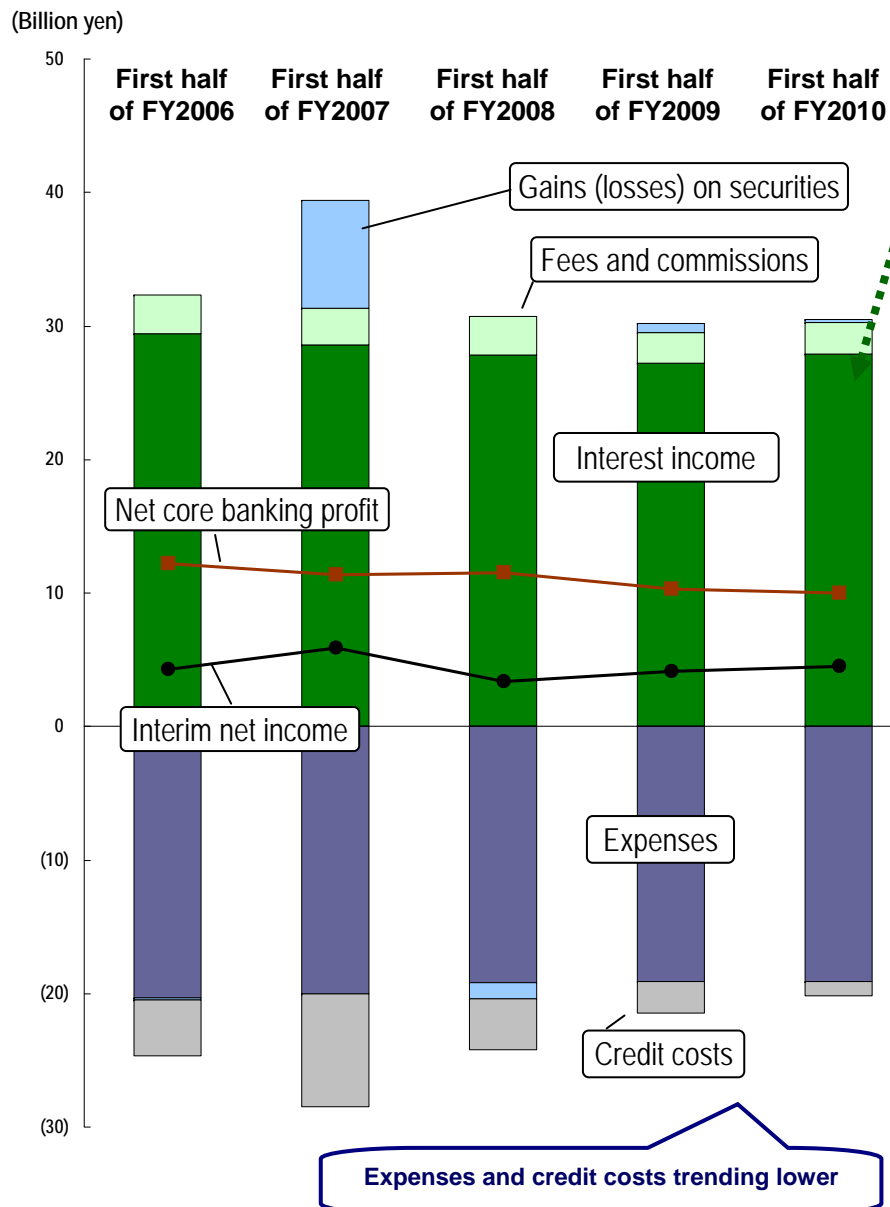
10. Measures to Return Profits to Stockholders

- 10-1. Measures to Return Profits to Stockholders
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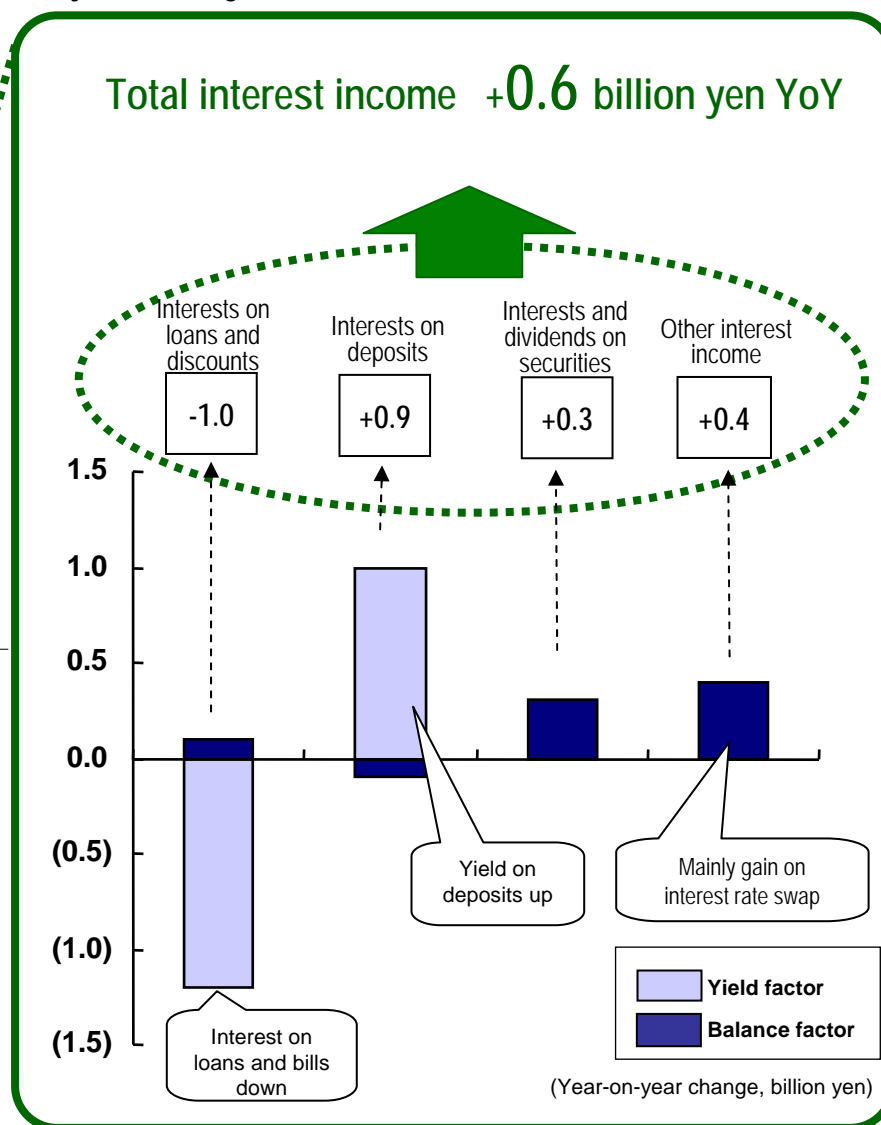
1-1. Summary of Earnings for the First Half of FY2010

(Billion yen)	First half FY2008	First half FY2009	First half FY2010	Change over First half FY2009	
Gross core banking profit	30.8	29.5	29.6	0.1	<p>Interest income and fees and commissions rose, but net core banking profit declined due to special factors.</p> <ul style="list-style-type: none"> Interest on loans and discounts: (1.0) billion yen Interest and dividends on securities: 0.3 billion yen Interest on deposits: (0.9) billion yen Commissions from sales of annuity insurance: 0.1 billion yen Issuance of credit cards: 0.2 billion yen Operation of ATMs at convenience stores: (0.1) billion yen Personnel expenses: (0.1) billion yen Non-personnel expenses: 0.5 billion yen
Interest income	27.8	27.2	27.9	0.6	
Fees and commissions	2.9	2.3	2.4	0.1	
Expenses	19.2	19.1	19.6	0.4	
Net core banking profit	11.5	10.3	10.0	(0.2)	
Gains (losses) on securities	(1.2)	0.7	0.2	(0.5)	<p>Option gains/losses related to buy/write operations (0.4) billion yen</p> <p>Writing of call options on underlying positions</p>
Gains (losses) on bonds	0.9	0.8	1.1	0.3	
Gains (losses) on stocks	(2.1)	(0.0)	(0.8)	(0.8)	<p>Gains/losses on bond sales related to buy/write operations 0.5 billion yen</p>
Credit costs	3.8	2.4	1.1	(1.3)	
Interim net income	3.4	4.1	4.5	0.3	

1-2. Earnings for the First Half of FY2010



Analysis of changes in interest income



2-1. Prospects for FY2010 Earnings

Estimate as of previous IR meeting (Jun. 2010)

(Billion yen)	FY2008 (Results)	FY2009 (Results)	FY2010 (Previous estimates)	FY2010 (Revised estimates)	Change over FY2009 results
Gross core banking profit	61.6	59.3	61.5	59.2	(0.0)
Interest income	56.0	54.4	55.8	55.2	0.8
Fees and commissions	5.2	4.5	5.5	4.9	0.3
Expenses	37.6	37.6	38.6	38.5	0.9
Net core banking profit	24.0	21.6	22.8	20.6	(1.0)
Gains (losses) on securities	(5.3)	(0.2)	0.0	(0.1)	0.0
Gains (losses) on bonds	7.1	0.3	0.0	0.6	0.3
Gains (losses) on stocks	(12.5)	(0.6)	0.0	(0.8)	(0.2)
Credit costs	5.5	5.4	7.0	4.6	(0.8)
Ordinary profit	12.7	14.7	15.1	15.2	0.4
Net income	7.6	8.6	8.5	8.5	(0.1)

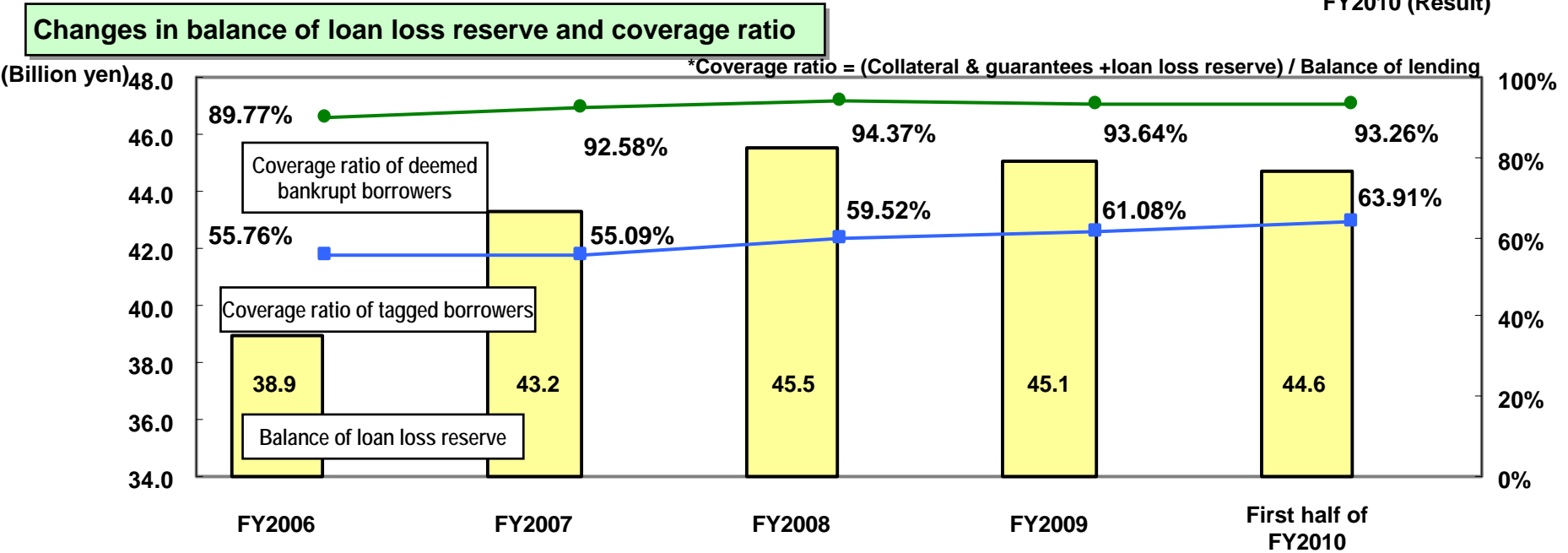
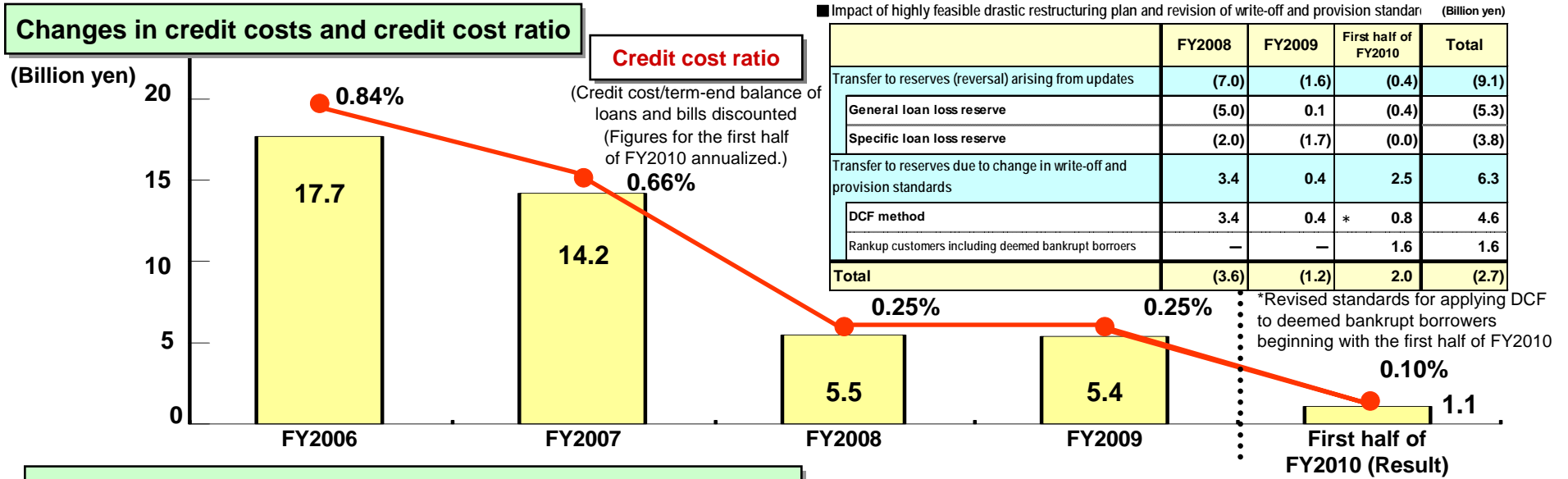
Option gains/losses related to buy/write operations (1.0) billion yen

Writing of call options on underlying positions

Gains/losses on bond sales related to buy/write operations 1.0 billion yen

Prospects of the second half 3.5 billion yen

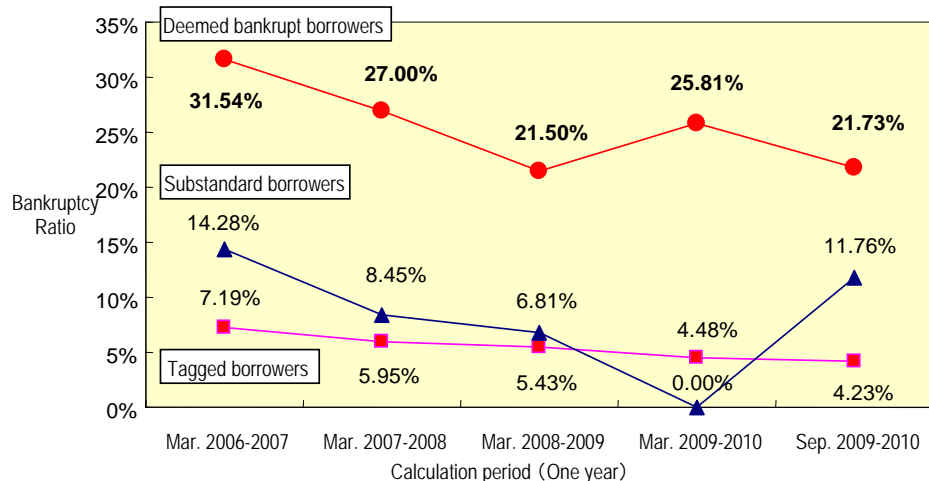
3-1. Changes in Credit Costs and Coverage Ratio



3-2. Background of the Reserve Standard Revision

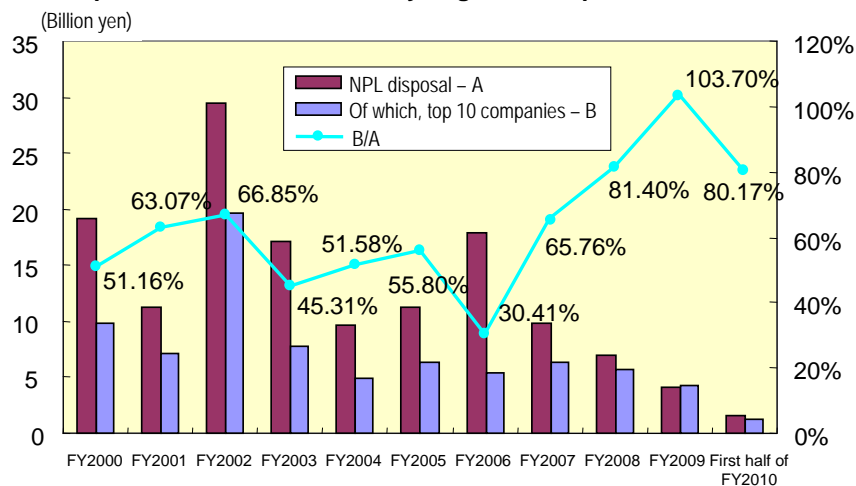
Bankruptcy Probability by Borrower Category

--Deemed bankrupt borrowers more likely to go bankrupt than tagged and substandard borrowers.



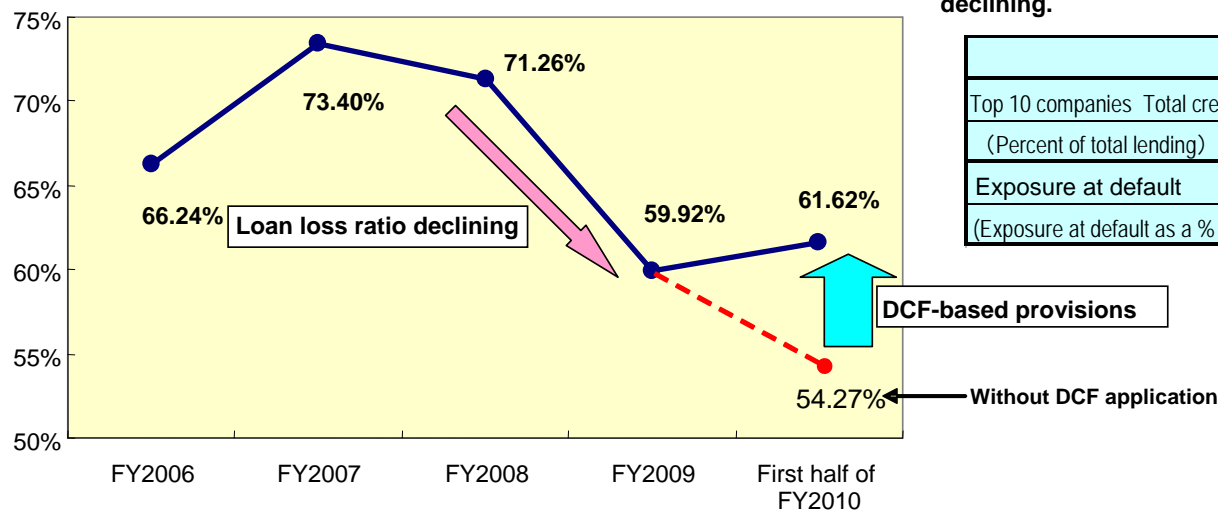
Resolution of Large Loans (NPL disposals: Top 10 companies)

--NPL disposal amount determined by large loan disposals



Reserve Ratio for deemed bankrupt borrowers

--Expansion of DCF application scope keeping reserve ratio up



Top 10 Borrowers Over Time (Tagged borrowers and deemed bankrupt borrowers)

--Volume of large borrowers among tagged and deemed bankrupt borrowers declining.

(Billion yen)

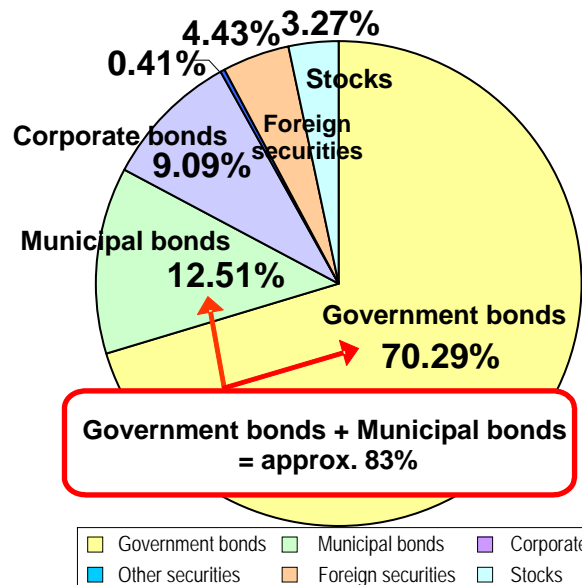
	FY2006	FY2007	FY2008	FY2009
Top 10 companies Total credit outstanding	71.0	66.3	54.8	45.8
(Percent of total lending)	3.32%	3.05%	2.51%	2.10%
Exposure at default	39.9	41.4	33.6	24.8
(Exposure at default as a % of Tier I)	18.63%	18.81%	14.84%	10.69%

[Factors Behind Declining Concentration]

- Tighter lending limits
- Elevation to normal status

4-1. Securities Holdings

Composition ratio (As of End-Sep. 2010)



***Balance of book value of securities**

1,403.2 billion yen (Based on fair market value)

1,336.8 billion yen (Based on amortized cost)

Holdings of 15-year floating-rate government bonds

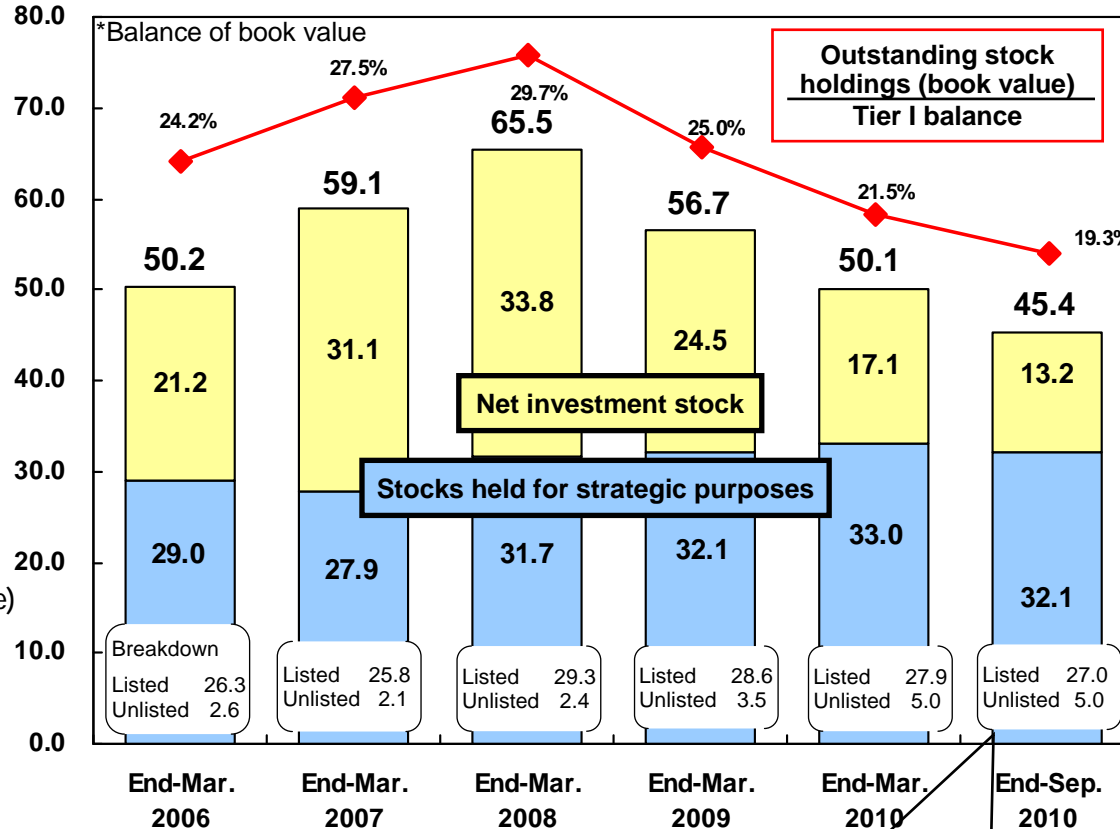
(Billion yen)	End-Mar. 2007	End-Mar. 2008	End-Mar. 2009	End-Mar. 2010	End-Sep. 2010
Balance of book value	54.8	54.8	54.8	39.8	34.9
Valuation loss	(1.1)	(1.9)	(1.8)	(0.5)	(0.1)

Note: San-in Godo does not apply theoretical price to calculate market price.

Stock holdings

Will continue policy of curbing net investment equities
(Stocks held purely for investment purposes are all listed shares.)

(Billion yen)

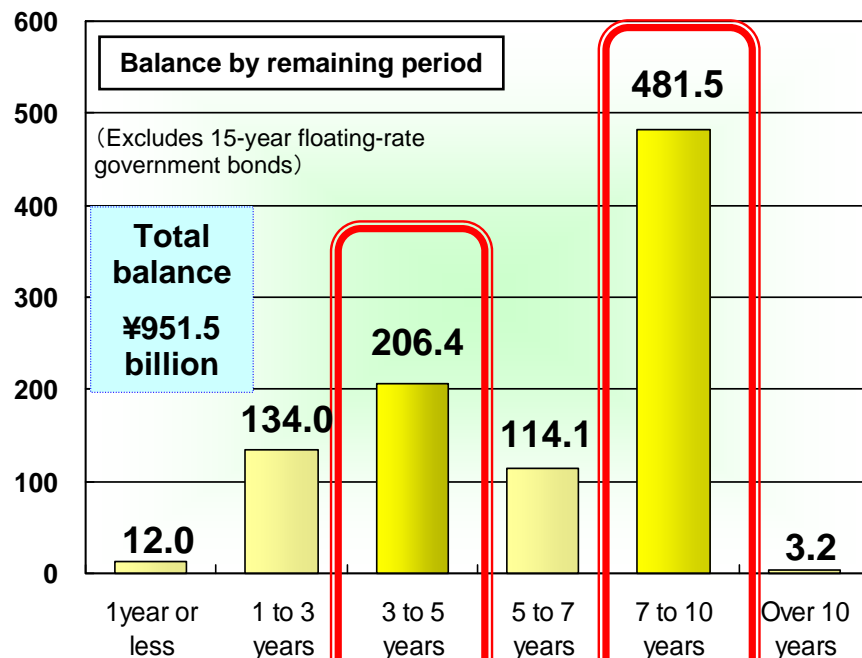


Breakdown of stock held for strategic purchases
 Mega / Trust banks 0.4 billion yen
 Regional banks 4.7 billion yen
 Life / Non-life insurance 0.6 billion yen

4-2. Interest Rate Risk Taking (1)

Government bond portfolio (End-Sep. 2010)

(Billion yen)



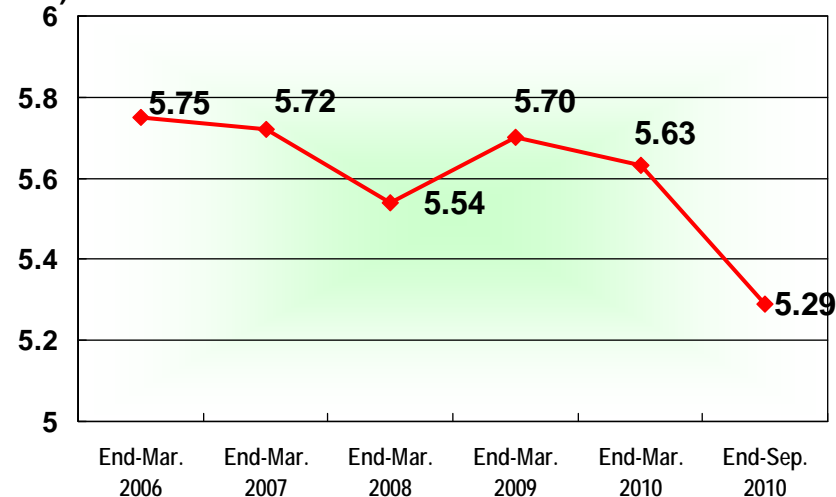
(Billion yen)	1 year or less	1 to 3 years	3 to 5 years	5 to 7 years	7 to 10 years	Over 10 years
Valuation gain/loss	0.0	3.9	9.3	9.3	29.1	0.2
Yield	1.359%	1.364%	1.497%	1.807%	1.462%	2.139%
10BPV ↑	(0.0)	(0.3)	(0.7)	(0.6)	(3.7)	(0.0)
Yield spread	+120bp	+121bp	+128bp	+136bp	+78bp	+46bp

(Note 1) Yield is amortized book value

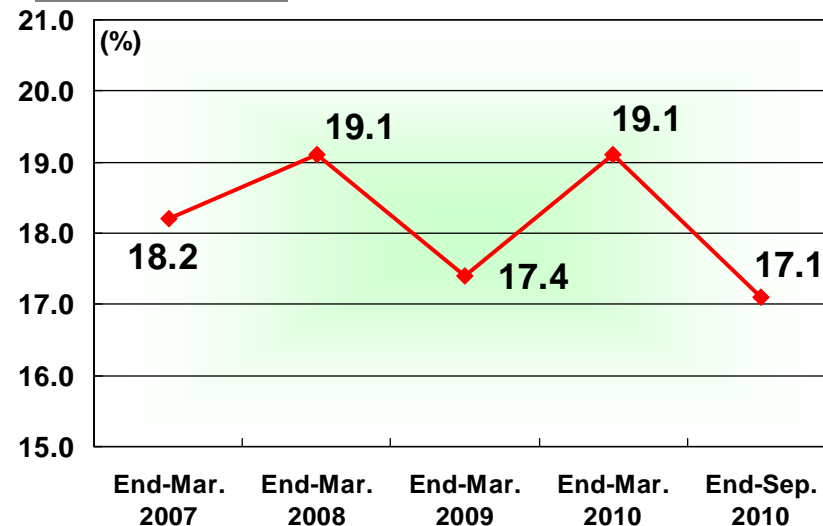
(Note 2) Yield spread is the number of basis points above face rate.

Duration in yen-denominated bonds

(Years)



Outlier ratio



4-3. Interest Rate Risk Taking (2)

High Risk Tolerance based on Robust Capital

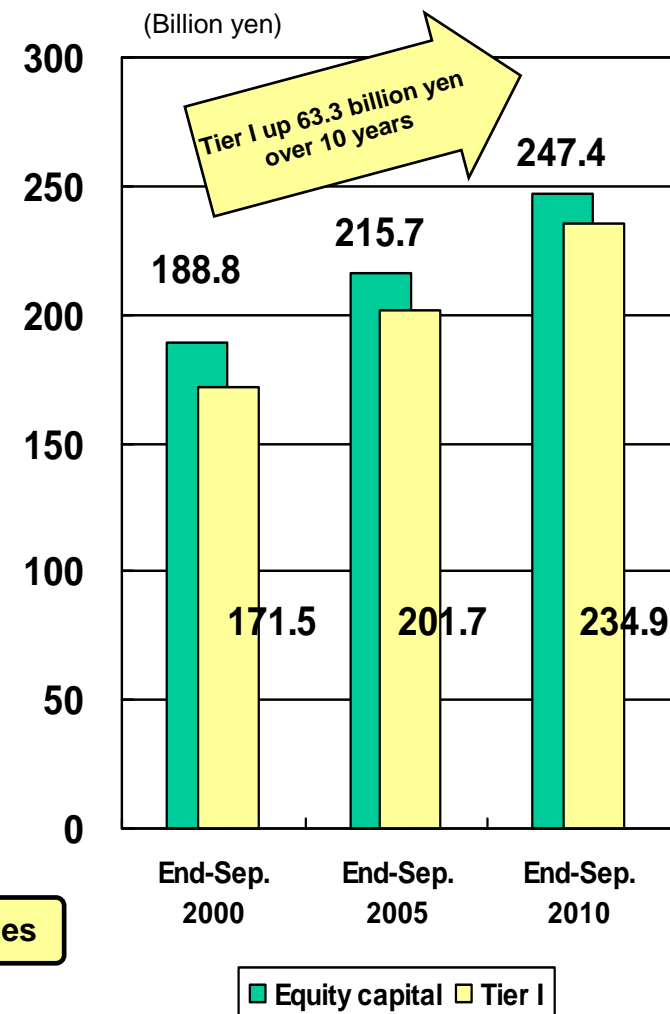
Relationship of capital adequacy ratio to interest rates and share prices (as of End-Sep. 2010)

Interest rates		TOPIX (pt)						
		500	600	700	800	900	1,000	1,100
10-year government bonds (%)	0.75	16.00	16.00	16.00	16.00	16.00	16.00	16.00
	1.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00
	1.25	16.00	16.00	16.00	16.00	16.00	16.00	16.00
	1.50	16.00	16.00	16.00	16.00	16.00	16.00	16.00
	1.75	15.7	15.9	16.00	16.00	16.00	16.00	16.00
	2.00	14.5	14.8	15.1	15.4	15.7	15.9	16.00
	2.25	13.4	13.7	14.0	14.3	14.5	14.8	15.1
	2.50	12.3	12.6	12.9	13.1	13.4	13.7	14.0
	2.75	11.2	11.5	11.7	12.0	12.3	12.6	12.9
	3.00	10.1	10.3	10.6	10.9	11.2	11.5	11.7

*Before considering proposals to make capital adequacy regulations more flexible (Before tax)

Capital sufficient for covering interest rate increases and share price declines

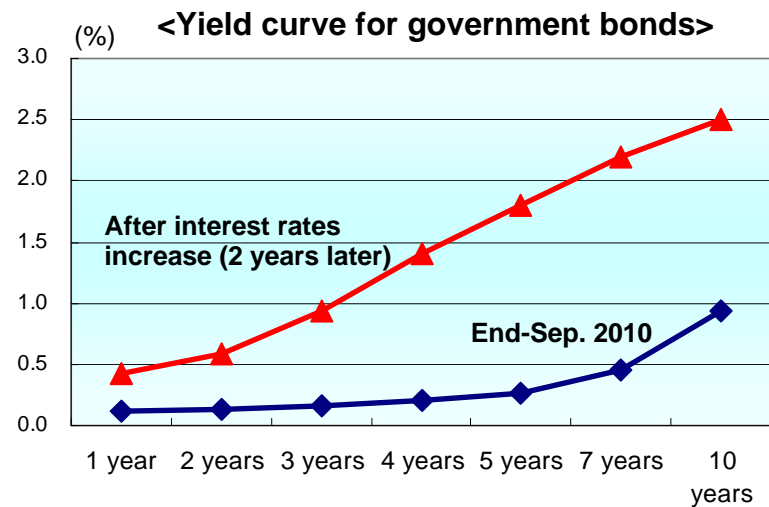
<Changes in equity capital>



4-4. Interest Rate Scenario Simulation (1)

Government Bond Portfolio Management Overview

- ❑ Simulation of portfolio adjustment (trading) given rising rates
- ❑ Steepening of long-term rate to 2.5% over the next 2 years (Sep. 2012) anticipated
- ❑ Purchase funds sourced from overall bond redemptions and higher deposits (Total = ¥200 billion yen), and from portfolio adjustment sales
- ❑ Adjust portfolio gradually to keep gains/losses on sale at nearly zero.



Option A: Continue active management (Add to 10-yr. holdings)

- Actively buy 10-year bonds with rates above 1.5%.
- Fund mainly with sales of low-yield bonds.

Option B: Reduce risk (Shorten duration)

- Reduce interest rate risk above 1.5%, sell LT holdings
- Use sale funds to purchase 3-year bonds

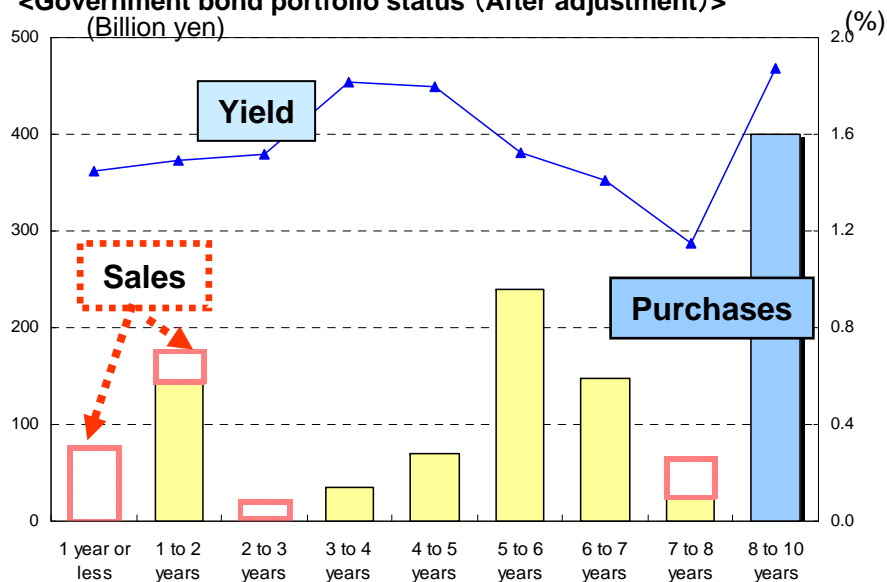
Long-Term Rates	Sale Values (Billion yen)		Purchase Values (Billion yen)	
	Sale Value	Target	Purch. Value	Target
1.50%	65	To 3 years : approx. 160 billion yen 7 to 8 years : approx. 40 billion yen	100	10 years
1.75%	65		100	
2.00%	70		100	
2.25%	-		100	
Total	200		400	

Long-Term Rates	Sale Values (Billion yen)		Purchase Values (Billion yen)	
	Sale Value	Target	Purch. Value	Target
1.50%	65	1 to 4 years : approx. 120 billion yen 6 to 8 years : approx. 80 billion yen	100	3 years
1.75%	65		100	
2.00%	70		100	
2.25%	-		100	
Total	200		400	

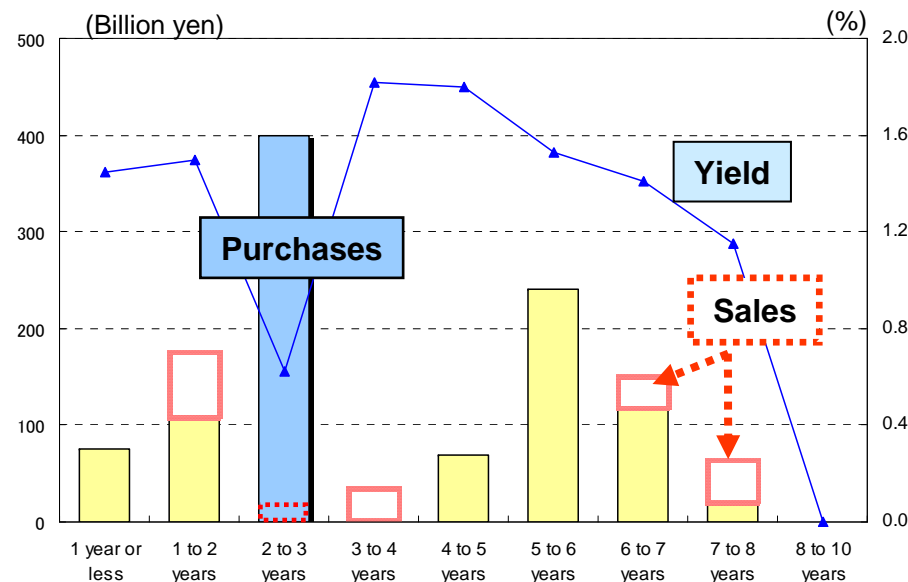
4-5. Interest Rate Scenario Simulation (2)

Option A: Continue active management (Add to 10-yr. holdings)

<Government bond portfolio status (After adjustment)>
(Billion yen)



Option B: Reduce risk (Shorten duration)



	Projections (Figures in [] are Govt. bonds only)	
		Changes over first half of FY2010
Book yield (%)	1.59 [1.65]	+0.11 [+0.16]
Annual int. rev. (bn yen) (*1)	22.7 [17.6]	+4.1 [+4.2]
Duration (year)	5.6 [6.0]	+0.3 [+0.3]
Valuation gain /loss (bn yen)	(42.5) [(34.5)]	-106.3 [-86.6]
Capital adequacy ratio (%) (*2)	14.3	-1.6
Outlier ratio (%)	21.8	+4.6

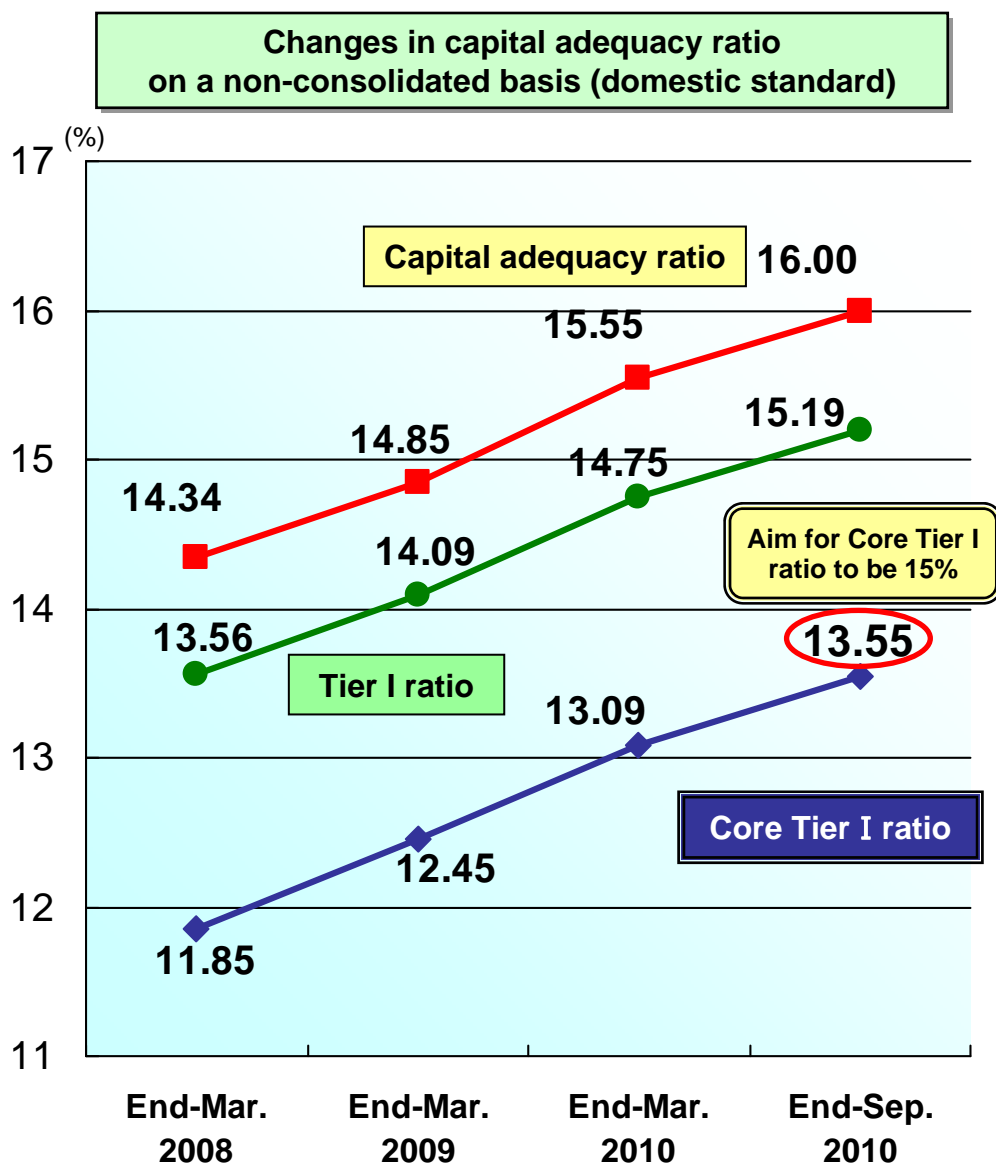
	Projections	
		Changes over first half of FY2010
Book yield (%)	1.21 [1.16]	-0.26 [-0.32]
Annual int. rev. (bn yen) (*1)	17.3 [12.1]	-1.2 [-1.3]
Duration (year)	3.8 [3.6]	-1.4 [-2.0]
Valuation gain /loss (bn yen)	(21.9) [(13.9)]	-85.8 [-66.0]
Capital adequacy ratio (%) (*2)	15.1	-0.8
Outlier ratio (%)	13.1	-4.0

Build new position in the 10-yr. zone by purchasing on rate increases
⇒ Portfolio restructuring

(*1) Calculated by applying the book yield to the year-end book value

(*2) After-tax capital adequacy ratio

4-6. Capital Adequacy Ratio



Composition of total capital

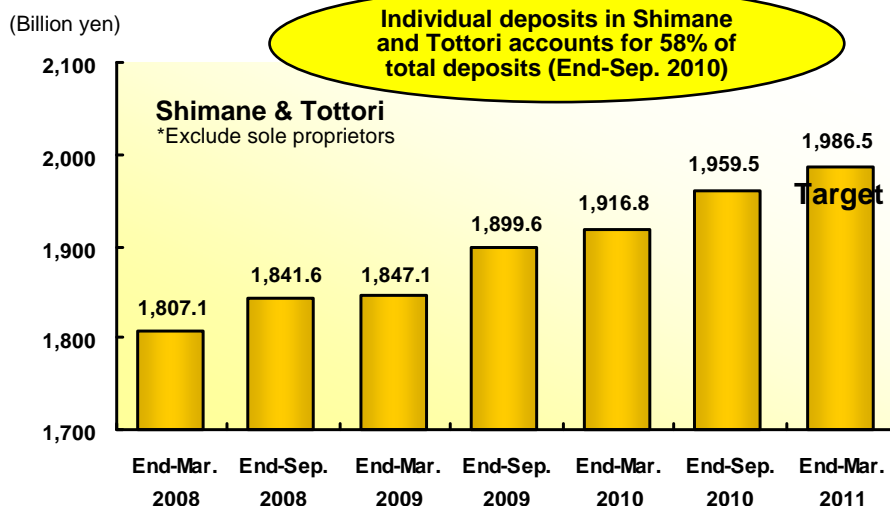
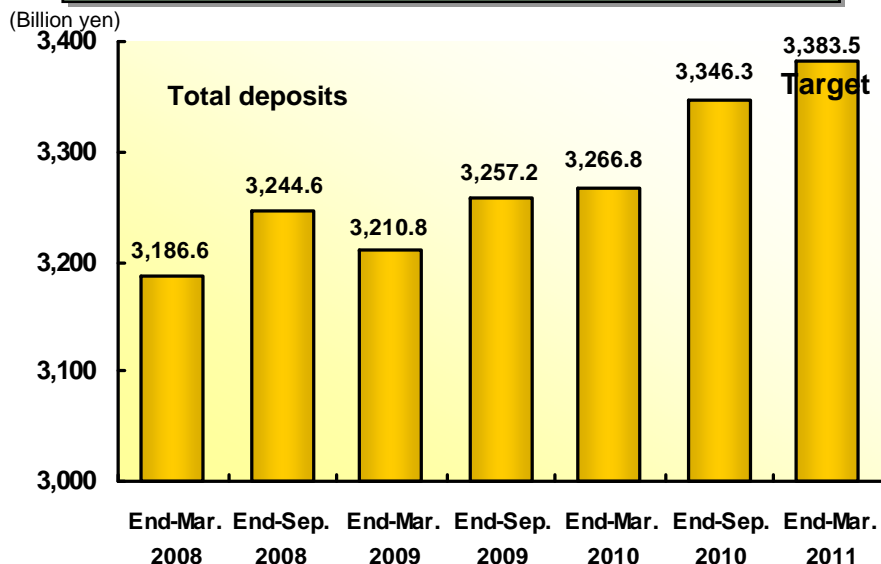
Steadily accumulating on the back of net income

(Billion yen)	End-Mar. 2010	End-Sep. 2010	Change over End-Mar. 2010
Capital adequacy ratio	15.55%	16.00%	0.44%
Tier I ratio	14.75%	15.19%	0.43%
Core Tier I ratio (Note)	13.09%	13.55%	0.45%
Equity capital	244.5	247.4	2.8
Of which, Tier I	232.0	234.9	2.9
Risk assets	1,572.2	1,546.0	(26.1)
Credit risk	1,456.7	1,429.5	(27.2)
Operational risk	115.4	116.4	1.0
Preferred stocks and preferred investment securities	-	-	-
Tax effect equivalent to Tier I	26.0	25.3	(0.7)

(Note) Core Tier I = Tier I - Preferred stocks and preferred investment securities - Tax effect equivalent to Tier I

5-1. Deposits in San-in Region

Changes in the total deposits and individual deposits in Shimane and Tottori (Average balance during the period)



Changes in the balance of deposits and savings in Shimane and Tottori and the share by financial institution

(Billion yen)

[Shimane and Tottori]	End-Sep. 2009		End-Sep. 2010		Change over End-Sep. 2009	
	Balance	Share	Balance	Share	Balance	Share
City banks and trust banks	93.7	1.5%	95.5	1.5%	1.8	0.0%
Regional banks	3,524.4	54.8%	3,634.2	55.9%	109.8	1.1%
San-in Godo Bank	2,801.1	43.6%	2,899.7	44.6%	98.6	1.0%
Secondary regional banks	308.9	4.8%	303.7	4.7%	(5.2)	(0.1)%
Credit associations	764.8	11.9%	764.9	11.8%	0.1	(0.1)%
Credit cooperatives	22.6	0.4%	24.4	0.4%	1.8	0.0%
Postal savings	1,716.5	26.7%	1,680.9	25.8%	(35.6)	(0.9)%
Total	6,431.2	100.0%	6,503.8	100.0%	72.6	

Source: The Japan Financial News, Japan Post Bank Co., Ltd. Website

◆ Number of payroll accounts and pension payout accounts (Shimane and Tottori)

(Actual results)	End-Mar. 2008	End-Mar. 2009	End-Mar. 2010	End-Sep. 2010
Number of payroll accounts:	315,765	⇒ 317,770	⇒ 315,326	⇒ 318,449
Number of pension payout accounts:	119,516	⇒ 123,725	⇒ 128,137	⇒ 131,223

◆ Number of ATMs installed in Shimane and Tottori

(as of end of Sep. 2010): 561 units

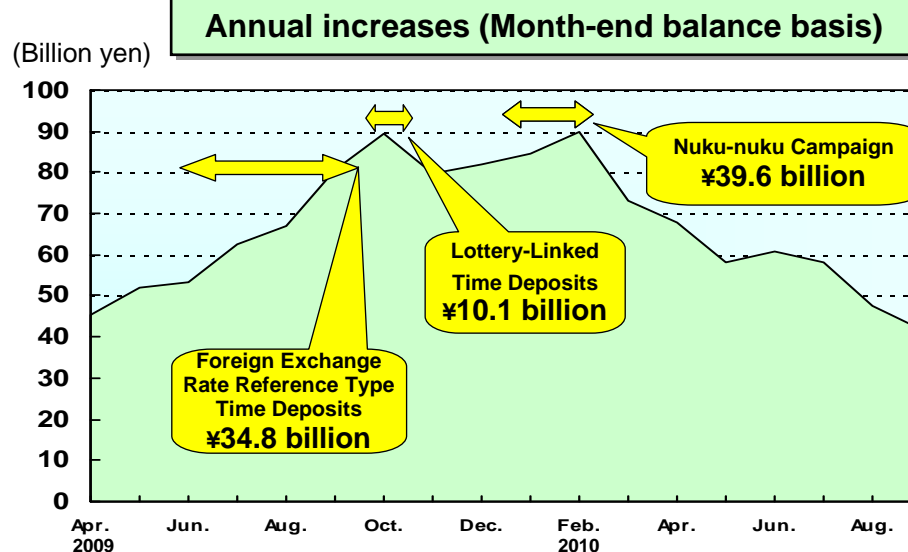
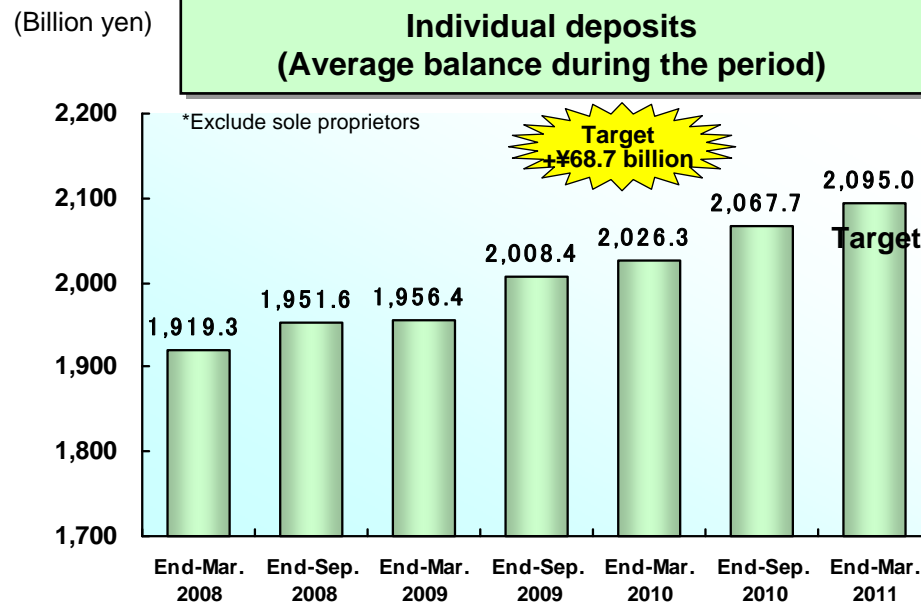
◆ Number of ATMs installed in convenience stores in Shimane and Tottori

(as of end of Sep. 2010): 272 units

* Number of ATMs installed in convenience stores in Japan

(as of end of Sep. 2010): 18,446 units

5-2. Individual Deposits Secured



Targets and promotion measures

■ Emphasizing deposits, which are the proof of customer trust, build a stable and strong base for attracting deposits by offering high-quality services and increasing convenience.

1. Average balance target for FY2010

FY2009: ¥2,026.3 billion → FY2010: **¥2,095.0 billion**

★ Target annual increase in average balance of **more than ¥68.7 billion**

2. Concrete measures to increase balance

Continue building an approach for attracting individual (consumer) deposits, which make up 58% of Gogin's total deposits.

(1) Strengthen inflow base by securing pension accounts

FY2009: 130,370 → FY2010 (target): 136,500

★ Promote annual inflow

FY2009: 178.9 billion yen → FY2010 (target): 189.0 billion yen

(2) Increase the number of salary direct-deposit accounts, which are a general starting point for business

FY2009: 323,552 → First half of FY2010: 326,540

(3) Secure customers with retirement allowances and pension assets

A. Retirement allowances

⇒ Take in more government employee pension money (FY2009 Results for both Sanin prefectures: 13 billion yen, 78.8% share)

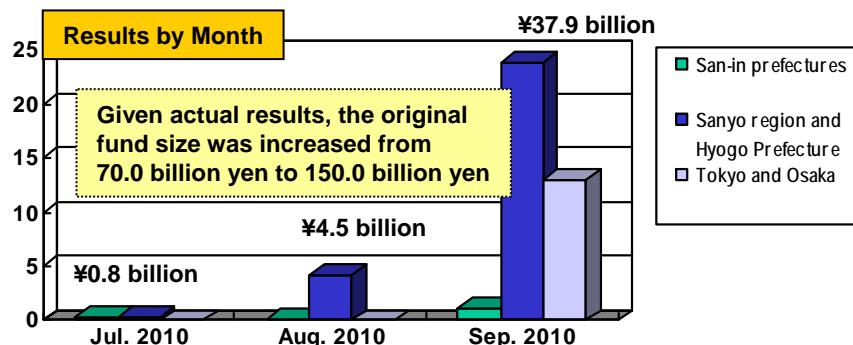
B. Utilize "Gold Time Deposit" and other preferential products for pensioner customers

(4) Secure new money from mass customer segments

Aim to secure inflow by offering attractive products

6-1. Gogin Growth Strategy Fund

Actual Results (Jul. 13 – Sep. 30, 2010)
 117 deals totaling ¥43.2 billion in financing



Results by Strategic Area (End- Sep. 2010)

Seven areas of strategies	Number		Amount (Billion yen)	
		Composition		Composition
1) Environment / Energy	33	28.2%	16.2	37.5%
2) Health (Medicine, Long-term care , Social Welfare)	19	16.2%	2.4	5.6%
3) Agriculture, Forestry, Fisheries	9	7.7%	3.1	7.2%
4) Tourism / Local Invigoration	9	7.7%	5.1	11.8%
5) New Business (Science, Technology, Info-Telecom)	25	21.4%	11.6	26.9%
6) Employment / Human Resources	5	4.3%	0.5	1.2%
7) Asia (Overseas)	17	14.5%	4.1	9.5%
Total	117	100.0%	43.2	100.0%

Gogin Growth Strategy Fund

1. Fund Establishment Background

The Gogin Growth Strategy Fund was established as a financing fund in support of the Bank of Japan's policy direction of providing capital to build a stronger base for economic growth. The fund aims to invigorate the local economy by providing financial support to businesses striving to expand in growth sectors.

2. Fund Overview

- Fund size: ¥150 billion
- Fund duration: July 13, 2010 to March 31, 2012
- Funding targets: Businesses in 7 Strategic Areas related to efforts to strengthen the base for economic growth

7 Strategic Areas

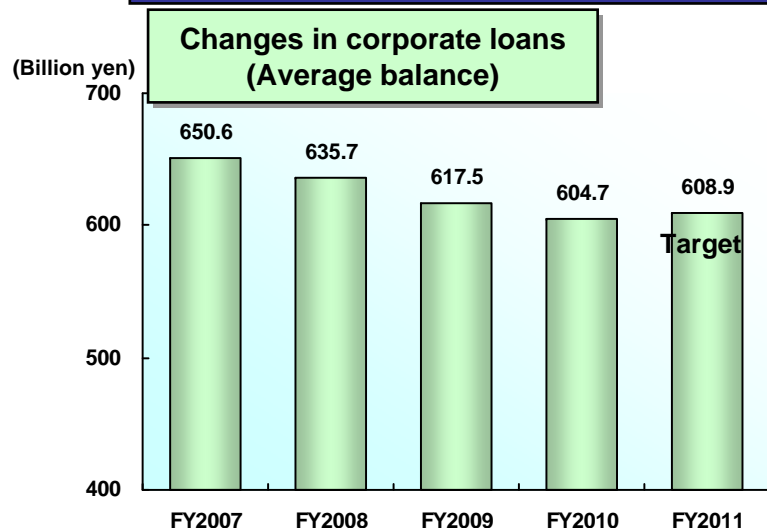
1) Environment / Energy, 2) Health (Medicine, Social Welfare), 3) Agriculture, Forestry, Fisheries, 4) Tourism / Local Invigoration, 5) New Business (Science, Technology, Info-Telecom), 6) Employment / Human Resources, 7) Asia (Overseas)

* Support for businesses in these areas will also be provided through financing channels other than the Gogin Growth Strategy Fund (Gogin Environmentally Conscious Financing, Gogin New Industry Financing, etc.).

* For businesses in the fields of medicine, long-term care, social welfare, and agriculture, staff have been appointed to provide management strategy and business planning support.

6-2. Measures to Boost Corporate Loans in Shimane and Tottori Prefectures

Amid Falling Business Lending, Focus on Individual-Company Strategy



Changes in the balance of deposits and savings in Shimane and Tottori and the share by financial institution

(Billion yen)

[Shimane and Tottori]	End-Sep. 2009		End-Sep. 2010		Change over End-Sep. 2009	
	Balance	Share	Balance	Share	Balance	Share
City banks and trust banks	28.4	1.2%	34.5	1.4%	6.1	0.2%
Regional banks	1,770.6	71.7%	1,772.1	72.0%	1.5	0.3%
San-in Godo Bank	1,283.0	52.0%	1,276.7	51.9%	(6.3)	(0.1)%
Secondary regional banks	202.9	8.2%	200.2	8.1%	(2.7)	(0.1)%
Credit associations	451.8	18.3%	438.9	17.8%	(12.9)	(0.5)%
Credit cooperatives	15.7	0.6%	16.1	0.7%	0.4	0.1%
Total	2,469.6	100.0%	2,462.1	100.0%	(7.5)	

Source: The Japan Financial News

Current situation and countermeasures

1. Current Status

Over the 10 years beginning with 1999, the number of private businesses in the two prefectures served by Gogin declined by 6,809.

* Source: Ministry of Internal and Communications "Unincorporated Enterprise Survey" and "Economic Census" (2009 and later)

Gogin has seen a comparable decline of 7,150 in its business loan customers.

2. Growth Strategy

Increase market share in the two Sanin prefectures and create financing demand

(1) Strengthen sales efforts by branch managers

(2) Make rebuilding the business loan customer base a top priority

Identify the best 845 companies Gogin has yet to do business with and begin business development efforts.

(3) Target medical and social welfare businesses reflecting the unique characteristics in the Sanin prefectures

Effective application of the Growth Strategy Fund

(4) Promote use of financing with emergency guarantees and other institutional backing

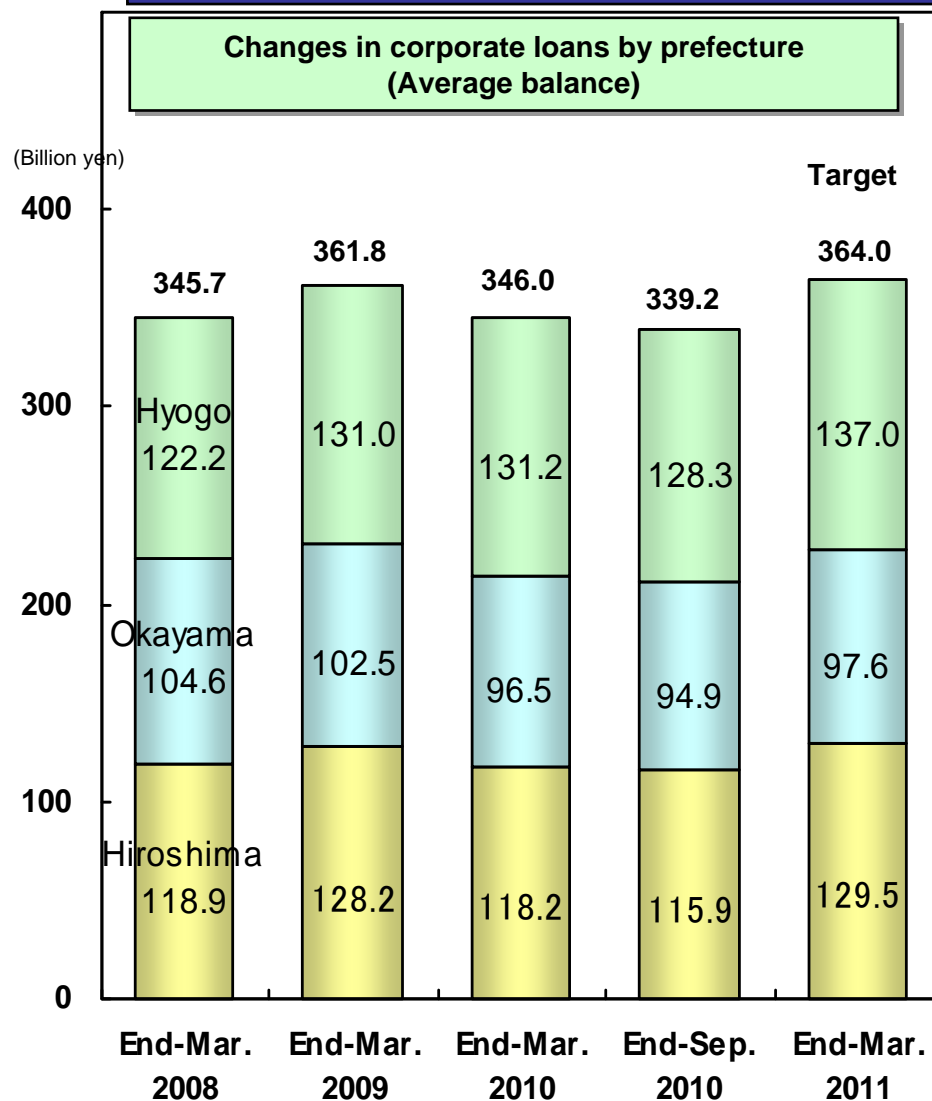
Promote use of emergency guarantees to those who have yet to use them and strengthen financing

⇒ Target: ¥50 billion in new long-term loans

★ Strive to achieve the average outstanding corporate loan goal for both Sanin prefectures FY2010 by strategically promoting corporate borrowing

6-3. Measures to Boost Corporate Loans in the Sanyo Region and Hyogo Prefecture

Build Business Lending through Proactive Consulting-Style Sales



Current situation and countermeasures

1. Current Status

- (1) Weak lending demand and pressure to pay down interest-bearing debt continue.
- (2) As of Sep. 30, 2010, growth in outstanding loans had turned positive for the Hiroshima-Hyogo block. New loan customer development is focused on businesses and the balance of outstanding loans was up.
- (3) Gogin shares in individual prefectures (March 2010 BOJ data on total lending)
 - Hiroshima 1.429%, Fukuoka 3.250%, Hyogo 1.019%

Ample room for expanding the business lending base and market share.

2. Growth Strategy

(1) Apply Targeted New Lending List

Implement enhanced activities for businesses on the Targeted New Lending List in accordance with market characteristics and industrial structures in areas served by Sanyo and Hyogo branches.

(2) Actively promote use of the Gogin Growth Strategy Fund

A. FY2010 first-half results for the Sanyo and Hyogo areas

89 loans totaling ¥28.5 billion

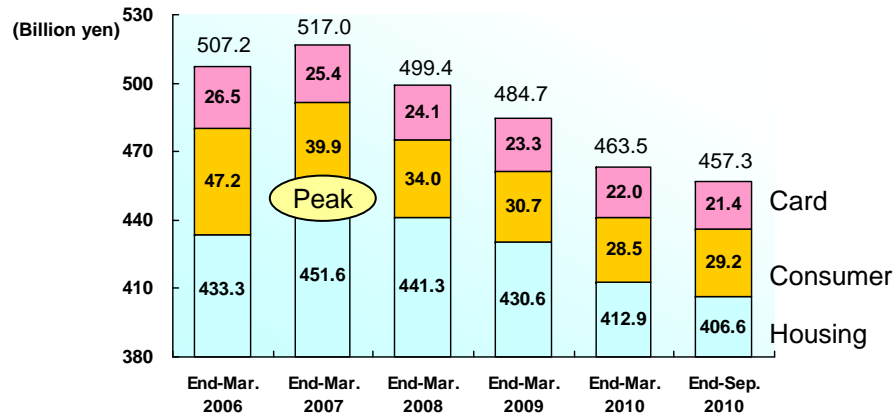
B. Assemble a system for actively supporting businesses with Consulting-Style and Problem-Solving sales approaches.

- ★ Strive to achieve ¥364 billion in average outstanding business loans for the FY2010 by strategically promoting business borrowing.

6-4. Measures to Boost Loans to Individual Clients

Build Individual (Consumer) Loans as the Next Most Important Earnings Base After Corporate Loans

**Individual loans
(Term-end balance)**



Current situation and countermeasures

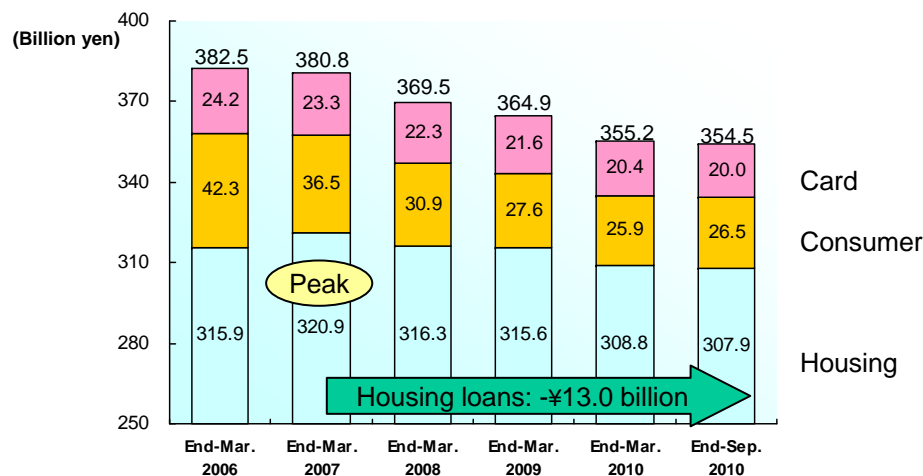
1. Current Status

- (1) With housing starts down, housing loans have led consumer loans down from their peak in the FY2006.
- (2) Results have declined in both Sanin prefectures, but a housing loan campaign beginning in FY2010 and expanded channels for taking in new loan business have halted the decline.
- (3) Regarding falling housing loans in the Sanyo and Hyogo areas:
From 2002 to 2007, approximately 150 billion yen in housing loans, mainly the strategic Super Housing Loans, were made.
⇒ Later strategy for the Sanyo and Hyogo areas
 - A. Business strategy focusing on corporate lending and business matching.
 - B. Competition with other banks in housing loans has intensified making it impossible to earn returns suitable for the investment and risk levels.

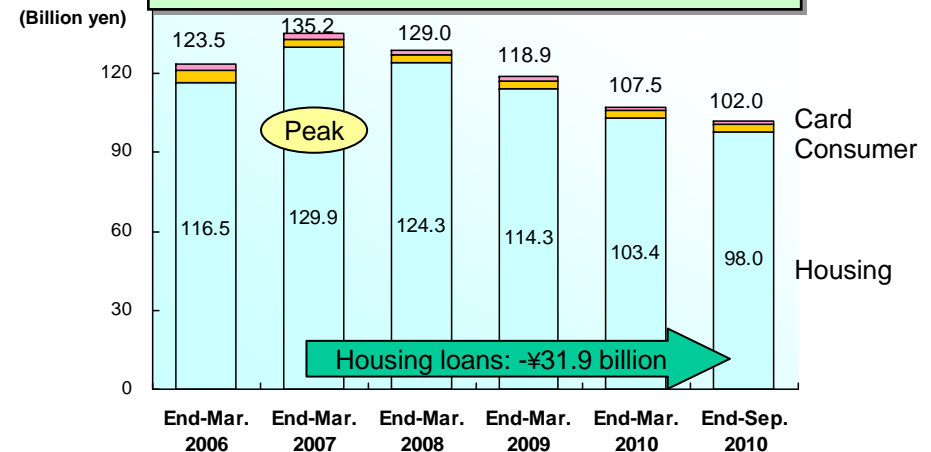


Actively promote individual borrowing with Sanin as the primary market.

**Shimane and Tottori Prefectures
(Term-end balance)**



**Sanyo region and Hyogo Prefecture
(Term-end balance)**

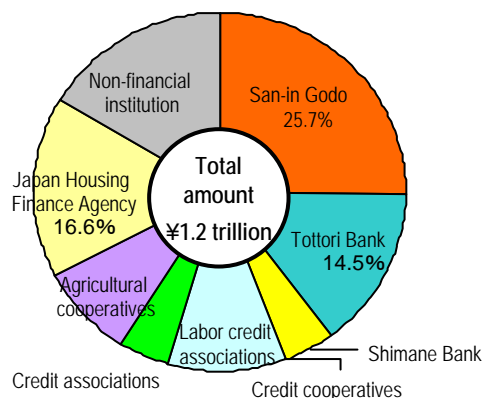


6-5. Measures to Boost Loans to Individual Clients in Shimane and Tottori Prefectures

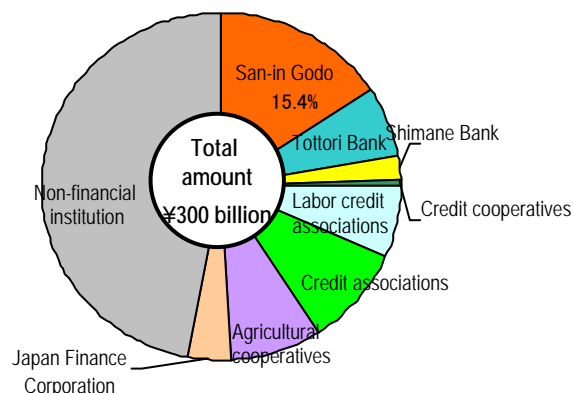
Increase Sanin Market Share with Attractive Products and Services

San-in Godo's share in Shimane and Tottori Prefecture

Housing loans



Consumer loans



Source: San-in Economics & Management institute
(Assumed card loans are included in consumer loans)

*Rate of First half of FY2010 (Year-end balance base)

Housing loan: 2.39%, Consumer loan: 4.31%, Card loan: 8.03%

Current situation and countermeasures

1. Current Status

- Given this bank's deposit and loan market shares, there is **more than ample room to expand individual lending.**
- High-yield market promising high profitability

2. Strengthening Strategy

(1) Introduce new products

- Gogin deposit-linked housing loan
- DUO card loan and consolidation loan products

(2) Expand channels for taking in new loan business

- In addition to the 4 Individual Loan Centers, strengthen head office and branch counter operations
- Expand range of products accessible over the Internet and mobile devices.

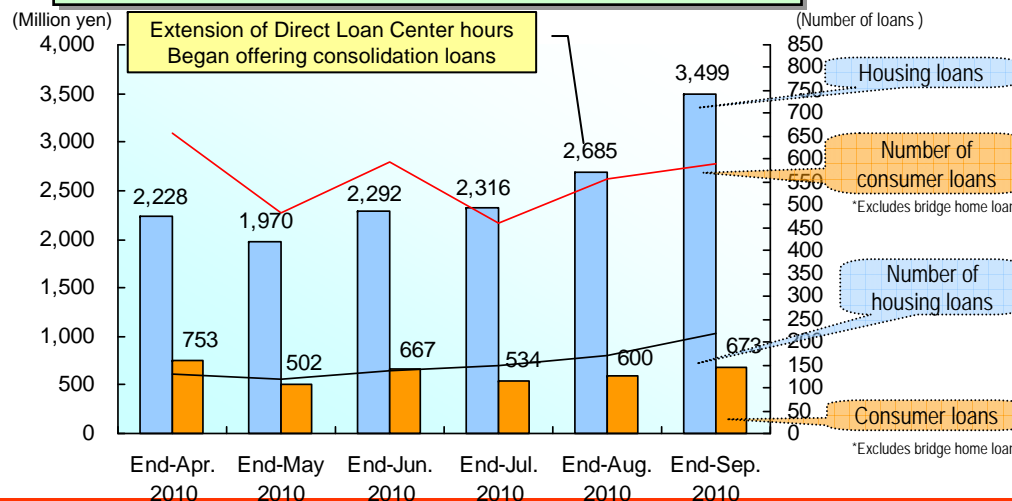
(3) Extend Direct Loan Center hours

- Extended phone/fax access to 7:30PM on weekdays beginning in August

(4) Accelerate review speed

- Have consumer and card loan lending responses ready, in principle, by the following business day.

New Loans and Funds Lent by Product



7-1. Credit Card Earnings

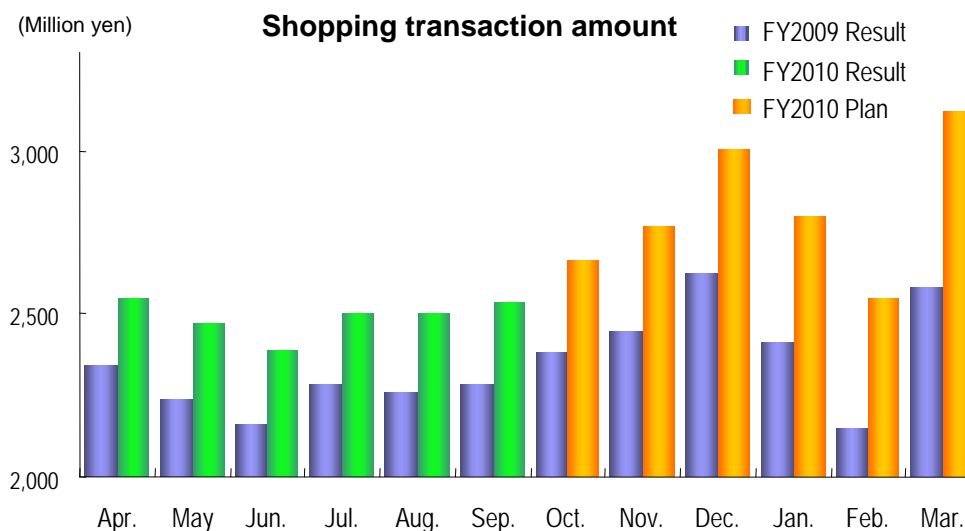
Actual and Planned Earnings

Absorption of credit card operations into the bank parent company begun

		(Million yen)		
		FY2009 Result	FY2010 Plan	FY2011 Plan
		Gogin Credit	San-in Godo Bank	San-in Godo Bank
Income		1,411	1,430	1,900
Shopping commission	Fees and commissions	457	500	750
Membership fee revenues	Fees and commissions	286	330	420
Interest on cashing loans	Interest *1	668	600	730
Expenses		771	701	900
Premium, etc.	Fees and commissions	325	255	305
Operations consignment expenses	Expenses	446	446	595
Card revenue		640	729	1,000
Other expenses	*2 Expenses	541	457	587
Gains (losses) on business		99	272	413

*1 Cashing balance declined 12% due to the amendment of the Money-Lending Business Control and Regulation Law, interest income dropped from 18% to 15% due to the revision of the Interest Rate Restriction Act.

*2 Main items of Other expenses are postal cost, marketing materials cost (provision for point certificates), and plastic sheets for credit cards issuance, etc.



First half of FY2010 result

- Outstanding balance: ¥15.0 billion (YoY: +10%)
- Card usage rate: 37% (YoY: +2 points)
- Monthly charges: ¥27 thousand (YoY: +¥1 thousand)

Second half of FY2010 plan

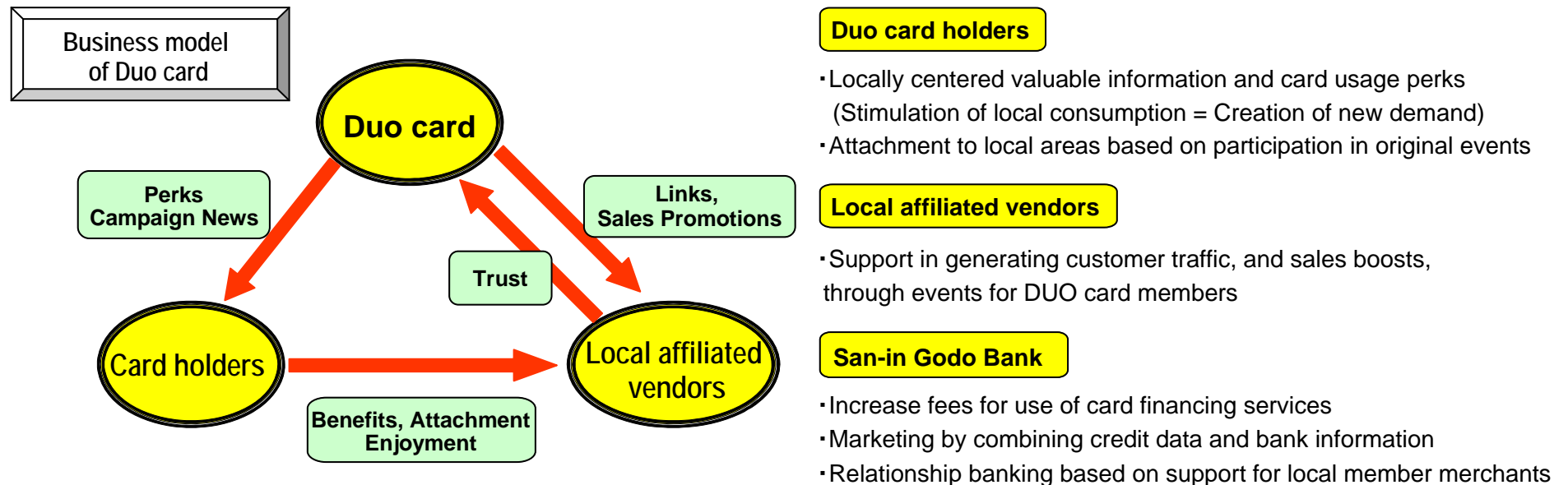
- Outstanding balance: ¥17.0 billion (YoY: +16%)
- Card usage rate: 39% (From the 1st half: +2 points)
- Monthly charges: ¥29 thousand (From the 1st half: +¥2 thousand)

FY2011 target

- Outstanding balance: ¥46.5 billion (YoY: +45%)
- Card usage rate: 45% (YoY: +7 points)
- Monthly charges: ¥34 thousand (YoY: +¥6 thousand)

7-2. Duo Card's Regional Card Strategies

**"The most familiar, most supported credit card in the region"
= "Regional card"**



Realize a locally based cycle of people, goods, and money.

7-3. Implement Joint Campaign with Local Member Merchants

Promote Credit Card Usage at Local Member Merchants

--Being the most familiar, supported credit card = The card for local business--

Tour on the Asuka II Luxury Cruise Liner

- Purpose Perk for affluent customers
→Members-only premium
- Course. Sakaiminato, Pusan, Nagasaki
- Time End of October 2010
- Details Optional tours for Duo card members
- Cost 200,000 yen to 500,000 yen



Received 24 applications for 20 spots

Skin Care & Makeup Instruction Event

- Purpose Perk for affluent women
→Promote card usage for high-priced goods, Boost Duo card image
- Location Sun Rapport Murakumo (Matsue)
- Day August 29, 2010
- Details ① Makeup instruction by professionals
② Display and sales of products used at the event

- Received 70 applications for 60 spots
- About 30% of participants purchased goods at the venue

Supermarket & Duo Card Present Campaign

- Purpose Promote card usage in daily life
→Promote Duo as The card for local business
- Venue Supermarkets in both Sanin prefectures (8 chains, 66 stores)
- Date October 16 to November 15, 2010
- Details Gift drawing for each 5,000 yen charged

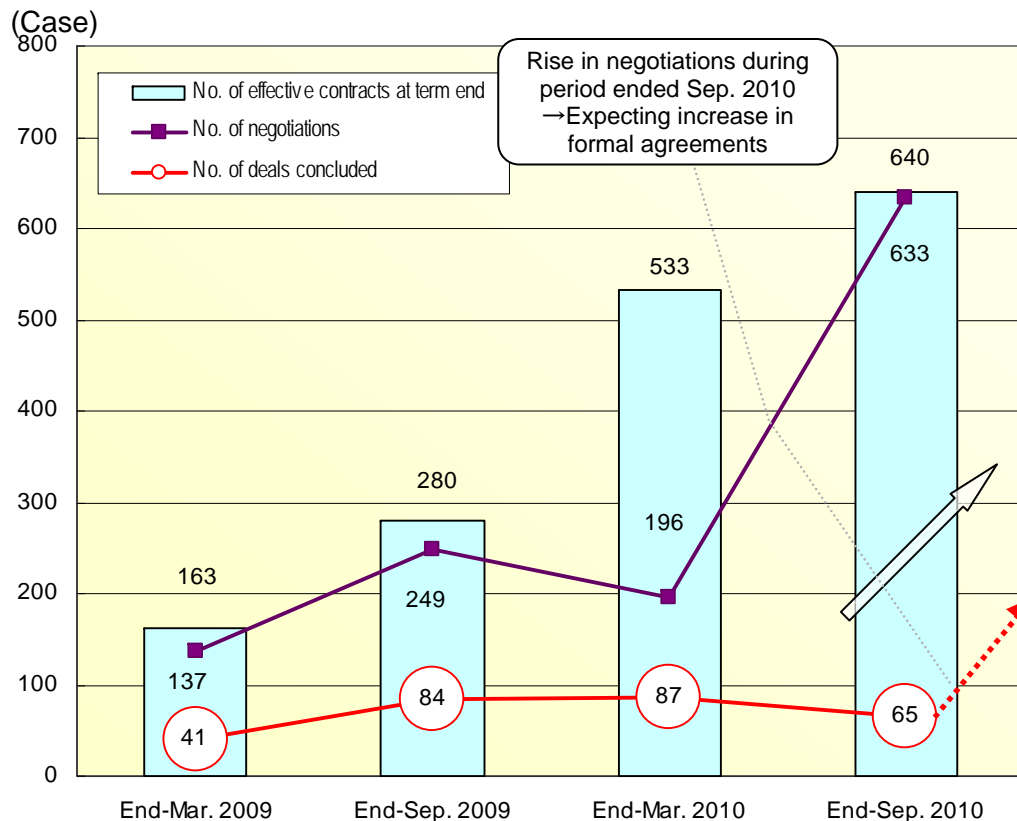
- Goal: 30% increase in credit card usage at target stores
- Help member merchants through effective campaigns to increase customer traffic

Card Members



8 Supermarket Chains
Kinuya Green Food
Sun Terrance Takehara
Tosc Fukushima
Foods Market Hok
Mishimaya

8-1. Achievement by Business Matching



<Results of first half of FY2010>
Number of contracts: 533 ⇒ 640 [120%]
Number of negotiations: 196 ⇒ 633 [322%]
Number of deals concluded: 87 ⇒ 65 [(25.2)%]
Number of Consulting BM contracts: 50
 Target to be achieved during the current period

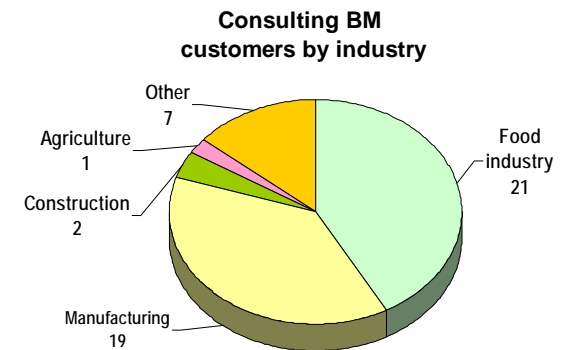
<End- Sep. 2010>
 1) Deals for which fees are due: 90
 2) Ongoing negotiations: 544
 → Expecting 55 agreements (10% of negotiations)

<From Oct. 2010>
 1) Fee income on completed deals
 2) Additional fees expected from higher number of completed deals arising from higher numbers of new and ongoing negotiations

Commission ¥7.3 million **Commission** ¥9.2 million **Commission** ¥12.6 million **Commission** ¥12.2 million

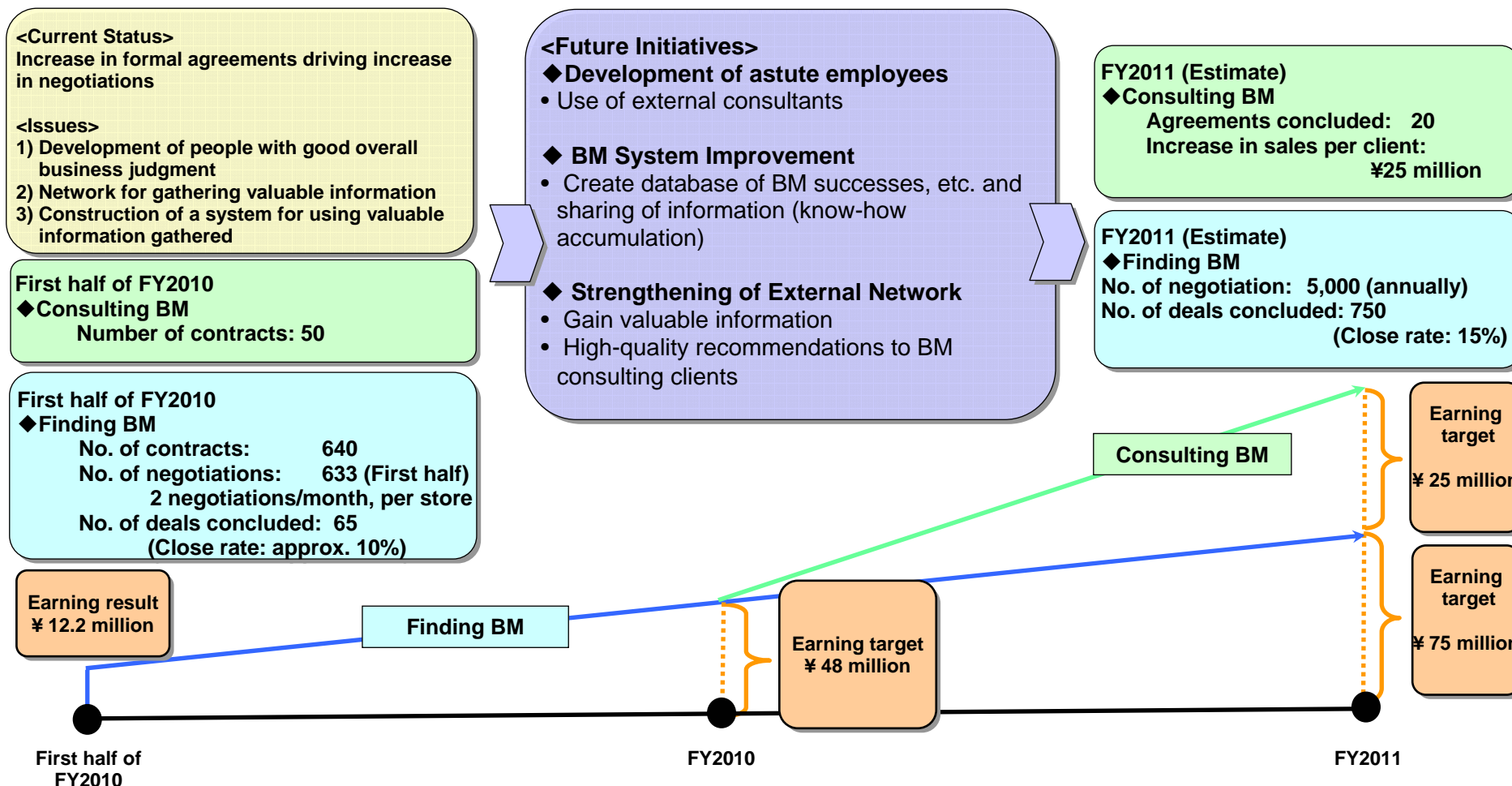
(Million yen)

	FY2009 Result	FY2010 Plan	FY2011 Plan
Business matching commission	21	48	100
Original target	100	300	600

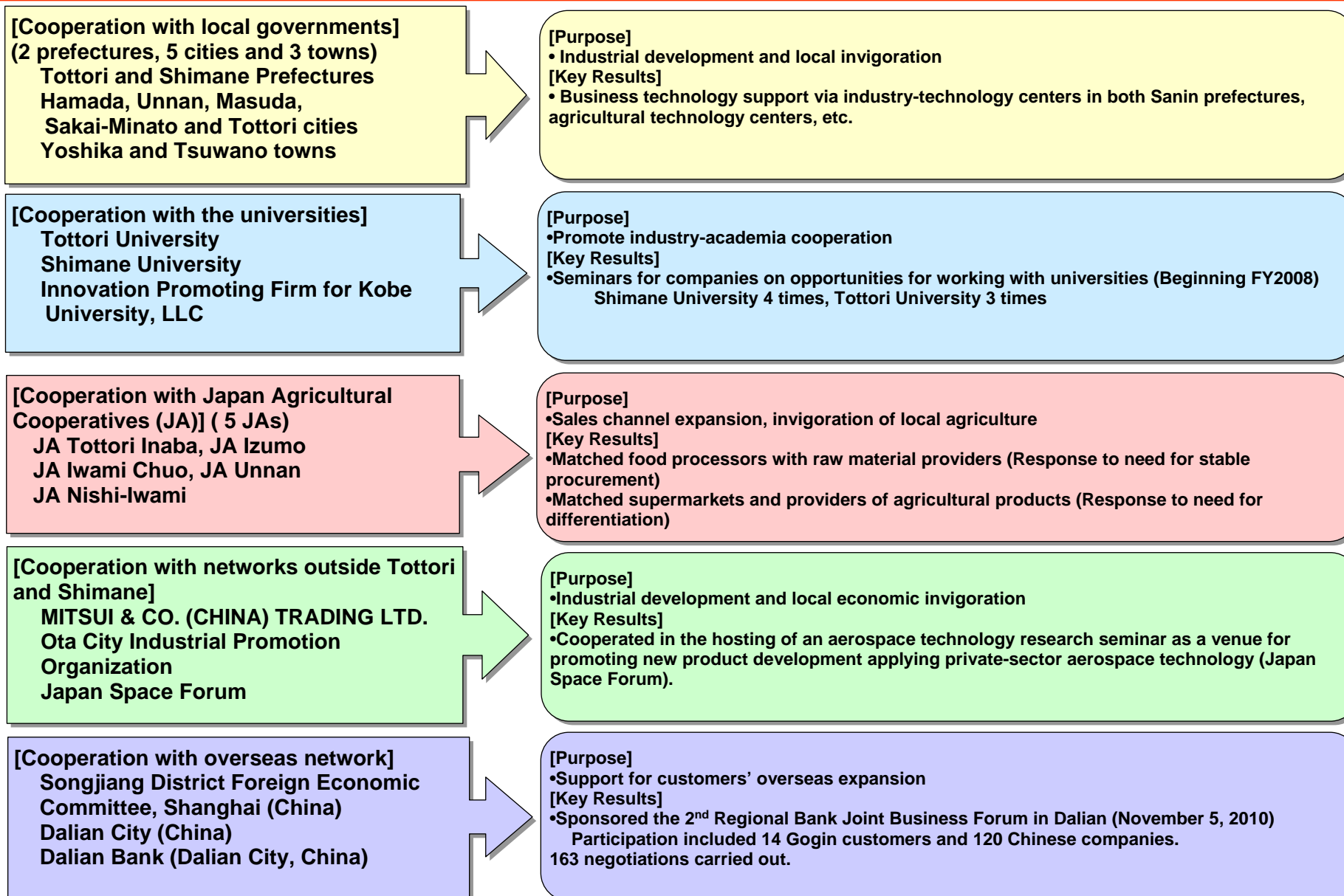


8-2. Earnings Target of Business Matching

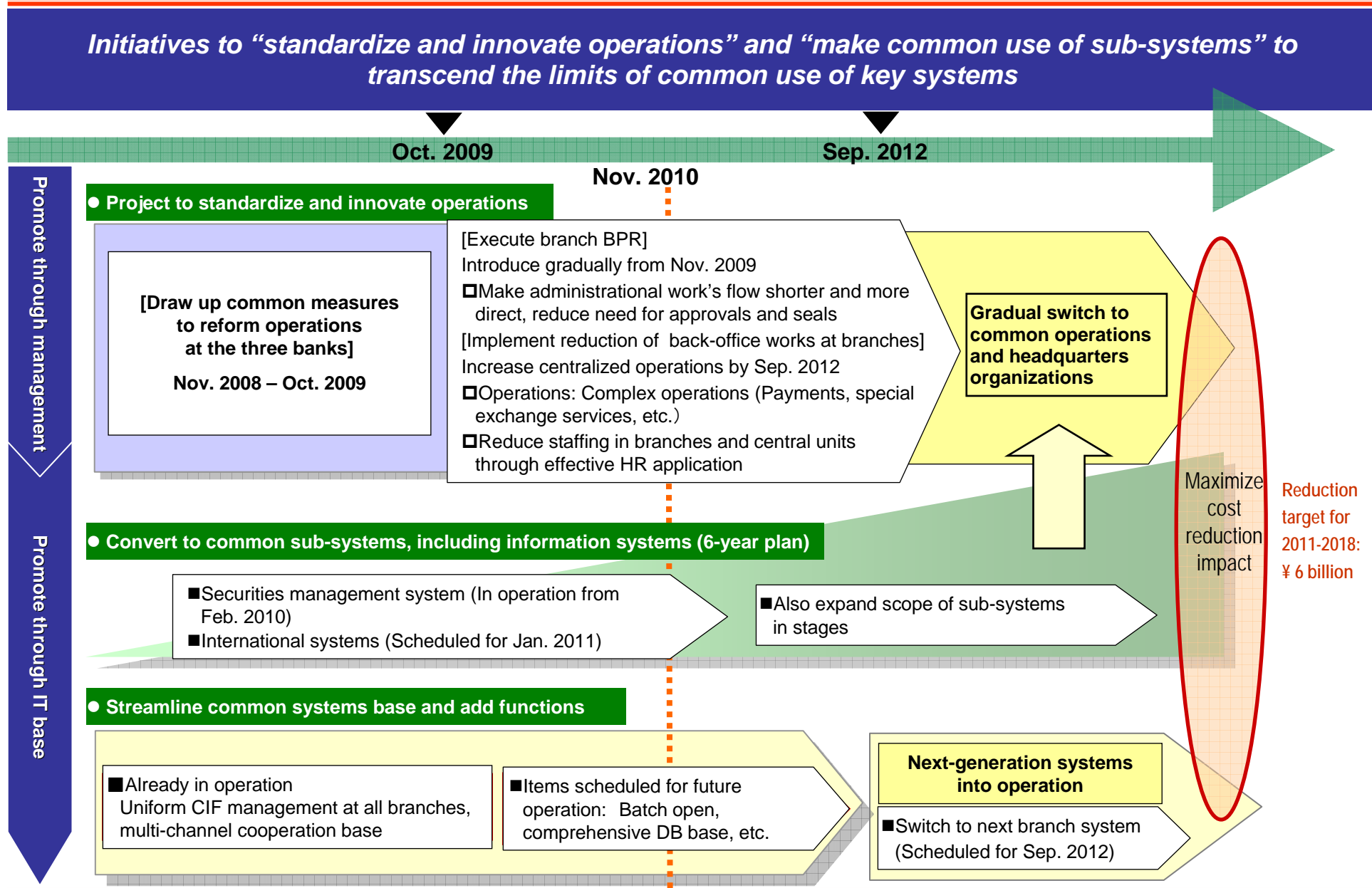
Consulting BM	Offer high value-added services designed to encourage company growth by continuously solving customers' problems through developing new products and advancing into new businesses, etc. ⇒ Ongoing fee income
Finding BM	"Introduction-type," "One-off-type" BM ⇒ Non-recurring fee income



8-3. Cooperation with External Network



9-1. Promote Further Common Use of Systems



10-1. Measures to Return Profits to Stockholders

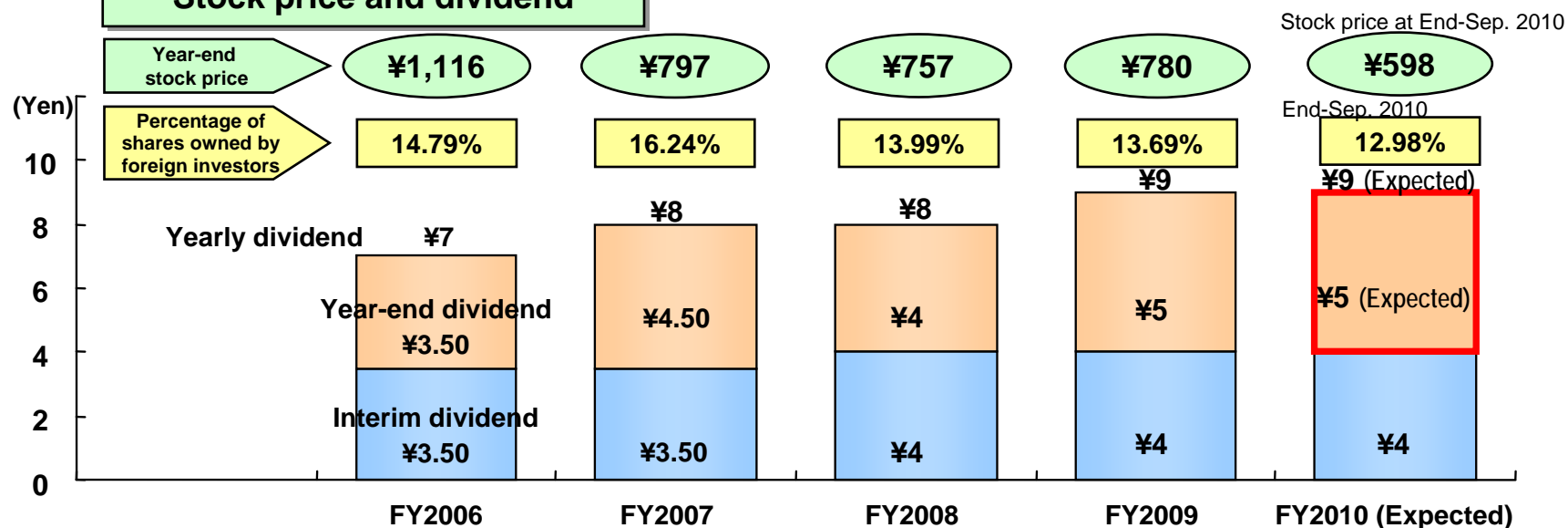
Dividend policy

- ◆ Introduced performance-linked dividend scheme from the March 2009 term
- ◆ Stable annual dividend of 8.00 yen per stock
- ◆ When net income exceeds 8 billion yen, the bank pays a performance-linked dividend

<Dividend payment>

Net income (non-consolidated)	Dividend per share
More than 10 billion yen	¥11
9 billion - 10 billion yen	¥10
8 billion - 9 billion yen	¥9
Less than 8 billion yen	¥8

Stock price and dividend



	FY2006	FY2007	FY2008	FY2009	FY2010 (Expected)
Net income per share	¥65.34	¥43.45	¥44.64	¥50.71	¥50.69
Dividend per share	¥7	¥8	¥8	¥9	¥9
Payout ratio	10.6%	18.3%	17.9%	17.6%	17.7%
Total dividend paid	¥1,206 million	¥1,366 million	¥1,365 million	¥1,528 million	¥1,507 million
Amount of San-in Godo's own stocks purchased No. of stocks purchased	¥2,845 million 2,524,000 shares	¥163 million 179,000 shares	Not implemented	¥1,003 million 1,423,000 shares	¥1,320 million* 1,747,000 shares
Profit return ratio	35.7%	20.5%	17.9%	29.2%	33.2%*

* Results reflect purchase of treasury shares from shareholders opposed to subsidiary reorganization measures

* Projections assume no treasury share purchases in the second half of FY2010

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Forward-looking statements are included in this material. These statements do not provide a guarantee of the San-in Godo's future performance, and actual results are subject to risks and uncertainties. Please note that future performance may differ from the views presented herein owing to changes in the operating environment and other factors.