

# **Investor Relations Meeting**

## **Information Pack**

**The San-in Godo Bank, Ltd.**

**June 2011**

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# *Part I*

# *Summary of Financial Report for FY2010*

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# Summary of Business Results for FY2010

Interest income and fees and commissions rose. Net income almost flat compared with the previous year

[Non-consolidated basis] (Billion yen, %)	FY2007	FY2008	FY2009	FY2010	Change over FY2009	
					Changes	% change
<b>Gross banking profit</b>	53.1	68.7	59.7	63.9	4.1	7.0
Interest income	57.0	56.0	54.4	55.4	1.0	1.9
Fees and commissions	4.9	5.2	4.5	4.8	0.2	5.2
Other banking profit	(8.9)	7.4	0.7	3.6	2.9	416.6
(Gains [losses] on bonds)	(9.4)	7.1	0.3	3.8	3.4	948.0
<b>Gross core banking profit</b>	62.5	61.6	59.3	60.0	0.7	1.1
<b>Expenses</b>	39.0	37.6	37.6	38.4	0.7	2.0
Transfer to the general loan loss reserve	4.4	(1.4)	1.3	(0.9)	(2.2)	(169.3)
<b>Net banking profit</b>	9.5	32.5	20.7	26.4	5.6	27.2
<b>Net core banking profit</b>	23.4	24.0	21.6	21.6	(0.0)	(0.2)
<b>Nonrecurring gains (losses)</b>	4.2	(19.6)	(5.9)	(11.8)	(5.9)	(100.5)
Bad debt disposals	9.7	6.9	4.1	9.5	5.4	130.6
Gains (losses) on stocks	14.0	(12.5)	(0.6)	(1.6)	(0.9)	(163.7)
<b>Ordinary profit</b>	13.5	12.7	14.7	14.5	(0.2)	(1.9)
<b>Income before income taxes</b>	12.4	12.5	13.7	13.4	(0.3)	(2.5)
<b>Income taxes</b>	5.0	4.9	5.1	4.9	(0.1)	(2.9)
<b>Net income</b>	7.4	7.6	8.6	8.4	(0.1)	(2.2)

## ■ Gross banking profit over FY2009:

4.1 billion yen

(Main changes)

- Interest income: 1.0 billion yen
  - Interest on loans and bills discounted: (1.9) billion yen
  - Interest and dividends on securities: 0.3 billion yen
  - Interest on deposits: (1.7) billion yen
- Fees and commissions: 0.2 billion yen
- Gains (losses) on bonds: 3.4 billion yen
- Option losses related to buy/write operations: (0.6) billion yen

## ■ Net core banking profit over FY2009:

(0.0) billion yen

(Main changes)

- Interest income: 1.0 billion yen
- Fees and commissions: 0.2 billion yen
- Expenses: 0.7 billion yen
- Option losses related to buy/write operations: (0.6) billion yen

## ■ Ordinary profit over FY2009:

(0.2) billion yen

(Main changes)

- Bad debt disposals: 5.4 billion yen
- Gains (losses) on stocks: (0.9) billion yen
  - Gains (losses) on sales of stocks and other securities: (0.7) billion yen
  - Loss on devaluation of stocks and other securities: 0.6 billion yen

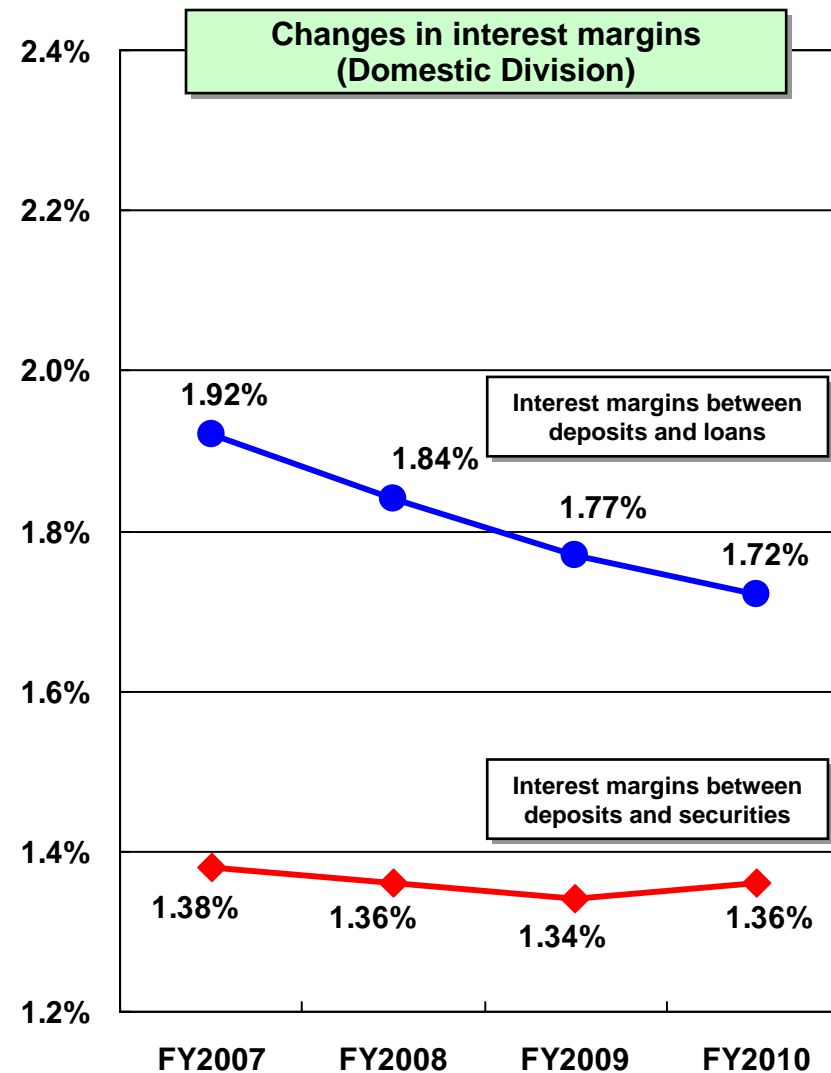
Though the decline in overall interest income was halted, interest on loans and bills discounted fell. Interest on deposits, however, also declined.

### Changes in breakdown of interest income

(Billion yen)	FY2007	FY2008	FY2009	FY2010	Change over a year earlier
Interest income (i)	79.9	72.6	64.5	64.7	0.2
(Foreign currency denominations)	13.5	6.5	3.4	5.2	1.8
Interest on loans and bills discounted	45.2	45.1	41.3	39.4	(1.9)
(Foreign currency denominations)	0.0	0.0	0.0	0.0	(0.0)
Interest and dividends on securities	26.4	22.2	20.6	20.9	0.3
(Foreign currency denominations)	5.5	1.3	0.8	1.1	0.2
Others	8.2	5.3	2.6	4.3	1.7
(Foreign currency denominations)	7.9	5.1	2.5	4.1	1.6
Interest expenses (ii)	23.1	16.8	10.1	9.3	(0.8)
(Foreign currency denominations)	13.9	7.0	2.9	4.0	1.1
Interest on deposits	18.1	14.9	9.1	7.3	(1.7)
(Foreign currency denominations)	9.6	6.0	2.6	2.9	0.2
Others	5.0	1.8	0.9	1.9	0.9
(Foreign currency denominations)	4.2	1.0	0.2	1.1	0.8
Fund trust management expenses (iii)	0.2	0.1	0.0	0.0	0.0
(Foreign currency denominations)	0.2	0.1	0.0	0.0	0.0
Interest income = (i) - (ii) + (iii)	57.0	56.0	54.4	55.4	1.0
(Foreign currency denominations)	(0.1)	(0.4)	0.4	1.1	0.7

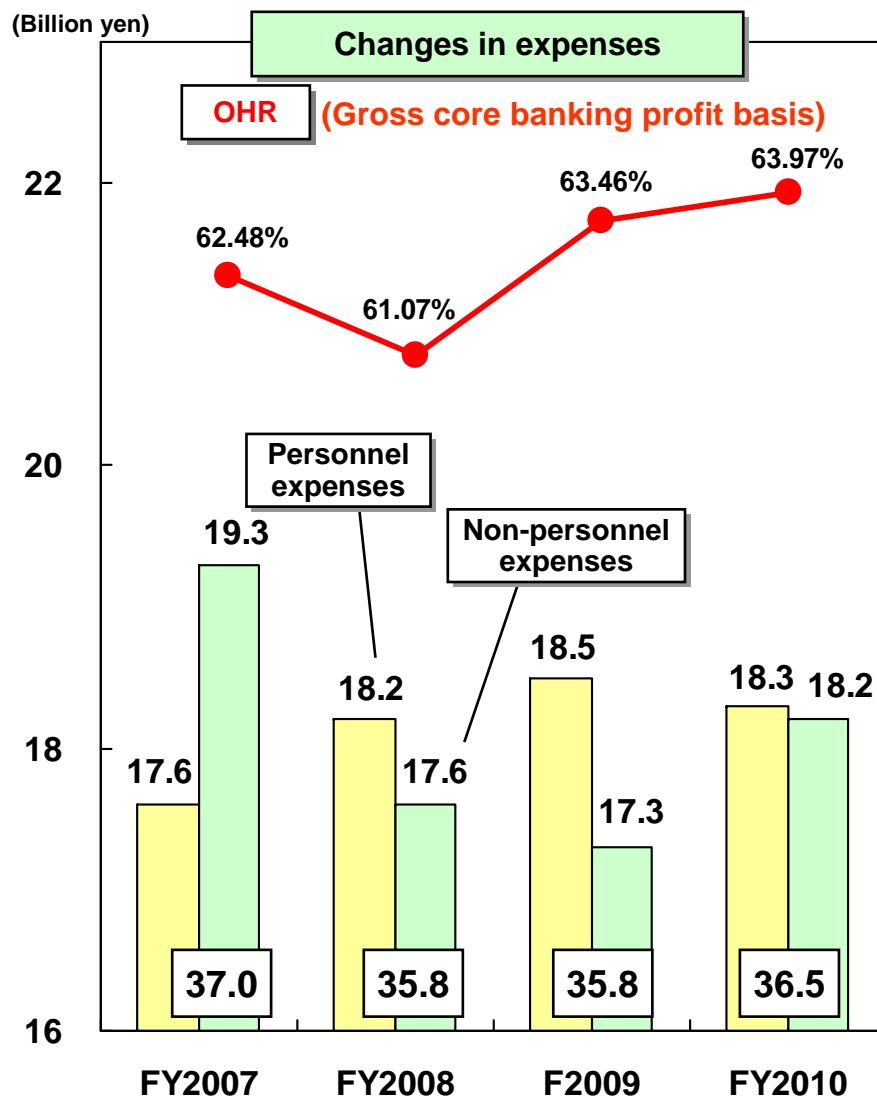
### Factors for changes in interest income (Balance/Yield)

(Billion yen)	Over the previous year changes in gains (losses)	Balance factor		Yield factor	
		Difference in average balance	Interest	Difference in yield	Interest
Interest income	0.2	128.3	2.3	(0.059)%	(2.0)
Interest on loans and bills discounted	(1.9)	32.2	0.6	(0.121)%	(2.5)
Interest and dividends on securities	0.3	47.1	0.7	(0.027)%	(0.3)
Interest expenses	(0.8)	120.4	0.3	(0.034)%	(1.1)
Interest on deposits	(1.7)	59.2	0.1	(0.058)%	(1.9)
Changes in interest income	1.0		1.9		(0.9)

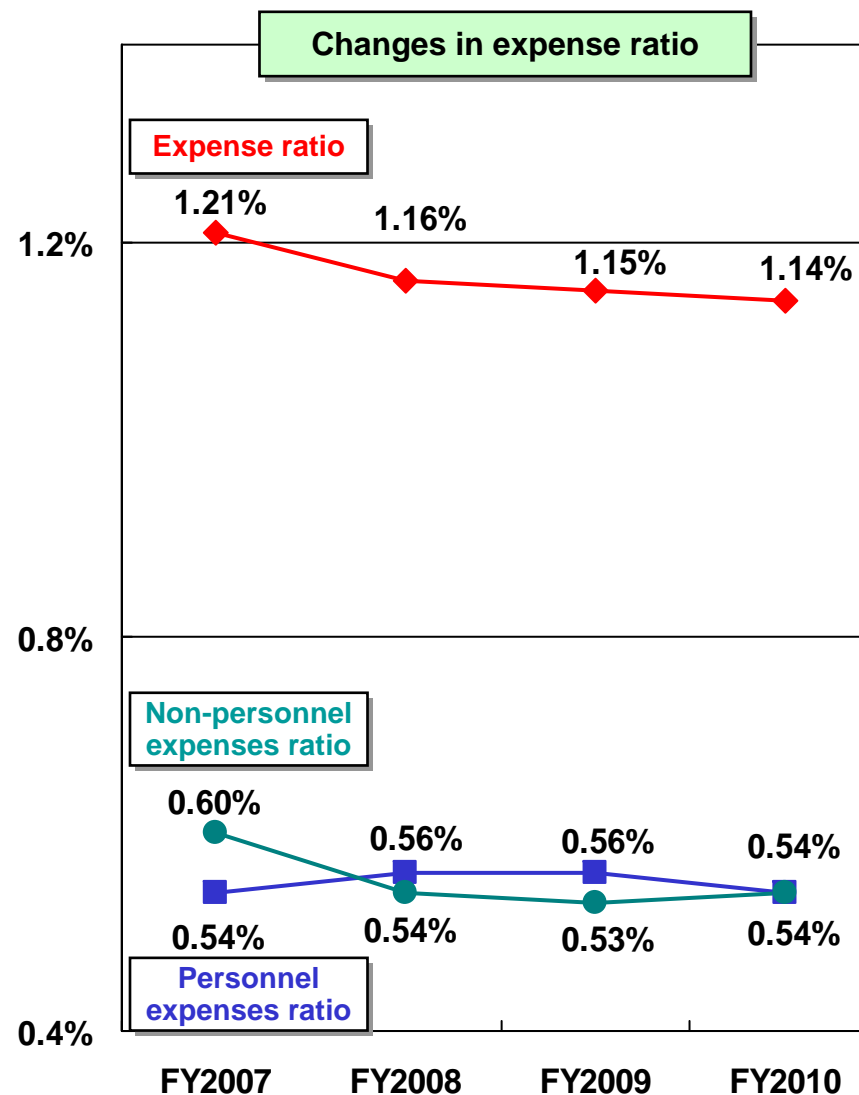


# Changes in Expenses

**Non-Personnel Expenses increased year-on-year because expenses relating to credit card issuance by the bank's headquarters were posted in the accounts**



\* Excluding taxes



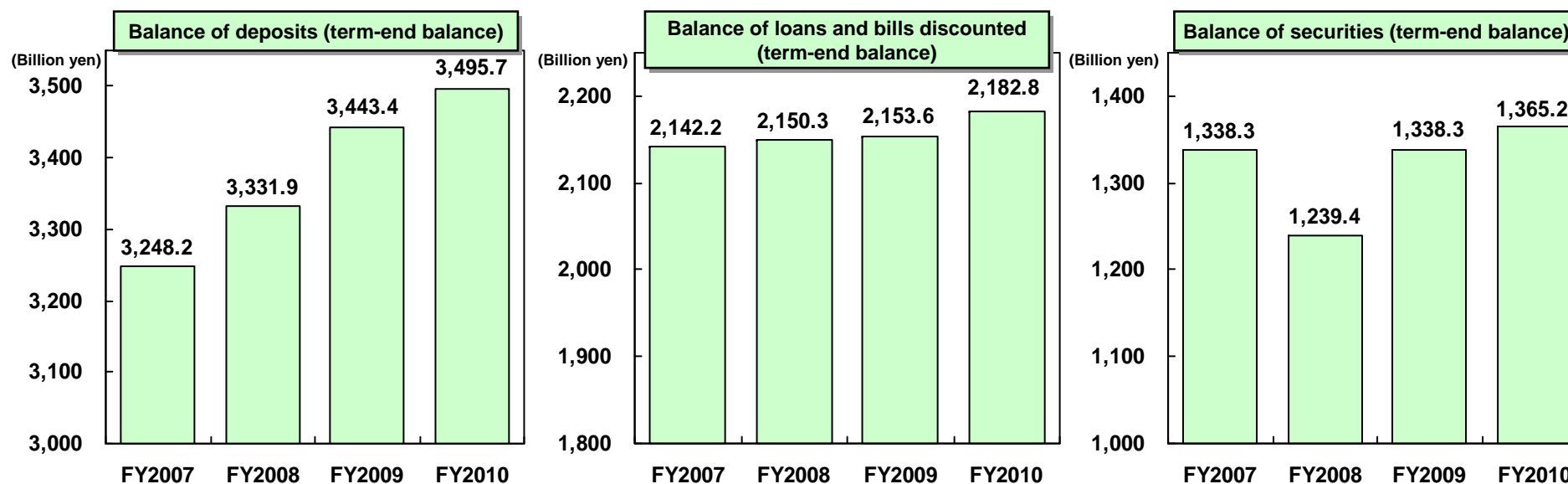
# Changes in Balances of Main Accounts

Year-end balance of deposits and loans and bills discounted increased. Efforts to ensure the safety and efficiency of investments also resulted in higher securities balance

## Balance of deposits, loans and bills discounted, and securities

(Billion yen)

		FY2007	FY2008	FY2009	FY2010	Change over FY2009	% change
Deposits	Term-end balance	3,248.2	3,331.9	3,443.4	3,495.7	52.3	1.5%
	Average balance	3,186.6	3,210.8	3,266.8	3,326.0	59.2	1.8%
Loans and bills discounted	Term-end balance	2,142.2	2,150.3	2,153.6	2,182.8	29.1	1.3%
	Average balance	2,055.6	2,112.0	2,091.7	2,124.0	32.2	1.5%
Securities	Term-end balance	1,338.3	1,239.4	1,338.3	1,365.2	26.8	2.0%
	Average balance	1,363.7	1,307.3	1,311.3	1,358.5	47.1	3.5%

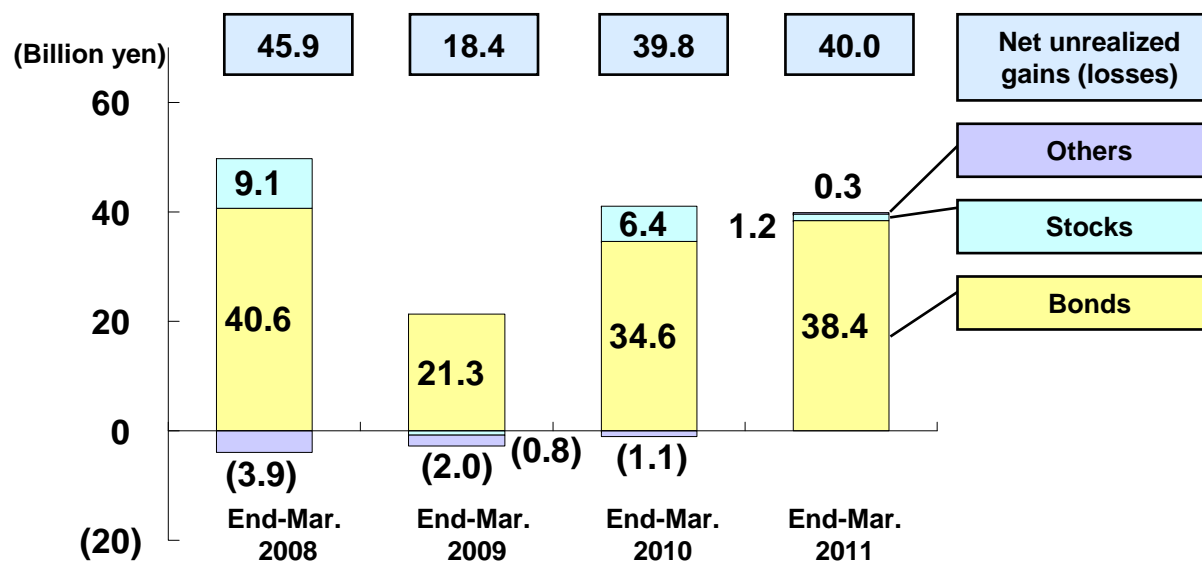


# Unrealized Gains (Losses) on Securities

Unrealized gains on securities increased as the market recovered

## Other unrealized gains (losses) on securities

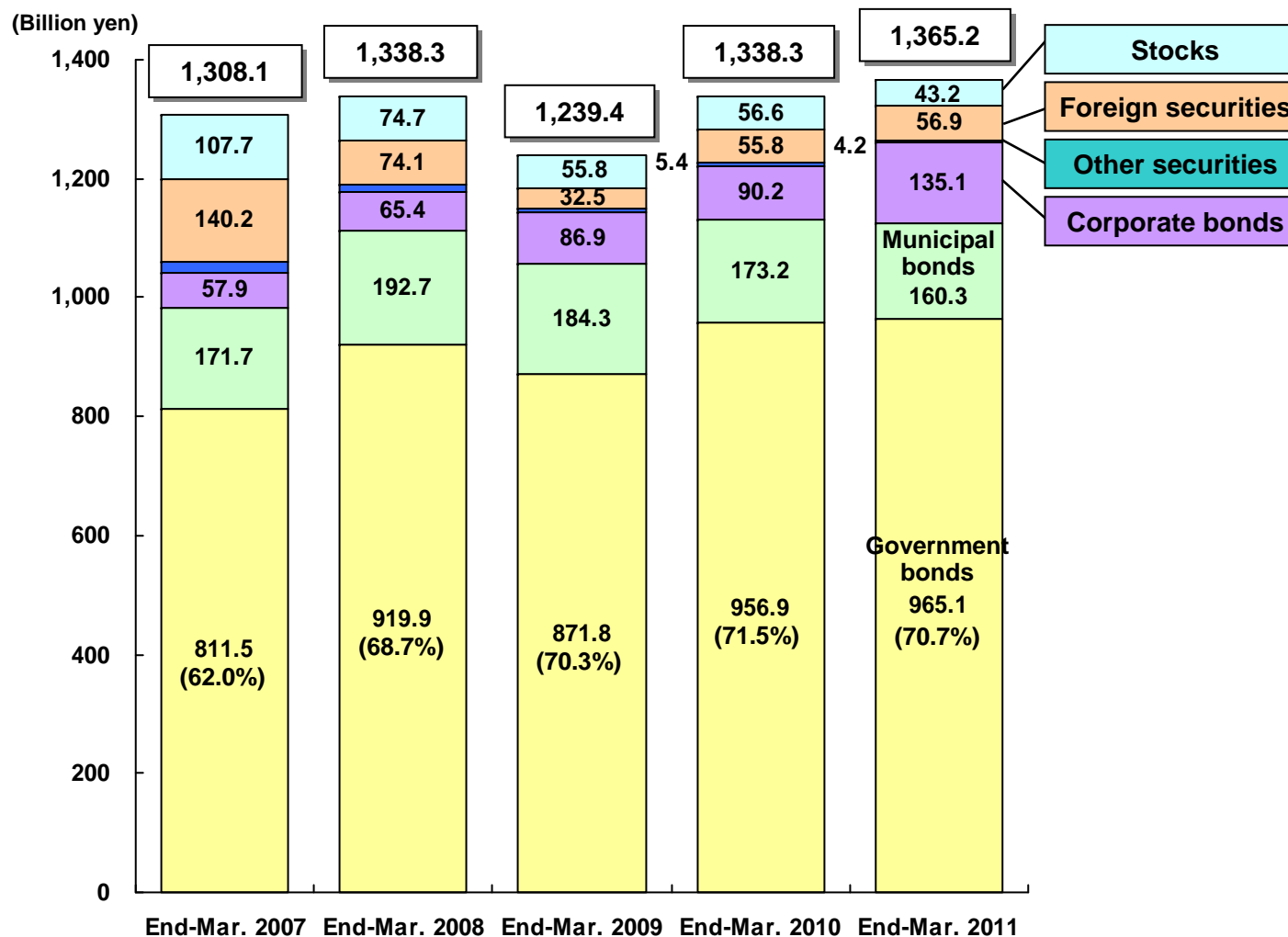
(Billion yen)	End-Mar. 2008	End-Mar. 2009	End-Mar. 2010	End-Mar. 2011	Change over End-Mar. 2010	Unrealized gains	Unrealized losses
<b>Total</b>	<b>45.9</b>	<b>18.4</b>	<b>39.8</b>	<b>40.0</b>	<b>0.1</b>	<b>44.6</b>	<b>4.5</b>
<b>Bonds</b>	<b>40.6</b>	<b>21.3</b>	<b>34.6</b>	<b>38.4</b>	<b>3.7</b>	<b>38.8</b>	<b>0.4</b>
<b>Stocks</b>	<b>9.1</b>	<b>(0.8)</b>	<b>6.4</b>	<b>1.2</b>	<b>(5.1)</b>	<b>5.1</b>	<b>3.8</b>
<b>Others</b>	<b>(3.9)</b>	<b>(2.0)</b>	<b>(1.1)</b>	<b>0.3</b>	<b>1.5</b>	<b>0.6</b>	<b>0.2</b>
Yields on 10-year government bonds	1.275%	1.340%	1.395%	1.255%	(0.140)%		
Nikkei Stock Average	12,525	8,109	11,089	9,755	(1,334)		
TOPIX	1,212	773	978	869	(109)		



# Changes in Balances of Securities Portfolio

## Portfolio emphasizing government bonds

Changes in balances of securities portfolio



# Securities Portfolio

## Balance of securities by remaining period (End-Mar. 2011)

(Million yen)	1 year or less	1 to 3 years	3 to 5 years	5 to 7 years	7 to 10 years	Over 10 years	Period not defined	Total
Government bonds	2,005	213,535	98,372	152,826	498,402	–	–	965,142
Municipal bonds	22,187	20,399	38,552	33,738	45,480	–	–	160,359
Corporate bonds	10,087	49,234	16,485	14,274	25,597	19,518	–	135,197
Stocks	–	–	–	–	–	–	43,297	43,297
Other securities	1,256	6,160	22,891	1,409	19,835	5,493	4,174	61,220
<b>Total</b>	<b>35,536</b>	<b>289,330</b>	<b>176,301</b>	<b>202,249</b>	<b>589,316</b>	<b>25,011</b>	<b>47,472</b>	<b>1,365,217</b>

## Changes in performance

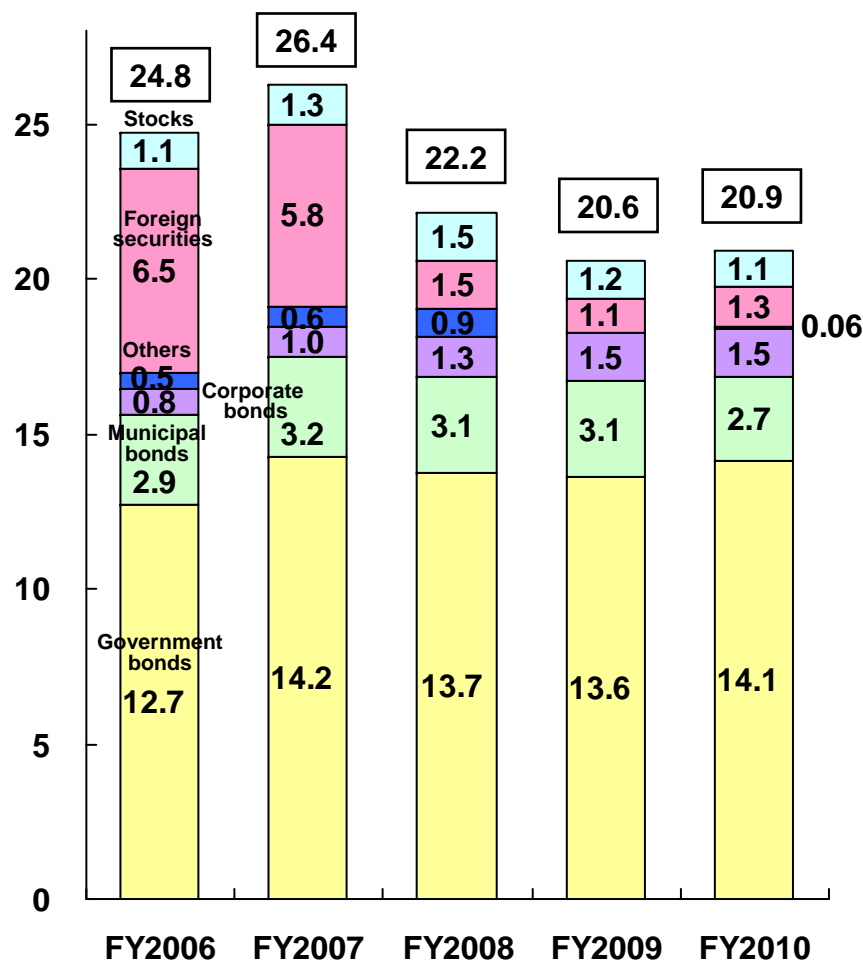
	FY2006	FY2007	FY2008	FY2009	FY2010
Yields on securities	1.98%	1.93%	1.69%	1.57%	1.54%
Investment deposit ratio (Average balance basis)	40.06%	42.28%	40.48%	40.11%	40.49%
Duration of yen-denominated bonds	5.72 years	5.54 years	5.70 years	5.63 years	5.44 years
Gains (losses) on securities*	24.6 billion yen	31.0 billion yen	16.8 billion yen	20.3 billion yen	23.2 billion yen

\* Including interest and dividends on securities

# Interest and Dividends

Interest and dividends on securities by type

(Billion yen)

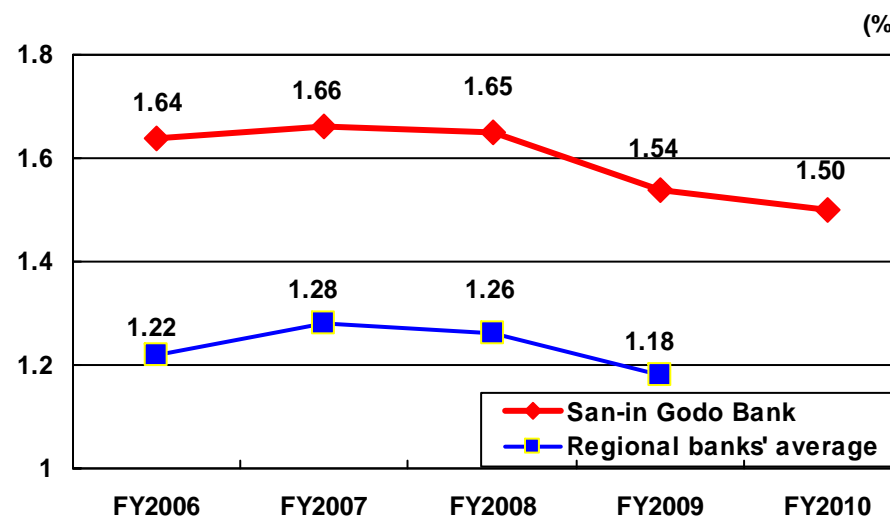


\* Excludes interest on trading securities

Changes in yields on securities

	FY2006	FY2007	FY2008	FY2009	FY2010
Government bonds	1.55%	1.55%	1.51%	1.46%	1.46%
Municipal bonds	1.73%	1.73%	1.70%	1.69%	1.64%
Corporate bonds	1.62%	1.66%	1.70%	1.72%	1.34%
Stocks	2.22%	2.38%	2.26%	2.21%	2.48%
Foreign securities	4.71%	4.65%	2.65%	2.33%	2.35%
Other securities	3.35%	4.56%	7.43%	0.15%	1.16%
Total	1.98%	1.93%	1.69%	1.57%	1.54%

Changes in yields on securities (Domestic Division)



## High risk tolerance based on robust capital

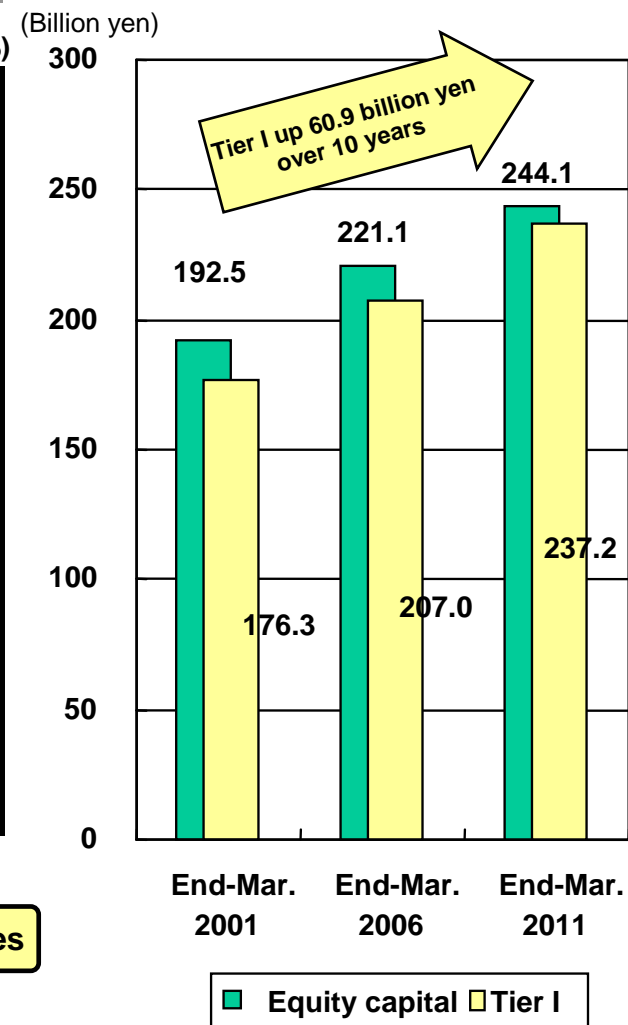
Relationship of capital adequacy ratio to interest rates and share prices (End-Mar. 2011)

		TOPIX (pt)							(%)
		500	600	700	800	900	1,000	1,100	
10-year government bonds (%)	0.75	16.37	16.37	16.37	16.37	16.37	16.37	16.37	16.37
	1.00	16.37	16.37	16.37	16.37	16.37	16.37	16.37	16.37
	1.25	16.37	16.37	16.37	16.37	16.37	16.37	16.37	16.37
	1.50	16.37	16.37	16.37	16.37	16.37	16.37	16.37	16.37
	1.75	15.8	16.0	16.3	16.37	16.37	16.37	16.37	16.37
	2.00	14.6	14.9	15.1	15.4	15.6	15.9	16.1	16.1
	2.25	13.4	13.7	13.9	14.2	14.4	14.7	15.0	15.0
	2.50	12.3	12.5	12.8	13.0	13.3	13.5	13.8	13.8
	2.75	11.1	11.4	11.6	11.9	12.1	12.4	12.6	12.6
	3.00	9.9	10.2	10.4	10.7	10.9	11.2	11.5	11.5

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

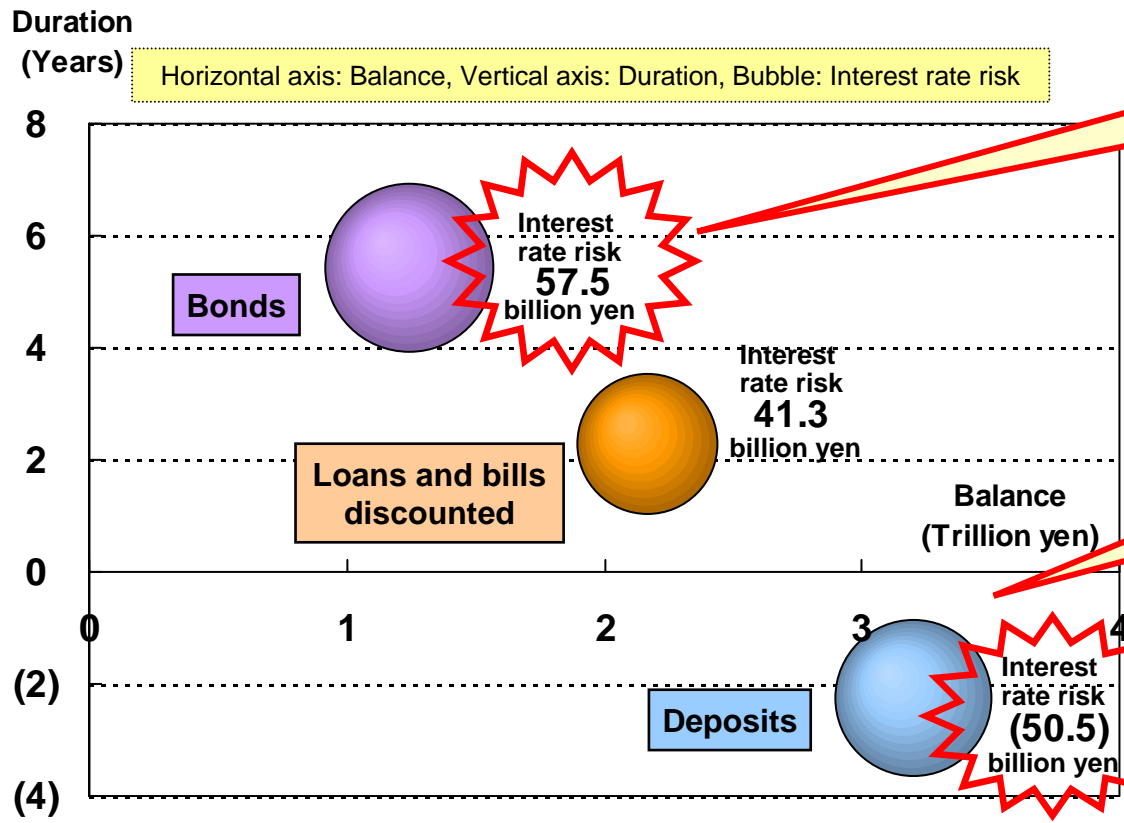
Capital sufficient for covering interest rate increases and share price declines

<Changes in equity capital>



## Implementation of a business model utilizing a stable source of funding

Duration of assets and liabilities (yen denominated, End-Mar. 2011)



◆ Conduct ALM risk control for banking accounts to seek higher and more stable gains

◆ Specialize in investment utilizing stable funding sources  
 ◆ Introduce an internal model to estimate core deposits, and undertake investment considering the effective maturity of liabilities

Interest rate risk:  
 A decline in economic value due to the 99th percentile interest rate shock under one-year holding period and observation over five-year period

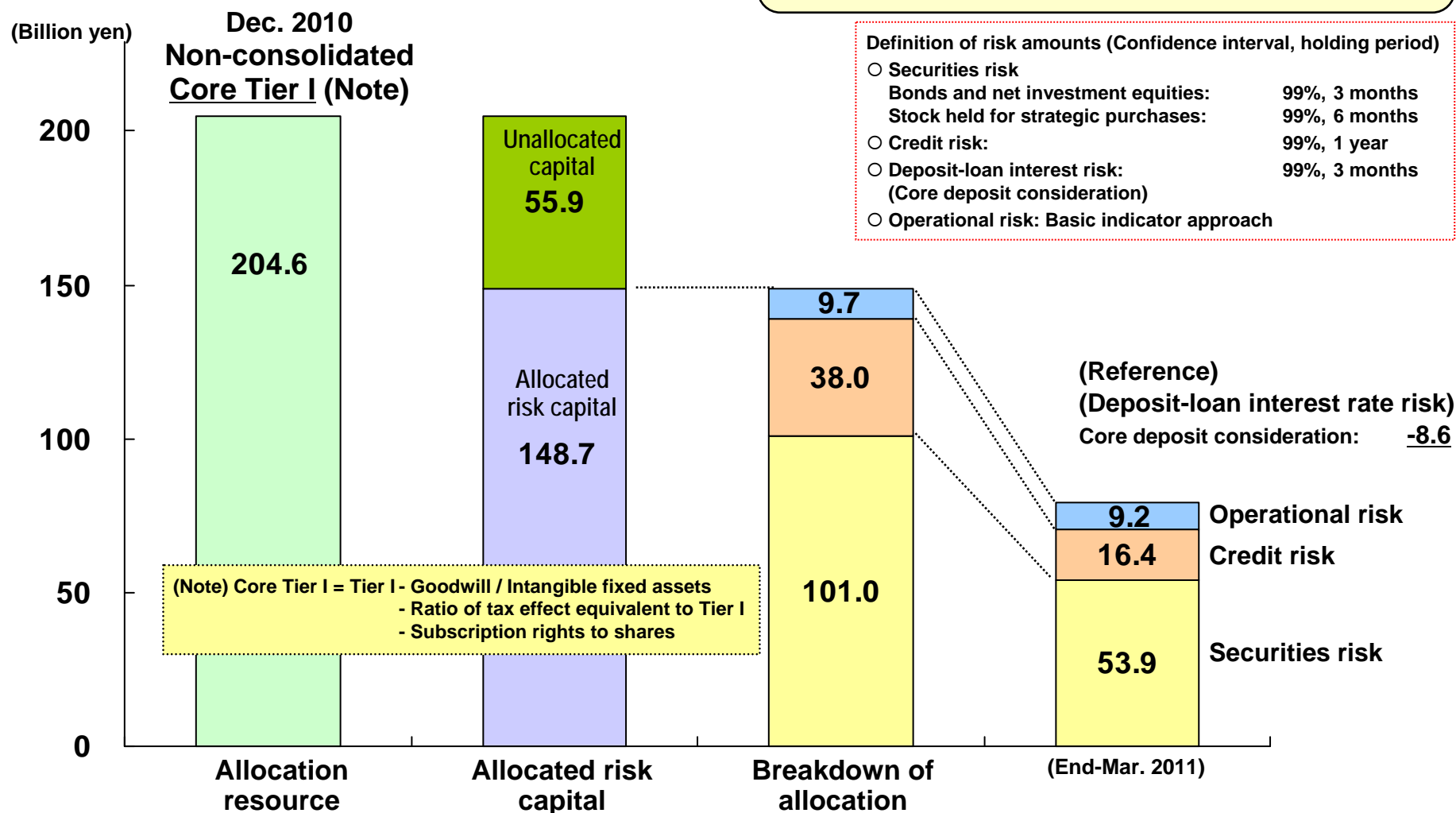
Interest rate risk for the San-in Godo's own account (End-Mar. 2011)

	Internal model	Standardized approach
Interest rate risk	47.1 billion yen	67.1 billion yen
Outlier ratio	19.2%	27.4%

\* Interest rate shock figures are percentile values. The standardized approach is calculated with an average duration of 2.5 years for 50% of liquid deposits.

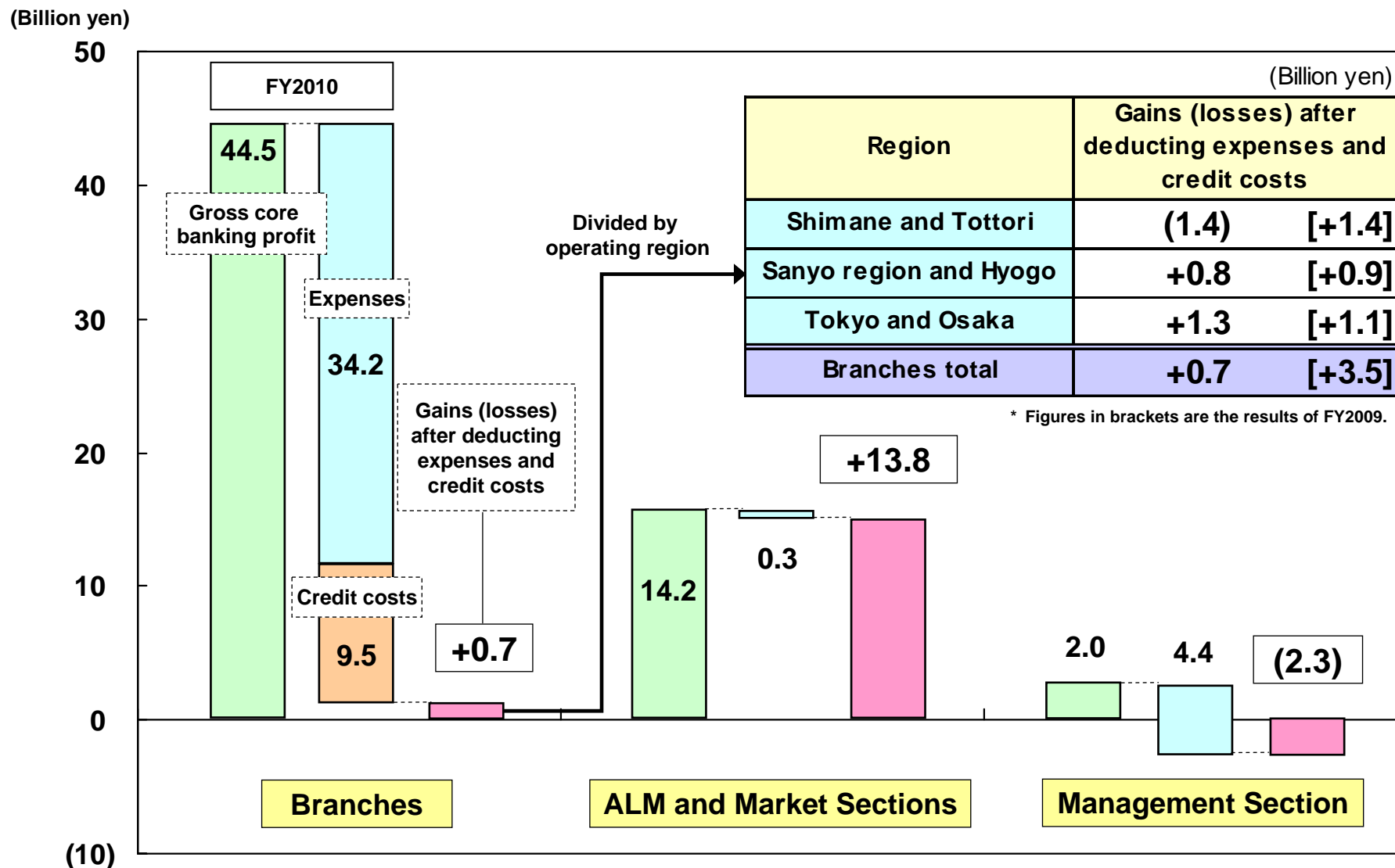
## Capital allocation for the first half of FY2011

- ◆ More conservative approach to allocated resources in anticipation of Basel III
- ◆ Making strategic use of capital while maintaining sound financial base



# Profits and Losses by Section

Efficiently managing funds raised through core savings deposit in Shimane and Tottori at ALM and Market Sections

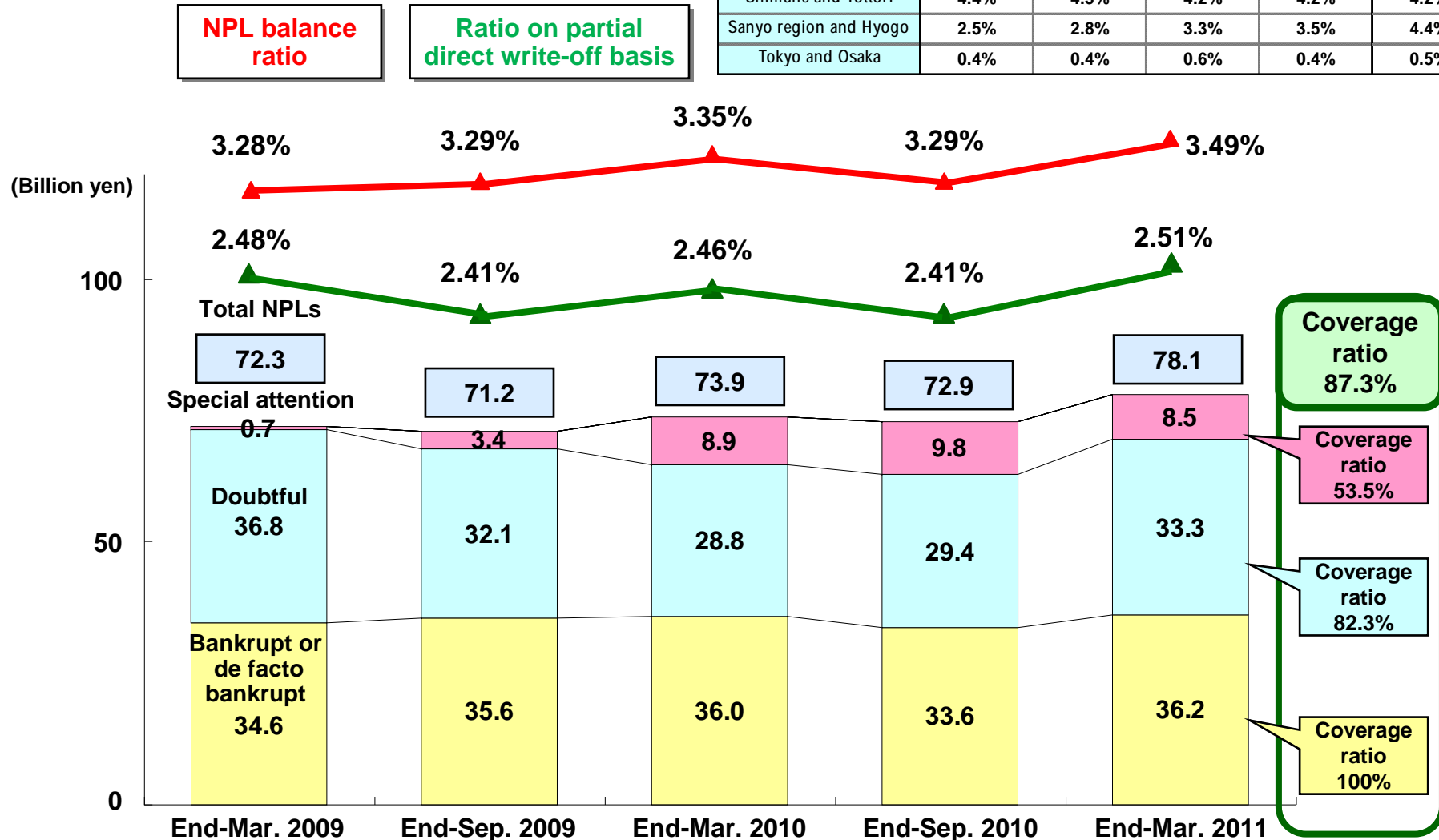


# Changes in Balance of Disclosed NPLs (Loans Based on the Financial Reconstruction Act)

The bad debt total increased primarily because major customers went bankrupt

<San-in Godo's NPL balance ratio by region>

	End-Mar. 2009	End-Sep. 2009	End-Mar. 2010	End-Sep. 2010	End-Mar. 2011
Shimane and Tottori	4.4%	4.3%	4.2%	4.2%	4.2%
Sanyo region and Hyogo	2.5%	2.8%	3.3%	3.5%	4.4%
Tokyo and Osaka	0.4%	0.4%	0.6%	0.4%	0.5%



# *Part II*

# *Prospects for Business Results in FY2011*

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## Net interest income forecast to increase

### Prospects for interest income in FY2011 (average balance and yields)

(Billion yen)

	FY2010 (Results)			FY2011 (Plan)			Change over FY2010		
	Average balance	Yields	Interest	Average balance	Yields	Interest	Average balance	Yields	Interest
<b>Loans and bills discounted</b>	<b>2,124.0</b>	<b>1.85%</b>	<b>39.4</b>	<b>2,185.0</b>	<b>1.80%</b>	<b>39.3</b>	<b>61.0</b>	<b>(0.05)%</b>	<b>(0.1)</b>
Japanese yen	2,122.7	1.85%	39.4	2,170.5	1.80%	39.2	47.8	(0.05)%	(0.2)
Foreign currency denominations	1.2	0.93%	0.0	14.5	0.85%	0.1	13.3	(0.08)%	0.1
<b>Securities</b>	<b>1,358.5</b>	<b>1.54%</b>	<b>20.9</b>	<b>1,440.0</b>	<b>1.45%</b>	<b>20.9</b>	<b>81.5</b>	<b>(0.09)%</b>	<b>0.0</b>
Japanese yen	1,322.2	1.50%	19.8	1,407.1	1.42%	20.0	84.9	(0.08)%	0.2
Foreign currency denominations	36.3	3.06%	1.1	32.9	2.92%	0.9	(3.4)	(0.14)%	(0.2)
<b>Deposits</b>	<b>3,326.0</b>	<b>0.22%</b>	<b>7.3</b>	<b>3,355.2</b>	<b>0.21%</b>	<b>7.0</b>	<b>29.2</b>	<b>(0.01)%</b>	<b>(0.3)</b>
Japanese yen	3,164.8	0.14%	4.4	3,199.0	0.11%	3.6	34.2	(0.03)%	(0.8)
Foreign currency denominations	161.1	1.82%	2.9	156.1	2.17%	3.3	(5.0)	0.35%	0.4
<b>Other investments - Fundraising</b>			<b>2.4</b>			<b>2.9</b>			<b>0.5</b>
<b>Interest income</b>			<b>55.4</b>			<b>56.2</b>			<b>0.8</b>

# Prospects for Balance of Deposits

**Build a Mechanism to Gather Deposits: Salary and Pension Accounts for Individual Clients,  
Accounts for Settlement for Corporate Clients**

**Prospects for balance of deposits by region and sector in FY2011 (average balance)**

(Billion yen)

	Shimane and Tottori		Sanyo region and Hyogo		Tokyo and Osaka		Headquarter		Total	
	Average balance estimate	Change over the previous fiscal year	Average balance estimate	Change over the previous fiscal year	Average balance estimate	Change over the previous fiscal year	Average balance estimate	Change over the previous fiscal year	Average balance estimate	Change over the previous fiscal year
Corporate clients	675.0	1.8	116.5	2.3	33.0	(8.6)	0.0	(1.6)	824.5	(6.1)
Individual clients	2,045.4	74.9	105.0	2.6	5.5	0.0	5.7	0.2	2,161.6	77.7
Local authorities	218.0	(36.7)	8.4	0.1	-	-	-	-	226.4	(36.6)
Financial institutions	27.5	0.1	3.0	0.0	105.8	(7.8)	6.5	1.8	142.8	(5.8)
<b>Total deposits</b>	<b>2,965.9</b>	<b>40.2</b>	<b>232.9</b>	<b>5.0</b>	<b>144.3</b>	<b>(16.4)</b>	<b>12.2</b>	<b>0.4</b>	<b>3,355.2</b>	<b>29.2</b>

\* Figures in the left column: Average balance estimate  
 Figures in the right column: Change over the previous fiscal year

## Increase corporate lending by strengthening hold on customers

### Prospects for balance of loans and bills discounted by region and sector in FY2011 (average balance)

(Billion yen)

	Shimane and Tottori		Sanyo region and Hyogo		Tokyo and Osaka		Headquarter		Total	
	Average balance estimate	Change over the previous fiscal year	Average balance estimate	Change over the previous fiscal year	Average balance estimate	Change over the previous fiscal year	Average balance estimate	Change over the previous fiscal year	Average balance estimate	Change over the previous fiscal year
Corporate clients	620.0	18.4	380.0	31.6	260.0	8.1	-	-	1,260.0	58.1
Individual clients	351.4	3.0	93.5	(8.4)	0.5	0.0	2.7	0.0	448.2	(5.4)
Local authorities	307.2	6.2	5.3	(0.2)	-	-	-	-	312.5	6.0
Financial institutions	15.5	(1.1)	2.5	0.4	146.4	3.0	-	-	164.4	2.2
<b>Total loans and bills discounted</b>	<b>1,294.1</b>	<b>26.6</b>	<b>481.3</b>	<b>23.3</b>	<b>406.9</b>	<b>11.0</b>	<b>2.7</b>	<b>0.0</b>	<b>2,185.0</b>	<b>61.0</b>

\* Figures in the left column: Average balance estimate  
 Figures in the right column: Change over the previous fiscal year

# Measures to Boost Fees and Commissions Business

Commissions forecast to increase as a result of stronger investment banking operations and credit card business

<Breakdown of income from fees and commissions business and change in income>

(Billion yen)

	FY2008	FY2009	FY2010	FY2011	
				Plan	Component ratio
<b>Income from fees and commissions (i)</b>	<b>8.8</b>	<b>8.0</b>	<b>8.8</b>	<b>9.5</b>	<b>99.7%</b>
<b>Commission income from exchange transactions</b>	<b>3.0</b>	<b>2.9</b>	<b>2.8</b>	<b>2.8</b>	<b>29.3%</b>
<b>Other commission income</b>	<b>5.7</b>	<b>5.0</b>	<b>6.0</b>	<b>6.7</b>	<b>70.4%</b>
<b>ATM related commission</b>	<b>0.8</b>	<b>0.8</b>	<b>0.9</b>	<b>0.9</b>	<b>9.6%</b>
<b>Assets in custody (Investment trusts)</b>	<b>0.7</b>	<b>0.5</b>	<b>0.5</b>	<b>0.6</b>	<b>6.3%</b>
<b>Assets in custody (Individual annuity insurance)</b>	<b>1.0</b>	<b>0.7</b>	<b>0.8</b>	<b>0.8</b>	<b>8.9%</b>
<b>Commission from investment banking business</b>	<b>0.2</b>	<b>0.2</b>	<b>0.1</b>	<b>0.6</b>	<b>6.2%</b>
<b>Credit card business related commission</b>	<b>-</b>	<b>-</b>	<b>0.8</b>	<b>1.1</b>	<b>12.4%</b>
<b>Other</b>	<b>2.8</b>	<b>2.7</b>	<b>2.6</b>	<b>2.5</b>	<b>26.7%</b>
<b>Income from coupon swaps (ii)</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.02</b>	<b>0.2%</b>
<b>Total of income from fees and commissions business [ (i) + (ii) ]</b>	<b>9.0</b>	<b>8.0</b>	<b>8.8</b>	<b>9.5</b>	<b>100.0%</b>

# *Part III*

# *Status of Loan Portfolio*

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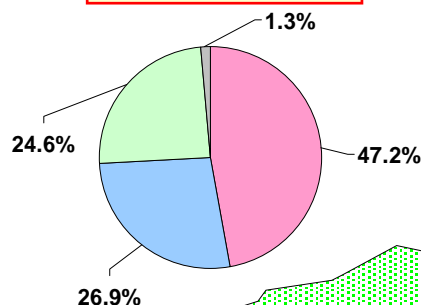
# Branch Network and Summary of Loan Portfolio by Prefecture

As of March 31, 2011	Number of branches
Shimane	68
Tottori	59
Shimane and Tottori	127
Hiroshima	5
Okayama	5
Hyogo	6
Sanyo and Hyogo	16
Osaka	1
Tokyo	1
<b>Grand total</b>	<b>145</b>

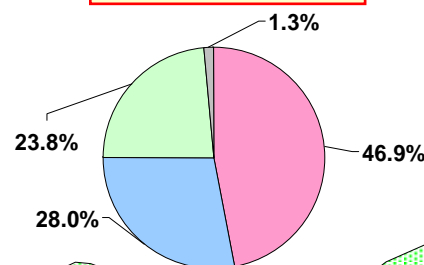
(Headquarters, branches and sub-branch offices)

**Balance of loans and bills discounted (End-Mar. 2011):** **¥2,180.1 billion**

**¥716.1 billion**

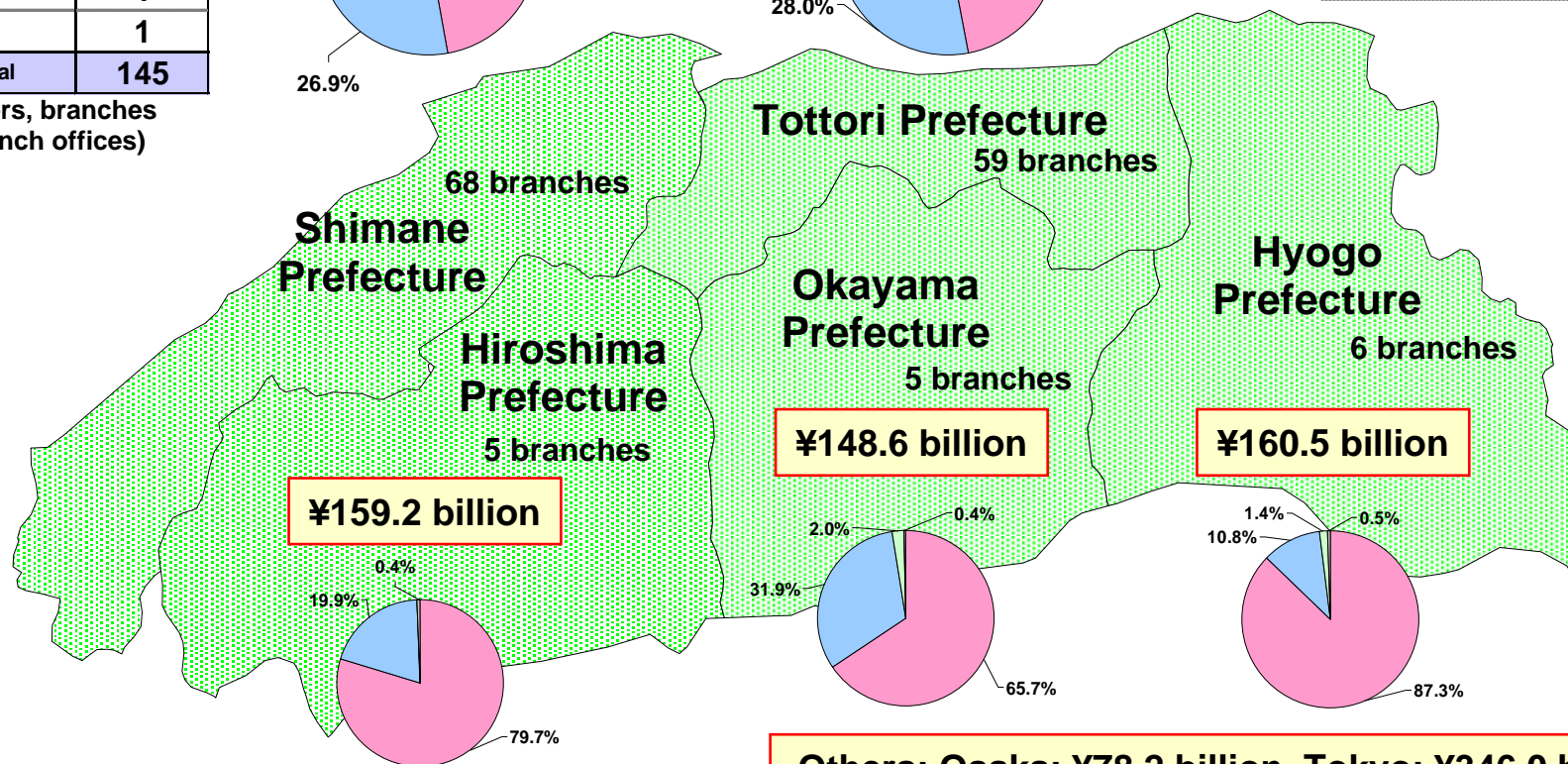


**¥571.2 billion**



**Balance of loans and bills discounted by prefecture**

- Corporations
- Individuals
- Local authorities
- Financial institutions



**Others: Osaka: ¥78.2 billion, Tokyo: ¥346.0 billion**

# Yields on Loans and Bills Discounted by Region and Market

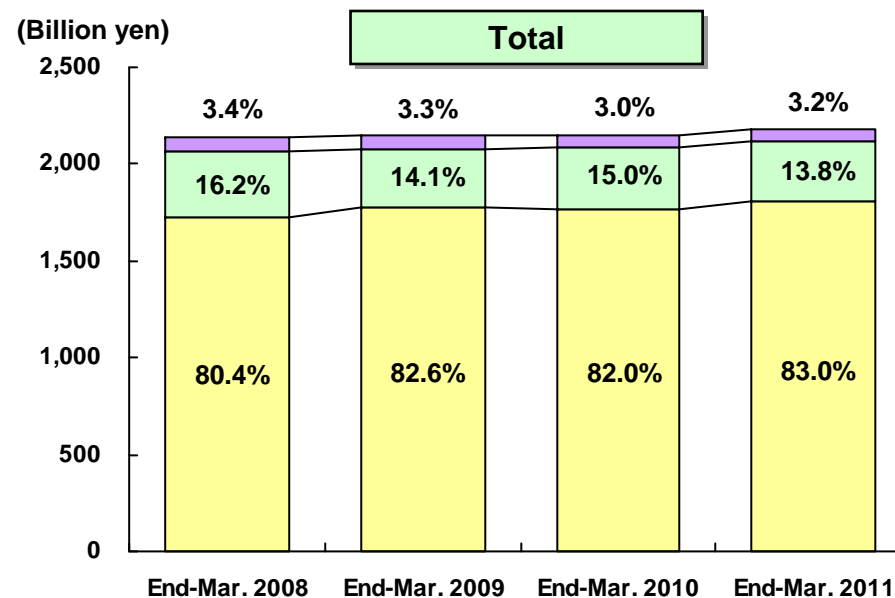
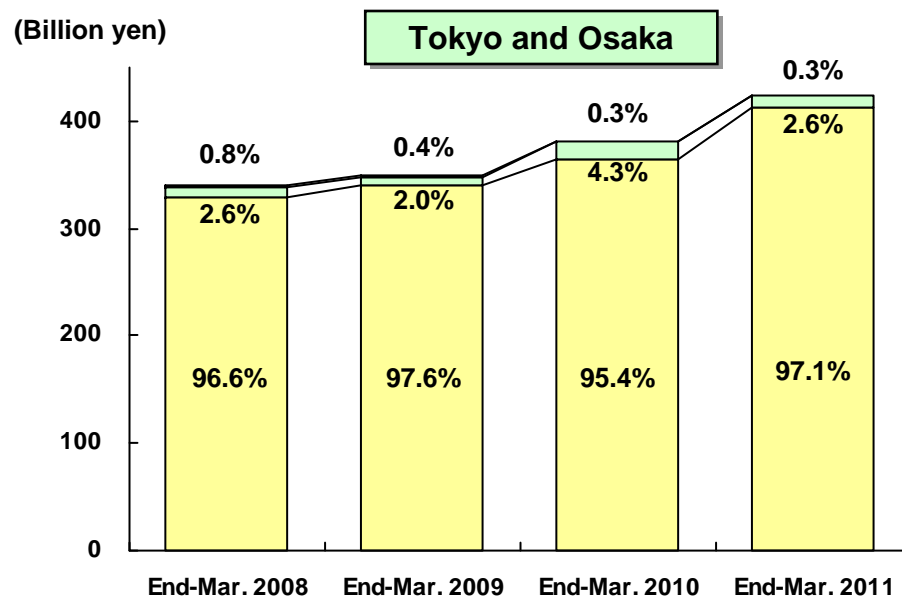
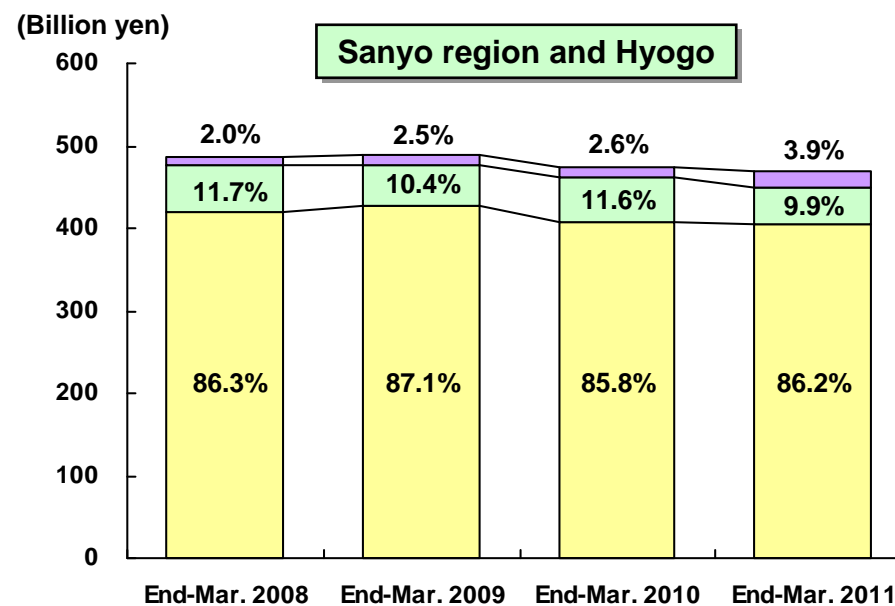
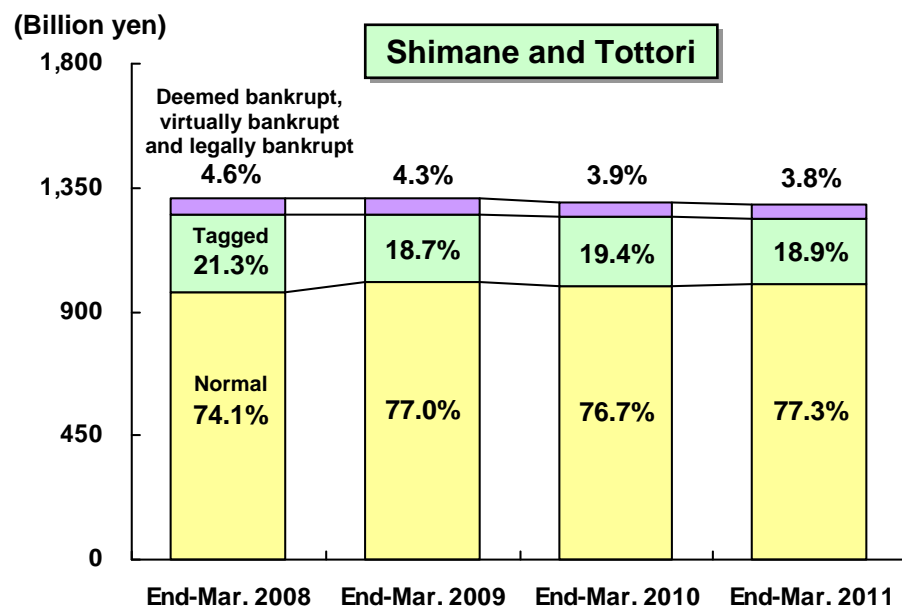
## Changes in yields on loans and bills discounted by region and market

(%)

	Shimane and Tottori				Sanyo region and Hyogo				Tokyo and Osaka				Market average			
	FY2007	FY2008	FY2009	FY2010	FY2007	FY2008	FY2009	FY2010	FY2007	FY2008	FY2009	FY2010	FY2007	FY2008	FY2009	FY2010
Corporations	2.52	2.46	2.21	2.09	2.02	1.90	1.64	1.48	1.31	1.23	1.01	0.82	2.21	2.09	1.82	1.64
Individuals	2.94	2.96	2.86	2.75	2.34	2.39	2.52	2.48	3.60	3.62	3.52	3.42	2.78	2.82	2.78	2.69
Local authorities	1.49	1.53	1.53	1.48	1.38	1.57	1.56	1.55	-	-	-	-	1.49	1.53	1.53	1.48
Finance and insurance	2.03	2.07	1.91	1.77	1.64	1.45	0.87	0.72	1.10	1.16	1.04	0.98	1.25	1.32	1.16	1.05
Regional average	2.44	2.40	2.23	2.12	2.10	2.02	1.85	1.69	1.22	1.21	1.03	0.88	2.20	2.12	1.94	1.80

\* Aggregated interest received in the period / Aggregated balance

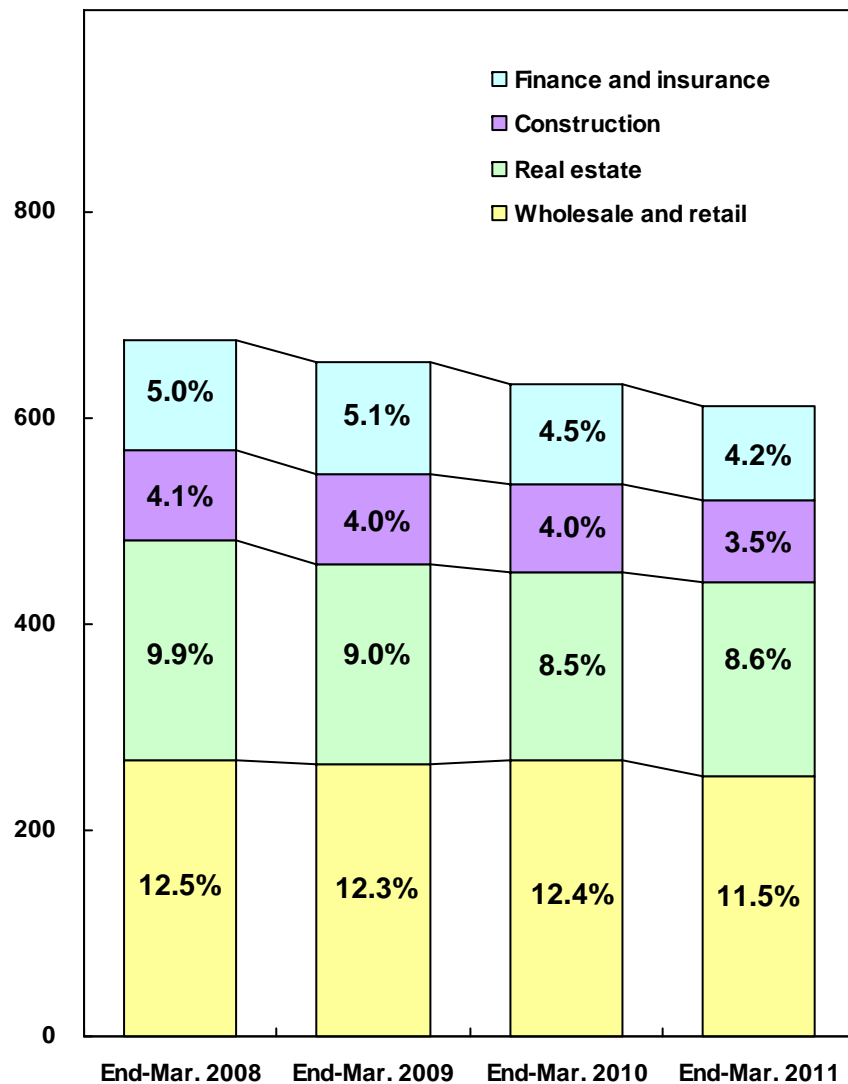
# Status of Loan Portfolio by Borrower Category (by Region)



# Concentration of Loans in Specific Industries

**Changes in loans to specific industries**

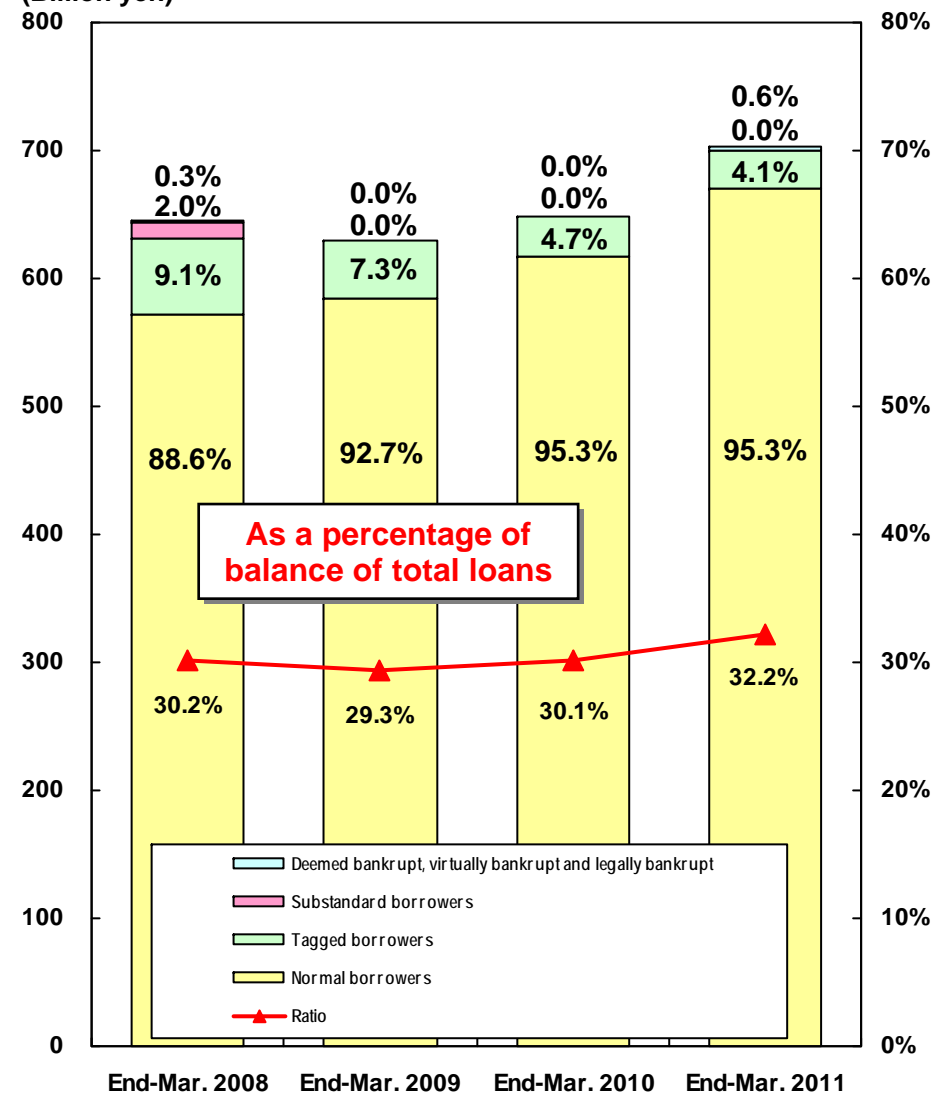
(Billion yen)



\* As a percentage of balance of total loans

**Classification of Top 100 borrowers**

(Billion yen)



# Changes in NPL Disposals by Factor

(Billion yen)

Factors	FY2006	FY2007	FY2008	FY2009	FY2010
A. Recognition of NPLs (Bankrupt: Normal or Tagged ⇒ Virtually bankrupt or legally bankrupt)	3.2	4.1	5.9	2.0	6.6
B. Recognition of NPLs (Bankrupt: Deemed bankrupt ⇒ Virtually bankrupt or legally bankrupt)	2.9	1.8	1.6	1.3	0.8
Recognition of NPLs (total for A & B)	6.2	5.9	7.5	3.3	7.5
C. Downgraded customers (Deteriorating performance: Normal or Tagged ⇒ Deemed bankrupt)	9.0	4.7	3.3	2.2	2.4
D. Upgraded customers	(0.5)	(1.6)	(3.0)	(2.0)	(0.4)
Upgraded and downgraded customers (total for C & D)	8.4	3.0	0.2	0.2	2.0
E. Changes in collateral value	0.3	0.4	0.9	1.5	0.9
F. Changes in reserve ratio (Deemed bankrupt borrowers)	0.5	1.2	(0.1)	(1.0)	(0.8)
G. Individual calculations	0.0	0.0	(0.0)	(0.0)	0.9
H. Debt sold	3.8	0.7	(0.1)	(0.0)	(0.0)
I. Debt forgiveness	(0.0)	(0.0)	-	-	-
J. Other (collections, etc.)	(1.5)	(1.7)	(1.6)	(1.5)	(1.1)
Other (total for E through J)	3.1	0.6	(0.9)	(1.1)	(0.1)
Subtotal	17.8	9.6	6.8	2.4	9.4
K. Joint Responsibility System (reserves, accrued expenses)	-	0.0	0.1	0.2	0.0
L. Other	0.0	0.0	(0.0)	1.4	0.1
NPL Disposals	17.8	9.7	6.9	4.1	9.5

# NPL Disposals by Region and Industry

## NPL disposals by region

(Billion yen)

Region	FY2006	FY2007	FY2008	FY2009	FY2010
Shimane and Tottori	13.5	7.0	2.8	2.2	2.2
Sanyo region and Hyogo	3.8	2.5	4.6	1.7	6.9
Tokyo and Osaka	0.3	0.1	(0.6)	0.0	0.2
<b>NPL disposals - Total</b>	<b>17.8</b>	<b>9.6</b>	<b>6.8</b>	<b>3.9</b>	<b>9.5</b>

## NPL disposals by industry

(Billion yen)

Industry	FY2006	FY2007	FY2008	FY2009	FY2010
Manufacturing	1.9	4.0	0.9	1.2	6.9
Fishery	0.0	0.0	0.5	0.2	0.2
Construction	1.0	1.7	1.7	0.1	0.4
Wholesale, Retail	5.5	1.7	0.7	(0.5)	0.9
Finance, Insurance	0.2	(0.0)	0.3	1.3	0.0
Real estate, Rental	1.4	0.4	1.4	0.1	(0.1)
Services	6.8	1.2	0.1	0.7	0.5
Others	0.6	0.5	0.9	0.5	0.5
<b>NPL disposals - Total</b>	<b>17.8</b>	<b>9.6</b>	<b>6.8</b>	<b>3.9</b>	<b>9.5</b>

\* Disposals related to the Joint Responsibility System are excluded from the above tables.

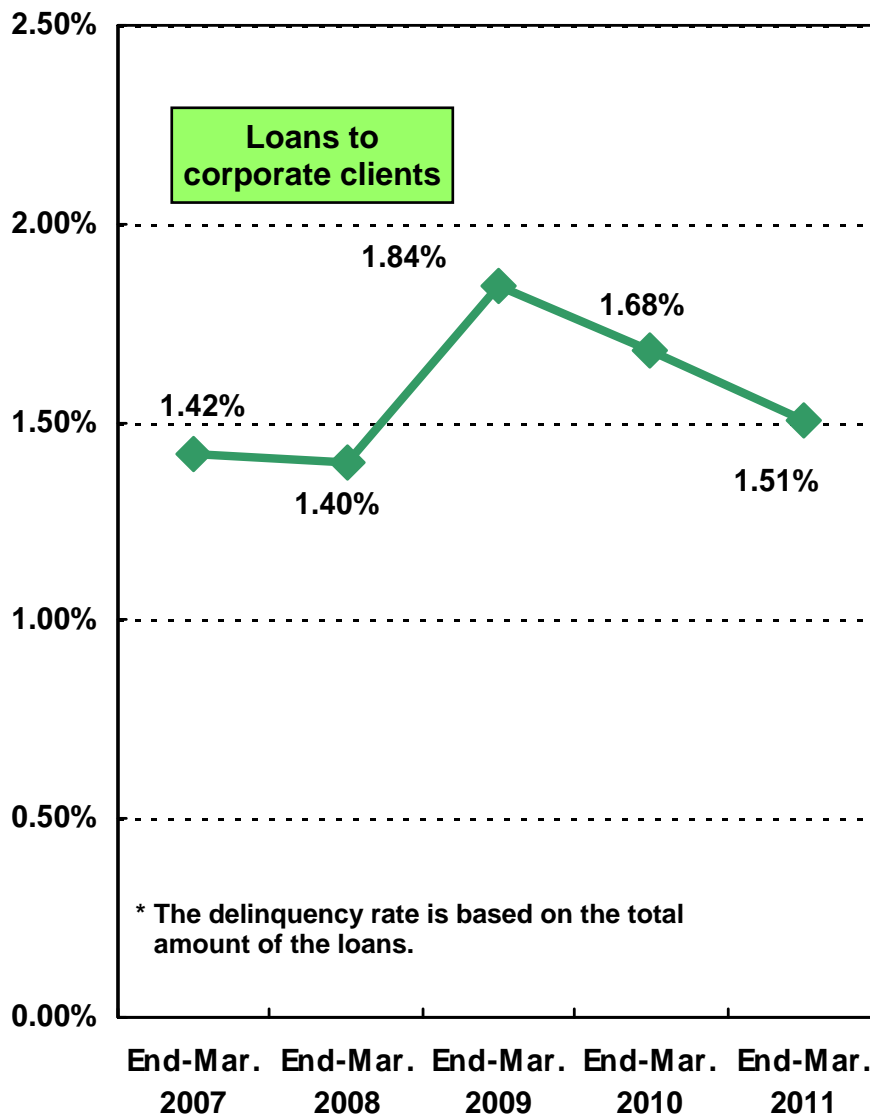
# Changes in Borrower Category

(Billion yen)

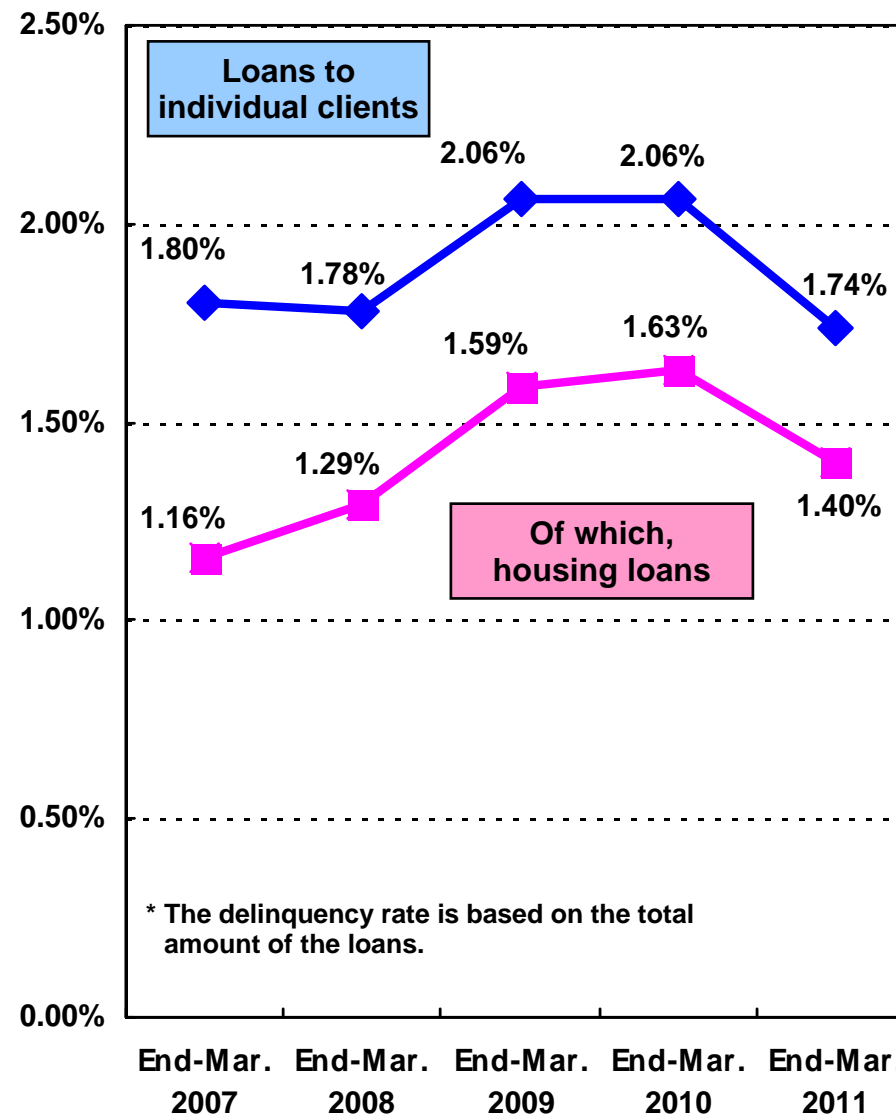
(Total credit basis)		FY2010							
		Normal	Other tagged	Substandard	Deemed bankrupt	Virtually bankrupt	Legally bankrupt	Bulk/Direct write-off	Collection
First half of FY2010	Normal 1,810.1	1,751.4	15.3	0.1	1.3	0.6	5.1	–	36.0
	Other tagged 297.6	6.4	280.1	4.1	3.0	0.9	0.4	–	2.4
	Substandard 12.0	–	0.9	6.8	3.0	1.2	–	–	–
	Potentially bankrupt 30.3	0.1	0.4	–	27.0	2.1	0.0	0.0	0.4
	Virtually bankrupt 21.6	0.0	0.1	–	0.3	17.0	2.6	0.9	0.4
	Legally bankrupt 11.8	–	–	–	–	–	8.6	3.1	0.0
	<b>Total</b> <b>2,183.7</b>	<b>1,758.0</b>	<b>297.0</b>	<b>11.1</b>	<b>34.8</b>	<b>22.0</b>	<b>16.9</b>	<b>4.1</b>	<b>39.5</b>

# Changes in Delinquency Rate for Loans

Delinquency rate for loans to corporate clients



Delinquency rate for loans to individual clients



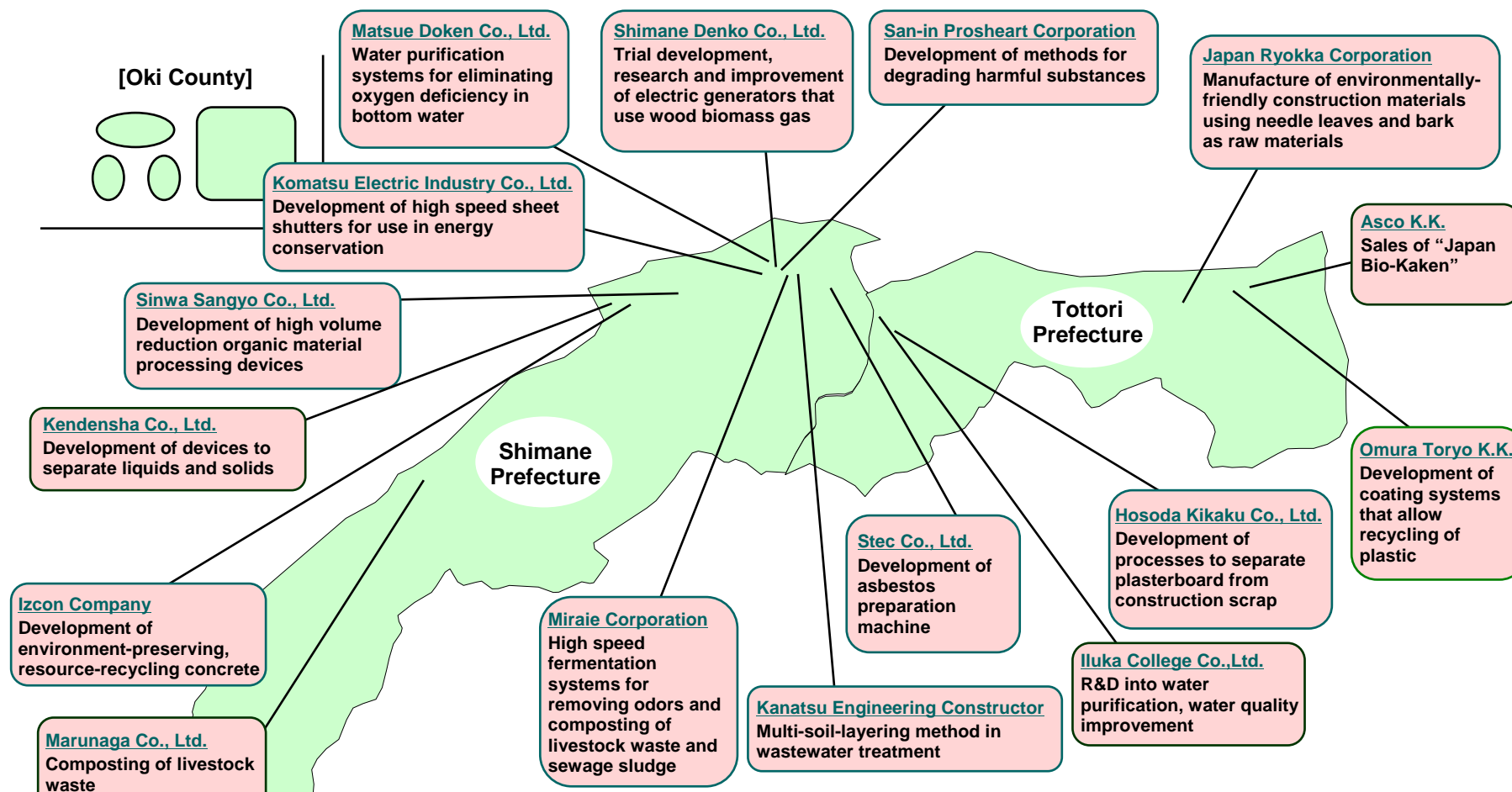
# *Part IV*

## *Full-Fledged Developing Business Matching Transactions*

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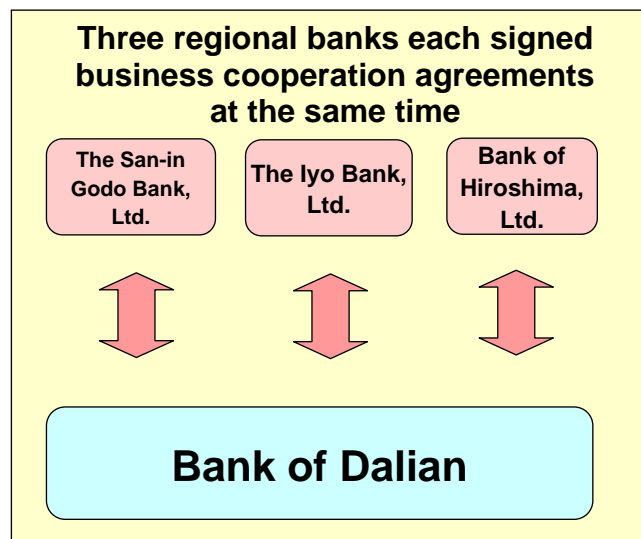
## Variety of business resources connecting large consumer markets with San-in region

**Example: Environment-related companies with high profile**  
 (Manufacturing environment-related equipments / environment-conscious product)



San-in companies listed in Chugoku Bureau of Economy, Trade and Industry "Chugoku Region Environment-related Map 2010"

Gogin concluded a business cooperation agreement with Bank of Dalian (China) on October 27, 2010.



## Strengthen business support for customers in China

<Impact of alliance>

- Mutual introduction of customers between the three local Japanese banks and Bank of Dalian
- Mutual provision of regional information on the two economies, and of financial know-how between the two banks providing information on overseas investment-related policies, etc.
- Renminbi-denominated funding from the bank's customer Bank of Dalian through standby LCs
- Hold seminars, economic gatherings

Bank of Dalian is the local bank with the largest network in Dalian City. The alliance with Bank of Dalian has made it possible to provide local support in renminbi funding, introductions to local companies, and various kinds of information to customers who have expanded into the area.



Bank of Dalian and the three local banks exchange information

## Start supporting customers through mutual cooperation

- Local customers of Bank of Dalian took part in the second Joint Business Negotiation Meeting of Regional Banks held in November 2010.
- This meeting is due to be held again in November this year. Many customers of Bank of Dalian are expected to participate, so the San-in Godo Bank hopes to achieve an even higher contract conclusion rate than usual by holding advance discussions.
- In Shanghai, too, the manager of Bank of Dalian's Shanghai Branch and the managers of the three local banks' offices in Shanghai have exchanged information.

***Part V***

***Others***

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## Promotion measures and performance

### Measures to compete with Japan Post Bank

#### 1. Offer greater convenience by expanding ATM network

Work to increase the number of 24-hr ATMs in Shimane and Tottori by expanding the number of convenience store ATMs.

- (1) ATMs at all Lawson stores: 173 (as of March 31, 2011)
- (2) New tie-up with E-net (service started May 24, 2010): 103 (as of March 31, 2011)

This will give the bank 814 ATMs (including 276 ATMs in convenience stores) vs. Japan Post Bank's 454 ATMs (as of September 30, 2010) (approx. 1.8x)

#### 2. Exhaustive efforts to secure members of the pensioner and pre-pensionable groups

Strengthen efforts to secure these groups by offering the following services, which the Japan Post Bank does not provide.

- (1) Gogin Club Off service: Enable holders to use services at hotels and leisure facilities at money-saving rates
- (2) "Gold Time Deposit" offering higher interest rates:
  - 0.3% higher rate, deposit ceiling ¥3 million ⇒ ¥35.5 billion taken in
  - "Premium CDs" for retirees: 1-year: 0.65-0.75%, 3-years: 0.70-0.80% ⇒ ¥2.4 billion taken in
- (3) Free health consultation service: Open 24hrs all year round, allows health consultations by telephone
- (4) Cash-back service: Cash back on fees for use of ATMs after banking hours
- (5) Pension seminars and consultations: Lectures and individual consultations on pensions

#### 3. Offer preferential products to mass customer segments

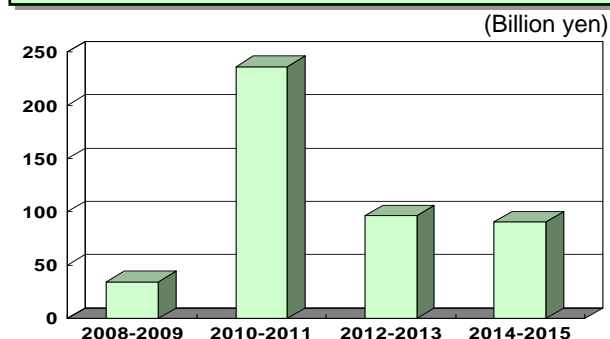
- (1) Run the "Gogin Brilliant Campaign" offering higher interest rates  
⇒ ¥87.0 billion taken in (April 5, 2010 to September 30, 2010)
- (2) Run the "Gogin Yumeranman Campaign" offering higher interest rates  
⇒ ¥97.9 billion taken in (December 1, 2010 to April 30, 2011)

#### 4. Overall marketing strength to maintain the competitiveness to win against the Japan Post Bank

- (1) Finely-tuned marketing approach and flexibility
- (2) Ability to make proposals of a variety of products

Amount of ATM commissions receipts won against Japan Post Bank (2010):  
¥118 million

### Trends in time savings maturities in Shimane and Tottori



Estimated by the Gogin from Japan Post Bank disclosure materials

## Forest conservation activities

### <Activities rooted in the locality>

#### "Preserve the Forest! San-in Network Conference"

- Established April 2006
- 49 volunteer organizations and NPOs in Shimane and Tottori revitalize each other's activities while engaging in broad exchanges of information (as of May 2011)
- Gogin acts as secretariat, and engages in activities to widely promote the importance of forest conservation to the prefectural populace through its activities

#### "Gogin Forest of Hope" activities

- Started August 2006
- The "Gogin Forest of Hope" is the nickname for forests in four locations leased through the cooperation of Shimane and Tottori Prefectures and related municipalities
- Volunteers from among bank officers and employees and their families actually go into the forests to carry out conservation activities

### <Nationwide activities>

#### "Save the Forest in Japan"

- Launched by 8 regional banks in July 2008. Today, all 63 regional banks participate.
- In December 2009, they held the "Kyoto Summit for Saving Japan's Forests" and adopted a joint declaration
- The aim is for each bank to share its information and know-how on creating forests, reflect this in various activities, and tie this into efforts to revitalize forest creation activities

[Four subcommittees]...Action policies

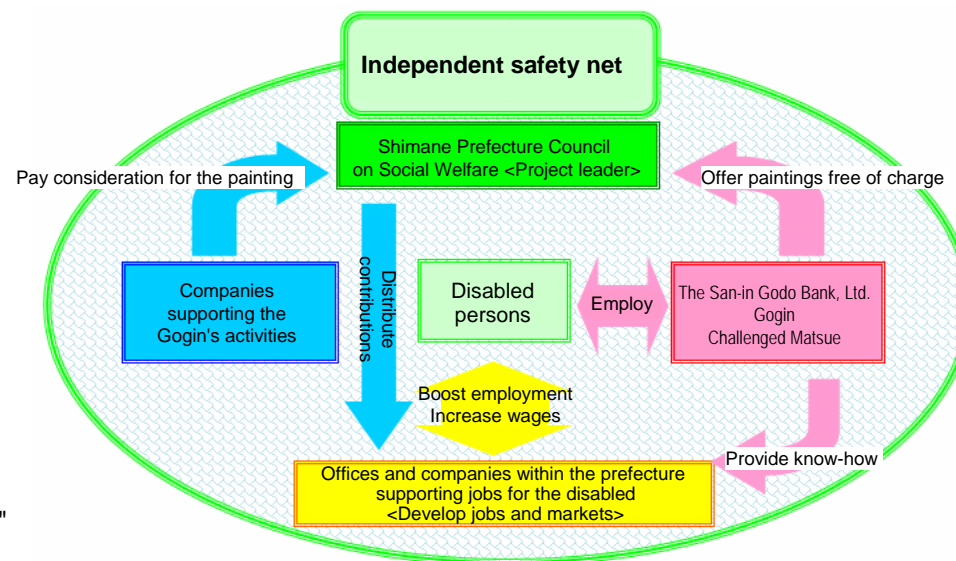
- (1) "Establish a network centered on forest-saving activities"
- (2) "Revitalize the regions centered on reviving the forestry and lumber industries"
- (3) "Create environmentally-friendly financial products"
- (4) "Continued afforestation activities by the next generation"

## Self-reliance support for the intellectually disabled

### <Gogin's independent self-reliance support activities>

#### "Gogin Challenged Matsue"

- Offices that employ the intellectually disabled on a specialist basis
- Employ people who like painting, create passbook cases and eco-bags on which their paintings have been printed, and distribute them to customers in branches



### <Future approaches>

#### Utilize the paintings created for "Gogin Challenged Matsue"

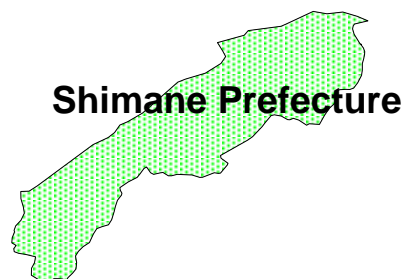
- Companies that endorse Gogin's initiatives use the paintings prepared for Challenged Matsue as illustrations, etc.
- Fees for using the paintings shall be returned through the Council on Social Welfare to offices and companies supporting jobs for the disabled so that they can be used for promoting employment.

# *Part VI*

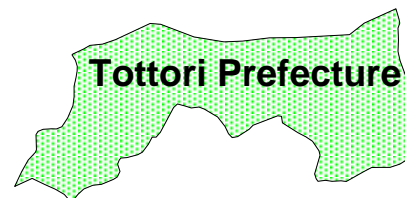
## *Trend in Shimane and Tottori*

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## Ref. 1 Major Statistics for Shimane and Tottori



- ◇ Total population: **716,000**  
(46th in Japan)
- ◇ Percentage of elderly population: **29.0%**  
(1st in Japan)
- ◇ Number of business establishments: **38,837**  
(46th in Japan)
- ◇ Gross prefectural product: **2,668.4 billion yen**  
(45th in Japan)
- ◇ Shipment value of manufactured goods: **873.2 billion yen**  
(44th in Japan)
- ◇ Ratio of public works expenditure to gross prefectural expenditure: **9.4%**  
(1st in Japan)



- ◇ Total population: **588,000**  
(47th in Japan)
- ◇ Percentage of elderly population: **25.9%**  
(15th in Japan)
- ◇ Number of business establishments: **27,964**  
(47th in Japan)
- ◇ Gross prefectural product: **2,320.9 billion yen**  
(47th in Japan)
- ◇ Shipment value of manufactured goods: **853.2 billion yen**  
(45th in Japan)
- ◇ Ratio of public works expenditure to gross prefectural expenditure: **6.5%**  
(5th in Japan)



- ◇ Total population: **128,060,000**
- ◇ Percentage of elderly population: **22.7%**
- ◇ Number of business establishments: **5,887,000**
- ◇ Gross domestic product: **526,700 billion yen**
- ◇ Shipment value of manufactured goods: **265,300 billion yen**
- ◇ Ratio of public works expenditure to gross national expenditure: **4.0%**

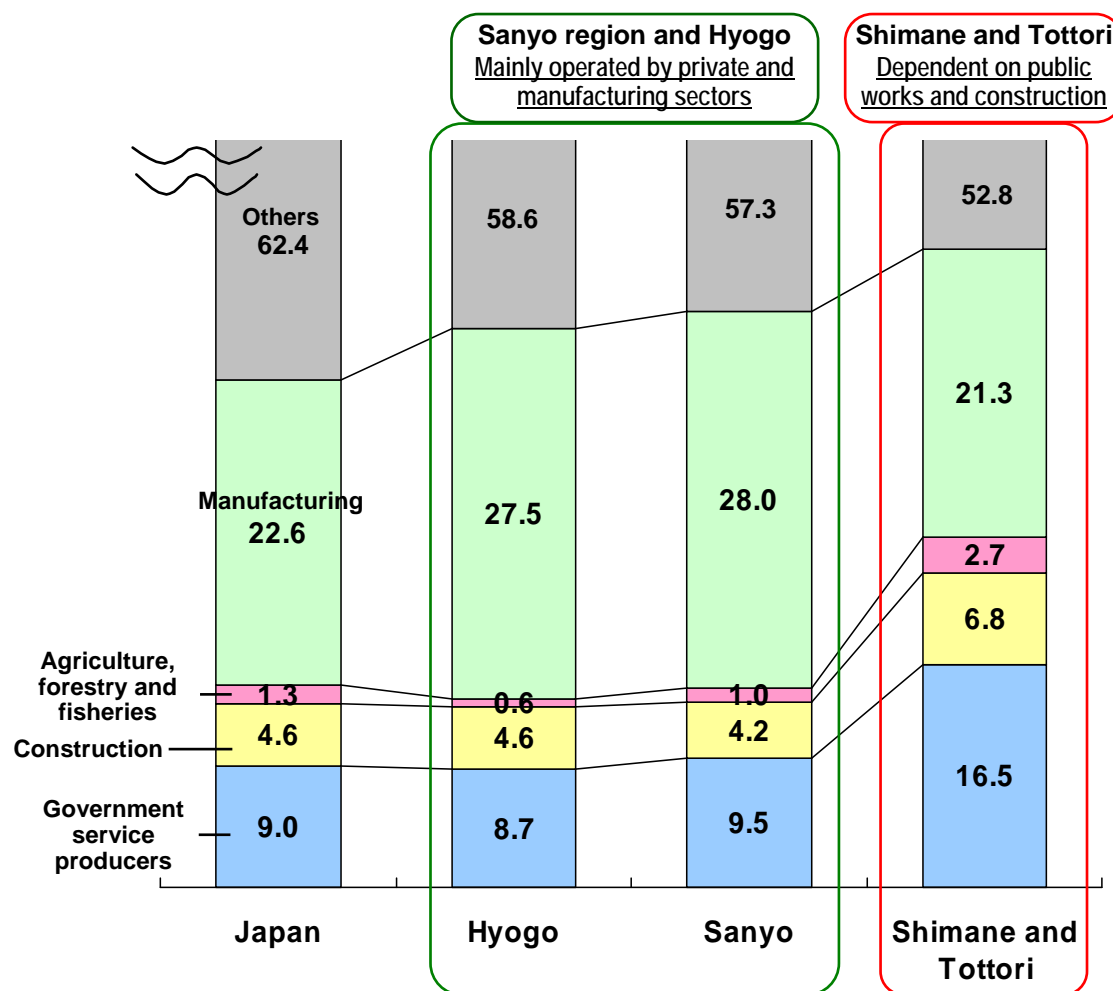
Source: "2010 National Census" by Ministry of Internal Affairs and Communications, 2009 Demographic Yearbook, 2009 Economic Census, "FY2008 Annual Report on Prefectural Accounts" by Cabinet Office, FY2009 Annual Reports on National Accounts, and "2009 Industrial and Commercial Statistics" by Ministry of Economy, Trade and Industry

### Shimane and Tottori's share of GDP

Standing	Prefecture	Actual amount (Billion yen)	Share
1st	Tokyo	95,946.4	17.25%
2nd	Osaka	40,550.1	7.29%
3rd	Aichi	38,006.8	6.83%
7th	Hyogo	21,243.9	3.82%
12th	Hiroshima	12,708.7	2.29%
22nd	Okayama	7,946.1	1.43%
45th	Shimane	2,668.4	0.48%
47th	Tottori	2,320.9	0.42%
(30th)	Shimane and Tottori	4,989.3	0.90%
(2nd)	Total of Shimane, Tottori, Sanyo region and Hyogo	46,887.9	8.43%
—	Total of all prefectures	556,096.0	100.00%

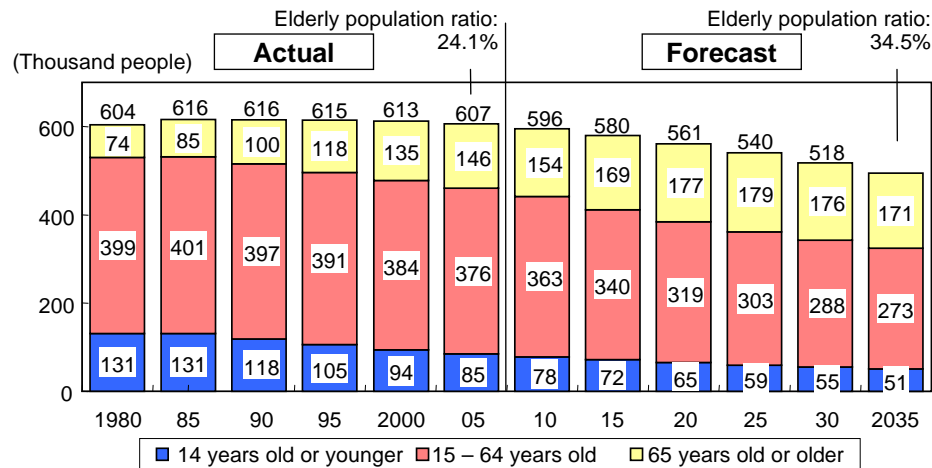
Source: FY2008 Annual Report on Prefectural Accounts  
 The standings in parentheses indicate rankings when the prefectures are added together.

### Shares of individual industrial sectors in gross prefectural product

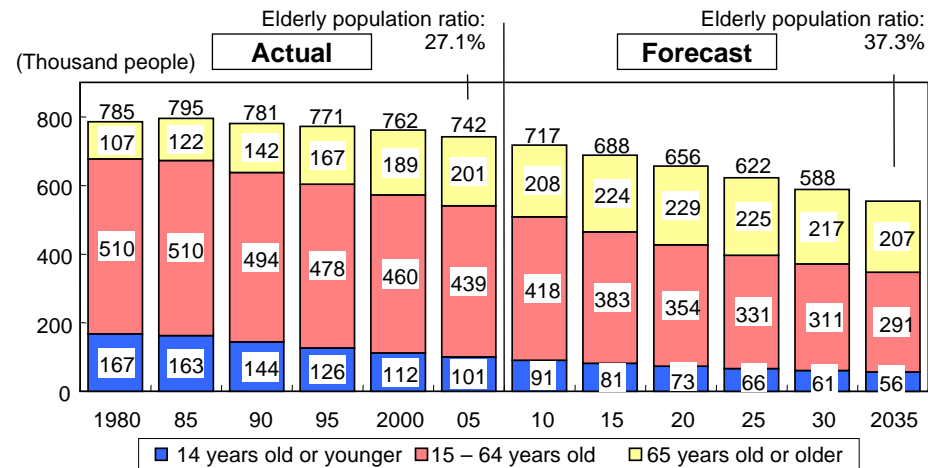


# Ref. 3 Changes in Population and Aging of Population

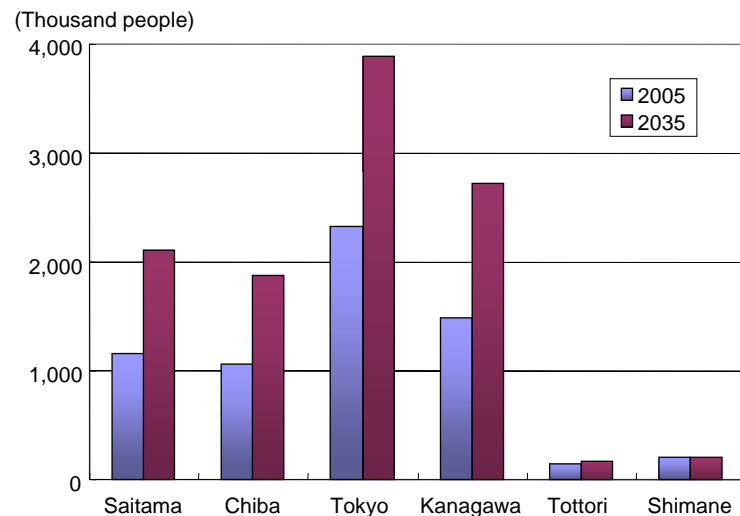
## Population changes and outlook for Tottori (forecast values in and after 2010)



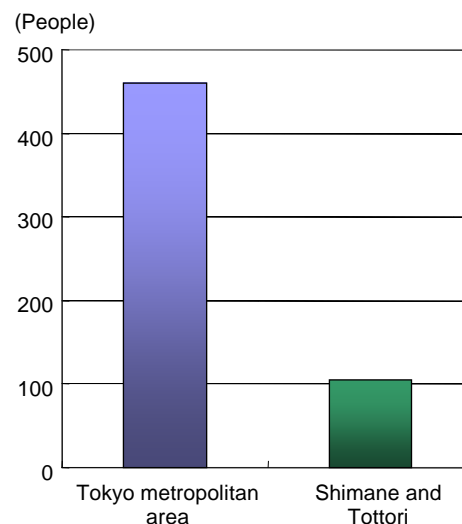
## Population changes and outlook for Shimane (forecast values in and after 2010)



## Elderly population outlook



## Elderly population per vacancy of elderly care facilities (in 2009)



## Comparison between the amount of pension vested and income by prefecture (FY2008)

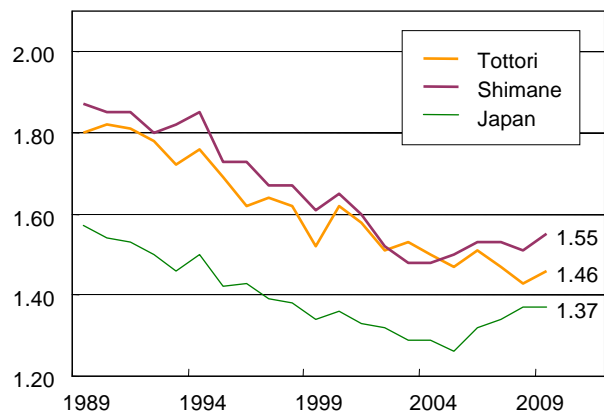
\* "Pension" refers to national and employees' pensions (%)

10 highest prefectures			10 lowest prefectures		
1st	Shimane	18.5	38th	Shiga	11.6
2nd	Kochi	18.0	39th	Osaka	11.4
3rd	Ehime	16.6	40th	Chiba	11.2
4th	Tottori	16.4	41st	Saitama	10.9
5th	Nagasaki	16.1	42nd	Kanagawa	10.9
6th	Yamaguchi	15.8	43rd	Tochigi	10.8
7th	Kagawa	15.7	44th	Ibaraki	10.5
8th	Akita	15.6	45th	Aichi	10.4
9th	Miyazaki	15.4	46th	Okinawa	9.7
10th	Yamagata	15.2	47th	Tokyo	7.6
			National average : 11.8		

Source: "National Census" by Ministry of Internal Affairs and Communications, Demographic Yearbook, "Future Population Shift by Prefecture" by National Institute of Population and Social Security Research (Estimate as of May 2007), "Survey of Social Welfare Facilities" by Ministry of Health, Labour and Welfare, "Annual Report on Employees' Pension Insurance and National Pension in Japan", and "Annual Report on Prefectural Accounts" by Cabinet Office

# Ref. 4 Employment Conditions among Women and the Elderly

## Changes in total fertility rate



Source: "Vital Statistics" by Ministry of Health, Labour and Welfare

## Total fertility rate by prefecture (in 2009)

Highest prefectures			10 Lowest prefectures		
1st	Okinawa	1.79	38th	Kouchi	1.29
2nd	Miyazaki	1.61	39th	Saitama	1.28
3rd	Kumamoto	1.58	39th	Kanagawa	1.28
4th	Kagoshima	1.56	39th	Osaka	1.28
5th	Fukui	1.55	42nd	Aomori	1.26
5th	Shimane	1.55	43rd	Miyagi	1.25
7th	Nagasaki	1.50	44th	Nara	1.23
7th	Oita	1.50	45th	Kyoto	1.20
9th	Fukushima	1.49	46th	Hokkaido	1.19
			47th	Tokyo	1.12
13th	Tottori	1.46	National average : 1.37		

High fertility rates: Shimane in 5th place, Tottori in 13th place.

## Percentage of full-time employees among female workers aged 25 to 44 (in 2007)

Highest prefectures (%)			10 lowest prefectures (%)		
1st	Toyama	60.2	38th	Hokkaido	46.4
2nd	Tokushima	58.4	38th	Shizuoka	46.4
3rd	Fukui	58.1	40th	Osaka	46.3
4th	Kochi	57.5	40th	Saitama	46.3
5th	Tokyo	57.0	42nd	Mie	46.0
6th	Yamagata	56.7	43rd	Aichi	45.9
7th	Tottori	55.7	44th	Chiba	45.3
8th	Kumamoto	55.2	45th	Nara	45.1
			46th	Okinawa	44.8
11th	Shimane	54.5	46th	Gifu	44.8
			National average : 49.8		

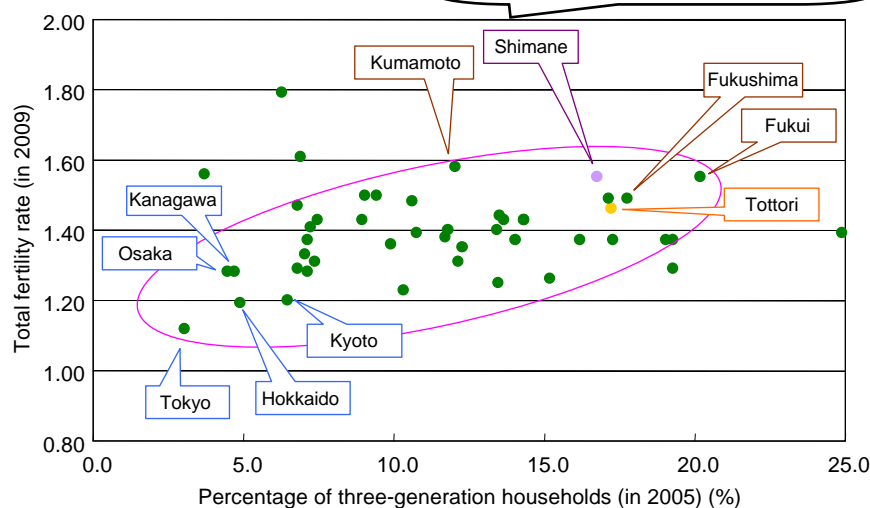
High percentage of full-time female employees with small children.

## Percentage of female workers who worked 60 hours or more per week (those who worked 200 days or more in a year) (in 2007)

10 highest prefectures (%)			10 lowest prefectures (%)		
1st	Shimane	3.6	38th	Ehime	5.4
2nd	Yamaguchi	3.9	39th	Tokushima	5.5
2nd	Hiroshima	3.9	39th	Yamagata	5.5
4th	Saitama	4.0	39th	Saga	5.5
5th	Shizuoka	4.1	42nd	Osaka	5.7
5th	Shiga	4.1	42nd	Oita	5.7
5th	Tottori	4.1	44th	Kumamoto	6.0
8th	Okinawa	4.2	45th	Kochi	6.1
9th	Kyoto	4.3	46th	Tokyo	6.5
10th	Kagoshima	4.5	46th	Aomori	6.5
			National average : 5.0		

Good working environment for women.

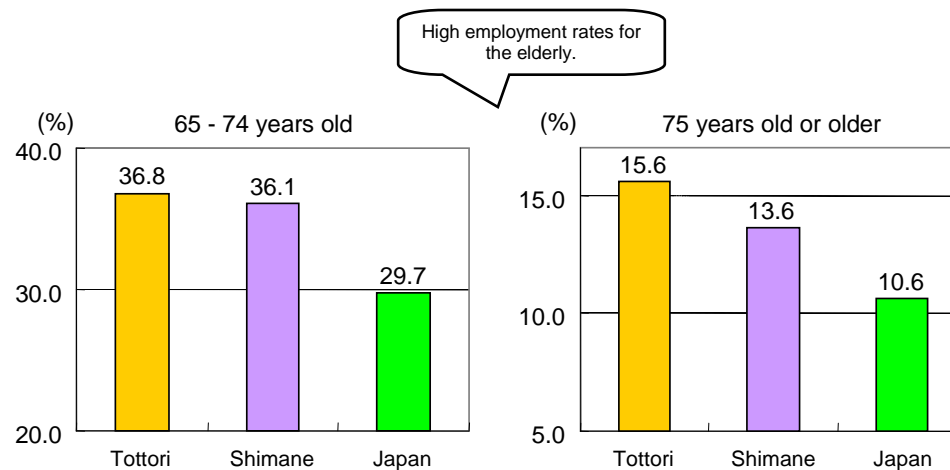
## Percentage of three-generation households and total fertility rate (in 2009)



Prefectures with higher number of three-generation households have higher birthrates.

Source: "National Census" by Ministry of Internal Affairs and Communications, and "Vital Statistics" by Ministry of Health, Labour and Welfare

## Employment rate for the elderly (in 2005)

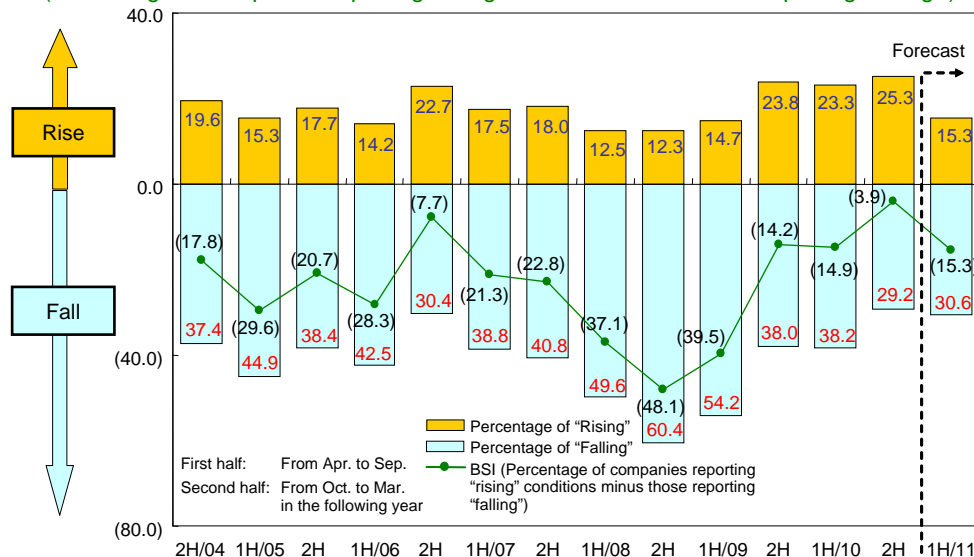


High employment rates for the elderly.

Source: "National Census" by Ministry of Internal Affairs and Communications

# Ref. 5 Direction of Economy (1)

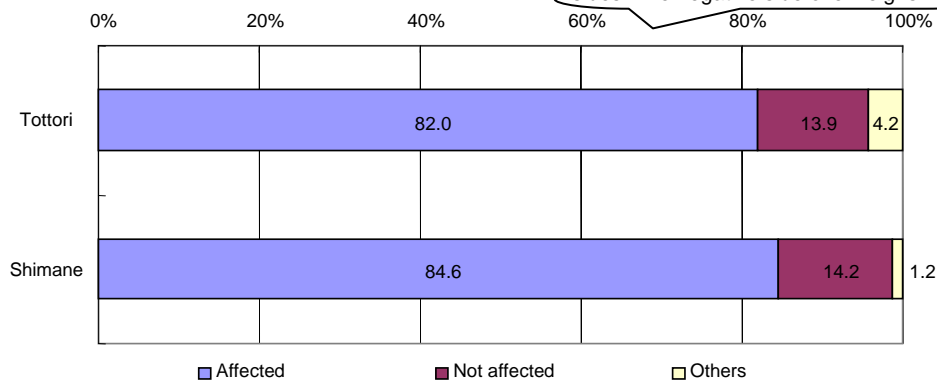
## Business Sentiment Index (BSI) (Change over the previous period in all industries) (Percentage of companies reporting "rising" conditions minus those reporting "falling".)



Source: "Business Trend Survey" by San-in Economics & Management Institute (Conducted in March 2011, respondent: 513 companies)

In 2H of FY2010, business condition recovered, however, the survey took place before the Great East Japan Earthquake

## Effect of the Great East Japan Earthquake



Source: "Urgent survey on the effect of the Great East Japan Earthquake" by San-in Economics & Management Institute (Conducted in March 2011, respondent: 315 companies)

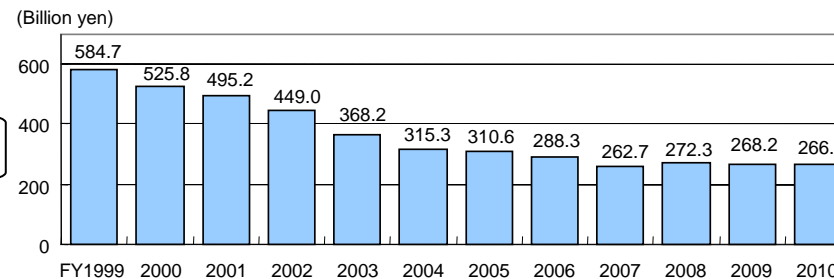
"Affected" includes both plus and negative sides. The negative side overweighs.

## Year-on-year changes in capital expenditure (in Shimane and Tottori)

	FY2008	FY2009	FY2010 (Estimate)	FY2011 (Plan)
All industries	(7.0)	(36.7)	3.4	(1.6)
Small and medium-sized companies	9.6	(24.2)	(17.9)	(1.8)
Manufacturers	(5.6)	(39.1)	2.7	3.7
Small and medium-sized companies	39.6	(16.3)	(34.8)	18.6
Non manufacturers	(9.9)	(32.1)	4.4	(9.8)
Small and medium-sized companies	(19.1)	(36.7)	8.7	(20.9)

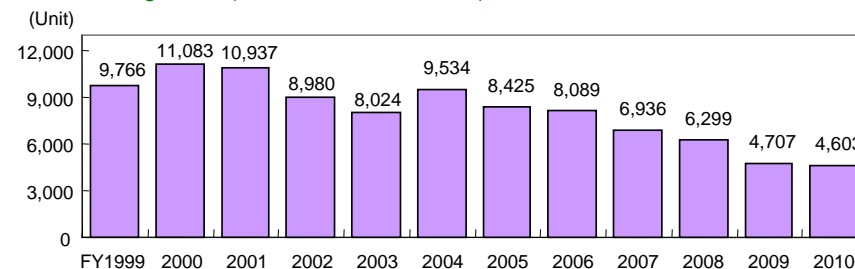
Source: "Business Trend Survey" by San-in Economics & Management Institute (Conducted in March 2011)

## Value of public works contracts (in Shimane and Tottori, coverage ratio: approx. 70%)



Source: West Japan Construction Surety Co., Ltd.

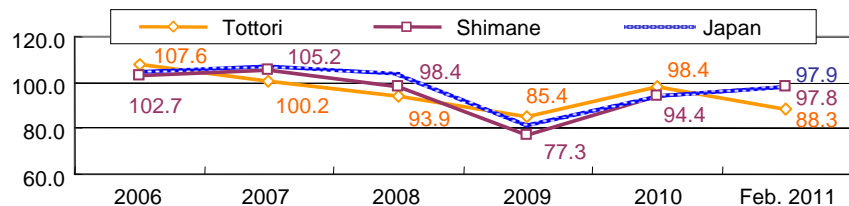
## Housing starts (in Shimane and Tottori)



Source: Ministry of Land, Infrastructure, Transport and Tourism

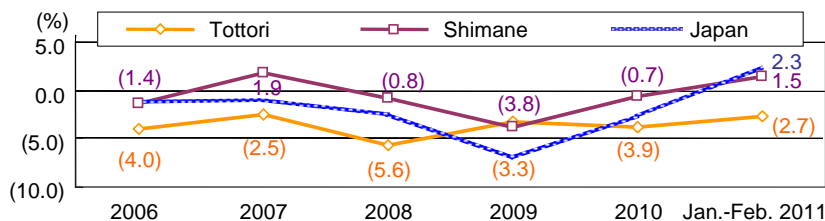
# Ref. 6 Direction of Economy (2)

## Industrial Production Index (Year 2005 = 100, seasonally adjusted in Feb. 2011)



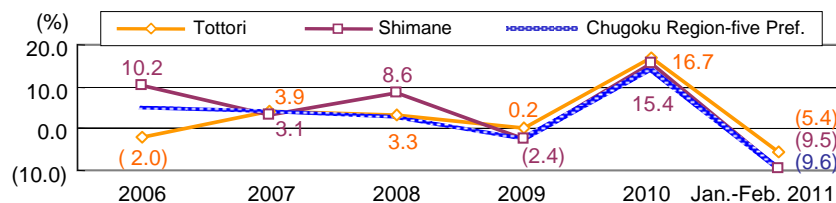
Source: Ministry of Economy, Trade and Industry; Statistics Dept., Tottori Prefecture and Statistical Survey Dept., Shimane Prefecture

## Year-on-year changes in sales of large retail stores (department stores and supermarkets)



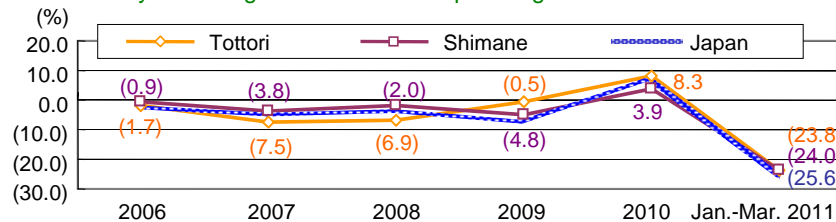
Source: Ministry of Economy, Trade and Industry; San-in Economics & Management Institute

## Year-on-year changes in home appliance sales



Source: Chugoku Bureau, Ministry of Economy, Trade and Industry

## Year-on-year changes in sales of new passenger vehicles



Source: Japan Automobile Dealers Association, Japan Mini Vehicles Association, Tottori Car Dealers Association; and Shimane Branch, Chugoku District Transport Bureau

## Land prices of major commercial area (as of Jan. 1 each year)

(Upper: Assessment price: Thousand yen/m<sup>2</sup>, Lower: YoY.%)

	2006	2007	2008	2009	2010
Wakasa Kaido Str.	240	215	200	185	170
Sakae-machi, Tottori city, Tottori	(11.1)	(10.4)	(7.0)	(7.5)	(8.1)
Yonago-Hirose-Line Prefectural road	180	170	160	145	130
Meiji-cho, Yonago city, Shimane	(10.0)	(5.6)	(5.9)	(9.4)	(10.3)
Eki-dori	245	230	220	210	195
Asahi-machi, Matsue city, Shimane	(14.0)	(6.1)	(4.3)	(4.5)	(7.1)

Source: Hiroshima Regional Taxation Bureau

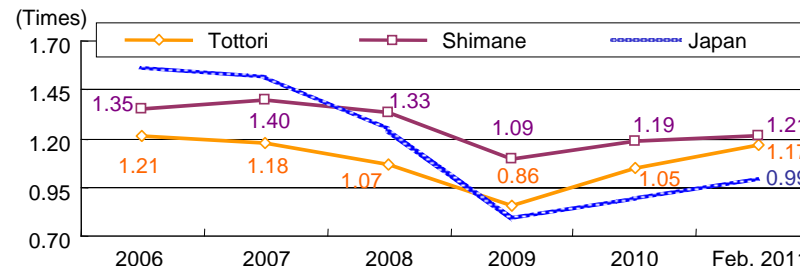
Land prices have not stopped falling in the major commercial areas.

Sluggish but slightly recovering.

Policy impact waned.

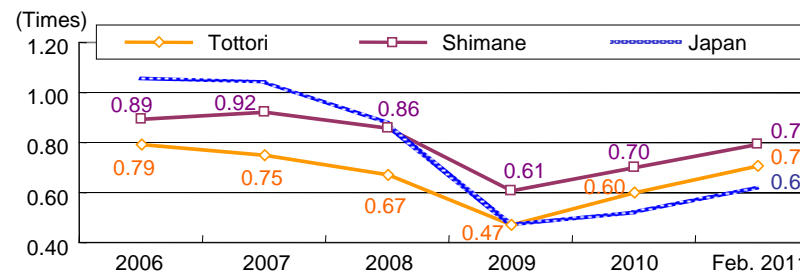
Policy impact waned.

## Job opening to applicant ratio (seasonally adjusted in Feb. 2011)



Source: Ministry of Health, Labour and Welfare; Employment Security Department, Tottori Labor Bureau; and Employment Security Department, Shimane Labor Bureau

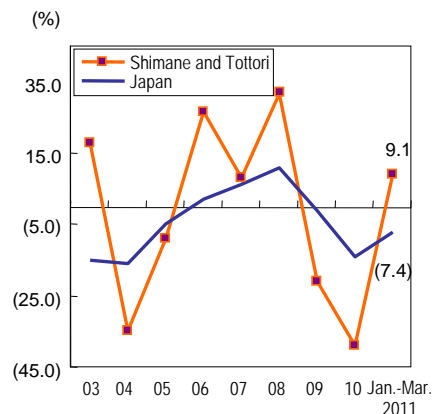
## Active job opening to applicant ratio (seasonally adjusted in Feb. 2011)



Source: Ministry of Health, Labour and Welfare; Employment Security Department, Tottori Labor Bureau; and Employment Security Department, Shimane Labor Bureau

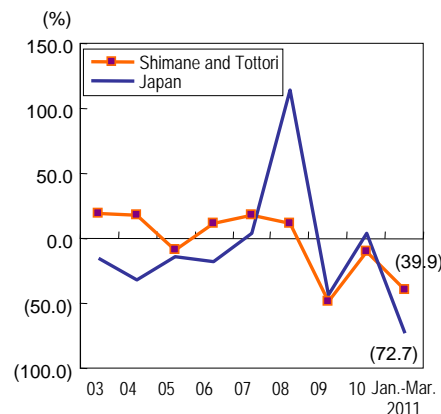
# Ref. 7 Direction of Economy (3)

## Number of bankruptcies (year-on-year)

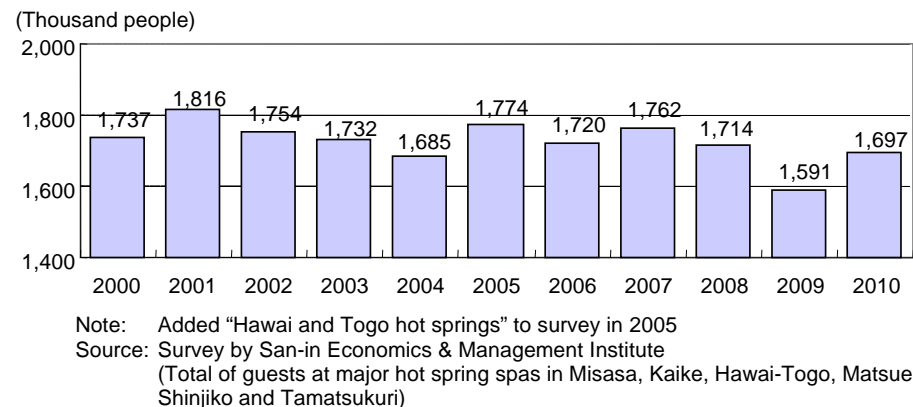


Source: TOKYO SHOKO RESEARCH, LTD.

## Total liabilities of bankrupt companies (year-on-year)



## Number of hotel guests at major hot spring spas (in Shimane and Tottori)



## Number of bankruptcies by industry

	Actual number (cases)			YoY change (%)			Composition ratio (%)		
	2009	2010	Jan.-Mar. 2011	2009	2010	Jan.-Mar. 2011	2009	2010	Jan.-Mar. 2011
Agriculture, forestry, fishery, quarrying of stone and gravel	3	1	1	200.0	(66.7)	-	2.3	1.3	4.2
<b>Construction</b>	<b>48</b>	<b>25</b>	<b>8</b>	<b>(34.2)</b>	<b>(47.9)</b>	<b>60.0</b>	<b>37.5</b>	<b>32.1</b>	<b>33.3</b>
Manufacturing	22	16	3	4.8	(27.3)	(40.0)	17.2	20.5	12.5
Wholesale	13	8	2	(40.9)	(38.5)	100.0	10.2	10.3	8.3
Retail	23	13	2	27.8	(43.5)	(60.0)	18.0	16.7	8.3
Finance & insurance	0	0	0	-	-	-	0.0	0.0	0.0
Real estate	1	5	2	(66.7)	400.0	100.0	0.8	6.4	8.3
Transportation	6	1	1	500.0	(83.3)	-	4.7	1.3	4.2
Telecommunication	0	1	1	-	-	0.0	0.0	1.3	4.2
Services, etc.	12	8	4	(47.8)	(33.3)	0.0	9.4	10.3	16.7
<b>Total</b>	<b>128</b>	<b>78</b>	<b>24</b>	<b>(21.0)</b>	<b>(39.1)</b>	<b>9.1</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: TOKYO SHOKO RESEARCH, LTD.

Bankruptcies of construction are prominent.

## Number of tourists

Tourist sites and facilities	Tottori (2009)		Shimane (2009)	
	Actual no. of visitors	Change over 2008	Actual no. of visitors	Change over 2008
Tottori sand dunes / Inaba Hot Spring Village area	2,786	7.5	Izumo Taisha Shrine	2,307 (7.8)
Sakai Port area	1,825	1.1	Hinomisaki	1,134 (16.3)
Tottori Nashinohana Hot Spring Village area	1,425	5.4	Shimane Winery	873 (18.2)
Yonago / Kaike Hot Spring area	1,397	14.8	Iwami Seaside Park	725 (12.0)
Mt. Daisen area	1,221	7.5	Taikodani Inari Shrine	700 4.5
Higashi Hoki area	631	2.9	Tamatsukuri Hot Spring	601 (11.8)
Yazu	228	23.2	Mt. Sanbe	580 (3.0)
Okuhino area	157	12.1	Iwami Ginzan Silver Mine	560 (31.1)
Uradome Coast area / Iwai Hot Spring area	153	(2.5)	Michinoeki Kirara Taki	544 (5.8)

Note: Different aggregation methods are used by Tottori and Shimane Prefectures  
 Source: Tourism Department, Culture & Tourism Bureau, Tottori Prefecture and Tourism Promotion Department, Shimane Prefecture

# Report on Revisions to Interest Rate Risk Volumes

Disparities in the volume of interest rate risk on loans were found to have arisen from mistakes in the program for extracting data from the account management system to the risk measurement system.

## Interest rate risk volumes: List of corrections

(Billion yen)

	Before correction	After correction
<b>End-Mar. 2010</b>		
(1) Outlier ratio		
Outlier ratio (Internal model)	19.1%	20.9%
Interest rate risk volume	46.9	51.3
Loan risk volume	35.1	39.5
Outlier ratio (Standardized approach)	26.6%	28.4%
Interest rate risk volume	65.3	69.7
(2) Consolidation risk		
Lending rate risk volume	(7.9)	(6.5)
<b>End-Sep. 2010</b>		
(1) Outlier ratio		
Outlier ratio (Internal model)	17.1%	19.7%
Interest rate risk volume	42.5	48.8
Loan risk volume	35.5	41.9
Outlier ratio (Standardized approach)	26.0%	28.6%
Interest rate risk volume	64.5	70.8
(2) Consolidation risk		
Lending rate risk volume	(9.9)	(7.9)