

Financial Section

The Shiga Bank, Ltd. and Consolidated Subsidiaries

Consolidated Five-year Summary

	Millions of yen				
	2013	2012	2011	2010	2009
As of March 31					
Total assets	¥4,662,055	¥4,523,309	¥4,420,479	¥4,302,261	¥4,123,026
Investment securities	1,486,497	1,430,242	1,385,525	1,339,054	1,113,812
Loans and bills discounted	2,822,561	2,743,438	2,768,107	2,714,367	2,710,948
Deposits	4,090,014	3,985,459	3,891,407	3,781,025	3,654,781
Total equity	267,535	248,047	257,531	257,738	218,948
Years ended March 31					
Total income	88,872	91,082	93,324	98,269	96,103
Total expenses	74,991	72,998	81,532	88,490	113,592
Income (loss) before income taxes and minority interests	13,880	18,084	11,792	9,779	(17,488)
Net income (loss)	5,544	8,228	4,676	4,322	(16,218)
Per share data (in yen)					
Cash dividends	¥ 6.00	¥ 6.00	¥ 6.00	¥ 6.00	¥ 6.00
Net income (loss)	21.00	31.17	17.71	16.37	(61.40)
Net equity	998.62	926.27	886.58	889.50	743.58
Ratio					
Capital ratio	14.14%	14.04%	13.01%	12.42%	10.34%
ROE	2.18%	3.43%	1.99%	2.00%	(7.53%)

Financial review (Consolidated basis)

The Japanese economy entered a recessionary phase in the reporting period against the backdrop of the deterioration of the overseas economies and other factors, but a move toward economic recovery, including an upturn in exports and improved performances by leading companies, was seen from second half of the period due to government policies focused on economic growth, the depreciation of the yen, and the rise in stock prices. Nonetheless, many reasons for concern about the prospects for economic recovery remain, including the uncertain outlook for the overseas economies, particularly the recurrence of the European sovereign debt crisis, the deterioration of Japan-China relations, and the steep rise in crude oil prices and rise in the import prices of consumer goods taking place against the backdrop of various geopolitical risks.

In the country's financial sector, the government and financial institutions continued their efforts to improve the business environment for small and medium sized enterprises. For example, the government decided to once again extend the SME Financing Facilitation Act (which finally expired at the end of March this year). The act aims for business rehabilitation by making fund-raising easier for small and medium sized enterprises and utilizing the consulting functions of financial institutions. Meanwhile, the Bank of Japan continued to implement monetary easing measures.

Balance sheets

Deposits, including negotiable certificates of deposit, rose ¥94,553 million from the previous term-end to ¥4,184,538 million, of which ¥4,090,014 million were deposits only. The balance of loans and

bills discounted increased ¥79,123 million to ¥2,822,561 million, while investment securities rose ¥56,255 million to ¥1,486,497 million. Total assets at the fiscal year-end stood at ¥4,662,055 million, a year-on-year increase of ¥138,745 million. Total equity came to ¥267,535 million, an increase of ¥19,487 million from the previous term-end.

Statements of operations

Mainly as a result of a decline in interest income due to a prolonged fall in market interest rates, total income posted a year-on-year decline of ¥2,210 million to ¥88,872 million. Total expenses increased by ¥1,993 million to ¥74,991 million, due to factors such as increases in credit costs and valuation losses on investment in stocks.

As a result, the Bank posted net profits for the reporting period of ¥13,880 million, down ¥4,204 million from the previous fiscal year, and net income of ¥5,544 million, up ¥2,683 million over the previous fiscal year.

Cash flows

Cash and cash equivalents at the reporting term-end amounted to ¥72,798 million, an increase of ¥31,033 million from the previous term-end.

Cash flows from operating activities

Net cash provided by operating activities during the term amounted to ¥76,969 million, for an increase of ¥43,601 million from previous term-end, due primarily to a decrease in call loans.

Cash flows from investing activities

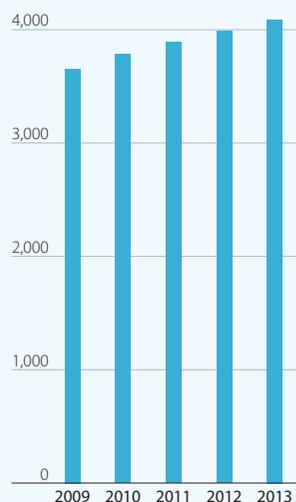
Net cash used in investing activities amounted to ¥44,354 million, an increase of ¥739 million from the investment expenditure for the previous term. This was mainly the result of an increase in expenditure due to purchases of investment securities.

Cash flows from financing activities

Net cash used in financing activities amounted to ¥1,599 million, a decrease of ¥598 million compared with the previous year. This decline was mainly attributable to a decrease in dividends paid to minority shareholders.

Deposits

(Billions of yen)



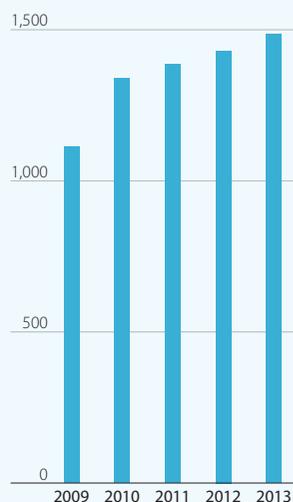
Loans and bills discounted

(Billions of yen)



Investment securities

(Billions of yen)



Total income and expenses

(Billions of yen)

