

A stylized map of Ehime Prefecture, Japan, rendered in shades of orange and yellow. The map shows the coastline and major islands, including Shikoku and the Itoya Islands.

2007 Annual Report



Message from President

We would like to take this opportunity to thank you for your continued choice of and patronage to The Ehime Bank, Ltd. We are pleased to publish this year again our disclosure brochure “2007 Ehime Bank Now,” which summarizes our management principles, fundamental policy, business conditions and involvement with the local community. We would be gratified if you would review this brochure and deepen your understanding of our bank. We will continue our efforts to further enhance the degree of public disclosure and increase our management transparency.

Since our establishment in 1943, we have been steadily developing while fulfilling corporate social responsibilities (CSR) as a regional financial institution in the spirit of helping one another. Your longstanding warm support and patronage have been instrumental, for which please accept our sincere thanks.

As you are well aware, Japan’s economy this term continued to moderately expand in such a manner that business investment and consumer spending remained brisk and corporation performance in general made steady recovery while disparities in degree among regions or industries were still present.

As a result of such economic recovery, Japan’s financial policy made a major shift and market interest rate was raised twice during the term. From the aspect of financial system, the enactment of the Financial Instruments and Exchange Law now strongly requires the industry to enhance its user protection measures, and banking reform has made further progress such as the revitalization of postal services and reorganization of government-affiliated financial institutions.

Under such climate, we increased our capital by issuing new shares in March 2007 to prepare for further expansion of our operations.

The bank has launched the twelfth medium-range management plan in April 2006 with the management guideline of “providing the No. 1 financial services in the community.” We are making efforts to further strengthen our earning capacity through proactive and aggressive business deployment by appropriately responding to the changing times and making full use of our strength rooted in the community.

We have been making various efforts to stimulate the local economy including namely the establishment of “Vessel Finance Office” to further strengthen the engagement with shipping/shipbuilding industries, the local industry of Ehime Prefecture, and “Ehime Gaiya Fund (“Gaiya” meaning “Super” in Ehime’s Nanyo-area dialect)” with the target of assisting new business models of primary industries as the pioneer among the nation’s regional financial institutions. Furthermore, we also established “VOCE Shigenobu” as our first branch office specializing in financial dealings of individual clients, moving into action to materialize our customers’ voice – “It would be nice to have one.”

In addition to these, as a part of CSR activities, we also have been proactively making efforts toward environmental conservation and social contribution such as planting trees under the slogan of “Himegin’s Afforestation.” And based on our founder’s management philosophy – placing customers first and taking good care of our employees are the basis for business prosperity – we will continue to enhance the significance of our existence as the indispensable bank by enriching the personality and capability of each employee and continuing our proactive challenges to break out of the shell of a traditional bank.

Moreover, we will continue to fulfill our social responsibilities and public missions and strive to establish solid confidence through sound management, positioning the reinforcement of corporate governance as our highest priority issue.

We ask for your everlasting support and guidance and wish for your continued good health and success.



July, 2007
Kojiro Nakayama, President



Business Overview

Account Settlement Overview FY 2006

Our Main Business Activities, Financial and Economic Environment

We operate various banking activities, with a focus on the retail field, including the business of accepting deposits, making loans, domestic exchange and foreign exchange at our 96 head and branch offices based in Shikoku region, mainly in Ehime Prefecture.

Japan's economy this term continued to enjoy moderate expansion in such a manner that business investment and consumer spending remained brisk and corporation performance in general made steady recovery while disparities in degree among regions or industries were still present. Ehime's economy also continued to enjoy gradual recovery as business investment increased mainly in manufacturing industries such as paper and pulp industry as well as shipbuilding industry.

As for the banking industry, from the aspect of financial system, the enactment of the Financial Instruments and Exchange Law now strongly requires the industry to enhance its user protection measures, and banking reform has made further progress such as the revitalization of postal services and reorganization of government-affiliated financial institutions.

Our Challenges to be Addressed

Regional financial institutions are asked to promptly and appropriately facilitate local financial functions and provide customer-oriented financial services and products to contribute to the vitalization of local economy.

We are planning to timely and appropriately meet increasingly diverse and sophisticated needs of our customers as well as to strengthen our problem-solving skills in various fields including the business revitalization field, our traditional expertise.

The bank is driving forward the twelfth medium-range management plan to establish the Ehime Bank brand of the "first bank to be consulted" by customers under the management principles of "Bank that helps the region," "Bank that blossoms big and strong" and "Bank that offers rewarding jobs." Based on our founder's management philosophy – placing customers first and taking good care of our employees are the basis for business prosperity – we will continue to enhance the significance of our existence as the indispensable bank by enriching the personality and capability of each employee and continuing our proactive challenges to break out of the shell of a traditional bank. Moreover, we will continue to fulfill our social responsibilities and public missions and strive to establish solid confidence through sound management, positioning the reinforcement of corporate governance as our highest priority issue.

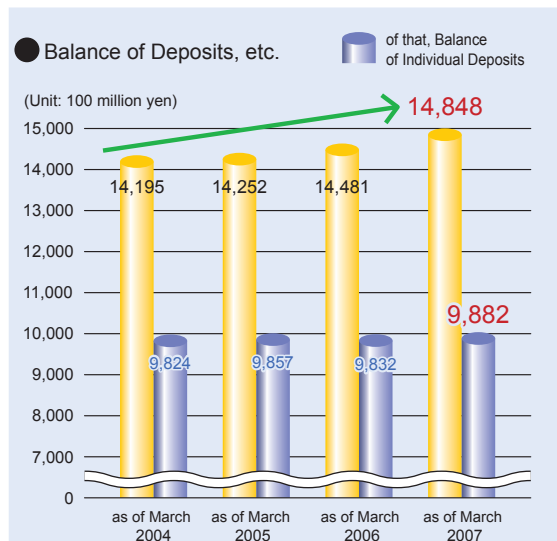
This Term's Operating Performance

In such a business environment, we have been making utmost efforts to reinforce our earning power by always remaining thoroughly committed to the customer-oriented business and striving to effectively operate the funds and to reduce our expenses. We also have been working hard to enrich our risk management system as well as to strengthen our compliance system to deal with various risks to be expected from the changes in the future financial and economic conditions.

In regard to our gain and loss, the income from fund management increased because of a significant rise in the balance of loans in response to rising demand for funds amid the gradual economic recovery. The sales of services also increased due to growing number of deposit asset handling. Although there was an increase in interest expenses due to rise in deposit interest rate, as a result of greatly-diminished crediting costs, our consolidated profit amounted greater-than-expected 9,598 million yen and **we recorded the net core business profits of 13,274 million yen, the highest ever as our bank alone.** Our consolidated current net earnings were 5,222 million yen.

Business Overview

Changes in Deposits, etc. (non-consolidated)

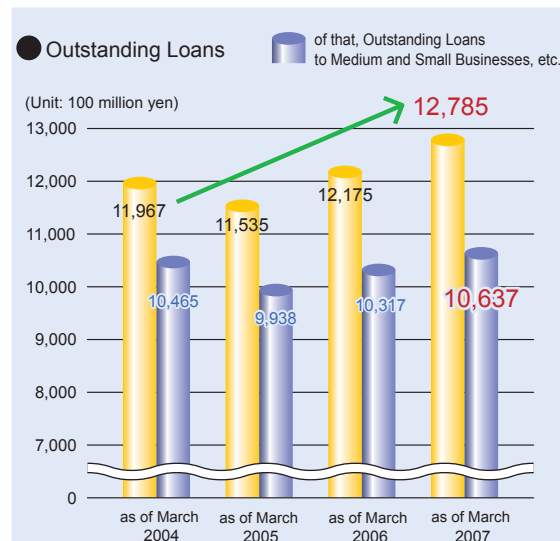


(Unit: 100 million yen)

	as of March 2004	as of March 2005	as of March 2006	as of March 2007
Deposits, etc.	14,195	14,252	14,481	14,848
Individual Deposits	9,824	9,857	9,832	9,882

Amid the trend of investment rather than savings due to the effects of low-interest rate, our deposits, etc. **increased 36.7 billion yen** this term, amounting to 1.4848 trillion yen as a result of our efforts to increase individual deposits.

Changes in Loans (non-consolidated)

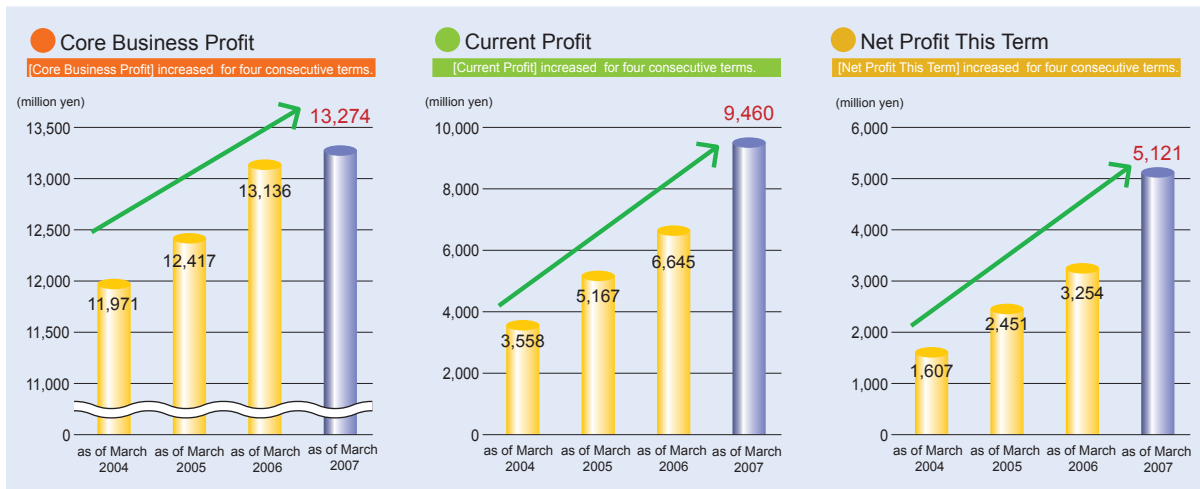


	as of March 2004	as of March 2005	as of March 2006	as of March 2007
Loans	11,967	11,535	12,175	12,785
Loans to Medium and Small Businesses, etc.	10,465	9,938	10,317	10,637

As a result of proactively accommodating the capital needs of medium and small businesses mainly in Ehime Prefecture, the outstanding loans at the end of the term **increased 61 billion yen** compared with the previous term, amounting to 1.2785 trillion yen.

Changes in Profits (non-consolidated)

As a result of significant increase in loans and growth in commission revenue from deposit assets and the like, we enjoyed the closing of increases both in sales and profit: the core business net profit was 13,274 million yen (up 138 million yen compared to the previous term), current profit was 9,460 million yen (up 2,815 million yen compared to the previous term) and net profit this term was 5,121 million yen (up 1,867 million yen). **The profits increased for four consecutive terms and pushed the figure to the highest mark ever.**



(million yen)

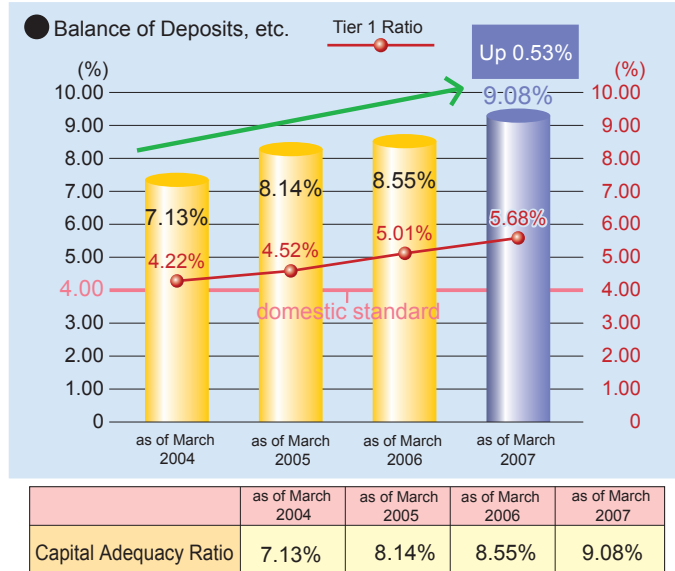
	as of March 2004	as of March 2005	as of March 2006	as of March 2007
Core Business Profit	11,971	12,417	13,136	13,274
Current Profit	3,558	5,167	6,645	9,460
Net Profit This Term	1,607	2,451	3,254	5,121

※ Core business net profit means the profit from the primary banking business.
 "Core Business Net Profit" =
 "Business Profit" - ("General Provision for Loan Losses" +
 "Gain and Loss from Bonds such as the Government Bond")

Business Overview

Capital Adequacy Ratio (non-consolidated)

As a result of a rise in net profit and capital increase through the offering of 18 million public stocks in March 2007, the capital adequacy ratio is at 9.08% (an increase of 0.53% over the previous term), far surpassing the domestic standard of 4% and indicating that strong financial soundness is being maintained.



Consolidated Information (as of March 2007)

Major Financial Data

Consolidated Recurring Income	45,900million yen
HimeginSoft Co., Ltd.	9,598million yen
HIMEGIN Lease Co.,Ltd.	5,222million yen
Ehime-JCB Co., Ltd.	9.10%

Consolidated Subsidiaries (4 companies)

Himegin Business Service Co., Ltd.
HimeginSoft Co., Ltd.
HIMEGIN Lease Co.,Ltd.
Ehime-JCB Co., Ltd.

Non-Consolidated Subsidiaries subject to the Equity Method (3 companies)

Investment Business Limited Liability Partnership Ehime Venture Fund 2004 Corporation Limited
Anonymous Association managed by Ehime Ship Finance, Private Limited Company
Investment Business Limited Liability Partnership Ehime Gaiya Fund

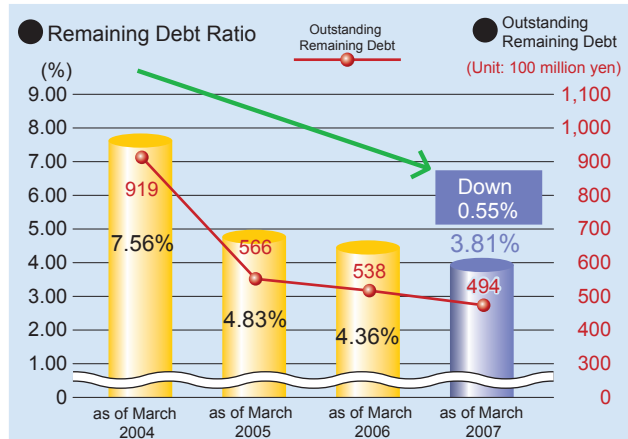
Nonperforming Loans

Remaining Debt based on Japan's Financial Reconstruction Law

Remaining Debt Ratio based on Japan's Financial Reconstruction Law (Non-consolidated)

The remaining debt ratio based on Japan's Financial Reconstruction Law decreased to 3.81% of the total credit amount (down 0.55% on the same period last year) by our efforts including the collection of nonperforming loans and corporate revitalization. We also are proactively reserving bad-debt provision from the point of securing the soundness of the funds and as for the portion, which is not covered by the provision; it is fully covered by our equity capital.

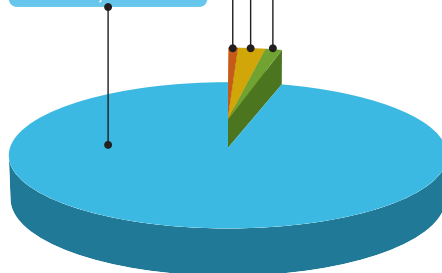
Remaining Debt Ratio based on Japan's Financial Reconstruction Law (Non-consolidated)	as of March 2004	as of March 2005	as of March 2006	as of March 2007
	7.56%	4.83%	4.36%	3.81%



(Note: The numbers less than 100 million yen of the debt amounts are rounded off)

Coverage of Remaining Debt based on Japan's Financial Reconstruction Law (Non-consolidated)

as of March 2007
Normal Debt
12,465



(Unit: 100 million yen)

Total Amount 494

Bankrupt/Rehabilitation Debt and Debt pursuant to these	80	Coverage Ratio	100.00%
Critical Debt	277	Coverage Ratio	83.09%
Debt Requiring Supervision (relevant loans only)	137	Coverage Ratio	69.68%

82.09% is covered.

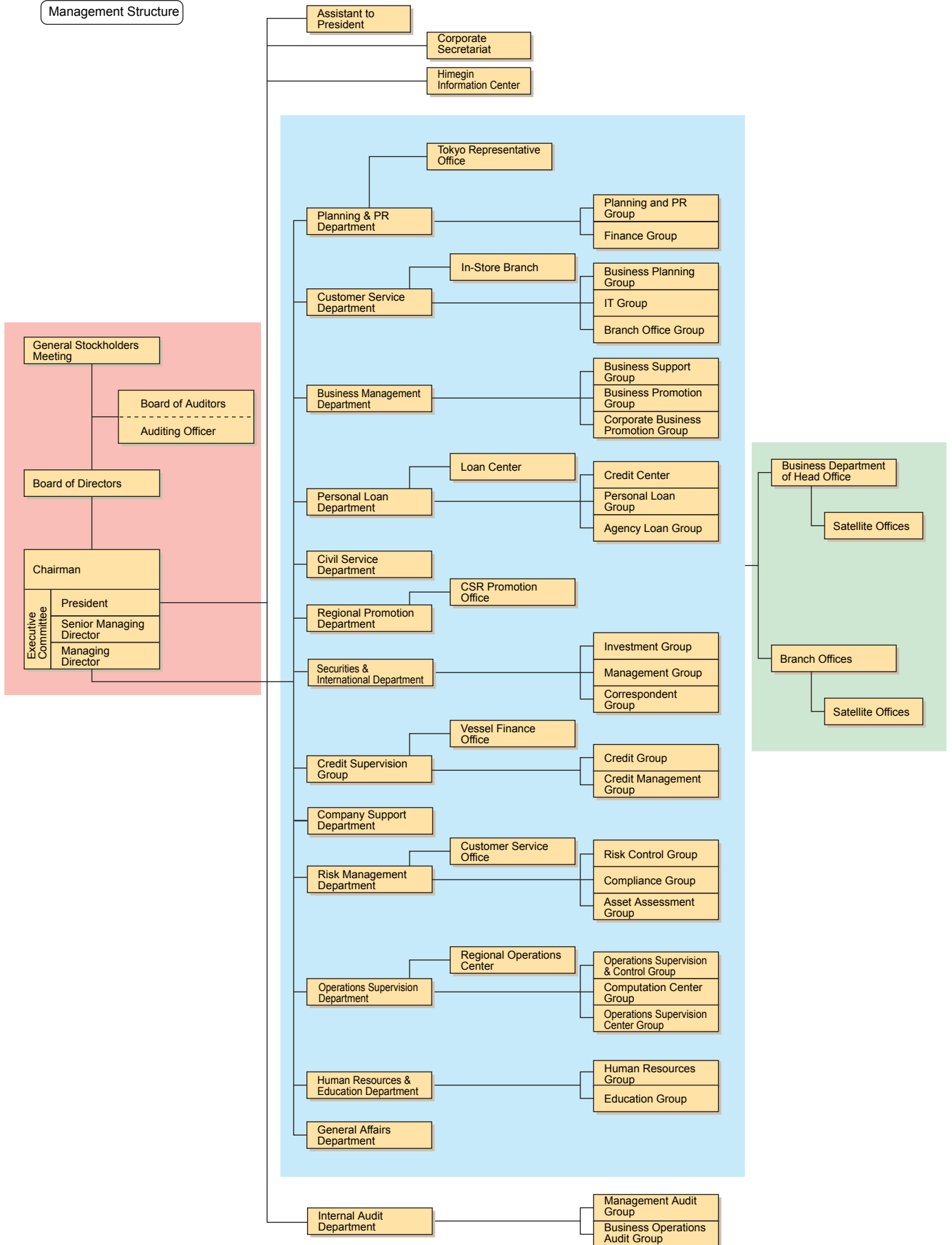
Total Amount 405

Allowance for doubtful debt	18
Mortgage, Guarantee, etc.	62
Allowance for doubtful debt	124
Mortgage, Guarantee, etc.	106
Balance due	47
Allowance for doubtful debt	34
Mortgage, Guarantee, etc.	61
Balance due	42

The remaining 8.9 billion yen is fully covered by our equity capital of 79.2 billion yen.

Organization

Management Structure





Overview of Group Companies

Business Relationship with Love
THE EHIME BANK, LTD.
 96 locations in Japan (including 5 satellite offices), 7 subsidiaries

Subsidiaries

(As of March 31, 2007)

Name	Address Telephone	Services	Foundation	Capital or Investment to Capital (millions of yen)	Share (%)
(Consolidated Subsidiaries)					
Himegin Business Service Co., Ltd.	〒790-0011 5-6-1 Chifunemachi, Matsuyama-shi, Ehime Japan +81- (0)89-932-3486	<ul style="list-style-type: none"> • Detailed check & disposition of cash, etc. • Money collection for specific clients • Maintenance and Management of ATM facilities • Pickup and delivery services of documents, etc and traffic control of delivery vehicles 	July 2, 1984	10	100
HimeginSoft Co., Ltd.	〒790-0874 27-1 Minami-mochidamachi, Matsuyama-shi, Ehime Japan +81- (0)89-943-7767	<ul style="list-style-type: none"> • Development of computer software • Information processing by computers • Management and administration of computer systems • Sales of ancillary equipment associated with computer software • Management of FB terminals 	December 6, 1984	30	60
HIMEGIN Lease Co.,Ltd.	〒790-0878 2-1 Katsuyamacho Matsuyama-shi, Ehime Japan +81- (0)89-933-8383	<ul style="list-style-type: none"> • Leasing • Investment 	May 10, 1986	30	100
Ehime-JCB Co., Ltd.	〒790-0878 2-4-7 Katsuyamacho Matsuyama-shi, Ehime Japan +81- (0)89-921-2303	<ul style="list-style-type: none"> • Credit card services • Credit guarantee services 	January 29, 1987	50	90
(Non-Consolidated Subsidiaries subject to the Equity Method)					
Ehime Venture Fund 2004 Corporation Limited	(Head Office) 〒790-8580 2-1 Katsuyamacho Matsuyama-shi, Ehime Japan +81- (0)89-933-1111	<ul style="list-style-type: none"> • Investment for venture companies 	August 31, 2004	400	—
Anonymous Association managed by Ehime Ship Finance, Private Limited Company (Note 1)	3-1-1 Marunouchi Chiyoda-ku, Tokyo Japan	<ul style="list-style-type: none"> • Special Purpose Corporation 	January 14, 2005	10	—
Ehime Gaiya Fund Corporation Limited	〒790-8580 2-1 Katsuyamacho Matsuyama-shi, Ehime Japan +81-(0) 89-933-1111	<ul style="list-style-type: none"> • Investment to venture companies 	November 28, 2006	250	—

(Note 1) We do not hold any voting right with a special purpose corporation and have no legal control over it. However, we assume that the effective control belongs to us because we relish all of the anonymous association's gains and losses; therefore the anonymous association is considered as our subsidiary.

Consolidated Information Financial Statements

Consolidated Balance Sheets

● Assets

(Unit: million yen)

Item	FY	Previous (As of March 31, 2006)		Current (As of March 31, 2007)	
		Amount	Component Ratio	Amount	Component Ratio
(Assets)					
Cash and due from banks		116,206	7.17 %	41,017	2.51 %
Call loans and bills bought		10,924	0.67	54,773	3.36
Monetary claims bought		69	0.00	143	0.01
Trading account securities		325	0.02	258	0.02
Securiti		228,726	14.11	207,629	12.73
Loans and bills discounted		1,214,458	74.91	1,274,819	78.14
Foreign exchanges		1,378	0.08	694	0.04
Other assets		6,754	0.42	7,837	0.48
Premises and equipment		36,911	2.28	—	—
Tangible fixed assets		—	—	39,767	2.44
Building		—	—	7,084	
Land		—	—	22,280	
Construction in progress		—	—	778	
Other tangible fixed assets		—	—	9,623	
Intangible fixed assets		—	—	1,586	0.10
Software		—	—	486	
Other intangible fixed assets		—	—	1,100	
Deferred tax assets		12,098	0.75	8,976	0.55
Customers' liabilities for acceptances and guarantees		14,363	0.89	14,697	0.90
Reserve for bad debt		△ 21,097	△ 1.30	△ 20,866	△ 1.28
Total Assets		1,621,119	100.00	1,631,334	100.00

● Liabilities, Minority Interest, Owners' Equity and Stockholders' Equity

(Unit: million yen)

Item	FY	Previous (As of March 31, 2006)		Current (As of March 31, 2007)	
		Amount	Component Ratio	Amount	Component Ratio
(Liabilities)					
Deposits		1,420,984	87.66 %	1,423,664	87.27 %
Negotiable certificates of deposit		26,575	1.64	57,879	3.55
Guarantee deposit received under securities lending transactions		39,182	2.42	—	—
Borrowed money		19,658	1.21	24,408	1.50
Foreign exchange		27	0.00	18	0.00
Corporate bonds		13,000	0.80	13,000	0.80
Other liabilities		8,809	0.54	8,517	0.52
Reserve for directors' bonus allowance		—	—	54	0.00
Reserve for retirement allowances		2,789	0.17	1,655	0.10
Reserve for retirement benefits for directors		—	—	347	0.02
Reserve for loss due to returning interests		—	—	47	0.00
Deferred tax liabilities		59	0.00	22	0.00
Deferred tax liabilities for revaluation		6,644	0.41	6,401	0.40
Acceptances and guarantees		14,363	0.89	14,697	0.90
Total Liabilities		1,552,095	95.74	1,550,713	95.06
(Minority interest)					
Minority interest		172	0.01	—	—
(Assets)					
Capital stock		15,460	0.96	—	—
Capital surplus		9,606	0.59	—	—
Retained earnings		27,984	1.73	—	—
Land revaluation difference		8,289	0.51	—	—
Other marketable securities valuation difference		7,633	0.47	—	—
Treasury stock		△ 122	△ 0.01	—	—
Total stockholders' equity		68,852	4.25	—	—
Total liabilities, minority interest and stockholders' equity		1,621,119	100.00	—	—
(Stockholders' Equity)					
Capital stock		—	—	19,078	1.17
Capital surplus		—	—	13,214	0.81
Retained earnings		—	—	32,564	2.00
Treasury stock		—	—	△ 148	△ 0.01
Total common equity		—	—	64,709	3.97
Other marketable securities valuation difference		—	—	7,797	0.48
Land revaluation difference		—	—	7,930	0.48
Total valuation / conversion differences, etc.		—	—	15,728	0.96
Minority interest		—	—	183	0.01
Total Stockholders' Equity		—	—	80,621	4.94
Total Liabilities and Stockholders' Equity		—	—	1,631,334	100.0

Consolidated Information Financial Statements

Consolidated Statement of Income

(Unit: million yen)

Item	FY	Previous (From April 1, 2005) (To March 31, 2006)		Current (From April 1, 2006) (To March 31, 2007)	
		Amount	Component Ratio	Amount	Component Ratio
Income		44,725	100.00 %	45,900	100.00 %
Interest income		34,168		35,909	
Interest on loans and discounts		30,230		31,585	
Interest and dividends on securities		2,932		2,622	
Interest on call loans and bills bought		431		806	
Interest on due from banks		0		2	
Other interest income		572		893	
Fees and commissions		4,414		4,953	
Other operating income		2,475		3,364	
Other income		3,666		1,673	
Expenses		37,916	84.78	36,301	79.09
Interest expenses		1,688		3,374	
Interest on deposits		1,089		2,531	
Interest on negotiable certificates of deposit		19		167	
Interests on call money and bills of sold		—		3	
Interest on payables under securities lending transactions		10		3	
Interest on borrowed money		283		332	
Interest on bonds and notes		198		259	
Other interest expenses		87		76	
Fees and commissions		3,197		2,836	
Other operating expenses		434		1,673	
General and administrative expenses		22,377		23,244	
Other expenses		10,217		5,173	
Transfer to allowance for bad debt		5,751		2,400	
Other expenses		4,465		2,773	
Profits		6,809	15.22	9,598	20.91
Extraordinary profits		69	0.16	238	0.52
Profits on disposal of property		52		—	
Profits on disposal of fixed assets		—		20	
Recoveries of write-offs		17		218	
Extraordinary losses		1,164	2.60	761	1.66
Losses from disposal of property		1,164		—	
Losses from disposal of fixed assets		—		145	
Losses due to impairment		—		209	
Other extraordinary losses		—		406	
Income before taxes and others		5,714	12.78	9,075	19.77
Provision for income taxes		1,204	2.70	1,116	2.43
Income taxes-deferred		1,189	2.66	2,727	5.94
Minority interest		10	0.02	8	0.02
Net income		3,309	7.40	5,222	11.38

Consolidated Statement of Capital Surplus and Retained Earnings

(Unit: million yen)

Item	FY	Previous (From April 1, 2005) (To March 31, 2006)
		Amount
(Capital Surplus)		
Balance of capital surplus at beginning of year		7,713
Increase in capital surplus		1,893
Issuance of new stocks by capital increase		1,893
Decrease in capital surplus		—
Balance of capital surplus at end of year		9,606
(Retained Earnings)		
Balance of retained earnings at beginning of year		24,665
Increase in retained earnings		4,133
Net income this term		3,309
Transfer from revaluation reserve for land, net of taxes		823
Decrease in retained earnings		814
Cash dividends		747
Bonus for directors		38
Losses on sales of treasury stock, net of taxes		29
Balance of retained earnings at end of year		27,984

Consolidated Information Financial Statements

Statement of Changes in Consolidated Stockholders' Equity, etc.

Current (From April 1, 2006 To March 31, 2007)

(Unit: million yen)

	Stockholders' equity				Total stockholders' equity
	Capital stock	Capital surplus	Retained earnings	Treasury stock	
Balance as of March 31, 2006	15,460	9,606	27,984	△122	52,929
Amount changed during the consolidated fiscal year					
Issuance of new shares	3,618	3,607			7,225
Dividends of surplus (※)			△ 957		△ 957
Directors' bonus (※)			△ 43		△ 43
Current net income			5,222		5,222
Purchase of treasury stock				△ 29	△ 29
Sales of treasury stock		0		2	2
Transfer from revaluation reserve for land, net of taxes			358		358
Amount changed during the consolidated fiscal year for the items other than shareholders' equity (net amount)					
Total amount changed during the consolidated fiscal year	3,618	3,607	4,580	△ 26	11,780
Balance as of March 31, 2007	19,078	13,214	32,564	△148	64,709

(Unit: million yen)

	Valuation / conversion differences, etc.			Minority interest	Total net assets
	Other marketable securities valuation difference	Land revaluation difference	Total valuation / conversion differences, etc.		
Balance as of March 31, 2006	7,633	8,289	15,922	172	69,024
Amount changed during the consolidated fiscal year					
Issuance of new shares					7,225
Dividends of surplus (※)					△ 957
Directors' bonus (※)					△ 43
Current net income					5,222
Purchase of treasury stock					△ 29
Sales of treasury stock					2
Transfer from revaluation reserve for land, net of taxes					358
Amount changed during the consolidated fiscal year for the items other than shareholders' equity (net amount)	164	△ 358	△ 194	10	△ 183
Total amount changed during the consolidated fiscal year	164	△ 358	△ 194	10	11,596
Balance as of March 31, 2007	7,797	7,930	15,728	183	80,621

(Note) Of the Dividends of surplus, △478 million yen and the Directors' bonus were the appropriation of profit item at the annual shareholders meeting held in June 2006.

Consolidated Information Financial Statements

Consolidated Statement of Cash Flows

(Unit: million yen)

Item	FY	Previous (From April 1, 2005) (To March 31, 2006)	Current (From April 1, 2006) (To March 31, 2007)
I	Cash Flows from Operating Activities		
	Income before income taxes	5,714	9,075
	Depreciation	2,099	2,963
	Impairment losses	—	209
	Increase/decrease in reserve for bad debt (Δ)	4,577	Δ 231
	Increase/decrease in reserve for directors' bonus allowance (Δ)	—	54
	Increase/decrease in reserve for retirement allowance (Δ)	Δ 736	Δ 1,134
	Increase/decrease in reserve for retirement benefits for directors (Δ)	—	347
	Increase/decrease in reserve for loss due to returning interests (Δ)	—	47
	Interest income	Δ 34,168	Δ 35,909
	Interest expenses	1,688	3,374
	Securities losses/gains (Δ)	Δ 3,125	386
	Foreign exchange losses/gains (Δ)	Δ 8	Δ 7
	Losses/gains on disposal of premises and equipment (Δ)	1,112	—
	Losses/gains on disposal of fixed assets (Δ)	—	125
	Net increase/decrease in trading securities (Δ)	Δ 154	67
	Net increase/decrease in loans and bills discounted (Δ)	Δ 64,906	Δ 60,361
	Net increase/decrease in deposits (Δ)	13,164	2,680
	Net increase/decrease in negotiable deposits (Δ)	10,154	31,303
	Net increase/decrease in borrowed money (excluding subordinated borrowings) (Δ)	765	3,750
	Net increase/decrease in deposits with banks (excluding deposits with Bank of Japan) (Δ)	105	105
	Net increase/decrease in call loans (Δ)	1,033	Δ 43,923
	Net increase/decrease in commercial paper (Δ)	997	—
	Net increase/decrease in payables under securities lending transactions (Δ)	Δ 5,606	Δ 39,182
	Net increase/decrease in foreign exchange assets (Δ)	191	684
	Net increase/decrease in foreign exchange liabilities (Δ)	Δ 619	Δ 9
	Interest income received	34,215	35,402
	Interest expenses paid	Δ 1,713	Δ 2,587
	Other	49	Δ 2,304
	Sub-Total	Δ 35,169	Δ 95,073
	Income taxes paid	Δ 190	Δ 1,660
	Cash flows from operating activities	Δ 35,359	Δ 96,733
II	Cash flows from Investing Activities		
	Payments for purchase of securities	Δ 103,827	Δ 119,988
	Proceeds from maturities of securities	39,222	55,873
	Payments for purchase of premises and equipment	82,821	85,131
	Proceeds from sales of tangible fixed assets	Δ 3,548	—
	Proceeds from sales of premises and equipment	—	Δ 6,592
	Proceeds from sales of tangible fixed assets	1,580	—
	Payments for purchase of intangible fixed assets	—	720
	Cash flows from investing activities	—	Δ 748
	Cash Flows from Financing Activities	16,248	14,395
III	Proceeds from subordinated borrowings	—	1,000
	Payments for subordinated borrowings	—	—
	Proceeds from issuance of subordinated bonds	Δ 9,500	—
	Proceeds from issuance of stocks	7,000	—
	Proceeds from issuance of stocks	3,803	7,225
	Cash dividends paid	Δ 746	Δ 951
	Cash dividends paid to minority shareholders	Δ 0	Δ 0
	Payments for purchase of treasury stock	Δ 33	Δ 29
	Proceeds from sales of treasury stock	111	2
	Cash flows from financing activities	634	7,247
IV	Conversion Difference related to Cash and Cash Equivalents	8	7
V	Increase/Decrease in Cash and Cash Equivalents (Δ)	Δ 18,467	Δ 75,083
VI	Cash and Cash Equivalents at Beginning of Year	133,881	115,413
VII	Cash and Cash Equivalents at End of Year	115,413	40,330

THE EHIME BANK,LTD.

■Year of Establishment	1943
■Paid in Capital	¥19,078 million
■Number of Branches	96 (including 5 satellite offices)
■Number of Employees	1,372
■Stock Listings	Tokyo Stock Exchange Osaka Securities Exchange

■Directory

Head Office

1, Katsuyama-cho, 2-chome, Matsuyama, Ehime 790-8580, Japan
Phone : 089-933-1111 <http://www.himegin.co.jp/>

Securities & International Department

Phone : 089-947-6090 Fax : 089-947-6099
SWIFT : HIMEJPJTE-mail : intl@himegin.co.jp

Foreign exchange Offices

Head Office (Business Department)

1, Katsuyama-cho, 2-chome, Matsuyama, Ehime 790-8580, Japan
Phone : 089-933-1111

Tokyo Branch

2-4, Iwamoto-cho 3-chome, Chiyoda-ku, Tokyo 101-0032, Japan
Phone : 03-3861-8151

Osaka Branch

13th floor Urban Ace Kitahama Bldg, 2-3-7 Hirano-machi,
Chuo-ku, Osaka 541-0048, Japan
Phone : 06-6203-5841

Mishima Branch

6-7, Mishima-chuo 3-chome, Shikoku-chuo, Ehime 799-0405, Japan
Phone : 0896-23-2530



Imabari Branch

2-10, Taisho-cho 1-chome, Imabari, Ehime 794-0024, Japan
Phone : 0898-32-4470

Hashihama Branch

2-1, Jibori 1-chome, Imabari, Ehime 799-2117, Japan
Phone : 0898-41-9500

Hakata Branch

3437-3, Kinoura Ko, Hakata-cho, Imabari Ehime 794-2305, Japan
Phone : 0897-72-1155

Uwajima Branch

3-7-15 Sakaemachi-Minato, Uwajima, Ehime 798-0031, Japan
Phone : 0895-22-5730

■Board of Directors & Corporate Auditors (as of July 1, 2006)

Chairman

Tetsuaki Isshiki

President

Kojiro Nakayama

Senior Managing Directors

Kimihide Ikeda

Managing Directors

Hideo Hisaga
Hiroshi Aoki
Motohiro Honda

Directors

Hidetoshi Tamai
Takeshi Yasui
Takatomo Morisawa
Shoichi Hiasa

Takeshi Shimamoto
Eiji Saeki
Kyosuke Matsumoto
Eiki Shimizu

Kenichi Tokumaru
Mitsuo Harada

Standing Corporate Auditor

Kunihiro Morita

Corporate Auditors

Masaru Mori
Seiichi Nomoto
Yukiyoshi Yano