

Fukuoka Financial Group, Inc.

Financial Results for the First Quarter of FY2015



Stock Exchange Listing:	Tokyo, Fukuoka (code:8354)
URL:	http://www.fukuoka-fg.com
Representative:	Takashige Shibato, President
For Inquiry:	Hiroshi Miyoshi, General Manager, Corporate Planning Division
Payment date of cash dividends:	—
Filing date of Financial Statements:	August 5, 2015 (scheduled)
Trading Accounts:	Established
Supplementary Materials:	Attached
IR Conference:	Not scheduled

(Notes) 1. All of the disclosed figures are unaudited.
2. Amounts less than one million yen are omitted.

1. Consolidated Financial Highlights (from April 1, 2015 to June 30, 2015)

(1) Consolidated Operating Results (%:Changes from previous fiscal year)

	Ordinary Income		Ordinary Profit		Net Income attributable to owners of the parent	
	¥Million	%	¥Million	%	¥Million	%
1Q FY2015	64,692	11.0	25,821	40.3	16,855	34.2
1Q FY2014	58,271	(13.8)	18,399	(30.6)	12,556	(33.1)

(Note) Comprehensive income 1Q FY2015: ¥20,399 million [4.2%] 1Q FY2014: ¥19,585 million [—]

	Net Income per Share	Net Income per Share (Diluted)
	¥	¥
1Q FY2015	19.62	—
1Q FY2014	14.61	—

(2) Consolidated Financial Position

	Total Assets	Total Net Assets	Own Capital Ratio
	¥Million	¥Million	%
1Q FY2015	15,947,128	793,195	4.8
FY2014	15,661,794	778,093	4.8

(Reference) Own capital 1Q FY2015: ¥768,150 million FY2014: ¥753,047 million

(Note) Own Capital Ratio = (Total net assets - Noncontrolling interests) / Total assets * 100

This ratio is not based on the public notification of the capital adequacy ratio.

2. Dividend Payment

	Dividends declared per Share				
	First Quarter-end	Second Quarter-end	Third Quarter-end	Fiscal Year-end	Total
FY2014	—	6.00	—	6.00	12.00
FY2015	—	—	—	—	—
FY2015(projection)	—	6.00	—	6.00	12.00

(Note) Revision of projections for dividends for FY2015: None

3. Consolidated Earnings Projections for Fiscal year 2015, (Year ending March 31, 2016)

(%:Changes from corresponding period of previous fiscal year)

	Ordinary Profit		Net Income attributable to owners of the parent		Net Income per Share
	¥Million	%	¥Million	%	¥
Interim of FY2015	29,000	(14.1)	18,000	(18.0)	20.80
FY2015	59,000	(2.9)	37,000	1.1	42.77

(Note) Revision of earnings projections from the latest announcement: None

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(millions of Yen)

Item	科目 (Japanese)	As of Mar 31, 2015	As of Jun 30, 2015
(Assets)	資産の部		
Cash and due from banks	現金預け金	1,759,174	2,072,818
Call loans and bills bought	コールローン及び買入手形	26,802	16,836
Monetary claims bought	買入金銭債権	42,125	42,424
Trading assets	特定取引資産	2,360	2,492
Money held in trust	金銭の信託	2,000	2,300
Securities	有価証券	3,268,602	3,221,809
Loans and bills discounted	貸出金	10,213,430	10,236,460
Foreign exchanges	外国為替	8,781	9,695
Other assets	その他資産	63,472	71,250
Tangible fixed assets	有形固定資産	192,134	192,511
Intangible fixed assets	無形固定資産	123,525	121,036
Net defined benefit asset	退職給付に係る資産	32,140	32,444
Deferred tax assets	繰延税金資産	20,666	13,303
Customers' liabilities for acceptances and guarantees	支払承諾見返	56,628	57,150
Allowance for loan losses	貸倒引当金	(150,051)	(145,404)
Total assets	資産の部合計	15,661,794	15,947,128
(Liabilities)	負債の部		
Deposits	預金	12,234,163	12,259,596
Negotiable certificates of deposit	譲渡性預金	448,154	643,647
Call money and bills sold	コールマネー及び売渡手形	50,000	—
Payables under repurchase agreements	売現先勘定	36,051	36,735
Payables under securities lending transactions	債券貸借取引受入担保金	575,341	596,978
Trading liabilities	特定取引負債	—	0
Borrowed money	借入金	1,238,543	1,330,604
Foreign exchanges	外国為替	1,096	1,431
Short-term bonds payable	短期社債	5,000	5,000
Bonds payable	社債	97,500	87,500
Other liabilities	その他負債	109,854	104,436
Net defined benefit liability	退職給付に係る負債	777	778
Reserve for losses on interest repayments	利息返還損失引当金	1,040	995
Reserve for losses from reimbursement of inactive accounts	睡眠預金払戻損失引当金	5,013	4,615
Reserve for contingent liabilities losses	その他の偶発損失引当金	273	198
Reserve under the special laws	特別法上の引当金	19	19
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	24,244	24,244
Acceptances and guarantees	支払承諾	56,628	57,150
Total liabilities	負債の部合計	14,883,701	15,153,933
(Net assets)	純資産の部		
Capital stock	資本金	124,799	124,799
Capital surplus	資本剰余金	103,611	103,611
Retained earnings	利益剰余金	373,930	385,501
Treasury stocks	自己株式	(295)	(308)
Total shareholders' equity	株主資本合計	602,045	613,603
Valuation difference on available-for-sale securities	その他有価証券評価差額金	102,869	102,473
Deferred gains or losses on hedges	繰延ヘッジ損益	(10,487)	(6,439)
Revaluation reserve for land	土地再評価差額金	50,439	50,439
Remeasurements of defined benefit plans	退職給付に係る調整累計額	8,179	8,072
Total accumulated other comprehensive income	その他の包括利益累計額合計	151,001	154,546
Noncontrolling interests	非支配株主持分	25,046	25,044
Total net assets	純資産の部合計	778,093	793,195
Total liabilities and net assets	負債及び純資産の部合計	15,661,794	15,947,128

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

(millions of Yen)

Item	科目 (Japanese)	3 months ended Jun 30, 2014	3 months ended Jun 30, 2015
Ordinary income:	経常収益	58,271	64,692
Interest income	資金運用収益	41,226	42,230
Interest on loans and discounts	(うち貸出金利息)	33,644	33,320
Interest and dividends on securities	(うち有価証券利息配当金)	7,045	8,255
Fees and commissions	役務取引等収益	10,115	11,734
Trading income	特定取引収益	89	38
Other operating income	その他業務収益	2,045	4,608
Other income	その他経常収益	4,794	6,080
Ordinary expenses:	経常費用	39,871	38,871
Interest expenses	資金調達費用	3,976	5,004
Interest on deposits	(うち預金利息)	1,720	1,772
Fees and commissions payments	役務取引等費用	3,385	2,533
Other operating expenses	その他業務費用	0	0
General and administrative expenses	営業経費	31,706	30,480
Other expenses	その他経常費用	801	851
Ordinary profit	経常利益	18,399	25,821
Extraordinary income	特別利益	0	5
Gain on disposal of noncurrent assets	固定資産処分益	0	5
Transfer from reserve for financial products transaction liabilities	金融商品取引責任準備金取崩額	0	0
Extraordinary loss	特別損失	42	181
Loss on disposal of noncurrent assets	固定資産処分損	34	141
Impairment loss	減損損失	7	39
Income before income taxes:	税金等調整前四半期純利益	18,357	25,645
Current	法人税、住民税及び事業税	2,118	2,989
Deferred	法人税等調整額	3,354	5,801
Total income taxes	法人税等合計	5,472	8,791
Net income	四半期純利益	12,885	16,854
Net income attributable to noncontrolling interests	非支配株主に帰属する四半期純利益	328	(1)
Net income attributable to owners of the parent	親会社株主に帰属する四半期純利益	12,556	16,855

Consolidated Statements of Comprehensive Income

(millions of Yen)

Item	科目 (Japanese)	3 months ended Jun 30, 2014	3 months ended Jun 30, 2015
Net income	四半期純利益	12,885	16,854
Other comprehensive income	その他の包括利益	6,699	3,545
Valuation difference on available-for-sale securities	その他有価証券評価差額金	6,605	(396)
Deferred gains or losses on hedges	繰延ヘッジ損益	(7)	4,048
Remeasurements of defined benefit plans net of tax	退職給付に係る調整額	101	(106)
Total comprehensive income	四半期包括利益	19,585	20,399
(Breakdown)	(内訳)		
Comprehensive income attributable to shareholders of the parent	親会社株主に係る四半期包括利益	19,255	20,400
Comprehensive income attributable to noncontrolling interests	非支配株主に係る四半期包括利益	329	(1)

【 Reference 】

【 The Bank of Fukuoka 】

Non-consolidated Balance Sheets

(millions of Yen)

Item	科目 (Japanese)	As of Mar 31, 2015	As of Jun 30, 2015
(Assets)	資産の部		
Cash and due from banks	現金預け金	1,300,777	1,543,540
Call loans	コールローン	26,802	16,836
Monetary claims bought	買入金銭債権	31,767	31,763
Trading assets	特定取引資産	2,086	2,169
Securities	有価証券	2,233,085	2,200,243
Loans and bills discounted	貸出金	7,763,337	7,799,810
Foreign exchanges	外国為替	6,119	6,920
Other assets	その他資産	47,602	49,545
Tangible fixed assets	有形固定資産	148,416	148,756
Intangible fixed assets	無形固定資産	8,254	8,091
Prepaid pension expenses	前払年金費用	12,390	12,794
Deferred tax assets	繰延税金資産	5,752	125
Customers' liabilities for acceptances and guarantees	支払承諾見返	45,002	46,046
Allowance for loan losses	貸倒引当金	(96,045)	(92,201)
Total assets	資産の部合計	11,535,348	11,774,444
(Liabilities)	負債の部		
Deposits	預金	8,831,796	8,831,077
Negotiable certificates of deposit	譲渡性預金	292,611	471,663
Call money	コールマネー	65,909	15,166
Payables under repurchase agreements	売現先勘定	36,051	36,735
Payables under securities lending transactions	債券貸借取引受入担保金	575,341	596,978
Trading liabilities	特定取引負債	—	0
Borrowed money	借入金	942,148	1,033,073
Foreign exchanges	外国為替	1,062	1,357
Bonds payable	社債	67,500	67,500
Other liabilities	その他負債	91,502	76,563
Reserve for losses on interest repayments	利息返還損失引当金	927	927
Reserve for losses from reimbursement of inactive accounts	睡眠預金払戻損失引当金	4,288	3,974
Reserve for contingent liabilities losses	その他の偶発損失引当金	205	129
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	24,244	24,244
Acceptances and guarantees	支払承諾	45,002	46,046
Total liabilities	負債の部合計	10,978,590	11,205,437
(Net assets)	純資産の部		
Capital stock	資本金	82,329	82,329
Capital surplus	資本剰余金	60,480	60,480
Retained earnings	利益剰余金	293,724	302,024
Total shareholders' equity	株主資本合計	436,535	444,834
Valuation difference on available-for-sale securities	その他有価証券評価差額金	80,270	80,171
Deferred gains or losses on hedges	繰延ヘッジ損益	(10,487)	(6,439)
Revaluation reserve for land	土地再評価差額金	50,439	50,439
Valuation and translation adjustments	評価・換算差額等合計	120,222	124,171
Total net assets	純資産の部合計	556,757	569,006
Total liabilities and net assets	負債及び純資産の部合計	11,535,348	11,774,444

【 The Bank of Fukuoka 】

Non-consolidated Statements of Income

(millions of Yen)

Item	科目 (Japanese)	3 months ended Jun 30, 2014	3 months ended Jun 30, 2015
Ordinary income:	経常収益	41,153	48,161
Interest income	資金運用収益	30,409	31,960
Interest on loans and discounts	(うち貸出金利息)	24,274	24,192
Interest and dividends on securities	(うち有価証券利息配当金)	5,718	7,261
Fees and commissions	役務取引等収益	7,288	7,957
Trading income	特定取引収益	48	12
Other operating income	その他業務収益	581	2,957
Other income	その他経常収益	2,825	5,272
Ordinary expenses:	経常費用	24,733	24,360
Interest expenses	資金調達費用	3,306	4,320
Interest on deposits	(うち預金利息)	1,099	1,174
Fees and commissions payments	役務取引等費用	3,527	2,805
Other operating expenses	その他業務費用	1	1
General and administrative expenses	営業経費	17,372	16,689
Other expenses	その他経常費用	524	543
Ordinary profit	経常利益	16,419	23,801
Extraordinary income	特別利益	—	3
Gain on disposal of noncurrent assets	固定資産処分益	—	3
Extraordinary loss	特別損失	39	175
Loss on disposal of noncurrent assets	固定資産処分損	31	136
Impairment loss	減損損失	7	39
Income before income taxes:	税引前四半期純利益	16,379	23,629
Current	法人税、住民税及び事業税	3,893	3,235
Deferred	法人税等調整額	1,064	3,806
Total income taxes	法人税等合計	4,958	7,042
Net income	四半期純利益	11,421	16,587

【 Reference 】

【 The Kumamoto Bank 】

Non-consolidated Balance Sheets

(millions of Yen)

Item	科目 (Japanese)	As of Mar 31, 2015	As of Jun 30, 2015
(Assets)	資産の部		
Cash and due from banks	現金預け金	149,740	159,909
Call loans	コールローン	6,660	5,246
Securities	有価証券	290,728	287,901
Loans and bills discounted	貸出金	1,082,815	1,080,891
Foreign exchanges	外国為替	1,248	1,442
Other assets	その他資産	6,780	2,943
Tangible fixed assets	有形固定資産	17,408	17,436
Intangible fixed assets	無形固定資産	705	696
Prepaid pension expenses	前払年金費用	3,182	3,238
Deferred tax assets	繰延税金資産	6,181	5,554
Customers' liabilities for acceptances and guarantees	支払承諾見返	4,319	4,230
Allowance for loan losses	貸倒引当金	(15,967)	(15,574)
Total assets	資産の部合計	1,553,804	1,553,916
(Liabilities)	負債の部		
Deposits	預金	1,277,869	1,296,664
Negotiable certificates of deposit	譲渡性預金	66,395	52,398
Borrowed money	借入金	114,712	113,958
Foreign exchanges	外国為替	16	51
Other liabilities	その他負債	4,063	4,164
Reserve for losses from reimbursement of inactive accounts	睡眠預金払戻損失引当金	256	229
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	1,467	1,467
Acceptances and guarantees	支払承諾	4,319	4,230
Total liabilities	負債の部合計	1,469,099	1,473,163
(Net assets)	純資産の部		
Capital stock	資本金	33,847	33,847
Capital surplus	資本剰余金	33,847	33,847
Retained earnings	利益剰余金	11,344	7,447
Total shareholders' equity	株主資本合計	79,039	75,141
Valuation difference on available-for-sale securities	その他有価証券評価差額金	4,823	4,768
Revaluation reserve for land	土地再評価差額金	842	842
Valuation and translation adjustments	評価・換算差額等合計	5,665	5,610
Total net assets	純資産の部合計	84,704	80,752
Total liabilities and net assets	負債及び純資産の部合計	1,553,804	1,553,916

【 The Kumamoto Bank 】

Non-consolidated Statements of Income

(millions of Yen)

Item	科目 (Japanese)	3 months ended Jun 30, 2014	3 months ended Jun 30, 2015
Ordinary income:	経常収益	6,816	6,559
Interest income	資金運用収益	4,893	4,829
Interest on loans and discounts	(うち貸出金利息)	4,290	4,235
Interest and dividends on securities	(うち有価証券利息配当金)	549	543
Fees and commissions	役務取引等収益	1,007	1,227
Other operating income	その他業務収益	79	144
Other income	その他経常収益	835	358
Ordinary expenses:	経常費用	4,669	4,416
Interest expenses	資金調達費用	314	300
Interest on deposits	(うち預金利息)	254	250
Fees and commissions payments	役務取引等費用	560	513
Other operating expenses	その他業務費用	0	—
General and administrative expenses	営業経費	3,704	3,479
Other expenses	その他経常費用	90	123
Ordinary profit	経常利益	2,146	2,143
Extraordinary income	特別利益	0	0
Gain on disposal of noncurrent assets	固定資産処分益	0	0
Extraordinary loss	特別損失	0	0
Loss on disposal of noncurrent assets	固定資産処分損	0	0
Income before income taxes:	税引前四半期純利益	2,146	2,142
Current	法人税、住民税及び事業税	(1,281)	(85)
Deferred	法人税等調整額	702	715
Total income taxes	法人税等合計	(578)	630
Net income	四半期純利益	2,725	1,511

【 Reference 】

【 The Shinwa Bank 】

Non-consolidated Balance Sheets

(millions of Yen)

Item	科目 (Japanese)	As of Mar 31, 2015	As of Jun 30, 2015
(Assets)	資産の部		
Cash and due from banks	現金預け金	311,337	371,447
Call loans	コールローン	9,249	9,920
Trading account securities	商品有価証券	170	208
Securities	有価証券	749,282	738,289
Loans and bills discounted	貸出金	1,464,145	1,445,907
Foreign exchanges	外国為替	1,413	1,332
Other assets	その他資産	8,005	6,836
Tangible fixed assets	有形固定資産	44,148	44,129
Intangible fixed assets	無形固定資産	882	869
Prepaid pension expenses	前払年金費用	4,688	4,671
Deferred tax assets	繰延税金資産	8,558	7,569
Customers' liabilities for acceptances and guarantees	支払承諾見返	7,171	6,747
Allowance for loan losses	貸倒引当金	(22,233)	(22,157)
Total assets	資産の部合計	2,586,820	2,615,772
(Liabilities)	負債の部		
Deposits	預金	2,146,717	2,156,298
Negotiable certificates of deposit	譲渡性預金	109,847	139,085
Borrowed money	借入金	180,563	182,502
Foreign exchanges	外国為替	17	21
Other liabilities	その他負債	6,793	9,715
Reserve for losses from reimbursement of inactive accounts	睡眠預金払戻損失引当金	468	411
Reserve for contingent liabilities losses	その他の偶発損失引当金	67	69
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	4,719	4,717
Acceptances and guarantees	支払承諾	7,171	6,747
Total liabilities	負債の部合計	2,456,366	2,499,569
(Net assets)	純資産の部		
Capital stock	資本金	36,878	36,878
Capital surplus	資本剰余金	36,878	36,878
Retained earnings	利益剰余金	24,271	10,319
Total shareholders' equity	株主資本合計	98,028	84,075
Valuation difference on available-for-sale securities	その他有価証券評価差額金	17,719	17,431
Revaluation reserve for land	土地再評価差額金	14,706	14,696
Valuation and translation adjustments	評価・換算差額等合計	32,425	32,127
Total net assets	純資産の部合計	130,453	116,203
Total liabilities and net assets	負債及び純資産の部合計	2,586,820	2,615,772

【 The Shinwa Bank 】

Non-consolidated Statements of Income

(millions of Yen)

Item	科目 (Japanese)	3 months ended Jun 30, 2014	3 months ended Jun 30, 2015
Ordinary income:	経常収益	9,873	9,104
Interest income	資金運用収益	6,767	6,537
Interest on loans and discounts	(うち貸出金利息)	5,211	5,042
Interest and dividends on securities	(うち有価証券利息配当金)	1,455	1,371
Fees and commissions	役務取引等収益	1,590	2,009
Other operating income	その他業務収益	90	454
Other income	その他経常収益	1,425	103
Ordinary expenses:	経常費用	7,032	6,654
Interest expenses	資金調達費用	474	446
Interest on deposits	(うち預金利息)	367	348
Fees and commissions payments	役務取引等費用	740	837
Other operating expenses	その他業務費用	13	1
General and administrative expenses	営業経費	5,630	5,201
Other expenses	その他経常費用	173	167
Ordinary profit	経常利益	2,840	2,450
Extraordinary income	特別利益	—	1
Gain on disposal of noncurrent assets	固定資産処分益	—	1
Extraordinary loss	特別損失	0	4
Loss on disposal of noncurrent assets	固定資産処分損	0	4
Income before income taxes:	税引前四半期純利益	2,840	2,447
Current	法人税、住民税及び事業税	(677)	(387)
Deferred	法人税等調整額	1,532	1,128
Total income taxes	法人税等合計	855	740
Net income	四半期純利益	1,985	1,706

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August 5, 2015

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4 Interest rate spread (Domestic division)	19

This report contains forward-looking statements and other forward-looking information relating to the company (the “forward-looking statements”). The forward-looking statements are not historical facts and include, reflect or are otherwise based upon, among other things, the company’s current estimations, projections, views, policies, business strategies, targets, expectations, assumptions and evaluations with respect to general economic conditions, the results of operations, the financial condition, the company’s management in general and other future events. Accordingly, they are inherently susceptible to uncertainties, risks and changes in circumstances and are not guarantees of future performance.

Some forward-looking statements represent targets that the company’s management will strive to achieve through the successful implementation of the company’s business strategies. The company may not be successful in implementing its business strategy, and actual results may differ materially, for a wide range of possible reasons.

1. Gain and loss

	3 banks' total			FFG (consolidated)			(¥ mil.)
	3 months ended Jun 30, 2015	Comparison	3 months ended Jun 30, 2014	3 months ended Jun 30, 2015	Comparison	3 months ended Jun 30, 2014	FY2014
Gross business profit	48,866	5,050	43,816	51,073	4,960	46,113	185,728
Net interest income	38,261	286	37,975	37,225	(24)	37,249	148,521
Net fees and commissions	7,038	1,982	5,056	9,200	2,471	6,729	28,320
Net trading income	12	(36)	48	38	(51)	89	232
Net other operating income	3,553	2,817	736	4,608	2,564	2,044	8,654
Gains (losses) on sales (redemptions) of bonds	2,958	2,907	51	2,959	2,808	151	630
Overhead expenses (-)	25,373	(910)	26,283	30,499	(821)	31,320	120,459
Business profit (before transfer to general reserve for possible loan losses)	23,492	5,959	17,533	20,573	5,780	14,793	65,268
① Transfer to general reserve for possible loan losses (-)	...[(954)]	—	...[(2,275)]	...[(1,153)]	—	...[(2,352)]	(2,521)
Business profit	23,492	5,959	17,533	20,573	5,780	14,793	67,790
Core business profit	20,533	3,051	17,482	17,613	2,972	14,641	64,637
Other operating profit (loss)	4,903	1,029	3,874	5,247	1,641	3,606	(7,027)
② Credit cost for disposal of non-performing loans (-)	(3,936)	517	(4,453)	(3,779)	479	(4,258)	4,537
Net transfer to specific reserve for possible loan losses (-)	...[(2,765)]	—	...[(2,138)]	...[(2,365)]	—	...[(1,834)]	6,785
Recoveries of written-off claims	287	(60)	347	287	(60)	347	2,726
Reversal of allowance for loan losses	3,719	(695)	4,414	3,518	(668)	4,186	—
Total credit cost ①+② (-)	(3,936)	517	(4,453)	(3,779)	479	(4,258)	2,015
Gains (losses) on stocks	1,385	1,288	97	1,942	1,845	97	878
Others	(419)	257	(676)	(474)	275	(749)	(3,368)
Ordinary profit	28,395	6,988	21,407	25,821	7,422	18,399	60,763
Extraordinary profit (loss)	(175)	(136)	(39)	(175)	(133)	(42)	637
Income (loss) before income taxes	28,219	6,852	21,367	25,645	7,288	18,357	61,400
Total income taxes (-)	8,413	3,179	5,234	8,791	3,319	5,472	24,040
Net income	19,806	3,674	16,132	16,854	3,969	12,885	37,359
Net income attributable to noncontrolling interests (-)				(1)	(329)	328	764
Net income attributable to owners of the parent				16,855	4,299	12,556	36,595

<Notes> The four notes described below are also applied to subsidiary banks (p13-14).

1. “()”denotes minus.

2. Core business profit

= Business profit + Transfer to general reserve for possible loan losses — Gains (losses) on sales (redemptions) of bonds

3. For the 1Q of FY2014 and the 1Q of FY2015, the total transfer from general and specific reserves for possible loan losses exceeded the transfer to them. Therefore the difference was posted as “reversal of allowance for loan losses” under the other operating profit (except for the Shinwa Bank). Numbers in square brackets are amounts before netting.

4. According to the revision of accounting standards, presentation of Net income, etc. has been changed and presentation of minority interests has been changed to noncontrolling interests.

■ 3 months Summary

Core business profit (3 banks' total) ¥20.5 billion

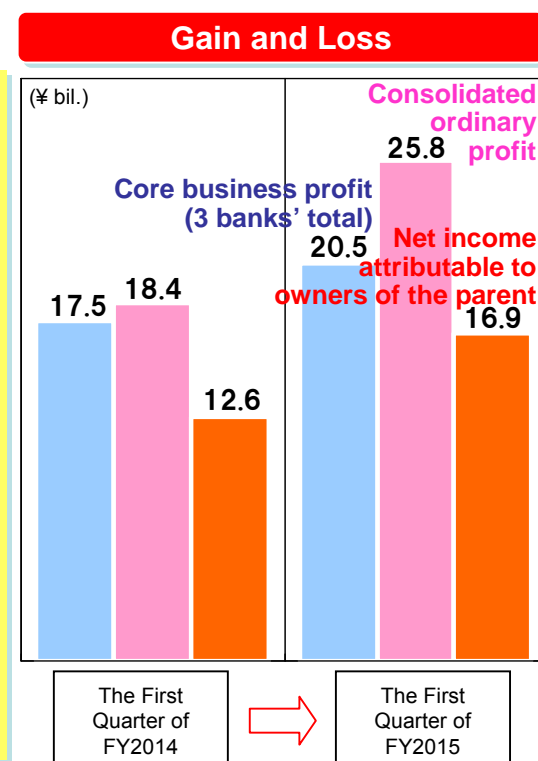
- Core business profit (three banks' total) increased ¥3.1 billion from a year earlier to ¥20.5 billion, mainly due to increases of net interest income and net fees and commissions as well as a decrease of overhead expenses.
Progress on the FY2015 projection (¥74.0 bil.) : 27.7%

Consolidated ordinary profit ¥25.8 billion

- Consolidated ordinary profit increased ¥7.4 billion from a year earlier to ¥25.8 billion, mainly due to increases of gains on sales of bonds and gains on stocks.
Progress on the FY2015 projection (¥59.0 bil.) : 43.8%

Net income attributable to owners of the parent ¥16.9 billion

- Net income attributable to owners of the parent increased ¥4.3 billion from a year earlier to ¥16.9 billion.
Progress on the FY2015 projection (¥37.0 bil.) : 45.6%
- Core business profit, consolidated ordinary profit and net income attributable to owners of the parent are growing in excess of the projections.



The Bank of Fukuoka (non-consolidated)

(¥ mil.)

	3 months ended Jun 30, 2015	3 months ended Jun 30, 2014	Comparison	FY2014
Gross business profit	35,762	31,491	4,271	124,517
Net interest income	27,640	27,102	538	106,798
Domestic	25,799	25,537	262	99,665
International	1,841	1,565	276	7,132
Net fees and commissions	5,152	3,760	1,392	14,846
Net trading income	12	48	(36)	97
Net other operating income	2,956	579	2,377	2,775
Gains (losses) on sales (redemptions) of bonds	2,458	17	2,441	175
Gains on foreign exchange transactions	267	392	(125)	1,500
Overhead expenses (-)	16,778	17,134	(356)	65,764
Business profit (before transfer to general reserve for possible loan losses)	18,983	14,356	4,627	58,753
① Transfer to general reserve for possible loan losses (-)	···[(252)] —	···[(885)] —	—	···[(5,511)] —
Business profit	18,983	14,356	4,627	58,753
Core business profit	16,525	14,339	2,186	58,577
Other operating profit (loss)	4,818	2,062	2,756	237
② Credit cost for disposal of non-performing loans (-)	(3,584)	(2,297)	(1,287)	(1,922)
Net transfer to specific reserve for possible loan losses (-)	···[(3,151)] —	···[(1,469)] —	—	···[5,349] —
Recoveries of written-off claims	190	197	(7)	2,087
Reversal of allowance for loan losses	▶ 3,403	▶ 2,354	1,049	▶ 161
Total credit cost ①+② (-)	(3,584)	(2,297)	(1,287)	(1,922)
Gains (losses) on stocks	1,385	96	1,289	222
Others	(152)	(330)	178	(1,907)
Ordinary profit	23,801	16,419	7,382	58,990
Extraordinary profit (loss)	(172)	(39)	(133)	(1,086)
Income (loss) before income taxes	23,629	16,379	7,250	57,903
Total income taxes (-)	7,042	4,958	2,084	21,601
Net income	16,587	11,421	5,166	36,302

The Kumamoto Bank (non-consolidated)

(¥ mil.)

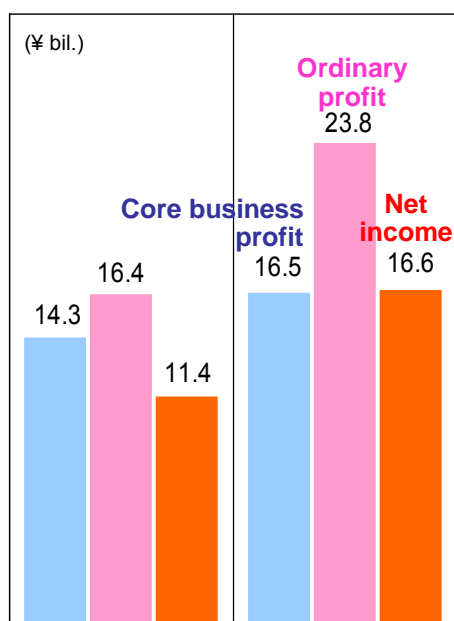
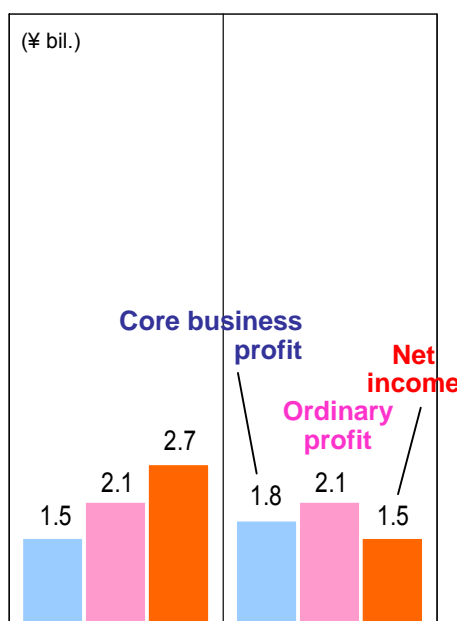
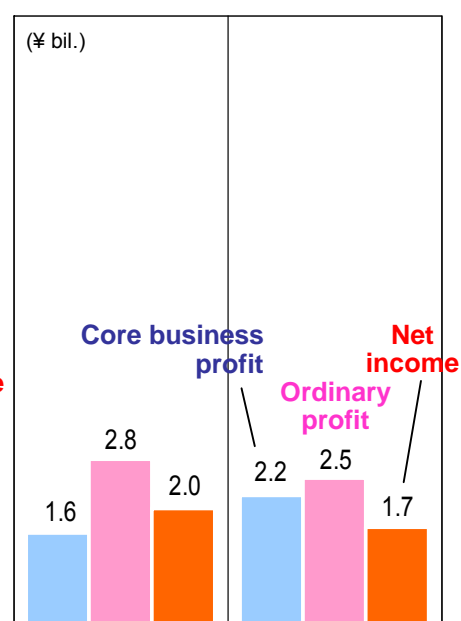
	3 months ended Jun 30, 2015	3 months ended Jun 30, 2014	Comparison	FY2014
Gross business profit	5,388	5,105	283	20,302
Net interest income	4,529	4,579	(50)	18,209
Domestic	4,526	4,577	(51)	18,180
International	3	1	2	28
Net fees and commissions	714	446	268	1,800
Net other operating income	144	79	65	292
Gains (losses) on sales (redemptions) of bonds	103	25	78	25
Gains on foreign exchange transactions	40	54	(14)	234
Overhead expenses (-)	3,475	3,572	(97)	13,598
Business profit (before transfer to general reserve for possible loan losses)	1,912	1,533	379	6,704
① Transfer to general reserve for possible loan losses (-)	···[(187)] —	···[(756)] —	—	···[(1,495)] —
Business profit	1,912	1,533	379	6,704
Core business profit	1,809	1,508	301	6,678
Other operating profit (loss)	231	613	(382)	(58)
② Credit cost for disposal of non-performing loans (-)	(328)	(798)	470	(603)
Net transfer to specific reserve for possible loan losses (-)	···[(133)] —	···[2] —	—	···[1,132] —
Recoveries of written-off claims	30	73	(43)	293
Reversal of allowance for loan losses	▶ 320	▶ 754	(434)	▶ 363
Total credit cost ①+② (-)	(328)	(798)	470	(603)
Gains (losses) on stocks	0	—	0	29
Others	(97)	(185)	88	(691)
Ordinary profit	2,143	2,146	(3)	6,645
Extraordinary profit (loss)	(0)	(0)	(0)	(87)
Income (loss) before income taxes	2,142	2,146	(4)	6,557
Total income taxes (-)	630	(578)	1,208	(1,451)
Net income	1,511	2,725	(1,214)	8,008

The Shinwa Bank (non-consolidated)

(¥ mil.)

	3 months ended Jun 30, 2015	3 months ended Jun 30, 2014	Comparison	FY2014
Gross business profit	7,715	7,219	496	29,398
Net interest income	6,091	6,293	(202)	24,634
Domestic	6,084	6,293	(209)	24,585
International	7	(0)	7	48
Net fees and commissions	1,171	849	322	4,286
Net other operating income	452	77	375	477
Gains (losses) on sales (redemptions) of bonds	397	8	389	46
Gains on foreign exchange transactions	52	62	(10)	279
Overhead expenses (-)	5,119	5,577	(458)	20,446
Business profit (before transfer to general reserve for possible loan losses)	2,596	1,642	954	8,951
① Transfer to general reserve for possible loan losses (-)	(514)	...[(633)] —	(514)	1,207
Business profit	3,111	1,642	1,469	7,744
Core business profit	2,199	1,634	565	8,905
Other operating profit (loss)	(660)	1,197	(1,857)	957
② Credit cost for disposal of non-performing loans (-)	491	...[(1,356)]	1,847	(1,184)
Net transfer to specific reserve for possible loan losses (-)	518	...[(671)] —	518	(917)
Recoveries of written-off claims	66	...75	(9)	345
Reversal of allowance for loan losses	—	...▶ 1,304	(1,304)	—
Total credit cost ①+② (-)	(23)	(1,356)	1,333	22
Gains (losses) on stocks	—	1	(1)	3
Others	(169)	(160)	(9)	(230)
Ordinary profit	2,450	2,840	(390)	8,702
Extraordinary profit (loss)	(2)	(0)	(2)	(1,741)
Income (loss) before income taxes	2,447	2,840	(393)	6,960
Total income taxes (-)	740	855	(115)	3,407
Net income	1,706	1,985	(279)	3,553

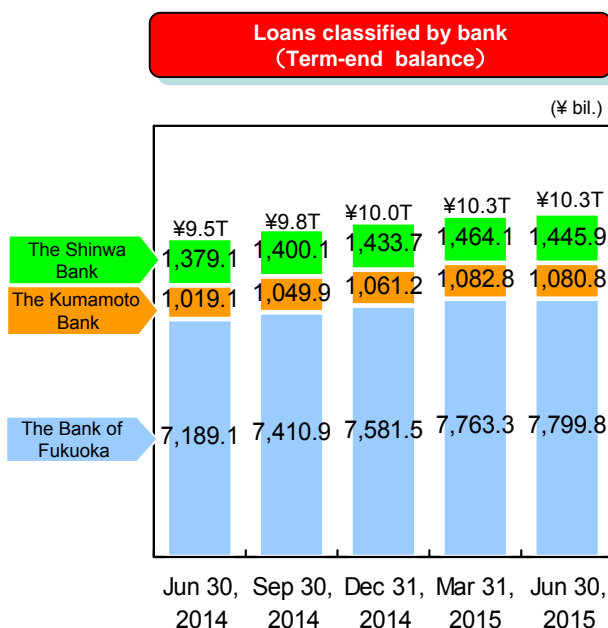
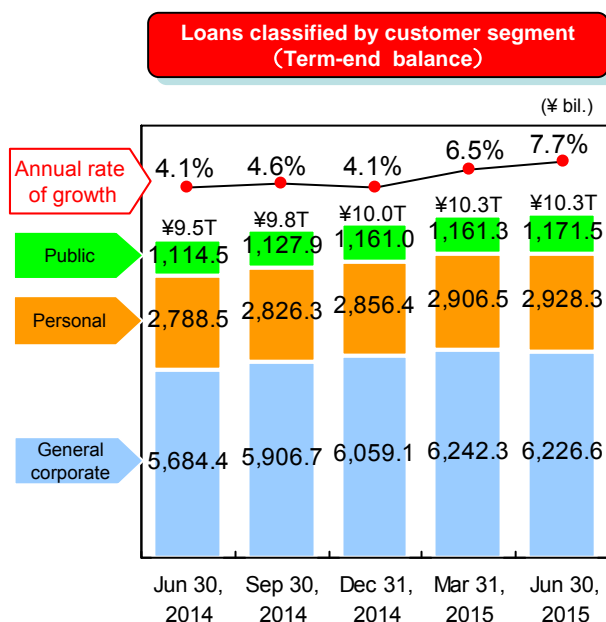
Gain and Loss

The Bank of Fukuoka
(non-consolidated)The First
Quarter of
FY2014The First
Quarter of
FY2015The Kumamoto Bank
(non-consolidated)The First
Quarter of
FY2014The First
Quarter of
FY2015The Shinwa Bank
(non-consolidated)The First
Quarter of
FY2014The First
Quarter of
FY2015

2. Assets and liabilities

(1) Loans

3 banks' total



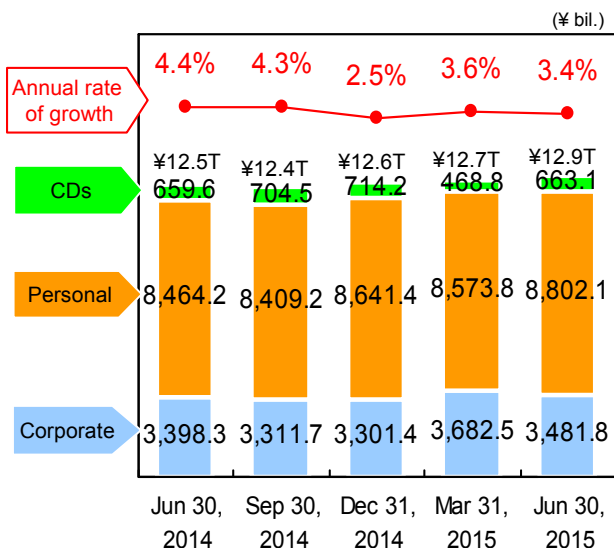
		Jun 30, 2015				Mar 31, 2015	Jun 30, 2014
		annual rate of growth		change from Mar 31, 2015	change from Jun 30, 2014		
3 banks' total	Total loans	7.7%	10,326,608	16,311	739,097	10,310,297	9,587,511
	Personal segment	5.0%	2,928,392	21,828	139,840	2,906,564	2,788,552
	Corporate segment	8.8%	7,398,216	(5,514)	599,257	7,403,730	6,798,959
	Personal loans	5.1%	2,824,538	22,834	137,190	2,801,704	2,687,348
	Housing loans	4.7%	2,579,556	17,231	114,766	2,562,325	2,464,790
	Consumer loans	23.0%	156,276	8,259	29,270	148,017	127,006
	Loans to small-and-medium-sized enterprises, etc. ratio	—	71.52%	(0.09%)	0.33%	71.61%	71.19%
The Bank of Fukuoka (non-consolidated)	Total loans	8.5%	7,799,810	36,473	610,664	7,763,337	7,189,146
	Personal segment	5.0%	2,086,122	16,382	99,668	2,069,740	1,986,454
	Corporate segment	9.8%	5,713,688	20,092	510,996	5,693,596	5,202,692
	Fukuoka prefecture	6.6%	6,035,930	(22,090)	371,494	6,058,020	5,664,436
	Personal loans	5.0%	2,018,987	15,806	96,330	2,003,181	1,922,657
	Housing loans	4.5%	1,848,800	11,238	78,893	1,837,562	1,769,907
	Consumer loans	27.1%	105,551	6,272	22,511	99,279	83,040
	Loans to small-and-medium-sized enterprises, etc. ratio	—	70.07%	0.12%	0.34%	69.95%	69.73%
The Kumamoto Bank (non-consolidated)	Total loans	6.1%	1,080,891	(1,924)	61,716	1,082,815	1,019,175
	Personal segment	7.9%	400,640	5,954	29,457	394,686	371,183
	Corporate segment	5.0%	680,251	(7,877)	32,259	688,128	647,992
	Kumamoto prefecture	6.5%	997,856	(1,464)	60,840	999,320	937,016
	Personal loans	8.3%	378,954	6,831	28,966	372,123	349,988
	Housing loans	7.8%	352,261	6,247	25,570	346,014	326,691
	Consumer loans	19.4%	19,712	817	3,202	18,895	16,510
	Loans to small-and-medium-sized enterprises, etc. ratio	—	83.02%	(1.29%)	0.03%	84.31%	82.99%
The Shinwa Bank (non-consolidated)	Total loans	4.8%	1,445,907	(18,238)	66,717	1,464,145	1,379,190
	Personal segment	2.5%	441,630	(508)	10,715	442,138	430,915
	Corporate segment	5.9%	1,004,277	(17,729)	56,002	1,022,006	948,275
	Nagasaki prefecture	4.3%	1,034,645	(15,876)	42,192	1,050,521	992,453
	Personal loans	2.9%	426,597	197	11,894	426,400	414,703
	Housing loans	2.8%	378,495	(254)	10,303	378,749	368,192
	Consumer loans	13.0%	31,013	1,170	3,557	29,843	27,456
	Loans to small-and-medium-sized enterprises, etc. ratio	—	70.75%	(0.31%)	0.70%	71.06%	70.05%

<Note> The term-end balance of loans includes loans granted by the Bank of Fukuoka to FFG (¥76.0 billion at the end of June 2014, ¥94.0 billion at the end of March 2015, and ¥87.0 billion at the end of June 2015).

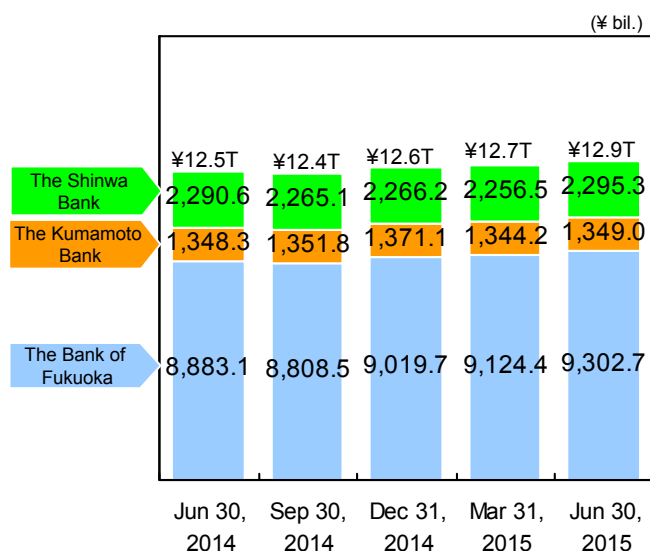
(2) Deposits

3 banks' total

Deposits and CDs classified by customer segment
(Term-end balance)



Deposits and CDs classified by bank
(Term-end balance)



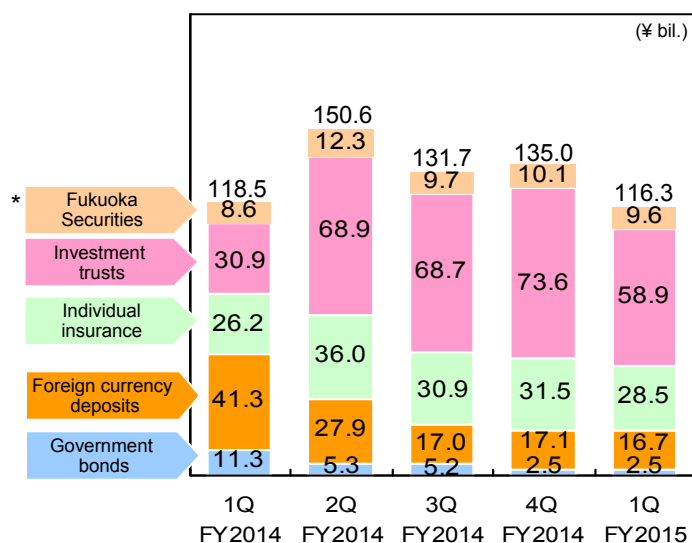
(¥ mil.)

		Jun 30, 2015				Mar 31, 2015	Jun 30, 2014
		annual rate of growth		change from Mar 31, 2015	change from Jun 30, 2014		
3 banks' total	Personal deposits	4.0%	8,802,163	228,359	337,941	8,573,804	8,464,222
	Corporate deposits	2.5%	3,481,876	(200,699)	83,507	3,682,575	3,398,369
	Total	3.6%	12,284,039	27,657	421,446	12,256,382	11,862,593
	Demand	5.7%	7,509,655	(44,680)	403,738	7,554,335	7,105,917
	Time	0.4%	4,774,383	72,337	17,707	4,702,046	4,756,676
	CDs	0.5%	663,146	194,293	3,526	468,853	659,620
	Deposits and CDs	3.4%	12,947,186	221,950	424,972	12,725,236	12,522,214
The Bank of Fukuoka (non-consolidated)	Personal deposits	4.4%	6,392,964	179,226	267,415	6,213,738	6,125,549
	Corporate deposits	3.4%	2,438,113	(179,944)	79,604	2,618,057	2,358,509
	Total	4.1%	8,831,077	(719)	347,018	8,831,796	8,484,059
	Demand	5.2%	5,745,163	(45,457)	286,306	5,790,620	5,458,857
	Time	2.0%	3,085,914	44,739	60,712	3,041,175	3,025,202
	CDs	18.2%	471,663	179,052	72,529	292,611	399,134
	Deposits and CDs	4.7%	9,302,740	178,333	419,547	9,124,407	8,883,193
The Kumamoto Bank (non-consolidated)	Fukuoka prefecture	3.9%	8,310,866	3,267	315,508	8,307,599	7,995,358
	Personal deposits	3.7%	979,053	20,562	35,314	958,491	943,739
	Corporate deposits	5.3%	317,611	(1,766)	15,974	319,377	301,637
	Total	4.1%	1,296,664	18,795	51,287	1,277,869	1,245,377
	Demand	8.1%	592,847	5,228	44,447	587,619	548,400
	Time	1.0%	703,816	13,566	6,839	690,250	696,977
	CDs	(49.1%)	52,398	(13,997)	(50,550)	66,395	102,948
The Shinwa Bank (non-consolidated)	Deposits and CDs	0.1%	1,349,062	4,798	737	1,344,264	1,348,325
	Kumamoto prefecture	4.4%	1,200,927	18,466	50,127	1,182,461	1,150,800
	Personal deposits	2.5%	1,430,146	28,571	35,212	1,401,575	1,394,934
	Corporate deposits	(1.6%)	726,152	(18,989)	(12,071)	745,141	738,223
	Total	1.1%	2,156,298	9,581	23,141	2,146,717	2,133,157
	Demand	6.6%	1,171,645	(4,451)	72,985	1,176,096	1,098,660
	Time	(4.8%)	984,653	14,032	(49,844)	970,621	1,034,497
The Shinwa Bank (non-consolidated)	CDs	(11.7%)	139,085	29,238	(18,453)	109,847	157,538
	Deposits and CDs	0.2%	2,295,384	38,819	4,688	2,256,565	2,290,696
	Nagasaki prefecture	2.1%	1,886,081	12,096	38,224	1,873,985	1,847,857

(3) Asset management products

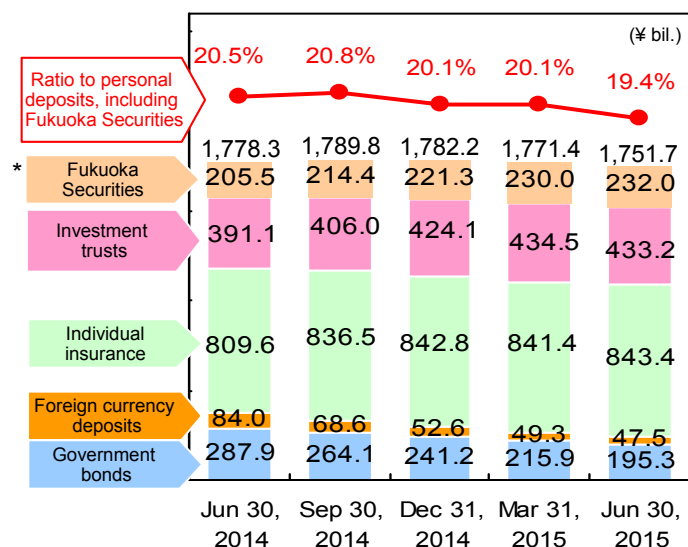
Group's total

Sales of asset management products



* Figures of Fukuoka Securities are the total sales of investment trusts and bonds.

Outstanding balance of assets under management for individual customers



* Figures of Fukuoka Securities are the total balance of individual investment trusts, stocks and bonds.

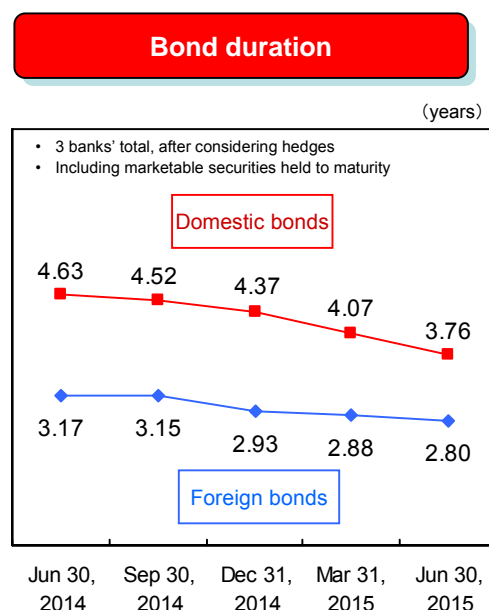
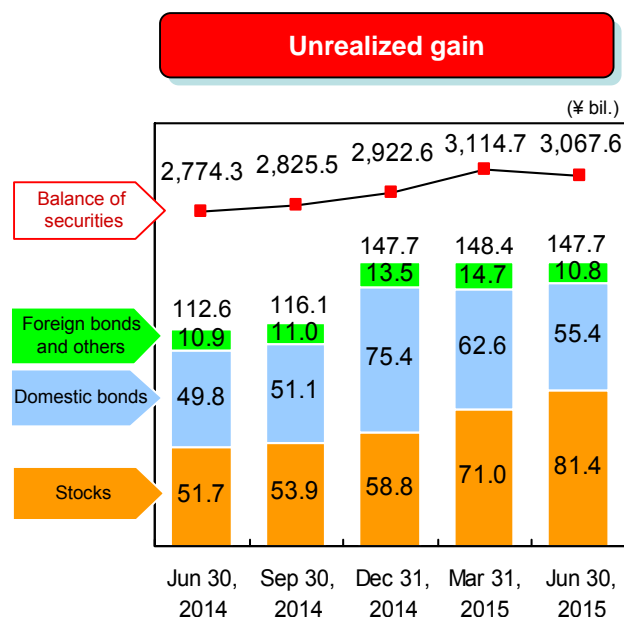
		Sales of asset management products						Outstanding balance of assets under management for individual customers					
		1Q FY2015				4Q FY2014	1Q FY2014	Jun 30, 2015				Mar 31, 2015	Jun 30, 2014
		YoY comparison		change from 4Q FY2014	change from 1Q FY2014			annual rate of growth		Change from Mar 31, 2015	Change from Jun 30, 2014		
Group's total	Investment trusts	90.4%	58.9	(14.7)	28.0	73.6	30.9	10.8%	433.2	(1.3)	42.1	434.5	391.1
	Individual insurance	9.0%	28.5	(3.0)	2.3	31.5	26.2	4.2%	843.4	2.0	33.8	841.4	809.6
	Foreign currency deposits	(59.6%)	16.7	(0.4)	(24.6)	17.1	41.3	(43.5%)	47.5	(1.8)	(36.5)	49.3	84.0
	Government bonds	(77.9%)	2.5	(0.0)	(8.8)	2.5	11.3	(32.1%)	195.3	(20.6)	(92.6)	215.9	287.9
	Fukuoka Securities	11.1%	9.6	(0.5)	1.0	10.1	8.6	12.9%	232.0	2.0	26.5	230.0	205.5
	Total	(1.9%)	116.3	(18.7)	(2.2)	135.0	118.5	(1.5%)	1,751.7	(19.7)	(26.6)	1,771.4	1,778.3
	Ratio to personal deposits							—	19.4%	(0.7%)	(1.1%)	20.1%	20.5%
The Bank of Fukuoka (non-consolidated)	Investment trusts	81.3%	33.7	(11.8)	15.1	45.5	18.6	11.4%	287.8	(2.5)	29.5	290.3	258.3
	Individual insurance	(12.1%)	15.2	(2.9)	(2.1)	18.1	17.3	5.2%	538.9	2.0	26.5	536.9	512.4
	Foreign currency deposits	(53.1%)	9.5	(0.4)	(10.7)	9.9	20.2	(36.4%)	35.0	(1.5)	(20.1)	36.5	55.1
	Government bonds	(79.6%)	2.0	(0.4)	(8.1)	2.4	10.1	(32.1%)	170.6	(18.0)	(80.7)	188.6	251.3
	Total	(8.8%)	60.5	(15.5)	(5.8)	76.0	66.3	(4.2%)	1,032.5	(20.0)	(44.8)	1,052.5	1,077.3
	Ratio to personal deposits							—	16.2%	(0.7%)	(1.4%)	16.9%	17.6%
The Kumamoto Bank (non-consolidated)	Investment trusts	59.8%	10.0	(2.3)	3.7	12.3	6.3	11.9%	68.6	0.4	7.3	68.2	61.3
	Individual insurance	34.3%	4.2	(0.5)	1.1	4.7	3.1	0.2%	115.9	(1.0)	0.2	116.9	115.7
	Foreign currency deposits	(58.8%)	3.5	(0.2)	(5.1)	3.7	8.6	(51.0%)	5.9	(0.4)	(6.2)	6.3	12.1
	Government bonds	(80.9%)	0.0	0.0	(0.0)	0.0	0.0	(30.8%)	3.3	(0.2)	(1.5)	3.5	4.8
	Total	(1.6%)	17.9	(2.8)	(0.2)	20.7	18.1	(0.1%)	193.9	(1.1)	(0.2)	195.0	194.1
	Ratio to personal deposits							—	19.8%	(0.5%)	(0.8%)	20.3%	20.6%
The Shinwa Bank (non-consolidated)	Investment trusts	150.8%	15.0	(0.7)	9.0	15.7	6.0	7.5%	76.7	0.8	5.4	75.9	71.3
	Individual insurance	58.3%	9.0	0.4	3.3	8.6	5.7	4.0%	188.6	1.1	7.2	187.5	181.4
	Foreign currency deposits	(70.8%)	3.6	0.1	(8.8)	3.5	12.4	(61.1%)	6.5	0.0	(10.2)	6.5	16.7
	Government bonds	(62.2%)	0.4	0.3	(0.7)	0.1	1.1	(32.7%)	21.3	(2.4)	(10.4)	23.7	31.7
	Total	11.5%	28.2	0.2	2.9	28.0	25.3	(2.7%)	293.2	(0.6)	(8.1)	293.8	301.3
	Ratio to personal deposits							—	20.5%	(0.5%)	(1.1%)	21.0%	21.6%

<Notes> 1. The sales of investment trusts include those to corporate customers, but others are the sales only to individuals.

2. The sales of individual insurance don't include level premium insurance besides prepaid insurance.

(4) Marketable securities

FFG (consolidated)



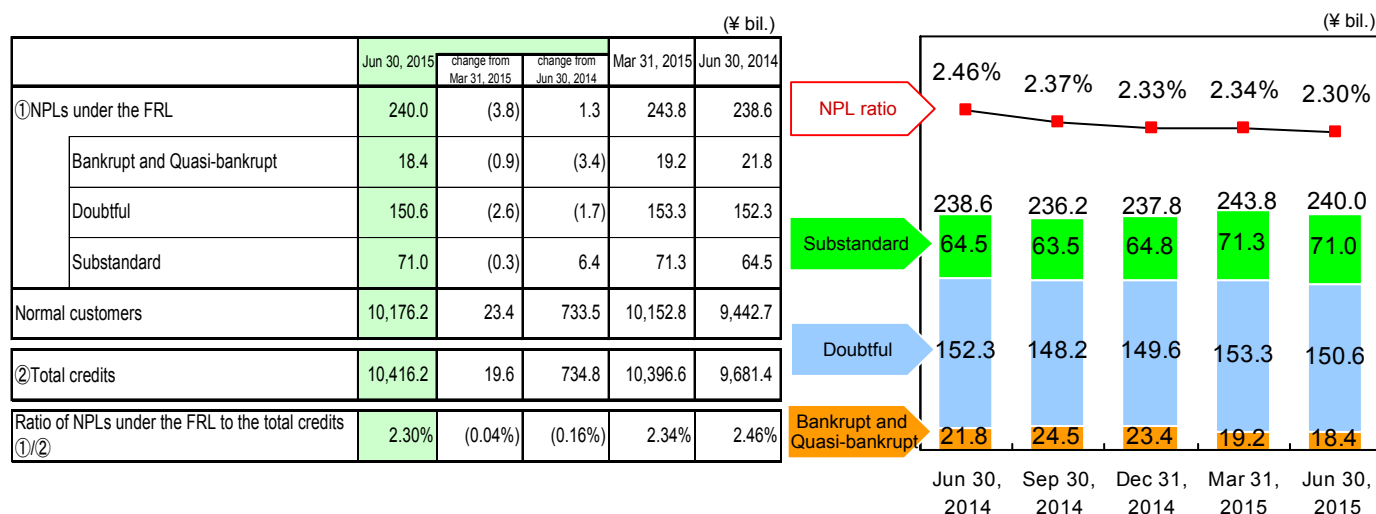
(¥ mil.)

		Jun 30, 2015						Mar 31, 2015		Jun 30, 2014	
		Book value	change from Mar 31, 2015	change from Jun 30, 2014	Unrealized gain(loss)	change from Mar 31, 2015	change from Jun 30, 2014	Book value	Unrealized gain(loss)	Book value	Unrealized gain(loss)
FFG (consolidated)	Total	3,067,648	(47,150)	293,330	147,776	(690)	35,171	3,114,798	148,466	2,774,318	112,605
	Stocks	147,418	9,920	28,733	81,487	10,439	29,752	137,498	71,048	118,685	51,735
	Domestic bonds	2,644,459	(61,112)	222,992	55,405	(7,275)	5,518	2,705,571	62,680	2,421,467	49,887
	National government bonds	1,980,507	7,047	283,492	44,351	(4,830)	5,976	1,973,460	49,181	1,697,015	38,375
	Local government bonds	57,099	(4,445)	7,211	1,370	(343)	(280)	61,544	1,713	49,888	1,650
	Corporate bonds	606,851	(63,714)	(67,712)	9,683	(2,102)	(178)	670,565	11,785	674,563	9,861
	Foreign bonds and Others	275,770	4,042	41,604	10,883	(3,854)	(99)	271,728	14,737	234,166	10,982
The Bank of Fukuoka (consolidated)	Total	2,043,626	(33,330)	348,964	119,433	(118)	31,423	2,076,956	119,551	1,694,662	88,010
	Stocks	133,302	8,930	25,976	79,227	9,449	26,977	124,372	69,778	107,326	52,250
	Domestic bonds	1,634,568	(46,303)	281,372	29,322	(5,713)	4,542	1,680,871	35,035	1,353,196	24,780
	National government bonds	1,157,601	23,254	297,473	20,619	(3,436)	5,420	1,134,347	24,055	860,128	15,199
	Local government bonds	30,860	(10,071)	(7,822)	1,195	(363)	(316)	40,931	1,558	38,682	1,511
	Corporate bonds	446,105	(59,487)	(8,280)	7,507	(1,913)	(562)	505,592	9,420	454,385	8,069
	Foreign bonds and Others	275,756	4,044	41,617	10,883	(3,854)	(95)	271,712	14,737	234,139	10,978
The Kumamoto Bank (non-consolidated)	Total	286,813	(2,828)	2,662	6,882	(143)	275	289,641	7,025	284,151	6,607
	Stocks	1,358	190	239	403	190	239	1,168	213	1,119	164
	Domestic bonds	285,440	(3,016)	2,435	6,479	(333)	41	288,456	6,812	283,005	6,438
	National government bonds	225,371	177	4,786	5,619	(287)	39	225,194	5,906	220,585	5,580
	Local government bonds	1,258	(4)	232	26	(4)	(1)	1,262	30	1,026	27
	Corporate bonds	58,810	(3,189)	(2,583)	832	(42)	1	61,999	874	61,393	831
	Foreign bonds and Others	14	(2)	(12)	(0)	—	(3)	16	(0)	26	3
The Shinwa Bank (non-consolidated)	Total	737,207	(10,994)	(58,297)	24,929	(429)	3,796	748,201	25,358	795,504	21,133
	Stocks	12,757	799	2,518	5,325	800	2,519	11,958	4,525	10,239	2,806
	Domestic bonds	724,449	(11,793)	(60,816)	19,604	(1,228)	1,277	736,242	20,832	785,265	18,327
	National government bonds	597,534	(16,384)	(18,768)	18,113	(1,106)	858	613,918	19,219	616,302	17,255
	Local government bonds	24,980	5,630	14,801	148	25	37	19,350	123	10,179	111
	Corporate bonds	101,935	(1,038)	(56,848)	1,342	(147)	382	102,973	1,489	158,783	960
	Foreign bonds and Others	—	—	—	—	—	—	—	—	—	—

3. Non-performing loans

(Direct write-off is adopted)

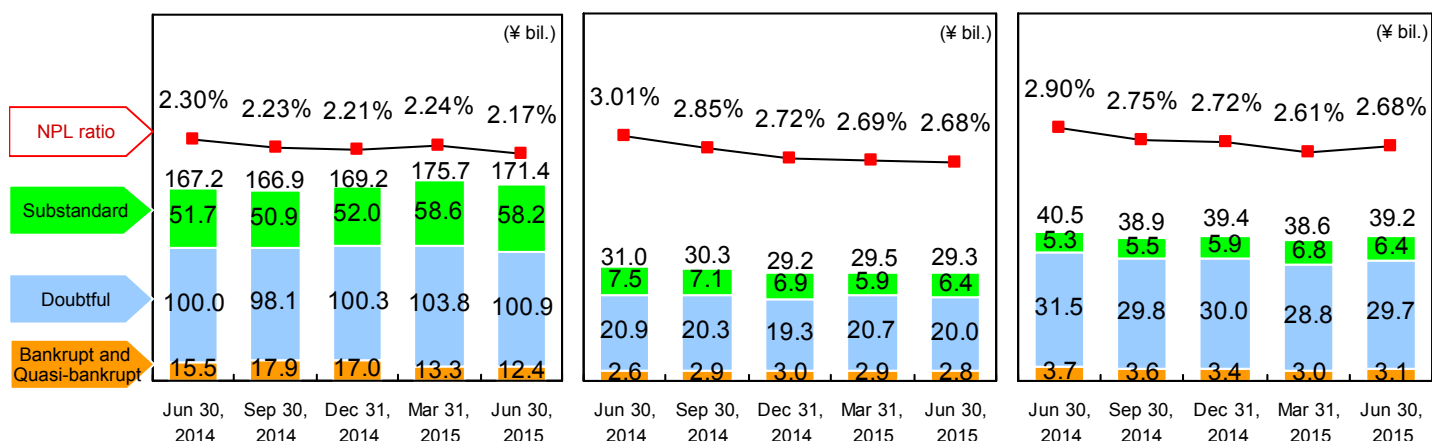
3 banks' total



The Bank of Fukuoka (non-consolidated)

The Kumamoto Bank (non-consolidated)

The Shinwa Bank (non-consolidated)



4. Interest rate spread (Domestic division)

(%)

	3 banks' total		The Bank of Fukuoka (non-consolidated)		The Kumamoto Bank (non-consolidated)		The Shinwa Bank (non-consolidated)	
	1Q FY2015 (3 months)	YoY change	1Q FY2014 (3 months)	YoY change	1Q FY2015 (3 months)	YoY change	1Q FY2015 (3 months)	YoY change
(1) Average yield on interest earning assets	1.23	(0.07)	1.30	(0.06)	1.27	1.43	(0.09)	1.52
Loans and bills discounted ①	1.31	(0.10)	1.41	(0.10)	1.35	1.59	(0.11)	1.70
Securities	1.00	0.06	0.94	1.13	0.06	0.77	(0.02)	0.79
(2) Average yield on interest bearing liabilities	0.81	(0.08)	0.89	0.76	(0.07)	0.83	1.04	(0.08)
Deposits and CDs ②	0.05	(0.00)	0.05	0.05	0.00	0.05	0.07	(0.01)
External liabilities	0.12	(0.03)	0.15	0.13	(0.03)	0.16	0.09	(0.00)
(3) Difference between average yield on loans and deposits ①-②	1.26	(0.10)	1.36	1.20	(0.10)	1.30	1.52	(0.10)
(4) Average interest rate spread (1)-(2)	0.42	0.01	0.41	0.45	0.01	0.44	0.39	(0.01)