

Financial Results for the First Quarter of the Fiscal Year ended March 31, 2018 (Consolidated Data)

July 31, 2017

Company Name: Senshu Ikeda Holdings, Inc. Stock exchange listing: Tokyo Stock Exchange
 Stock Code: 8714 URL <http://www.senshuikeda-hd.co.jp/>
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Scheduled date for filing quarterly securities report: August 10, 2017
 Scheduled date to commence dividend payments: None
 Segregated trading accounts: None
 Supplementary material on quarterly financial results: Yes
 Quarterly financial results presentation meeting: None

(Japanese yen amounts of less than 1 million and first decimal place have been rounded down)

1. Financial Results for the First Quarter of the Fiscal Year ending March 31, 2018 (April 1, 2017 — June 30, 2017)

(1) Consolidated Operating Results

(%: Changes from previous fiscal year)

	Ordinary revenue		Ordinary income		Profit attributable to owners of the parent	
	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2017	36,153	37.3	2,665	(58.9)	2,075	(63.6)
Three months ended June 30, 2016	26,331	(9.1)	6,491	7.2	5,711	12.0

(Note) Comprehensive income: Three months ended June 30, 2017 8,944 million yen [(15.8%)]
 Three months ended June 30, 2016 10,625 million yen [150.5%]

	Net income per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2017	7.50	6.37
Three months ended June 30, 2016	20.73	17.32

(2) Consolidated Financial Position

	Total assets	Total net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2017	5,477,710	254,149	4.5
As of March 31, 2017	5,572,906	249,217	4.3

(Reference) capital: As of June 30, 2017 : 250,679 million yen ; As of March 31, 2017 : 244,351 million yen

Note: “Equity ratio” is calculated as: (Total net assets at the end of period — Stock subscription rights at the end of period — Non-controlling interests at the end of period)/ Total assets at the end of period.

The ratio above is not based on the regulation of Capital Adequacy Ratio.

2. Dividends

	Annual Dividends per Share				
	First Quarter	Second Quarter	Third Quarter	Year End	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal Year ended March 31, 2017	—	7.50	—	7.50	15.00
Fiscal Year ending March 31, 2018	—				
Fiscal Year ending March 31, 2018 (Forecasts)		7.50	—	7.50	15.00

Note: Revisions of the forecasts from recently announced figures: None

Please refer to “Cash Dividends for Shareholders of Classified Stock” stated hereinafter for information on classified stock (unlisted) which has different rights relation from that of common stocks.

3. Financial Forecasts for the Fiscal Year ending March 31, 2018 (April 1, 2017—March 31, 2018)

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

	Ordinary revenue		Ordinary income		Profit attributable to owners of the parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Yen
First half of fiscal year	58,000	11.7	7,500	(36.7)	3,500	(60.3)	10.34
Full Year	106,000	2.8	16,000	(22.5)	11,000	(9.9)	35.12

Note: Revisions of the forecasts from recently announced figures: None

Note

- (1) Changes in significant subsidiaries during the first quarter of the fiscal year ending March 31, 2018 : None
(Changes in specific subsidiaries involving changes in the scope of consolidation)
Added — (company name)— Excluded — (company name)—

- (2) Changes in accounting policies, changes in accounting estimates, and retrospective restatements

- (a) Changes in accounting policies due to revision of accounting standards etc. : None
(b) Changes in accounting policies other than those noted in (a) above : None
(c) Changes in accounting estimates : None
(d) Retrospective restatements : None

- (3) Number of shares (common stock)

- (a) Number of shares in issue (including treasury stock)

As of June 30, 2017 281,008,632 shares
As of March 31, 2017 281,008,632 shares

- (b) Number of treasury shares

As of June 30, 2017 4,058,476 shares
As of March 31, 2017 4,397,012 shares

- (c) Average number of shares for the period under review

Three months ended June 30, 2017 276,713,160 shares
Three months ended June 30, 2016 275,502,569 shares

Disclosure concerning the implementation status of audit procedures

This report is exempt from audit procedures based upon the Financial Instruments and Exchange Act of Japan. As of this report's publication, audit procedures of financial statements have not been completed as stipulated under the provisions of the Financial Instruments and Exchange Act.

Cautionary statement with respect to earnings forecasts, and disclaimer

This report contains projections and other forward-looking statements which are based on currently available information and certain assumptions that the Senshu Ikeda Holdings considers to be reasonable. Various factors may cause actual results to be materially different from projections in these forward-looking statements.

○Cash Dividends for Shareholders of Classified Stock

Cash dividends per share for shareholders of classified stock which has different rights relation from that of common stocks are as follows:

(Third-class preferred stock)

	Dividends per share				
	First Quarter	Second Quarter	Third Quarter	Year End	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal Year ended March 31, 2017	—	35.00	—	35.00	70.00
Fiscal Year ending March 31, 2018	—				
Fiscal Year ending March 31, 2018 (Forecasts)		35.00	—	35.00	70.00

(First series of seventh-class preferred stock)

	Dividends per share				
	First Quarter	Second Quarter	Third Quarter	Year End	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal Year ended March 31, 2017	—	15.00	—	15.00	30.00
Fiscal Year ending March 31, 2018	—				
Fiscal Year ending March 31, 2018 (Forecasts)		15.00	—	15.00	30.00

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: Millions of yen)

	As of March 31, 2017	As of June 30, 2017
Assets		
Cash and due from banks	675,966	688,540
Call loans and bills bought	172	8,617
Monetary claims bought	31	73
Trading account securities	317	219
Money held in trust	26,979	26,803
Securities	929,505	814,014
Loans and bills discounted	3,813,333	3,797,844
Foreign exchange assets	6,340	5,561
Other assets	61,550	69,436
Tangible fixed assets	38,508	42,011
Intangible fixed assets	5,216	5,257
Net defined benefit assets	14,334	14,348
Deferred tax assets	9,526	12,357
Customers' liabilities for acceptances and guarantees	13,006	12,543
Reserve for possible loan losses	(21,883)	(19,916)
Total assets	5,572,906	5,477,710
Liabilities		
Deposits	4,799,493	4,853,997
Call money and bills sold	14,809	—
Payables under repurchase agreements	9,907	—
Payables under securities lending transactions	249,762	130,975
Borrowed money	160,997	144,457
Foreign exchange liabilities	583	469
Corporate bonds and notes	20,000	20,000
Other liabilities	51,996	59,092
Provision for employees' bonuses	1,798	654
Net defined benefit liability	142	146
Accrued retirement benefits for directors and corporate auditors	33	33
Reserve for reimbursement of deposits	486	486
Reserve for point services	226	232
Reserve for contingent losses	350	366
Reserve under special laws	1	1
Deferred tax liabilities	92	104
Acceptances and guarantees	13,006	12,543
Total liabilities	5,323,688	5,223,561
Net Assets		
Capital stock	102,999	102,999
Capital surplus	57,365	57,365
Retained earnings	75,244	74,576
Treasury stock	(2,097)	(1,937)
Total shareholders' equity	233,512	233,004
Net unrealized gain (loss) on available-for-sale securities	7,793	14,713
Net unrealized gain (loss) on deferred hedges	(139)	(196)
Remeasurements of defined benefit plans	3,184	3,158
Total accumulated other comprehensive income	10,838	17,675
Stock subscription rights	105	117
Non-controlling interests	4,760	3,352
Total net assets	249,217	254,149
Total liabilities and net assets	5,572,906	5,477,710

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

(Unit: Millions of yen)

	For the three months ended June 30, 2016	For the three months ended June 30, 2017
Ordinary revenue	26,331	36,153
Interest income	12,850	12,427
Interest on loans and bills discounted	10,778	10,301
Interest and dividends on securities	1,955	2,003
Fees and commissions	4,878	4,744
Other ordinary income	3,832	1,123
Other income	4,769	17,858
Ordinary expenses	19,840	33,488
Interest expenses	1,635	1,443
Interest on deposits	888	683
Fees and commissions payments	1,468	1,699
Other ordinary expenses	567	14,401
General and administrative expenses	12,999	13,004
Other expenses	3,168	2,939
Ordinary income	6,491	2,665
Extraordinary loss	65	12
Loss on disposal of non-current assets	65	12
Transfer to reserve for financial products transaction liabilities	0	0
Income before income taxes	6,425	2,653
Income taxes - current	615	151
Income taxes - deferred	85	394
Total income taxes	700	545
Profit	5,724	2,107
Profit attributable to non-controlling interests	12	32
Profit attributable to owners of the parent	5,711	2,075

Consolidated Statements of Comprehensive Income

(Unit: Millions of yen)

	For the three months ended June 30, 2016	For the three months ended June 30, 2017
Profit	5,724	2,107
Other comprehensive income	4,900	6,836
Net unrealized gain (loss) on available-for-sale securities	4,924	6,919
Net unrealized gain (loss) on deferred hedges	20	(56)
Remeasurements of defined benefit plans	(44)	(26)
Comprehensive income	10,625	8,944
Comprehensive income attributable to		
Owners of the parent	10,613	8,912
Non-controlling interests	11	32

**Selected Financial Information
for the First Quarter of FY2017
(Ended June 30, 2017)**

**SENSHU IKEDA HOLDINGS, INC.
THE SENSHU IKEDA BANK, LTD.**

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(Notes) Recorded amounts are rounded down to the nearest million yen.

The Senshu Ikeda Bank transferred a portion of loans to the business rehabilitation subsidiaries on March 25, 2013.

For this reason, with regard to loans and bills discounted and status of claims under the Financial Revitalization Law, the total amounts of The Senshu Ikeda Bank and two business rehabilitation subsidiaries are stated as well.

1. Summary of Profit and Loss

(1) Senshu Ikeda Holdings 【Consolidated】

(Millions of yen)

	For the three months ended June 30,2016 (a)	For the three months ended June 30,2017 (b)	(b)-(a)
1 Ordinary revenue	26,331	36,153	9,822
2 Ordinary expenses (-)	19,840	33,488	13,648
3 Ordinary income	6,491	2,665	(3,826)
4 Income before income taxes	6,425	2,653	(3,772)
5 Profit attributable to owners of the parent	5,711	2,075	(3,636)
6 Comprehensive income	10,625	8,944	(1,681)
7 Net credit costs (-)	953	(940)	(1,893)

(2) The Senshu Ikeda Bank 【Non-consolidated】

(Millions of yen)

	For the three months ended June 30,2016 (a)	For the three months ended June 30,2017 (b)	(b)-(a)
1 Gross profit	15,839	133	(15,706)
2 (Core gross profit)	13,838	13,277	(561)
3 Net interest income	11,182	12,463	1,281
4 Net fees and commissions income	1,560	1,187	(373)
5 Net other operation income	3,096	(13,516)	(16,612)
6 (Net gains (losses) on debt securities)	2,000	(13,144)	(15,144)
7 Expenses(excluding non-recurring expenses)(-)	11,519	11,735	216
8 Personnel expenses (-)	5,639	5,721	82
9 Non-personnel expenses (-)	5,062	5,259	197
10 Banking profit (before provision for general reserve for possible loan losses)	4,320	(11,601)	(15,921)
11 Core banking profit	2,319	1,542	(777)
12 Net gains (losses) on debt securities	2,000	(13,144)	(15,144)
13 Reversal of general reserve for possible loan losses(-) ①	—	—	—
14 Banking profit	4,320	(11,601)	(15,921)
15 Net non-recurring gains (loss)	1,501	14,663	13,162
16 Disposal of non-performing loans (-) ②	(266)	(929)	(663)
17 Net gains (losses) on equity securities	303	13,838	13,535
18 Ordinary income	5,821	3,062	(2,759)
19 Net extraordinary income (loss)	(55)	1	56
20 Income before income taxes	5,765	3,063	(2,702)
21 Total income taxes (-)	586	232	(354)
22 Income taxes-current (-)	362	(102)	(464)
23 Income taxes-deferred (-)	223	334	111
24 Net income	5,179	2,831	(2,348)
25 Net credit costs (-) ①+②	(266)	(929)	(663)

(3) Senshu Ikeda Tokai Tokyo Securities 【Non-consolidated】

(Millions of yen)

	For the three months ended June 30,2016 (a)	For the three months ended June 30,2017 (b)	(b)-(a)
1 Net operating income	484	659	175
2 Administrative expenses (-)	417	528	111
3 Operating income	66	131	65
4 Income before income taxes	65	130	65
5 Net income	43	87	44

(4) Interest Margins

The Senshu Ikeda Bank 【Non-consolidated】

① All business

(%)

	For the fiscal year ended Mar.31,2016	For the three months ended June 30,2016 (a)	For the fiscal year ended Mar.31,2017 (b)	For the three months ended June 30,2017 (c)	(c)-(a)	(c)-(b)
Average yield on interest earning assets (A)	1.28	1.06	1.18	1.19	0.13	0.01
Average yield on loans and bills discounted(B)	1.24	1.17	1.14	1.10	(0.07)	(0.04)
Average yield on securities	1.48	0.74	1.35	1.62	0.88	0.27
Average yield on interest bearing liabilities (C)	1.03	1.01	1.02	1.00	(0.01)	(0.02)
Average yield on deposits and negotiable (including expenses) (D)	1.04	1.03	1.03	1.02	(0.01)	(0.01)
Average yield on deposits and negotiable	0.09	0.07	0.06	0.05	(0.02)	(0.01)
Expense ratio	0.95	0.96	0.96	0.96	0.00	0.00
Average yield on external liabilities	0.53	0.56	0.35	0.25	(0.31)	(0.10)
Average interest rate spread (A)-(C)	0.25	0.05	0.16	0.19	0.14	0.03
Difference between average yield on loans and deposits (B) - (D)	0.20	0.14	0.11	0.08	(0.06)	(0.03)

② Domestic business

(%)

	For the fiscal year ended Mar.31,2016	For the three months ended June 30,2016 (a)	For the fiscal year ended Mar.31,2017 (b)	For the three months ended June 30,2017 (c)	(c)-(a)	(c)-(b)
Average yield on interest earning assets (A)	1.25	1.02	1.13	1.15	0.13	0.02
Average yield on loans and bills discounted(B)	1.25	1.17	1.13	1.09	(0.08)	(0.04)
Average yield on securities	1.40	0.48	1.23	1.63	1.15	0.40
Average yield on interest bearing liabilities (C)	1.00	0.99	0.97	0.95	(0.04)	(0.02)
Average yield on deposits and negotiable (including expenses) (D)	1.00	0.98	0.98	0.97	(0.01)	(0.01)
Average yield on deposits and negotiable	0.09	0.07	0.06	0.05	(0.02)	(0.01)
Expense ratio	0.90	0.91	0.91	0.92	0.01	0.01
Average yield on external liabilities	0.56	0.51	0.17	0.06	(0.45)	(0.11)
Average interest rate spread (A)-(C)	0.25	0.03	0.16	0.20	0.17	0.04
Difference between average yield on loans and deposits (B) - (D)	0.25	0.19	0.15	0.12	(0.07)	(0.03)

(5) ROE

Senshu Ikeda Holdings 【Consolidated】

(%)

	For the fiscal year ended Mar.31,2016	For the three months ended June 30,2016 (a)	For the fiscal year ended Mar.31,2017 (b)	For the three months ended June 30,2017 (c)	(c)-(a)	(c)-(b)
Shareholders' equity ROE (Income before income taxes basis)	10.31	11.31	8.86	4.56	(6.75)	(4.30)
Shareholders' equity ROE (Profit attributable to owners of the parent basis)	7.74	10.05	5.31	3.56	(6.49)	(1.75)

(Note) Shareholders' equity basis after deduction of total accumulated other comprehensive income.

(%)

	For the fiscal year ended Mar.31,2016	For the three months ended June 30,2016 (a)	For the fiscal year ended Mar.31,2017 (b)	For the three months ended June 30,2017 (c)	(c)-(a)	(c)-(b)
ROE (Income before income taxes basis)	9.21	10.15	8.24	4.29	(5.86)	(3.95)
ROE (Profit attributable to owners of the parent basis)	6.92	9.02	4.94	3.36	(5.66)	(1.58)

2. Information on Main Accounts

The Senshu Ikeda Bank 【Non-consolidated】

(1) Loans and Bills Discounted

① Breakdown of loan balance

(Millions of yen)

	As of Mar. 31, 2016	As of June 30, 2016 (a)	As of Mar. 31, 2017 (b)	As of June 30, 2017 (c)	(c)-(a)	(c)-(b)
Corporate loans	2,021,670	2,005,486	2,064,282	2,050,080	44,594	(14,202)
Consumer loans	1,730,397	1,723,654	1,746,889	1,752,020	28,366	5,131
Housing loans	1,701,561	1,693,511	1,710,333	1,713,654	20,143	3,321
Other loans	28,835	30,142	36,556	38,366	8,224	1,810
Total	3,752,067	3,729,140	3,811,171	3,802,101	72,961	(9,070)
Foreign currency loans	62,100	59,066	53,864	54,537	(4,529)	673

(scale of enterprise)

Large and mid-tier enterprises	464,438	459,155	456,259	451,973	(7,182)	(4,286)
Small and medium-sized enterprises	1,261,284	1,263,536	1,350,077	1,349,502	85,966	(575)
Local governments	219,574	209,307	186,091	177,650	(31,657)	(8,441)
Japanese government	77,321	74,821	74,500	74,500	(321)	—
Individuals	1,729,448	1,722,318	1,744,242	1,748,474	26,156	4,232
Total	3,752,067	3,729,140	3,811,171	3,802,101	72,961	(9,070)

Average Balance	3,638,361	3,709,203	3,732,105	3,778,030	68,827	45,925
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Including two business rehabilitation subsidiaries

(Millions of yen)

	As of Mar. 31, 2016	As of June 30, 2016 (a)	As of Mar. 31, 2017 (b)	As of June 30, 2017 (c)	(c)-(a)	(c)-(b)
Corporate loans	2,042,644	2,025,773	2,076,488	2,062,001	36,228	(14,487)
Consumer loans	1,730,397	1,723,654	1,746,889	1,752,020	28,366	5,131
Housing loans	1,701,561	1,693,511	1,710,333	1,713,654	20,143	3,321
Other loans	28,835	30,142	36,556	38,366	8,224	1,810
Total	3,773,041	3,749,428	3,823,377	3,814,022	64,594	(9,355)
Foreign currency loans	62,100	59,066	53,864	54,537	(4,529)	673

(scale of enterprise)

Large and mid-tier enterprises	464,438	459,155	456,259	451,973	(7,182)	(4,286)
Small and medium-sized enterprises	1,281,899	1,283,465	1,361,857	1,361,187	77,722	(670)
Local governments	219,574	209,307	186,091	177,650	(31,657)	(8,441)
Japanese government	77,321	74,821	74,500	74,500	(321)	—
Individuals	1,729,807	1,722,677	1,744,668	1,748,710	26,033	4,042
Total	3,773,041	3,749,428	3,823,377	3,814,022	64,594	(9,355)

Average Balance	3,661,043	3,729,704	3,748,696	3,790,123	60,419	41,427
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② Loans to small and medium-sized enterprises (SMEs), etc.

(Millions of yen, %)

	As of Mar. 31, 2016	As of June 30, 2016 (a)	As of Mar. 31, 2017 (b)	As of June 30, 2017 (c)	(c)-(a)	(c)-(b)
Loans to SMEs, etc.	2,990,733	2,985,855	3,094,320	3,097,977	112,122	3,657
Ratio of loans to SMEs, etc.	79.70	80.06	81.19	81.48	1.42	0.29

Including two business rehabilitation subsidiaries

(Millions of yen, %)

	As of Mar. 31, 2016	As of June 30, 2016 (a)	As of Mar. 31, 2017 (b)	As of June 30, 2017 (c)	(c)-(a)	(c)-(b)
Loans to SMEs, etc.	3,011,706	3,006,142	3,106,525	3,109,898	103,756	3,373
Ratio of loans to SMEs, etc.	79.82	80.17	81.25	81.53	1.36	0.28

(2) Deposits

(Millions of yen)

	As of Mar. 31, 2016	As of June 30, 2016 (a)	As of Mar. 31, 2017 (b)	As of June 30, 2017 (c)	(c)-(a)	(c)-(b)
Individual	3,726,769	3,757,468	3,783,872	3,825,922	68,454	42,050
Online branch	67,960	65,896	67,827	66,597	701	(1,230)
Corporation	1,050,926	1,077,651	1,064,425	1,074,996	(2,655)	10,571
General corporation	911,572	928,159	979,458	973,250	45,091	(6,208)
Financial institutions	10,056	7,683	15,612	6,226	(1,457)	(9,386)
Governmental funds	129,297	141,807	69,354	95,520	(46,287)	26,166
Total	4,777,696	4,835,119	4,848,297	4,900,919	65,800	52,622
Foreign currency deposits	18,862	19,184	15,472	20,029	845	4,557
Average Balance	4,741,066	4,776,570	4,787,905	4,841,970	65,400	54,065

(3) Assets under Management

① Investment products sales

(Millions of yen)

	For the fiscal year ended Mar.31,2016	For the three months ended June 30,2016 (a)	For the fiscal year ended Mar.31,2017 (b)	For the three months ended June 30,2017 (b)	(b)-(a)
The Senshu Ikeda Bank	168,343	35,953	137,361	38,598	2,645
Investment trusts	87,445	16,161	85,027	22,272	6,111
Public bonds	1,066	256	766	274	18
Life insurance	79,831	19,535	51,568	16,051	(3,484)
Senshu Ikeda Tokai Tokyo Securities	48,102	9,792	46,211	13,460	3,668
Total	216,445	45,746	183,572	52,059	6,313

② Balance of assets under management(individual)

(Millions of yen)

	As of Mar. 31, 2016	As of June 30, 2016 (a)	As of Mar. 31, 2017 (b)	As of June 30, 2017 (c)	(c)-(a)	(c)-(b)
Deposits	3,726,769	3,757,468	3,783,872	3,825,922	68,454	42,050
Investment trusts	183,895	174,782	190,619	187,278	12,496	(3,341)
Life insurance	501,062	488,917	508,016	509,390	20,473	1,374
Public bonds	17,752	16,286	12,821	12,032	(4,254)	(789)
Senshu Ikeda Tokai Tokyo Securities	72,632	71,227	93,416	100,630	29,403	7,214
Total	4,502,112	4,508,681	4,588,746	4,635,254	126,573	46,508

(Reference)Balance of assets under management

(Millions of yen)

	As of Mar. 31, 2016	As of June 30, 2016 (a)	As of Mar. 31, 2017 (b)	As of June 30, 2017 (c)	(c)-(a)	(c)-(b)
The Senshu Ikeda Bank	216,205	203,936	215,356	211,135	7,199	(4,221)
Investment trusts	192,067	182,333	198,407	194,984	12,651	(3,423)
Public bonds	24,138	21,602	16,949	16,151	(5,451)	(798)
Senshu Ikeda Tokai Tokyo Securities	81,701	80,915	105,805	113,962	33,047	8,157
Total	297,907	284,852	321,162	325,097	40,245	3,935

(4) Securities

① Breakdown of security balance

(Millions of yen)

	As of Mar. 31, 2016	As of June 30, 2016 (a)	As of Mar. 31, 2017 (b)	As of June 30, 2017 (c)		
					(c)-(a)	(c)-(b)
Securities	1,051,825	1,145,465	954,214	838,274	(307,191)	(115,940)
Government bonds	76,259	67,173	62,050	105,778	38,605	43,728
Local government bonds	49,338	47,221	32,269	43,096	(4,125)	10,827
Corporate bonds	277,505	294,571	237,668	247,911	(46,660)	10,243
Authority bonds	205,420	222,662	184,463	193,742	(28,920)	9,279
Bank debenture bonds	15,429	15,437	7,419	—	(15,437)	(7,419)
General corporate bonds	56,656	56,470	45,785	54,168	(2,302)	8,383
Stocks	90,783	89,611	94,340	76,859	(12,752)	(17,481)
Other securities	557,938	646,887	527,885	364,629	(282,258)	(163,256)
Foreign securities	249,540	296,927	291,884	154,498	(142,429)	(137,386)
Euroyen bonds	27,000	27,000	22,000	17,000	(10,000)	(5,000)
Dollar-dominated bonds	172,052	215,177	220,649	83,917	(131,260)	(136,732)
Euro-dominated bonds	50,482	54,744	49,229	53,575	(1,169)	4,346
REIT	34,027	32,818	31,304	32,702	(116)	1,398
Investment trusts	267,881	310,170	196,497	169,079	(141,091)	(27,418)
Hedging investment trust for cross-shareholdings etc.	161	—	—	—	—	—
Investment partnership	6,487	6,970	8,199	8,348	1,378	149
Average Balance	1,066,378	1,067,124	1,034,835	868,486	(198,638)	(166,349)

② Net unrealized gains (losses) on securities

(Millions of yen)

	As of Mar. 31, 2016	As of June 30, 2016 (a)	As of Mar. 31, 2017 (b)	As of June 30, 2017 (c)		
					(c)-(a)	(c)-(b)
Held-to-maturity debt securities	465	460	271	177	(283)	(94)
Available-for-sale securities	28,730	36,042	14,827	18,580	(17,462)	3,753
Stocks	28,336	27,424	36,060	23,978	(3,446)	(12,082)
Bonds	2,396	3,527	743	517	(3,010)	(226)
Government bonds	109	136	38	87	(49)	49
Local government bonds	188	218	140	73	(145)	(67)
Corporate bonds	2,098	3,171	564	356	(2,815)	(208)
Other securities	(2,001)	5,090	(21,977)	(5,915)	(11,005)	16,062
Foreign securities	2,165	6,610	(16,226)	(2,373)	(8,983)	13,853
Euroyen bonds	—	—	—	—	—	—
Dollar-dominated bonds	1,465	5,259	(13,174)	(292)	(5,551)	12,882
Euro-dominated bonds	700	1,351	(3,052)	(2,080)	(3,431)	972
REIT	3,514	2,977	2,886	2,202	(775)	(684)
Investment trusts	(7,770)	(4,599)	(8,632)	(5,737)	(1,138)	2,895
Hedging investment trust for cross-shareholdings etc.	(62)	—	—	—	—	—
Investment partnership	88	102	(4)	(7)	(109)	(3)

3. Capital Ratio

We are calculating capital ratio now.

4. Status of Credits Disclosed under the Financial Revitalization Law

The Senshu Ikeda Bank【Non-consolidated】

(Millions of yen, %)

	As of Mar. 31, 2016	As of June 30, 2016 (a)	As of Mar. 31, 2017 (b)	As of June 30, 2017 (c)	(c)-(a)	(c)-(b)
Bankruptcy and quasi-bankrupt credit	4,648	5,009	3,016	3,803	(1,206)	787
Doubtful credit	37,149	37,188	29,540	27,911	(9,277)	(1,629)
Substandard credit	10,604	10,585	10,495	10,498	(87)	3
Subtotal (A)	52,403	52,782	43,052	42,213	(10,569)	(839)
Normal credit	3,720,083	3,696,964	3,787,777	3,780,044	83,080	(7,733)
Total(B)	3,772,486	3,749,747	3,830,830	3,822,257	72,510	(8,573)

Non-performing loans ratio (A)/(B)	1.38	1.40	1.12	1.10	(0.30)	(0.02)
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Partial direct write-off	32,879	32,843	31,110	31,230	(1,613)	120
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(Reference)

Including two business rehabilitation subsidiaries

(Millions of yen, %)

	As of Mar. 31, 2016	As of June 30, 2016 (a)	As of Mar. 31, 2017 (b)	As of June 30, 2017 (c)	(c)-(a)	(c)-(b)
Bankruptcy and quasi-bankrupt credit	4,845	5,195	3,469	4,248	(947)	779
Doubtful credit	46,233	47,440	39,944	38,080	(9,360)	(1,864)
Substandard credit	12,840	11,599	10,755	10,749	(850)	(6)
Subtotal (A)	63,918	64,235	54,170	53,078	(11,157)	(1,092)
Normal credit	3,729,542	3,705,800	3,788,865	3,781,100	75,300	(7,765)
Total(B)	3,793,461	3,770,035	3,843,035	3,834,178	64,143	(8,857)

Non-performing loans ratio (A)/(B)	1.68	1.70	1.40	1.38	(0.32)	(0.02)
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Partial direct write-off	33,683	33,644	35,408	35,521	1,877	113
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(Notes) Credits:

Credits represent loans and bills discounted; Foreign exchanges; Accrued income and suspense payment account under Other assets; and Customers' liabilities for acceptances and guarantees in the Balance Sheet; as the securities loaned (limited for use agreements or lease contracts,) which are required to be stated in a note to the Balance Sheet.

Bankruptcy and quasi-bankrupt credit:

Bankruptcy and quasi-bankrupt credits represent the credits held by borrowers who have been classified as "bankrupt borrowers" and "effectively bankrupt borrowers" by the Bank's self-assessment.

Doubtful credit:

Doubtful credits represent the credits held by borrowers who have been classified as "potentially bankrupt borrowers" by the Bank's self-assessment.

Substandard credit:

Substandard credits represent the credits held by borrowers who have been classified as "loans past due three months or more" and "restructured loans" among the credits requiring special caution. (Borrowers requiring special caution: Borrowers who have concerns in lending conditions, exercising their obligations and financial situation, requiring special caution on their future situations.)

Normal credit:

Normal credits represent the credits held by borrowers who show no particular problems regarding financial conditions and business performances; therefore they are classified as an item other than the aforementioned credits.