

**Fukuoka Financial Group, Inc.**

Financial Digest for the Interim of FY2017



Stock Exchange Listing:	Tokyo, Fukuoka (code:8354)
URL:	<a href="http://www.fukuoka-fg.com">http://www.fukuoka-fg.com</a>
Representative:	Takashige Shibato, President
For Inquiry:	Hiroshi Miyoshi, Executive Officer, Corporate Planning Division
Payment date of cash dividends:	December 8, 2017 (scheduled)
Filing date of Financial Statements:	November 24, 2017 (scheduled)
Trading Accounts:	Established
Supplementary Materials:	Attached
IR Conference:	Scheduled (for institutional investors, analysts)

(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, 2017 to September 30, 2017)**

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

	Ordinary Income		Ordinary Profit		Net Income attributable to owners of the parent	
	¥Million	%	¥Million	%	¥Million	%
Interim of FY2017	122,177	5.3	40,164	23.9	27,963	32.9
Interim of FY2016	115,994	(7.5)	32,408	(30.1)	21,036	(31.2)

(Note) Comprehensive income Interim of FY2017: ¥36,254 million [126.7%] Interim of FY2016: ¥15,993 million [(38.1%)]

	Net Income per Share	Net Income per Share (Diluted)
Interim of FY2017	¥32.55	—
Interim of FY2016	¥24.49	—

(2) Consolidated Financial Position

	Total Assets	Total Net Assets	Own Capital Ratio
	¥Million	¥Million	%
September 30, 2017	18,842,016	742,721	3.9
March 31, 2017	18,113,049	712,058	3.9

(Reference) Own capital September 30, 2017: ¥742,707 million March 31, 2017: ¥712,049 million

(Note) Own Capital Ratio = (Total net assets - Non-controlling 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
FY2016	¥—	¥6.50	¥—	¥6.50	¥13.00
FY2017	—	7.50	—	6.50	15.00
FY2017(projection)	—	—	—	7.50	15.00

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

**3. Consolidated Earnings Projections for Fiscal year 2017, (Year ending March 31, 2018)**

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

	Ordinary Profit		Net Income attributable to owners of the parent		Net Income per Share
	¥Million	%	¥Million	%	¥
FY2017	72,000	—	49,000	—	57.05

(Note) Revision of earnings projections from the latest announcement: Yes

## 4.Consolidated Financial Statements

## (1) Consolidated Balance Sheets

(millions of Yen)

Item	科目 (Japanese)	As of Mar 31, 2017	As of Sep 30, 2017
(Assets)	資産の部		
Cash and due from banks	現金預け金	2,880,599	3,389,995
Call loans and bills bought	コールローン及び買入手形	500	14,582
Monetary claims bought	買入金銭債権	49,459	63,707
Trading assets	特定取引資産	1,701	2,154
Money held in trust	金銭の信託	10,697	3,600
Securities	有価証券	3,463,599	3,491,608
Loans and bills discounted	貸出金	11,428,299	11,560,259
Foreign exchanges	外国為替	10,352	6,468
Other assets	その他資産	127,348	165,340
Tangible fixed assets	有形固定資産	198,460	196,160
Intangible fixed assets	無形固定資産	15,220	16,136
Net defined benefit assets	退職給付に係る資産	12,671	13,254
Deferred tax assets	繰延税金資産	8,412	3,905
Customers' liabilities for acceptances and guarantees	支払承諾見返	40,008	40,393
Allowance for loan losses	貸倒引当金	(134,282)	(125,550)
<b>Total assets</b>	<b>資産の部合計</b>	<b>18,113,049</b>	<b>18,842,016</b>
(Liabilities)	負債の部		
Deposits	預金	13,207,675	13,248,327
Negotiable certificates of deposit	譲渡性預金	372,769	551,575
Call money and bills sold	コールマネー及び売渡手形	288,609	346,909
Payables under repurchase agreements	売現先勘定	100,949	99,210
Payables under securities lending transactions	債券貸借取引受入担保金	1,612,526	2,024,228
Trading liabilities	特定取引負債	0	—
Borrowed money	借入金	1,608,856	1,626,516
Foreign exchanges	外国為替	1,749	1,040
Short-term bonds payable	短期社債	5,000	5,000
Bonds payable	社債	30,000	20,000
Other liabilities	その他負債	102,499	105,558
Net defined benefit liability	退職給付に係る負債	899	926
Provision for losses on interest repayments	利息返還損失引当金	74	41
Provision for losses from reimbursement of inactive accounts	睡眠預金払戻損失引当金	6,219	5,501
Provision for contingent liabilities losses	その他の偶発損失引当金	8	7
Reserves under the special laws	特別法上の引当金	18	16
Deferred tax liabilities	繰延税金負債	97	1,019
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	23,028	23,021
Acceptances and guarantees	支払承諾	40,008	40,393
<b>Total liabilities</b>	<b>負債の部合計</b>	<b>17,400,991</b>	<b>18,099,295</b>
(Net assets)	純資産の部		
Capital stock	資本金	124,799	124,799
Capital surplus	資本剰余金	94,156	94,125
Retained earnings	利益剰余金	344,527	366,925
Treasury stock	自己株式	(343)	(352)
<b>Total shareholders' equity</b>	<b>株主資本合計</b>	<b>563,140</b>	<b>585,498</b>
Valuation difference on available-for-sale securities	その他有価証券評価差額金	117,726	125,378
Deferred gains or losses on hedges	繰延ヘッジ損益	(12,660)	(13,139)
Revaluation reserve for land	土地再評価差額金	51,649	51,632
Remeasurements of defined benefit plans	退職給付に係る調整累計額	(7,805)	(6,662)
<b>Total accumulated other comprehensive income</b>	<b>その他の包括利益累計額合計</b>	<b>148,909</b>	<b>157,209</b>
Non-controlling interests	非支配株主持分	8	13
<b>Total net assets</b>	<b>純資産の部合計</b>	<b>712,058</b>	<b>742,721</b>
<b>Total liabilities and net assets</b>	<b>負債及び純資産の部合計</b>	<b>18,113,049</b>	<b>18,842,016</b>

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

## Consolidated Statements of Income

(millions of Yen)

Item	科目 (Japanese)	6 months ended Sep 30, 2016	6 months ended Sep 30, 2017
<b>Ordinary income:</b>	<b>経常収益</b>	115,994	122,177
Interest income	資金運用収益	83,037	85,442
Interest on loans and discounts	(うち貸出金利息)	66,218	67,328
Interest and dividends on securities	(うち有価証券利息配当金)	15,404	16,418
Fees and commissions	役務取引等収益	22,099	25,564
Trading income	特定取引収益	40	33
Other operating income	その他業務収益	9,617	2,937
Other income	その他経常収益	1,199	8,200
<b>Ordinary expenses:</b>	<b>経常費用</b>	83,585	82,013
Interest expenses	資金調達費用	8,519	9,980
Interest on deposits	(うち預金利息)	2,711	3,065
Fees and commissions payments	役務取引等費用	8,997	9,493
Other operating expenses	その他業務費用	791	439
General and administrative expenses	営業経費	63,954	60,119
Other expenses	その他経常費用	1,322	1,980
<b>Ordinary profit</b>	<b>経常利益</b>	32,408	40,164
Extraordinary income	特別利益	27	16
Gain on disposal of noncurrent assets	固定資産処分益	26	14
Transfer from reserve for financial products transaction liabilities	金融商品取引責任準備金取崩額	1	2
Extraordinary loss	特別損失	515	553
Loss on disposal of noncurrent assets	固定資産処分損	86	486
Impairment loss	減損損失	109	67
Other extraordinary loss	その他の特別損失	319	—
<b>Income before income taxes:</b>	<b>税金等調整前中間純利益</b>	31,920	39,626
Current	法人税、住民税及び事業税	5,785	9,855
Deferred	法人税等調整額	5,113	1,834
Total income taxes	法人税等合計	10,898	11,689
Net income	中間純利益	21,021	27,937
Net loss attributable to non-controlling interests (-)	非支配株主に帰属する中間純損失	(14)	(25)
<b>Net income attributable to owners of the parent</b>	<b>親会社株主に帰属する中間純利益</b>	21,036	27,963

## Consolidated Statements of Comprehensive Income

(millions of Yen)

Item	科目 (Japanese)	6 months ended Sep 30, 2016	6 months ended Sep 30, 2017
Net income	中間純利益	21,021	27,937
Other comprehensive income	その他の包括利益	(5,028)	8,316
Valuation difference on available-for-sale securities	その他有価証券評価差額金	(18,096)	7,652
Deferred gains or losses on hedges	繰延ヘッジ損益	11,634	(479)
Remeasurements of defined benefit plans	退職給付に係る調整額	1,433	1,143
Total comprehensive income	中間包括利益	15,993	36,254
(Breakdown)	(内訳)		
Comprehensive income attributable to owners of the parent	親会社株主に係る中間包括利益	16,008	36,279
Comprehensive income attributable to non-controlling interests	非支配株主に係る中間包括利益	(14)	(25)

## (3) Consolidated Statements of Changes in Net Assets

Interim of FY2016

(millions of Yen)

Item	科目 (Japanese)	Shareholders' equity				
		株主資本				
		Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
		資本金	資本剰余金	利益剰余金	自己株式	株主資本合計
Balance as of Mar 31, 2016	当期首残高	124,799	103,611	407,652	(325)	635,738
Cumulative effects of changes in accounting policies	会計方針の変更による累積的影響額			2,472		2,472
Restated balance	会計方針の変更を反映した当期首残高	124,799	103,611	410,125	(325)	638,210
Changes during the period:	当中間期変動額					
Dividends from surplus	剰余金の配当			(5,713)		(5,713)
Net income attributable to owners of the parent	親会社株主に帰属する中間純利益			21,036		21,036
Acquisition of treasury stock	自己株式の取得				(9,378)	(9,378)
Disposition of treasury stock	自己株式の処分		0		0	0
Retirement of treasury stock	自己株式の消却		(9,371)		9,371	—
Increase of consolidated subsidiaries	連結子会社の増資による持分の増減		14			14
Net changes of items other than shareholders' equity	株主資本以外の項目の当中間期変動額(純額)					
Total changes during the period	当中間期変動額合計	—	(9,356)	15,322	(6)	5,959
Balance as of Sep 30, 2016	当中間期末残高	124,799	94,255	425,447	(331)	644,170

		Accumulated other comprehensive income					Non-controlling interests	Total net assets
		その他の包括利益累計額						
		Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
		その他有価証券評価差額金	繰延ヘッジ損益	土地再評価差額金	退職給付に係る調整累計額	その他の包括利益累計額合計		
Balance as of Mar 31, 2016	当期首残高	146,996	(34,847)	51,649	(14,885)	148,913	39	784,691
Cumulative effects of changes in accounting policies	会計方針の変更による累積的影響額							2,472
Restated balance	会計方針の変更を反映した当期首残高	146,996	(34,847)	51,649	(14,885)	148,913	39	787,163
Changes during the period:	当中間期変動額							
Dividends from surplus	剰余金の配当							(5,713)
Net income attributable to owners of the parent	親会社株主に帰属する中間純利益							21,036
Acquisition of treasury stock	自己株式の取得							(9,378)
Disposition of treasury stock	自己株式の処分							0
Retirement of treasury stock	自己株式の消却							—
Increase of consolidated subsidiaries	連結子会社の増資による持分の増減							14
Net changes of items other than shareholders' equity	株主資本以外の項目の当中間期変動額(純額)	(18,096)	11,634	—	1,433	(5,028)	1	(5,026)
Total changes during the period	当中間期変動額合計	(18,096)	11,634	—	1,433	(5,028)	1	932
Balance as of Sep 30, 2016	当中間期末残高	128,899	(23,212)	51,649	(13,451)	143,885	40	788,096

## Interim of FY2017

(millions of Yen)

Item	科目 (Japanese)	Shareholders' equity				
		株主資本				
		Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
		資本金	資本剰余金	利益剰余金	自己株式	株主資本合計
Balance as of Mar 31, 2017	当期首残高	124,799	94,156	344,527	(343)	563,140
Changes during the period:	当中間期変動額					
Dividends from surplus	剰余金の配当			(5,582)		(5,582)
Net income attributable to owners of the parent	親会社株主に帰属する中間純利益			27,963		27,963
Acquisition of treasury stock	自己株式の取得				(8)	(8)
Transfer from revaluation reserve for land	土地再評価差額金の取崩			16		16
Increase of consolidated subsidiaries	連結子会社の増資による持分の増減		(30)			(30)
Net changes of items other than shareholders' equity	株主資本以外の項目の当中間期変動額(純額)					
Total changes during the period	当中間期変動額合計	—	(30)	22,397	(8)	22,358
Balance as of Sep 30, 2017	当中間期末残高	124,799	94,125	366,925	(352)	585,498

		Accumulated other comprehensive income					Non-controlling interests	Total net assets
		その他の包括利益累計額						
		Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
		その他有価証券評価差額金	繰延ヘッジ損益	土地再評価差額金	退職給付に係る調整累計額	その他の包括利益累計額合計		
Balance as of Mar 31, 2017	当期首残高	117,726	(12,660)	51,649	(7,805)	148,909	8	712,058
Changes during the period:	当中間期変動額							
Dividends from surplus	剰余金の配当							(5,582)
Net income attributable to owners of the parent	親会社株主に帰属する中間純利益							27,963
Acquisition of treasury stock	自己株式の取得							(8)
Transfer from revaluation reserve for land	土地再評価差額金の取崩							16
Increase of consolidated subsidiaries	連結子会社の増資による持分の増減							(30)
Net changes of items other than shareholders' equity	株主資本以外の項目の当中間期変動額(純額)	7,652	(479)	(16)	1,143	8,299	4	8,304
Total changes during the period	当中間期変動額合計	7,652	(479)	(16)	1,143	8,299	4	30,663
Balance as of Sep 30, 2017	当中間期末残高	125,378	(13,139)	51,632	(6,662)	157,209	13	742,721

## 【 Reference 】

## 【 The Bank of Fukuoka 】

## Non-consolidated Balance Sheets

(millions of Yen)

Item	科目 (Japanese)	As of Mar 31, 2017	As of Sep 30, 2017
(Assets)	資産の部		
Cash and due from banks	現金預け金	2,342,029	2,607,855
Call loans	コールローン	500	172,582
Monetary claims bought	買入金銭債権	30,904	32,372
Trading assets	特定取引資産	1,243	1,006
Money held in trust	金銭の信託	7,997	1,000
Securities	有価証券	2,453,539	2,486,090
Loans and bills discounted	貸出金	8,925,392	9,050,396
Foreign exchanges	外国為替	8,057	4,664
Other assets	その他資産	112,134	137,262
Tangible fixed assets	有形固定資産	153,055	151,648
Intangible fixed assets	無形固定資産	10,506	11,162
Prepaid pension expenses	前払年金費用	14,722	13,773
Customers' liabilities for acceptances and guarantees	支払承諾見返	30,860	31,102
Allowance for loan losses	貸倒引当金	(84,501)	(80,525)
<b>Total assets</b>	<b>資産の部合計</b>	<b>14,006,440</b>	<b>14,620,393</b>
(Liabilities)	負債の部		
Deposits	預金	9,641,386	9,640,640
Negotiable certificates of deposit	譲渡性預金	291,624	405,065
Call money	コールマネー	297,695	355,019
Payables under repurchase agreements	売現先勘定	100,949	99,210
Payables under securities lending transactions	債券貸借取引受入担保金	1,612,526	2,024,228
Trading liabilities	特定取引負債	0	—
Borrowed money	借入金	1,276,107	1,287,379
Foreign exchanges	外国為替	1,546	990
Bonds payable	社債	10,000	10,000
Other liabilities	その他負債	84,478	82,139
Provision for losses from reimbursement of inactive accounts	睡眠預金払戻損失引当金	4,703	4,180
Provision for contingent liabilities losses	その他の偶発損失引当金	8	7
Deferred tax liabilities	繰延税金負債	4,737	8,856
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	23,028	23,021
Acceptances and guarantees	支払承諾	30,860	31,102
<b>Total liabilities</b>	<b>負債の部合計</b>	<b>13,379,653</b>	<b>13,971,842</b>
(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	351,750	365,789
Total shareholders' equity	株主資本合計	494,560	508,600
Valuation difference on available-for-sale securities	その他有価証券評価差額金	93,237	101,456
Deferred gains or losses on hedges	繰延ヘッジ損益	(12,660)	(13,139)
Revaluation reserve for land	土地再評価差額金	51,649	51,632
Total valuation and translation adjustments	評価・換算差額等合計	132,226	139,949
<b>Total net assets</b>	<b>純資産の部合計</b>	<b>626,787</b>	<b>648,550</b>
<b>Total liabilities and net assets</b>	<b>負債及び純資産の部合計</b>	<b>14,006,440</b>	<b>14,620,393</b>

## 【 The Bank of Fukuoka 】

## Non-consolidated Statements of Income

(millions of Yen)

Item	科目 (Japanese)	6 months ended Sep 30, 2016	6 months ended Sep 30, 2017
<b>Ordinary income:</b>	<b>経常収益</b>	89,077	87,855
Interest income	資金運用収益	61,519	64,250
Interest on loans and discounts	(うち貸出金利息)	48,519	49,936
Interest and dividends on securities	(うち有価証券利息配当金)	11,855	12,875
Fees and commissions	役務取引等収益	16,362	17,963
Trading income	特定取引収益	11	3
Other operating income	その他業務収益	7,309	888
Other income	その他経常収益	3,874	4,749
<b>Ordinary expenses:</b>	<b>経常費用</b>	53,344	56,070
Interest expenses	資金調達費用	7,729	9,281
Interest on deposits	(うち預金利息)	1,832	2,202
Fees and commissions payments	役務取引等費用	8,922	9,371
Other operating expenses	その他業務費用	775	381
General and administrative expenses	営業経費	35,231	35,471
Other expenses	その他経常費用	685	1,562
<b>Ordinary profit</b>	<b>経常利益</b>	35,733	31,785
Extraordinary loss	特別損失	36	456
Loss on disposal of noncurrent assets	固定資産処分損	36	456
<b>Income before income taxes:</b>	<b>税引前中間純利益</b>	35,697	31,329
Current	法人税、住民税及び事業税	6,280	8,050
Deferred	法人税等調整額	3,800	746
Total income taxes	法人税等合計	10,081	8,796
<b>Net income</b>	<b>中間純利益</b>	25,615	22,532

## 【 Reference 】

## 【 The Kumamoto Bank 】

## Non-consolidated Balance Sheets

(millions of Yen)

Item	科目 (Japanese)	As of Mar 31, 2017	As of Sep 30, 2017
(Assets)	資産の部		
Cash and due from banks	現金預け金	267,345	375,276
Call loans	コールローン	2,044	2,587
Monetary claims bought	買入金銭債権	—	0
Securities	有価証券	270,370	265,350
Loans and bills discounted	貸出金	1,146,534	1,165,420
Foreign exchanges	外国為替	980	887
Other assets	その他資産	3,697	7,250
Tangible fixed assets	有形固定資産	17,238	17,060
Intangible fixed assets	無形固定資産	1,279	1,269
Prepaid pension expenses	前払年金費用	4,211	4,215
Deferred tax assets	繰延税金資産	4,453	4,254
Customers' liabilities for acceptances and guarantees	支払承諾見返	4,402	4,002
Allowance for loan losses	貸倒引当金	(16,068)	(14,709)
<b>Total assets</b>	<b>資産の部合計</b>	<b>1,706,490</b>	<b>1,832,867</b>
(Liabilities)	負債の部		
Deposits	預金	1,426,451	1,461,530
Negotiable certificates of deposit	譲渡性預金	12,949	14,697
Call money	コールマネー	—	79,000
Borrowed money	借入金	171,000	180,000
Foreign exchanges	外国為替	35	9
Other liabilities	その他負債	3,622	3,897
Provision for losses from reimbursement of inactive accounts	睡眠預金払戻損失引当金	448	399
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	1,378	1,378
Acceptances and guarantees	支払承諾	4,402	4,002
<b>Total liabilities</b>	<b>負債の部合計</b>	<b>1,620,286</b>	<b>1,744,914</b>
(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	11,514	13,721
Total shareholders' equity	株主資本合計	79,208	81,416
Valuation difference on available-for-sale securities	その他有価証券評価差額金	5,900	5,438
Revaluation reserve for land	土地再評価差額金	1,094	1,098
Total valuation and translation adjustments	評価・換算差額等合計	6,994	6,536
<b>Total net assets</b>	<b>純資産の部合計</b>	<b>86,203</b>	<b>87,952</b>
<b>Total liabilities and net assets</b>	<b>負債及び純資産の部合計</b>	<b>1,706,490</b>	<b>1,832,867</b>

## 【 The Kumamoto Bank 】

## Non-consolidated Statements of Income

(millions of Yen)

Item	科目 (Japanese)	6 months ended Sep 30, 2016	6 months ended Sep 30, 2017
<b>Ordinary income:</b>	<b>経常収益</b>	11,566	13,122
Interest income	資金運用収益	9,354	9,154
Interest on loans and discounts	(うち貸出金利息)	8,258	8,117
Interest and dividends on securities	(うち有価証券利息配当金)	985	939
Fees and commissions	役務取引等収益	2,113	2,723
Other operating income	その他業務収益	26	28
Other income	その他経常収益	71	1,216
<b>Ordinary expenses:</b>	<b>経常費用</b>	12,842	9,673
Interest expenses	資金調達費用	439	408
Interest on deposits	(うち預金利息)	404	408
Fees and commissions payments	役務取引等費用	1,815	1,915
Other operating expenses	その他業務費用	2	5
General and administrative expenses	営業経費	7,213	7,128
Other expenses	その他経常費用	3,370	216
<b>Ordinary profit (loss)</b>	<b>経常利益又は経常損失</b>	(1,276)	3,449
Extraordinary income	特別利益	—	0
Gain on disposal of noncurrent assets	固定資産処分益	—	0
Extraordinary loss	特別損失	364	15
Loss on disposal of noncurrent assets	固定資産処分損	15	3
Impairment loss	減損損失	88	11
Other extraordinary loss	その他の特別損失	260	—
<b>Income (loss) before income taxes:</b>	<b>税引前中間純利益又は 税引前中間純損失</b>	(1,640)	3,433
Current	法人税、住民税及び事業税	53	401
Deferred	法人税等調整額	(426)	418
Total income taxes	法人税等合計	(373)	819
<b>Net income (loss)</b>	<b>中間純利益又は 中間純損失</b>	(1,267)	2,614

## 【 Reference 】

## 【 The Shinwa Bank 】

## Non-consolidated Balance Sheets

(millions of Yen)

Item	科目 (Japanese)	As of Mar 31, 2017	As of Sep 30, 2017
(Assets)	資産の部		
Cash and due from banks	現金預け金	273,589	409,257
Call loans	コールローン	7,041	5,522
Monetary claims bought	買入金銭債権	—	0
Trading account securities	商品有価証券	227	357
Securities	有価証券	747,387	747,399
Loans and bills discounted	貸出金	1,482,980	1,491,350
Foreign exchanges	外国為替	1,314	915
Other assets	その他資産	11,819	18,874
Tangible fixed assets	有形固定資産	45,949	45,269
Intangible fixed assets	無形固定資産	1,759	1,861
Prepaid pension expenses	前払年金費用	4,969	4,854
Customers' liabilities for acceptances and guarantees	支払承諾見返	4,661	5,212
Allowance for loan losses	貸倒引当金	(17,548)	(14,584)
<b>Total assets</b>	<b>資産の部合計</b>	<b>2,564,151</b>	<b>2,716,291</b>
(Liabilities)	負債の部		
Deposits	預金	2,168,117	2,174,985
Negotiable certificates of deposit	譲渡性預金	91,195	154,812
Call money	コールマネー	—	79,000
Borrowed money	借入金	160,916	158,092
Foreign exchanges	外国為替	167	41
Other liabilities	その他負債	4,610	5,295
Provision for losses from reimbursement of inactive accounts	睡眠預金払戻損失引当金	1,067	921
Deferred tax liabilities	繰延税金負債	550	1,175
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	4,419	4,404
Acceptances and guarantees	支払承諾	4,661	5,212
<b>Total liabilities</b>	<b>負債の部合計</b>	<b>2,435,705</b>	<b>2,583,940</b>
(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	19,957	24,401
Total shareholders' equity	株主資本合計	93,714	98,157
Valuation difference on available-for-sale securities	その他有価証券評価差額金	20,117	19,689
Revaluation reserve for land	土地再評価差額金	14,613	14,503
Total valuation and translation adjustments	評価・換算差額等合計	34,731	34,192
<b>Total net assets</b>	<b>純資産の部合計</b>	<b>128,445</b>	<b>132,350</b>
<b>Total liabilities and net assets</b>	<b>負債及び純資産の部合計</b>	<b>2,564,151</b>	<b>2,716,291</b>

## 【 The Shinwa Bank 】

## Non-consolidated Statements of Income

(millions of Yen)

Item	科目 (Japanese)	6 months ended Sep 30, 2016	6 months ended Sep 30, 2017
<b>Ordinary income:</b>	<b>経常収益</b>	18,804	19,674
Interest income	資金運用収益	12,568	12,419
Interest on loans and discounts	(うち貸出金利息)	9,665	9,447
Interest and dividends on securities	(うち有価証券利息配当金)	2,669	2,760
Fees and commissions	役務取引等収益	3,483	3,777
Other operating income	その他業務収益	53	52
Other income	その他経常収益	2,698	3,424
<b>Ordinary expenses:</b>	<b>経常費用</b>	13,306	13,141
Interest expenses	資金調達費用	551	500
Interest on deposits	(うち預金利息)	476	456
Fees and commissions payments	役務取引等費用	2,060	2,021
Other operating expenses	その他業務費用	12	51
General and administrative expenses	営業経費	10,449	10,334
Other expenses	その他経常費用	233	233
<b>Ordinary profit</b>	<b>経常利益</b>	5,497	6,532
Extraordinary income	特別利益	26	14
Gain on disposal of noncurrent assets	固定資産処分益	26	14
Extraordinary loss	特別損失	44	102
Loss on disposal of noncurrent assets	固定資産処分損	23	22
Impairment loss	減損損失	21	79
<b>Income before income taxes:</b>	<b>税引前中間純利益</b>	5,479	6,444
Current	法人税、住民税及び事業税	(1,295)	614
Deferred	法人税等調整額	2,746	810
Total income taxes	法人税等合計	1,451	1,424
<b>Net income</b>	<b>中間純利益</b>	4,028	5,020



# Financial Digest for the Interim of FY2017

November 13, 2017

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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.)		
	6 months ended Sep 30, 2017	Comparison	6 months ended Sep 30, 2016	6 months ended Sep 30, 2017	Comparison	6 months ended Sep 30, 2016
Gross business profit	87,324	(3,172)	90,496	94,064	(2,424)	96,488
Net interest income	75,634	911	74,723	75,462	943	74,519
Net fees and commissions	11,156	1,995	9,161	16,070	2,968	13,102
Net trading income	3	(8)	11	33	(7)	40
Net other operating income	530	(6,070)	6,600	2,497	(6,328)	8,825
Gains (losses) on sales (redemptions) of bonds	(434)	(4,876)	4,442	(434)	(4,876)	4,442
Overhead expenses (-)	51,237	537	50,700	58,403	(3,348)	61,751
Business profit (before transfer to general reserve for possible loan losses)	36,087	(3,709)	39,796	35,660	923	34,737
① Transfer to general reserve for possible loan losses (-)	[(7,550)]	—	[(4,892)]	[(7,488)]	3,134	(3,134)
Business profit	36,087	(3,709)	39,796	35,660	(2,211)	37,871
Core business profit [36,500]	36,522	1,169	35,353	36,095	5,801	30,294
Other operating profit (loss)	5,679	5,521	158	4,503	9,966	(5,463)
② Credit cost for disposal of non-performing loans (-)	(7,449)	(4,899)	(2,550)	(6,382)	(9,359)	2,977
Net transfer to specific reserve for possible loan losses (-)	[751]	—	[2,718]	[1,790]	(3,385)	3,385
Reversal of allowance for loan losses	6,798	4,625	2,173	5,698	5,698	—
Recoveries of written-off claims	821	271	550	821	271	550
Total credit cost ①+② (-) [2,500]	(7,449)	(4,899)	(2,550)	(6,382)	(6,226)	(156)
Gains (losses) on stocks	1,258	977	281	1,258	920	338
Others	(3,027)	(353)	(2,674)	(3,137)	(313)	(2,824)
Ordinary profit [35,400]	41,767	1,813	39,954	40,164	7,756	32,408
Extraordinary profit (loss)	(559)	(141)	(418)	(537)	(50)	(487)
Income (loss) before income taxes	41,207	1,671	39,536	39,626	7,706	31,920
Total income taxes (-)	11,040	(119)	11,159	11,689	791	10,898
Net income [25,600]	30,166	1,790	28,376	27,937	6,916	21,021
Net income attributable to non-controlling interests (-)	—	—	—	(25)	(11)	(14)
Net income attributable to owners of the parent [24,500]	30,166	1,790	28,376	27,963	6,927	21,036

<Notes> The three notes described below are also applied to subsidiary banks (p15-16).

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 interim period of FY2016 and the interim period of FY2017, 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. Numbers in square brackets are amounts before netting.

## 6 months Summary

**Core business profit**  
(3 banks' total) **¥36.5 billion**

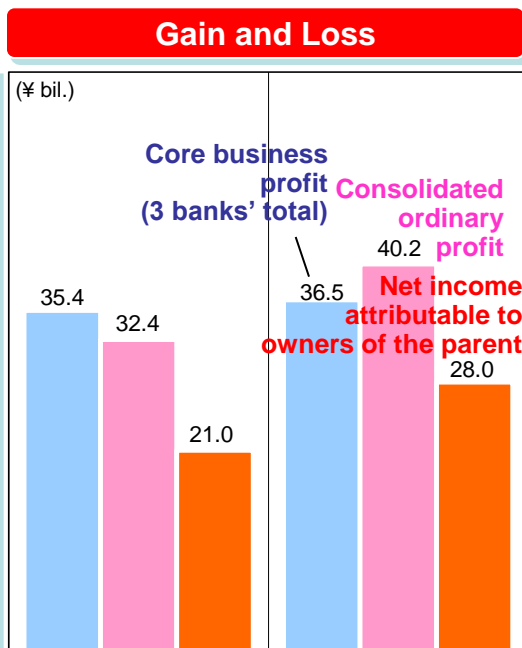
➢ Core business profit (3 banks' total) increased ¥1.2 billion from a year earlier to ¥36.5 billion due to increases of net interest income and net fees and commissions.

**Consolidated ordinary profit** **¥40.2 billion**

➢ Consolidated ordinary profit increased ¥7.8 billion from a year earlier to ¥40.2 billion mainly due to an increase of core business profit and a decrease of credit cost (i.e. increased gain on reversal).

**Net income attributable to owners of the parent** **¥28.0 billion**

➢ As a result, along with the increase of core business profit, net income attributable to owners of the parent increased ¥6.9 billion from a year earlier to ¥28.0 billion.



Interim of  
FY2016



Interim of  
FY2017

## The Bank of Fukuoka (non-consolidated)

(¥ mil.)

	【 announced projections 】	6 months ended Sep 30, 2017	6 months ended Sep 30, 2016	Comparison
Gross business profit		64,071	67,778	(3,707)
Net interest income		54,969	53,792	1,177
Domestic		51,320	50,725	595
International		3,649	3,066	583
Net fees and commissions		8,591	7,440	1,151
Net trading income		3	11	(8)
Net other operating income		506	6,534	(6,028)
Gains (losses) on sales (redemptions) of bonds		(380)	4,454	(4,834)
Gains on foreign exchange transactions		554	175	379
Overhead expenses (-)		34,088	33,671	417
Business profit (before transfer to general reserve for possible loan losses)		29,982	34,106	(4,124)
① Transfer to general reserve for possible loan losses (-)		∴[(5,650)] -	∴[(6,382)] -	-
Business profit		29,982	34,106	(4,124)
Core business profit	[30,300]	30,363	29,652	711
Other operating profit (loss)		1,802	1,626	176
② Credit cost for disposal of non-performing loans (-)		(3,701)	(3,183)	(518)
Net transfer to specific reserve for possible loan losses (-)		∴[2,548] -	∴[3,540] -	-
Reversal of allowance for loan losses		∴▶ 3,101	∴▶ 2,842	259
Recoveries of written-off claims		735	448	287
Total credit cost ①+② (-)	[1,800]	(3,701)	(3,183)	(518)
Gains (losses) on stocks		526	268	258
Others		(2,425)	(1,825)	(600)
Ordinary profit	[30,700]	31,785	35,733	(3,948)
Extraordinary profit (loss)		(456)	(36)	(420)
Income (loss) before income taxes		31,329	35,697	(4,368)
Total income taxes (-)		8,796	10,081	(1,285)
Net income	[22,000]	22,532	25,615	(3,083)

## The Kumamoto Bank (non-consolidated)

(¥ mil.)

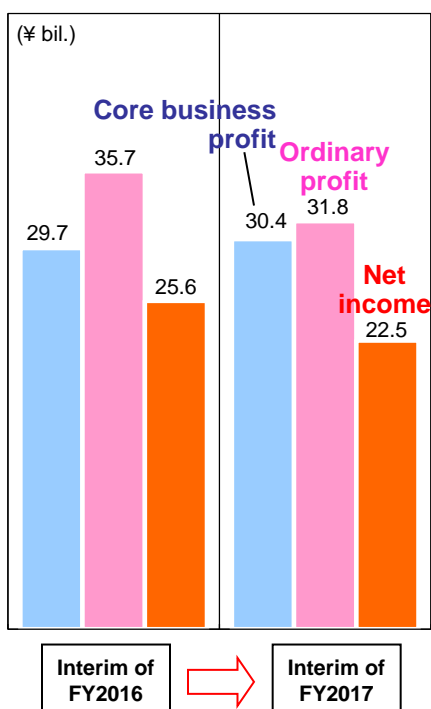
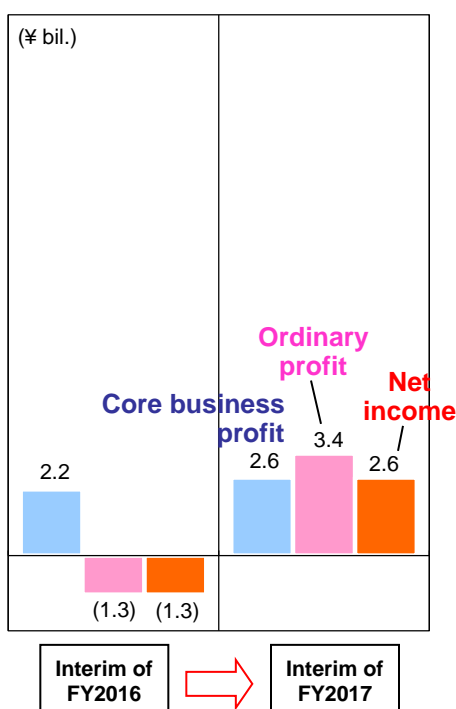
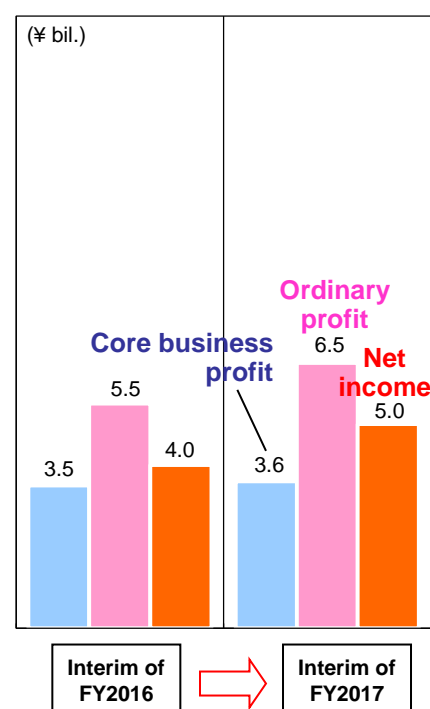
	【 announced projections 】	6 months ended Sep 30, 2017	6 months ended Sep 30, 2016	Comparison
Gross business profit		9,577	9,235	342
Net interest income		8,746	8,914	(168)
Domestic		8,717	8,883	(166)
International		28	30	(2)
Net fees and commissions		808	297	511
Net other operating income		22	24	(2)
Gains (losses) on sales (redemptions) of bonds		(5)	(2)	(3)
Gains on foreign exchange transactions		27	26	1
Overhead expenses (-)		7,025	7,014	11
Business profit (before transfer to general reserve for possible loan losses)		2,551	2,221	330
① Transfer to general reserve for possible loan losses (-)		∴[(958)] -	2,329	(2,329)
Business profit		2,551	(107)	2,658
Core business profit	[2,400]	2,557	2,223	334
Other operating profit (loss)		897	(1,168)	2,065
② Credit cost for disposal of non-performing loans (-)		(1,184)	853	(2,037)
Net transfer to specific reserve for possible loan losses (-)		∴[(206)] -	858	(858)
Reversal of allowance for loan losses		∴▶ 1,165	-	1,165
Recoveries of written-off claims		41	47	(6)
Total credit cost ①+② (-)	[400]	(1,184)	3,183	(4,367)
Gains (losses) on stocks		-	-	-
Others		(286)	(314)	28
Ordinary profit	[1,800]	3,449	(1,276)	4,725
Extraordinary profit (loss)		(15)	(364)	349
Income (loss) before income taxes		3,433	(1,640)	5,073
Total income taxes (-)		819	(373)	1,192
Net income	[1,300]	2,614	(1,267)	3,881

## The Shinwa Bank (non-consolidated)

(¥ mil.)

	【 announced projections 】	6 months ended Sep 30, 2017	6 months ended Sep 30, 2016	Comparison
Gross business profit		13,675	13,482	193
Net interest income		11,918	12,017	(99)
Domestic		11,869	11,964	(95)
International		48	52	(4)
Net fees and commissions		1,756	1,423	333
Net other operating income		1	41	(40)
Gains (losses) on sales (redemptions) of bonds		(49)	(8)	(41)
Gains on foreign exchange transactions		47	44	3
Overhead expenses (-)		10,122	10,014	108
Business profit (before transfer to general reserve for possible loan losses)		3,552	3,468	84
① Transfer to general reserve for possible loan losses (-)		···[(940)] —	···[(838)] —	—
Business profit		3,552	3,468	84
Core business profit	[3,700]	3,602	3,477	125
Other operating profit (loss)		2,979	2,029	950
② Credit cost for disposal of non-performing loans (-)		(2,563)	(2,549)	(14)
Net transfer to specific reserve for possible loan losses (-)		···[(1,590)] —	···[(1,680)] —	—
Reversal of allowance for loan losses		···▶ 2,531	···▶ 2,519	12
Recoveries of written-off claims		44	53	(9)
Total credit cost ①+② (-)	[400]	(2,563)	(2,549)	(14)
Gains (losses) on stocks		732	13	719
Others		(315)	(534)	219
Ordinary profit	[2,900]	6,532	5,497	1,035
Extraordinary profit (loss)		(88)	(17)	(71)
Income (loss) before income taxes		6,444	5,479	965
Total income taxes (-)		1,424	1,451	(27)
Net income	[2,300]	5,020	4,028	992

## Gain and Loss

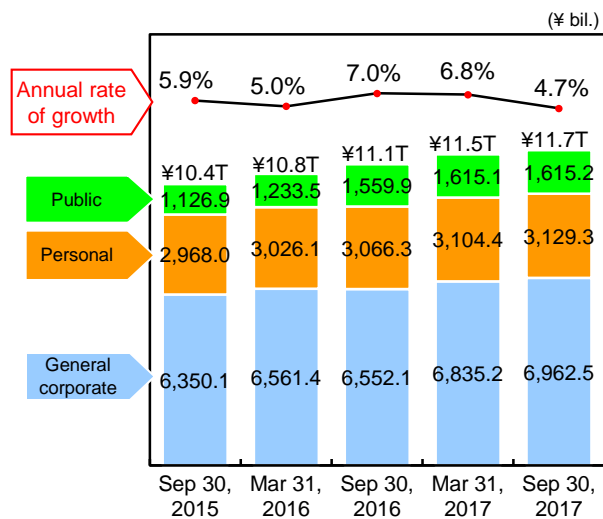
The Bank of Fukuoka  
(non-consolidated)The Kumamoto Bank  
(non-consolidated)The Shinwa Bank  
(non-consolidated)

## 2. Assets and liabilities

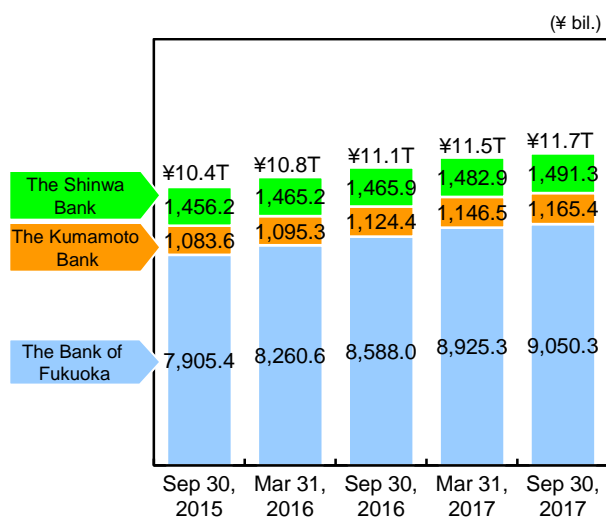
### (1) Loans

#### 3 banks' total

Loans classified by customer segment  
(Term-end balance)



Loans classified by bank  
(Term-end balance)



(¥ mil.)

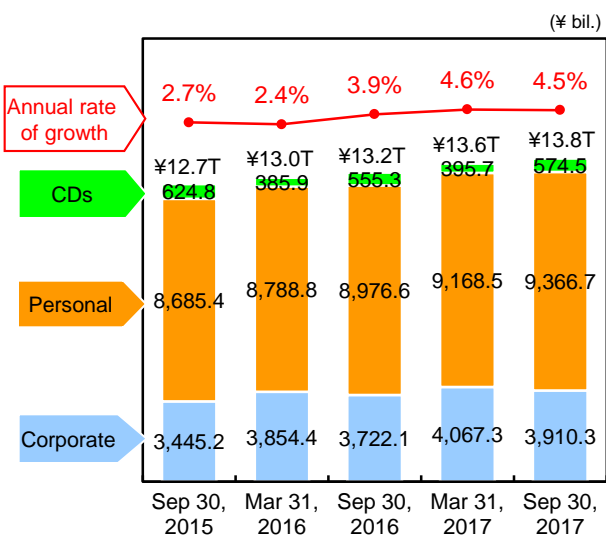
		Sep 30, 2017				Mar 31, 2017	Sep 30, 2016
		annual rate of growth		change from Mar 31, 2017	change from Sep 30, 2016		
3 banks' total	Total loans	4.7%	11,707,166	152,260	528,727	11,554,906	11,178,439
	Personal segment	2.1%	3,129,301	24,817	62,951	3,104,484	3,066,350
	Corporate segment	5.7%	8,577,863	127,444	465,777	8,450,419	8,112,086
	General Corporate	6.3%	6,962,578	127,349	410,467	6,835,229	6,552,111
	Public Sector	3.5%	1,615,283	93	55,308	1,615,190	1,559,975
	Personal loans	2.0%	3,022,623	21,728	60,653	3,000,895	2,961,970
	Housing loans	1.1%	2,697,603	8,236	28,112	2,689,367	2,669,491
	Consumer loans	17.9%	249,662	14,812	37,965	234,850	211,697
The Bank of Fukuoka (non-consolidated)	Total loans	5.4%	9,050,396	125,004	462,339	8,925,392	8,588,057
	Personal segment	1.5%	2,226,714	12,162	33,238	2,214,552	2,193,476
	Corporate segment	6.7%	6,823,682	112,843	429,102	6,710,839	6,394,580
	General Corporate	7.7%	5,560,489	133,802	397,865	5,426,687	5,162,624
	Public Sector	2.5%	1,263,192	(20,960)	31,236	1,284,152	1,231,956
	Fukuoka prefecture	5.5%	6,726,625	25,924	351,356	6,700,701	6,375,269
	Personal loans	1.5%	2,155,838	10,074	31,263	2,145,764	2,124,575
	Housing loans	0.5%	1,925,390	550	9,225	1,924,840	1,916,165
	Consumer loans	19.5%	177,029	11,343	28,827	165,686	148,202
The Kumamoto Bank (non-consolidated)	Total loans	3.6%	1,165,420	18,886	40,996	1,146,534	1,124,424
	Personal segment	6.0%	447,224	12,296	25,155	434,928	422,069
	Corporate segment	2.3%	718,195	6,590	15,841	711,605	702,354
	General Corporate	1.4%	600,810	(3,206)	8,064	604,016	592,746
	Public Sector	7.1%	117,385	9,796	7,777	107,589	109,608
	Kumamoto prefecture	3.9%	1,080,798	18,090	40,679	1,062,708	1,040,119
	Personal loans	5.8%	422,967	10,641	23,172	412,326	399,795
	Housing loans	4.3%	385,297	7,955	16,027	377,342	369,270
	Consumer loans	18.8%	29,738	2,005	4,713	27,733	25,025
The Shinwa Bank (non-consolidated)	Total loans	1.7%	1,491,350	8,370	25,392	1,482,980	1,465,958
	Personal segment	1.0%	455,363	359	4,558	455,004	450,805
	Corporate segment	2.1%	1,035,986	8,011	20,834	1,027,975	1,015,152
	General Corporate	0.6%	801,279	(3,247)	4,538	804,526	796,741
	Public Sector	7.5%	234,706	11,257	16,295	223,449	218,411
	Nagasaki prefecture	2.8%	1,104,527	11,120	30,157	1,093,407	1,074,370
	Personal loans	1.4%	443,818	1,013	6,218	442,805	437,600
	Housing loans	0.7%	386,916	(269)	2,860	387,185	384,056
	Consumer loans	11.5%	42,895	1,464	4,425	41,431	38,470

<Note> The term-end balance of loans includes loans granted by the Bank of Fukuoka to FFG (¥112.0 billion at the end of September 2016, ¥115.0 billion at the end of March 2017, and ¥122.5 billion at the end of September 2017).

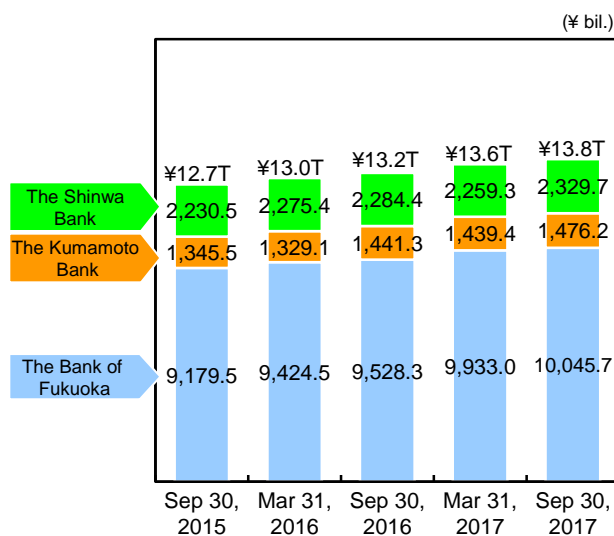
## (2) Deposits

3 banks' total

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



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



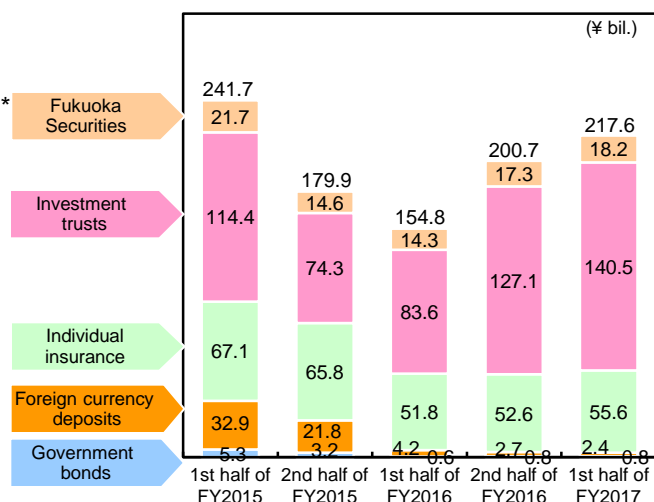
(¥ mil.)

		Sep 30, 2017				Mar 31, 2017	Sep 30, 2016
		annual rate of growth		change from Mar 31, 2017	change from Sep 30, 2016		
3 banks' total	Personal deposits	4.3%	9,366,795	198,209	390,133	9,168,586	8,976,662
	Corporate deposits	5.1%	3,910,359	(157,007)	188,249	4,067,366	3,722,110
	Total	4.6%	13,277,155	41,201	578,381	13,235,954	12,698,774
	Demand	7.7%	8,391,058	(2,125)	601,727	8,393,183	7,789,331
	Time	(0.5%)	4,886,094	43,326	(23,347)	4,842,768	4,909,441
	CDs	3.5%	574,574	178,806	19,262	395,768	555,312
	Deposits and CDs	4.5%	13,851,731	220,009	597,644	13,631,722	13,254,087
The Bank of Fukuoka (non-consolidated)	Personal deposits	5.2%	6,828,864	172,528	338,363	6,656,336	6,490,501
	Corporate deposits	6.5%	2,811,776	(173,274)	172,306	2,985,050	2,639,470
	Total	5.6%	9,640,640	(746)	510,668	9,641,386	9,129,972
	Demand	8.4%	6,382,737	(31,161)	492,149	6,413,898	5,890,588
	Time	0.6%	3,257,902	30,415	18,519	3,227,487	3,239,383
	CDs	1.7%	405,065	113,441	6,667	291,624	398,398
	Deposits and CDs	5.4%	10,045,706	112,696	517,335	9,933,010	9,528,371
The Kumamoto Bank (non-consolidated)	Fukuoka prefecture	5.8%	9,018,488	(3,375)	492,604	9,021,863	8,525,884
	Personal deposits	1.9%	1,076,099	11,614	19,936	1,064,485	1,056,163
	Corporate deposits	6.9%	385,430	23,465	24,917	361,965	360,513
	Total	3.2%	1,461,530	35,079	44,854	1,426,451	1,416,676
	Demand	6.6%	755,720	20,096	46,710	735,624	709,010
	Time	(0.3%)	705,809	14,983	(1,856)	690,826	707,665
	CDs	(40.3%)	14,697	1,748	(9,927)	12,949	24,624
The Shinwa Bank (non-consolidated)	Deposits and CDs	2.4%	1,476,227	36,827	34,927	1,439,400	1,441,300
	Kumamoto prefecture	3.7%	1,368,687	36,388	48,781	1,332,299	1,319,906
	Personal deposits	2.2%	1,461,832	14,067	31,834	1,447,765	1,429,998
	Corporate deposits	(1.2%)	713,153	(7,198)	(8,974)	720,351	722,127
	Total	1.1%	2,174,985	6,868	22,859	2,168,117	2,152,126
	Demand	5.3%	1,252,601	8,940	62,868	1,243,661	1,189,733
	Time	(4.2%)	922,383	(2,072)	(40,010)	924,455	962,393
	CDs	17.0%	154,812	63,617	22,522	91,195	132,290
	Deposits and CDs	2.0%	2,329,798	70,486	45,382	2,259,312	2,284,416
	Nagasaki prefecture	1.9%	1,923,128	5,358	36,400	1,917,770	1,886,728

### (3) Asset management products

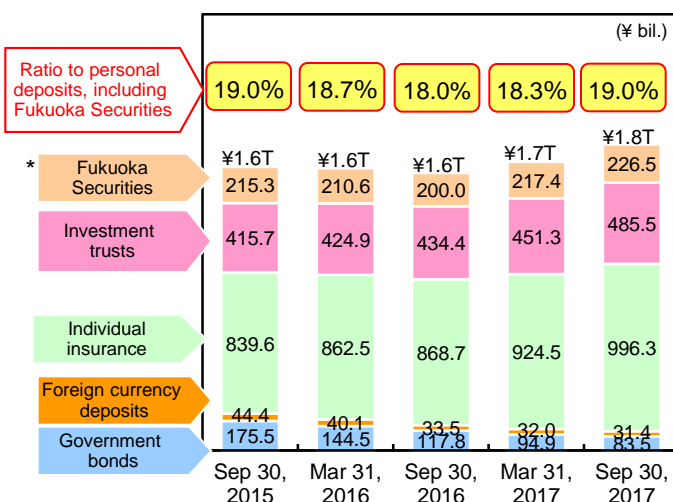
#### Group's total

#### 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				
		1st half of FY2017 (6 months)			2nd half of FY2016 (6 months)	1st half of FY2016 (6 months)	Sep 30, 2017			Mar 31, 2017	Sep 30, 2016
			change from 2nd half of FY2016	change from 1st half of FY2016				Change from Mar 31, 2017	Change from Sep 30, 2016		
Group's total	Investment trusts	140.5	13.4	56.9	127.1	83.6	485.5	34.2	51.1	451.3	434.4
	Individual insurance	55.6	3.0	3.8	52.6	51.8	996.3	71.8	127.6	924.5	868.7
	Foreign currency deposits	2.4	(0.3)	(1.8)	2.7	4.2	31.4	(0.6)	(2.1)	32.0	33.5
	Government bonds	0.8	0.0	0.2	0.8	0.6	83.5	(11.4)	(34.3)	94.9	117.8
	Fukuoka Securities	18.2	0.9	3.9	17.3	14.3	226.5	9.1	26.5	217.4	200.0
	Total	217.6	16.9	62.8	200.7	154.8	1,823.5	103.2	168.9	1,720.3	1,654.6
	Ratio to personal deposits						19.0%	0.7%	1.0%	18.3%	18.0%
The Bank of Fukuoka (non-consolidated)	Investment trusts	85.2	8.9	28.7	76.3	56.5	321.2	23.3	33.0	297.9	288.2
	Individual insurance	33.3	1.6	(0.9)	31.7	34.2	639.6	48.8	84.0	590.8	555.6
	Foreign currency deposits	2.1	(0.4)	(1.4)	2.5	3.5	24.6	(0.0)	(0.8)	24.6	25.4
	Government bonds	0.7	0.1	0.1	0.6	0.6	73.3	(10.1)	(31.5)	83.4	104.8
	Total	121.5	10.3	26.6	111.2	94.9	1,058.8	61.9	84.8	996.9	974.0
	Ratio to personal deposits						15.5%	0.5%	0.5%	15.0%	15.0%
The Kumamoto Bank (non-consolidated)	Investment trusts	25.5	1.1	14.1	24.4	11.4	78.2	6.9	12.3	71.3	65.9
	Individual insurance	8.2	1.3	2.7	6.9	5.5	141.7	9.8	18.7	131.9	123.0
	Foreign currency deposits	0.0	0.0	(0.3)	0.0	0.3	2.7	(0.3)	(0.8)	3.0	3.5
	Government bonds	0.0	(0.0)	0.0	0.0	0.0	1.5	(0.1)	(0.4)	1.6	1.9
	Total	33.9	2.5	16.6	31.4	17.3	224.3	16.3	29.9	208.0	194.4
	Ratio to personal deposits						20.8%	1.3%	2.4%	19.5%	18.4%
The Shinwa Bank (non-consolidated)	Investment trusts	29.6	3.3	14.0	26.3	15.6	85.9	3.9	5.7	82.0	80.2
	Individual insurance	14.0	0.1	2.0	13.9	12.0	214.9	13.2	24.8	201.7	190.1
	Foreign currency deposits	0.1	(0.0)	(0.2)	0.1	0.3	4.1	(0.2)	(0.4)	4.3	4.5
	Government bonds	0.0	(0.0)	0.0	0.0	0.0	8.6	(1.1)	(2.5)	9.7	11.1
	Total	43.9	3.3	15.8	40.6	28.1	313.7	15.9	27.6	297.8	286.1
	Ratio to personal deposits						21.5%	0.9%	1.5%	20.6%	20.0%

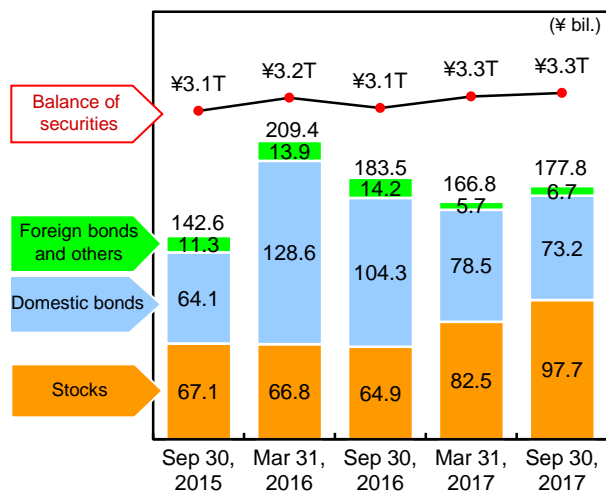
<Notes> 1. The sales of investment trusts include those to corporate customers, but the others are the sales only to individuals.

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

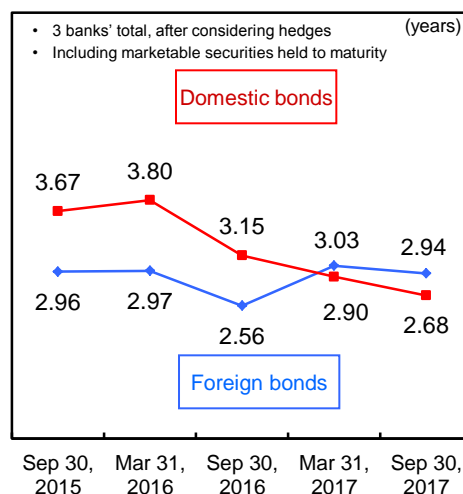
## (4) Marketable securities

FFG (consolidated)

### Unrealized gain



### Bond duration



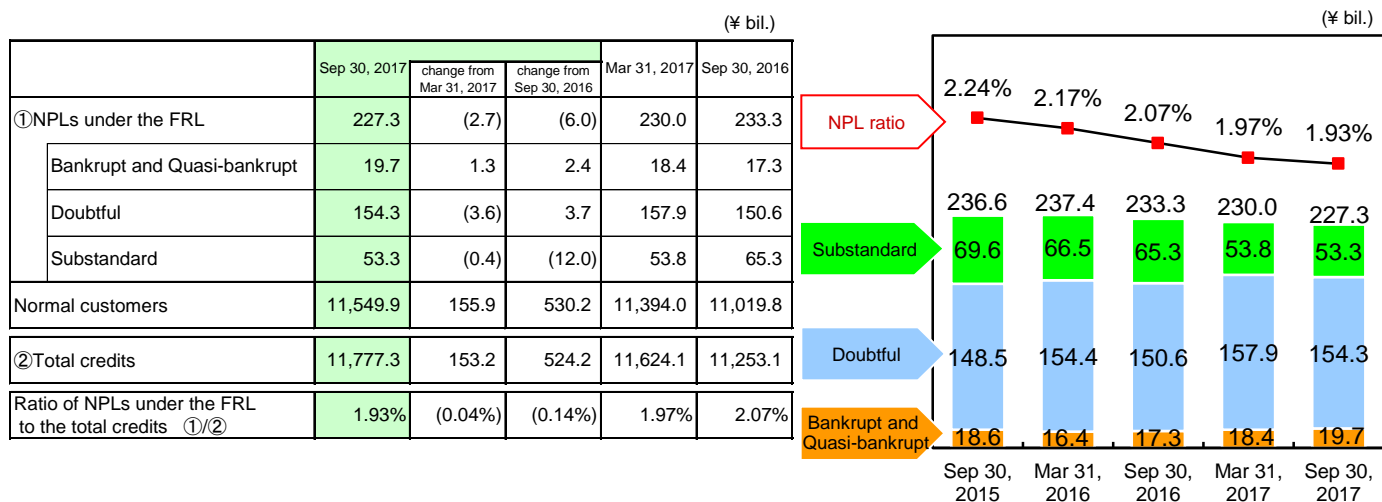
(¥ mil.)

		Sep 30, 2017						Mar 31, 2017		Sep 30, 2016	
		Market value	change from Mar 31, 2017	change from Sep 30, 2016	Unrealized gain(loss)	change from Mar 31, 2017	change from Sep 30, 2016	Market value	Unrealized gain(loss)	Market value	Unrealized gain(loss)
FFG (consolidated)	Total	3,357,759	50,457	210,780	177,821	10,950	(5,772)	3,307,302	166,871	3,146,979	183,593
	Stocks	163,072	15,512	32,714	97,779	15,212	32,826	147,560	82,567	130,358	64,953
	Domestic bonds	2,815,659	37,919	124,099	73,274	(5,252)	(31,092)	2,777,740	78,526	2,691,560	104,366
	National government bonds	2,077,013	16,570	72,362	64,431	(3,421)	(26,453)	2,060,443	67,852	2,004,651	90,884
	Local government bonds	91,997	12,609	21,864	970	(268)	(639)	79,388	1,238	70,133	1,609
	Corporate bonds	646,648	8,741	29,874	7,871	(1,565)	(4,001)	637,907	9,436	616,774	11,872
	Foreign bonds and Others	379,027	(2,974)	53,967	6,767	991	(7,506)	382,001	5,776	325,060	14,273
The Bank of Fukuoka (consolidated)	Total	2,347,333	55,522	224,434	146,015	12,259	1,457	2,291,811	133,756	2,122,899	144,558
	Stocks	144,676	12,427	26,625	90,815	12,126	26,736	132,249	78,689	118,051	64,079
	Domestic bonds	1,823,631	46,068	143,841	48,432	(858)	(17,773)	1,777,563	49,290	1,679,790	66,205
	National government bonds	1,254,487	25,108	89,864	42,533	553	(14,345)	1,229,379	41,980	1,164,623	56,878
	Local government bonds	64,325	11,426	21,164	651	(225)	(460)	52,899	876	43,161	1,111
	Corporate bonds	504,818	9,534	32,813	5,247	(1,186)	(2,968)	495,284	6,433	472,005	8,215
	Foreign bonds and Others	379,026	(2,972)	53,969	6,767	991	(7,506)	381,998	5,776	325,057	14,273
The Kumamoto Bank (non-consolidated)	Total	264,185	(5,027)	(13,864)	7,737	(682)	(2,679)	269,212	8,419	278,049	10,416
	Stocks	2,786	407	755	1,834	407	756	2,379	1,427	2,031	1,078
	Domestic bonds	261,397	(5,433)	(14,618)	5,903	(1,088)	(3,434)	266,830	6,991	276,015	9,337
	National government bonds	208,672	(5,249)	(12,463)	5,139	(958)	(3,047)	213,921	6,097	221,135	8,186
	Local government bonds	1,368	26	17	29	(5)	(14)	1,342	34	1,351	43
	Corporate bonds	51,356	(210)	(2,173)	734	(125)	(372)	51,566	859	53,529	1,106
	Foreign bonds and Others	1	(1)	(2)	0	(0)	(0)	2	0	3	0
The Shinwa Bank (non-consolidated)	Total	746,240	(37)	211	27,670	(628)	(4,551)	746,277	28,298	746,029	32,221
	Stocks	15,609	2,678	5,334	8,732	2,679	5,334	12,931	6,053	10,275	3,398
	Domestic bonds	730,630	(2,716)	(5,124)	18,937	(3,307)	(9,886)	733,346	22,244	735,754	28,823
	National government bonds	613,852	(3,290)	(5,041)	16,758	(3,016)	(9,060)	617,142	19,774	618,893	25,818
	Local government bonds	26,304	1,157	684	289	(37)	(165)	25,147	326	25,620	454
	Corporate bonds	90,473	(584)	(766)	1,889	(254)	(660)	91,057	2,143	91,239	2,549
	Foreign bonds and Others	—	—	—	—	—	—	—	—	—	—

### 3. Non-performing loans

(Direct write-off is adopted)

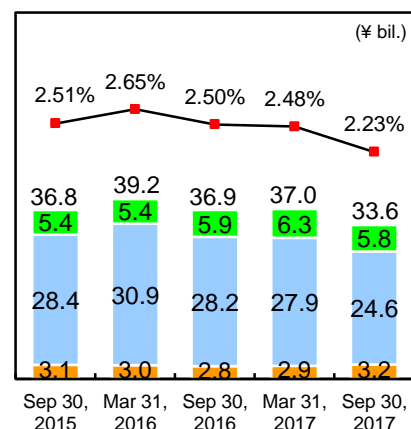
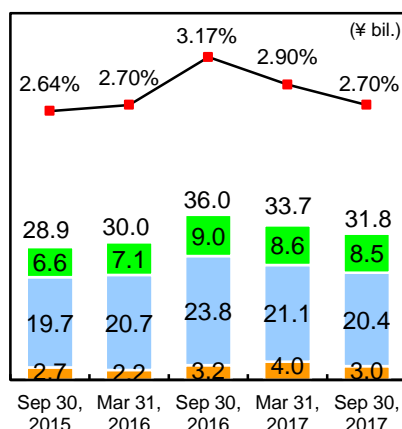
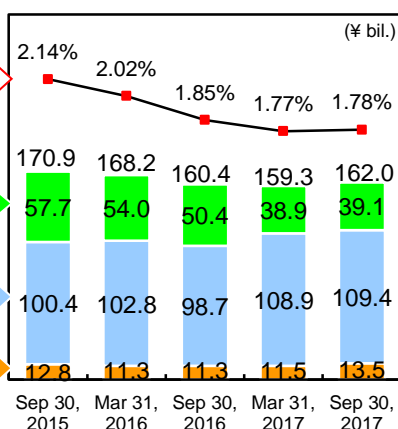
3 banks' total



The Bank of Fukuoka  
(non-consolidated)

The Kumamoto Bank  
(non-consolidated)

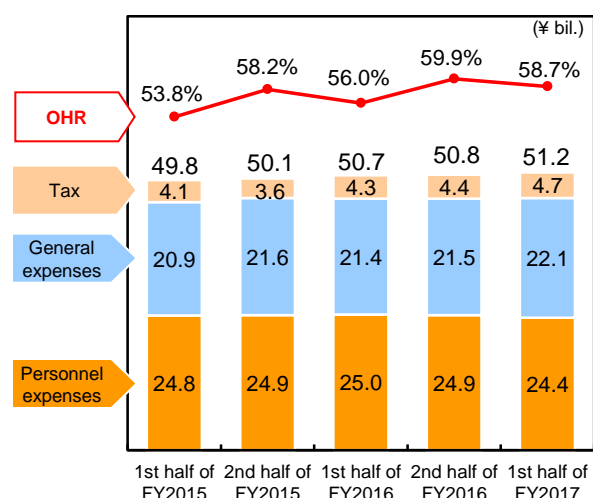
The Shinwa Bank  
(non-consolidated)



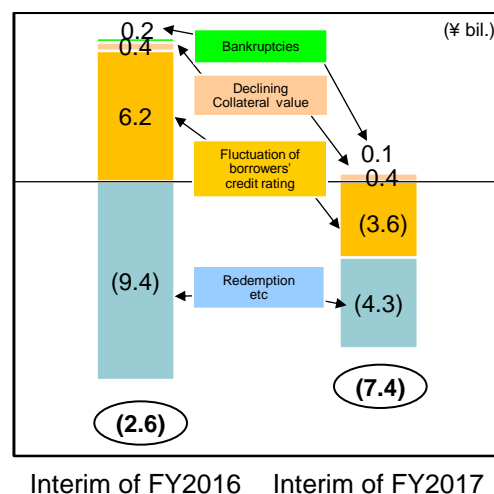
### 4. Overhead expenses • Credit cost

3 banks' total

Overhead expenses • OHR



Composition of credit cost



## 5. Capital adequacy ratio

FFG (consolidated)

The Domestic standard

- Consolidated capital adequacy ratio: 9.04%.
- Capital adequacy on its structure based on Pillar 3, market discipline, is disclosed on our website (<http://www.fukuoka-fg.com/investor/earnings.htm>). (This information is Japanese only.)

(¥ bil.)

	Sep 30, 2017 [preliminary]	Change from Mar 31, 2017	Change from Sep 30, 2016	Mar 31, 2017	Sep 30, 2016
①Total capital ratio ④/⑤	9.04%	0.24%	0.17%	8.80%	8.87%
②Core capital	629.6	20.5	(60.9)	609.1	690.5
③Deduction	12.6	0.7	(91.6)	11.9	104.2
④Total capital ②-③	617.0	19.9	30.7	597.1	586.3
⑤Risk adjusted assets	6,821.2	37.9	217.1	6,783.3	6,604.1

## 6. Projections

- Based on the result of the interim of FY2017, only consolidated ordinary profit was modified. (Net income attributable to owners of the parent was unchanged.)

FFG (consolidated)

(¥ mil.)

	FY2017 (Projection)		FY2016 Result
	(Comparison to the initial projection)	Interim (Result)	
Consolidated ordinary profit	72,000 (+2,000)	40,164	(34,441)
Net income attributable to owners of the parent	49,000 (—)	27,963	(54,300)
Dividends declared per share	¥15.00	¥7.50	¥13.00

&lt;Reference&gt; Projections on a subsidiary basis

(¥ mil.)

	3 banks' total	FY2017 (Projection)			(3 banks' total) FY2016
		The Bank of Fukuoka	The Kumamoto Bank	The Shinwa Bank	
Core business profit	73,200	60,000	5,800	7,500	71,335
Ordinary profit	74,600	58,700	6,100	9,900	72,212
Net income	53,700	41,500	4,600	7,600	53,059
Credit cost (-)	(5,400)	(2,400)	(800)	(2,200)	(1,633)

Based on the result of the interim of FY2017, subsidiary banks' projections for the FY2017 were also modified.

<Note> The projections above were determined based on available information at present, and therefore they may be subject to change.