

Financial Results for the First Quarter of the Fiscal Year ending March 31, 2019
(Consolidated Data)

July 31, 2018

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 13, 2018

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, 2019 (April 1, 2018 — June 30, 2018)

(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, 2018	23,981	(33.6)	4,509	69.1	3,366	62.1
Three months ended June 30, 2017	36,153	37.3	2,665	(58.9)	2,075	(63.6)

(Note) Comprehensive income: Three months ended June 30, 2018 5,110 million yen [(42.8%)]
Three months ended June 30, 2017 8,944 million yen [(15.8%)]

	Net income per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2018	12.10	10.13
Three months ended June 30, 2017	7.50	6.37

(2) Consolidated Financial Position

	Total assets	Total net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2018	5,518,685	249,940	4.4
As of March 31, 2018	5,526,003	248,935	4.4

(Reference) capital: As of June 30, 2018 : 247,759 million yen ; As of March 31, 2018 : 245,279 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, 2018	—	7.50	—	7.50	15.00
Fiscal Year ending March 31, 2019	—				
Fiscal Year ending March 31, 2019 (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, 2019 (April 1, 2018—March 31, 2019)

(%: 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	45,000	(24.2)	3,500	(50.5)	2,500	(40.4)	6.69
Full Year	85,000	(23.8)	7,500	(47.2)	6,000	(28.5)	16.98

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, 2019 : 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, 2018 281,008,632 shares
As of March 31, 2018 281,008,632 shares

- (b) Number of treasury shares

As of June 30, 2018 2,771,738 shares
As of March 31, 2018 3,089,250 shares

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

Three months ended June 30, 2018 278,020,835 shares
Three months ended June 30, 2017 276,713,160 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
Fiscal Year ended March 31, 2018	Yen —	Yen 35.00	Yen —	Yen 35.00	Yen 70.00
Fiscal Year ending March 31, 2019	—				
Fiscal Year ending March 31, 2019 (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
Fiscal Year ended March 31, 2018	Yen —	Yen 15.00	Yen —	Yen 15.00	Yen 30.00
Fiscal Year ending March 31, 2019	—				
Fiscal Year ending March 31, 2019 (Forecasts)		15.00	—	15.00	30.00

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: Millions of yen)

	As of March 31, 2018	As of June 30, 2018
Assets		
Cash and due from banks	713,371	714,142
Call loans and bills bought	3,783	5,229
Monetary claims bought	100	147
Trading account securities	176	172
Money held in trust	26,987	26,902
Securities	736,415	762,546
Loans and bills discounted	3,897,405	3,864,026
Foreign exchange assets	5,448	5,462
Other assets	82,965	80,254
Tangible fixed assets	41,148	40,831
Intangible fixed assets	5,209	5,305
Net defined benefit assets	11,114	11,507
Deferred tax assets	7,427	7,593
Customers' liabilities for acceptances and guarantees	9,322	8,899
Reserve for possible loan losses	(14,873)	(14,336)
Total assets	5,526,003	5,518,685
Liabilities		
Deposits	4,902,103	4,938,113
Negotiable certificates of deposit	900	—
Payables under securities lending transactions	165,002	127,464
Borrowed money	132,133	124,956
Foreign exchange liabilities	562	758
Corporate bonds and notes	20,000	20,000
Other liabilities	43,314	46,155
Provision for employees' bonuses	1,876	516
Net defined benefit liability	151	154
Accrued retirement benefits for directors and corporate auditors	33	30
Reserve for reimbursement of deposits	512	512
Reserve for point services	246	251
Reserve for contingent losses	770	769
Reserve under special laws	2	3
Deferred tax liabilities	135	160
Acceptances and guarantees	9,322	8,899
Total liabilities	5,277,067	5,268,745
Net Assets		
Capital stock	102,999	102,999
Capital surplus	57,381	57,382
Retained earnings	78,153	78,775
Treasury stock	(1,476)	(1,326)
Total shareholders' equity	237,057	237,831
Net unrealized gain (loss) on available-for-sale securities	6,981	8,609
Net unrealized gain (loss) on deferred hedges	(115)	(110)
Remeasurements of defined benefit plans	1,355	1,429
Total accumulated other comprehensive income	8,222	9,928
Stock subscription rights	122	130
Non-controlling interests	3,533	2,049
Total net assets	248,935	249,940
Total liabilities and net assets	5,526,003	5,518,685

(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, 2017	For the three months ended June 30, 2018
Ordinary revenue	36,153	23,981
Interest income	12,427	11,532
Interest on loans and bills discounted	10,301	10,138
Interest and dividends on securities	2,003	1,261
Fees and commissions	4,744	4,863
Other ordinary income	1,123	1,851
Other income	17,858	5,733
Ordinary expenses	33,488	19,471
Interest expenses	1,443	1,365
Interest on deposits	683	465
Fees and commissions payments	1,699	1,639
Other ordinary expenses	14,401	1,557
General and administrative expenses	13,004	12,015
Other expenses	2,939	2,893
Ordinary income	2,665	4,509
Extraordinary income	—	9
Gain on sales or disposal of fixed assets	—	9
Extraordinary loss	12	22
Loss on sales or disposal of fixed assets	12	21
Transfer to reserve for financial products transaction liabilities	0	0
Income before income taxes	2,653	4,496
Income taxes - current	151	918
Income taxes - deferred	394	173
Total income taxes	545	1,092
Profit	2,107	3,403
Profit attributable to non-controlling interests	32	37
Profit attributable to owners of the parent	2,075	3,366

Consolidated Statements of Comprehensive Income

(Unit: Millions of yen)

	For the three months ended June 30, 2017	For the three months ended June 30, 2018
Profit	2,107	3,403
Other comprehensive income	6,836	1,706
Net unrealized gain (loss) on available-for-sale securities	6,919	1,627
Net unrealized gain (loss) on deferred hedges	(56)	4
Remeasurements of defined benefit plans	(26)	73
Comprehensive income	8,944	5,110
Comprehensive income attributable to		
Owners of the parent	8,912	5,072
Non-controlling interests	32	37

**Selected Financial Information
for the First Quarter of FY2018
(Ended June 30, 2018)**

**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, 2017 (a)	For the three months ended June 30, 2018 (b)	(b)-(a)
1 Ordinary revenue	36,153	23,981	(12,172)
2 Ordinary expenses (-)	33,488	19,471	(14,017)
3 Ordinary income	2,665	4,509	1,844
4 Income before income taxes	2,653	4,496	1,843
5 Profit attributable to owners of the parent	2,075	3,366	1,291
6 Comprehensive income	8,944	5,110	(3,834)
7 Net credit costs (-)	(940)	(95)	845

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

(Millions of yen)

	For the three months ended June 30, 2017 (a)	For the three months ended June 30, 2018 (b)	(b)-(a)
1 Gross profit	133	12,621	12,488
2 (Core gross profit)	13,277	13,123	(154)
3 Net interest income	12,463	11,255	(1,208)
4 Net fees and commissions income	1,187	1,465	278
5 Net other operation income	(13,516)	(99)	13,417
6 (Net gains (losses) on debt securities)	(13,144)	(502)	12,642
7 Expenses(excluding non-recurring expenses)(-)	11,735	10,543	(1,192)
8 Personnel expenses (-)	5,721	4,705	(1,016)
9 Non-personnel expenses (-)	5,259	5,057	(202)
10 Banking profit (before provision for general reserve for possible loan losses)	(11,601)	2,078	13,679
11 Core banking profit	1,542	2,580	1,038
12 Net gains (losses) on debt securities	(13,144)	(502)	12,642
13 Reversal of general reserve for possible loan losses(-) ①	—	—	—
14 Banking profit	(11,601)	2,078	13,679
15 Net non-recurring gains (loss)	14,663	2,549	(12,114)
16 Disposal of non-performing loans (-) ②	(929)	(230)	699
17 Net gains (losses) on equity securities	13,838	2,491	(11,347)
18 Ordinary income	3,062	4,627	1,565
19 Net extraordinary income (loss)	1	(1)	(2)
20 Income before income taxes	3,063	4,626	1,563
21 Total income taxes (-)	232	250	18
22 Income taxes-current (-)	(102)	252	354
23 Income taxes-deferred (-)	334	(1)	(335)
24 Net income	2,831	4,375	1,544
25 Net credit costs (-) ①+②	(929)	(230)	699

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

(Millions of yen)

	For the three months ended June 30, 2017 (a)	For the three months ended June 30, 2018 (b)	(b)-(a)
1 Net operating income	659	823	164
2 Administrative expenses (-)	528	671	143
3 Operating income	131	152	21
4 Income before income taxes	130	151	21
5 Net income	87	102	15

(4) Interest Margins

The Senshu Ikeda Bank 【Non-consolidated】

① All business

(%)

	For the fiscal year ended Mar.31, 2017	For the three months ended June 30, 2017 (a)	For the fiscal year ended Mar.31, 2018 (b)	For the three months ended June 30, 2018 (c)	(c)-(a)	(c)-(b)
Average yield on interest earning assets (A)	1.18	1.19	1.12	1.08	(0.11)	(0.04)
Average yield on loans and bills discounted(B)	1.14	1.10	1.08	1.06	(0.04)	(0.02)
Average yield on securities	1.35	1.62	1.33	1.20	(0.42)	(0.13)
Average yield on interest bearing liabilities (C)	1.02	1.00	0.98	0.90	(0.10)	(0.08)
Average yield on deposits and negotiable (including expenses) (D)	1.03	1.02	0.99	0.89	(0.13)	(0.10)
Average yield on deposits and negotiable	0.06	0.05	0.05	0.03	(0.02)	(0.02)
Expense ratio	0.96	0.96	0.94	0.85	(0.11)	(0.09)
Average yield on external liabilities	0.35	0.25	0.23	0.26	0.01	0.03
Average interest rate spread (A)-(C)	0.16	0.19	0.14	0.18	(0.01)	0.04
Difference between average yield on loans and deposits (B) - (D)	0.11	0.08	0.09	0.17	0.09	0.08

② Domestic business

(%)

	For the fiscal year ended Mar.31, 2017	For the three months ended June 30, 2017 (a)	For the fiscal year ended Mar.31, 2018 (b)	For the three months ended June 30, 2018 (c)	(c)-(a)	(c)-(b)
Average yield on interest earning assets (A)	1.13	1.15	1.08	1.03	(0.12)	(0.05)
Average yield on loans and bills discounted(B)	1.13	1.09	1.07	1.04	(0.05)	(0.03)
Average yield on securities	1.23	1.63	1.23	1.09	(0.54)	(0.14)
Average yield on interest bearing liabilities (C)	0.97	0.95	0.92	0.83	(0.12)	(0.09)
Average yield on deposits and negotiable (including expenses) (D)	0.98	0.97	0.95	0.85	(0.12)	(0.10)
Average yield on deposits and negotiable	0.06	0.05	0.05	0.03	(0.02)	(0.02)
Expense ratio	0.91	0.92	0.90	0.81	(0.11)	(0.09)
Average yield on external liabilities	0.17	0.06	0.03	(0.01)	(0.07)	(0.04)
Average interest rate spread (A)-(C)	0.16	0.20	0.16	0.20	0.00	0.04
Difference between average yield on loans and deposits (B) - (D)	0.15	0.12	0.12	0.19	0.07	0.07

(5) ROE

Senshu Ikeda Holdings 【Consolidated】

(%)

	For the fiscal year ended Mar.31, 2017	For the three months ended June 30, 2017 (a)	For the fiscal year ended Mar.31, 2018 (b)	For the three months ended June 30, 2018 (c)	(c)-(a)	(c)-(b)
Shareholders' equity ROE (Income before income taxes basis)	8.86	4.56	6.75	7.59	3.03	0.84
Shareholders' equity ROE (Profit attributable to owners of the parent basis)	5.31	3.56	3.56	5.68	2.12	2.12

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

(%)

	For the fiscal year ended Mar.31, 2017	For the three months ended June 30, 2017 (a)	For the fiscal year ended Mar.31, 2018 (b)	For the three months ended June 30, 2018 (c)	(c)-(a)	(c)-(b)
ROE (Income before income taxes basis)	8.24	4.29	6.49	7.31	3.02	0.82
ROE (Profit attributable to owners of the parent basis)	4.94	3.36	3.42	5.47	2.11	2.05

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, 2017	As of June 30, 2017 (a)	As of Mar. 31, 2018 (b)	As of June 30, 2018 (c)	(c)-(a)	(c)-(b)
Corporate loans	2,064,282	2,050,080	2,131,506	2,097,877	47,797	(33,629)
Consumer loans	1,746,889	1,752,020	1,776,527	1,777,806	25,786	1,279
Housing loans	1,710,333	1,713,654	1,731,354	1,731,279	17,625	(75)
Other loans	36,556	38,366	45,172	46,527	8,161	1,355
Total	3,811,171	3,802,101	3,908,034	3,875,684	73,583	(32,350)
Foreign currency loans	53,864	54,537	42,376	38,543	(15,994)	(3,833)

(scale of enterprise)

Large and mid-tier enterprises	456,259	451,973	445,988	428,585	(23,388)	(17,403)
Small and medium-sized enterprises	1,350,077	1,349,502	1,456,643	1,447,528	98,026	(9,115)
Local governments	186,091	177,650	168,086	161,473	(16,177)	(6,613)
Japanese government	74,500	74,500	64,946	64,946	(9,554)	—
Individuals	1,744,242	1,748,474	1,772,370	1,773,150	24,676	780
Total	3,811,171	3,802,101	3,908,034	3,875,684	73,583	(32,350)

Average Balance	3,732,105	3,778,030	3,816,475	3,867,120	89,090	50,645
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Including two business rehabilitation subsidiaries

(Millions of yen)

	As of Mar. 31, 2017	As of June 30, 2017 (a)	As of Mar. 31, 2018 (b)	As of June 30, 2018 (c)	(c)-(a)	(c)-(b)
Corporate loans	2,076,488	2,062,001	2,137,204	2,102,434	40,433	(34,770)
Consumer loans	1,746,889	1,752,020	1,776,527	1,777,806	25,786	1,279
Housing loans	1,710,333	1,713,654	1,731,354	1,731,279	17,625	(75)
Other loans	36,556	38,366	45,172	46,527	8,161	1,355
Total	3,823,377	3,814,022	3,913,732	3,880,241	66,219	(33,491)
Foreign currency loans	53,864	54,537	42,376	38,543	(15,994)	(3,833)

(scale of enterprise)

Large and mid-tier enterprises	456,259	451,973	445,988	428,585	(23,388)	(17,403)
Small and medium-sized enterprises	1,361,857	1,361,187	1,462,254	1,451,998	90,811	(10,256)
Local governments	186,091	177,650	168,086	161,473	(16,177)	(6,613)
Japanese government	74,500	74,500	64,946	64,946	(9,554)	—
Individuals	1,744,668	1,748,710	1,772,457	1,773,237	24,527	780
Total	3,823,377	3,814,022	3,913,732	3,880,241	66,219	(33,491)

Average Balance	3,748,696	3,790,123	3,827,172	3,871,941	81,818	44,769
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② Loans to small and medium-sized enterprises (SMEs), etc.

(Millions of yen, %)

	As of Mar. 31, 2017	As of June 30, 2017 (a)	As of Mar. 31, 2018 (b)	As of June 30, 2018 (c)	(c)-(a)	(c)-(b)
Loans to SMEs, etc.	3,094,320	3,097,977	3,229,013	3,220,679	122,702	(8,334)
Ratio of loans to SMEs, etc.	81.19	81.48	82.62	83.09	1.61	0.47

Including two business rehabilitation subsidiaries

(Millions of yen, %)

	As of Mar. 31, 2017	As of June 30, 2017 (a)	As of Mar. 31, 2018 (b)	As of June 30, 2018 (c)	(c)-(a)	(c)-(b)
Loans to SMEs, etc.	3,106,525	3,109,898	3,234,711	3,225,236	115,338	(9,475)
Ratio of loans to SMEs, etc.	81.25	81.53	82.65	83.11	1.58	0.46

(2) Deposits

(Millions of yen)

	As of Mar. 31, 2017	As of June 30, 2017 (a)	As of Mar. 31, 2018 (b)	As of June 30, 2018 (c)	(c)-(a)	(c)-(b)
Individual	3,783,872	3,825,922	3,825,365	3,850,216	24,294	24,851
Online branch	67,827	66,597	55,069	52,454	(14,143)	(2,615)
Corporation	1,064,425	1,074,996	1,128,618	1,138,217	63,221	9,599
General corporation	979,458	973,250	1,008,221	1,033,886	60,636	25,665
Financial institutions	15,612	6,226	5,868	5,420	(806)	(448)
Governmental funds	69,354	95,520	114,528	98,910	3,390	(15,618)
Total	4,848,297	4,900,919	4,953,983	4,988,433	87,514	34,450
Foreign currency deposits	15,472	20,029	17,936	17,862	(2,167)	(74)

Average Balance	4,787,905	4,841,970	4,881,023	4,937,133	95,163	56,110
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(3) Assets under Management

① Investment products sales

(Millions of yen)

	For the fiscal year ended Mar.31, 2017 (a)	For the fiscal year ended Mar.31, 2018 (b)	(b)-(a)	For the three months ended June 30, 2017 (c)	For the three months ended June 30, 2018 (d)	(d)-(c)
The Senshu Ikeda Bank	137,361	172,159	34,798	38,598	38,634	36
Investment trusts	85,027	99,652	14,625	22,272	18,881	(3,391)
Public bonds	766	599	(167)	274	233	(41)
Life insurance	51,568	71,906	20,338	16,051	19,520	3,469
Senshu Ikeda Tokai Tokyo Securities	46,211	68,015	21,804	13,460	12,411	(1,049)
Total	183,572	240,175	56,603	52,059	51,046	(1,013)

② Balance of assets under management(individual)

(Millions of yen)

	As of Mar. 31, 2017	As of June 30, 2017 (a)	As of Mar. 31, 2018 (b)	As of June 30, 2018 (c)	(c)-(a)	(c)-(b)
Deposits	3,783,872	3,825,922	3,825,365	3,850,216	24,294	24,851
Investment trusts	190,619	187,278	174,148	173,336	(13,942)	(812)
Life insurance	508,016	509,390	512,755	519,184	9,794	6,429
Public bonds	12,821	12,032	10,931	10,770	(1,262)	(161)
Senshu Ikeda Tokai Tokyo Securities	93,416	100,630	104,940	106,756	6,126	1,816
Total	4,588,746	4,635,254	4,628,140	4,660,264	25,010	32,124

(Reference)Balance of assets under management

(Millions of yen)

	As of Mar. 31, 2017	As of June 30, 2017 (a)	As of Mar. 31, 2018 (b)	As of June 30, 2018 (c)	(c)-(a)	(c)-(b)
The Senshu Ikeda Bank	215,356	211,135	195,442	193,734	(17,401)	(1,708)
Investment trusts	198,407	194,984	181,228	179,845	(15,139)	(1,383)
Public bonds	16,949	16,151	14,214	13,888	(2,263)	(326)
Senshu Ikeda Tokai Tokyo Securities	105,805	113,962	119,958	122,578	8,616	2,620
Total	321,162	325,097	315,401	316,312	(8,785)	911

(4) Securities

① Breakdown of security balance

(Millions of yen)

	As of Mar. 31, 2017	As of June 30, 2017 (a)	As of Mar. 31, 2018 (b)	As of June 30, 2018 (c)	(c)-(a)	(c)-(b)
Securities	954,214	838,274	760,428	788,031	(50,243)	27,603
Government bonds	62,050	105,778	72,135	72,135	(33,643)	—
Local government bonds	32,269	43,096	39,462	51,829	8,733	12,367
Corporate bonds	237,668	247,911	245,227	258,470	10,559	13,243
Authority bonds	184,463	193,742	180,272	189,648	(4,094)	9,376
Bank debenture bonds	7,419	—	—	—	—	—
General corporate bonds	45,785	54,168	64,955	68,821	14,653	3,866
Stocks	94,340	76,859	73,565	71,776	(5,083)	(1,789)
Other securities	527,885	364,629	330,037	333,819	(30,810)	3,782
Foreign securities	291,884	154,498	140,838	141,648	(12,850)	810
Euroyen bonds	22,000	17,000	11,000	10,000	(7,000)	(1,000)
Dollar-dominated bonds	220,649	83,917	85,899	88,451	4,534	2,552
Euro-dominated bonds	49,229	53,575	43,933	43,192	(10,383)	(741)
REIT	31,304	32,702	32,313	31,992	(710)	(321)
Investment trusts	196,497	169,079	149,125	151,396	(17,683)	2,271
Hedging investment trust for cross-shareholdings etc.	—	—	—	—	—	—
Investment partnership	8,199	8,348	7,758	8,781	433	1,023
Average Balance	1,034,835	868,486	830,610	784,389	(84,097)	(46,221)

② Net unrealized gains (losses) on securities

(Millions of yen)

	As of Mar. 31, 2017	As of June 30, 2017 (a)	As of Mar. 31, 2018 (b)	As of June 30, 2018 (c)	(c)-(a)	(c)-(b)
Held-to-maturity debt securities	271	177	68	50	(127)	(18)
Available-for-sale securities	14,827	18,580	10,643	11,864	(6,716)	1,221
Stocks	36,060	23,978	22,396	22,055	(1,923)	(341)
Bonds	743	517	325	432	(85)	107
Government bonds	38	87	145	153	66	8
Local government bonds	140	73	55	41	(32)	(14)
Corporate bonds	564	356	124	237	(119)	113
Other securities	(21,977)	(5,915)	(12,079)	(10,623)	(4,708)	1,456
Foreign securities	(16,226)	(2,373)	(3,424)	(3,056)	(683)	368
Euroyen bonds	—	—	—	—	—	—
Dollar-dominated bonds	(13,174)	(292)	(2,630)	(2,736)	(2,444)	(106)
Euro-dominated bonds	(3,052)	(2,080)	(793)	(320)	1,760	473
REIT	2,886	2,202	869	1,618	(584)	749
Investment trusts	(8,632)	(5,737)	(9,526)	(9,189)	(3,452)	337
Hedging investment trust for cross-shareholdings etc.	—	—	—	—	—	—
Investment partnership	(4)	(7)	1	4	11	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, 2017	As of June 30, 2017 (a)	As of Mar. 31, 2018 (b)	As of June 30, 2018 (c)		
					(c)-(a)	(c)-(b)
Bankruptcy and quasi-bankrupt credit	3,016	3,803	2,755	2,976	(827)	221
Doubtful credit	29,540	27,911	24,663	25,420	(2,491)	757
Substandard credit	10,495	10,498	6,966	7,731	(2,767)	765
Subtotal (A)	43,052	42,213	34,384	36,128	(6,085)	1,744
Normal credit	3,787,777	3,780,044	3,891,198	3,857,380	77,336	(33,818)
Total(B)	3,830,830	3,822,257	3,925,583	3,893,508	71,251	(32,075)
Non-performing loans ratio (A)/(B)	1.12	1.10	0.87	0.92	(0.18)	0.05
Partial direct write-off	31,110	31,230	29,013	29,097	(2,133)	84

(Reference)

Including two business rehabilitation subsidiaries

(Millions of yen, %)

	As of Mar. 31, 2017	As of June 30, 2017 (a)	As of Mar. 31, 2018 (b)	As of June 30, 2018 (c)		
					(c)-(a)	(c)-(b)
Bankruptcy and quasi-bankrupt credit	3,469	4,248	2,926	2,976	(1,272)	50
Doubtful credit	39,944	38,080	29,819	29,740	(8,340)	(79)
Substandard credit	10,755	10,749	7,209	7,968	(2,781)	759
Subtotal (A)	54,170	53,078	39,956	40,686	(12,392)	730
Normal credit	3,788,865	3,781,100	3,891,325	3,857,380	76,280	(33,945)
Total(B)	3,843,035	3,834,178	3,931,281	3,898,066	63,888	(33,215)
Non-performing loans ratio (A)/(B)	1.40	1.38	1.01	1.04	(0.34)	0.03
Partial direct write-off	35,408	35,521	29,065	29,279	(6,242)	214

(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.