August 3, 2016

Fukuoka Financial Group, Inc.

Financial Digest for the First Quarter of FY2016

Stock Exchange Listing:	Tokyo, Fukuoka (code:8354)
URL:	http://www.fukuoka-fg.com
Representative:	Takashige Shibato, President
For Inquiry:	Hiroshi Miyoshi, General Manager, Corporate Planning Division
Payment date of cash dividends:	—
Filing date of Financial Statements:	August 5, 2016 (scheduled)
Trading Accounts:	Established
Supplementary Materials:	Attached
IR Conference:	Not scheduled

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

1. Cosolidated Financial Highlights (from April 1, 2016 to June 30, 2016)

(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	%
1Q FY2016	62,590	(3.2)	21,709	(15.9)	14,526	(13.8)
1Q FY2015	64,692	11.0	25,821	40.3	16,855	34.2

(Note) Comprehensive income 1Q FY2016: ¥14,418 million [(29.3%)] 1Q FY2015: ¥20,399 million [4.2%]

	Net Income per Share	Net Income per Share (Diluted)
	¥	¥
1Q FY2016	16.91	—
1Q FY2015	19.62	—

(2) Consolidated Financial Position

	Total Assets	Total Net Assets	Own Capital Ratio
	¥Million	¥Million	%
June 30, 2016	17,732,996	786,513	4.4
March 31, 2016	16,406,109	784,691	4.7

(Reference) Own capital June 30, 2016: ¥786,458 million March 31, 2016: ¥784,652 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
	¥	¥	¥	¥	¥
FY2015	—	6.50	—	6.50	13.00
FY2016	—				
FY2016(projection)		6.50	—	6.50	13.00

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

3. Consolidated Earnings Projections for Fiscal year 2016, (Year ending March 31, 2017)

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

	Ordinary Profit		Net Income attributable to owners of the parent		Net Income per Share
	¥Million	%	¥Million	%	¥
Interim of FY2016	30,000	(35.3)	19,500	(36.2)	22.70
FY2016	61,500	(13.9)	40,000	(10.6)	46.57

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

4.Consolidated Financial Statements

(1) Consolidated Balance Sheets

(millions of Yen)

Item	科目 (Japanese)	As of Mar 31, 2016	As of Jun 30, 2016
(Assets)	資産の部		
Cash and due from banks	現金預け金	1,838,148	3,206,341
Call loans and bills bought	コールローン及び買入手形	9,317	6,558
Monetary claims bought	買入金銭債権	50,995	48,387
Trading assets	特定取引資産	1,824	1,901
Money held in trust	金銭の信託	3,000	7,048
Securities	有価証券	3,445,978	3,338,664
Loans and bills discounted	貸出金	10,706,710	10,749,768
Foreign exchanges	外国為替	7,979	9,361
Other assets	その他資産	105,743	127,250
Tangible fixed assets	有形固定資産	194,331	194,073
Intangible fixed assets	無形固定資産	115,965	113,965
Net defined benefit asset	退職給付に係る資産	1,290	2,222
Deferred tax assets	繰延税金資産	11,939	10,497
Customers' liabilities for acceptances and guarantees	支払承諾見返	54,431	50,546
Allowance for loan losses	貸倒引当金	(141,546)	(133,591)
Total assets	**資産の部合計**	16,406,109	17,732,996
(Liabilities)	負債の部		
Deposits	預金	12,619,816	12,709,890
Negotiable certificates of deposit	譲渡性預金	362,953	561,573
Call money and bills sold	コールマネー及び売渡手形	170,000	774,261
Payables under repurchase agreements	売現先勘定	56,340	51,455
Payables under securities lending transactions	債券貸借取引受入担保金	796,383	993,147
Trading liabilities	特定取引負債	0	0
Borrowed money	借用金	1,341,265	1,592,628
Foreign exchanges	外国為替	1,311	2,462
Short-term bonds payable	短期社債	5,000	5,000
Bonds payable	社債	40,000	40,000
Other liabilities	その他負債	141,951	134,629
Net defined benefit liability	退職給付に係る負債	1,506	924
Provision for losses on interest repayments	利息返還損失引当金	1,015	974
Provision for losses from reimbursement of inactive accounts	睡眠預金払戻損失引当金	6,127	5,749
Provision for contingent liabilities losses	その他の偶発損失引当金	68	62
Reserves under the special laws	特別法上の引当金	19	18
Deferred tax liabilities	繰延税金負債	200	127
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	23,028	23,028
Acceptances and guarantees	支払承諾	54,431	50,546
Total liabilities	**負債の部合計**	15,621,418	16,946,482
(Net assets)	純資産の部		
Capital stock	資本金	124,799	124,799
Capital surplus	資本剰余金	103,611	94,240
Retained earnings	利益剰余金	407,652	418,937
Treasury stocks	自己株式	(325)	(328)
Total shareholders' equity	株主資本合計	635,738	637,649
Valuation difference on available-for-sale securities	その他有価証券評価差額金	146,996	141,566
Deferred gains or losses on hedges	繰延ヘッジ損益	(34,847)	(30,244)
Revaluation reserve for land	土地再評価差額金	51,649	51,649
Remeasurements of defined benefit plans	退職給付に係る調整累計額	(14,885)	(14,162)
Total accumulated other comprehensive income	その他の包括利益累計額合計	148,913	148,809
Non-controlling interests	非支配株主持分	39	55
Total net assets	**純資産の部合計**	784,691	786,513
Total liabilities and net assets	**負債及び純資産の部合計**	16,406,109	17,732,996

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

Consolidated Statements of Income

(millions of Yen)

Item	科目 (Japanese)	3 months ended Jun 30, 2015	3 months ended Jun 30, 2016
Ordinary income:	**経常収益**	64,692	62,590
Interest income	資金運用収益	42,230	41,566
Interest on loans and discounts	（うち貸出金利息）	33,320	33,040
Interest and dividends on securities	（うち有価証券利息配当金）	8,255	7,886
Fees and commissions	役務取引等収益	11,734	10,575
Trading income	特定取引収益	38	12
Other operating income	その他業務収益	4,608	7,526
Other income	その他経常収益	6,080	2,909
Ordinary expenses:	**経常費用**	38,871	40,880
Interest expenses	資金調達費用	5,004	4,306
Interest on deposits	（うち預金利息）	1,772	1,293
Fees and commissions payments	役務取引等費用	2,533	3,641
Other operating expenses	その他業務費用	0	56
General and administrative expenses	営業経費	30,480	32,360
Other expenses	その他経常費用	851	515
Ordinary profit	**経常利益**	25,821	21,709
Extraordinary income	特別利益	5	1
Gain on disposal of noncurrent assets	固定資産処分益	5	0
Transfer from reserve for financial products transaction liabilities	金融商品取引責任準備金取崩額	0	1
Extraordinary loss	特別損失	181	268
Loss on disposal of noncurrent assets	固定資産処分損	141	26
Impairment loss	減損損失	39	88
Other extraordinary loss	その他の特別損失	—	153
Income before income taxes:	**税金等調整前四半期純利益**	25,645	21,443
Current	法人税、住民税及び事業税	2,989	3,527
Deferred	法人税等調整額	5,801	3,393
Total income taxes	法人税等合計	8,791	6,920
Net income	四半期純利益	16,854	14,522
Net loss attributable to non-controlling interests (-)	非支配株主に帰属する四半期純損失	(1)	(3)
Net income attributable to owners of the parent	**親会社株主に帰属する四半期純利益**	16,855	14,526

Consolidated Statements of Comprehensive Income

(millions of Yen)

Item	科目 (Japanese)	3 months ended Jun 30, 2015	3 months ended Jun 30, 2016
Net income	四半期純利益	16,854	14,522
Other comprehensive income	その他の包括利益	3,545	(104)
Valuation difference on available-for-sale securities	その他有価証券評価差額金	(396)	(5,430)
Deferred gains or losses on hedges	繰延ヘッジ損益	4,048	4,602
Remeasurements of defined benefit plans	退職給付に係る調整額	(106)	723
Total comprehensive income	四半期包括利益	20,399	14,418
(Breakdown)	(内訳)		
Comprehensive income attributable to owners of the parent	親会社株主に係る四半期包括利益	20,400	14,422
Comprehensive income attributable to non-controlling interests	非支配株主に係る四半期包括利益	(1)	(3)

【 Reference 】
【 The Bank of Fukuoka 】
Non-consolidated Balance Sheets

(millions of Yen)

Item	科目 (Japanese)	As of Mar 31, 2016	As of Jun 30, 2016
(Assets)	資産の部		
Cash and due from banks	現金預け金	1,356,264	2,611,287
Call loans	コールローン	70,317	6,558
Monetary claims bought	買入金銭債権	31,311	30,248
Trading assets	特定取引資産	1,541	1,637
Money held in trust	金銭の信託	1,000	5,648
Securities	有価証券	2,416,715	2,311,014
Loans and bills discounted	貸出金	8,260,640	8,301,645
Foreign exchanges	外国為替	5,306	6,342
Other assets	その他資産	94,485	113,807
Tangible fixed assets	有形固定資産	149,993	149,508
Intangible fixed assets	無形固定資産	8,340	8,471
Prepaid pension expenses	前払年金費用	14,012	14,196
Customers' liabilities for acceptances and guarantees	支払承諾見返	44,368	41,608
Allowance for loan losses	貸倒引当金	(90,881)	(82,484)
Total assets	**資産の部合計**	12,363,414	13,519,490
(Liabilities)	負債の部		
Deposits	預金	9,158,129	9,146,230
Negotiable certificates of deposit	譲渡性預金	266,389	422,606
Call money	コールマネー	181,472	783,704
Payables under repurchase agreements	売現先勘定	56,340	51,455
Payables under securities lending transactions	債券貸借取引受入担保金	796,383	993,147
Trading liabilities	特定取引負債	0	0
Borrowed money	借用金	1,089,779	1,313,929
Foreign exchanges	外国為替	1,279	2,366
Bonds payable	社債	10,000	10,000
Other liabilities	その他負債	126,709	115,438
Provision for losses on interest repayments	利息返還損失引当金	919	917
Provision for losses from reimbursement of inactive accounts	睡眠預金払戻損失引当金	4,451	4,147
Provision for contingent liabilities losses	その他の偶発損失引当金	68	61
Deferred tax liabilities	繰延税金負債	4,764	4,836
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	23,028	23,028
Acceptances and guarantees	支払承諾	44,368	41,608
Total liabilities	**負債の部合計**	11,764,085	12,913,480
(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	322,837	332,236
Total shareholders' equity	株主資本合計	465,647	475,047
Valuation difference on available-for-sale securities	その他有価証券評価差額金	116,878	109,557
Deferred gains or losses on hedges	繰延ヘッジ損益	(34,847)	(30,244)
Revaluation reserve for land	土地再評価差額金	51,649	51,649
Total valuation and translation adjustments	評価・換算差額等合計	133,681	130,963
Total net assets	**純資産の部合計**	599,328	606,010
Total liabilities and net assets	**負債及び純資産の部合計**	12,363,414	13,519,490

【 The Bank of Fukuoka 】

Non-consolidated Statements of Income

(millions of Yen)

Item	科目 (Japanese)	3 months ended Jun 30, 2015	3 months ended Jun 30, 2016
Ordinary income:	**経常収益**	48,161	48,619
Interest income	資金運用収益	31,960	30,725
Interest on loans and discounts	（うち貸出金利息）	24,192	24,222
Interest and dividends on securities	（うち有価証券利息配当金）	7,261	5,993
Fees and commissions	役務取引等収益	7,957	7,745
Trading income	特定取引収益	12	5
Other operating income	その他業務収益	2,957	6,307
Other income	その他経常収益	5,272	3,835
Ordinary expenses:	**経常費用**	24,360	25,849
Interest expenses	資金調達費用	4,320	3,902
Interest on deposits	（うち預金利息）	1,174	866
Fees and commissions payments	役務取引等費用	2,805	3,621
Other operating expenses	その他業務費用	1	57
General and administrative expenses	営業経費	16,689	17,956
Other expenses	その他経常費用	543	311
Ordinary profit	**経常利益**	23,801	22,770
Extraordinary income	特別利益	3	—
Gain on disposal of noncurrent assets	固定資産処分益	3	—
Extraordinary loss	特別損失	175	3
Loss on disposal of noncurrent assets	固定資産処分損	136	3
Impairment loss	減損損失	39	—
Income before income taxes:	**税引前四半期純利益**	23,629	22,766
Current	法人税、住民税及び事業税	3,235	3,831
Deferred	法人税等調整額	3,806	2,807
Total income taxes	法人税等合計	7,042	6,638
Net income	**四半期純利益**	16,587	16,128

【 Reference 】

【 The Kumamoto Bank 】

Non-consolidated Balance Sheets

(millions of Yen)

Item	科目 (Japanese)	As of Mar 31, 2016	As of Jun 30, 2016
(Assets)	資産の部		
Cash and due from banks	現金預け金	159,766	235,577
Call loans	コールローン	3,694	3,034
Securities	有価証券	282,422	283,249
Loans and bills discounted	貸出金	1,095,370	1,103,927
Foreign exchanges	外国為替	1,095	1,064
Other assets	その他資産	2,056	2,458
Tangible fixed assets	有形固定資産	17,532	17,450
Intangible fixed assets	無形固定資産	978	1,013
Prepaid pension expenses	前払年金費用	3,407	3,610
Deferred tax assets	繰延税金資産	3,885	3,826
Customers' liabilities for acceptances and guarantees	支払承諾見返	4,115	3,997
Allowance for loan losses	貸倒引当金	(14,635)	(16,279)
Total assets	**資産の部合計**	1,559,688	1,642,930
(Liabilities)	負債の部		
Deposits	預金	1,296,255	1,403,376
Negotiable certificates of deposit	譲渡性預金	32,916	25,911
Call money	コールマネー	36,000	—
Borrowed money	借用金	98,000	118,000
Foreign exchanges	外国為替	1	3
Other liabilities	その他負債	4,156	3,323
Provision for losses from reimbursement of inactive accounts	睡眠預金払戻損失引当金	369	349
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	1,392	1,390
Acceptances and guarantees	支払承諾	4,115	3,997
Total liabilities	**負債の部合計**	1,473,207	1,556,353
(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	10,833	9,826
Total shareholders' equity	株主資本合計	78,527	77,520
Valuation difference on available-for-sale securities	その他有価証券評価差額金	7,042	8,149
Revaluation reserve for land	土地再評価差額金	911	906
Total valuation and translation adjustments	評価・換算差額等合計	7,953	9,055
Total net assets	**純資産の部合計**	86,481	86,576
Total liabilities and net assets	**負債及び純資産の部合計**	1,559,688	1,642,930

【 The Kumamoto Bank 】

Non-consolidated Statements of Income

(millions of Yen)

Item	科目 (Japanese)	3 months ended Jun 30, 2015	3 months ended Jun 30, 2016
Ordinary income:	**経常収益**	6,559	5,745
Interest income	資金運用収益	4,829	4,707
Interest on loans and discounts	（うち貸出金利息）	4,235	4,141
Interest and dividends on securities	（うち有価証券利息配当金）	543	516
Fees and commissions	役務取引等収益	1,227	1,008
Other operating income	その他業務収益	144	8
Other income	その他経常収益	358	21
Ordinary expenses:	**経常費用**	4,416	6,481
Interest expenses	資金調達費用	300	211
Interest on deposits	（うち預金利息）	250	188
Fees and commissions payments	役務取引等費用	513	911
General and administrative expenses	営業経費	3,479	3,591
Other expenses	その他経常費用	123	1,767
Ordinary profit (loss)	**経常利益又は経常損失**	2,143	(736)
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	0	248
Loss on disposal of noncurrent assets	固定資産処分損	0	6
Impairment loss	減損損失	—	88
Other extraordinary loss	その他の特別損失	—	153
Income (loss) before income taxes:	**税引前四半期純利益又は税引前四半期純損失**	2,142	(985)
Current	法人税、住民税及び事業税	(85)	31
Deferred	法人税等調整額	715	(206)
Total income taxes	法人税等合計	630	(174)
Net income (loss)	**四半期純利益又は四半期純損失**	1,511	(810)

【 Reference 】

【 The Shinwa Bank 】

Non-consolidated Balance Sheets

(millions of Yen)

Item	科目 (Japanese)	As of Mar 31, 2016	As of Jun 30, 2016
(Assets)	資産の部		
Cash and due from banks	現金預け金	324,545	361,941
Call loans	コールローン	7,778	6,408
Trading account securities	商品有価証券	212	198
Securities	有価証券	752,071	750,905
Loans and bills discounted	貸出金	1,465,210	1,462,927
Foreign exchanges	外国為替	1,578	1,954
Other assets	その他資産	6,785	7,123
Tangible fixed assets	有形固定資産	44,690	45,020
Intangible fixed assets	無形固定資産	1,297	1,328
Prepaid pension expenses	前払年金費用	4,610	4,702
Deferred tax assets	繰延税金資産	2,016	—
Customers' liabilities for acceptances and guarantees	支払承諾見返	5,844	4,841
Allowance for loan losses	貸倒引当金	(20,934)	(18,584)
Total assets	**資産の部合計**	2,595,706	2,628,768
(Liabilities)	負債の部		
Deposits	預金	2,188,823	2,187,274
Negotiable certificates of deposit	譲渡性預金	86,647	136,055
Call money	コールマネー	25,000	—
Borrowed money	借用金	152,985	160,237
Foreign exchanges	外国為替	31	91
Other liabilities	その他負債	5,233	4,974
Provision for losses from reimbursement of inactive accounts	睡眠預金払戻損失引当金	1,306	1,252
Provision for contingent liabilities losses	その他の偶発損失引当金	—	1
Deferred tax liabilities	繰延税金負債	—	134
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	4,421	4,419
Acceptances and guarantees	支払承諾	5,844	4,841
Total liabilities	**負債の部合計**	2,470,294	2,499,282
(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	13,507	15,913
Total shareholders' equity	株主資本合計	87,263	89,670
Valuation difference on available-for-sale securities	その他有価証券評価差額金	23,457	25,131
Revaluation reserve for land	土地再評価差額金	14,690	14,683
Total valuation and translation adjustments	評価・換算差額等合計	38,148	39,815
Total net assets	**純資産の部合計**	125,411	129,485
Total liabilities and net assets	**負債及び純資産の部合計**	2,595,706	2,628,768

【 The Shinwa Bank 】

Non-consolidated Statements of Income

(millions of Yen)

Item	科目 (Japanese)	3 months ended Jun 30, 2015	3 months ended Jun 30, 2016
Ordinary income:	**経常収益**	9,104	10,511
Interest income	資金運用収益	6,537	6,382
Interest on loans and discounts	（うち貸出金利息）	5,042	4,877
Interest and dividends on securities	（うち有価証券利息配当金）	1,371	1,391
Fees and commissions	役務取引等収益	2,009	1,701
Other operating income	その他業務収益	454	21
Other income	その他経常収益	103	2,405
Ordinary expenses:	**経常費用**	6,654	6,744
Interest expenses	資金調達費用	446	282
Interest on deposits	（うち預金利息）	348	239
Fees and commissions payments	役務取引等費用	837	987
Other operating expenses	その他業務費用	1	—
General and administrative expenses	営業経費	5,201	5,366
Other expenses	その他経常費用	167	108
Ordinary profit	**経常利益**	2,450	3,766
Extraordinary income	特別利益	1	0
Gain on disposal of noncurrent assets	固定資産処分益	1	0
Extraordinary loss	特別損失	4	7
Loss on disposal of noncurrent assets	固定資産処分損	4	7
Income before income taxes:	**税引前四半期純利益**	2,447	3,759
Current	法人税、住民税及び事業税	(387)	(647)
Deferred	法人税等調整額	1,128	1,626
Total income taxes	法人税等合計	740	979
Net income	**四半期純利益**	1,706	2,780

FFG Fukuoka Financial Group

Financial Digest for the First Quarter of FY2016

August 3, 2016

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Capital adequacy ratio will be announced soon after the calculation is completed.

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

(¥ mil.)

	3 banks' total			FFG (consolidated)			
	3 months ended Jun 30, 2016	Comparison	3 months ended Jun 30, 2015	3 months ended Jun 30, 2016	Comparison	3 months ended Jun 30, 2015	FY2015
Gross business profit	48,639	(227)	48,866	51,676	603	51,073	190,087
Net interest income	37,419	(842)	38,261	37,260	35	37,225	148,573
Net fees and commissions	4,934	(2,104)	7,038	6,934	(2,266)	9,200	29,935
Net trading income	5	(7)	12	12	(26)	38	127
Net other operating income	6,279	2,726	3,553	7,469	2,861	4,608	11,450
Gains (losses) on sales (redemptions) of bonds	5,031	2,073	2,958	5,032	2,073	2,959	2,569
Overhead expenses (-)	25,840	467	25,373	31,281	782	30,499	121,134
Business profit (before transfer to general reserve for possible loan losses)	22,799	(693)	23,492	20,394	(179)	20,573	68,953
① Transfer to general reserve for possible loan losses (-)	[(1,739)]	—	[(954)]	[(553)]	—	[(1,153)]	[(8,948)]
Business profit	22,799	(693)	23,492	20,394	(179)	20,573	68,953
Core business profit	17,767	(2,766)	20,533	15,362	(2,251)	17,613	66,383
Other operating profit (loss)	3,001	(1,902)	4,903	1,315	(3,932)	5,247	2,473
② Credit cost for disposal of non-performing loans (-)	(4,166)	(230)	(3,936)	(2,574)	1,205	(3,779)	(2,732)
Net transfer to specific reserve for possible loan losses (-)	[(2,396)]	—	[(2,765)]	[(1,950)]	—	[(2,365)]	[7,397]
Reversal of allowance for loan losses	4,135	416	3,719	2,503	(1,015)	3,518	1,551
Recoveries of written-off claims	184	(103)	287	184	(103)	287	1,291
Total credit cost ①+② (-)	(4,166)	(230)	(3,936)	(2,574)	1,205	(3,779)	(2,732)
Gains (losses) on stocks	7	(1,378)	1,385	11	(1,931)	1,942	2,589
Others	(1,172)	(753)	(419)	(1,271)	(797)	(474)	(2,848)
Ordinary profit	25,800	(2,595)	28,395	21,709	(4,112)	25,821	71,426
Extraordinary profit (loss)	(259)	(84)	(175)	(266)	(91)	(175)	(2,061)
Income (loss) before income taxes	25,541	(2,678)	28,219	21,443	(4,202)	25,645	69,365
Total income taxes (-)	7,443	(970)	8,413	6,920	(1,871)	8,791	24,141
Net income	18,097	(1,709)	19,806	14,522	(2,332)	16,854	45,223
Net income attributable to non-controlling interests (-)				(3)	(2)	(1)	505
Net income attributable to owners of the parent				14,526	(2,329)	16,855	44,718

<Notes> The three notes described below are also applied to subsidiary banks (p13-14).
1. "( )"denotes minus.
2. Core business profit
= Business profit + Transfer to general reserve for possible loan losses − Gains (losses) on sales (redemptions) of bonds
3. For the 1Q of FY2015 and the 1Q of FY2016, 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.

■ 3 months Summary

Core business profit (3 banks' total) **¥17.8 billion** | Progress on FY2016 Projection 25.0%

➢Core business profit (three banks' total) decreased ¥2.8 billion from a year earlier to ¥17.8 billion, mainly due to decreases of net interest income and net fees and commissions. It progressed at a rate of 25.0% on FY2016 projection (¥71.0 billion).

Credit cost (3 banks' total)(-) **¥(4.2) billion**

➢Although partly affected by the Kumamoto earthquakes, we posted a reversal gain of ¥4.2 billion as credit cost in associated with borrowers' upgrades.

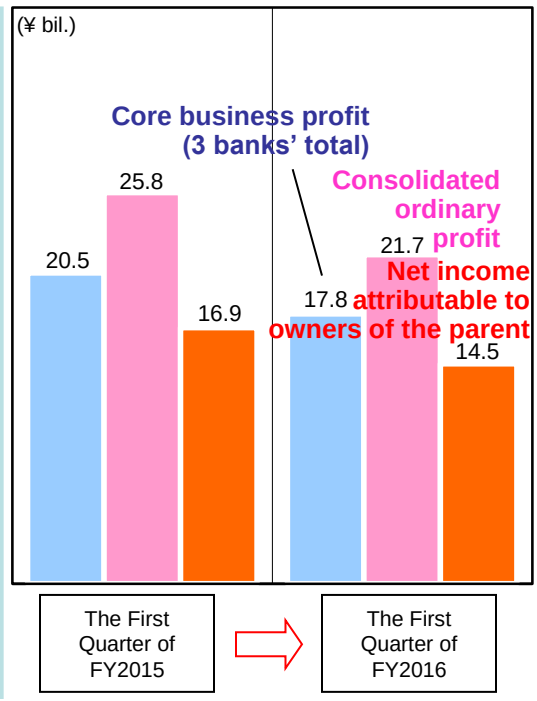
Consolidated ordinary profit **¥21.7 billion** | Progress on FY2016 Projection 35.3%

➢Consolidated ordinary profit decreased ¥4.1 billion from a year earlier to ¥21.7 billion.

Net income attributable to owners of the parent **¥14.5 billion** | Progress on FY2016 Projection 36.3%

➢As a result, net income attributable to owners of the parent was ¥14.5 billion, showing steady progress at a rate of 36.3% on the FY2016 projection (¥40.0 billion).

Gain and Loss



The Bank of Fukuoka (non-consolidated)

(¥ mil.)

	3 months ended Jun 30, 2016	3 months ended Jun 30, 2015	Comparison	FY2015
Gross business profit	37,202	35,762	1,440	129,451
Net interest income	26,823	27,640	(817)	107,729
Domestic	25,310	25,799	(489)	100,893
International	1,512	1,841	(329)	6,835
Net fees and commissions	4,123	5,152	(1,029)	15,696
Net trading income	5	12	(7)	43
Net other operating income	6,249	2,956	3,293	5,983
Gains (losses) on sales (redemptions) of bonds	5,031	2,458	2,573	2,003
Gains on foreign exchange transactions	(56)	267	(323)	1,561
Overhead expenses (-)	17,191	16,778	413	66,054
Business profit (before transfer to general reserve for possible loan losses)	20,011	18,983	1,028	63,396
① Transfer to general reserve for possible loan losses (-)	[(2,931)]	[(252)]	—	[(3,350)]
Business profit	20,011	18,983	1,028	63,396
Core business profit	14,979	16,525	(1,546)	61,393
Other operating profit (loss)	2,759	4,818	(2,059)	3,409
② Credit cost for disposal of non-performing loans (-)	(3,532)	(3,584)	52	(1,820)
Net transfer to specific reserve for possible loan losses (-)	[(561)]	[(3,151)]	—	[2,102]
Reversal of allowance for loan losses	3,492	3,403	89	1,247
Recoveries of written-off claims	139	190	(51)	665
Total credit cost ①+② (-)	(3,532)	(3,584)	52	(1,820)
Gains (losses) on stocks	7	1,385	(1,378)	1,847
Others	(781)	(152)	(629)	(258)
Ordinary profit	22,770	23,801	(1,031)	66,806
Extraordinary profit (loss)	(3)	(172)	169	(1,626)
Income (loss) before income taxes	22,766	23,629	(863)	65,179
Total income taxes (-)	6,638	7,042	(404)	19,568
Net income	16,128	16,587	(459)	45,611

The Kumamoto Bank (non-consolidated)

(¥ mil.)

	3 months ended Jun 30, 2016	3 months ended Jun 30, 2015	Comparison	FY2015
Gross business profit	4,601	5,388	(787)	20,792
Net interest income	4,496	4,529	(33)	18,170
Domestic	4,481	4,526	(45)	18,139
International	14	3	11	30
Net fees and commissions	96	714	(618)	2,390
Net other operating income	8	144	(136)	231
Gains (losses) on sales (redemptions) of bonds	0	103	(103)	108
Gains on foreign exchange transactions	8	40	(32)	117
Overhead expenses (-)	3,499	3,475	24	13,789
Business profit (before transfer to general reserve for possible loan losses)	1,101	1,912	(811)	7,002
① Transfer to general reserve for possible loan losses (-)	1,621	[(187)]	1,621	[(1,926)]
Business profit	(520)	1,912	(2,432)	7,002
Core business profit	1,101	1,809	(708)	6,894
Other operating profit (loss)	(216)	231	(447)	381
② Credit cost for disposal of non-performing loans (-)	85	(328)	413	(965)
Net transfer to specific reserve for possible loan losses (-)	71	[(133)]	71	[1,171]
Reversal of allowance for loan losses	—	320	(320)	754
Recoveries of written-off claims	15	30	(15)	253
Total credit cost ①+② (-)	1,707	(328)	2,035	(965)
Gains (losses) on stocks	—	0	(0)	91
Others	(130)	(97)	(33)	(675)
Ordinary profit	(736)	2,143	(2,879)	7,384
Extraordinary profit (loss)	(248)	(0)	(248)	(14)
Income (loss) before income taxes	(985)	2,142	(3,127)	7,369
Total income taxes (-)	(174)	630	(804)	2,110
Net income	(810)	1,511	(2,321)	5,259

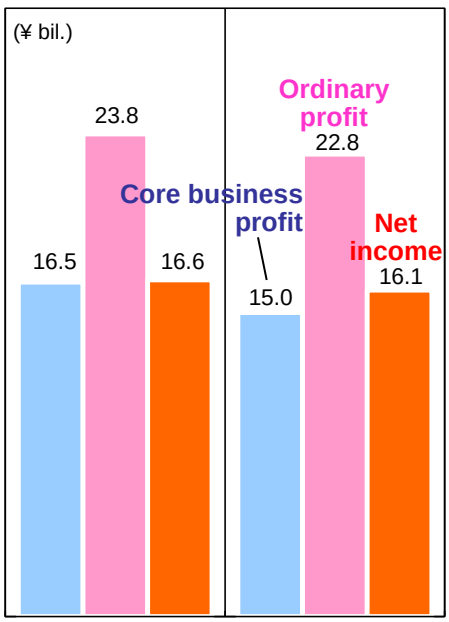
The Shinwa Bank (non-consolidated)

(¥ mil.)

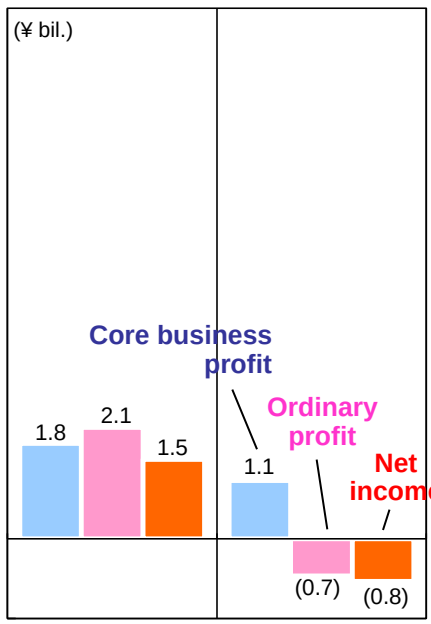
	3 months ended Jun 30, 2016	3 months ended Jun 30, 2015	Comparison	FY2015
Gross business profit	6,835	7,715	(880)	28,661
Net interest income	6,099	6,091	8	24,096
Domestic	6,075	6,084	(9)	24,052
International	24	7	17	43
Net fees and commissions	714	1,171	(457)	3,851
Net other operating income	21	452	(431)	713
Gains (losses) on sales (redemptions) of bonds	0	397	(397)	457
Gains on foreign exchange transactions	19	52	(33)	184
Overhead expenses (-)	5,149	5,119	30	20,129
Business profit (before transfer to general reserve for possible loan losses)	1,686	2,596	(910)	8,531
① Transfer to general reserve for possible loan losses (-)	[(429)]	(514)	514	[(3,377)]
Business profit	1,686	3,111	(1,425)	8,531
Core business profit	1,686	2,199	(513)	8,073
Other operating profit (loss)	2,080	(660)	2,740	(788)
② Credit cost for disposal of non-performing loans (-)	(2,342)	491	(2,833)	(841)
Net transfer to specific reserve for possible loan losses (-)	[(1,907)]	518	(518)	[2,918]
Reversal of allowance for loan losses	2,336	—	2,336	458
Recoveries of written-off claims	28	66	(38)	371
Total credit cost ①+② (-)	(2,342)	(23)	(2,319)	(841)
Gains (losses) on stocks	(0)	—	(0)	(55)
Others	(261)	(169)	(92)	(1,574)
Ordinary profit	3,766	2,450	1,316	7,742
Extraordinary profit (loss)	(7)	(2)	(5)	(487)
Income (loss) before income taxes	3,759	2,447	1,312	7,255
Total income taxes (-)	979	740	239	2,048
Net income	2,780	1,706	1,074	5,206

Gain and Loss

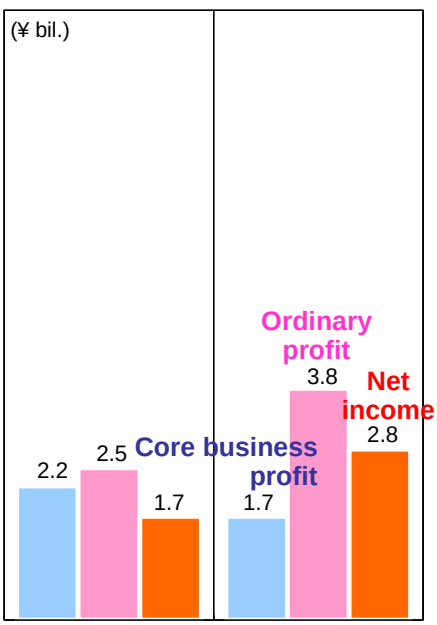
The Bank of Fukuoka (non-consolidated)



The Kumamoto Bank (non-consolidated)



The Shinwa Bank (non-consolidated)

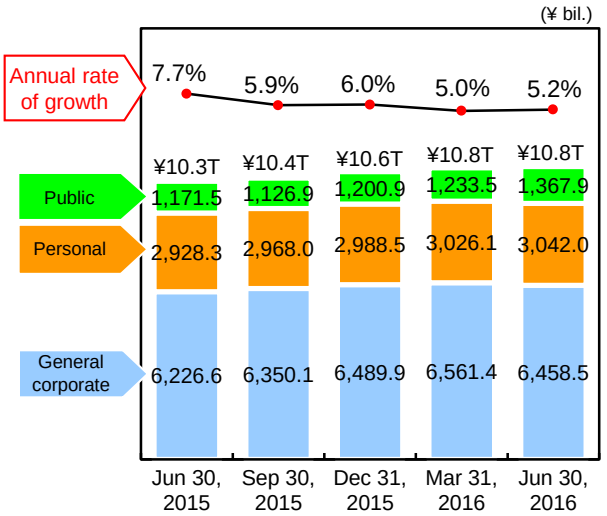


2. Assets and liabilities

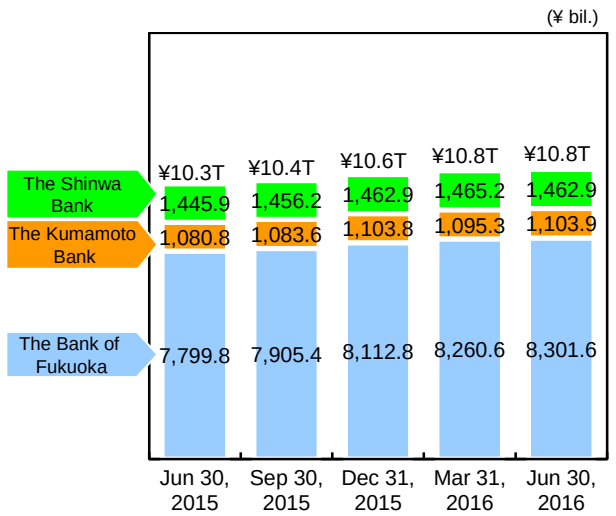
(1) Loans

3 banks' total

Loans classified by customer segment (Term-end balance)



Loans classified by bank (Term-end balance)



(¥ mil.)

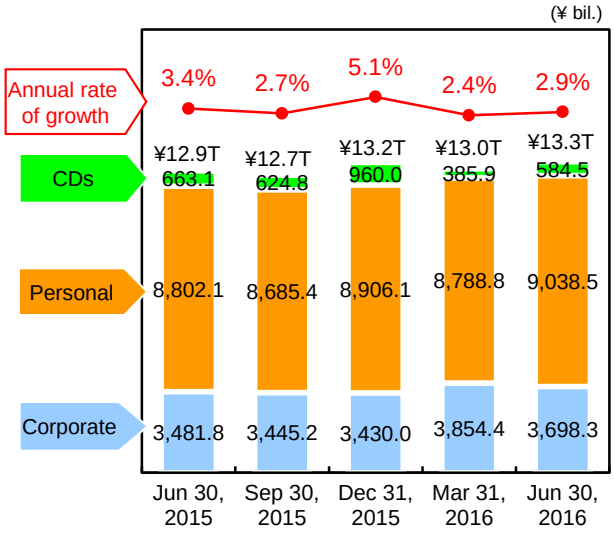
		Jun 30, 2016 annual rate of growth	Jun 30, 2016	change from Mar 31, 2016	change from Jun 30, 2015	Mar 31,2016	Jun 30,2015
3 banks' total	Total loans	5.2%	10,868,499	47,279	541,891	10,821,220	10,326,608
	Personal segment	3.9%	3,042,047	15,889	113,655	3,026,158	2,928,392
	Corporate segment	5.8%	7,826,451	31,391	428,235	7,795,060	7,398,216
	Personal loans	4.0%	2,938,589	15,511	114,051	2,923,078	2,824,538
	Housing loans	3.0%	2,657,309	7,443	77,753	2,649,866	2,579,556
	Consumer loans	27.3%	198,876	7,483	42,600	191,393	156,276
	Loans to small-and-medium-sized enterprises, etc. ratio	–	71.44%	(1.12%)	(0.08%)	72.56%	71.52%
The Bank of Fukuoka (non-consolidated)	Total loans	6.4%	8,301,645	41,005	501,835	8,260,640	7,799,810
	Personal segment	4.3%	2,175,296	14,329	89,174	2,160,967	2,086,122
	Corporate segment	7.2%	6,126,349	26,676	412,661	6,099,673	5,713,688
	Fukuoka prefecture	4.6%	6,314,507	(112,726)	278,577	6,427,233	6,035,930
	Personal loans	4.4%	2,106,863	13,195	87,876	2,093,668	2,018,987
	Housing loans	3.1%	1,906,725	5,890	57,925	1,900,835	1,848,800
	Consumer loans	31.2%	138,472	6,432	32,921	132,040	105,551
	Loans to small-and-medium-sized enterprises, etc. ratio	–	70.08%	(1.01%)	0.01%	71.09%	70.07%
The Kumamoto Bank (non-consolidated)	Total loans	2.1%	1,103,927	8,557	23,036	1,095,370	1,080,891
	Personal segment	4.4%	418,264	1,179	17,624	417,085	400,640
	Corporate segment	0.8%	685,663	7,379	5,412	678,284	680,251
	Kumamoto prefecture	2.0%	1,018,145	10,412	20,289	1,007,733	997,856
	Personal loans	4.6%	396,267	1,536	17,313	394,731	378,954
	Housing loans	4.3%	367,267	1,648	15,006	365,619	352,261
	Consumer loans	19.2%	23,489	(29)	3,777	23,518	19,712
	Loans to small-and-medium-sized enterprises, etc. ratio	–	84.40%	(1.30%)	1.38%	85.70%	83.02%
The Shinwa Bank (non-consolidated)	Total loans	1.2%	1,462,927	(2,283)	17,020	1,465,210	1,445,907
	Personal segment	1.6%	448,487	381	6,857	448,106	441,630
	Corporate segment	1.0%	1,014,439	(2,664)	10,162	1,017,103	1,004,277
	Nagasaki prefecture	3.5%	1,070,574	1,561	35,929	1,069,013	1,034,645
	Personal loans	2.1%	435,459	780	8,862	434,679	426,597
	Housing loans	1.3%	383,317	(95)	4,822	383,412	378,495
	Consumer loans	19.0%	36,915	1,080	5,902	35,835	31,013
	Loans to small-and-medium-sized enterprises, etc. ratio	–	69.42%	(1.62%)	(1.33%)	71.04%	70.75%

<Note> The term-end balance of loans includes loans granted by the Bank of Fukuoka to FFG (¥87.0 billion at the end of June 2015, ¥101.5 billion at the end of March 2016, and ¥106.0 billion at the end of June 2016).

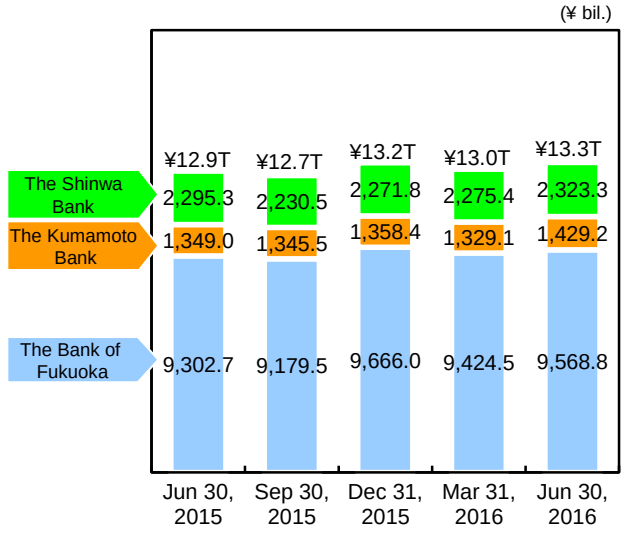
(2) Deposits

3 banks' total

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



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



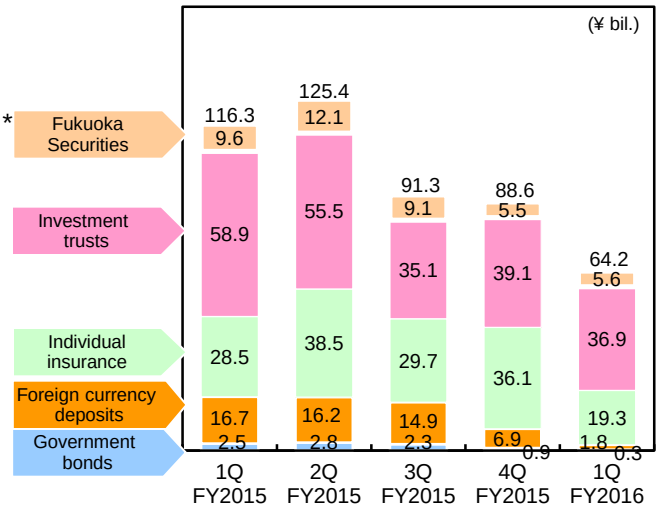
(¥ mil.)

		Jun 30, 2016 annual rate of growth	Jun 30, 2016	change from Mar 31, 2016	change from Jun 30, 2015	Mar 31, 2016	Jun 30, 2015
3 banks' total	Personal deposits	2.7%	9,038,552	249,748	236,389	8,788,804	8,802,163
	Corporate deposits	6.2%	3,698,328	(156,075)	216,452	3,854,403	3,481,876
	Total	3.7%	12,736,880	93,673	452,841	12,643,207	12,284,039
	Demand	4.9%	7,877,701	60,140	368,046	7,817,561	7,509,655
	Time	1.8%	4,859,177	33,532	84,794	4,825,645	4,774,383
	CDs	(11.8%)	584,572	198,620	(78,574)	385,952	663,146
	Deposits and CDs	2.9%	13,321,454	292,292	374,268	13,029,162	12,947,186
The Bank of Fukuoka (non-consolidated)	Personal deposits	2.2%	6,536,547	142,440	143,583	6,394,107	6,392,964
	Corporate deposits	7.0%	2,609,683	(154,339)	171,570	2,764,022	2,438,113
	Total	3.6%	9,146,230	(11,899)	315,153	9,158,129	8,831,077
	Demand	3.8%	5,962,040	(57,674)	216,877	6,019,714	5,745,163
	Time	3.2%	3,184,190	45,776	98,276	3,138,414	3,085,914
	CDs	(10.4%)	422,606	156,217	(49,057)	266,389	471,663
	Deposits and CDs	2.9%	9,568,837	144,318	266,097	9,424,519	9,302,740
	Fukuoka prefecture	2.7%	8,534,003	(20,491)	223,137	8,554,494	8,310,866
The Kumamoto Bank (non-consolidated)	Personal deposits	7.7%	1,054,295	77,338	75,242	976,957	979,053
	Corporate deposits	9.9%	349,081	29,783	31,470	319,298	317,611
	Total	8.2%	1,403,376	107,121	106,712	1,296,255	1,296,664
	Demand	17.8%	698,295	92,569	105,448	605,726	592,847
	Time	0.2%	705,080	14,551	1,264	690,529	703,816
	CDs	(50.5%)	25,911	(7,005)	(26,487)	32,916	52,398
	Deposits and CDs	5.9%	1,429,288	100,116	80,226	1,329,172	1,349,062
	Kumamoto prefecture	8.8%	1,306,916	109,599	105,989	1,197,317	1,200,927
The Shinwa Bank (non-consolidated)	Personal deposits	1.2%	1,447,710	29,970	17,564	1,417,740	1,430,146
	Corporate deposits	1.8%	739,564	(31,519)	13,412	771,083	726,152
	Total	1.4%	2,187,274	(1,549)	30,976	2,188,823	2,156,298
	Demand	3.9%	1,217,366	25,245	45,721	1,192,121	1,171,645
	Time	(1.5%)	969,907	(26,795)	(14,746)	996,702	984,653
	CDs	(2.2%)	136,055	49,408	(3,030)	86,647	139,085
	Deposits and CDs	1.2%	2,323,329	47,858	27,945	2,275,471	2,295,384
	Nagasaki prefecture	1.6%	1,916,913	(4,181)	30,832	1,921,094	1,886,081

(3) Asset management products

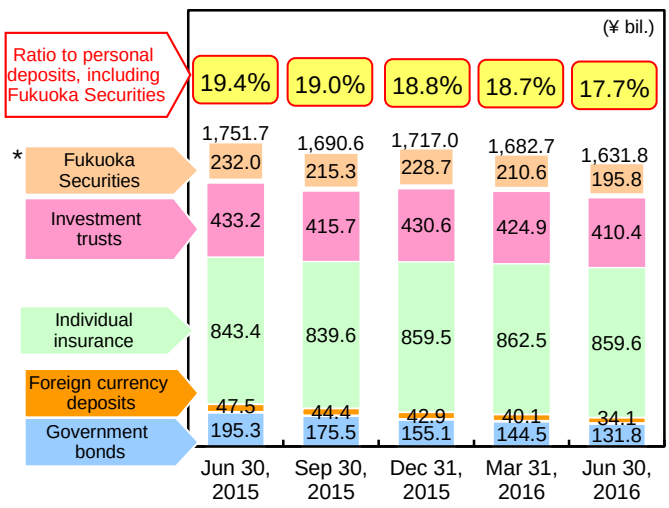
Group's total

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.

(¥ bil.)

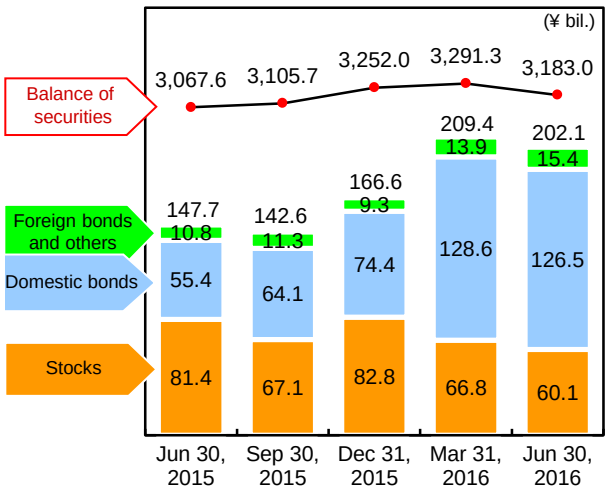
		Sales of asset management products					Outstanding balance of assets under management for individual customers				
		1Q FY2016 (3 months)	change from 4Q FY2015	change from 1Q FY2015	4Q FY2015 (3 months)	1Q FY2015 (3 months)	Jun 30, 2016	Change from Mar 31, 2016	Change from Jun 30, 2015	Mar 31, 2016	Jun 30, 2015
Group's total	Investment trusts	36.9	(2.2)	(22.0)	39.1	58.9	410.4	(14.5)	(22.8)	424.9	433.2
	Individual insurance	19.3	(16.8)	(9.2)	36.1	28.5	859.6	(2.9)	16.2	862.5	843.4
	Foreign currency deposits	1.8	(5.1)	(14.9)	6.9	16.7	34.1	(6.0)	(13.4)	40.1	47.5
	Government bonds	0.3	(0.6)	(2.2)	0.9	2.5	131.8	(12.7)	(63.5)	144.5	195.3
	Fukuoka Securities	5.6	0.1	(4.0)	5.5	9.6	195.8	(14.8)	(36.2)	210.6	232.0
	Total	64.2	(24.4)	(52.1)	88.6	116.3	1,631.8	(50.9)	(119.9)	1,682.7	1,751.7
	Ratio to personal deposits						17.7%	(1.0%)	(1.7%)	18.7%	19.4%
The Bank of Fukuoka (non-consolidated)	Investment trusts	25.2	(0.1)	(8.5)	25.3	33.7	272.9	(8.9)	(14.9)	281.8	287.8
	Individual insurance	12.4	(9.7)	(2.8)	22.1	15.2	550.9	4.9	12.0	546.0	538.9
	Foreign currency deposits	1.5	(2.8)	(8.0)	4.3	9.5	25.5	(4.5)	(9.5)	30.0	35.0
	Government bonds	0.3	(0.5)	(1.7)	0.8	2.0	117.1	(11.5)	(53.5)	128.6	170.6
	Total	39.4	(13.2)	(21.1)	52.6	60.5	966.6	(19.9)	(65.9)	986.5	1,032.5
	Ratio to personal deposits						14.8%	(0.6%)	(1.4%)	15.4%	16.2%
The Kumamoto Bank (non-consolidated)	Investment trusts	4.6	(1.4)	(5.4)	6.0	10.0	62.2	(3.1)	(6.4)	65.3	68.6
	Individual insurance	2.0	(4.7)	(2.2)	6.7	4.2	121.0	(3.5)	5.1	124.5	115.9
	Foreign currency deposits	0.1	(1.0)	(3.4)	1.1	3.5	3.7	(0.5)	(2.2)	4.2	5.9
	Government bonds	—	(0.0)	(0.0)	0.0	0.0	2.2	(0.2)	(1.1)	2.4	3.3
	Total	6.8	(7.1)	(11.1)	13.9	17.9	189.3	(7.3)	(4.6)	196.6	193.9
	Ratio to personal deposits						18.0%	(2.1%)	(1.8%)	20.1%	19.8%
The Shinwa Bank (non-consolidated)	Investment trusts	7.0	(0.7)	(8.0)	7.7	15.0	75.1	(2.6)	(1.6)	77.7	76.7
	Individual insurance	4.9	(2.3)	(4.1)	7.2	9.0	187.6	(4.2)	(1.0)	191.8	188.6
	Foreign currency deposits	0.1	(1.3)	(3.5)	1.4	3.6	4.8	(1.0)	(1.7)	5.8	6.5
	Government bonds	0.0	0.0	(0.4)	0.0	0.4	12.3	(1.1)	(9.0)	13.4	21.3
	Total	12.2	(4.3)	(16.0)	16.5	28.2	280.0	(8.8)	(13.2)	288.8	293.2
	Ratio to personal deposits						19.3%	(1.1%)	(1.2%)	20.4%	20.5%

<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.

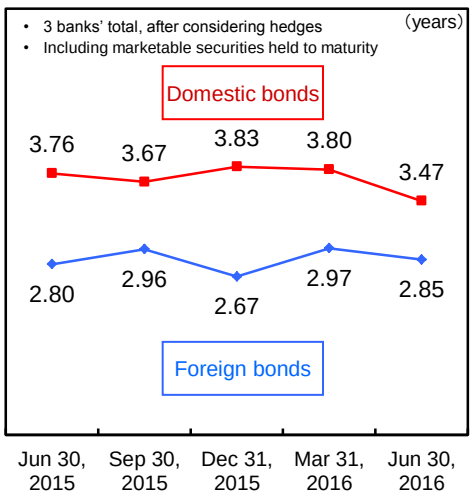
(4) Marketable securities

FFG (consolidated)

Unrealized gain



Bond duration



(¥ mil.)

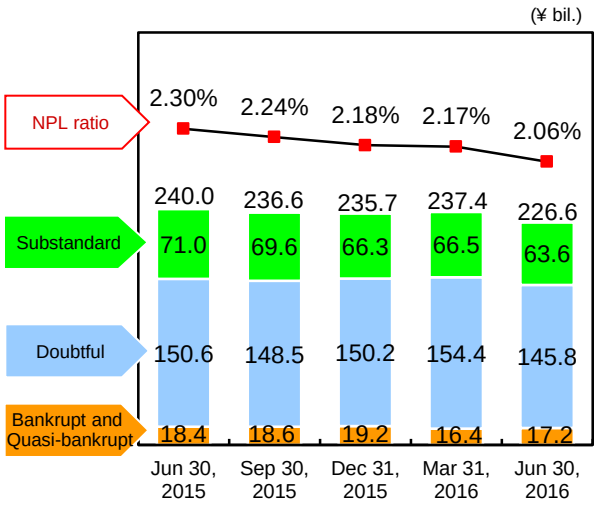
		Jun 30, 2016				Mar 31, 2016	
		Market value	change from Mar 31, 2016	Unrealized gain(loss)	change from Mar 31, 2016	Market value	Unrealized gain(loss)
FFG (consolidated)	Total	3,183,049	(108,320)	202,120	(7,309)	3,291,369	209,429
	Stocks	125,684	(6,780)	60,107	(6,706)	132,464	66,813
	Domestic bonds	2,754,918	(106,763)	126,575	(2,050)	2,861,681	128,625
	National government bonds	2,070,766	(112,317)	112,112	(2,533)	2,183,083	114,645
	Local government bonds	67,537	5,192	1,728	50	62,345	1,678
	Corporate bonds	616,614	362	12,734	433	616,252	12,301
	Foreign bonds and Others	302,446	5,223	15,437	1,447	297,223	13,990
The Bank of Fukuoka (consolidated)	Total	2,150,954	(107,981)	158,315	(11,414)	2,258,935	169,729
	Stocks	113,712	(6,796)	59,702	(6,752)	120,508	66,454
	Domestic bonds	1,734,798	(106,409)	83,176	(6,109)	1,841,207	89,285
	National government bonds	1,222,580	(112,288)	73,156	(6,310)	1,334,868	79,466
	Local government bonds	40,528	5,192	1,175	1	35,336	1,174
	Corporate bonds	471,688	687	8,844	200	471,001	8,644
	Foreign bonds and Others	302,443	5,224	15,436	1,447	297,219	13,989
The Kumamoto Bank (non-consolidated)	Total	282,267	826	11,690	1,607	281,441	10,083
	Stocks	1,925	545	973	548	1,380	425
	Domestic bonds	280,338	282	10,716	1,059	280,056	9,657
	National government bonds	225,507	344	9,489	1,014	225,163	8,475
	Local government bonds	1,280	3	46	3	1,277	43
	Corporate bonds	53,551	(64)	1,181	43	53,615	1,138
	Foreign bonds and Others	3	(0)	0	—	3	0
The Shinwa Bank (non-consolidated)	Total	749,827	(1,165)	35,682	2,503	750,992	33,179
	Stocks	10,046	(529)	3,000	(497)	10,575	3,497
	Domestic bonds	739,781	(636)	32,682	3,000	740,417	29,682
	National government bonds	622,678	(373)	29,466	2,762	623,051	26,704
	Local government bonds	25,728	(3)	506	46	25,731	460
	Corporate bonds	91,374	(260)	2,708	190	91,634	2,518
	Foreign bonds and Others	—	—	—	—	—	—

3. Non-performing loans
（Direct write-off is adopted）

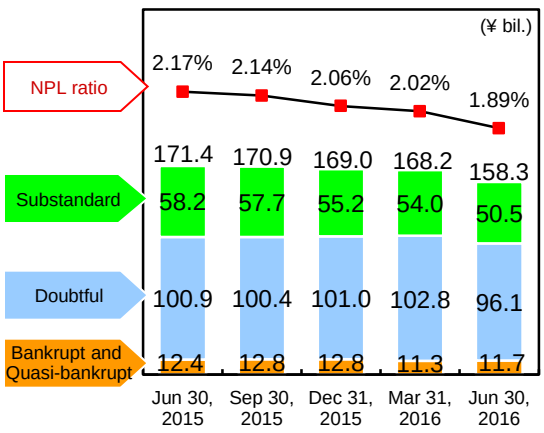
3 banks' total

(¥ bil.)

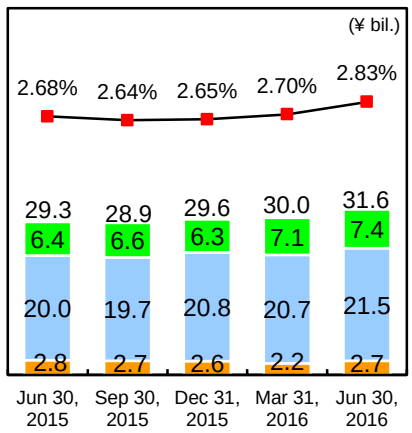
	Jun 30, 2016	change from Mar 31, 2016	change from Jun 30, 2015	Mar 31, 2016	Jun 30, 2015
①NPLs under the FRL	226.6	(10.8)	(13.3)	237.4	240.0
Bankrupt and Quasi-bankrupt	17.2	0.8	(1.2)	16.4	18.4
Doubtful	145.8	(8.6)	(4.8)	154.4	150.6
Substandard	63.6	(2.9)	(7.3)	66.5	71.0
Normal customers	10,723.2	56.5	547.0	10,666.7	10,176.2
②Total credits	10,949.8	45.7	533.7	10,904.1	10,416.2
Ratio of NPLs under the FRL to the total credits ①/②	2.06%	(0.11%)	(0.24%)	2.17%	2.30%



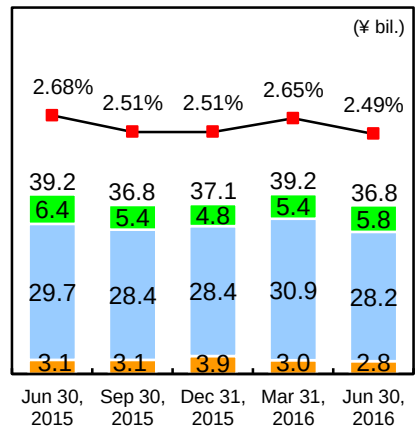
The Bank of Fukuoka (non-consolidated)



The Kumamoto Bank (non-consolidated)



The Shinwa Bank (non-consolidated)



4. Interest rate spread (Domestic division)

(%)

	3 banks' total			The Bank of Fukuoka (non-consolidated)			The Kumamoto Bank (non-consolidated)			The Shinwa Bank (non-consolidated)		
	1Q FY2016 (3 months)	YoY change	1Q FY2015 (3 months)	1Q FY2016 (3 months)	YoY change	1Q FY2015 (3 months)	1Q FY2016 (3 months)	YoY change	1Q FY2015 (3 months)	1Q FY2016 (3 months)	YoY change	1Q FY2015 (3 months)
(1) Average yield on interest earning assets	1.14	(0.09)	1.23	1.11	(0.10)	1.21	1.38	(0.05)	1.43	1.17	(0.04)	1.21
Loans and bills discounted ①	1.23	(0.08)	1.31	1.17	(0.08)	1.25	1.52	(0.07)	1.59	1.34	(0.06)	1.40
Securities	0.86	(0.14)	1.00	0.90	(0.23)	1.13	0.75	(0.02)	0.77	0.77	0.01	0.76
(2) Average yield on interest bearing liabilities	0.75	(0.06)	0.81	0.68	(0.08)	0.76	1.00	(0.04)	1.04	0.88	(0.03)	0.91
Deposits and CDs ②	0.03	(0.02)	0.05	0.03	(0.02)	0.05	0.05	(0.02)	0.07	0.04	(0.02)	0.06
External liabilities	0.05	(0.07)	0.12	0.06	(0.07)	0.13	0.04	(0.05)	0.09	0.03	(0.08)	0.11
(3) Difference between average yields on loans and deposits ①-②	1.20	(0.06)	1.26	1.14	(0.06)	1.20	1.47	(0.05)	1.52	1.30	(0.04)	1.34
(4) Average interest rate spread (1)-(2)	0.39	(0.03)	0.42	0.43	(0.02)	0.45	0.38	(0.01)	0.39	0.29	(0.01)	0.30