November 10, 2016

Fukuoka Financial Group, Inc.

Financial Digest for the Interim 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:	December 9, 2016 (scheduled)
Filing date of Financial Statements:	November 22, 2016 (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. Cosolidated Financial Highlights (from April 1, 2016 to September 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	%
Interim of FY2016	115,994	(7.5)	32,408	(30.1)	21,036	(31.2)
Interim of FY2015	125,463	9.9	46,368	37.4	30,568	39.3

(Note) Comprehensive income Interim of FY2016: ¥15,993 million [(38.1%)] Interim of FY2015: ¥25,836 million [(22.1%)]

	Net Income per Share	Net Income per Share (Diluted)
	¥	¥
Interim of FY2016	24.49	—
Interim of FY2015	35.43	—

(2) Consolidated Financial Position

	Total Assets	Total Net Assets	Own Capital Ratio
	¥Million	¥Million	%
September 30, 2016	17,578,828	788,096	4.4
March 31, 2016	16,406,109	784,691	4.7

(Reference) Own capital September 30, 2016: ¥788,055 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	—	6.50			
FY2016(projection)			—	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	%	¥
FY2016	62,000	(13.2)	40,000	(10.6)	46.57

(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, 2016	As of Sep 30, 2016
(Assets)	資産の部		
Cash and due from banks	現金預け金	1,838,148	2,771,143
Call loans and bills bought	コールローン及び買入手形	9,317	2,500
Monetary claims bought	買入金銭債権	50,995	50,112
Trading assets	特定取引資産	1,824	1,857
Money held in trust	金銭の信託	3,000	8,011
Securities	有価証券	3,445,978	3,303,996
Loans and bills discounted	貸出金	10,706,710	11,051,552
Foreign exchanges	外国為替	7,979	11,669
Other assets	その他資産	105,743	140,962
Tangible fixed assets	有形固定資産	194,331	196,058
Intangible fixed assets	無形固定資産	115,965	112,729
Net defined benefit assets	退職給付に係る資産	1,290	3,722
Deferred tax assets	繰延税金資産	11,939	11,306
Customers' liabilities for acceptances and guarantees	支払承諾見返	54,431	47,038
Allowance for loan losses	貸倒引当金	(141,546)	(133,833)
Total assets	**資産の部合計**	16,406,109	17,578,828
(Liabilities)	負債の部		
Deposits	預金	12,619,816	12,673,508
Negotiable certificates of deposit	譲渡性預金	362,953	532,313
Call money and bills sold	コールマネー及び売渡手形	170,000	360,112
Payables under repurchase agreements	売現先勘定	56,340	50,560
Payables under securities lending transactions	債券貸借取引受入担保金	796,383	1,378,901
Trading liabilities	特定取引負債	0	0
Borrowed money	借用金	1,341,265	1,561,962
Foreign exchanges	外国為替	1,311	1,018
Short-term bonds payable	短期社債	5,000	5,000
Bonds payable	社債	40,000	30,000
Other liabilities	その他負債	141,951	119,684
Net defined benefit liability	退職給付に係る負債	1,506	950
Provision for losses on interest repayments	利息返還損失引当金	1,015	980
Provision for losses from reimbursement of inactive accounts	睡眠預金払戻損失引当金	6,127	5,411
Provision for contingent liabilities losses	その他の偶発損失引当金	68	64
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	177
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	47,038
Total liabilities	**負債の部合計**	15,621,418	16,790,732
(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	94,255
Retained earnings	利益剰余金	407,652	425,447
Treasury stock	自己株式	(325)	(331)
Total shareholders' equity	株主資本合計	635,738	644,170
Valuation difference on available-for-sale securities	その他有価証券評価差額金	146,996	128,899
Deferred gains or losses on hedges	繰延ヘッジ損益	(34,847)	(23,212)
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)	(13,451)
Total accumulated other comprehensive income	その他の包括利益累計額合計	148,913	143,885
Non-controlling interests	非支配株主持分	39	40
Total net assets	**純資産の部合計**	784,691	788,096
Total liabilities and net assets	**負債及び純資産の部合計**	16,406,109	17,578,828

(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, 2015	6 months ended Sep 30, 2016
Ordinary income:	**経常収益**	125,463	115,994
Interest income	資金運用収益	84,225	83,037
Interest on loans and discounts	（うち貸出金利息）	67,114	66,218
Interest and dividends on securities	（うち有価証券利息配当金）	15,811	15,404
Fees and commissions	役務取引等収益	24,404	22,099
Trading income	特定取引収益	67	40
Other operating income	その他業務収益	6,827	9,617
Other income	その他経常収益	9,937	1,199
Ordinary expenses:	**経常費用**	79,094	83,585
Interest expenses	資金調達費用	10,029	8,519
Interest on deposits	（うち預金利息）	3,515	2,711
Fees and commissions payments	役務取引等費用	7,581	8,997
Other operating expenses	その他業務費用	6	791
General and administrative expenses	営業経費	60,068	63,954
Other expenses	その他経常費用	1,407	1,322
Ordinary profit	**経常利益**	46,368	32,408
Extraordinary income	特別利益	5	27
Gain on disposal of noncurrent assets	固定資産処分益	5	26
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	398	515
Loss on disposal of noncurrent assets	固定資産処分損	299	86
Impairment loss	減損損失	99	109
Other extraordinary loss	その他の特別損失	—	319
Income before income taxes:	**税金等調整前中間純利益**	45,976	31,920
Current	法人税、住民税及び事業税	4,213	5,785
Deferred	法人税等調整額	10,706	5,113
Total income taxes	法人税等合計	14,920	10,898
Net income	中間純利益	31,055	21,021
Net loss attributable to non-controlling interests (-)	非支配株主に帰属する中間純利益又は非支配株主に帰属する中間純損失	487	(14)
Net income attributable to owners of the parent	**親会社株主に帰属する中間純利益**	30,568	21,036

Consolidated Statements of Comprehensive Income

(millions of Yen)

Item	科目 (Japanese)	6 months ended Sep 30, 2015	6 months ended Sep 30, 2016
Net income	中間純利益	31,055	21,021
Other comprehensive income	その他の包括利益	(5,219)	(5,028)
Valuation difference on available-for-sale securities	その他有価証券評価差額金	(4,047)	(18,096)
Deferred gains or losses on hedges	繰延ヘッジ損益	(957)	11,634
Remeasurements of defined benefit plans	退職給付に係る調整額	(213)	1,433
Total comprehensive income	中間包括利益	25,836	15,993
(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	25,348	16,008
Comprehensive income attributable to non-controlling interests	非支配株主に係る中間包括利益	487	(14)

(3) Consolidated Statements of Changes in Net Assets

Interim of FY2015

(millions of Yen)

Item	科目 (Japanese)	Shareholders' equity 株主資本				
		Capital stock 資本金	Capital surplus 資本剰余金	Retained earnings 利益剰余金	Treasury stock 自己株式	Total shareholders' equity 株主資本合計
Balance as of Mar 31, 2015	当期首残高	124,799	103,611	373,930	(295)	602,045
Changes during the period:	当中間期変動額					
Dividends from surplus	剰余金の配当			(5,284)		(5,284)
Net income attributable to owners of the parent	親会社株主に帰属する中間純利益			30,568		30,568
Acquisition of treasury stock	自己株式の取得				(20)	(20)
Disposition of treasury stock	自己株式の処分		0		0	0
Transfer from revaluation reserve for land	土地再評価差額金の取崩					—
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	—	0	25,283	(20)	25,263
Balance as of Sep 30, 2015	当中間期末残高	124,799	103,611	399,214	(316)	627,308

		Accumulated other comprehensive income その他の包括利益累計額					Non-controlling interests 非支配株主持分	Total net assets 純資産合計
		Valuation difference on available-for-sale securities その他有価証券評価差額金	Deferred gains or losses on hedges 繰延ヘッジ損益	Revaluation reserve for land 土地再評価差額金	Remeasurements of defined benefit plans 退職給付に係る調整累計額	Total accumulated other comprehensive income その他の包括利益累計額合計		
Balance as of Mar 31, 2015	当期首残高	102,869	(10,487)	50,439	8,179	151,001	25,046	778,093
Changes during the period:	当中間期変動額							
Dividends from surplus	剰余金の配当							(5,284)
Net income attributable to owners of the parent	親会社株主に帰属する中間純利益							30,568
Acquisition of treasury stock	自己株式の取得							(20)
Disposition of treasury stock	自己株式の処分							0
Transfer from revaluation reserve for land	土地再評価差額金の取崩							—
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)	(4,047)	(957)	—	(213)	(5,219)	(25,002)	(30,221)
Total changes during the period	当中間期変動額合計	(4,047)	(957)	—	(213)	(5,219)	(25,002)	(4,958)
Balance as of Sep 30, 2015	当中間期末残高	98,822	(11,445)	50,439	7,965	145,782	43	773,134

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	—
Transfer from revaluation reserve for land	土地再評価差額金の取崩					—
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 その他の包括利益累計額					Non-controlling interests	Total net assets
		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	非支配株主持分	純資産合計
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							—
Transfer from revaluation reserve for land	土地再評価差額金の取崩							—
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

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

(millions of Yen)

Item	科目 (Japanese)	As of Mar 31, 2016	As of Sep 30, 2016
(Assets)	資産の部		
Cash and due from banks	現金預け金	1,356,264	2,199,560
Call loans	コールローン	70,317	22,500
Monetary claims bought	買入金銭債権	31,311	30,234
Trading assets	特定取引資産	1,541	1,536
Money held in trust	金銭の信託	1,000	5,611
Securities	有価証券	2,416,715	2,283,847
Loans and bills discounted	貸出金	8,260,640	8,588,057
Foreign exchanges	外国為替	5,306	9,056
Other assets	その他資産	94,485	132,373
Tangible fixed assets	有形固定資産	149,993	151,176
Intangible fixed assets	無形固定資産	8,340	9,114
Prepaid pension expenses	前払年金費用	14,012	14,370
Customers' liabilities for acceptances and guarantees	支払承諾見返	44,368	37,949
Allowance for loan losses	貸倒引当金	(90,881)	(81,311)
Total assets	**資産の部合計**	12,363,414	13,404,077
(Liabilities)	負債の部		
Deposits	預金	9,158,129	9,129,972
Negotiable certificates of deposit	譲渡性預金	266,389	398,398
Call money	コールマネー	181,472	370,051
Payables under repurchase agreements	売現先勘定	56,340	50,560
Payables under securities lending transactions	債券貸借取引受入担保金	796,383	1,378,901
Trading liabilities	特定取引負債	0	0
Borrowed money	借用金	1,089,779	1,283,127
Foreign exchanges	外国為替	1,279	986
Bonds payable	社債	10,000	10,000
Other liabilities	その他負債	126,709	99,431
Provision for losses on interest repayments	利息返還損失引当金	919	915
Provision for losses from reimbursement of inactive accounts	睡眠預金払戻損失引当金	4,451	3,927
Provision for contingent liabilities losses	その他の偶発損失引当金	68	64
Deferred tax liabilities	繰延税金負債	4,764	4,206
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	37,949
Total liabilities	**負債の部合計**	11,764,085	12,791,521
(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	341,724
Total shareholders' equity	株主資本合計	465,647	484,535
Valuation difference on available-for-sale securities	その他有価証券評価差額金	116,878	99,583
Deferred gains or losses on hedges	繰延ヘッジ損益	(34,847)	(23,212)
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	128,021
Total net assets	**純資産の部合計**	599,328	612,556
Total liabilities and net assets	**負債及び純資産の部合計**	12,363,414	13,404,077

【 The Bank of Fukuoka 】

Non-consolidated Statements of Income

(millions of Yen)

Item	科目 (Japanese)	6 months ended Sep 30, 2015	6 months ended Sep 30, 2016
Ordinary income:	**経常収益**	90,191	89,077
Interest income	資金運用収益	62,867	61,519
Interest on loans and discounts	（うち貸出金利息）	48,738	48,519
Interest and dividends on securities	（うち有価証券利息配当金）	13,117	11,855
Fees and commissions	役務取引等収益	16,938	16,362
Trading income	特定取引収益	22	11
Other operating income	その他業務収益	3,953	7,309
Other income	その他経常収益	6,409	3,874
Ordinary expenses:	**経常費用**	49,953	53,344
Interest expenses	資金調達費用	8,665	7,729
Interest on deposits	（うち預金利息）	2,315	1,832
Fees and commissions payments	役務取引等費用	7,667	8,922
Other operating expenses	その他業務費用	2	775
General and administrative expenses	営業経費	32,761	35,231
Other expenses	その他経常費用	856	685
Ordinary profit	**経常利益**	40,237	35,733
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	321	36
Loss on disposal of noncurrent assets	固定資産処分損	282	36
Impairment loss	減損損失	39	—
Income before income taxes:	**税引前中間純利益**	39,919	35,697
Current	法人税、住民税及び事業税	5,247	6,280
Deferred	法人税等調整額	6,386	3,800
Total income taxes	法人税等合計	11,633	10,081
Net income	**中間純利益**	28,285	25,615

【 Reference 】
【 The Kumamoto Bank 】
Non-consolidated Balance Sheets

(millions of Yen)

Item	科目 (Japanese)	As of Mar 31, 2016	As of Sep 30, 2016
(Assets)	資産の部		
Cash and due from banks	現金預け金	159,766	229,884
Call loans	コールローン	3,694	3,846
Securities	有価証券	282,422	279,018
Loans and bills discounted	貸出金	1,095,370	1,124,424
Foreign exchanges	外国為替	1,095	1,104
Other assets	その他資産	2,056	2,170
Tangible fixed assets	有形固定資産	17,532	17,547
Intangible fixed assets	無形固定資産	978	1,173
Prepaid pension expenses	前払年金費用	3,407	3,812
Deferred tax assets	繰延税金資産	3,885	4,425
Customers' liabilities for acceptances and guarantees	支払承諾見返	4,115	4,047
Allowance for loan losses	貸倒引当金	(14,635)	(17,472)
Total assets	**資産の部合計**	1,559,688	1,653,982
(Liabilities)	負債の部		
Deposits	預金	1,296,255	1,416,676
Negotiable certificates of deposit	譲渡性預金	32,916	24,624
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	8
Other liabilities	その他負債	4,156	3,736
Provision for losses from reimbursement of inactive accounts	睡眠預金払戻損失引当金	369	275
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	4,047
Total liabilities	**負債の部合計**	1,473,207	1,568,758
(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	9,369
Total shareholders' equity	株主資本合計	78,527	77,063
Valuation difference on available-for-sale securities	その他有価証券評価差額金	7,042	7,254
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	8,160
Total net assets	**純資産の部合計**	86,481	85,224
Total liabilities and net assets	**負債及び純資産の部合計**	1,559,688	1,653,982

【 The Kumamoto Bank 】

Non-consolidated Statements of Income

(millions of Yen)

Item	科目 (Japanese)	6 months ended Sep 30, 2015	6 months ended Sep 30, 2016
Ordinary income:	**経常収益**	13,782	11,566
Interest income	資金運用収益	9,679	9,354
Interest on loans and discounts	（うち貸出金利息）	8,513	8,258
Interest and dividends on securities	（うち有価証券利息配当金）	1,066	985
Fees and commissions	役務取引等収益	2,602	2,113
Other operating income	その他業務収益	177	26
Other income	その他経常収益	1,324	71
Ordinary expenses:	**経常費用**	9,030	12,842
Interest expenses	資金調達費用	613	439
Interest on deposits	（うち預金利息）	514	404
Fees and commissions payments	役務取引等費用	1,388	1,815
Other operating expenses	その他業務費用	0	2
General and administrative expenses	営業経費	6,841	7,213
Other expenses	その他経常費用	186	3,370
Ordinary profit (loss)	**経常利益又は経常損失**	4,752	(1,276)
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	2	364
Loss on disposal of noncurrent assets	固定資産処分損	2	15
Impairment loss	減損損失	—	88
Other extraordinary loss	その他の特別損失	—	260
Income (loss) before income taxes:	**税引前中間純利益又は税引前中間純損失**	4,750	(1,640)
Current	法人税、住民税及び事業税	261	53
Deferred	法人税等調整額	926	(426)
Total income taxes	法人税等合計	1,188	(373)
Net income (loss)	**中間純利益又は中間純損失**	3,561	(1,267)

【 Reference 】
【 The Shinwa Bank 】
Non-consolidated Balance Sheets

(millions of Yen)

Item	科目 (Japanese)	As of Mar 31, 2016	As of Sep 30, 2016
(Assets)	資産の部		
Cash and due from banks	現金預け金	324,545	344,228
Call loans	コールローン	7,778	6,092
Trading account securities	商品有価証券	212	224
Securities	有価証券	752,071	747,097
Loans and bills discounted	貸出金	1,465,210	1,465,958
Foreign exchanges	外国為替	1,578	1,508
Other assets	その他資産	6,785	5,778
Tangible fixed assets	有形固定資産	44,690	45,267
Intangible fixed assets	無形固定資産	1,297	1,507
Prepaid pension expenses	前払年金費用	4,610	4,790
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	4,946
Allowance for loan losses	貸倒引当金	(20,934)	(18,380)
Total assets	**資産の部合計**	2,595,706	2,609,019
(Liabilities)	負債の部		
Deposits	預金	2,188,823	2,152,126
Negotiable certificates of deposit	譲渡性預金	86,647	132,290
Call money	コールマネー	25,000	20,000
Borrowed money	借用金	152,985	160,351
Foreign exchanges	外国為替	31	23
Other liabilities	その他負債	5,233	5,125
Provision for losses from reimbursement of inactive accounts	睡眠預金払戻損失引当金	1,306	1,208
Deferred tax liabilities	繰延税金負債	—	200
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	4,946
Total liabilities	**負債の部合計**	2,470,294	2,480,692
(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	17,190
Total shareholders' equity	株主資本合計	87,263	90,946
Valuation difference on available-for-sale securities	その他有価証券評価差額金	23,457	22,724
Revaluation reserve for land	土地再評価差額金	14,690	14,656
Total valuation and translation adjustments	評価・換算差額等合計	38,148	37,380
Total net assets	**純資産の部合計**	125,411	128,327
Total liabilities and net assets	**負債及び純資産の部合計**	2,595,706	2,609,019

【 The Shinwa Bank 】

Non-consolidated Statements of Income

(millions of Yen)

Item	科目 (Japanese)	6 months ended Sep 30, 2015	6 months ended Sep 30, 2016
Ordinary income:	**経常収益**	19,716	18,804
Interest income	資金運用収益	12,944	12,568
Interest on loans and discounts	（うち貸出金利息）	10,092	9,665
Interest and dividends on securities	（うち有価証券利息配当金）	2,611	2,669
Fees and commissions	役務取引等収益	4,024	3,483
Other operating income	その他業務収益	526	53
Other income	その他経常収益	2,219	2,698
Ordinary expenses:	**経常費用**	13,144	13,306
Interest expenses	資金調達費用	881	551
Interest on deposits	（うち預金利息）	687	476
Fees and commissions payments	役務取引等費用	1,827	2,060
Other operating expenses	その他業務費用	1	12
General and administrative expenses	営業経費	10,158	10,449
Other expenses	その他経常費用	275	233
Ordinary profit	**経常利益**	6,572	5,497
Extraordinary income	特別利益	2	26
Gain on disposal of noncurrent assets	固定資産処分益	2	26
Extraordinary loss	特別損失	82	44
Loss on disposal of noncurrent assets	固定資産処分損	14	23
Impairment loss	減損損失	68	21
Income before income taxes:	**税引前中間純利益**	6,491	5,479
Current	法人税、住民税及び事業税	(1,042)	(1,295)
Deferred	法人税等調整額	2,548	2,746
Total income taxes	法人税等合計	1,506	1,451
Net income	**中間純利益**	4,985	4,028

FFG Fukuoka Financial Group

Financial Digest for the Interim of FY2016

November 10, 2016

Contents

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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

(¥ mil.)

【announced projections】	3 banks' total: 6 months ended Sep 30, 2016	3 banks' total: Comparison	3 banks' total: 6 months ended Sep 30, 2015	FFG (consolidated): 6 months ended Sep 30, 2016	FFG (consolidated): Comparison	FFG (consolidated): 6 months ended Sep 30, 2015
Gross business profit	90,496	(2,193)	92,689	96,488	(1,420)	97,908
Net interest income	74,723	(607)	75,330	74,519	324	74,195
Net fees and commissions	9,161	(3,521)	12,682	13,102	(3,721)	16,823
Net trading income	11	(11)	22	40	(27)	67
Net other operating income	6,600	1,947	4,653	8,825	2,004	6,821
Gains (losses) on sales (redemptions) of bonds	4,442	1,473	2,969	4,442	1,473	2,969
Overhead expenses (-)	50,700	869	49,831	61,751	1,579	60,172
Business profit (before transfer to general reserve for possible loan losses)	39,796	(3,061)	42,857	34,737	(2,999)	37,736
① Transfer to general reserve for possible loan losses (-)	[(4,892)]	—	—	(3,134)	(3,134)	[(5,311)] —
Business profit	39,796	(3,061)	42,857	37,871	135	37,736
Core business profit 【35,300】	35,353	(4,535)	39,888	30,294	(4,472)	34,766
Other operating profit (loss)	158	(8,546)	8,704	(5,463)	(14,095)	8,632
② Credit cost for disposal of non-performing loans (-)	(2,550)	4,993	(7,543)	2,977	10,042	(7,065)
Net transfer to specific reserve for possible loan losses (-)	[2,718] —	—	[(1,527)] —	3,385	3,385	[(925)] —
Reversal of allowance for loan losses	2,173	(4,575)	6,748	—	(6,236)	6,236
Recoveries of written-off claims	550	(178)	728	550	(178)	728
Total credit cost ①+② (-) 【1,500】	(2,550)	4,993	(7,543)	(156)	6,909	(7,065)
Gains (losses) on stocks	281	(1,323)	1,604	338	(1,839)	2,177
Others	(2,674)	(2,231)	(443)	(2,824)	(2,215)	(609)
Ordinary profit 【34,600】	39,954	(11,608)	51,562	32,408	(13,960)	46,368
Extraordinary profit (loss)	(418)	(17)	(401)	(487)	(95)	(392)
Income (loss) before income taxes	39,536	(11,625)	51,161	31,920	(14,056)	45,976
Total income taxes (-)	11,159	(3,169)	14,328	10,898	(4,022)	14,920
Net income 【25,000】	28,376	(8,456)	36,832	21,021	(10,034)	31,055
Net income attributable to non-controlling interests (-)				(14)	(501)	487
Net income attributable to owners of the parent 【19,500】				21,036	(9,532)	30,568

<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 FY2015 and the interim period 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.

■ 6 months Summary

Core business profit (3 banks' total) ¥35.4 billion

➢Core business profit (3 banks' total) decreased ¥4.5 billion from a year earlier to ¥35.4 billion due to a decrease of net fees and commissions and an increase of overhead expenses. However, the result was largely in line with our plan.

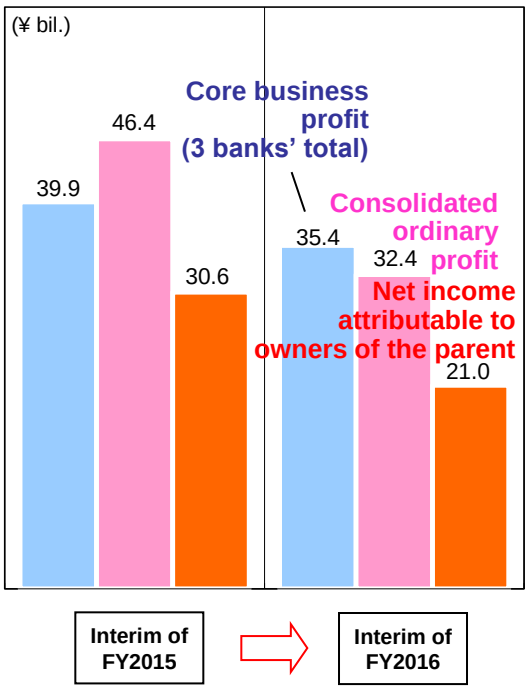
Consolidated ordinary profit ¥32.4 billion

➢Consolidated ordinary profit decreased ¥14.0 billion from a year earlier to ¥32.4 billion due to a decrease of core business profit and an increase of credit cost partly as *an influence of the Kumamoto Earthquake.
* FFG recorded aggregate credit cost of ¥5.5 billion as the influence of the Kumamoto Earthquake. (The influence was all factored into the result for this interim period.)

Net income attributable to owners of the parent ¥21.0 billion

➢As a result, net income attributable to owners of the parent decreased ¥9.5 billion from a year earlier to ¥21.0 billion.

Gain and Loss



The Bank of Fukuoka (non-consolidated)

(¥ mil.)

【announced projections】	6 months ended Sep 30, 2016	6 months ended Sep 30, 2015	Comparison
Gross business profit	67,778	67,446	332
Net interest income	53,792	54,202	(410)
Domestic	50,725	50,694	31
International	3,066	3,507	(441)
Net fees and commissions	7,440	9,270	(1,830)
Net trading income	11	22	(11)
Net other operating income	6,534	3,950	2,584
Gains (losses) on sales (redemptions) of bonds	4,454	2,469	1,985
Gains on foreign exchange transactions	175	806	(631)
Overhead expenses (-)	33,671	32,992	679
Business profit (before transfer to general reserve for possible loan losses)	34,106	34,453	(347)
① Transfer to general reserve for possible loan losses (-)	[(6,382)]	[(2,327)]	—
Business profit	34,106	34,453	(347)
Core business profit 【29,200】	29,652	31,984	(2,332)
Other operating profit (loss)	1,626	5,784	(4,158)
② Credit cost for disposal of non-performing loans (-)	(3,183)	(4,253)	1,070
Net transfer to specific reserve for possible loan losses (-)	[3,540]	[(1,456)]	—
Reversal of allowance for loan losses	▶ 2,842	▶ 3,784	(942)
Recoveries of written-off claims	448	408	40
Total credit cost ①+② (-) 【1,000】	(3,183)	(4,253)	1,070
Gains (losses) on stocks	268	1,608	(1,340)
Others	(1,825)	(77)	(1,748)
Ordinary profit 【30,100】	35,733	40,237	(4,504)
Extraordinary profit (loss)	(36)	(318)	282
Income (loss) before income taxes	35,697	39,919	(4,222)
Total income taxes (-)	10,081	11,633	(1,552)
Net income 【21,400】	25,615	28,285	(2,670)

The Kumamoto Bank (non-consolidated)

(¥ mil.)

【announced projections】	6 months ended Sep 30, 2016	6 months ended Sep 30, 2015	Comparison
Gross business profit	9,235	10,456	(1,221)
Net interest income	8,914	9,065	(151)
Domestic	8,883	9,056	(173)
International	30	8	22
Net fees and commissions	297	1,213	(916)
Net other operating income	24	177	(153)
Gains (losses) on sales (redemptions) of bonds	(2)	103	(105)
Gains on foreign exchange transactions	26	69	(43)
Overhead expenses (-)	7,014	6,841	173
Business profit (before transfer to general reserve for possible loan losses)	2,221	3,614	(1,393)
① Transfer to general reserve for possible loan losses (-)	2,329	[(1,343)]	2,329
Business profit	(107)	3,614	(3,721)
Core business profit 【1,800】	2,223	3,511	(1,288)
Other operating profit (loss)	(1,168)	1,137	(2,305)
② Credit cost for disposal of non-performing loans (-)	853	(1,288)	2,141
Net transfer to specific reserve for possible loan losses (-)	858	[74]	858
Reversal of allowance for loan losses	—	▶ 1,268	(1,268)
Recoveries of written-off claims	47	42	5
Total credit cost ①+② (-) 【300】	3,183	(1,288)	4,471
Gains (losses) on stocks	—	0	(0)
Others	(314)	(151)	(163)
Ordinary profit 【1,200】	(1,276)	4,752	(6,028)
Extraordinary profit (loss)	(364)	(2)	(362)
Income (loss) before income taxes	(1,640)	4,750	(6,390)
Total income taxes (-)	(373)	1,188	(1,561)
Net income 【900】	(1,267)	3,561	(4,828)

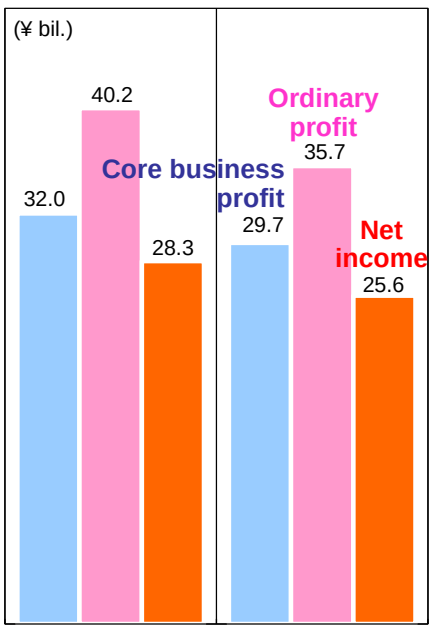
The Shinwa Bank (non-consolidated)

(¥ mil.)

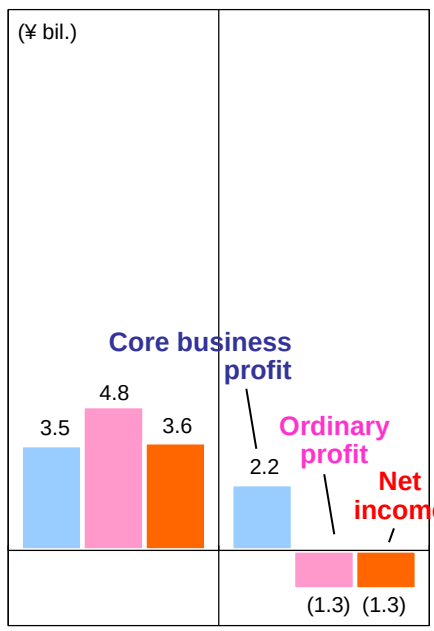
【announced projections】	6 months ended Sep 30, 2016	6 months ended Sep 30, 2015	Comparison
Gross business profit	13,482	14,786	(1,304)
Net interest income	12,017	12,063	(46)
Domestic	11,964	12,046	(82)
International	52	16	36
Net fees and commissions	1,423	2,197	(774)
Net other operating income	41	525	(484)
Gains (losses) on sales (redemptions) of bonds	(8)	396	(404)
Gains on foreign exchange transactions	44	96	(52)
Overhead expenses (-)	10,014	9,996	18
Business profit (before transfer to general reserve for possible loan losses)	3,468	4,789	(1,321)
① Transfer to general reserve for possible loan losses (-)	[(838)] —	[(1,549)] —	—
Business profit	3,468	4,789	(1,321)
Core business profit 【4,300】	3,477	4,392	(915)
Other operating profit (loss)	2,029	1,782	247
② Credit cost for disposal of non-performing loans (-)	(2,549)	(2,001)	(548)
Net transfer to specific reserve for possible loan losses (-)	[(1,680)] —	[(145)] —	—
Reversal of allowance for loan losses	▶ 2,519	▶ 1,695	824
Recoveries of written-off claims	53	277	(224)
Total credit cost ①+② (-) 【300】	(2,549)	(2,001)	(548)
Gains (losses) on stocks	13	(3)	16
Others	(534)	(215)	(319)
Ordinary profit 【3,300】	5,497	6,572	(1,075)
Extraordinary profit (loss)	(17)	(80)	63
Income (loss) before income taxes	5,479	6,491	(1,012)
Total income taxes (-)	1,451	1,506	(55)
Net income 【2,600】	4,028	4,985	(957)

Gain and Loss

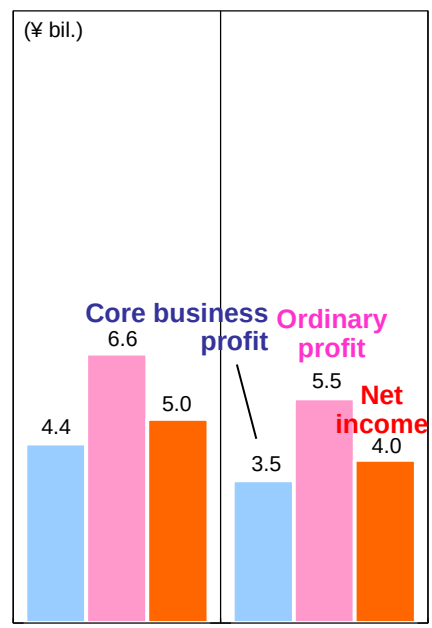
The Bank of Fukuoka (non-consolidated)



The Kumamoto Bank (non-consolidated)



The Shinwa Bank (non-consolidated)

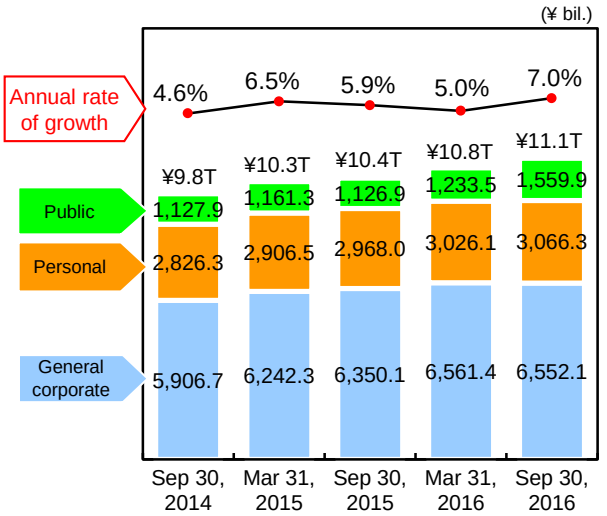


2. Assets and liabilities

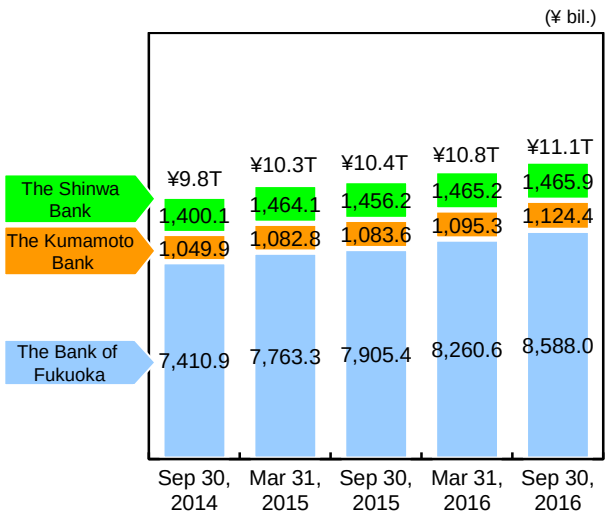
(1) Loans

3 banks' total

Loans classified by customer segment (Term-end balance)



Loans classified by bank (Term-end balance)



(¥ mil.)

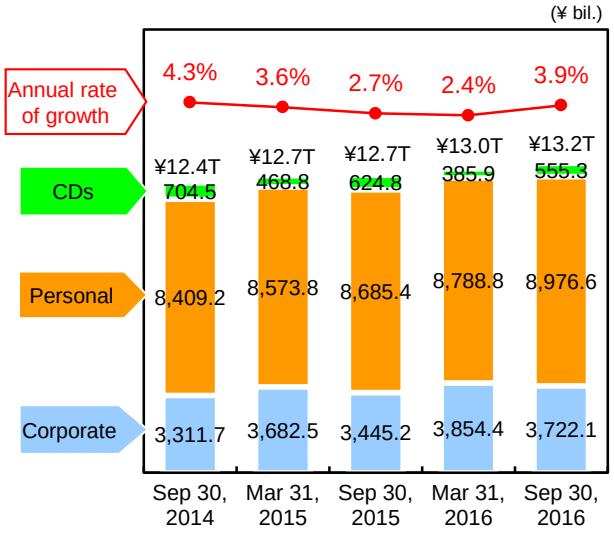
		Sep 30, 2016 annual rate of growth	Sep 30, 2016	change from Mar 31, 2016	change from Sep 30, 2015	Mar 31, 2016	Sep 30, 2015
3 banks' total	Total loans	7.0%	11,178,439	357,219	733,175	10,821,220	10,445,264
	Personal segment	3.3%	3,066,350	40,192	98,262	3,026,158	2,968,088
	Corporate segment	8.5%	8,112,086	317,026	634,912	7,795,060	7,477,174
	General Corporate	3.2%	6,552,111	(9,352)	201,928	6,561,463	6,350,183
	Public Sector	38.4%	1,559,975	326,379	432,987	1,233,596	1,126,988
	Personal loans	3.5%	2,961,970	38,892	100,671	2,923,078	2,861,299
	Housing loans	2.5%	2,669,491	19,625	63,994	2,649,866	2,605,497
	Consumer loans	26.1%	211,697	20,304	43,803	191,393	167,894
The Bank of Fukuoka (non-consolidated)	Total loans	8.6%	8,588,057	327,417	682,615	8,260,640	7,905,442
	Personal segment	3.7%	2,193,476	32,509	77,936	2,160,967	2,115,540
	Corporate segment	10.4%	6,394,580	294,907	604,679	6,099,673	5,789,901
	General Corporate	4.2%	5,162,624	(4,925)	206,912	5,167,549	4,955,712
	Public Sector	47.7%	1,231,956	299,833	397,768	932,123	834,188
	Fukuoka prefecture	4.5%	6,375,269	(51,964)	274,263	6,427,233	6,101,006
	Personal loans	3.8%	2,124,575	30,907	78,558	2,093,668	2,046,017
	Housing loans	2.6%	1,916,165	15,330	48,320	1,900,835	1,867,845
	Consumer loans	29.2%	148,202	16,162	33,487	132,040	114,715
The Kumamoto Bank (non-consolidated)	Total loans	3.8%	1,124,424	29,054	40,820	1,095,370	1,083,604
	Personal segment	3.3%	422,069	4,984	13,625	417,085	408,444
	Corporate segment	4.0%	702,354	24,070	27,194	678,284	675,160
	General Corporate	3.4%	592,746	11,710	19,665	581,036	573,081
	Public Sector	7.4%	109,608	12,360	7,530	97,248	102,078
	Kumamoto prefecture	4.3%	1,040,119	32,386	42,453	1,007,733	997,666
	Personal loans	3.6%	399,795	5,064	13,876	394,731	385,919
	Housing loans	3.2%	369,270	3,651	11,309	365,619	357,961
	Consumer loans	19.8%	25,025	1,507	4,137	23,518	20,888
The Shinwa Bank (non-consolidated)	Total loans	0.7%	1,465,958	748	9,740	1,465,210	1,456,218
	Personal segment	1.5%	450,805	2,699	6,701	448,106	444,104
	Corporate segment	0.3%	1,015,152	(1,951)	3,039	1,017,103	1,012,113
	General Corporate	(3.0%)	796,741	(16,137)	(24,649)	812,878	821,390
	Public Sector	14.5%	218,411	14,186	27,689	204,225	190,722
	Nagasaki prefecture	2.6%	1,074,370	5,357	27,463	1,069,013	1,046,907
	Personal loans	1.9%	437,600	2,921	8,237	434,679	429,363
	Housing loans	1.1%	384,056	644	4,365	383,412	379,691
	Consumer loans	19.1%	38,470	2,635	6,179	35,835	32,291

<Note> The term-end balance of loans includes loans granted by the Bank of Fukuoka to FFG (¥98.0 billion at the end of September 2015, ¥101.5 billion at the end of March 2016, and ¥112.0 billion at the end of September 2016).

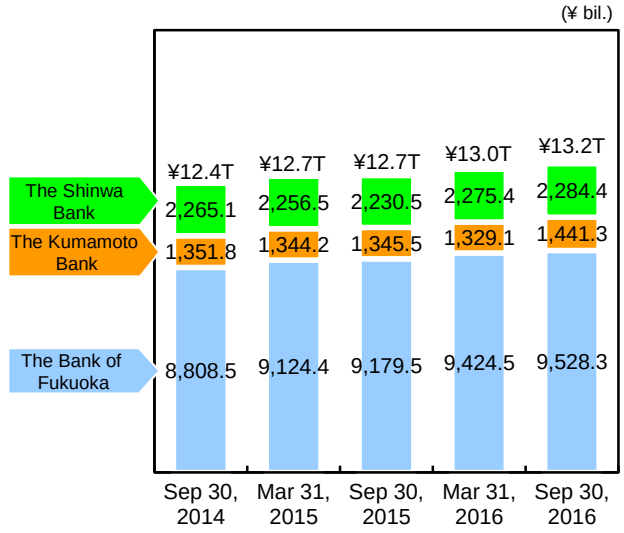
(2) Deposits

3 banks' total

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



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



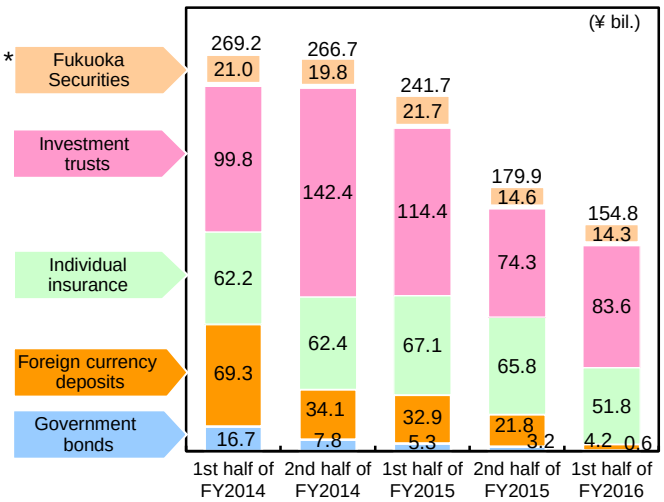
(¥ mil.)

		Sep 30, 2016 annual rate of growth	Sep 30, 2016	change from Mar 31, 2016	change from Sep 30, 2015	Mar 31, 2016	Sep 30, 2015
3 banks' total	Personal deposits	3.4%	8,976,662	187,858	291,172	8,788,804	8,685,490
	Corporate deposits	8.0%	3,722,110	(132,293)	276,855	3,854,403	3,445,255
	Total	4.7%	12,698,774	55,567	568,027	12,643,207	12,130,747
	Demand	6.1%	7,789,331	(28,230)	446,552	7,817,561	7,342,779
	Time	2.5%	4,909,441	83,796	121,473	4,825,645	4,787,968
	CDs	(11.1%)	555,312	169,360	(69,500)	385,952	624,812
	Deposits and CDs	3.9%	13,254,087	224,925	498,526	13,029,162	12,755,561
The Bank of Fukuoka (non-consolidated)	Personal deposits	2.9%	6,490,501	96,394	184,001	6,394,107	6,306,500
	Corporate deposits	8.1%	2,639,470	(124,552)	198,227	2,764,022	2,441,243
	Total	4.4%	9,129,972	(28,157)	382,229	9,158,129	8,747,743
	Demand	4.5%	5,890,588	(129,126)	256,072	6,019,714	5,634,516
	Time	4.1%	3,239,383	100,969	126,156	3,138,414	3,113,227
	CDs	(7.7%)	398,398	132,009	(33,408)	266,389	431,806
	Deposits and CDs	3.8%	9,528,371	103,852	348,821	9,424,519	9,179,550
	Fukuoka prefecture	4.0%	8,525,884	(28,610)	330,056	8,554,494	8,195,828
The Kumamoto Bank (non-consolidated)	Personal deposits	8.9%	1,056,163	79,206	85,893	976,957	970,270
	Corporate deposits	15.7%	360,513	41,215	48,965	319,298	311,548
	Total	10.5%	1,416,676	120,421	134,857	1,296,255	1,281,819
	Demand	22.2%	709,010	103,284	128,929	605,726	580,081
	Time	0.8%	707,665	17,136	5,927	690,529	701,738
	CDs	(61.3%)	24,624	(8,292)	(39,057)	32,916	63,681
	Deposits and CDs	7.1%	1,441,300	112,128	95,799	1,329,172	1,345,501
	Kumamoto prefecture	11.5%	1,319,906	122,589	135,815	1,197,317	1,184,091
The Shinwa Bank (non-consolidated)	Personal deposits	1.5%	1,429,998	12,258	21,278	1,417,740	1,408,720
	Corporate deposits	4.3%	722,127	(48,956)	29,663	771,083	692,464
	Total	2.4%	2,152,126	(36,697)	50,941	2,188,823	2,101,185
	Demand	5.5%	1,189,733	(2,388)	61,551	1,192,121	1,128,182
	Time	(1.1%)	962,393	(34,309)	(10,610)	996,702	973,003
	CDs	2.3%	132,290	45,643	2,965	86,647	129,325
	Deposits and CDs	2.4%	2,284,416	8,945	53,906	2,275,471	2,230,510
	Nagasaki prefecture	2.6%	1,886,728	(34,366)	48,116	1,921,094	1,838,612

(3) Asset management products

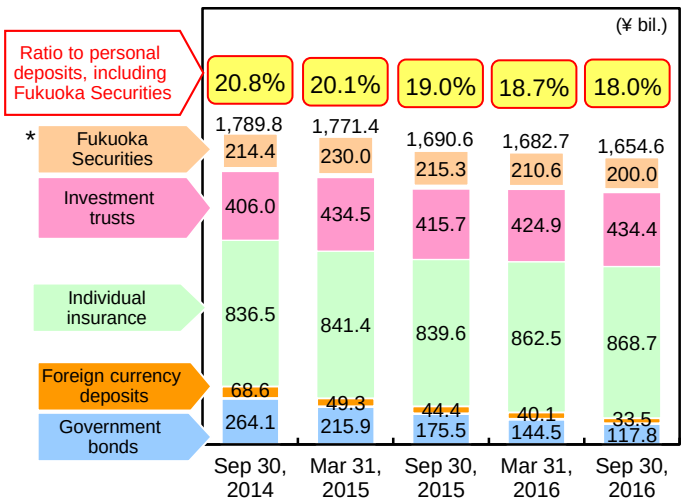
Group's total

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.)

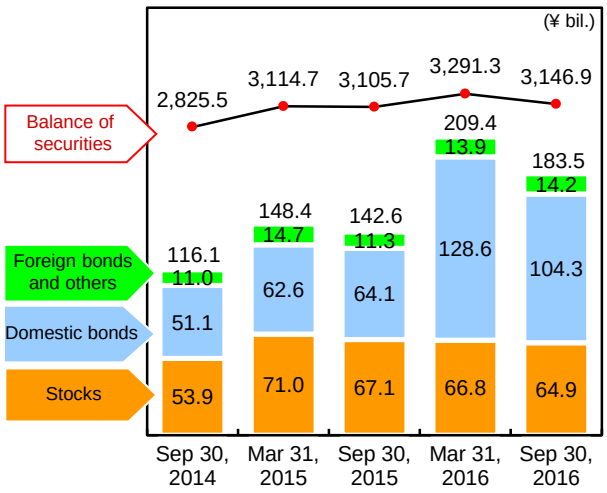
		Sales of asset management products					Outstanding balance of assets under management for individual customers				
		1st half of FY2016 (6 months)	change from 2nd half of FY2015	change from 1st half of FY2015	2nd half of FY2015 (6 months)	1st half of FY2015 (6 months)	Sep 30, 2016	Change from Mar 31, 2016	Change from Sep 30, 2015	Mar 31, 2016	Sep 30, 2015
Group's total	Investment trusts	83.6	9.3	(30.8)	74.3	114.4	434.4	9.5	18.7	424.9	415.7
	Individual insurance	51.8	(14.0)	(15.3)	65.8	67.1	868.7	6.2	29.1	862.5	839.6
	Foreign currency deposits	4.2	(17.6)	(28.7)	21.8	32.9	33.5	(6.6)	(10.9)	40.1	44.4
	Government bonds	0.6	(2.6)	(4.7)	3.2	5.3	117.8	(26.7)	(57.7)	144.5	175.5
	Fukuoka Securities	14.3	(0.3)	(7.4)	14.6	21.7	200.0	(10.6)	(15.3)	210.6	215.3
	Total	154.8	(25.1)	(86.9)	179.9	241.7	1,654.6	(28.1)	(36.0)	1,682.7	1,690.6
	Ratio to personal deposits						18.0%	(0.7%)	(1.0%)	18.7%	19.0%
The Bank of Fukuoka (non-consolidated)	Investment trusts	56.5	9.7	(12.3)	46.8	68.8	288.2	6.4	12.6	281.8	275.6
	Individual insurance	34.2	(4.5)	(2.6)	38.7	36.8	555.6	9.6	18.7	546.0	536.9
	Foreign currency deposits	3.5	(9.7)	(15.6)	13.2	19.1	25.4	(4.6)	(7.5)	30.0	32.9
	Government bonds	0.6	(2.4)	(3.8)	3.0	4.4	104.8	(23.8)	(50.4)	128.6	155.2
	Total	94.9	(6.9)	(34.3)	101.8	129.2	974.0	(12.5)	(26.8)	986.5	1,000.8
	Ratio to personal deposits						15.0%	(0.4%)	(0.9%)	15.4%	15.9%
The Kumamoto Bank (non-consolidated)	Investment trusts	11.4	0.1	(6.5)	11.3	17.9	65.9	0.6	1.3	65.3	64.6
	Individual insurance	5.5	(7.2)	(6.0)	12.7	11.5	123.0	(1.5)	7.2	124.5	115.8
	Foreign currency deposits	0.3	(3.5)	(6.2)	3.8	6.5	3.5	(0.7)	(1.6)	4.2	5.1
	Government bonds	0.0	(0.0)	(0.0)	0.0	0.0	1.9	(0.5)	(0.9)	2.4	2.8
	Total	17.3	(10.6)	(18.8)	27.9	36.1	194.4	(2.2)	6.0	196.6	188.4
	Ratio to personal deposits						18.4%	(1.7%)	(1.0%)	20.1%	19.4%
The Shinwa Bank (non-consolidated)	Investment trusts	15.6	(0.5)	(12.0)	16.1	27.6	80.2	2.5	4.8	77.7	75.4
	Individual insurance	12.0	(2.4)	(6.7)	14.4	18.7	190.1	(1.7)	3.2	191.8	186.9
	Foreign currency deposits	0.3	(4.5)	(7.0)	4.8	7.3	4.5	(1.3)	(1.8)	5.8	6.3
	Government bonds	0.0	(0.1)	(0.8)	0.1	0.8	11.1	(2.3)	(6.3)	13.4	17.4
	Total	28.1	(7.4)	(26.4)	35.5	54.5	286.1	(2.7)	0.1	288.8	286.0
	Ratio to personal deposits						20.0%	(0.4%)	(0.3%)	20.4%	20.3%

<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.

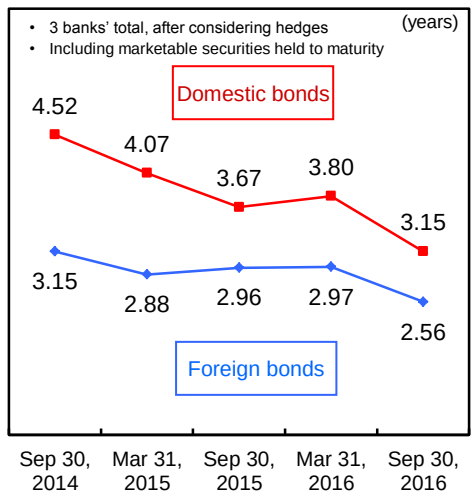
(4) Marketable securities

FFG (consolidated)

Unrealized gain



Bond duration



(¥ mil.)

		Sep 30, 2016						Mar 31, 2016		Sep 30, 2015	
		Market value	change from Mar 31, 2016	change from Sep 30, 2015	Unrealized gain(loss)	change from Mar 31, 2016	change from Sep 30, 2015	Market value	Unrealized gain(loss)	Market value	Unrealized gain(loss)
FFG (consolidated)	Total	3,146,979	(144,390)	41,247	183,593	(25,836)	40,981	3,291,369	209,429	3,105,732	142,612
	Stocks	130,358	(2,106)	(2,727)	64,953	(1,860)	(2,222)	132,464	66,813	133,085	67,175
	Domestic bonds	2,691,560	(170,121)	(11,205)	104,366	(24,259)	40,257	2,861,681	128,625	2,702,765	64,109
	National government bonds	2,004,651	(178,432)	(41,916)	90,884	(23,761)	38,845	2,183,083	114,645	2,046,567	52,039
	Local government bonds	70,133	7,788	10,467	1,609	(69)	200	62,345	1,678	59,666	1,409
	Corporate bonds	616,774	522	20,243	11,872	(429)	1,212	616,252	12,301	596,531	10,660
	Foreign bonds and Others	325,060	27,837	55,180	14,273	283	2,946	297,223	13,990	269,880	11,327
The Bank of Fukuoka (consolidated)	Total	2,122,899	(136,036)	51,997	144,558	(25,171)	30,666	2,258,935	169,729	2,070,902	113,892
	Stocks	118,051	(2,457)	(3,109)	64,079	(2,375)	(3,027)	120,508	66,454	121,160	67,106
	Domestic bonds	1,679,790	(161,417)	(79)	66,205	(23,080)	30,747	1,841,207	89,285	1,679,869	35,458
	National government bonds	1,164,623	(170,245)	(38,380)	56,878	(22,588)	30,518	1,334,868	79,466	1,203,003	26,360
	Local government bonds	43,161	7,825	10,447	1,111	(63)	(67)	35,336	1,174	32,714	1,178
	Corporate bonds	472,005	1,004	27,854	8,215	(429)	296	471,001	8,644	444,151	7,919
	Foreign bonds and Others	325,057	27,838	55,185	14,273	284	2,945	297,219	13,989	269,872	11,328
The Kumamoto Bank (non-consolidated)	Total	278,049	(3,392)	(9,213)	10,416	333	3,160	281,441	10,083	287,262	7,256
	Stocks	2,031	651	798	1,078	653	799	1,380	425	1,233	279
	Domestic bonds	276,015	(4,041)	(10,005)	9,337	(320)	2,359	280,056	9,657	286,020	6,978
	National government bonds	221,135	(4,028)	(7,512)	8,186	(289)	2,183	225,163	8,475	228,647	6,003
	Local government bonds	1,351	74	176	43	0	13	1,277	43	1,175	30
	Corporate bonds	53,529	(86)	(2,668)	1,106	(32)	162	53,615	1,138	56,197	944
	Foreign bonds and Others	3	(0)	(5)	0	(0)	0	3	0	8	(0)
The Shinwa Bank (non-consolidated)	Total	746,029	(4,963)	(1,538)	32,221	(958)	7,289	750,992	33,179	747,567	24,932
	Stocks	10,275	(300)	(416)	3,398	(99)	139	10,575	3,497	10,691	3,259
	Domestic bonds	735,754	(4,663)	(1,122)	28,823	(859)	7,151	740,417	29,682	736,876	21,672
	National government bonds	618,893	(4,158)	3,977	25,818	(886)	6,142	623,051	26,704	614,916	19,676
	Local government bonds	25,620	(111)	(156)	454	(6)	254	25,731	460	25,776	200
	Corporate bonds	91,239	(395)	(4,943)	2,549	31	753	91,634	2,518	96,182	1,796
	Foreign bonds and Others	–	–	–	–	–	–	–	–	–	–

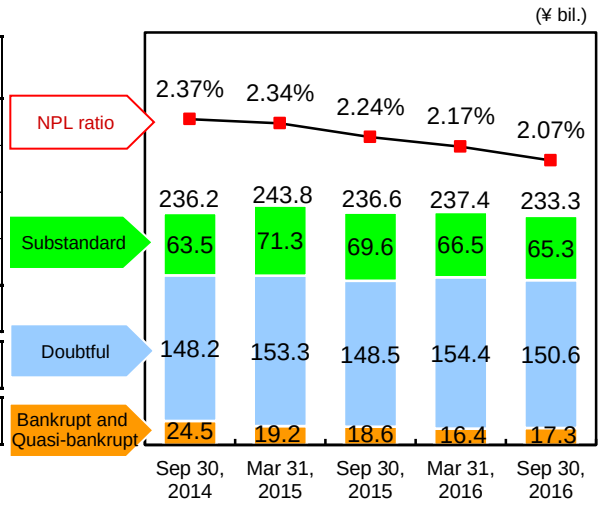
3. Non-performing loans

（Direct write-off is adopted）

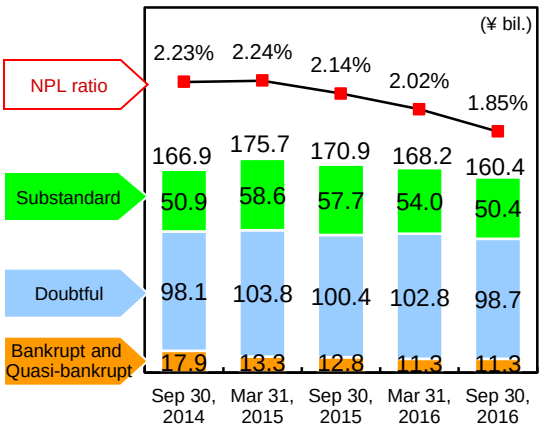
3 banks' total

(¥ bil.)

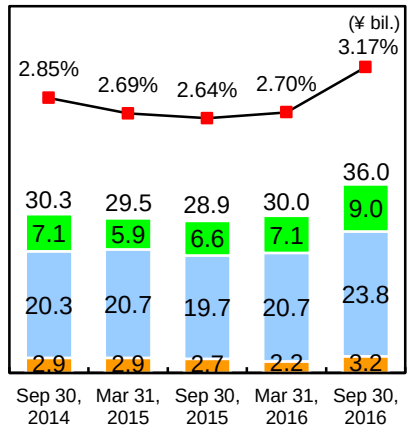
	Sep 30, 2016	change from Mar 31, 2016	change from Sep 30, 2015	Mar 31, 2016	Sep 30, 2015
①NPLs under the FRL	233.3	(4.1)	(3.3)	237.4	236.6
Bankrupt and Quasi-bankrupt	17.3	0.9	(1.2)	16.4	18.6
Doubtful	150.6	(3.8)	2.2	154.4	148.5
Substandard	65.3	(1.2)	(4.2)	66.5	69.6
Normal customers	11,019.8	353.1	724.3	10,666.7	10,295.5
②Total credits	11,253.1	349.0	721.0	10,904.1	10,532.1
Ratio of NPLs under the FRL to the total credits ①/②	2.07%	(0.10%)	(0.17%)	2.17%	2.24%



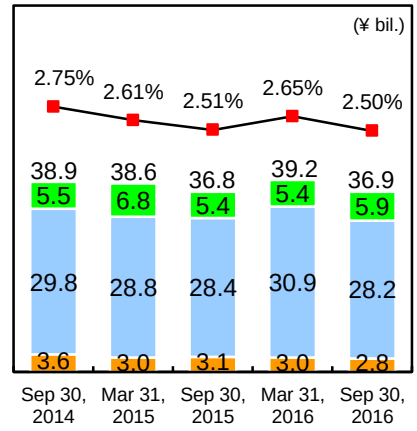
The Bank of Fukuoka (non-consolidated)



The Kumamoto Bank (non-consolidated)



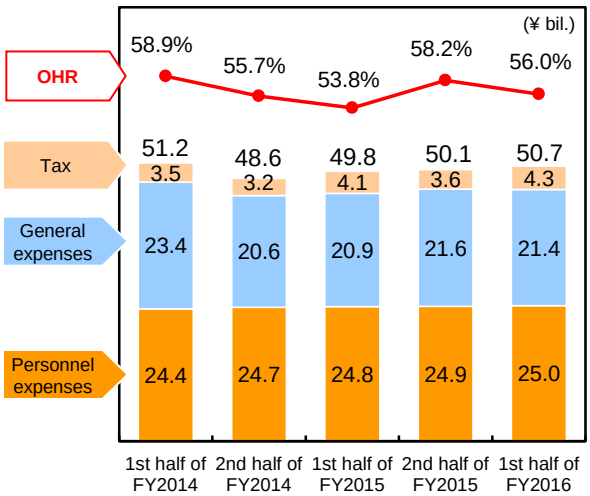
The Shinwa Bank (non-consolidated)



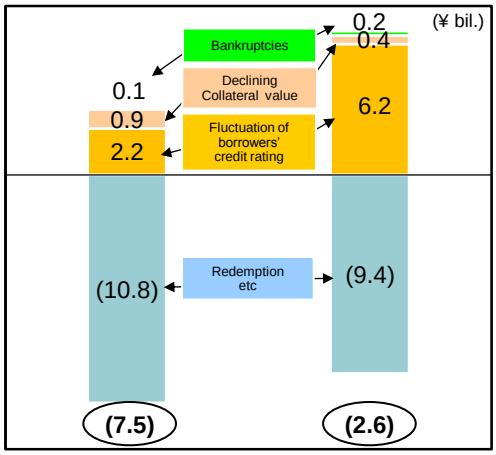
4. Overhead expenses • Credit cost

3 banks' total

Overhead expenses • OHR



Composition of credit cost



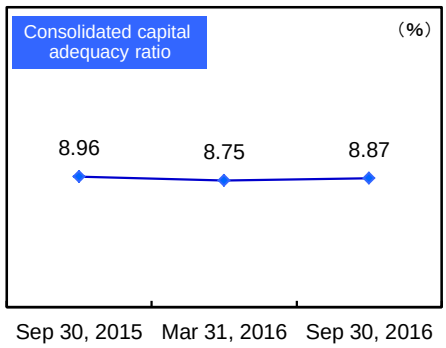
5. Capital adequacy ratio

FFG（consolidated） **The Domestic standard**

- Consolidated capital adequacy ratio: 8.87%.
- 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, 2016 [preliminary]	Change from Mar 31, 2016	Change from Sep 30, 2015	Mar 31, 2016	Sep 30, 2015
①Total capital ratio ④／⑤	8.87%	0.12%	(0.09%)	8.75%	8.96%
②Core capital	690.5	3.0	(22.8)	687.5	713.3
③Deduction	104.2	(3.6)	(10.4)	107.8	114.6
④Total capital ②-③	586.3	6.6	(12.4)	579.7	598.7
⑤Risk adjusted assets	6,604.1	(20.6)	(75.5)	6,624.7	6,679.6



6. Projections

- Based on the result of the interim of FY2016, only consolidated ordinary profit was modified. (Net income attributable to owners of the parent was unchanged.)

FFG（consolidated）

(¥ mil.)

	FY2016 (Projection)		FY2015 Result
	(Comparison to the initial projection)	Interim (Result)	
Consolidated ordinary profit	62,000 (500)	32,408	71,426
Net income attributable to owners of the parent	40,000 (—)	21,036	44,718

<Reference> Projections on a subsidiary basis

(¥ mil.)

	3 banks' total	FY2016 (Projection)			(3 banks' total) FY2015
		The Bank of Fukuoka	The Kumamoto Bank	The Shinwa Bank	
Core business profit	70,400	57,300	5,100	8,000	76,361
Ordinary profit	74,700	64,400	1,100	9,200	81,933
Net income	53,100	45,900	200	7,000	56,077
Credit cost (-)	(1,100)	(2,200)	3,400	(2,300)	(3,626)

Based on the result of the interim of FY2016, subsidiary banks' projections for the FY2016 were also modified.

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