May 10, 2017

Fukuoka Financial Group, Inc.

Financial Digest for Fiscal Year 2016, ended March 31, 2017

Stock Exchange Listing:	Tokyo, Fukuoka (code:8354)
URL:	http://www.fukuoka-fg.com
Representative:	Takashige Shibato, President
For Inquiry:	Hiroshi Miyoshi, Executive Officer, Corporate Planning Division
Date of General Meeting of Shareholders:	June 29, 2017 (scheduled)
Payment date of cash dividends:	June 30, 2017 (scheduled)
Filing date of Financial Statements:	June 29, 2017 (scheduled)
Trading Accounts:	Established
Supplementary Materials:	Attached
IR Conference:	Scheduled (for institutional investors, analysts)

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

1. Cosolidated Financial Highlights (from April 1, 2016 to March 31, 2017)

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

	Ordinary Income		Ordinary Profit		Net Income attributable to owners of the parent	
	¥Million	%	¥Million	%	¥Million	%
FY2016	235,767	(0.4)	(34,441)	—	(54,300)	—
FY2015	236,707	3.8	71,426	17.5	44,718	22.2

(Note) Comprehensive income FY2016: ¥(54,410 million) [—%] FY2015: ¥43,138 million [(44.5)%]

	Net Income per Share	Net Income per Share (Diluted)	Return on Equity	Ordinary Profit on Total Assets	Ordinary Profit on Ordinary Income
	¥	¥	%	%	%
FY2016	(63.22)	—	(7.3)	(0.2)	(14.6)
FY2015	51.75	—	5.8	0.4	30.2

(Reference) Equity in earnings of affiliates FY2016: None FY2015: None

(2) Consolidated Financial Position

	Total Assets	Total Net Assets	Own Capital Ratio	Net Assets per Share
	¥Million	¥Million	%	¥
FY2016	18,113,049	712,058	3.9	829.07
FY2015	16,406,109	784,691	4.7	902.50

(Reference) Own capital FY2016: ¥712,049 million FY2015: ¥784,652 million

(Note) Own Capital Ratio = (Total net assets - Noncontrolling interests) / Total assets * 100
This ratio is not based on the public notification of the capital adequacy ratio.

(3) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents, end of period
	¥Million	¥Million	¥Million	¥Million
FY2016	1,152,326	(86,273)	(20,696)	2,874,917
FY2015	315,044	(139,028)	(99,041)	1,829,586

2. Dividend Payment

	Dividends declared per Share					Total Dividends (Annual)	Dividends Payout Ratio (Consolidated)	Dividends on Net Assets (Consolidated)
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Fiscal Year			
	¥	¥	¥	¥	¥	¥Million	%	%
FY2015	—	6.50	—	6.50	13.00	11,165	25.1	1.5
FY2016	—	6.50	—	6.50	13.00	11,165	—	1.5
FY2017 (projection)	—	7.50	—	7.50	15.00		26.3	

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

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

	Ordinary Profit		Net Income attributable to owners of the parent		Net Income per Share
	¥Million	%	¥Million	%	¥
Interim of FY2017	35,000	8.0	24,500	16.5	28.52
FY2017	70,000	—	49,000	—	57.05

4.Consolidated Financial Statements

(1) Consolidated Balance Sheets

(millions of Yen)

Item	科目 (Japanese)	As of Mar 31, 2016	As of Mar 31, 2017
(Assets)	資産の部		
Cash and due from banks	現金預け金	1,838,148	2,880,599
Call loans and bills bought	コールローン及び買入手形	9,317	500
Monetary claims bought	買入金銭債権	50,995	49,459
Trading assets	特定取引資産	1,824	1,701
Money held in trust	金銭の信託	3,000	10,697
Securities	有価証券	3,445,978	3,463,599
Loans and bills discounted	貸出金	10,706,710	11,428,299
Foreign exchanges	外国為替	7,979	10,352
Other assets	その他資産	105,743	127,348
Tangible fixed assets	有形固定資産	194,331	198,460
Intangible fixed assets	無形固定資産	115,965	15,220
Net defined benefit assets	退職給付に係る資産	1,290	12,671
Deferred tax assets	繰延税金資産	11,939	8,412
Customers' liabilities for acceptances and guarantees	支払承諾見返	54,431	40,008
Allowance for loan losses	貸倒引当金	(141,546)	(134,282)
Total assets	**資産の部合計**	16,406,109	18,113,049
(Liabilities)	負債の部		
Deposits	預金	12,619,816	13,207,675
Negotiable certificates of deposit	譲渡性預金	362,953	372,769
Call money and bills sold	コールマネー及び売渡手形	170,000	288,609
Payables under repurchase agreements	売現先勘定	56,340	100,949
Payables under securities lending transactions	債券貸借取引受入担保金	796,383	1,612,526
Trading liabilities	特定取引負債	0	0
Borrowed money	借用金	1,341,265	1,608,856
Foreign exchanges	外国為替	1,311	1,749
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	102,499
Net defined benefit liability	退職給付に係る負債	1,506	899
Provision for losses on interest repayments	利息返還損失引当金	1,015	74
Provision for losses from reimbursement of inactive accounts	睡眠預金払戻損失引当金	6,127	6,219
Provision for contingent liabilities losses	その他の偶発損失引当金	68	8
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	97
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	40,008
Total liabilities	**負債の部合計**	15,621,418	17,400,991
(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	94,156
Retained earnings	利益剰余金	407,652	344,527
Treasury stock	自己株式	(325)	(343)
Total shareholders' equity	株主資本合計	635,738	563,140
Valuation difference on available-for-sale securities	その他有価証券評価差額金	146,996	117,726
Deferred gains or losses on hedges	繰延ヘッジ損益	(34,847)	(12,660)
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)	(7,805)
Total accumulated other comprehensive income	その他の包括利益累計額合計	148,913	148,909
Non-controlling interests	非支配株主持分	39	8
Total net assets	**純資産の部合計**	784,691	712,058
Total liabilities and net assets	**負債及び純資産の部合計**	16,406,109	18,113,049

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

Consolidated Statements of Income

(millions of Yen)

Item	科目 (Japanese)	FY2015	FY2016
Ordinary income:	**経常収益**	236,707	235,767
Interest income	資金運用収益	168,690	166,671
Interest on loans and discounts	（うち貸出金利息）	135,327	132,738
Interest and dividends on securities	（うち有価証券利息配当金）	30,758	30,894
Trust fees	信託報酬	1	1
Fees and commissions	役務取引等収益	47,059	46,811
Trading income	特定取引収益	127	108
Other operating income	その他業務収益	12,029	13,657
Other income	その他経常収益	8,799	8,517
Ordinary expenses:	**経常費用**	165,280	270,208
Interest expenses	資金調達費用	20,117	17,467
Interest on deposits	（うち預金利息）	6,769	5,477
Fees and commissions payments	役務取引等費用	17,125	19,107
Other operating expenses	その他業務費用	578	2,759
General and administrative expenses	営業経費	121,142	223,904
Other expenses	その他経常費用	6,317	6,970
Ordinary profit (loss)	**経常利益又は経常損失**	71,426	(34,441)
Extraordinary income	特別利益	7	37
Gain on disposal of noncurrent assets	固定資産処分益	7	36
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	2,068	1,152
Loss on disposal of noncurrent assets	固定資産処分損	739	384
Impairment loss	減損損失	1,329	262
Other extraordinary loss	その他の特別損失	—	506
Income (loss) before income taxes:	**税金等調整前当期純利益又は税金等調整前当期純損失**	69,365	(35,557)
Current	法人税、住民税及び事業税	11,417	12,448
Deferred	法人税等調整額	12,723	6,401
Total income taxes	法人税等合計	24,141	18,849
Net income (loss)	当期純利益又は当期純損失	45,223	(54,406)
Net income (loss) attributable to non-controlling interests	非支配株主に帰属する当期純利益又は非支配株主に帰属する当期純損失	505	(106)
Net income (loss) attributable to owners of the parent	**親会社株主に帰属する当期純利益又は親会社株主に帰属する当期純損失**	44,718	(54,300)

Consolidated Statements of Comprehensive Income

(millions of Yen)

Item	科目 (Japanese)	FY2015	FY2016
Net income (loss)	当期純利益又は当期純損失	45,223	(54,406)
Other comprehensive income	その他の包括利益	(2,085)	(4)
Valuation difference on available-for-sale securities	その他有価証券評価差額金	44,126	(29,270)
Deferred gains or losses on hedges	繰延ヘッジ損益	(24,359)	22,186
Revaluation reserve for land	土地再評価差額金	1,212	—
Remeasurements of defined benefit plans	退職給付に係る調整額	(23,064)	7,079
Total comprehensive income	包括利益	43,138	(54,410)
(Breakdown)	（内訳）		
Comprehensive income attributable to owners of the parent	親会社株主に係る包括利益	42,632	(54,304)
Comprehensive income attributable to non-controlling interests	非支配株主に係る包括利益	505	(106)

(3) Consolidated Statements of Changes in Net Assets

FY2015

(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, 2015	当期首残高	124,799	103,611	373,930	(295)	602,045
Changes during the period:	当期変動額					
Dividends from surplus	剰余金の配当			(10,998)		(10,998)
Net income attributable to owners of the parent	親会社株主に帰属する当期純利益			44,718		44,718
Acquisition of treasury stock	自己株式の取得				(30)	(30)
Disposition of treasury stock	自己株式の処分		0		1	1
Transfer from revaluation reserve for land	土地再評価差額金の取崩			2		2
Net changes of items other than shareholders' equity	株主資本以外の項目の当期変動額(純額)					
Total changes during the period	当期変動額合計	―	0	33,721	(29)	33,692
Balance as of Mar 31, 2016	当期末残高	124,799	103,611	407,652	(325)	635,738

		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, 2015	当期首残高	102,869	(10,487)	50,439	8,179	151,001	25,046	778,093
Changes during the period:	当期変動額							
Dividends from surplus	剰余金の配当							(10,998)
Net income attributable to owners of the parent	親会社株主に帰属する当期純利益							44,718
Acquisition of treasury stock	自己株式の取得							(30)
Disposition of treasury stock	自己株式の処分							1
Transfer from revaluation reserve for land	土地再評価差額金の取崩							2
Net changes of items other than shareholders' equity	株主資本以外の項目の当期変動額(純額)	44,126	(24,359)	1,209	(23,064)	(2,087)	(25,006)	(27,094)
Total changes during the period	当期変動額合計	44,126	(24,359)	1,209	(23,064)	(2,087)	(25,006)	6,598
Balance as of Mar 31, 2016	当期末残高	146,996	(34,847)	51,649	(14,885)	148,913	39	784,691

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:	当期変動額					
Dividends from surplus	剰余金の配当			(11,296)		(11,296)
Net loss attributable to owners of the parent (-)	親会社株主に帰属する当期純損失			(54,300)		(54,300)
Acquisition of treasury stock	自己株式の取得				(9,389)	(9,389)
Disposition of treasury stock	自己株式の処分		0		0	0
Retirement of treasury stock	自己株式の消却		(9,371)		9,371	―
Increase of consolidated subsidiaries	連結子会社の増資による持分の増減		(84)			(84)
Net changes of items other than shareholders' equity	株主資本以外の項目の当期変動額(純額)					
Total changes during the period	当期変動額合計	―	(9,455)	(65,597)	(18)	(75,070)
Balance as of Mar 31, 2017	当期末残高	124,799	94,156	344,527	(343)	563,140

		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:	当期変動額							
Dividends from surplus	剰余金の配当							(11,296)
Net loss attributable to owners of the parent (-)	親会社株主に帰属する当期純損失							(54,300)
Acquisition of treasury stock	自己株式の取得							(9,389)
Disposition of treasury stock	自己株式の処分							0
Retirement of treasury stock	自己株式の消却							―
Increase of consolidated subsidiaries	連結子会社の増資による持分の増減							(84)
Net changes of items other than shareholders' equity	株主資本以外の項目の当期変動額(純額)	(29,270)	22,186	―	7,079	(4)	(30)	(34)
Total changes during the period	当期変動額合計	(29,270)	22,186	―	7,079	(4)	(30)	(75,104)
Balance as of Mar 31, 2017	当期末残高	117,726	(12,660)	51,649	(7,805)	148,909	8	712,058

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

(millions of Yen)

Item	科目 (Japanese)	As of Mar 31, 2016	As of Mar 31, 2017
(Assets)	資産の部		
Cash and due from banks	現金預け金	1,356,264	2,342,029
Call loans	コールローン	70,317	500
Monetary claims bought	買入金銭債権	31,311	30,904
Trading assets	特定取引資産	1,541	1,243
Money held in trust	金銭の信託	1,000	7,997
Securities	有価証券	2,416,715	2,453,539
Loans and bills discounted	貸出金	8,260,640	8,925,392
Foreign exchanges	外国為替	5,306	8,057
Other assets	その他資産	94,485	112,134
Tangible fixed assets	有形固定資産	149,993	153,055
Intangible fixed assets	無形固定資産	8,340	10,506
Prepaid pension expenses	前払年金費用	14,012	14,722
Customers' liabilities for acceptances and guarantees	支払承諾見返	44,368	30,860
Allowance for loan losses	貸倒引当金	(90,881)	(84,501)
Total assets	**資産の部合計**	12,363,414	14,006,440
(Liabilities)	負債の部		
Deposits	預金	9,158,129	9,641,386
Negotiable certificates of deposit	譲渡性預金	266,389	291,624
Call money	コールマネー	181,472	297,695
Payables under repurchase agreements	売現先勘定	56,340	100,949
Payables under securities lending transactions	債券貸借取引受入担保金	796,383	1,612,526
Trading liabilities	特定取引負債	0	0
Borrowed money	借用金	1,089,779	1,276,107
Foreign exchanges	外国為替	1,279	1,546
Bonds payable	社債	10,000	10,000
Other liabilities	その他負債	126,709	84,478
Provision for losses on interest repayments	利息返還損失引当金	919	—
Provision for losses from reimbursement of inactive accounts	睡眠預金払戻損失引当金	4,451	4,703
Provision for contingent liabilities losses	その他の偶発損失引当金	68	8
Deferred tax liabilities	繰延税金負債	4,764	4,737
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	30,860
Total liabilities	**負債の部合計**	11,764,085	13,379,653
(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	351,750
Total shareholders' equity	株主資本合計	465,647	494,560
Valuation difference on available-for-sale securities	その他有価証券評価差額金	116,878	93,237
Deferred gains or losses on hedges	繰延ヘッジ損益	(34,847)	(12,660)
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	132,226
Total net assets	**純資産の部合計**	599,328	626,787
Total liabilities and net assets	**負債及び純資産の部合計**	12,363,414	14,006,440

【 The Bank of Fukuoka 】

Non-consolidated Statements of Income

(millions of Yen)

Item	科目 (Japanese)	FY2015	FY2016
Ordinary income:	**経常収益**	171,324	172,772
Interest income	資金運用収益	125,236	123,902
Interest on loans and discounts	（うち貸出金利息）	98,579	97,468
Interest and dividends on securities	（うち有価証券利息配当金）	24,621	23,917
Trust fees	信託報酬	1	1
Fees and commissions	役務取引等収益	33,216	34,207
Trading income	特定取引収益	43	16
Other operating income	その他業務収益	6,552	8,816
Other income	その他経常収益	6,275	5,829
Ordinary expenses:	**経常費用**	104,518	112,666
Interest expenses	資金調達費用	17,508	15,993
Interest on deposits	（うち預金利息）	4,448	3,773
Fees and commissions payments	役務取引等費用	17,521	19,120
Other operating expenses	その他業務費用	568	2,345
General and administrative expenses	営業経費	65,742	70,926
Other expenses	その他経常費用	3,177	4,280
Ordinary profit	**経常利益**	66,806	60,105
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	1,629	323
Loss on disposal of noncurrent assets	固定資産処分損	639	283
Impairment loss	減損損失	990	40
Income before income taxes:	**税引前当期純利益**	65,179	59,781
Current	法人税、住民税及び事業税	12,877	12,697
Deferred	法人税等調整額	6,690	2,933
Total income taxes	法人税等合計	19,568	15,631
Net income	**当期純利益**	45,611	44,150

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

(millions of Yen)

Item	科目 (Japanese)	As of Mar 31, 2016	As of Mar 31, 2017
(Assets)	資産の部		
Cash and due from banks	現金預け金	159,766	267,345
Call loans	コールローン	3,694	2,044
Securities	有価証券	282,422	270,370
Loans and bills discounted	貸出金	1,095,370	1,146,534
Foreign exchanges	外国為替	1,095	980
Other assets	その他資産	2,056	3,697
Tangible fixed assets	有形固定資産	17,532	17,238
Intangible fixed assets	無形固定資産	978	1,279
Prepaid pension expenses	前払年金費用	3,407	4,211
Deferred tax assets	繰延税金資産	3,885	4,453
Customers' liabilities for acceptances and guarantees	支払承諾見返	4,115	4,402
Allowance for loan losses	貸倒引当金	(14,635)	(16,068)
Total assets	**資産の部合計**	1,559,688	1,706,490
(Liabilities)	負債の部		
Deposits	預金	1,296,255	1,426,451
Negotiable certificates of deposit	譲渡性預金	32,916	12,949
Call money	コールマネー	36,000	—
Borrowed money	借用金	98,000	171,000
Foreign exchanges	外国為替	1	35
Other liabilities	その他負債	4,156	3,622
Provision for losses from reimbursement of inactive accounts	睡眠預金払戻損失引当金	369	448
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	1,392	1,378
Acceptances and guarantees	支払承諾	4,115	4,402
Total liabilities	**負債の部合計**	1,473,207	1,620,286
(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	11,514
Total shareholders' equity	株主資本合計	78,527	79,208
Valuation difference on available-for-sale securities	その他有価証券評価差額金	7,042	5,900
Revaluation reserve for land	土地再評価差額金	911	1,094
Total valuation and translation adjustments	評価・換算差額等合計	7,953	6,994
Total net assets	**純資産の部合計**	86,481	86,203
Total liabilities and net assets	**負債及び純資産の部合計**	1,559,688	1,706,490

【 The Kumamoto Bank 】

Non-consolidated Statements of Income

(millions of Yen)

Item	科目 (Japanese)	FY2015	FY2016
Ordinary income:	**経常収益**	26,056	23,769
Interest income	資金運用収益	19,366	18,614
Interest on loans and discounts	（うち貸出金利息）	17,094	16,473
Interest and dividends on securities	（うち有価証券利息配当金）	2,024	1,914
Fees and commissions	役務取引等収益	5,090	4,567
Other operating income	その他業務収益	233	57
Other income	その他経常収益	1,365	529
Ordinary expenses:	**経常費用**	18,672	21,091
Interest expenses	資金調達費用	1,196	867
Interest on deposits	（うち預金利息）	1,006	813
Fees and commissions payments	役務取引等費用	2,699	3,194
Other operating expenses	その他業務費用	2	126
General and administrative expenses	営業経費	13,838	14,296
Other expenses	その他経常費用	935	2,606
Ordinary profit	**経常利益**	7,384	2,678
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	14	793
Loss on disposal of noncurrent assets	固定資産処分損	14	30
Impairment loss	減損損失	—	313
Other extraordinary loss	その他の特別損失	—	449
Income before income taxes:	**税引前当期純利益**	7,369	1,884
Current	法人税、住民税及び事業税	654	241
Deferred	法人税等調整額	1,455	175
Total income taxes	法人税等合計	2,110	417
Net income	**当期純利益**	5,259	1,467

【 Reference 】

【 The Shinwa Bank 】

Non-consolidated Balance Sheets

(millions of Yen)

Item	科目 (Japanese)	As of Mar 31, 2016	As of Mar 31, 2017
(Assets)	資産の部		
Cash and due from banks	現金預け金	324,545	273,589
Call loans	コールローン	7,778	7,041
Trading account securities	商品有価証券	212	227
Securities	有価証券	752,071	747,387
Loans and bills discounted	貸出金	1,465,210	1,482,980
Foreign exchanges	外国為替	1,578	1,314
Other assets	その他資産	6,785	11,819
Tangible fixed assets	有形固定資産	44,690	45,949
Intangible fixed assets	無形固定資産	1,297	1,759
Prepaid pension expenses	前払年金費用	4,610	4,969
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	4,661
Allowance for loan losses	貸倒引当金	(20,934)	(17,548)
Total assets	**資産の部合計**	2,595,706	2,564,151
(Liabilities)	負債の部		
Deposits	預金	2,188,823	2,168,117
Negotiable certificates of deposit	譲渡性預金	86,647	91,195
Call money	コールマネー	25,000	—
Borrowed money	借用金	152,985	160,916
Foreign exchanges	外国為替	31	167
Other liabilities	その他負債	5,233	4,610
Provision for losses from reimbursement of inactive accounts	睡眠預金払戻損失引当金	1,306	1,067
Deferred tax liabilities	繰延税金負債	—	550
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	4,661
Total liabilities	**負債の部合計**	2,470,294	2,435,705
(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	19,957
Total shareholders' equity	株主資本合計	87,263	93,714
Valuation difference on available-for-sale securities	その他有価証券評価差額金	23,457	20,117
Revaluation reserve for land	土地再評価差額金	14,690	14,613
Total valuation and translation adjustments	評価・換算差額等合計	38,148	34,731
Total net assets	**純資産の部合計**	125,411	128,445
Total liabilities and net assets	**負債及び純資産の部合計**	2,595,706	2,564,151

【 The Shinwa Bank 】

Non-consolidated Statements of Income

(millions of Yen)

Item	科目 (Japanese)	FY2015	FY2016
Ordinary income:	**経常収益**	35,745	36,272
Interest income	資金運用収益	25,786	25,033
Interest on loans and discounts	（うち貸出金利息）	20,148	19,271
Interest and dividends on securities	（うち有価証券利息配当金）	5,198	5,316
Fees and commissions	役務取引等収益	7,611	7,123
Other operating income	その他業務収益	716	127
Other income	その他経常収益	1,631	3,987
Ordinary expenses:	**経常費用**	28,002	26,844
Interest expenses	資金調達費用	1,690	1,038
Interest on deposits	（うち預金利息）	1,317	893
Fees and commissions payments	役務取引等費用	3,759	4,135
Other operating expenses	その他業務費用	2	284
General and administrative expenses	営業経費	20,470	20,924
Other expenses	その他経常費用	2,079	461
Ordinary profit	**経常利益**	7,742	9,427
Extraordinary income	特別利益	3	36
Gain on disposal of noncurrent assets	固定資産処分益	3	36
Extraordinary loss	特別損失	491	120
Loss on disposal of noncurrent assets	固定資産処分損	76	53
Impairment loss	減損損失	414	67
Income before income taxes:	**税引前当期純利益**	7,255	9,343
Current	法人税、住民税及び事業税	(2,345)	(2,510)
Deferred	法人税等調整額	4,394	4,412
Total income taxes	法人税等合計	2,048	1,901
Net income	**当期純利益**	5,206	7,441

Fukuoka Financial Group

Financial Digest for FY2016

May 10, 2017

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This report contains forward-looking statements and other forward-looking information relating to the company (the “forward-looking statements”). The forward-looking statements are not historical facts and include, reflect or are otherwise based upon, among other things, the company’s current estimations, projections, views, policies, business strategies, targets, expectations, assumptions and evaluations with respect to general economic conditions, the results of operations, the financial condition, the company’s management in general and other future events. Accordingly, they are inherently susceptible to uncertainties, risks and changes in circumstances and are not guarantees of future performance.

Some forward-looking statements represent targets that the company’s management will strive to achieve through the successful implementation of the company’s business strategies. The company may not be successful in implementing its business strategy, and actual results may differ materially, for a wide range of possible reasons.

1. Gain and loss

(¥ mil.)

【announced projections】	3 banks' total FY2016	3 banks' total Comparison	3 banks' total FY2015	FFG (consolidated) FY2016	FFG (consolidated) Comparison	FFG (consolidated) FY2015
Gross business profit	175,365	(3,540)	178,905	187,920	(2,167)	190,087
Net interest income	149,655	(340)	149,995	149,208	635	148,573
Net fees and commissions	19,449	(2,488)	21,937	27,705	(2,230)	29,935
Net trading income	16	(27)	43	108	(19)	127
Net other operating income	6,244	(684)	6,928	10,898	(552)	11,450
Gains (losses) on sales (redemptions) of bonds	2,486	(83)	2,569	2,486	(83)	2,569
Overhead expenses (-)	101,543	1,569	99,974	219,283	98,149	121,134
Business profit (before transfer to general reserve for possible loan losses)	73,821	(5,110)	78,931	(31,362)	(100,315)	68,953
① Transfer to general reserve for possible loan losses (-)	(12,441)	(12,441)	[(8,654)] —	(11,226)	(11,226)	[(8,948)] —
Business profit	86,263	7,332	78,931	(20,136)	(89,089)	68,953
Core business profit 【70,400】	71,335	(5,026)	76,361	(33,849)	(100,232)	66,383
Other operating profit (loss)	(14,050)	(17,052)	3,002	(14,305)	(16,778)	2,473
② Credit cost for disposal of non-performing loans (-)	10,807	14,433	(3,626)	12,242	14,974	(2,732)
Net transfer to specific reserve for possible loan losses (-)	12,558	12,558	[6,193] —	14,015	14,015	[7,397] —
Reversal of allowance for loan losses	—	(2,460)	→ 2,460	—	(1,551)	→ 1,551
Recoveries of written-off claims	1,230	(61)	1,291	1,230	(61)	1,291
Total credit cost ①+② (-) 【(1,100)】	(1,633)	1,993	(3,626)	1,016	3,748	(2,732)
Gains (losses) on stocks	1,626	(257)	1,883	3,024	435	2,589
Others	(4,869)	(2,361)	(2,508)	(5,087)	(2,239)	(2,848)
Ordinary profit 【74,700】	72,212	(9,721)	81,933	(34,441)	(105,867)	71,426
Extraordinary profit (loss)	(1,202)	926	(2,128)	(1,115)	946	(2,061)
Income (loss) before income taxes	71,009	(8,795)	79,804	(35,557)	(104,922)	69,365
Total income taxes (-)	17,950	(5,776)	23,726	18,849	(5,292)	24,141
Net income 【53,100】	53,059	(3,018)	56,077	(54,406)	(99,629)	45,223
Net income attributable to non-controlling interests (-)				(106)	(611)	505
Net income attributable to owners of the parent 【(54,800)】				(54,300)	(99,018)	44,718

Excluding the one-time amortization of goodwill, ¥94.8 billion, a ¥4.2 billion decrease from a year earlier to ¥40.5 billion

<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 FY2015, 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.

■ Summary

Core business profit (3 banks' total) ¥71.3 billion

- In respect of net interest income, an increase of loan volume and a decrease of interest expenses covered a decrease in yield resulting from the Bank of Japan's implementation of a negative interest rate policy.
- However, net fees and commissions decreased and overhead expenses increased. As a result, core business profit decreased ¥5.0 billion from a year earlier to ¥71.3 billion.

Consolidated ordinary profit ¥(34.4 billion)

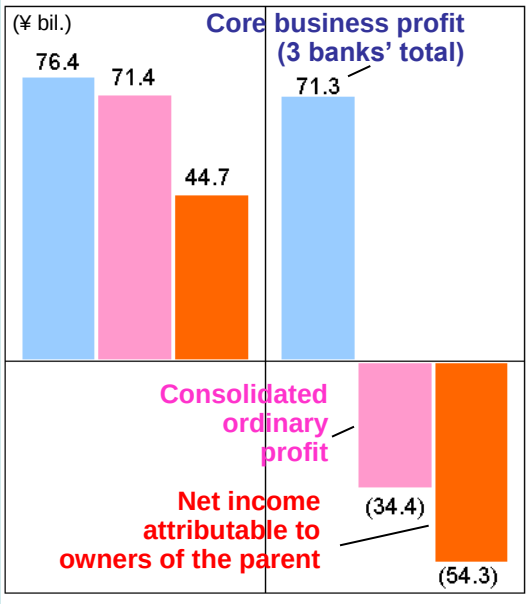
- In respect of consolidated ordinary profit, we posted a loss of ¥34.4 billion due to a ¥94.8 billion loss on *the one-time amortization of goodwill and an increase of credit cost.

* Regarding the one-time amortization of goodwill, refer to "Implementation of One-time Goodwill Amortization and Revision of Business Results Forecast" announced on our website on March 21, 2017.

Net income attributable to owners of the parent ¥(54.3 billion)

- As a result, net income attributable to owners of the parent decreased and we posted a loss of ¥54.3 billion. However, excluding the one-time amortization of goodwill, it stood at ¥40.5 billion.

Gain and Loss



The Bank of Fukuoka (non-consolidated)

(¥ mil.)

【announced projections】	FY2016	FY2015	Comparison
Gross business profit	129,488	129,451	37
Net interest income	107,913	107,729	184
Domestic	101,272	100,893	379
International	6,641	6,835	(194)
Net fees and commissions	15,087	15,696	(609)
Net trading income	16	43	(27)
Net other operating income	6,470	5,983	487
Gains (losses) on sales (redemptions) of bonds	2,893	2,003	890
Gains on foreign exchange transactions	1,294	1,561	(267)
Overhead expenses (-)	67,656	66,054	1,602
Business profit (before transfer to general reserve for possible loan losses)	61,831	63,396	(1,565)
① Transfer to general reserve for possible loan losses (-)	(11,380)	[(3,350)] —	(11,380)
Business profit	73,212	63,396	9,816
Core business profit 【57,300】	58,938	61,393	(2,455)
Other operating profit (loss)	(13,106)	3,409	(16,515)
② Credit cost for disposal of non-performing loans (-)	10,934	(1,820)	12,754
Net transfer to specific reserve for possible loan losses (-)	12,613	[2,102] —	12,613
Reversal of allowance for loan losses	—	▶ 1,247	(1,247)
Recoveries of written-off claims	950	665	285
Total credit cost ①+② (-) 【(2,200)】	(445)	(1,820)	1,375
Gains (losses) on stocks	1,482	1,847	(365)
Others	(3,654)	(258)	(3,396)
Ordinary profit 【64,400】	60,105	66,806	(6,701)
Extraordinary profit (loss)	(323)	(1,626)	1,303
Income (loss) before income taxes	59,781	65,179	(5,398)
Total income taxes (-)	15,631	19,568	(3,937)
Net income 【45,900】	44,150	45,611	(1,461)

The Kumamoto Bank (non-consolidated)

(¥ mil.)

【announced projections】	FY2016	FY2015	Comparison
Gross business profit	19,051	20,792	(1,741)
Net interest income	17,746	18,170	(424)
Domestic	17,682	18,139	(457)
International	64	30	34
Net fees and commissions	1,373	2,390	(1,017)
Net other operating income	(68)	231	(299)
Gains (losses) on sales (redemptions) of bonds	(126)	108	(234)
Gains on foreign exchange transactions	57	117	(60)
Overhead expenses (-)	13,943	13,789	154
Business profit (before transfer to general reserve for possible loan losses)	5,107	7,002	(1,895)
① Transfer to general reserve for possible loan losses (-)	795	[(1,926)] —	795
Business profit	4,312	7,002	(2,690)
Core business profit 【5,100】	5,234	6,894	(1,660)
Other operating profit (loss)	(1,634)	381	(2,015)
② Credit cost for disposal of non-performing loans (-)	1,148	(965)	2,113
Net transfer to specific reserve for possible loan losses (-)	1,081	[1,171] —	1,081
Reversal of allowance for loan losses	—	▶ 754	(754)
Recoveries of written-off claims	82	253	(171)
Total credit cost ①+② (-) 【3,400】	1,943	(965)	2,908
Gains (losses) on stocks	91	91	(0)
Others	(577)	(675)	98
Ordinary profit 【1,100】	2,678	7,384	(4,706)
Extraordinary profit (loss)	(793)	(14)	(779)
Income (loss) before income taxes	1,884	7,369	(5,485)
Total income taxes (-)	417	2,110	(1,693)
Net income 【200】	1,467	5,259	(3,792)

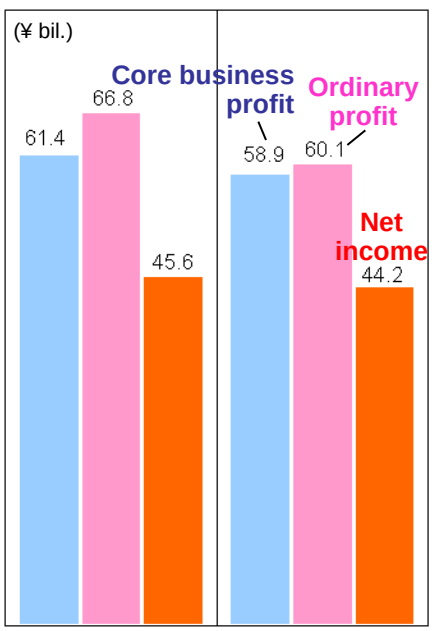
The Shinwa Bank (non-consolidated)

(¥ mil.)

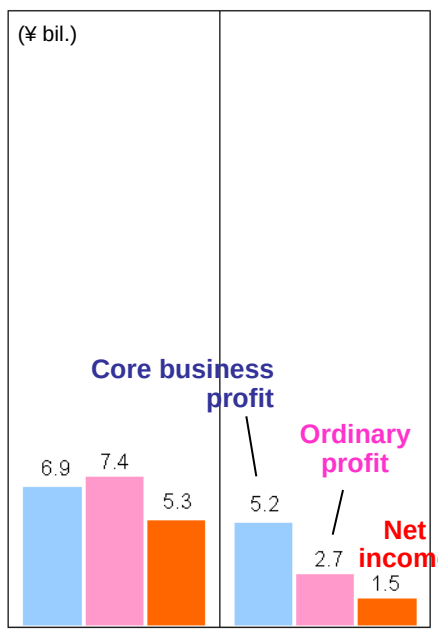
【announced projections】	FY2016	FY2015	Comparison
Gross business profit	26,825	28,661	(1,836)
Net interest income	23,994	24,096	(102)
Domestic	23,884	24,052	(168)
International	110	43	67
Net fees and commissions	2,988	3,851	(863)
Net other operating income	(157)	713	(870)
Gains (losses) on sales (redemptions) of bonds	(280)	457	(737)
Gains on foreign exchange transactions	90	184	(94)
Overhead expenses (-)	19,943	20,129	(186)
Business profit (before transfer to general reserve for possible loan losses)	6,881	8,531	(1,650)
① Transfer to general reserve for possible loan losses (-)	[(1,856)] —	[(3,377)] —	—
Business profit	6,881	8,531	(1,650)
Core business profit 【8,000】	7,162	8,073	(911)
Other operating profit (loss)	2,545	(788)	3,333
② Credit cost for disposal of non-performing loans (-)	(3,131)	(841)	(2,290)
Net transfer to specific reserve for possible loan losses (-)	[(1,136)] —	[2,918] —	—
Reversal of allowance for loan losses	2,992	458	2,534
Recoveries of written-off claims	197	371	(174)
Total credit cost ①+② (-) 【(2,300)】	(3,131)	(841)	(2,290)
Gains (losses) on stocks	52	(55)	107
Others	(638)	(1,574)	936
Ordinary profit 【9,200】	9,427	7,742	1,685
Extraordinary profit (loss)	(84)	(487)	403
Income (loss) before income taxes	9,343	7,255	2,088
Total income taxes (-)	1,901	2,048	(147)
Net income 【7,000】	7,441	5,206	2,235

Gain and Loss

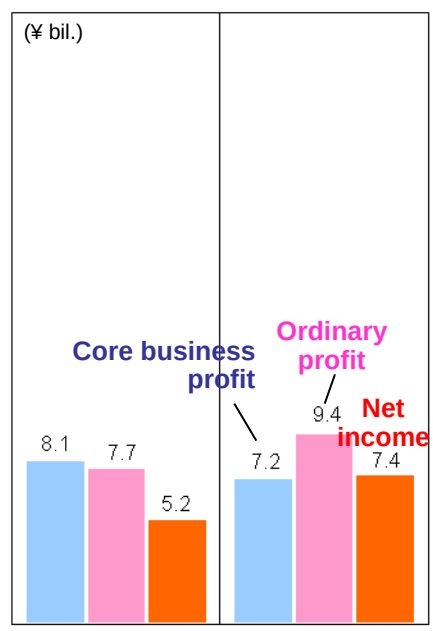
The Bank of Fukuoka (non-consolidated)



The Kumamoto Bank (non-consolidated)



The Shinwa Bank (non-consolidated)

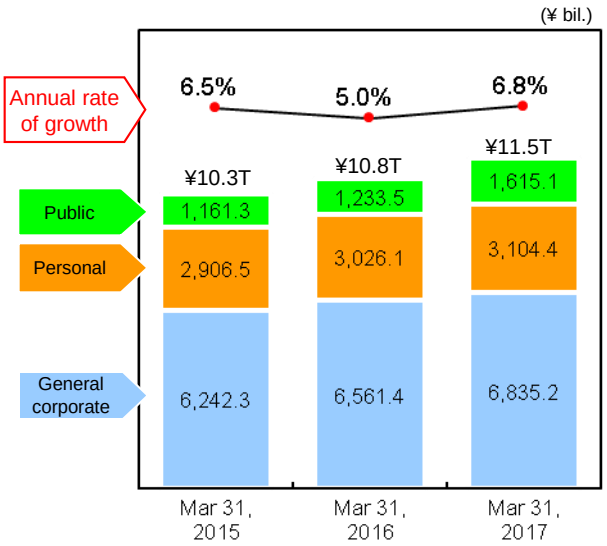


2. Assets and liabilities

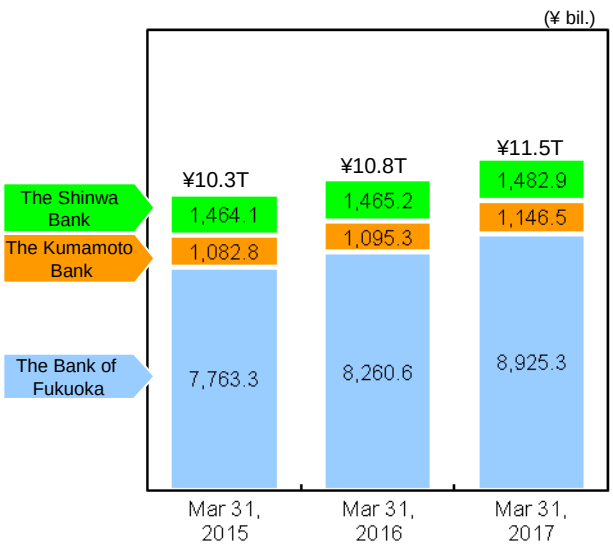
(1) Loans

3 banks' total

Loans classified by customer segment (Term-end balance)



Loans classified by bank (Term-end balance)



(¥ mil.)

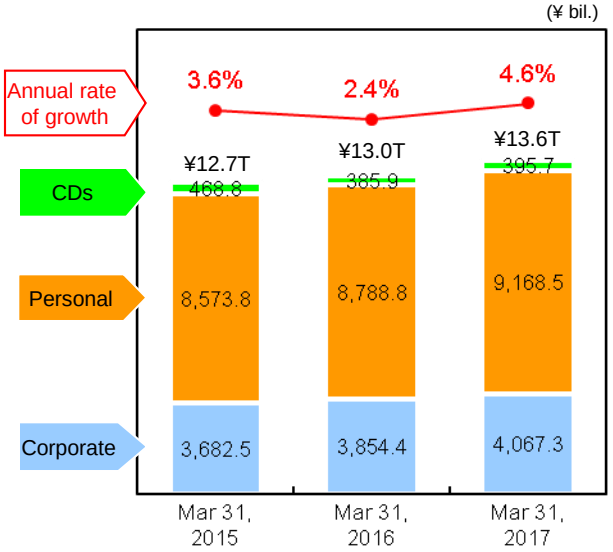
		Mar 31, 2017 annual rate of growth	Mar 31, 2017	change from Mar 31, 2016	change from Mar 31, 2015	Mar 31, 2016	Mar 31, 2015
3 banks' total	Total loans	6.8%	11,554,906	733,686	1,244,609	10,821,220	10,310,297
	Personal segment	2.6%	3,104,484	78,326	197,920	3,026,158	2,906,564
	Corporate segment	8.4%	8,450,419	655,359	1,046,689	7,795,060	7,403,730
	General Corporate	4.2%	6,835,229	273,766	592,842	6,561,463	6,242,387
	Public Sector	30.9%	1,615,190	381,594	453,849	1,233,596	1,161,341
	Personal loans	2.7%	3,000,895	77,817	199,191	2,923,078	2,801,704
	Housing loans	1.5%	2,689,367	39,501	127,042	2,649,866	2,562,325
	Consumer loans	22.7%	234,850	43,457	86,833	191,393	148,017
The Bank of Fukuoka (non-consolidated)	Total loans	8.0%	8,925,392	664,752	1,162,055	8,260,640	7,763,337
	Personal segment	2.5%	2,214,552	53,585	144,812	2,160,967	2,069,740
	Corporate segment	10.0%	6,710,839	611,166	1,017,243	6,099,673	5,693,596
	General Corporate	5.0%	5,426,687	259,138	606,186	5,167,549	4,820,501
	Public Sector	37.8%	1,284,152	352,029	411,058	932,123	873,094
	Fukuoka prefecture	4.3%	6,700,701	273,468	642,681	6,427,233	6,058,020
	Personal loans	2.5%	2,145,764	52,096	142,583	2,093,668	2,003,181
	Housing loans	1.3%	1,924,840	24,005	87,278	1,900,835	1,837,562
	Consumer loans	25.5%	165,686	33,646	66,407	132,040	99,279
The Kumamoto Bank (non-consolidated)	Total loans	4.7%	1,146,534	51,164	63,719	1,095,370	1,082,815
	Personal segment	4.3%	434,928	17,843	40,242	417,085	394,686
	Corporate segment	4.9%	711,605	33,321	23,477	678,284	688,128
	General Corporate	4.0%	604,016	22,980	8,420	581,036	595,596
	Public Sector	10.6%	107,589	10,341	15,058	97,248	92,531
	Kumamoto prefecture	5.5%	1,062,708	54,975	63,388	1,007,733	999,320
	Personal loans	4.5%	412,326	17,595	40,203	394,731	372,123
	Housing loans	3.2%	377,342	11,723	31,328	365,619	346,014
	Consumer loans	17.9%	27,733	4,215	8,838	23,518	18,895
The Shinwa Bank (non-consolidated)	Total loans	1.2%	1,482,980	17,770	18,835	1,465,210	1,464,145
	Personal segment	1.5%	455,004	6,898	12,866	448,106	442,138
	Corporate segment	1.1%	1,027,975	10,872	5,969	1,017,103	1,022,006
	General Corporate	(1.0%)	804,526	(8,352)	(21,764)	812,878	826,290
	Public Sector	9.4%	223,449	19,224	27,733	204,225	195,716
	Nagasaki prefecture	2.3%	1,093,407	24,394	42,886	1,069,013	1,050,521
	Personal loans	1.9%	442,805	8,126	16,405	434,679	426,400
	Housing loans	1.0%	387,185	3,773	8,436	383,412	378,749
	Consumer loans	15.6%	41,431	5,596	11,588	35,835	29,843

<Note> The term-end balance of loans includes loans granted by the Bank of Fukuoka to FFG (¥94.0 billion at the end of March 2015, ¥101.5 billion at the end of March 2016, and ¥115.0 billion at the end of March 2017).

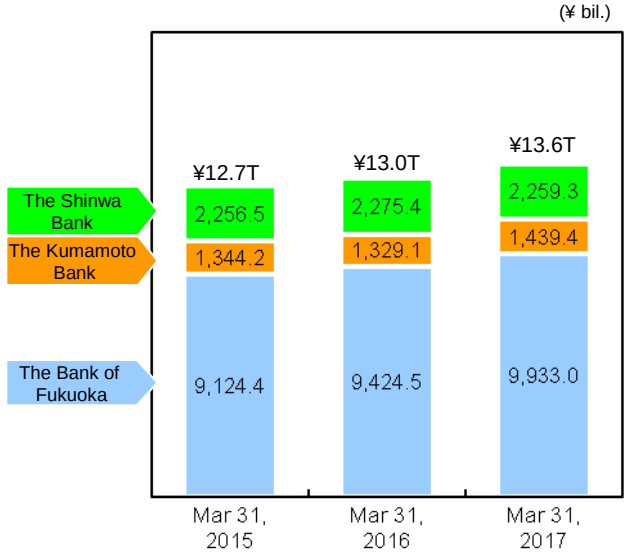
(2) Deposits

3 banks' total

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



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



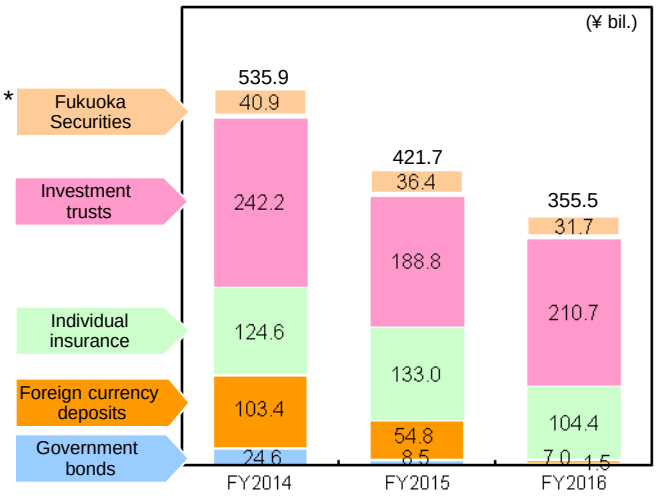
(¥ mil.)

		Mar 31, 2017 annual rate of growth	Mar 31, 2017	change from Mar 31, 2016	change from Mar 31, 2015	Mar 31, 2016	Mar 31, 2015
3 banks' total	Personal deposits	4.3%	9,168,586	379,782	594,782	8,788,804	8,573,804
	Corporate deposits	5.5%	4,067,366	212,963	384,791	3,854,403	3,682,575
	Total	4.7%	13,235,954	592,747	979,572	12,643,207	12,256,382
	Demand	7.4%	8,393,183	575,622	838,848	7,817,561	7,554,335
	Time	0.4%	4,842,768	17,123	140,722	4,825,645	4,702,046
	CDs	2.5%	395,768	9,816	(73,085)	385,952	468,853
	Deposits and CDs	4.6%	13,631,722	602,560	906,486	13,029,162	12,725,236
The Bank of Fukuoka (non-consolidated)	Personal deposits	4.1%	6,656,336	262,229	442,598	6,394,107	6,213,738
	Corporate deposits	8.0%	2,985,050	221,028	366,993	2,764,022	2,618,057
	Total	5.3%	9,641,386	483,257	809,590	9,158,129	8,831,796
	Demand	6.5%	6,413,898	394,184	623,278	6,019,714	5,790,620
	Time	2.8%	3,227,487	89,073	186,312	3,138,414	3,041,175
	CDs	9.5%	291,624	25,235	(987)	266,389	292,611
	Deposits and CDs	5.4%	9,933,010	508,491	808,603	9,424,519	9,124,407
	Fukuoka prefecture	5.5%	9,021,863	467,369	714,264	8,554,494	8,307,599
The Kumamoto Bank (non-consolidated)	Personal deposits	9.0%	1,064,485	87,528	105,994	976,957	958,491
	Corporate deposits	13.4%	361,965	42,667	42,588	319,298	319,377
	Total	10.0%	1,426,451	130,196	148,582	1,296,255	1,277,869
	Demand	21.4%	735,624	129,898	148,005	605,726	587,619
	Time	0.0%	690,826	297	576	690,529	690,250
	CDs	(60.7%)	12,949	(19,967)	(53,446)	32,916	66,395
	Deposits and CDs	8.3%	1,439,400	110,228	95,136	1,329,172	1,344,264
	Kumamoto prefecture	11.3%	1,332,299	134,982	149,838	1,197,317	1,182,461
The Shinwa Bank (non-consolidated)	Personal deposits	2.1%	1,447,765	30,025	46,190	1,417,740	1,401,575
	Corporate deposits	(6.6%)	720,351	(50,732)	(24,790)	771,083	745,141
	Total	(0.9%)	2,168,117	(20,706)	21,400	2,188,823	2,146,717
	Demand	4.3%	1,243,661	51,540	67,565	1,192,121	1,176,096
	Time	(7.2%)	924,455	(72,247)	(46,166)	996,702	970,621
	CDs	5.2%	91,195	4,548	(18,652)	86,647	109,847
	Deposits and CDs	(0.7%)	2,259,312	(16,159)	2,747	2,275,471	2,256,565
	Nagasaki prefecture	(0.2%)	1,917,770	(3,324)	43,785	1,921,094	1,873,985

(3) Asset management products

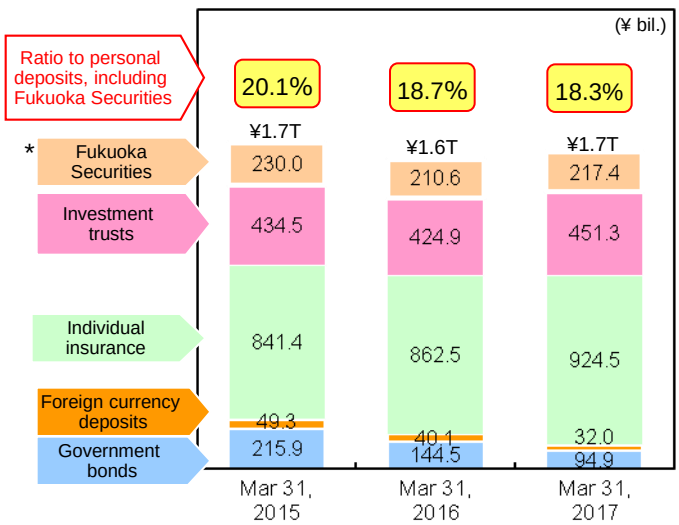
Group's total

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.)

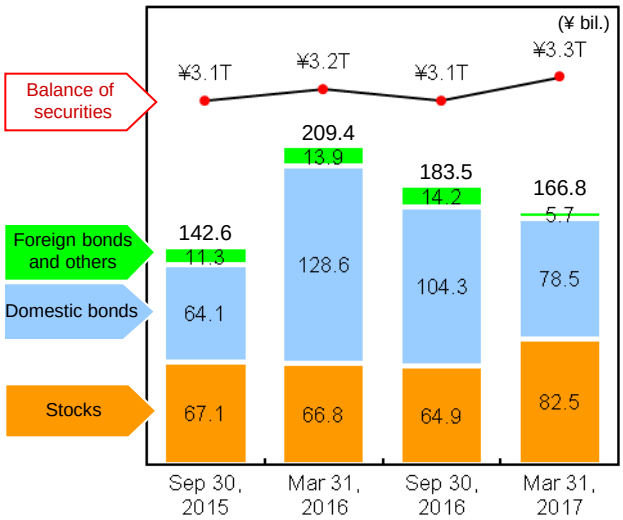
		Sales of asset management products					Outstanding balance of assets under management for individual customers				
		FY2016	change from FY2015	change from FY2014	FY2015	FY2014	Mar 31, 2017	Change from Mar 31, 2016	Change from Mar 31, 2015	Mar 31, 2016	Mar 31, 2015
Group's total	Investment trusts	210.7	21.9	(31.5)	188.8	242.2	451.3	26.4	16.8	424.9	434.5
	Individual insurance	104.4	(28.6)	(20.2)	133.0	124.6	924.5	62.0	83.1	862.5	841.4
	Foreign currency deposits	7.0	(47.8)	(96.4)	54.8	103.4	32.0	(8.1)	(17.3)	40.1	49.3
	Government bonds	1.5	(7.0)	(23.1)	8.5	24.6	94.9	(49.6)	(121.0)	144.5	215.9
	Fukuoka Securities	31.7	(4.7)	(9.2)	36.4	40.9	217.4	6.8	(12.6)	210.6	230.0
	Total	355.5	(66.2)	(180.4)	421.7	535.9	1,720.3	37.6	(51.1)	1,682.7	1,771.4
	Ratio to personal deposits						18.3%	(0.4%)	(1.8%)	18.7%	20.1%
The Bank of Fukuoka (non-consolidated)	Investment trusts	132.8	17.2	(7.4)	115.6	140.2	297.9	16.1	7.6	281.8	290.3
	Individual insurance	65.9	(9.6)	(7.3)	75.5	73.2	590.8	44.8	53.9	546.0	536.9
	Foreign currency deposits	6.0	(26.3)	(47.2)	32.3	53.2	24.6	(5.4)	(11.9)	30.0	36.5
	Government bonds	1.3	(6.1)	(20.3)	7.4	21.6	83.4	(45.2)	(105.2)	128.6	188.6
	Total	206.2	(24.8)	(82.2)	231.0	288.4	996.9	10.4	(55.6)	986.5	1,052.5
	Ratio to personal deposits						15.0%	(0.4%)	(1.9%)	15.4%	16.9%
The Kumamoto Bank (non-consolidated)	Investment trusts	35.8	6.5	(6.7)	29.3	42.5	71.3	6.0	3.1	65.3	68.2
	Individual insurance	12.4	(11.8)	(5.3)	24.2	17.7	131.9	7.4	15.0	124.5	116.9
	Foreign currency deposits	0.4	(9.9)	(22.2)	10.3	22.6	3.0	(1.2)	(3.3)	4.2	6.3
	Government bonds	0.0	(0.1)	(0.3)	0.1	0.3	1.6	(0.8)	(1.9)	2.4	3.5
	Total	48.7	(15.3)	(34.6)	64.0	83.3	208.0	11.4	13.0	196.6	195.0
	Ratio to personal deposits						19.5%	(0.6%)	(0.8%)	20.1%	20.3%
The Shinwa Bank (non-consolidated)	Investment trusts	42.0	(1.8)	(17.4)	43.8	59.4	82.0	4.3	6.1	77.7	75.9
	Individual insurance	26.0	(7.2)	(7.5)	33.2	33.5	201.7	9.9	14.2	191.8	187.5
	Foreign currency deposits	0.5	(11.6)	(27.0)	12.1	27.5	4.3	(1.5)	(2.2)	5.8	6.5
	Government bonds	0.1	(0.8)	(2.5)	0.9	2.6	9.7	(3.7)	(14.0)	13.4	23.7
	Total	68.7	(21.4)	(54.5)	90.1	123.2	297.8	9.0	4.0	288.8	293.8
	Ratio to personal deposits						20.6%	0.2%	(0.4%)	20.4%	21.0%

<Notes> 1. The sales of investment trusts include those to corporate customers, but the others are the sales only to individuals.
2. The sales of individual insurance don't include level premium insurance besides prepaid contracts.

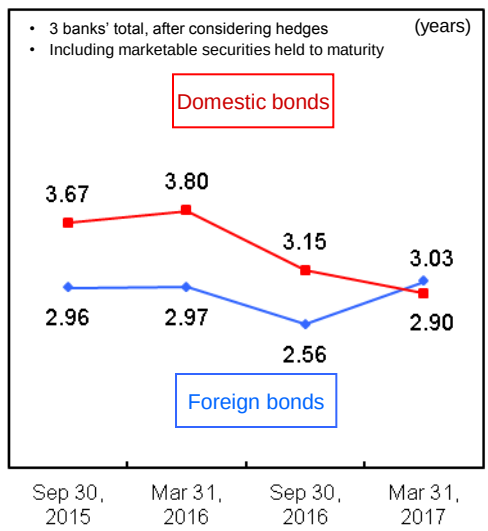
(4) Marketable securities

FFG (consolidated)

Unrealized gain



Bond duration



(¥ mil.)

		Mar 31, 2017						Sep 30, 2016		Mar 31, 2016	
		Market value	change from Sep 30, 2016	change from Mar 31, 2016	Unrealized gain(loss)	change from Sep 30, 2016	change from Mar 31, 2016	Market value	Unrealized gain(loss)	Market value	Unrealized gain(loss)
FFG (consolidated)	Total	3,307,302	160,323	15,933	166,871	(16,722)	(42,558)	3,146,979	183,593	3,291,369	209,429
	Stocks	147,560	17,202	15,096	82,567	17,614	15,754	130,358	64,953	132,464	66,813
	Domestic bonds	2,777,740	86,180	(83,941)	78,526	(25,840)	(50,099)	2,691,560	104,366	2,861,681	128,625
	National government bonds	2,060,443	55,792	(122,640)	67,852	(23,032)	(46,793)	2,004,651	90,884	2,183,083	114,645
	Local government bonds	79,388	9,255	17,043	1,238	(371)	(440)	70,133	1,609	62,345	1,678
	Corporate bonds	637,907	21,133	21,655	9,436	(2,436)	(2,865)	616,774	11,872	616,252	12,301
	Foreign bonds and Others	382,001	56,941	84,778	5,776	(8,497)	(8,214)	325,060	14,273	297,223	13,990
The Bank of Fukuoka (consolidated)	Total	2,291,811	168,912	32,876	133,756	(10,802)	(35,973)	2,122,899	144,558	2,258,935	169,729
	Stocks	132,249	14,198	11,741	78,689	14,610	12,235	118,051	64,079	120,508	66,454
	Domestic bonds	1,777,563	97,773	(63,644)	49,290	(16,915)	(39,995)	1,679,790	66,205	1,841,207	89,285
	National government bonds	1,229,379	64,756	(105,489)	41,980	(14,898)	(37,486)	1,164,623	56,878	1,334,868	79,466
	Local government bonds	52,899	9,738	17,563	876	(235)	(298)	43,161	1,111	35,336	1,174
	Corporate bonds	495,284	23,279	24,283	6,433	(1,782)	(2,211)	472,005	8,215	471,001	8,644
	Foreign bonds and Others	381,998	56,941	84,779	5,776	(8,497)	(8,213)	325,057	14,273	297,219	13,989
The Kumamoto Bank (non-consolidated)	Total	269,212	(8,837)	(12,229)	8,419	(1,997)	(1,664)	278,049	10,416	281,441	10,083
	Stocks	2,379	348	999	1,427	349	1,002	2,031	1,078	1,380	425
	Domestic bonds	266,830	(9,185)	(13,226)	6,991	(2,346)	(2,666)	276,015	9,337	280,056	9,657
	National government bonds	213,921	(7,214)	(11,242)	6,097	(2,089)	(2,378)	221,135	8,186	225,163	8,475
	Local government bonds	1,342	(9)	65	34	(9)	(9)	1,351	43	1,277	43
	Corporate bonds	51,566	(1,963)	(2,049)	859	(247)	(279)	53,529	1,106	53,615	1,138
	Foreign bonds and Others	2	(1)	(1)	0	0	(0)	3	0	3	0
The Shinwa Bank (non-consolidated)	Total	746,277	248	(4,715)	28,298	(3,923)	(4,881)	746,029	32,221	750,992	33,179
	Stocks	12,931	2,656	2,356	6,053	2,655	2,556	10,275	3,398	10,575	3,497
	Domestic bonds	733,346	(2,408)	(7,071)	22,244	(6,579)	(7,438)	735,754	28,823	740,417	29,682
	National government bonds	617,142	(1,751)	(5,909)	19,774	(6,044)	(6,930)	618,893	25,818	623,051	26,704
	Local government bonds	25,147	(473)	(584)	326	(128)	(134)	25,620	454	25,731	460
	Corporate bonds	91,057	(182)	(577)	2,143	(406)	(375)	91,239	2,549	91,634	2,518
	Foreign bonds and Others	–	–	–	–	–	–	–	–	–	–

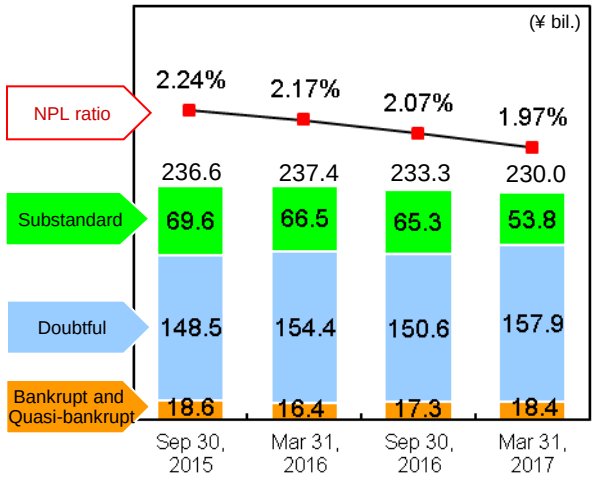
3. Non-performing loans

（Direct write-off is adopted）

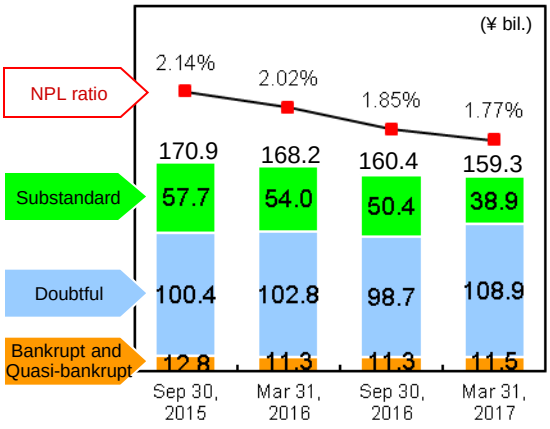
3 banks' total

(¥ bil.)

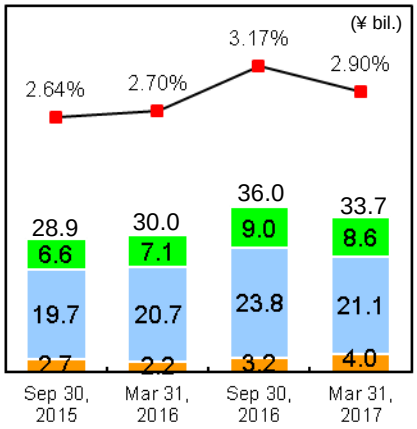
	Mar 31, 2017	change from Sep 30, 2016	change from Mar 31, 2016	Sep 30, 2016	Mar 31, 2016
①NPLs under the FRL	230.0	(3.3)	(7.4)	233.3	237.4
Bankrupt and Quasi-bankrupt	18.4	1.1	2.0	17.3	16.4
Doubtful	157.9	7.2	3.4	150.6	154.4
Substandard	53.8	(11.6)	(12.7)	65.3	66.5
Normal customers	11,394.0	374.3	727.4	11,019.8	10,666.7
②Total credits	11,624.1	371.0	720.0	11,253.1	10,904.1
Ratio of NPLs under the FRL to the total credits ①/②	1.97%	(0.10%)	(0.20%)	2.07%	2.17%



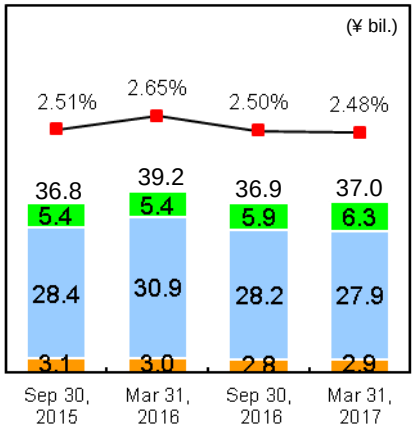
The Bank of Fukuoka (non-consolidated)



The Kumamoto Bank (non-consolidated)



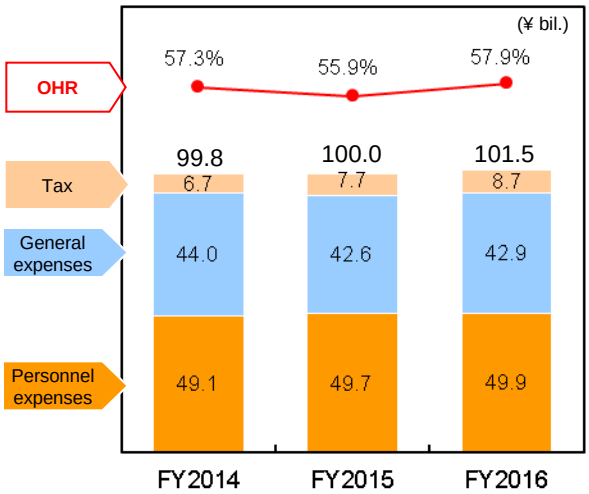
The Shinwa Bank (non-consolidated)



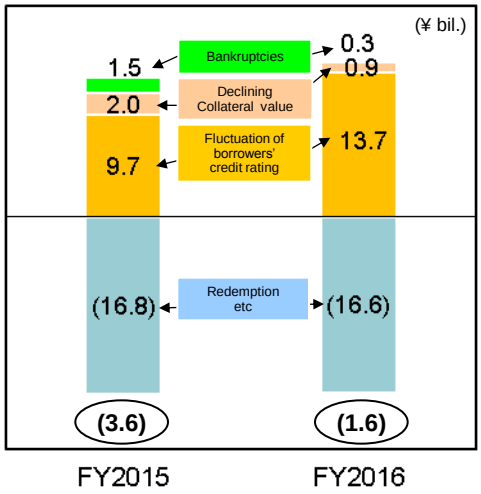
4. Overhead expenses • Credit cost

3 banks' total

Overhead expenses • OHR



Composition of credit cost



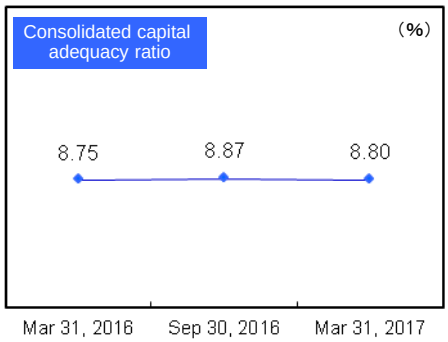
5. Capital adequacy ratio

FFG（consolidated） **The Domestic standard**

- Consolidated capital adequacy ratio: 8.80%
- Capital adequacy on its structure based on Pillar 3, market discipline, is disclosed on our website (https://www.fukuoka-fg.com/investor/earnings.htm). (This information is Japanese only.)

(¥ bil.)

	Mar 31, 2017 [preliminary]	Change from Sep 30, 2016	Change from Mar 31, 2016	Sep 30, 2016	Mar 31, 2016
①Total capital ratio ④／⑤	8.80%	(0.07%)	0.05%	8.87%	8.75%
②Core capital	609.1	(81.4)	(78.4)	690.5	687.5
③Deduction	11.9	(92.3)	(95.9)	104.2	107.8
④Total capital ②-③	597.1	10.8	17.4	586.3	579.7
⑤Risk adjusted assets	6,783.3	179.2	158.6	6,604.1	6,624.7



6. Projections

- The tables presented below show our business performance forecast for FY2017, the second year of the Fifth Mid-Term Management Plan, “Aiming to be the Best Regional Bank” (from April 1, 2016 to March 31, 2019).

FFG（consolidated）

(¥ mil.)

	FY2017 (Projection)		FY2016 Result
		Interim (Projection)	
Ordinary profit	70,000	35,000	(34,441)
Net income *	49,000	24,500	(54,300)

* Net income attributable to owners of the parent

<Reference>

• Projections on a subsidiary basis are as follows.

Projections for FY2017

(¥ mil.)

	3 banks' total	The Bank of Fukuoka	The Kumamoto Bank	The Shinwa Bank	(3 banks' total) FY2016
Core business profit	73,200	59,900	5,600	7,700	71,335
Ordinary profit	71,500	60,700	4,400	6,400	72,212
Net income	51,400	43,100	3,300	5,000	53,059
Credit cost (-)	5,000	3,500	800	800	(1,633)

Projections for the Interim of FY2017

(¥ mil.)

	3 banks' total	The Bank of Fukuoka	The Kumamoto Bank	The Shinwa Bank	(3 banks' total) FY2016 Interim
Core business profit	36,500	30,300	2,400	3,700	35,353
Ordinary profit	35,400	30,700	1,800	2,900	39,954
Net income	25,600	22,000	1,300	2,300	28,376
Credit cost (-)	2,500	1,800	400	400	(2,550)

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