February 9, 2018

Fukuoka Financial Group, Inc.

Financial Digest for the Third Quarter of FY2017

Stock Exchange Listing:	Tokyo, Fukuoka (code:8354)
URL:	https://www.fukuoka-fg.com/
Representative:	Takashige Shibato, President
For Inquiry:	Hiroshi Miyoshi, Executive Officer, Corporate Planning Division
Payment date of cash dividends:	—
Filing date of Financial Statements:	February 9, 2018 (scheduled)
Trading Accounts:	Established
Supplementary Materials:	Attached
IR Conference:	Not scheduled

(Notes) 1. This quarterly report is not subject to the quarterly review.
2. Amounts less than one million yen are omitted.

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

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

	Ordinary Income		Ordinary Profit		Net Income attributable to owners of the parent	
	¥Million	%	¥Million	%	¥Million	%
3Q FY2017	178,616	3.6	55,254	40.2	38,433	51.8
3Q FY2016	172,428	(3.0)	39,421	(31.4)	25,314	(30.6)

(Note) Comprehensive income 3Q FY2017: ¥60,220 million [166.1%] 3Q FY2016: ¥22,629 million [(48.0%)]

	Net Income per Share	Net Income per Share (Diluted)
	¥	¥
3Q FY2017	44.75	—
3Q FY2016	29.47	—

(2) Consolidated Financial Position

	Total Assets	Total Net Assets	Own Capital Ratio
	¥Million	¥Million	%
December 31, 2017	19,883,178	760,240	3.8
March 31, 2017	18,113,049	712,058	3.9

(Reference) Own capital December 31, 2017: ¥760,237 million March 31, 2017: ¥712,049 million

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

2. Dividend Payment

	Dividends declared per Share				
	First Quarter-end	Second Quarter-end	Third Quarter-end	Fiscal Year-end	Total
	¥	¥	¥	¥	¥
FY2016	—	6.50	—	6.50	13.00
FY2017	—	7.50	—		
FY2017 (projection)				7.50	15.00

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

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

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

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

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

4.Consolidated Financial Statements

(1) Consolidated Balance Sheets

(millions of Yen)

Item	科目 (Japanese)	As of Mar 31, 2017	As of Dec 31, 2017
(Assets)	資産の部		
Cash and due from banks	現金預け金	2,880,599	3,913,550
Call loans and bills bought	コールローン及び買入手形	500	5,000
Monetary claims bought	買入金銭債権	49,459	62,581
Trading assets	特定取引資産	1,701	1,895
Money held in trust	金銭の信託	10,697	4,709
Securities	有価証券	3,463,599	3,552,365
Loans and bills discounted	貸出金	11,428,299	12,016,903
Foreign exchanges	外国為替	10,352	12,482
Other assets	その他資産	127,348	170,232
Tangible fixed assets	有形固定資産	198,460	196,166
Intangible fixed assets	無形固定資産	15,220	15,571
Net defined benefit assets	退職給付に係る資産	12,671	13,545
Deferred tax assets	繰延税金資産	8,412	3,683
Customers' liabilities for acceptances and guarantees	支払承諾見返	40,008	40,305
Allowance for loan losses	貸倒引当金	(134,282)	(125,814)
Total assets	**資産の部合計**	18,113,049	19,883,178
(Liabilities)	負債の部		
Deposits	預金	13,207,675	13,511,784
Negotiable certificates of deposit	譲渡性預金	372,769	579,498
Call money and bills sold	コールマネー及び売渡手形	288,609	800,000
Payables under repurchase agreements	売現先勘定	100,949	102,826
Payables under securities lending transactions	債券貸借取引受入担保金	1,612,526	2,256,824
Trading liabilities	特定取引負債	0	—
Borrowed money	借用金	1,608,856	1,663,693
Foreign exchanges	外国為替	1,749	520
Short-term bonds payable	短期社債	5,000	5,000
Bonds payable	社債	30,000	20,000
Other liabilities	その他負債	102,499	106,460
Net defined benefit liability	退職給付に係る負債	899	932
Provision for losses on interest repayments	利息返還損失引当金	74	44
Provision for losses from reimbursement of inactive accounts	睡眠預金払戻損失引当金	6,219	5,128
Provision for contingent liabilities losses	その他の偶発損失引当金	8	7
Reserves under the special laws	特別法上の引当金	18	16
Deferred tax liabilities	繰延税金負債	97	6,872
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	23,028	23,021
Acceptances and guarantees	支払承諾	40,008	40,305
Total liabilities	**負債の部合計**	17,400,991	19,122,938
(Net assets)	純資産の部		
Capital stock	資本金	124,799	124,799
Capital surplus	資本剰余金	94,156	94,125
Retained earnings	利益剰余金	344,527	370,955
Treasury stock	自己株式	(343)	(358)
Total shareholders' equity	株主資本合計	563,140	589,521
Valuation difference on available-for-sale securities	その他有価証券評価差額金	117,726	137,329
Deferred gains or losses on hedges	繰延ヘッジ損益	(12,660)	(12,156)
Revaluation reserve for land	土地再評価差額金	51,649	51,632
Remeasurements of defined benefit plans	退職給付に係る調整累計額	(7,805)	(6,090)
Total accumulated other comprehensive income	その他の包括利益累計額合計	148,909	170,715
Non-controlling interests	非支配株主持分	8	3
Total net assets	**純資産の部合計**	712,058	760,240
Total liabilities and net assets	**負債及び純資産の部合計**	18,113,049	19,883,178

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

Consolidated Statements of Income

(millions of Yen)

Item	科目 (Japanese)	9 months ended Dec 31, 2016	9 months ended Dec 31, 2017
Ordinary income:	**経常収益**	172,428	178,616
Interest income	資金運用収益	125,252	128,782
Interest on loans and discounts	（うち貸出金利息）	99,679	101,244
Interest and dividends on securities	（うち有価証券利息配当金）	23,368	24,859
Fees and commissions	役務取引等収益	33,438	38,486
Trading income	特定取引収益	65	53
Other operating income	その他業務収益	11,910	4,775
Other income	その他経常収益	1,761	6,518
Ordinary expenses:	**経常費用**	133,006	123,362
Interest expenses	資金調達費用	12,950	14,607
Interest on deposits	（うち預金利息）	4,073	4,189
Fees and commissions payments	役務取引等費用	14,192	15,184
Other operating expenses	その他業務費用	1,234	468
General and administrative expenses	営業経費	96,889	90,514
Other expenses	その他経常費用	7,740	2,588
Ordinary profit	**経常利益**	39,421	55,254
Extraordinary income	特別利益	37	24
Gain on disposal of noncurrent assets	固定資産処分益	36	21
Transfer from reserve for financial products transaction liabilities	金融商品取引責任準備金取崩額	1	2
Extraordinary loss	特別損失	646	572
Loss on disposal of noncurrent assets	固定資産処分損	137	505
Impairment loss	減損損失	141	67
Other extraordinary loss	その他の特別損失	367	—
Income before income taxes:	**税金等調整前四半期純利益**	38,812	54,705
Current	法人税、住民税及び事業税	8,815	14,095
Deferred	法人税等調整額	4,698	2,212
Total income taxes	法人税等合計	13,513	16,307
Net income	四半期純利益	25,298	38,397
Net loss attributable to non-controlling interests (-)	非支配株主に帰属する四半期純損失	(16)	(36)
Net income attributable to owners of the parent	**親会社株主に帰属する四半期純利益**	25,314	38,433

Consolidated Statements of Comprehensive Income

(millions of Yen)

Item	科目 (Japanese)	9 months ended Dec 31, 2016	9 months ended Dec 31, 2017
Net income	四半期純利益	25,298	38,397
Other comprehensive income	その他の包括利益	(2,669)	21,823
Valuation difference on available-for-sale securities	その他有価証券評価差額金	(25,713)	19,603
Deferred gains or losses on hedges	繰延ヘッジ損益	20,874	504
Remeasurements of defined benefit plans	退職給付に係る調整額	2,169	1,715
Total comprehensive income	四半期包括利益	22,629	60,220
(Breakdown)	（内訳）		
Comprehensive income attributable to owners of the parent	親会社株主に係る四半期包括利益	22,645	60,257
Comprehensive income attributable to non-controlling interests	非支配株主に係る四半期包括利益	(16)	(36)

Fukuoka Financial Group

Financial Digest for the Third Quarter of FY2017

February 9, 2018

Contents

		Page
1	Gain and loss	6～8
2	Assets and liabilities	
	(1) Loans	9
	(2) Deposits	10
	(3) Asset management products	11
	(4) Marketable securities	12
3	Non-performing loans	13
4	Interest rate spread (Domestic division)	13

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

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

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

1. Gain and loss

(¥ mil.)

	3 banks' total			FFG (consolidated)			
	9 months ended Dec 31, 2017	Comparison	9 months ended Dec 31, 2016	9 months ended Dec 31, 2017	Comparison	9 months ended Dec 31, 2016	FY 2016
Gross business profit	131,031	(2,197)	133,228	141,839	(454)	142,293	187,920
Net interest income	114,444	1,823	112,621	114,177	1,873	112,304	149,208
Net fees and commissions	15,686	2,497	13,189	23,301	4,055	19,246	27,705
Net trading income	6	(7)	13	53	(12)	65	108
Net other operating income	895	(6,507)	7,402	4,306	(6,370)	10,676	10,898
Gains (losses) on sales (redemptions) of bonds	(462)	(4,471)	4,009	(462)	(4,471)	4,009	2,486
Overhead expenses (-)	76,727	391	76,336	87,787	(5,620)	93,407	219,283
Business profit (before transfer to general reserve for possible loan losses)	54,304	(2,587)	56,891	54,051	5,166	48,885	(31,362)
① Transfer to general reserve for possible loan losses (-)	[(7,110)]	5,774	(5,774)	[(6,989)]	4,217	(4,217)	(11,226)
Business profit	54,304	(8,361)	62,665	54,051	948	53,103	(20,136)
Core business profit	54,766	1,885	52,881	54,513	9,637	44,876	(33,849)
Other operating profit (loss)	3,239	15,687	(12,448)	1,203	14,885	(13,682)	(14,305)
② Credit cost for disposal of non-performing loans (-)	(6,284)	(14,823)	8,539	(4,416)	(14,019)	9,603	12,242
Net transfer to specific reserve for possible loan losses (-)	[1,443]	(9,107)	9,107	[3,219]	(10,195)	10,195	14,015
Reversal of allowance for loan losses	5,667	5,667	—	3,769	3,769	—	—
Recoveries of written-off claims	932	(14)	946	932	(14)	946	1,230
Total credit cost ①+② (-)	(6,284)	(9,048)	2,764	(4,416)	(9,801)	5,385	1,016
Gains (losses) on stocks	1,259	967	292	1,259	901	358	3,024
Others	(4,305)	(104)	(4,201)	(4,473)	(36)	(4,437)	(5,087)
Ordinary profit	57,543	7,327	50,216	55,254	15,833	39,421	(34,441)
Extraordinary profit (loss)	(574)	96	(670)	(548)	61	(609)	(1,115)
Income (loss) before income taxes	56,968	7,423	49,545	54,705	15,893	38,812	(35,557)
Total income taxes (-)	15,211	1,742	13,469	16,307	2,794	13,513	18,849
Net income	41,757	5,681	36,076	38,397	13,099	25,298	(54,406)
Net income attributable to non-controlling interests (-)				(36)	(20)	(16)	(106)
Net income attributable to owners of the parent				38,433	13,119	25,314	(54,300)

¥40.5 billion excluding the one-time amortization of goodwill, ¥94.8 billion

<Notes> The notes described below are also applied to subsidiary banks (p7-8).

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 3Q of FY2017, the total transfer from general and specific reserves for possible loan losses exceeded the transfer to them. Therefore the difference was posted as "reversal of allowance for loan losses" under the other operating profit. Numbers in square brackets are amounts before netting.

■ 9 months Summary

Core business profit (3 banks' total) **¥54.8 billion** — Progress on FY2017 Projection 74.8%

- Core business profit (3 banks' total) increased ¥1.9 billion from a year earlier to ¥54.8 billion as a result of increases of net interest income and net fees and commissions covering a decrease of net other operating income (excluding gains on sales of bonds).
- We achieved steady progress of 74.8% towards the projection announced for this fiscal year (¥73.2 billion), which is roughly as planned.

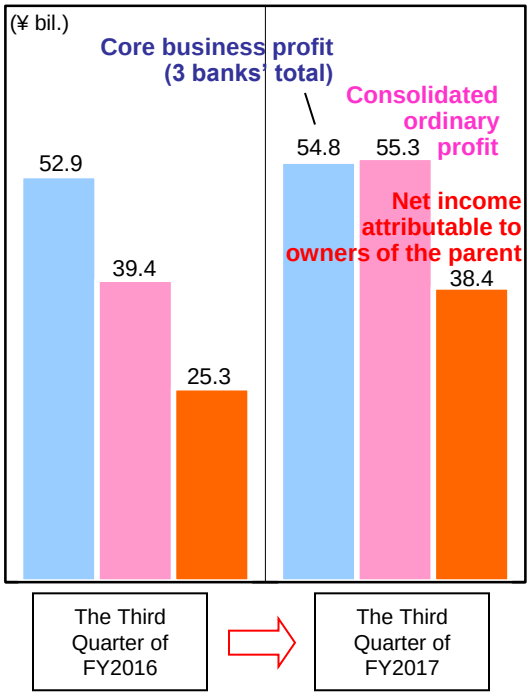
Consolidated ordinary profit **¥55.3 billion** — Progress on FY2017 Projection 76.7%

- Consolidated ordinary profit increased ¥15.8 billion from a year earlier to ¥55.3 billion mainly due to decreases of overhead expenses (goodwill was amortized all at once in previous fiscal year) and credit cost (an increase of reversal of allowance for loan losses).

Net income attributable to owners of the parent **¥38.4 billion** — Progress on FY2017 Projection 78.4%

- As a result, net income attributable to owners of the parent increased ¥13.1 billion from a year earlier to ¥38.4 billion.
- We achieved steady progress of 78.4% towards the projection announced for this fiscal year (¥49.0 billion), which is roughly as planned.

Gain and Loss



The Bank of Fukuoka (non-consolidated)

(¥ mil.)

	9 months ended Dec 31, 2017	9 months ended Dec 31, 2016	Comparison	FY 2016
Gross business profit	95,918	98,757	(2,839)	129,488
Net interest income	83,197	81,114	2,083	107,913
Domestic	77,708	76,162	1,546	101,272
International	5,488	4,952	536	6,641
Net fees and commissions	11,895	10,360	1,535	15,087
Net trading income	6	13	(7)	16
Net other operating income	820	7,268	(6,448)	6,470
Gains (losses) on sales (redemptions) of bonds	(406)	4,025	(4,431)	2,893
Gains on foreign exchange transactions	828	1,151	(323)	1,294
Overhead expenses (-)	50,950	50,698	252	67,656
Business profit (before transfer to general reserve for possible loan losses)	44,968	48,058	(3,090)	61,831
① Transfer to general reserve for possible loan losses (-)	[(5,134)]	(6,910)	6,910	(11,380)
Business profit	44,968	54,968	(10,000)	73,212
Core business profit	45,374	44,033	1,341	58,938
Other operating profit (loss)	(1,034)	(12,368)	11,334	(13,106)
② Credit cost for disposal of non-performing loans (-)	(1,815)	9,777	(11,592)	10,934
Net transfer to specific reserve for possible loan losses (-)	[3,890]	10,339	(10,339)	12,613
Reversal of allowance for loan losses	1,244	—	1,244	—
Recoveries of written-off claims	814	774	40	950
Total credit cost ①+② (-)	(1,815)	2,866	(4,681)	(445)
Gains (losses) on stocks	526	278	248	1,482
Others	(3,376)	(2,869)	(507)	(3,654)
Ordinary profit	43,934	42,600	1,334	60,105
Extraordinary profit (loss)	(462)	(62)	(400)	(323)
Income (loss) before income taxes	43,471	42,538	933	59,781
Total income taxes (-)	12,084	11,697	387	15,631
Net income	31,387	30,840	547	44,150

The Kumamoto Bank (non-consolidated)

(¥ mil.)

	9 months ended Dec 31, 2017	9 months ended Dec 31, 2016	Comparison	FY 2016
Gross business profit	14,470	14,158	312	19,051
Net interest income	13,220	13,380	(160)	17,746
Domestic	13,177	13,331	(154)	17,682
International	43	48	(5)	64
Net fees and commissions	1,213	740	473	1,373
Net other operating income	36	37	(1)	(68)
Gains (losses) on sales (redemptions) of bonds	(5)	(7)	2	(126)
Gains on foreign exchange transactions	39	44	(5)	57
Overhead expenses (-)	10,540	10,516	24	13,943
Business profit (before transfer to general reserve for possible loan losses)	3,930	3,641	289	5,107
① Transfer to general reserve for possible loan losses (-)	[(814)]	1,590	(1,590)	795
Business profit	3,930	2,051	1,879	4,312
Core business profit	3,936	3,649	287	5,234
Other operating profit (loss)	837	(1,016)	1,853	(1,634)
② Credit cost for disposal of non-performing loans (-)	(1,281)	586	(1,867)	1,148
Net transfer to specific reserve for possible loan losses (-)	[(459)]	543	(543)	1,081
Reversal of allowance for loan losses	1,273	—	1,273	—
Recoveries of written-off claims	54	63	(9)	82
Total credit cost ①+② (-)	(1,281)	2,177	(3,458)	1,943
Gains (losses) on stocks	0	—	0	91
Others	(444)	(429)	(15)	(577)
Ordinary profit	4,767	1,034	3,733	2,678
Extraordinary profit (loss)	(23)	(582)	559	(793)
Income (loss) before income taxes	4,744	452	4,292	1,884
Total income taxes (-)	1,124	216	908	417
Net income	3,619	235	3,384	1,467

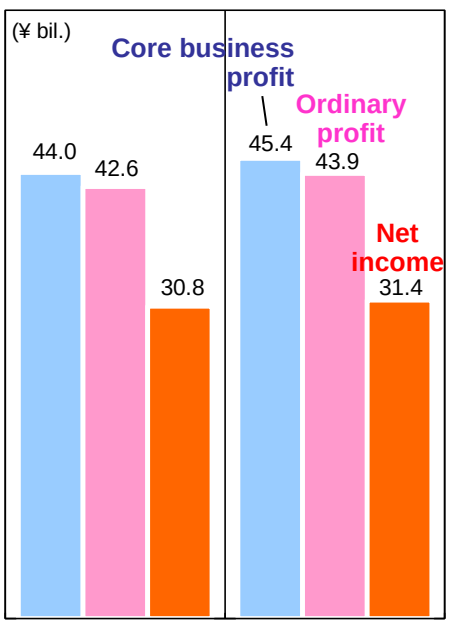
The Shinwa Bank (non-consolidated)

(¥ mil.)

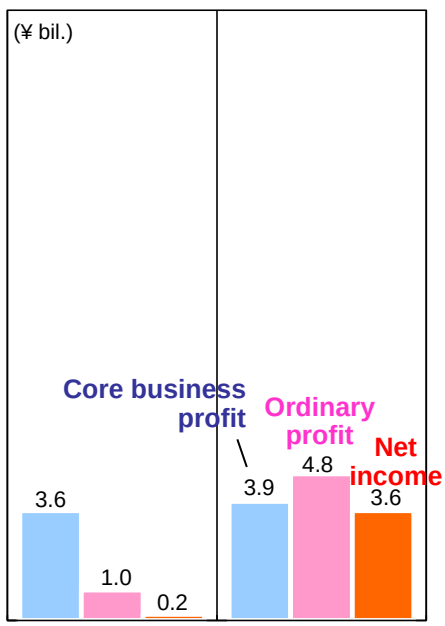
	9 months ended Dec 31, 2017	9 months ended Dec 31, 2016	Comparison	FY 2016
Gross business profit	20,642	20,311	331	26,825
Net interest income	18,026	18,126	(100)	23,994
Domestic	17,951	18,042	(91)	23,884
International	74	84	(10)	110
Net fees and commissions	2,577	2,089	488	2,988
Net other operating income	38	95	(57)	(157)
Gains (losses) on sales (redemptions) of bonds	(49)	(8)	(41)	(280)
Gains on foreign exchange transactions	70	71	(1)	90
Overhead expenses (-)	15,236	15,121	115	19,943
Business profit (before transfer to general reserve for possible loan losses)	5,405	5,190	215	6,881
① Transfer to general reserve for possible loan losses (-)	[(1,161)] —	[(454)] —	—	[(1,856)] —
Business profit	5,405	5,190	215	6,881
Core business profit	5,455	5,198	257	7,162
Other operating profit (loss)	3,435	1,390	2,045	2,545
② Credit cost for disposal of non-performing loans (-)	(3,187)	(2,279)	(908)	(3,131)
Net transfer to specific reserve for possible loan losses (-)	[(1,987)] —	[(1,774)] —	—	[(1,136)] —
Reversal of allowance for loan losses	▶ 3,149	▶ 2,229	920	▶ 2,992
Recoveries of written-off claims	63	108	(45)	197
Total credit cost ①+② (-)	(3,187)	(2,279)	(908)	(3,131)
Gains (losses) on stocks	733	13	720	52
Others	(484)	(902)	418	(638)
Ordinary profit	8,841	6,581	2,260	9,427
Extraordinary profit (loss)	(88)	(26)	(62)	(84)
Income (loss) before income taxes	8,752	6,555	2,197	9,343
Total income taxes (-)	2,002	1,554	448	1,901
Net income	6,750	5,000	1,750	7,441

Gain and Loss

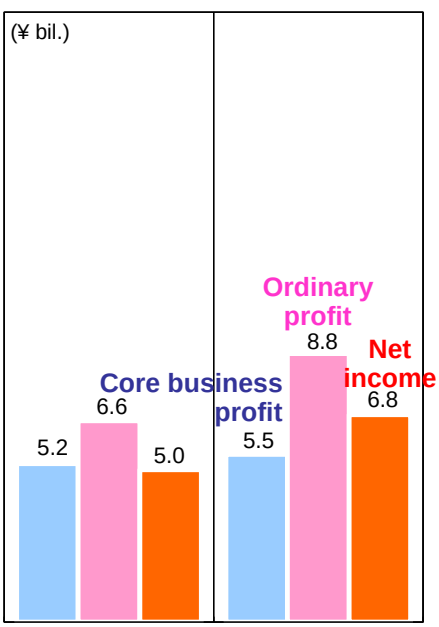
The Bank of Fukuoka (non-consolidated)



The Kumamoto Bank (non-consolidated)



The Shinwa Bank (non-consolidated)

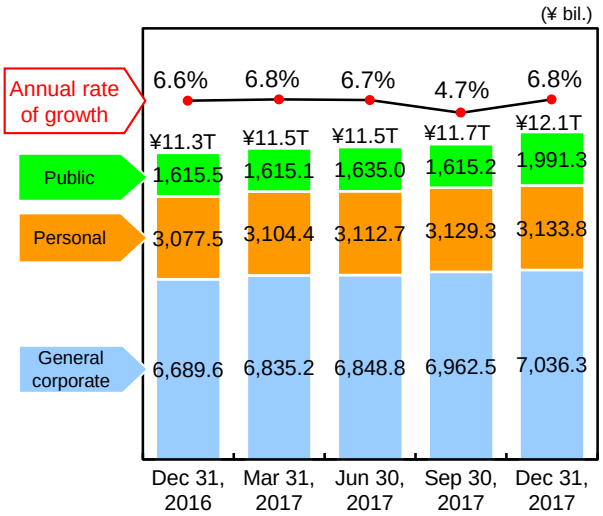


2. Assets and liabilities

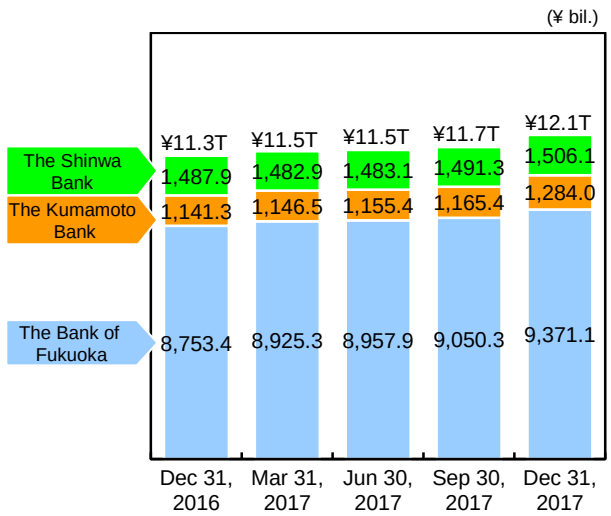
(1) Loans

3 banks' total

Loans classified by customer segment (Term-end balance)



Loans classified by bank (Term-end balance)



(¥ mil.)

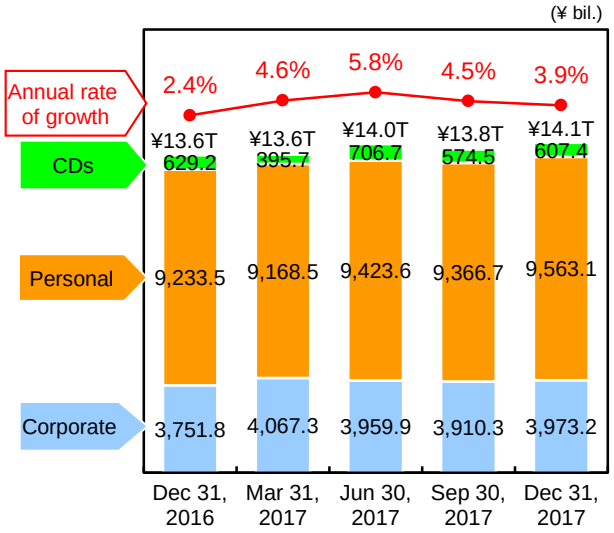
		Dec 31, 2017				
		annual rate of growth		change from Sep 30, 2017	change from Mar 31, 2017	change from Dec 31, 2016
3 banks' total	Total loans	6.8%	12,161,441	454,275	606,535	778,663
	Personal segment	1.8%	3,133,802	4,501	29,318	56,244
	Corporate segment	8.7%	9,027,637	449,774	577,218	722,418
	Personal loans	1.8%	3,028,371	5,748	27,476	53,527
	Housing loans	0.9%	2,701,201	3,598	11,834	25,242
	Consumer loans	15.3%	251,529	1,867	16,679	33,305
	Loans to small-and-medium-sized enterprises, etc. ratio	–	69.12%	(2.13%)	(1.85%)	(1.40%)
The Bank of Fukuoka (non-consolidated)	Total loans	7.1%	9,371,174	320,778	445,782	617,697
	Personal segment	1.3%	2,226,550	(164)	11,998	28,599
	Corporate segment	9.0%	7,144,624	320,942	433,785	589,098
	Fukuoka prefecture	5.0%	6,825,551	98,926	124,850	324,560
	Personal loans	1.3%	2,156,744	906	10,980	27,232
	Housing loans	0.3%	1,923,853	(1,537)	(987)	5,789
	Consumer loans	17.2%	179,121	2,092	13,435	26,248
	Loans to small-and-medium-sized enterprises, etc. ratio	–	67.58%	(1.88%)	(1.37%)	(1.00%)
The Kumamoto Bank (non-consolidated)	Total loans	12.5%	1,284,097	118,677	137,563	142,791
	Personal segment	5.7%	450,379	3,155	15,451	24,193
	Corporate segment	16.6%	833,717	115,522	122,112	118,598
	Kumamoto prefecture	4.0%	1,098,712	17,914	36,004	42,156
	Personal loans	5.4%	426,382	3,415	14,056	21,919
	Housing loans	4.6%	388,861	3,564	11,519	16,932
	Consumer loans	15.4%	29,691	(47)	1,958	3,954
	Loans to small-and-medium-sized enterprises, etc. ratio	–	78.79%	(6.45%)	(6.93%)	(6.47%)
The Shinwa Bank (non-consolidated)	Total loans	1.2%	1,506,170	14,820	23,190	18,175
	Personal segment	0.8%	456,873	1,510	1,869	3,452
	Corporate segment	1.4%	1,049,296	13,310	21,321	14,722
	Nagasaki prefecture	1.4%	1,110,106	5,579	16,699	15,056
	Personal loans	1.0%	445,245	1,427	2,440	4,376
	Housing loans	0.7%	388,487	1,571	1,302	2,521
	Consumer loans	7.8%	42,717	(178)	1,286	3,103
	Loans to small-and-medium-sized enterprises, etc. ratio	–	70.45%	(0.74%)	(1.29%)	(0.18%)

<Note> The term-end balance of loans includes loans granted by the Bank of Fukuoka to FFG (¥113.5 billion at the end of December 2016, ¥115.0 billion at the end of March 2017, ¥122.5 billion at the end of September 2017, and ¥125.0 billion at the end of December 2017).

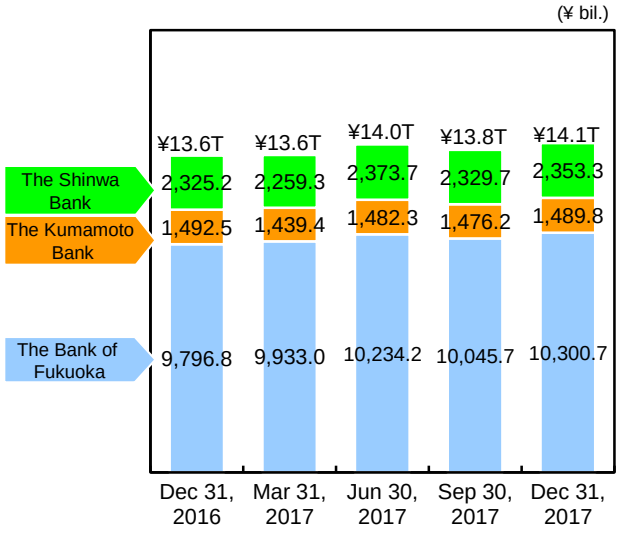
(2) Deposits

3 banks' total

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



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



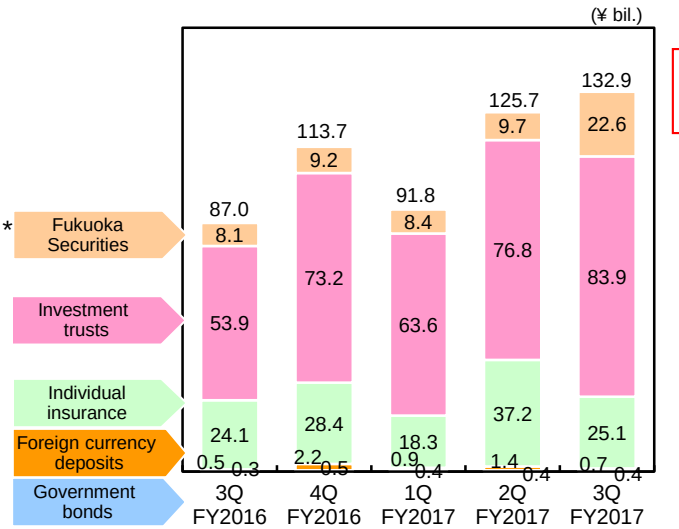
(¥ mil.)

		Dec 31, 2017				
		annual rate of growth		change from Sep 30, 2017	change from Mar 31, 2017	change from Dec 31, 2016
3 banks' total	Personal deposits	3.6%	9,563,194	196,399	394,608	329,607
	Corporate deposits	5.9%	3,973,287	62,928	(94,079)	221,413
	Total	4.2%	13,536,482	259,327	300,528	551,019
	Demand	7.5%	8,682,607	291,549	289,424	602,654
	Time	(1.1%)	4,853,873	(32,221)	11,105	(51,635)
	CDs	(3.5%)	607,497	32,923	211,729	(21,745)
	Deposits and CDs	3.9%	14,143,979	292,248	512,257	529,273
The Bank of Fukuoka (non-consolidated)	Personal deposits	4.2%	6,984,505	155,641	328,169	282,053
	Corporate deposits	7.9%	2,882,008	70,232	(103,042)	211,348
	Total	5.3%	9,866,513	225,873	225,127	493,400
	Demand	7.8%	6,601,929	219,192	188,031	476,462
	Time	0.5%	3,264,584	6,682	37,097	16,939
	CDs	2.5%	434,278	29,213	142,654	10,501
	Deposits and CDs	5.1%	10,300,791	255,085	367,781	503,900
	Fukuoka prefecture	5.1%	9,199,886	181,398	178,023	449,076
The Kumamoto Bank (non-consolidated)	Personal deposits	1.1%	1,083,581	7,482	19,096	12,225
	Corporate deposits	3.3%	391,976	6,546	30,011	12,589
	Total	1.7%	1,475,557	14,027	49,106	24,813
	Demand	7.7%	788,782	33,062	53,158	56,625
	Time	(4.4%)	686,774	(19,035)	(4,052)	(31,812)
	CDs	(65.8%)	14,287	(410)	1,338	(27,488)
	Deposits and CDs	(0.2%)	1,489,844	13,617	50,444	(2,675)
	Kumamoto prefecture	2.1%	1,382,940	14,253	50,641	28,468
The Shinwa Bank (non-consolidated)	Personal deposits	2.4%	1,495,108	33,276	47,343	35,329
	Corporate deposits	(0.4%)	699,303	(13,850)	(21,048)	(2,524)
	Total	1.5%	2,194,412	19,427	26,295	32,806
	Demand	5.7%	1,291,896	39,295	48,235	69,567
	Time	(3.9%)	902,515	(19,868)	(21,940)	(36,762)
	CDs	(2.9%)	158,932	4,120	67,737	(4,758)
	Deposits and CDs	1.2%	2,353,344	23,546	94,032	28,048
	Nagasaki prefecture	2.1%	1,941,074	17,946	23,304	39,759

(3) Asset management products

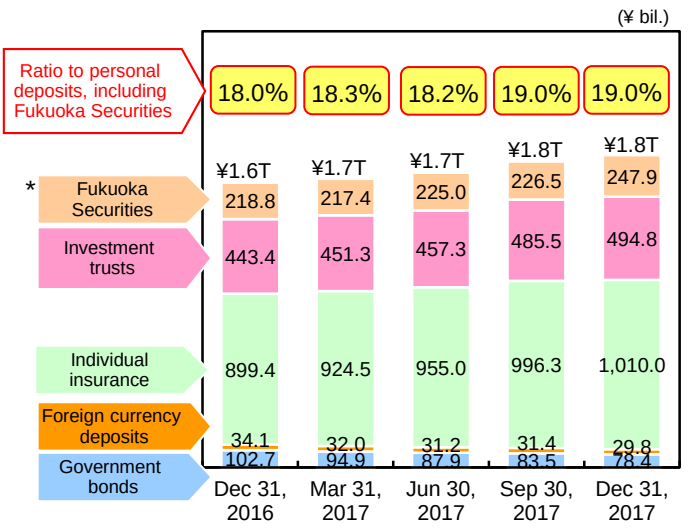
Group's total

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.)

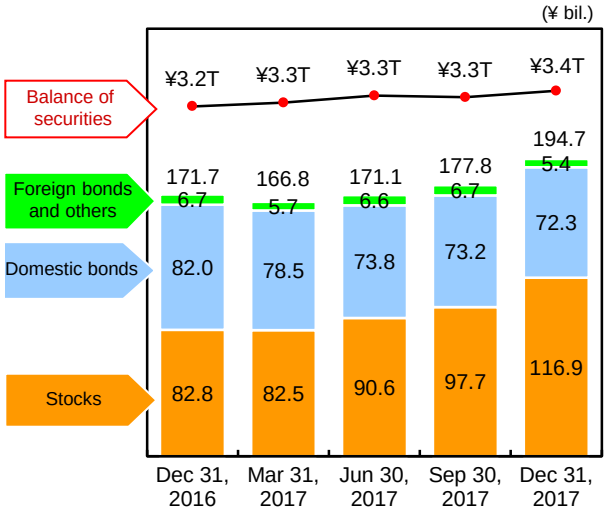
		Sales of asset management products					Outstanding balance of assets under management for individual customers						
		3Q FY2017 (3 months)	change from 2Q FY2017	change from 3Q FY2016	2Q FY2017 (3 months)	3Q FY2016 (3 months)	Dec 31, 2017	Change from Sep 30, 2017	Change from Mar 31, 2017	Change from Dec 31, 2016	Sep 30, 2017	Mar 31, 2017	Dec 31, 2016
Group's total	Investment trusts	83.9	7.1	30.0	76.8	53.9	494.8	9.3	43.5	51.4	485.5	451.3	443.4
	Individual insurance	25.1	(12.1)	1.0	37.2	24.1	1,010.0	13.7	85.5	110.6	996.3	924.5	899.4
	Foreign currency deposits	0.7	(0.7)	0.2	1.4	0.5	29.8	(1.6)	(2.2)	(4.3)	31.4	32.0	34.1
	Government bonds	0.4	0.0	0.1	0.4	0.3	78.4	(5.1)	(16.5)	(24.3)	83.5	94.9	102.7
	Fukuoka Securities	22.6	12.9	14.5	9.7	8.1	247.9	21.4	30.5	29.1	226.5	217.4	218.8
	Total	132.9	7.2	45.9	125.7	87.0	1,861.1	37.6	140.8	162.5	1,823.5	1,720.3	1,698.6
	Ratio to personal deposits						19.0%	(0.0%)	0.7%	1.0%	19.0%	18.3%	18.0%
The Bank of Fukuoka (non-consolidated)	Investment trusts	48.6	2.6	18.3	46.0	30.3	326.4	5.2	28.5	34.3	321.2	297.9	292.1
	Individual insurance	13.9	(9.5)	(1.0)	23.4	14.9	647.6	8.0	56.8	73.5	639.6	590.8	574.1
	Foreign currency deposits	0.7	(0.5)	0.3	1.2	0.4	23.4	(1.2)	(1.2)	(2.7)	24.6	24.6	26.1
	Government bonds	0.4	0.1	0.2	0.3	0.2	68.3	(5.0)	(15.1)	(22.1)	73.3	83.4	90.4
	Total	63.7	(7.3)	17.8	71.0	45.9	1,065.9	7.1	69.0	83.0	1,058.8	996.9	982.9
	Ratio to personal deposits						15.3%	(0.2%)	0.3%	0.6%	15.5%	15.0%	14.7%
The Kumamoto Bank (non-consolidated)	Investment trusts	16.3	2.3	5.0	14.0	11.3	80.4	2.2	9.1	10.4	78.2	71.3	70.0
	Individual insurance	4.6	(0.9)	1.7	5.5	2.9	143.6	1.9	11.7	15.3	141.7	131.9	128.3
	Foreign currency deposits	0.0	(0.0)	(0.0)	0.0	0.0	2.6	(0.1)	(0.4)	(0.8)	2.7	3.0	3.4
	Government bonds	0.0	(0.0)	0.0	0.0	0.0	1.4	(0.1)	(0.2)	(0.4)	1.5	1.6	1.8
	Total	21.0	1.4	6.7	19.6	14.3	228.2	3.9	20.2	24.7	224.3	208.0	203.5
	Ratio to personal deposits						21.1%	0.3%	1.6%	2.1%	20.8%	19.5%	19.0%
The Shinwa Bank (non-consolidated)	Investment trusts	18.9	2.1	6.8	16.8	12.1	87.9	2.0	5.9	6.7	85.9	82.0	81.2
	Individual insurance	6.5	(1.8)	0.3	8.3	6.2	218.7	3.8	17.0	21.8	214.9	201.7	196.9
	Foreign currency deposits	0.0	(0.1)	(0.0)	0.1	0.0	3.7	(0.4)	(0.6)	(0.8)	4.1	4.3	4.5
	Government bonds	0.0	(0.0)	(0.0)	0.0	0.0	8.5	(0.1)	(1.2)	(1.9)	8.6	9.7	10.4
	Total	25.5	0.1	7.0	25.4	18.5	318.9	5.2	21.1	25.8	313.7	297.8	293.1
	Ratio to personal deposits						21.3%	(0.2%)	0.7%	1.2%	21.5%	20.6%	20.1%

<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.

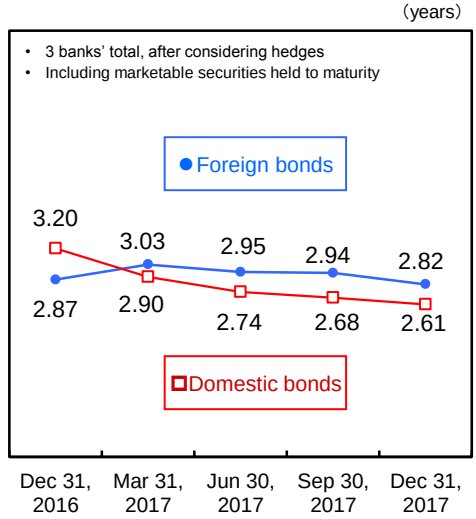
(4) Marketable securities

FFG (consolidated)

Unrealized gain



Bond duration



(¥ mil.)

		Dec 31, 2017				Sep 30, 2017	
		Market value	change from Sep 30, 2017	Unrealized gain(loss)	change from Sep 30, 2017	Market value	Unrealized gain(loss)
FFG (consolidated)	Total	3,418,732	60,973	194,789	16,968	3,357,759	177,821
	Stocks	182,396	19,324	116,953	19,174	163,072	97,779
	Domestic bonds	2,841,232	25,573	72,369	(905)	2,815,659	73,274
	National government bonds	2,122,780	45,767	64,081	(350)	2,077,013	64,431
	Local government bonds	90,348	(1,649)	919	(51)	91,997	970
	Corporate bonds	628,103	(18,545)	7,368	(503)	646,648	7,871
	Foreign bonds and Others	395,103	16,076	5,466	(1,301)	379,027	6,767
The Bank of Fukuoka (consolidated)	Total	2,415,171	67,838	161,500	15,485	2,347,333	146,015
	Stocks	161,351	16,675	107,340	16,525	144,676	90,815
	Domestic bonds	1,858,717	35,086	48,692	260	1,823,631	48,432
	National government bonds	1,303,915	49,428	43,267	734	1,254,487	42,533
	Local government bonds	62,931	(1,394)	605	(46)	64,325	651
	Corporate bonds	491,869	(12,949)	4,819	(428)	504,818	5,247
	Foreign bonds and Others	395,103	16,077	5,466	(1,301)	379,026	6,767
The Kumamoto Bank (non-consolidated)	Total	260,894	(3,291)	7,473	(264)	264,185	7,737
	Stocks	2,833	47	1,880	46	2,786	1,834
	Domestic bonds	258,061	(3,336)	5,592	(311)	261,397	5,903
	National government bonds	205,965	(2,707)	4,871	(268)	208,672	5,139
	Local government bonds	1,367	(1)	28	(1)	1,368	29
	Corporate bonds	50,728	(628)	692	(42)	51,356	734
	Foreign bonds and Others	0	(1)	0	–	1	0
The Shinwa Bank (non-consolidated)	Total	742,666	(3,574)	29,418	1,748	746,240	27,670
	Stocks	18,212	2,603	11,335	2,603	15,609	8,732
	Domestic bonds	724,454	(6,176)	18,083	(854)	730,630	18,937
	National government bonds	612,899	(953)	15,942	(816)	613,852	16,758
	Local government bonds	26,050	(254)	285	(4)	26,304	289
	Corporate bonds	85,504	(4,969)	1,855	(34)	90,473	1,889
	Foreign bonds and Others	–	–	–	–	–	–

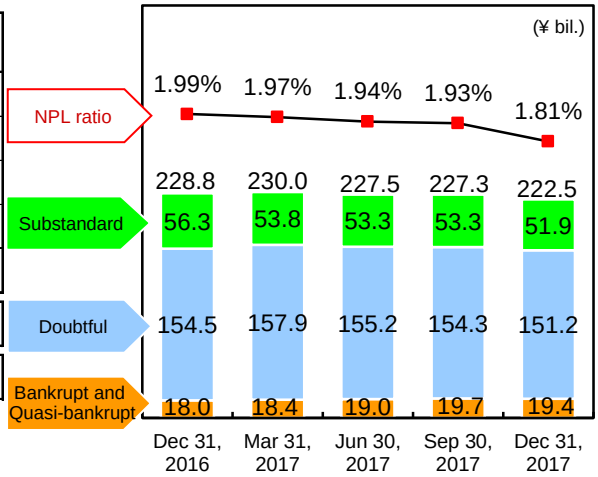
3. Non-performing loans

（Direct write-off is adopted）

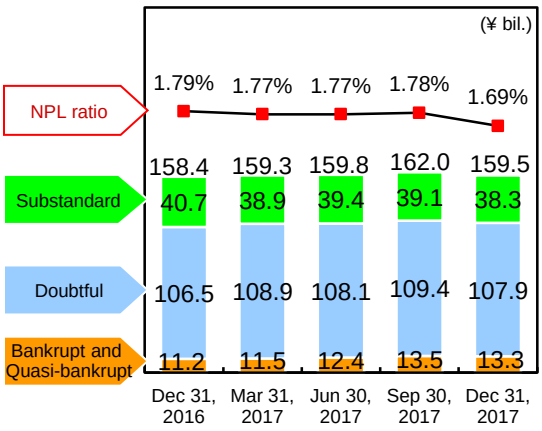
3 banks' total

(¥ bil.)

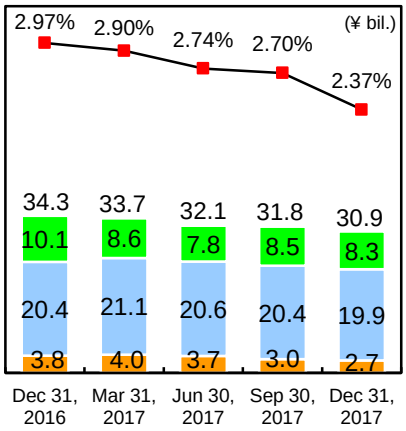
	Dec 31, 2017	change from Sep 30, 2017	change from Dec 31, 2016	Sep 30, 2017	Dec 31, 2016
①NPLs under the FRL	222.5	(4.8)	(6.2)	227.3	228.8
Bankrupt and Quasi-bankrupt	19.4	(0.3)	1.5	19.7	18.0
Doubtful	151.2	(3.1)	(3.3)	154.3	154.5
Substandard	51.9	(1.4)	(4.4)	53.3	56.3
Normal customers	12,011.3	461.4	781.9	11,549.9	11,229.3
②Total credits	12,233.8	456.5	775.7	11,777.3	11,458.1
Ratio of NPLs under the FRL to the total credits ①/②	1.81%	(0.12%)	(0.18%)	1.93%	1.99%



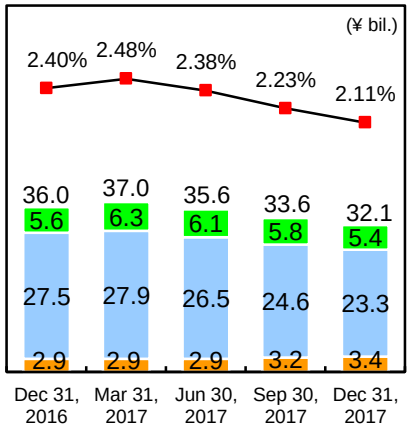
The Bank of Fukuoka (non-consolidated)



The Kumamoto Bank (non-consolidated)



The Shinwa Bank (non-consolidated)



4. Interest rate spread (Domestic division)

(%)

	3 banks' total			The Bank of Fukuoka (non-consolidated)			The Kumamoto Bank (non-consolidated)			The Shinwa Bank (non-consolidated)		
	3Q FY2017 (9 months)	YoY change	3Q FY2016 (9 months)	3Q FY2017 (9 months)	YoY change	3Q FY2016 (9 months)	3Q FY2017 (9 months)	YoY change	3Q FY2016 (9 months)	3Q FY2017 (9 months)	YoY change	3Q FY2016 (9 months)
(1) Average yield on interest earning assets	1.05	(0.06)	1.11	1.01	(0.07)	1.08	1.27	(0.07)	1.34	1.11	(0.03)	1.14
Loans and bills discounted ①	1.13	(0.06)	1.19	1.07	(0.07)	1.14	1.38	(0.10)	1.48	1.27	(0.04)	1.31
Securities	0.84	0.02	0.82	0.89	0.02	0.87	0.71	(0.00)	0.71	0.76	0.02	0.74
(2) Average yield on interest bearing liabilities	0.62	(0.08)	0.70	0.56	(0.07)	0.63	0.84	(0.11)	0.95	0.81	(0.04)	0.85
Deposits and CDs ②	0.03	(0.00)	0.03	0.02	(0.01)	0.03	0.04	(0.01)	0.05	0.03	(0.01)	0.04
External liabilities	(0.00)	(0.03)	0.03	0.00	(0.03)	0.03	(0.00)	(0.02)	0.02	(0.00)	(0.01)	0.01
(3) Difference between average yields on loans and deposits ①-②	1.10	(0.06)	1.16	1.05	(0.06)	1.11	1.34	(0.09)	1.43	1.24	(0.03)	1.27
(4) Average interest rate spread (1)-(2)	0.43	0.02	0.41	0.45	0.00	0.45	0.43	0.04	0.39	0.30	0.01	0.29