Financial Results for the Third Quarter of the Fiscal Year ending March 31, 2018 (Consolidated Data)

February 1, 2018

Company Name: Senshu Ikeda Holdings, Inc. Stock exchange listing: Tokyo Stock Exchange

Stock Code: 8714 URL http://www.senshuikeda-hd.co.jp/

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Scheduled date for filing quarterly securities report: February 9, 2018

Scheduled date to commence dividend payments: None

Segregated trading accounts: None

Supplementary material on quarterly financial results: Yes

Quarterly financial results presentation meeting: None

(Japanese yen amounts of less than 1 million and first decimal place have been rounded down)

1. Financial Results for the Third Quarter of the Fiscal Year ending March 31, 2018 (April 1, 2017 – December 31, 2017)

(1) Consolidated Operating Results

(%: Changes from previous fiscal year)

	Ordinary revenue		Ordinary income		Profit attributable to owners of the parent	
	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2017	83,548	9.3	10,560	(17.5)	6,983	(23.4)
Nine months ended December 31, 2016	76,433	(5.8)	12,806	(18.1)	9,126	(30.1)

(Note) Comprehensive income: Nine months ended December 31, 2017 15,724 million yen [–%]

Nine months ended December 31, 2016 195 million yen [(97.5%)]

	Net income per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2017	22.90	20.62
Nine months ended December 31, 2016	30.76	26.86

(2) Consolidated Financial Position

	Total assets	Total net assets	Equity ratio
	Million yen	Million yen	%
As of December 31, 2017	5,510,972	258,536	4.6
As of March 31, 2017	5,572,906	249,217	4.3

(Reference) capital: As of December 31, 2017 : 254,905 million yen ; As of March 31, 2017 : 244,351 million yen

Note: "Equity ratio" is calculated as: (Total net assets at the end of period – Stock subscription rights at the end of period – Non-controlling interests at the end of period)/ Total assets at the end of period.
The ratio above is not based on the regulation of Capital Adequacy Ratio.

2. Dividends

	Annual Dividends per Share				
	First Quarter	Second Quarter	Third Quarter	Year End	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal Year ended March 31, 2017	—	7.50	—	7.50	15.00
Fiscal Year ending March 31, 2018	—	7.50	—		
Fiscal Year ending March 31, 2018 (Forecasts)				7.50	15.00

Note: Revisions of the forecasts from recently announced figures: None
Please refer to "Cash Dividends for Shareholders of Classified Stock" stated hereinafter for information on classified stock (unlisted) which has different rights relation from that of common stocks.

3. Financial Forecasts for the Fiscal Year ending March 31, 2018 (April 1, 2017—March 31, 2018)

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

	Ordinary revenue		Ordinary income		Profit attributable to owners of the parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Yen
Full Year	106,000	2.8	15,000	(27.4)	11,000	(9.9)	35.07

Note: Revisions of the forecasts from recently announced figures: None

Note

(1) Changes in significant subsidiaries during the third quarter of the fiscal year ending March 31, 2018 : None
(Changes in specific subsidiaries involving changes in the scope of consolidation)
Added — (company name)— Excluded— (company name)—

(2) Changes in accounting policies, changes in accounting estimates, and retrospective restatements
(a) Changes in accounting policies due to revision of accounting standards etc. : None
(b) Changes in accounting policies other than those noted in (a) above : None
(c) Changes in accounting estimates : None
(d) Retrospective restatements : None

(3) Number of shares (common stock)
(a) Number of shares in issue (including treasury stock)
As of December 31, 2017 281,008,632 shares
As of March 31, 2017 281,008,632 shares

(b) Number of treasury shares
As of December 31, 2017 3,273,991 shares
As of March 31, 2017 4,397,012 shares

(c) Average number of shares for the period under review
Nine months ended December 31, 2017 277,080,200 shares
Nine months ended December 31, 2016 275,895,513 shares

Disclosure concerning the implementation status of audit procedures

This report is exempt from audit procedures based upon the Financial Instruments and Exchange Act of Japan. As of this report's publication, audit procedures of financial statements have not been completed as stipulated under the provisions of the Financial Instruments and Exchange Act.

Cautionary statement with respect to earnings forecasts, and disclaimer

This report contains projections and other forward-looking statements which are based on currently available information and certain assumptions that the Senshu Ikeda Holdings considers to be reasonable. Various factors may cause actual results to be materially different from projections in these forward-looking statements.

○Cash Dividends for Shareholders of Classified Stock

Cash dividends per share for shareholders of classified stock which has different rights relation from that of common stocks are as follows:

(Third-class preferred stock)

	Dividends per share				
	First Quarter	Second Quarter	Third Quarter	Year End	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal Year ended March 31, 2017	—	35.00	—	35.00	70.00
Fiscal Year ending March 31, 2018	—	35.00	—		
Fiscal Year ending March 31, 2018 (Forecasts)				35.00	70.00

(First series of seventh-class preferred stock)

	Dividends per share				
	First Quarter	Second Quarter	Third Quarter	Year End	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal Year ended March 31, 2017	—	15.00	—	15.00	30.00
Fiscal Year ending March 31, 2018	—	15.00	—		
Fiscal Year ending March 31, 2018 (Forecasts)				15.00	30.00

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: Millions of yen)

	As of March 31, 2017	As of December 31, 2017
Assets		
Cash and due from banks	675,966	667,690
Call loans and bills bought	172	3,690
Monetary claims bought	31	107
Trading account securities	317	176
Money held in trust	26,979	26,020
Securities	929,505	797,685
Loans and bills discounted	3,813,333	3,874,202
Foreign exchange assets	6,340	5,480
Other assets	61,550	74,659
Tangible fixed assets	38,508	41,631
Intangible fixed assets	5,216	4,986
Net defined benefit assets	14,334	12,170
Deferred tax assets	9,526	7,480
Customers' liabilities for acceptances and guarantees	13,006	9,708
Reserve for possible loan losses	(21,883)	(14,718)
Total assets	5,572,906	5,510,972
Liabilities		
Deposits	4,799,493	4,900,672
Negotiable certificates of deposit	—	1,000
Call money and bills sold	14,809	—
Payables under repurchase agreements	9,907	—
Payables under securities lending transactions	249,762	135,357
Borrowed money	160,997	135,264
Foreign exchange liabilities	583	272
Corporate bonds and notes	20,000	20,000
Other liabilities	51,996	47,786
Provision for employees' bonuses	1,798	938
Net defined benefit liability	142	146
Accrued retirement benefits for directors and corporate auditors	33	33
Reserve for reimbursement of deposits	486	519
Reserve for point services	226	244
Reserve for contingent losses	350	343
Reserve under special laws	1	2
Deferred tax liabilities	92	146
Acceptances and guarantees	13,006	9,708
Total liabilities	5,323,688	5,252,435
Net Assets		
Capital stock	102,999	102,999
Capital surplus	57,365	57,361
Retained earnings	75,244	76,740
Treasury stock	(2,097)	(1,563)
Total shareholders' equity	233,512	235,537
Net unrealized gain (loss) on available-for-sale securities	7,793	17,124
Net unrealized gain (loss) on deferred hedges	(139)	(158)
Remeasurements of defined benefit plans	3,184	2,401
Total accumulated other comprehensive income	10,838	19,367
Stock subscription rights	105	113
Non-controlling interests	4,760	3,517
Total net assets	249,217	258,536
Total liabilities and net assets	5,572,906	5,510,972

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

Consolidated Statements of Income

(Unit: Millions of yen)

	For the nine months ended December 31, 2016	For the nine months ended December 31, 2017
Ordinary revenue	76,433	83,548
Interest income	42,480	38,073
Interest on loans and bills discounted	32,082	30,925
Interest and dividends on securities	10,065	6,756
Fees and commissions	13,886	15,331
Other ordinary income	11,027	3,009
Other income	9,038	27,134
Ordinary expenses	63,626	72,988
Interest expenses	5,436	4,009
Interest on deposits	2,512	2,030
Fees and commissions payments	4,694	5,243
Other ordinary expenses	5,519	15,303
General and administrative expenses	39,029	38,703
Other expenses	8,945	9,728
Ordinary income	12,806	10,560
Extraordinary income	－	1,710
Gain on return of retirement benefit trust	－	1,710
Extraordinary loss	254	76
Loss on disposal of non-current assets	160	37
Impairment loss	93	37
Transfer to reserve for financial products transaction liabilities	0	1
Income before income taxes	12,552	12,194
Income taxes - current	1,536	681
Income taxes - deferred	314	4,317
Total income taxes	1,851	4,999
Profit	10,701	7,194
Profit attributable to non-controlling interests	1,574	211
Profit attributable to owners of the parent	9,126	6,983

Consolidated Statements of Comprehensive Income

(Unit: Millions of yen)

	For the nine months ended December 31, 2016	For the nine months ended December 31, 2017
Profit	10,701	7,194
Other comprehensive income	(10,506)	8,529
Net unrealized gain (loss) on available-for-sale securities	(10,349)	9,332
Net unrealized gain (loss) on deferred hedges	(24)	(18)
Remeasurements of defined benefit plans	(132)	(783)
Comprehensive income	195	15,724
Comprehensive income attributable to		
Owners of the parent	(1,378)	15,512
Non-controlling interests	1,573	212

Selected Financial Information
for the Third Quarter of FY2017
(Nine months ended December 31, 2017)

SENSHU IKEDA HOLDINGS, INC.

THE SENSHU IKEDA BANK, LTD.

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(Notes) Recorded amounts are rounded down to the nearest million yen.

The Senshu Ikeda Bank transferred a portion of loans to the business rehabilitation subsidiaries on March 25, 2013.
For this reason, with regard to loans and bills discounted and status of claims under the Financial Revitalization Law, the total amounts of The Senshu Ikeda Bank and two business rehabilitation subsidiaries are stated as well.

1. Summary of Profit and Loss

(1) Senshu Ikeda Holdings【Consolidated】

(Millions of yen)

		For the nine months ended Dec. 31,2016 (a)	For the nine months ended Dec. 31,2017 (b)	(b)-(a)
1	Ordinary revenue	76,433	83,548	7,115
2	Ordinary expenses (-)	63,626	72,988	9,362
3	Ordinary income	12,806	10,560	(2,246)
4	Income before income taxes	12,552	12,194	(358)
5	Profit attributable to owners of the parent	9,126	6,983	(2,143)
6	Comprehensive income	195	15,724	15,529
7	Net credit costs (-)	2,167	(1,683)	(3,850)

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

(Millions of yen)

		For the nine months ended Dec. 31,2016 (a)	For the nine months ended Dec. 31,2017 (b)	(b)-(a)
1	Gross profit	45,519	26,692	(18,827)
2	(Core gross profit)	41,599	39,379	(2,220)
3	Net interest income	36,877	35,378	(1,499)
4	Net fees and commissions income	3,696	4,423	727
5	Net other operation income	4,945	(13,109)	(18,054)
6	(Net gains (losses) on debt securities)	3,920	(12,687)	(16,607)
7	Expenses(excluding non-recurring expenses)(-)	34,721	34,945	224
8	Personnel expenses (-)	16,949	17,059	110
9	Non-personnel expenses (-)	15,452	15,682	230
10	Banking profit (before provision for general reserve for possible loan losses)	10,797	(8,253)	(19,050)
11	Core banking profit	6,877	4,434	(2,443)
12	Net gains (losses) on debt securities	3,920	(12,687)	(16,607)
13	Reversal of general reserve for possible loan losses(-) ①	1,303	―	(1,303)
14	Banking profit	9,494	(8,253)	(17,747)
15	Net non-recurring gains (loss)	128	16,783	16,655
16	Disposal of non-performing loans (-) ②	(131)	(1,825)	(1,694)
17	Net gains (losses) on equity securities	1,211	15,551	14,340
18	Ordinary income	9,623	8,529	(1,094)
19	Net extraordinary income (loss)	(223)	1,664	1,887
20	Income before income taxes	9,399	10,194	795
21	Total income taxes (-)	1,198	3,931	2,733
22	Income taxes-current (-)	839	(250)	(1,089)
23	Income taxes-deferred (-)	359	4,182	3,823
24	Net income	8,200	6,262	(1,938)
25	Net credit costs (-) ①+②	1,171	(1,825)	(2,996)

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

(Millions of yen)

		For the nine months ended Dec. 31,2016 (a)	For the nine months ended Dec. 31,2017 (b)	(b)-(a)
1	Net operating income	1,568	2,417	849
2	Administrative expenses (-)	1,383	1,768	385
3	Operating income	184	648	464
4	Income before income taxes	183	647	464
5	Net income	119	440	321

(4) Interest Margins

The Senshu Ikeda Bank【Non-consolidated】

① All business

(%)

	For the fiscal year ended Mar.31,2016	For the nine months ended Dec. 31,2016 (a)	For the fiscal year ended Mar.31,2017 (b)	For the nine months ended Dec. 31,2017 (c)	(c)-(a)	(c)-(b)
Average yield on interest earning assets (A)	1.28	1.16	1.18	1.11	(0.05)	(0.07)
Average yield on loans and bills discounted(B)	1.24	1.14	1.14	1.08	(0.06)	(0.06)
Average yield on securities	1.48	1.26	1.35	1.28	0.02	(0.07)
Average yield on interest bearing liabilities (C)	1.03	1.00	1.02	0.98	(0.02)	(0.04)
Average yield on deposits and negotiable (including expenses) (D)	1.04	1.02	1.03	1.00	(0.02)	(0.03)
Average yield on deposits and negotiable	0.09	0.06	0.06	0.05	(0.01)	(0.01)
Expense ratio	0.95	0.95	0.96	0.94	(0.01)	(0.02)
Average yield on external liabilities	0.53	0.34	0.35	0.25	(0.09)	(0.10)
Average interest rate spread (A)-(C)	0.25	0.16	0.16	0.13	(0.03)	(0.03)
Difference between average yield on loans and deposits (B) - (D)	0.20	0.12	0.11	0.08	(0.04)	(0.03)

② Domestic business

(%)

	For the fiscal year ended Mar.31,2016	For the nine months ended Dec. 31,2016 (a)	For the fiscal year ended Mar.31,2017 (b)	For the nine months ended Dec. 31,2017 (c)	(c)-(a)	(c)-(b)
Average yield on interest earning assets (A)	1.25	1.11	1.13	1.07	(0.04)	(0.06)
Average yield on loans and bills discounted(B)	1.25	1.14	1.13	1.07	(0.07)	(0.06)
Average yield on securities	1.40	1.11	1.23	1.19	0.08	(0.04)
Average yield on interest bearing liabilities (C)	1.00	0.97	0.97	0.93	(0.04)	(0.04)
Average yield on deposits and negotiable (including expenses) (D)	1.00	0.98	0.98	0.95	(0.03)	(0.03)
Average yield on deposits and negotiable	0.09	0.06	0.06	0.05	(0.01)	(0.01)
Expense ratio	0.90	0.91	0.91	0.90	(0.01)	(0.01)
Average yield on external liabilities	0.56	0.19	0.17	0.05	(0.14)	(0.12)
Average interest rate spread (A)-(C)	0.25	0.14	0.16	0.14	0.00	(0.02)
Difference between average yield on loans and deposits (B) - (D)	0.25	0.16	0.15	0.12	(0.04)	(0.03)

(5) ROE

Senshu Ikeda Holdings【Consolidated】

(%)

	For the fiscal year ended Mar.31,2016	For the nine months ended Dec. 31,2016 (a)	For the fiscal year ended Mar.31,2017 (b)	For the nine months ended Dec. 31,2017 (c)	(c)-(a)	(c)-(b)
Shareholders' equity ROE (Income before income taxes basis)	10.31	7.29	8.86	6.90	(0.39)	(1.96)
Shareholders' equity ROE (Profit attributable to owners of the parent basis)	7.74	5.30	5.31	3.95	(1.35)	(1.36)

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

(%)

	For the fiscal year ended Mar.31,2016	For the nine months ended Dec. 31,2016 (a)	For the fiscal year ended Mar.31,2017 (b)	For the nine months ended Dec. 31,2017 (c)	(c)-(a)	(c)-(b)
ROE (Income before income taxes basis)	9.21	6.75	8.24	6.48	(0.27)	(1.76)
ROE (Profit attributable to owners of the parent basis)	6.92	4.91	4.94	3.71	(1.20)	(1.23)

2. Information on Main Accounts

The Senshu Ikeda Bank【Non-concolidated】

(1) Loans and Bills Discounted

① Breakdown of loan balance

(Millions of yen)

	As of Mar. 31, 2016	As of Dec. 31, 2016 (a)	As of Mar. 31, 2017 (b)	As of Dec. 31, 2017 (c)	(c)-(a)	(c)-(b)
Corporate loans	2,021,670	2,044,503	2,064,282	2,117,059	72,556	52,777
Consumer loans	1,730,397	1,730,175	1,746,889	1,765,584	35,409	18,695
Housing loans	1,701,561	1,696,555	1,710,333	1,723,589	27,034	13,256
Other loans	28,835	33,619	36,556	41,995	8,376	5,439
Total	3,752,067	3,774,678	3,811,171	3,882,643	107,965	71,472
Foreign currency loans	62,100	65,635	53,864	46,795	(18,840)	(7,069)
(scale of enterprise)						
Large and mid-tier enterprises	464,438	473,696	456,259	447,707	(25,989)	(8,552)
Small and medium-sized enterprises	1,261,284	1,314,888	1,350,077	1,432,301	117,413	82,224
Local governments	219,574	184,375	186,091	165,758	(18,617)	(20,333)
Japanese government	77,321	74,636	74,500	75,036	400	536
Individuals	1,729,448	1,727,081	1,744,242	1,761,839	34,758	17,597
Total	3,752,067	3,774,678	3,811,171	3,882,643	107,965	71,472
Average Balance	3,638,361	3,724,853	3,732,105	3,803,823	78,970	71,718

Including two business rehabilitation subsidiaries

(Millions of yen)

	As of Mar. 31, 2016	As of Dec. 31, 2016 (a)	As of Mar. 31, 2017 (b)	As of Dec. 31, 2017 (c)	(c)-(a)	(c)-(b)
Corporate loans	2,042,644	2,057,144	2,076,488	2,125,141	67,997	48,653
Consumer loans	1,730,397	1,730,175	1,746,889	1,765,584	35,409	18,695
Housing loans	1,701,561	1,696,555	1,710,333	1,723,589	27,034	13,256
Other loans	28,835	33,619	36,556	41,995	8,376	5,439
Total	3,773,041	3,787,319	3,823,377	3,890,726	103,407	67,349
Foreign currency loans	62,100	65,635	53,864	46,795	(18,840)	(7,069)
(scale of enterprise)						
Large and mid-tier enterprises	464,438	473,696	456,259	447,707	(25,989)	(8,552)
Small and medium-sized enterprises	1,281,899	1,327,103	1,361,857	1,440,148	113,045	78,291
Local governments	219,574	184,375	186,091	165,758	(18,617)	(20,333)
Japanese government	77,321	74,636	74,500	75,036	400	536
Individuals	1,729,807	1,727,507	1,744,668	1,762,074	34,567	17,406
Total	3,773,041	3,787,319	3,823,377	3,890,726	103,407	67,349
Average Balance	3,661,043	3,742,746	3,748,696	3,815,695	72,949	66,999

② Loans to small and medium-sized enterprises (SMEs), etc.

(Millions of yen, %)

	As of Mar. 31, 2016	As of Dec. 31, 2016 (a)	As of Mar. 31, 2017 (b)	As of Dec. 31, 2017 (c)	(c)-(a)	(c)-(b)
Loans to SMEs, etc.	2,990,733	3,041,970	3,094,320	3,194,140	152,170	99,820
Ratio of loans to SMEs, etc.	79.70	80.58	81.19	82.26	1.68	1.07

Including two business rehabilitation subsidiaries

(Millions of yen, %)

	As of Mar. 31, 2016	As of Dec. 31, 2016 (a)	As of Mar. 31, 2017 (b)	As of Dec. 31, 2017 (c)	(c)-(a)	(c)-(b)
Loans to SMEs, etc.	3,011,706	3,054,611	3,106,525	3,202,223	147,612	95,698
Ratio of loans to SMEs, etc.	79.82	80.65	81.25	82.30	1.65	1.05

(2) Deposits

(Millions of yen)

	As of Mar. 31, 2016	As of Dec. 31, 2016 (a)	As of Mar. 31, 2017 (b)	As of Dec. 31, 2017 (c)	(c)-(a)	(c)-(b)
Individual	3,726,769	3,809,156	3,783,872	3,865,231	56,075	81,359
Online branch	67,960	69,453	67,827	57,999	(11,454)	(9,828)
Corporation	1,050,926	1,046,070	1,064,425	1,085,496	39,426	21,071
General corporation	911,572	960,248	979,458	994,986	34,738	15,528
Financial institutions	10,056	3,990	15,612	4,852	862	(10,760)
Governmental funds	129,297	81,832	69,354	85,657	3,825	16,303
Total	4,777,696	4,855,226	4,848,297	4,950,728	95,502	102,431
Foreign currency deposits	18,862	19,018	15,472	16,837	(2,181)	1,365

Average Balance	4,741,066	4,778,842	4,787,905	4,874,464	95,622	86,559

(3) Assets under Management

① Investment products sales

(Millions of yen)

	For the fiscal year ended Mar.31,2016	For the nine months ended Dec. 31,2016 (a)	For the fiscal year ended Mar.31,2017	For the nine months ended Dec. 31,2017 (b)	(b)-(a)
The Senshu Ikeda Bank	168,343	101,046	137,361	128,470	27,424
Investment trusts	87,445	57,985	85,027	75,732	17,747
Public bonds	1,066	559	766	514	(45)
Life insurance	79,831	42,502	51,568	52,224	9,722
Senshu Ikeda Tokai Tokyo Securities	48,102	30,456	46,211	50,788	20,332
Total	216,445	131,502	183,572	179,259	47,757

② Balance of assets under management(individual)

(Millions of yen)

	As of Mar. 31, 2016	As of Dec. 31, 2016 (a)	As of Mar. 31, 2017 (b)	As of Dec. 31, 2017 (c)	(c)-(a)	(c)-(b)
Deposits	3,726,769	3,809,156	3,783,872	3,865,231	56,075	81,359
Investment trusts	183,895	191,080	190,619	183,380	(7,700)	(7,239)
Life insurance	501,062	508,086	508,016	521,876	13,790	13,860
Public bonds	17,752	13,645	12,821	11,136	(2,509)	(1,685)
Senshu Ikeda Tokai Tokyo Securities	72,632	92,082	93,416	112,287	20,205	18,871
Total	4,502,112	4,614,050	4,588,746	4,693,912	79,862	105,166

(Reference)Balance of assets under management

(Millions of yen)

	As of Mar. 31, 2016	As of Dec. 31, 2016 (a)	As of Mar. 31, 2017 (b)	As of Dec. 31, 2017 (c)	(c)-(a)	(c)-(b)
The Senshu Ikeda Bank	216,205	217,388	215,356	205,804	(11,584)	(9,552)
Investment trusts	192,067	199,141	198,407	190,979	(8,162)	(7,428)
Public bonds	24,138	18,247	16,949	14,825	(3,422)	(2,124)
Senshu Ikeda Tokai Tokyo Securities	81,701	103,988	105,805	127,543	23,555	21,738
Total	297,907	321,377	321,162	333,348	11,971	12,186

(4) Securities

① Breakdown of security balance

(Millions of yen)

	As of Mar. 31, 2016	As of Dec. 31, 2016 (a)	As of Mar. 31, 2017 (b)	As of Dec. 31, 2017 (c)	(c)-(a)	(c)-(b)
Securities	1,051,825	983,161	954,214	821,735	(161,426)	(132,479)
Government bonds	76,259	62,097	62,050	72,135	10,038	10,085
Local government bonds	49,338	40,915	32,269	42,510	1,595	10,241
Corporate bonds	277,505	240,785	237,668	230,636	(10,149)	(7,032)
Authority bonds	205,420	179,914	184,463	168,231	(11,683)	(16,232)
Bank debenture bonds	15,429	12,925	7,419	—	(12,925)	(7,419)
General corporate bonds	56,656	47,945	45,785	62,404	14,459	16,619
Stocks	90,783	98,129	94,340	85,004	(13,125)	(9,336)
Other securities	557,938	541,234	527,885	391,448	(149,786)	(136,437)
Foreign securities	249,540	306,789	291,884	150,381	(156,408)	(141,503)
Euroyen bonds	27,000	27,000	22,000	11,000	(16,000)	(11,000)
Dollar-dominated bonds	172,052	227,732	220,649	94,093	(133,639)	(126,556)
Euro-dominated bonds	50,482	52,050	49,229	45,281	(6,769)	(3,948)
REIT	34,027	32,988	31,304	33,829	841	2,525
Investment trusts	267,881	193,423	196,497	198,561	5,138	2,064
Hedging investment trust for cross-shareholdings etc.	161	—	—	—	—	—
Investment partnership	6,487	8,033	8,199	8,676	643	477

Average Balance	1,066,378	1,058,450	1,034,835	845,730	(212,720)	(189,105)

② Net unrealized gains (losses) on securities

(Millions of yen)

	As of Mar. 31, 2016	As of Dec. 31, 2016 (a)	As of Mar. 31, 2017 (b)	As of Dec. 31, 2017 (c)	(c)-(a)	(c)-(b)
Held-to-maturity debt securities	465	350	271	86	(264)	(185)
Available-for-sale securities	28,730	17,758	14,827	22,204	4,446	7,377
Stocks	28,336	37,317	36,060	29,680	(7,637)	(6,380)
Bonds	2,396	915	743	248	(667)	(495)
Government bonds	109	77	38	140	63	102
Local government bonds	188	172	140	65	(107)	(75)
Corporate bonds	2,098	665	564	41	(624)	(523)
Other securities	(2,001)	(20,473)	(21,977)	(7,723)	12,750	14,254
Foreign securities	2,165	(15,311)	(16,226)	(2,434)	12,877	13,792
Euroyen bonds	—	—	—	—	—	—
Dollar-dominated bonds	1,465	(13,714)	(13,174)	(1,355)	12,359	11,819
Euro-dominated bonds	700	(1,597)	(3,052)	(1,079)	518	1,973
REIT	3,514	2,983	2,886	1,448	(1,535)	(1,438)
Investment trusts	(7,770)	(8,216)	(8,632)	(6,731)	1,485	1,901
Hedging investment trust for cross-shareholdings etc.	(62)	—	—	—	—	—
Investment partnership	88	71	(4)	(6)	(77)	(2)

3. Capital Ratio

We are calculating capital ratio now.

4. Status of Credits Disclosed under the Financial Revitalization Law

The Senshu Ikeda Bank【Non-consolidated】

(Millions of yen, %)

	As of Mar. 31, 2016	As of Dec. 31, 2016 (a)	As of Mar. 31, 2017 (b)	As of Dec. 31, 2017 (c)	(c)-(a)	(c)-(b)
Bankruptcy and quasi-bankrupt credit	4,648	3,520	3,016	3,111	(409)	95
Doubtful credit	37,149	30,151	29,540	25,296	(4,855)	(4,244)
Substandard credit	10,604	10,542	10,495	6,422	(4,120)	(4,073)
Subtotal (A)	52,403	44,214	43,052	34,830	(9,384)	(8,222)
Normal credit	3,720,083	3,750,130	3,787,777	3,865,721	115,591	77,944
Total(B)	3,772,486	3,794,344	3,830,830	3,900,552	106,208	69,722
Non-performing loans ratio (A)/(B)	1.38	1.16	1.12	0.89	(0.27)	(0.23)
Partial direct write-off	32,879	38,336	31,110	31,405	(6,931)	295

(Reference)

Including two business rehabilitation subsidiaries

(Millions of yen, %)

	As of Mar. 31, 2016	As of Dec. 31, 2016 (a)	As of Mar. 31, 2017 (b)	As of Dec. 31, 2017 (c)	(c)-(a)	(c)-(b)
Bankruptcy and quasi-bankrupt credit	4,845	3,840	3,469	4,632	792	1,163
Doubtful credit	46,233	39,863	39,944	30,622	(9,241)	(9,322)
Substandard credit	12,840	10,803	10,755	6,666	(4,137)	(4,089)
Subtotal (A)	63,918	54,508	54,170	41,921	(12,587)	(12,249)
Normal credit	3,729,542	3,752,478	3,788,865	3,866,713	114,235	77,848
Total(B)	3,793,461	3,806,986	3,843,035	3,908,635	101,649	65,600
Non-performing loans ratio (A)/(B)	1.68	1.43	1.40	1.07	(0.36)	(0.33)
Partial direct write-off	33,683	43,242	35,408	39,010	(4,232)	3,602

(Notes) Credits:

Credits represent loans and bills discounted; Foreign exchanges; Accrued income and suspense payment account under Other assets; and Customers' liabilities for acceptances and guarantees in the Balance Sheet; as the securities loaned (limited for use agreements or lease contracts), which are required to be stated in a note to the Balance Sheet.

Bankruptcy and quasi-bankrupt credit:

Bankruptcy and quasi-bankrupt credits represent the credits held by borrowers who have been classified as "bankrupt borrowers" and "effectively bankrupt borrowers" by the Bank's self-assessment.

Doubtful credit:

Doubtful credits represent the credits held by borrowers who have been classified as "potentially bankrupt borrowers" by the Bank's self-assessment.

Substandard credit:

Substandard credits represent the credits held by borrowers who have been classified as "loans past due three months or more" and "restructured loans" among the credits requiring special caution. (Borrowers requiring special caution: Borrowers who have concerns in lending conditions, exercising their obligations and financial situation, requiring special caution on their future situations.)

Normal credit:

Normal credits represent the credits held by borrowers who show no particular problems regarding financial conditions and business performances; therefore they are classified as an item other than the aforementioned credits.