August 7, 2019

Fukuoka Financial Group, Inc.

Financial Digest for the First Quarter of FY2019

Stock Exchange Listing:	Tokyo, Fukuoka (code:8354)
URL:	https://www.fukuoka-fg.com/
Representative:	Takashige Shibato, Chairman of the Board &President
For Inquiry:	Masahiro Fujii, General Manager, Corporate Planning Division
Payment date of cash dividends:	—
Filing date of Financial Statements:	August 9, 2019 (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, 2019 to June 30, 2019)

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

	Ordinary Income		Ordinary Profit		Net Income attributable to owners of the parent	
	¥Million	%	¥Million	%	¥Million	%
1Q FY2019	68,477	13.0	16,481	(18.9)	128,670	807.2
1Q FY2018	60,579	2.8	20,331	13.9	14,183	16.5

(Note) Comprehensive income 1Q FY2019: ¥123,930 million [743.7%] 1Q FY2018: ¥14,688 million [(2.0)%]

	Net Income per Share	Net Income per Share (Diluted)
	¥	¥
1Q FY2019	676.84	—
1Q FY2018	82.57	—

(Note) FFG consolidated its common shares at the ratio of one new share for every five old shares effective October 1, 2018. In accordance with it, net income per share is calculated based on the assumption that the share consolidation had been carried out at the beginning of the previous fiscal year.

(2) Consolidated Financial Position

	Total Assets	Total Net Assets	Own Capital Ratio
	¥Million	¥Million	%
June 30, 2019	24,437,930	938,610	3.8
March 31, 2019	20,839,786	777,308	3.7

(Reference) Own capital June 30, 2019: ¥938,597 million March 31, 2019: ¥777,291 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
	¥	¥	¥	¥	¥
FY2018	—	8.50	—	42.50	—
FY2019	—				
FY2019 (projection)		42.50	—	42.50	85.00

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

(Note) As the group consolidated its common shares at the ratio of one new share for every five old shares effective October 1, 2018, the effect of the said consolidation of shares is factored into the calculation of the year-end dividend per share for the fiscal year ending March 31, 2019, and the total annual dividend is shown as "—".

3. Consolidated Earnings Projections for Fiscal year 2019, (Year ending March 31, 2020)

(%: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 FY2019	33,000	(15.4)	140,000	413.3	736.42
FY2019	60,500	(18.3)	158,500	206.9	833.73

(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, 2019	As of Jun 30, 2019
(Assets)	資産の部		
Cash and due from banks	現金預け金	4,497,130	4,738,739
Call loans and bills bought	コールローン及び買入手形	8,769	13,024
Monetary claims bought	買入金銭債権	66,528	67,071
Trading assets	特定取引資産	1,600	1,857
Money held in trust	金銭の信託	4,190	13,849
Securities	有価証券	2,927,128	3,711,635
Loans and bills discounted	貸出金	12,994,296	15,478,214
Foreign exchanges	外国為替	8,160	9,628
Lease receivables and lease investment assets	リース債権及びリース投資資産	—	14,789
Other assets	その他資産	183,074	234,949
Tangible fixed assets	有形固定資産	194,101	213,741
Intangible fixed assets	無形固定資産	16,198	17,696
Net defined benefit assets	退職給付に係る資産	18,533	18,897
Deferred tax assets	繰延税金資産	9,366	4,172
Customers' liabilities for acceptances and guarantees	支払承諾見返	43,363	49,296
Allowance for loan losses	貸倒引当金	(132,655)	(149,632)
Total assets	**資産の部合計**	20,839,786	24,437,930
(Liabilities)	負債の部		
Deposits	預金	14,059,790	16,906,203
Negotiable certificates of deposit	譲渡性預金	238,412	615,812
Call money and bills sold	コールマネー及び売渡手形	1,865,549	1,976,467
Payables under repurchase agreements	売現先勘定	1,241,589	1,421,124
Payables under securities lending transactions	債券貸借取引受入担保金	618,007	602,552
Trading liabilities	特定取引負債	0	0
Borrowed money	借用金	1,826,041	1,721,541
Foreign exchanges	外国為替	1,169	1,909
Short-term bonds payable	短期社債	16,000	15,000
Bonds payable	社債	10,000	10,000
Other liabilities	その他負債	112,921	145,904
Net defined benefit liability	退職給付に係る負債	993	3,292
Provision for losses on interest repayments	利息返還損失引当金	23	8
Provision for losses from reimbursement of inactive accounts	睡眠預金払戻損失引当金	5,543	5,622
Provision for contingent liabilities losses	その他の偶発損失引当金	3	3
Reserves under the special laws	特別法上の引当金	22	22
Deferred tax liabilities	繰延税金負債	57	1,584
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	22,989	22,973
Acceptances and guarantees	支払承諾	43,363	49,296
Total liabilities	**負債の部合計**	20,062,477	23,499,319
(Net assets)	純資産の部		
Capital stock	資本金	124,799	124,799
Capital surplus	資本剰余金	94,164	141,378
Retained earnings	利益剰余金	419,871	540,765
Treasury stock	自己株式	(391)	(2,438)
Total shareholders' equity	株主資本合計	638,443	804,504
Valuation difference on available-for-sale securities	その他有価証券評価差額金	107,770	109,702
Deferred gains or losses on hedges	繰延ヘッジ損益	(20,239)	(26,781)
Revaluation reserve for land	土地再評価差額金	51,560	51,523
Remeasurements of defined benefit plans	退職給付に係る調整累計額	(245)	(350)
Total accumulated other comprehensive income	その他の包括利益累計額合計	138,847	134,093
Non-controlling interests	非支配株主持分	17	12
Total net assets	**純資産の部合計**	777,308	938,610
Total liabilities and net assets	**負債及び純資産の部合計**	20,839,786	24,437,930

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

Consolidated Statements of Income

(millions of Yen)

Item	科目 (Japanese)	3 months ended Jun 30, 2018	3 months ended Jun 30, 2019
Ordinary income:	**経常収益**	60,579	68,477
Interest income	資金運用収益	44,239	50,355
Interest on loans and discounts	（うち貸出金利息）	33,492	38,725
Interest and dividends on securities	（うち有価証券利息配当金）	9,080	10,091
Fees and commissions	役務取引等収益	12,155	12,742
Trading income	特定取引収益	21	49
Other operating income	その他業務収益	1,757	3,705
Other income	その他経常収益	2,404	1,624
Ordinary expenses:	**経常費用**	40,247	51,995
Interest expenses	資金調達費用	5,179	6,426
Interest on deposits	（うち預金利息）	1,056	1,183
Fees and commissions payments	役務取引等費用	4,402	5,657
Other operating expenses	その他業務費用	2	20
General and administrative expenses	営業経費	29,679	39,123
Other expenses	その他経常費用	984	766
Ordinary profit	**経常利益**	20,331	16,481
Extraordinary income	特別利益	0	117,433
Gain on disposal of noncurrent assets	固定資産処分益	0	0
Gains on negative goodwill	負ののれん発生益	―	117,433
Extraordinary loss	特別損失	12	286
Loss on disposal of noncurrent assets	固定資産処分損	12	70
Impairment loss	減損損失	―	67
Loss on step acquisitions	段階取得に係る差損	―	148
Income before income taxes:	**税金等調整前四半期純利益**	20,318	133,628
Current	法人税、住民税及び事業税	5,631	4,079
Deferred	法人税等調整額	516	901
Total income taxes	法人税等合計	6,147	4,980
Net income	四半期純利益	14,170	128,647
Net loss attributable to non-controlling interests (-)	非支配株主に帰属する四半期純損失	(12)	(22)
Net income attributable to owners of the parent	**親会社株主に帰属する四半期純利益**	14,183	128,670

Consolidated Statements of Comprehensive Income

(millions of Yen)

Item	科目 (Japanese)	3 months ended Jun 30, 2018	3 months ended Jun 30, 2019
Net income	四半期純利益	14,170	128,647
Other comprehensive income	その他の包括利益	517	(4,716)
Valuation difference on available-for-sale securities	その他有価証券評価差額金	930	1,931
Deferred gains or losses on hedges	繰延ヘッジ損益	(384)	(6,542)
Remeasurements of defined benefit plans	退職給付に係る調整額	(29)	(105)
Total comprehensive income	四半期包括利益	14,688	123,930
(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	14,700	123,953
Comprehensive income attributable to non-controlling interests	非支配株主に係る四半期包括利益	(12)	(22)

FFG Fukuoka Financial Group

Financial Digest for the First Quarter of FY2019

August 7, 2019

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

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

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

1. Gain and loss

(¥ mil.)

	4 banks' total			FFG (consolidated)
	3 months ended Jun 30, 2019	3 months ended Jun 30, 2018	Comparison	3 months ended Jun 30, 2019
Gross business profit	49,909	52,234	(2,325)	54,748
Net interest income	45,014	46,074	(1,060)	43,929
Domestic	42,786	43,729	(943)	41,709
International	2,228	2,345	(117)	2,219
Net fees and commissions	4,479	5,809	(1,330)	7,084
Net trading income	2	1	1	49
Net other operating income	412	348	64	3,685
Gains (losses) on sales (redemptions) of bonds	4	(145)	149	4
Overhead expenses (-)	31,543	31,445	98	39,264
Business profit (before transfer to general reserve for possible loan losses)	18,365	20,788	(2,423)	15,483
① Transfer to general reserve for possible loan losses (-)	[(1,152)] —	[(421)] —	—	[(876)] —
Business profit	18,365	20,788	(2,423)	15,483
Core business profit	18,361	20,933	(2,572)	15,479
Other operating profit (loss)	756	2,609	(1,853)	998
② Credit cost for disposal of non-performing loans (-)	(1,731)	(2,418)	687	(823)
Net transfer to specific reserve for possible loan losses (-)	[(404)] —	[(1,959)] —	—	[243] —
Reversal of allowance for loan losses	▶ 1,557	▶ 2,380	(823)	▶ 633
Recoveries of written-off claims	239	198	41	241
Total credit cost ①+② (-)	(1,731)	(2,418)	687	(823)
Gains (losses) on stocks	(787)	535	(1,322)	336
Others	(187)	(344)	157	(161)
Ordinary profit	19,122	23,398	(4,276)	16,481
Extraordinary profit (loss)	(143)	(11)	(132)	117,146
Income (loss) before income taxes	18,979	23,386	(4,407)	133,628
Total income taxes (-)	4,577	6,449	(1,872)	4,980
Net income	14,401	16,936	(2,535)	128,647
Net income attributable to non-controlling interests (-)				(22)
Net income attributable to owners of the parent				128,670

<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. When the total transfer from general and specific reserves for possible loan losses exceeds the transfer to them, the difference is posted as "reversal of allowance for loan losses" under the other operating profit. Numbers in square brackets are amounts before netting.
4. Gains (losses) on sales (redemptions) of bonds include gains (losses) on securities-related derivatives recorded by the Eighteenth Bank.

Reference (¥ bil.)	19/1Q	18/1Q	Comparison
Net income (4 banks' total)	14.4	16.9	(2.5)
Gains on negative goodwill	117.4	—	117.4
FFG non-consolidated	(3.4)	(1.7)	(1.7)
Profit (loss) of subsidiary companies	0.3	0.5	(0.2)
Other consolidation adjustments	(0.0)	(0.4)	+0.3
FFG's consolidated net profit for the quarter*	128.7	15.4	113.3

* In the financial report for 1Q, 2018, consolidated financial results of the Eighteenth Bank was added to FFG's consolidated financial results (3 banks)

■ 3 months Summary

Core business profit (4 banks' total) **¥18.4 billion** | Progress on FY2019 Projection 23.5%

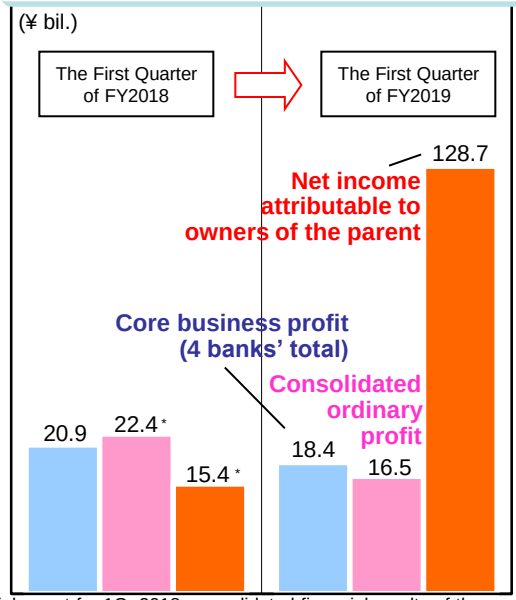
- Core business profit decreased ¥2.6 billion from a year earlier to ¥18.4 billion mainly due to decreases of net interest income and net fees and commissions.
- Progress toward the target for FY2019 (¥78.0 billion) was 23.5%, roughly as planned.

Consolidated ordinary profit **¥16.5 billion** | Progress on FY2019 Projection 27.2%

Net income attributable to owners of the parent **¥128.7 billion** | Progress on FY2019 Projection 81.2%

- As a result of posting gains on negative goodwill (¥117.4 billion) related to the business integration of the Eighteenth Bank into the group, progress toward the target for FY2019 (¥158.5 billion) was 81.2%.

Gain and Loss



* In the financial report for 1Q, 2018, consolidated financial results of the Eighteenth Bank was added to FFG's consolidated financial results (3 banks)

The Bank of Fukuoka (non-consolidated)

(¥ mil.)

	3 months ended Jun 30, 2019	3 months ended Jun 30, 2018	Comparison	FY 2018
Gross business profit	32,061	33,359	(1,298)	132,878
Net interest income	28,381	28,711	(330)	114,668
Domestic	26,431	26,753	(322)	106,975
International	1,950	1,957	(7)	7,692
Net fees and commissions	3,334	4,075	(741)	15,275
Net trading income	2	1	1	6
Net other operating income	342	570	(228)	2,928
Gains (losses) on sales (redemptions) of bonds	(8)	0	(8)	1,035
Overhead expenses (-)	17,387	17,075	312	66,810
Business profit (before transfer to general reserve for possible loan losses)	14,673	16,283	(1,610)	66,067
① Transfer to general reserve for possible loan losses (-)	[(565)]	[(160)]	—	(172)
Business profit	14,673	16,283	(1,610)	66,240
Core business profit	14,681	16,283	(1,602)	65,032
Other operating profit (loss)	979	2,111	(1,132)	2,522
② Credit cost for disposal of non-performing loans (-)	(765)	(1,929)	1,164	2,237
Net transfer to specific reserve for possible loan losses (-)	[(155)]	[(1,791)]	—	2,087
Reversal of allowance for loan losses	▶ 721	▶ 1,951	(1,230)	—
Recoveries of written-off claims	200	89	111	369
Total credit cost ①+② (-)	(765)	(1,929)	1,164	2,064
Gains (losses) on stocks	170	163	7	5,080
Others	43	18	25	(320)
Ordinary profit	15,652	18,395	(2,743)	68,762
Extraordinary profit (loss)	(70)	(0)	(70)	(265)
Income (loss) before income taxes	15,582	18,395	(2,813)	68,497
Total income taxes (-)	4,110	5,239	(1,129)	18,189
Net income	11,472	13,156	(1,684)	50,308

The Kumamoto Bank (non-consolidated)

(¥ mil.)

	3 months ended Jun 30, 2019	3 months ended Jun 30, 2018	Comparison	FY 2018
Gross business profit	4,496	4,769	(273)	19,360
Net interest income	4,482	4,473	9	17,937
Domestic	4,469	4,455	14	17,875
International	13	17	(4)	62
Net fees and commissions	5	286	(281)	1,372
Net other operating income	7	9	(2)	50
Gains (losses) on sales (redemptions) of bonds	0	0	0	(10)
Overhead expenses (-)	3,469	3,598	(129)	13,864
Business profit (before transfer to general reserve for possible loan losses)	1,026	1,170	(144)	5,496
① Transfer to general reserve for possible loan losses (-)	[(138)]	[49]	—	(561)
Business profit	1,026	1,170	(144)	6,057
Core business profit	1,026	1,170	(144)	5,506
Other operating profit (loss)	548	132	416	(1,522)
② Credit cost for disposal of non-performing loans (-)	(529)	(271)	(258)	1,391
Net transfer to specific reserve for possible loan losses (-)	[(426)]	[(297)]	—	1,413
Reversal of allowance for loan losses	▶ 564	▶ 247	317	—
Recoveries of written-off claims	4	50	(46)	88
Total credit cost ①+② (-)	(529)	(271)	(258)	829
Gains (losses) on stocks	154	—	154	—
Others	(135)	(138)	3	(131)
Ordinary profit	1,575	1,303	272	4,534
Extraordinary profit (loss)	(3)	(0)	(3)	(39)
Income (loss) before income taxes	1,572	1,303	269	4,495
Total income taxes (-)	359	302	57	730
Net income	1,212	1,001	211	3,765

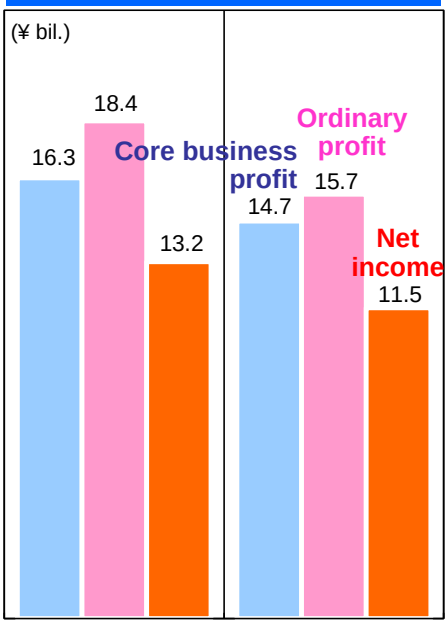
The Shinwa Bank (non-consolidated) + The Eighteenth Bank (non-consolidated)

(¥ mil.)

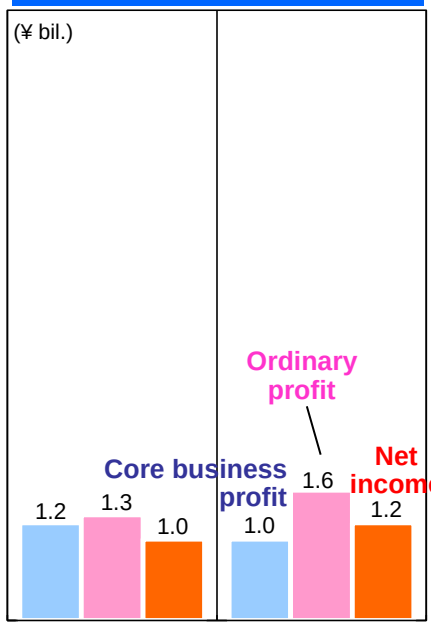
	3 months ended Jun 30, 2019	3 months ended Jun 30, 2018	Comparison	FY 2018
Gross business profit	13,352	14,105	(753)	54,598
Net interest income	12,150	12,890	(740)	49,464
Domestic	11,885	12,520	(635)	48,187
International	265	369	(104)	1,277
Net fees and commissions	1,139	1,447	(308)	5,105
Net other operating income	62	(232)	294	28
Gains (losses) on sales (redemptions) of bonds	12	(145)	157	(9)
Overhead expenses (-)	10,686	10,771	(85)	41,237
Business profit (before transfer to general reserve for possible loan losses)	2,666	3,333	(667)	13,361
① Transfer to general reserve for possible loan losses (-)	[(449)] —	[(310)] —	—	202
Business profit	2,666	3,333	(667)	13,158
Core business profit	2,653	3,479	(826)	13,371
Other operating profit (loss)	(771)	364	(1,135)	(398)
② Credit cost for disposal of non-performing loans (-)	(436)	(216)	(220)	1,995
Net transfer to specific reserve for possible loan losses (-)	[177] —	[129] —	—	2,198
Reversal of allowance for loan losses	▶ 271	▶ 181	90	—
Recoveries of written-off claims	35	58	(23)	338
Total credit cost ①+② (-)	(436)	(216)	(220)	2,198
Gains (losses) on stocks	(1,112)	371	(1,483)	1,408
Others	(95)	(223)	128	188
Ordinary profit	1,894	3,698	(1,804)	12,760
Extraordinary profit (loss)	(69)	(11)	(58)	(409)
Income (loss) before income taxes	1,824	3,687	(1,863)	12,350
Total income taxes (-)	107	908	(801)	4,159
Net income	1,717	2,778	(1,061)	8,190

Gain and Loss

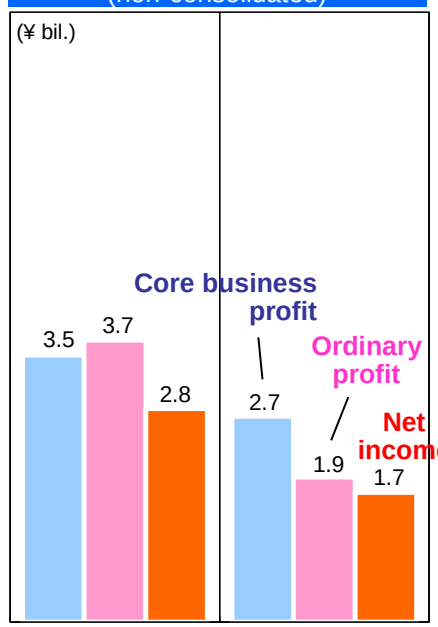
The Bank of Fukuoka (non-consolidated)



The Kumamoto Bank (non-consolidated)



The Shinwa Bank (non-consolidated) + The Eighteenth Bank (non-consolidated)

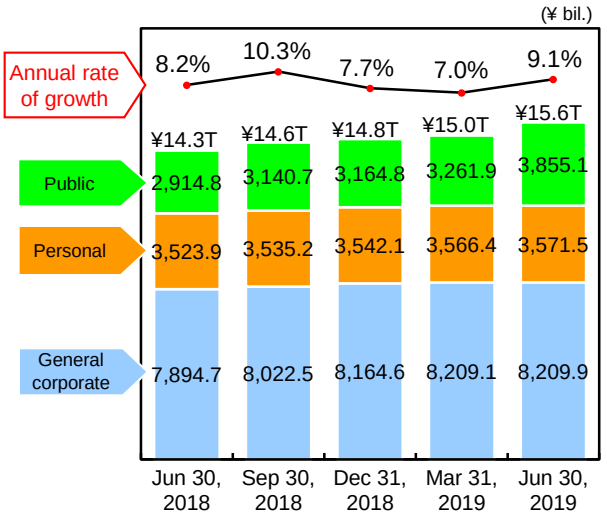


2. Assets and liabilities

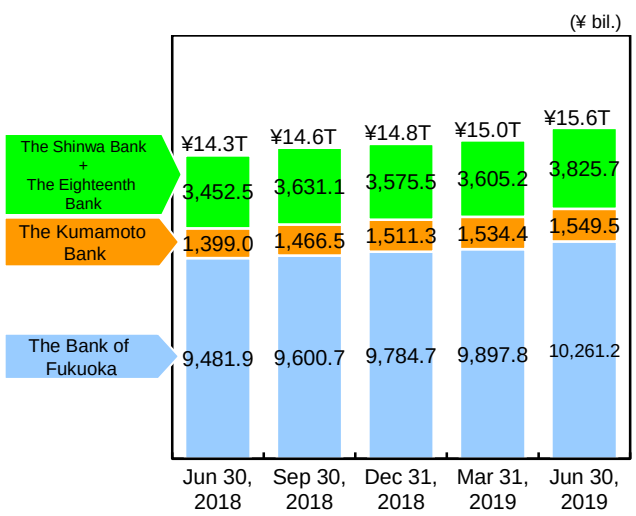
(1) Loans

4 banks' total

Loans classified by customer segment (Term-end balance)



Loans classified by bank (Term-end balance)



(¥ mil.)

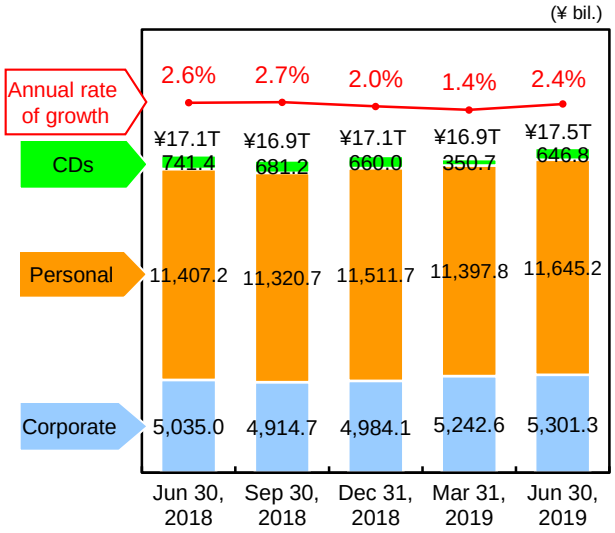
		Jun 30, 2019 annual rate of growth	Jun 30, 2019	change from Mar 31, 2019	change from Jun 30, 2018	Mar 31, 2019	Jun 30, 2018
4 banks' total	Total loans	9.1%	15,636,558	599,020	1,303,031	15,037,538	14,333,527
	Personal segment	1.3%	3,571,531	5,119	47,561	3,566,412	3,523,970
	Corporate segment	11.6%	12,065,025	593,899	1,255,469	11,471,126	10,809,556
	Personal loans	1.5%	3,471,506	8,321	51,496	3,463,185	3,420,010
	Housing loans	1.5%	3,082,586	8,771	45,596	3,073,815	3,036,990
	Consumer loans	3.0%	317,191	451	9,240	316,740	307,951
	Loans to small-and-medium-sized enterprises, etc. ratio	–	61.73%	(2.63%)	(4.12%)	64.36%	65.85%
The Bank of Fukuoka (non-consolidated)	Total loans	8.2%	10,261,237	363,394	779,252	9,897,843	9,481,985
	Personal segment	1.1%	2,246,126	4,700	25,112	2,241,426	2,221,014
	Corporate segment	10.4%	8,015,111	358,694	754,140	7,656,417	7,260,971
	Fukuoka prefecture	2.6%	6,976,266	(6,187)	176,568	6,982,453	6,799,698
	Personal loans	1.3%	2,178,504	6,549	27,300	2,171,955	2,151,204
	Housing loans	1.0%	1,935,655	5,343	19,969	1,930,312	1,915,686
	Consumer loans	4.6%	194,770	1,036	8,483	193,734	186,287
	Loans to small-and-medium-sized enterprises, etc. ratio	–	64.36%	(2.42%)	(2.94%)	66.78%	67.30%
The Kumamoto Bank (non-consolidated)	Total loans	10.8%	1,549,541	15,116	150,513	1,534,425	1,399,028
	Personal segment	5.2%	483,220	4,445	23,962	478,775	459,258
	Corporate segment	13.5%	1,066,320	10,670	126,551	1,055,650	939,769
	Kumamoto prefecture	5.1%	1,149,411	20,757	56,095	1,128,654	1,093,316
	Personal loans	5.7%	461,580	5,412	25,085	456,168	436,495
	Housing loans	6.2%	423,103	6,443	24,796	416,660	398,307
	Consumer loans	1.9%	31,427	(34)	585	31,461	30,842
	Loans to small-and-medium-sized enterprises, etc. ratio	–	67.41%	(0.88%)	(4.57%)	68.29%	71.98%
The Shinwa Bank (non-consolidated) + The Eighteenth Bank (non-consolidated)	Total loans	10.8%	3,825,780	220,510	373,266	3,605,270	3,452,514
	Personal segment	(0.2%)	842,185	(4,026)	(1,513)	846,211	843,698
	Corporate segment	14.4%	2,983,594	224,535	374,778	2,759,059	2,608,816
	Nagasaki prefecture	(3.4%)	2,184,770	(12,504)	(77,933)	2,197,274	2,262,703
	Personal loans	(0.1%)	831,422	(3,640)	(889)	835,062	832,311
	Housing loans	0.1%	723,828	(3,015)	831	726,843	722,997
	Consumer loans	0.2%	90,994	(551)	172	91,545	90,822
	Loans to small-and-medium-sized enterprises, etc. ratio	–	52.38%	(3.69%)	(7.01%)	56.07%	59.39%

<Note> The term-end balance of loans includes loans granted by the Bank of Fukuoka to FFG (¥122.5 billion at the end of June 2018, ¥129.5 billion at the end of March 2019, and ¥122.5 billion at the end of June 2019).

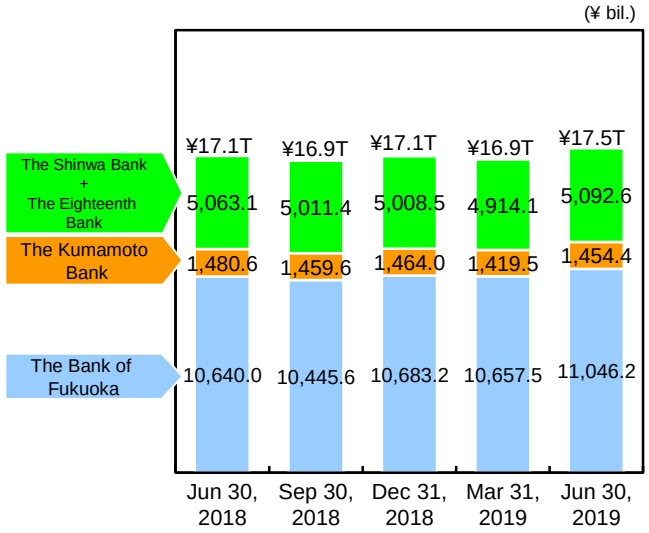
(2) Deposits

4 banks' total

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



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



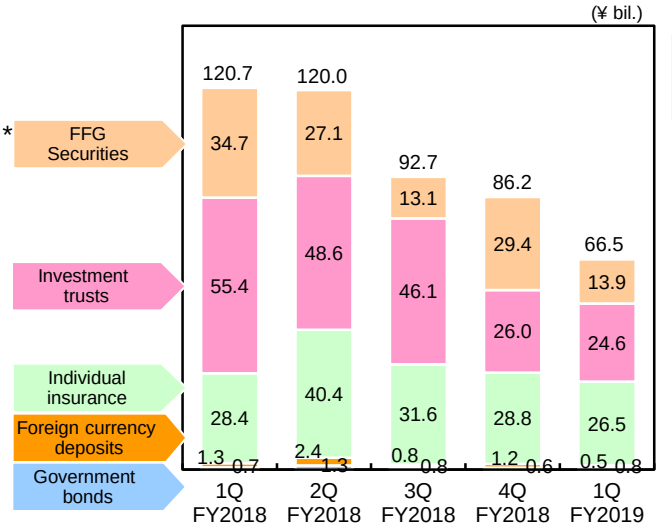
(¥ mil.)

		Jun 30, 2019 annual rate of growth	Jun 30, 2019	Jun 30, 2019 change from Mar 31, 2019	Jun 30, 2019 change from Jun 30, 2018	Mar 31, 2019	Jun 30, 2018
4 banks' total	Personal deposits	2.1%	11,645,269	247,382	238,058	11,397,887	11,407,211
	Corporate deposits	5.3%	5,301,305	58,703	266,219	5,242,602	5,035,086
	Total	3.1%	16,946,575	306,083	504,276	16,640,492	16,442,299
	Demand	6.6%	11,535,925	269,974	719,045	11,265,951	10,816,880
	Time	(3.8%)	5,410,648	36,109	(214,769)	5,374,539	5,625,417
	CDs	(12.8%)	646,810	296,093	(94,634)	350,717	741,444
	Deposits and CDs	2.4%	17,593,387	602,176	409,641	16,991,211	17,183,746
The Bank of Fukuoka (non-consolidated)	Personal deposits	2.9%	7,265,468	175,836	204,745	7,089,632	7,060,723
	Corporate deposits	8.1%	3,391,685	34,140	252,874	3,357,545	3,138,811
	Total	4.5%	10,657,153	209,975	457,619	10,447,178	10,199,534
	Demand	7.2%	7,500,098	179,596	503,172	7,320,502	6,996,926
	Time	(1.4%)	3,157,055	30,380	(45,553)	3,126,675	3,202,608
	CDs	(11.7%)	389,076	178,690	(51,427)	210,386	440,503
	Deposits and CDs	3.8%	11,046,229	388,665	406,191	10,657,564	10,640,038
	Fukuoka prefecture	4.3%	9,921,454	183,124	412,041	9,738,330	9,509,413
The Kumamoto Bank (non-consolidated)	Personal deposits	(0.7%)	1,070,411	11,857	(8,002)	1,058,554	1,078,413
	Corporate deposits	0.2%	381,114	23,303	787	357,811	380,327
	Total	(0.5%)	1,451,525	35,159	(7,216)	1,416,366	1,458,741
	Demand	5.1%	848,037	33,361	40,825	814,676	807,212
	Time	(7.4%)	603,487	1,798	(48,041)	601,689	651,528
	CDs	(86.6%)	2,936	(200)	(18,929)	3,136	21,865
	Deposits and CDs	(1.8%)	1,454,461	34,959	(26,146)	1,419,502	1,480,607
	Kumamoto prefecture	(0.2%)	1,367,245	34,748	(3,183)	1,332,497	1,370,428
The Shinwa Bank (non-consolidated) + The Eighteenth Bank (non-consolidated)	Personal deposits	1.3%	3,309,390	59,689	41,315	3,249,701	3,268,075
	Corporate deposits	0.8%	1,528,506	1,260	12,558	1,527,246	1,515,948
	Total	1.1%	4,837,897	60,949	53,873	4,776,948	4,784,024
	Demand	5.8%	3,187,790	57,017	175,048	3,130,773	3,012,742
	Time	(6.8%)	1,650,106	3,931	(121,175)	1,646,175	1,771,281
	CDs	(8.7%)	254,798	117,603	(24,278)	137,195	279,076
	Deposits and CDs	0.6%	5,092,697	178,552	29,596	4,914,145	5,063,101
	Nagasaki prefecture	1.3%	4,448,727	45,719	56,962	4,403,008	4,391,765

(3) Asset management products

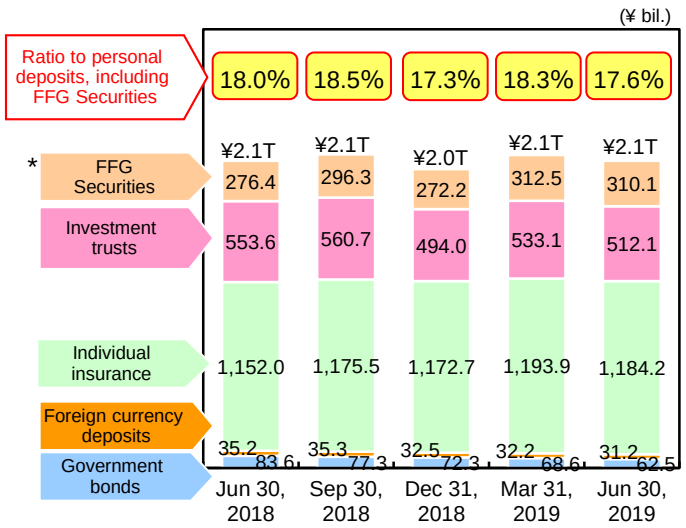
Group's total

Sales of asset management products



* Figures of FFG Securities are the total sales of investment trusts and bonds.

Outstanding balance of assets under management for individual customers



* Figures of FFG Securities are the total balance of individual investment trusts, stocks and bonds.

Sales of asset management products

Outstanding balance of assets under management for individual customers

(¥ bil.)

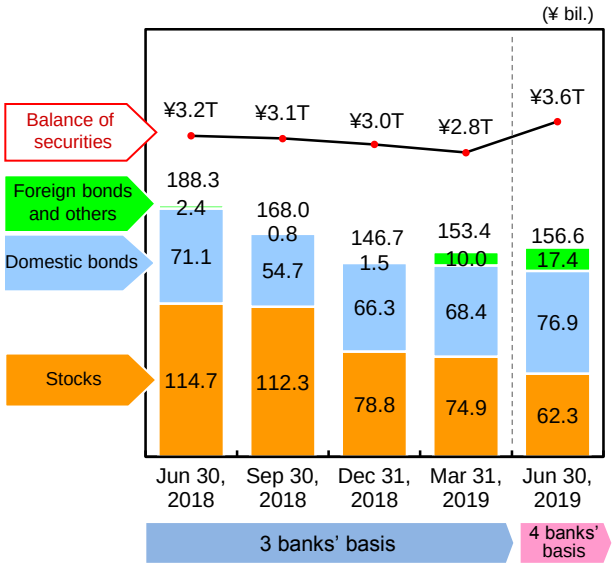
		1Q FY2019 (3 months)	change from 1Q FY2018	1Q FY2018 (3 months)	FY2018 (12 months)	Jun 30, 2019	Change from Mar 31, 2019	Change from Jun 30, 2018	Mar 31, 2019	Jun 30, 2018
Group's total	Investment trusts	24.6	(30.8)	55.4	176.2	512.1	(21.0)	(41.5)	533.1	553.6
	Individual insurance	26.5	(1.9)	28.4	129.3	1,184.2	(9.7)	32.2	1,193.9	1,152.0
	Foreign currency deposits	0.5	(0.8)	1.3	5.9	31.2	(1.0)	(4.0)	32.2	35.2
	Government bonds	0.8	0.1	0.7	3.6	62.5	(6.1)	(21.1)	68.6	83.6
	FFG Securities	13.9	(20.8)	34.7	104.5	310.1	(2.4)	33.7	312.5	276.4
	Total	66.5	(54.2)	120.7	419.7	2,100.2	(40.3)	(0.7)	2,140.5	2,100.9
	Ratio to personal deposits					17.6%	(0.7%)	(0.4%)	18.3%	18.0%
The Bank of Fukuoka (non-consolidated)	Investment trusts	13.0	(14.5)	27.5	95.0	294.5	(11.3)	(20.1)	305.8	314.6
	Individual insurance	15.7	2.3	13.4	65.3	673.2	(2.0)	22.7	675.2	650.5
	Foreign currency deposits	0.4	(0.7)	1.1	4.7	23.1	(0.6)	(2.3)	23.7	25.4
	Government bonds	0.5	0.1	0.4	2.4	47.3	(4.9)	(18.1)	52.2	65.4
	Total	29.7	(12.8)	42.5	167.6	1,038.2	(18.8)	(17.8)	1,057.0	1,056.0
	Ratio to personal deposits					14.3%	(0.6%)	(0.7%)	14.9%	15.0%
The Kumamoto Bank (non-consolidated)	Investment trusts	3.5	(6.0)	9.5	29.4	71.4	(3.9)	(6.7)	75.3	78.1
	Individual insurance	3.1	(0.6)	3.7	15.1	145.4	(2.0)	1.6	147.4	143.8
	Foreign currency deposits	0.0	0.0	0.0	0.1	2.2	(0.1)	(0.2)	2.3	2.4
	Government bonds	0.0	0.0	0.0	0.0	1.2	(0.1)	(0.2)	1.3	1.4
	Total	6.7	(6.6)	13.3	44.8	220.3	(6.0)	(5.6)	226.3	225.9
	Ratio to personal deposits					20.6%	(0.8%)	(0.3%)	21.4%	20.9%
The Shinwa Bank (non-consolidated) + The Eighteenth Bank (non-consolidated)	Investment trusts	8.0	(10.3)	18.3	51.6	146.0	(5.9)	(14.8)	151.9	160.8
	Individual insurance	7.7	(3.5)	11.2	48.8	365.6	(5.7)	8.0	371.3	357.6
	Foreign currency deposits	0.0	(0.2)	0.2	1.0	5.8	(0.3)	(1.4)	6.1	7.2
	Government bonds	0.2	0.0	0.2	1.1	13.9	(1.1)	(2.8)	15.0	16.7
	Total	16.1	(14.0)	30.1	102.7	531.5	(13.0)	(11.0)	544.5	542.5
	Ratio to personal deposits					16.1%	(0.7%)	(0.5%)	16.8%	16.6%

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

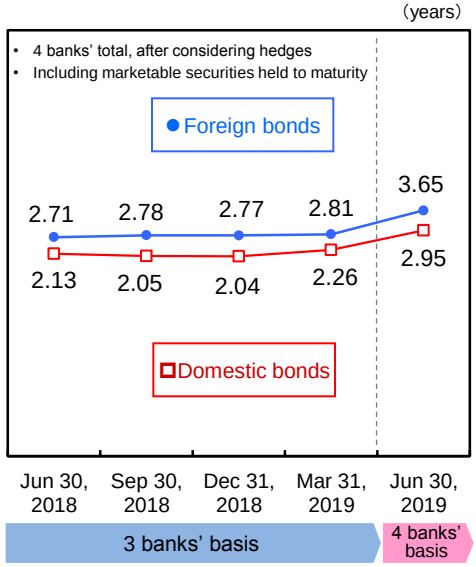
(4) Marketable securities

FFG (consolidated)

Unrealized gain



Bond duration



(¥ mil.)

		Jun 30, 2019				Mar 31, 2019	
		Market value	change from Mar 31, 2019	Unrealized gain(loss)	change from Mar 31, 2019	Market value	Unrealized gain(loss)
FFG (consolidated)	Total	3,627,007	799,575	156,659	3,180	2,827,432	153,479
	Stocks	152,134	9,912	62,313	(12,613)	142,222	74,926
	Domestic bonds	2,776,060	569,942	76,901	8,437	2,206,118	68,464
	National government bonds	1,923,666	339,629	70,009	8,016	1,584,037	61,993
	Local government bonds	142,521	63,699	884	62	78,822	822
	Corporate bonds	709,872	166,614	6,008	360	543,258	5,648
	Foreign bonds and Others	698,812	219,722	17,444	7,356	479,090	10,088
The Bank of Fukuoka (consolidated)	Total	2,069,083	27,044	130,032	347	2,042,039	129,685
	Stocks	114,958	(11,240)	58,310	(11,090)	126,198	69,400
	Domestic bonds	1,459,599	22,849	56,944	6,748	1,436,750	50,196
	National government bonds	996,795	37,237	52,938	6,813	959,558	46,125
	Local government bonds	54,083	(675)	494	(17)	54,758	511
	Corporate bonds	408,720	(13,712)	3,510	(49)	422,432	3,559
	Foreign bonds and Others	494,524	15,434	14,777	4,689	479,090	10,088
The Kumamoto Bank (non-consolidated)	Total	200,119	3,202	5,319	(369)	196,917	5,688
	Stocks	1,896	(378)	943	(379)	2,274	1,322
	Domestic bonds	198,222	3,580	4,375	10	194,642	4,365
	National government bonds	154,950	6,213	3,853	31	148,737	3,822
	Local government bonds	1,124	(1)	20	(1)	1,125	21
	Corporate bonds	42,147	(2,632)	502	(19)	44,779	521
	Foreign bonds and Others	–	–	–	–	–	–
The Shinwa Bank (non-consolidated) + The Eighteenth Bank (consolidated)	Total	1,359,436	57,711	61,559	15,373	1,301,725	46,186
	Stocks	36,910	(1,660)	12,085	(569)	38,570	12,654
	Domestic bonds	1,118,237	69,918	36,494	13,341	1,048,319	23,153
	National government bonds	771,919	68,193	29,949	12,593	703,726	17,356
	Local government bonds	87,313	(1,688)	1,962	(7)	89,001	1,969
	Corporate bonds	259,003	3,413	4,581	755	255,590	3,826
	Foreign bonds and Others	204,287	(10,548)	12,979	2,601	214,835	10,378

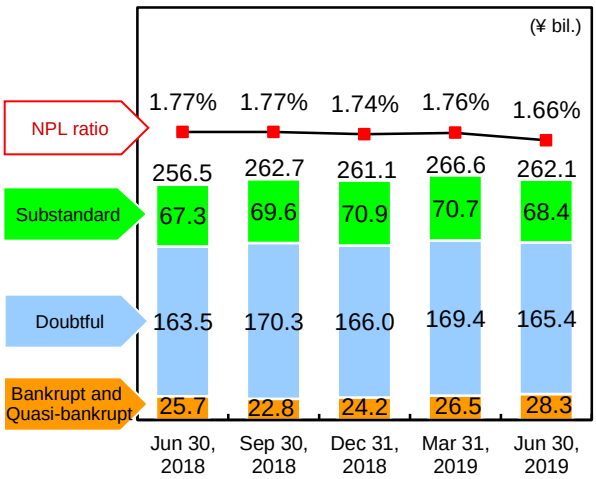
3. Non-performing loans

（Direct write-off is adopted）

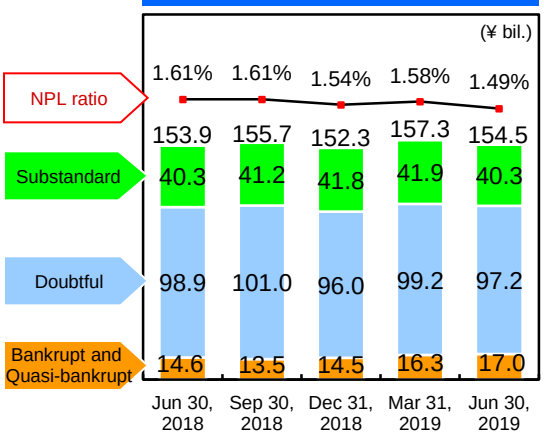
4 banks' total

(¥ mil.)

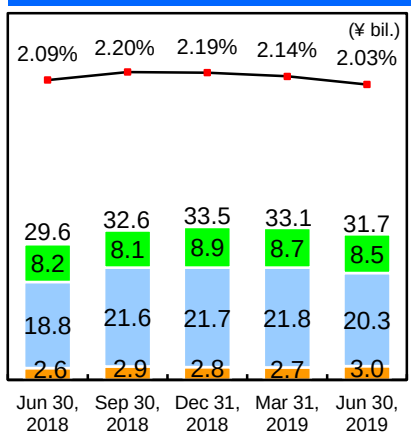
	Jun 30, 2019	change from Mar 31, 2019	change from Jun 30, 2018	Mar 31, 2019	Jun 30, 2018
NPLs under the FRL	262,077	(4,547)	5,575	266,624	256,502
Bankrupt and Quasi-bankrupt	28,302	1,784	2,609	26,518	25,693
Doubtful	165,420	(4,028)	1,939	169,448	163,481
Substandard	68,352	(2,301)	1,029	70,653	67,323
Ratio of NPLs under the FRL to the total credits	1.66%	(0.10%)	(0.11%)	1.76%	1.77%



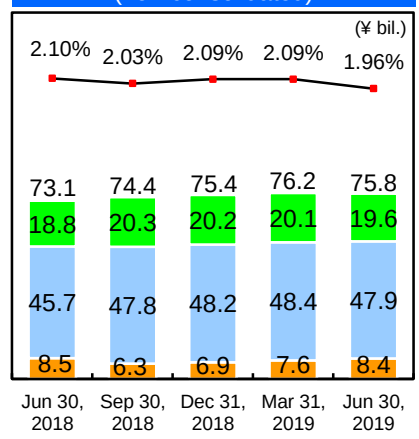
The Bank of Fukuoka (non-consolidated)



The Kumamoto Bank (non-consolidated)



The Shinwa Bank (non-consolidated) + The Eighteenth Bank (non-consolidated)



4. Interest rate spread (Domestic division)

(%)

	4 banks' total			The Bank of Fukuoka (non-consolidated)			The Kumamoto Bank (non-consolidated)			The Shinwa Bank (non-consolidated) + The Eighteenth Bank (non-consolidated)		
	1Q FY2019 (3 months)	YoY change	1Q FY2018 (3 months)	1Q FY2019 (3 months)	YoY change	1Q FY2018 (3 months)	1Q FY2019 (3 months)	YoY change	1Q FY2018 (3 months)	1Q FY2019 (3 months)	YoY change	1Q FY2018 (3 months)
(1) Average yield on interest earning assets	0.89	(0.08)	0.97	0.85	(0.09)	0.94	1.01	(0.09)	1.10	0.94	(0.06)	1.00
Loans and bills discounted ①	0.94	(0.10)	1.04	0.93	(0.07)	1.00	1.03	(0.13)	1.16	0.93	(0.16)	1.09
Securities	1.05	0.04	1.01	1.09	0.03	1.06	0.85	0.08	0.77	1.02	0.04	0.98
(2) Average yield on interest bearing liabilities	0.53	(0.06)	0.59	0.45	(0.04)	0.49	0.59	(0.11)	0.70	0.76	(0.04)	0.80
Deposits and CDs ②	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(0.01)	0.01	0.00	(0.01)	0.01
External liabilities	(0.04)	(0.02)	(0.02)	(0.04)	(0.02)	(0.02)	(0.03)	0.00	(0.03)	(0.04)	0.00	(0.04)
(3) Difference between average yields on loans and deposits ①-②	0.94	(0.10)	1.04	0.93	(0.07)	1.00	1.03	(0.12)	1.15	0.93	(0.15)	1.08
(4) Average interest rate spread (1)-(2)	0.36	(0.02)	0.38	0.40	(0.05)	0.45	0.42	0.02	0.40	0.18	(0.02)	0.20