Financial Results for the Third Quarter of the Fiscal Year ending March 31, 2019 (Consolidated Data)

January 30, 2019

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 8, 2019

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, 2019 (April 1, 2018 — December 31, 2018)

(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, 2018	67,462	(19.2)	5,450	(48.3)	3,775	(45.9)
Nine months ended December 31, 2017	83,548	9.3	10,560	(17.5)	6,983	(23.4)

(Note) Comprehensive income: Nine months ended December 31, 2018 2,357 million yen [(85.0%)]

Nine months ended December 31, 2017 15,724 million yen [—%]

	Net income per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2018	11.27	10.56
Nine months ended December 31, 2017	22.90	20.62

(2) Consolidated Financial Position

	Total assets	Total net assets	Equity ratio
	Million yen	Million yen	%
As of December 31, 2018	5,496,034	244,641	4.4
As of March 31, 2018	5,526,003	248,935	4.4

(Reference) capital: As of December 31, 2018 : 242,593 million yen ; As of March 31, 2018 : 245,279 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, 2018	－	7.50	－	7.50	15.00
Fiscal Year ending March 31, 2019	－	7.50	－		
Fiscal Year ending March 31, 2019 (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, 2019 (April 1, 2018－March 31, 2019)

(%: 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	90,000	(19.3)	7,500	(47.2)	6,000	(28.5)	16.96

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, 2019 : 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, 2018	281,008,632 shares
As of March 31, 2018	281,008,632 shares

(b) Number of treasury shares

As of December 31, 2018	2,083,540 shares
As of March 31, 2018	3,089,250 shares

(c) Average number of shares for the period under review

Nine months ended December 31, 2018	278,436,613 shares
Nine months ended December 31, 2017	277,080,200 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, 2018	–	35.00	–	35.00	70.00
Fiscal Year ending March 31, 2019	–	35.00	–		
Fiscal Year ending March 31, 2019 (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, 2018	–	15.00	–	15.00	30.00
Fiscal Year ending March 31, 2019	–	15.00	–		
Fiscal Year ending March 31, 2019 (Forecasts)				15.00	30.00

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: Millions of yen)

	As of March 31, 2018	As of December 31, 2018
Assets		
Cash and due from banks	713,371	709,619
Call loans and bills bought	3,783	1,748
Monetary claims bought	100	100
Trading account securities	176	143
Money held in trust	26,987	26,760
Securities	736,415	715,303
Loans and bills discounted	3,897,405	3,890,486
Foreign exchange assets	5,448	5,500
Other assets	82,965	84,089
Tangible fixed assets	41,148	41,089
Intangible fixed assets	5,209	5,159
Net defined benefit assets	11,114	12,331
Deferred tax assets	7,427	8,194
Customers' liabilities for acceptances and guarantees	9,322	8,668
Reserve for possible loan losses	(14,873)	(13,159)
Total assets	5,526,003	5,496,034
Liabilities		
Deposits	4,902,103	4,936,860
Negotiable certificates of deposit	900	－
Call money and bills sold	－	2,775
Payables under securities lending transactions	165,002	126,162
Borrowed money	132,133	123,705
Foreign exchange liabilities	562	594
Corporate bonds and notes	20,000	－
Other liabilities	43,314	49,776
Provision for employees' bonuses	1,876	908
Net defined benefit liability	151	158
Accrued retirement benefits for directors and corporate auditors	33	8
Reserve for reimbursement of deposits	512	568
Reserve for point services	246	255
Reserve for contingent losses	770	797
Reserve under special laws	2	4
Deferred tax liabilities	135	148
Acceptances and guarantees	9,322	8,668
Total liabilities	5,277,067	5,251,393
Net Assets		
Capital stock	102,999	102,999
Capital surplus	57,381	57,360
Retained earnings	78,153	76,440
Treasury stock	(1,476)	(944)
Total shareholders' equity	237,057	235,855
Net unrealized gain (loss) on available-for-sale securities	6,981	5,285
Net unrealized gain (loss) on deferred hedges	(115)	(122)
Remeasurements of defined benefit plans	1,355	1,575
Total accumulated other comprehensive income	8,222	6,738
Stock subscription rights	122	65
Non-controlling interests	3,533	1,981
Total net assets	248,935	244,641
Total liabilities and net assets	5,526,003	5,496,034

(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, 2017	For the nine months ended December 31, 2018
Ordinary revenue	83,548	67,462
Interest income	38,073	35,306
Interest on loans and bills discounted	30,925	30,438
Interest and dividends on securities	6,756	4,470
Fees and commissions	15,331	15,668
Other operating income	3,009	2,601
Other income	27,134	13,887
Ordinary expenses	72,988	62,011
Interest expenses	4,009	4,035
Interest on deposits	2,030	1,420
Fees and commissions payments	5,243	4,802
Other operating expenses	15,303	4,705
General and administrative expenses	38,703	36,614
Other expenses	9,728	11,853
Ordinary income	10,560	5,450
Extraordinary income	1,710	9
Gain on sales or disposal of fixed assets	–	9
Gain on return of retirement benefit trust	1,710	–
Extraordinary loss	76	101
Loss on sales or disposal of fixed assets	37	50
Impairment loss	37	49
Transfer to reserve for financial products transaction liabilities	1	1
Income before income taxes	12,194	5,359
Income taxes - current	681	892
Income taxes - deferred	4,317	625
Total income taxes	4,999	1,518
Profit	7,194	3,840
Profit attributable to non-controlling interests	211	64
Profit attributable to owners of the parent	6,983	3,775

Consolidated Statements of Comprehensive Income

(Unit: Millions of yen)

	For the nine months ended December 31, 2017	For the nine months ended December 31, 2018
Profit	7,194	3,840
Other comprehensive income	8,529	(1,483)
Net unrealized gain (loss) on available-for-sale securities	9,332	(1,696)
Net unrealized gain (loss) on deferred hedges	(18)	(7)
Remeasurements of defined benefit plans	(783)	220
Comprehensive income	15,724	2,357
Comprehensive income attributable to		
Owners of the parent	15,512	2,292
Non-controlling interests	212	64

Selected Financial Information for the Third Quarter of FY2018

(Nine months ended December 31, 2018)

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 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. 31,2017 (a)	For the nine months ended Dec. 31,2018 (b)	(b)-(a)
1	Ordinary revenue	83,548	67,462	(16,086)
2	Ordinary expenses (-)	72,988	62,011	(10,977)
3	Ordinary income	10,560	5,450	(5,110)
4	Income before income taxes	12,194	5,359	(6,835)
5	Profit attributable to owners of the parent	6,983	3,775	(3,208)
6	Comprehensive income	15,724	2,357	(13,367)
7	Net credit costs (-)	(1,683)	1,843	3,526

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

(Millions of yen)

		For the nine months ended Dec. 31,2017 (a)	For the nine months ended Dec. 31,2018 (b)	(b)-(a)
1	Gross profit	26,692	35,131	8,439
2	(Core gross profit)	39,379	39,225	(154)
3	Net interest income	35,378	32,505	(2,873)
4	Net fees and commissions income	4,423	5,733	1,310
5	Net other operation income	(13,109)	(3,107)	10,002
6	(Net gains (losses) on debt securities)	(12,687)	(4,093)	8,594
7	Expenses(excluding non-recurring expenses)(-)	34,945	32,364	(2,581)
8	Personnel expenses (-)	17,059	15,315	(1,744)
9	Non-personnel expenses (-)	15,682	14,882	(800)
10	Banking profit (before provision for general reserve for possible loan losses)	(8,253)	2,766	11,019
11	Core banking profit	4,434	6,860	2,426
12	Net gains (losses) on debt securities	(12,687)	(4,093)	8,594
13	Reversal of general reserve for possible loan losses(-) ①	－	－	－
14	Banking profit	(8,253)	2,766	11,019
15	Net non-recurring gains (losses)	16,783	962	(15,821)
16	Disposal of non-performing loans (-) ②	(1,825)	1,580	3,405
17	Net gains (losses) on equity securities	15,551	2,806	(12,745)
18	Ordinary income	8,529	3,728	(4,801)
19	Net extraordinary income (losses)	1,664	(70)	(1,734)
20	Income before income taxes	10,194	3,658	(6,536)
21	Total income taxes (-)	3,931	182	(3,749)
22	Income taxes-current (-)	(250)	(243)	7
23	Income taxes-deferred (-)	4,182	425	(3,757)
24	Net income	6,262	3,475	(2,787)
25	Net credit costs (-) ①+②	(1,825)	1,580	3,405

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

(Millions of yen)

		For the nine months ended Dec. 31,2017 (a)	For the nine months ended Dec. 31,2018 (b)	(b)-(a)
1	Net operating income	2,417	2,181	(236)
2	Administrative expenses (-)	1,768	1,915	147
3	Operating income	648	266	(382)
4	Income before income taxes	647	264	(383)
5	Net income	440	176	(264)

(4) Interest Margins

The Senshu Ikeda Bank 【Non-consolidated】

① All business

(%)

	For the fiscal year ended Mar.31,2017	For the nine months ended Dec. 31,2017 (a)	For the fiscal year ended Mar.31,2018 (b)	For the nine months ended Dec. 31,2018 (c)	(c)-(a)	(c)-(b)
Average yield on interest earning assets (A)	1.18	1.11	1.12	1.04	(0.07)	(0.08)
Average yield on loans and bills discounted(B)	1.14	1.08	1.08	1.05	(0.03)	(0.03)
Average yield on securities	1.35	1.28	1.33	0.99	(0.29)	(0.34)
Average yield on interest bearing liabilities (C)	1.02	0.98	0.98	0.91	(0.07)	(0.07)
Average yield on deposits and negotiable (including expenses) (D)	1.03	1.00	0.99	0.90	(0.10)	(0.09)
Average yield on deposits and negotiable	0.06	0.05	0.05	0.03	(0.02)	(0.02)
Expense ratio	0.96	0.94	0.94	0.86	(0.08)	(0.08)
Average yield on external liabilities	0.35	0.25	0.23	0.23	(0.02)	0.00
Average interest rate spread (A)-(C)	0.16	0.13	0.14	0.13	0.00	(0.01)
Difference between average yield on loans and deposits (B) - (D)	0.11	0.08	0.09	0.15	0.07	0.06

② Domestic business

(%)

	For the fiscal year ended Mar.31,2017	For the nine months ended Dec. 31,2017 (a)	For the fiscal year ended Mar.31,2018 (b)	For the nine months ended Dec. 31,2018 (c)	(c)-(a)	(c)-(b)
Average yield on interest earning assets (A)	1.13	1.07	1.08	0.99	(0.08)	(0.09)
Average yield on loans and bills discounted(B)	1.13	1.07	1.07	1.03	(0.04)	(0.04)
Average yield on securities	1.23	1.19	1.23	0.82	(0.37)	(0.41)
Average yield on interest bearing liabilities (C)	0.97	0.93	0.92	0.84	(0.09)	(0.08)
Average yield on deposits and negotiable (including expenses) (D)	0.98	0.95	0.95	0.86	(0.09)	(0.09)
Average yield on deposits and negotiable	0.06	0.05	0.05	0.03	(0.02)	(0.02)
Expense ratio	0.91	0.90	0.90	0.83	(0.07)	(0.07)
Average yield on external liabilities	0.17	0.05	0.03	(0.01)	(0.06)	(0.04)
Average interest rate spread (A)-(C)	0.16	0.14	0.16	0.15	0.01	(0.01)
Difference between average yield on loans and deposits (B) - (D)	0.15	0.12	0.12	0.17	0.05	0.05

(5) ROE

Senshu Ikeda Holdings 【Consolidated】

(%)

	For the fiscal year ended Mar.31,2017	For the nine months ended Dec. 31,2017 (a)	For the fiscal year ended Mar.31,2018 (b)	For the nine months ended Dec. 31,2018 (c)	(c)-(a)	(c)-(b)
Shareholders' equity ROE (Income before income taxes basis)	8.86	6.90	6.75	3.00	(3.90)	(3.75)
Shareholders' equity ROE (Profit attributable to owners of the parent basis)	5.31	3.95	3.56	2.11	(1.84)	(1.45)

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

(%)

	For the fiscal year ended Mar.31,2017	For the nine months ended Dec. 31,2017 (a)	For the fiscal year ended Mar.31,2018 (b)	For the nine months ended Dec. 31,2018 (c)	(c)-(a)	(c)-(b)
ROE (Income before income taxes basis)	8.24	6.48	6.49	2.91	(3.57)	(3.58)
ROE (Profit attributable to owners of the parent basis)	4.94	3.71	3.42	2.05	(1.66)	(1.37)

2. Information on Main Accounts

The Senshu Ikeda Bank 【Non-consolidated】

(1) Loans and Bills Discounted

① Breakdown of loan balance

(Millions of yen)

	As of Mar. 31, 2017	As of Dec. 31, 2017 (a)	As of Mar. 31, 2018 (b)	As of Dec. 31, 2018 (c)	(c)-(a)	(c)-(b)
Corporate loans	2,064,282	2,117,059	2,131,506	2,107,247	(9,812)	(24,259)
Consumer loans	1,746,889	1,765,584	1,776,527	1,796,973	31,389	20,446
Housing loans	1,710,333	1,723,589	1,731,354	1,746,805	23,216	15,451
Other loans	36,556	41,995	45,172	50,167	8,172	4,995
Total	3,811,171	3,882,643	3,908,034	3,904,221	21,578	(3,813)
Foreign currency loans	53,864	46,795	42,376	29,586	(17,209)	(12,790)

(scale of enterprise)

Large and mid-tier enterprises	456,259	447,707	445,988	401,323	(46,384)	(44,665)
Small and medium-sized enterprises	1,350,077	1,432,301	1,456,643	1,496,192	63,891	39,549
Local governments	186,091	165,758	168,086	149,473	(16,285)	(18,613)
Japanese government	74,500	75,036	64,946	65,027	(10,009)	81
Individuals	1,744,242	1,761,839	1,772,370	1,792,204	30,365	19,834
Total	3,811,171	3,882,643	3,908,034	3,904,221	21,578	(3,813)

Average Balance	3,732,105	3,803,823	3,816,475	3,864,664	60,841	48,189

Including business rehabilitation subsidiaries

(Millions of yen)

	As of Mar. 31, 2017	As of Dec. 31, 2017 (a)	As of Mar. 31, 2018 (b)	As of Dec. 31, 2018 (c)	(c)-(a)	(c)-(b)
Corporate loans	2,076,488	2,125,141	2,137,204	2,111,192	(13,949)	(26,012)
Consumer loans	1,746,889	1,765,584	1,776,527	1,796,973	31,389	20,446
Housing loans	1,710,333	1,723,589	1,731,354	1,746,805	23,216	15,451
Other loans	36,556	41,995	45,172	50,167	8,172	4,995
Total	3,823,377	3,890,726	3,913,732	3,908,165	17,439	(5,567)
Foreign currency loans	53,864	46,795	42,376	29,586	(17,209)	(12,790)

(scale of enterprise)

Large and mid-tier enterprises	456,259	447,707	445,988	401,323	(46,384)	(44,665)
Small and medium-sized enterprises	1,361,857	1,440,148	1,462,254	1,500,136	59,988	37,882
Local governments	186,091	165,758	168,086	149,473	(16,285)	(18,613)
Japanese government	74,500	75,036	64,946	65,027	(10,009)	81
Individuals	1,744,668	1,762,074	1,772,457	1,792,204	30,130	19,747
Total	3,823,377	3,890,726	3,913,732	3,908,165	17,439	(5,567)

Average Balance	3,748,696	3,815,695	3,827,172	3,869,099	53,404	41,927

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

(Millions of yen, %)

	As of Mar. 31, 2017	As of Dec. 31, 2017 (a)	As of Mar. 31, 2018 (b)	As of Dec. 31, 2018 (c)	(c)-(a)	(c)-(b)
Loans to SMEs, etc.	3,094,320	3,194,140	3,229,013	3,288,397	94,257	59,384
Ratio of loans to SMEs, etc.	81.19	82.26	82.62	84.22	1.96	1.60

Including business rehabilitation subsidiaries

(Millions of yen, %)

	As of Mar. 31, 2017	As of Dec. 31, 2017 (a)	As of Mar. 31, 2018 (b)	As of Dec. 31, 2018 (c)	(c)-(a)	(c)-(b)
Loans to SMEs, etc.	3,106,525	3,202,223	3,234,711	3,292,341	90,118	57,630
Ratio of loans to SMEs, etc.	81.25	82.30	82.65	84.24	1.94	1.59

(2) Deposits

(Millions of yen)

	As of Mar. 31, 2017	As of Dec. 31, 2017 (a)	As of Mar. 31, 2018 (b)	As of Dec. 31, 2018 (c)	(c)-(a)	(c)-(b)
Individual	3,783,872	3,865,231	3,825,365	3,866,771	1,540	41,406
Online branch	67,827	57,999	55,069	43,385	(14,614)	(11,684)
Corporation	1,064,425	1,085,496	1,128,618	1,114,812	29,316	(13,806)
General corporation	979,458	994,986	1,008,221	1,004,677	9,691	(3,544)
Financial institutions	15,612	4,852	5,868	4,929	77	(939)
Governmental funds	69,354	85,657	114,528	105,205	19,548	(9,323)
Total	4,848,297	4,950,728	4,953,983	4,981,584	30,856	27,601
Foreign currency deposits	15,472	16,837	17,936	14,718	(2,119)	(3,218)

Average Balance	4,787,905	4,874,464	4,881,023	4,921,635	47,171	40,612

(3) Assets under Management

① Investment products sales

(Millions of yen)

	For the fiscal year ended Mar. 31, 2017 (a)	For the fiscal year ended Mar.31, 2018 (b)	(b)-(a)	For the nine months ended Dec.31, 2017 (c)	For the nine months ended Dec. 31, 2018 (d)	(d)-(c)
The Senshu Ikeda Bank	137,361	172,159	34,798	128,470	127,179	(1,291)
Investment trusts	85,027	99,652	14,625	75,732	64,374	(11,358)
Public bonds	766	599	(167)	514	693	179
Life insurance	51,568	71,906	20,338	52,224	62,111	9,887
Senshu Ikeda Tokai Tokyo Securities	46,211	68,015	21,804	50,788	35,888	(14,900)
Total	183,572	240,175	56,603	179,259	163,067	(16,192)

② Balance of assets under management(individual)

(Millions of yen)

	As of Mar. 31, 2017	As of Dec. 31, 2017 (a)	As of Mar. 31, 2018 (b)	As of Dec. 31, 2018 (c)	(c)-(a)	(c)-(b)
Deposits	3,783,872	3,865,231	3,825,365	3,866,771	1,540	41,406
Investment trusts	190,619	183,380	174,148	163,228	(20,152)	(10,920)
Life insurance	508,016	521,876	512,755	528,121	6,245	15,366
Public bonds	12,821	11,136	10,931	10,455	(681)	(476)
Senshu Ikeda Tokai Tokyo Securities	93,416	112,287	104,940	95,570	(16,717)	(9,370)
Total	4,588,746	4,693,912	4,628,140	4,664,147	(29,765)	36,007

(Reference)Balance of assets under management

(Millions of yen)

	As of Mar. 31, 2017	As of Dec. 31, 2017 (a)	As of Mar. 31, 2018 (b)	As of Dec. 31, 2018 (c)	(c)-(a)	(c)-(b)
The Senshu Ikeda Bank	215,356	205,804	195,442	183,290	(22,514)	(12,152)
Investment trusts	198,407	190,979	181,228	169,861	(21,118)	(11,367)
Public bonds	16,949	14,825	14,214	13,428	(1,397)	(786)
Senshu Ikeda Tokai Tokyo Securities	105,805	127,543	119,958	110,743	(16,800)	(9,215)
Total	321,162	333,348	315,401	294,034	(39,314)	(21,367)

(4) Securities

① Breakdown of security balance

(Millions of yen)

	As of Mar. 31, 2017	As of Dec. 31, 2017	As of Mar. 31, 2018	As of Dec. 31, 2018		
		(a)	(b)	(c)	(c)-(a)	(c)-(b)
Securities	954,214	821,735	760,428	732,439	(89,296)	(27,989)
Government bonds	62,050	72,135	72,135	71,132	(1,003)	(1,003)
Local government bonds	32,269	42,510	39,462	49,544	7,034	10,082
Corporate bonds	237,668	230,636	245,227	258,828	28,192	13,601
Authority bonds	184,463	168,231	180,272	185,876	17,645	5,604
Bank debenture bonds	7,419	–	–	–	–	–
General corporate bonds	45,785	62,404	64,955	72,951	10,547	7,996
Stocks	94,340	85,004	73,565	55,937	(29,067)	(17,628)
Other securities	527,885	391,448	330,037	296,996	(94,452)	(33,041)
Foreign securities	291,884	150,381	140,838	141,147	(9,234)	309
Euroyen bonds	22,000	11,000	11,000	9,000	(2,000)	(2,000)
Dollar-dominated bonds	220,649	94,093	85,899	89,788	(4,305)	3,889
Euro-dominated bonds	49,229	45,281	43,933	42,352	(2,929)	(1,581)
REIT	31,304	33,829	32,313	34,489	660	2,176
Investment trusts	196,497	198,561	149,125	111,846	(86,715)	(37,279)
Hedging investment trust for cross-shareholdings etc.	–	–	–	–	–	–
Investment partnership	8,199	8,676	7,758	9,512	836	1,754

Average Balance	1,034,835	845,730	830,610	765,189	(80,541)	(65,421)

② Net unrealized gains (losses) on securities

(Millions of yen)

	As of Mar. 31, 2017	As of Dec. 31, 2017	As of Mar. 31, 2018	As of Dec. 31, 2018		
		(a)	(b)	(c)	(c)-(a)	(c)-(b)
Held-to-maturity debt securities	271	86	68	19	(67)	(49)
Available-for-sale securities	14,827	22,204	10,643	7,444	(14,760)	(3,199)
Stocks	36,060	29,680	22,396	16,058	(13,622)	(6,338)
Bonds	743	248	325	669	421	344
Government bonds	38	140	145	166	26	21
Local government bonds	140	65	55	40	(25)	(15)
Corporate bonds	564	41	124	462	421	338
Other securities	(21,977)	(7,723)	(12,079)	(9,282)	(1,559)	2,797
Foreign securities	(16,226)	(2,434)	(3,424)	(3,132)	(698)	292
Euroyen bonds	–	–	–	–	–	–
Dollar-dominated bonds	(13,174)	(1,355)	(2,630)	(2,716)	(1,361)	(86)
Euro-dominated bonds	(3,052)	(1,079)	(793)	(416)	663	377
REIT	2,886	1,448	869	2,518	1,070	1,649
Investment trusts	(8,632)	(6,731)	(9,526)	(8,665)	(1,934)	861
Hedging investment trust for cross-shareholdings etc.	–	–	–	–	–	–
Investment partnership	(4)	(6)	1	(3)	3	(4)

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, 2017	As of Dec. 31, 2017 (a)	As of Mar. 31, 2018 (b)	As of Dec. 31, 2018 (c)	(c)-(a)	(c)-(b)
Bankruptcy and quasi-bankrupt credit	3,016	3,111	2,755	3,795	684	1,040
Doubtful credit	29,540	25,296	24,663	23,279	(2,017)	(1,384)
Substandard credit	10,495	6,422	6,966	4,804	(1,618)	(2,162)
Subtotal (A)	43,052	34,830	34,384	31,880	(2,950)	(2,504)
Normal credit	3,787,777	3,865,721	3,891,198	3,894,906	29,185	3,708
Total(B)	3,830,830	3,900,552	3,925,583	3,926,786	26,234	1,203
Non-performing loans ratio (A)/(B)	1.12	0.89	0.87	0.81	(0.08)	(0.06)
Partial direct write-off	31,110	31,405	29,013	30,796	(609)	1,783

(Reference)

Including business rehabilitation subsidiaries

(Millions of yen, %)

	As of Mar. 31, 2017	As of Dec. 31, 2017 (a)	As of Mar. 31, 2018 (b)	As of Dec. 31, 2018 (c)	(c)-(a)	(c)-(b)
Bankruptcy and quasi-bankrupt credit	3,469	4,632	2,926	3,795	(837)	869
Doubtful credit	39,944	30,622	29,819	26,993	(3,629)	(2,826)
Substandard credit	10,755	6,666	7,209	5,034	(1,632)	(2,175)
Subtotal (A)	54,170	41,921	39,956	35,824	(6,097)	(4,132)
Normal credit	3,788,865	3,866,713	3,891,325	3,894,906	28,193	3,581
Total(B)	3,843,035	3,908,635	3,931,281	3,930,731	22,096	(550)
Non-performing loans ratio (A)/(B)	1.40	1.07	1.01	0.91	(0.16)	(0.10)
Partial direct write-off	35,408	39,010	29,065	30,832	(8,178)	1,767

(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.