

Financial Results

For the fiscal year ended March 31, 2017

- Supplementary Information -

SURUGA bank, Ltd.

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I . Financial highlights for the fiscal year ended March 31, 2017

1. Financial results (Non-consolidated)

(Millions of yen)

	FY3/2017		FY3/2016
	(a)	(a) - (b)	(b)
Gross operating profit	110,852	5,520	105,332
Net interest income	112,940	5,372	107,568
Net fees and commissions	(2,324)	623	(2,947)
Net other operating income (Note1)	70	(4)	74
Core gross operating profit	110,686	5,991	104,695
Expenses (-)	47,240	1,311	45,929
Core net operating profit (Note2)	63,445	4,680	58,765
Gains (losses) on bonds	165	(472)	637
Actual net operating profit (Note3)	63,611	4,208	59,403
Provision for general allowance for loan losses (-) (Note4)	-	-	-
Net operating profit	63,611	4,208	59,403
Disposal of non-performing loans (-)	9,165	3,452	5,713
Reversal of allowance for loan losses (Note4)	2,590	1,906	684
Recoveries of written-off claims	1,004	386	618
Gains (losses) on stocks	(506)	(688)	182
Ordinary profit	57,160	2,728	54,432
Gains (losses) on disposal of fixed assets	(280)	162	(442)
Gain on revision of retirement benefit plan	2,134	2,134	-
Net income	41,728	5,921	35,807

Net credit costs	6,575	1,546	5,029
Actual credit costs (Note5)	5,571	1,160	4,411

(Note1) Excluded gains (losses) on bonds

(Note2) Core net operating profit = Net operating profit + Provision for general allowance for loan losses
- Gains (losses) on bonds

(Note3) Actual net operating profit = Net operating profit + Provision for general allowance for loan losses

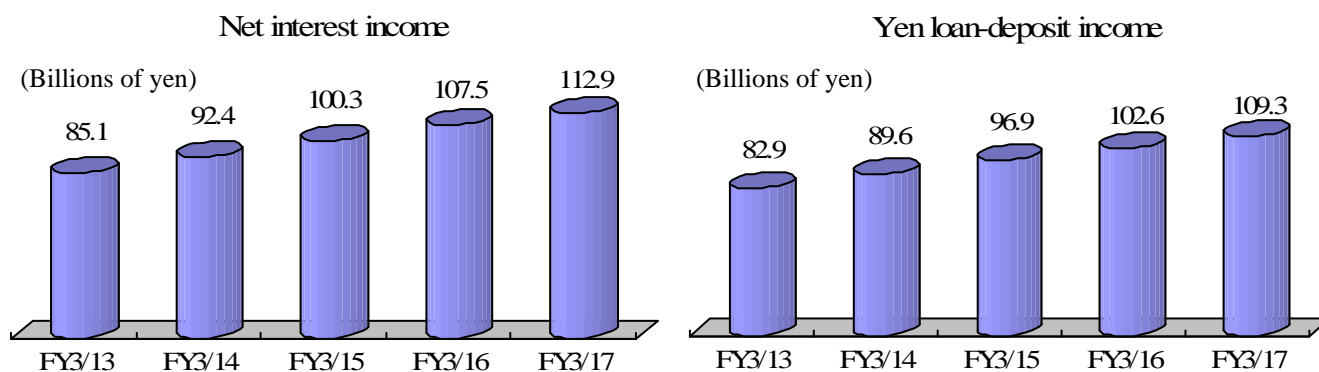
(Note4) For the fiscal year ended March 31, 2017, the net amount of reversal of general allowance for loan losses and provision for specific allowance for loan losses is recorded in reversal of allowance for loan losses, given that the former exceeded the latter during the period.

For the fiscal year ended March 31, 2016, the total amount of reversal of general allowance for loan losses and reversal of specific allowance for loan losses is recorded in reversal of allowance for loan losses, given that both allowances were reversed during the period.

(Note5) Actual credit costs = Net credit costs (Provision for general allowance for loan losses + Disposal of non-performing loans
- Reversal of allowance for loan losses) - Recoveries of written-off claims

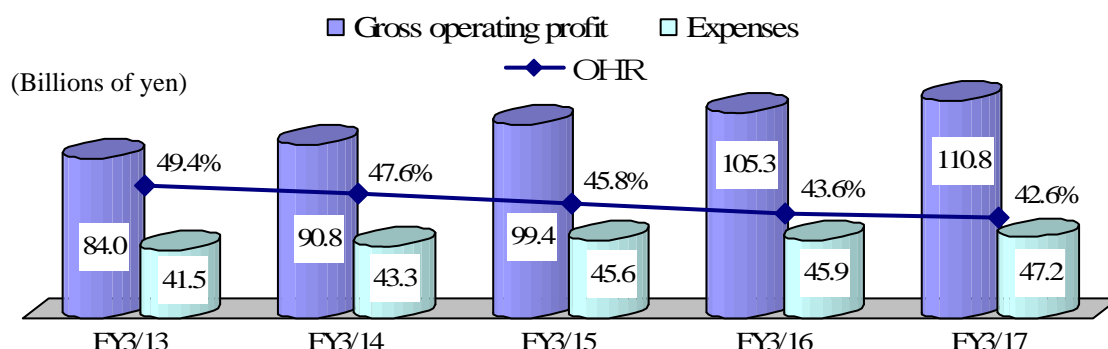
(1) Gross operating profit: ¥110.8 billion

- Net interest income increased by ¥5.3 billion year-on-year on the back of the rise in interest on loans and discounts.
- Yen loan-deposit income increased by ¥6.7 billion year-on-year.
- Core gross operating profit increased by ¥5.9 billion year-on-year, mainly due to an increase in net interest income.
- Gross operating profit increased by ¥5.5 billion year-on-year.



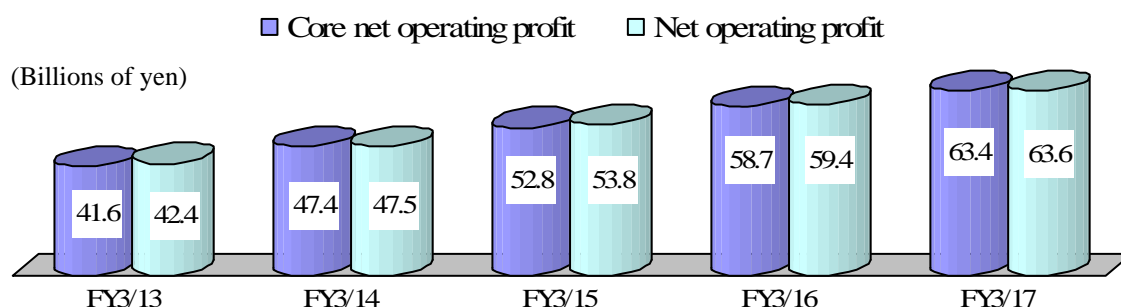
(2) Expenses OHR: 42.6%

- Expenses increased by ¥1.3 billion year-on-year.
 - OHR improved compared to the previous fiscal year and declined to 42.6%, mainly due to an increase in gross operating profit of ¥5.5 billion.
- (OHR (%) = Expenses / Gross operating profit × 100)



(3) Core net operating profit: ¥63.4 billion, Net operating profit: ¥63.6 billion

- Core net operating profit increased by ¥4.6 billion year-on-year, mainly due to an increase in net interest income of ¥5.3 billion.
- Net operating profit increased by ¥4.2 billion year-on-year.



(4) Ordinary profit: ¥57.1 billion

- Ordinary profit increased by ¥2.7 billion year-on-year, mainly due to an increase in net operating profit of ¥4.2 billion.

(5) Net income: ¥41.7 billion

- Net income increased by ¥5.9 billion year-on-year, mainly due to an increase in ordinary profit of ¥2.7 billion and the recording of gain on revision of retirement benefit plan of ¥2.1 billion.

(6) Actual credit costs: ¥5.5 billion

- Net credit costs increased by ¥1.5 billion year-on-year, mainly due to an increase in disposal of non-performing loans of ¥3.4 billion despite an increase in reversal of allowance for loan losses of ¥1.9 billion.
- Actual credit costs were ¥5.5 billion after deduction of recoveries of written-off claims of ¥1.0 billion from net credit costs of ¥6.5 billion.

2. Major accounts (Non-consolidated)

(1) Loans and bills discounted

- Loans and bills discounted increased by ¥116.1 billion, or 3.7% year-on-year, mainly due to an increase in consumer loans.
- New consumer loans, including mainly personal loans, were ¥470.0 billion and the balance of consumer loans as of March 31, 2017 increased by ¥135.0 billion, or 4.8% year-on-year.
- Yield on loans and bills discounted (domestic) rose by 0.05% year-on-year to 3.62%.
- Delinquency and loss rates on housing and personal loans continued to remain low.

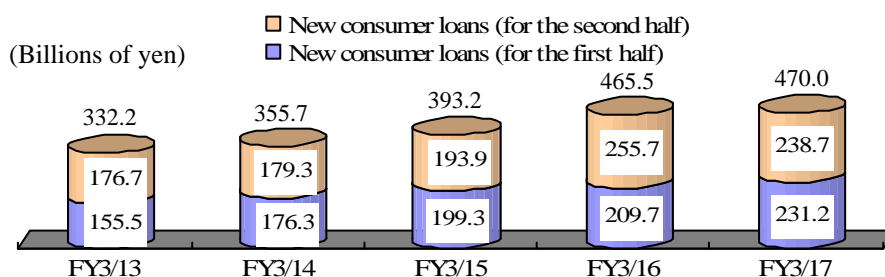
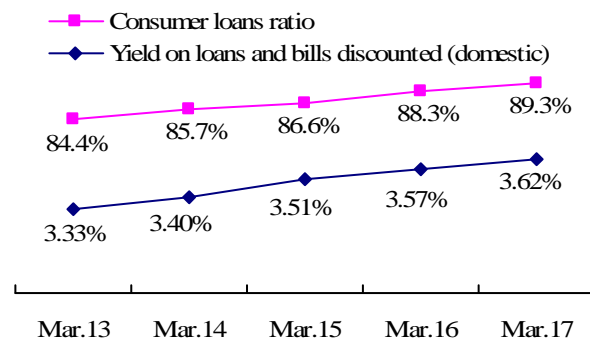
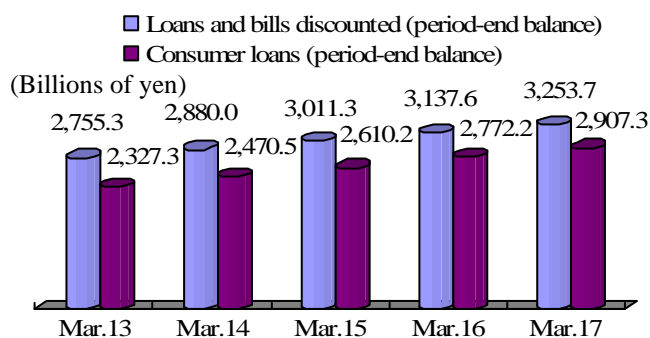
(Millions of yen)

	Mar. 31, 2017 (a)	(a) - (b)	(a) - (c)	Sep. 30, 2016 (b)	Mar. 31, 2016 (c)
Loans and bills discounted (period-end balance)	3,253,790	69,111	116,176	3,184,679	3,137,614
Consumer loans	2,907,349	71,643	135,051	2,835,706	2,772,298
Housing loans	2,040,621	27,207	47,402	2,013,414	1,993,219
Loans and bills discounted (average balance)	3,136,010	30,850	132,002	3,105,160	3,004,008
Loan-deposit ratio (period-end balance basis)	79.2%	1.5%	1.9%	77.7%	77.3%
Loan-deposit ratio (average balance basis)	77.3%	0.4%	2.5%	76.9%	74.8%

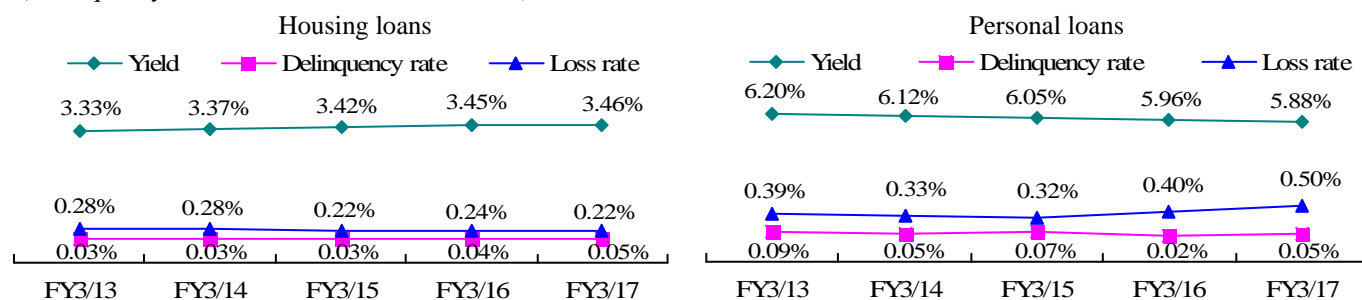
(Reference)

(Billions of yen)

Business alliance with Japan Post Bank	FY3/2017 (a)	(a) - (b)	FY3/2016 (b)
New housing loans (cumulative total)	39.9	3.6	36.3



(Delinquency and loss rates on consumer loans)



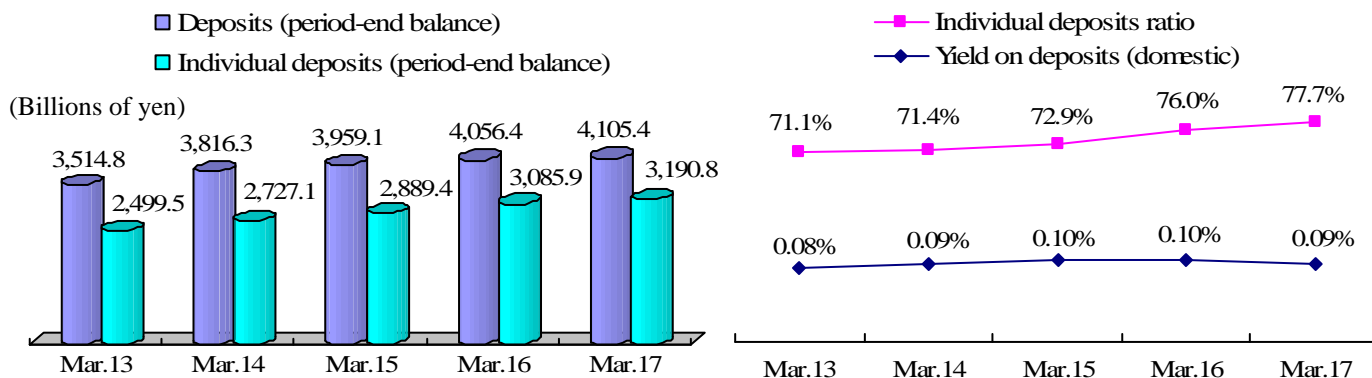
(Note1) Delinquency rate = Loans past due 3 months or more / Loans

(Note2) Loss rate = Default ratio × (1 - Recovery rate)

(2) Deposits

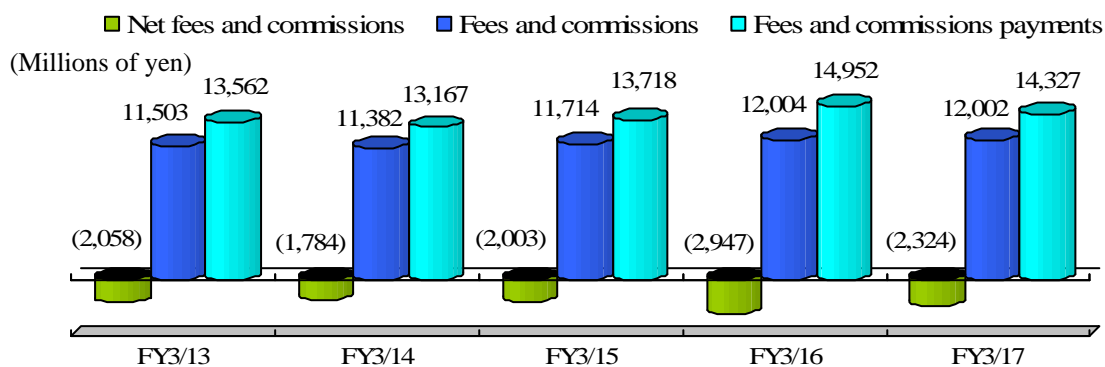
- Deposits increased by ¥48.9 billion, or 1.2% year-on-year, mainly due to an increase in individual deposits.
- Individual deposits increased by ¥104.9 billion, or 3.4% year-on-year.
- Yield on deposits (domestic) was 0.09%.

	Mar. 31, 2017			Sep. 30, 2016	Mar. 31, 2016
	(a)	(a) - (b)	(a) - (c)	(b)	(c)
Deposits (period-end balance)	4,105,455	7,844	48,973	4,097,611	4,056,482
Individual deposits	3,190,837	56,095	104,930	3,134,742	3,085,907
Deposits (average balance)	4,054,508	18,189	41,898	4,036,319	4,012,610



(3) Net fees and commissions

- Net fees and commissions increased by ¥0.6 billion year-on-year, mainly due to a decrease in fees and commissions payments of ¥0.6 billion.



(4) Individual deposit assets

- Individual deposit assets increased by ¥65.8 billion year-on-year.
- The ratio of investment products to total individual deposit assets declined by 1.3% year-on-year to 5.1%.

(Millions of yen)

	Mar. 31, 2017			Sep. 30, 2016	Mar. 31, 2016
	(a)	(a) - (b)	(a) - (c)	(b)	(c)
Individual deposit assets	3,356,908	33,526	65,855	3,323,382	3,291,053
Yen deposits	3,184,451	55,950	104,870	3,128,501	3,079,581
Investment products	172,456	(22,425)	(39,016)	194,881	211,472
Foreign currency deposits	6,386	145	60	6,241	6,326
Public bonds	10	(11,887)	(14,164)	11,897	14,174
Mutual funds	107,988	(2,689)	(11,491)	110,677	119,479
Personal pension plans	43,781	(7,626)	(12,713)	51,407	56,494
Single premium life insurance	14,290	(366)	(707)	14,656	14,997
The ratio of investment products to total individual deposit assets	5.1%	(0.7)%	(1.3)%	5.8%	6.4%

3. Management indices (Non-consolidated)

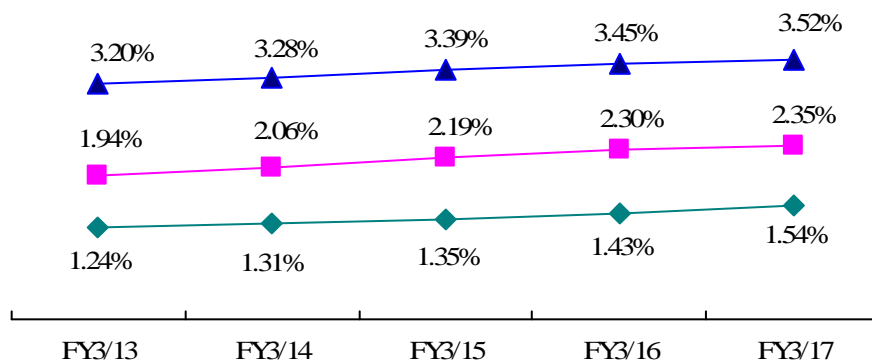
(1) Interest margins

- Loan-deposit margin (after deduction of expenses) rose by 0.05% year-on-year to 2.35%, mainly due to the rise in yield on loans and bills discounted.
- Net interest margin rose by 0.11% year-on-year to 1.54%, mainly due to the rise in yield on interest earning assets, and continued to remain high.

(%)

	FY3/2017		FY3/2016
	(a)	(a) - (b)	(b)
Loan-deposit margin	3.52	0.07	3.45
Loan-deposit margin (after deduction of expenses)	2.35	0.05	2.30
Net interest margin	1.54	0.11	1.43

- ▲ Loan-deposit margin
- Loan-deposit margin (after deduction of expenses)
- ◆ Net interest margin

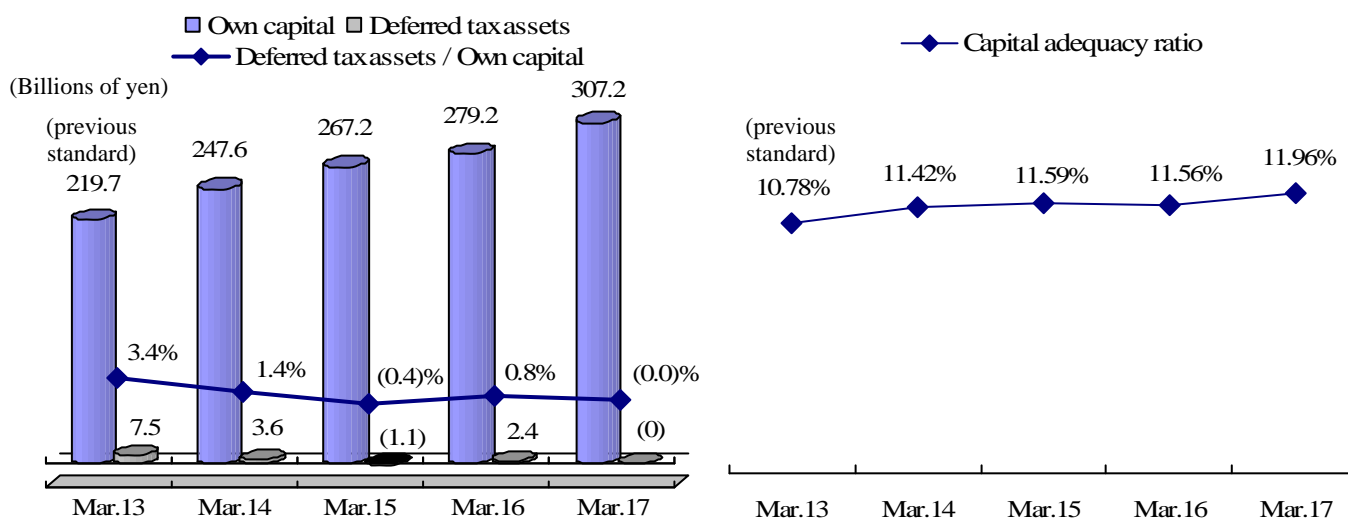


4. Own capital (Non-consolidated)

•Capital adequacy ratio rose by 0.40% year-on-year to 11.96%.

The transitional arrangements of the new domestic standard based on “Basel III” have been applied since the end of March 2014.

	Mar. 31, 2017			Sep. 30, 2016	Mar. 31, 2016
	(a)	(a) - (b)	(a) - (c)	(b)	(c)
Capital adequacy ratio (domestic standard)	11.96	(0.26)	0.40	12.22	11.56



5. Unrealized gains (losses) on securities (Non-consolidated)

·Unrealized gains on securities increased by ¥1.2 billion year-on-year, mainly due to an increase in unrealized gains on others.
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(Millions of yen)

	Mar. 31, 2017		Sep. 30, 2016 (b)	Mar. 31, 2016 (c)	
	(a)	(a) - (b)			(a) - (c)
Other securities	23,353	6,354	1,324	16,999	22,029
Stocks	21,955	5,058	(79)	16,897	22,034
Bonds	(115)	(293)	(200)	178	85
Others	1,512	1,589	1,602	(77)	(90)

(Millions of yen)

	Mar. 31, 2017		Sep. 30, 2016 (b)	Mar. 31, 2016 (c)	
	(a)	(a) - (b)			(a) - (c)
Held-to-maturity bonds (unrealized gains (losses))	22	(116)	(75)	138	97

6. Earnings forecast for the fiscal year ending March 31, 2018

Non-consolidated (Billions of yen)

	FY3/2018 (forecast)	
	First half	Full year
Net operating profit	31.5	65.0
Ordinary profit	29.0	60.0
Net income	20.0	42.0
Actual credit costs	2.3	4.5

Consolidated (Billions of yen)

	FY3/2018 (forecast)	
	First half	Full year
Ordinary profit	30.0	61.5
Profit attributable to owners of parent	20.5	43.0

(Note) The performance forecasts and other forward-looking statements in this report are based on information currently available to the company and on certain assumptions deemed to be reasonable, and are not intended to guarantee future performance. Actual performance may differ materially depending on various factors.

7. Asset quality (Non-consolidated)

(1) Non-performing loans based on the Financial Reconstruction Law

Non-performing loans based on the Financial Reconstruction Law decreased by ¥9.0 billion year-on-year to ¥28.9 billion.
Non-performing loan ratio declined by 0.32% year-on-year to 0.88%.

Outstanding balance

(Millions of yen, %)

	Mar. 31, 2017			Sep. 30, 2016 (b)	Mar. 31, 2016 (c)
	(a)	(a) - (b)	(a) - (c)		
Claims against bankrupt and substantially bankrupt obligors	7,721	877	577	6,844	7,144
Claims with collection risk	12,724	(1,266)	(3,190)	13,990	15,914
Claims for special attention	8,512	(4,556)	(6,477)	13,068	14,989
Total (A)	28,957	(4,946)	(9,090)	33,903	38,047
Total claims (B)	3,274,497	69,745	115,811	3,204,752	3,158,686
Non-performing loan ratio (A/B)	0.88	(0.17)	(0.32)	1.05	1.20

Status of coverage

(Millions of yen, %)

		Claims against bankrupt and substantially bankrupt obligors	Claims with collection risk	Claims for special attention	Total	Change from Mar. 31, 2016
Non-performing loans (A)	7,721	12,724	8,512	28,957	(9,090)	
Covered amount (C+D) (B)	7,721	11,178	5,148	24,047	(8,197)	
Portion secured by collateral or guarantees, etc. (C)	5,417	10,470	4,684	20,572	(5,863)	
Allowance for loan losses (D)	2,303	708	463	3,475	(2,333)	
Coverage ratio (B/A)	100.00	87.85	60.47	83.04	(1.70)	
Unsecured portion (A-C) (E)	2,303	2,253	3,828	8,385	(3,227)	
Allowance ratio for unsecured portion (D/E)	100.00	31.42	12.09	41.44	(8.57)	

(Reference) As of Mar. 31, 2016

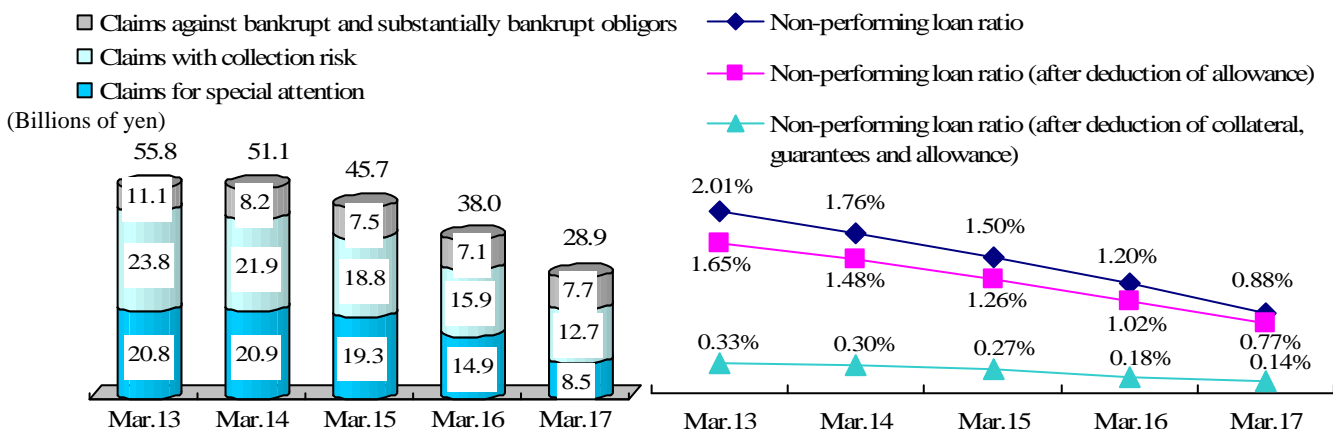
Unsecured portion	2,408	2,753	6,449	11,612
Allowance ratio for unsecured portion	100.00	33.85	38.23	50.01

(Note1) Category IV claims against bankrupt and substantially bankrupt obligors (corresponding to bankrupt and effectively bankrupt obligors based on self-assessment) which are not covered by collateral or guarantees, etc., are partially written off. Specific allowance for loan losses is provisioned against claims for which the unrecoverable amounts cannot be determined due to potential rehabilitation measures, etc.

(Note2) Specific allowance for loan losses against claims with collection risk (corresponding to potentially bankrupt obligors based on self-assessment) is calculated by multiplying the amount of category III claims not covered by collateral or guarantees, etc., by an estimated loan loss ratio based on historical loan loss ratios for the previous three reporting periods.

(Note3) General allowance for loan losses against claims for special attention is calculated by multiplying the total amount of such claims (categories I and II) by an estimated loan loss ratio based on historical loan loss ratios for the previous three reporting periods.

(Note4) As for large claims against potentially bankrupt and substandard obligors, for which the future cash flow can be reasonably estimated, allowance for loan losses is calculated using the Discounted Cash Flow method.



(2) Risk-monitored loans

(Millions of yen, %)

	Mar. 31, 2017			Sep. 30, 2016 (b)	Mar. 31, 2016 (c)
	(a)	(a) - (b)	(a) - (c)		
Loans to bankrupt obligors	900	251	91	649	809
Non-accrual delinquent loans	19,495	(640)	(2,632)	20,135	22,127
Loans past due 3 months or more	195	(19)	(148)	214	343
Restructured loans	8,317	(4,536)	(6,328)	12,853	14,645
Total	28,908	(4,945)	(9,017)	33,853	37,925
Coverage ratio	83.01	(0.33)	(1.69)	83.34	84.70

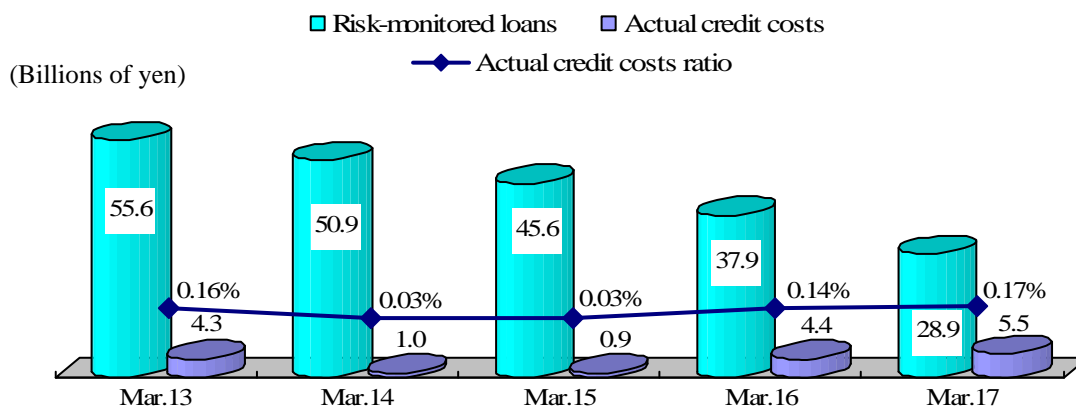
8. Credit costs (Non-consolidated)

(Millions of yen, %)

		FY3/2017		FY3/2016 (b)
		(a)	(a) - (b)	
Provision for general allowance for loan losses	(1)	-	-	-
Disposal of non-performing loans	(2)	9,165	3,452	5,713
Write-off of loans		7,160	4,244	2,916
Provision for specific allowance for loan losses		-	-	-
Losses on sales of delinquent loans		1,914	(868)	2,782
Provision for allowance for contingent losses		90	76	14
Reversal of allowance for loan losses	(3)	2,590	1,906	684
Recoveries of written-off claims	A	1,004	386	618
Net credit costs	(4) (=1)+(2)-(3))	6,575	1,546	5,029
Actual credit costs	(4)- A	5,571	1,160	4,411
Loans and bills discounted (average balance)		3,136,010	132,002	3,004,008
Net credit costs ratio		0.20	0.04	0.16
Actual credit costs ratio		0.17	0.03	0.14

(Note1) Net credit costs ratio = Net credit costs / The average balance of Loans and bills discounted

(Note2) Actual credit costs ratio = Actual credit costs / The average balance of Loans and bills discounted

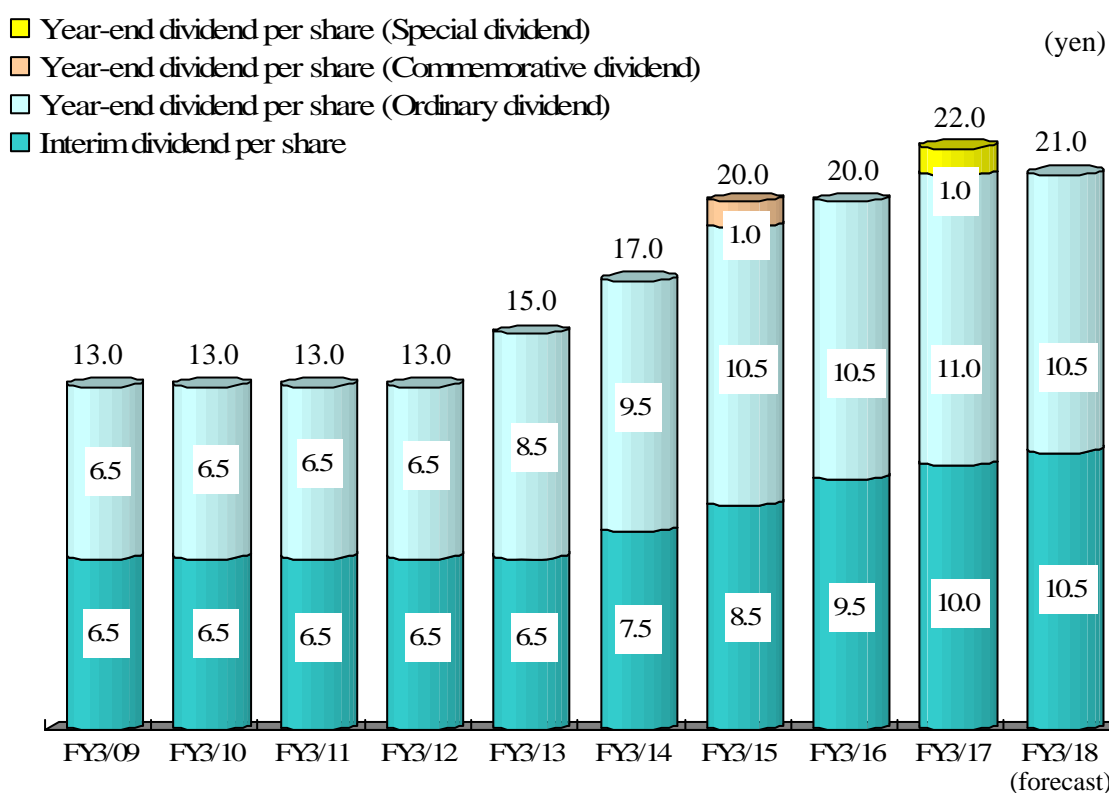


9. Dividends

·The company has decided to pay a year-end dividend of ¥12.0 per share and an annual dividend of ¥22.0 per share (of which, ordinary dividend: ¥21.0, special dividend: ¥1.0) with the aim of enhancing shareholder returns.
For the fiscal year ending March 31, 2018, the company is forecasting an annual dividend of ¥21.0 per share in light of the company's earnings forecast and other factors.

(yen)

	FY3/2017 (a)	(a) - (b)	FY3/2016 (result) (b)
Annual dividend per share	22.00	2.00	20.00
Interim dividend	10.00	0.50	9.50
Year-end dividend	12.00	1.50	10.50
Ordinary dividend	11.00	0.50	10.50
Special dividend	1.00	1.00	-



II. Financial data for the fiscal year ended March 31, 2017

1. Breakdown of financial results (Non-consolidated)

(Millions of yen)

	FY3/2017		FY3/2016 (b)
	(a)	(a) - (b)	
Gross operating profit (excluding gains (losses) on bonds)	110,852	5,520	105,332
	(110,686)	5,991	104,695)
Domestic gross operating profit (excluding gains (losses) on bonds)	110,596	5,742	104,854
	(110,291)	6,075	104,216)
Net interest income	112,636	5,452	107,184
Net fees and commissions	(2,344)	624	(2,968)
Net other operating income	304	(334)	638
(of which, Gains (losses) on bonds)	(304)	(333)	637)
International gross operating profit (excluding gains (losses) on bonds)	255	(223)	478
	(395)	(83)	478)
Net interest income	304	(79)	383
Net fees and commissions	20	0	20
Net other operating income	(68)	(141)	73
(of which, Gains (losses) on bonds)	(139)	(139)	-)
Expenses (excluding non-recurring losses)	47,240	1,311	45,929
Personnel expenses	18,362	37	18,325
Non-personnel expenses	25,131	919	24,212
Taxes	3,747	356	3,391
Net operating profit (before provision for general allowance for loan losses)	63,611	4,208	59,403
(excluding gains (losses) on bonds)	63,445	4,680	58,765
Provision for general allowance for loan losses (Note)	-	-	-
Net operating profit	63,611	4,208	59,403
Gains (losses) on bonds	165	(472)	637
Non-recurring gains (losses)	(6,450)	(1,481)	(4,969)
Reversal of allowance for loan losses (Note)	2,590	1,906	684
Recoveries of written-off claims	1,004	386	618
Gains (losses) on stocks	(506)	(688)	182
Ordinary profit	57,160	2,728	54,432
Extraordinary gains (losses)	1,853	2,314	(461)
Gains (losses) on disposal of fixed assets	(280)	162	(442)
Gains on disposal of fixed assets	36	10	26
Losses on disposal of fixed assets	316	(152)	468
Gain on revision of retirement benefit plan	2,134	2,134	-
Income before income taxes	59,013	5,043	53,970
Income taxes-current	15,214	(3,458)	18,672
Income taxes-deferred	2,071	2,579	(508)
Total income taxes	17,285	(878)	18,163
Net income	41,728	5,921	35,807

(1) Provision for general allowance for loan losses (Note)	-	-	-
(2) Disposal of non-performing loans	9,165	3,452	5,713
Write-off of loans	7,160	4,244	2,916
Provision for specific allowance for loan losses (Note)	-	-	-
Losses on sales of delinquent loans	1,914	(868)	2,782
Provision for allowance for contingent losses	90	76	14
(3) Reversal of allowance for loan losses (Note)	2,590	1,906	684
(4) Net credit costs (1)+(2)-(3)	6,575	1,546	5,029
(5) Recoveries of written-off claims	1,004	386	618
(6) Actual credit costs (4)-(5)	5,571	1,160	4,411

(Note) For the fiscal year ended March 31, 2017, the net amount of reversal of general allowance for loan losses and provision for specific allowance for loan losses is recorded in reversal of allowance for loan losses, given that the former exceeded the latter during the period.

For the fiscal year ended March 31, 2016, the total amount of reversal of general allowance for loan losses and reversal of specific allowance for loan losses is recorded in reversal of allowance for loan losses, given that both allowances were reversed during the period.

Breakdown of financial results (Consolidated)

(Millions of yen)

	FY3/2017		FY3/2016 (b)
	(a)	(a) - (b)	
Consolidated gross profit	120,294	6,991	113,303
Net interest income	120,431	6,465	113,966
Net fees and commissions	(883)	1,009	(1,892)
Net other operating income	745	(484)	1,229
Expenses (excluding non-recurring losses)	51,303	1,923	49,380
Actual credit costs	9,888	1,862	8,026
Gains (losses) on stocks	(513)	(699)	186
Equity in gains (losses) of affiliates	1	(17)	18
Others	(368)	(661)	293
Ordinary profit	58,222	1,827	56,395
Extraordinary gains (losses)	1,835	2,317	(482)
Income before income taxes	60,057	4,145	55,912
Income taxes-current	15,781	(3,645)	19,426
Income taxes-deferred	1,488	1,875	(387)
Total income taxes	17,270	(1,769)	19,039
Profit attributable to non-controlling interests	159	3	156
Profit attributable to owners of parent	42,627	5,910	36,717

(1) Provision for general allowance for loan losses	-	(77)	77
(2) Disposal of non-performing loans	12,155	3,284	8,871
Write-off of loans	9,381	4,637	4,744
Provision for specific allowance for loan losses	-	(801)	801
Losses on sales of delinquent loans	2,683	(627)	3,310
Provision for allowance for contingent losses	90	76	14
(3) Reversal of allowance for loan losses	927	927	-
(4) Net credit costs (1)+(2)-(3)	11,228	2,279	8,949
(5) Recoveries of written-off claims	1,339	416	923
(6) Actual credit costs (4)-(5)	9,888	1,862	8,026

(Note) Consolidated gross profit = (Interest income - Interest expenses) + (Fees and commissions - Fees and commissions payments) + (Other ordinary income - Other ordinary expenses)

(Reference)

(Millions of yen)

Consolidated net operating profit	68,991	5,146	63,845
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(Note) Consolidated net operating profit = Consolidated gross profit - Consolidated expenses (excluding non-recurring losses) - Consolidated provision for general allowance for loan losses (* FY3/2017: “-“)

(Number of consolidated subsidiaries and affiliates)

(Companies)

Consolidated subsidiaries	9	-	9
Equity-method accounted affiliates	1	-	1

2. Net operating profit (Non-consolidated)

(Millions of yen)

	FY3/2017		FY3/2016 (b)
	(a)	(a) - (b)	
Net operating profit	63,611	4,208	59,403
Per employee (Thousands of yen)	40,568	3,231	37,337

3. Interest margins (Non-consolidated)

Overall (%)

		FY3/2017		FY3/2016
		(a)	(a) - (b)	(b)
Yield on interest earning assets	(A)	2.81	0.11	2.70
Yield on loans and bills discounted		3.62	0.06	3.56
Yield on securities		1.26	(0.66)	1.92
Yield on interest bearing liabilities	(B)	1.27	0.01	1.26
Yield on deposits		0.10	(0.01)	0.11
Loan-deposit margin (after deduction of expenses)		2.35	0.05	2.30
Net interest margin	(A) - (B)	1.54	0.11	1.43

Domestic (%)

		FY3/2017		FY3/2016
		(a)	(a) - (b)	(b)
Yield on interest earning assets	(A)	2.81	0.11	2.70
Yield on loans and bills discounted		3.62	0.05	3.57
Yield on securities		1.28	(0.64)	1.92
Yield on interest bearing liabilities	(B)	1.23	0.01	1.22
Yield on deposits		0.09	(0.01)	0.10
Loan-deposit margin (after deduction of expenses)		2.38	0.07	2.31
Net interest margin	(A) - (B)	1.58	0.11	1.47

4. ROA and ROE (Non-consolidated)

(%)

		FY3/2017		FY3/2016
		(a)	(a) - (b)	(b)
ROA	Net operating profit basis	1.45	0.08	1.37
	Net income basis	0.95	0.13	0.82
ROE	Net operating profit basis	23.08	(0.36)	23.44
	Net income basis	15.14	1.02	14.12

5. Gains (losses) on securities (Non-consolidated)

(Millions of yen)

		FY3/2017		FY3/2016
		(a)	(a) - (b)	(b)
Gains (losses) on bonds		165	(472)	637
Gains on sales		2	(37)	39
Gains on redemptions		473	(324)	797
Losses on sales		-	-	-
Losses on redemptions		310	111	199
Losses on devaluation		-	-	-
Gains (losses) on stocks		(506)	(688)	182
Gains on sales		129	(54)	183
Losses on sales		-	-	-
Losses on devaluation		636	636	0

6. Capital adequacy ratio (domestic standard)

Non-consolidated

(Millions of yen)

	Mar. 31, 2017		Mar. 31, 2016
	(a)	(a) - (b)	(c)
Capital adequacy ratio	11.96%	0.40%	11.56%
Own capital (Core capital)	307,293	28,050	279,243
Core capital: instruments and reserves	321,254	33,451	287,803
Core capital: regulatory adjustments (-)	13,960	5,401	8,559
Risk-weighted assets	2,567,492	152,385	2,415,107

Consolidated

(Millions of yen)

	Mar. 31, 2017		Mar. 31, 2016
	(a)	(a) - (b)	(c)
Capital adequacy ratio	12.17%	0.50%	11.67%
Own capital (Core capital)	315,893	29,851	286,042
Core capital: instruments and reserves	332,238	34,848	297,390
Core capital: regulatory adjustments (-)	16,345	4,997	11,348
Risk-weighted assets	2,594,699	145,667	2,449,032

7. Composition of own capital (domestic standard)

(Millions of yen)

	As of Mar. 31, 2017			
	Non-consolidated		Consolidated	
		Amounts excluded under transitional arrangements		Amounts excluded under transitional arrangements
Core capital: instruments and reserves (1)				
Directly issued qualifying common stock or preferred stock mandatorily convertible into common stock capital plus related capital surplus and retained earnings	312,325		317,725	
Capital and capital surplus	48,633		30,047	
Retained earnings	267,078		291,063	
Treasury stock (-)	606		606	
Earnings to be distributed (-)	2,779		2,779	
Accumulated other comprehensive income included in Core capital	-		260	
Remeasurements of defined benefit plans	-		260	
Subscription rights to acquire common stock or preferred stock mandatorily convertible into common stock	24		24	
Adjusted non-controlling interests (amount allowed to be included in Core capital)	-		-	
Reserves included in Core capital: instruments and reserves	8,904		12,601	
General reserve for possible loan losses	8,904		12,601	
Eligible non-cumulative perpetual preferred stock subject to transitional arrangement included in Core capital: instruments and reserves	-		-	
Eligible capital instrument subject to transitional arrangement included in Core capital: instruments and reserves	-		-	
Capital instrument issued through the measures for strengthening capital by public institutions included in Core capital: instruments and reserves	-		-	
45% of revaluation reserve for land included in Core capital: instruments and reserves	-		-	
Non-controlling interests included in Core capital subject to transitional arrangements	-		1,627	
Core capital: instruments and reserves (A)	321,254		332,238	
Core capital: regulatory adjustments (2)				
Total intangible fixed assets (net of related tax liability, excluding those relating to mortgage servicing rights)	10,962	7,308	13,086	7,429
Goodwill (including those equivalent)	-	-	1,942	-
Other intangible fixed assets other than goodwill and mortgage servicing rights	10,962	7,308	11,144	7,429
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-	-	-
Shortfall of eligible provisions to expected losses	-	-	-	-
Gain on sale related to securitization transactions	-	-	-	-
Gains and losses due to changes in own credit risk on fair valued liabilities	-	-	-	-
Prepaid pension cost	2,996	1,997	-	-
Net defined benefit asset	-	-	3,256	2,171
Investments in own shares (excluding those reported in the net assets)	1	-	1	-
Reciprocal cross-holdings in relevant capital instruments issued by other financial institutions	-	-	-	-
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation ("Other financial institutions"), net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above the 10% threshold)	-	-	-	-
Amount exceeding the 10% threshold on specified items	-	-	-	-
Amount exceeding the 15% threshold on specified items	-	-	-	-
Core capital: regulatory adjustments (B)	13,960		16,345	
Total capital (A-B) (C)	307,293		315,893	
Risk-weighted assets (3)				
Credit risk-weighted assets	2,358,416		2,362,060	
Total of items included in risk-weighted assets subject to transitional arrangements	13,351		14,635	
Intangible fixed assets other than goodwill and mortgage servicing rights (net of related tax liability)	10,485		10,659	
Deferred tax assets (net of related tax liability)	-		860	
Prepaid pension cost	2,866		-	
Net defined benefit asset	-		3,115	
Amount equivalent to market risk × 12.5	-		-	
Amount equivalent to operational risk × 12.5	209,075		232,638	
Credit risk-weighted assets adjustments	-		-	
Amount equivalent to operational risk adjustments	-		-	
Total amount of risk-weighted assets (D)	2,567,492		2,594,699	
Capital adequacy ratio (non-consolidated)				
Capital adequacy ratio (non-consolidated) (C/D)	11.96%		-	
Capital adequacy ratio (consolidated)				
Capital adequacy ratio (consolidated) (C/D)	-		12.17%	

III. Status of loans, etc.

Comparison of asset disclosure by standard

Non-consolidated (As of Mar. 31, 2017)

Classification and status of coverage by disclosure standard

(Millions of yen)

Self-assessment result (by obligor classification)					Non-performing loans based on the Financial Reconstruction Law				Risk-monitored loans	
* Included total claims					* Included total claims (“Claims for special attention” includes only loans and bills discounted)				* Included loans and bills discounted	
Category	Classification				Category	Collateral or guarantees, etc.	Allowance	Coverage ratio	Category	Out-standing balance
	Non-classification	Classification II	Classification III	Classification IV						
Bankrupt obligors 910 [258]	267	643	-	-	Claims against bankrupt and substantially bankrupt obligors 7,721	5,417	2,303	100%	Loans to bankrupt obligors	900
Effectively bankrupt obligors 6,810 [2,045]	2,424	4,385	-	-	Claims with collection risk 12,724	10,470	708	87.85%	Non-accrual delinquent loans	19,495
Potentially bankrupt obligors 12,724 [708]	6,724	4,453	1,545 [708]	-	Claims for special attention 8,512	4,684	463	60.47%	Loans past due 3 months or more	195
Obligors requiring caution	Sub-standard obligors 10,219	420	9,798	-	Subtotal 28,957	20,572	3,475	83.04%	Restructured loans	8,317
	Other obligors requiring caution 162,254	23,157	139,096	-	Normal assets 3,245,539				Total	28,908
Normal obligors 3,081,578	3,081,578	-	-	-	Total 3,274,497					
Total 3,274,497 [3,011]	3,114,573	158,378	1,545 [708]	- [2,303]						

(Note1) “Total claims” include “Loans and bills discounted”, “Customers’ liabilities for acceptances and guarantees”, “Foreign exchanges”, “Securities lent”, “Suspense payment” and “Accrued interest”.

(Note2) Numbers shown in brackets under “Self-assessment result” represent the reserved amount for each category.

1. Risk-monitored loans

The following table shows figures after partial direct write-offs of loans, the amounts of which for the fiscal year ended March 31, 2017 were ¥7,489 million on a non-consolidated basis and ¥9,623 million on a consolidated basis.

Loans to “Potentially bankrupt obligors”, “Effectively bankrupt obligors” and “Bankrupt obligors” under self-assessment are placed on non-accrual status.

Non-consolidated

(Millions of yen, %)

		Mar. 31, 2017			Sep. 30, 2016	Mar. 31, 2016
		(a)	(a) - (b)	(a) - (c)	(b)	(c)
Risk-monitored loans	Loans to bankrupt obligors	900	251	91	649	809
	Non-accrual delinquent loans	19,495	(640)	(2,632)	20,135	22,127
	Loans past due 3 months or more	195	(19)	(148)	214	343
	Restructured loans	8,317	(4,536)	(6,328)	12,853	14,645
	Total	28,908	(4,945)	(9,017)	33,853	37,925

Loans and bills discounted (period-end balance)	3,253,790	69,111	116,176	3,184,679	3,137,614
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% to loans and bills discounted	Loans to bankrupt obligors	0.02	0.00	0.00	0.02	0.02
	Non-accrual delinquent loans	0.59	(0.04)	(0.11)	0.63	0.70
	Loans past due 3 months or more	0.00	0.00	(0.01)	0.00	0.01
	Restructured loans	0.25	(0.15)	(0.21)	0.40	0.46
	Total	0.88	(0.18)	(0.32)	1.06	1.20

Consolidated

(Millions of yen, %)

		Mar. 31, 2017			Sep. 30, 2016	Mar. 31, 2016
		(a)	(a) - (b)	(a) - (c)	(b)	(c)
Risk-monitored loans	Loans to bankrupt obligors	1,634	427	307	1,207	1,327
	Non-accrual delinquent loans	25,603	(718)	(2,121)	26,321	27,724
	Loans past due 3 months or more	195	(19)	(148)	214	343
	Restructured loans	8,317	(4,536)	(6,328)	12,853	14,645
	Total	35,750	(4,847)	(8,291)	40,597	44,041

Loans and bills discounted (period-end balance)	3,253,723	68,987	116,559	3,184,736	3,137,164
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% to loans and bills discounted	Loans to bankrupt obligors	0.05	0.02	0.01	0.03	0.04
	Non-accrual delinquent loans	0.78	(0.04)	(0.10)	0.82	0.88
	Loans past due 3 months or more	0.00	0.00	(0.01)	0.00	0.01
	Restructured loans	0.25	(0.15)	(0.21)	0.40	0.46
	Total	1.09	(0.18)	(0.31)	1.27	1.40

2. Allowance ratio for risk-monitored loans

Non-Consolidated (Millions of yen, %)

	Mar. 31, 2017 (a)	Mar. 31, 2017		Sep. 30, 2016 (b)	Mar. 31, 2016 (c)
		(a) - (b)	(a) - (c)		
Risk-monitored loans (A)	28,908	(4,945)	(9,017)	33,853	37,925
Collateral or guarantees, etc. (B)	20,542	(2,314)	(5,871)	22,856	26,413
Allowance for loan losses (C)	3,457	(1,902)	(2,255)	5,359	5,712
Allowance ratio (C/A)	11.95	(3.88)	(3.11)	15.83	15.06
Coverage ratio (B+C)/(A)	83.01	(0.33)	(1.69)	83.34	84.70

Consolidated (Millions of yen, %)

	Mar. 31, 2017 (a)	Mar. 31, 2017		Sep. 30, 2016 (b)	Mar. 31, 2016 (c)
		(a) - (b)	(a) - (c)		
Risk-monitored loans (A)	35,750	(4,847)	(8,291)	40,597	44,041
Collateral or guarantees, etc. (B)	22,947	(2,188)	(5,343)	25,135	28,290
Allowance for loan losses (C)	6,651	(1,974)	(2,187)	8,625	8,838
Allowance ratio (C/A)	18.60	(2.64)	(1.46)	21.24	20.06
Coverage ratio (B+C)/(A)	82.79	(0.37)	(1.51)	83.16	84.30

3. Allowance for loan losses

Non-consolidated (Millions of yen)

	Mar. 31, 2017 (a)	Mar. 31, 2017		Sep. 30, 2016 (b)	Mar. 31, 2016 (c)
		(a) - (b)	(a) - (c)		
Allowance for loan losses	11,983	(3,143)	(3,624)	15,126	15,607
General allowance for loan losses	8,904	(3,097)	(3,293)	12,001	12,197
Specific allowance for loan losses	3,078	(46)	(331)	3,124	3,409
Allowance for loans to specific foreign obligors	-	-	-	-	-

Consolidated (Millions of yen)

	Mar. 31, 2017 (a)	Mar. 31, 2017		Sep. 30, 2016 (b)	Mar. 31, 2016 (c)
		(a) - (b)	(a) - (c)		
Allowance for loan losses	19,305	(2,706)	(2,960)	22,011	22,265
General allowance for loan losses	12,601	(2,632)	(2,492)	15,233	15,093
Specific allowance for loan losses	6,703	(75)	(468)	6,778	7,171
Allowance for loans to specific foreign obligors	-	-	-	-	-

4. Non-performing loans based on the Financial Reconstruction Law

Non-consolidated (Millions of yen)

	Mar. 31, 2017 (a)	Mar. 31, 2017		Sep. 30, 2016 (b)	Mar. 31, 2016 (c)
		(a) - (b)	(a) - (c)		
Claims against bankrupt and substantially bankrupt obligors	7,721	877	577	6,844	7,144
Claims with collection risk	12,724	(1,266)	(3,190)	13,990	15,914
Claims for special attention	8,512	(4,556)	(6,477)	13,068	14,989
Total (A)	28,957	(4,946)	(9,090)	33,903	38,047

5. Status of coverage of non-performing loans based on the Financial Reconstruction Law

Non-consolidated (Millions of yen, %)

	Mar. 31, 2017 (a)	Mar. 31, 2017		Sep. 30, 2016 (b)	Mar. 31, 2016 (c)
		(a) - (b)	(a) - (c)		
Total coverage (B)	24,047	(4,219)	(8,197)	28,266	32,244
Allowance for loan losses	3,475	(1,913)	(2,333)	5,388	5,808
Allowance for loans to specific obligors	-	-	-	-	-
Collateral or guarantees, etc.	20,572	(2,305)	(5,863)	22,877	26,435
Coverage ratio (B/A)	83.04	(0.33)	(1.70)	83.37	84.74

6. Loan breakdown by industry, etc.

(1) Loan breakdown by industry (Non-consolidated)

(Millions of yen)

	Mar. 31, 2017			Sep. 30, 2016	Mar. 31, 2016
	(a)	(a) - (b)	(a) - (c)	(b)	(c)
Domestic offices (excluding Japan offshore banking accounts)	3,253,790	69,111	116,176	3,184,679	3,137,614
Manufacturing	66,739	1,435	419	65,304	66,320
Agriculture and forestry	5,150	(97)	(316)	5,247	5,466
Fishery	40	4	(99)	36	139
Mining, quarrying and gravel	-	-	-	-	-
Construction	16,682	(348)	(2,376)	17,030	19,058
Utilities	5,019	(243)	(402)	5,262	5,421
Information and communication	1,505	(58)	(76)	1,563	1,581
Transportation and postal service	13,517	1,608	1,478	11,909	12,039
Wholesale and retail trade	38,988	169	(3,111)	38,819	42,099
Finance and insurance	74,788	1,720	1,157	73,068	73,631
Real estate, goods rental and leasing	71,422	1,154	(5,923)	70,268	77,345
Services	36,256	(1,368)	(2,306)	37,624	38,562
Government and municipal government	9,701	(6,497)	(7,895)	16,198	17,596
Others	2,913,972	71,631	135,623	2,842,341	2,778,349

(2) Breakdown of risk-monitored loans by industry (Non-consolidated)

(Millions of yen)

	Mar. 31, 2017			Sep. 30, 2016	Mar. 31, 2016
	(a)	(a) - (b)	(a) - (c)	(b)	(c)
Domestic offices (excluding Japan offshore banking accounts)	28,908	(4,945)	(9,017)	33,853	37,925
Manufacturing	3,312	(3,423)	(4,200)	6,735	7,512
Agriculture and forestry	29	(1)	(2)	30	31
Fishery	33	0	0	33	33
Mining, quarrying and gravel	-	-	-	-	-
Construction	1,811	(186)	(384)	1,997	2,195
Utilities	-	-	(6)	-	6
Information and communication	125	(4)	(4)	129	129
Transportation and postal service	131	(1)	(31)	132	162
Wholesale and retail trade	2,970	(1,616)	(2,507)	4,586	5,477
Finance and insurance	-	-	-	-	-
Real estate, goods rental and leasing	2,609	(260)	(366)	2,869	2,975
Services	1,896	(485)	(1,134)	2,381	3,030
Government and municipal government	-	-	-	-	-
Others	15,986	1,031	(384)	14,955	16,370

(3) Consumer loans (Non-consolidated)

(Millions of yen)

	Mar. 31, 2017			Sep. 30, 2016 (b)	Mar. 31, 2016 (c)
	(a)	(a) - (b)	(a) - (c)		
Consumer loans	2,907,349	71,643	135,051	2,835,706	2,772,298
Housing loans	2,040,621	27,207	47,402	2,013,414	1,993,219
Personal loans	866,727	44,436	87,649	822,291	779,078

(4) The ratio of loans to small- and medium-sized enterprises, etc. (Non-consolidated)

(%)

	Mar. 31, 2017			Sep. 30, 2016 (b)	Mar. 31, 2016 (c)
	(a)	(a) - (b)	(a) - (c)		
The ratio of loans to small- and medium-sized enterprises, etc.	96.11	(0.04)	0.18	96.15	95.93

7. Loan breakdown by country

(1) Loans to specific foreign countries (Non-consolidated)

Not applicable.

(2) Loans to Asian countries (Non-consolidated)

Not applicable.

8. Deposits and loans (Non-consolidated)

(Millions of yen)

		Mar. 31, 2017			Sep. 30, 2016 (b)	Mar. 31, 2016 (c)
		(a)	(a) - (b)	(a) - (c)		
Deposits	period-end balance	4,105,455	7,844	48,973	4,097,611	4,056,482
	average balance	4,054,508	18,189	41,898	4,036,319	4,012,610
Loans	period-end balance	3,253,790	69,111	116,176	3,184,679	3,137,614
	average balance	3,136,010	30,850	132,002	3,105,160	3,004,008

9. Number of branches (Non-consolidated)

(Branches)

	Mar. 31, 2017			Sep. 30, 2016 (b)	Mar. 31, 2016 (c)
	(a)	(a) - (b)	(a) - (c)		
Number of branches	133	-	1	133	132

IV. Unrealized gains (losses) on securities

1. Unrealized gains (losses)

Non-consolidated

(Millions of yen)

	Mar. 31, 2017				Sep. 30, 2016				Mar. 31, 2016			
	Fair value	Unrealized gains (losses)		Fair value	Unrealized gains (losses)		Fair value	Unrealized gains (losses)				
		Gains	Losses		Gains	Losses		Gains	Losses			
Other securities	90,702	23,353	23,840	487	87,768	16,999	19,089	2,090	74,182	22,029	23,748	1,719
Stocks	47,380	21,955	22,088	132	42,474	16,897	17,645	747	47,610	22,034	22,343	308
Bonds	30,910	(115)	62	178	25,216	178	178	0	6,163	85	87	1
Others	12,411	1,512	1,689	176	20,077	(77)	1,265	1,343	20,408	(90)	1,318	1,408

(Note1) Amounts less than one million yen are rounded down.

(Note2) Not measured at fair value, the stocks of subsidiaries and affiliates are not included.

(Note3) Unrealized gains (losses) represent the difference between the fair value as of period-ends and acquisition costs.

(Note4) Unrealized gains (losses) on held-to-maturity bonds were as shown in the table below.

(Millions of yen)

	Mar. 31, 2017				Sep. 30, 2016				Mar. 31, 2016			
	Book value	Unrealized gains (losses)		Book value	Unrealized gains (losses)		Book value	Unrealized gains (losses)				
		Gains	Losses		Gains	Losses		Gains	Losses			
Held-to-maturity bonds	45,001	22	22	-	125,022	138	138	-	145,059	97	102	4

Consolidated

(Millions of yen)

	Mar. 31, 2017				Sep. 30, 2016				Mar. 31, 2016			
	Fair value	Unrealized gains (losses)		Fair value	Unrealized gains (losses)		Fair value	Unrealized gains (losses)				
		Gains	Losses		Gains	Losses		Gains	Losses			
Other securities	92,250	24,680	25,167	487	89,160	18,169	20,260	2,090	75,580	23,206	24,926	1,719
Stocks	47,855	22,334	22,466	132	42,966	17,292	18,040	747	48,081	22,407	22,716	308
Bonds	30,910	(115)	62	178	25,216	178	178	0	6,163	85	87	1
Others	13,484	2,461	2,637	176	20,977	698	2,041	1,343	21,335	713	2,121	1,408

(Note1) Amounts less than one million yen are rounded down.

(Note2) Not measured at fair value, the stocks of subsidiaries and affiliates are not included.

(Note3) Unrealized gains (losses) represent the difference between the fair value as of period-ends and acquisition costs.

(Note4) Unrealized gains (losses) on held-to-maturity bonds were as shown in the table below.

(Millions of yen)

	Mar. 31, 2017				Sep. 30, 2016				Mar. 31, 2016			
	Book value	Unrealized gains (losses)		Book value	Unrealized gains (losses)		Book value	Unrealized gains (losses)				
		Gains	Losses		Gains	Losses		Gains	Losses			
Held-to-maturity bonds	45,001	22	22	-	125,022	138	138	-	145,059	97	102	4

V. Retirement benefits

1. Retirement benefit expenses

Non-consolidated		(Millions of yen)	
	FY3/2017	FY3/2016	
Service cost	782	671	
Interest cost	126	309	
Expected returns on plan assets	(749)	(725)	
Amortization of unrecognized prior service cost	8	16	
Amortization of unrecognized net actuarial gains (losses)	(270)	(868)	
Others (non-recurring extra retirement payments)	16	-	
Retirement benefit expenses	(86)	(597)	

Consolidated		(Millions of yen)	
	FY3/2017	FY3/2016	
Service cost	824	712	
Interest cost	126	309	
Expected returns on plan assets	(749)	(725)	
Amortization of unrecognized prior service cost	8	16	
Amortization of unrecognized net actuarial gains (losses)	(270)	(868)	
Others (non-recurring extra retirement payments)	16	-	
Retirement benefit expenses	(43)	(556)	

(Note) Retirement benefit expenses of consolidated subsidiaries adopting a simplified method are included in “Service cost”.