

Financial Results

For the six months ended September 30, 2017

- Supplementary Information -

SURUGA bank, Ltd.

Table of contents

I .	Financial highlights for the six months ended September 30, 2017		
	1. Financial results	Non-consolidated	1
	2. Major accounts	Non-consolidated	3
	3. Management indices	Non-consolidated	5
	4. Own capital	Non-consolidated	6
	5. Unrealized gains (losses) on securities	Non-consolidated	7
	6. Earnings forecast for the fiscal year ending March 31, 2018	Non-consolidated, Consolidated	
	7. Asset quality	Non-consolidated	8
	8. Credit costs	Non-consolidated	9
	9. Dividends	Non-consolidated	10
II .	Financial data for the six months ended September 30, 2017		
	1. Details of financial results	Non-consolidated	11
		Consolidated	12
	2. Net operating profit	Non-consolidated	
	3. Interest margins	Non-consolidated	13
	4. ROA and ROE	Non-consolidated	
	5. Gains (losses) on securities	Non-consolidated	
	6. Capital adequacy ratio (domestic standard)	Non-consolidated, Consolidated	14
	7. Composition of own capital (domestic standard)	Non-consolidated, Consolidated	15
III .	Status of Loans, etc.		
	Comparison of asset disclosure by standard	Non-consolidated	16
	1. Risk-monitored loans	Non-consolidated, Consolidated	17
	2. Allowance ratio for risk-monitored loans	Non-consolidated, Consolidated	18
	3. Allowance for loan losses	Non-consolidated, Consolidated	
	4. Non-performing loans based on the Financial Reconstruction Law	Non-consolidated	
	5. Status of coverage of non-performing loans based on the Financial Reconstruction Law	Non-consolidated	
	6. Loan breakdown by industry, etc.		
	(1) Loan breakdown by industry	Non-consolidated	19
	(2) Breakdown of risk-monitored loans by industry	Non-consolidated	
	(3) Consumer loans	Non-consolidated	20
	(4) The ratio of loans to small- and medium-sized enterprises, etc.	Non-consolidated	
	7. Loan breakdown by country		
	(1) Loans to specific foreign countries	Non-consolidated	
	(2) Loans to Asian countries	Non-consolidated	
	8. Deposits and loans	Non-consolidated	
	9. Number of branches	Non-consolidated	
IV .	Unrealized gains (losses) on securities		
	1. Unrealized gains (losses)	Non-consolidated, Consolidated	21
V .	Retirement benefits		
	1. Retirement benefit expenses	Non-consolidated, Consolidated	22

I . Financial highlights for the six months ended September 30, 2017

1. Financial results (Non-consolidated)

(Millions of yen)			
	Six months ended Sep. 30, 2017		Six months ended Sep. 30, 2016
	(a)	(a) - (b)	
Gross operating profit	57,025	3,002	54,023
Net interest income	58,362	3,490	54,872
Net fees and commissions	(1,521)	(632)	(889)
Net other operating income (Note1)	32	(1)	33
Core gross operating profit	56,873	2,856	54,017
Expenses (-)	23,834	(361)	24,195
Core net operating profit (Note2)	33,039	3,217	29,822
Gains (losses) on bonds	151	146	5
Actual net operating profit (Note3)	33,190	3,362	29,828
Provision for general allowance for loan losses (-)	78	274	(196)
Net operating profit	33,111	3,086	30,025
Disposal of non-performing loans (-)	3,652	533	3,119
Recoveries of written-off claims	459	(127)	586
Gains (losses) on stocks	1,182	1,243	(61)
Ordinary profit	29,941	2,472	27,469
Gains (losses) on disposal of non-current assets	(231)	(92)	(139)
Net income	20,479	1,366	19,113
Net credit costs	3,731	809	2,922
Actual credit costs (Note4)	3,271	935	2,336

(Note1) Excludes gains (losses) on bonds.

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

- Gains (losses) on bonds

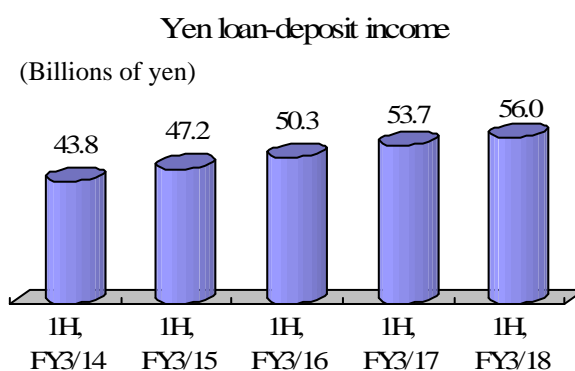
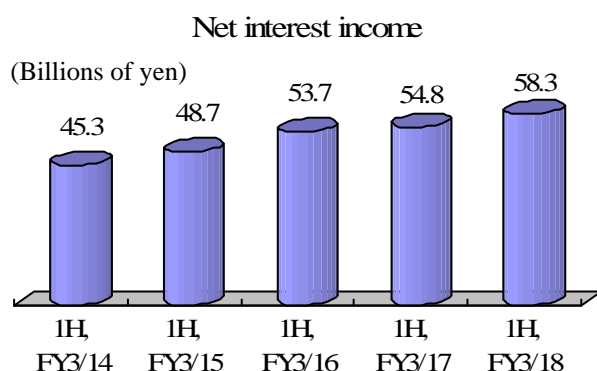
(Note3) Actual net operating profit = Net operating profit + Provision for general allowance for loan losses

(Note4) Actual credit costs = Net credit costs (Provision for general allowance for loan losses + Disposal of non-performing loans)

- Recoveries of written-off claims

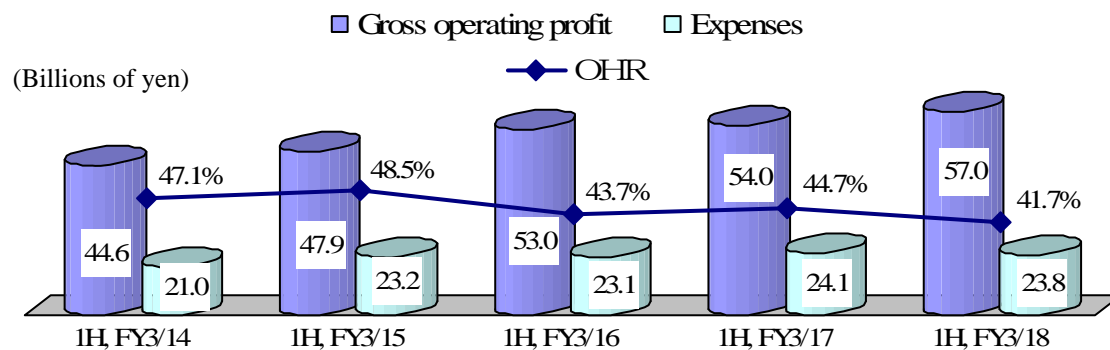
(1) Gross operating profit: ¥57.0 billion

- Net interest income increased by ¥3.4 billion year-on-year, mainly due to an increase in interest on loans and bills discounted.
- Yen loan-deposit income increased by ¥2.2 billion year-on-year.
- Core gross operating profit increased by ¥2.8 billion year-on-year, mainly due to an increase in net interest income.
- Gross operating profit increased by ¥3.0 billion year-on-year.



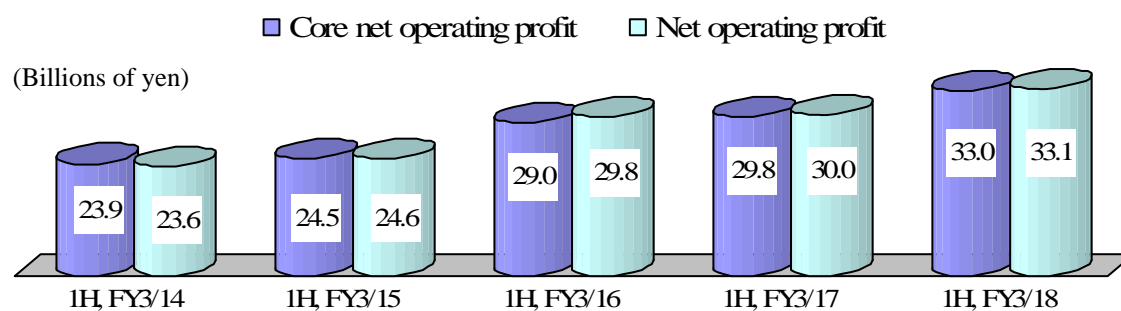
(2) Expenses; OHR: 41.7%

- Expenses decreased by ¥0.3 billion year-on-year.
- OHR improved year-on-year to 41.7%, mainly due to a decrease in expenses and an increase in gross operating profit.
(OHR(%) = Expenses / Gross operating profit × 100)



(3) Core net operating profit: ¥33.0 billion, Net operating profit: ¥33.1 billion

- Core net operating profit increased by ¥3.2 billion year-on-year, mainly due to an increase in net interest income.
- Net operating profit increased by ¥3.0 billion year-on-year.



(4) Ordinary profit: ¥29.9 billion

- Ordinary profit increased by ¥2.4 billion year-on-year, mainly due to an increase in net operating profit.

(5) Net income: ¥20.4 billion

- Net income increased by ¥1.3 billion year-on-year, mainly due to an increase in ordinary profit.

(6) Actual credit costs: ¥3.2 billion

- Net credit costs increased by ¥0.8 billion year-on-year, mainly due to an increase in disposal of non-performing loans of ¥0.5 billion.
- Actual credit costs were ¥3.2 billion after deduction of recoveries of written-off claims of ¥0.4 billion from net credit costs of ¥3.7 billion.

2. Major accounts (Non-consolidated)

(1) Loans and bills discounted

- Loans and bills discounted increased by ¥101.3 billion, or 3.1% year-on-year, mainly due to an increase in consumer loans.
- New consumer loans, including mainly new personal loans, for the six months ended September 30, 2017 were ¥226.3 billion, and the balance of consumer loans as of September 30, 2017 increased by ¥127.7 billion, or 4.5% year-on-year.
- Yield on loans and bills discounted (domestic) declined by 0.01% year-on-year to 3.58%.
- Delinquency rate and loss rate on housing loans and personal loans continued to remain low.

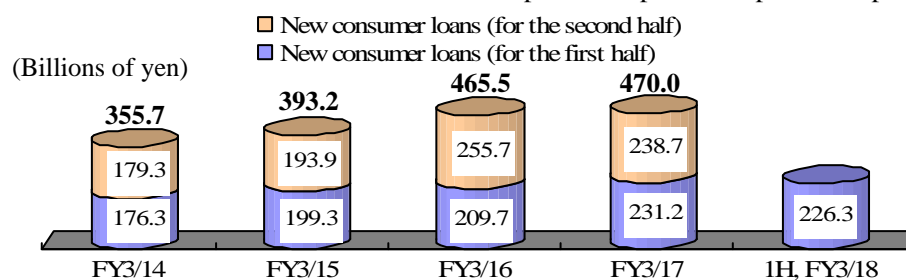
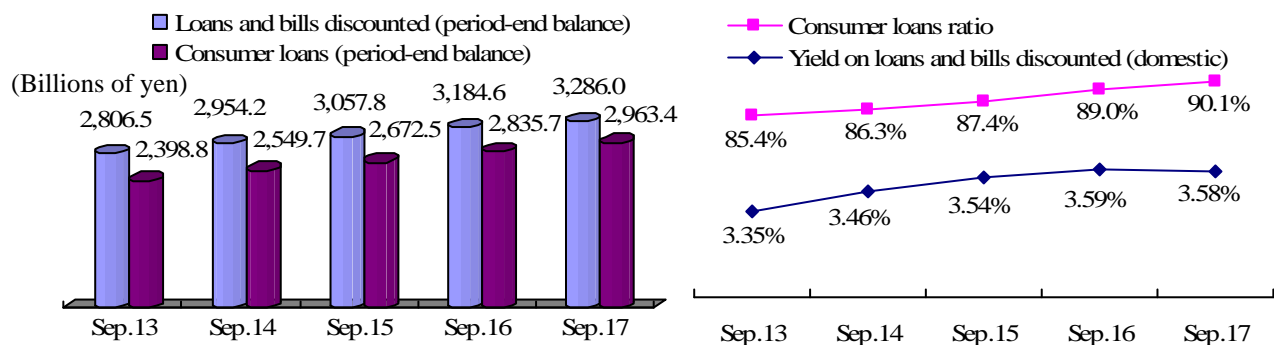
(Millions of yen)

	Sep. 30, 2017 (a)	(a) - (b)	(a) - (c)	Mar. 31, 2017 (b)	Sep. 30, 2016 (c)
Loans and bills discounted (period-end balance)	3,286,047	32,257	101,368	3,253,790	3,184,679
Consumer loans	2,963,445	56,096	127,739	2,907,349	2,835,706
Housing loans	2,055,073	14,452	41,659	2,040,621	2,013,414
Loans and bills discounted (average balance)	3,223,168	87,158	118,008	3,136,010	3,105,160
Loan-deposit ratio (period-end balance basis)	80.6%	1.4%	2.9%	79.2%	77.7%
Loan-deposit ratio (average balance basis)	79.5%	2.2%	2.6%	77.3%	76.9%

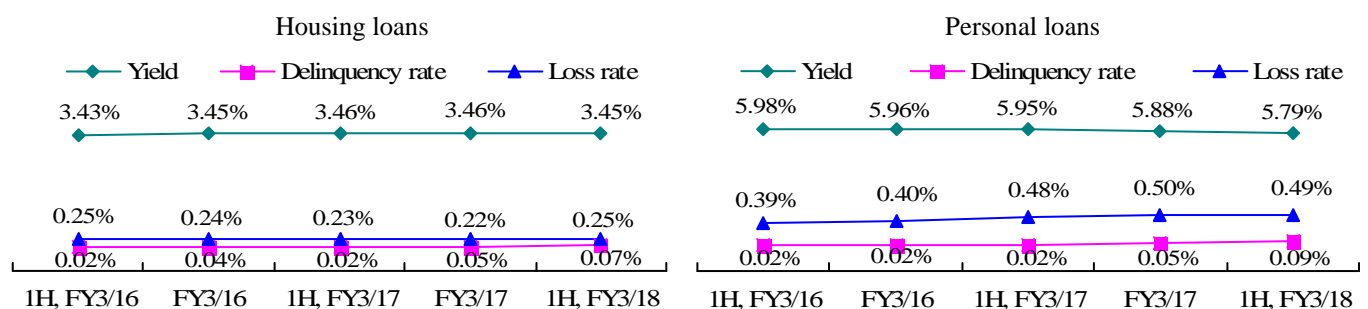
(Reference)

(Billions of yen)

	Six months ended Sep. 30, 2017 (a)	(a) - (b)	Six months ended Sep. 30, 2016 (b)
Business alliance with Japan Post Bank			
New housing loans (cumulative total)	18.7	(1.4)	20.1



(Delinquency rate and loss rate on consumer loans)



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

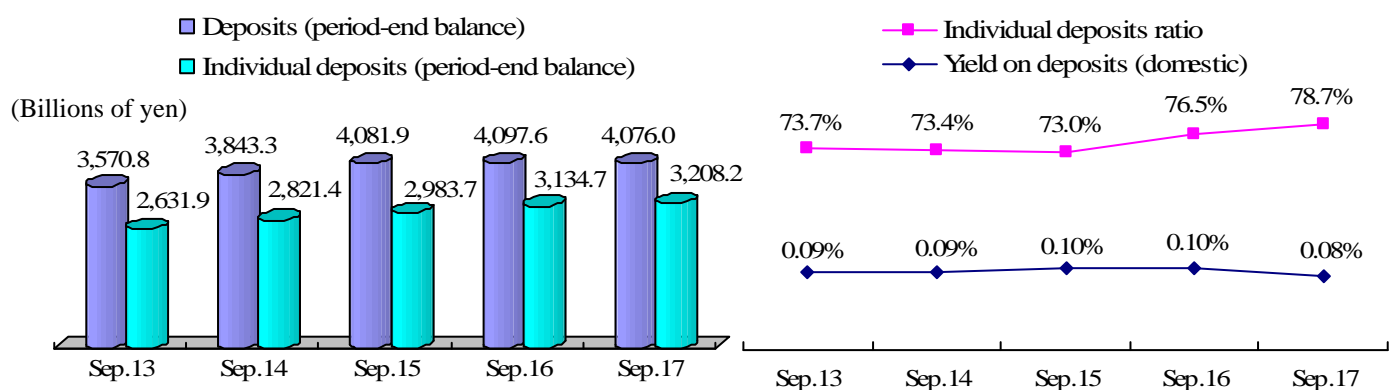
(Note2) Loss rate = Default ratio × (1 - Recovery rate)

(2) Deposits

- Deposits decreased by ¥21.5 billion, or 0.5% year-on-year.
- Individual deposits increased by ¥73.5 billion, or 2.3% year-on-year.
- Yield on deposits (domestic) declined by 0.02% year-on-year to 0.08%.

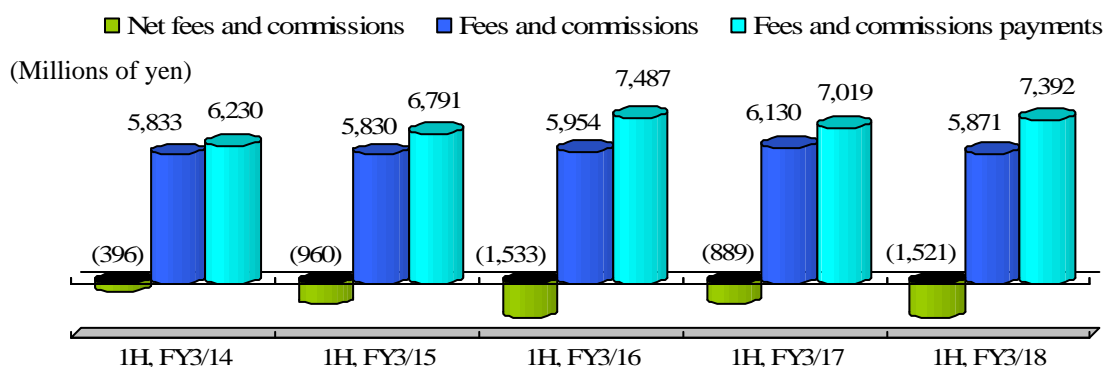
(Millions of yen)

	Sep. 30, 2017			Mar. 31, 2017	Sep. 30, 2016
	(a)	(a) - (b)	(a) - (c)	(b)	(c)
Deposits (period-end balance)	4,076,076	(29,379)	(21,535)	4,105,455	4,097,611
Individual deposits	3,208,269	17,432	73,527	3,190,837	3,134,742
Deposits (average balance)	4,050,122	(4,386)	13,803	4,054,508	4,036,319



(3) Net fees and commissions

- Net fees and commissions decreased by ¥0.6 billion year-on-year, mainly due to an increase in fees and commissions payments of ¥0.3 billion.



(4) Individual deposit assets

- Individual deposit assets increased by ¥51.3 billion year-on-year.
- The ratio of investment products to total individual deposit assets declined by 0.7% year-on-year to 5.1%.

(Millions of yen)

	Sep. 30, 2017			Mar. 31, 2017 (b)	Sep. 30, 2016 (c)
	(a)	(a) - (b)	(a) - (c)		
Individual deposit assets	3,374,713	17,805	51,331	3,356,908	3,323,382
Yen deposits	3,201,886	17,435	73,385	3,184,451	3,128,501
Investment products	172,827	371	(22,054)	172,456	194,881
Foreign currency deposits	6,383	(3)	142	6,386	6,241
Public bonds	9,219	9,209	(2,678)	10	11,897
Mutual funds	104,482	(3,506)	(6,195)	107,988	110,677
Personal pension plans	38,040	(5,741)	(13,367)	43,781	51,407
Single premium life insurance	14,702	412	46	14,290	14,656
The ratio of investment products to total individual deposit assets	5.1%	0.0%	(0.7)%	5.1%	5.8%

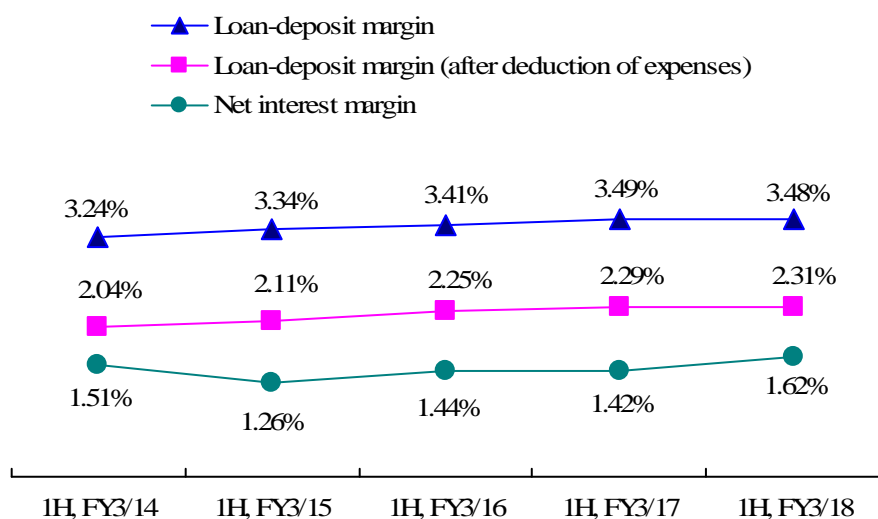
3. Management indices (Non-consolidated)

(1) Interest margins

- Loan-deposit margin (after deduction of expenses) rose by 0.02% year-on-year to 2.31%, mainly due to the decline in expense ratio.
- Net interest margin rose by 0.20% year-on-year to 1.62%, mainly due to the rise in yield on interest earning assets.

(%)

	Six months ended Sep. 30, 2017		Six months ended Sep. 30, 2016 (b)
	(a)	(a) - (b)	
Loan-deposit margin	3.48	(0.01)	3.49
Loan-deposit margin (after deduction of expenses)	2.31	0.02	2.29
Net interest margin	1.62	0.20	1.42

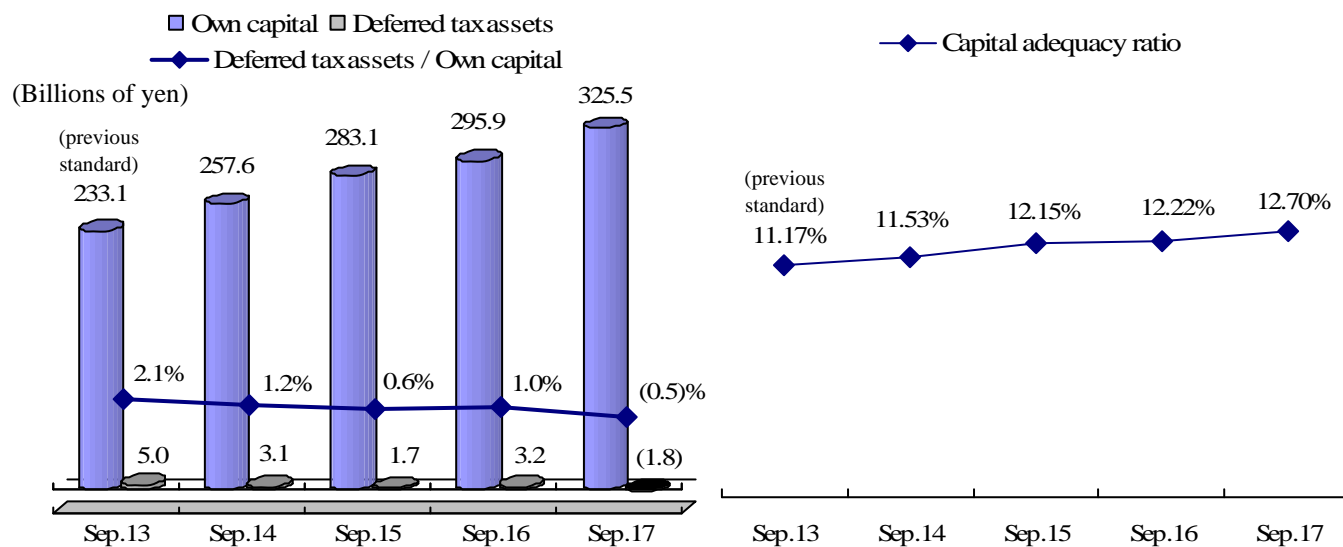


4. Own capital (Non-consolidated)

• Capital adequacy ratio rose by 0.48% year-on-year to 12.70%.

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

	Sep. 30, 2017			Mar. 31, 2017	Sep. 30, 2016
	(a)	(a) - (b)	(a) - (c)	(b)	(c)
Capital adequacy ratio (domestic standard)	12.70	0.74	0.48	11.96	12.22



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

• Net unrealized gains (losses) on securities increased by ¥10.9 billion year-on-year, mainly due to an increase in unrealized gains on stocks.

(Millions of yen)

	Sep. 30, 2017			Mar. 31, 2017 (b)	Sep. 30, 2016 (c)
	(a)	(a) - (b)	(a) - (c)		
Other securities	28,124	4,771	11,125	23,353	16,999
Stocks	26,706	4,751	9,809	21,955	16,897
Bonds	(157)	(42)	(335)	(115)	178
Others	1,575	63	1,652	1,512	(77)

(Millions of yen)

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

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

Consolidated (Billions of yen)

	Fiscal year ending Mar. 31, 2018 (forecast)
Ordinary profit	61.5
Profit attributable to owners of parent	43.0

Non-consolidated (Billions of yen)

	Fiscal year ending Mar. 31, 2018 (forecast)
Net operating profit	65.0
Ordinary profit	60.0
Net income	42.0
Actual credit costs	4.5

(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 ¥5.1 billion year-on-year.
Non-performing loan ratio declined by 0.18% year-on-year to 0.87%.

Outstanding balance		(Millions of yen, %)				
		Sep. 30, 2017			Mar. 31, 2017	Sep. 30, 2016
		(a)	(a) - (b)	(a) - (c)	(b)	(c)
Claims against bankrupt and substantially bankrupt obligors		9,262	1,541	2,418	7,721	6,844
Claims with collection risk		11,915	(809)	(2,075)	12,724	13,990
Claims for special attention		7,603	(909)	(5,465)	8,512	13,068
Total	(A)	28,782	(175)	(5,121)	28,957	33,903
Total claims	(B)	3,306,644	32,147	101,892	3,274,497	3,204,752
Non-performing loan ratio	(A/B)	0.87	(0.01)	(0.18)	0.88	1.05

Status of coverage		(Millions of yen, %)				
		Claims against bankrupt and substantially bankrupt obligors	Claims with collection risk	Claims for special attention	Total	Change from Sep. 30, 2016
Non-performing loans	(A)	9,262	11,915	7,603	28,782	(5,121)
Covered amount (C+D)	(B)	9,262	10,512	4,809	24,584	(3,682)
Portion secured by collateral or guarantees, etc.	(C)	6,703	9,928	4,447	21,080	(1,797)
Allowance for loan losses	(D)	2,558	583	361	3,503	(1,885)
Coverage ratio (B/A)		100.00	88.22	63.24	85.41	2.04
Unsecured portion (A-C)	(E)	2,558	1,986	3,155	7,701	(3,324)
Allowance ratio for unsecured portion (D/E)		100.00	29.37	11.44	45.49	(3.38)

(Reference) As of Mar. 31, 2017

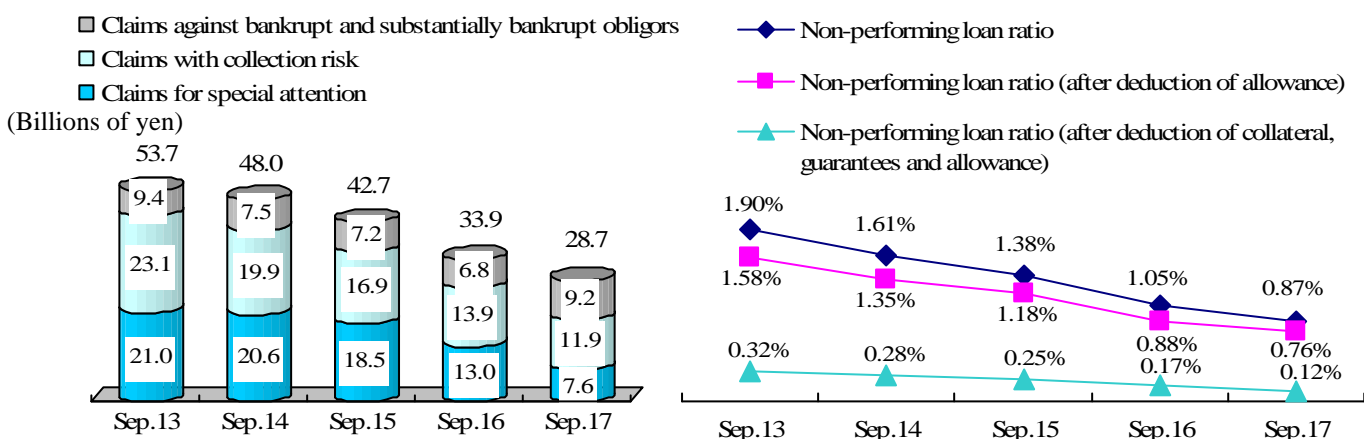
Unsecured portion	2,303	2,253	3,828	8,385
Allowance ratio for unsecured portion	100.00	31.42	12.09	41.44

(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, %)

	Sep. 30, 2017			Mar. 31, 2017 (b)	Sep. 30, 2016 (c)
	(a)	(a) - (b)	(a) - (c)		
Loans to bankrupt obligors	772	(128)	123	900	649
Non-accrual delinquent loans	20,313	818	178	19,495	20,135
Loans past due 3 months or more	672	477	458	195	214
Restructured loans	6,930	(1,387)	(5,923)	8,317	12,853
Total	28,689	(219)	(5,164)	28,908	33,853
Coverage ratio	85.36	2.35	2.02	83.01	83.34

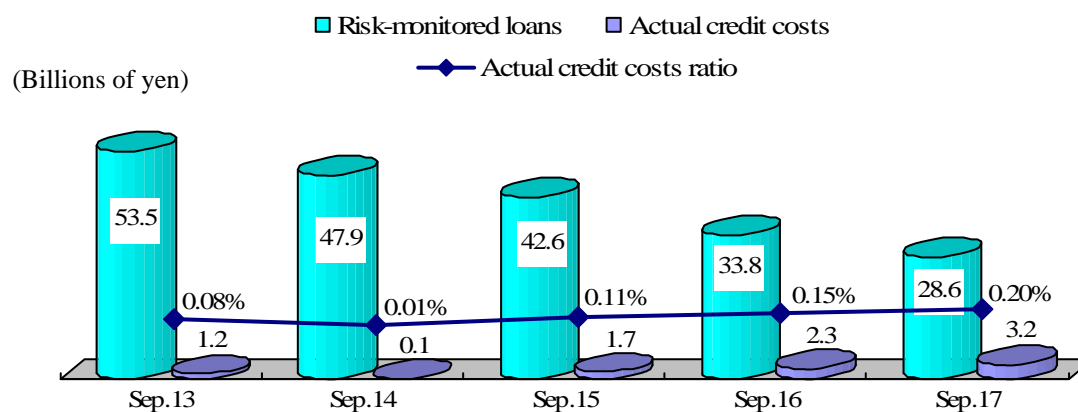
8. Credit costs (Non-consolidated)

(Millions of yen, %)

		Six months ended Sep. 30, 2017		Six months ended Sep. 30, 2016
		(a)	(a) - (b)	
Provision for general allowance for loan losses	(1)	78	274	(196)
Disposal of non-performing loans	(2)	3,652	533	3,119
Write-off of loans		1,824	527	1,297
Provision for specific allowance for loan losses		752	151	601
Losses on sales of delinquent loans		1,058	(156)	1,214
Provision for allowance for contingent losses		17	12	5
Recoveries of written-off claims	A	459	(127)	586
Net credit costs	(3) (= (1)+(2))	3,731	809	2,922
Actual credit costs	(3) - A	3,271	935	2,336
Loans and bills discounted (average balance)		3,223,168	118,008	3,105,160
Net credit costs ratio		0.23	0.05	0.18
Actual credit costs ratio		0.20	0.05	0.15

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

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



9. Dividends

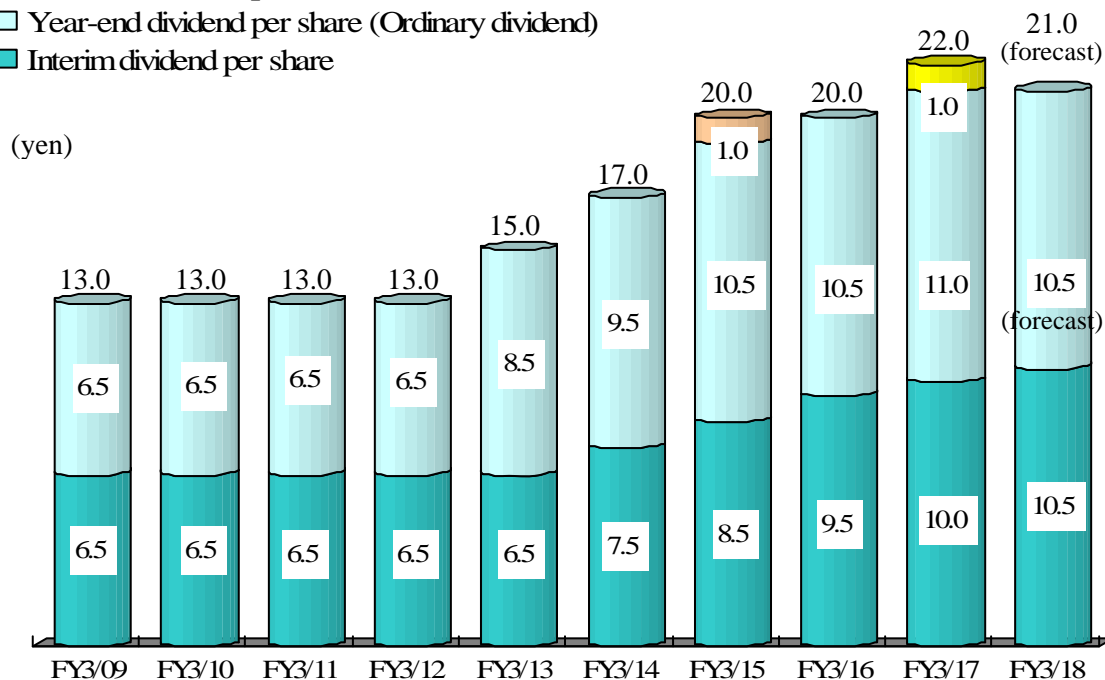
•The company has decided to pay an interim dividend of ¥10.50 per share with the aim of enhancing shareholder returns and in light of its interim financial results and other factors.

The company is forecasting a year-end dividend of ¥10.50 per share and an annual dividend of ¥21.0 per share.

	(yen)		
	Fiscal year ending Mar. 31, 2018 (a)	(a) - (b)	Fiscal year ended Mar. 31, 2017 (result) (b)
Annual dividend per share	21.00	(1.00)	22.00
Interim dividend	10.50	0.50	10.00

(Note) Annual dividend per share for the fiscal year ending March 31, 2018 is a forecast.

- Year-end dividend per share (Special dividend)
- Year-end dividend per share (Commemorative dividend)
- Year-end dividend per share (Ordinary dividend)
- Interim dividend per share



II. Financial data for the six months ended September 30, 2017

1. Details of financial results (Non-consolidated)

(Millions of yen)

	Six months ended Sep. 30, 2017		Six months ended Sep. 30, 2016
	(a)	(a) - (b)	(b)
Gross operating profit (excluding gains (losses) on bonds)	57,025	3,002	54,023
Domestic gross operating profit (excluding gains (losses) on bonds)	(56,873)	2,856	54,017)
Net interest income	56,819	2,852	53,967
Net fees and commissions	(56,668)	2,846	53,822)
Net other operating income (of which, Gains (losses) on bonds)	151	6	145
Net other operating income (of which, Gains (losses) on bonds)	(151)	6	145)
International gross operating profit (excluding gains (losses) on bonds)	205	150	55
Net interest income	(205)	10	195)
Net fees and commissions	161	10	151
Net other operating income	11	2	9
Net other operating income (of which, Gains (losses) on bonds)	32	137	(105)
Net other operating income (of which, Gains (losses) on bonds)	(-)	139	(139))
Expenses (excluding non-recurring losses)	23,834	(361)	24,195
Personnel expenses	9,059	(317)	9,376
Non-personnel expenses	12,679	(82)	12,761
Taxes	2,094	38	2,056
Net operating profit (before provision for general allowance for loan losses)	33,190	3,362	29,828
(excluding gains (losses) on bonds)	33,039	3,217	29,822
Provision for general allowance for loan losses	78	274	(196)
Net operating profit	33,111	3,086	30,025
Gains (losses) on bonds	151	146	5
Non-recurring gains (losses)	(3,170)	(616)	(2,554)
Recoveries of written-off claims	459	(127)	586
Gains (losses) on stocks	1,182	1,243	(61)
Ordinary profit	29,941	2,472	27,469
Extraordinary gains (losses)	(231)	(92)	(139)
Gains (losses) on disposal of non-current assets	(231)	(92)	(139)
Gains on disposal of non-current assets	7	6	1
Losses on disposal of non-current assets	239	98	141
Income before income taxes	29,709	2,379	27,330
Income taxes-current	8,788	1,357	7,431
Income taxes-deferred	442	(343)	785
Total income taxes	9,230	1,014	8,216
Net income	20,479	1,366	19,113
(1)Provision for general allowance for loan losses	78	274	(196)
(2)Disposal of non-performing loans	3,652	533	3,119
Write-off of loans	1,824	527	1,297
Provision for specific allowance for loan losses	752	151	601
Losses on sales of delinquent loans	1,058	(156)	1,214
Provision for allowance for contingent losses	17	12	5
(3)Net credit costs (1)+(2)	3,731	809	2,922
(4)Recoveries of written-off claims	459	(127)	586
(5)Actual credit costs (3)-(4)	3,271	935	2,336

Details of financial results (Consolidated)

			(Millions of yen)
	Six months ended Sep. 30, 2017 (a)	(a) - (b)	Six months ended Sep. 30, 2016 (b)
Consolidated gross profit	62,537	4,001	58,536
Net interest income	62,806	4,346	58,460
Net fees and commissions	(679)	(469)	(210)
Net other operating income	410	125	285
Expenses (excluding non-recurring losses)	25,927	(274)	26,201
Actual credit costs	5,476	1,155	4,321
Gains (losses) on stocks	1,182	1,243	(61)
Equity in gains (losses) of affiliates	6	4	2
Others	(1,160)	(1,206)	46
Ordinary profit	31,162	3,162	28,000
Extraordinary gains (losses)	(239)	(95)	(144)
Income before income taxes	30,922	3,066	27,856
Income taxes-current	9,134	1,436	7,698
Income taxes-deferred	498	(328)	826
Total income taxes	9,633	1,108	8,525
Profit	21,289	1,958	19,331
Profit attributable to non-controlling interests	120	9	111
Profit attributable to owners of parent	21,168	1,949	19,219

(1)Provision for general allowance for loan losses	402	214	188
(2)Disposal of non-performing loans	5,773	868	4,905
Write-off of loans	2,829	554	2,275
Provision for specific allowance for loan losses	1,331	188	1,143
Losses on sales of delinquent loans	1,594	113	1,481
Provision for allowance for contingent losses	17	12	5
(3)Net credit costs (1)+(2)	6,176	1,083	5,093
(4)Recoveries of written-off claims	699	(72)	771
(5)Actual credit costs (3)-(4)	5,476	1,155	4,321

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

(Reference)			(Millions of yen)
Consolidated net operating profit	36,206	4,059	32,147

(Note) Consolidated net operating profit = Consolidated gross profit - Consolidated expenses - Consolidated provision for general allowance for loan losses

(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)
	Six months ended Sep. 30, 2017 (a)	(a) - (b)	Six months ended Sep. 30, 2016 (b)
Net operating profit	33,111	3,086	30,025
Per employee (Thousands of yen)	21,321	2,378	18,943

3. Interest margins (Non-consolidated)

Overall				(%)
		Six months ended Sep. 30, 2017 (a)	(a) - (b)	Six months ended Sep. 30, 2016 (b)
Yield on interest earning assets	(A)	2.89	0.16	2.73
Yield on loans and bills discounted		3.58	(0.01)	3.59
Yield on securities		3.03	2.50	0.53
Yield on interest bearing liabilities	(B)	1.27	(0.03)	1.30
Yield on deposits		0.09	(0.01)	0.10
Loan-deposit margin (after deduction of expenses)		2.31	0.02	2.29
Net interest margin	(A) - (B)	1.62	0.20	1.42

Domestic				(%)
		Six months ended Sep. 30, 2017 (a)	(a) - (b)	Six months ended Sep. 30, 2016 (b)
Yield on interest earning assets	(A)	2.88	0.15	2.73
Yield on loans and bills discounted		3.58	(0.01)	3.59
Yield on securities		3.12	2.59	0.53
Yield on interest bearing liabilities	(B)	1.22	(0.04)	1.26
Yield on deposits		0.08	(0.02)	0.10
Loan-deposit margin (after deduction of expenses)		2.34	0.03	2.31
Net interest margin	(A) - (B)	1.66	0.20	1.46

4. ROA and ROE (Non-consolidated)

				(%)
		Six months ended Sep. 30, 2017 (a)	(a) - (b)	Six months ended Sep. 30, 2016 (b)
ROA	Net operating profit basis	1.50	0.13	1.37
	Net income basis	0.92	0.05	0.87
ROE	Net operating profit basis	21.06	(0.59)	21.65
	Net income basis	13.03	(0.75)	13.78

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

				(Millions of yen)
		Six months ended Sep. 30, 2017 (a)	(a) - (b)	Six months ended Sep. 30, 2016 (b)
Gains (losses) on bonds		151	146	5
	Gains on sales	0	(2)	2
	Gains on redemptions	210	23	187
	Losses on sales	-	-	-
	Losses on redemptions	59	(125)	184
	Losses on devaluation	-	-	-
Gains (losses) on stocks		1,182	1,243	(61)
	Gains on sales	1,193	1,193	0
	Losses on sales	0	0	-
	Losses on devaluation	10	(51)	61

6. Capital adequacy ratio (domestic standard)

Non-consolidated

(Millions of yen)

	Sep. 30, 2017			Mar. 31, 2017 (b)	Sep. 30, 2016 (c)
	(a)	(a) - (b)	(a) - (c)		
Capital adequacy ratio	12.70%	0.74%	0.48%	11.96%	12.22%
Own capital (Core capital)	325,570	18,277	29,617	307,293	295,953
Core capital: instruments and reserves	339,540	18,286	35,085	321,254	304,455
Core capital: regulatory adjustments (-)	13,969	9	5,467	13,960	8,502
Risk-weighted assets	2,562,035	(5,457)	140,845	2,567,492	2,421,190
Total required capital	102,481	(218)	5,634	102,699	96,847

Consolidated

(Millions of yen)

	Sep. 30, 2017			Mar. 31, 2017 (b)	Sep. 30, 2016 (c)
	(a)	(a) - (b)	(a) - (c)		
Capital adequacy ratio	12.93%	0.76%	0.56%	12.17%	12.37%
Own capital (Core capital)	335,117	19,224	31,653	315,893	303,464
Core capital: instruments and reserves	351,741	19,503	37,081	332,238	314,660
Core capital: regulatory adjustments (-)	16,623	278	5,427	16,345	11,196
Risk-weighted assets	2,590,302	(4,397)	138,108	2,594,699	2,452,194
Total required capital	103,612	(175)	5,525	103,787	98,087

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

(Note2) Total required capital = Risk-weighted assets × 0.04

7. Composition of own capital (domestic standard)

(Millions of yen)

	September 30, 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	330,385		336,474	
Capital and capital surplus	48,633		30,048	
Retained earnings	284,778		309,452	
Treasury shares (-)	594		594	
Earnings to be distributed (-)	2,432		2,432	
Accumulated other comprehensive income included in Core capital	-		375	
Remeasurements of defined benefit plans	-		375	
Subscription rights to acquire common stock or preferred stock mandatorily convertible into common stock	20		20	
Adjusted non-controlling interests (amount allowed to be included in Core capital)	-		-	
Reserves included in Core capital: instruments and reserves	9,133		13,101	
General allowance for loan losses	9,133		13,101	
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	-		1,768	
Core capital: instruments and reserves (A)	339,540		351,741	
Core capital: regulatory adjustments (2)				
Total intangible fixed assets (net of related tax liability, excluding those relating to mortgage servicing rights)	10,708	7,138	12,753	7,250
Goodwill (including those equivalent)	-	-	1,877	-
Other intangible fixed assets other than goodwill and mortgage servicing rights	10,708	7,138	10,876	7,250
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-	232	-
Shortfall of eligible provisions to expected losses	-	-	-	-
Gains on sale related to securitization transactions	-	-	-	-
Gains (losses) due to changes in own credit risk on fair valued liabilities	-	-	-	-
Prepaid pension cost	3,259	2,173	-	-
Net defined benefit asset	-	-	3,635	2,423
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)	13,969		16,623	
Total capital				
Total capital (A-B) (C)	325,570		335,117	
Risk-weighted assets (3)				
Credit risk-weighted assets	2,347,043		2,348,817	
Total of items included in risk-weighted assets subject to transitional arrangements	13,359		14,616	
Intangible fixed assets other than goodwill and mortgage servicing rights (net of related tax liability)	10,242		10,403	
Deferred tax assets (net of related tax liability)	-		736	
Prepaid pension cost	3,117		-	
Net defined benefit asset	-		3,477	
Amount equivalent to market risk × 12.5	-		-	
Amount equivalent to operational risk × 12.5	214,992		241,484	
Credit risk-weighted assets adjustments	-		-	
Amount equivalent to operational risk adjustments	-		-	
Total amount of risk-weighted assets (D)	2,562,035		2,590,302	
Capital adequacy ratio (non-consolidated)				
Capital adequacy ratio (non-consolidated) (C/D)	12.70%		-	
Capital adequacy ratio (consolidated)				
Capital adequacy ratio (consolidated) (C/D)	-		12.93%	

III. Status of loans, etc.

Comparison of asset disclosure by standard

Non-consolidated (As of September 30, 2017)

Classification and status of coverage by disclosure standard

Self-assessment result (by obligor classification)					Non-performing loans based on the Financial Reconstruction Law				Risk-monitored loans	
* Includes total claims.					* Includes total claims (“Claims for special attention” includes only loans and bills discounted).				* Includes loans and bills discounted.	
Category	Classification				Category	Collateral or guarantees, etc.	Allowance	Coverage ratio	Category	Out-standing balance
	Credit balance	Non-classification	Classification II	Classification III						
Bankrupt obligors	784 [269]	281	502	-	-	-	-	-	Loans to bankrupt obligors	772
Effectively bankrupt obligors	8,478 [2,289]	2,702	5,776	-	-	-	-	-	Non-accrual delinquent loans	20,313
Potentially bankrupt obligors	11,915 [583]	6,203	4,309	1,403 [583]	-	-	-	-	Loans past due 3 months or more	672
Obligors requiring caution	Sub-standard obligors	391	9,075	-	-	-	-	-	Restructured loans	6,930
	Other obligors requiring caution	9,467	21,277	144,999	-	-	-	-	Total	28,689
Normal obligors	3,109,722	3,109,722	-	-	-	-	-	-		
Total	3,306,644 [3,142]	3,140,578	164,662	1,403 [583]	-	-	-	-		
					Normal assets					
					3,277,862					
					Total					
					3,306,644					

(Note1) “Total claims” includes “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-off of loans.

The amounts of partial direct write-off of loans for the six months ended September 30, 2017 were as follows:

(a) Non-consolidated: ¥2,076 million; (b) Consolidated: ¥2,993 million

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, %)

		Sep. 30, 2017			Mar. 31, 2017 (b)	Sep. 30, 2016 (c)
		(a)	(a) - (b)	(a) - (c)		
Risk-monitored loans	Loans to bankrupt obligors	772	(128)	123	900	649
	Non-accrual delinquent loans	20,313	818	178	19,495	20,135
	Loans past due 3 months or more	672	477	458	195	214
	Restructured loans	6,930	(1,387)	(5,923)	8,317	12,853
	Total	28,689	(219)	(5,164)	28,908	33,853

Loans and bills discounted (period-end balance)	3,286,047	32,257	101,368	3,253,790	3,184,679
--	-----------	--------	---------	-----------	-----------

% to loans and bills discounted	Loans to bankrupt obligors	0.02	0.00	0.00	0.02	0.02
	Non-accrual delinquent loans	0.61	0.02	(0.02)	0.59	0.63
	Loans past due 3 months or more	0.02	0.02	0.02	0.00	0.00
	Restructured loans	0.21	(0.04)	(0.19)	0.25	0.40
	Total	0.87	(0.01)	(0.19)	0.88	1.06

Consolidated

(Millions of yen, %)

		Sep. 30, 2017			Mar. 31, 2017 (b)	Sep. 30, 2016 (c)
		(a)	(a) - (b)	(a) - (c)		
Risk-monitored loans	Loans to bankrupt obligors	1,495	(139)	288	1,634	1,207
	Non-accrual delinquent loans	26,461	858	140	25,603	26,321
	Loans past due 3 months or more	672	477	458	195	214
	Restructured loans	6,930	(1,387)	(5,923)	8,317	12,853
	Total	35,559	(191)	(5,038)	35,750	40,597

Loans and bills discounted (period-end balance)	3,286,902	33,179	102,166	3,253,723	3,184,736
--	-----------	--------	---------	-----------	-----------

% to loans and bills discounted	Loans to bankrupt obligors	0.04	(0.01)	0.01	0.05	0.03
	Non-accrual delinquent loans	0.80	0.02	(0.02)	0.78	0.82
	Loans past due 3 months or more	0.02	0.02	0.02	0.00	0.00
	Restructured loans	0.21	(0.04)	(0.19)	0.25	0.40
	Total	1.08	(0.01)	(0.19)	1.09	1.27

2. Allowance ratio for risk-monitored loans

Non-Consolidated		(Millions of yen, %)				
		Sep. 30, 2017			Mar. 31, 2017	Sep. 30, 2016
		(a)	(a) - (b)	(a) - (c)	(b)	(c)
Risk-monitored loans	(A)	28,689	(219)	(5,164)	28,908	33,853
Collateral or guarantees, etc.	(B)	21,016	474	(1,840)	20,542	22,856
Allowance for loan losses	(C)	3,475	18	(1,884)	3,457	5,359
Allowance ratio	(C/A)	12.11	0.16	(3.72)	11.95	15.83
Coverage ratio	(B+C)/(A)	85.36	2.35	2.02	83.01	83.34

Consolidated		(Millions of yen, %)				
		Sep. 30, 2017			Mar. 31, 2017	Sep. 30, 2016
		(a)	(a) - (b)	(a) - (c)	(b)	(c)
Risk-monitored loans	(A)	35,559	(191)	(5,038)	35,750	40,597
Collateral or guarantees, etc.	(B)	23,459	512	(1,676)	22,947	25,135
Allowance for loan losses	(C)	6,540	(111)	(2,085)	6,651	8,625
Allowance ratio	(C/A)	18.39	(0.21)	(2.85)	18.60	21.24
Coverage ratio	(B+C)/(A)	84.36	1.57	1.20	82.79	83.16

3. Allowance for loan losses

Non-consolidated		(Millions of yen)				
		Sep. 30, 2017			Mar. 31, 2017	Sep. 30, 2016
		(a)	(a) - (b)	(a) - (c)	(b)	(c)
Allowance for loan losses		12,191	208	(2,935)	11,983	15,126
General allowance for loan losses		8,983	79	(3,018)	8,904	12,001
Specific allowance for loan losses		3,207	129	83	3,078	3,124

Consolidated		(Millions of yen)				
		Sep. 30, 2017			Mar. 31, 2017	Sep. 30, 2016
		(a)	(a) - (b)	(a) - (c)	(b)	(c)
Allowance for loan losses		19,708	403	(2,303)	19,305	22,011
General allowance for loan losses		12,951	350	(2,282)	12,601	15,233
Specific allowance for loan losses		6,756	53	(22)	6,703	6,778

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

Non-consolidated		(Millions of yen)				
		Sep. 30, 2017			Mar. 31, 2017	Sep. 30, 2016
		(a)	(a) - (b)	(a) - (c)	(b)	(c)
Claims against bankrupt and substantially bankrupt obligors		9,262	1,541	2,418	7,721	6,844
Claims with collection risk		11,915	(809)	(2,075)	12,724	13,990
Claims for special attention		7,603	(909)	(5,465)	8,512	13,068
Total	(A)	28,782	(175)	(5,121)	28,957	33,903

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

Non-consolidated		(Millions of yen, %)				
		Sep. 30, 2017			Mar. 31, 2017	Sep. 30, 2016
		(a)	(a) - (b)	(a) - (c)	(b)	(c)
Total coverage	(B)	24,584	537	(3,682)	24,047	28,266
Allowance for loan losses		3,503	28	(1,885)	3,475	5,388
Collateral or guarantees, etc.		21,080	508	(1,797)	20,572	22,877
Coverage ratio	(B/A)	85.41	2.37	2.04	83.04	83.37

6. Loan breakdown by industry, etc.

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

(Millions of yen)

	Sep. 30, 2017			Mar. 31, 2017	Sep. 30, 2016
	(a)	(a) - (b)	(a) - (c)	(b)	(c)
Domestic offices (excluding Japan offshore banking accounts)	3,286,047	32,257	101,368	3,253,790	3,184,679
Manufacturing	54,282	(12,457)	(11,022)	66,739	65,304
Agriculture and forestry	5,050	(100)	(197)	5,150	5,247
Fishery	38	(2)	2	40	36
Mining, quarrying and gravel	-	-	-	-	-
Construction	15,208	(1,474)	(1,822)	16,682	17,030
Utilities	3,126	(1,893)	(2,136)	5,019	5,262
Information and communication	1,491	(14)	(72)	1,505	1,563
Transportation and postal service	13,237	(280)	1,328	13,517	11,909
Wholesale and retail trade	37,485	(1,503)	(1,334)	38,988	38,819
Finance and insurance	74,031	(757)	963	74,788	73,068
Real estate, goods rental and leasing	70,340	(1,082)	72	71,422	70,268
Services	35,679	(577)	(1,945)	36,256	37,624
Government and municipal government	5,686	(4,015)	(10,512)	9,701	16,198
Others	2,970,384	56,412	128,043	2,913,972	2,842,341

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

(Millions of yen)

	Sep. 30, 2017			Mar. 31, 2017	Sep. 30, 2016
	(a)	(a) - (b)	(a) - (c)	(b)	(c)
Domestic offices (excluding Japan offshore banking accounts)	28,689	(219)	(5,164)	28,908	33,853
Manufacturing	1,553	(1,759)	(5,182)	3,312	6,735
Agriculture and forestry	-	(29)	(30)	29	30
Fishery	33	0	0	33	33
Mining, quarrying and gravel	-	-	-	-	-
Construction	1,558	(253)	(439)	1,811	1,997
Utilities	11	11	11	-	-
Information and communication	125	0	(4)	125	129
Transportation and postal service	101	(30)	(31)	131	132
Wholesale and retail trade	2,845	(125)	(1,741)	2,970	4,586
Finance and insurance	-	-	-	-	-
Real estate, goods rental and leasing	2,443	(166)	(426)	2,609	2,869
Services	1,792	(104)	(589)	1,896	2,381
Government and municipal government	-	-	-	-	-
Others	18,221	2,235	3,266	15,986	14,955

(3) Consumer loans (Non-consolidated)

(Millions of yen)

	Sep. 30, 2017			Mar. 31, 2017	Sep. 30, 2016
	(a)	(a) - (b)	(a) - (c)	(b)	(c)
Consumer loans	2,963,445	56,096	127,739	2,907,349	2,835,706
Housing loans	2,055,073	14,452	41,659	2,040,621	2,013,414
Personal loans	908,372	41,645	86,081	866,727	822,291

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

(%)

	Sep. 30, 2017			Mar. 31, 2017	Sep. 30, 2016
	(a)	(a) - (b)	(a) - (c)	(b)	(c)
The ratio of loans to small- and medium-sized enterprises, etc.	96.74	0.63	0.59	96.11	96.15

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)

		Sep. 30, 2017			Mar. 31, 2017	Sep. 30, 2016
		(a)	(a) - (b)	(a) - (c)	(b)	(c)
Deposits	period-end balance	4,076,076	(29,379)	(21,535)	4,105,455	4,097,611
	average balance	4,050,122	(4,386)	13,803	4,054,508	4,036,319
Loans	period-end balance	3,286,047	32,257	101,368	3,253,790	3,184,679
	average balance	3,223,168	87,158	118,008	3,136,010	3,105,160

9. Number of branches (Non-consolidated)

(Branches)

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

IV. Unrealized gains (losses) on securities

1. Unrealized gains (losses)

Non-consolidated

(Millions of yen)

	Sep. 30, 2017				Mar. 31, 2017				Sep. 30, 2016			
	Fair value	Net unrealized gains (losses)		Fair value	Net unrealized gains (losses)		Fair value	Net unrealized gains (losses)				
		Gains	Losses		Gains	Losses		Gains	Losses			
Other securities	111,220	28,124	28,530	406	90,702	23,353	23,840	487	87,768	16,999	19,089	2,090
Stocks	46,085	26,706	26,813	106	47,380	21,955	22,088	132	42,474	16,897	17,645	747
Bonds	55,477	(157)	55	213	30,910	(115)	62	178	25,216	178	178	0
Others	9,657	1,575	1,661	85	12,411	1,512	1,689	176	20,077	(77)	1,265	1,343

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

(Note2) Stocks of subsidiaries and affiliates are not included since they are not valued with fair value.

(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)

	Sep. 30, 2017				Mar. 31, 2017				Sep. 30, 2016			
	Book value	Net unrealized gains (losses)		Book value	Net unrealized gains (losses)		Book value	Net unrealized gains (losses)				
		Gains	Losses		Gains	Losses		Gains	Losses			
Held-to-maturity bonds	-	-	-	-	45,001	22	22	-	125,022	138	138	-

Consolidated

(Millions of yen)

	Sep. 30, 2017				Mar. 31, 2017				Sep. 30, 2016			
	Fair value	Net unrealized gains (losses)		Fair value	Net unrealized gains (losses)		Fair value	Net unrealized gains (losses)				
		Gains	Losses		Gains	Losses		Gains	Losses			
Other securities	113,177	29,860	30,266	406	92,250	24,680	25,167	487	89,160	18,169	20,260	2,090
Stocks	46,765	27,289	27,396	106	47,855	22,334	22,466	132	42,966	17,292	18,040	747
Bonds	55,477	(157)	55	213	30,910	(115)	62	178	25,216	178	178	0
Others	10,934	2,728	2,814	85	13,484	2,461	2,637	176	20,977	698	2,041	1,343

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

(Note2) Stocks of subsidiaries and affiliates are not included since they are not valued with fair value.

(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)

	Sep. 30, 2017				Mar. 31, 2017				Sep. 30, 2016			
	Book value	Net unrealized gains (losses)		Book value	Net unrealized gains (losses)		Book value	Net unrealized gains (losses)				
		Gains	Losses		Gains	Losses		Gains	Losses			
Held-to-maturity bonds	-	-	-	-	45,001	22	22	-	125,022	138	138	-

V. Retirement benefits

1. Retirement benefit expenses

Non-consolidated

(Millions of yen)

	Six months ended Sep. 30, 2017	Six months ended Sep. 30, 2016
Service cost	276	399
Interest cost	56	69
Expected returns on plan assets	(365)	(388)
Amortization of unrecognized prior service cost	-	8
Amortization of unrecognized net actuarial gains (losses)	(79)	(178)
Others (non-recurring extra retirement payments, etc.) (Note1)	114	16
Retirement benefit expenses	2	(72)

(Note1) "Others (non-recurring extra retirement payments, etc.)" for the six months ended Sep. 30, 2017 includes the contribution to a defined contribution pension plan.

Consolidated

(Millions of yen)

	Six months ended Sep. 30, 2017	Six months ended Sep. 30, 2016
Service cost (Note1)	289	418
Interest cost	56	69
Expected returns on plan assets	(365)	(388)
Amortization of unrecognized prior service cost	-	8
Amortization of unrecognized net actuarial gains (losses)	(79)	(178)
Others (non-recurring extra retirement payments, etc.) (Note2)	120	16
Retirement benefit expenses	21	(53)

(Note1) Retirement benefit expenses of consolidated subsidiaries adopting a simplified method are included in "Service cost".

(Note2) "Others (non-recurring extra retirement payments, etc.)" for the six months ended Sep. 30, 2017 includes the contribution to a defined contribution pension plan.