

Mebuki Financial Group, Inc.

Financial Results for the Third Quarter of Fiscal Year 2017, ending March 31, 2018

Stock Exchange Listing: Tokyo (code: 7167)
 URL: <http://www.mebuki-fg.co.jp/>
 Representative: Kazuyoshi Terakado, President
 For Inquiry: Tetsuya Akino, General Manager of Corporate Planning Dept.
 Filing date of Financial Statements: February 13, 2018 (scheduled)

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

1. Financial Highlights (from April 1, 2017 to December 31, 2017)

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

	Ordinary Income		Ordinary Profit		Net Income attributable to owners of the parent	
	¥Million	%	¥Million	%	¥Million	%
Third quarter						
Ended December 31, 2017	195,598	29.5	57,191	33.5	38,879	(74.6)
Ended December 31, 2016	150,926	—	42,818	—	153,174	—

(Note) Comprehensive Income Third quarter of FY2017: ¥67,591million [(55.5)%] Third quarter of FY2016: ¥152,174 million [- %]

	Net Income per Share	Net Income per Share (Diluted)
Third quarter	¥	¥
Ended December 31, 2017	33.00	32.99
Ended December 31, 2016	160.22	160.18

(Note) 1. Net income attributable to owners of the parent and comprehensive income of third quarter ended December 31, 2016 include gain on negative goodwill of ¥119,219 million.

2. Since there is no continuity from financial results for the prior fiscal year to those for the current fiscal year due to the business integration on October 1, 2016, changes from the corresponding period of the previous fiscal year are not shown.

(2) Consolidated Financial Conditions

	Total Assets	Net Assets	Capital Assets to Total Assets
Third quarter	¥Million	¥Million	%
Ended December 31, 2017	16,709,476	916,616	5.4
Fiscal year 2016	16,124,452	863,086	5.3

(Reference) Capital assets Third quarter of FY2017: ¥916,399 million FY2016: ¥862,892 million

(Note) "Capital assets to total assets" represents ("Net assets"-“Equity warrants”-“Non-controlling interests”) / “Total assets” at the end of each period. The ratio above is not the one based on the regulation of Capital Adequacy Ratio.

2. Cash Dividends for Shareholders

	Cash Dividends per Share				
	End of 1Q	End of 2Q	End of 3Q	End of FY	Annual
Fiscal year	¥	¥	¥	¥	¥
Ended March 31, 2017	—	5.50	—	6.50	12.00
Ending March 31, 2018	—	5.50	—		
Ending March 31, 2018(Forecast)				5.50	11.00

(Note) 1. Revisions of released cash dividend forecasts : No

2. Year-end dividend for FY2016 includes a commemorative cash dividend ¥1.00 per share for the business integration.

3. Consolidated Earnings Forecasts for Fiscal Year 2017, ending March 31, 2018

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

	Ordinary Profit		Net Income Attributable to Owners of the Parent		Net Income per Share
	¥Million	%	¥Million	%	¥
Fiscal Year					
Ending March 31, 2018	62,500	19.6	42,500	(73.1)	36.08

(Note) Revisions of released consolidated earnings forecasts : Yes

*Notes

- (1) Material changes in consolidated subsidiaries during the period (changes in specific subsidiaries accompanied by changes in scope of consolidation): No
- (2) Adoption of special accounting methods for preparation of quarterly consolidated financial statements : No
- (3) Changes in accounting principles, accounting estimates and restatement
- ① Changes in accounting principles in accordance with changes in accounting standard, etc.: No
 - ② Other changes in accounting principles: No
 - ③ Changes in accounting estimates: No
 - ④ Restatement: No
- (4) Number of issued shares (common stock)
- ① Number of issued shares (including treasury stock):

December 31, 2017	1,179,055,218 shares	March 31, 2017	1,179,055,218 shares
-------------------	----------------------	----------------	----------------------
 - ② Number of treasury stock:

December 31, 2017	1,181,935 shares	March 31, 2017	1,303,564 shares
-------------------	------------------	----------------	------------------
 - ③ Average number of shares:

For the nine months ended December 31, 2017			1,177,834,181 shares
For the nine months ended December 31, 2016			955,985,754 shares

(Note) Average number of shares for the nine months ended December 31, 2016 is calculated by multiplying the average number of Joyo for the first six months and share exchange ratio, and that of Mebuki for the later three months.

Statement relating to the status of the quarterly review procedures

This quarterly report is not subject to the quarterly review procedures based on the Financial Instruments and Exchange Law.

Explanation for proper use of forecasts and other notes

The above forecasts are based on the information which is presently available and the certain assumptions which are considered to be reasonable. Actual results may differ from those forecasts depending on various future factors.

Mebuki Financial Group, Inc. (Mebuki) conducted a share exchange on October 1, 2016 under which Mebuki became the wholly owing parent company and The Joyo Bank, Ltd. (Joyo) became the wholly owned subsidiary. Based on the Accounting Standard for Business Combinations, this share exchange was a reverse acquisition wherein Mebuki was considered to be the acquired company and Joyo to be the acquiring company. Accordingly, consolidated financial results for the third quarter of fiscal year 2016 (from April 1, 2016 to December 31, 2016) includes those of Joyo for the period from April 1, 2016 to September 30, 2016, and those of Mebuki for the period from October 1, 2016 to December 31, 2016.

Financial Results for the Third Quarter of Fiscal Year 2017, Ending March 31, 2018

----- Contents -----

I	Quarterly Consolidated Financial Information	
	1. Quarterly Consolidated Balance Sheet	1
	2. Quarterly Consolidated Statement of Income and Consolidated Statement of Comprehensive Income	3
	3. Note for the Assumption of Going Concern	4
	4. Note for Material Changes in Shareholders' Equity	4
II	【Reference】 Quarterly Non-consolidated Financial Information of the main consolidated subsidiaries	
	1. Quarterly Non-consolidated Financial Information of The Joyo Bank, Ltd.	5
	2. Quarterly Non-consolidated Financial Information of The Ashikaga Bank, Ltd.	8
III	Financial Data for the Third Quarter of Fiscal Year 2017 ending March 31, 2018	
	1. Income Status	11
	2. Interest Rate Spread (Domestic operations)	15
	3. Gains and Losses on Securities	16
	4. Unrealized Valuation Gains (Losses)	17
	5. Disclosed Claims under the Financial Revitalization Law	18
	6. Loans and Deposits	19
	7. Consumer loans / Loans to SMEs	19

I Quarterly Consolidated Financial Information

1. Quarterly Consolidated Balance Sheet

Item	(Japanese)	(Millions of yen)	
		As of Mar. 31, 2017	As of Dec. 31, 2017
Assets	(資産の部)		
Cash and due from banks	現金預け金	1,393,762	1,688,284
Call loans and bills bought	コールローン及び買入手形	5,160	7,520
Monetary claims bought	買入金銭債権	15,952	15,594
Trading assets	特定取引資産	7,226	7,573
Securities	有価証券	4,190,681	4,262,335
Loans and bills discounted	貸出金	10,244,730	10,388,926
Foreign exchanges	外国為替	7,222	7,124
Lease receivable and investments in lease	リース債権及びリース投資資産	48,366	53,054
Other assets	その他資産	120,249	181,053
Tangible fixed assets	有形固定資産	117,732	116,281
Intangible fixed assets	無形固定資産	12,414	13,320
Asset for retirement benefits	退職給付に係る資産	12,275	14,804
Deferred tax assets	繰延税金資産	1,609	1,610
Customers' liabilities for acceptances and guarantees	支払承諾見返	25,916	28,854
Allowance for loan losses	貸倒引当金	(78,840)	(76,853)
Reserve for devaluation of investment securities	投資損失引当金	(9)	(9)
Total Assets	資産の部合計	16,124,452	16,709,476
Liabilities	(負債の部)		
Deposits	預金	13,507,047	13,875,949
Negotiable certificates of deposit	譲渡性預金	284,705	328,942
Call money and bills sold	コールマネー及び売渡手形	303,312	130,725
Payables under repurchase agreements	売現先勘定	—	36,865
Payables under securities lending transactions	債券貸借取引受入担保金	167,640	386,583
Trading liabilities	特定取引負債	511	492
Borrowed money	借入金	735,593	774,830
Foreign Exchanges	外国為替	757	614
Bonds	社債	5,000	5,000
Bonds with warrant attached	新株予約権付社債	33,657	33,900
Due to trust account	信託勘定借	13	2
Other liabilities	その他負債	140,446	122,572
Provision for directors' bonuses	役員賞与引当金	111	36
Liability for retirement benefits	退職給付に係る負債	8,896	7,746
Provision for directors' retirement benefits	役員退職慰労引当金	51	56
Provision for reimbursement of deposits	睡眠預金払戻損失引当金	3,480	3,215
Provision for contingent loss	偶発損失引当金	1,548	1,625
Provision for point card certificates	ポイント引当金	294	253
Provision for loss on interest repayment	利息返還損失引当金	12	14
Reserves under special laws	特別法上の引当金	2	2
Deferred tax liabilities	繰延税金負債	31,410	44,354
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	9,454	8,837
Negative goodwill	負ののれん	1,501	1,382
Acceptances and guarantees	支払承諾	25,916	28,854
Total liabilities	負債の部合計	15,261,366	15,792,859

(Millions of yen)

Item	(Japanese)	As of Mar. 31, 2017	As of Dec. 31, 2017
Net Assets	(純資産の部)		
Capital stock	資 本 金	117,495	117,495
Capital surplus	資 本 剰 余 金	148,490	148,541
Retained earnings	利 益 剰 余 金	461,631	486,485
Treasury stock	自 己 株 式	(6)	(7)
Total shareholders' equity	株 主 資 本 合 計	727,610	752,514
Unrealized gains on available-for-sale securities	そ の 他 有 価 証 券 評 価 差 額 金	128,545	155,252
Deferred gains (losses) on hedges	繰 延 ヘ ッ ジ 損 益	(674)	(678)
Land revaluation surplus	土 地 再 評 価 差 額 金	12,844	13,204
Defined retirement benefit plans	退 職 給 付 に 係 る 調 整 累 計 額	(5,433)	(3,893)
Total accumulated other comprehensive income	そ の 他 の 包 括 利 益 累 計 額 合 計	135,282	163,885
Equity warrants	新 株 予 約 権	193	216
Total net assets	純 資 産 の 部 合 計	863,086	916,616
Total liabilities and net assets	負 債 及 び 純 資 産 の 部 合 計	16,124,452	16,709,476

(Note) Figures are rounded down to the nearest million.

2. Quarterly Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

(1) Quarterly Consolidated Statement of Income

(Millions of yen)

Item	(Japanese)	For the 9 months	For the 9 months
		ended Dec.31,2016	ended Dec.31,2017
Ordinary income	経常収益	150,926	195,598
Interest income	資金運用収益	87,699	120,644
Interest on loans and bills discounts	(うち貸出金利息)	61,311	85,557
Interest and dividends on securities	(うち有価証券利息配当金)	25,714	34,191
Trust fees	信託報酬	22	22
Fees and commissions	役務取引等収益	23,453	37,635
Trading income	特定取引収益	1,301	2,721
Other ordinary income	その他業務収益	11,591	3,750
Other income	その他経常収益	26,857	30,823
Ordinary expenses	経常費用	108,108	138,406
Interest expenses	資金調達費用	6,864	10,387
Interest on deposits	(うち預金利息)	1,894	2,510
Fees and commissions payments	役務取引等費用	6,216	9,818
Other business expenses	その他業務費用	4,021	1,708
General and administrative expenses	営業経費	67,932	90,250
Other operating expenses	その他経常費用	23,072	26,241
Ordinary profit	経常利益	42,818	57,191
Extraordinary income	特別利益	119,225	140
Gains on disposal of non-current assets	固定資産処分益	6	140
Gains on negative goodwill	負ののれん発生益	119,219	—
Extraordinary losses	特別損失	579	1,327
Losses on disposal of fixed assets	固定資産処分損	226	278
Impairment loss	減損損失	169	1,049
Loss on step acquisitions	段階取得に係る差損	184	—
Income before income taxes	税金等調整前四半期純利益	161,464	56,004
Income taxes-current	法人税、住民税及び事業税	12,430	16,529
Income taxes-deferred	法人税等調整額	(4,169)	594
Total income taxes	法人税等合計	8,261	17,124
Net income	四半期純利益	153,202	38,879
Net income attributable to noncontrolling interests	非支配株主に帰属する四半期純利益	28	—
Net income attributable to owners of the parent	親会社株主に帰属する四半期純利益	153,174	38,879

(Note) Figures are rounded down to the nearest million.

(2) Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

Item	(Japanese)	For the 9 months	For the 9 months
		ended Dec.31,2016	ended Dec.31,2017
Net income	四 半 期 純 利 益	153,202	38,879
Other comprehensive income	そ の 他 の 包 括 利 益	(1,027)	28,711
Unrealized gains on available-for-sale securities	そ の 他 有 価 証 券 評 価 差 額 金	(5,483)	26,706
Deferred gains (losses) on hedges	繰 延 ヘ ッ ジ 損 益	2,535	(4)
Land revaluation surplus	土 地 再 評 価 差 額 金	—	468
Defined retirement benefit plan	退 職 給 付 に 係 る 調 整 額	1,919	1,540
Comprehensive income	四 半 期 包 括 利 益	152,174	67,591
	(内訳)		
Comprehensive income attributable to owners of the parent	親会社株主に係る四半期包括利益	152,147	67,591
Comprehensive income attributable to non-controlling interests	非支配株主に係る四半期包括利益	27	—

3. Note for the Assumption of Going Concern

Not applicable.

4. Note for Material Changes in Shareholders' Equity

Not applicable.

II 【Reference】Quarterly Non-consolidated Financial Information of the main consolidated subsidiaries

1. Quarterly Non-consolidated Financial Information of The Joyo Bank, Ltd.

(1) Financial Highlights (from April 1, 2017 to December 31, 2017)

① Non-consolidated Operating Results

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

	Ordinary Income		Ordinary Profit		Net Income	
	¥Million	%	¥Million	%	¥Million	%
Third quarter						
Ended December 31, 2017	103,723	(4.7)	34,228	0.7	23,585	(0.4)
Ended December 31, 2016	108,916	6.3	33,978	3.7	23,698	6.2

② Non-consolidated Financial Conditions

	Total Assets	Net Assets	Capital Assets to Total Assets
Third quarter	¥Million	¥Million	%
Ended December 31, 2017	10,038,246	623,652	6.2
Fiscal year 2016	9,697,024	593,283	6.1

(Reference) Capital assets Third quarter of FY2017: ¥623,652 million FY2016: ¥593,283 million

(Note) “Capital assets to total assets” represents (“Net assets”-“Equity warrants”) / “Total assets” at the end of each period.

The ratio above is not the one based on the regulation of Capital Adequacy Ratio.

(2) Non-consolidated Balance Sheet (The Joyo Bank, Ltd.)

(Millions of yen)

Item	(Japanese)	As of Mar. 31, 2017	As of Dec. 31, 2017
Assets	(資産の部)		
Cash and due from banks	現金預け金	754,116	946,764
Call loans and bills bought	コール口一	3,365	6,616
Monetary claims bought	買入金銭債権	8,161	7,802
Trading assets	特定取引資産	4,060	3,576
Securities	有価証券	2,793,575	2,822,769
Loans and bills discounted	貸出金	5,967,030	6,058,377
Foreign exchanges	外国為替	2,826	3,508
Other assets	その他資産	48,076	74,644
Tangible fixed assets	有形固定資産	85,854	83,382
Intangible fixed assets	無形固定資産	9,531	9,094
Asset for retirement benefits	前払年金費用	7,231	6,871
Customers' liabilities for acceptances and guarantees	支払承諾見返	47,620	48,835
Allowance for loan losses	貸倒引当金	(34,416)	(33,987)
Reserve for devaluation of investment securities	投資損失引当金	(9)	(9)
Total Assets	資産の部合計	9,697,024	10,038,246
Liabilities	(負債の部)		
Deposits	預金	8,240,398	8,443,248
Negotiable certificates of deposit	譲渡性預金	56,252	125,818
Call money and bills sold	コールマネー	61,337	53,275
Payables under repurchase agreements	売現先勘定	—	36,865
Payables under securities lending transactions	債券貸借取引受入担保金	135,417	115,528
Trading liabilities	特定取引負債	511	492
Borrowed money	借入金	436,978	474,997
Foreign Exchanges	外国為替	501	274
Bonds	社債	5,000	5,000
Due to trust account	信託勘定借	13	2
Other liabilities	その他負債	63,079	44,616
Income tax payable	(未払法人税等)	1,635	1,559
Lease obligations	(リース債務)	3,248	2,412
Other liabilities	(その他の負債)	58,195	40,644
Provision for directors' bonuses	役員賞与引当金	48	—
Liability for retirement benefits	退職給付引当金	8,415	8,692
Provision for reimbursement of deposits	睡眠預金払戻損失引当金	2,585	2,484
Provision for point card certificates	ポイント引当金	106	102
Provision for contingent loss	偶発損失引当金	1,038	982
Deferred tax liabilities	繰延税金負債	35,662	45,219
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	8,774	8,157
Acceptances and guarantees	支払承諾	47,620	48,835
Total liabilities	負債の部合計	9,103,740	9,414,593

(Millions of yen)

Item	(Japanese)	As of Mar. 31, 2017	As of Dec. 31, 2017
Net assets	(純資産の部)		
Capital stock	資 本 金	85,113	85,113
Capital surplus	資 本 剰 余 金	58,574	58,574
Legal capital surplus	資 本 準 備 金	58,574	58,574
Retained earnings	利 益 剰 余 金	308,341	318,605
Legal retained earnings	利 益 準 備 金	55,317	55,317
Other retained earnings	そ の 他 利 益 剰 余 金	253,024	263,288
Reserve for advanced depreciation of non-current assets	(固 定 資 産 圧 縮 積 立 金)	887	874
Reserve for special account of advanced depreciation of non-current assets	(固 定 資 産 圧 縮 特 別 勘 定 積 立 金)	13	13
General Reserve	(別 途 積 立 金)	222,432	222,432
Retained earnings brought forward	(繰 越 利 益 剰 余 金)	29,692	39,968
Total shareholders' equity	株 主 資 本 合 計	452,028	462,293
Unrealized gains on available-for-sale securities	そ の 他 有 価 証 券 評 価 差 額 金	130,542	150,307
Deferred gains (losses) on hedges	繰 延 ヘ ッ ジ 損 益	(574)	(595)
Land revaluation surplus	土 地 再 評 価 差 額 金	11,287	11,647
Total valuation and translation adjustments	評 価 ・ 換 算 差 額 等 合 計	141,254	161,359
Total net assets	純 資 産 の 部 合 計	593,283	623,652
Total liabilities and net assets	負 債 及 び 純 資 産 の 部 合 計	9,697,024	10,038,246

(3)Non-Consolidated Statement of Income (The Jojo Bank, Ltd.)

(Millions of yen)

Item	(Japanese)	For the 9 months ended Dec.31,2016	For the 9 months ended Dec.31,2017
Ordinary income	経 常 収 益	108,916	103,723
Interest income	資 金 運 用 収 益	70,416	71,301
Interest on loans and bills discounts	(うち 貸 出 金 利 息)	48,012	47,548
Interest and dividends on securities	(うち 有 価 証 券 利 息 配 当 金)	21,868	23,245
Trust fees	信 託 報 酬	22	22
Fees and commissions	役 務 取 引 等 収 益	16,304	18,520
Trading income	特 定 取 引 収 益	305	312
Other ordinary income	そ の 他 業 務 収 益	11,354	2,822
Other income	そ の 他 経 常 収 益	10,512	10,743
Ordinary expenses	経 常 費 用	74,937	69,495
Interest expenses	資 金 調 達 費 用	5,775	6,130
Interest on deposits	(うち 預 金 利 息)	1,637	1,689
Fees and commissions payments	役 務 取 引 等 費 用	5,401	5,456
Other business expenses	そ の 他 業 務 費 用	3,128	1,560
General and administrative expenses	営 業 経 費	54,718	52,112
Other operating expenses	そ の 他 経 常 費 用	5,913	4,234
Ordinary profit	経 常 利 益	33,978	34,228
Extraordinary income	特 別 利 益	6	140
Extraordinary losses	特 別 損 失	371	929
Income before income taxes	税 引 前 四 半 期 純 利 益	33,613	33,439
Income taxes-current	法 人 税 、 住 民 税 及 び 事 業 税	9,063	8,986
Income taxes-deferred	法 人 税 等 調 整 額	851	867
Total income taxes	法 人 税 等 合 計	9,914	9,854
Net income	四 半 期 純 利 益	23,698	23,585

2. Quarterly Non-consolidated Financial Information of The Ashikaga Bank, Ltd.

(1) Financial Highlights (from April 1, 2017 to December 31, 2017)

① Non-consolidated Operating Results

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

	Ordinary Income		Ordinary Profit		Net Income	
	¥Million	%	¥Million	%	¥Million	%
Third quarter						
Ended December 31, 2017	73,196	0.0	27,714	1.2	19,041	(18.3)
Ended December 31, 2016	73,189	(3.7)	27,376	(12.7)	23,310	5.2

② Non-consolidated Financial Conditions

	Total Assets	Net Assets	Capital Assets to Total Assets
	¥Million	¥Million	%
Third quarter			
Ended December 31, 2017	6,713,823	328,718	4.8
Fiscal year 2016	6,477,729	317,494	4.9

(Reference) Capital assets Third quarter of FY2017: ¥328,718 million FY2016: ¥317,494 million

(Note) "Capital assets to total assets" represents ("Net assets"-“Equity warrants”) / “Total assets” at the end of each period.

The ratio above is not the one based on the regulation of Capital Adequacy Ratio.

(2) Non-consolidated Balance Sheet (The Ashikaga Bank, Ltd.)

(Millions of yen)

Item	(Japanese)	As of Mar. 31, 2017	As of Dec. 31, 2017
Assets	(資産の部)		
Cash and due from banks	現金預け金	639,631	740,909
Call loans and bills bought	コールローン	1,795	904
Monetary claims bought	買入金銭債権	7,791	7,791
Trading account securities	商品有価証券	3,166	3,997
Securities	有価証券	1,417,158	1,456,114
Loans and bills discounted	貸出金	4,348,447	4,412,517
Foreign exchanges	外国為替	4,396	3,616
Other assets	その他資産	32,106	59,356
Tangible fixed assets	有形固定資産	25,872	26,598
Intangible fixed assets	無形固定資産	2,370	3,760
Asset for retirement benefits	前払年金費用	15,323	17,418
Deferred tax Assets	繰延税金資産	2,461	—
Customers' liabilities for acceptances and guarantees	支払承諾見返	11,953	13,919
Allowance for loan losses	貸倒引当金	(34,746)	(33,081)
Total Assets	資産の部合計	6,477,729	6,713,823
Liabilities	(負債の部)		
Deposits	預金	5,332,582	5,496,044
Negotiable certificates of deposit	譲渡性預金	289,303	276,173
Call money and bills sold	コールマネー	241,975	77,450
Payables under securities lending transactions	債券貸借取引受入担保金	32,222	271,054
Borrowed money	借入金	220,047	222,928
Foreign Exchanges	外国為替	256	339
Other liabilities	その他負債	30,324	25,278
Income tax payable	(未払法人税等)	1,602	658
Lease obligations	(リース債務)	11	9
Other liabilities	(その他の負債)	28,709	24,610
Provision for directors' bonuses	役員賞与引当金	53	36
Provision for reimbursement of deposits	睡眠預金払戻損失引当金	895	731
Provision for contingent loss	偶発損失引当金	509	643
Provision for point card certificates	ポイント引当金	111	69
Deferred tax liabilities	繰延税金負債	—	435
Acceptances and guarantees	支払承諾	11,953	13,919
Total liabilities	負債の部合計	6,160,235	6,385,104

(Millions of yen)

Item	(Japanese)	As of Mar. 31, 2017	As of Dec. 31, 2017
Net assets	(純資産の部)		
Capital stock	資 本 金	135,000	135,000
Retained earnings	利 益 剰 余 金	145,333	154,875
Legal retained earnings	利 益 準 備 金	20,107	22,007
Other retained earnings	そ の 他 利 益 剰 余 金	125,225	132,867
Retained earnings brought forward	(繰越利益剰余金)	125,225	132,867
Total shareholders' equity	株 主 資 本 合 計	280,333	289,875
Unrealized gains on available-for-sale securities	そ の 他 有 価 証 券 評 価 差 額 金	37,259	38,926
Deferred gains (losses) on hedges	繰 延 ヘ ッ ジ 損 益	(99)	(83)
Total valuation and translation adjustments	評 価 ・ 換 算 差 額 等 合 計	37,160	38,843
Total net assets	純 資 産 の 部 合 計	317,494	328,718
Total liabilities and net assets	負 債 及 び 純 資 産 の 部 合 計	6,477,729	6,713,823

(3)Non-Consolidated Statement of Income(The Ashikaga Bank, Ltd.)

(Millions of yen)

Item	(Japanese)	For the 9 months ended Dec.31,2016	For the 9 months ended Dec.31,2017
Ordinary income	経 常 収 益	73,189	73,196
Interest income	資 金 運 用 収 益	53,476	53,374
Interest on loans and discounts	(うち貸出金利息)	38,515	37,180
Interest and dividends on securities	(うち有価証券利息配当金)	14,570	15,817
Fees and commissions	役 務 取 引 等 収 益	14,696	15,509
Other ordinary income	そ の 他 業 務 収 益	1,460	941
Other income	そ の 他 経 常 収 益	3,556	3,370
Ordinary expenses	経 常 費 用	45,813	45,482
Interest expenses	資 金 調 達 費 用	2,325	3,343
Interest on deposits	(うち預金利息)	903	871
Fees and commissions payments	役 務 取 引 等 費 用	5,063	5,437
Other business expenses	そ の 他 業 務 費 用	281	47
General and administrative expenses	営 業 経 費	34,698	35,006
Other operating expenses	そ の 他 経 常 費 用	3,443	1,646
Ordinary profit	経 常 利 益	27,376	27,714
Extraordinary income	特 別 利 益	—	0
Extraordinary losses	特 別 損 失	68	384
Income before income taxes	税 引 前 四 半 期 純 利 益	27,308	27,329
Income taxes-current	法 人 税、住 民 税 及 び 事 業 税	6,808	6,235
Income taxes-deferred	法 人 税 等 調 整 額	(2,810)	2,052
Total income taxes	法 人 税 等 合 計	3,998	8,287
Net income	四 半 期 純 利 益	23,310	19,041

III Financial Data for the Third Quarter of Fiscal Year 2017 ending March 31, 2018

1. Income Status

【Mebuki Financial Group, Inc. (Consolidated basis)】

(Millions of yen)

	(Japanese)	For the 9 months ended Dec.31,2017		For the 9 months ended Dec.31,2016	(Reference) FY2016
		(A)	(A)-(B)	(B)	
Consolidated gross profit	連 結 粗 利 益	142,860	35,894	106,965	149,634
Net interest income	資 金 利 益	110,256	29,422	80,834	115,213
Net fees and commissions	役 務 取 引 等 利 益	27,840	10,580	17,259	26,232
Net trading income	特 定 取 引 利 益	2,721	1,419	1,301	2,241
Net other business income	そ の 他 業 務 利 益	2,042	(5,527)	7,570	5,946
General and administrative expenses	営 業 経 費	90,250	22,317	67,932	98,088
Credit related costs	与 信 関 係 費 用	5,213	1,659	3,553	8,273
Write-off of loans	貸 出 金 償 却	3,371	1,061	2,309	3,940
Transfer to specific allowance for loan losses	個 別 貸 倒 引 当 金 繰 入 額	4,126	992	3,133	5,167
Transfer to general allowance for loan losses	一 般 貸 倒 引 当 金 繰 入 額	(1,530)	(738)	(791)	1,110
Other credit related costs	そ の 他 の 与 信 関 係 費 用	(754)	344	(1,098)	(1,944)
Gains/losses related to stocks, etc.	株 式 等 関 係 損 益	8,365	1,256	7,109	7,644
Equity in gains (losses) of affiliated companies	持 分 法 に よ る 投 資 損 益	—	—	—	—
Others	そ の 他	1,430	1,200	229	1,338
Ordinary profit 【FY2017;62,500】	経 常 利 益 【 通 常 期 62,500 】	57,191	14,373	42,818	52,255
Extraordinary income(losses)	特 別 損 益	(1,187)	(119,832)	118,645	117,139
Excluding gains on negative goodwill	除 く 負 の の れ ん 発 生 益	(1,187)	(613)	(573)	(2,079)
Income before income taxes	税 金 等 調 整 前 四 半 期 純 利 益	56,004	(105,459)	161,464	169,395
Income taxes-current	法 人 税 、 住 民 税 及 び 事 業 税	16,529	4,099	12,430	16,880
Income taxes-deferred	法 人 税 等 調 整 額	594	4,764	(4,169)	(5,968)
Total income taxes	法 人 税 等 合 計	17,124	8,863	8,261	10,911
Net income	四 半 期 純 利 益	38,879	(114,322)	153,202	158,483
Net income attributable to noncontrolling interests	非 支 配 株 主 に 帰 属 す る 四 半 期 純 利 益	—	(28)	28	28
Net income attributable to owners of the parent 【FY2017; 42,500】	親 会 社 株 主 に 帰 属 す る 四 半 期 純 利 益 【 通 常 期 42,500 】	38,879	(114,294)	153,174	158,455
Excluding gains on negative goodwill	除 く 負 の の れ ん 発 生 益	38,879	4,924	33,954	39,236

(Note) 1. Consolidated gross business profit=(Interest income—Interest expenses)+(Fees and commissions income+Trust Fee—Fees and commissions expenses)+(Trading income—Trading expenses)+(Other business income—Other business expenses)

2. Figures in square brackets in the table above are forecasts of ordinary profit and net income attributable to owners of the parent.

3. Extraordinary income(losses) and net income attributable to owners of the parent of third quarter ended December 31, 2016 include gain on negative goodwill of ¥119,219 million.

(注) 1. 連結粗利益=(資金運用収益—資金調達費用)+(役務取引等収益+信託報酬—役務取引等費用)+(特定取引収益—特定取引費用)+ (その他業務収益—その他業務費用)

2. 経常利益、親会社株主に帰属する四半期純利益の業績予想値を【】内に記載しております。

3. 29年3月期第3四半期累計期間の「特別損益」及び「親会社株主に帰属する四半期純利益」には、「負ののれん発生益」119,219百万円を含んでおります。

Reference

(Millions of yen)

	(Japanese)	For the 9 months ended Dec.31,2017		For the 9 months ended Dec.31,2016	(Reference) FY2016
		(A)	(A)-(B)	(B)	
Consolidated net business income (before general allowance for loan losses)	連 結 業 務 純 益 (一 般 貸 倒 引 繰 入 前)	54,867	13,041	41,826	55,272
Consolidated net business income	連 結 業 務 純 益	56,397	13,779	42,617	54,161

(Note) Consolidated net business income

= Consolidated gross profit — General and administrative expenses(excluding non-recurrent expense)— Transfer to general allowance for loan losses

(注) 連結業務純益=連結粗利益—営業経費(除く臨時費用分)—一般貸倒引当金繰入額

Number of Consolidated Companies

(Number of companies)

	(Japanese)	As of Dec. 31, 2017		As of Dec. 31, 2016	(Reference) As of Mar 31,2017
		(A)	(A)-(B)	(B)	
Number of Consolidated Subsidiaries	連 結 子 会 社 数	14	—	14	14
Number of affiliated companies applicable to the equity method	持 分 法 適 用 会 社 数	—	—	—	—

【Total (The Joyo Bank, Ltd. +The Ashikaga Bank, Ltd.)】

(Millions of yen)

	(Japanese)	For the 9 months ended Dec.31,2017		For the 9 months ended Dec.31,2016	(Reference) FY2016
		(A)	(A)-(B)	(B)	
Gross business profit	業 務 粗 利 益	140,829	(5,231)	146,060	187,550
Net interest income	資 金 利 益	115,202	(589)	115,791	153,495
Net fees and commissions	役 務 取 引 等 利 益	23,159	2,600	20,558	27,655
Net trading income	特 定 取 引 等 利 益	312	7	305	449
Net other business income	そ の 他 業 務 利 益	2,154	(7,249)	9,404	5,950
(Of which, gains/losses on bond transactions)	(うち国債等債券損益(5勘定戻))	763	(8,668)	9,432	5,605
Expenses (excluding non-recurrent expense)	経 費 (除 く 臨 時 処 理 分)	84,875	(1,462)	86,337	115,014
Personnel expenses	人 件 費	44,903	(520)	45,423	60,425
Non-personnel expenses	物 件 費	34,278	(602)	34,880	47,095
Taxes	税 金	5,693	(340)	6,033	7,492
Net business income (before general allowance for loan losses)	業 務 純 益 (一 般 貸 引 繰 入 前)	55,954	(3,768)	59,723	72,536
(excluding gains/losses on bond transactions)	(除く国債等債券損益(5勘定戻))	55,191	4,900	50,291	66,930
Net transfer to general allowance for loan losses①	一 般 貸 倒 引 当 金 繰 入 額 ①	(1,892)	680	(2,572)	(465)
Net business income	業 務 純 益	57,846	(4,449)	62,295	73,001
Net non-recurrent gains/losses	臨 時 損 益	4,095	5,036	(940)	(4,063)
Disposal of non-performing loans②	不 良 債 権 処 理 額 ②	5,616	(1,376)	6,993	10,018
Write-off of loans	貸 出 金 償 却	2,185	377	1,808	3,103
Transfer to specific allowance for loan losses	個 別 貸 倒 引 当 金 繰 入 額	3,912	(2,262)	6,175	8,720
Losses on sales of loans	貸 出 金 売 却 損	44	(15)	59	68
Transfer to provision for contingent losses	偶 発 損 失 引 当 金 繰 入 額	79	10	68	75
Reversal of allowance for loan losses	貸 倒 引 当 金 戻 入 益	—	—	—	—
Recoveries of written-off claims	償 却 債 権 取 立 益	1,031	(540)	1,571	2,431
Other	そ の 他	425	(26)	452	481
Gains/losses related to stocks, etc.	株 式 等 関 係 損 益	11,595	1,935	9,660	9,769
Other non-recurrent gains/losses	そ の 他 臨 時 損 益	(1,883)	1,724	(3,607)	(3,815)
Ordinary profit	経 常 利 益	61,942	587	61,355	68,938
Extraordinary income/losses	特 別 損 益	(1,172)	(739)	(433)	(2,130)
Income before income taxes	税 引 前 四 半 期 純 利 益	60,769	(152)	60,922	66,808
Income taxes-current	法 人 税、住 民 税 及 び 事 業 税	15,222	(649)	15,871	19,827
Income taxes-deferred	法 人 税 等 調 整 額	2,919	4,877	(1,958)	(3,886)
Total income taxes	法 人 税 等 合 計	18,141	4,228	13,913	15,940
Net Income	四 半 期 純 利 益	42,627	(4,381)	47,009	50,867
Credit related costs (①+②)	与 信 関 係 費 用 (① + ②)	3,724	(695)	4,420	9,552

【The Joyo Bank, Ltd. (Non-consolidated basis)】

(Millions of yen)

	(Japanese)	For the 9 months ended Dec.31,2017		For the 9 months ended Dec.31,2016	(Reference) FY2016
		(A)	(A)-(B)	(B)	
Gross business profit	業 務 粗 利 益	79,832	(4,266)	84,098	105,250
Net interest income	資 金 利 益	65,171	530	64,640	85,198
Net fees and commissions	役 務 取 引 等 利 益	13,086	2,160	10,925	14,362
Net trading income	特 定 取 引 等 利 益	312	7	305	449
Net other business income	そ の 他 業 務 利 益	1,261	(6,964)	8,226	5,240
(Of which, gains/losses on bond transactions)	(うち国債等債券損益(5勘定戻))	653	(8,288)	8,942	5,837
Expenses (excluding non-recurrent expense)	経 費 (除 く 臨 時 処 理 分)	49,932	(1,735)	51,667	68,522
Personnel expenses	人 件 費	25,322	(940)	26,262	34,716
Non-personnel expenses	物 件 費	21,372	(532)	21,904	29,550
Taxes	税 金	3,237	(262)	3,499	4,255
Net business income (before general allowance for loan losses)	業 務 純 益 (一 般 貸 引 繰 入 前)	29,900	(2,530)	32,431	36,727
(excluding gains/losses on bond transactions)	(除く国債等債券損益(5勘定戻))	29,246	5,757	23,488	30,889
Net transfer to general allowance for loan losses①	一 般 貸 倒 引 当 金 繰 入 額 ①	(746)	227	(973)	(664)
Net business income	業 務 純 益	30,646	(2,758)	33,404	37,392
Net non-recurrent gains/losses	臨 時 損 益	3,582	3,008	573	(1,728)
Disposal of non-performing loans②	不 良 債 権 処 理 額 ②	3,619	100	3,519	5,431
Write-off of loans	貸 出 金 償 却	1,669	338	1,331	2,360
Transfer to specific allowance for loan losses	個 別 貸 倒 引 当 金 繰 入 額	2,285	(595)	2,881	4,475
Losses on sales of loans	貸 出 金 売 却 損	—	(59)	59	68
Transfer to provision for contingent losses	偶 発 損 失 引 当 金 繰 入 額	(54)	(103)	49	29
Reversal of allowance for loan losses	貸 倒 引 当 金 戻 入 益	—	—	—	—
Recoveries of written-off claims	償 却 債 権 取 立 益	707	(547)	1,254	1,982
Other	そ の 他	425	(26)	452	481
Gains/losses related to stocks, etc.	株 式 等 関 係 損 益	9,103	1,413	7,690	7,591
Other non-recurrent gains/losses	そ の 他 臨 時 損 益	(1,901)	1,695	(3,597)	(3,888)
Ordinary profit	経 常 利 益	34,228	249	33,978	35,663
Extraordinary income/losses	特 別 損 益	(788)	(423)	(364)	(815)
Income before income taxes	税 引 前 四 半 期 純 利 益	33,439	(173)	33,613	34,847
Income taxes-current	法 人 税 、 住 民 税 及 び 事 業 税	8,986	(76)	9,063	10,477
Income taxes-deferred	法 人 税 等 調 整 額	867	15	851	(84)
Total income taxes	法 人 税 等 合 計	9,854	(60)	9,914	10,392
Net Income	四 半 期 純 利 益	23,585	(112)	23,698	24,454
Credit related costs (①+②)	与 信 関 係 費 用 (① + ②)	2,873	328	2,545	4,767

【The Ashikaga Bank, Ltd. (Non-consolidated basis)】

(Millions of yen)

	(Japanese)	For the 9 months ended Dec.31,2017		For the 9 months ended Dec.31,2016	(Reference) FY2016
		(A)	(A)-(B)	(B)	
Gross business profit	業 務 粗 利 益	60,997	(964)	61,962	82,300
Net interest income	資 金 利 益	50,031	(1,119)	51,150	68,297
Net fees and commissions	役 務 取 引 等 利 益	10,072	439	9,633	13,292
Net trading income	特 定 取 引 等 利 益	—	—	—	—
Net other business income	そ の 他 業 務 利 益	893	(284)	1,178	709
(Of which, gains/losses on bond transactions)	(うち国債等債券損益(5勘定戻))	109	(380)	489	(232)
Expenses (excluding non-recurrent expense)	経 費 (除 く 臨 時 処 理 分)	34,942	272	34,670	46,491
Personnel expenses	人 件 費	19,580	420	19,160	25,709
Non-personnel expenses	物 件 費	12,906	(69)	12,975	17,545
Taxes	税 金	2,455	(77)	2,533	3,236
Net business income (before general allowance for loan losses)	業 務 純 益 (一 般 貸 引 繰 入 前)	26,054	(1,237)	27,292	35,808
(excluding gains/losses on bond transactions)	(除く国債等債券損益(5勘定戻))	25,945	(857)	26,802	36,040
Net transfer to general allowance for loan losses①	一 般 貸 倒 引 当 金 繰 入 額 ①	(1,146)	453	(1,599)	199
Net business income	業 務 純 益	27,200	(1,690)	28,891	35,609
Net non-recurrent gains/losses	臨 時 損 益	513	2,027	(1,514)	(2,334)
Disposal of non-performing loans②	不 良 債 権 処 理 額 ②	1,996	(1,477)	3,473	4,586
Write-off of loans	貸 出 金 償 却	516	39	476	743
Transfer to specific allowance for loan losses	個 別 貸 倒 引 当 金 繰 入 額	1,627	(1,667)	3,294	4,245
Losses on sales of loans	貸 出 金 売 却 損	44	43	0	0
Transfer to provision for contingent losses	偶 発 損 失 引 当 金 繰 入 額	133	113	19	45
Reversal of allowance for loan losses	貸 倒 引 当 金 戻 入 益	—	—	—	—
Recoveries of written-off claims	償 却 債 権 取 立 益	324	6	317	448
Other	そ の 他	(0)	(0)	—	—
Gains/losses related to stocks, etc.	株 式 等 関 係 損 益	2,492	522	1,969	2,177
Other non-recurrent gains/losses	そ の 他 臨 時 損 益	18	28	(9)	73
Ordinary profit	経 常 利 益	27,714	337	27,376	33,274
Extraordinary income/losses	特 別 損 益	(384)	(316)	(68)	(1,314)
Income before income taxes	税 引 前 四 半 期 純 利 益	27,329	20	27,308	31,960
Income taxes-current	法 人 税 、 住 民 税 及 び 事 業 税	6,235	(573)	6,808	9,350
Income taxes-deferred	法 人 税 等 調 整 額	2,052	4,862	(2,810)	(3,802)
Total income taxes	法 人 税 等 合 計	8,287	4,288	3,998	5,547
Net Income	四 半 期 純 利 益	19,041	(4,268)	23,310	26,412
Credit related costs (①+②)	与 信 関 係 費 用 (① + ②)	850	(1,024)	1,874	4,785

2. Interest Rate Spread (Domestic operations)

【Total (The Jovo Bank, Ltd. +The Ashikaga Bank, Ltd.)】

	(Japanese)	For the 9 months ended Dec.31, 2017		For the 9 months ended Dec.31 2016 (B)	(Reference) FY2016
		(A)	(A)-(B)		
Average yield on interest earning assets ①	資金運用利回	1.02	(0.04)	1.06	1.05
Average yield on loans and bills discounted	貸出金利回	1.07	(0.05)	1.12	1.12
Average yield on securities	有価証券利回	1.13	(0.01)	1.14	1.13
Average yield on interest bearing liabilities ②	資金調達原価	0.75	(0.06)	0.81	0.80
Average yield on deposits and negotiable certificates of deposit	預金等利回	0.01	0.00	0.01	0.01
Average yield on call money and borrowed money	外部負債利回	(0.01)	(0.01)	0.00	(0.00)
Average interest rate spread (①-②)	総資金利鞘	0.27	0.02	0.25	0.25

【The Jovo Bank, Ltd. (Non-consolidated basis)】

	(Japanese)	For the 9 months ended Dec.31, 2017		For the 9 months ended Dec.31 2016 (B)	(Reference) FY2016
		(A)	(A)-(B)		
Average yield on interest earning assets ①	資金運用利回	0.98	(0.02)	1.00	0.99
Average yield on loans and bills discounted	貸出金利回	1.03	(0.03)	1.06	1.06
Average yield on securities	有価証券利回	1.02	0.02	1.00	0.96
Average yield on interest bearing liabilities ②	資金調達原価	0.74	(0.08)	0.82	0.82
Average yield on deposits and negotiable certificates of deposit	預金等利回	0.00	0.00	0.00	0.00
Average yield on call money and borrowed money	外部負債利回	(0.01)	(0.01)	0.00	(0.00)
Average interest rate spread (①-②)	総資金利鞘	0.24	0.06	0.18	0.17

【The Ashikaga Bank, Ltd. (Non-consolidated basis)】

	(Japanese)	For the 9 months ended Dec.31, 2017		For the 9 months ended Dec.31 2016 (B)	(Reference) FY2016
		(A)	(A)-(B)		
Average yield on interest earning assets ①	資金運用利回	1.08	(0.06)	1.14	1.14
Average yield on loans and bills discounted	貸出金利回	1.14	(0.06)	1.20	1.20
Average yield on securities	有価証券利回	1.32	(0.10)	1.42	1.43
Average yield on interest bearing liabilities ②	資金調達原価	0.76	(0.02)	0.78	0.78
Average yield on deposits and negotiable certificates of deposit	預金等利回	0.01	(0.01)	0.02	0.02
Average yield on call money and borrowed money	外部負債利回	(0.01)	(0.01)	0.00	0.00
Average interest rate spread (①-②)	総資金利鞘	0.32	(0.04)	0.36	0.36

3. Gains and Losses on Securities

(1) Gains and losses on bond transactions

【Total (The Joyo Bank, Ltd. +The Ashikaga Bank, Ltd.)】

(Millions of yen)

	(Japanese)	For the 9 months ended Dec.31, 2017		For the 9 months ended Dec.31 2016 (B)	(Reference) FY2016
		(A)	(A)-(B)		
Gains/losses on bond transactions	国債等債券損益	763	(8,668)	9,432	5,605
Gains on sales	売却益	2,284	(9,189)	11,473	11,829
Gains on redemption	償還益	—	(48)	48	84
Losses on sales	売却損	1,521	(568)	2,089	5,996
Losses on redemption	償還損	—	—	—	310
Write-offs	償却	—	—	—	—

【The Joyo Bank, Ltd. (Non-consolidated basis)】

(Millions of yen)

	(Japanese)	For the 9 months ended Dec.31, 2017		For the 9 months ended Dec.31 2016 (B)	(Reference) FY2016
		(A)	(A)-(B)		
Gains/losses on bond transactions	国債等債券損益	653	(8,288)	8,942	5,837
Gains on sales	売却益	2,134	(8,567)	10,702	11,034
Gains on redemption	償還益	—	(48)	48	48
Losses on sales	売却損	1,480	(326)	1,807	5,244
Losses on redemption	償還損	—	—	—	—
Write-offs	償却	—	—	—	—

【The Ashikaga Bank, Ltd. (Non-consolidated basis)】

(Millions of yen)

	(Japanese)	For the 9 months ended Dec.31, 2017		For the 9 months ended Dec.31 2016 (B)	(Reference) FY2016
		(A)	(A)-(B)		
Gains/losses on bond transactions	国債等債券損益	109	(380)	489	(232)
Gains on sales	売却益	149	(621)	771	794
Gains on redemption	償還益	—	—	—	36
Losses on sales	売却損	40	(241)	281	751
Losses on redemption	償還損	—	—	—	310
Write-offs	償却	—	—	—	—

(2) Gains and losses related to stocks, etc.

【Total (The Joyo Bank, Ltd. +The Ashikaga Bank, Ltd.)】

(Millions of yen)

	(Japanese)	For the 9 months ended Dec.31, 2017		For the 9 months ended Dec.31 2016 (B)	(Reference) FY2016
		(A)	(A)-(B)		
Gains/losses related to stocks, etc.	株式等関係損益	11,595	1,935	9,660	9,769
Gains on sales	売却益	12,067	544	11,523	12,682
Losses on sales	売却損	470	(1,320)	1,791	2,853
Write-offs	償却	0	(71)	71	59

【The Joyo Bank, Ltd. (Non-consolidated basis)】

(Millions of yen)

	(Japanese)	For the 9 months ended Dec.31, 2017		For the 9 months ended Dec.31 2016 (B)	(Reference) FY2016
		(A)	(A)-(B)		
Gains/losses related to stocks, etc.	株式等関係損益	9,103	1,413	7,690	7,591
Gains on sales	売却益	9,418	800	8,617	9,565
Losses on sales	売却損	314	(554)	868	1,929
Write-offs	償却	0	(58)	58	43

【The Ashikaga Bank, Ltd. (Non-consolidated basis)】

(Millions of yen)

	(Japanese)	For the 9 months ended Dec.31, 2017		For the 9 months ended Dec.31 2016 (B)	(Reference) FY2016
		(A)	(A)-(B)		
Gains/losses related to stocks, etc.	株式等関係損益	2,492	522	1,969	2,177
Gains on sales	売却益	2,649	(256)	2,906	3,117
Losses on sales	売却損	156	(766)	923	923
Write-offs	償却	0	(12)	13	16

4. Unrealized Valuation Gains (Losses)

【Mebuki Financial Group, Inc. (Consolidated basis)】

(Millions of yen)

		As of Dec. 31, 2017					As of Sep.30, 2017				
		Carrying Ammount	Unrealized valuation gains (losses)				Carrying Ammount	Unrealized valuation gains (losses)			
			(A)	(A-B)	Valuation gains	Valuation losses		(B)	Valuation gains	Valuation losses	
Held-to-maturity	満期保有目的	151,155	(101)	143	608	710	147,952	(245)	605	850	
	Bonds	債券	151,155	(101)	143	608	710	147,952	(245)	605	850
	Others	その他	—	—	—	—	—	—	—	—	
Available-for-sale	その他有価証券	4,096,613	220,998	34,595	263,321	42,323	3,951,506	186,403	217,034	30,630	
	Stocks	株式	333,575	179,430	31,117	179,948	518	302,415	148,313	148,548	234
	Bonds	債券	2,197,967	17,259	(311)	20,126	2,866	2,147,918	17,571	21,441	3,869
	Others	その他	1,565,070	24,307	3,789	63,246	38,938	1,501,172	20,517	47,044	26,526
Total	合計	4,247,769	220,896	34,738	263,929	43,033	4,099,459	186,158	217,639	31,481	
	Stocks	株式	333,575	179,430	31,117	179,948	518	302,415	148,313	148,548	234
	Bonds	債券	2,349,122	17,158	(167)	20,734	3,576	2,295,871	17,326	22,046	4,720
	Others	その他	1,565,070	24,307	3,789	63,246	38,938	1,501,172	20,517	47,044	26,526

(Note) 1. "Available-for-sale" is valued at market price. Consequently, figures in the above table show the differences between the acquisition cost and the balance sheet amount.

2. In addition to securities, figures in the above include the trust beneficial rights recognized as "Monetary claims bought".

(注) 1. 「その他有価証券」については時価評価しておりますので、上記の表上は、貸借対照表計上額と取得価額との差額を計上しております。

2. 「有価証券」のほか、「買入金銭債権」中の信託受益権も含めております。

【Total (The Joyo Bank, Ltd. +The Ashikaga Bank, Ltd.)】

(Millions of yen)

		As of Dec. 31, 2017					As of Sep.30, 2017				
		Carrying Ammount	Unrealized valuation gains (losses)				Carrying Ammount	Unrealized valuation gains (losses)			
			(A)	(A-B)	Valuation gains	Valuation losses		(B)	Valuation gains	Valuation losses	
Held-to-maturity	満期保有目的	136,406	12,236	(129)	12,307	71	132,930	12,365	12,393	27	
	Bonds	債券	136,406	12,236	(129)	12,307	71	132,930	12,365	12,393	27
	Others	その他	—	—	—	—	—	—	—	—	
Available-for-sale	その他有価証券	4,096,406	268,104	33,423	306,118	38,014	3,951,335	234,681	260,977	26,296	
	Stocks	株式	333,368	201,216	31,065	201,461	244	302,244	170,151	170,482	331
	Bonds	債券	2,197,967	36,899	(1,207)	37,482	583	2,147,918	38,106	38,950	843
	Others	その他	1,565,070	29,988	3,565	67,174	37,186	1,501,172	26,423	51,544	25,121
Total	合計	4,232,812	280,340	33,293	318,426	38,085	4,084,265	247,046	273,370	26,324	
	Stocks	株式	333,368	201,216	31,065	201,461	244	302,244	170,151	170,482	331
	Bonds	債券	2,334,373	49,135	(1,337)	49,790	654	2,280,848	50,472	51,344	871
	Others	その他	1,565,070	29,988	3,565	67,174	37,186	1,501,172	26,423	51,544	25,121

【The Joyo Bank, Ltd. (Non-consolidated basis)】

(Millions of yen)

		As of Dec. 31, 2017					As of Sep.30, 2017				
		Carrying Ammount	Unrealized valuation gains (losses)				Carrying Ammount	Unrealized valuation gains (losses)			
			(A)	(A-B)	Valuation gains	Valuation losses		(B)	Valuation gains	Valuation losses	
Held-to-maturity	満期保有目的	62,546	510	(38)	573	63	59,080	548	570	22	
	Bonds	債券	62,546	510	(38)	573	63	59,080	548	570	22
	Others	その他	—	—	—	—	—	—	—	—	
Available-for-sale	その他有価証券	2,748,487	214,358	30,097	235,336	20,978	2,619,076	184,261	198,323	14,061	
	Stocks	株式	281,708	166,188	27,370	166,336	147	254,338	138,818	139,053	235
	Bonds	債券	1,619,714	19,117	(1,094)	19,622	504	1,562,243	20,211	20,951	739
	Others	その他	847,063	29,052	3,821	49,378	20,326	802,495	25,231	38,317	13,086
Total	合計	2,811,033	214,868	30,059	235,909	21,041	2,678,157	184,809	198,893	14,084	
	Stocks	株式	281,708	166,188	27,370	166,336	147	254,338	138,818	139,053	235
	Bonds	債券	1,682,261	19,627	(1,132)	20,195	567	1,621,323	20,759	21,522	762
	Others	その他	847,063	29,052	3,821	49,378	20,326	802,495	25,231	38,317	13,086

【The Ashikaga Bank, Ltd. (Non-consolidated basis)】

(Millions of yen)

		As of Dec. 31, 2017					As of Sep.30, 2017				
		Carrying Ammount	Unrealized valuation gains (losses)				Carrying Ammount	Unrealized valuation gains (losses)			
			(A)	(A-B)	Valuation gains	Valuation losses		(B)	Valuation gains	Valuation losses	
Held-to-maturity	満期保有目的	73,859	11,726	(91)	11,734	8	73,849	11,817	11,822	5	
	Bonds	債券	73,859	11,726	(91)	11,734	8	73,849	11,817	11,822	5
	Others	その他	—	—	—	—	—	—	—	—	
Available-for-sale	その他有価証券	1,347,919	53,745	3,325	70,781	17,036	1,332,258	50,420	62,654	12,234	
	Stocks	株式	51,660	35,027	3,694	35,125	97	47,906	31,332	31,428	95
	Bonds	債券	578,252	17,782	(113)	17,860	78	585,675	17,895	17,998	103
	Others	その他	718,007	935	(255)	17,796	16,860	698,677	1,191	13,226	12,034
Total	合計	1,421,778	65,471	3,234	82,516	17,044	1,406,108	62,237	74,477	12,239	
	Stocks	株式	51,660	35,027	3,694	35,125	97	47,906	31,332	31,428	95
	Bonds	債券	652,111	29,508	(204)	29,594	86	659,524	29,712	29,821	108
	Others	その他	718,007	935	(255)	17,796	16,860	698,677	1,191	13,226	12,034

5. Disclosed Claims under the Financial Revitalization Law

【Mebuki Financial Group, Inc. (Consolidated basis)】

	(Japanese)	As of Dec.31, 2017			As of Sep.30, 2017(B)	As of Mar.31, 2017(C)
		(A)	(A-B)	(A-C)		
Bankrupt and substantially bankrupt claims	破産更生債権及びこれらに準ずる債権	15,903	140	2	15,763	15,900
Doubtful claims	危険債権	131,062	(2,010)	(8,054)	133,073	139,117
Claims requiring supervision	要管理債権	36,957	(488)	(127)	37,446	37,085
Subtotal	小計 ①	183,924	(2,359)	(8,179)	186,283	192,103
Normal claims	正常債権	10,385,690	107,996	180,733	10,277,693	10,204,956
Total	合計 ②	10,569,614	105,637	172,554	10,463,976	10,397,060
Ratio of disclosed claims towards the balance of Loans	貸出金等残高に占める比率 ① / ②	1.74%	(0.04%)	(0.10%)	1.78%	1.84%

【Total (The Joyo Bank, Ltd. +The Ashikaga Bank, Ltd.)】

	(Japanese)	As of Dec.31, 2017			As of Sep.30, 2017(B)	As of Mar.31, 2017(C)
		(A)	(A-B)	(A-C)		
Bankrupt and substantially bankrupt claims	破産更生債権及びこれらに準ずる債権	14,809	114	192	14,695	14,616
Doubtful claims	危険債権	130,922	(2,017)	(8,069)	132,939	138,991
Claims requiring supervision	要管理債権	36,957	(488)	(126)	37,446	37,084
Subtotal	小計 ①	182,689	(2,391)	(8,002)	185,081	190,692
Normal claims	正常債権	10,499,164	114,794	191,759	10,384,370	10,307,405
Total	合計 ②	10,681,854	112,402	183,756	10,569,451	10,498,098
Ratio of disclosed claims towards the balance of Loans	貸出金等残高に占める比率 ① / ②	1.71%	(0.04%)	(0.10%)	1.75%	1.81%

【The Joyo Bank, Ltd. (Non-consolidated basis)】

	(Japanese)	As of Dec.31, 2017			As of Sep.30, 2017(B)	As of Mar.31, 2017(C)
		(A)	(A-B)	(A-C)		
Bankrupt and substantially bankrupt claims	破産更生債権及びこれらに準ずる債権	6,070	(259)	(1,008)	6,329	7,079
Doubtful claims	危険債権	66,662	(488)	(3,131)	67,151	69,794
Claims requiring supervision	要管理債権	19,848	374	(1,483)	19,473	21,331
Subtotal	小計 ①	92,581	(372)	(5,623)	92,954	98,205
Normal claims	正常債権	6,078,433	58,637	114,419	6,019,795	5,964,013
Total	合計 ②	6,171,014	58,264	108,796	6,112,750	6,062,218
Ratio of disclosed claims towards the balance of Loans	貸出金等残高に占める比率 ① / ②	1.50%	(0.02%)	(0.11%)	1.52%	1.61%

【The Ashikaga Bank, Ltd. (Non-consolidated basis)】

	(Japanese)	As of Dec.31, 2017			As of Sep.30, 2017(B)	As of Mar.31, 2017(C)
		(A)	(A-B)	(A-C)		
Bankrupt and substantially bankrupt claims	破産更生債権及びこれらに準ずる債権	8,738	373	1,201	8,365	7,537
Doubtful claims	危険債権	64,259	(1,529)	(4,937)	65,788	69,196
Claims requiring supervision	要管理債権	17,109	(863)	1,356	17,973	15,753
Subtotal	小計 ①	90,107	(2,018)	(2,379)	92,126	92,487
Normal claims	正常債権	4,420,731	56,157	77,339	4,364,574	4,343,392
Total	合計 ②	4,510,839	54,138	74,959	4,456,700	4,435,879
Ratio of disclosed claims towards the balance of Loans	貸出金等残高に占める比率 ① / ②	1.99%	(0.07%)	(0.09%)	2.06%	2.08%

6. Loans and Deposits

【Total (The Joyo Bank, Ltd. +The Ashikaga Bank, Ltd.)】

(Millions of yen)

		(Japanese)	As of Dec.31, 2017			As of Sep.30, 2017 (B)	As of Mar.31, 2017 (C)
			(A)	(A-B)	(A-C)		
Deposits	(Term-end balance)	預金 (末 残)	13,939,292	302,368	366,312	13,636,923	13,572,980
	(Average balance)	預金 (平 残)	13,613,707	39,930	370,720	13,573,777	13,242,987
Loans and bills discounted	(Term-end balance)	貸出金 (末 残)	10,470,895	100,868	155,417	10,370,026	10,315,478
	(Average balance)	貸出金 (平 残)	10,321,843	33,412	117,281	10,288,431	10,204,562

【The Joyo Bank, Ltd. (Non-consolidated basis)】

(Millions of yen)

		(Japanese)	As of Dec.31, 2017			As of Sep.30, 2017 (B)	As of Mar.31, 2017 (C)
			(A)	(A-B)	(A-C)		
Deposits	(Term-end balance)	預金 (末 残)	8,443,248	206,046	202,850	8,237,202	8,240,398
	(Average balance)	預金 (平 残)	8,272,040	14,510	208,230	8,257,529	8,063,809
Loans and bills discounted	(Term-end balance)	貸出金 (末 残)	6,058,377	53,416	91,347	6,004,960	5,967,030
	(Average balance)	貸出金 (平 残)	6,010,373	13,680	51,455	5,996,692	5,958,917

【The Ashikaga Bank, Ltd. (Non-consolidated basis)】

(Millions of yen)

		(Japanese)	As of Dec.31, 2017			As of Sep.30, 2017 (B)	As of Mar.31, 2017 (C)
			(A)	(A-B)	(A-C)		
Deposits	(Term-end balance)	預金 (末 残)	5,496,044	96,322	163,461	5,399,721	5,332,582
	(Average balance)	預金 (平 残)	5,341,667	25,419	162,489	5,316,248	5,179,177
Loans and bills discounted	(Term-end balance)	貸出金 (末 残)	4,412,517	47,451	64,070	4,365,066	4,348,447
	(Average balance)	貸出金 (平 残)	4,311,470	19,731	65,825	4,291,738	4,245,644

7. Consumer loans / Loans to SMEs

【Total (The Joyo Bank, Ltd. +The Ashikaga Bank, Ltd.)】

(Millions of yen)

		(Japanese)	As of Dec.31, 2017			As of Sep.30, 2017 (B)	As of Mar.31, 2017 (C)
			(A)	(A-B)	(A-C)		
Consumer loans		消費者ローン残高	4,256,193	50,821	162,412	4,205,371	4,093,781
Of which, housing-related loans		うち住宅関連ローン残高	4,104,722	49,461	153,368	4,055,261	3,951,353
	Housing loans	住宅ローン残高	3,173,770	44,859	122,909	3,128,911	3,050,861
	Apartment loans	アパートローン残高	930,951	4,601	30,459	926,350	900,492
Loans to SME and Individual customers (SMEs)		中小企業等貸出金残高	7,517,969	98,780	210,711	7,419,189	7,307,258
Ratio of loans to SMEs		中小企業等貸出比率	71.79%	0.25%	0.96%	71.54%	70.83%

【The Joyo Bank, Ltd. (Non-consolidated basis)】

(Millions of yen)

		(Japanese)	As of Dec.31, 2017			As of Sep.30, 2017 (B)	As of Mar.31, 2017 (C)
			(A)	(A-B)	(A-C)		
Consumer loans		消費者ローン残高	2,383,066	23,094	83,250	2,359,972	2,299,816
Of which, housing-related loans		うち住宅関連ローン残高	2,293,761	22,977	80,060	2,270,783	2,213,700
	Housing loans	住宅ローン残高	1,544,373	18,531	54,772	1,525,841	1,489,601
	Apartment loans	アパートローン残高	749,388	4,445	25,288	744,942	724,099
Loans to SME and Individual customers (SMEs)		中小企業等貸出金残高	4,078,734	46,824	96,232	4,031,909	3,982,501
Ratio of loans to SMEs		中小企業等貸出比率	67.32%	0.18%	0.58%	67.14%	66.74%

【The Ashikaga Bank, Ltd. (Non-consolidated basis)】

(Millions of yen)

		(Japanese)	As of Dec.31, 2017			As of Sep.30, 2017 (B)	As of Mar.31, 2017 (C)
			(A)	(A-B)	(A-C)		
Consumer loans		消費者ローン残高	1,873,126	27,727	79,161	1,845,399	1,793,965
Of which, housing-related loans		うち住宅関連ローン残高	1,810,960	26,483	73,308	1,784,477	1,737,652
	Housing loans	住宅ローン残高	1,629,397	26,327	68,137	1,603,069	1,561,260
	Apartment loans	アパートローン残高	181,563	155	5,170	181,407	176,392
Loans to SME and Individual customers (SMEs)		中小企業等貸出金残高	3,439,235	51,955	114,478	3,387,279	3,324,756
Ratio of loans to SMEs		中小企業等貸出比率	77.94%	0.35%	1.49%	77.59%	76.45%

Financial Results for the Third Quarter of FY2017

February 9, 2018

Highlights	2
------------	---

Financial Results for 3Q17

Main Points of 3Q17 Financial Results	3
Core Gross Business Profit	4
Loans and Deposits (Average Balance / Average Yield)	5
Loans	6-7
Deposits	8
Financial Assets under Custody	9
Securities	10
Status of Integration Synergy	11
Forecast for FY17	12

*Unless otherwise mentioned, figures are on non-consolidated basis

Highlights

Results for 3Q17

Consolidated net income* of Mebuki is ¥38.8bn, representing 97.1% progress toward the previous full-year forecast. *Attributable to owners of the parent

On a simple-sum basis of the two banking subsidiaries, net income of ¥ 42.6 bn was recorded, which represented steady progress of 96.8% toward the previous full-year forecast.

Core net business income and gains on sales of strategic-holding stocks surpassed the forecast.

Synergy effect arising from the business integration for 3Q17 was ¥3.1 bn, representing strong progress of 115.2% toward the forecast for FY17 of ¥2.7 bn.

Forecast for FY17

Earnings forecast for FY17 has been revised upward since net interest income and net gains related to securities are expected to surpass the previous forecast and expenses are expected to decrease.

Consolidated Ordinary Profit ¥62.5 bn (Previous Forecast ¥58.5 bn / Chg. +¥4.0 bn)

Consolidated Net Income * ¥42.5 bn (Previous Forecast ¥40.0 bn / Chg. +¥2.5 bn)

*Attributable to owners of the parent

Joyo | Non-consolidated Net Income ¥25.5 bn (Previous Forecast ¥23.0 bn / Chg. +¥2.5 bn)

Ashikaga | Non-consolidated Net Income ¥21.5 bn (Previous Forecast ¥21.0 bn / Chg. +¥0.5 bn)

Dividend

For FY17, in line with an earnings distribution policy*, annual dividend forecast is ¥11.00 per share, made up of an interim dividend and year-end dividend of ¥5.50 each.

*Aim to continue stable dividend returns while taking into account both the maintenance of solid capital levels for the future growth and the appropriate distribution of profits to our shareholders.

Main Points of 3Q17 Financial Results

Mebuki FG (Consolidated) (¥bn)

	3Q17	Pro- gress	Previous Full- year Forecast
Ordinary profit	57.1	97.7%	58.5
Net income attributable to owners of the parent	(1) 38.8	97.1%	40.0

Consolidation adjustment

(2)-(1) -6.9bn

Adjustments related to securities (-5.8bn)

Interest expenses of subordinated loans, expenses, etc.

Two banking subsidiaries and group companies

	3Q17	Pro- gress	Previous Full- year Forecast
Net income	(2) 45.8	95.5%	48.0

Net Income of group companies other than banking subsidiaries ¥3.2bn

Reference | Results of Joyo and Ashikaga (¥bn)

	3Q17						vs Previous forecast		
	J+A		Joyo		Ashikaga		J+A	Joyo	Ashi- kaga
	Re- sult	YoY Chg	Re- sult	YoY Chg	Re- sult	YoY Chg			
Gross business profit	140.8	-5.2	79.8	-4.2	60.9	-0.9	76.9%	77.1%	76.7%
Net interest income	115.2	-0.5	65.1	+0.5	50.0	-1.1	78.6%	79.4%	77.5%
Net fees and commissions	23.1	+2.6	13.0	+2.1	10.0	+0.4	73.5%	74.7%	71.9%
Net other business income and Net trading income (o/w gains/losses on bond transactions)	2.4	-7.2	1.5	-6.9	0.8	-0.2	49.3%	39.3%	89.3%
Expenses	84.8	-1.4	49.9	-1.7	34.9	+0.2	72.5%	73.4%	71.3%
Personnel expenses	44.9	-0.5	25.3	-0.9	19.5	+0.4	-	-	-
Non-personnel expenses	34.2	-0.6	21.3	-0.5	12.9	-0.0	-	-	-
Net business income (before general allowance for loan losses)	55.9	-3.7	29.9	-2.5	26.0	-1.2	84.7%	84.2%	85.4%
Core net business income	55.1	+4.9	29.2	+5.7	25.9	-0.8	87.6%	89.9%	85.0%
Net transfer to general allowance for loan losses (a)	-1.8	+0.6	-0.7	+0.2	-1.1	+0.4	-	-	-
Net business income	57.8	-4.4	30.6	-2.7	27.2	-1.6	86.9%	85.1%	89.1%
Net non-recurrent gains/losses	4.0	+5.0	3.5	+3.0	0.5	+2.0	-	-	-
o/w Disposal of non-performing loans (b)	5.6	-1.3	3.6	+0.1	1.9	-1.4	-	-	-
o/w Gains/losses related to stocks, etc	11.5	+1.9	9.1	+1.4	2.4	+0.5	178.3%	227.5%	99.6%
Ordinary profit	61.9	+0.5	34.2	+0.2	27.7	+0.3	96.7%	102.1%	90.8%
Extraordinary income/losses	-1.1	-0.7	-0.7	-0.4	-0.3	-0.3	167.5%	157.6%	192.3%
Income taxes	18.1	+4.2	9.8	-0.0	8.2	+4.2	-	-	-
Net income	42.6	-4.3	23.5	-0.1	19.0	-4.2	96.8%	102.5%	90.6%
Credit related costs (a)+(b)	3.7	-0.6	2.8	+0.3	0.8	-1.0	62.0%	82.1%	34.0%

Core Gross Business Profit

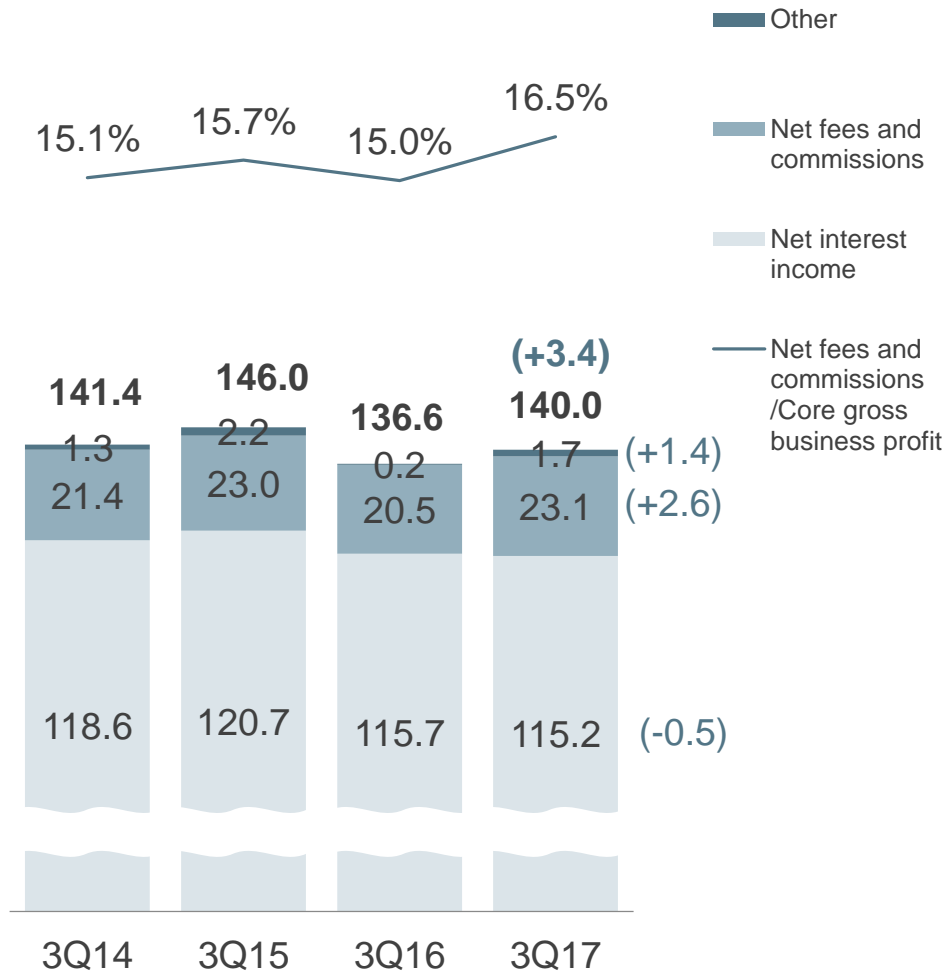
(Gross Business Profit excl. Gains/Losses on Bond Transaction)

Core gross business profit increased ¥3.4 bn YoY.

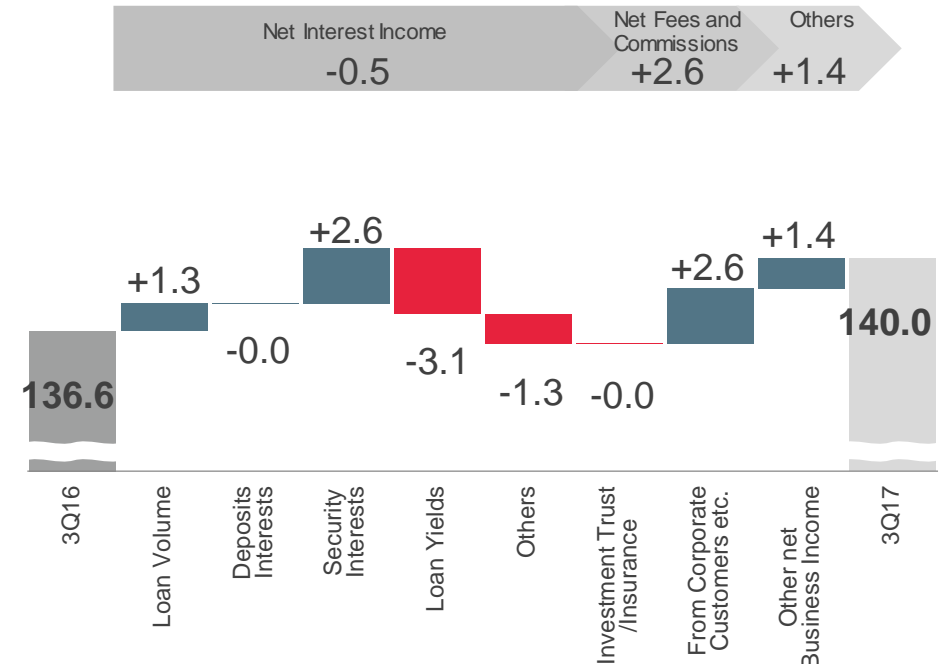
Net fees and commissions from corporate customers increased through enhancement of consulting services.

*Figures in parentheses are changes on a year on year basis

Core Gross Business Profit (Joyo+Ashikaga) (¥bn)



Key Change Factors (Joyo+Ashikaga) (¥bn)

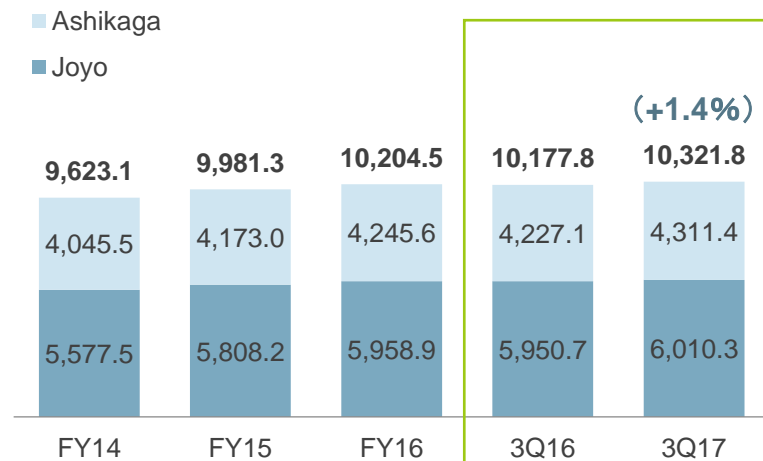


Reference | Gains on Cancellation of Private Offering Investment Trusts among Interests and Dividends on Securities (¥bn)

		FY15	FY16	3Q17	YoY Chg
Joyo	Annual	0.8	1.7	0.7	+0.2
	o/w 2H	(0.4)	(1.6)	(0.1)	(-0.1)
Ashikaga	Annual	3.7	3.6	2.2	-1.3
	o/w 2H	-	(0.4)	(0.0)	(-0.4)

Loans and Deposits (Average Balance / Average Yield)

Loans (Average Balance) (¥bn)

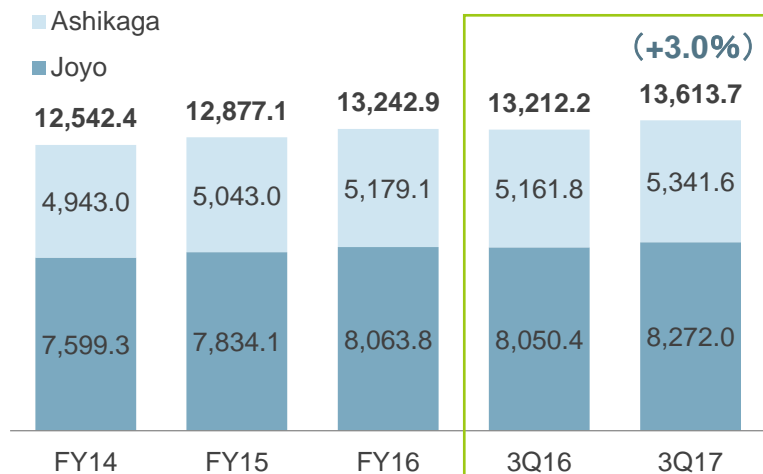


Average Yield

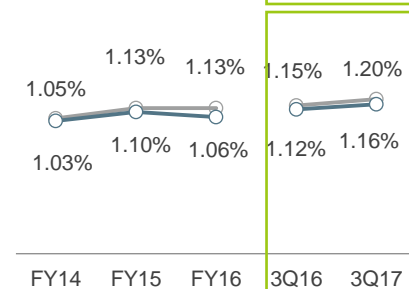
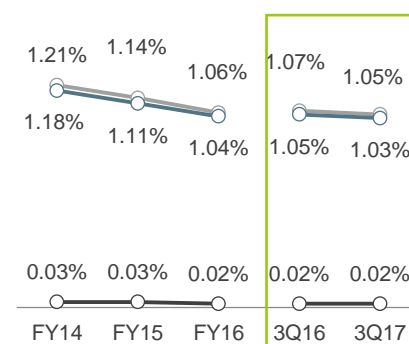
Joyo Bank + Ashikaga Bank (Domestic)

	3Q16	3Q17	YoY
Total Investments	1.06%	1.02%	-0.04%
o/w Loans	1.12%	1.07%	-0.05%
o/w Securities	1.14%	1.13%	-0.01%
Deposits	0.01%	0.01%	0.00%

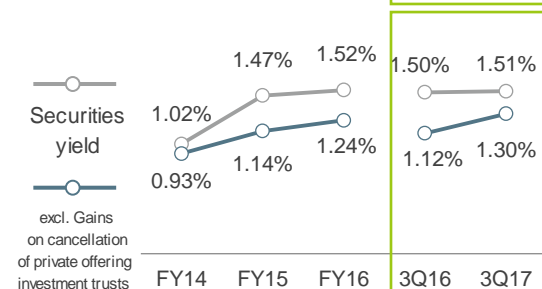
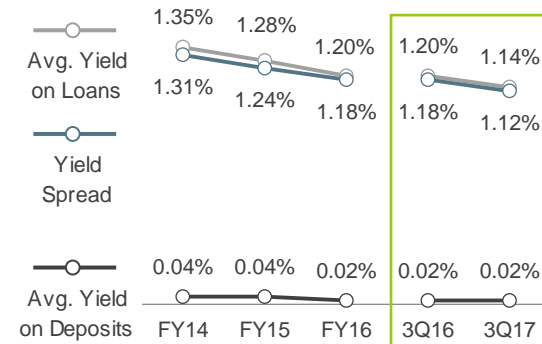
Deposits (Average Balance) (¥bn)



Joyo (Domestic + International)



Ashikaga (Domestic + International)



Loans (1)

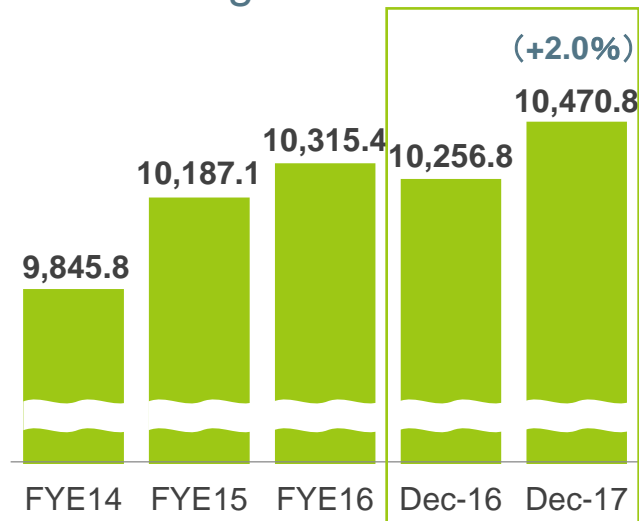
*Figures in parentheses are changes on a year on year basis

Loans to individual customers increased by ¥234.3 bn (+5.5%) and housing related loans increased by ¥228.0 bn (+5.8%) YoY.

Loans to corporate customers increased by ¥79.2 bn (+1.6%) and loans to local corporate customers increased ¥113.3 bn (+3.7%) YoY.

Joyo Bank + Ashikaga Bank

(¥bn)



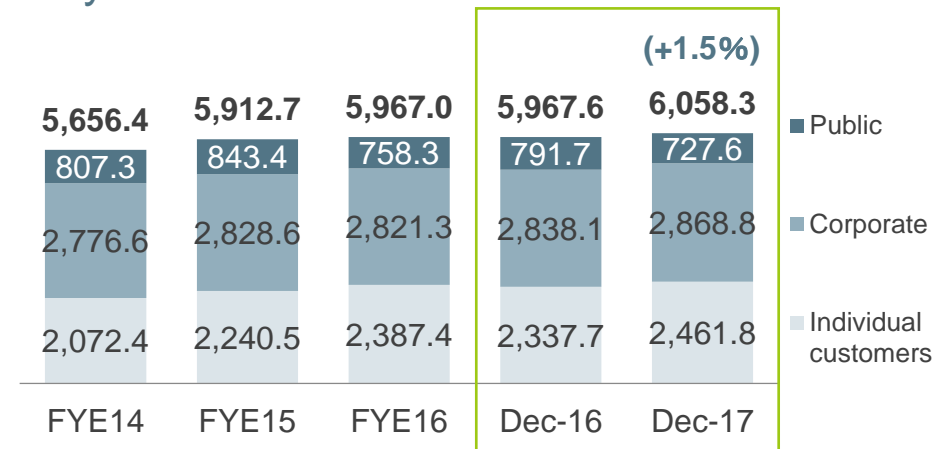
	FYE14	FYE15	FYE16	Dec-16	Dec-17	YoY Change (%)
Individual	3,746.2	4,025.6	4,272.8	4,193.3	4,427.6	+5.5%
Corporate	4,772.2	4,813.1	4,809.6	4,846.8	4,926.0	+1.6%
Public	1,327.3	1,348.3	1,232.9	1,216.6	1,117.1	-8.1%

"Individual Customers" include sole proprietors and "Corporate" include financial institutions

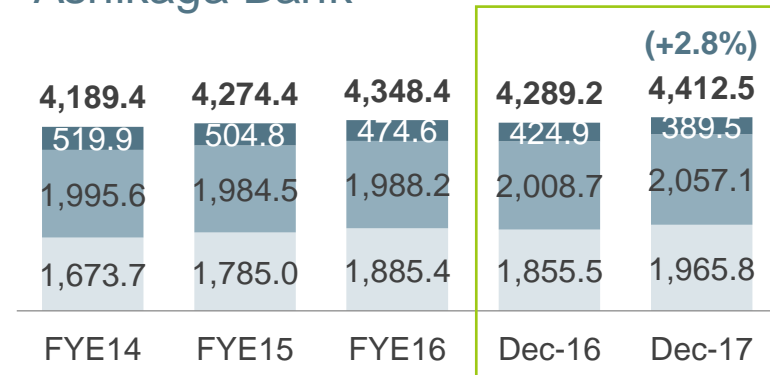
Foreign Currency Denominated Loans

	FYE14	FYE15	FYE16	Dec-16	Dec-17
Joyo	86.3	98.8	116.0	112.9	111.2
Ashikaga	5.5	5.7	12.2	8.6	15.1
Total	91.9	104.5	128.3	121.6	126.4

Joyo Bank



Ashikaga Bank



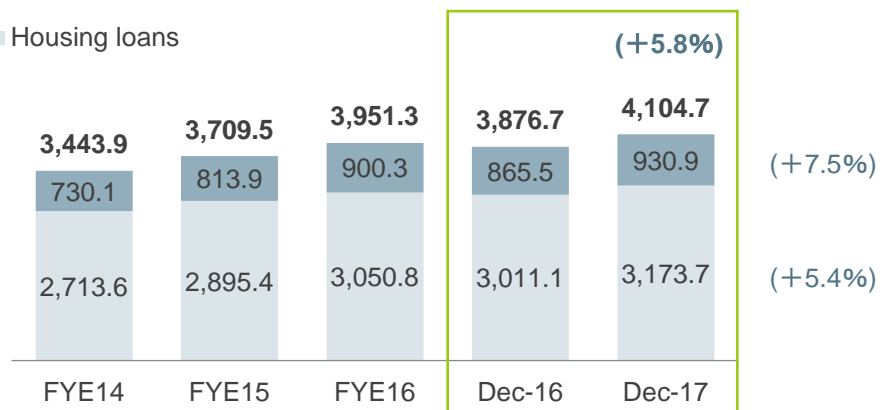
Loans (2) Term-end Balance (Joyo + Ashikaga)

*Figures in parentheses are changes on a year on year basis

Housing Related Loans (¥bn)

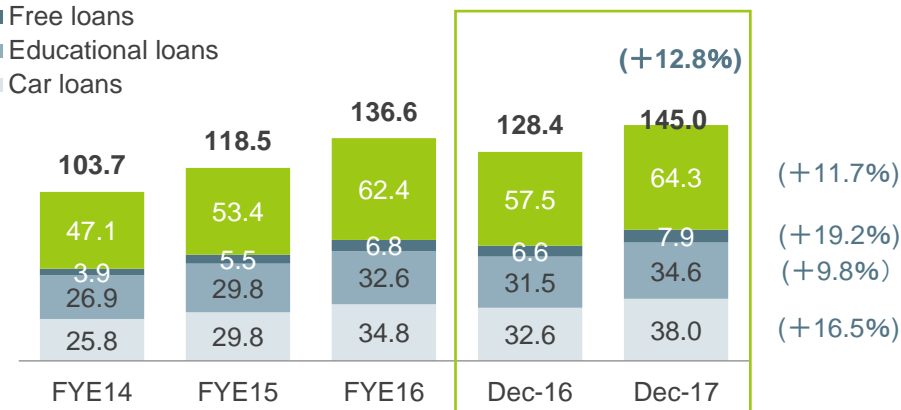
- Apartment loans
- Housing loans

* Apartment loans include those to corporate customers



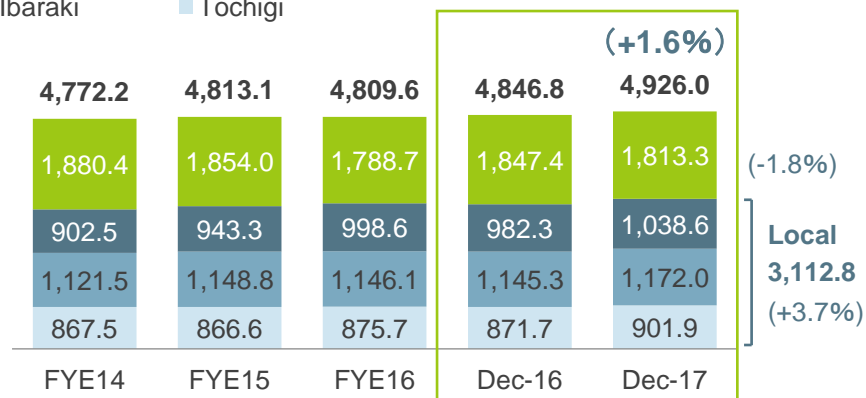
Unsecured Loans (¥bn)

- Card loans
- Free loans
- Educational loans
- Car loans



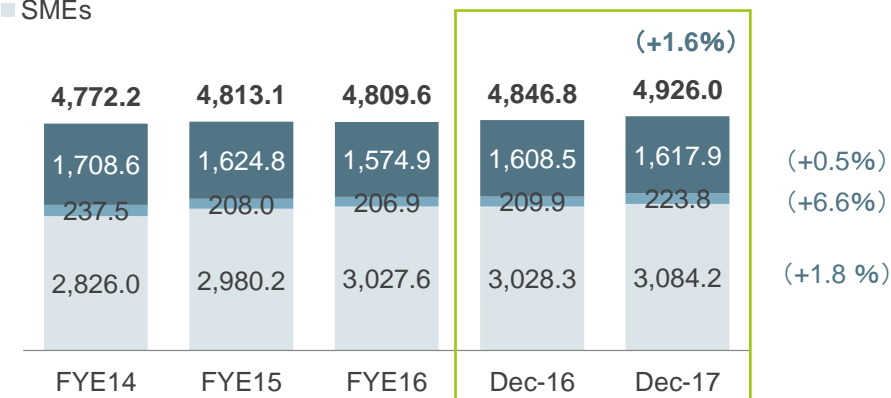
Corporate Loans (by Area) (¥bn)

- Tokyo
- Neighboring Prefectures
- Ibaraki
- Tochigi



Corporate Loans (by Company Size) (¥bn)

- Large
- Midium
- SMEs



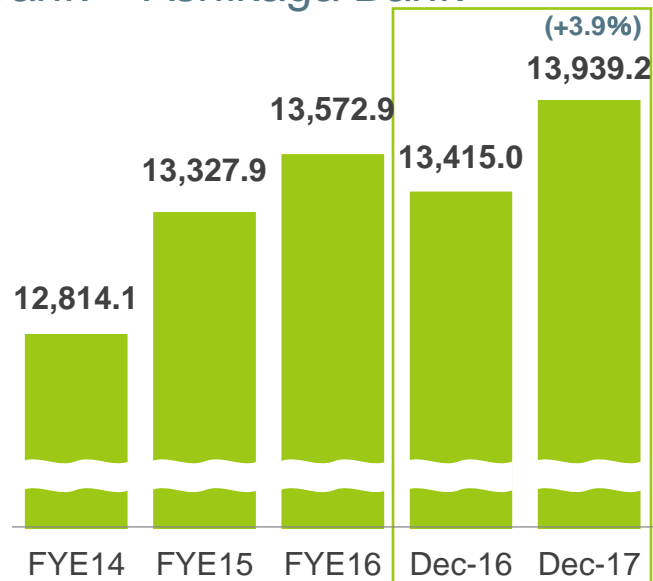
Deposits

*Figures in parentheses are changes on a year on year basis

Deposits of individual and corporate customers have been on the increase.
(Individual customers : +3.6%, Corporate customers : +4.1%)

Joyo Bank + Ashikaga Bank

(¥bn)



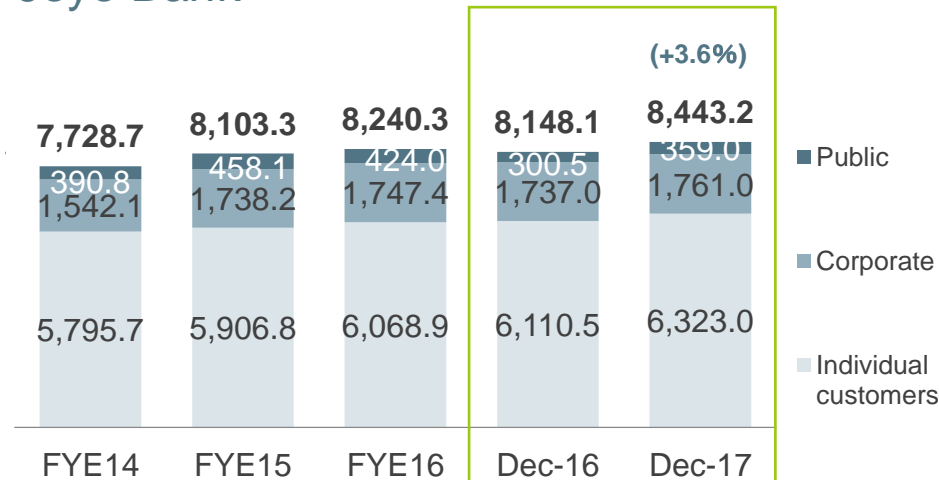
	FYE14	FYE15	FYE16	Dec-16	Dec-17	Change (%)
Individual	9,344.2	9,502.6	9,762.1	9,829.0	10,187.4	(+3.6%)
Corporate	2,741.9	3,020.8	3,062.8	3,051.6	3,177.6	(+4.1%)
Public	727.8	804.4	748.0	534.4	574.2	(+7.4%)

*1 "Corporate" includes financial institutions.

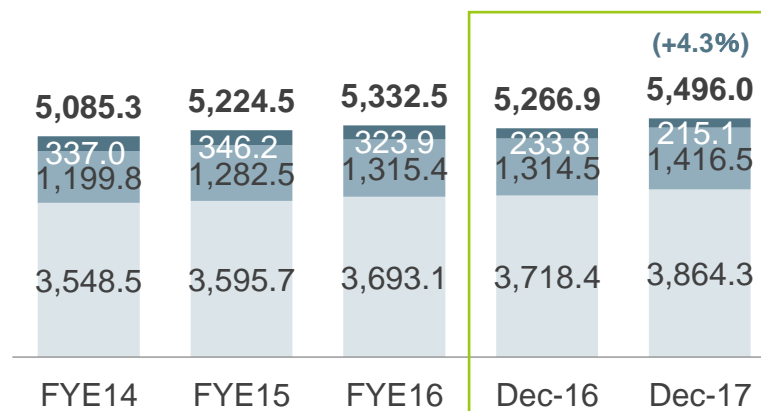
*2 Foreign currency deposits include foreign currency deposits hedged by forward exchange contracts, offshore deposits, and so forth.

Foreign Currency Deposit					
Joyo	54.6	111.4	140.7	180.2	209.5
Ashikaga	16.4	16.3	24.8	18.2	62.5
Total	71.1	127.7	165.6	198.5	272.1

Joyo Bank



Ashikaga Bank

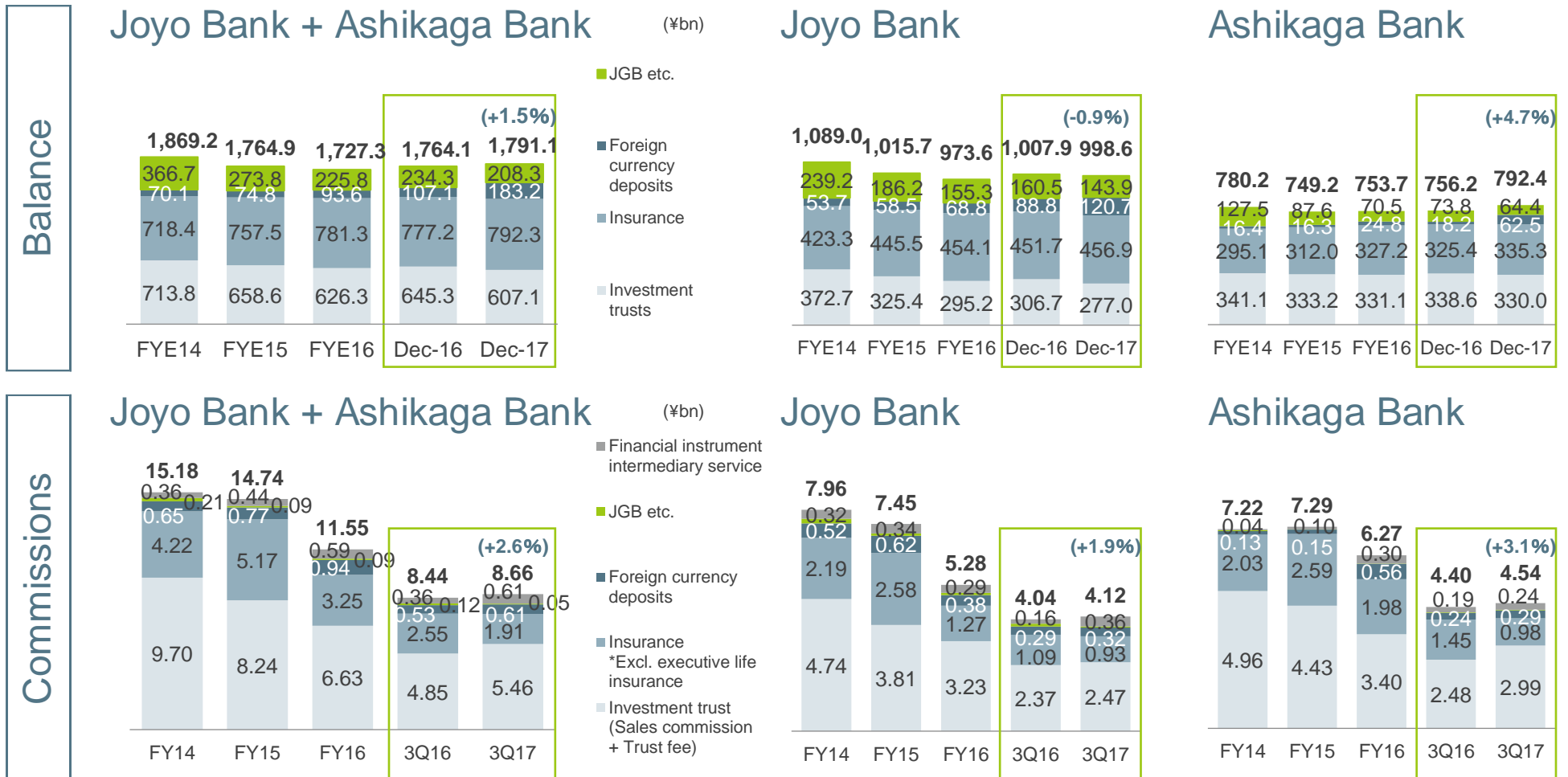


Customer Assets under Custody

*Figures in parentheses are changes on a year on year basis

The amount rose 1.5% YoY due to foreign currency deposits.

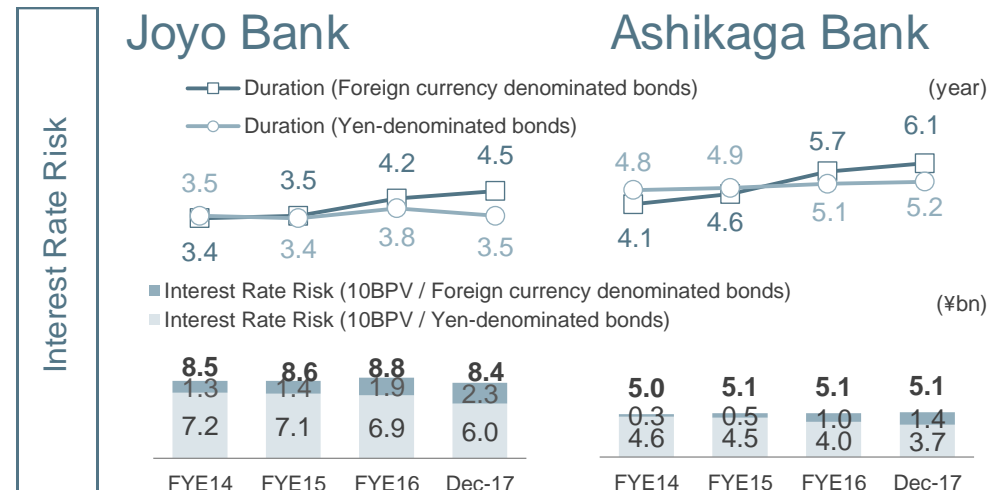
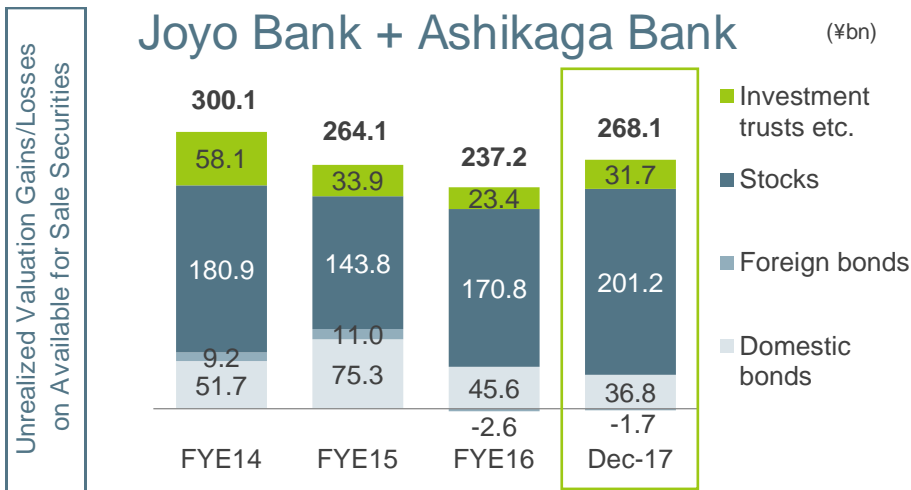
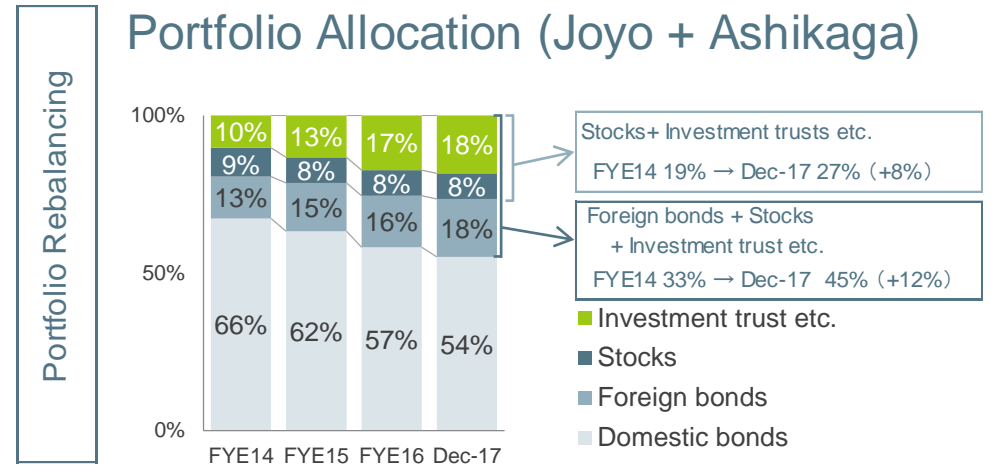
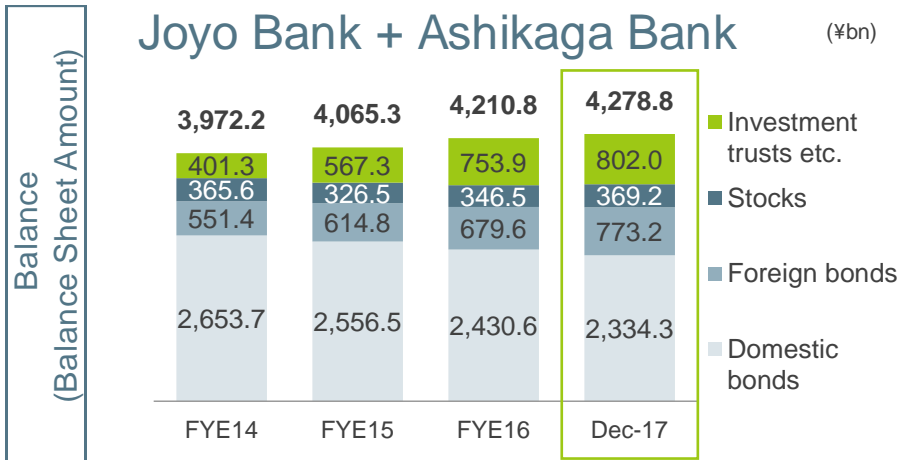
Commissions increased 2.6% YoY mainly due to sales of investment trusts.



Securities

Considering the interest rate of the Japanese yen, reinvestment of redemption payments of JGBs was suspended (The amount of domestic bonds held decreased by ¥96.2 bn from the end of FY16).

Focused on managing risks and rebalanced portfolio by purchasing investment trusts and foreign bonds.



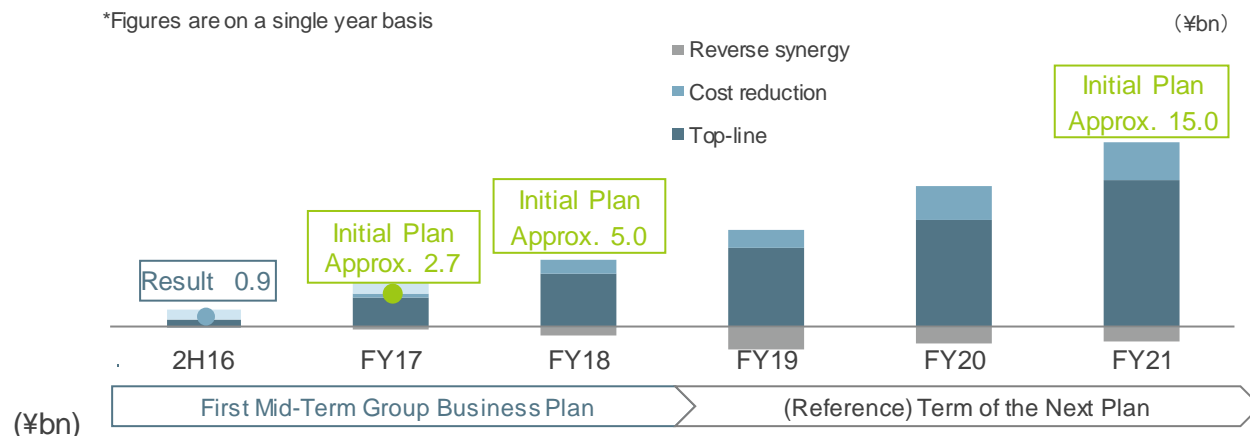
Status of Integration Synergy

Synergy effect for 3Q17 is ¥3.1bn representing progress of 115% towards FY17 forecast of ¥2.7bn. Integration measures are progressing steadily to achieve synergy effect target for after FY18.

Synergy Effects on the Statement of Income *before Tax

	Amount
FY17 Forecast	+ ¥2.7bn
3Q17 Result	+ ¥3.1bn (Progress 115%)

FY17 (3Q Results/ Forecast)



Items	Full-year Forecast	3Q Result	Progress	Details
Loans				• Sales promotion based on wide area network → Co-financing, Syndicate loans, Customer referral, and Lending to growth industries (Medical and nursing care) • Utilization of Mebuki Lease • Share know-how for non-face-to-face sales (Unsecured loans)
Corporate services	1.03	0.95	92.7%	• Joint development of online application housing loans, Joint sales of housing loans for women
Financial assets under custody	0.85	0.65	76.0%	• Share sales promotion know-how • Utilization of Mebuki Securities
Securities	0.70	0.49	71.3%	• Investment in new areas and diversification of funding method based on both banking subsidiaries' investment experience • Joint investment • Enhancement of investment and controlling method through sharing of analysis method (Monitoring, etc.)
Others (Channel / international)	0.25	0.87	341.8%	• New branch openings • Enhance staff in important regions • Promote cross-border loans • Utilize Joyo's know-how of dual currency deposit service (Ashikaga) • Foreign currency deposit campaigns
Cost reductions	0.30	0.59	198.9%	• Joint cost reduction and cost effectiveness evaluation • Strengthen price negotiation power through information sharing • Share know-how to improve branch operation efficiency • Integrate operation center in Tokyo • Joint issuance of bills/check paper and bank cards
Cost Increases / Reverse synergy	-0.37	-0.38	-	• Lower transfer fee between both banks to the inter-branch rate • System migration expenses
Total	2.77	3.19	115.2%	

Forecast for FY17

Earnings forecast for FY17 has been revised upward since net interest income and net gain related to securities are expected to surpass the initial forecast and expenses are expected to decrease.

Consolidated Ordinary Profit ¥62.5 bn (+¥4.0 bn vs Previous Forecast of ¥58.5 bn)

Consolidated Net Income * ¥42.5 bn (+¥2.5 bn vs Previous Forecast of ¥40.0 bn)

*Attributable to owners of the parent

Mebuki FG (Consolidated)

	3Q17		FY17 (Full-year)		
	3Q17	Progress	Revised Forecast	Previous Forecast	Chg.
Ordinary Profit	57.1	91.5%	62.5	58.5	+4.0
Net Income *	38.8	91.4%	42.5	40.0	+2.5

*Attributable to owners of the parent

FY17 Forecast

	Revised Forecast	Prev. Forecast
ROE	Approx. 4.8%	4.6%
OHR	Approx. 63%	63.8%

Joyo + Ashikaga + Non-banking Subsidiaries (¥bn)

	3Q17		FY17 (Full-year)		
	3Q17	Progress	Revised Forecast	Previous Forecast	Chg.
Net Income	45.8	89.9%	51.0	48.0	+3.0

Joyo + Ashikaga (Non-consolidated)

	3Q17		FY17 (Full-year)		
	3Q17	Progress	Revised Forecast	Previous Forecast	Chg.
Ordinary Profit	61.9	90.4%	68.5	64.0	+4.5
Net Income	42.6	90.6%	47.0	44.0	+3.0

Joyo Bank (Non-Consolidated)

	3Q17		FY17 (Full-year)		
	3Q17	Progress	Revised Forecast	Previous Forecast	Chg.
Ordinary Profit	34.2	92.5%	37.0	33.5	+3.5
Net Income	23.5	92.4%	25.5	23.0	+2.5

Ashikaga Bank (Non-consolidated)

	3Q17		FY17 (Full-year)		
	3Q17	Progress	Revised Forecast	Previous Forecast	Chg.
Ordinary Profit	27.7	87.9%	31.5	30.5	+1.0
Net Income	19.0	88.5%	21.5	21.0	+0.5

Inquiries

Mebuki Financial Group, Inc. Corporate Planning Department

TEL +81-29-300-2869 | +81-29-300-2603

E-mail ir@mebuki-fg.co.jp

URL <http://www.mebuki-fg.co.jp/>

This document has been prepared for information purposes only and does not form part of a solicitation to sell or purchase any securities. ● Information contained herein may be changed or revised without prior notice. ● This document may contain forward-looking statements as to future results of operations. No forward-looking statement can be guaranteed and actual results of operations may differ from those projected.