

## Mebuki Financial Group, Inc.

Financial Results for Fiscal Year 2017, ended March 31, 2018

Stock Exchange Listing:	Tokyo (code: 7167)
URL:	<a href="http://www.mebuki-fg.co.jp/">http://www.mebuki-fg.co.jp/</a>
Representative:	Kazuyoshi Terakado, President
For Inquiry:	Tetsuya Akino, General Manager of Corporate Planning Dept.
Date of General Meeting of Shareholders:	June 27, 2018 (scheduled)
Payment date of cash dividends:	June 4, 2018 (scheduled)
Filing date of Financial Statements:	June 28, 2018 (scheduled)
IR Conference:	Scheduled (for investors)

(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 March 31, 2018)**

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

Fiscal year	Ordinary Income		Ordinary Profit		Net Income attributable to owners of the parent	
	¥Million	%	¥Million	%	¥Million	%
Ended March 31, 2018	262,373	23.0	63,521	21.5	43,069	(72.8)
Ended March 31, 2017	213,284	—	52,255	—	158,455	—

(Note) Comprehensive Income FY2017: ¥39,114 million [-75.4%] FY2016: ¥159,609million [(-)%]

Fiscal year	Net Income per Share	Net Income per Share (Diluted)	Return on Capital Assets	Ordinary Profit on Total Assets	Ordinary Profit on Ordinary Income
Ended March 31, 2018	¥36.56	¥36.54	4.9%	0.3%	24.2%
Ended March 31, 2017	¥156.78	¥156.72	21.8%	0.4%	24.5%

(Reference) Equity in earnings (losses) of affiliates FY2017: ¥ — million FY2016: ¥ — million

(Note) 1. Net income attributable to owners of the parent and comprehensive income of fiscal year ended March 31, 2017 include gain on negative goodwill of ¥119,219 million.

2. Since there is no continuity from financial results for fiscal year 2016 to those for fiscal year 2017 due to the business integration on October 1, 2016, changes from the corresponding period of fiscal year 2016 are not shown.

## (2) Consolidated Financial Conditions

Fiscal year	Total Assets	Net Assets	Capital Assets to Total Assets	Net Assets per Share
Ended March 31, 2018	¥16,769,883	¥888,139	5.2%	¥753.83
Ended March 31, 2017	¥16,124,452	¥863,086	5.3%	¥732.66

(Reference) Capital assets FY2017: ¥887,923 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.

## (3) Consolidated Cash Flows

Fiscal year	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at year-end
Ended March 31, 2018	¥412,215	¥(72,659)	¥(14,085)	¥1,693,567
Ended March 31, 2017	¥499,210	¥(124,710)	¥(21,693)	¥1,369,893

**2. Cash Dividends for Shareholders**

Fiscal year	Cash Dividends per Share					Total Dividends (Annual)	Dividend Payout Ratio (Consolidated)	Ratio of Dividends to Net Assets (Consolidated)
	End of 1Q	End of 2Q	End of 3Q	End of FY	Annual			
Ended March 31, 2017	—	¥5.50	—	¥6.50	¥12.00	¥9,488	7.6%	1.4%
Ended March 31, 2018	—	¥5.50	—	¥5.50	¥11.00	¥12,956	30.0%	1.4%
Ending March 31, 2019(Forecast)	—	¥5.50	—	¥5.50	¥11.00		28.6%	

(Note) 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 2018, ending March 31, 2019**

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

Six months ending September 30, 2018	Ordinary Profit		Net Income Attributable to Owners of the Parent		Net Income per Share
	¥Million	%	¥Million	%	¥
Fiscal year ending March 31, 2019	37,000	(0.9)	25,000	0.2	21.27
	65,000	2.3	45,000	4.4	38.33

\*Notes

(1) Material changes in consolidated subsidiaries during the period (changes in specific subsidiaries accompanied by changes in scope of consolidation): No

(2) 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

(3) Number of issued shares (common stock)

① Number of issued shares (including treasury stock):

March 31, 2018	1,179,055,218 shares	March 31, 2017	1,179,055,218 shares
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② Number of treasury stock:

March 31, 2018	1,183,162 shares	March 31, 2017	1,303,564 shares
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③ Average number of shares:

FY2017	1,177,843,606 shares	FY2016	1,010,667,873 shares
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(Note) Average number of shares for FY 2016 is calculated by multiplying the average number of shares of Joyo by share exchange ratio for the first six months, and that of Mebuki for the second six months.

Statement relating to the status of audit procedures

This report is not subject to audit 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 fiscal year 2016 (from April 1, 2016 to March 31, 2017) 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 March 31, 2017.

# Financial Results for the Fiscal Year 2017, Ended March 31, 2018

## Contents

I Consolidated Financial Information for Fiscal Year 2017	
1. Consolidated Balance Sheet	1
2. Consolidated Statement of Income and Consolidated Statement of Comprehensive Income	3
3. Consolidated Statement of Shareholders' Equity	5
4. Consolidated Statement of Cash Flows	7
5. Note for Assumptions of Going Concern	8
II 【Reference】Non-consolidated Financial Information of the main consolidated subsidiaries	
1. Non-consolidated Financial Information of The Joyo Bank, Ltd.	9
2. Non-consolidated Financial Information of The Ashikaga Bank, Ltd.	15
III Financial Data for the Fiscal Year 2017 ended March 31, 2018	
1. Income Status	20
2. Net Business Income	24
3. Interest Rate Spread	24
4. Return on Equity	25
5. Gains and Losses on Securities	25
6. Valuation Gains (Losses) on Securities	26
7. Capital Adequacy Ratio (Domestic standard)	27
IV Status of Loans	
1. Risk-monitored Loans	28
2. Allowance for Loan Losses	29
3. Ratio to Reserve for Total Risk-monitored Loans	29
4. Disclosed Claims under the Financial Revitalization Law	30
5. Status of Coverage on Disclosed Claims under the Financial Revitalization Law	31
6. Comparison between Self-assessment, Disclosed Claims under the Financial Revitalization Law and Risk-monitored Loans	32
7. Loan Portfolio, etc	34
8. Outstanding Balance of Deposits and Loans 【Non-consolidated】	37

# I Consolidated Financial Information for Fiscal Year 2017

## 1. Consolidated Balance Sheet

(Millions of yen)

Item	(Japanese)	As of Mar. 31, 2017	As of Mar. 31, 2018
<b>Assets</b>	<b>(資産の部)</b>		
Cash and due from banks	現金預け金	1,393,762	1,708,734
Call loans and bills bought	コールローン及び買入手形	5,160	14,636
Monetary claims bought	買入金銭債権	15,952	15,388
Trading assets	特定取引資産	7,226	12,539
Securities	有価証券	4,190,681	4,176,768
Loans and bills discounted	貸出金	10,244,730	10,497,976
Foreign exchanges	外国為替	7,222	6,416
Lease receivable and investments in lease	リース債権及びリース投資資産	48,366	56,620
Other assets	その他の資産	120,249	187,737
Tangible fixed assets	有形固定資産	117,732	115,146
Buildings, net	建物	41,423	40,556
Land	土地	63,107	60,949
Leased assets, net	リース資産	26	20
Construction in progress	建設仮勘定	652	1,202
Other tangible fixed assets	その他の有形固定資産	12,522	12,416
Intangible fixed assets	無形固定資産	12,414	14,801
Software	ソフトウェア	8,254	10,498
Other intangible fixed assets	その他の無形固定資産	4,160	4,303
Asset for retirement benefits	退職給付に係る資産	12,275	15,428
Deferred tax assets	繰延税金資産	1,609	2,119
Customers' liabilities for acceptances and guarantees	支払承諾見返	25,916	24,902
Allowance for loan losses	貸倒引当金	(78,840)	(79,324)
Reserve for devaluation of investment securities	投資損失引当金	(9)	(9)
<b>Total Assets</b>	<b>資産の部合計</b>	<b>16,124,452</b>	<b>16,769,883</b>
<b>Liabilities</b>	<b>(負債の部)</b>		
Deposits	預金	13,507,047	13,977,912
Negotiable certificates of deposit	譲渡性預金	284,705	272,640
Call money and bills sold	コールマネー及び売渡手形	303,312	340,540
Payables under repurchase agreements	売現先勘定	—	26,314
Payables under securities lending transactions	債券貸借取引受入担保金	167,640	158,149
Trading liabilities	特定取引負債	511	504
Borrowed money	借入金	735,593	877,856
Foreign Exchanges	外国為替	757	708
Bonds	社債	5,000	5,000
Bonds with warrant attached	新株予約権付社債	33,657	31,881
Due to trust account	信託勘定借	13	11
Other liabilities	その他の負債	140,446	114,060
Provision for directors' bonuses	役員賞与引当金	111	129
Liability for retirement benefits	退職給付に係る負債	8,896	6,014
Provision for directors' retirement benefits	役員退職慰労引当金	51	63
Provision for reimbursement of deposits	睡眠預金払戻損失引当金	3,480	3,781
Provision for contingent loss	偶発損失引当金	1,548	1,603
Provision for point card certificates	ポイント引当金	294	294
Provision for loss on interest repayment	利息返還損失引当金	12	13
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	28,789
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	9,454	9,226
Negative goodwill	負ののれん	1,501	1,343
Acceptances and guarantees	支払承諾	25,916	24,902
<b>Total liabilities</b>	<b>負債の部合計</b>	<b>15,261,366</b>	<b>15,881,743</b>

(Millions of yen)

Item	(Japanese)	As of Mar. 31, 2017	As of Mar. 31, 2018
<b>Net Assets</b>	<b>(純資産の部)</b>		
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	489,697
Treasury stock	自 己 株 式	(6)	(8)
<b>Total shareholders' equity</b>	<b>株 主 資 本 合 計</b>	<b>727,610</b>	<b>755,725</b>
Unrealized gains on available-for-sale securities	そ の 他 有 価 証 券 評 価 差 額 金	128,545	120,727
Deferred gains (losses) on hedges	繰 延 ヘ ッ ジ 損 益	(674)	(56)
Land revaluation surplus	土 地 再 評 価 差 額 金	12,844	14,182
Defined retirement benefit plans	退 職 給 付 に 係 る 調 整 累 計 額	(5,433)	(2,656)
<b>Total accumulated other comprehensive income</b>	<b>そ の 他 の 包 括 利 益 累 計 額 合 計</b>	<b>135,282</b>	<b>132,197</b>
Equity warrants	新 株 予 約 権	193	216
<b>Total net assets</b>	<b>純 資 産 の 部 合 計</b>	<b>863,086</b>	<b>888,139</b>
<b>Total liabilities and net assets</b>	<b>負 債 及 び 純 資 産 の 部 合 計</b>	<b>16,124,452</b>	<b>16,769,883</b>

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

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

### (1) Consolidated Statement of Income

(Millions of yen)

Item	(Japanese)	FY 2016(ended March 31, 2017)	FY 2017(ended March 31, 2018)
<b>Ordinary income</b>	<b>経常収益</b>	<b>213,284</b>	<b>262,373</b>
Interest income	資金運用収益	125,501	160,508
Interest on loans and discounts	貸出金利	89,325	113,739
Interest and dividends on securities	有価証券利息配当金	35,186	45,584
Interest on call loans and bills bought	コールローン利息及び買入手形利息	66	108
Interest on deposits with banks	預け金利	502	652
Other interest income	その他の受入利息	419	423
Trust fees	信託報酬	22	42
Fees and commissions	役務取引等収益	36,245	50,717
Trading income	特定取引収益	2,241	3,669
Other ordinary income	その他業務収益	12,964	4,768
Other income	その他経常収益	36,309	42,666
Recoveries of written off claims	償却債権取立	2,688	2,088
Gains on sales of stocks and other securities	株式等売却	9,902	13,078
Others	その他の経常収益	23,718	27,498
<b>Ordinary expenses</b>	<b>経常費用</b>	<b>161,029</b>	<b>198,851</b>
Interest expenses	資金調達費用	10,287	14,155
Interest on deposits	預金利息	2,572	3,668
Interest on negotiable certificates of deposit	譲渡性預金利息	48	91
Interest on call money and bills sold	コールマネー利息及び売渡手形利息	595	589
Interest on payables under repurchase agreements	売現先利息	—	246
Interest on payables under securities lending transactions	債券貸借取引支払利息	1,198	2,395
Interest on borrowed money	借入金利息	1,101	2,103
Interest on bonds	社債利息	233	132
Other interest expenses	その他の支払利息	4,537	4,926
Fees and commissions payments	役務取引等費用	10,036	13,740
Other business expenses	その他業務費用	7,017	8,411
General and administrative expenses	営業経費	98,088	120,427
Other operating expenses	その他経常費用	35,599	42,117
Provision of allowance for loan losses	貸倒引当金繰入額	6,277	6,903
Other	その他の経常費用	29,321	35,213
<b>Ordinary profit</b>	<b>経常利益</b>	<b>52,255</b>	<b>63,521</b>
<b>Extraordinary income</b>	<b>特別利益</b>	<b>119,225</b>	<b>942</b>
Gain on dispositions of fixed assets	固定資産処分	6	942
Gain on negative goodwill	負のれん発生	119,219	—
<b>Extraordinary losses</b>	<b>特別損失</b>	<b>2,085</b>	<b>2,125</b>
Loss on disposal of non-current assets	固定資産処分	438	312
Impairment loss	減損	1,463	1,813
Loss on step acquisitions	段階取得に係る差損	184	—
<b>Income before income taxes</b>	<b>税金等調整前当期純利益</b>	<b>169,395</b>	<b>62,338</b>
Income taxes-current	法人税、住民税及び事業税	16,880	20,182
Income taxes-deferred	法人税等調整額	(5,968)	(913)
<b>Total income taxes</b>	<b>法人税等合計</b>	<b>10,911</b>	<b>19,269</b>
<b>Net income</b>	<b>当期純利益</b>	<b>158,483</b>	<b>43,069</b>
Net income attributable to non-controlling interests	非支配株主に帰属する当期純利益	28	—
Net income attributable to owners of the parent	親会社株主に帰属する当期純利益	158,455	43,069

## (2) Consolidated Statement of Comprehensive Income

(Millions of yen)

Item	(Japanese)	FY 2016(ended March 31, 2017)	FY 2017(ended March 31, 2018)
<b>Net income</b>	<b>当 期 純 利 益</b>	<b>158,483</b>	<b>43,069</b>
<b>Other comprehensive income</b>	<b>そ の 他 の 包 括 利 益</b>	<b>1,125</b>	<b>(3,954)</b>
Unrealized gains on available-for-sale securities	そ の 他 有 価 証 券 評 価 差 額 金	(6,507)	(7,817)
Deferred gains (losses) on hedges	繰 延 ヘ ッ ジ 損 益	2,399	617
Land revaluation surplus	土 地 再 評 価 差 額 金	—	468
Defined retirement benefit plans	退 職 給 付 に 係 る 調 整 額	5,233	2,777
<b>Comprehensive income</b>	<b>包 括 利 益</b>	<b>159,609</b>	<b>39,114</b>
	(内訳)		
Comprehensive income attributable to owners of the parent	親 会 社 株 主 に 係 る 包 括 利 益	159,581	39,114
Comprehensive income attributable to non-controlling interests	非 支 配 株 主 に 係 る 包 括 利 益	27	—

### 3. Consolidated Statement of Shareholders' Equity

FY 2016(ended March 31, 2017)

(Millions of yen)

		Shareholders' equity				
		Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
		株主資本				
		資本金	資本剰余金	利益剰余金	自己株式	株主資本合計
Balance at the beginning of the period	当 期 首 残 高	85,113	58,574	333,964	(21,569)	456,082
Changes of items during the period	当 期 変 動 額					
Changes due to share exchange	株 式 交 換 に よ る 増 加	32,382	90,616			122,998
Cash dividends	剰 余 金 の 配 当		(1,832)	(9,397)		(11,230)
Net income attributable to owners of the parent	親 会 社 株 主 に 帰 属 す る 当 期 純 利 益			158,455		158,455
Purchase of treasury stock	自 己 株 式 の 取 得				(11)	(11)
Disposal of treasury stock	自 己 株 式 の 処 分		1	(0)	25	25
Retirement of treasury stock	自 己 株 式 の 消 却			(21,548)	21,548	—
Changes due to acquiring equity of consolidated subsidiaries	連 結 子 会 社 株 式 の 取 得 に よ る 持 分 の 増 減		1,131			1,131
Transfer from land revaluation excess	土 地 再 評 価 差 額 金 の 取 崩			158		158
Net changes except for shareholders' equity during the period	株 主 資 本 以 外 の 項 目 の 当 期 変 動 額 ( 純 額 )					
Total changes of items during the period	当 期 変 動 額 計	32,382	89,916	127,666	21,562	271,528
Balance at the end of the period	当 期 末 残 高	117,495	148,490	461,631	(6)	727,610

		Accumulated other comprehensive income					Equity warrants	Non-controlling interests	Total net assets
		Unrealized gains on available-for-sale securities	Deferred gains ( losses ) on hedges	Land revaluation excess, net of taxes	Defined retirement benefit plans	Total accumulated other comprehensive income			
		その他の包括利益累計額							
		その他有価証券評価差額金	繰延ヘッジ損益	土地再評価差額金	退職給付に係る調整累計額	その他の包括利益累計額合計	新株予約権	非支配株主持分	純資産合計
Balance at the beginning of the period	当 期 首 残 高	135,031	(3,073)	13,002	(10,667)	134,293	132	1,562	592,070
Changes of items during the period	当 期 変 動 額								
Changes due to share exchange	株 式 交 換 に よ る 増 加								122,998
Cash dividends	剰 余 金 の 配 当								(11,230)
Net income attributable to owners of the parent	親 会 社 株 主 に 帰 属 す る 当 期 純 利 益								158,455
Purchase of treasury stock	自 己 株 式 の 取 得								(11)
Disposal of treasury stock	自 己 株 式 の 処 分								25
Retirement of treasury stock	自 己 株 式 の 消 却								
Changes due to acquiring equity of consolidated subsidiaries	連 結 子 会 社 株 式 の 取 得 に よ る 持 分 の 増 減								1,131
Transfer from land revaluation excess	土 地 再 評 価 差 額 金 の 取 崩								158
Net changes except for shareholders' equity during the period	株 主 資 本 以 外 の 項 目 の 当 期 変 動 額 ( 純 額 )	(6,485)	2,399	(158)	5,233	988	61	(1,562)	(512)
Total changes of items during the period	当 期 変 動 額 計	(6,485)	2,399	(158)	5,233	988	61	(1,562)	271,016
Balance at the end of the period	当 期 末 残 高	128,545	(674)	12,844	(5,433)	135,282	193	—	863,086



		Shareholders' equity				
		Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
		株主資本				
		資本金	資本剰余金	利益剰余金	自己株式	株主資本合計
Balance at the beginning of the period	当 期 首 残 高	117,495	148,490	461,631	(6)	727,610
Changes of items during the period	当 期 変 動 額					
Cash dividends	剰 余 金 の 配 当			(14,133)		(14,133)
Net income attributable to owners of the parent	親会社株主に帰属する当期純利益			43,069		43,069
Purchase of treasury stock	自 己 株 式 の 取 得				(2)	(2)
Disposal of treasury stock	自 己 株 式 の 処 分		50		0	51
Transfer from land revaluation excess	土地再評価差額金の取崩			(869)		(869)
Net changes except for shareholders' equity during the period	株主資本以外の項目の当期変動額（純額）					
Total changes of items during the period	当 期 変 動 額 計	—	50	28,065	(1)	28,114
Balance at the end of the period	当 期 末 残 高	117,495	148,541	489,697	(8)	755,725

		Accumulated other comprehensive income					Equity warrants	Total net assets
		Unrealized gains on available-for-sale securities	Deferred gains ( losses ) on hedges	Land revaluation excess, net of taxes	Defined retirement benefit plans	Total accumulated other comprehensive income		
		その他の包括利益累計額					新株予約権	純資産合計
		その他有価証券評価差額金	繰延ヘッジ損益	土地再評価差額金	退職給付に係る調整累計額	その他の包括利益累計額合計		
Balance at the beginning of the period	当 期 首 残 高	128,545	(674)	12,844	(5,433)	135,282	193	863,086
Changes of items during the period	当 期 変 動 額							
Cash dividends	剰 余 金 の 配 当							(14,133)
Net income attributable to owners of the parent	親会社株主に帰属する当期純利益							43,069
Purchase of treasury stock	自 己 株 式 の 取 得							(2)
Disposal of treasury stock	自 己 株 式 の 処 分							51
Transfer from land revaluation excess	土地再評価差額金の取崩							(869)
Net changes except for shareholders' equity during the period	株主資本以外の項目の当期変動額（純額）	(7,817)	617	1,338	2,777	(3,084)	23	(3,061)
Total changes of items during the period	当 期 変 動 額 計	(7,817)	617	1,338	2,777	(3,084)	23	25,053
Balance at the end of the period	当 期 末 残 高	120,727	(56)	14,182	(2,656)	132,197	216	888,139

#### 4. Consolidated Statement of Cash Flows

(Millions of yen)

Item	(Japanese)	FY 2016(ended March 31, 2017)	FY 2017(ended March 31, 2018)
<b>Cash flows from operating activities</b>	<b>営業活動によるキャッシュ・フロー</b>		
Income before income taxes	税金等調整前当期純利益	169,395	62,338
Depreciation and amortization	減価償却費	7,327	8,654
Impairment loss	減損損失	1,463	1,813
Gain on negative goodwill	負のれん発生益	(119,219)	—
Loss on step acquisitions	段階取得に係る差損益(△は益)	184	—
Amortization of negative goodwill	負のれん償却額	(158)	(158)
Increase (decrease) in allowance for loan losses	貸倒引当金の増減(△)	(400)	484
Increase (decrease) in provision for directors' bonuses	役員賞与引当金の増減額(△は減少)	44	18
Decrease (increase) in asset for retirement benefits	退職給付に係る資産の増減額(△は増加)	(1,323)	(3,561)
Increase (decrease) in liabilities for retirement benefits	退職給付に係る負債の増減額(△は減少)	8,764	(1,359)
Increase (decrease) in provision for directors' retirement benefits	役員退職慰労引当金の増減額(△は減少)	13	11
Increase (decrease) in provision for reimbursement of deposits	睡眠預金払戻損失引当金の増減額(△は減少)	317	301
Increase (decrease) in provision for contingent loss	偶発損失引当金の増減(△)	(18)	54
Increase (decrease) in provision for point card certificates	ポイント引当金の増減額(△は減少)	38	(0)
Increase (decrease) in provision for interest repayment	利息返還損失引当金の増減額(△は減少)	(2)	0
Gain on fund management	資金運用収益	(131,337)	(160,508)
Financing expenses	資金調達費用	10,305	14,155
Loss (gain) related to securities	有価証券関係損益(△)	(4,941)	11,236
Foreign exchange losses (gains)	為替差損益(△は益)	(12,902)	11,488
Loss (gain) on disposal of non-current assets	固定資産処分損益(△は益)	431	(630)
Net decrease (increase) in Trading assets	特定取引資産の純増(△)減	1,225	(5,313)
Net increase (decrease) in Trading liabilities	特定取引負債の純増減(△)	(383)	(6)
Net decrease (increase) in loans and bills discounted	貸出金の純増(△)減	(153,758)	(253,246)
Net increase (decrease) in deposit	預金の純増減(△)	270,177	470,864
Net increase (decrease) in negotiable certificates of deposit	譲渡性預金の純増減(△)	37,290	(12,064)
Net increase (decrease) in borrowed money (excluding subordinated borrowings)	借入金(劣後特約付借入金を除く)の純増減(△)	272,353	142,262
Net decrease (increase) in deposit (excluding cash and cash equivalents)	預け金(現金同等物を除く)の純増(△)減	57,258	8,693
Net decrease (increase) in call loans	コールローン等の純増(△)減	(1,499)	(8,911)
Net increase (decrease) in call money	コールマネー等の純増減(△)	35,956	37,228
Net increase (decrease) in payables under securities lending transactions	債券貸借取引受入担保金の純増減(△)	15,881	(9,490)
Net decrease (increase) in foreign exchanges - assets	外国為替(資産)の純増(△)減	1,256	806
Net increase (decrease) in foreign exchanges - liabilities	外国為替(負債)の純増減(△)	(409)	(48)
Net decrease (increase) in lease receivable and investments in lease	リース債権及びリース投資資産の純増(△)減	(5,135)	(8,254)
Net increase (decrease) in due to trust account	信託勘定借の純増減(△)	(0)	(1)
Proceeds from fund management	資金運用による収入	129,285	160,454
Payments for finance	資金調達による支出	(8,791)	(13,823)
Other, net	その他	(62,863)	(18,880)
<b>Subtotal</b>	<b>小計</b>	<b>515,824</b>	<b>434,608</b>
<b>Income taxes paid</b>	<b>法人税等の支払額</b>	<b>(16,614)</b>	<b>(22,393)</b>
<b>Net cash provided by (used in) operating activities</b>	<b>営業活動によるキャッシュ・フロー</b>	<b>499,210</b>	<b>412,215</b>

(Millions of yen)

Item	(Japanese)	FY 2016(ended March 31, 2017)	FY 2017(ended March 31, 2018)
<b>Cash flows from investing activities</b>	<b>投資活動によるキャッシュ・フロー</b>		
Purchase of securities	有価証券の取得による支出	(1,405,130)	(1,352,901)
Proceeds from sales of securities	有価証券の売却による収入	1,017,603	897,937
Proceeds from redemption of securities	有価証券の償還による収入	271,065	391,620
Purchases of tangible fixed assets	有形固定資産の取得による支出	(4,973)	(5,337)
Proceeds from sales of tangible fixed assets	有形固定資産の売却による収入	167	2,117
Purchases of intangible fixed assets	無形固定資産の取得による支出	(3,348)	(6,101)
Other, net	その他の	(94)	6
<b>Net cash provided by (used in) investing activities</b>	<b>投資活動によるキャッシュ・フロー</b>	<b>(124,710)</b>	<b>(72,659)</b>
<b>Cash flows from financing activities</b>	<b>財務活動によるキャッシュ・フロー</b>		
Redemption of subordinated bonds	劣後特約付社債の償還による支出	(10,000)	—
Purchases of treasury stocks	自己株式の取得による支出	(11)	(2)
Proceed from sales of treasury stocks	自己株式の売却による収入	3	50
Cash dividends paid	配当金の支払額	(11,230)	(14,133)
Dividends paid to non-controlling shareholders	非支配株主への配当金の支払額	(1)	—
Purchases of stocks of subsidiaries not resulting in change in scope of consolidation	連結の範囲の変更を伴わない子会社株式の取得による支出	(453)	—
<b>Net cash provided by (used in) financing activities</b>	<b>財務活動によるキャッシュ・フロー</b>	<b>(21,693)</b>	<b>(14,085)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>現金及び現金同等物に係る換算差額</b>	<b>29</b>	<b>(1,796)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>現金及び現金同等物の増減額(△は減少)</b>	<b>352,836</b>	<b>323,673</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>現金及び現金同等物の期首残高</b>	<b>396,713</b>	<b>1,369,893</b>
<b>Increase in cash and cash equivalents resulting from share exchange</b>	<b>株式交換による現金及び現金同等物の増加額</b>	<b>620,343</b>	<b>—</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>現金及び現金同等物の期末残高</b>	<b>1,369,893</b>	<b>1,693,567</b>

## 5. Note for Assumptions of Going Concern

Not applicable.

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

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

#### (1) Financial Highlights (from April 1, 2017 to March 31, 2018)

##### ① Non-consolidated Operating Results

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

Fiscal year	Ordinary Income		Ordinary Profit		Net Income	
	¥Million	%	¥Million	%	¥Million	%
Ended March 31, 2018	138,201	(2.0)	36,939	3.5	25,513	4.3
Ended March 31, 2017	141,053	1.6	35,663	(16.5)	24,454	(11.9)

##### ② Non-consolidated Financial Conditions

Fiscal year	Total Assets	Net Assets	Capital Assets to Total Assets
	¥Million	¥Million	%
Ended March 31, 2018	10,053,746	599,683	5.9
Ended March 31, 2017	9,697,024	593,283	6.1

(Reference) Capital assets FY2017: ¥599,683 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 March 31, 2017	As of March 31, 2018
<b>Assets</b>	<b>(資産の部)</b>		
Cash and due from banks	現金預け金	754,116	968,263
Cash	現金	66,398	62,352
Due from banks	預け金	687,717	905,910
Call loans	コールローン	3,365	13,786
Monetary claims bought	買入金銭債権	8,161	7,447
Trading assets	特定取引資産	4,060	8,526
Trading account securities	商品有価証券	2,457	1,880
Trading-related financial derivatives	特定金融派生商品	1,602	1,646
Other trading assets	その他の特定取引資産	—	4,999
Securities	有価証券	2,793,575	2,802,591
Government bonds	国債	869,857	608,893
Local government bonds	地方債	397,999	599,761
Corporate bonds	社債	463,245	516,803
Stocks	株式	266,787	263,252
Other securities	その他の証券	795,685	813,880
Loans and bills discounted	貸出金	5,967,030	6,063,500
Bills discounted	割引手形	19,732	21,804
Loans on bills	手形貸付	282,495	260,304
Loans on deeds	証書貸付	5,114,904	5,215,710
Overdrafts	当座貸越	549,897	565,681
Foreign exchanges	外国為替	2,826	3,341
Due from foreign banks (our accounts)	外国他店預け	2,024	2,461
Foreign bills bought	買入外国為替	45	49
Foreign bills receivable	取立外国為替	756	830
Other assets	その他の資産	48,076	77,320
Domestic exchange settlement account, debit	未決済為替貸	64	80
Prepaid expenses	前払費用	548	528
Accrued income	未収収益	8,524	7,879
Initial margins of future markets	先物取引差入証拠金	160	160
Variation margins of future markets	先物取引差金勘定	—	0
Derivatives other than for trading - assets	金融派生商品	5,122	7,570
Cash collateral paid for financial instruments assets	金融商品等差入担保金	3,211	1,675
Other	その他の資産	30,444	59,426
Tangible fixed assets	有形固定資産	85,854	81,764
Buildings, net	建物	30,617	29,817
Land	土地	47,571	45,490
Leased assets, net	リース資産	2,837	1,977
Construction in progress	建設仮勘定	613	323
Other tangible fixed assets	その他の有形固定資産	4,214	4,155
Intangible fixed assets	無形固定資産	9,531	9,153
Software	ソフトウェア	6,142	5,640
Leased assets, net	リース資産	409	324
Other intangible fixed assets	その他の無形固定資産	2,979	3,188
Prepaid pension cost	前払年金費用	7,231	6,495
Customers' liabilities for acceptances and guarantees	支払承諾見返	47,620	46,564
Allowance for loan losses	貸倒引当金	(34,416)	(35,002)
Reserve for devaluation of investment securities	投資損失引当金	(9)	(9)
<b>Total Assets</b>	<b>資産の部合計</b>	<b>9,697,024</b>	<b>10,053,746</b>

(Millions of yen)

Item	(Japanese)	As of March 31, 2017	As of March 31, 2018
<b>Liabilities</b>	<b>(負債の部)</b>		
Deposits	預 金	8,240,398	8,509,025
Current deposits	当 座 預 金	188,796	203,360
Ordinary deposits	普 通 預 金	5,147,250	5,472,956
Saving deposits	貯 蓄 預 金	43,615	43,396
Deposits at notice	通 知 預 金	11,457	11,413
Time deposits	定 期 預 金	2,617,552	2,532,311
Other deposits	そ の 他 の 預 金	231,725	245,587
Negotiable certificates of deposit	譲 渡 性 預 金	56,252	67,249
Call money	コ ー ル マ ネ ー	61,337	65,340
Payables under repurchase agreements	売 現 先 勘 定	—	26,314
Payables under securities lending transactions	債 券 貸 借 取 引 受 入 担 保 金	135,417	61,535
Trading liabilities	特 定 取 引 負 債	511	504
Derivatives of trading securities-assets	商 品 有 価 証 券 派 生 商 品	—	0
Trading-related financial derivatives	特 定 金 融 派 生 商 品	511	504
Borrowed money	借 用 金	436,978	579,167
Borrowings from other banks	借 入 金	436,978	579,167
Foreign Exchanges	外 国 為 替	501	451
Foreign bills sold	売 渡 外 国 為 替	425	403
Foreign bills payable	未 払 外 国 為 替	75	48
Bonds	社 債	5,000	5,000
Due to trust account	信 託 勘 定 借 借	13	11
Other liabilities	そ の 他 負 債	63,079	38,513
Domestic exchange settlement account, credit	未 決 済 為 替 借 借	124	109
Income taxes payable	未 払 法 人 税 等	1,635	2,109
Accrued expenses	未 払 費 用	6,477	6,445
Unearned revenue	前 受 収 益	3,541	2,851
Deposit received from employees	従 業 員 預 り 金	1,612	1,608
Derivatives other than for trading - liabilities	金 融 派 生 商 品	7,174	5,440
Payables under derivative transactions	金 融 商 品 等 受 入 担 保 金	990	2,187
Lease obligations	リ ー ス 債 務	3,248	2,301
Other	そ の 他 の 負 債	38,274	15,459
Provision for directors' bonuses	役 員 賞 与 引 当 金	48	65
Provision for retirement benefits	退 職 給 付 引 当 金	8,415	8,638
Provision for reimbursement of deposits	睡 眠 預 金 払 戻 損 失 引 当 金	2,585	2,838
Provision for point card certificates	ポ イ ン ト 引 当 金	106	85
Provision for contingent loss	偶 発 損 失 引 当 金	1,038	946
Deferred tax liabilities	繰 延 税 金 負 債	35,662	33,260
Deferred tax liabilities for land revaluation	再 評 価 に 係 る 繰 延 税 金 負 債	8,774	8,546
Acceptances and guarantees	支 払 承 諾	47,620	46,564
<b>Total liabilities</b>	<b>負 債 の 部 合 計</b>	<b>9,103,740</b>	<b>9,454,062</b>

(Millions of yen)

Item	(Japanese)	As of March 31, 2017	As of March 31, 2018
<b>Net Assets</b>	<b>(純資産の部)</b>		
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	319,555
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	264,238
Reserve for advanced depreciation of non-current assets	( 固 定 資 産 圧 縮 積 立 金 )	887	1,106
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	—
General Reserve	( 別 途 積 立 金 )	222,432	222,432
Retained earnings brought forward	( 繰 越 利 益 剰 余 金 )	29,692	40,699
<b>Total shareholders' equity</b>	<b>株 主 資 本 合 計</b>	<b>452,028</b>	<b>463,242</b>
Unrealized gains (losses) on available-for-sale securities	そ の 他 有 価 証 券 評 価 差 額 金	130,542	123,847
Deferred gains or losses on hedges	繰 延 ヘ ッ ジ 損 益	(574)	(31)
Land revaluation excess, net of taxes	土 地 評 価 差 額 金	11,287	12,625
<b>Total valuation and translation adjustments</b>	<b>評 価 ・ 換 算 差 額 等 合 計</b>	<b>141,254</b>	<b>136,441</b>
<b>Total net assets</b>	<b>純 資 産 の 部 合 計</b>	<b>593,283</b>	<b>599,683</b>
<b>Total liabilities and net assets</b>	<b>負 債 及 び 純 資 産 の 部 合 計</b>	<b>9,697,024</b>	<b>10,053,746</b>

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

## (3)Non-consolidated Statement of Income (The Joyo Bank, Ltd.)

(Millions of yen)

Item	(Japanese)	FY 2016(ended March 31, 2017)	FY 2017(ended March 31, 2018)
<b>Ordinary income</b>	<b>経常収益</b>	<b>141,053</b>	<b>138,201</b>
Interest income	資金運用収益	93,101	94,169
Interest on loans and discounts	貸出金利息	63,726	63,245
Interest and dividends on securities	有価証券利息配当金	28,625	30,213
Interest on call loans	コールローン利息	33	70
Interest on deposits with banks	預け金利息	315	291
Other interest income	その他の受入利息	401	349
Trust fees	信託報酬	22	42
Fees and commissions	役務取引等収益	22,154	24,801
Fees and commissions on domestic and foreign exchanges	受入為替手数料	6,283	6,273
Other fees and commissions	その他の役務収益	15,871	18,527
Trading income	特定取引収益	449	373
Gains on trading account securities	商品有価証券収益	92	33
Income from trading-related financial derivatives transaction	特定金融派生商品収益	356	340
Other trading income	その他特定取引収益	—	0
Other ordinary income	その他業務収益	11,997	3,503
Gains on foreign exchange transactions	外国為替売買益	915	1,081
Gains on sales of bonds	国債等債券売却益	11,034	2,249
Gains on redemption of bonds	国債等債券償還益	48	—
Income from derivatives other than for trading or hedging	金融派生商品収益	—	171
Other	その他の業務収益	0	1
Other income	その他経常収益	13,326	15,310
Recoveries of written off claims	償却債権取立益	1,982	1,150
Gains on sales of stocks and other securities	株式等売却益	9,565	12,093
Other	その他の経常収益	1,778	2,065
<b>Operating expenses</b>	<b>経常費用</b>	<b>105,389</b>	<b>101,261</b>
Interest expenses	資金調達費用	7,903	8,350
Interest on deposits	預金利息	2,125	2,497
Interest on negotiable certificates of deposit	譲渡性預金利息	13	16
Interest on call money	コールマネー利息	471	561
Interest on payables under repurchase agreements	売現先利息	—	246
Interest on deposits for bonds lending transaction	債券貸借取引支払利息	957	1,146
Interest on borrowed money	借入金利息	616	801
Interest on bonds	社債利息	233	132
Interest on interest swaps	金利スワップ支払利息	2,478	2,088
Other interest expenses	その他の支払利息	1,007	859
Fees and commissions payments	役務取引等費用	7,815	7,917
Fees and commissions on domestic and foreign exchanges	支払為替手数料	1,305	1,285
Other fees and commissions	その他の役務費用	6,510	6,631
Other ordinary expenses	その他業務費用	6,757	6,138
Losses on sales of bonds	国債等債券売却損	5,244	6,138
Expenses on derivatives	金融派生商品費用	1,512	—
General and administrative expenses	営業経費	72,544	69,347
Other expenses	その他経常費用	10,368	9,508
Provision of allowance for loan losses	貸倒引当金繰入額	3,811	3,340
Provision for contingent loss	偶発損失引当金繰入額	29	—
Provision for reimbursement of deposits	睡眠預金払戻損失引当金繰入額	611	642
Provision for point card certificates	ポイント引当金繰入額	92	79
Write-off amount of loans	貸出金償却	2,360	2,353
Losses on sales of stocks	株式等売却損	1,929	2,612
Losses on devaluation of stocks and other securities	株式等償却	43	0
Other expenses or losses	その他の経常費用	1,490	479
<b>Ordinary income</b>	<b>経常利益</b>	<b>35,663</b>	<b>36,939</b>



Item	(Japanese)	(Millions of yen)	
		FY 2016(ended March 31, 2017)	FY 2017(ended March 31, 2018)
<b>Extraordinary income</b>	<b>特 別 利 益</b>	<b>6</b>	<b>942</b>
Gain on disposal of non-current assets	固 定 資 産 処 分 益	6	942
<b>Extraordinary losses</b>	<b>特 別 損 失</b>	<b>822</b>	<b>1,478</b>
Loss on disposal of non-current assets	固 定 資 産 処 分 損	263	274
Impairment loss	減 損 損 失	559	1,203
<b>Income before income taxes</b>	<b>税 引 前 当 期 純 利 益</b>	<b>34,847</b>	<b>36,403</b>
Income taxes - current	法 人 税、住 民 税 及 び 事 業 税	10,477	10,360
Income taxes - deferred	法 人 税 等 調 整 額	(84)	529
<b>Total income taxes</b>	<b>法 人 税 等 合 計</b>	<b>10,392</b>	<b>10,890</b>
<b>Net income</b>	<b>当 期 純 利 益</b>	<b>24,454</b>	<b>25,513</b>

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

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

### (1) Financial Highlights (from April 1, 2017 to March 31, 2018)

#### ① Non-consolidated Operating Results

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

Fiscal year	Ordinary Income		Ordinary Profit		Net Income	
	¥Million	%	¥Million	%	¥Million	%
Ended March 31, 2018	99,062	1.3	31,284	(5.9)	21,354	(19.1)
Ended March 31, 2017	97,768	(2.7)	33,274	(16.5)	26,412	(14.4)

#### ② Non-consolidated Financial Conditions

Fiscal year	Total Assets	Net Assets	Capital Assets to Total Assets
	¥Million	¥Million	%
Ended March 31, 2018	6,764,543	322,287	4.7
Ended March 31, 2017	6,477,729	317,494	4.9

(Reference) Capital assets FY2017: ¥322,287 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 March 31, 2017	As of March 31, 2018
<b>Assets</b>	<b>(資産の部)</b>		
Cash and due from banks	現金預け金	639,631	740,378
Cash	現金	59,064	61,192
Due from banks	預け金	580,566	679,186
Call loans	コールローン	1,795	849
Monetary claims bought	買入金銭債権	7,791	7,941
Trading account securities	商品有価証券	3,166	4,012
Trading government bonds	商品国債	164	142
Trading local government bonds	商品地方債	1,695	1,576
Trading government guaranteed bonds	商品政府保証債	1,306	2,293
Securities	有価証券	1,417,158	1,391,021
Government bonds	国債	260,356	228,590
Local government bonds	地方債	229,786	195,422
Corporate bonds	社債	209,394	210,385
Stocks	株式	79,717	80,306
Other securities	その他の証券	637,902	676,317
Loans and bills discounted	貸出金	4,348,447	4,517,299
Bills discounted	割引手形	24,815	26,473
Loans on bills	手形貸付	185,662	214,792
Loans on deeds	証書貸付	3,726,907	3,845,561
Overdrafts	当座貸越	411,062	430,472
Foreign exchanges	外国為替	4,396	3,074
Due from foreign banks (our accounts)	外国他店預け	4,291	2,955
Foreign bills bought	買入外国為替	71	51
Foreign bills receivable	取立外国為替	32	67
Other assets	その他の資産	32,106	69,504
Domestic exchange settlement account, debit	未決済為替貸	6	103
Prepaid expenses	前払費用	287	292
Accrued income	未収収益	5,956	6,022
Variation margins of future markets	先物取引差金勘定	1	1
Derivatives other than for trading - assets	金融派生商品	5,058	4,906
Other	その他の資産	20,794	58,178
Tangible fixed assets	有形固定資産	25,872	27,001
Buildings, net	建物	8,545	8,430
Land	土地	13,062	13,008
Leased assets, net	リース資産	10	12
Construction in progress	建設仮勘定	39	879
Other tangible fixed assets	その他の有形固定資産	4,213	4,669
Intangible fixed assets	無形固定資産	2,370	5,207
Software	ソフトウェア	1,839	4,676
Other intangible fixed assets	その他の無形固定資産	531	530
Prepaid pension cost	前払年金費用	15,323	18,310
Deferred tax assets	繰延税金資産	2,461	4,005
Customers' liabilities for acceptances and guarantees	支払承諾見返	11,953	10,219
Allowance for loan losses	貸倒引当金	(34,746)	(34,283)
<b>Total Assets</b>	<b>資産の部合計</b>	<b>6,477,729</b>	<b>6,764,543</b>

Item	(Japanese)	(Millions of yen)	
		As of March 31, 2017	As of March 31, 2018
<b>Liabilities</b>	<b>(負債の部)</b>		
Deposits	預 金	5,332,582	5,529,812
Current deposits	当 座 預 金	193,611	211,647
Ordinary deposits	普 通 預 金	3,212,763	3,425,932
Saving deposits	貯 蓄 預 金	72,347	74,424
Deposits at notice	通 知 預 金	6,954	2,234
Time deposits	定 期 預 金	1,687,339	1,637,837
Installment savings	定 期 積 金	14,486	9,299
Other deposits	そ の 他 の 預 金	145,078	168,437
Negotiable certificates of deposit	譲 渡 性 預 金	289,303	279,440
Call money	コ ー ル マ ネ ー	241,975	275,200
Payables under securities lending transactions	債 券 貸 借 取 引 受 入 担 保 金	32,222	96,613
Borrowed money	借 用 金	220,047	222,366
Borrowings from other banks	借 入 金	220,047	222,366
Foreign Exchanges	外 国 為 替	256	256
Foreign bills sold	売 渡 外 国 為 替	116	128
Foreign bills payable	未 払 外 国 為 替	139	128
Other liabilities	そ の 他 負 債	30,324	26,562
Domestic exchange settlement account, credit	未 決 済 為 替 借	3,222	3,996
Income taxes payable	未 払 法 人 税 等	1,602	1,320
Accrued expenses	未 払 費 用	5,254	6,080
Unearned revenue	前 受 収 益	1,582	918
Reserve for interest on installment savings	給 付 補 填 備 金	3	3
Derivatives other than for trading - liabilities	金 融 派 生 商 品	2,817	1,738
Lease obligations	リ ー ス 債 務	11	13
Other	そ の 他 の 負 債	15,828	12,490
Provision for directors' bonuses	役 員 賞 与 引 当 金	53	54
Provision for reimbursement of deposits	睡 眠 預 金 払 戻 損 失 引 当 金	895	943
Provision for contingent loss	偶 発 損 失 引 当 金	509	656
Provision for point card certificates	ポ イ ン ト 引 当 金	111	130
Acceptances and guarantees	支 払 承 諾	11,953	10,219
<b>Total liabilities</b>	<b>負 債 の 部 合 計</b>	<b>6,160,235</b>	<b>6,442,255</b>
<b>Net Assets</b>	<b>(純資産の部)</b>		
Capital stock	資 本 金	135,000	135,000
Retained earnings	利 益 剰 余 金	145,333	157,188
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	135,180
Retained earnings brought forward	繰 越 利 益 剰 余 金	125,225	135,180
<b>Total shareholders' equity</b>	<b>株 主 資 本 合 計</b>	<b>280,333</b>	<b>292,188</b>
Unrealized gains (losses) on available-for-sale securities	そ の 他 有 価 証 券 評 価 差 額 金	37,259	30,123
Deferred gains or losses on hedges	繰 延 ヘ ッ ジ 損 益	(99)	(24)
<b>Total valuation and translation adjustments</b>	<b>評 価 ・ 換 算 差 額 等 合 計</b>	<b>37,160</b>	<b>30,098</b>
<b>Total net assets</b>	<b>純 資 産 の 部 合 計</b>	<b>317,494</b>	<b>322,287</b>
<b>Total liabilities and net assets</b>	<b>負 債 及 び 純 資 産 の 部 合 計</b>	<b>6,477,729</b>	<b>6,764,543</b>

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

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

(Millions of yen)

Item	(Japanese)	FY 2016(ended March 31, 2017)	FY 2017(ended March 31, 2018)
<b>Ordinary income</b>	<b>経常収益</b>	<b>97,768</b>	<b>99,062</b>
Interest income	資金運用収益	71,606	72,521
Interest on loans and discounts	貸出金利	51,017	49,379
Interest and dividends on securities	有価証券利息配当金	20,073	22,655
Interest on call loans	コールローン利息	60	37
Interest on deposits with banks	預け金利息	373	361
Other interest income	その他の受入利息	82	88
Fees and commissions	役務取引等収益	20,040	21,169
Fees and commissions on domestic and foreign exchanges	受入為替手数料	4,704	4,663
Other fees and commissions	その他の役務収益	15,336	16,505
Other ordinary income	その他業務収益	1,772	1,267
Gains on foreign exchange transactions	外国為替売買益	613	850
Gain on trading account securities transactions	商品有価証券売買益	4	—
Gains on sales of bonds	国債等債券売却益	794	206
Gains on redemption of bonds	国債等債券償還益	36	—
Income from derivatives other than for trading or hedging	金融派生商品収益	323	210
Other	その他の業務収益	0	0
Other income	その他経常収益	4,348	4,104
Recoveries of written off claims	償却債権取立益	448	433
Gains on sales of stocks and other securities	株式等売却益	3,117	2,694
Other	その他の経常収益	782	976
<b>Operating expenses</b>	<b>経常費用</b>	<b>64,493</b>	<b>67,777</b>
Interest expenses	資金調達費用	3,308	4,591
Interest on deposits	預金利息	1,110	1,236
Interest on negotiable certificates of deposit	譲渡性預金利息	85	82
Interest on call money	コールマネー利息	152	28
Interest on deposits for bonds lending transaction	債券貸借取引支払利息	411	1,249
Interest on borrowed money	借入金利息	40	61
Other interest expenses	その他の支払利息	1,508	1,934
Fees and commissions payments	役務取引等費用	6,747	7,275
Fees and commissions on domestic and foreign exchanges	支払為替手数料	888	897
Other fees and commissions	その他の役務費用	5,859	6,378
Other ordinary expenses	その他業務費用	1,062	2,808
Losses on trading account securities transactions	商品有価証券売買損	—	6
Losses on sales of bonds	国債等債券売却損	751	2,798
Losses on redemption of bonds	国債等債券償還損	310	3
General and administrative expenses	営業経費	46,526	47,307
Other expenses	その他経常費用	6,847	5,794
Provision of allowance for loan losses	貸倒引当金繰入額	4,444	2,591
Write-off amount of loans	貸出金償却	743	681
Losses on sales of stocks	株式等売却損	923	1,658
Losses on devaluation of stocks and other securities	株式等償却	16	0
Losses on sales of loans	貸出金売却損	0	46
Other expenses or losses	その他の経常費用	720	816
<b>Ordinary income</b>	<b>経常利益</b>	<b>33,274</b>	<b>31,284</b>

Item	(Japanese)	FY 2016(ended March 31, 2017)	FY 2017(ended March 31, 2018)
<b>Extraordinary income</b>	<b>特 別 利 益</b>	<b>0</b>	<b>34</b>
Gain on disposal of non-current assets	固 定 資 産 処 分 益	0	34
<b>Extraordinary losses</b>	<b>特 別 損 失</b>	<b>1,314</b>	<b>644</b>
Loss on disposal of non-current assets	固 定 資 産 処 分 損	206	17
Impairment loss	減 損 損 失	1,100	626
Loss on reduction of non-current assets	固 定 資 産 圧 縮 損	7	—
<b>Income before income taxes</b>	<b>税 引 前 当 期 純 利 益</b>	<b>31,960</b>	<b>30,675</b>
Income taxes - current	法 人 税、住 民 税 及 び 事 業 税	9,350	7,900
Income taxes - deferred	法 人 税 等 調 整 額	(3,802)	1,420
<b>Total income taxes</b>	<b>法 人 税 等 合 計</b>	<b>5,547</b>	<b>9,320</b>
<b>Net income</b>	<b>当 期 純 利 益</b>	<b>26,412</b>	<b>21,354</b>

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

### III Financial Data for the Fiscal Year 2017 ended March 31, 2018

#### 1. Income Status

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

(Millions of yen)

	(Japanese)	FY2017		FY2016
		(A)	(A)-(B)	(B)
Consolidated gross profit	連 結 粗 利 益	183,399	33,765	149,634
Net interest income	資 金 利 益	146,353	31,139	115,213
Net fees and commissions	役 務 取 引 等 利 益	37,020	10,787	26,232
Net trading income	特 定 取 引 利 益	3,669	1,427	2,241
Net other business income	そ の 他 業 務 利 益	(3,642)	(9,589)	5,946
General and administrative expenses	営 業 経 費	120,427	22,338	98,088
Credit related costs	与 信 関 係 費 用	10,108	1,834	8,273
Write-off of loans	貸 出 金 償 却	4,517	577	3,940
Transfer to specific allowance for loan losses	個 別 貸 倒 引 当 金 繰 入 額	7,658	2,491	5,167
Transfer to general allowance for loan losses	一 般 貸 倒 引 当 金 繰 入 額	(755)	(1,866)	1,110
Other credit related costs	そ の 他 の 与 信 関 係 費 用	(1,312)	632	(1,944)
Gains/losses related to stocks, etc.	株 式 等 関 係 損 益	7,709	64	7,644
Equity in gains (losses) of affiliated companies	持 分 法 に よ る 投 資 損 益	—	—	—
Others	そ の 他	2,948	1,609	1,338
Ordinary profit	経 常 利 益	63,521	11,265	52,255
Extraordinary income(losses)	特 別 損 益	(1,182)	(118,322)	117,139
Excluding gains on negative goodwill	除 く 負 の の れ ん 発 生 益	(1,182)	896	(2,079)
Income before income taxes	税 金 等 調 整 前 当 期 純 利 益	62,338	(107,056)	169,395
Income taxes-current	法 人 税 、 住 民 税 及 び 事 業 税	20,182	3,302	16,880
Income taxes-deferred	法 人 税 等 調 整 額	(913)	5,055	(5,968)
Total income taxes	法 人 税 等 合 計	19,269	8,357	10,911
Net income	当 期 純 利 益	43,069	(115,414)	158,483
Net income attributable to noncontrolling interests	非 支 配 株 主 に 帰 属 す る 当 期 純 利 益	—	(28)	28
Net income attributable to owners of the parent	親 会 社 株 主 に 帰 属 す る 当 期 純 利 益	43,069	(115,386)	158,455
Excluding gains on negative goodwill	除 く 負 の の れ ん 発 生 益	43,069	3,833	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. Extraordinary income(losses) and net income attributable to owners of the parent of FY2016 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. 2016年度の「特別損益」及び「親会社株主に帰属する当期純利益」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)	FY2017		FY2016
		(A)	(A)-(B)	(B)
Consolidated net business income (before general allowance for loan losses)	連 結 業 務 純 益 ( 一 般 貸 引 繰 入 前 )	65,982	10,709	55,272
Consolidated net business income	連 結 業 務 純 益	66,738	12,576	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)	FY2017		FY2016
		(A)	(A)-(B)	(B)
Number of Consolidated Subsidiaries	連 結 子 会 社 数	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)	FY2017		FY2016
		(A)	(A)-(B)	(B)
Gross business profit	業 務 粗 利 益	180,767	(6,782)	187,550
(Excluding gains/losses on bond transactions)	(除く国債等債券損益(5勘定戻))	187,252	5,307	181,944
Gross domestic business profit	国 内 業 務 粗 利 益	174,913	(4,411)	179,325
(Excluding gains/losses on bond transactions)	(除く国債等債券損益(5勘定戻))	176,941	3,583	173,357
Net interest income	資 金 利 益	146,019	(525)	146,544
Net fees and commissions	役 務 取 引 等 利 益	30,393	2,974	27,418
Net trading income	特 定 取 引 等 利 益	373	(77)	450
Net other business income	そ の 他 業 務 利 益	(1,872)	(6,783)	4,911
(Of which, gains/losses on bond transactions)	(うち国債等債券損益(5勘定戻))	(2,027)	(7,994)	5,967
Gross international business profit	国 際 業 務 粗 利 益	5,854	(2,371)	8,225
(Excluding gains/losses on bond transactions)	(除く国債等債券損益(5勘定戻))	10,311	1,724	8,587
Net interest income	資 金 利 益	7,730	779	6,951
Net fees and commissions	役 務 取 引 等 利 益	427	190	236
Net trading income	特 定 取 引 等 利 益	0	1	(1)
Net other business income	そ の 他 業 務 利 益	(2,304)	(3,342)	1,038
(Of which, gains/losses on bond transactions)	(うち国債等債券損益(5勘定戻))	(4,457)	(4,095)	(362)
Expenses (excluding non-recurrent expense)	経 費 ( 除 く 臨 時 処 理 分 )	113,599	(1,415)	115,014
Personnel expenses	人 件 費	59,789	(636)	60,425
Non-personnel expenses	物 件 費	46,640	(455)	47,095
Taxes	税 金	7,168	(324)	7,492
Net business income (before net transfer to general allowance for loan losses)	業 務 純 益 ( 一 般 貸 引 繰 入 前 )	67,168	(5,367)	72,536
(Excluding gains/losses on bond transactions)	(除く国債等債券損益(5勘定戻))	73,653	6,723	66,930
Net transfer to general allowance for loan losses①	一 般 貸 倒 引 当 金 繰 入 額 ①	(1,428)	(962)	(465)
Net business income (Of which, gains/losses on bond transactions)	業 務 純 益 (うち国債等債券損益(5勘定戻))	68,597 (6,485)	(4,404) (12,090)	73,001 5,605
Net non-recurrent gains/losses	臨 時 損 益	(372)	3,690	(4,063)
Disposal of non-performing loans②	不 良 債 権 処 理 額 ②	9,388	(629)	10,018
Write-off of loans	貸 出 金 償 却	3,034	(68)	3,103
Transfer to specific allowance for loan losses	個 別 貸 倒 引 当 金 繰 入 額	7,360	(1,359)	8,720
Losses on sales of loans	貸 出 金 売 却 損	46	(22)	68
Transfer to provision for contingent losses	偶 発 損 失 引 当 金 繰 入 額	104	28	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	1,583	(847)	2,431
Other	そ の 他	426	(55)	481
Gains/losses related to stocks, etc.	株 式 等 関 係 損 益	10,516	746	9,769
Other non-recurrent gains/losses	そ の 他 臨 時 損 益	(1,501)	2,314	(3,815)
Ordinary profit	経 常 利 益	68,224	(713)	68,938
Extraordinary income/losses	特 別 損 益	(1,145)	984	(2,130)
Net gain (loss) from fixed assets	固 定 資 産 処 分 損 益	685	1,148	(463)
Gain on disposal of non-current assets	固 定 資 産 処 分 益	977	971	6
Loss on disposal of non-current assets	固 定 資 産 処 分 損	292	(177)	469
Impairment loss	減 損 損 失	1,830	170	1,659
Loss on reduction of non-current assets	固 定 資 産 圧 縮 損	—	(7)	7
Income before income taxes	税 引 前 当 期 純 利 益	67,078	270	66,808
Income taxes-current	法 人 税、住 民 税 及 び 事 業 税	18,260	(1,566)	19,827
Income taxes-deferred	法 人 税 等 調 整 額	1,950	5,837	(3,886)
Total income taxes	法 人 税 等 合 計	20,211	4,270	15,940
Net Income	当 期 純 利 益	46,867	(3,999)	50,867
Credit related costs (①+②)	与 信 関 係 費 用 ( ① + ② )	7,959	(1,592)	9,552

(Note) 1. Core net business income =Net business income+ net transfer to general allowance for loan losses - gains/losses on bond transactions

2. Credit related costs =Net transfer to general allowance for loan losses+ Disposal of non-performing loans

(注) 1. コア業務純益=業務純益+一般貸倒引当金繰入額-国債等債券損益

2. 与信関係費用=一般貸倒引当金繰入額+不良債権処理額



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

(Millions of yen)

	(Japanese)	FY2017		FY2016
		(A)	(A)-(B)	(B)
Gross business profit	業 務 粗 利 益	100,485	(4,764)	105,250
(Excluding gains/losses on bond transactions)	(除く国債等債券損益(5勘定戻))	104,374	4,962	99,412
Gross domestic business profit	国 内 業 務 粗 利 益	97,994	(1,890)	99,885
(Excluding gains/losses on bond transactions)	(除く国債等債券損益(5勘定戻))	97,458	3,772	93,685
Net interest income	資 金 利 益	80,565	235	80,329
Net fees and commissions	役 務 取 引 等 利 益	16,528	2,374	14,154
Net trading income	特 定 取 引 等 利 益	373	(77)	450
Net other business income	そ の 他 業 務 利 益	526	(4,423)	4,950
(Of which, gains/losses on bond transactions)	(うち国債等債券損益(5勘定戻))	536	(5,663)	6,199
Gross international business profit	国 際 業 務 粗 利 益	2,491	(2,873)	5,365
(Excluding gains/losses on bond transactions)	(除く国債等債券損益(5勘定戻))	6,916	1,189	5,727
Net interest income	資 金 利 益	5,254	386	4,868
Net fees and commissions	役 務 取 引 等 利 益	397	190	207
Net trading income	特 定 取 引 等 利 益	0	1	(1)
Net other business income	そ の 他 業 務 利 益	(3,161)	(3,451)	290
(Of which, gains/losses on bond transactions)	(うち国債等債券損益(5勘定戻))	(4,425)	(4,063)	(362)
Expenses (excluding non-recurrent expense)	経 費 ( 除 く 臨 時 処 理 分 )	66,375	(2,147)	68,522
Personnel expenses	人 件 費	33,658	(1,058)	34,716
Non-personnel expenses	物 件 費	28,781	(768)	29,550
Taxes	税 金	3,934	(320)	4,255
Net business income (before net transfer to general allowance for loan losses)	業 務 純 益 ( 一 般 貸 引 繰 入 前 )	34,110	(2,617)	36,727
(Excluding gains/losses on bond transactions)	(除く国債等債券損益(5勘定戻))	37,999	7,109	30,889
Net transfer to general allowance for loan losses①	一 般 貸 倒 引 当 金 繰 入 額 ①	(302)	362	(664)
Net business income (Of which, gains/losses on bond transactions)	業 務 純 益 (うち国債等債券損益(5勘定戻))	34,413 (3,889)	(2,979) (9,726)	37,392 5,837
Net non-recurrent gains/losses	臨 時 損 益	2,526	4,255	(1,728)
Disposal of non-performing loans②	不 良 債 権 処 理 額 ②	5,230	(201)	5,431
Write-off of loans	貸 出 金 償 却	2,353	(6)	2,360
Transfer to specific allowance for loan losses	個 別 貸 倒 引 当 金 繰 入 額	3,643	(832)	4,475
Losses on sales of loans	貸 出 金 売 却 損	—	(68)	68
Transfer to provision for contingent losses	偶 発 損 失 引 当 金 繰 入 額	(42)	(72)	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	1,150	(832)	1,982
Other	そ の 他	426	(55)	481
Gains/losses related to stocks, etc.	株 式 等 関 係 損 益	9,481	1,889	7,591
Other non-recurrent gains/losses	そ の 他 臨 時 損 益	(1,724)	2,164	(3,888)
Ordinary profit	経 常 利 益	36,939	1,276	35,663
Extraordinary income/losses	特 別 損 益	(536)	279	(815)
Net gain (loss) from fixed assets	固 定 資 産 処 分 損 益	667	924	(256)
Gain on disposal of non-current assets	固 定 資 産 処 分 益	942	936	6
Loss on disposal of non-current assets	固 定 資 産 処 分 損	274	11	263
Impairment loss	減 損 損 失	1,203	644	559
Loss on reduction of non-current assets	固 定 資 産 圧 縮 損	—	—	—
Income before income taxes	税 引 前 当 期 純 利 益	36,403	1,555	34,847
Income taxes-current	法 人 税、住 民 税 及 び 事 業 税	10,360	(116)	10,477
Income taxes-deferred	法 人 税 等 調 整 額	529	614	(84)
Total income taxes	法 人 税 等 合 計	10,890	497	10,392
Net Income	当 期 純 利 益	25,513	1,058	24,454
Credit related costs (①+②)	与 信 関 係 費 用 ( ① + ② )	4,297	160	4,767

(Note) 1. Core net business income = Net business income + net transfer to general allowance for loan losses - gains/losses on bond transactions

2. Credit related costs = Net transfer to general allowance for loan losses + Disposal of non-performing loans

(注) 1. コア業務純益 = 業務純益 + 一般貸倒引当金繰入額 - 国債等債券損益

2. 与信関係費用 = 一般貸倒引当金繰入額 + 不良債権処理額

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

(Millions of yen)

	(Japanese)	FY2017		FY2016
		(A)	(A)-(B)	(B)
Gross business profit	業 務 粗 利 益	80,282	(2,017)	82,300
(Excluding gains/losses on bond transactions)	(除く国債等債券損益(5勘定戻))	82,878	345	82,532
Gross domestic business profit	国 内 業 務 粗 利 益	76,919	(2,520)	79,440
(Excluding gains/losses on bond transactions)	(除く国債等債券損益(5勘定戻))	79,482	(189)	79,672
Net interest income	資 金 利 益	65,453	(761)	66,214
Net fees and commissions	役 務 取 引 等 利 益	13,864	600	13,263
Net trading income	特 定 取 引 等 利 益	—	—	—
Net other business income	そ の 他 業 務 利 益	(2,398)	(2,360)	(38)
(Of which, gains/losses on bond transactions)	(うち国債等債券損益(5勘定戻))	(2,563)	(2,331)	(232)
Gross international business profit	国 際 業 務 粗 利 益	3,362	502	2,859
(Excluding gains/losses on bond transactions)	(除く国債等債券損益(5勘定戻))	3,395	535	2,859
Net interest income	資 金 利 益	2,475	393	2,082
Net fees and commissions	役 務 取 引 等 利 益	29	0	29
Net trading income	特 定 取 引 等 利 益	—	—	—
Net other business income	そ の 他 業 務 利 益	857	108	748
(Of which, gains/losses on bond transactions)	(うち国債等債券損益(5勘定戻))	(32)	(32)	—
Expenses (excluding non-recurrent expense)	経 費 ( 除 く 臨 時 処 理 分 )	47,223	731	46,491
Personnel expenses	人 件 費	26,131	421	25,709
Non-personnel expenses	物 件 費	17,859	313	17,545
Taxes	税 金	3,233	(3)	3,236
Net business income (before net transfer to general allowance for loan losses)	業 務 純 益 ( 一 般 貸 引 繰 入 前 )	33,058	(2,749)	35,808
(Excluding gains/losses on bond transactions)	(除く国債等債券損益(5勘定戻))	35,654	(385)	36,040
Net transfer to general allowance for loan losses①	一 般 貸 倒 引 当 金 繰 入 額 ①	(1,126)	(1,325)	199
Net business income (Of which, gains/losses on bond transactions)	業 務 純 益 (うち国債等債券損益(5勘定戻))	34,184 (2,595)	(1,424) (2,363)	35,609 (232)
Net non-recurrent gains/losses	臨 時 損 益	(2,899)	(564)	(2,334)
Disposal of non-performing loans②	不 良 債 権 処 理 額 ②	4,158	(427)	4,586
Write-off of loans	貸 出 金 償 却	681	(62)	743
Transfer to specific allowance for loan losses	個 別 貸 倒 引 当 金 繰 入 額	3,717	(527)	4,245
Losses on sales of loans	貸 出 金 売 却 損	46	46	0
Transfer to provision for contingent losses	偶 発 損 失 引 当 金 繰 入 額	146	101	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	433	(15)	448
Other	そ の 他	(0)	(0)	—
Gains/losses related to stocks, etc.	株 式 等 関 係 損 益	1,035	(1,142)	2,177
Other non-recurrent gains/losses	そ の 他 臨 時 損 益	223	149	73
Ordinary profit	経 常 利 益	31,284	(1,989)	33,274
Extraordinary income/losses	特 別 損 益	(609)	704	(1,314)
Net gain (loss) from fixed assets	固 定 資 産 処 分 損 益	17	223	(206)
Gain on disposal of non-current assets	固 定 資 産 処 分 益	34	34	0
Loss on disposal of non-current assets	固 定 資 産 処 分 損	17	(189)	206
Impairment loss	減 損 損 失	626	(473)	1,100
Loss on reduction of non-current assets	固 定 資 産 圧 縮 損	—	(7)	7
Income before income taxes	税 引 前 当 期 純 利 益	30,675	(1,284)	31,960
Income taxes-current	法 人 税、住 民 税 及 び 事 業 税	7,900	(1,450)	9,350
Income taxes-deferred	法 人 税 等 調 整 額	1,420	5,223	(3,802)
Total income taxes	法 人 税 等 合 計	9,320	3,772	5,547
Net Income	当 期 純 利 益	21,354	(5,057)	26,412
Credit related costs (①+②)	与 信 関 係 費 用 ( ① + ② )	3,032	(1,752)	4,785

(Note) 1. Core net business income = Net business income + net transfer to general allowance for loan losses - gains/losses on bond transactions

2. Credit related costs = Net transfer to general allowance for loan losses + Disposal of non-performing loans

(注) 1. コア業務純益 = 業務純益 + 一般貸倒引当金繰入額 - 国債等債券損益

2. 与信関係費用 = 一般貸倒引当金繰入額 + 不良債権処理額

## 2. Net Business Income

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

(Millions of yen)

	(Japanese)	FY 2017		FY 2016 (B)
		(A)	(A)-(B)	
Net business income (before transfer to general allowance for loan losses)	業 務 純 益 (一般貸引繰入前)	67,168	(5,367)	72,536
Per head (in thousands of yen)	職員一人当たり(千円)	10,551	(989)	11,541
Net business income	業 務 純 益	68,597	(4,404)	73,001
Per head (in thousands of yen)	職員一人当たり(千円)	10,775	(839)	11,615

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

	(Japanese)	FY 2017		FY 2016 (B)
		(A)	(A)-(B)	
Net business income (before transfer to general allowance for loan losses)	業 務 純 益 (一般貸引繰入前)	34,110	(2,617)	36,727
Per head (in thousands of yen)	職員一人当たり(千円)	9,867	(928)	10,795
Net business income	業 務 純 益	34,413	(2,979)	37,392
Per head (in thousands of yen)	職員一人当たり(千円)	9,954	(1,036)	10,991

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

	(Japanese)	FY 2017		FY 2016 (B)
		(A)	(A)-(B)	
Net business income (before transfer to general allowance for loan losses)	業 務 純 益 (一般貸引繰入前)	33,058	(2,749)	35,808
Per head (in thousands of yen)	職員一人当たり(千円)	11,364	(1,056)	12,420
Net business income	業 務 純 益	34,184	(1,424)	35,609
Per head (in thousands of yen)	職員一人当たり(千円)	11,751	(600)	12,351

(Note) Per head' is calculated by the average number of people excluding temporary workers, etc.

(注)職員数は、臨時雇員、嘱託及び出向職員を除いた平均人員を使用しております。

## 3. Interest Rate Spread

(%)

	(Japanese)	Total			The Joyo Bank			The Ashikaga Bank		
		FY2017		FY 2016 (B)	FY2017		FY 2016 (B)	FY2017		FY 2016 (B)
		(A)	(A)-(B)		(A)	(A)-(B)		(A)	(A)-(B)	
Average yield on interest earning assets①	資 金 運 用 利 回	1.11	(0.01)	1.12	1.06	0.00	1.06	1.18	(0.02)	1.20
Average yield on loans and bills discounted	貸 出 金 利 回	1.08	(0.04)	1.12	1.04	(0.02)	1.06	1.13	(0.07)	1.20
Average yield on securities	有 価 証 券 利 回	1.33	0.06	1.27	1.17	0.04	1.13	1.64	0.12	1.52
Average yield on interest bearing liabilities②	資 金 調 達 原 価	0.81	(0.03)	0.84	0.80	(0.06)	0.86	0.82	0.00	0.82
Average yield on deposits and negotiable certificates of deposit	預 金 等 利 回	0.02	0.00	0.02	0.02	0.00	0.02	0.02	0.00	0.02
Average yield on call money and borrowed money	外 部 負 債 利 回	0.13	(0.02)	0.15	0.19	(0.03)	0.22	0.02	(0.03)	0.05
Average interest rate spread (①-②)	総 資 金 利 鞘	0.30	0.02	0.28	0.26	0.06	0.20	0.36	(0.02)	0.38

(Reference) Domestic operation

(%)

	(Japanese)	Total			The Joyo Bank			The Ashikaga Bank		
		FY2017		FY 2016 (B)	FY2017		FY 2016 (B)	FY2017		FY 2016 (B)
		(A)	(A)-(B)		(A)	(A)-(B)		(A)	(A)-(B)	
Average yield on interest earning assets①	資 金 運 用 利 回	1.02	(0.03)	1.05	0.97	(0.02)	0.99	1.10	(0.04)	1.14
Average yield on loans and bills discounted	貸 出 金 利 回	1.07	(0.05)	1.12	1.02	(0.04)	1.06	1.13	(0.07)	1.20
Average yield on securities	有 価 証 券 利 回	1.14	0.01	1.13	0.96	0.00	0.96	1.47	0.04	1.43
Average yield on interest bearing liabilities②	資 金 調 達 原 価	0.75	(0.05)	0.80	0.74	(0.08)	0.82	0.77	(0.01)	0.78
Average yield on deposits and negotiable certificates of deposit	預 金 等 利 回	0.00	(0.01)	0.01	0.00	0.00	0.00	0.01	(0.01)	0.02
Average yield on call money and borrowed money	外 部 負 債 利 回	(0.01)	(0.01)	(0.00)	(0.01)	(0.01)	(0.00)	(0.01)	(0.01)	0.00
Average interest rate spread (①-②)	総 資 金 利 鞘	0.27	0.02	0.25	0.23	0.06	0.17	0.33	(0.03)	0.36

#### 4. Return on Equity

(%)

	(Japanese)	Mebuki FG			The Joyo Bank			The Ashikaga Bank		
		FY2017		FY	FY2017		FY	FY2017		FY
		(A)	(A)-(B)	2016 (B)	(A)	(A)-(B)	2016 (B)	(A)	(A)-(B)	2016 (B)
Net business income basis (before net transfer to general allowance for loan losses)	業務純益ベース (一般貸引繰入前)	7.53	(0.07)	7.60	5.71	(0.54)	6.25	10.33	(1.02)	11.35
Net business income basis	業務純益ベース	7.62	0.17	7.45	5.76	(0.60)	6.36	10.68	(0.60)	11.28
Net income basis	当期純利益ベース	4.91	(16.89)	21.80	4.27	0.11	4.16	6.67	(1.70)	8.37

(Note) 1. ROE on net income basis of Mebuki FG is calculated based on net income attributable to owners of the parent.

2. A denominator (Net average assets) is calculated as follows: (Net assets excluding equity warrants at the beginning of the period + Net assets at the end of the period excluding equity warrants)/2.

(注) 1. めぶきフィナンシャルグループ(連結)の当期純利益ベースは、親会社株主に帰属する当期純利益により算出しております。

2. 分母の自己資本平均残高は、[(期首純資産の部-新株予約権)+(期末純資産の部-新株予約権)]÷2としております。

#### 5. Gains and Losses on Securities

##### (1) Gains (losses) on bonds (Government bonds, etc.)

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

(Millions of yen)

	(Japanese)	FY 2017		FY 2016 (B)
		(A)	(A)-(B)	
Gains (losses) on bonds (Government bonds, etc.)	国債等債券損益	(6,485)	(12,090)	5,605
Gains on sales	売却益	2,456	(9,373)	11,829
Gains on redemption	償還益	—	(84)	84
Losses on sales	売却損	8,937	2,940	5,996
Losses on redemption	償還損	3	(307)	310
Write-offs	償却	—	—	—

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

	(Japanese)	FY 2017		FY 2016 (B)
		(A)	(A)-(B)	
Gains (losses) on bonds (Government bonds, etc.)	国債等債券損益	(3,889)	(9,726)	5,837
Gains on sales	売却益	2,249	(8,785)	11,034
Gains on redemption	償還益	—	(48)	48
Losses on sales	売却損	6,138	893	5,244
Losses on redemption	償還損	—	—	—
Write-offs	償却	—	—	—

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

	(Japanese)	FY 2017		FY 2016 (B)
		(A)	(A)-(B)	
Gains (losses) on bonds (Government bonds, etc.)	国債等債券損益	(2,595)	(2,363)	(232)
Gains on sales	売却益	206	(588)	794
Gains on redemption	償還益	—	(36)	36
Losses on sales	売却損	2,798	2,047	751
Losses on redemption	償還損	3	(307)	310
Write-offs	償却	—	—	—

##### (2) Gains (losses) on stocks, etc.

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

(Millions of yen)

	(Japanese)	FY 2017		FY 2016 (B)
		(A)	(A)-(B)	
Gains/losses related to stocks, etc.	株式等関係損益	10,516	746	9,769
Gains on sales	売却益	14,788	2,105	12,682
Losses on sales	売却損	4,270	1,417	2,853
Write-offs	償却	0	(58)	59

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

	(Japanese)	FY 2017		FY 2016 (B)
		(A)	(A)-(B)	
Gains/losses related to stocks, etc.	株式等関係損益	9,481	1,889	7,591
Gains on sales	売却益	12,093	2,528	9,565
Losses on sales	売却損	2,612	682	1,929
Write-offs	償却	0	(43)	43

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

	(Japanese)	FY 2017		FY 2016 (B)
		(A)	(A)-(B)	
Gains/losses related to stocks, etc.	株式等関係損益	1,035	(1,142)	2,177
Gains on sales	売却益	2,694	(422)	3,117
Losses on sales	売却損	1,658	735	923
Write-offs	償却	0	(15)	16

6. Valuation Gains (Losses) on Securities

(1) Valuation Standards of Securities

Trading purpose securities	売買目的有価証券	Market value method (Valuation differences are recognized as gains or losses and stated in statement of income) 時価法 (評価差額を損益処理)
Securities held-to-maturity	満期保有目的債券	Amortized cost method 償却原価法
Other securities (available-for-sale securities)	その他有価証券	Market value method (Valuation differences are stated in net assets of balance sheet) 時価法 (評価差額は全部純資産直入)
Stocks of subsidiaries and affiliated companies	子会社及び関連会社株式	Cost accounting method 原価法

(2) Unrealized Valuation Gains (Losses)

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

(Millions of yen)

		As of Mar.31, 2018					As of Mar.31, 2017				
		Carrying Amount	Unrealized valuation gains (losses)			Carrying Amount	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	154,787	133	813	651	518	139,385	(680)	488	1,169	
	Bonds 債券	154,787	133	813	651	518	139,385	(680)	488	1,169	
	Others その他	—	—	—	—	—	—	—	—	—	
Available-for-sale	その他有価証券	4,005,292	171,612	(11,204)	226,533	54,921	4,039,818	182,816	216,101	33,284	
	Stocks 株式	307,890	157,347	10,199	158,520	1,173	306,697	147,147	147,566	418	
	Bonds 債券	2,219,550	16,449	(6,793)	18,839	2,389	2,306,681	23,243	27,636	4,393	
	Others その他	1,477,852	(2,184)	(14,610)	49,172	51,357	1,426,439	12,425	40,898	28,472	
Total	合計	4,160,080	171,745	(10,390)	227,185	55,439	4,179,203	182,135	216,590	34,454	
	Stocks 株式	307,890	157,347	10,199	158,520	1,173	306,697	147,147	147,566	418	
	Bonds 債券	2,374,337	16,582	(5,979)	19,491	2,908	2,446,067	22,562	28,125	5,563	
	Others その他	1,477,852	(2,184)	(14,610)	49,172	51,357	1,426,439	12,425	40,898	28,472	

(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 Mar.31, 2018					As of Mar.31, 2017				
		Carrying Amount	Unrealized valuation gains (losses)			Carrying Amount	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	140,306	12,203	(272)	12,241	37	123,959	12,476	12,512	35	
	Bonds 債券	140,306	12,203	(272)	12,241	37	123,959	12,476	12,512	35	
	Others その他	—	—	—	—	—	—	—	—	—	
Available-for-sale	その他有価証券	4,005,112	217,432	(19,871)	267,034	49,601	4,039,660	237,303	264,194	26,891	
	Stocks 株式	307,709	179,249	8,447	179,870	621	306,539	170,801	171,216	414	
	Bonds 債券	2,219,550	35,255	(10,388)	35,718	462	2,306,681	45,644	46,823	1,179	
	Others その他	1,477,852	2,927	(17,929)	51,444	48,517	1,426,439	20,857	46,154	25,297	
Total	合計	4,145,418	229,636	(20,143)	279,276	49,639	4,163,620	249,780	276,707	26,926	
	Stocks 株式	307,709	179,249	8,447	179,870	621	306,539	170,801	171,216	414	
	Bonds 債券	2,359,856	47,459	(10,661)	47,960	500	2,430,640	58,121	59,336	1,214	
	Others その他	1,477,852	2,927	(17,929)	51,444	48,517	1,426,439	20,857	46,154	25,297	

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

(Millions of yen)

		As of Mar.31, 2018					As of Mar.31, 2017				
		Carrying Amount	Unrealized valuation gains (losses)			Carrying Amount	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	66,436	578	134	610	31	48,130	444	461	17	
	Bonds 債券	66,436	578	134	610	31	48,130	444	461	17	
	Others その他	—	—	—	—	—	—	—	—	—	
Available-for-sale	その他有価証券	2,722,885	176,378	(9,638)	203,598	27,220	2,732,072	186,017	200,875	14,858	
	Stocks 株式	257,921	144,844	6,016	145,462	618	257,254	138,827	139,242	414	
	Bonds 債券	1,659,021	17,950	(8,131)	18,317	367	1,682,972	26,081	27,113	1,031	
	Others その他	805,942	13,584	(7,524)	39,818	26,234	791,845	21,108	34,520	13,412	
Total	合計	2,789,322	176,957	(9,504)	204,209	27,252	2,780,202	186,461	201,337	14,876	
	Stocks 株式	257,921	144,844	6,016	145,462	618	257,254	138,827	139,242	414	
	Bonds 債券	1,725,458	18,528	(7,996)	18,928	399	1,731,102	26,525	27,574	1,049	
	Others その他	805,942	13,584	(7,524)	39,818	26,234	791,845	21,108	34,520	13,412	

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

(Millions of yen)

		As of Mar.31, 2018					As of Mar.31, 2017				
		Carrying Amount	Unrealized valuation gains (losses)			Carrying Amount	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	73,869	11,625	(407)	11,631	6	75,829	12,032	12,050	18	
	Bonds 債券	73,869	11,625	(407)	11,631	6	75,829	12,032	12,050	18	
	Others その他	—	—	—	—	—	—	—	—	—	
Available-for-sale	その他有価証券	1,282,226	41,054	(10,232)	63,435	22,381	1,307,587	51,286	63,318	12,032	
	Stocks 株式	49,787	34,405	2,430	34,408	3	49,285	31,974	31,974	—	
	Bonds 債券	560,528	17,305	(2,257)	17,400	95	623,708	19,563	19,710	147	
	Others その他	671,910	(10,656)	(10,405)	11,626	22,282	634,593	(250)	11,633	11,884	
Total	合計	1,356,096	52,679	(10,639)	75,066	22,387	1,383,417	63,319	75,369	12,050	
	Stocks 株式	49,787	34,405	2,430	34,408	3	49,285	31,974	31,974	—	
	Bonds 債券	634,398	28,930	(2,664)	29,031	101	699,538	31,595	31,761	165	
	Others その他	671,910	(10,656)	(10,405)	11,626	22,282	634,593	(250)	11,633	11,884	

## 7. Capital Adequacy Ratio (Domestic standard)

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

(Millions of yen)

(Domestic standard)		As of Mar.31,2018 (A)			As of Sep.30, 2017 (B)	As of Mar.31, 2017 (C)
		(A)	(A)-(B)	(A)-(C)		
①Capital adequacy ratio ④/⑤	自己資本比率	10.38%	(0.43%)	(0.24%)	10.81%	10.62%
②Basic Core capital	コア資本に係る基礎項目の額	830,497	(539)	19,132	831,037	811,364
③Adjustment Core capital	コア資本に係る調整項目の額	27,748	4,596	5,385	23,151	22,362
④Capital ②-③	自己資本の額	802,749	(5,136)	13,747	807,885	789,002
⑤Total risk weighted assets	リスク・アセット等の額	7,730,172	259,251	307,367	7,470,921	7,422,804
⑥Total required capital ⑤×4%	総所要自己資本額	309,206	10,370	12,294	298,836	296,912

### 【The Joyo Bank, Ltd. (Consolidated basis)】

(Millions of yen)

(Domestic standard)		As of Mar.31,2018 (A)			As of Sep.30, 2017 (B)	As of Mar.31, 2017 (C)
		(A)	(A)-(B)	(A)-(C)		
①Capital adequacy ratio ④/⑤	自己資本比率	11.80%	(0.08%)	(0.06%)	11.88%	11.86%
②Basic Core capital	コア資本に係る基礎項目の額	475,690	1,198	2,262	474,491	473,427
③Adjustment Core capital	コア資本に係る調整項目の額	16,411	416	518	15,995	15,893
④Capital ②-③	自己資本の額	459,278	782	1,744	458,496	457,534
⑤Total risk weighted assets	リスク・アセット等の額	3,889,613	31,324	33,809	3,858,289	3,855,804
⑥Total required capital ⑤×4%	総所要自己資本額	155,584	1,252	1,352	154,331	154,232

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

Capital Adequacy Ratio	自己資本比率	11.30%	(0.11%)	0.07%	11.41%	11.23%
Capital	自己資本の額	437,616	9	8,364	437,607	429,252
Total risk weighted assets	リスク・アセット等の額	3,869,396	36,003	47,480	3,833,392	3,821,916

### 【The Ashikaga Bank, Ltd.(Consolidated basis)】

(Millions of yen)

(Domestic standard)		As of Mar.31,2018 (A)			As of Sep.30, 2017 (B)	As of Mar.31, 2017 (C)
		(A)	(A)-(B)	(A)-(C)		
①Capital adequacy ratio ④/⑤	自己資本比率	8.71%	(0.51%)	(0.46%)	9.22%	9.17%
②Basic Core capital	コア資本に係る基礎項目の額	316,648	2,114	11,347	314,533	305,300
③Adjustment Core capital	コア資本に係る調整項目の額	11,245	4,028	5,026	7,217	6,219
④Capital ②-③	自己資本の額	305,402	(1,914)	6,321	307,316	299,080
⑤Total risk weighted assets	リスク・アセット等の額	3,505,080	174,295	245,810	3,330,785	3,259,270
⑥Total required capital ⑤×4%	総所要自己資本額	140,203	6,971	9,832	133,231	130,370

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

Capital Adequacy Ratio	自己資本比率	8.27%	(0.51%)	(0.48%)	8.78%	8.75%
Capital	自己資本の額	291,562	(2,499)	5,016	294,062	286,546
Total risk weighted assets	リスク・アセット等の額	3,522,167	173,400	248,260	3,348,767	3,273,907

(Note) 1. Mebuki Financial Group, Inc. and The Joyo Bank, Ltd. calculated each risk-weighted assets according to the foundation internal rating-based approach, whereas The Ashikaga Bank, Ltd used Standardized Approach.

2. Mebuki Financial Group, Inc., The Joyo Bank, Ltd. and the Ashikaga Bank, Ltd. calculated each operational risk equivalent according to TSA (the standardized approach).

3. Other information on capital including the composition of capital disclosure is disclosed at the website of Mebuki Financial Group, Inc ([http://www.mebuki-fg.co.jp/shareholder/ir\\_library/results/](http://www.mebuki-fg.co.jp/shareholder/ir_library/results/)).

(注) 1. めぶきフィナンシャルグループおよび常陽銀行は信用リスクアセットの算出において、基礎的内部格付手法を採用しております。足利銀行は標準的手法により算出しております。

2. めぶきフィナンシャルグループ、常陽銀行および足利銀行はオペレーショナル・リスク相当額の算出において、粗利益配分法を採用しております。

3. 自己資本の構成に関する事項につきましては、インターネット上の当社ホームページ([http://www.mebuki-fg.co.jp/shareholder/ir\\_library/results/](http://www.mebuki-fg.co.jp/shareholder/ir_library/results/))に掲載しております。

#### IV Status of Loans

##### 1. Risk-monitored Loans

The Joyo Bank, Ltd. and The Ashikaga Bank, Ltd. apply partial direct write-off method.

The Loans to borrowers classified less than potentially bankrupt under self-assessment guideline recognized non-accrued income.

部分直接償却:実施しております。

未収利息不計上基準:自己査定の結果、破綻懸念先以下に区分した債務者に対する未収利息は、全額を不計上としております。

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

###### (1)The amount of Risk-monitored loans

(Millions of yen)

	(Japanese)	As of Mar 31, 2018			As of Sep 30, 2017 (B)	As of Mar 31, 2017 (C)
		(A)	(A)-(B)	(A)-(C)		
Loans to bankrupt borrowers	破綻先債権額	4,437	670	1,680	3,767	2,757
Non-accrual delinquent loans	延滞債権額	142,266	(2,011)	(8,823)	144,277	151,089
Loans past due 3 month or more	3ヶ月以上延滞債権額	426	(31)	(379)	457	805
Restructured loans	貸出条件緩和債権額	37,348	359	1,068	36,988	36,280
Total risk-monitored loans	合計	184,479	(1,012)	(6,453)	185,491	190,932
Amount of partial direct write-off executed	部分直接償却実施額	19,470	(823)	(3,880)	20,294	23,351
Total loans (Term-end balance)	貸出金残高(末残)	10,497,976	207,453	253,246	10,290,523	10,244,730

###### (2)Ratio of Risk-monitored loans to total loans

(%)

	(Japanese)	As of Mar 31, 2018			As of Sep 30, 2017 (B)	As of Mar 31, 2017 (C)
		(A)	(A)-(B)	(A)-(C)		
Loans to bankrupt borrowers	破綻先債権額	0.04	0.01	0.02	0.03	0.02
Non-accrual delinquent loans	延滞債権額	1.35	(0.05)	(0.12)	1.40	1.47
Loans past due 3 month or more	3ヶ月以上延滞債権額	0.00	0.00	0.00	0.00	0.00
Restructured loans	貸出条件緩和債権額	0.35	0.00	0.00	0.35	0.35
Total risk-monitored loans	合計	1.75	(0.05)	(0.11)	1.80	1.86

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

###### (1)The amount of Risk-monitored loans

(Millions of yen)

	(Japanese)	As of Mar 31, 2018			As of Sep 30, 2017 (B)	As of Mar 31, 2017 (C)
		(A)	(A)-(B)	(A)-(C)		
Loans to bankrupt borrowers	破綻先債権額	821	(133)	(482)	954	1,304
Non-accrual delinquent loans	延滞債権額	71,005	(1,287)	(3,907)	72,292	74,912
Loans past due 3 month or more	3ヶ月以上延滞債権額	426	(31)	(379)	457	805
Restructured loans	貸出条件緩和債権額	19,391	375	(1,134)	19,015	20,525
Total risk-monitored loans	合計	91,643	(1,076)	(5,903)	92,720	97,547
Amount of partial direct write-off executed	部分直接償却実施額	9,206	(1,355)	(2,979)	10,562	12,185
Total loans (Term-end balance)	貸出金残高(末残)	6,063,500	58,539	96,470	6,004,960	5,967,030

###### (2)Ratio of Risk-monitored loans to total loans

(%)

	(Japanese)	As of Mar 31, 2018			As of Sep 30, 2017 (B)	As of Mar 31, 2017 (C)
		(A)	(A)-(B)	(A)-(C)		
Loans to bankrupt borrowers	破綻先債権額	0.01	0.00	(0.01)	0.01	0.02
Non-accrual delinquent loans	延滞債権額	1.17	(0.03)	(0.08)	1.20	1.25
Loans past due 3 month or more	3ヶ月以上延滞債権額	0.00	0.00	(0.01)	0.00	0.01
Restructured loans	貸出条件緩和債権額	0.31	0.00	(0.03)	0.31	0.34
Total risk-monitored loans	合計	1.51	(0.03)	(0.12)	1.54	1.63

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

###### (1)The amount of Risk-monitored loans

(Millions of yen)

	(Japanese)	As of Mar 31, 2018			As of Sep 30, 2017 (B)	As of Mar 31, 2017 (C)
		(A)	(A)-(B)	(A)-(C)		
Loans to bankrupt borrowers	破綻先債権額	3,394	659	2,065	2,735	1,329
Non-accrual delinquent loans	延滞債権額	70,387	(595)	(4,638)	70,983	75,026
Loans past due 3 month or more	3ヶ月以上延滞債権額	—	—	—	—	—
Restructured loans	貸出条件緩和債権額	17,957	(15)	2,204	17,973	15,753
Total risk-monitored loans	合計	91,740	48	(368)	91,691	92,108
Amount of partial direct write-off executed	部分直接償却実施額	7,435	545	(921)	6,889	8,356
Total loans (Term-end balance)	貸出金残高(末残)	4,517,299	152,233	168,851	4,365,066	4,348,447

###### (2)Ratio of Risk-monitored loans to total loans

(%)

	(Japanese)	As of Mar 31, 2018			As of Sep 30, 2017 (B)	As of Mar 31, 2017 (C)
		(A)	(A)-(B)	(A)-(C)		
Loans to bankrupt borrowers	破綻先債権額	0.07	0.01	0.04	0.06	0.03
Non-accrual delinquent loans	延滞債権額	1.55	(0.07)	(0.17)	1.62	1.72
Loans past due 3 month or more	3ヶ月以上延滞債権額	—	—	—	—	—
Restructured loans	貸出条件緩和債権額	0.39	(0.02)	0.03	0.41	0.36
Total risk-monitored loans	合計	2.03	(0.07)	(0.08)	2.10	2.11

## 2. Allowance for Loan Losses

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

(Millions of yen)

	(Japanese)	As of Mar 31, 2018			As of Sep 30, 2017 (B)	As of Mar 31, 2017 (C)
		(A)	(A)-(B)	(A)-(C)		
Allowance for loan losses	貸倒引当金	79,324	1,004	484	78,319	78,840
General allowance for loan losses	一般貸倒引当金	37,010	(1,205)	(909)	38,215	37,919
Specific allowance for loan losses	個別貸倒引当金	42,314	2,210	1,393	40,104	40,921
Allowance for specific foreign debtors	特定海外債権引当勘定	—	—	—	—	—

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

(Millions of yen)

	(Japanese)	As of Mar 31, 2018			As of Sep 30, 2017 (B)	As of Mar 31, 2017 (C)
		(A)	(A)-(B)	(A)-(C)		
Allowance for loan losses	貸倒引当金合計	35,002	1,360	585	33,641	34,416
General allowance for loan losses	一般貸倒引当金	12,983	39	(302)	12,943	13,285
Specific allowance for loan losses	個別貸倒引当金	22,019	1,321	888	20,697	21,130
Allowance for specific foreign debtors	特定海外債権引当勘定	—	—	—	—	—

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

(Millions of yen)

	(Japanese)	As of Mar 31, 2018			As of Sep 30, 2017 (B)	As of Mar 31, 2017 (C)
		(A)	(A)-(B)	(A)-(C)		
Allowance for loan losses	貸倒引当金合計	34,283	(979)	(462)	35,263	34,746
General allowance for loan losses	一般貸倒引当金	17,067	(1,658)	(1,126)	18,725	18,193
Specific allowance for loan losses	個別貸倒引当金	17,216	678	663	16,538	16,553
Allowance for specific foreign debtors	特定海外債権引当勘定	—	—	—	—	—

## 3. Ratio to Reserve for Total Risk-monitored Loans

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

(%)

	(Japanese)	As of Mar 31, 2018			As of Sep 30, 2017 (B)	As of Mar 31, 2017 (C)
		(A)	(A)-(B)	(A)-(C)		
Before partial direct write-off	部分直接償却前	48.13	0.50	0.37	47.63	47.76
After partial direct write-off	部分直接償却後	42.54	0.76	1.25	41.78	41.29

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

(%)

	(Japanese)	As of Mar 31, 2018			As of Sep 30, 2017 (B)	As of Mar 31, 2017 (C)
		(A)	(A)-(B)	(A)-(C)		
Before partial direct write-off	部分直接償却前	43.76	1.04	1.41	42.72	42.35
After partial direct write-off	部分直接償却後	38.19	1.91	2.91	36.28	35.28

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

(%)

	(Japanese)	As of Mar 31, 2018			As of Sep 30, 2017 (B)	As of Mar 31, 2017 (C)
		(A)	(A)-(B)	(A)-(C)		
Before partial direct write-off	部分直接償却前	42.29	(0.71)	(0.86)	43.00	43.15
After partial direct write-off	部分直接償却後	37.35	(1.08)	(0.35)	38.43	37.70



4. Disclosed Claims under the Financial Revitalization Law

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

(Millions of yen)

	(Japanese)	As of Mar 31, 2018			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	16,695	932	794	15,763	15,900
Doubtful claims	危険債権	130,559	(2,513)	(8,557)	133,073	139,117
Claims requiring monitoring	要管理債権	37,774	328	689	37,446	37,085
Subtotal	小計 ①	185,030	(1,253)	(7,073)	186,283	192,103
Normal claims	正常債権	10,492,346	214,652	287,389	10,277,693	10,204,956
Total	合計 ②	10,677,376	213,399	280,316	10,463,976	10,397,060
Ratio of disclosed claims under the Financial Revitalization Law	貸出金等残高に占める比率 ① / ②	1.73%	(0.05%)	(0.11%)	1.78%	1.84%

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

(Millions of yen)

	(Japanese)	As of Mar 31, 2018			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	6,733	403	(345)	6,329	7,079
Doubtful claims	危険債権	65,369	(1,782)	(4,425)	67,151	69,794
Claims requiring monitoring	要管理債権	19,817	343	(1,513)	19,473	21,331
Subtotal	小計 ①	91,920	(1,034)	(6,285)	92,954	98,205
Normal claims	正常債権	6,084,301	64,505	120,288	6,019,795	5,964,013
Total	合計 ②	6,176,221	63,470	114,002	6,112,750	6,062,218
Ratio of disclosed claims under the Financial Revitalization Law	貸出金等残高に占める比率 ① / ②	1.48%	(0.04%)	(0.13%)	1.52%	1.61%

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

(Millions of yen)

	(Japanese)	As of Mar 31, 2018			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	8,872	507	1,335	8,365	7,537
Doubtful claims	危険債権	65,056	(731)	(4,139)	65,788	69,196
Claims requiring monitoring	要管理債権	17,957	(15)	2,204	17,973	15,753
Subtotal	小計 ①	91,886	(239)	(600)	92,126	92,487
Normal claims	正常債権	4,520,569	155,994	177,176	4,364,574	4,343,392
Total	合計 ②	4,612,455	155,754	176,576	4,456,700	4,435,879
Ratio of disclosed claims under the Financial Revitalization Law	貸出金等残高に占める比率 ① / ②	1.99%	(0.07%)	(0.09%)	2.06%	2.08%

5. Status of Coverage on Disclosed Claims under the Financial Revitalization Law

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

(Millions of yen)

	(Japanese)	As of Mar 31, 2018			As of Sep 30, 2017 (B)	As of Mar 31, 2017 (C)
		(A)	(A)-(B)	(A)-(C)		
Coverage amount ②	保 全 額 ②	74,540	(192)	(3,587)	74,732	78,127
Portion covered by allowance	貸 倒 引 当 金	24,884	1,544	988	23,339	23,896
Reserve for specific debtors	担 保 保 証 等	49,655	(1,737)	(4,575)	51,392	54,231
Total disclosed claims under the Financial Revitalization Law ①	金融再生法開示債権残高①	91,920	(1,034)	(6,285)	92,954	98,205
Coverage ratio ②/①	保 全 率 ② / ①	81.09	0.70	1.54	80.39	79.55

(Reference) Breakdown of Disclosed claims under the Financial Revitalization Law (As of Mar 31, 2018)

	(Japanese)	Bankrupt and substantially bankrupt claims	Doubtful claims	Claims requiring monitoring	Total
		破産更正債権及びこれらに準ずる債権	危険債権	要管理債権	合計
Total claims outstanding	与 信 残 高 ①	6,733	65,369	19,817	91,920
Collateral and guarantees	担 保 保 証 等 保 全 額 ②	6,721	37,513	5,420	49,655
Uncoverage amount	非 保 全 額 ③=①-②	12	27,855	14,396	42,264
Allowance for loan losses	貸 倒 引 当 金 ④	12	21,968	2,903	24,884
Coverage amount	保 全 額 ⑤=②+④	6,733	59,482	8,323	74,540
Allowance ratio	引 当 率 ④/③	100.00%	78.86%	20.16%	58.87%
Coverage ratio	保 全 率 ⑤/①	100.00%	90.99%	42.00%	81.09%

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

(Millions of yen)

	(Japanese)	As of Mar 31, 2018			As of Sep 30, 2017 (B)	As of Mar 31, 2017 (C)
		(A)	(A)-(B)	(A)-(C)		
Coverage amount ②	保 全 額 ②	69,291	(462)	(690)	69,753	69,981
Portion covered by allowance	貸 倒 引 当 金	20,631	(154)	700	20,785	19,930
Reserve for specific debtors	担 保 保 証 等	48,659	(308)	(1,391)	48,967	50,050
Total disclosed claims under the Financial Revitalization Law ①	金融再生法開示債権残高①	91,886	(239)	(600)	92,126	92,487
Coverage ratio ②/①	保 全 率 ② / ①	75.40	(0.31)	(0.26)	75.71	75.66

(Reference) Breakdown of Disclosed claims under the Financial Revitalization Law (As of Mar 31, 2018)

	(Japanese)	Bankrupt and substantially bankrupt claims	Doubtful claims	Claims requiring monitoring	Total
		破産更正債権及びこれらに準ずる債権	危険債権	要管理債権	合計
Total claims outstanding	与 信 残 高 ①	8,872	65,056	17,957	91,886
Collateral and guarantees	担 保 保 証 等 保 全 額 ②	4,610	38,229	5,819	48,659
Uncoverage amount	非 保 全 額 ③=①-②	4,262	26,826	12,137	43,227
Allowance for loan losses	貸 倒 引 当 金 ④	4,262	12,995	3,373	20,631
Coverage amount	保 全 額 ⑤=②+④	8,872	51,225	9,193	69,291
Allowance ratio	引 当 率 ④/③	100.00%	48.44%	27.79%	47.72%
Coverage ratio	保 全 率 ⑤/①	100.00%	78.73%	51.19%	75.40%

## 6. Comparison between Self-assessment, Disclosed Claims under the Financial

### Revitalization Law and Risk-monitored Loans

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

(hundreds million of Yen)

Classification of Borrowers (Self-assessment)	Disclosed Claims under the Financial Revitalization Law	Claim-classification				Allowance	Coverage ratio	Risk-monitored Loans
		No- classifi- cation	II	III	IV			
自己査定の債務者区分	金融再生法に 基づく開示債権	非分類	Ⅱ分類	Ⅲ分類	Ⅳ分類	引当額	保全率	リスク管理債権 (貸出金)
Legally Bankrupt 破綻先 9	Bankrupt and substantially bankrupt claims  破産更生債権 およびこれら に準ずる債権 67	Covered by allowance, collateral, guarantee 引当金、担保・保証 等による保全部分		Entirely reserved	Entirely reserved or write-off	0	100.0%	Loans to bankrupt borrowers 破綻先債権 8
Substantially Bankrupt 実質破綻先 57		20	46	全額引当 —	全額償却 ・引当 —			Non-accrual delinquent loans  延滞債権 710
Potentially Bankrupt  破綻懸念先 653	Doubtful claims  危険債権 653	Covered by allowance, collateral, guarantee 引当金、担保・保証 等による保全部分		58		219	90.9%	
		454	140					
Borrowers Requiring Caution  要注意先 3,620	Borrowers Requiring Monitoring  要管理先 277	Claims requiring monitoring  要管理債権 198	Covered by allowance, collateral, guarantee 引当金、担保・保証 等による保全部分 128			39	42.0%	Loans past due 3 month or more 3ヶ月以上 延滞債権 4
			Coverage of Claims requiring monitoring 要管理債権に対する 保全額 83					Allowance of Claims requiring monitoring 要管理先に対する 引当額 29
	Borrowers Requiring Caution その他の 要注意先 3,342	Normal claims  正常債権 60,843	1,041	2,300			66	
Normal Borrowers 正常先 56,801						23		
Total 合計	Total 合計	No- classifi- cation	II	III	IV	Total 合計		Total 合計
61,142	61,762	58,344	2,738	58	—	349		916

Amount of partial direct write-off 部分直接償却残高: 9.7 billion yen

(Note ) 1. Figures have been rounded down to the nearest hundred million yen.

2. "Normal Borrowers" includes loans to local government.

3. "Self- assessment" doesn't include the privately-placed bonds guaranteed by the bank, whereas "Disclosed Claims under the Financial Revitalization Law" includes the amount.

(注1) 記載金額は、億円未満を切り捨てて表示しています。

(注2) 正常先には、地方公共団体への貸出金等を含んでおります。

(注3) 自己査定には「自行保証付私募債」を含んでおりませんが、金融再生法開示債権には「自行保証付私募債」を含んでおります。

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

(hundreds million of Yen)

Classification of Borrowers (Self-assessment)	Disclosed Claims under the Financial Revitalization Law	Claim-classification				Allowance	Coverage ratio	Risk-monitored Loans
		No-classification	II	III	IV			
自己査定 of 債務者区分	金融再生法に基づく開示債権	非分類	Ⅱ分類	Ⅲ分類	Ⅳ分類	引当額	保全率	リスク管理債権 (貸出金)
Legally Bankrupt 破綻先 34	Bankrupt and substantially bankrupt claims 破産更生債権およびこれらに準ずる債権 88	Covered by allowance, collateral, guarantee 引当金、担保・保証等による保全部分		Entirely reserved	Entirely reserved or write-off	42	100.0%	Loans to bankrupt borrowers 破綻先債権 33
Substantially Bankrupt 実質破綻先 54		52	35	全額引当 -	全額償却・引当 -			Non-accrual delinquent loans 延滞債権 703
Potentially Bankrupt 破綻懸念先 650	Doubtful claims 危険債権 650	Covered by allowance, collateral, guarantee 引当金、担保・保証等による保全部分		138		129	78.7%	
Borrowers Requiring Caution 要注意先 3,270	Borrowers Requiring Monitoring 要管理先 359	Covered by allowance, collateral, guarantee 引当金、担保・保証等による保全部分 186		77	282	68	51.1%	Loans past due 3 month or more 3ヶ月以上延滞債権 -
		Claims requiring monitoring 要管理債権 179						Coverage of Claims requiring monitoring 要管理債権に対する保全額 91
	Borrowers Requiring Caution その他の要注意先 2,910	Normal claims 正常債権 45,205	700	2,209			78	
Normal Borrowers 正常先 41,294				41,294		23		
Total 合計 45,304	Total 合計 46,124	No-classification 42,441	II 2,723	III 138	IV -	Total 合計 342		Total 合計 917

Amount of partial direct write-off 部分直接償却残高: 7.4 billion yen

- (Note) 1. Figures have been rounded down to the nearest hundred million yen.  
 2. "Normal Borrowers" includes loans to local government.  
 3. "Self-assessment" doesn't include the privately-placed bonds guaranteed by the bank, whereas "Disclosed Claims under the Financial Revitalization Law" includes the amount.
- (注1) 記載金額は、億円未満を切り捨てて表示しています。  
 (注2) 正常先には、地方公共団体への貸出金等を含んでおります。  
 (注3) 自己査定には「自行保証付私募債」を含んでおりませんが、金融再生法開示債権には「自行保証付私募債」を含んでおります。

7. Loan Portfolio, etc

(1) Classification of loans by type of industry

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

(Millions of yen)

	(Japanese)	As of Mar.31,2018			As of Sep.30, 2017 (B)	As of Mar.31, 2017 (C)
		(A)	(A)-(B)	(A)-(C)		
Total	合計	10,580,800	210,773	265,322	10,370,026	10,315,478
Manufacturing	製造業	1,193,040	2,679	(8,216)	1,190,360	1,201,256
Agriculture / Forestry	農業、林業	31,528	1,736	2,297	29,792	29,231
Fishery	漁業	3,794	(2,117)	(505)	5,912	4,300
Mining / Quarrying of stone / Gravel	鉱業、採石業、砂利採取業	11,548	(1,200)	(2,946)	12,749	14,495
Construction	建設業	324,356	15,042	(144)	309,314	324,501
Electricity, gas and water	電気・ガス・熱供給・水道業	142,329	17,225	29,661	125,104	112,667
Telecommunication	情報通信業	49,282	262	(3,546)	49,020	52,828
Transportation / Postal activities	運輸業、郵便業	274,388	12,579	15,071	261,808	259,316
Wholesale / Retail services	卸売業、小売業	1,026,022	3,814	20,062	1,022,208	1,005,960
Financial and insurance services	金融業、保険業	359,140	(4,428)	(17,378)	363,569	376,519
Real estate / Goods rental and leasing	不動産業、物品賃貸業	1,797,247	55,750	110,219	1,741,496	1,687,027
Medical welfare and other services	医療・福祉等サービス業	714,040	16,123	11,900	697,916	702,139
Government / Local government	国・地方公共団体	1,146,860	(254)	(79,152)	1,147,115	1,226,013
Others	その他	3,507,218	93,561	187,998	3,413,657	3,319,219

【The Joyo Bank, Ltd. (Consolidated basis)】

(Millions of yen)

	(Japanese)	As of Mar.31,2018			As of Sep.30, 2017 (B)	As of Mar.31, 2017 (C)
		(A)	(A)-(B)	(A)-(C)		
Total	合計	6,063,500	58,539	96,470	6,004,960	5,967,030
Manufacturing	製造業	686,485	7,009	(17,646)	679,476	704,131
Agriculture / Forestry	農業、林業	18,830	1,474	1,212	17,355	17,617
Fishery	漁業	3,256	(2,216)	(525)	5,472	3,781
Mining / Quarrying of stone / Gravel	鉱業、採石業、砂利採取業	9,434	(688)	(787)	10,122	10,222
Construction	建設業	175,180	9,844	(2,126)	165,335	177,306
Electricity, gas and water	電気・ガス・熱供給・水道業	81,721	8,995	15,702	72,725	66,018
Telecommunication	情報通信業	30,737	209	(3,156)	30,528	33,894
Transportation / Postal activities	運輸業、郵便業	155,400	5,925	5,408	149,475	149,991
Wholesale / Retail services	卸売業、小売業	619,123	(2,065)	12,430	621,188	606,693
Financial and insurance services	金融業、保険業	212,368	(5,051)	(12,781)	217,420	225,150
Real estate / Goods rental and leasing	不動産業、物品賃貸業	1,224,080	25,987	57,615	1,198,093	1,166,465
Medical welfare and other services	医療・福祉等サービス業	380,440	(2,566)	(5,257)	383,007	385,698
Government / Local government	国・地方公共団体	711,897	(25,756)	(39,437)	737,653	751,335
Others	その他	1,754,542	37,438	85,821	1,717,104	1,668,721

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

(Millions of yen)

	(Japanese)	As of Mar.31,2018			As of Sep.30, 2017 (B)	As of Mar.31, 2017 (C)
		(A)	(A)-(B)	(A)-(C)		
Total	合計	4,517,299	152,233	168,851	4,365,066	4,348,447
Manufacturing	製造業	506,555	(4,329)	9,430	510,884	497,124
Agriculture / Forestry	農業、林業	12,698	261	1,084	12,436	11,613
Fishery	漁業	538	98	20	440	518
Mining / Quarrying of stone / Gravel	鉱業、採石業、砂利採取業	2,114	(512)	(2,158)	2,626	4,273
Construction	建設業	149,176	5,197	1,982	143,978	147,194
Electricity, gas and water	電気・ガス・熱供給・水道業	60,608	8,229	13,959	52,379	46,649
Telecommunication	情報通信業	18,544	52	(389)	18,492	18,934
Transportation / Postal activities	運輸業、郵便業	118,987	6,654	9,662	112,333	109,324
Wholesale / Retail services	卸売業、小売業	406,899	5,879	7,632	401,019	399,266
Financial and insurance services	金融業、保険業	146,772	623	(4,596)	146,149	151,369
Real estate / Goods rental and leasing	不動産業、物品賃貸業	573,166	29,763	52,604	543,402	520,561
Medical welfare and other services	医療・福祉等サービス業	333,599	18,690	17,158	314,909	316,441
Government / Local government	国・地方公共団体	434,963	25,502	(39,714)	409,461	474,678
Others	その他	1,752,675	56,123	102,177	1,696,552	1,650,497

## (2) Classification of risk-monitored loans by type of industry

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

(Millions of yen)

	(Japanese)	As of Mar.31,2018			As of Sep.30, 2017	As of Mar.31, 2017
		(A)	(A)-(B)	(A)-(C)		
		(A)	(A)-(B)	(A)-(C)		
Total	合計	183,384	(1,027)	(6,272)	184,412	189,656
Manufacturing	製造業	45,298	(823)	(3,549)	46,122	48,848
Agriculture / Forestry	農業、林業	638	95	114	543	524
Fishery	漁業	—	—	(4)	—	4
Mining / Quarrying of stone / Gravel	鉱業、採石業、砂利採取業	7	(7)	7	14	—
Construction	建設業	12,395	(1,198)	(1,285)	13,594	13,681
Electricity, gas and water	電気・ガス・熱供給・水道業	19	14	17	5	2
Telecommunication	情報通信業	1,318	(338)	(435)	1,656	1,753
Transportation / Postal activities	運輸業、郵便業	5,045	37	(77)	5,008	5,123
Wholesale / Retail services	卸売業、小売業	43,632	(1,173)	(2,956)	44,805	46,588
Financial and insurance services	金融業、保険業	730	213	365	517	365
Real estate / Goods rental and leasing	不動産業、物品賃貸業	23,078	(969)	(1,514)	24,048	24,593
Medical welfare and other services	医療・福祉等サービス業	30,082	2,722	4,386	27,360	25,695
Government / Local government	国・地方公共団体	—	—	—	—	—
Others	その他	21,135	400	(1,339)	20,735	22,475

## 【The Joyo Bank, Ltd. (Consolidated basis)】

(Millions of yen)

	(Japanese)	As of Mar.31,2018			As of Sep.30, 2017	As of Mar.31, 2017
		(A)	(A)-(B)	(A)-(C)		
		(A)	(A)-(B)	(A)-(C)		
Total	合計	91,643	(1,076)	(5,903)	92,720	97,547
Manufacturing	製造業	18,798	86	(2,528)	18,712	21,327
Agriculture / Forestry	農業、林業	166	(84)	(59)	251	226
Fishery	漁業	—	—	(4)	—	4
Mining / Quarrying of stone / Gravel	鉱業、採石業、砂利採取業	7	7	7	—	—
Construction	建設業	6,551	(1,161)	(1,335)	7,712	7,886
Electricity, gas and water	電気・ガス・熱供給・水道業	11	11	11	—	—
Telecommunication	情報通信業	998	(231)	(312)	1,229	1,310
Transportation / Postal activities	運輸業、郵便業	2,476	(0)	158	2,476	2,317
Wholesale / Retail services	卸売業、小売業	25,247	(915)	(2,788)	26,162	28,036
Financial and insurance services	金融業、保険業	403	129	97	273	306
Real estate / Goods rental and leasing	不動産業、物品賃貸業	12,785	(528)	(1,120)	13,313	13,906
Medical welfare and other services	医療・福祉等サービス業	16,435	1,545	2,161	14,889	14,273
Government / Local government	国・地方公共団体	—	—	—	—	—
Others	その他	7,761	64	(189)	7,696	7,950

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

(Millions of yen)

	(Japanese)	As of Mar.31,2018 (A)			As of Sep.30, 2017	As of Mar.31, 2017
		(A)	(A)-(B)	(A)-(C)		
		(A)	(A)-(B)	(A)-(C)		
Total	合計	91,740	48	(368)	91,691	92,108
Manufacturing	製造業	26,500	(909)	(1,021)	27,410	27,521
Agriculture / Forestry	農業、林業	471	179	173	292	298
Fishery	漁業	—	—	—	—	—
Mining / Quarrying of stone / Gravel	鉱業、採石業、砂利採取業	—	(14)	—	14	—
Construction	建設業	5,844	(37)	50	5,881	5,794
Electricity, gas and water	電気・ガス・熱供給・水道業	8	2	5	5	2
Telecommunication	情報通信業	320	(106)	(122)	426	442
Transportation / Postal activities	運輸業、郵便業	2,569	37	(236)	2,531	2,805
Wholesale / Retail services	卸売業、小売業	18,384	(258)	(167)	18,643	18,552
Financial and insurance services	金融業、保険業	327	83	267	243	59
Real estate / Goods rental and leasing	不動産業、物品賃貸業	10,292	(441)	(393)	10,734	10,686
Medical welfare and other services	医療・福祉等サービス業	13,647	1,177	2,225	12,470	11,421
Government / Local government	国・地方公共団体	—	—	—	—	—
Others	その他	13,373	335	(1,150)	13,038	14,524

## (3) Consumer loans / Loans to SMEs

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

(Millions of yen)

	(Japanese)	As of Mar.31,2018			As of Sep.30, 2017	As of Mar.31, 2017
		(A)	(A)-(B)	(A)-(C)	(B)	(C)
Consumer loans	消費者ローン残高	4,324,447	119,075	230,666	4,205,371	4,093,781
Housing-related loans	住宅関連ローン残高	4,169,021	113,760	217,668	4,055,261	3,951,353
Housing loans	住宅ローン残高	3,218,604	89,692	167,742	3,128,911	3,050,861
Apartment loans	アパートローン残高	950,417	24,067	49,925	926,350	900,492
Loans to SME and Individual customers (SMEs)	中小企業等貸出金残高	7,619,362	200,173	312,104	7,419,189	7,307,258
Ratio of loans to SMEs	中小企業等貸出比率	72.01%	0.47%	1.18%	71.54%	70.83%

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

(Millions of yen)

	(Japanese)	As of Mar.31,2018			As of Sep.30, 2017	As of Mar.31, 2017
		(A)	(A)-(B)	(A)-(C)	(B)	(C)
Consumer loans	消費者ローン残高	2,417,547	57,575	117,731	2,359,972	2,299,816
Housing-related loans	住宅関連ローン残高	2,326,037	55,253	112,336	2,270,783	2,213,700
Housing loans	住宅ローン残高	1,562,510	36,669	72,909	1,525,841	1,489,601
Apartment loans	アパートローン残高	763,526	18,584	39,427	744,942	724,099
Loans to SME and Individual customers (SMEs)	中小企業等貸出金残高	4,106,298	74,388	123,796	4,031,909	3,982,501
Ratio of loans to SMEs	中小企業等貸出比率	67.72%	0.58%	0.98%	67.14%	66.74%

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

(Millions of yen)

	(Japanese)	As of Mar.31,2018			As of Sep.30, 2017	As of Mar.31, 2018
		(A)	(A)-(B)	(A)-(C)	(B)	(C)
Consumer loans	消費者ローン残高	1,906,900	61,500	112,934	1,845,399	1,793,965
Housing-related loans	住宅関連ローン残高	1,842,984	58,507	105,331	1,784,477	1,737,652
Housing loans	住宅ローン残高	1,656,093	53,023	94,833	1,603,069	1,561,260
Apartment loans	アパートローン残高	186,891	5,483	10,498	181,407	176,392
Loans to SME and Individual customers (SMEs)	中小企業等貸出金残高	3,513,064	125,784	188,307	3,387,279	3,324,756
Ratio of loans to SMEs	中小企業等貸出比率	77.76%	0.17%	1.31%	77.59%	76.45%

## 8. Outstanding Balance of Deposits and Loans 【Non-consolidated】

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

(Millions of yen)

	(Japanese)	As of Mar.31,2018			As of Sep.30, 2017 (B)	As of Mar.31, 2017 (C)
		(A)	(A)-(B)	(A)-(C)		
		Deposits (Terms-end balance)	預 金 ( 末 残 )	14,038,837		
Deposits (Average balance)	預 金 ( 平 残 )	13,662,504	88,726	419,516	13,573,777	13,242,987
Loans (Terms-end balance)	貸 出 金 ( 末 残 )	10,580,800	210,773	265,322	10,370,026	10,315,478
Loans (Average balance)	貸 出 金 ( 平 残 )	10,366,023	77,592	161,460	10,288,431	10,204,562

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

(Millions of yen)

	(Japanese)	As of Mar.31,2018			As of Sep.30, 2017 (B)	As of Mar.31, 2017 (C)
		(A)	(A)-(B)	(A)-(C)		
		Deposits (Terms-end balance)	預 金 ( 末 残 )	8,509,025		
Deposits (Average balance)	預 金 ( 平 残 )	8,299,829	42,299	236,019	8,257,529	8,063,809
Loans (Terms-end balance)	貸 出 金 ( 末 残 )	6,063,500	58,539	96,470	6,004,960	5,967,030
Loans (Average balance)	貸 出 金 ( 平 残 )	6,026,607	29,915	67,689	5,996,692	5,958,917

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

(Millions of yen)

	(Japanese)	As of Mar.31,2018			As of Sep.30, 2017 (B)	As of Mar.31, 2017 (C)
		(A)	(A)-(B)	(A)-(C)		
		Deposits (Terms-end balance)	預 金 ( 末 残 )	5,529,812		
Deposits (Average balance)	預 金 ( 平 残 )	5,362,674	46,426	183,497	5,316,248	5,179,177
Loans (Terms-end balance)	貸 出 金 ( 末 残 )	4,517,299	152,233	168,851	4,365,066	4,348,447
Loans (Average balance)	貸 出 金 ( 平 残 )	4,339,416	47,677	93,771	4,291,738	4,245,644



# Financial Results for FY2017

May 11, 2018

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# Highlights

2

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## Financial Results for FY17

Main Points of FY17 Financial Results	3
Core Gross Business Profit	4
Change of Core Net Business Income	5
Expenses / OHR	6
Loans and Deposits (Average Balance / Average Yield)	7
Loans	8-10
Deposits	11
Customer Assets under Custody	12
Securities	13-14
Credit Related Costs / Non-performing Loans	15
Status of Integration Synergy	16
Forecast for FY18	17
Capital Adequacy Ratio / Shareholder Return	18

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

# Highlights

## Results for FY17

\*Attributable to owners of the parent

Consolidated net income\* of Mebuki FG is ¥43.0bn, representing a 101.3% completion of the revised full-year forecast.

Synergy effect arising from the business integration was ¥4.8 bn, representing completion of 175% of the forecast for FY17 of ¥2.7 bn.

Core net business income on a simple-sum basis of the two banking subsidiaries increased by ¥6.7bn to ¥73.6bn, mainly due to the synergy effect arising from the business integration, increases in net fees and commissions resulted from enhancement of consulting service, and progress of cost reduction measures.

## Forecast for FY18

Although net interest income is expected to decrease, we are projecting that consolidated net income will increase YoY, mainly due to a decrease in credit related cost and increases in net fees and commissions from consulting services related to business potential assessment and customers' asset building and so forth.

Consolidated Ordinary Profit ¥65.0 bn (+¥1.4 bn YoY)

Consolidated Net Income\* ¥45.0 bn (+¥1.9 bn YoY)

\*Attributable to owners of the parent

## Shareholder Returns for FY18

For FY18, 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, being unchanged from the previous fiscal year.

In order to enhance shareholder returns and improve capital efficiency, Mebuki FG will repurchase its own shares

<Upper limit of repurchase> Number of shares | 5mil Amount | ¥2.5bn

**In the case where maximum amount is purchased**

Total payout ratio | 34.2%

\*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 FY17 Financial Results

## Mebuki FG (Consolidated) (¥bn)

	FY17	Pro- gress	Revised Full- year Forecast
Ordinary profit	63.5	101.6%	62.5
Net income attributable to owners of the parent	(1) 43.0	101.3%	42.5

### Consolidation adjustment

(2)-(1) -8.2bn

Adjustments related to securities (-6.7bn)

Interest expenses of subordinated loans,  
expenses, etc.

## Two banking subsidiaries and group companies

	FY17	Pro- gress	Revised Full- year Forecast
Net income	(2) 51.3	100.6%	51.0

Net Income of group companies other than  
banking subsidiaries ¥4.4bn

## Joyo and Ashikaga (Non-consolidated) (¥bn)

	J+A		FY17			
	Result	YoY Chg	Joyo		Ashikaga	
			Result	YoY Chg	Result	YoY Chg
Gross business profit	180.7	-6.7	100.4	-4.7	80.2	-2.0
Net interest income	153.7	+0.2	85.8	+0.6	67.9	-0.3
Net fees and commissions	30.8	+3.1	16.9	+2.5	13.8	+0.6
Net other business income and Net trading income	-3.8	-10.2	-2.2	-7.9	-1.5	-2.2
(o/w gains/losses on bond transactions)	-6.4	-12.0	-3.8	-9.7	-2.5	-2.3
Expenses	113.5	-1.4	66.3	-2.1	47.2	+0.7
o/w Personnel expenses	59.7	-0.6	33.6	-1.0	26.1	+0.4
o/w Non-personnel expenses	46.6	-0.4	28.7	-0.7	17.8	+0.3
Net business income (before general allowance for loan losses)	67.1	-5.3	34.1	-2.6	33.0	-2.7
Core net business income	73.6	+6.7	37.9	+7.1	35.6	-0.3
Net transfer to general allowance for loan losses (a)	-1.4	-0.9	-0.3	+0.3	-1.1	-1.3
<b>Net business income</b>	<b>68.5</b>	<b>-4.4</b>	<b>34.4</b>	<b>-2.9</b>	<b>34.1</b>	<b>-1.4</b>
Net non-recurrent gains/losses	-0.3	+3.6	2.5	+4.2	-2.8	-0.5
o/w Disposal of non-performing loans (b)	9.3	-0.6	5.2	-0.2	4.1	-0.4
o/w Gains/losses related to stocks, etc	10.5	+0.7	9.4	+1.8	1.0	-1.1
<b>Ordinary profit</b>	<b>68.2</b>	<b>-0.7</b>	<b>36.9</b>	<b>+1.2</b>	<b>31.2</b>	<b>-1.9</b>
Extraordinary income/losses	-1.1	+0.9	-0.5	+0.2	-0.6	+0.7
Income taxes	20.2	+4.2	10.8	+0.4	9.3	+3.7
<b>Net income</b>	<b>46.8</b>	<b>-3.9</b>	<b>25.5</b>	<b>+1.0</b>	<b>21.3</b>	<b>-5.0</b>
Credit related costs (a)+(b)	7.9	-1.5	4.9	+0.1	3.0	-1.7

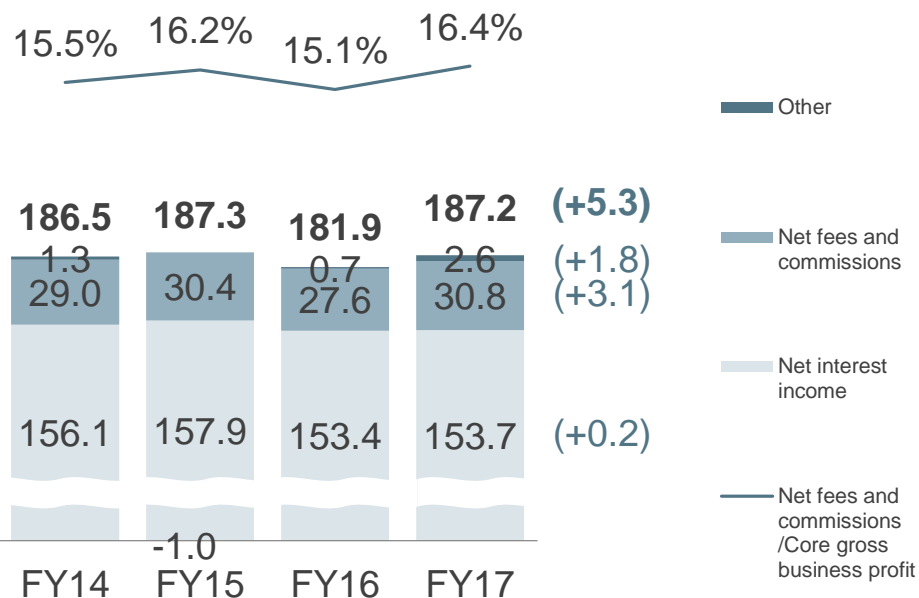
# Core Gross Business Profit

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

Core gross business profit increased ¥5.3 bn YoY

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

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



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

	FY15	FY16	FY17	YoY Chg
Joyo	0.8	1.7	1.0	-0.7
Ashikaga	3.7	3.6	4.4	+0.7
J + A	4.5	5.4	5.4	+0.0

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

## Change of Interest Income (¥bn)

### Joyo Bank

	Factor	YoY Chg	Domestic (Chg. in Nil)		Overseas (Chg. in Nil)	
				Chg. in Factors		Chg. in Factors
Interest on loans and bills discounted	Avg	+0.8	+0.5	(+¥53.2bn)	+0.2	(+¥14.4bn)
	Yield	-1.2	-1.9	(-3.3bp)	+0.6	(+56.5bp)
Interest on deposits (-)		+0.3	-0.2	—	+0.5	—
Interest and dividend on securities	Avg	+0.7	+0.4	(+¥51.5bn)	+0.2	(+¥14.1bn)
	Yield	+0.8	-0.0	(-0.1bp)	+0.8	(+17.8bp)
Market investments and borrowings (-)		+0.1	-0.9	—	+1.0	—

### Ashikaga Bank

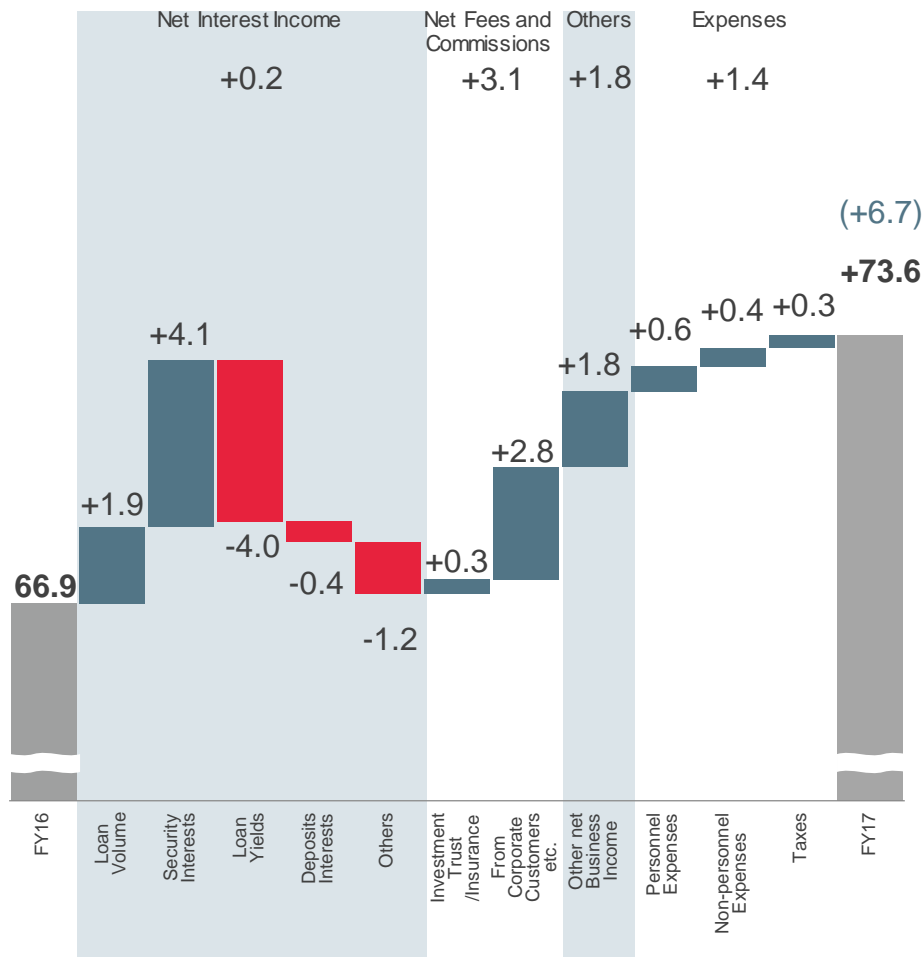
	Factor	YoY Chg.	Domestic (Chg. in Nil)		Overseas (Chg. in Nil)	
				Chg. in Factors		Chg. in Factors
Interest on loans and bills discounted	Avg	+1.1	+0.9	(+¥85.7bn)	+0.1	(+¥8.0bn)
	Yield	-2.7	-2.8	(-6.6bp)	+0.0	(+70.5bp)
Interest on deposits (-)		+0.1	-0.2	—	+0.3	—
Interest and dividend on securities	Avg	+1.2	+0.3	(+¥21.0bn)	+0.9	(+¥39.8bn)
	Yield	+1.2	+0.4	(+3.7bp)	+0.8	(+43.4bp)
Market investments and borrowings (-)		+1.1	-0.0	—	+1.2	—

# Change of Core Net Business Income

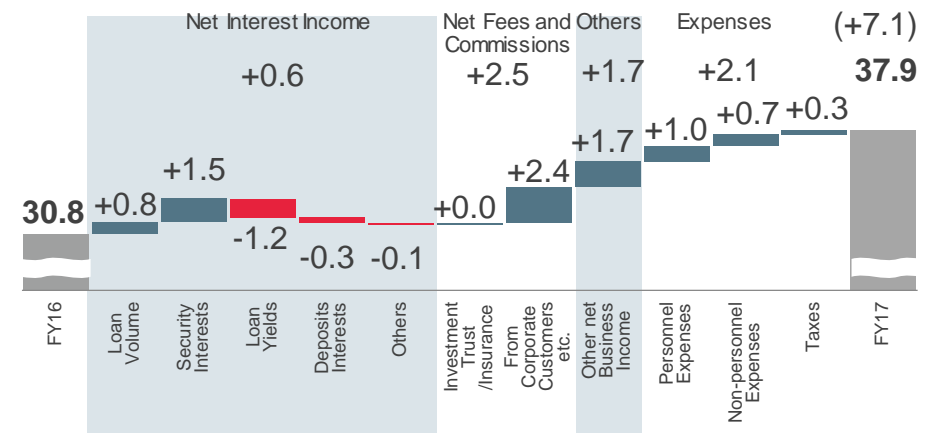
Core net business income on a simple-sum basis of the two banking subsidiaries increased by ¥6.7bn YoY to ¥73.6bn, mainly due to increases in net fees and commissions and cost reduction measures

## Joyo + Ashikaga

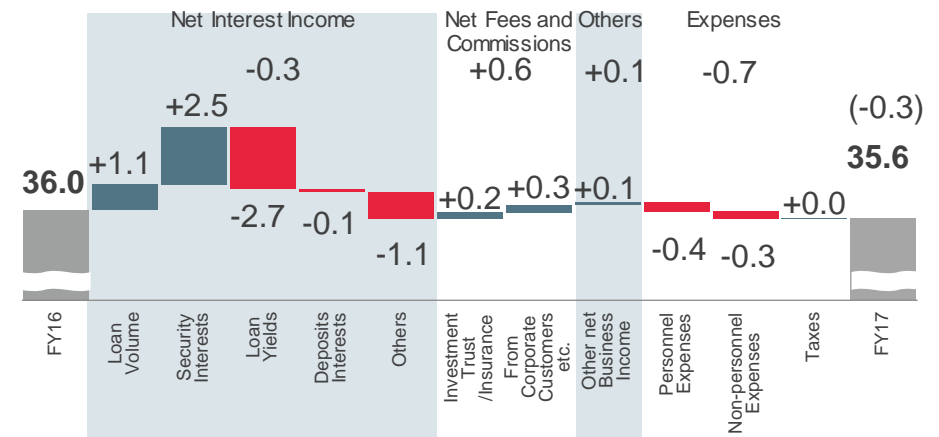
(¥Bn)



## Joyo Bank



## Ashikaga Bank



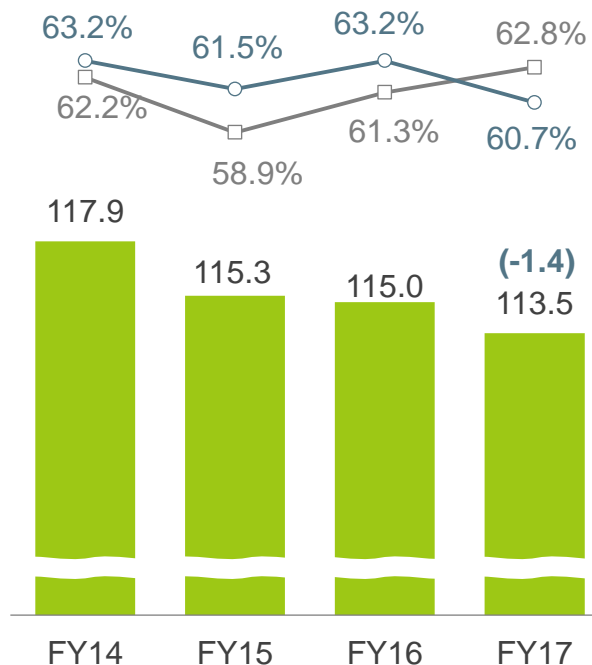
# Expenses / OHR

Expenses decreased ¥1.4 bn YoY, mainly due to cost reduction measures and a decrease in deposit insurance premiums. Cost reduction synergy also made a contribution. \*Simple-sum basis of the two banking subsidiaries

## Joyo Bank + Ashikaga Bank

(¥bn)

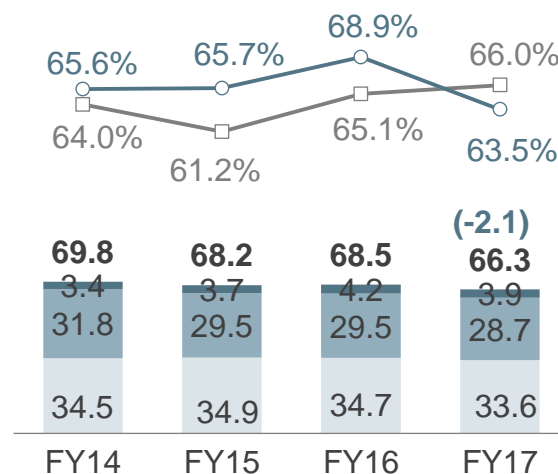
- Total
- OHR vs Gross Business Profit
- OHR vs Gross Business Profit excl. Gains/Losses on Bond Transaction



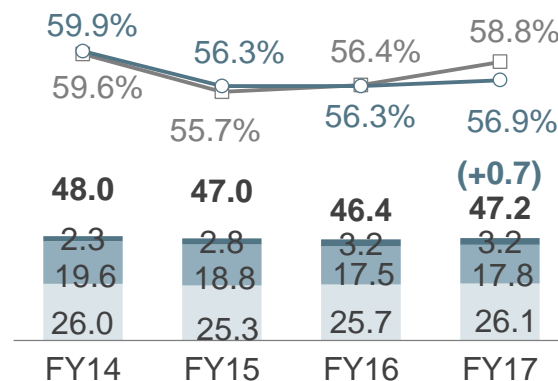
	FY14	FY15	FY16	FY17	Change
Personnel	60.5	60.3	60.4	59.7	(-0.6)
Non-personnel	51.5	48.4	47.0	46.6	(-0.4)
Taxes	5.8	6.5	7.4	7.1	(-0.3)

## Joyo Bank

- Taxes
- Non-personnel expenses
- Personnel expenses
- OHR vs Gross Business Profit
- OHR vs Gross Business Profit excl. Gains/Losses on Bond Transactions



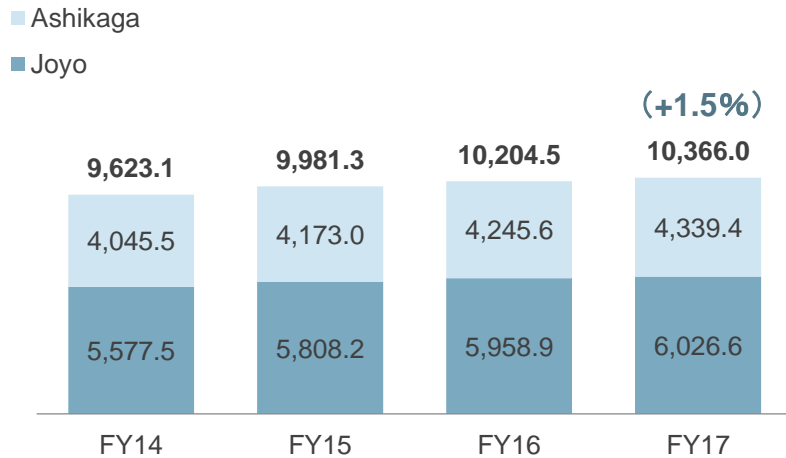
## Ashikaga Bank



# Loans and Deposits (Avg. Balance / Avg. Yield)

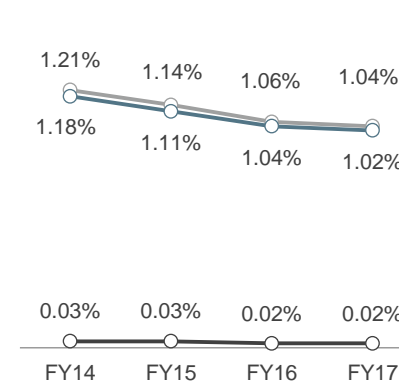
\*Figures in parentheses are changes on a year on year basis

## Loans (Avg. Balance / Joyo + Ashikaga) (¥bn)

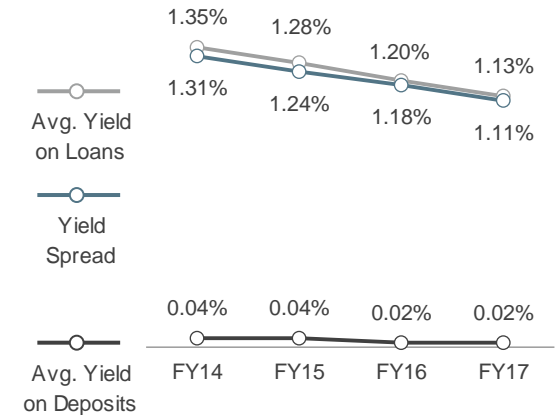


## Average Yield (Domestic + International)

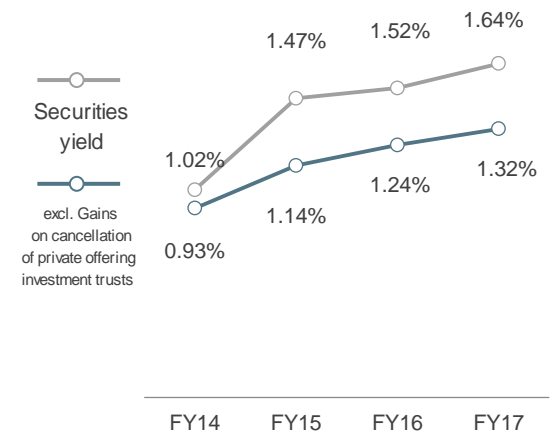
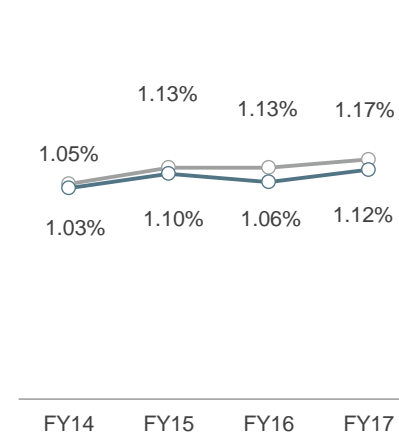
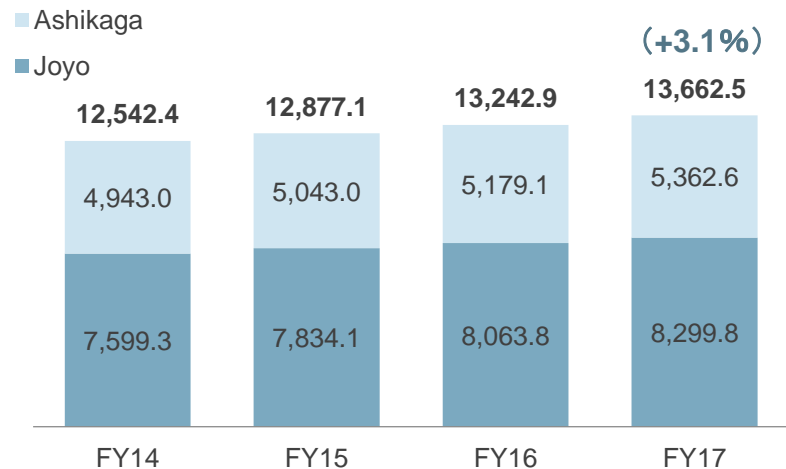
### Joyo



### Ashikaga



## Deposits (Avg. Balance / Joyo + Ashikaga) (¥bn)





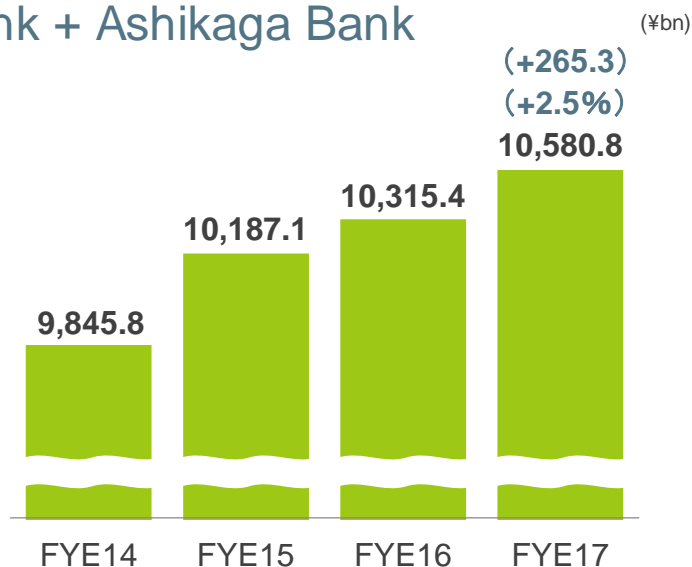
# Loans (1) Term-end Balance

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

Loans to individual customers increased by ¥218.3 bn (+5.1%) and housing related loans increased by ¥217.6 bn (+5.5%) YoY

Loans to corporate customers increased by ¥126.3 bn (+2.6%) and loans to local corporate customers increased ¥99.3 bn (+3.2%) YoY

## Joyo Bank + Ashikaga Bank



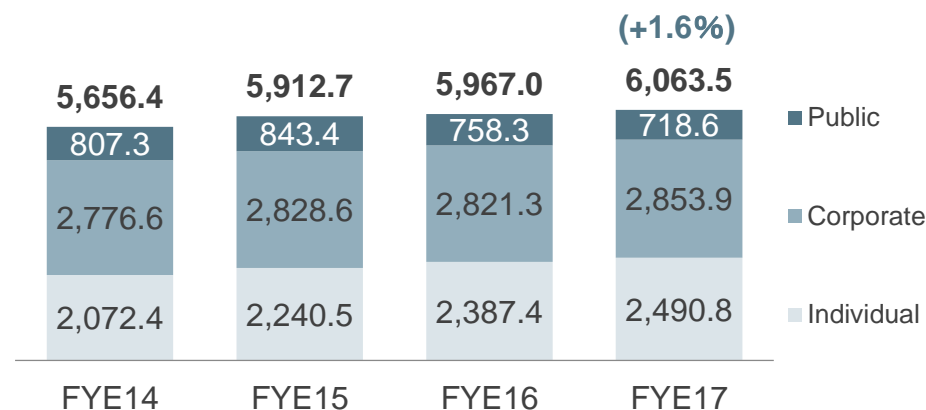
	FYE14	FYE15	FYE16	FYE17	YoY Change (%)
Individual	3,746.2	4,025.6	4,272.8	4,491.2	(+5.1%)
Corporate	4,772.2	4,813.1	4,809.6	4,935.9	(+2.6%)
Public	1,327.3	1,348.3	1,232.9	1,153.6	(-6.4%)

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

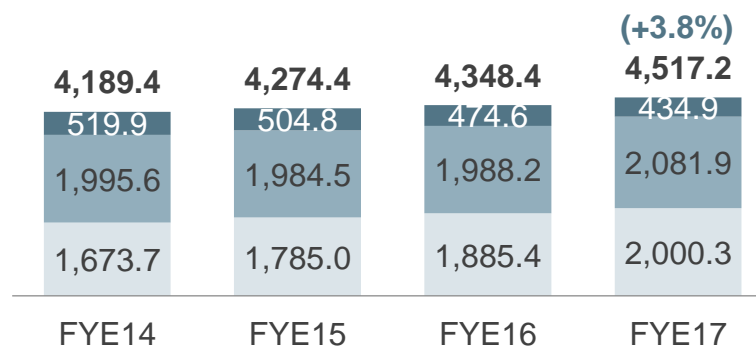
### Foreign Currency Denominated Loans

	FYE14	FYE15	FYE16	FYE17
Joyo	86.3	98.8	116.0	114.0
Ashikaga	5.5	5.7	12.2	15.2
Total	91.9	104.5	128.3	129.2

## Joyo Bank



## Ashikaga Bank



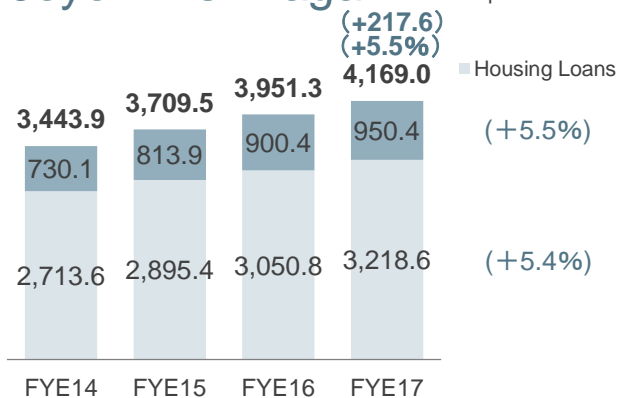
# Loans (2) Individual Housing Related / Unsecured

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

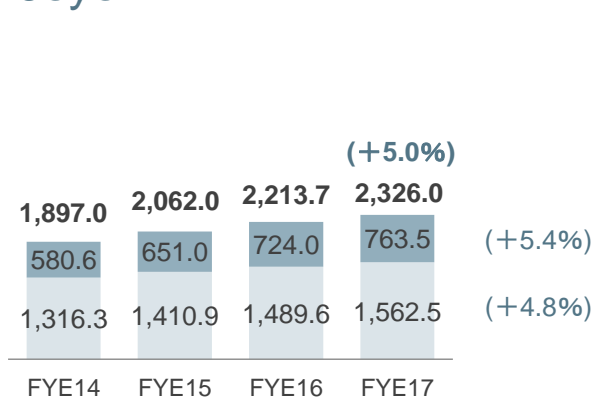
## Housing Related Loans Term-end Balance

(¥bn)

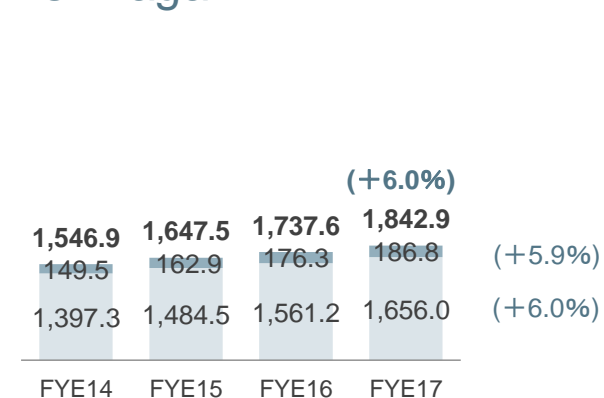
### Joyo + Ashikaga



### Joyo



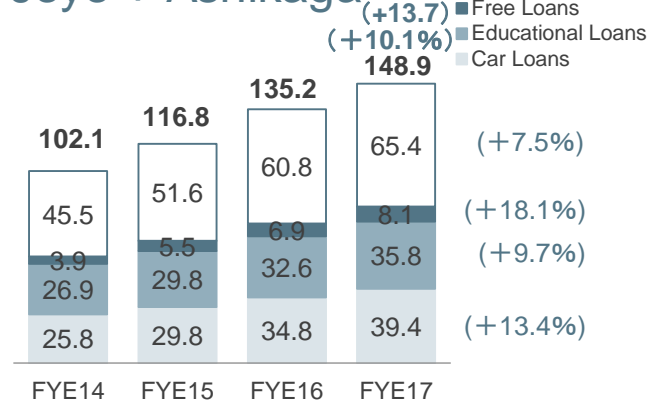
### Ashikaga



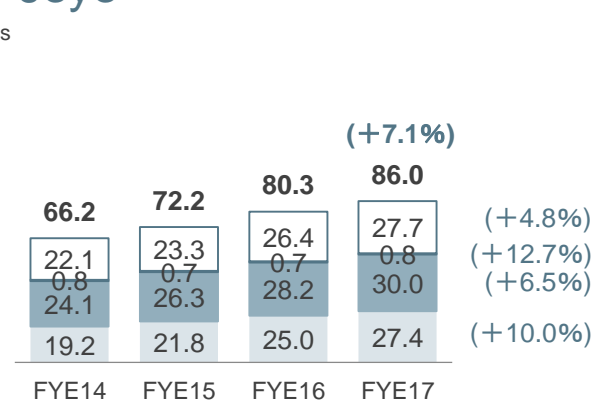
## Unsecured Loans Term-end Balance

(¥bn)

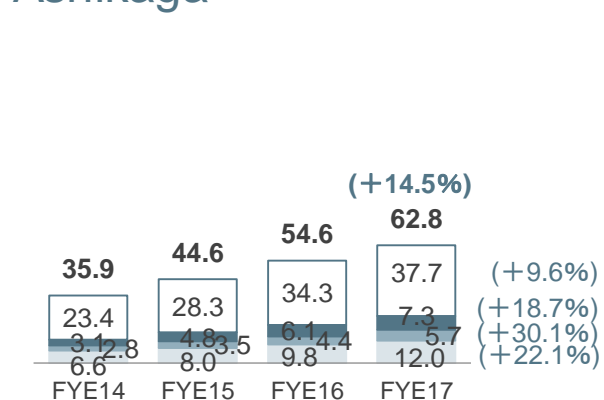
### Joyo + Ashikaga



### Joyo



### Ashikaga



\* Credit cards are not included in "Card Loans"

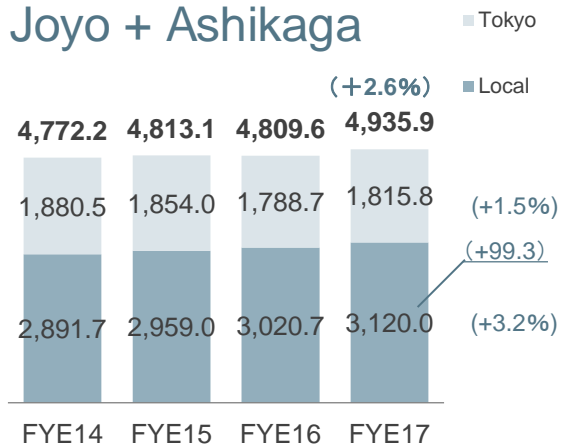
# Loans (3) Corporate by Area / Company Size

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

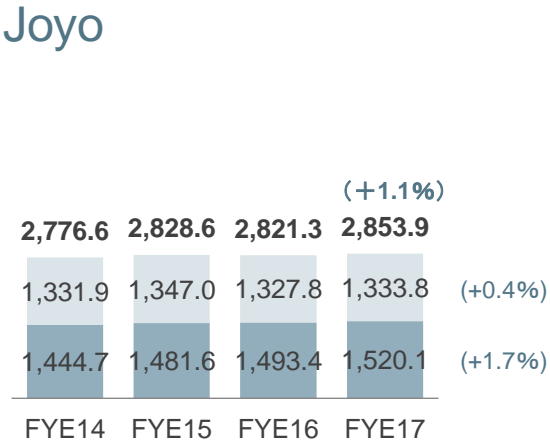
## Term-end Balance by Area

(¥bn)

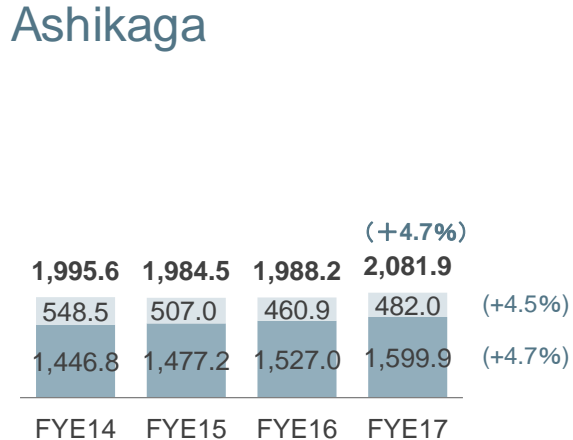
### Joyo + Ashikaga



### Joyo



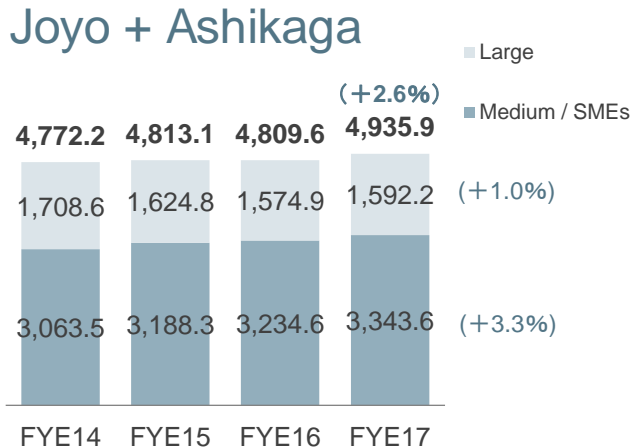
### Ashikaga



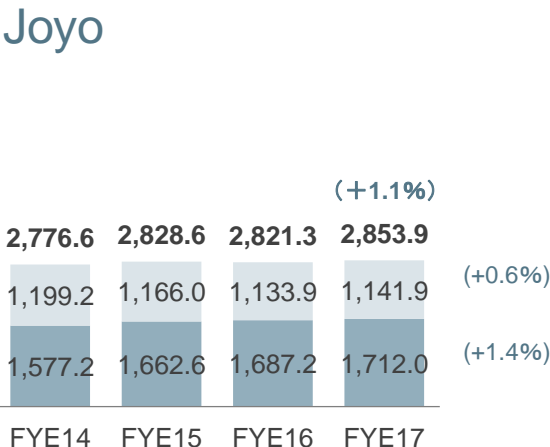
## Term-end Balance by Company Size

(¥bn)

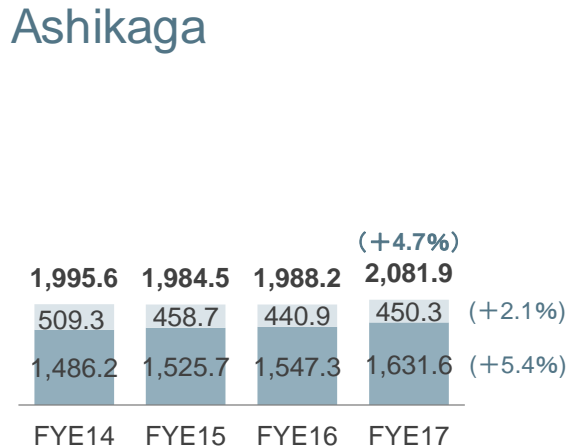
### Joyo + Ashikaga



### Joyo



### Ashikaga



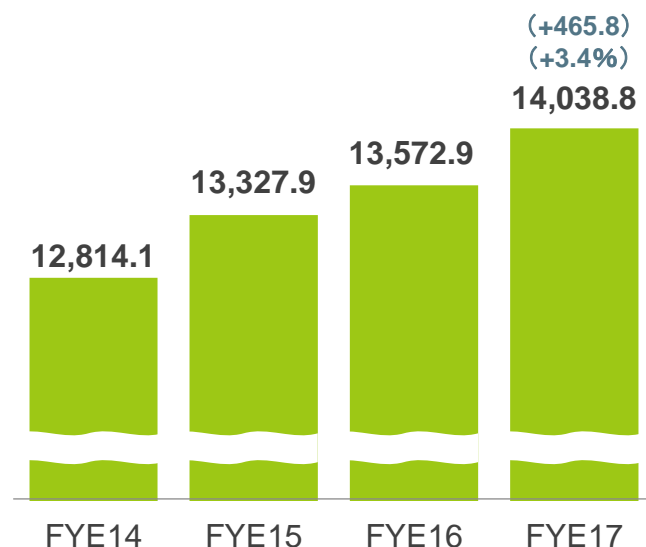
# Deposits Term-end Balance

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

Deposits of individual and corporate customers have been on the increase  
(Individual customers : +3.4%, Corporate customers : +3.1%)

## Joyo Bank + Ashikaga Bank

(¥bn)



	FYE14	FYE15	FYE16	FYE17	YoY Change (%)
Individual	9,344.2	9,502.6	9,762.1	10,103.6	+3.4%
Corporate	2,741.9	3,020.8	3,062.8	3,158.8	+3.1%
Public	727.8	804.4	748.0	776.3	+3.7%

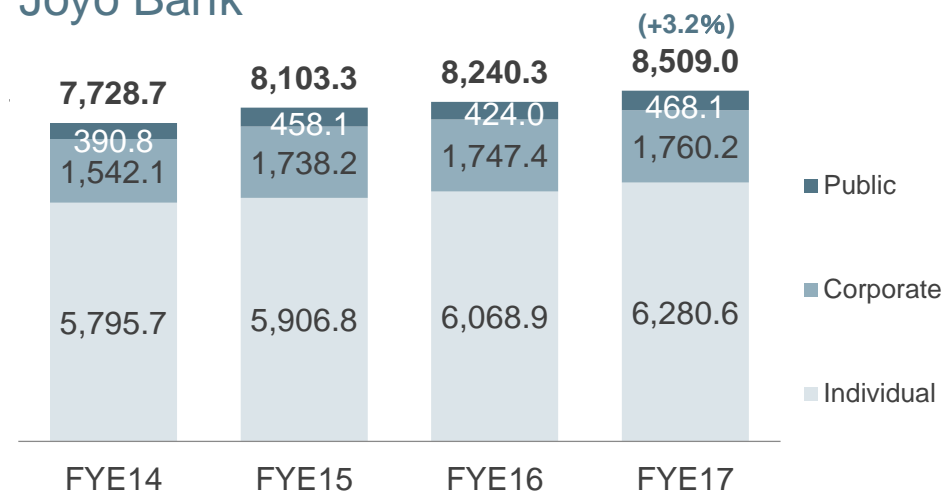
\*1 "Corporate" includes financial institutions.

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

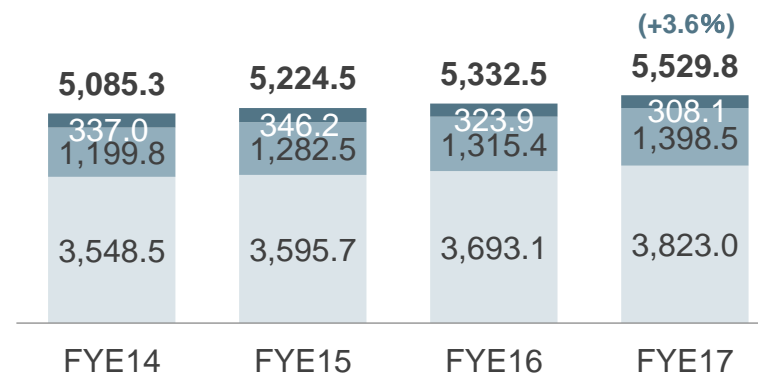
### Foreign Currency Deposit

	FYE14	FYE15	FYE16	FYE17
Joyo	54.6	111.4	140.7	199.1
Ashikaga	16.4	16.3	24.8	76.0
Total	71.1	127.7	165.6	275.2

## Joyo Bank



## Ashikaga Bank

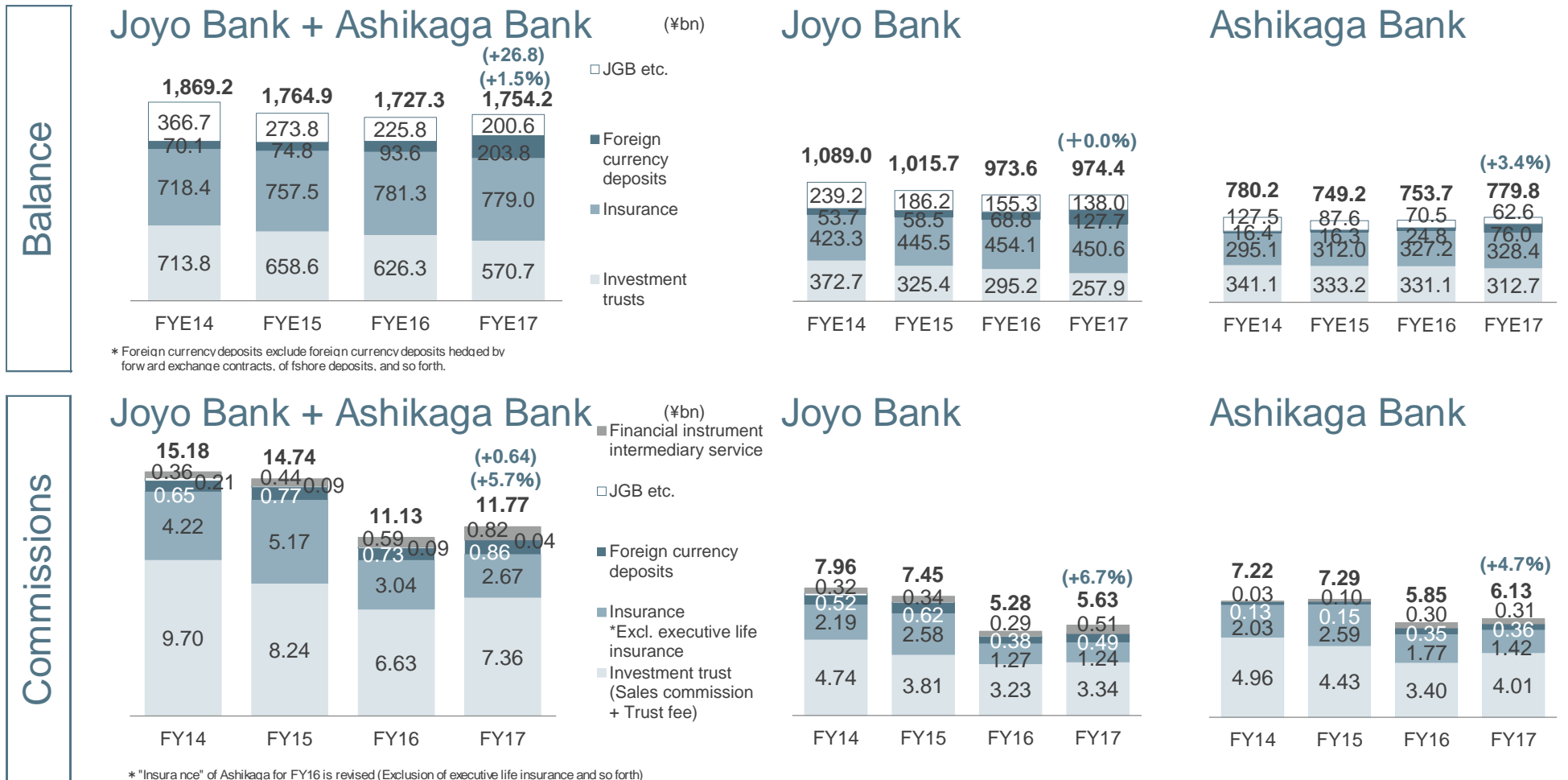


# Customer Assets under Custody

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

The amount rose 1.5% YoY due to foreign currency deposits

Commissions increased 5.7% YoY mainly due to sales of investment trusts

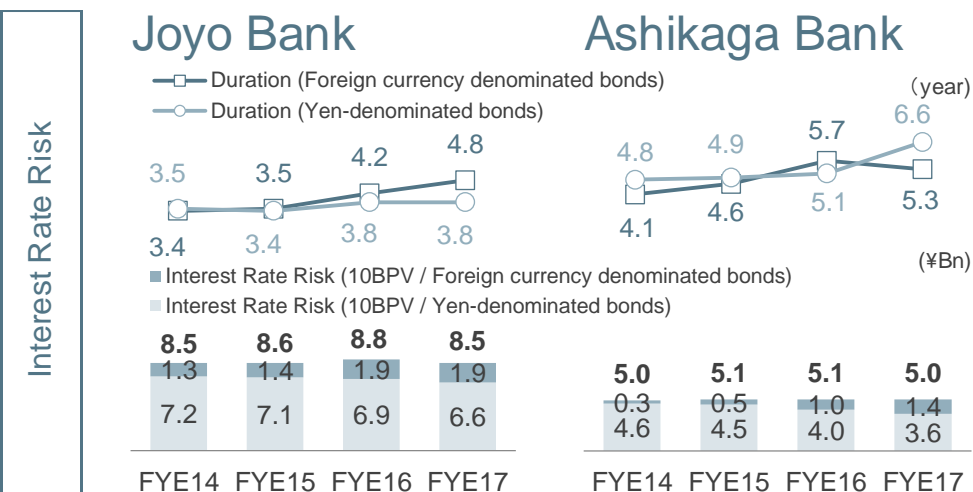
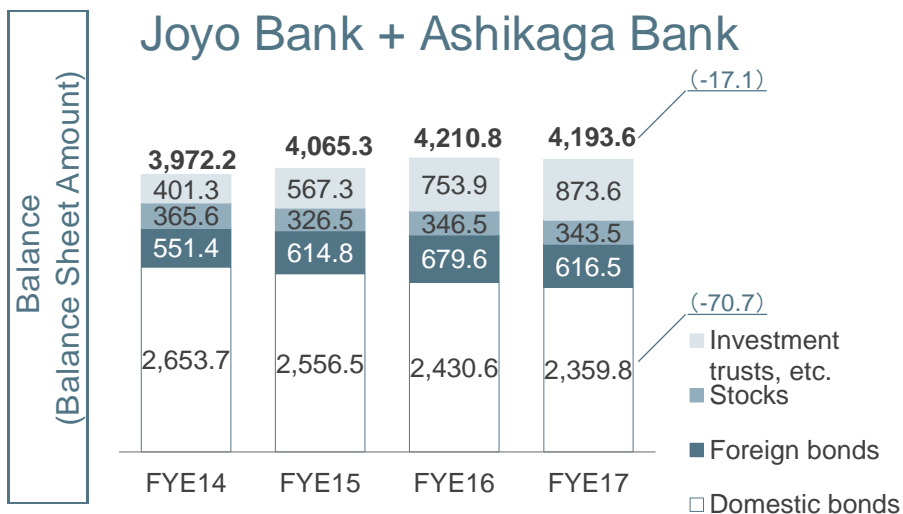


# Securities (1)

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

Considering the interest rate of the Japanese yen, reinvestment of redemption payments of JGBs was suspended (The amount of domestic bonds held decreased by ¥70.7 bn from the end of FY16)

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

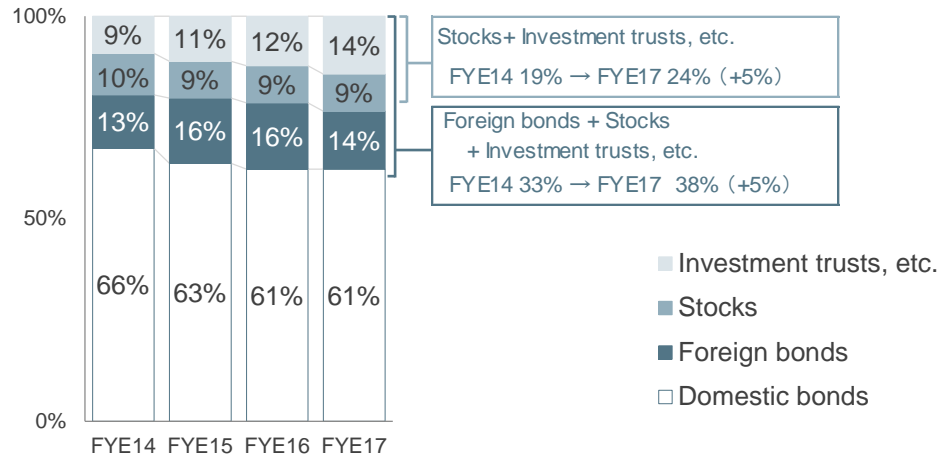


Foreign Bonds / Investment Trust	Book value as of Mar. 31 2018			Details
	J + A	Joyo	Ashikaga	
Foreign Bonds	625.3	397.2	228.1	-
o/w Gov. Bond, Gov. Guaranteed Bonds, etc.	276.5	233.7	42.8	Invest mainly in gov. bonds, gov. guaranteed bonds
o/w Corporate Bond	264.7	79.4	185.3	Bonds rated A or above account for more than 90% of total
o/w Ginnie Mae	24.0	24.0	-	Bonds whose interest rates are high for their duration
Others	59.9	59.9	-	Floating bonds centering on CLO (only highest tranches)
Investment Trusts etc.	857.4	403.0	454.4	-
o/w Equity-related	266.8	188.4	78.4	Control risks using bear funds
o/w REIT	60.3	44.4	15.9	Invest in diversified REIT considering yield and liquidity
Others	530.2	170.1	360.0	Improve risk-return profile of entire portfolio considering correlation with other assets

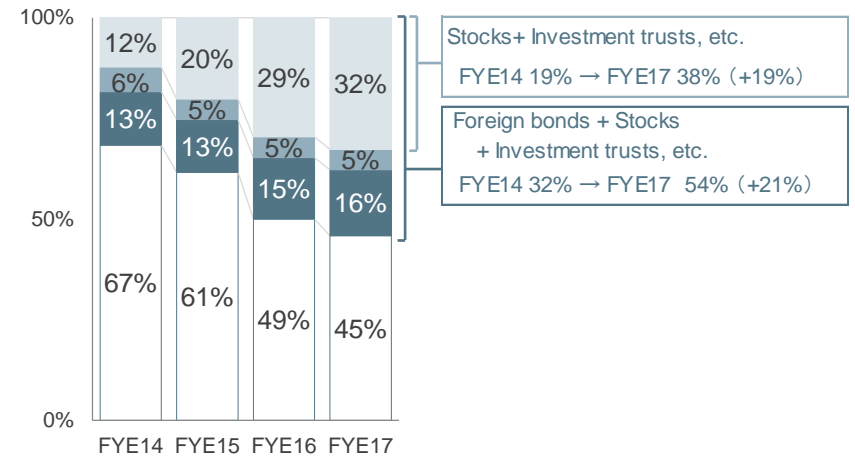
# Securities (2)

Portfolio Allocation  
(Balance Sheet Amount Basis)

## Joyo Bank

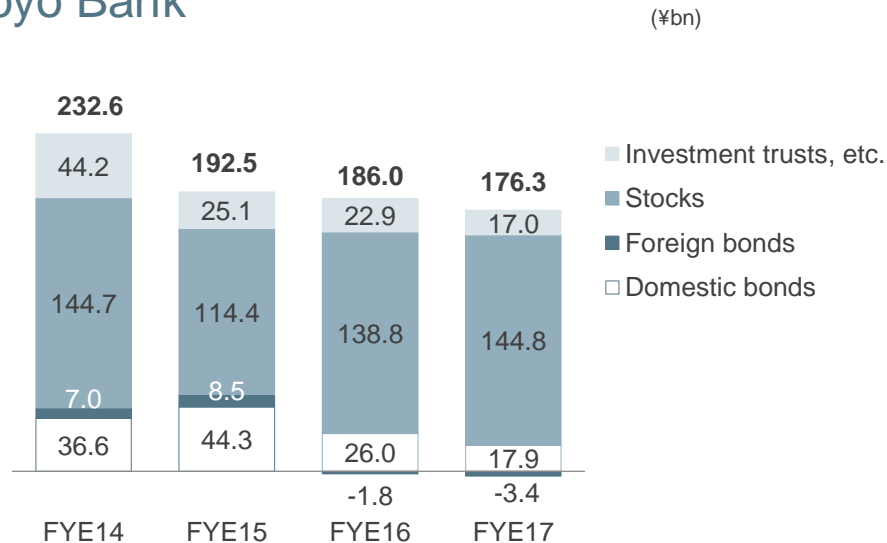


## Ashikaga Bank

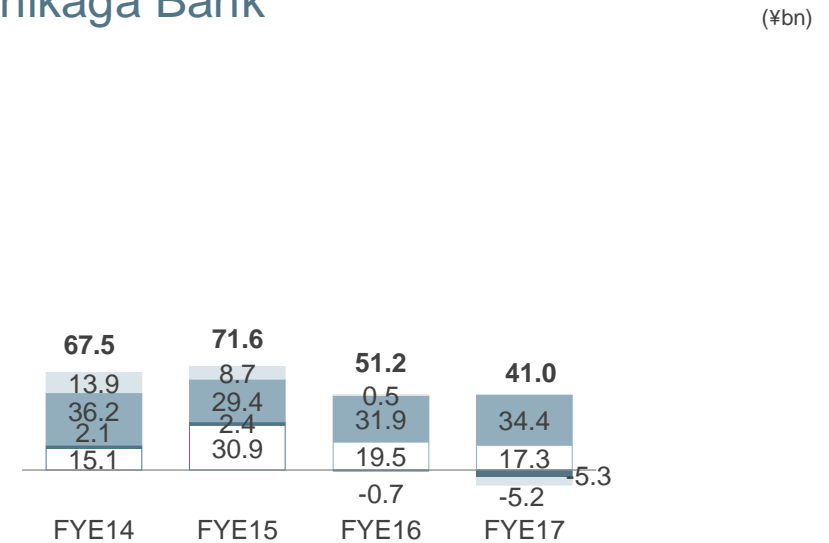


Unrealized Valuation Gains/Losses  
on Available for Sale Securities

## Joyo Bank



## Ashikaga Bank

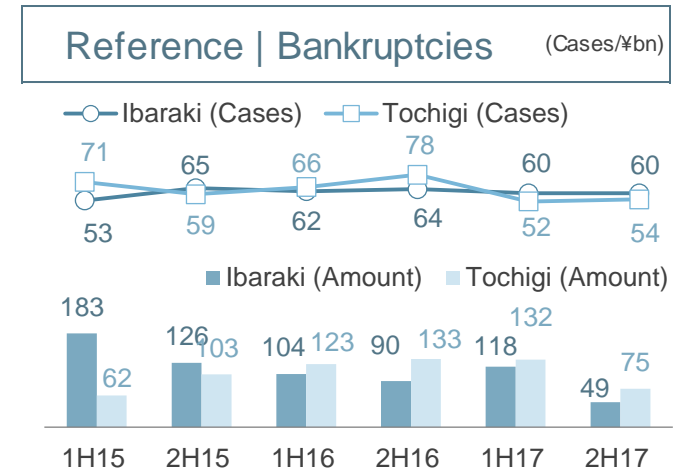
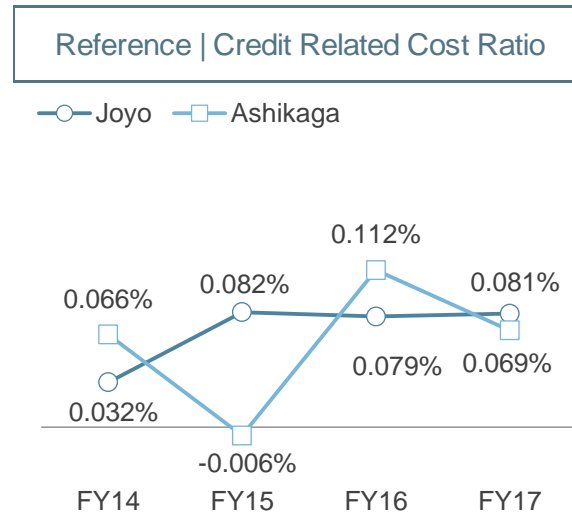
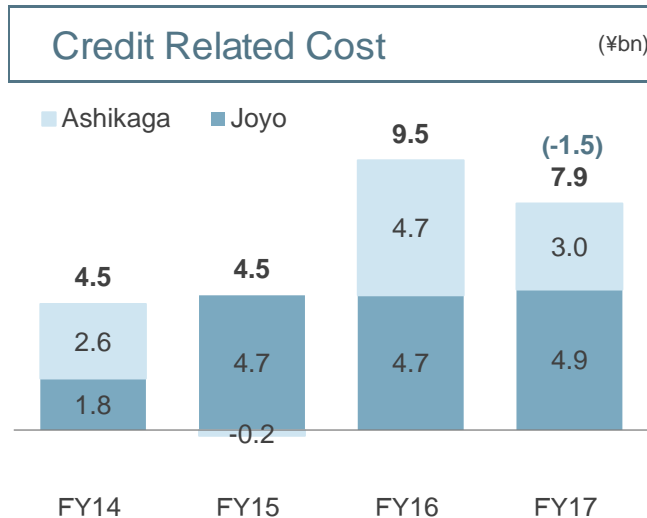


# Credit Related Costs / Non-performing Loans

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

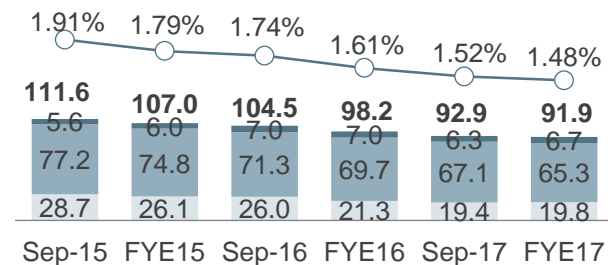
Credit related costs\* for FY17 was ¥7.9 bn, ¥1.5 bn less than the previous fiscal year

Number of bankruptcies has stayed low in Ibaraki and Tochigi Prefecture

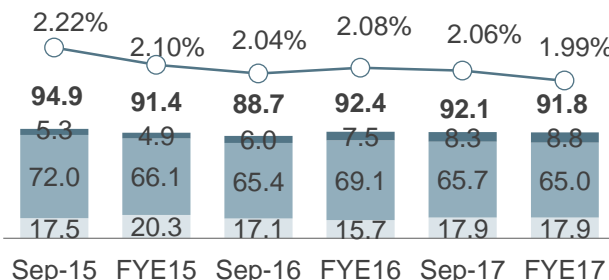


## Non-performing Loans (Financial Revitalization Law) (¥bn)

### Joyo Bank



### Ashikaga Bank



\*Number of bankruptcies of enterprises with 10 million yen or more in net debt

- Bankrupt and substantially bankrupt claims
- Doubtful claims
- Claims requiring supervision
- Non-performing loan ratio



# Integration Synergy

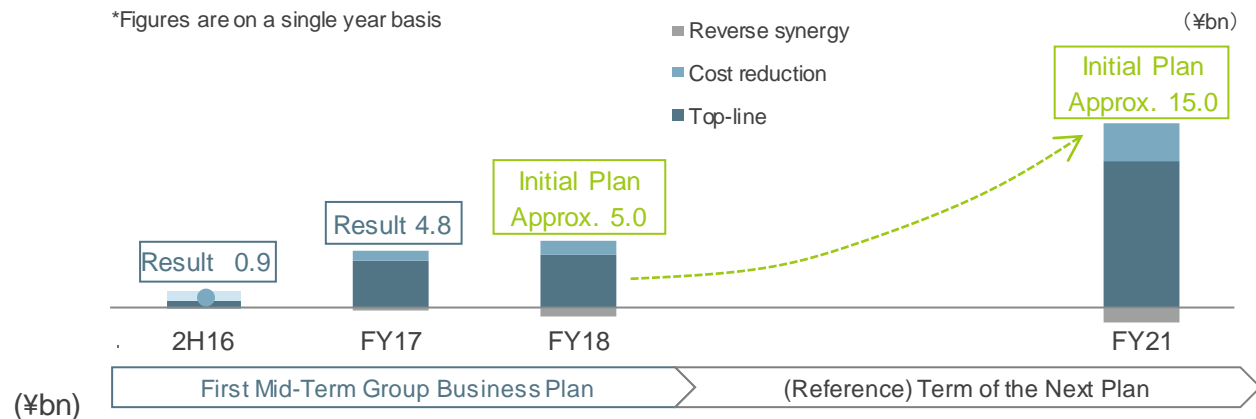
Synergy effect for FY17 is ¥4.8bn representing progress of 175% towards FY17 forecast of ¥2.7bn  
 For FY18, aim to make the synergy effect surpass the initial target of ¥5.0bn.

## Synergy Effects on the Statement of Income \*before Tax

	Amount
FY17 Forecast	+ ¥2.7bn
FY17 Result	+ ¥4.8bn (Progress 175%)

## FY17 (Results/ Forecast)

Items	Full-year Forecast	Result	Progress	Details
Loans Corporate services	1.03	1.40	136.0%	<ul style="list-style-type: none"> <li>• Sales promotion based on wide area network → Co-financing, Syndicate loans, Customer referral, and Lending to growth industries (Medical and nursing care)</li> <li>• Utilization of Mebuki Lease</li> <li>• Share know-how for non-face-to-face sales (Unsecured loans)</li> <li>• Joint development of online application housing loans, Joint sales of housing loans for women</li> </ul>
Financial assets under custody	0.85	0.88	103.5%	<ul style="list-style-type: none"> <li>• Share sales promotion know-how</li> <li>• Utilization of Mebuki Securities</li> </ul>
Securities	0.70	0.78	112.1%	<ul style="list-style-type: none"> <li>• Investment in new areas and diversification of funding method based on both banking subsidiaries' investment experience</li> <li>• Joint investment</li> <li>• Enhancement of investment and controlling method through sharing of analysis method (Monitoring, etc.)</li> </ul>
Others (Channel / international)	0.25	1.40	551.4%	<ul style="list-style-type: none"> <li>• New branch openings</li> <li>• Enhance staff in important regions</li> <li>• Promote cross-border loans</li> <li>• Utilize Joyo's know-how of dual currency deposit service (Ashikaga)</li> <li>• Foreign currency deposit campaigns</li> </ul>
Cost reductions	0.30	0.88	294.3%	<ul style="list-style-type: none"> <li>• Joint cost reduction and cost effectiveness evaluation</li> <li>• Strengthen price negotiation power through information sharing</li> <li>• Share know-how to improve branch operation efficiency</li> <li>• Integrate operation center in Tokyo</li> <li>• Joint issuance of bills/check paper and bank cards</li> </ul>
Cost Increases / Reverse synergy	-0.37	-0.51	-	<ul style="list-style-type: none"> <li>• Lower transfer fee between both banks to the inter-branch rate</li> <li>• System migration expenses</li> </ul>
<b>Total</b>	<b>2.77</b>	<b>4.85</b>	<b>175.1%</b>	



# Forecast for FY2018

Although net interest income is expected to decrease, YoY increase in consolidated net income\* is anticipated, mainly due to a decrease in credit related cost and increases in net fees and commissions from consulting services related to business potential assessment and customers' asset building and so forth.

Consolidated Ordinary Profit ¥65.0 bn (+¥1.4 bn YoY) Consolidated Net Income\* ¥45.0 bn (+¥1.9 bn YoY)

\*Attributable to owners of the parent

## Mebuki FG (Consolidated)

(¥bn) Joyo (Non-consolidated)

## Ashikaga (Non-consolidated)

	FY17 Results	FY18 Forecast	YoY Chg.
Ordinary Profit	63.5	65.0	+1.4
Net Income (Attributable to owners of the parent)	43.0	45.0	+1.9
ROE TSE basis * <sup>1</sup>	4.9%	5.0%	+0.1%
Based on total shareholders' equity * <sup>2</sup>	5.8%	5.8%	+0.0%

\*<sup>1</sup> ROE(TSE basis)  
= Net Income<sup>\*Attributable to owners of the parent</sup> ÷ Total Net Asset

\*<sup>2</sup> ROE(Based on total shareholders' equity)  
= Net Income<sup>\*Attributable to owners of the parent</sup> ÷ Total Shareholders' Equity

	FY17 Results	FY18 Forecast	YoY Chg.	FY17 Results	FY18 Forecast	YoY Chg.
Core Net Business Income	37.9	37.5	-0.4	35.6	31.0	-4.6
Ordinary Profit	36.9	38.5	+1.5	31.2	27.5	-3.7
Net Income	25.5	26.5	+0.9	21.3	31.0 <sup>*3</sup>	+9.6
ROE TSE basis	4.2%	4.3%	+0.1%	6.6%	9.3%	+2.7%
Based on total shareholders' equity	5.5%	5.6%	+0.1%	7.4%	10.2%	+2.8%

\*<sup>3</sup> Dividend income of ¥12.0bn from a subsidiary is recognized in extraordinary income.

## J + A (Non-consolidated)

	FY17 Results	FY18 Forecast	YoY Chg.
Ordinary Profit	68.2	66.0	-2.2
Net Income	46.8	57.5	+10.6

## Non-banking Subsidiaries

	FY17 Results	FY18 Forecast	YoY Chg.
Ordinary Profit	6.7	7.0	+0.3
Net Income	4.4	4.5	+0.0

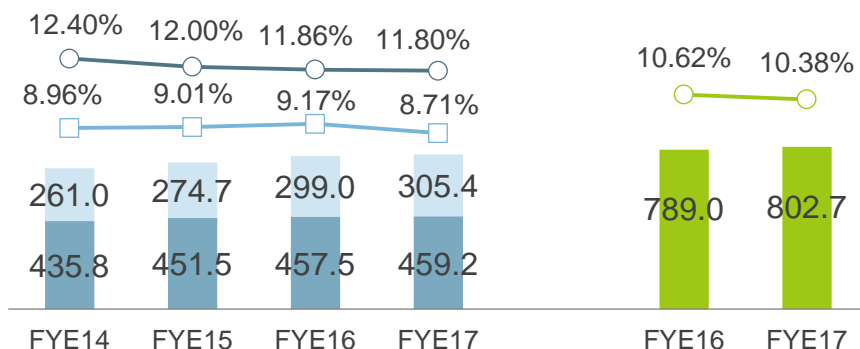
## Consolidation Adjustment

	<b>-17.0bn</b>
Divident Income from a subsidiary (Ashikaga)	-12.0bn
Adjustment related to securities	-3.5bn
Interest expemnses of subordinated loans, etc.	-1.5bn

# Capital Adequacy Ratio / Shareholder Return

## Capital Adequacy Ratio

- Joyo (consolidated) Capital adequacy ratio
- Ashikaga (Consolidated) Capital adequacy ratio
- Joyo (consolidated) Capital (JPY Bn)
- Ashikaga (consolidated) Capital (JPY Bn)
- Mebuki FG (Consolidated) Capital adequacy ratio
- Mebuki FG (consolidated) Capital (JPY Bn)



\*Calculation method of risk w eighted assets

- Mebuki FG The fundamental internal rating based approach
- Joyo The fundamental internal rating based approach
- Ashikaga The standardized approach

(Reference) Capital Adequacy Ratio  
w/o Temporary Measure (consolidated)

	FYE14	FYE15	FYE16	FYE17
Mebuki FG	-	-	9.49%	9.48%
Joyo	11.51%	11.17%	11.52%	11.57%
Ashikaga	8.64%	8.77%	9.00%	8.62%

## Shareholder Return

### Dividend

In line with the dividend policy, the dividend forecast for FY18 is ¥11.0 per share

	Annual		
		Interim	Term-end
FY17	¥11.0	¥5.5	¥5.5
FY18	¥11.0 Scheduled	¥5.5 Scheduled	¥5.5 Scheduled

### Purchase of Treasury Stocks

In order to enhance shareholder returns and improve capital efficiency, Mebuki FG will repurchase its own shares

<Upper limit of repurchase> Number of shares | 5mil Amount | ¥2.5bn  
(Period of purchase | From May 14, 2018 to Jun 22, 2018)

## Shareholder Benefit Plan

- Shareholders to be Subjected Shareholders holding 1,000 shares or more as of Mar. 31
- Contents of the Plan Local specialties etc. can be chosen from a dedicated catalog depending on the number of shares held

### Contents of the Shareholder Benefit Plan

Number of shares held	Items that can be selected	
1,000 shares or more and less than 5,000 shares	Equivalent to 2,500 yen	Approx. 540 items centered on
5,000 shares or more and less than 10,000 shares	Equivalent to 4,000 yen	specialty products from Ibaraki Prefecture and
10,000 shares or more	Equivalent to 6,000 yen	Tochigi Prefecture *

\*The number of items for FY17 is 488

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