

Mebuki Financial Group, Inc.

Financial Results for the First Quarter of Fiscal Year 2018, ending March 31, 2019

Stock Exchange Listing: Tokyo (code: 7167)
 URL: <http://www.mebuki-fg.co.jp/>
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(Japanese yen amounts of less than 1 million or the first decimal place have been rounded down.)

1. Financial Highlights (from April 1, 2018 to June 30, 2018)**(1) Consolidated Operating Results**

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

	Ordinary Income		Ordinary Profit		Net Income attributable to owners of the parent	
	¥Million	%	¥Million	%	¥Million	%
First quarter						
Ended June 30, 2018	77,967	22.2	19,004	5.7	13,477	11.7
Ended June 30, 2017	63,758	-	17,976	-	12,063	-

(Note) Comprehensive Income First quarter of FY2018: ¥17,823million [(5.0)%] First quarter of FY2017: ¥18,770 million [- %]

	Net Income per Share	Net Income per Share (Diluted)
First quarter	¥	¥
Ended June 30, 2018	11.46	11.45
Ended June 30, 2017	10.24	10.23

(2) Consolidated Financial Conditions

	Total Assets	Net Assets	Capital Assets to Total Assets
First quarter	¥Million	¥Million	%
Ended June 30, 2018	16,939,231	897,396	5.2
Fiscal year 2017	16,769,883	888,139	5.2

(Reference) Capital assets First quarter of FY2018: ¥897,255 million FY2017: ¥887,923 million

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

2. Cash Dividends for Shareholders

	Cash Dividends per Share				
	End of 1Q	End of 2Q	End of 3Q	End of FY	Annual
Fiscal year	¥	¥	¥	¥	¥
Ended March 31, 2018	—	5.50	—	5.50	11.00
Ending March 31, 2019	—				
Ending March 31, 2019 (Forecast)		5.50	—	5.50	11.00

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

3. Consolidated Earnings Forecasts for Fiscal Year 2018, ending March 31, 2019

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

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

(Note) 1.Revisions of released consolidated earnings forecasts : No

*Notes

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

June 30, 2018	1,179,055,218 shares	March 31, 2018	1,179,055,218 shares
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 - ② Number of treasury stock:

June 30, 2018	5,971,785 shares	March 31, 2018	1,183,162 shares
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 - ③ Average number of shares:

For the three months ended June 30, 2018	1,175,898,158 shares
For the three months ended June 30, 2017	1,177,753,984 shares

Statement relating to the status of the quarterly review procedures

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

Explanation for proper use of forecasts and other notes

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

Financial Results for the First Quarter of Fiscal Year 2018, Ending March 31, 2019

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I Quarterly Consolidated Financial Information

1. Quarterly Consolidated Balance Sheet

Item	(Japanese)	(Millions of yen)	
		As of Mar. 31, 2018	As of Jun. 30, 2018
Assets	(資産の部)		
Cash and due from banks	現金預け金	1,708,734	1,840,082
Call loans and bills bought	コールローン及び買入手形	14,636	24,595
Monetary claims bought	買入金銭債権	15,388	15,359
Trading assets	特定取引資産	12,539	14,638
Securities	有価証券	4,176,768	4,262,929
Loans and bills discounted	貸出金	10,497,976	10,401,982
Foreign exchanges	外国為替	6,416	7,944
Lease receivable and investments in lease	リース債権及びリース投資資産	56,620	57,238
Other assets	その他の資産	187,737	219,840
Tangible fixed assets	有形固定資産	115,146	114,444
Intangible fixed assets	無形固定資産	14,801	15,376
Asset for retirement benefits	退職給付に係る資産	15,428	16,434
Deferred tax assets	繰延税金資産	2,119	2,260
Customers' liabilities for acceptances and guarantees	支払承諾見返	24,902	24,753
Allowance for loan losses	貸倒引当金	(79,324)	(78,640)
Reserve for devaluation of investment securities	投資損失引当金	(9)	(9)
Total Assets	資産の部合計	16,769,883	16,939,231
Liabilities	(負債の部)		
Deposits	預金	13,977,912	14,114,176
Negotiable certificates of deposit	譲渡性預金	272,640	419,938
Call money and bills sold	コールマネー及び売渡手形	340,540	110,007
Payables under repurchase agreements	売現先勘定	26,314	45,112
Payables under securities lending transactions	債券貸借取引受入担保金	158,149	260,687
Trading liabilities	特定取引負債	504	518
Borrowed money	借入金	877,856	848,491
Foreign Exchanges	外国為替	708	831
Bonds	社債	5,000	5,000
Bonds with warrant attached	新株予約権付社債	31,881	33,162
Due to trust account	信託勘定借	11	3
Other liabilities	その他の負債	114,060	125,363
Provision for directors' bonuses	役員賞与引当金	129	—
Liability for retirement benefits	退職給付に係る負債	6,014	5,911
Provision for directors' retirement benefits	役員退職慰労引当金	63	44
Provision for reimbursement of deposits	睡眠預金払戻損失引当金	3,781	3,637
Provision for contingent loss	偶発損失引当金	1,603	2,513
Provision for point card certificates	ポイント引当金	294	271
Provision for loss on interest repayment	利息返還損失引当金	13	13
Reserves under special laws	特別法上の引当金	2	2
Deferred tax liabilities	繰延税金負債	28,789	30,875
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	9,226	9,215
Negative goodwill	負ののれん	1,343	1,303
Acceptances and guarantees	支払承諾	24,902	24,753
Total liabilities	負債の部合計	15,881,743	16,041,834

(Millions of yen)

Item	(Japanese)	As of Mar. 31, 2018	As of Jun. 30, 2018
Net Assets	(純資産の部)		
Capital stock	資 本 金	117,495	117,495
Capital surplus	資 本 剰 余 金	148,541	148,545
Retained earnings	利 益 剰 余 金	489,697	496,721
Treasury stock	自 己 株 式	(8)	(2,026)
Total shareholders' equity	株 主 資 本 合 計	755,725	760,735
Unrealized gains on available-for-sale securities	そ の 他 有 価 証 券 評 価 差 額 金	120,727	124,958
Deferred gains (losses) on hedges	繰 延 ヘ ッ ジ 損 益	(56)	(195)
Land revaluation surplus	土 地 再 評 価 差 額 金	14,182	14,157
Defined retirement benefit plans	退 職 給 付 に 係 る 調 整 累 計 額	(2,656)	(2,401)
Total accumulated other comprehensive income	そ の 他 の 包 括 利 益 累 計 額 合 計	132,197	136,519
Equity warrants	新 株 予 約 権	216	141
Total net assets	純 資 産 の 部 合 計	888,139	897,396
Total liabilities and net assets	負 債 及 び 純 資 産 の 部 合 計	16,769,883	16,939,231

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

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

(1) Quarterly Consolidated Statement of Income

(Millions of yen)

Item	(Japanese)	For the 3 months ended Jun.30,2017	For the 3 months ended Jun.30,2018
Ordinary income	経 常 収 益	63,758	77,967
Interest income	資 金 運 用 収 益	40,752	43,664
Interest on loans and bills discounts	(うち貸出金利息)	28,442	28,322
Interest and dividends on securities	(うち有価証券利息配当金)	12,004	15,012
Trust fees	信 託 報 酬	11	11
Fees and commissions	役 務 取 引 等 収 益	11,559	12,479
Trading income	特 定 取 引 収 益	684	598
Other ordinary income	そ の 他 業 務 収 益	1,283	869
Other income	そ の 他 経 常 収 益	9,467	20,343
Ordinary expenses	経 常 費 用	45,782	58,962
Interest expenses	資 金 調 達 費 用	3,266	3,849
Interest on deposits	(うち預金利息)	675	1,339
Fees and commissions payments	役 務 取 引 等 費 用	2,268	2,397
Other business expenses	そ の 他 業 務 費 用	696	6,798
General and administrative expenses	営 業 経 費	30,588	30,392
Other operating expenses	そ の 他 経 常 費 用	8,962	15,524
Ordinary profit	経 常 利 益	17,976	19,004
Extraordinary income	特 別 利 益	0	52
Gains on disposal of non-current assets	固 定 資 産 処 分 益	0	52
Extraordinary losses	特 別 損 失	604	152
Losses on disposal of fixed assets	固 定 資 産 処 分 損	49	33
Impairment loss	減 損 損 失	555	119
Income before income taxes	税 金 等 調 整 前 四 半 期 純 利 益	17,371	18,904
Income taxes-current	法 人 税、住 民 税 及 び 事 業 税	4,371	5,323
Income taxes-deferred	法 人 税 等 調 整 額	937	102
Total income taxes	法 人 税 等 合 計	5,308	5,426
Net income	四 半 期 純 利 益	12,063	13,477
Net income attributable to owners of the parent	親会社株主に帰属する四半期純利益	12,063	13,477

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

(2) Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

Item	(Japanese)	For the 3 months ended Jun.30,2017	For the 3 months ended Jun.30,2018
Net income	四 半 期 純 利 益	12,063	13,477
Other comprehensive income	そ の 他 の 包 括 利 益	6,707	4,346
Unrealized gains on available-for-sale securities	そ の 他 有 価 証 券 評 価 差 額 金	6,035	4,230
Deferred gains (losses) on hedges	繰 延 ヘ ッ ジ 損 益	158	(139)
Defined retirement benefit plan	退 職 給 付 に 係 る 調 整 額	513	254
Comprehensive income	四 半 期 包 括 利 益	18,770	17,823
	(内訳)		
Comprehensive income attributable to owners of the parent	親会社株主に係る四半期包括利益	18,770	17,823

3. Note for the Assumption of Going Concern

Not applicable.

4. Note for Material Changes in Shareholders' Equity

Not applicable.

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

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

(1) Financial Highlights (from April 1, 2018 to June 30, 2018)

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

	Ordinary Income		Ordinary Profit		Net Income	
	¥Million	%	¥Million	%	¥Million	%
First quarter						
Ended June 30, 2018	43,871	29.5	12,464	8.7	8,910	14.5
Ended June 30, 2017	33,874	(4.6)	11,459	(1.9)	7,778	(4.5)

② Non-consolidated Financial Conditions

	Total Assets	Net Assets	Capital Assets to Total Assets
First quarter	¥Million	¥Million	%
Ended June 30, 2018	10,286,092	606,522	5.8
Fiscal year 2017	10,053,746	599,683	5.9

(Reference) Capital assets First quarter of FY2018: ¥606,522 million FY2017: ¥599,683 million

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

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

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

(Millions of yen)

Item	(Japanese)	As of Mar. 31, 2018	As of Jun. 30, 2018
Assets	(資産の部)		
Cash and due from banks	現金預け金	968,263	1,067,227
Call loans and bills bought	コールローン	13,786	23,489
Monetary claims bought	買入金銭債権	7,447	7,326
Trading assets	特定取引資産	8,526	10,484
Securities	有価証券	2,802,591	2,896,973
Loans and bills discounted	貸出金	6,063,500	6,065,183
Foreign exchanges	外国為替	3,341	5,669
Other assets	その他資産	77,320	100,625
Tangible fixed assets	有形固定資産	81,764	80,842
Intangible fixed assets	無形固定資産	9,153	8,944
Asset for retirement benefits	前払年金費用	6,495	6,386
Customers' liabilities for acceptances and guarantees	支払承諾見返	46,564	47,287
Allowance for loan losses	貸倒引当金	(35,002)	(34,340)
Reserve for devaluation of investment securities	投資損失引当金	(9)	(9)
Total Assets	資産の部合計	10,053,746	10,286,092
Liabilities	(負債の部)		
Deposits	預金	8,509,025	8,587,438
Negotiable certificates of deposit	譲渡性預金	67,249	190,115
Call money and bills sold	コールマネー	65,340	62,364
Payables under repurchase agreements	売現先勘定	26,314	45,112
Payables under securities lending transactions	債券貸借取引受入担保金	61,535	49,598
Trading liabilities	特定取引負債	504	518
Borrowed money	借入金	579,167	589,631
Foreign Exchanges	外国為替	451	566
Bonds	社債	5,000	5,000
Due to trust account	信託勘定借	11	3
Other liabilities	その他負債	38,513	44,752
Income tax payable	(未払法人税等)	2,109	1,059
Lease obligations	(リース債務)	2,301	2,043
Other liabilities	(その他の負債)	34,102	41,649
Provision for directors' bonuses	役員賞与引当金	65	—
Liability for retirement benefits	退職給付引当金	8,638	8,495
Provision for reimbursement of deposits	睡眠預金払戻損失引当金	2,838	2,727
Provision for point card certificates	ポイント引当金	85	86
Provision for contingent loss	偶発損失引当金	946	1,267
Deferred tax liabilities	繰延税金負債	33,260	36,069
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	8,546	8,535
Acceptances and guarantees	支払承諾	46,564	47,287
Total liabilities	負債の部合計	9,454,062	9,679,570

(Millions of yen)

Item	(Japanese)	As of Mar. 31, 2018	As of Jun. 30, 2018
Net assets	(純資産の部)		
Capital stock	資 本 金	85,113	85,113
Capital surplus	資 本 剰 余 金	58,574	58,574
Legal capital surplus	資 本 準 備 金	58,574	58,574
Retained earnings	利 益 剰 余 金	319,555	321,340
Legal retained earnings	利 益 準 備 金	55,317	55,317
Other retained earnings	そ の 他 利 益 剰 余 金	264,238	266,023
Reserve for advanced depreciation of non-current assets	(固 定 資 産 圧 縮 積 立 金)	1,106	1,101
General Reserve	(別 途 積 立 金)	222,432	222,432
Retained earnings brought forward	(繰 越 利 益 剰 余 金)	40,699	42,489
Total shareholders' equity	株 主 資 本 合 計	463,242	465,027
Unrealized gains on available-for-sale securities	そ の 他 有 価 証 券 評 価 差 額 金	123,847	129,014
Deferred gains (losses) on hedges	繰 延 ヘ ッ ジ 損 益	(31)	(119)
Land revaluation surplus	土 地 再 評 価 差 額 金	12,625	12,600
Total valuation and translation adjustments	評 価 ・ 換 算 差 額 等 合 計	136,441	141,494
Total net assets	純 資 産 の 部 合 計	599,683	606,522
Total liabilities and net assets	負 債 及 び 純 資 産 の 部 合 計	10,053,746	10,286,092

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

(Millions of yen)

Item	(Japanese)	For the 3 months ended Jun. 30, 2017	For the 3 months ended Jun. 30, 2018
Ordinary income	経 常 収 益	33,874	43,871
Interest income	資 金 運 用 収 益	23,879	24,365
Interest on loans and bills discounts	(うち 貸 出 金 利 息)	15,833	15,850
Interest and dividends on securities	(うち 有 価 証 券 利 息 配 当 金)	7,877	8,293
Trust fees	信 託 報 酬	11	11
Fees and commissions	役 務 取 引 等 収 益	5,857	6,158
Trading income	特 定 取 引 収 益	186	40
Other ordinary income	そ の 他 業 務 収 益	1,073	422
Other income	そ の 他 経 常 収 益	2,865	12,873
Ordinary expenses	経 常 費 用	22,415	31,406
Interest expenses	資 金 調 達 費 用	1,954	1,868
Interest on deposits	(うち 預 金 利 息)	452	831
Fees and commissions payments	役 務 取 引 等 費 用	840	1,151
Other business expenses	そ の 他 業 務 費 用	679	6,466
General and administrative expenses	営 業 経 費	17,759	17,093
Other operating expenses	そ の 他 経 常 費 用	1,180	4,825
Ordinary profit	経 常 利 益	11,459	12,464
Extraordinary income	特 別 利 益	—	52
Extraordinary losses	特 別 損 失	405	79
Income before income taxes	税 引 前 四 半 期 純 利 益	11,053	12,437
Income taxes-current	法 人 税、住 民 税 及 び 事 業 税	2,108	2,965
Income taxes-deferred	法 人 税 等 調 整 額	1,166	562
Total income taxes	法 人 税 等 合 計	3,275	3,527
Net income	四 半 期 純 利 益	7,778	8,910

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

(1) Financial Highlights (from April 1, 2018 to June 30, 2018)

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

	Ordinary Income		Ordinary Profit		Net Income	
	¥Million	%	¥Million	%	¥Million	%
First quarter						
Ended June 30, 2018	26,753	7.3	7,153	(27.6)	16,926	147.9
Ended June 30, 2017	24,932	(4.7)	9,885	(9.3)	6,826	(9.3)

② Non-consolidated Financial Conditions

	Total Assets	Net Assets	Capital Assets to Total Assets
	¥Million	¥Million	%
First quarter			
Ended June 30, 2018	6,740,760	332,526	4.9
Fiscal year 2017	6,764,543	322,287	4.7

(Reference) Capital assets First quarter of FY2018: ¥332,526 million FY2017: ¥322,287 million

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

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

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

(Millions of yen)

Item	(Japanese)	As of Mar. 31, 2018	As of Jun. 30, 2018
Assets	(資産の部)		
Cash and due from banks	現金預け金	740,378	772,625
Call loans and bills bought	コールローン	849	1,105
Monetary claims bought	買入金銭債権	7,941	8,033
Trading account securities	商品有価証券	4,012	4,153
Securities	有価証券	1,391,021	1,382,983
Loans and bills discounted	貸出金	4,517,299	4,462,704
Foreign exchanges	外国為替	3,074	2,274
Other assets	その他資産	69,504	73,296
Tangible fixed assets	有形固定資産	27,001	27,194
Intangible fixed assets	無形固定資産	5,207	6,006
Asset for retirement benefits	前払年金費用	18,310	19,002
Deferred tax Assets	繰延税金資産	4,005	4,826
Customers' liabilities for acceptances and guarantees	支払承諾見返	10,219	10,627
Allowance for loan losses	貸倒引当金	(34,283)	(34,073)
Total Assets	資産の部合計	6,764,543	6,740,760
Liabilities	(負債の部)		
Deposits	預金	5,529,812	5,593,169
Negotiable certificates of deposit	譲渡性預金	279,440	293,872
Call money and bills sold	コールマネー	275,200	47,642
Payables under securities lending transactions	債券貸借取引受入担保金	96,613	211,089
Borrowed money	借入金	222,366	221,867
Foreign Exchanges	外国為替	256	264
Other liabilities	その他負債	26,562	27,433
Income tax payable	(未払法人税等)	1,320	795
Lease obligations	(リース債務)	13	12
Other liabilities	(その他の負債)	25,228	26,625
Provision for directors' bonuses	役員賞与引当金	54	—
Provision for reimbursement of deposits	睡眠預金払戻損失引当金	943	910
Provision for contingent loss	偶発損失引当金	656	1,245
Provision for point card certificates	ポイント引当金	130	110
Acceptances and guarantees	支払承諾	10,219	10,627
Total liabilities	負債の部合計	6,442,255	6,408,233

(Millions of yen)

Item	(Japanese)	As of Mar. 31, 2018	As of Jun. 30, 2018
Net assets	(純資産の部)		
Capital stock	資 本 金	135,000	135,000
Retained earnings	利 益 剰 余 金	157,188	169,364
Legal retained earnings	利 益 準 備 金	22,007	22,957
Other retained earnings	そ の 他 利 益 剰 余 金	135,180	146,406
Retained earnings brought forward	(繰越利益剰余金)	135,180	146,406
Total shareholders' equity	株 主 資 本 合 計	292,188	304,364
Unrealized gains on available-for-sale securities	そ の 他 有 価 証 券 評 価 差 額 金	30,123	28,237
Deferred gains (losses) on hedges	繰 延 ヘ ッ ジ 損 益	(24)	(76)
Total valuation and translation adjustments	評 価 ・ 換 算 差 額 等 合 計	30,098	28,161
Total net assets	純 資 産 の 部 合 計	322,287	332,526
Total liabilities and net assets	負 債 及 び 純 資 産 の 部 合 計	6,764,543	6,740,760

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

(Millions of yen)

Item	(Japanese)	For the 3 months ended Jun.30.2017	For the 3 months ended Jun.30.2018
Ordinary income	経 常 収 益	24,932	26,753
Interest income	資 金 運 用 収 益	18,807	20,281
Interest on loans and discounts	(うち貸出金利息)	12,330	12,190
Interest and dividends on securities	(うち有価証券利息配当金)	6,343	7,987
Fees and commissions	役 務 取 引 等 収 益	4,472	5,024
Other ordinary income	そ の 他 業 務 収 益	218	471
Other income	そ の 他 経 常 収 益	1,434	976
Ordinary expenses	経 常 費 用	15,047	19,599
Interest expenses	資 金 調 達 費 用	1,009	1,682
Interest on deposits	(うち預金利息)	239	524
Fees and commissions payments	役 務 取 引 等 費 用	1,787	1,648
Other business expenses	そ の 他 業 務 費 用	26	307
General and administrative expenses	営 業 経 費	11,768	12,253
Other operating expenses	そ の 他 経 常 費 用	455	3,708
Ordinary profit	経 常 利 益	9,885	7,153
Extraordinary income	特 別 利 益	0	12,018
Extraordinary losses	特 別 損 失	185	108
Income before income taxes	税 引 前 四 半 期 純 利 益	9,700	19,064
Income taxes-current	法 人 税、住 民 税 及 び 事 業 税	1,992	2,063
Income taxes-deferred	法 人 税 等 調 整 額	880	74
Total income taxes	法 人 税 等 合 計	2,873	2,138
Net income	四 半 期 純 利 益	6,826	16,926

III Financial Data for the First Quarter of Fiscal Year 2018 ending March 31, 2019

1. Income Status

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

(Millions of yen)

	(Japanese)	For the 3 months ended Jun.30,2018		For the 3 months ended Jun.30,2017	(Reference) FY2017
		(A)	(A)-(B)	(B)	
Consolidated gross profit	連 結 粗 利 益	44,578	(3,480)	48,059	183,399
Net interest income	資 金 利 益	39,815	2,329	37,486	146,353
Net fees and commissions	役 務 取 引 等 利 益	10,093	791	9,301	37,020
Net trading income	特 定 取 引 利 益	598	(86)	684	3,669
Net other business income	そ の 他 業 務 利 益	(5,928)	(6,515)	587	(3,642)
General and administrative expenses	営 業 経 費	30,392	(195)	30,588	120,427
Credit related costs	与 信 関 係 費 用	4,077	2,978	1,099	10,108
Write-off of loans	貸 出 金 償 却	1,901	865	1,035	4,517
Transfer to specific allowance for loan losses	個 別 貸 倒 引 当 金 繰 入 額	3,012	2,417	595	7,658
Transfer to general allowance for loan losses	一 般 貸 倒 引 当 金 繰 入 額	(1,980)	(1,679)	(301)	(755)
Other credit related costs	そ の 他 の 与 信 関 係 費 用	1,143	1,374	(230)	(1,312)
Gains/losses related to stocks, etc.	株 式 等 関 係 損 益	8,110	7,043	1,067	7,709
Equity in gains (losses) of affiliated companies	持 分 法 に よ る 投 資 損 益	—	—	—	—
Others	そ の 他	785	248	536	2,948
Ordinary profit 【FY2018; 65,000 1H2018; 37,000】	経 常 利 益 【 通 期 65,000 ・ 中 間 期 37,000 】	19,004	1,028	17,976	63,521
Extraordinary income(losses)	特 別 損 益	(99)	504	(604)	(1,182)
Income before income taxes	税 金 等 調 整 前 四 半 期 純 利 益	18,904	1,532	17,371	62,338
Income taxes-current	法 人 税 、 住 民 税 及 び 事 業 税	5,323	952	4,371	20,182
Income taxes-deferred	法 人 税 等 調 整 額	102	(834)	937	(913)
Total income taxes	法 人 税 等 合 計	5,426	118	5,308	19,269
Net income	四 半 期 純 利 益	13,477	1,414	12,063	43,069
Net income attributable to noncontrolling interests	非 支 配 株 主 に 帰 属 す る 四 半 期 純 利 益	—	—	—	—
Net income attributable to owners of the parent 【FY2017; 45,000 1H2017; 25,000】	親 会 社 株 主 に 帰 属 す る 四 半 期 純 利 益 【 通 期 45,000 ・ 中 間 期 25,000 】	13,477	1,414	12,063	43,069

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

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

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

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

Reference

(Millions of yen)

	(Japanese)	For the 3 months ended Jun.30,2018		For the 3 months ended Jun.30,2017	(Reference) FY2017
		(A)	(A)-(B)	(B)	
Consolidated net business income (before general allowance for loan losses)	連 結 業 務 純 益 (一 般 貸 倒 引 繰 入 前)	14,563	(3,658)	18,221	65,982
Consolidated net business income	連 結 業 務 純 益	16,544	(1,979)	18,523	66,738

(Note) Consolidated net business income

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

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

Number of Consolidated Companies

(Number of companies)

	(Japanese)	As of Jun. 30, 2018		As of Jun. 30, 2017	(Reference) As of Mar 31, 2018
		(A)	(A)-(B)	(B)	
Number of Consolidated Subsidiaries	連 結 子 会 社 数	14	—	14	14
Number of affiliated companies applicable to the equity method	持 分 法 適 用 会 社 数	—	—	—	—

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

(Millions of yen)

	(Japanese)	For the 3 months ended Jun.30,2018		For the 3 months ended Jun.30,2017	(Reference) FY2017
		(A)	(A)-(B)	(B)	
Gross business profit	業 務 粗 利 益	43,650	(4,558)	48,209	180,767
Net interest income	資 金 利 益	41,095	1,372	39,723	153,749
Net fees and commissions	役 務 取 引 等 利 益	8,394	681	7,713	30,820
Net trading income	特 定 取 引 等 利 益	40	(146)	186	373
Net other business income	そ の 他 業 務 利 益	(5,880)	(6,466)	585	(4,176)
(Of which, gains/losses on bond transactions)	(うち国債等債券損益(5勘定戻))	(6,542)	(6,739)	197	(6,485)
Expenses (excluding non-recurrent expense)	経 費 (除 く 臨 時 処 理 分)	28,973	192	28,781	113,599
Personnel expenses	人 件 費	15,303	281	15,022	59,789
Non-personnel expenses	物 件 費	11,122	(62)	11,184	46,640
Taxes	税 金	2,547	(27)	2,574	7,168
Net business income (before general allowance for loan losses)	業 務 純 益 (一 般 貸 引 繰 入 前)	14,676	(4,751)	19,428	67,168
(excluding gains/losses on bond transactions)	(除く国債等債券損益(5勘定戻))	21,218	1,987	19,230	73,653
Net transfer to general allowance for loan losses①	一 般 貸 倒 引 当 金 繰 入 額 ①	(1,984)	(1,695)	(289)	(1,428)
Net business income	業 務 純 益	16,661	(3,055)	19,717	68,597
Net non-recurrent gains/losses	臨 時 損 益	2,957	1,329	1,627	(372)
Disposal of non-performing loans②	不 良 債 権 処 理 額 ②	5,397	4,234	1,162	9,388
Write-off of loans	貸 出 金 償 却	1,401	804	596	3,034
Transfer to specific allowance for loan losses	個 別 貸 倒 引 当 金 繰 入 額	2,739	2,059	679	7,360
Losses on sales of loans	貸 出 金 売 却 損	12	(30)	42	46
Transfer to provision for contingent losses	偶 発 損 失 引 当 金 繰 入 額	957	1,008	(50)	104
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	226	(105)	332	1,583
Other	そ の 他	514	286	227	426
Gains/losses related to stocks, etc.	株 式 等 関 係 損 益	8,326	4,951	3,374	10,516
Other non-recurrent gains/losses	そ の 他 臨 時 損 益	28	612	(584)	(1,501)
Ordinary profit	経 常 利 益	19,618	(1,726)	21,344	68,224
Extraordinary income/losses	特 別 損 益	11,883	12,474	(590)	(1,145)
(Of which, dividends receivable from affiliated companies)	う ち 関 係 会 社 受 取 配 当 金	12,000	12,000	—	—
Income before income taxes	税 引 前 四 半 期 純 利 益	31,502	10,748	20,754	67,078
Income taxes-current	法 人 税 、 住 民 税 及 び 事 業 税	5,029	927	4,101	18,260
Income taxes-deferred	法 人 税 等 調 整 額	636	(1,410)	2,047	1,950
Total income taxes	法 人 税 等 合 計	5,665	(482)	6,148	20,211
Net Income	四 半 期 純 利 益	25,836	11,231	14,605	46,867
Credit related costs (①+②)	与 信 関 係 費 用 (① + ②)	3,412	2,539	873	7,959

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

(Millions of yen)

	(Japanese)	For the 3 months ended Jun.30,2018		For the 3 months ended Jun.30,2017	(Reference) FY2017
		(A)	(A)-(B)	(B)	
Gross business profit	業 務 粗 利 益	21,511	(6,023)	27,534	100,485
Net interest income	資 金 利 益	22,496	571	21,925	85,819
Net fees and commissions	役 務 取 引 等 利 益	5,018	(10)	5,028	16,926
Net trading income	特 定 取 引 等 利 益	40	(146)	186	373
Net other business income	そ の 他 業 務 利 益	(6,044)	(6,438)	394	(2,634)
(Of which, gains/losses on bond transactions)	(うち国債等債券損益(5勘定戻))	(6,271)	(6,448)	177	(3,889)
Expenses (excluding non-recurrent expense)	経 費 (除 く 臨 時 処 理 分)	16,751	(281)	17,033	66,375
Personnel expenses	人 件 費	8,588	35	8,553	33,658
Non-personnel expenses	物 件 費	6,775	(194)	6,969	28,781
Taxes	税 金	1,386	(122)	1,509	3,934
Net business income (before general allowance for loan losses)	業 務 純 益 (一 般 貸 引 繰 入 前)	4,759	(5,741)	10,501	34,110
(excluding gains/losses on bond transactions)	(除く国債等債券損益(5勘定戻))	11,031	706	10,324	37,999
Net transfer to general allowance for loan losses①	一 般 貸 倒 引 当 金 繰 入 額 ①	(110)	(77)	(33)	(302)
Net business income	業 務 純 益	4,870	(5,664)	10,534	34,413
Net non-recurrent gains/losses	臨 時 損 益	7,594	6,669	924	2,526
Disposal of non-performing loans②	不 良 債 権 処 理 額 ②	1,873	1,070	803	5,230
Write-off of loans	貸 出 金 償 却	1,264	701	563	2,353
Transfer to specific allowance for loan losses	個 別 貸 倒 引 当 金 繰 入 額	241	(45)	286	3,643
Losses on sales of loans	貸 出 金 売 却 損	12	12	—	—
Transfer to provision for contingent losses	偶 発 損 失 引 当 金 繰 入 額	320	371	(50)	(42)
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	184	(39)	223	1,150
Other	そ の 他	218	(8)	227	426
Gains/losses related to stocks, etc.	株 式 等 関 係 損 益	9,684	7,281	2,402	9,481
Other non-recurrent gains/losses	そ の 他 臨 時 損 益	(217)	458	(675)	(1,724)
Ordinary profit	経 常 利 益	12,464	1,005	11,459	36,939
Extraordinary income/losses	特 別 損 益	(26)	378	(405)	(536)
(Of which, dividends receivable from affiliated companies)	う ち 関 係 会 社 受 取 配 当 金	—	—	—	—
Income before income taxes	税 引 前 四 半 期 純 利 益	12,437	1,384	11,053	36,403
Income taxes-current	法 人 税、住 民 税 及 び 事 業 税	2,965	856	2,108	10,360
Income taxes-deferred	法 人 税 等 調 整 額	562	(603)	1,166	529
Total income taxes	法 人 税 等 合 計	3,527	252	3,275	10,890
Net Income	四 半 期 純 利 益	8,910	1,131	7,778	25,513
Credit related costs (①+②)	与 信 関 係 費 用 (① + ②)	1,762	992	769	4,927

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

(Millions of yen)

	(Japanese)	For the 3 months ended Jun.30,2018		For the 3 months ended Jun.30,2017	(Reference) FY2017
		(A)	(A)-(B)	(B)	
Gross business profit	業 務 粗 利 益	22,139	1,464	20,674	80,282
Net interest income	資 金 利 益	18,598	800	17,798	67,929
Net fees and commissions	役 務 取 引 等 利 益	3,376	691	2,684	13,893
Net trading income	特 定 取 引 等 利 益	—	—	—	—
Net other business income	そ の 他 業 務 利 益	164	(27)	191	(1,541)
(Of which, gains/losses on bond transactions)	(うち国債等債券損益(5勘定戻))	(270)	(290)	20	(2,595)
Expenses (excluding non-recurrent expense)	経 費 (除 く 臨 時 処 理 分)	12,222	474	11,748	47,223
Personnel expenses	人 件 費	6,714	246	6,468	26,131
Non-personnel expenses	物 件 費	4,346	132	4,214	17,859
Taxes	税 金	1,160	95	1,065	3,233
Net business income (before general allowance for loan losses)	業 務 純 益 (一 般 貸 引 繰 入 前)	9,916	990	8,926	33,058
(excluding gains/losses on bond transactions)	(除く国債等債券損益(5勘定戻))	10,187	1,281	8,906	35,654
Net transfer to general allowance for loan losses①	一 般 貸 倒 引 当 金 繰 入 額 ①	(1,874)	(1,618)	(256)	(1,126)
Net business income	業 務 純 益	11,790	2,608	9,182	34,184
Net non-recurrent gains/losses	臨 時 損 益	(4,636)	(5,340)	703	(2,899)
Disposal of non-performing loans②	不 良 債 権 処 理 額 ②	3,524	3,164	359	4,158
Write-off of loans	貸 出 金 償 却	136	103	33	681
Transfer to specific allowance for loan losses	個 別 貸 倒 引 当 金 繰 入 額	2,498	2,105	392	3,717
Losses on sales of loans	貸 出 金 売 却 損	—	(42)	42	46
Transfer to provision for contingent losses	偶 発 損 失 引 当 金 繰 入 額	636	636	0	146
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	42	(66)	108	433
Other	そ の 他	295	295	—	(0)
Gains/losses related to stocks, etc.	株 式 等 関 係 損 益	(1,358)	(2,330)	971	1,035
Other non-recurrent gains/losses	そ の 他 臨 時 損 益	245	154	91	223
Ordinary profit	経 常 利 益	7,153	(2,731)	9,885	31,284
Extraordinary income/losses	特 別 損 益	11,910	12,095	(185)	(609)
(Of which, dividends receivable from affiliated companies)	う ち 関 係 会 社 受 取 配 当 金	12,000	12,000	—	—
Income before income taxes	税 引 前 四 半 期 純 利 益	19,064	9,364	9,700	30,675
Income taxes-current	法 人 税 、 住 民 税 及 び 事 業 税	2,063	70	1,992	7,900
Income taxes-deferred	法 人 税 等 調 整 額	74	(806)	880	1,420
Total income taxes	法 人 税 等 合 計	2,138	(735)	2,873	9,320
Net Income	四 半 期 純 利 益	16,926	10,099	6,826	21,354
Credit related costs (①+②)	与 信 関 係 費 用 (① + ②)	1,650	1,546	103	3,032

2. Interest Rate Spread (Domestic operations)

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

(%)

	(Japanese)	For the 3 months ended Jun.30,2018		For the 3 months ended Jun.30,2017 (B)	(Reference) FY2017
		(A)	(A)-(B)		
Average yield on interest earning assets ①	資金運用利回	1.08	0.01	1.07	1.02
Average yield on loans and bills discounted	貸出金利回	1.04	(0.04)	1.08	1.07
Average yield on securities	有価証券利回	1.45	0.13	1.32	1.14
Average yield on interest bearing liabilities ②	資金調達原価	0.74	(0.03)	0.77	0.75
Average yield on deposits and negotiable certificates of deposit	預金等利回	0.00	(0.01)	0.01	0.00
Average yield on call money and borrowed money	外部負債利回	(0.02)	(0.01)	(0.01)	(0.01)
Average interest rate spread (①-②)	総資金利鞘	0.34	0.04	0.30	0.27

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

(%)

	(Japanese)	For the 3 months ended Jun.30,2018		For the 3 months ended Jun.30,2017 (B)	(Reference) FY2017
		(A)	(A)-(B)		
Average yield on interest earning assets ①	資金運用利回	0.98	(0.02)	1.00	0.97
Average yield on loans and bills discounted	貸出金利回	1.01	(0.03)	1.04	1.02
Average yield on securities	有価証券利回	1.06	(0.01)	1.07	0.96
Average yield on interest bearing liabilities ②	資金調達原価	0.71	(0.06)	0.77	0.74
Average yield on deposits and negotiable certificates of deposit	預金等利回	0.00	0.00	0.00	0.00
Average yield on call money and borrowed money	外部負債利回	(0.02)	(0.01)	(0.01)	(0.01)
Average interest rate spread (①-②)	総資金利鞘	0.27	0.04	0.23	0.23

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

(%)

	(Japanese)	For the 3 months ended Jun.30,2018		For the 3 months ended Jun.30,2017 (B)	(Reference) FY2017
		(A)	(A)-(B)		
Average yield on interest earning assets ①	資金運用利回	1.21	0.05	1.16	1.10
Average yield on loans and bills discounted	貸出金利回	1.09	(0.06)	1.15	1.13
Average yield on securities	有価証券利回	2.25	0.47	1.78	1.47
Average yield on interest bearing liabilities ②	資金調達原価	0.78	0.01	0.77	0.77
Average yield on deposits and negotiable certificates of deposit	預金等利回	0.01	0.00	0.01	0.01
Average yield on call money and borrowed money	外部負債利回	(0.01)	0.00	(0.01)	(0.01)
Average interest rate spread (①-②)	総資金利鞘	0.43	0.04	0.39	0.33

3. Gains and Losses on Securities

(1) Gains and losses on bond transactions

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

(Millions of yen)

	(Japanese)	For the 3 months ended Jun.30,2018		For the 3 months ended Jun.30,2017 (B)	(Reference) FY2017
		(A)	(A)-(B)		
Gains/losses on bond transactions	国債等債券損益	(6,542)	(6,739)	197	(6,485)
Gains on sales	売却益	229	(664)	893	2,456
Gains on redemption	償還益	—	—	—	—
Losses on sales	売却損	6,771	6,075	696	8,937
Losses on redemption	償還損	—	—	—	3
Write-offs	償却	—	—	—	—

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

(Millions of yen)

	(Japanese)	For the 3 months ended Jun.30,2018		For the 3 months ended Jun.30,2017 (B)	(Reference) FY2017
		(A)	(A)-(B)		
Gains/losses on bond transactions	国債等債券損益	(6,271)	(6,448)	177	(3,889)
Gains on sales	売却益	195	(661)	856	2,249
Gains on redemption	償還益	—	—	—	—
Losses on sales	売却損	6,466	5,787	679	6,138
Losses on redemption	償還損	—	—	—	—
Write-offs	償却	—	—	—	—

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

(Millions of yen)

	(Japanese)	For the 3 months ended Jun.30,2018		For the 3 months ended Jun.30,2017 (B)	(Reference) FY2017
		(A)	(A)-(B)		
Gains/losses on bond transactions	国債等債券損益	(270)	(290)	20	(2,595)
Gains on sales	売却益	34	(2)	37	206
Gains on redemption	償還益	—	—	—	—
Losses on sales	売却損	304	287	17	2,798
Losses on redemption	償還損	—	—	—	3
Write-offs	償却	—	—	—	—

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

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

(Millions of yen)

	(Japanese)	For the 3 months ended Jun.30,2018		For the 3 months ended Jun.30,2017 (B)	(Reference) FY2017
		(A)	(A)-(B)		
Gains/losses related to stocks, etc.	株式等関係損益	8,326	4,951	3,374	10,516
Gains on sales	売却益	13,322	9,790	3,531	14,788
Losses on sales	売却損	4,995	4,839	156	4,270
Write-offs	償却	—	—	—	0

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

(Millions of yen)

	(Japanese)	For the 3 months ended Jun.30,2018		For the 3 months ended Jun.30,2017 (B)	(Reference) FY2017
		(A)	(A)-(B)		
Gains/losses related to stocks, etc.	株式等関係損益	9,684	7,281	2,402	9,481
Gains on sales	売却益	12,484	10,081	2,402	12,093
Losses on sales	売却損	2,799	2,799	—	2,612
Write-offs	償却	—	—	—	0

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

(Millions of yen)

	(Japanese)	For the 3 months ended Jun.30,2018		For the 3 months ended Jun.30,2017 (B)	(Reference) FY2017
		(A)	(A)-(B)		
Gains/losses related to stocks, etc.	株式等関係損益	(1,358)	(2,330)	971	1,035
Gains on sales	売却益	837	(290)	1,128	2,694
Losses on sales	売却損	2,196	2,039	156	1,658
Write-offs	償却	—	—	—	0

4. Unrealized Valuation Gains (Losses)

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

(Millions of yen)

		As of Jun. 30, 2018					As of Mar.31, 2018			
		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	159,035	273	140	697	423	154,787	133	651	518
	Bonds	159,035	273	140	697	423	154,787	133	651	518
	Others	—	—	—	—	—	—	—	—	—
Available-for-sale	その他有価証券	4,085,568	177,503	5,891	228,810	51,306	4,005,292	171,612	226,533	54,921
	Stocks	308,940	160,951	3,604	163,429	2,477	307,890	157,347	158,520	1,173
	Bonds	2,226,025	15,743	(706)	17,655	1,912	2,219,550	16,449	18,839	2,389
	Others	1,550,602	808	2,993	47,725	46,916	1,477,852	(2,184)	49,172	51,357
Total	合計	4,244,603	177,777	6,032	229,507	51,730	4,160,080	171,745	227,185	55,439
	Stocks	308,940	160,951	3,604	163,429	2,477	307,890	157,347	158,520	1,173
	Bonds	2,385,060	16,017	(565)	18,352	2,335	2,374,337	16,582	19,491	2,908
	Others	1,550,602	808	2,993	47,725	46,916	1,477,852	(2,184)	49,172	51,357

(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 Jun. 30, 2018					As of Mar.31, 2018			
		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	144,824	12,074	(128)	12,115	40	140,306	12,203	12,241	37
	Bonds	144,824	12,074	(128)	12,115	40	140,306	12,203	12,241	37
	Others	—	—	—	—	—	—	—	—	—
Available-for-sale	その他有価証券	4,085,300	222,135	4,702	267,716	45,581	4,005,112	217,432	267,034	49,601
	Stocks	308,672	182,550	3,300	183,518	968	307,709	179,249	179,870	621
	Bonds	2,226,025	33,727	(1,527)	34,046	318	2,219,550	35,255	35,718	462
	Others	1,550,602	5,857	2,929	50,152	44,294	1,477,852	2,927	51,444	48,517
Total	合計	4,230,125	234,210	4,573	279,832	45,622	4,145,418	229,636	279,276	49,639
	Stocks	308,672	182,550	3,300	183,518	968	307,709	179,249	179,870	621
	Bonds	2,370,850	45,802	(1,656)	46,162	359	2,359,856	47,459	47,960	500
	Others	1,550,602	5,857	2,929	50,152	44,294	1,477,852	2,927	51,444	48,517

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

(Millions of yen)

		As of Jun. 30, 2018					As of Mar.31, 2018			
		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	70,945	612	34	650	37	66,436	578	610	31
	Bonds	70,945	612	34	650	37	66,436	578	610	31
	Others	—	—	—	—	—	—	—	—	—
Available-for-sale	その他有価証券	2,811,298	183,839	7,461	205,700	21,860	2,722,885	176,378	203,598	27,220
	Stocks	258,938	147,951	3,106	148,914	963	257,921	144,844	145,462	618
	Bonds	1,670,054	16,812	(1,137)	17,062	249	1,659,021	17,950	18,317	367
	Others	882,305	19,076	5,491	39,722	20,646	805,942	13,584	39,818	26,234
Total	合計	2,882,243	184,452	7,495	206,350	21,897	2,789,322	176,957	204,209	27,252
	Stocks	258,938	147,951	3,106	148,914	963	257,921	144,844	145,462	618
	Bonds	1,740,999	17,425	(1,103)	17,712	286	1,725,458	18,528	18,928	399
	Others	882,305	19,076	5,491	39,722	20,646	805,942	13,584	39,818	26,234

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

(Millions of yen)

		As of Jun. 30, 2018					As of Mar.31, 2018			
		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	73,879	11,462	(163)	11,465	3	73,869	11,625	11,631	6
	Bonds	73,879	11,462	(163)	11,465	3	73,869	11,625	11,631	6
	Others	—	—	—	—	—	—	—	—	—
Available-for-sale	その他有価証券	1,274,001	38,295	(2,758)	62,016	23,721	1,282,226	41,054	63,435	22,381
	Stocks	49,734	34,599	194	34,603	4	49,787	34,405	34,408	3
	Bonds	555,971	16,915	(390)	16,983	68	560,528	17,305	17,400	95
	Others	668,296	(13,218)	(2,562)	10,429	23,647	671,910	(10,656)	11,626	22,282
Total	合計	1,347,881	49,757	(2,921)	73,482	23,724	1,356,096	52,679	75,066	22,387
	Stocks	49,734	34,599	194	34,603	4	49,787	34,405	34,408	3
	Bonds	629,850	28,377	(553)	28,449	72	634,398	28,930	29,031	101
	Others	668,296	(13,218)	(2,562)	10,429	23,647	671,910	(10,656)	11,626	22,282

5. Disclosed Claims under the Financial Revitalization Law

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

(Millions of yen)

	(Japanese)	As of Jun.30, 2018		As of Mar.31, 2018 (B)
		(A)	(A-B)	
Bankrupt and substantially bankrupt claims	破産更生債権及びこれらに準ずる債権	19,251	2,556	16,695
Doubtful claims	危険債権	128,649	(1,910)	130,559
Claims requiring supervision	要管理債権	37,169	(605)	37,774
Subtotal	小計 ①	185,070	40	185,030
Normal claims	正常債権	10,405,625	(86,720)	10,492,346
Total	合計 ②	10,590,695	(86,680)	10,677,376
Ratio of disclosed claims towards the balance of Loans	貸出金等残高に占める比率 ① / ②	1.74%	0.01%	1.73%

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

(Millions of yen)

	(Japanese)	As of Jun.30, 2018		As of Mar.31, 2018 (B)
		(A)	(A-B)	
Bankrupt and substantially bankrupt claims	破産更生債権及びこれらに準ずる債権	18,122	2,516	15,606
Doubtful claims	危険債権	128,510	(1,914)	130,425
Claims requiring supervision	要管理債権	37,169	(605)	37,774
Subtotal	小計 ①	183,802	(3)	183,806
Normal claims	正常債権	10,562,081	(42,789)	10,604,870
Total	合計 ②	10,745,883	(42,793)	10,788,677
Ratio of disclosed claims towards the balance of Loans	貸出金等残高に占める比率 ① / ②	1.71%	0.01%	1.70%

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

(Millions of yen)

	(Japanese)	As of Jun.30, 2018		As of Mar.31, 2018 (B)
		(A)	(A-B)	
Bankrupt and substantially bankrupt claims	破産更生債権及びこれらに準ずる債権	7,423	689	6,733
Doubtful claims	危険債権	62,724	(2,645)	65,369
Claims requiring supervision	要管理債権	19,787	(29)	19,817
Subtotal	小計 ①	89,934	(1,985)	91,920
Normal claims	正常債権	6,094,540	10,238	6,084,301
Total	合計 ②	6,184,474	8,253	6,176,221
Ratio of disclosed claims towards the balance of Loans	貸出金等残高に占める比率 ① / ②	1.45%	(0.03%)	1.48%

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

(Millions of yen)

	(Japanese)	As of Jun.30, 2018		As of Mar.31, 2018 (B)
		(A)	(A-B)	
Bankrupt and substantially bankrupt claims	破産更生債権及びこれらに準ずる債権	10,699	1,826	8,872
Doubtful claims	危険債権	65,786	730	65,056
Claims requiring supervision	要管理債権	17,382	(575)	17,957
Subtotal	小計 ①	93,868	1,981	91,886
Normal claims	正常債権	4,467,540	(53,028)	4,520,569
Total	合計 ②	4,561,409	(51,046)	4,612,455
Ratio of disclosed claims towards the balance of Loans	貸出金等残高に占める比率 ① / ②	2.05%	0.06%	1.99%

6. Loans and Deposits

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

(Millions of yen)

		(Japanese)	As of Jun.30, 2018			As of Mar.31, 2018 (B)	As of Sep.30, 2017 (C)
			(A)	(A-B)	(A-C)		
Deposits	(Term-end balance)	預金 (末 残)	14,180,607	141,769	543,683	14,038,837	13,636,923
	(Average balance)	預金 (平 残)	14,050,460	387,956	476,683	13,662,504	13,573,777
Loans and bills discounted	(Term-end balance)	貸出金 (末 残)	10,527,888	(52,912)	157,861	10,580,800	10,370,026
	(Average balance)	貸出金 (平 残)	10,505,538	139,514	217,107	10,366,023	10,288,431

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

(Millions of yen)

		(Japanese)	As of Jun.30, 2018			As of Mar.31, 2018 (B)	As of Sep.30, 2017 (C)
			(A)	(A-B)	(A-C)		
Deposits	(Term-end balance)	預金 (末 残)	8,587,438	78,412	350,236	8,509,025	8,237,202
	(Average balance)	預金 (平 残)	8,543,037	243,207	285,507	8,299,829	8,257,529
Loans and bills discounted	(Term-end balance)	貸出金 (末 残)	6,065,183	1,682	60,222	6,063,500	6,004,960
	(Average balance)	貸出金 (平 残)	6,054,724	28,116	58,031	6,026,607	5,996,692

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

(Millions of yen)

		(Japanese)	As of Jun.30, 2018			As of Mar.31, 2018 (B)	As of Sep.30, 2017 (C)
			(A)	(A-B)	(A-C)		
Deposits	(Term-end balance)	預金 (末 残)	5,593,169	63,356	193,447	5,529,812	5,399,721
	(Average balance)	預金 (平 残)	5,507,423	144,748	191,175	5,362,674	5,316,248
Loans and bills discounted	(Term-end balance)	貸出金 (末 残)	4,462,704	(54,595)	97,638	4,517,299	4,365,066
	(Average balance)	貸出金 (平 残)	4,450,814	111,398	159,075	4,339,416	4,291,738

7. Consumer loans / Loans to SMEs

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

(Millions of yen)

		(Japanese)	As of Jun.30, 2018			As of Mar.31, 2018 (B)	As of Sep.30, 2017 (C)
			(A)	(A-B)	(A-C)		
Consumer loans		消費者ローン残高	4,360,483	36,036	155,112	4,324,447	4,205,371
Of which, housing-related loans		うち住宅関連ローン残高	4,202,352	33,330	147,091	4,169,021	4,055,261
	Housing loans	住宅ローン残高	3,250,247	31,643	121,336	3,218,604	3,128,911
	Apartment loans	アパートローン残高	952,104	1,686	25,754	950,417	926,350
Loans to SME and Individual customers (SMEs)		中小企業等貸出金残高	7,644,099	24,736	224,910	7,619,362	7,419,189
Ratio of loans to SMEs		中小企業等貸出比率	72.60%	0.59%	1.06%	72.01%	71.54%

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

(Millions of yen)

		(Japanese)	As of Jun.30, 2018			As of Mar.31, 2018 (B)	As of Sep.30, 2017 (C)
			(A)	(A-B)	(A-C)		
Consumer loans		消費者ローン残高	2,432,503	14,955	72,531	2,417,547	2,359,972
Of which, housing-related loans		うち住宅関連ローン残高	2,339,616	13,578	68,832	2,326,037	2,270,783
	Housing loans	住宅ローン残高	1,574,490	11,979	48,649	1,562,510	1,525,841
	Apartment loans	アパートローン残高	765,125	1,599	20,183	763,526	744,942
Loans to SME and Individual customers (SMEs)		中小企業等貸出金残高	4,124,789	18,490	92,879	4,106,298	4,031,909
Ratio of loans to SMEs		中小企業等貸出比率	68.00%	0.28%	0.86%	67.72%	67.14%

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

(Millions of yen)

		(Japanese)	As of Jun.30, 2018			As of Mar.31, 2018 (B)	As of Sep.30, 2017 (C)
			(A)	(A-B)	(A-C)		
Consumer loans		消費者ローン残高	1,927,980	21,080	82,581	1,906,900	1,845,399
Of which, housing-related loans		うち住宅関連ローン残高	1,862,736	19,751	78,258	1,842,984	1,784,477
	Housing loans	住宅ローン残高	1,675,757	19,664	72,687	1,656,093	1,603,069
	Apartment loans	アパートローン残高	186,978	87	5,571	186,891	181,407
Loans to SME and Individual customers (SMEs)		中小企業等貸出金残高	3,519,310	6,246	132,031	3,513,064	3,387,279
Ratio of loans to SMEs		中小企業等貸出比率	78.86%	1.10%	1.27%	77.76%	77.59%

Financial Results for the First Quarter of FY2018

August 3, 2018

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Financial Results for 1Q18

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

Highlights

Results for 1Q18

*Attributable to owners of the parent

Consolidated net income* of Mebuki FG is ¥13.4bn, representing 29.9% progress toward the full-year forecast.

Synergy effect arising from the business integration was ¥1.7 bn, representing progress of 33.3% toward the forecast for FY18 of ¥5.3 bn.

Core net business income on a simple-sum basis of the two banking subsidiaries increased by ¥1.9bn to ¥21.2bn, mainly due to increases in net fees and commissions resulted from the synergy effect arising from the business integration and enhancement of consulting service, and mainly due to increases in net interest income from proceeds of interest and dividends on securities.

Forecast for FY18

There has been no change since the forecast was announced on May 11, 2018.

We expect increases in net fees and commissions from consulting services related to business potential assessment and customers' asset building.

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.(1)

In order to enhance shareholder returns and improve capital efficiency, Mebuki FG repurchased its own shares in May, 2018.(2)

Number of shares acquired 5mil	Acquisition cost ¥2.08bn	Total payout ratio(1)+(2) 33.3%(planned)
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*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 1Q18 Financial Results

Mebuki FG (Consolidated) (¥bn)

	1Q18	YoY Chg	Vs Forecast
Ordinary profit	19.0	1.0	29.2%
Net income attributable to owners of the parent	(1) 13.4	1.4	29.9%

Consolidation adjustment

(2)-(1) -13.2bn

Dividends receivable from affiliated companies (-12.0bn)(*1)

Adjustments related to securities (-1.0bn)

Two banking subsidiaries and group companies

	1Q18	Yoy Chg	Vs Forecast
Net income	(2) 26.6	11.0	43.0%

Net Income of group companies other than banking subsidiaries ¥0.8bn

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

	J+A		1Q18				vs Forecast		
	Result	YoY Chg	Joyo Result	Joyo YoY Chg	Ashikaga Result	Ashikaga YoY Chg	J+A	Joyo	Ashikaga
Gross business profit	43.6	-4.5	21.5	-6.0	22.1	+1.4	24.1%	21.4%	27.6%
Net interest income	41.0	+1.3	22.4	+0.5	18.5	+0.8	27.4%	26.6%	28.6%
Net fees and commissions	8.3	+0.6	5.0	-0.0	3.3	+0.6	26.6%	28.6%	24.1%
Net other business income and Net trading income	-5.8	-6.6	-6.0	-6.5	0.1	-0.0	-	-	-
(o/w gains/losses on bond transactions)	-6.5	-6.7	-6.2	-6.4	-0.2	-0.2	-	-	-
Expenses	28.9	+0.1	16.7	-0.2	12.2	+0.4	25.1%	25.3%	24.9%
o/w Personnel expenses	15.3	+0.2	8.5	+0.0	6.7	+0.2	25.4%	25.5%	25.2%
o/w Non-personnel expenses	11.1	-0.0	6.7	-0.1	4.3	+0.1	23.4%	23.9%	22.6%
Net business income (before general allowance for loan losses)	14.6	-4.7	4.7	-5.7	9.9	+0.9	22.4%	13.7%	31.9%
Core net business income	21.2	+1.9	11.0	+0.7	10.1	+1.2	30.9%	29.4%	32.8%
Net transfer to general allowance for loan losses (a)	-1.9	-1.6	-0.1	-0.0	-1.8	-1.6	-	-	-
Net business income	16.6	-3.0	4.8	-5.6	11.7	+2.6	25.0%	13.7%	38.0%
Net non-recurrent gains/losses	2.9	+1.3	7.5	+6.6	-4.6	-5.3	-	-	-
o/w Disposal of non-performing loans (b)	5.3	+4.2	1.8	+1.0	3.5	+3.1	-	-	-
o/w Gains/losses related to stocks, etc	8.3	+4.9	9.6	+7.2	-1.3	-2.3	-	-	-
Ordinary profit	19.6	-1.7	12.4	+1.0	7.1	-2.7	29.7%	32.3%	26.0%
Extraordinary income/losses	11.8	+12.4	-0.0	+0.3	11.9	+12.0 (**)	-	-	-
Income taxes	5.6	-0.4	3.5	+0.2	2.1	-0.7	-	-	-
Net income	25.8	+11.2	8.9	+1.1	16.9	+10.0	44.9%	33.6%	54.6%
Credit related costs (a)+(b)	3.4	+2.5	1.7	+0.9	1.6	+1.5	68.2%	58.7%	82.5%

Core Gross Business Profit

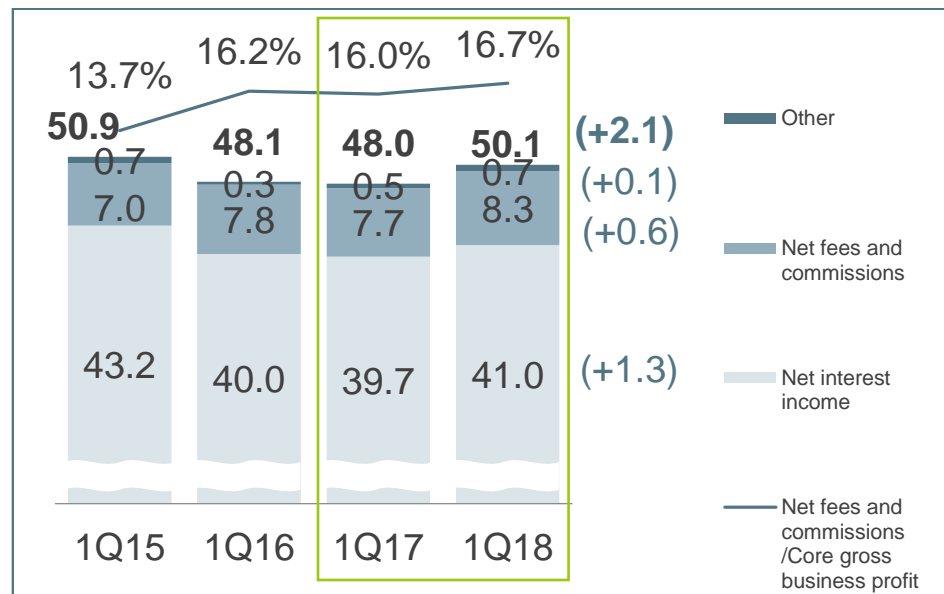
(Gross Business Profit excl. Gains/Losses on Bond Transactions)

Core gross business profit increased by ¥2.1 bn YoY

Interest and dividends on securities and net fees and commissions from corporate customers increased

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

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



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

	FY16	FY17	1Q17	1Q18	YoY Chg
Joyo	1.7	1.0	0.1	0.1	+0.0
Ashikaga	3.6	4.4	2.2	3.4	+1.2
J + A	5.4	5.4	2.3	3.6	+1.3

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	+0.1	+0.1	+77.0	-0.0	-1.7
	Yield	-0.1	-0.4	(-3.0bp)	+0.2	(+83.8bp)
Interest on deposits (-)		+0.3	-0.0	—	+0.4	—
Interest and dividend on securities	Avg	+0.4	+0.4	+171.4	+0.0	+6.3
	Yield	-0.0	-0.0	(-1.0bp)	-0.0	(-0.2bp)
Market investments and borrowings (-)		-0.5	-0.1	—	-0.3	—

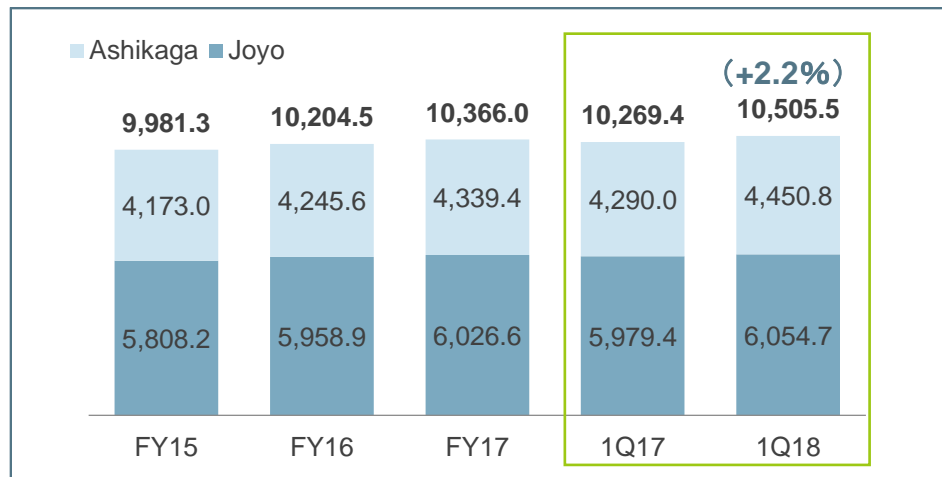
Ashikaga Bank

	Factor	YoY Chg.	Domestic (Chg. in Nil)		Overseas (Chg. in Nil)	
				Chg. in Factors		Chg. in Factors
Interest on loans and bills discounted	Avg	+0.4	+0.4	+156.4	+0.0	+4.3
	Yield	-0.5	-0.6	(-5.8bp)	+0.0	(+88.0bp)
Interest on deposits (-)		+0.2	-0.0	—	+0.3	—
Interest and dividend on securities	Avg	-0.0	-0.1	-33.2	+0.0	+11.8
	Yield	+1.7	+1.3	(+46.6bp)	+0.4	(+73.8bp)
Market investments and borrowings (-)		+0.4	+0.0	—	+0.4	—

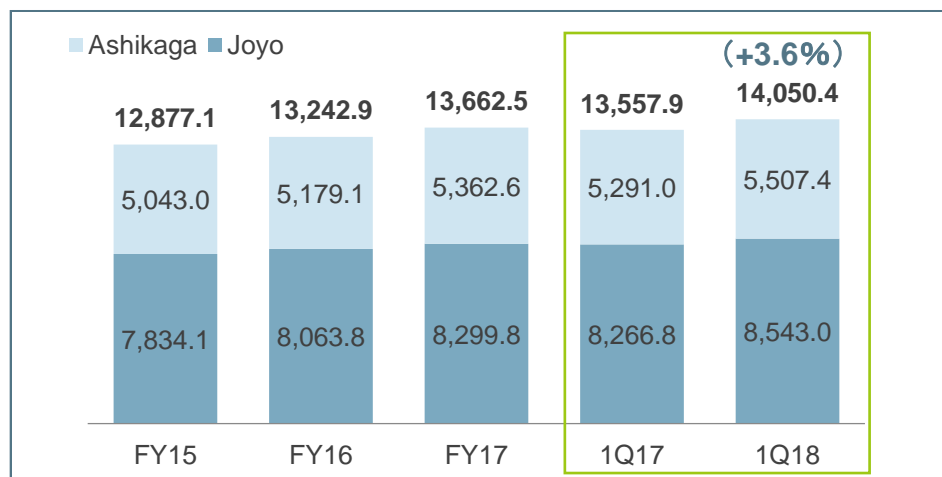
Loans and Deposits (Avg. Balance / Avg. Yield)

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

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



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



Average Yield (Domestic + International)

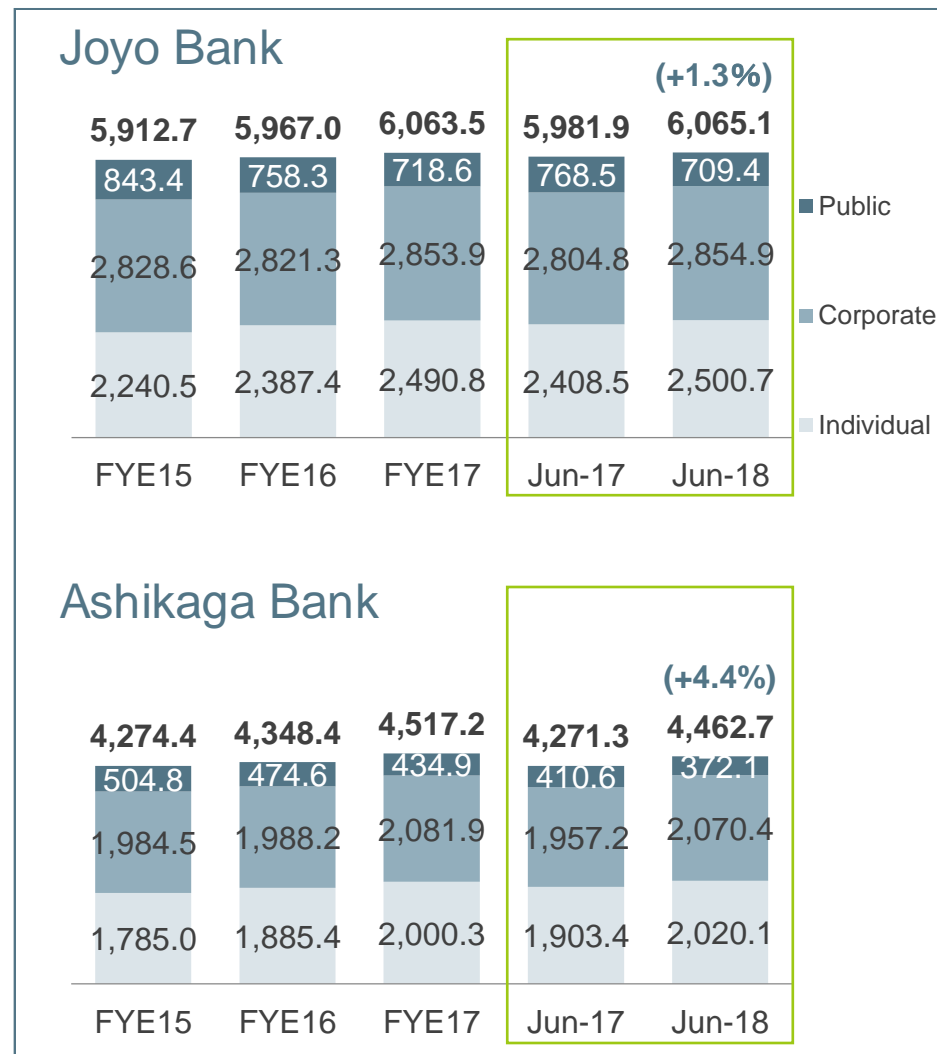
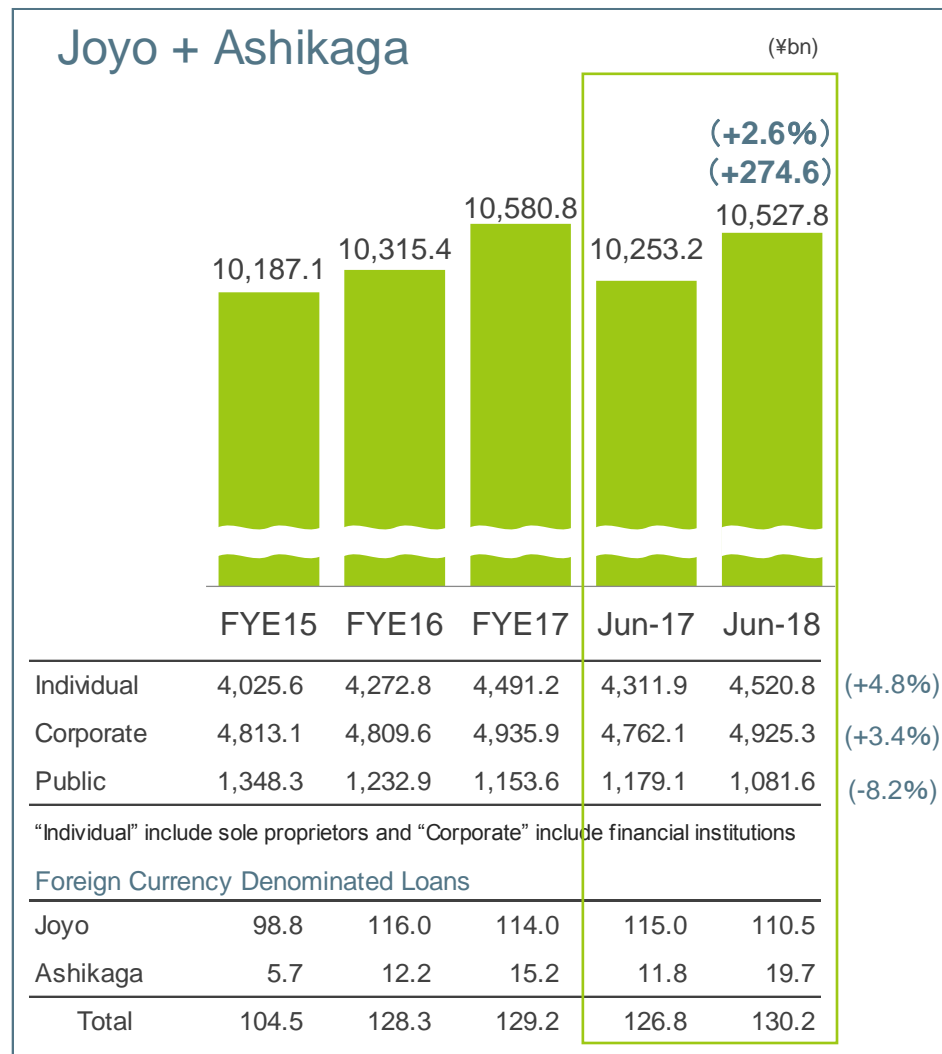


Loans (1) Term-end Balance

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

Loans to individual customers increased by ¥208.8bn (+4.8%) and housing related loans increased by ¥212.6bn (+5.3%) YoY

Loans to corporate customers increased by ¥163.2 bn (+3.4%) and loans to local corporate customers increased ¥123.1 bn (+4.1%) YoY



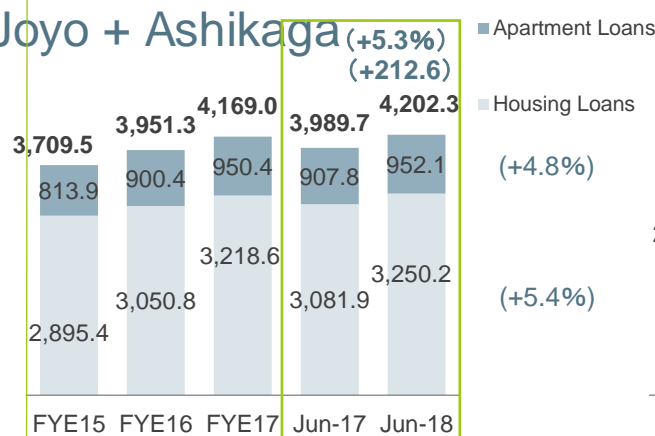
Loans (2) Individual Housing Related / Unsecured

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

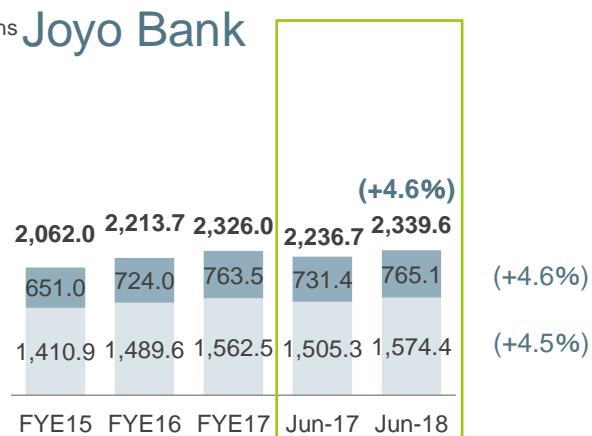
Housing Related Loans Term-end Balance

(¥bn)

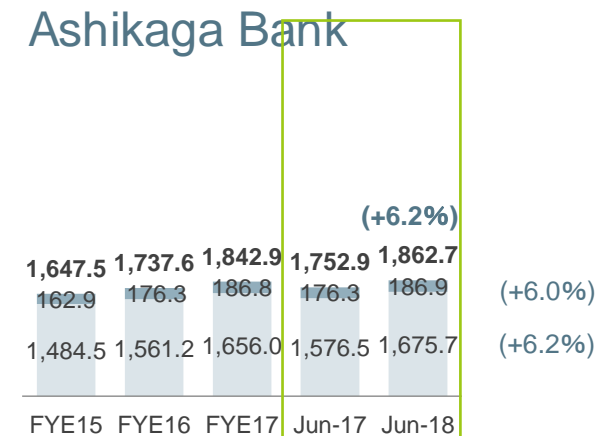
Joyo + Ashikaga



Joyo Bank



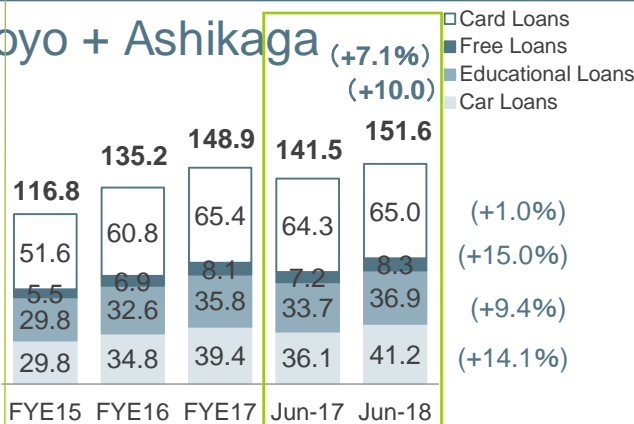
Ashikaga Bank



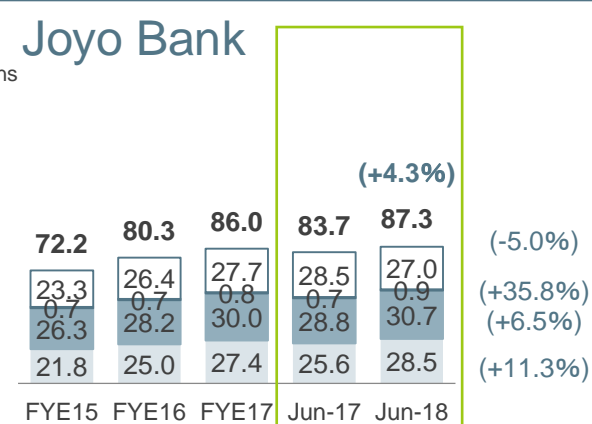
Unsecured Loans Term-end Balance

(¥bn)

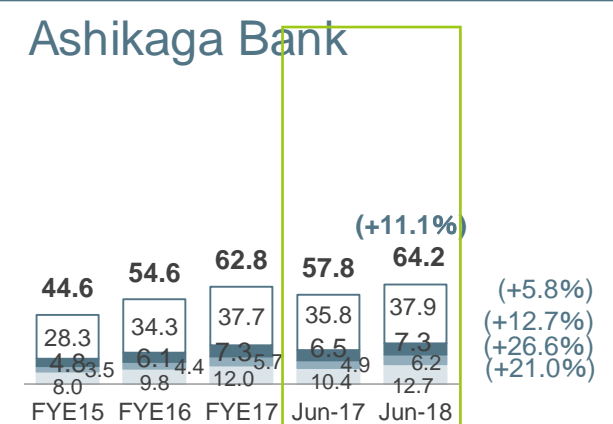
Joyo + Ashikaga



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* Credit cards are not included in "Card Loans"

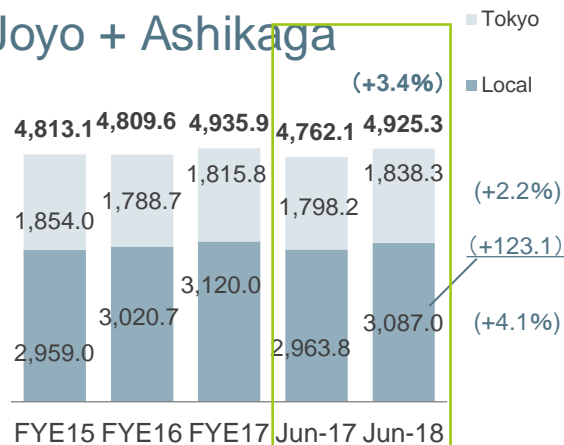
Loans (3) Corporate by Region / Company Size

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

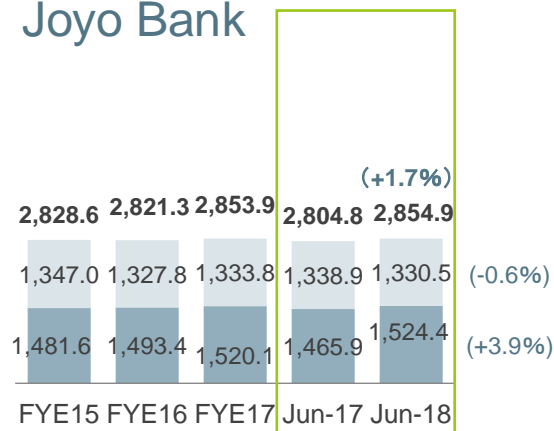
Term-end Balance by Region

(¥bn)

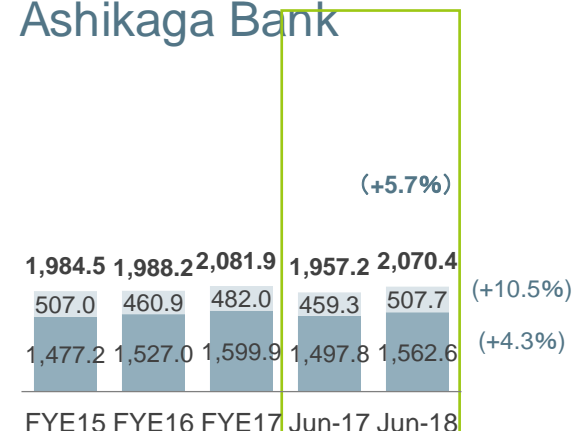
Joyo + Ashikaga



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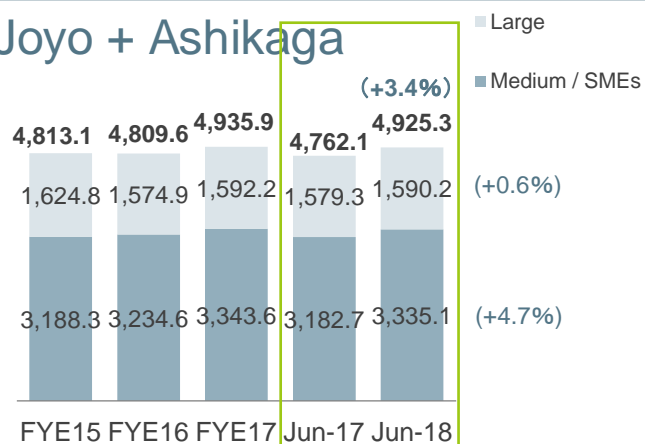
Ashikaga Bank



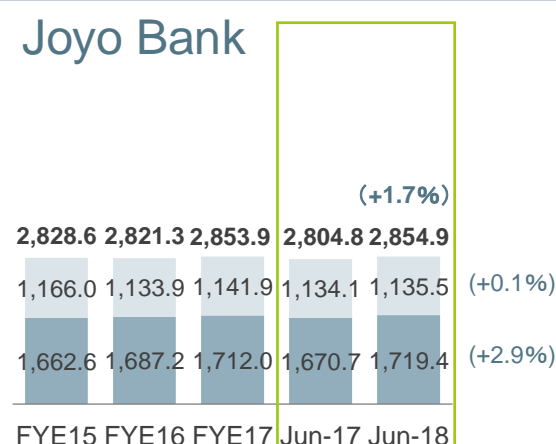
Term-end Balance by Company Size

(¥bn)

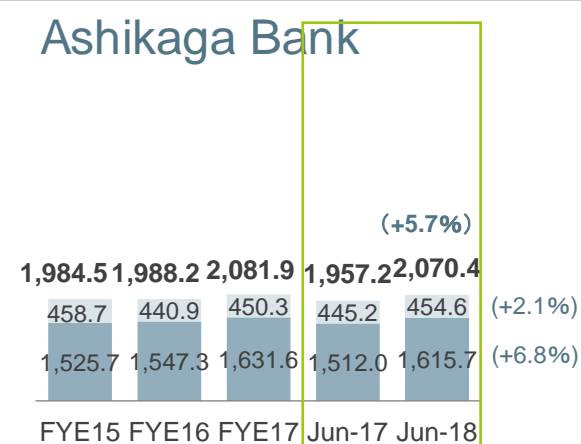
Joyo + Ashikaga



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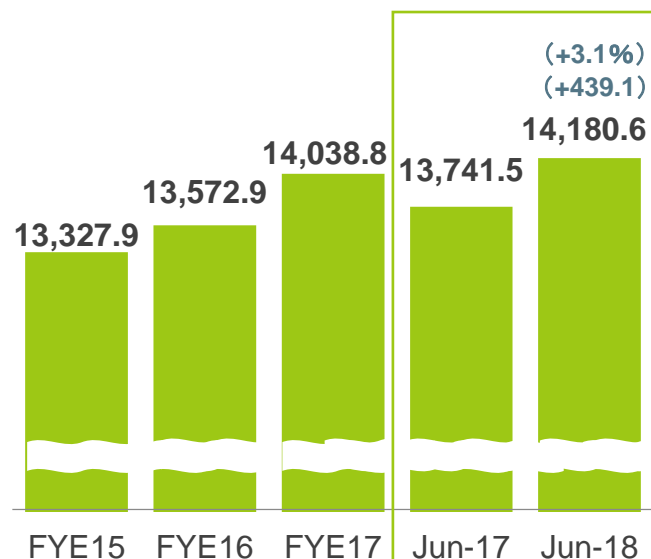
Deposits Term-end Balance

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

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

Joyo + Ashikaga

(¥bn)



	FYE15	FYE16	FYE17	Jun-17	Jun-18	Change (%)
Individual	9,502.6	9,762.1	10,103.6	9,966.2	10,308.9	(+3.4%)
Corporate	3,020.8	3,062.8	3,158.8	3,109.6	3,218.2	(+3.4%)
Public	804.4	748.0	776.3	665.6	653.3	(-1.8%)

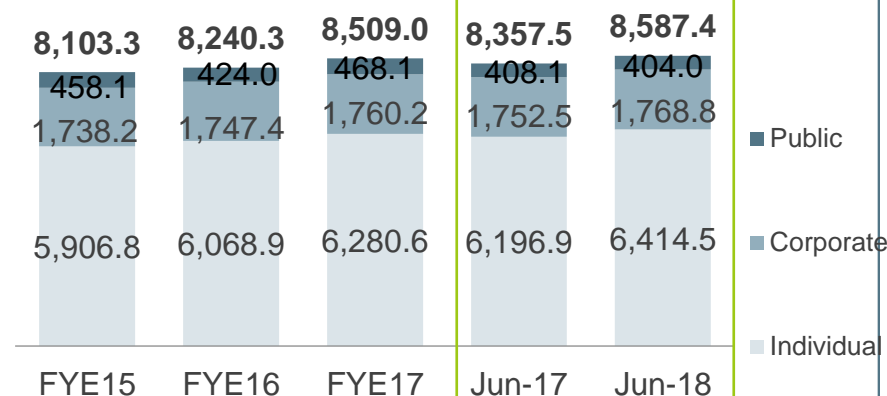
*1 "Corporate" includes financial institutions.

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

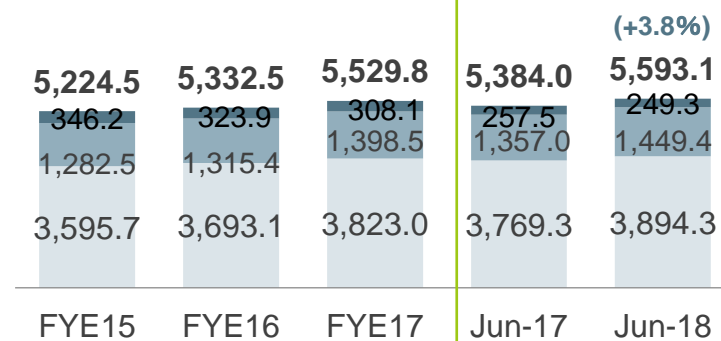
Foreign Currency Deposit

	FYE15	FYE16	FYE17	Jun-17	Jun-18
Joyo	111.4	140.7	199.1	154.9	207.6
Ashikaga	16.3	24.8	76.0	23.0	87.5
Total	127.7	165.6	275.2	177.9	295.1

Joyo Bank



Ashikaga Bank

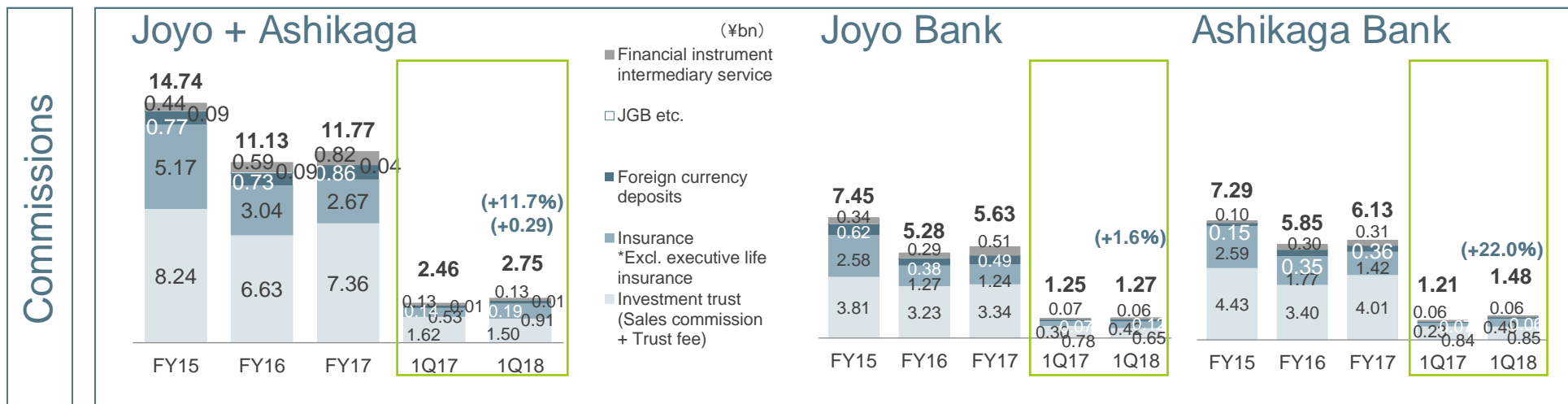
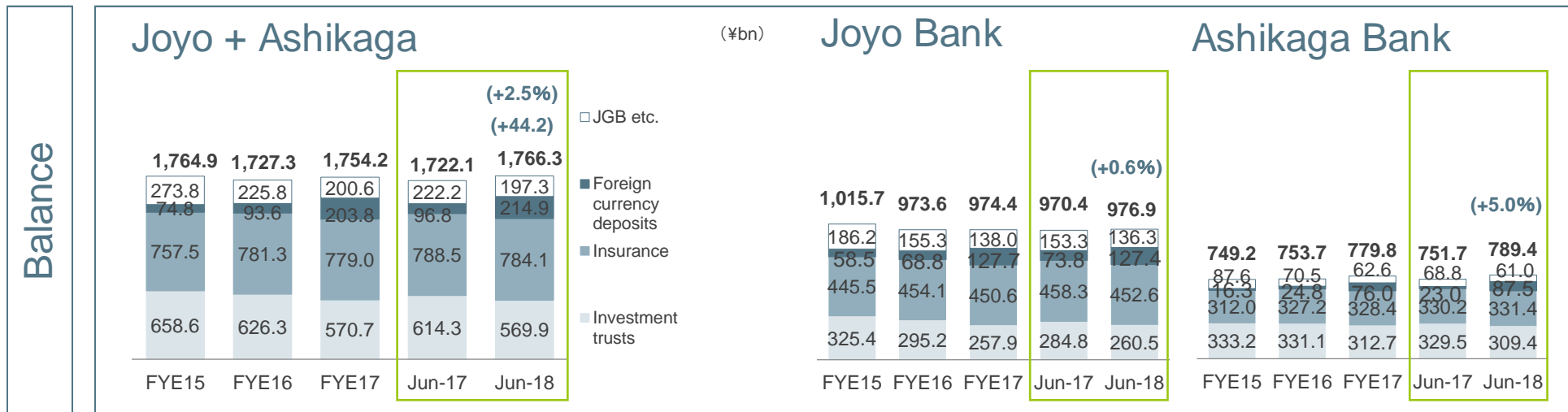


Customer Assets under Custody

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

The amount rose 2.5% YoY due to an increase of foreign currency deposits

Commissions increased 11.7% YoY mainly due to sales of insurance

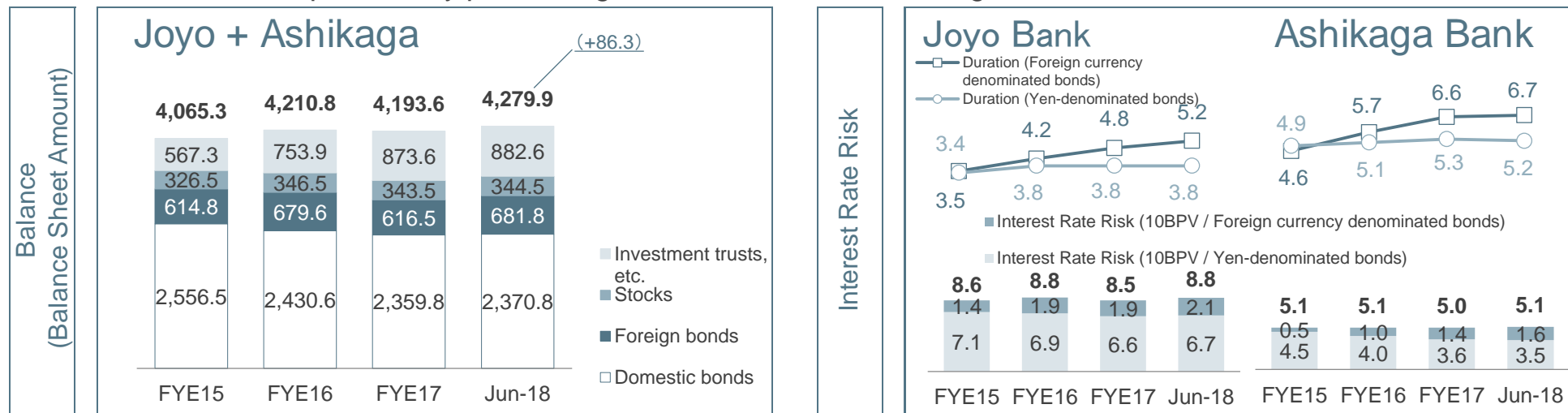


Securities (1)

*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 securities held increased by ¥86.3bn from the end of FY17)

Continue to rebalance portfolio by purchasing investment trusts and foreign bonds



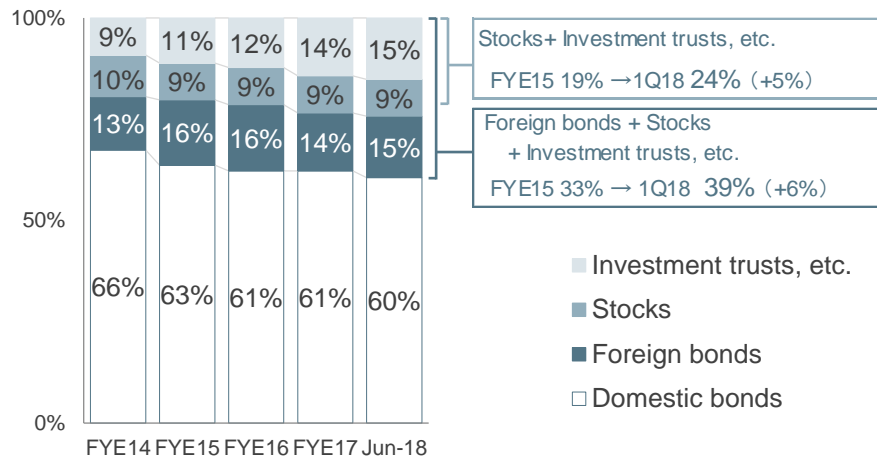
Foreign Bonds / Investment Trusts

Book value as of Jun. 30 2018		J + A	Joyo	Ashi-kaga	Details
Foreign Bonds		689.9	436.4	253.5	-
	o/w Gov. Bond, Gov. Guaranteed Bonds, etc.	298.3	246.8	51.4	Invest mainly in gov. bonds, gov. guaranteed bonds
	o/w Corporate Bond	291.3	89.2	202.0	Bonds rated A or above account for more than 90% of total
	o/w Ginnie Mae	23.9	23.9	-	Bonds whose interest rates are high for their duration
	Others	76.3	76.3	-	Floating bonds centering on CLO (only highest tranches)
Investment Trusts etc.		864.1	436.1	428.0	Pay attentions to balance of bond and equity
	o/w Equity-related	233.6	193.0	40.5	Control risks using bear funds
	o/w REIT	60.9	45.0	15.9	Invest in diversified REIT considering yield and liquidity
	Others	569.5	198.0	371.5	Improve risk-return profile of entire portfolio considering correlation with other assets

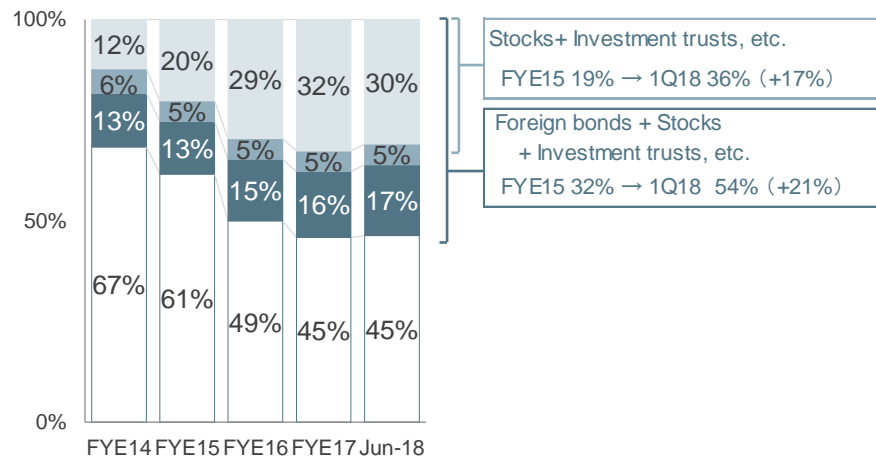
Securities (2)

Portfolio Allocation
(Balance Sheet Amount Basis)

Joyo Bank



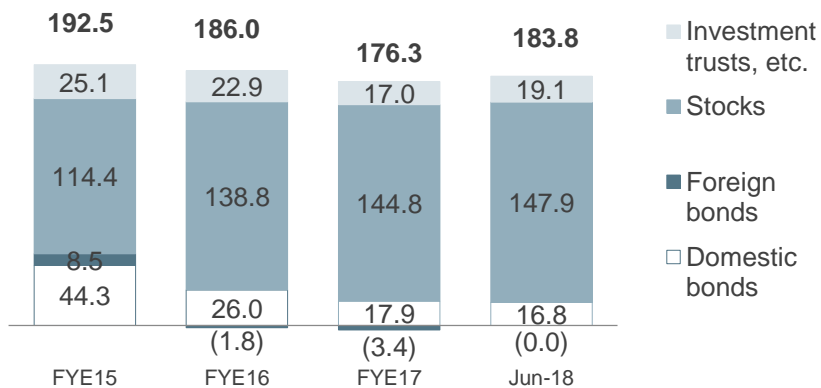
Ashikaga Bank



Unrealized Valuation Gains/Losses
on Available for Sale Securities

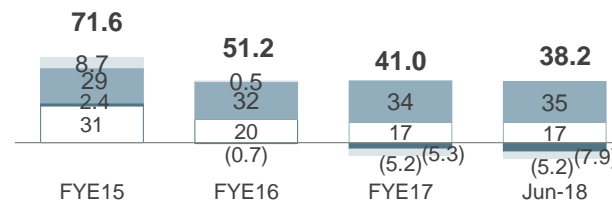
Joyo Bank

(¥bn)



Ashikaga Bank

(¥bn)



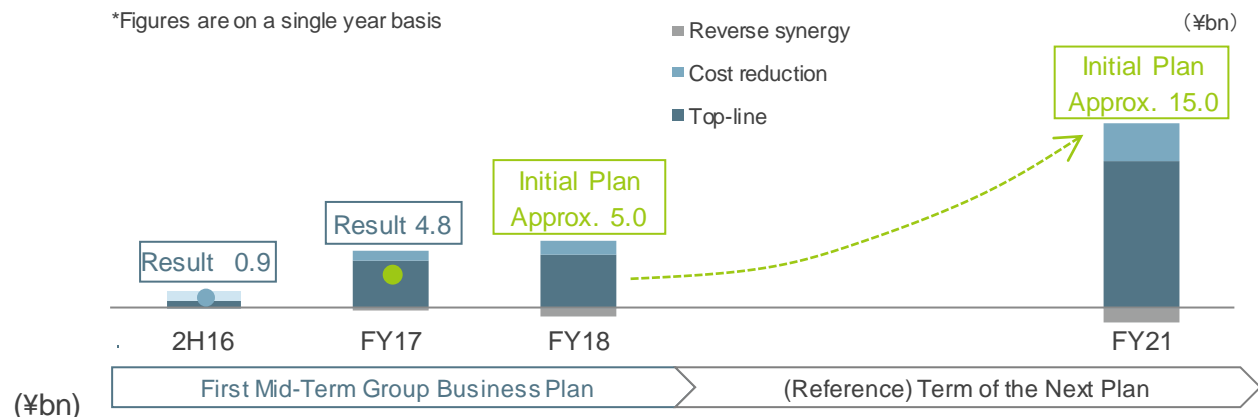
Integration Synergy Results and Forecast

Synergy effect for 1Q18 is ¥1.7bn representing progress of 33% towards FY18 forecast of ¥5.3 bn.

Synergy Effects on the Statement of Income (before Tax)

	Amount (Progress)
FY18 Forecast	+5.3bn
1Q18 Result	+1.7bn (Progress 33%)

FY18 (1Q Results / Forecast)



Items	FY18 Forecast	1Q Result	Progress	Details
Loans	2.01	0.44	21.8%	<ul style="list-style-type: none"> • Sales promotion based on wide area network → Co-financing, Syndicate loans, Customer referral, and Lending to growth industries (Medical and nursing care) • Utilization of Mebuki Lease • Share know-how for non-face-to-face sales (Unsecured loans)
Corporate services				<ul style="list-style-type: none"> • Joint development of online application housing loans, Joint sales of housing loans for women
Financial assets under custody	1.04	0.18	17.3%	<ul style="list-style-type: none"> • Share sales promotion know-how • Utilization of Mebuki Securities
Securities	1.23	0.43	34.9%	<ul style="list-style-type: none"> • Investment in new areas and diversification of funding method based on both banking subsidiaries' investment experience • Joint investment • Enhancement of investment and controlling method through sharing of analysis method (Monitoring, etc.)
Others (Channel / international)	0.74	0.60	81.0%	<ul style="list-style-type: none"> • New branch openings • Enhance staff in important regions • Promote cross-border loans • Utilize Joyo's know-how of dual currency deposit service (Ashikaga) • Foreign currency deposit campaigns
Cost reductions	1.15	0.37	32.1%	<ul style="list-style-type: none"> • Joint cost reduction and cost effectiveness evaluation • Strengthen price negotiation power through information sharing • Share know-how to improve branch operation efficiency • Integrate operation center in Tokyo • Joint issuance of bills/check paper and bank cards
Cost Increases / Reverse synergy	-0.85	-0.24	—	<ul style="list-style-type: none"> • Lower transfer fee between both banks to the inter-branch rate • System migration expenses
Total	5.34	1.78	33.3%	

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