

Financial Results for 3rd Quarter of FY2017



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I . Summary of Revenue and Expenses

【Consolidated】

(million yen)

	FY 2017 3rd Quarter		FY 2016 3rd Quarter
	(A)	(A)-(B)	
Consolidated net revenue ※1	69,394	(1,006)	70,401
Net interest income	37,775	3,671	34,104
Net fees and commissions	8,525	1,770	6,754
Net trading income	12,799	(3,009)	15,808
Net other ordinary income	10,294	(3,438)	13,733
General and administrative expenses	(34,007)	(836)	(33,170)
Business profit ※2	35,387	(1,843)	37,230
Credit-related expenses	3,879	(527)	4,406
Write-off of loans	(178)	(103)	(75)
Provision of specific allowance for loan losses	3,064	446	2,617
Provision of general allowance for loan losses	285	(391)	676
Provision of allowance for loans to restructuring countries	-	-	-
Loss on disposition of loans	-	477	(477)
Recoveries of written-off claims	1,380	33	1,346
Provision of reserve for credit losses on off-balance-sheet instruments	(672)	(990)	318
Gains (losses) on stock transactions	7,427	6,997	429
Income from interests in associated undertakings	-	-	-
Other	(513)	(879)	365
Ordinary profit	46,180	3,747	42,432
Extraordinary profit (loss)	(21)	(19)	(1)
Profit before income taxes and non-controlling interests	46,158	3,727	42,431
Income taxes-current	(12,023)	(3,436)	(8,586)
Income taxes-deferred	(979)	(2,646)	1,667
Profit	33,156	(2,355)	35,511
Loss attributable to non-controlling interests	378	320	57
Profit attributable to owners of parent	33,534	(2,035)	35,569

※1 Consolidated net revenue = (Interest income - Interest expenses) + (Fees and commissions income - Fees and commissions expenses)
+ (Trading income - Trading expenses) + (Other ordinary income - Other ordinary expenses)

※2 Business profit = Consolidated net revenue - General and administrative expenses

(Note) The amounts are rounded down to the nearest million yen.

(Scope of Consolidation and Equity-Method Application)

(Number of companies)

	December 31, 2017		December 31, 2016
	(A)	(A)-(B)	
Consolidated subsidiaries	20	1	19
Affiliated companies applying equity-method	0	0	0

【Non-consolidated】

(million yen)

	FY 2017		FY 2016 3rd Quarter (B)
	3rd Quarter (A)	(A)-(B)	
Net revenue	64,933	(2,059)	66,993
(Excluding gains (losses) on bond transactions)	63,273	1,684	61,589
Net interest income	36,344	2,891	33,453
Net fees and commissions	8,230	1,670	6,560
Net trading income	10,435	(3,611)	14,046
Net other ordinary income	9,923	(3,010)	12,933
(Gains (losses) on bond transactions)	1,660	(3,744)	5,404
General and administrative expenses	(30,423)	(83)	(30,339)
Personnel	(14,732)	(636)	(14,095)
Property and equipment	(12,965)	746	(13,711)
Taxes	(2,726)	(193)	(2,532)
Business profit before general allowance for loan losses	34,510	(2,143)	36,653
Excluding gains (losses) on bond transactions	32,850	1,600	31,249
Credit-related expenses	3,912	(1)	3,914
Written-off of loans	(25)	359	(385)
Provision of specific allowance for loan losses	3,064	446	2,617
Provision of general allowance for loan losses	312	450	(138)
Provision of allowance for loans to restructuring countries	-	-	-
Loss on disposition of loans	-	(269)	269
Recoveries of written-off claims	1,258	38	1,220
Provision of reserve for credit losses on off-balance-sheet instruments	(697)	(1,027)	330
Gains (losses) on stock transactions	7,427	6,997	429
Other	(665)	(941)	275
Ordinary profit	45,184	3,911	41,273
Extraordinary profit (loss)	(21)	(19)	(1)
Profit before income taxes	45,163	3,892	41,271
Income taxes-current	(11,582)	(3,156)	(8,426)
Income taxes-deferred	(899)	(3,807)	2,908
Profit	32,681	(3,071)	35,753
Business profit	33,813	(2,840)	36,653

(Note) The amounts are rounded down to the nearest million yen.

II . Securities

1. Held-to-maturity bonds that have market prices or reasonably determinable prices

None.

2. Available-for-sale securities that have market prices or reasonably determinable prices

【Consolidated】

(million yen)

	December 31, 2017			September 30, 2017			March 31, 2017		
	Cost	Book Value	Difference	Cost	Book Value	Difference	Cost	Book Value	Difference
Stocks	14,410	83,849	69,438	14,110	73,340	59,229	14,110	58,022	43,911
Bonds	78,921	79,177	256	74,053	74,242	188	62,917	63,136	218
Government bonds	8,017	8,020	2	8,051	8,050	(1)	8,058	8,050	(8)
Local government bonds	33,386	33,504	118	31,150	31,236	86	26,524	26,652	128
Short-term corporate bonds	-	-	-	-	-	-	-	-	-
Corporate bonds	37,517	37,653	135	34,852	34,955	102	28,334	28,433	99
Others	942,328	952,043	9,714	962,995	962,470	(525)	762,753	758,294	(4,458)
Total	1,035,660	1,115,070	79,409	1,051,160	1,110,053	58,892	839,781	879,453	39,671

(Note) 1. Certain amounts shown in the tables include certain beneficiary interests in trust classified as 'Monetary claims bought', in addition to 'Securities' stated in the consolidated balance sheets.

2. Book Value is based on market price or reasonably determinable price at the end of the accounting period.

III. Disclosed Claims under the Financial Reconstruction Law ("FRL Credit")
☐ After partial and direct written-off

【Non-consolidated】

(million yen)

	December 31, 2017			September 30, 2017	March 31, 2017
	(A)	(A) - (B)	(A) - (C)	(B)	(C)
Bankrupt and similar credit	388	235	376	153	11
Doubtful credit	3,448	1,680	(8,019)	1,768	11,467
Special attention credit	2,157	-	748	2,157	1,409
Total (a)	5,994	1,915	(6,894)	4,078	12,888
Normal assets	2,687,750	86,161	128,803	2,601,588	2,558,946
Grand total (b)	2,693,744	88,077	121,908	2,605,667	2,571,835
Non-performing loans ratio (a/b)	0.2%	0.1%	(0.3%)	0.2%	0.5%

IV. Allowance and Coverage for FRL Credit
☐ After partial and direct written-off

【Non-consolidated】

(million yen)

	December 31, 2017			September 30, 2017	March 31, 2017
	(A)	(A) - (B)	(A) - (C)	(B)	(C)
Allowance & Coverage (c)	5,330	1,915	(7,558)	3,414	12,888
Allowance for loan losses (d)	2,575	299	(2,938)	2,275	5,513
Collateral / guarantee coverage (e)	2,754	1,615	(4,620)	1,138	7,375

(Note) Allowance for loan losses (d) is the sum of specific allowance for loan losses and general allowance for loan losses for FRL Credit.

Coverage Ratio c/a

	December 31, 2017			September 30, 2017	March 31, 2017
	(A)	(A) - (B)	(A) - (C)	(B)	(C)
After partial and direct written-off	88.9%	5.2%	(11.1%)	83.7%	100.0%

Allowance Ratio d/(a-e)

	December 31, 2017			September 30, 2017	March 31, 2017
	(A)	(A) - (B)	(A) - (C)	(B)	(C)
After partial and direct written-off	79.5%	2.1%	(20.5%)	77.4%	100.0%