

## Overview of regional banks' financial results as of September 30, 2016

### 1. Profit

- Net core business profits decreased by 9.3% compared with the previous year, due to the decrease of net interest income and Fees and Commissions.
- Net income decreased by 13.9% compared with the previous year, due to the decrease of Net gains / losses on equities.

(Unit: 100 million yen)

	Six months ended Sep 30, 2014	Six months ended Sep 30, 2015	Six months ended Sep 30, 2016	Compared with previous year
Gross operating profits from core business profits	23,909	23,947	23,240	▲ 707
Net interest income	20,164	20,321	19,426	▲ 895
Fees and Commissions	2,699	2,822	2,528	▲ 294
Gains/losses on bond trading etc.	703	327	836	509
Charge-offs	▲ 3	▲ 13	▲ 5	8
Operating expenses	▲ 15,895	▲ 15,491	▲ 15,567	▲ 76
Net operating profits from core business	8,013	8,454	7,672	▲ 782
Credit related expenses*	▲ 83	▲ 127	▲ 166	▲ 39
Net gains/losses on equities	393	1,161	592	▲ 569
Charge-offs	▲ 16	▲ 23	▲ 44	▲ 21
Net income	5,840	6,809	5,861	▲ 948

\*Positive figures of "Credit related expenses" indicate gains, while negative figures in these refer to losses.

#### Reference:

	Sep 30, 2014	Sep 30, 2015	Sep 30, 2016
Loans (¥ trillion)	228.4	236.7	245.6

### 2. Non-Performing Loans

- The amount of NPLs decreased, and the NPL ratio decreased from FY ended March 2016.

	Sep 30, 2015	Mar 31, 2016	Mar 31, 2016
Volume of NPL (¥ trillion)	5.4	5.2	5.0
NPL ratio (%)	2.27	2.13	2.02

### 3. Capital adequacy ratio

- Total capital adequacy ratio of internationally active banks and Capital adequacy ratio of domestically active banks decreased from March 31, 2016.

(Internationally active banks: 11 banks)

	Mar 31, 2016	Sep 30, 2016
Total capital ratio (%)	14.10	13.87
Tier I capital ratio (%)	13.19	13.00
Common Equity Tier I capital ratio (%)	13.16	13.00

(Domestically active banks: 95 banks)

	Mar 31, 2016	Sep 30, 2016
Capital ratio (%)	10.20	10.17

1. Figures are rounded off.
2. The data are on a non-consolidated basis. The data for subsidiary companies for corporate revitalization and subsidiary companies for stockholdings are included in the calculation.