

## Overview of regional banks' financial results as of March 31, 2017

### 1. Profit

- Net income decreased by 14.7% from the previous year, triggered by a decline in net interest income, fees and commissions, and gains on bond trading, etc., while net gains on equities increased. Lower net interest margin is one of the reasons for a drop in net interest income.

(Unit: 100 million yen)

	Fiscal Year ended Mar 31, 2015	Fiscal Year ended Mar 31, 2016	Fiscal Year ended Mar 31, 2017	Compared with previous year
Gross operating profits from core business profits	47,547	46,842	43,729	▲ 3,113
Net interest income	40,242	39,813	38,419	▲ 1,394
Fees and Commissions	5,550	5,471	5,010	▲ 461
Gains/losses on bond trading etc.	909	856	▲ 372	▲ 1,228
Charge-offs	▲ 24	▲ 57	▲ 14	43
Operating expenses	▲ 31,357	▲ 30,936	▲ 30,894	42
Net operating profits from core business	16,190	15,905	12,834	▲ 3,071
Credit related expenses*	▲ 937	▲ 872	▲ 861	11
Net gains/losses on equities	1,158	1,609	2,136	527
Charge-offs	▲ 28	▲ 95	▲ 55	40
Net income	10,629	11,729	10,002	▲ 1,727

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

#### Reference:

	Fiscal Year ended Mar 31, 2015	Fiscal Year ended Mar 31, 2016	Fiscal Year ended Mar 31, 2017
Loans (¥ trillion)	233.8	242.0	251.0

### 2. Non-Performing Loans

- The amount of NPLs and the NPL ratio decreased from March 31, 2016.

	Fiscal Year ended Mar 31, 2015	Fiscal Year ended Mar 31, 2016	Fiscal Year ended Mar 31, 2017
Volume of NPL (¥ trillion)	5.6	5.2	4.8
NPL ratio (%)	2.38	2.13	1.90

### 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	Mar 31, 2017
Total capital ratio (%)	14.10	13.94
Tier I capital ratio (%)	13.19	13.34
Common Equity Tier I capital ratio (%)	13.16	13.34

(Domestically active banks: 95 banks)

	Mar 31, 2016	Mar 31, 2017
Capital ratio (%)	10.20	9.86

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.