

Overview of regional banks' financial results as of March 31, 2018

1. Profit

- Net income decreased by 0.4% from the previous year, triggered by a decline in net interest income 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, 2016	Fiscal Year ended Mar 31, 2017	Fiscal Year ended Mar 31, 2018	Compared with previous year
Gross operating profits from core business profits	46,842	43,729	42,707	▲ 1,022
Net interest income	39,813	38,419	38,319	▲ 100
Fees and Commissions	5,471	5,010	5,297	287
Gains/losses on bond trading etc.	856	▲ 372	▲ 1,213	▲ 841
Charge-offs	▲ 57	▲ 14	▲ 20	▲ 6
Operating expenses	▲ 30,936	▲ 30,894	▲ 30,528	366
Net operating profits from core business	15,905	12,834	12,178	▲ 656
Credit related expenses*	▲ 872	▲ 861	▲ 1,065	▲ 204
Net gains/losses on equities	1,609	2,136	2,751	615
Charge-offs	▲ 95	▲ 55	▲ 36	19
Net income	11,729	10,002	9,965	▲ 37

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

Reference:

	Fiscal Year ended Mar 31, 2016	Fiscal Year ended Mar 31, 2017	Fiscal Year ended Mar 31, 2018
Loans (¥ trillion)	242.0	251.0	260.6

2. Non-Performing Loans

- The amount of NPLs and the NPL ratio decreased from March 31, 2017.

	Fiscal Year ended Mar 31, 2016	Fiscal Year ended Mar 31, 2017	Fiscal Year ended Mar 31, 2018
Volume of NPL (¥ trillion)	5.2	4.8	4.5
NPL ratio (%)	2.13	1.90	1.71

3. Capital adequacy ratio

- Total capital adequacy ratio of internationally active banks increased from March 31, 2017.
- Capital adequacy ratio of domestically active banks decreased from March 31, 2017.

(Internationally active banks: 11 banks)

	Mar 31, 2017	Mar 31, 2018
Total capital ratio (%)	13.94	14.01
Tier I capital ratio (%)	13.34	13.61
Common Equity Tier I capital ratio (%)	13.34	13.61

(Domestically active banks: 95 banks)

	Mar 31, 2017	Mar 31, 2018
Capital ratio (%)	9.86	9.70

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.