

Fukuoka Financial Group, Inc.

Financial Digest for the Third Quarter of FY2020



Stock Exchange Listing:	Tokyo, Fukuoka (code:8354)
URL:	https://www.fukuoka-fg.com/
Representative:	Takashige Shibato, Chairman of the Board & President
For Inquiry:	Masahiro Fujii, General Manager, Corporate Planning Division
Payment date of cash dividends:	—
Filing date of Financial Statements:	February 10, 2021 (scheduled)
Trading Accounts:	Established
Supplementary Materials:	Attached
IR Conference:	Not scheduled

- (Notes) 1. This quarterly report is not subject to the quarterly review.
2. Amounts less than one million yen are omitted.

1. Consolidated Financial Highlights (from April 1, 2020 to December 31, 2020)

(1) Consolidated Operating Results (%:Changes from corresponding period of previous fiscal year)

	Ordinary Income		Ordinary Profit		Net Income attributable to owners of the parent	
	¥Million	%	¥Million	%	¥Million	%
3Q FY2020	211,855	1.0	51,478	15.4	35,748	(75.5)
3Q FY2019	209,688	16.6	44,591	(18.1)	145,821	274.8

(Note) Comprehensive income 3Q FY2020: ¥82,369 million [(44.6)%] 3Q FY2019: ¥148,686 million [—%]

	Net Income per Share	Net Income per Share (Diluted)
3Q FY2020	¥188.05	—
3Q FY2019	¥767.06	—

(2) Consolidated Financial Position

	Total Assets	Total Net Assets	Own Capital Ratio
	¥Million	¥Million	%
December 31, 2020	27,179,301	919,318	3.3
March 31, 2020	25,068,405	853,062	3.4

(Reference) Own capital December 31, 2020: ¥919,318 million March 31, 2020: ¥853,038 million

(Note) Own Capital Ratio = (Total net assets - Non-controlling interests) / Total assets * 100
This ratio is not based on the public notification of the capital adequacy ratio.

2. Dividend Payment

	Dividends declared per Share				
	First Quarter-end	Second Quarter-end	Third Quarter-end	Fiscal Year-end	Total
FY2019	¥—	¥42.50	¥—	¥42.50	¥85.00
FY2020	—	42.50	—	—	—
FY2020 (projection)	—	—	—	42.50	85.00

(Note) Revision of dividends projections from the latest announcement: None

3. Consolidated Earnings Projections for Fiscal year 2020, (Year ending March 31, 2021)

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

	Ordinary Profit		Net Income attributable to owners of the parent		Net Income per Share
	¥Million	%	¥Million	%	¥
FY2020	61,000	—	44,000	(60.2)	231.45

(Note) Revision of earnings projections from the latest announcement: None

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(millions of Yen)

Item	科目 (Japanese)	As of Mar 31, 2020	As of Dec 31, 2020
(Assets)	資産の部		
Cash and due from banks	現金預け金	4,555,981	6,189,255
Call loans and bills bought	コールローン及び買入手形	23,236	—
Receivables under resale agreements	買現先勘定	37,621	—
Monetary claims bought	買入金銭債権	54,688	46,364
Trading assets	特定取引資産	1,630	1,575
Money held in trust	金銭の信託	14,734	16,583
Securities	有価証券	3,797,852	3,677,940
Loans and bills discounted	貸出金	16,126,222	16,858,114
Foreign exchanges	外国為替	32,933	26,144
Lease receivables and lease investment assets	リース債権及びリース投資資産	15,857	16,009
Other assets	その他資産	283,821	246,602
Tangible fixed assets	有形固定資産	209,629	207,005
Intangible fixed assets	無形固定資産	19,206	17,363
Net defined benefit assets	退職給付に係る資産	8,459	6,293
Deferred tax assets	繰延税金資産	47,770	24,632
Customers' liabilities for acceptances and guarantees	支払承諾見返	45,662	45,453
Allowance for loan losses	貸倒引当金	(206,904)	(200,036)
Total assets	資産の部合計	25,068,405	27,179,301
(Liabilities)	負債の部		
Deposits	預金	17,174,794	18,839,936
Negotiable certificates of deposit	譲渡性預金	346,675	590,685
Call money and bills sold	コールマネー及び売渡手形	2,248,706	1,658,909
Payables under repurchase agreements	売現先勘定	1,369,069	1,577,776
Payables under securities lending transactions	債券貸借取引受入担保金	638,281	703,251
Borrowed money	借入金	2,159,259	2,597,681
Foreign exchanges	外国為替	1,679	869
Short-term bonds payable	短期社債	29,000	41,000
Bonds payable	社債	10,000	10,000
Other liabilities	その他負債	156,225	160,685
Net defined benefit liability	退職給付に係る負債	4,379	2,311
Provision for losses on interest repayments	利息返還損失引当金	26	20
Provision for losses from reimbursement of inactive accounts	睡眠預金払戻損失引当金	8,592	7,557
Provision for contingent liabilities losses	その他の偶発損失引当金	0	0
Reserves under the special laws	特別法上の引当金	22	17
Deferred tax liabilities	繰延税金負債	6	866
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	22,961	22,961
Acceptances and guarantees	支払承諾	45,662	45,453
Total liabilities	負債の部合計	24,215,343	26,259,983
(Net assets)	純資産の部		
Capital stock	資本金	124,799	124,799
Capital surplus	資本剰余金	141,418	141,458
Retained earnings	利益剰余金	514,682	534,273
Treasury stock	自己株式	(2,446)	(2,451)
Total shareholders' equity	株主資本合計	778,454	798,080
Valuation difference on available-for-sale securities	その他有価証券評価差額金	65,358	105,800
Deferred gains or losses on hedges	繰延ヘッジ損益	(32,547)	(26,222)
Revaluation reserve for land	土地再評価差額金	51,495	51,495
Remeasurements of defined benefit plans	退職給付に係る調整累計額	(9,721)	(9,835)
Total accumulated other comprehensive income	その他の包括利益累計額合計	74,584	121,238
Non-controlling interests	非支配株主持分	23	—
Total net assets	純資産の部合計	853,062	919,318
Total liabilities and net assets	負債及び純資産の部合計	25,068,405	27,179,301

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

(millions of Yen)

Item	科目 (Japanese)	9 months ended Dec 31, 2019	9 months ended Dec 31, 2020
Ordinary income:	経常収益	209,688	211,855
Interest income	資金運用収益	151,730	143,081
Interest on loans and discounts	(うち貸出金利息)	116,870	111,934
Interest and dividends on securities	(うち有価証券利息配当金)	29,530	28,489
Trust fees	信託報酬	0	—
Fees and commissions	役務取引等収益	40,877	41,092
Trading income	特定取引収益	244	456
Other operating income	その他業務収益	12,823	17,476
Other income	その他経常収益	4,013	9,748
Ordinary expenses:	経常費用	165,097	160,377
Interest expenses	資金調達費用	20,054	9,950
Interest on deposits	(うち預金利息)	3,991	1,050
Fees and commissions payments	役務取引等費用	18,446	17,837
Other operating expenses	その他業務費用	6,118	9,644
General and administrative expenses	営業経費	110,651	113,795
Other expenses	その他経常費用	9,826	9,149
Ordinary profit	経常利益	44,591	51,478
Extraordinary income	特別利益	117,444	260
Gain on disposal of noncurrent assets	固定資産処分益	11	255
Gains on negative goodwill	負ののれん発生益	117,433	—
Transfer from reserve for financial products transaction liabilities	金融商品取引責任準備金取崩額	—	4
Extraordinary loss	特別損失	3,618	326
Loss on disposal of noncurrent assets	固定資産処分損	295	126
Impairment loss	減損損失	3,174	199
Loss on step acquisitions	段階取得に係る差損	148	—
Income before income taxes:	税金等調整前四半期純利益	158,416	51,412
Current	法人税、住民税及び事業税	12,480	11,760
Deferred	法人税等調整額	116	3,936
Total income taxes	法人税等合計	12,596	15,696
Net income	四半期純利益	145,819	35,715
Net loss attributable to non-controlling interests (-)	非支配株主に帰属する四半期純損失	(1)	(32)
Net income attributable to owners of the parent	親会社株主に帰属する四半期純利益	145,821	35,748

Consolidated Statements of Comprehensive Income

(millions of Yen)

Item	科目 (Japanese)	9 months ended Dec 31, 2019	9 months ended Dec 31, 2020
Net income	四半期純利益	145,819	35,715
Other comprehensive income	その他の包括利益	2,866	46,653
Valuation difference on available-for-sale securities	その他有価証券評価差額金	5,712	40,441
Deferred gains or losses on hedges	繰延ヘッジ損益	(2,528)	6,325
Remeasurements of defined benefit plans	退職給付に係る調整額	(317)	(113)
Total comprehensive income	四半期包括利益	148,686	82,369
(Breakdown)	(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	148,687	82,402
Comprehensive income attributable to non-controlling interests	非支配株主に係る四半期包括利益	(1)	(32)

Financial Digest for the Third Quarter of FY2020

February 10, 2021

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The capital adequacy ratio at the end of December is separately disclosed. Please refer to “Capital Adequacy Ratio for the Third Quarter of the Year Ending March 31, 2021” disclosed February 10, 2021.

[3 banks' total]:

The sum of non-consolidated figures of the Bank of Fukuoka, the Kumamoto Bank, and the Juhachi-Shinwa Bank
 (Note) The former Shinwa Bank and the former Eighteenth Bank merged on October 1, 2020, forming the Juhachi-Shinwa Bank.
 Figures of both banks before the merger were simply added up for this report.

This report contains forward-looking statements and other forward-looking information relating to the company (the “forward-looking statements”). The forward-looking statements are not historical facts and include, reflect or are otherwise based upon, among other things, the company’s current estimations, projections, views, policies, business strategies, targets, expectations, assumptions and evaluations with respect to general economic conditions, the results of operations, the financial condition, the company’s management in general and other future events. Accordingly, they are inherently susceptible to uncertainties, risks and changes in circumstances and are not guarantees of future performance.

Some forward-looking statements represent targets that the company’s management will strive to achieve through the successful implementation of the company’s business strategies. The company may not be successful in implementing its business strategy, and actual results may differ materially, for a wide range of possible reasons.

1. Gain and loss

	3 banks' total			FFG (consolidated)			FY 2019
	9 months ended Dec 31, 2020	Comparison	9 months ended Dec 31, 2019	9 months ended Dec 31, 2020	Comparison	9 months ended Dec 31, 2019	
Gross business profit	153,835	2,783	151,052	164,675	3,620	161,055	214,706
Net interest income	136,001	1,235	134,766	133,131	1,455	131,676	174,312
Domestic	127,451	(459)	127,910	124,855	(67)	124,922	164,912
International	8,550	1,694	6,856	8,276	1,523	6,753	9,399
Net fees and commissions	14,808	100	14,708	23,254	824	22,430	31,276
Net trading income	4	(3)	7	456	212	244	344
Net other operating income	3,020	1,451	1,569	7,831	1,127	6,704	8,773
Gains (losses) on sales (redemptions) of bonds	1,183	1,837	(654)	1,157	1,811	(654)	(709)
Overhead expenses (-)	92,766	344	92,422	112,511	1,632	110,879	147,907
Business profit (before transfer to general reserve for possible loan losses)	61,069	2,440	58,629	52,163	1,987	50,176	66,799
① Transfer to general reserve for possible loan losses (-)	[(6,821)]	—	3,128	[(7,615)]	—	3,786	62,451
Business profit	61,069	5,568	55,501	52,163	5,773	46,390	4,348
Core business profit	59,886	602	59,284	51,006	175	50,831	67,508
Core business profit (excluding gains (losses) on cancellation of investment trusts)	59,743	733	59,010	50,811	355	50,456	67,104
Other operating profit (loss)	730	1,758	(1,028)	(684)	1,115	(1,799)	(9,598)
② Credit cost for disposal of non-performing loans (-)	(5,183)	(4,580)	(603)	(4,161)	(5,507)	1,346	3,834
Net transfer to specific reserve for possible loan losses (-)	[(1,342)]	—	(263)	[(3,167)]	—	1,694	4,323
Reversal of allowance for loan losses	5,479	5,479	—	4,447	4,447	—	—
Recoveries of written-off claims	294	(446)	740	298	(446)	744	882
Total credit cost ①+② (-)	(5,183)	(7,708)	2,525	(4,161)	(9,294)	5,133	66,285
Gains (losses) on stocks	3,062	1,860	1,202	2,781	539	2,242	2,227
Others	(7,515)	(4,680)	(2,835)	(7,628)	(4,934)	(2,694)	(7,991)
Ordinary profit	61,800	7,328	54,472	51,478	6,887	44,591	(5,250)
Extraordinary profit (loss)	(482)	10,022	(10,504)	(65)	(113,890)	113,825	113,482
Income (loss) before income taxes	61,318	17,350	43,968	51,412	(107,004)	158,416	108,231
Total income taxes (-)	13,696	4,011	9,685	15,696	3,100	12,596	(2,353)
Net income	47,622	13,340	34,282	35,715	(110,104)	145,819	110,585
Net income attributable to non-controlling interests (-)	—	—	—	(32)	(31)	(1)	(22)
Net income attributable to owners of the parent	—	—	—	35,748	(110,073)	145,821	110,607

<Notes> The notes described below are also applied to subsidiary banks (p6-7).

1. “()”denotes minus.

2. Core business profit

= Business profit + Transfer to general reserve for possible loan losses – Gains (losses) on sales (redemptions) of bonds

3. When the total transfer from general and specific reserves for possible loan losses exceeds the transfer to them, the difference is posted as “reversal of allowance for loan losses” under the other operating profit. Numbers in square brackets are amounts before netting.

4. We changed presentation methods for FFG’s consolidated report from the third quarter of this fiscal year, and figures of the past fiscal year were recombined.

This resulted in changes of figures of gross business profit, net other operating income and overhead expenses.

Reference (¥ bil.)	20/3Q	19/3Q	Comparison
Net income (3 banks' total)	47.6	34.3	+13.3
Gains on negative goodwill	—	117.4	(117.4)
FFG non-consolidated	(13.5)	(11.7)	(1.7)
Profit (loss) of subsidiary companies	3.0	1.9	+1.1
Other consolidation adjustments	(1.4)	4.0	(5.4)
FFG's consolidated for the quarter net profit	35.7	145.8	(110.1)

■ 9 months Summary

Core business profit
(3 banks' total) **¥59.9 billion**

Progress on FY2020
Projection 78.3%

> Core business profit increased ¥0.6 billion from a year earlier to ¥59.9 billion mainly due to an increase in net interest income.

> The rate of progress toward the projection for this fiscal year (¥76.5 billion) was 78.3%, exceeding the plan.

Consolidated ordinary profit **¥51.5 billion**

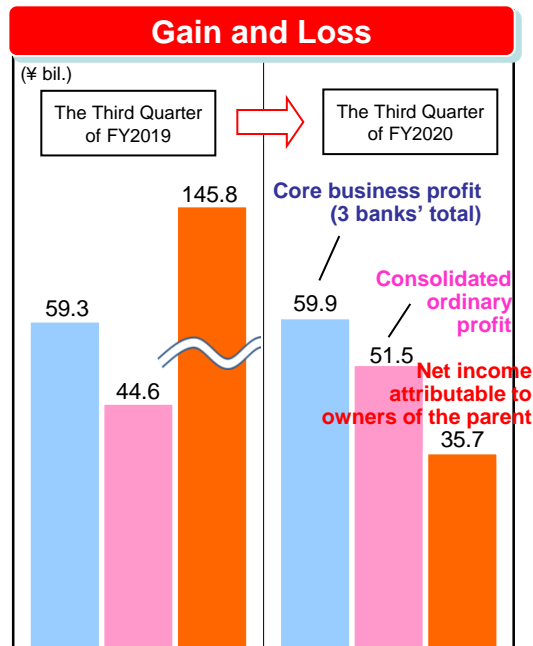
Progress on FY2020
Projection 84.4%

> Consolidated ordinary profit increased ¥6.9 billion from a year earlier to ¥51.5 billion mainly due to a decrease in credit cost (reversal of allowance for loan losses).

Net income attributable to owners of the parent
¥35.7 billion

Progress on FY2020
Projection 81.2%

> Net income attributable to owners of the parent decreased ¥110.1 billion from a year earlier to ¥35.7 billion mainly due to the absence of the factor recorded in the previous fiscal year (¥117.4 billion gain on negative goodwill resulting from the stock exchange with the former Eighteenth Bank). However, the rate of progress toward the projection for this fiscal year (¥44.0 billion) was 81.2%, exceeding the plan.



The Bank of Fukuoka (non-consolidated)

(¥ mil.)

	9 months ended Dec 31, 2020	9 months ended Dec 31, 2019	Comparison	FY 2019
Gross business profit	101,918	98,073	3,845	131,292
Net interest income	87,888	85,607	2,281	113,463
Domestic	81,048	79,632	1,416	105,253
International	6,840	5,975	865	8,210
Net fees and commissions	11,246	11,077	169	16,099
Net trading income	4	7	(3)	7
Net other operating income	2,779	1,381	1,398	1,721
Gains (losses) on sales (redemptions) of bonds	864	(663)	1,527	(676)
Overhead expenses (-)	51,479	50,954	525	67,748
Business profit (before transfer to general reserve for possible loan losses)	50,439	47,119	3,320	63,544
① Transfer to general reserve for possible loan losses (-)	∴[(5,838)] -	4,145	(4,145)	39,112
Business profit	∴ 50,439	42,973	7,466	24,432
Core business profit	∴ 49,574	47,782	1,792	64,221
Core business profit (excluding gains (losses) on cancellation of investment trusts)	∴ 49,339	47,457	1,882	63,896
Other operating profit (loss)	4,354	3,074	1,280	(606)
② Credit cost for disposal of non-performing loans (-)	∴ (3,205)	(1,189)	(2,016)	(197)
Net transfer to specific reserve for possible loan losses (-)	∴ [2,452] -	(1,244)	1,244	(192)
Reversal of allowance for loan losses	∴▶ 3,386	-	3,386	-
Recoveries of written-off claims	162	304	(142)	364
Total credit cost ①+② (-)	∴ (3,205)	2,955	(6,160)	38,914
Gains (losses) on stocks	2,732	1,793	939	1,538
Others	(1,583)	91	(1,674)	(2,342)
Ordinary profit	54,793	46,048	8,745	23,825
Extraordinary profit (loss)	(8)	(163)	155	(238)
Income (loss) before income taxes	54,785	45,885	8,900	23,586
Total income taxes (-)	13,598	11,370	2,228	4,488
Net income	41,186	34,515	6,671	19,098

The Kumamoto Bank (non-consolidated)

(¥ mil.)

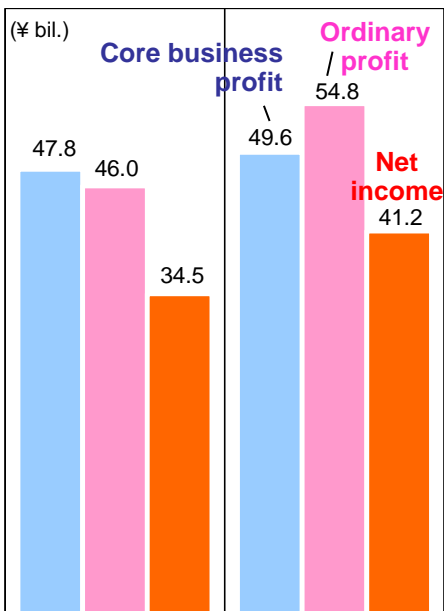
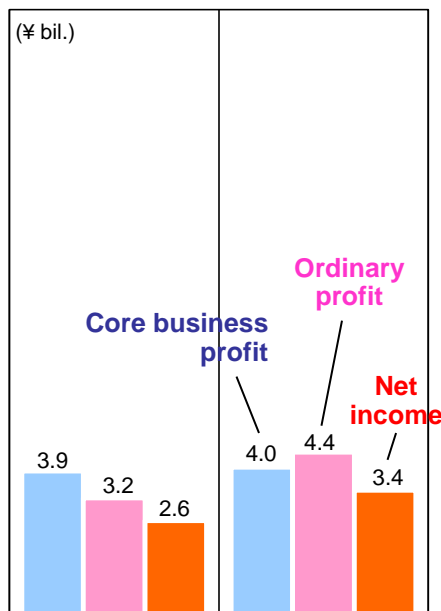
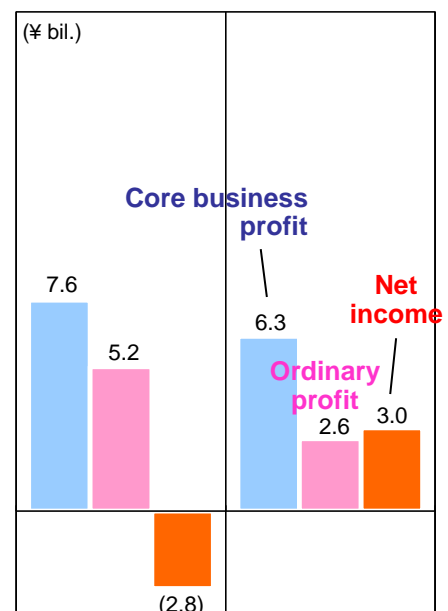
	9 months ended Dec 31, 2020	9 months ended Dec 31, 2019	Comparison	FY 2019
Gross business profit	14,261	14,108	153	18,685
Net interest income	13,479	13,447	32	17,833
Domestic	13,475	13,414	61	17,792
International	4	32	(28)	40
Net fees and commissions	696	615	81	790
Net other operating income	84	44	40	61
Gains (losses) on sales (redemptions) of bonds	37	(3)	40	(3)
Overhead expenses (-)	10,216	10,244	(28)	13,574
Business profit (before transfer to general reserve for possible loan losses)	4,044	3,864	180	5,110
① Transfer to general reserve for possible loan losses (-)	∴[(466)] -	(300)	300	5,758
Business profit	∴ 4,044	4,164	(120)	(648)
Core business profit	∴ 4,007	3,867	140	5,114
Core business profit (excluding gains (losses) on cancellation of investment trusts)	∴ 4,007	3,867	140	5,114
Other operating profit (loss)	324	(980)	1,304	(2,455)
② Credit cost for disposal of non-performing loans (-)	∴ (764)	712	(1,476)	996
Net transfer to specific reserve for possible loan losses (-)	∴ [(384)] -	660	(660)	952
Reversal of allowance for loan losses	∴▶ 851	-	851	-
Recoveries of written-off claims	19	50	(31)	58
Total credit cost ①+② (-)	∴ (764)	411	(1,175)	6,755
Gains (losses) on stocks	-	154	(154)	154
Others	(439)	(422)	(17)	(1,613)
Ordinary profit	4,369	3,184	1,185	(3,103)
Extraordinary profit (loss)	(39)	(7)	(32)	(11)
Income (loss) before income taxes	4,329	3,176	1,153	(3,114)
Total income taxes (-)	921	623	298	(1,187)
Net income	3,407	2,552	855	(1,926)

The Juhachi-Shinwa Bank (non-consolidated)

(¥ mil.)

	9 months ended Dec 31, 2020	9 months ended Dec 31, 2019	Comparison	FY 2019
Gross business profit	37,655	38,869	(1,214)	51,278
Net interest income	34,633	35,710	(1,077)	47,143
Domestic	32,928	34,863	(1,935)	45,843
International	1,705	847	858	1,299
Net fees and commissions	2,864	3,015	(151)	4,088
Net other operating income	156	143	13	46
Gains (losses) on sales (redemptions) of bonds	281	13	268	(13)
Overhead expenses (-)	31,069	31,223	(154)	41,755
Business profit (before transfer to general reserve for possible loan losses)	6,585	7,646	(1,061)	9,522
① Transfer to general reserve for possible loan losses (-)	∴[(516)]	∴[(715)]	—	15,131
Business profit	∴ 6,585	∴ 7,646	(1,061)	(5,608)
Core business profit	∴ 6,304	∴ 7,633	(1,329)	9,535
Core business profit (excluding gains (losses) on cancellation of investment trusts)	∴ 6,396	∴ 7,685	(1,289)	9,552
Other operating profit (loss)	∴ (3,948)	∴ (2,406)	(1,542)	(6,676)
② Credit cost for disposal of non-performing loans (-)	∴ (1,213)	∴ (842)	(371)	572
Net transfer to specific reserve for possible loan losses (-)	∴[(725)]	∴[320]	—	1,097
Reversal of allowance for loan losses	∴▶ 1,241	∴▶ 395	846	—
Recoveries of written-off claims	∴ 112	∴ 385	(273)	452
Total credit cost ①+② (-)	(1,213)	(842)	(371)	15,704
Gains (losses) on stocks	330	(745)	1,075	(1,806)
Others	(5,492)	(2,503)	(2,989)	(4,297)
Ordinary profit	2,637	5,239	(2,602)	(12,285)
Extraordinary profit (loss)	(433)	(10,332)	9,899	(10,776)
Income (loss) before income taxes	2,203	(5,093)	7,296	(23,062)
Total income taxes (-)	(824)	(2,307)	1,483	(8,580)
Net income	3,028	(2,785)	5,813	(14,482)

Gain and Loss

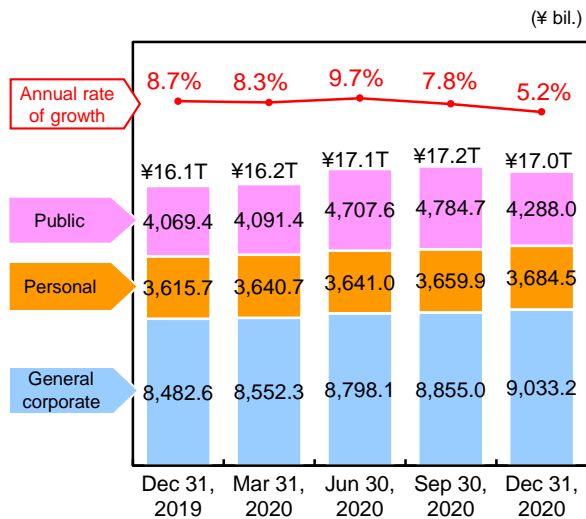
The Bank of Fukuoka
(non-consolidated)The Third
Quarter of
FY2019The Third
Quarter of
FY2020The Kumamoto Bank
(non-consolidated)The Third
Quarter of
FY2019The Third
Quarter of
FY2020The Juhachi-Shinwa Bank
(non-consolidated)The Third
Quarter of
FY2019The Third
Quarter of
FY2020

2. Assets and liabilities

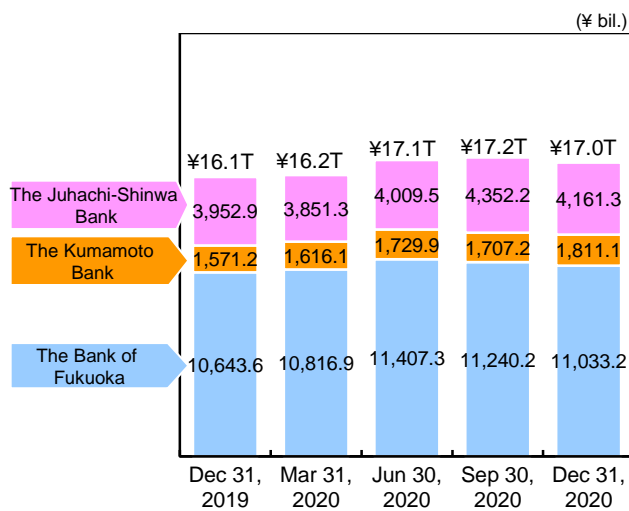
(1) Loans

3 banks' total

Loans classified by customer segment
(Term-end balance)



Loans classified by bank
(Term-end balance)



(¥ mil.)

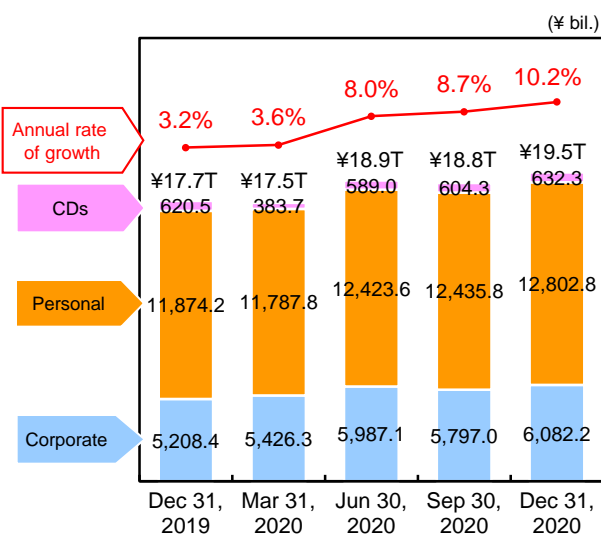
	Dec 31, 2020				Sep 30, 2020	Dec 31, 2019
	annual rate of growth		change from Sep 30, 2020	change from Dec 31, 2019		
3 banks' total	Total loans	5.2%	17,005,772	(294,057)	837,895	17,299,829
	Personal segment	1.9%	3,684,532	24,578	68,801	3,659,954
	Corporate segment	6.1%	13,321,238	(318,634)	769,096	13,639,872
	Personal loans	2.0%	3,586,841	26,617	71,514	3,560,224
	Housing loans	2.7%	3,211,286	29,303	84,486	3,181,983
	Consumer loans	(2.4%)	311,594	(2,035)	(7,818)	313,629
Loans to small-and-medium-sized enterprises, etc. ratio	—	61.35%	1.93%	0.09%	59.42%	61.26%
The Bank of Fukuoka (non-consolidated)	Total loans	3.7%	11,033,261	(207,005)	389,626	11,240,266
	Personal segment	2.0%	2,323,438	14,539	46,617	2,308,899
	Corporate segment	4.1%	8,709,822	(221,544)	343,009	8,931,366
	Fukuoka prefecture	4.6%	7,489,357	90,443	327,035	7,398,914
	Personal loans	2.1%	2,256,101	16,250	47,413	2,239,851
	Housing loans	2.6%	2,015,192	18,933	50,824	1,996,259
Consumer loans	(0.3%)	197,264	(1,076)	(605)	198,340	
Loans to small-and-medium-sized enterprises, etc. ratio	—	64.85%	2.21%	1.13%	62.64%	63.72%
The Kumamoto Bank (non-consolidated)	Total loans	15.3%	1,811,193	103,899	239,909	1,707,294
	Personal segment	4.0%	514,636	7,438	20,010	507,198
	Corporate segment	20.4%	1,296,557	96,462	219,900	1,200,095
	Kumamoto prefecture	6.6%	1,256,771	19,887	77,956	1,236,884
	Personal loans	4.3%	493,585	7,029	20,433	486,556
	Housing loans	5.5%	459,201	7,078	23,740	452,123
Consumer loans	(6.4%)	29,499	(466)	(2,010)	29,965	
Loans to small-and-medium-sized enterprises, etc. ratio	—	63.54%	(2.61%)	(5.33%)	66.15%	68.87%
The Juhachi-Shinwa Bank (non-consolidated)	Total loans	5.3%	4,161,318	(190,951)	208,360	4,352,269
	Personal segment	0.3%	846,458	2,601	2,174	843,857
	Corporate segment	6.6%	3,314,859	(193,552)	206,187	3,508,411
	Nagasaki prefecture	4.2%	2,287,861	10,345	92,925	2,277,516
	Personal loans	0.4%	837,155	3,338	3,668	833,817
	Housing loans	1.4%	736,893	3,292	9,922	733,601
Consumer loans	(5.8%)	84,831	(493)	(5,203)	85,324	
Loans to small-and-medium-sized enterprises, etc. ratio	—	51.12%	2.67%	(0.50%)	48.45%	51.62%

<Note> The term-end balance of loans includes loans granted by the Bank of Fukuoka to FFG (¥123.3 billion at the end of December 2019, ¥123.3 billion at the end of September 2020, and ¥123.3 billion at the end of December 2020).

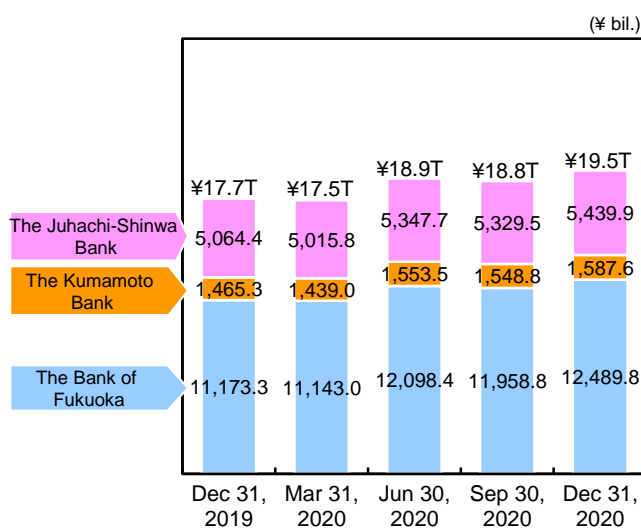
(2) Deposits

3 banks' total

Deposits and CDs classified by customer segment
(Term-end balance)



Deposits and CDs classified by bank
(Term-end balance)



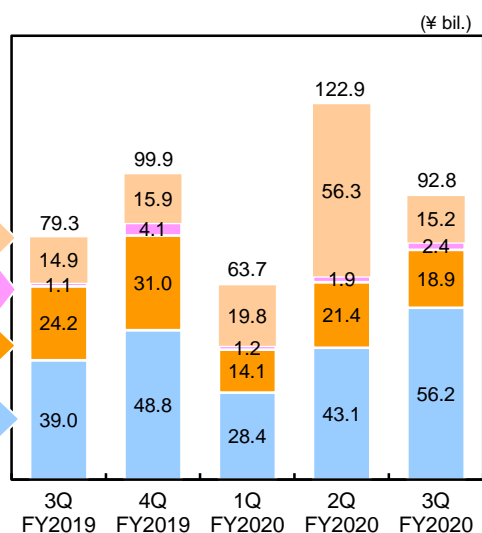
(¥ mil.)

		Dec 31, 2020		change from Sep 30, 2020	change from Dec 31, 2019	Sep 30, 2020	Dec 31, 2019
		annual rate of growth					
3 banks' total	Personal deposits	7.8%	12,802,846	366,975	928,581	12,435,871	11,874,265
	Corporate deposits	16.8%	6,082,298	285,296	873,866	5,797,002	5,208,432
	Total	10.6%	18,885,145	652,270	1,802,447	18,232,875	17,082,698
	Demand	16.1%	13,556,745	519,399	1,879,027	13,037,346	11,677,718
	Time	(1.4%)	5,328,399	132,874	(76,581)	5,195,525	5,404,980
	CDs	1.9%	632,334	27,975	11,806	604,359	620,528
	Deposits and CDs	10.2%	19,517,481	680,246	1,814,252	18,837,235	17,703,229
The Bank of Fukuoka (non-consolidated)	Personal deposits	9.1%	8,122,131	257,516	675,008	7,864,615	7,447,123
	Corporate deposits	19.4%	4,005,943	268,277	650,241	3,737,666	3,355,702
	Total	12.3%	12,128,075	525,793	1,325,250	11,602,282	10,802,825
	Demand	17.4%	8,890,923	375,025	1,316,037	8,515,898	7,574,886
	Time	0.3%	3,237,151	150,768	9,212	3,086,383	3,227,939
	CDs	(2.4%)	361,763	5,209	(8,809)	356,554	370,572
	Deposits and CDs	11.8%	12,489,839	531,003	1,316,442	11,958,836	11,173,397
	Fukuoka prefecture	12.6%	11,199,605	367,547	1,249,655	10,832,058	9,949,950
The Kumamoto Bank (non-consolidated)	Personal deposits	5.2%	1,138,339	26,880	56,755	1,111,459	1,081,584
	Corporate deposits	17.2%	448,659	11,965	65,944	436,694	382,715
	Total	8.4%	1,586,998	38,844	122,699	1,548,154	1,464,299
	Demand	16.5%	1,023,712	45,197	145,208	978,515	878,504
	Time	(3.8%)	563,286	(6,352)	(22,509)	569,638	585,795
	CDs	(33.7%)	700	0	(356)	700	1,056
	Deposits and CDs	8.3%	1,587,698	38,844	122,342	1,548,854	1,465,356
	Kumamoto prefecture	8.9%	1,497,974	37,699	121,800	1,460,275	1,376,174
The Juhachi-Shinwa Bank (non-consolidated)	Personal deposits	5.9%	3,542,376	82,579	196,818	3,459,797	3,345,558
	Corporate deposits	10.7%	1,627,696	5,054	157,681	1,622,642	1,470,015
	Total	7.4%	5,170,072	87,633	354,498	5,082,439	4,815,574
	Demand	13.0%	3,642,110	99,177	417,782	3,542,933	3,224,328
	Time	(4.0%)	1,527,962	(11,542)	(63,284)	1,539,504	1,591,246
	CDs	8.4%	269,871	22,766	20,971	247,105	248,900
	Deposits and CDs	7.4%	5,439,944	110,399	375,468	5,329,545	5,064,476
	Nagasaki prefecture	7.7%	4,765,128	89,611	341,886	4,675,517	4,423,242

(3) Asset management products

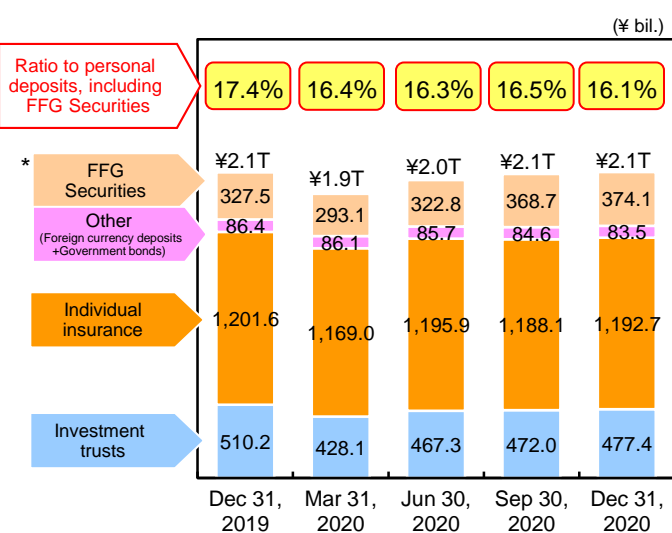
Group's total

Sales of asset management products



* Figures of FFG Securities are the total sales of investment trusts and bonds.

Outstanding balance of assets under management for individual customers



* Figures of FFG Securities are the total balance of individual investment trusts, stocks and bonds.

Sales of asset management products

Outstanding balance of assets under management for individual customers

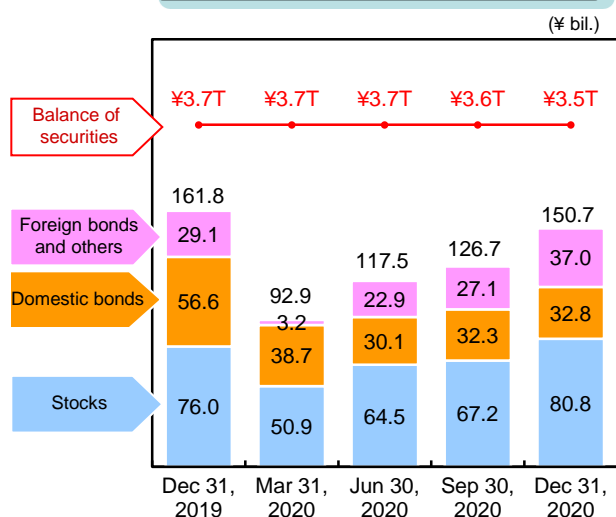
		3Q FY2020		2Q FY2020	3Q FY2019	Dec 31, 2020			Sep 30, 2020	Dec 31, 2019	
		(3 months)	change from 2Q FY2020			change from 3Q FY2019		Change from Sep 30, 2020			Change from Dec 31, 2019
Group's total	Investment trusts	56.2	13.1	17.2	43.1	39.0	477.4	5.4	(32.8)	472.0	510.2
	Individual insurance	18.9	(2.5)	(5.3)	21.4	24.2	1,192.7	4.6	(8.9)	1,188.1	1,201.6
	Foreign currency deposits	1.6	0.2	1.3	1.4	0.3	35.6	1.3	4.1	34.3	31.5
	Government bonds	0.7	0.2	0.0	0.5	0.7	47.9	(2.3)	(7.0)	50.2	54.9
	FFG Securities	15.2	(41.1)	0.3	56.3	14.9	374.1	5.4	46.6	368.7	327.5
	Total	92.8	(30.1)	13.5	122.9	79.3	2,128.0	14.5	2.2	2,113.5	2,125.8
	Ratio to personal deposits						16.1%	(0.4%)	(1.3%)	16.5%	17.4%
The Bank of Fukuoka (non-consolidated)	Investment trusts	36.6	10.0	15.9	26.6	20.7	290.6	9.8	(5.7)	280.8	296.3
	Individual insurance	8.7	(0.4)	(6.1)	9.1	14.8	677.6	(0.5)	(7.8)	678.1	685.4
	Foreign currency deposits	1.5	0.5	1.2	1.0	0.3	26.6	1.1	3.5	25.5	23.1
	Government bonds	0.6	0.3	0.2	0.3	0.4	35.2	(2.3)	(5.7)	37.5	40.9
	Total	47.6	10.4	11.3	37.2	36.3	1,030.1	8.1	(15.7)	1,022.0	1,045.8
	Ratio to personal deposits						12.7%	(0.3%)	(1.3%)	13.0%	14.0%
The Kumamoto Bank (non-consolidated)	Investment trusts	7.8	0.9	0.5	6.9	7.3	62.8	(1.6)	(7.2)	64.4	70.0
	Individual insurance	3.4	(1.4)	0.4	4.8	3.0	145.9	0.2	(1.7)	145.7	147.6
	Foreign currency deposits	0.0	(0.1)	0.0	0.1	0.0	2.7	0.1	0.2	2.6	2.5
	Government bonds	0.0	0.0	0.0	0.0	0.0	1.0	0.1	0.0	0.9	1.0
	Total	11.3	(0.7)	0.9	12.0	10.4	212.4	(1.3)	(8.9)	213.7	221.3
	Ratio to personal deposits						18.7%	(0.5%)	(1.8%)	19.2%	20.5%
The Juhachi-Shinwa Bank (non-consolidated)	Investment trusts	11.6	2.1	0.6	9.5	11.0	124.0	(2.6)	(19.8)	126.6	143.8
	Individual insurance	6.7	(0.7)	0.4	7.4	6.3	369.2	5.0	0.8	364.2	368.4
	Foreign currency deposits	0.0	(0.1)	0.0	0.1	0.0	6.2	0.0	0.4	6.2	5.8
	Government bonds	0.0	(0.1)	(0.2)	0.1	0.2	11.7	0.0	(1.2)	11.7	12.9
	Total	18.6	1.3	1.0	17.3	17.6	511.2	2.3	(19.9)	508.9	531.1
	Ratio to personal deposits						14.4%	(0.3%)	(1.5%)	14.7%	15.9%

<Notes> 1. The sales of investment trusts include those to corporate customers, but the others are the sales only to individuals.
2. The sales of individual insurance don't include level premium insurance besides prepaid contracts.

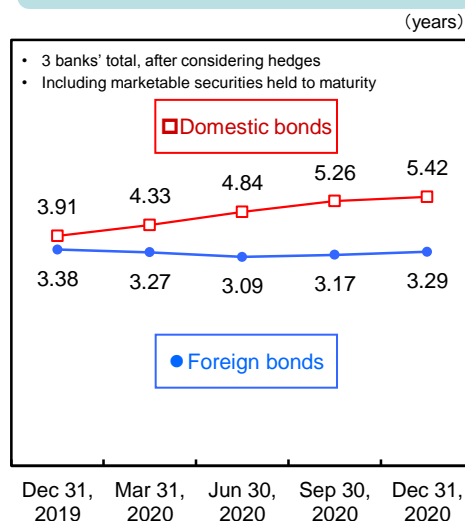
(4) Marketable securities

FFG (consolidated)

Unrealized gain



Bond duration

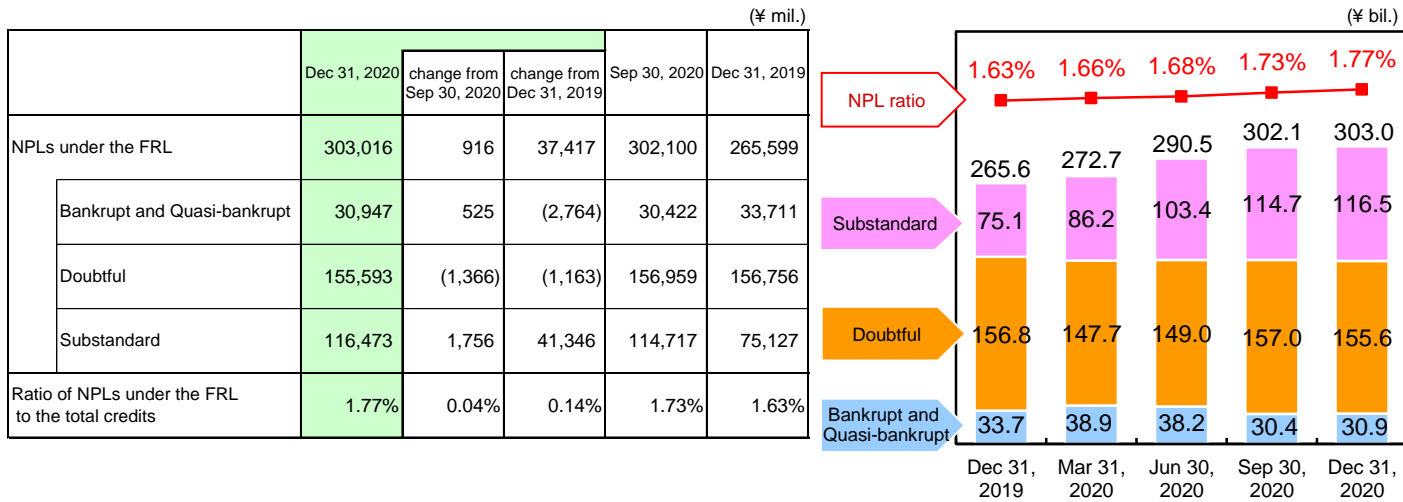
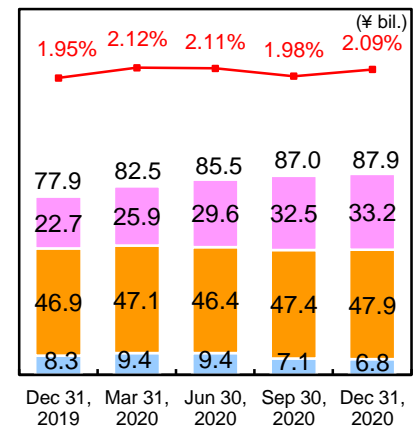
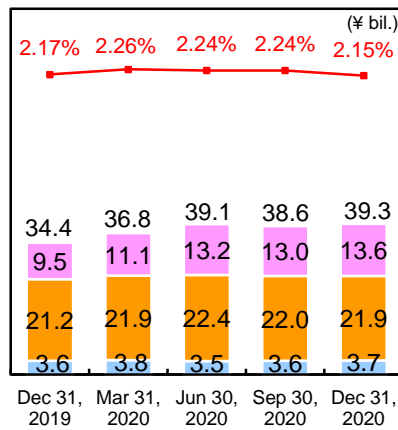
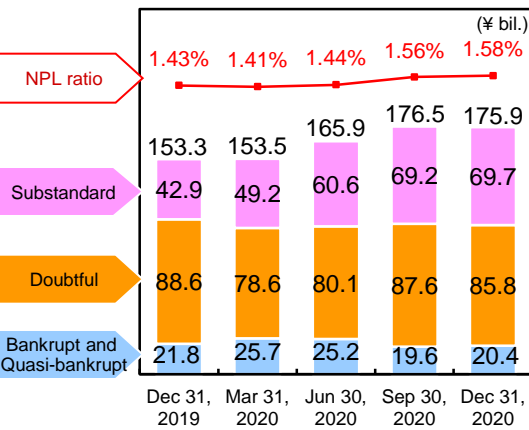


(¥ mil.)

		Dec 31, 2020				Sep 30, 2020	
		Market value	change from Sep 30, 2020	Unrealized gain(loss)	change from Sep 30, 2020	Market value	Unrealized gain(loss)
FFG (consolidated)	Total	3,596,024	(7,121)	150,739	23,997	3,603,145	126,742
	Stocks	174,465	13,606	80,891	13,670	160,859	67,221
	Domestic bonds	2,499,864	(36,934)	32,804	412	2,536,798	32,392
	National government bonds	1,840,359	(20,770)	30,961	588	1,861,129	30,373
	Local government bonds	160,798	(1,499)	222	(80)	162,297	302
	Corporate bonds	498,706	(14,664)	1,620	(96)	513,370	1,716
	Foreign bonds and Others	921,694	16,207	37,043	9,915	905,487	27,128
The Bank of Fukuoka (consolidated)	Total	2,302,041	1,361	129,147	17,080	2,300,680	112,067
	Stocks	137,070	11,026	74,360	11,080	126,044	63,280
	Domestic bonds	1,474,148	(13,377)	26,692	899	1,487,525	25,793
	National government bonds	1,141,975	(2,900)	25,655	1,082	1,144,875	24,573
	Local government bonds	74,554	1,974	61	(52)	72,580	113
	Corporate bonds	257,618	(12,452)	975	(131)	270,070	1,106
	Foreign bonds and Others	690,822	3,712	28,094	5,101	687,110	22,993
The Kumamoto Bank (non-consolidated)	Total	124,617	(7,041)	3,089	105	131,658	2,984
	Stocks	2,209	264	1,256	263	1,945	993
	Domestic bonds	122,408	(7,304)	1,833	(158)	129,712	1,991
	National government bonds	100,309	(7,048)	1,573	(131)	107,357	1,704
	Local government bonds	1,450	101	11	(1)	1,349	12
	Corporate bonds	20,648	(357)	248	(26)	21,005	274
	Foreign bonds and Others	—	—	—	—	—	—
The Juhachi-Shinwa Bank (consolidated)	Total	1,168,163	(2,642)	54,305	6,021	1,170,805	48,284
	Stocks	35,185	2,316	15,049	2,169	32,869	12,880
	Domestic bonds	902,105	(17,454)	20,136	(1,035)	919,559	21,171
	National government bonds	596,872	(12,024)	16,514	(907)	608,896	17,421
	Local government bonds	84,793	(3,573)	1,246	(93)	88,366	1,339
	Corporate bonds	220,439	(1,855)	2,375	(34)	222,294	2,409
	Foreign bonds and Others	230,871	12,495	19,119	4,886	218,376	14,233

3. Non-performing loans (Direct write-off is adopted)

3 banks' total

The Bank of Fukuoka
(non-consolidated)The Kumamoto Bank
(non-consolidated)The Juhachi-Shinwa Bank
(non-consolidated)

4. Interest rate spread (Domestic division)

(%)

	3 banks' total			The Bank of Fukuoka (non-consolidated)			The Kumamoto Bank (non-consolidated)			The Juhachi-Shinwa Bank (non-consolidated)		
	3Q FY2020 (9 months)	YoY change	3Q FY2019 (9 months)	3Q FY2020 (9 months)	YoY change	3Q FY2019 (9 months)	3Q FY2020 (9 months)	YoY change	3Q FY2019 (9 months)	3Q FY2020 (9 months)	YoY change	3Q FY2019 (9 months)
(1) Average yield on interest earning assets	0.81	(0.06)	0.87	0.79	(0.05)	0.84	0.95	(0.06)	1.01	0.82	(0.08)	0.90
Loans and bills discounted ①	0.85	(0.07)	0.92	0.86	(0.05)	0.91	0.95	(0.08)	1.03	0.80	(0.09)	0.89
Securities	0.95	(0.04)	0.99	0.96	(0.07)	1.03	0.75	(0.03)	0.78	0.96	(0.02)	0.98
(2) Average yield on interest bearing liabilities	0.47	(0.05)	0.52	0.39	(0.04)	0.43	0.55	(0.05)	0.60	0.71	(0.03)	0.74
Deposits and CDs ②	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
External liabilities	(0.02)	0.01	(0.03)	(0.02)	0.01	(0.03)	(0.02)	0.00	(0.02)	(0.02)	0.01	(0.03)
(3) Difference between average yields on loans and deposits ①-②	0.85	(0.07)	0.92	0.86	(0.05)	0.91	0.95	(0.08)	1.03	0.80	(0.09)	0.89
(4) Average interest rate spread (1)-(2)	0.34	(0.01)	0.35	0.40	(0.01)	0.41	0.40	(0.01)	0.41	0.11	(0.05)	0.16