

**ANNUAL FINANCIAL DATA  
FOR THE FISCAL YEAR ENDED  
MARCH 31, 2017**

**The Hachijuni Bank, Ltd.**

# I FINANCIAL REVIEW

## 1. Breakdown of income

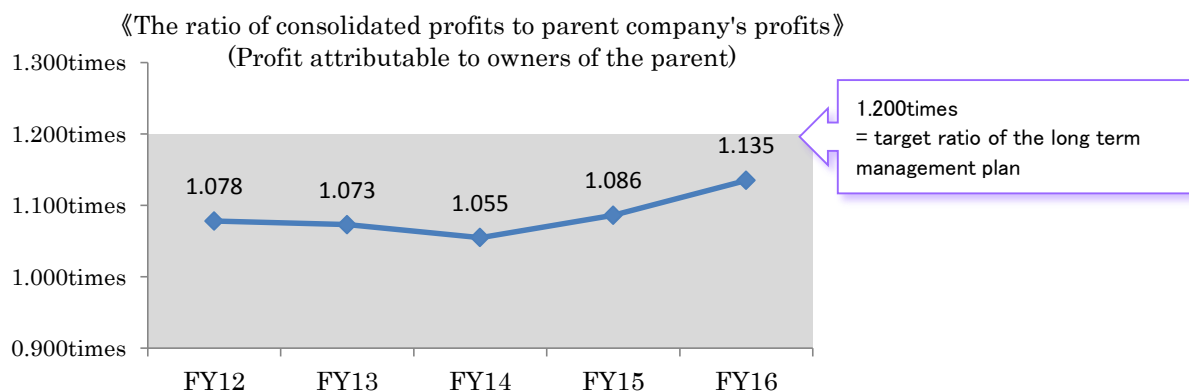
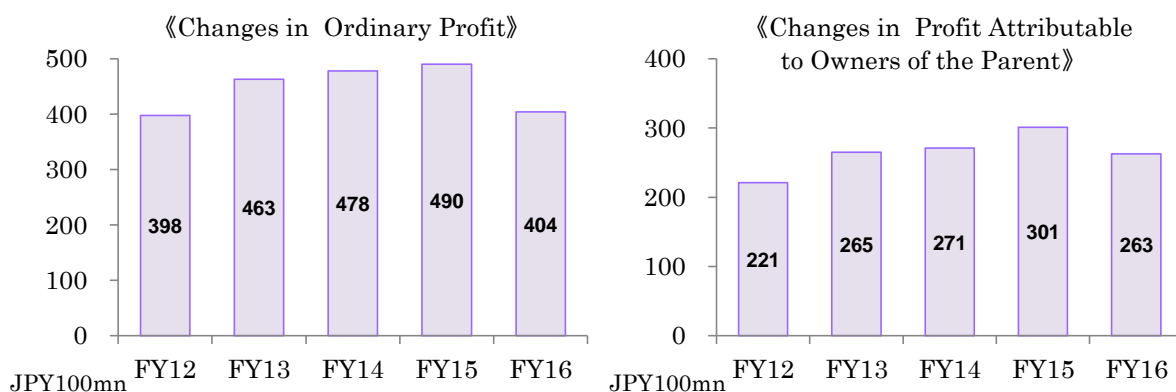
<Consolidated>

(Units: 1 million yen)

	FY ended March 31, 2017 (A)	Inc/Dec (A-B)	FY ended March 31,2016 (B)
Consolidated gross business profit	100,194	(1,722)	101,916
Profit on interest	74,073	(1,222)	75,295
Profit on fees and commissions	13,359	(1,635)	14,994
Trading profit	1,735	(97)	1,832
Profit from other business transactions	11,026	1,233	9,793
General & administrative expenses	66,081	5,211	60,869
Credit related expenses	(2,297)	2,703	(5,001)
<b>Ordinary profit</b>	<b>40,421</b>	<b>(8,601)</b>	<b>49,023</b>
Extraordinary gains (losses)	(798)	(410)	(387)
Income before income taxes and minority interests	39,622	(9,012)	48,635
Total income taxes	11,827	(4,828)	16,656
Profit	27,794	(4,184)	31,979
Profit attributable to non-controlling interests	1,482	(324)	1,807
<b>Profit attributable to owners of the parent</b>	<b>26,312</b>	<b>(3,859)</b>	<b>30,171</b>

(Number of Consolidated Companies)

Number of consolidated subsidiaries	10	0	10
Number of companies accounted for by the equity method	—	—	—

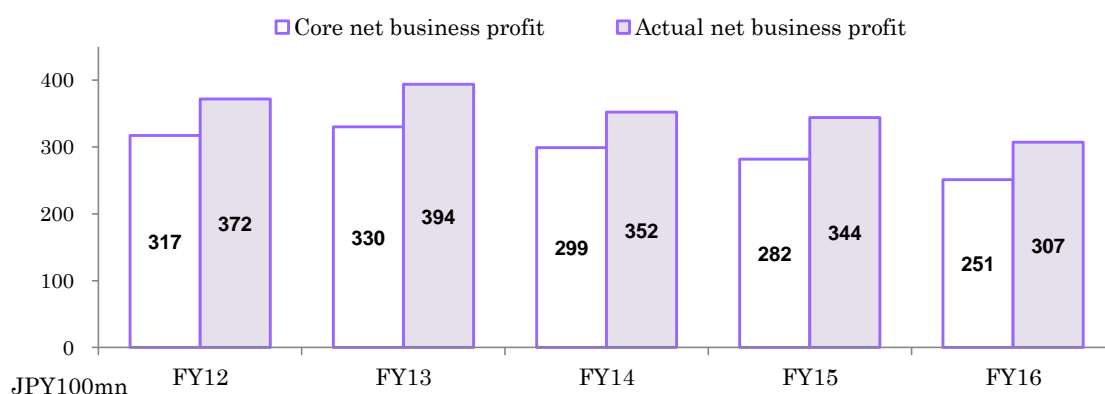


&lt;Non-consolidated&gt;

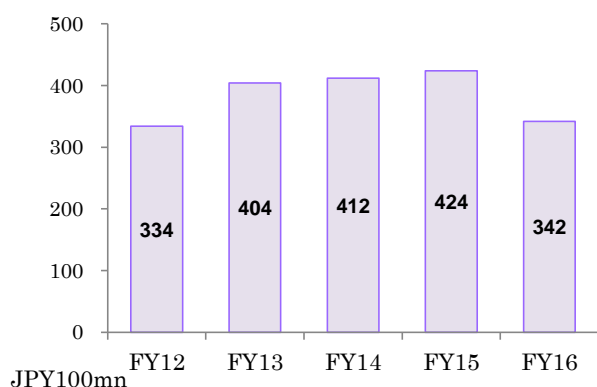
(Units: 1million yen)

		FY ended March 31, 2017 (A)	Inc/Dec (A-B)	FY ended March 31,2016 (B)
Gross business profit	A	88,646	(2,017)	90,663
Profit on interest		73,841	(1,307)	75,148
Profit on fees and commissions		8,037	(1,939)	9,976
Trading profit		134	(93)	228
Profit from other business transactions		6,633	1,322	5,310
Gains (losses) related to bonds	B	5,586	(680)	6,267
General & administrative expenses	C	57,921	1,731	56,189
Personnel expenses		28,748	5	28,743
Non personnel expenses		25,630	1,320	24,309
<b>Core net business profit</b>	<b>A-B-C</b>	<b>25,138</b>	<b>(3,068)</b>	<b>28,206</b>
<b>Actual net business profit</b>	<b>A-C</b>	<b>30,724</b>	<b>(3,749)</b>	<b>34,474</b>
Transfer to general reserve for possible loan losses	D	—	—	—
Net business profit	A-C-D	30,724	(3,749)	34,474
Net gains (losses) related to equity securities	E	2,426	216	2,209
Profit (loss) on money held in trust		1,033	872	161
Disposal of nonperforming loans	F	(22)	(170)	147
Transfer to specific reserve		—	—	—
Reversal of allowance for loan losses	G=(a-b)	2,271	(2,745)	5,016
Reversal of general reserve	a	2,544	5,482	(2,938)
Transfer to specific reserve	b	272	8,227	(7,954)
Recoveries of written-off claims	H	6	(7)	13
<b>Ordinary profit</b>		<b>34,205</b>	<b>(8,256)</b>	<b>42,462</b>
Extraordinary gains (losses)		(798)	(412)	(386)
Income before income taxes		33,407	(8,668)	42,076
Total income taxes		10,233	(4,077)	14,311
<b>Profit</b>		<b>23,173</b>	<b>(4,591)</b>	<b>27,765</b>
Profit(losses) related to securities	B+E	8,012	(464)	8,476
Credit related expenses	D+F-G-H	(2,300)	2,581	(4,882)

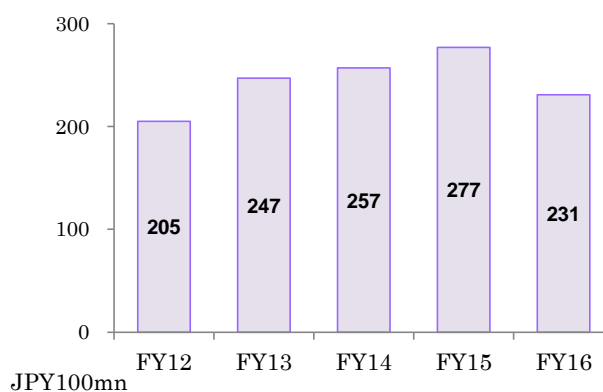
《Changes in Core net business profit and Actual net business profit》



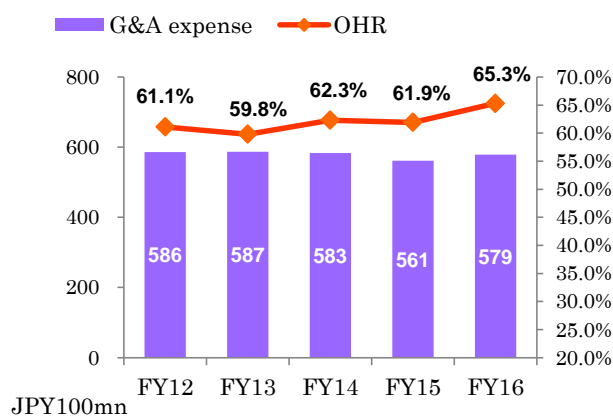
《Changes in Ordinary profit》



《Changes in Profit》

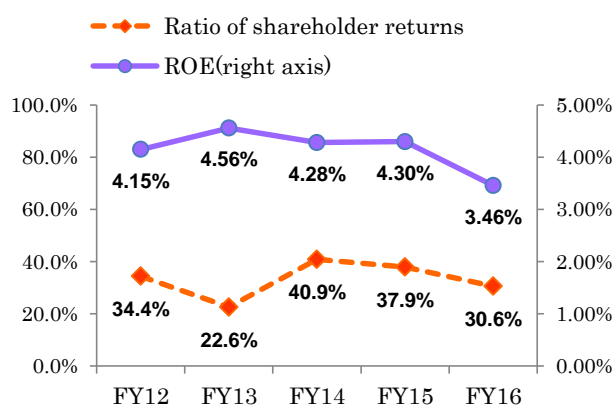


《Changes in G&amp;A expenses and gross business profit OHR》



Note: Gross business profit OHR  
= G&A expense / gross business profit

《Ratio of shareholder returns and ROE》



Note: Ratio of shareholder returns  
= (Annual dividends + purchase of own stocks) / profit  
ROE: Return on Equity  
= Profit / Net Assets

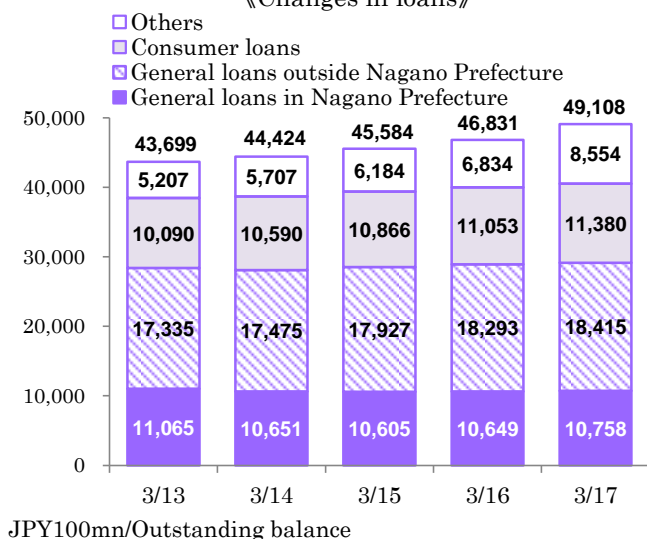
## 2. Major accounts

### ◆ Loans <Non-consolidated>

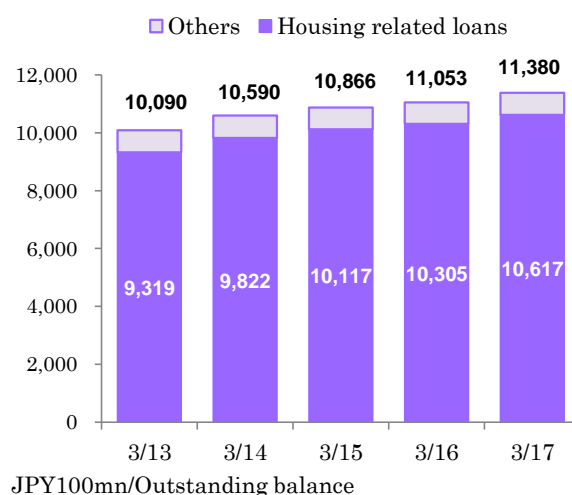
(Units: 100 million yen)

	FY ended March 31, 2017 (A)	FY ended March 31, 2017 (A)		First half year ended Sept. 30, 2016 (B)	FY ended March 31, 2016 (C)
		Inc/Dec (A-B)	Inc/Dec (A-C)		
<b>For all offices (outstanding balance as of the end of the period)</b>	<b>49,108</b>	<b>1,459</b>	<b>2,277</b>	<b>47,649</b>	<b>46,831</b>
Loans to general corporations	29,173	236	230	28,937	28,943
Loans to consumers	11,380	171	327	11,208	11,053
Housing related loans thereof	10,617	168	312	10,449	10,305
Others	8,554	1,051	1,719	7,503	6,834
<b>For all offices (average balance of the period)</b>	<b>48,059</b>	<b>697</b>	<b>1,607</b>	<b>47,362</b>	<b>46,451</b>
Loans to general corporations	29,308	237	220	29,071	29,088
Loans to consumers	11,188	91	250	11,097	10,938
Others	7,561	368	1,137	7,192	6,424

《Changes in loans》



《Changes in consumer loans》



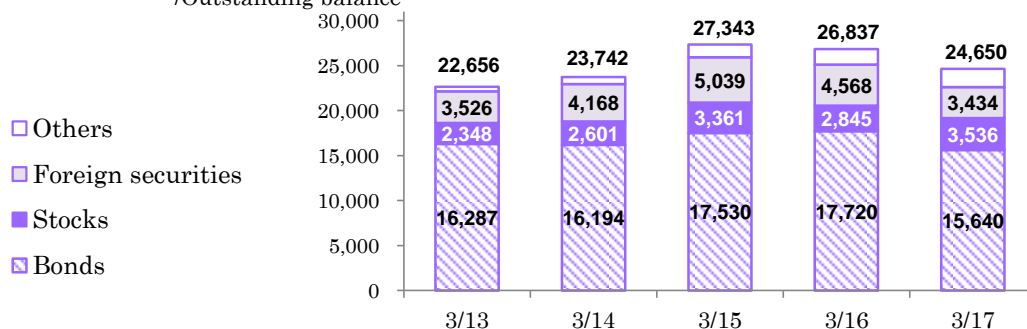
◆ Securities <Non-consolidated>

(Units: 100 million yen)

	FY ended	Inc/Dec		First half	FY ended
	March 31, 2017 (A)	(A-B)	(A-C)	year ended Sept.30, 2016(B)	March 31, 2016 (C)
<b>For all offices (outstanding balance as of the end of the period)</b>	<b>24,650</b>	<b>(2,366)</b>	<b>(2,186)</b>	<b>27,016</b>	<b>26,837</b>
Bonds	15,640	(2,326)	(2,080)	17,967	17,720
JGB thereof	11,029	(2,306)	(2,481)	13,336	13,511
Stocks	3,536	631	691	2,904	2,845
Foreign securities	3,434	(797)	(1,134)	4,231	4,568
Others	2,038	125	335	1,913	1,702
<b>For all offices (average balance of the period)</b>	<b>23,739</b>	<b>(60)</b>	<b>431</b>	<b>23,800</b>	<b>23,307</b>
Bonds	16,393	(175)	111	16,569	16,282
JGB thereof	11,948	(302)	(723)	12,250	12,671
Stocks	1,238	32	43	1,205	1,194
Foreign securities	4,313	(8)	(174)	4,321	4,487
Others	1,793	90	450	1,703	1,343

JPY100mn /Outstanding balance

《Changes in securities》

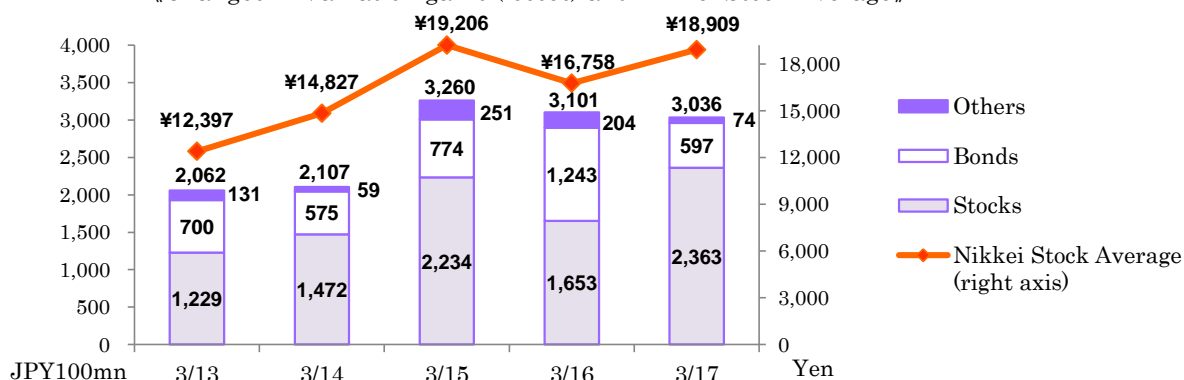


◆ Valuation gains (losses) <Non-consolidated>

(Units: 100 million yen)

	As of March 31, 2017			
	Valuation gains (losses)	Change from March 31, 2016	Valuation gains	Valuation losses
<b>Other securities</b>	<b>3,036</b>	<b>(65)</b>	<b>3,128</b>	<b>92</b>
Stocks	2,363	710	2,365	1
Bonds	597	(645)	629	31
Others	74	(129)	133	58

《Changes in Valuation gains (losses) and Nikkei Stock Average》



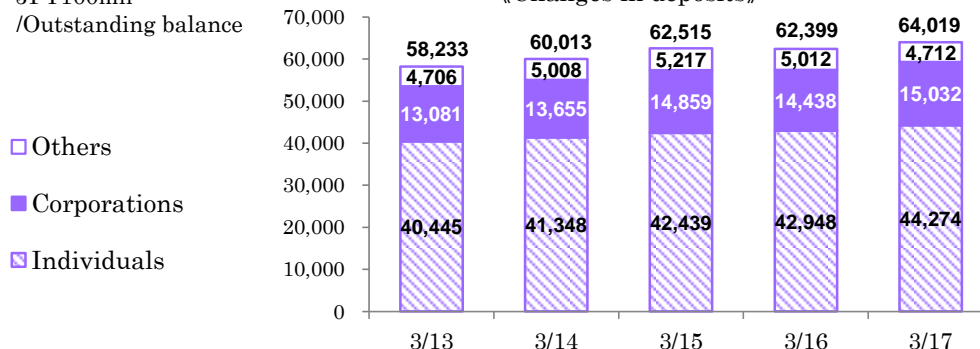
◆ Deposits <Non-consolidated>

(Units: 100 million yen)

	FY ended March 31, 2017 (A)	FY ended March 31, 2017 (A)		First half year ended Sept. 30, 2016 (B)	FY ended March 31, 2016 (C)
		Inc/Dec (A-B)	Inc/Dec (A-C)		
<b>For all offices (outstanding balance as of the end of the period)</b>	<b>64,019</b>	<b>902</b>	<b>1,619</b>	<b>63,117</b>	<b>62,399</b>
Individuals	44,274	848	1,326	43,426	42,948
Corporations	15,032	39	594	14,993	14,438
Others	4,712	14	(300)	4,698	5,012
<b>For all offices (average balance of the period)</b>	<b>63,366</b>	<b>115</b>	<b>974</b>	<b>63,251</b>	<b>62,392</b>
Individuals	43,655	362	734	43,293	42,921
Corporations	15,250	(39)	262	15,289	14,987
Others	4,460	(207)	(23)	4,667	4,484

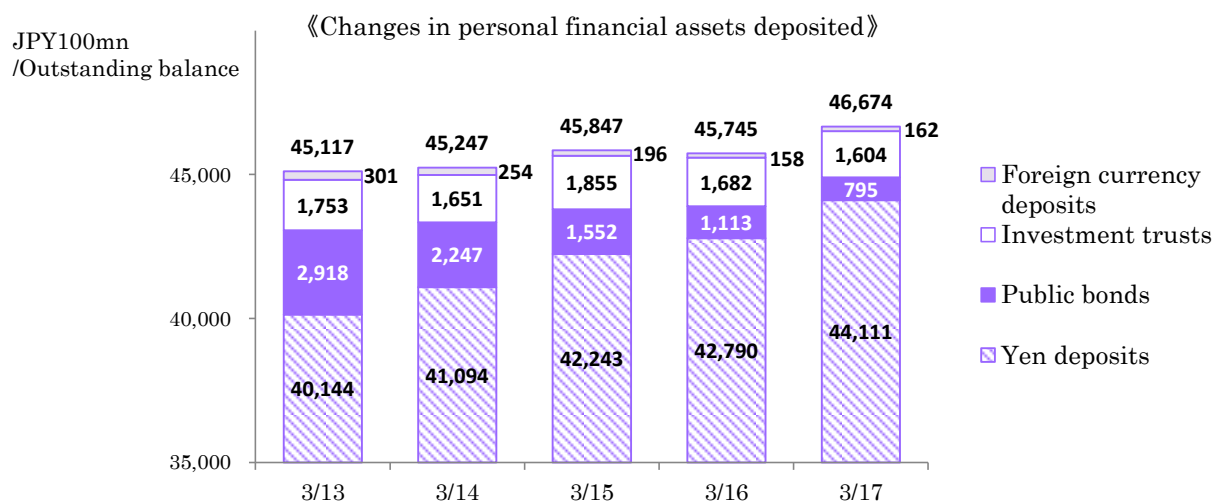
JPY100mn /Outstanding balance

《Changes in deposits》



## ◆ Personal financial assets deposited &lt;Non-consolidated&gt; (Units: 100 million yen)

	As of March 31, 2017 (A)	Inc/Dec		As of Sept. 30, 2016 (B)	As of March 31, 2016 (C)
		(A-B)	(A-C)		
<b>Total (outstanding balance)</b>	<b>46,674</b>	<b>707</b>	<b>929</b>	<b>45,967</b>	<b>45,745</b>
Yen deposits	44,111	847	1,321	43,263	42,790
Investment type products	2,563	(140)	(391)	2,703	2,954
Foreign currency deposits	162	0	4	162	158
Investment trusts	1,604	21	(77)	1,583	1,682
Public bonds (Government bonds, and other bonds)	795	(162)	(318)	957	1,113



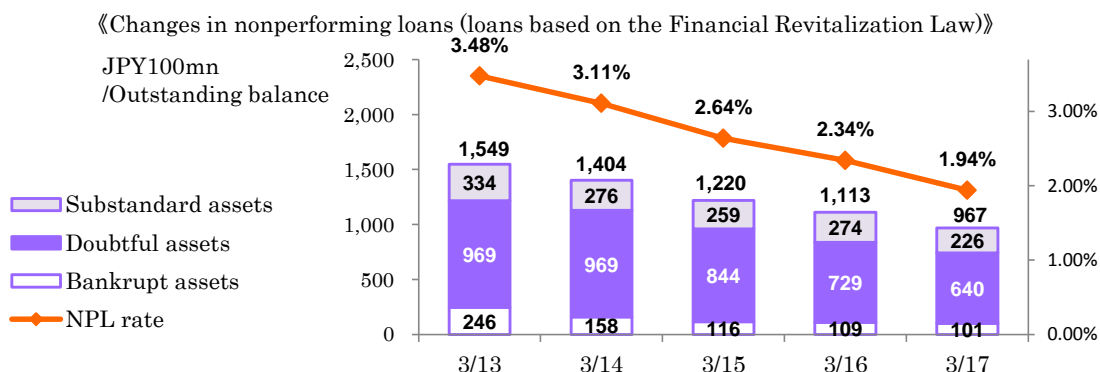
## 3. Financial soundness

## ◆ Disclosure of loans based on the Financial Revitalization Law

&lt;Non-consolidated&gt;

(Units: 100 million yen, %)

	As of March 31, 2017 (A)	Inc/Dec		As of Sept. 30, 2016 (B)	As of March 31, 2016 (C)
		(A-B)	(A-C)		
<b>Total</b>	<b>967</b>	<b>(52)</b>	<b>(145)</b>	<b>1,019</b>	<b>1,113</b>
Bankrupt and quasi-bankrupt assets	101	(13)	(8)	115	109
Doubtful assets	640	1	(89)	638	729
Substandard assets	226	(40)	(48)	266	274
<b>As a percentage of total credits</b>	<b>1.94</b>	<b>(0.17)</b>	<b>(0.40)</b>	<b>2.11</b>	<b>2.34</b>
Coverage ratio	73.5	(0.9)	2.4	74.4	71.1



## ◆ Capital ratio (Basel III standards)

## &lt;Consolidated&gt;

		As of March 31, 2017 (A) (preliminary)		As of Sept. 30, 2016 (B)	As of March 31, 2016 (C)	
		Inc/Dec (A-B)	Inc/Dec (A-C)			
Total capital ratio	A/D	20.62%	(0.28%)	0.70%	20.90%	19.92%
Tier1 capital ratio	B/D	20.08%	0.62%	1.56%	19.46%	18.52%
Common Equity Tier1 capital ratio	C/D	19.91%	0.61%	1.54%	19.30%	18.37%

(Units: 100 million yen)

Total capital	A	6,703	258	381	6,444	6,321
Tier1 capital	B	6,525	523	646	6,001	5,878
Common Equity Tier1 capital	C	6,470	518	639	5,951	5,830
Risk weighted assets	D	32,492	1,668	764	30,823	31,728
Required capital	D×8%	2,599	133	61	2,465	2,538

## &lt;Non-consolidated&gt;

		As of March 31, 2017 (A) (preliminary)		As of Sept. 30, 2016 (B)	As of March 31, 2016 (C)	
		Inc/Dec (A-B)	Inc/Dec (A-C)			
Total capital ratio	a/d	20.03%	(0.18%)	0.84%	20.21%	19.19%
Tier1 capital ratio	b/d	19.56%	0.73%	1.70%	18.83%	17.86%
Common Equity Tier1 capital ratio	c/d	19.56%	0.73%	1.70%	18.83%	17.86%

(Units: 100 million yen)

Total capital	a	6,336	271	375	6,065	5,960
Tier1 capital	b	6,188	536	641	5,651	5,546
Common Equity Tier1 capital	c	6,188	536	641	5,651	5,546
Risk weighted assets	d	31,633	1,625	579	30,008	31,054
Required capital	d×8%	2,530	130	46	2,400	2,484

Note: In the above Risk weighted assets calculation, credit risk assets was based on The Foundation Internal Ratings-Based Approach and operational risk amount was based on The Standardized Approach.



## II Earning projections for the fiscal year ending March 31, 2018

**<Consolidated>**

(Units: 100 million yen)

		Projection for half year ending 2017/9/30	Projection for FY ending 2018/3/31 (A)	(A-B)	Results for FY ended 2017/3/31 (B)
Ordinary profit		180	350	(54)	404
Profit attributable to owners of the parent		115	230	(33)	263

**<Non-consolidated>**

(Units: 100 million yen)

		Projection for half year ending 2017/9/30	Projection for FY ending 2018/3/31 (A)	(A-B)	Results for FY ended 2017/3/31 (B)
Gross business profit		417	845	(41)	886
Profit on interest		313	636	(102)	738
Profit on fees and commissions		44	88	8	80
Trading profit		1	2	1	1
Profit from other business transactions		58	117	51	66
(Gains (losses) related to bonds)	A	52	105	50	55
General & administrative expenses		288	574	(5)	579
(Personnel expenses)		142	283	(4)	287
(Non personnel expenses)		126	257	1	256
Core net business profit		75	165	(86)	251
Actual net business profit		128	270	(37)	307
Transfer to general reserve for possible loan losses	B	—	(0)	(0)	—
Net business profit		128	270	(37)	307
Net gains (losses) related to equity securities	C	10	20	(4)	24
Disposal of nonperforming loans	D	(0)	0	0	(0)
Reversal of allowance for loan losses	E	4	—	(22)	22
Recoveries of written-off claims	F	—	—	(0)	0
Ordinary profit		150	290	(52)	342
Profit		100	200	(31)	231
Profit(losses) related to securities	A+C	62	125	45	80
Credit related expenses	B+D- E- F	(4)	0	23	(23)

※ These projections are based on certain estimates which the bank believes are reasonable, based on information available as of the date of this filing; there is the possibility that the actual results may vary significantly due to various factors in the future.