

**INTERIM FINANCIAL DATA  
FOR THE SIX MONTHS ENDED  
SEPTEMBER 30, 2017**

**The Hachijuni Bank, Ltd.**

# I FINANCIAL REVIEW (The first half fiscal year ended September 30, 2017)

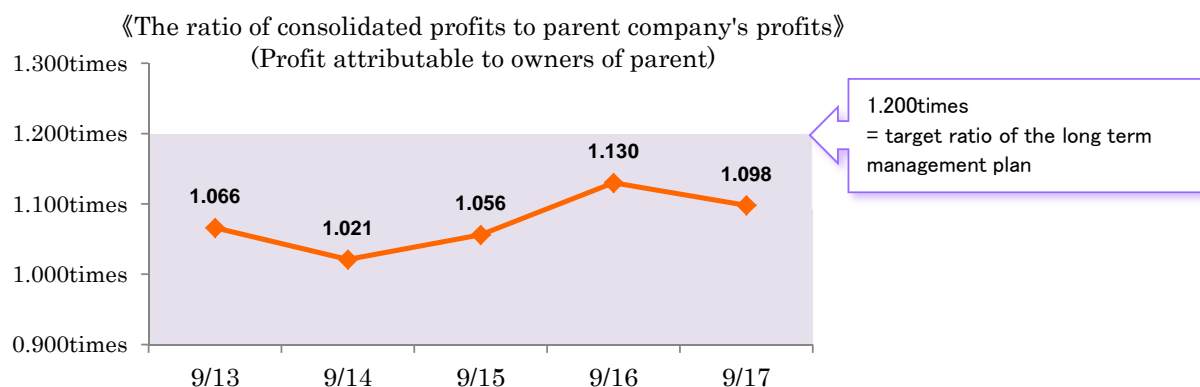
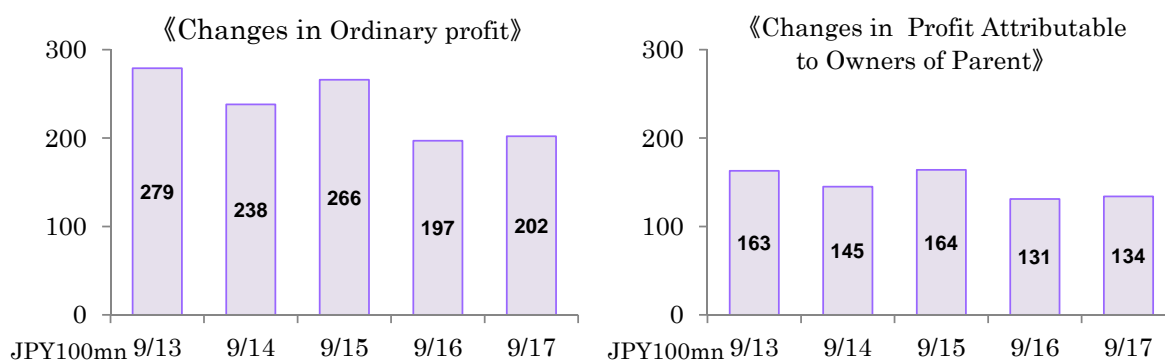
## 1. Breakdown of income

<Consolidated> (Units: 1million yen)

	First half of FY 2017 (A)	Inc/Dec (A-B)	First half of FY 2016 (B)
Consolidated gross business profit	49,793	687	49,106
Profit on interest	34,331	(771)	35,102
Profit on fees and commissions	6,688	178	6,510
Trading profit	1,127	503	624
Profit from other business transactions	7,646	777	6,869
General & administrative expenses	31,671	(1,794)	33,466
Credit related expenses	669	2,618	(1,948)
<b>Ordinary profit</b>	<b>20,211</b>	<b>464</b>	<b>19,747</b>
Extraordinary gains (losses)	(522)	(208)	(314)
Profit before income taxes	19,688	255	19,433
Total income taxes	5,721	114	5,606
Profit	13,967	140	13,826
Profit attributable to non-controlling interests	562	(89)	651
<b>Profit attributable to owners of parent</b>	<b>13,405</b>	<b>230</b>	<b>13,174</b>

(Number of Consolidated Companies)

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

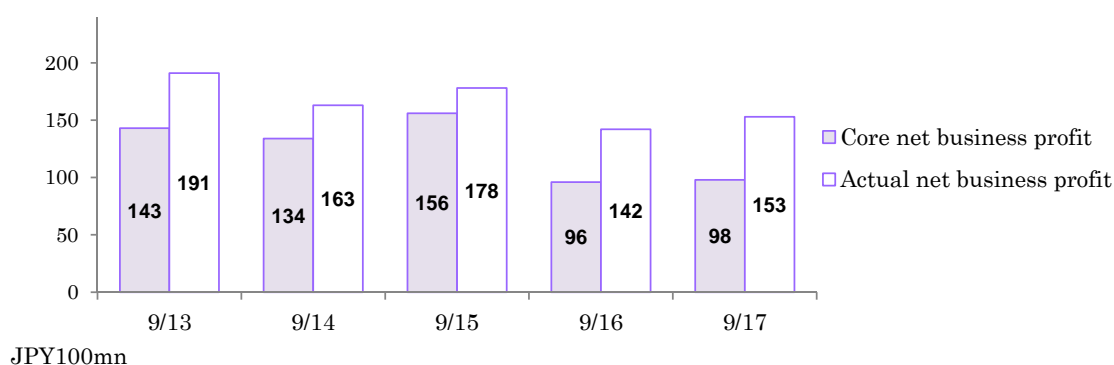


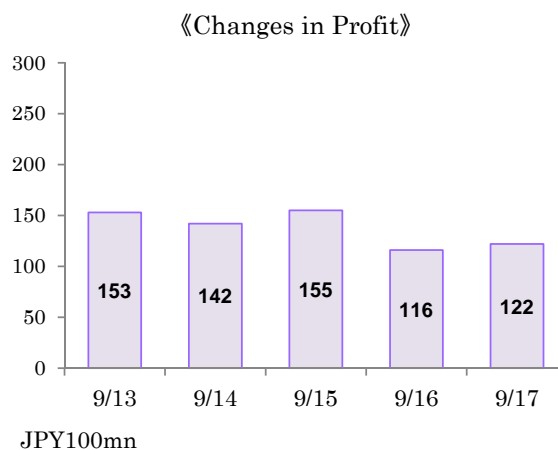
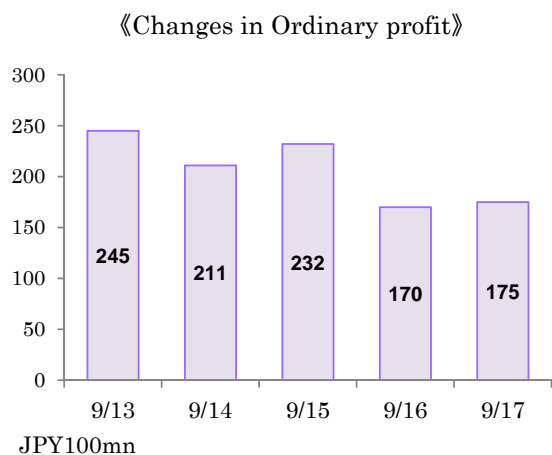
&lt;Non-consolidated&gt;

(Units: 1million yen)

		First half of FY 2017 (A)	Inc/Dec (A-B)	First half of FY 2016 (B)
Gross business profit	A	43,901	302	43,598
Profit on interest		34,236	(735)	34,971
Profit on fees and commissions		3,975	136	3,838
Trading profit		78	(14)	92
Profit from other business transactions		5,610	915	4,695
Gains (losses) related to bonds	B	5,579	1,039	4,539
General & administrative expenses	C	28,504	(854)	29,359
Personnel expenses		14,215	(366)	14,581
Non personnel expenses		12,169	(525)	12,694
<b>Core net business profit</b>	<b>A-B-C</b>	<b>9,817</b>	<b>118</b>	<b>9,699</b>
<b>Actual net business profit</b>	<b>A-C</b>	<b>15,396</b>	<b>1,157</b>	<b>14,239</b>
Transfer to general reserve for possible loan losses	D	(277)	(277)	—
Net business profit	A-C-D	15,674	1,434	14,239
Net gains (losses) related to equity securities	E	2,239	1,938	301
Profit (loss) on money held in trust		(316)	(574)	257
Disposal of nonperforming loans	F	375	422	(47)
Transfer to specific reserve		321	321	—
Reversal of allowance for loan losses	G =a+b	—	(1,882)	1,882
Reversal of general reserve	a	—	(1,794)	1,794
Reversal of specific reserve	b	—	(88)	88
Recoveries of written-off claims	H	19	17	1
<b>Ordinary profit</b>		<b>17,524</b>	<b>477</b>	<b>17,047</b>
Extraordinary gains (losses)		(522)	(207)	(315)
Income before income taxes		17,001	269	16,732
Total income taxes		4,801	(278)	5,079
<b>Profit</b>		<b>12,200</b>	<b>547</b>	<b>11,652</b>
Profit(losses) related to securities	B+E	7,819	2,977	4,841
Credit related expenses	D+F-G-H	78	2,010	(1,931)

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



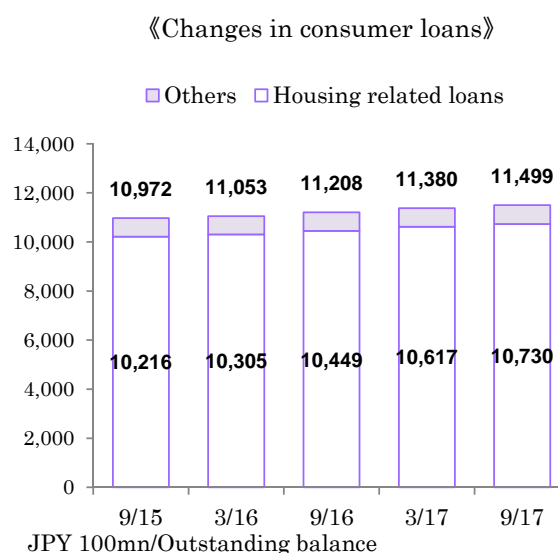
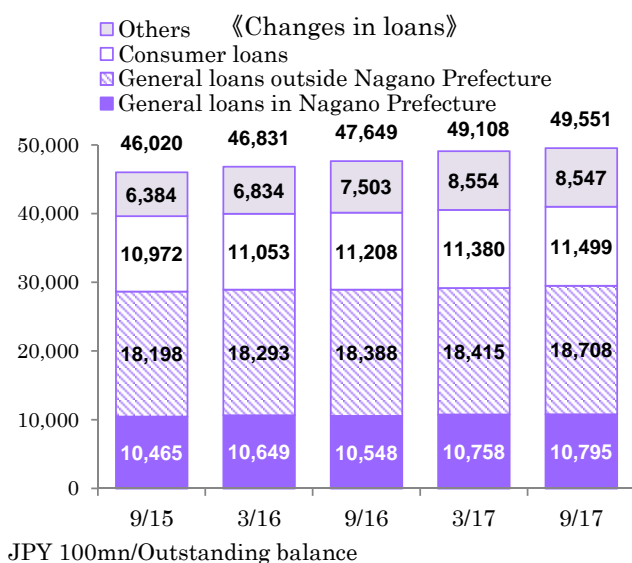


## 2. Major accounts

### ◆ Loans <Non-consolidated>

(Units: 100 million yen)

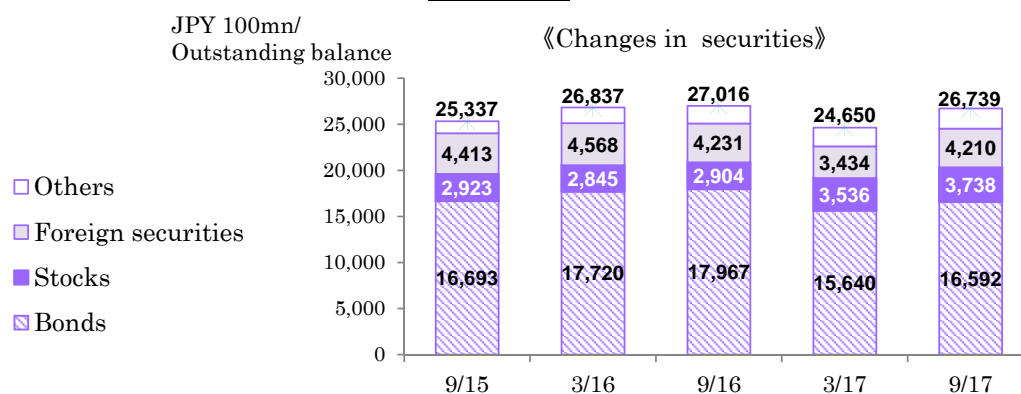
	First half of FY 2017 (A)	Inc/Dec (A-B)	Inc/Dec (A-C)	FY 2016 (B)	First half of FY 2016(C)
<b>For all offices (outstanding balance as of the end of the period)</b>	<b>49,551</b>	<b>442</b>	<b>1,901</b>	<b>49,108</b>	<b>47,649</b>
Loans to general corporations	29,503	330	566	29,173	28,937
Loans to consumers	11,499	119	291	11,380	11,208
Housing related loans thereof	10,730	113	281	10,617	10,449
Others	8,547	(7)	1,043	8,554	7,503
<b>For all offices (average balance of the period)</b>	<b>49,565</b>	<b>1,506</b>	<b>2,203</b>	<b>48,059</b>	<b>47,362</b>
Loans to general corporations	29,527	218	455	29,308	29,071
Loans to consumers	11,415	226	317	11,188	11,097
Others	8,622	1,061	1,429	7,561	7,192



◆ Securities <Non-consolidated>

(Units: 100 million yen)

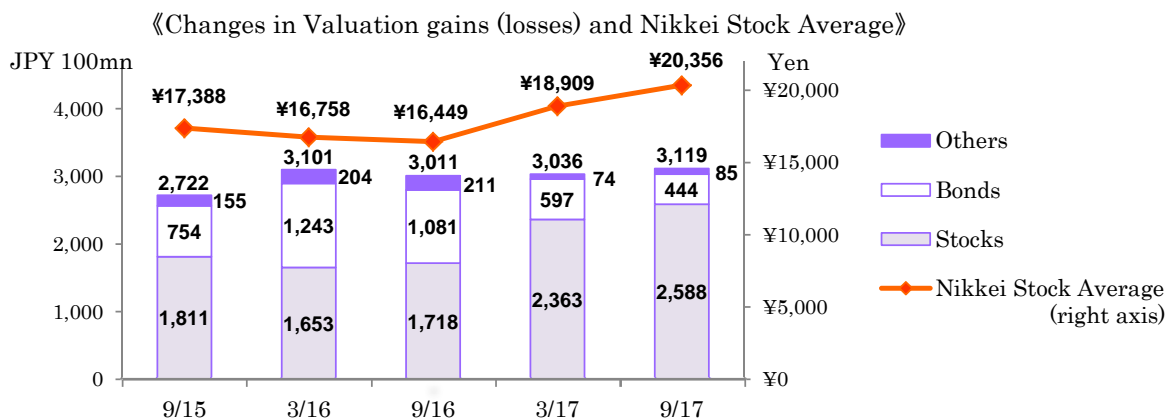
	As of September 30, 2017			FY 2016 (B)	First half of FY 2016(C)
	First half of FY 2017 (A)	Inc/Dec (A-B)	Inc/Dec (A-C)		
<b>For all offices (outstanding balance as of the end of the period)</b>	<b>26,739</b>	<b>2,089</b>	<b>(276)</b>	<b>24,650</b>	<b>27,016</b>
Bonds	16,592	951	(1,375)	15,640	17,967
JGB thereof	10,880	(149)	(2,456)	11,029	13,336
Stocks	3,738	201	833	3,536	2,904
Foreign securities	4,210	776	(20)	3,434	4,231
Others	2,198	159	285	2,038	1,913
<b>For all offices (average balance of the period)</b>	<b>22,547</b>	<b>(1,191)</b>	<b>(1,252)</b>	<b>23,739</b>	<b>23,800</b>
Bonds	15,428	(965)	(1,140)	16,393	16,569
JGB thereof	10,477	(1,471)	(1,773)	11,948	12,250
Stocks	1,248	10	42	1,238	1,205
Foreign securities	3,846	(467)	(475)	4,313	4,321
Others	2,024	230	321	1,793	1,703



◆ Valuation gains (losses) <Non-consolidated>

(Units: 100 million yen)

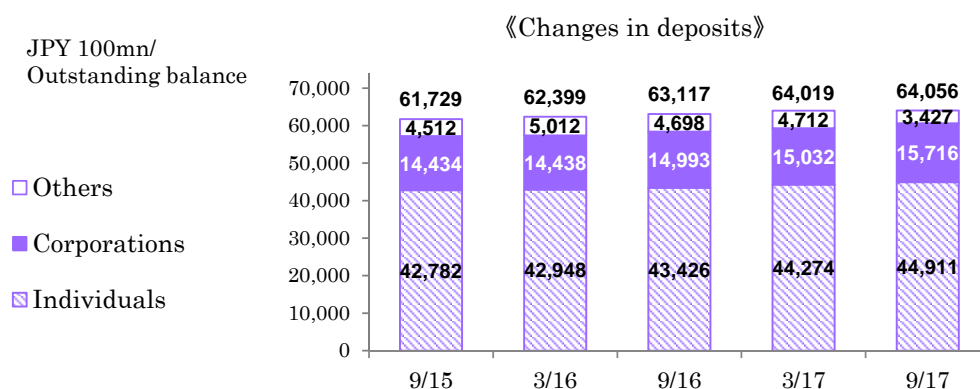
	As of September 30, 2017			
	Valuation gains (losses)	Change from March 31, 2017	Valuation gains	Valuation losses
<b>Other securities</b>	<b>3,119</b>	<b>83</b>	<b>3,186</b>	<b>67</b>
Stocks	2,588	225	2,589	0
Bonds	444	(152)	468	23
Others	85	10	128	42



## ◆ Deposits &lt;Non-consolidated&gt;

(Units: 100 million yen)

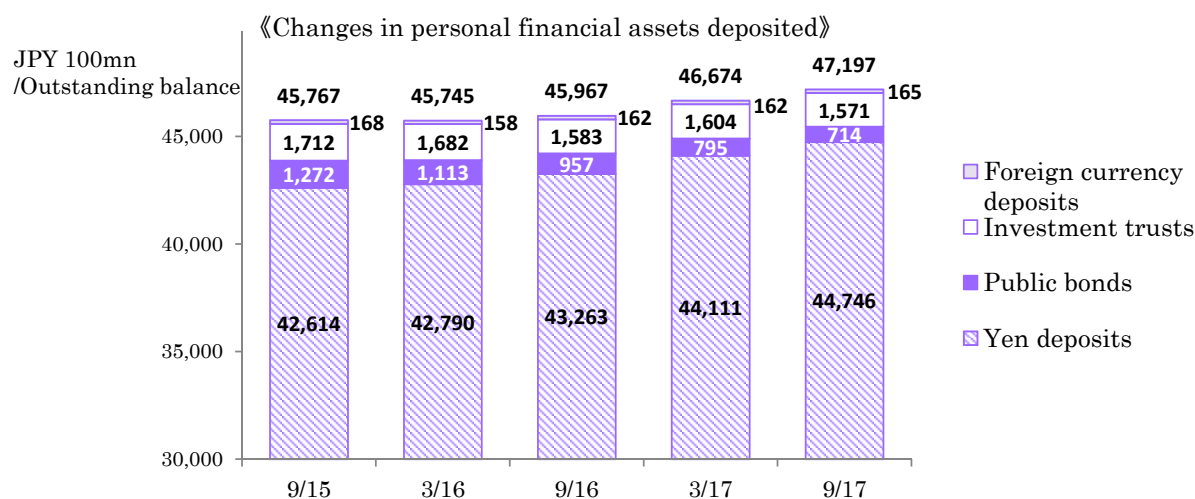
	First half of FY 2017 (A)			FY 2016 (B)	First half of FY 2016(C)
		Inc/Dec (A-B)	Inc/Dec (A-C)		
<b>For all offices (outstanding balance as of the end of the period)</b>	<b>64,056</b>	<b>36</b>	<b>939</b>	<b>64,019</b>	<b>63,117</b>
Individuals	44,911	637	1,485	44,274	43,426
Corporations	15,716	684	723	15,032	14,993
Others	3,427	(1,284)	(1,270)	4,712	4,698
<b>For all offices (average balance of the period)</b>	<b>64,163</b>	<b>796</b>	<b>912</b>	<b>63,366</b>	<b>63,251</b>
Individuals	44,660	1,005	1,367	43,655	43,293
Corporations	15,761	511	471	15,250	15,289
Others	3,741	(719)	(926)	4,460	4,667



## ◆ Personal financial assets deposited &lt;Non-consolidated&gt;

(Units: 100 million yen)

	As of September 30, 2017 (A)			As of March 31, 2017 (B)	As of September 30, 2016 (C)
		Inc/Dec (A-B)	Inc/Dec (A-C)		
<b>Total (outstanding balance)</b>	<b>47,197</b>	<b>522</b>	<b>1,229</b>	<b>46,674</b>	<b>45,967</b>
Yen deposits	44,746	634	1,482	44,111	43,263
Investment type products	2,451	(111)	(252)	2,563	2,703
Foreign currency deposits	165	2	3	162	162
Investment trusts	1,571	(33)	(12)	1,604	1,583
Public bonds (Government bonds, and other bonds)	714	(81)	(243)	795	957



### 3. Financial soundness

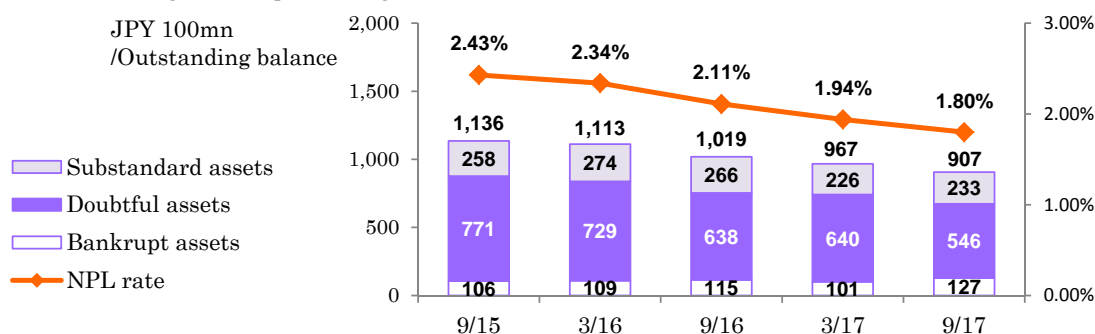
#### ◆ Disclosure of loans based on the Financial Revitalization Law

<Non-consolidated>

(Units: 100 million yen, %)

	As of			As of March 31, 2017 (B)	As of September 30, 2016 (C)
	September 30, 2017 (A)	Inc/Dec (A-B)	Inc/Dec (A-C)		
<b>Total</b>	<b>907</b>	<b>(60)</b>	<b>(112)</b>	<b>967</b>	<b>1,019</b>
Bankrupt and quasi-bankrupt assets	127	26	12	101	115
Doubtful assets	546	(93)	(91)	640	638
Substandard assets	233	6	(33)	226	266
<b>As a percentage of total credits</b>	<b>1.80</b>	<b>(0.14)</b>	<b>(0.31)</b>	<b>1.94</b>	<b>2.11</b>
Coverage ratio	75.1	1.6	0.7	73.5	74.4

《Changes in nonperforming loans (loans based on the Financial Revitalization Law)》



#### ◆ Capital ratio (Basel III standards)

<Consolidated>

		As of			As of March 31, 2017 (B)	As of September 30, 2016 (C)
		September 30, 2017 (A)	Inc/Dec (A-B)	Inc/Dec (A-C)		
<b>Total capital ratio</b>	<b>A/D</b>	<b>21.27%</b>	<b>0.65%</b>	<b>0.37%</b>	<b>20.62%</b>	<b>20.90%</b>
Tier1 capital ratio	B/D	20.68%	0.60%	1.22%	20.08%	19.46%
Common Equity Tier1 capital ratio	C/D	20.50%	0.59%	1.20%	19.91%	19.30%

(Units: 100 million yen)

Total capital	A	6,946	243	502	6,703	6,444
Tier1 capital	B	6,753	228	752	6,525	6,001
Common Equity Tier1 capital	C	6,693	223	742	6,470	5,951
Risk weighted assets	D	32,648	155	1,824	32,492	30,823
Required capital	D×8%	2,611	12	145	2,599	2,465

<Non-consolidated>

		As of			As of March 31, 2017 (B)	As of September 30, 2016 (C)
		September 30, 2017 (A)	Inc/Dec (A-B)	Inc/Dec (A-C)		
<b>Total capital ratio</b>	<b>a/d</b>	<b>20.36%</b>	<b>0.33%</b>	<b>0.15%</b>	<b>20.03%</b>	<b>20.21%</b>
Tier1 capital ratio	b/d	19.86%	0.30%	1.03%	19.56%	18.83%
Common Equity Tier1 capital ratio	c/d	19.86%	0.30%	1.03%	19.56%	18.83%

(Units: 100 million yen)

Total capital	a	6,553	216	487	6,336	6,065
Tier1 capital	b	6,392	204	741	6,188	5,651
Common Equity Tier1 capital	c	6,392	204	741	6,188	5,651
Risk weighted assets	d	32,184	550	2,175	31,633	30,008
Required capital	d×8%	2,574	44	174	2,530	2,400

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 FY 2017

### <Consolidated>

(Units: 100 million yen)

	First half of FY 2017	Projection for FY 2017		FY 2016 (B)
		(A)	(A-B)	
Ordinary profit	202	350	(54)	404
Profit attributable to owners of parent	134	230	(33)	263

### <Non-consolidated>

(Units: 100 million yen)

	First half of FY 2017	Projection for FY 2017		FY 2016 (B)
		(A)	(A-B)	
Core net business profit	98	200	(51)	251
Actual net business profit	153	295	(12)	307
Net business profit	156	295	(12)	307
Ordinary profit	175	290	(52)	342
Profit	122	200	(31)	231

※ 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.