

Quarterly Financial Highlights
For the Nine Months Ended December 31, 2016



SAN-IN GODO BANK

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(Note)

Information presented herein has been extracted from the original material, solely for the convenience of the readers outside Japan.

The amounts, ratios or any other information presented herein have not been audited.

The San-in Godo Bank, Ltd. and Consolidated Subsidiaries

Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2016	As of December 31, 2016
Assets:		
Cash and due from banks	586,531	1,142,821
Call loans and bills purchased	27,718	3,113
Debt purchased	8,981	9,948
Trading securities	370	181
Money held in trust	6,497	5,425
Securities	1,860,333	1,944,667
Loans and bills discounted	2,589,659	2,735,605
Foreign exchange	5,615	4,847
Lease receivables and investment assets	25,282	25,335
Other assets	30,683	39,007
Tangible fixed assets	38,251	37,357
Intangible fixed assets	2,187	1,809
Deferred tax assets	306	282
Customers' liabilities for acceptances and guarantees	18,113	17,202
Reserve for possible loan losses	(39,870)	(38,627)
Reserve for devaluation of securities	(107)	(120)
Total assets	5,160,556	5,928,857
Liabilities:		
Deposits	3,868,638	3,770,184
Negotiable certificates of deposit	-	15,000
Call money and bills sold	31,550	756,255
Payables under repurchase agreements	-	38,033
Cash collateral received under securities lending	278,390	418,811
Borrowed money	458,117	510,312
Foreign exchange	16	125
Other liabilities	101,041	27,374
Reserve for employees' bonuses	1,054	-
Net defined benefit liabilities	12,742	12,145
Reserve for stocks payment	-	66
Reserve for directors' and corporate auditors' retirement benefits	81	86
Reserve for reimbursement of deposits	363	287
Reserve for contingencies	837	836
Reserve under special laws	0	0
Deferred tax liabilities	13,503	6,578
Deferred tax liabilities for land revaluation excess	2,376	2,363
Acceptances and guarantees	18,113	17,202
Total liabilities	4,786,828	5,575,665
Net assets:		
Common stock	20,705	20,705
Capital surplus	15,516	21,381
Retained earnings	247,413	257,325
Treasury stock	(629)	(2,693)
Total shareholders' equity	283,006	296,718
Net unrealized gain on other securities	75,089	56,899
Net deferred gain/(loss) on hedging instruments	(43)	(97)
Land revaluation excess	3,001	2,970
Valuation adjustment of defined benefit plans	(5,944)	(5,046)
Total accumulated other comprehensive income	72,102	54,726
Subscription rights to share	521	470
Non-controlling interests	18,098	1,276
Total net assets	373,728	353,192
Total liabilities and net assets	5,160,556	5,928,857

The San-in Godo Bank, Ltd. and Consolidated Subsidiaries

Consolidated Statements of Income

(Millions of yen)

	For the nine months ended December 31, 2015	For the nine months ended December 31, 2016
Ordinary income:	67,906	70,871
Interest income	46,690	47,348
<i>Interest on loans and bills discounted</i>	25,238	24,628
<i>Interest and dividends on securities</i>	18,521	20,098
Fees and commissions	8,873	8,215
Other operating income	10,708	11,442
Other income	1,633	3,864
Ordinary expenses:	51,870	52,104
Interest expenses	6,006	6,540
<i>Interest on deposits</i>	3,811	3,742
Fees and commissions	2,671	2,853
Other operating expenses	9,103	11,341
General and administrative expenses	30,501	30,847
Other expenses	3,587	521
Ordinary profit	16,035	18,766
Extraordinary gains	36	80
Extraordinary losses	524	211
Income before income taxes	15,547	18,636
Income taxes	5,157	5,995
: current	5,027	5,323
: deferred	130	671
Net income :	10,389	12,640
Attributable to non-controlling interests	396	348
Attributable to owners of the Bank	9,993	12,292

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the nine months ended December 31, 2015	For the nine months ended December 31, 2016
Net income	10,389	12,640
Other comprehensive income :	(1,756)	(17,810)
Net unrealized gain on other securities	(2,489)	(18,655)
Net deferred gain/(loss) on hedging instruments	87	(53)
Valuation adjustment of defined benefit plans	644	898
Comprehensive income :	8,632	(5,169)
Attributable to owners of the Bank	8,153	(5,488)
Attributable to non-controlling interests	479	318

Financial Data (consolidated)

Highlights (Millions of yen)

	For the nine months ended December 31, 2015 (B)	For the nine months ended December 31, 2016 (A)	(A)-(B)
Ordinary profit	16,035	18,766	2,731
Net income attributable to owners of the Bank	9,993	12,292	2,299
Earnings per share - basic (Yen)	¥62.68	¥78.02	¥15.34
Earnings per share - diluted (Yen)	¥62.36	¥77.69	¥15.33

(%)

	As of March 31, 2016 (B)	As of December 31, 2016 (A)	(A)-(B)
Net assets (except for subscription rights to share and non-controlling interests) ratio	6.8	5.9	(0.9)

Projections for the year ending March 31, 2017 (Millions of yen)

	For the nine months ended December 31, 2016	For the year ending March 31, 2017
Ordinary income	70,871	89,400
Ordinary profit	18,766	20,400
Net income attributable to owners of the Bank	12,292	13,400
Earnings per share - basic (Yen)	¥78.02	¥85.27

Securities (consolidated)

Holding gains and losses of other securities (consolidated)

(100 Millions of yen)

	As of December 31, 2015			
	Fair value	Net gain / (loss)		
			gains	losses
Other securities	18,212	909	928	19
Stocks	594	253	257	3
Bonds	13,639	536	537	0
Others	3,978	118	134	16

	As of December 31, 2016			
	Fair value	Net gain / (loss)		
			gains	losses
Other securities	18,888	818	921	102
Stocks	560	221	232	11
Bonds	12,808	557	559	2
Others	5,520	40	129	89

	As of September 30, 2016			
	Fair value	Net gain / (loss)		
			gains	losses
Other securities	18,598	1,035	1,088	52
Stocks	506	153	182	28
Bonds	13,122	684	685	0
Others	4,969	197	220	23

Soundness of Assets (non-consolidated)

Disclosed Assets Based on the Financial Reconstruction Act (non-consolidated)

(Millions of yen)

	As of December 31, 2015 (B)	As of December 31, 2016 (A)	(A)-(B)
Bankrupt and quasi-bankrupt assets	17,496	15,441	(2,055)
Doubtful assets	33,100	31,952	(1,148)
Substandard loans	16,222	13,278	(2,944)
Subtotal (C)	66,820	60,672	(6,148)
Normal assets	2,521,329	2,762,143	240,814
Total (D)	2,588,149	2,822,815	234,666

(C)/(D) (%)	2.58	2.14	(0.44)
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Risk managed loans (non-consolidated)

(Millions of yen)

	As of December 31, 2015 (B)	As of December 31, 2016 (A)	(A)-(B)
Risk managed loans (E)	65,925	59,884	(6,041)
Loans to borrowers under bankruptcy proceedings	2,243	2,015	(228)
Non-accrual past due loans	47,458	44,590	(2,868)
Loans past due for three months or more	-	-	-
Loans with altered lending conditions	16,222	13,278	(2,944)

Loans and bills discounted (F)	2,533,168	2,759,061	225,893
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Ratio of risk managed loans (E)/(F) (%)	2.60	2.17	(0.43)
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