

Quarterly Financial Highlights
For the Nine Months Ended December 31, 2017



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, 2017	As of December 31, 2017
Assets:		
Cash and due from banks	553,638	627,723
Call loans and bills purchased	36,142	7,321
Debt purchased	9,744	10,922
Trading securities	224	293
Money held in trust	3,996	4,011
Securities	1,920,658	1,886,007
Loans and bills discounted	2,798,238	2,909,614
Foreign exchange	4,317	3,042
Lease receivables and investment assets	25,427	27,081
Other assets	41,852	65,476
Tangible fixed assets	36,746	36,562
Intangible fixed assets	1,901	1,606
Deferred tax assets	290	237
Customers' liabilities for acceptances and guarantees	16,529	15,821
Reserve for possible loan losses	(38,109)	(37,415)
Reserve for devaluation of securities	(127)	(72)
Total assets	5,411,472	5,558,232
Liabilities:		
Deposits	3,937,562	3,870,857
Negotiable certificates of deposit	7,200	89,660
Call money and bills sold	29,730	121,390
Payables under repurchase agreements	34,330	30,676
Cash collateral received under securities lending	410,793	554,976
Borrowed money	510,342	453,417
Foreign exchange	17	40
Other liabilities	89,060	27,628
Reserve for employees' bonuses	1,066	-
Net defined benefit liabilities	12,522	11,338
Reserve for stocks payment	99	176
Reserve for directors' and corporate auditors' retirement benefits	89	114
Reserve for reimbursement of deposits	371	305
Reserve for contingencies	840	800
Reserve under special laws	0	0
Deferred tax liabilities	5,704	9,439
Deferred tax liabilities for land revaluation excess	2,363	2,361
Acceptances and guarantees	16,529	15,821
Total liabilities	5,058,625	5,189,004
Net assets:		
Common stock	20,705	20,705
Capital surplus	21,381	21,381
Retained earnings	256,590	265,331
Treasury stock	(851)	(697)
Total shareholders' equity	297,825	306,721
Net unrealized gain on other securities	55,449	62,177
Net deferred gain/(loss) on hedging instruments	36	91
Land revaluation excess	2,970	2,966
Valuation adjustment of defined benefit plans	(5,194)	(4,416)
Total accumulated other comprehensive income	53,263	60,819
Subscription rights to share	470	349
Non-controlling interests	1,287	1,336
Total net assets	352,846	369,227
Total liabilities and net assets	5,411,472	5,558,232

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

Consolidated Statements of Income

(Millions of yen)

	For the nine months ended December 31, 2016	For the nine months ended December 31, 2017
Ordinary income:	70,871	71,027
Interest income	47,348	46,605
<i>Interest on loans and bills discounted</i>	24,628	24,352
<i>Interest and dividends on securities</i>	20,098	19,595
Fees and commissions	8,215	8,297
Other operating income	11,442	13,368
Other income	3,864	2,755
Ordinary expenses:	52,104	54,507
Interest expenses	6,540	7,324
<i>Interest on deposits</i>	3,742	3,447
Fees and commissions	2,853	2,957
Other operating expenses	11,341	12,332
General and administrative expenses	30,847	30,819
Other expenses	521	1,073
Ordinary profit	18,766	16,519
Extraordinary gains	80	8
Extraordinary losses	211	124
Income before income taxes	18,636	16,403
Income taxes :	5,995	4,910
current	5,323	4,449
deferred	671	460
Net income :	12,640	11,493
attributable to non-controlling interests	348	0
attributable to owners of the Bank	12,292	11,493

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the nine months ended December 31, 2016	For the nine months ended December 31, 2017
Net income	12,640	11,493
Other comprehensive income :	(17,810)	7,609
Net unrealized gain on other securities	(18,655)	6,777
Net deferred gain/(loss) on hedging instruments	(53)	54
Valuation adjustment of defined benefit plans	898	777
Comprehensive income :	(5,169)	19,103
attributable to owners of the Bank	(5,488)	19,053
attributable to non-controlling interests	318	49

Financial Data (consolidated)

Highlights (Millions of yen)

	For the nine months ended December 31, 2016 (B)	For the nine months ended December 31, 2017 (A)	(A)-(B)
Ordinary profit	18,766	16,519	(2,247)
Net income attributable to owners of the Bank	12,292	11,493	(799)
Earnings per share - basic (Yen)	¥78.02	¥73.67	(¥4.35)
Earnings per share - diluted (Yen)	¥77.69	¥73.43	(¥4.26)

(%)

	As of March 31, 2017 (B)	As of December 31, 2017 (A)	(A)-(B)
Net assets (except for subscription rights to share and non-controlling interests) ratio	6.4	6.6	0.2

Projections for the year ending March 31, 2018 (Millions of yen)

	For the nine months ended December 31, 2017	For the year ending March 31, 2018
Ordinary income	71,027	93,200
Ordinary profit	16,519	19,700
Net income attributable to owners of the Bank	11,493	13,600
Earnings per share - basic (Yen)	¥73.67	¥87.17

Securities (consolidated)

Holding gains and losses of other securities (consolidated) (100 Millions of yen)

	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 December 31, 2017			
	Fair value	Net gain / (loss)		
			gains	losses
Other securities	18,163	895	941	45
Stocks	663	336	355	18
Bonds	11,552	438	442	3
Others	5,947	119	143	23

	As of September 30, 2017			
	Fair value	Net gain / (loss)		
			gains	losses
Other securities	17,950	859	896	36
Stocks	595	277	297	20
Bonds	11,762	455	459	3
Others	5,591	126	138	12

Soundness of Assets (non-consolidated)

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

(Millions of yen)

	As of December 31, 2016 (B)	As of December 31, 2017 (A)	(A)-(B)
Bankrupt and quasi-bankrupt assets	15,441	14,432	(1,009)
Doubtful assets	31,952	30,339	(1,613)
Substandard loans	13,278	11,503	(1,775)
Subtotal (C)	60,672	56,275	(4,397)
Normal assets	2,762,143	2,950,650	188,507
Total (D)	2,822,815	3,006,926	184,111

(C)/(D) (%)	2.14	1.87	(0.27)
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Risk managed loans (non-consolidated)

(Millions of yen)

	As of December 31, 2016 (B)	As of December 31, 2017 (A)	(A)-(B)
Risk managed loans (E)	59,884	55,477	(4,407)
Loans to borrowers under bankruptcy proceedings	2,015	3,146	1,131
Non-accrual past due loans	44,590	40,827	(3,763)
Loans past due for three months or more	-	-	-
Loans with altered lending conditions	13,278	11,503	(1,775)

Loans and bills discounted (F)	2,759,061	2,935,958	176,897
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Ratio of risk managed loans (E)/(F) (%)	2.17	1.88	(0.29)
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