

# Fukuoka Financial Group, Inc.

Financial Digest for the Interim of FY2022



Stock Exchange Listing: Tokyo, Fukuoka (code:8354)  
 URL: <https://www.fukuoka-fg.com/>  
 Representative: Hisashi Goto, Director & President  
 For Inquiry: Teppei Mizoe, General Manager, Corporate Planning Division  
 Payment date of cash dividends: December 9, 2022 (scheduled)  
 Filing date of Financial Statements: November 25, 2022 (scheduled)  
 Trading Accounts: Established  
 Supplementary Materials: Attached  
 IR Conference: Scheduled (for institutional investors, analysts)

- (Notes) 1. Financial statements are not subject to audit.  
 2. Amounts less than one million yen are omitted.

## 1. Consolidated Financial Highlights (from April 1, 2022 to September 30, 2022)

(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	%
Interim of FY2022	154,093	10.3	44,297	9.4	30,760	10.1
Interim of FY2021	139,689	(1.3)	40,488	5.3	27,948	6.4

(Note) Comprehensive income Interim of FY2022: ¥(59,100) million [−%] Interim of FY2021: ¥27,229 million [(49.4%)]

	Net Income per Share	Net Income per Share (Diluted)
Interim of FY2022	¥163.04	—
Interim of FY2021	¥147.02	—

(2) Consolidated Financial Position

	Total Assets	Total Net Assets	Own Capital Ratio
	¥Million	¥Million	%
September 30, 2022	28,827,763	868,205	3.0
March 31, 2022	29,171,912	941,066	3.2

(Reference) Own capital September 30, 2022: ¥866,985 million March 31, 2022: ¥940,934 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
	¥	¥	¥	¥	¥
FY2021	—	47.50	—	47.50	95.00
FY2022	—	52.50	—	—	—
FY2022 (projection)	—	—	—	52.50	105.00

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

## 3. Consolidated Earnings Projections for Fiscal year 2022, (Year ending March 31, 2023)

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

	Ordinary Profit		Net Income attributable to owners of the parent		Net Income per Share
	¥Million	%	¥Million	%	¥
FY2022	83,000	9.1	57,000	5.3	302.89

(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, 2022	As of Sep 30, 2022
(Assets)	資産の部		
Cash and due from banks	現金預け金	7,849,025	6,742,027
Call loans and bills bought	コールローン及び買入手形	14,686	12,308
Monetary claims bought	買入金銭債権	42,814	39,177
Trading assets	特定取引資産	1,394	1,218
Money held in trust	金銭の信託	19,074	19,521
Securities	有価証券	4,110,270	4,200,806
Loans and bills discounted	貸出金	16,703,622	17,223,837
Foreign exchanges	外国為替	12,167	31,728
Lease receivables and lease investment assets	リース債権及びリース投資資産	15,410	15,303
Other assets	その他資産	269,630	367,467
Tangible fixed assets	有形固定資産	203,117	201,016
Intangible fixed assets	無形固定資産	18,872	19,355
Net defined benefit assets	退職給付に係る資産	26,036	27,254
Deferred tax assets	繰延税金資産	37,290	73,960
Customers' liabilities for acceptances and guarantees	支払承諾見返	47,808	52,885
Allowance for loan losses	貸倒引当金	(199,309)	(200,104)
<b>Total assets</b>	<b>資産の部合計</b>	<b>29,171,912</b>	<b>28,827,763</b>
(Liabilities)	負債の部		
Deposits	預金	20,085,823	19,914,456
Negotiable certificates of deposit	譲渡性預金	397,166	574,698
Call money and bills sold	コールマネー及び売渡手形	1,231,492	1,800,160
Payables under repurchase agreements	売現先勘定	1,497,851	1,495,253
Payables under securities lending transactions	債券貸借取引受入担保金	837,530	1,072,307
Borrowed money	借入金	3,876,327	2,668,960
Foreign exchanges	外国為替	712	16,926
Short-term bonds payable	短期社債	37,000	42,000
Other liabilities	その他負債	188,946	292,169
Net defined benefit liability	退職給付に係る負債	1,150	1,156
Provision for losses from reimbursement of inactive accounts	睡眠預金払戻損失引当金	6,054	5,588
Reserves under the special laws	特別法上の引当金	24	24
Deferred tax liabilities	繰延税金負債	40	54
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	22,917	22,917
Acceptances and guarantees	支払承諾	47,808	52,885
<b>Total liabilities</b>	<b>負債の部合計</b>	<b>28,230,846</b>	<b>27,959,558</b>
(Net assets)	純資産の部		
Capital stock	資本金	124,799	124,799
Capital surplus	資本剰余金	141,487	141,281
Retained earnings	利益剰余金	579,369	601,101
Treasury stock	自己株式	(2,461)	(8,059)
<b>Total shareholders' equity</b>	<b>株主資本合計</b>	<b>843,195</b>	<b>859,122</b>
Valuation difference on available-for-sale securities	その他有価証券評価差額金	49,973	(65,235)
Deferred gains or losses on hedges	繰延ヘッジ損益	(1,850)	23,598
Revaluation reserve for land	土地再評価差額金	51,395	51,395
Remeasurements of defined benefit plans	退職給付に係る調整累計額	(1,778)	(1,894)
<b>Total accumulated other comprehensive income</b>	<b>その他の包括利益累計額合計</b>	<b>97,739</b>	<b>7,862</b>
Non-controlling interests	非支配株主持分	131	1,220
<b>Total net assets</b>	<b>純資産の部合計</b>	<b>941,066</b>	<b>868,205</b>
<b>Total liabilities and net assets</b>	<b>負債及び純資産の部合計</b>	<b>29,171,912</b>	<b>28,827,763</b>

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

## Consolidated Statements of Income

(millions of Yen)

Item	科目 (Japanese)	6 months ended Sep 30, 2021	6 months ended Sep 30, 2022
<b>Ordinary income:</b>	<b>経常収益</b>	139,689	154,093
Interest income	資金運用収益	95,773	107,930
Interest on loans and discounts	(うち貸出金利息)	73,928	77,657
Interest and dividends on securities	(うち有価証券利息配当金)	19,686	24,385
Fees and commissions	役務取引等収益	29,991	30,149
Trading income	特定取引収益	664	550
Other operating income	その他業務収益	9,211	12,857
Other income	その他経常収益	4,047	2,606
<b>Ordinary expenses:</b>	<b>経常費用</b>	99,200	109,795
Interest expenses	資金調達費用	5,217	13,549
Interest on deposits	(うち預金利息)	373	1,730
Fees and commissions payments	役務取引等費用	12,256	12,198
Other operating expenses	その他業務費用	8,057	10,644
General and administrative expenses	営業経費	69,505	69,871
Other expenses	その他経常費用	4,163	3,531
<b>Ordinary profit</b>	<b>経常利益</b>	40,488	44,297
Extraordinary income	特別利益	12	86
Gain on disposal of noncurrent assets	固定資産処分益	12	86
Extraordinary loss	特別損失	406	338
Loss on disposal of noncurrent assets	固定資産処分損	269	232
Impairment loss	減損損失	137	106
<b>Income before income taxes:</b>	<b>税金等調整前中間純利益</b>	40,094	44,045
Current	法人税、住民税及び事業税	10,025	10,837
Deferred	法人税等調整額	2,145	2,432
Total income taxes	法人税等合計	12,170	13,269
Net income	中間純利益	27,924	30,776
Net income (loss) attributable to non-controlling interests	非支配株主に帰属する中間純利益又は 非支配株主に帰属する中間純損失	(24)	16
<b>Net income attributable to owners of the parent</b>	<b>親会社株主に帰属する中間純利益</b>	27,948	30,760

## Consolidated Statements of Comprehensive Income

(millions of Yen)

Item	科目 (Japanese)	6 months ended Sep 30, 2021	6 months ended Sep 30, 2022
Net income	中間純利益	27,924	30,776
Other comprehensive income	その他の包括利益	(694)	(89,877)
Valuation difference on available-for-sale securities	その他有価証券評価差額金	4,318	(115,209)
Deferred gains or losses on hedges	繰延ヘッジ損益	(4,586)	25,448
Remeasurements of defined benefit plans	退職給付に係る調整額	(426)	(115)
Total comprehensive income	中間包括利益	27,229	(59,100)
(Breakdown)	(内訳)		
Comprehensive income attributable to owners of the parent	親会社株主に係る中間包括利益	27,253	(59,116)
Comprehensive income attributable to non-controlling interests	非支配株主に係る中間包括利益	(24)	16

## (3) Consolidated Statements of Changes in Net Assets

Interim of FY2021

(millions of Yen)

Item	科目 (Japanese)	Shareholders' equity				
		株主資本				
		Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
		資本金	資本剰余金	利益剰余金	自己株式	株主資本合計
Balance as of Mar 31, 2021	当期首残高	124,799	141,387	543,245	(2,453)	806,978
Cumulative effects of changes in accounting policies	会計方針の変更による累積的影響額			(913)		(913)
Restated balance	会計方針の変更を反映した当期首残高	124,799	141,387	542,332	(2,453)	806,065
Changes during the period:	当中間期変動額					
Dividends from surplus	剰余金の配当			(8,079)		(8,079)
Net income attributable to owners of the parent	親会社株主に帰属する中間純利益			27,948		27,948
Acquisition of treasury stock	自己株式の取得				(3)	(3)
Transfer from revaluation reserve for land	土地再評価差額金の取崩			17		17
Increase of consolidated subsidiaries	連結子会社の増資による持分の増減		39			39
Net changes of items other than shareholders' equity	株主資本以外の項目の当中間期変動額(純額)					
Total changes during the period	当中間期変動額合計	—	39	19,886	(3)	19,922
Balance as of Sep 30, 2021	当中間期末残高	124,799	141,426	562,218	(2,456)	825,987

		Accumulated other comprehensive income					Non-controlling interests	Total net assets
		その他の包括利益累計額						
		Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
		その他有価証券評価差額金	繰延ヘッジ損益	土地再評価差額金	退職給付に係る調整累計額	その他の包括利益累計額合計		
Balance as of Mar 31, 2021	当期首残高	112,506	(16,814)	51,422	4,696	151,811	43	958,833
Cumulative effects of changes in accounting policies	会計方針の変更による累積的影響額							(913)
Restated balance	会計方針の変更を反映した当期首残高	112,506	(16,814)	51,422	4,696	151,811	43	957,920
Changes during the period:	当中間期変動額							
Dividends from surplus	剰余金の配当							(8,079)
Net income attributable to owners of the parent	親会社株主に帰属する中間純利益							27,948
Acquisition of treasury stock	自己株式の取得							(3)
Transfer from revaluation reserve for land	土地再評価差額金の取崩							17
Increase of consolidated subsidiaries	連結子会社の増資による持分の増減							39
Net changes of items other than shareholders' equity	株主資本以外の項目の当中間期変動額(純額)	4,318	(4,586)	(17)	(426)	(711)	(13)	(725)
Total changes during the period	当中間期変動額合計	4,318	(4,586)	(17)	(426)	(711)	(13)	19,197
Balance as of Sep 30, 2021	当中間期末残高	116,825	(21,401)	51,405	4,270	151,099	30	977,117

Interim of FY2022

(millions of Yen)

Item	科目 (Japanese)	Shareholders' equity				
		株主資本				
		Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
		資本金	資本剰余金	利益剰余金	自己株式	株主資本合計
Balance as of Mar 31, 2022	当期首残高	124,799	141,487	579,369	(2,461)	843,195
Changes during the period:	当中間期変動額					
Dividends from surplus	剰余金の配当			(9,029)		(9,029)
Net income attributable to owners of the parent	親会社株主に帰属する中間純利益			30,760		30,760
Acquisition of treasury stock	自己株式の取得				(5,598)	(5,598)
Disposition of treasury stock	自己株式の処分		(0)		0	0
Increase of consolidated subsidiaries	連結子会社の増資による持分の増減		28			28
Partial sales of shares of consolidated subsidiaries	連結子会社株式の一部売却による持分の増減		(233)			(233)
Net changes of items other than shareholders' equity	株主資本以外の項目の当中間期変動額(純額)					
Total changes during the period	当中間期変動額合計	—	(205)	21,731	(5,598)	15,927
Balance as of Sep 30, 2022	当中間期末残高	124,799	141,281	601,101	(8,059)	859,122

Item	科目 (Japanese)	Accumulated other comprehensive income					Non-controlling interests	Total net assets
		その他の包括利益累計額						
		Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
		その他有価証券評価差額金	繰延ヘッジ損益	土地再評価差額金	退職給付に係る調整累計額	その他の包括利益累計額合計		
Balance as of Mar 31, 2022	当期首残高	49,973	(1,850)	51,395	(1,778)	97,739	131	941,066
Changes during the period:	当中間期変動額							
Dividends from surplus	剰余金の配当							(9,029)
Net income attributable to owners of the parent	親会社株主に帰属する中間純利益							30,760
Acquisition of treasury stock	自己株式の取得							(5,598)
Disposition of treasury stock	自己株式の処分							0
Increase of consolidated subsidiaries	連結子会社の増資による持分の増減							28
Partial sales of shares of consolidated subsidiaries	連結子会社株式の一部売却による持分の増減							(233)
Net changes of items other than shareholders' equity	株主資本以外の項目の当中間期変動額(純額)	(115,209)	25,448	—	(115)	(89,877)	1,088	(88,788)
Total changes during the period	当中間期変動額合計	(115,209)	25,448	—	(115)	(89,877)	1,088	(72,860)
Balance as of Sep 30, 2022	当中間期末残高	(65,235)	23,598	51,395	(1,894)	7,862	1,220	868,205

# Financial Digest for the Interim of FY2022

November 11, 2022

Contents	Page
<b>1</b> Gain and loss	7~9
<b>2</b> Assets and liabilities	
(1) Loans	10
(2) Deposits	11
(3) Asset management products	12
(4) Marketable securities	13
<b>3</b> Non-performing loans	14
<b>4</b> Overhead expenses・Credit cost	14
<b>5</b> Capital adequacy ratio	15
<b>6</b> Projections	15

**[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)		
	6 months ended Sep 30, 2022	Comparison	6 months ended Sep 30, 2021	6 months ended Sep 30, 2022	Comparison	6 months ended Sep 30, 2021
						(¥ mil.)
Gross business profit	106,976	4,373	102,603	115,095	4,985	110,110
Net interest income	95,859	3,419	92,440	94,381	3,825	90,556
Domestic	86,633	1,208	85,425	85,363	1,598	83,765
International	9,225	2,210	7,015	9,017	2,227	6,790
Net fees and commissions	12,578	428	12,150	17,950	215	17,735
Net trading income	6	5	1	550	(114)	664
Net other operating income	(1,468)	520	(1,988)	2,212	1,058	1,154
Gains (losses) on sales (redemptions) of bonds	(4,707)	(1,385)	(3,322)	(5,107)	(1,788)	(3,319)
Overhead expenses (-)	55,403	(2,509)	57,912	69,911	(174)	70,085
Business profit (before transfer to general reserve for possible loan losses)	51,572	6,881	44,691	45,183	5,158	40,025
① Transfer to general reserve for possible loan losses (-)	902	358	544	1,300	873	427
Business profit	50,669	6,523	44,146	43,883	4,286	39,597
Core business profit [49,800]	56,280	8,267	48,013	50,291	6,947	43,344
Core business profit (excluding gains (losses) on cancellation of investment trusts)	56,096	8,861	47,235	50,108	7,440	42,668
Other operating profit (loss)	1,138	(3,366)	4,504	414	(476)	890
② Credit cost for disposal of non-performing loans (-)	(386)	(187)	(199)	533	(217)	750
Net transfer to specific reserve for possible loan losses (-)	(586)	(746)	160	340	(793)	1,133
Reversal of allowance for loan losses	-	-	-	-	-	-
Recoveries of written-off claims	1	(531)	532	8	(525)	533
Total credit cost ①+② (-) [3,000]	516	171	345	1,834	657	1,177
Gains (losses) on stocks	1,182	(3,710)	4,892	1,221	(1,381)	2,602
Others	(429)	158	(587)	(272)	689	(961)
Ordinary profit [49,800]	51,808	3,157	48,651	44,297	3,809	40,488
Extraordinary profit (loss)	(290)	43	(333)	(251)	142	(393)
Income (loss) before income taxes	51,518	3,201	48,317	44,045	3,951	40,094
Total income taxes (-)	13,459	595	12,864	13,269	1,099	12,170
Net income [36,300]	38,058	2,605	35,453	30,776	2,852	27,924
Net income attributable to non-controlling interests (-)				16	40	(24)
Net income attributable to owners of the parent [28,000]				30,760	2,812	27,948

<Notes> The notes described below are also applied to subsidiary banks (p8-9).

- “( )”denotes minus.
- Core business profit  
= Business profit + Transfer to general reserve for possible loan losses – Gains (losses) on sales (redemptions) of bonds
- 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.

Reference (¥ bil.)	Interim of FY2022	Interim of FY2021	Comparison
Net income (3 banks' total)	38.1	35.5	2.6
FFG non-consolidated	(5.0)	(4.2)	(0.8)
Profit (loss) of subsidiary companies (including Minna Bank)	(1.1)	(3.1)	2.0
Other consolidation adjustments	(1.2)	(0.2)	(1.0)
FFG's consolidated interim net profit	30.8	27.9	2.8

## ■ 6 months Summary

**Core business profit (3 banks' total) ¥56.3 billion**

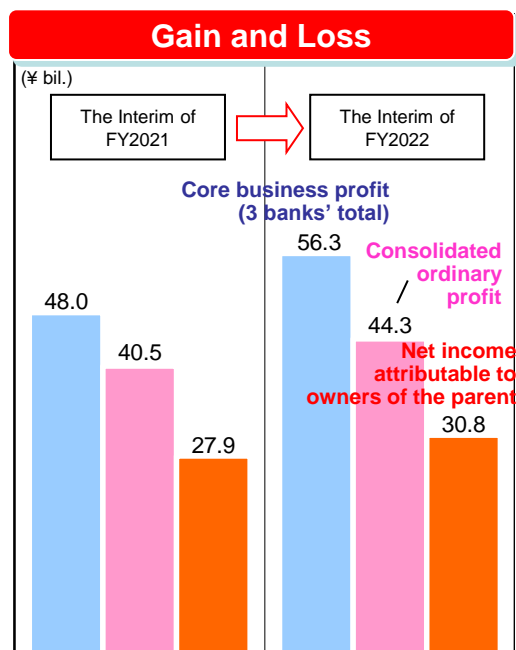
- Core business profit increased ¥8.3 billion from a year earlier to ¥56.3 billion mainly due to an increase in net interest income and a decrease in overhead expenses.

**Consolidated ordinary profit ¥44.3 billion**

- Even though gains on sales (redemptions) of bonds and gains on stocks decreased, consolidated ordinary profit increased ¥3.8 billion from a year earlier to ¥44.3 billion mainly due to an increase in core business profit.

**Net income attributable to owners of the parent ¥30.8 billion**

- As a result, net income attributable to owners of the parent increased ¥2.8 billion from a year earlier to ¥30.8 billion.





## The Bank of Fukuoka (non-consolidated)

(¥ mil.)

	【 announced projections 】	6 months ended Sep 30, 2022	6 months ended Sep 30, 2021	Comparison
Gross business profit		73,961	68,721	5,240
Net interest income		63,921	60,815	3,106
Domestic		56,261	55,068	1,193
International		7,659	5,746	1,913
Net fees and commissions		9,377	8,981	396
Net trading income		6	1	5
Net other operating income		654	(1,076)	1,730
Gains (losses) on sales (redemptions) of bonds		(2,510)	(2,293)	(217)
Overhead expenses (-)		32,855	33,209	(354)
Business profit (before transfer to general reserve for possible loan losses)		41,105	35,511	5,594
① Transfer to general reserve for possible loan losses (-)		(516)	—	(516)
<b>Business profit</b>		41,622	35,511	6,111
<b>Core business profit</b>	【38,500】	43,615	37,805	5,810
Core business profit (excluding gains (losses) on cancellation of investment trusts)		43,413	37,321	6,092
Other operating profit (loss)		(2,098)	3,446	(5,544)
② Credit cost for disposal of non-performing loans (-)		2,703	(1,048)	3,751
Net transfer to specific reserve for possible loan losses (-)		2,529	—	2,529
Reversal of allowance for loan losses		—	1,043	(1,043)
Recoveries of written-off claims		0	51	(51)
<b>Total credit cost ①+② (-)</b>	【1,800】	2,186	(1,048)	3,234
Gains (losses) on stocks		328	2,224	(1,896)
Others		276	172	104
<b>Ordinary profit</b>	【39,900】	39,523	38,957	566
Extraordinary profit (loss)		(16)	(115)	99
Income (loss) before income taxes		39,507	38,841	666
Total income taxes (-)		10,940	11,016	(76)
<b>Net income</b>	【28,700】	28,567	27,825	742

## The Kumamoto Bank (non-consolidated)

(¥ mil.)

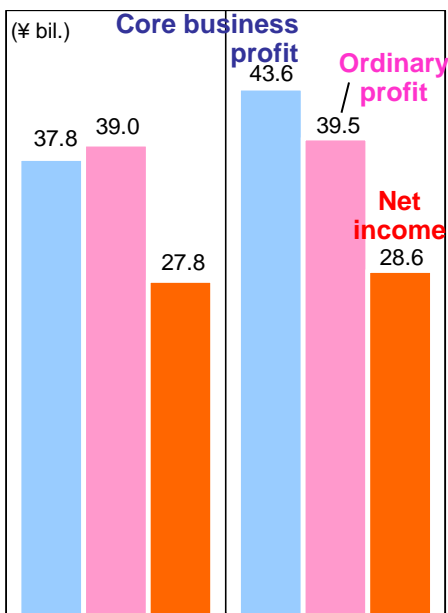
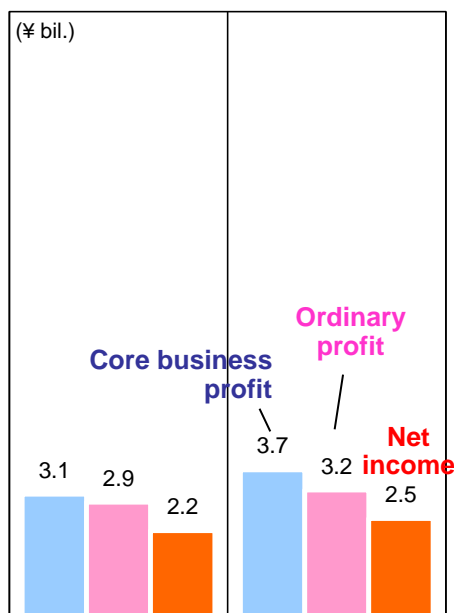
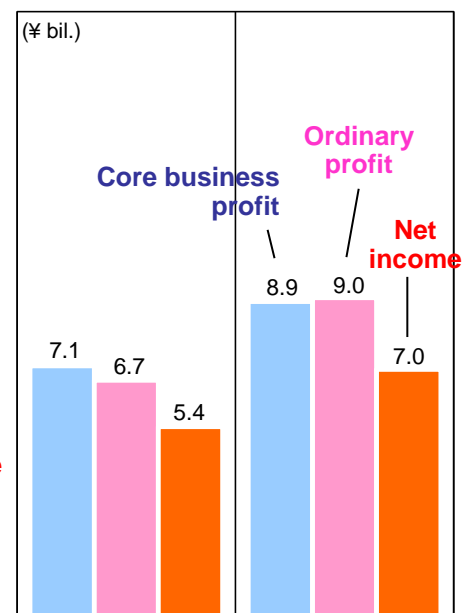
	【 announced projections 】	6 months ended Sep 30, 2022	6 months ended Sep 30, 2021	Comparison
Gross business profit		9,979	9,661	318
Net interest income		9,350	8,957	393
Domestic		9,341	8,955	386
International		8	1	7
Net fees and commissions		606	659	(53)
Net other operating income		22	44	(22)
Gains (losses) on sales (redemptions) of bonds		3	13	(10)
Overhead expenses (-)		6,255	6,534	(279)
Business profit (before transfer to general reserve for possible loan losses)		3,723	3,127	596
① Transfer to general reserve for possible loan losses (-)		(14)	—	(14)
<b>Business profit</b>		3,738	3,127	611
<b>Core business profit</b>	【3,500】	3,719	3,114	605
Core business profit (excluding gains (losses) on cancellation of investment trusts)		3,719	3,114	605
Other operating profit (loss)		(499)	(179)	(320)
② Credit cost for disposal of non-performing loans (-)		292	9	283
Net transfer to specific reserve for possible loan losses (-)		280	—	280
Reversal of allowance for loan losses		—	17	(17)
Recoveries of written-off claims		1	7	(6)
<b>Total credit cost ①+② (-)</b>	【400】	278	9	269
Gains (losses) on stocks		(25)	(3)	(22)
Others		(180)	(166)	(14)
<b>Ordinary profit</b>	【3,000】	3,238	2,947	291
Extraordinary profit (loss)		(10)	(35)	25
Income (loss) before income taxes		3,228	2,912	316
Total income taxes (-)		763	733	30
<b>Net income</b>	【2,300】	2,464	2,178	286

## The Juhachi-Shinwa Bank (non-consolidated)

(¥ mil.)

	【 announced projections 】	6 months ended Sep 30, 2022	6 months ended Sep 30, 2021	Comparison
Gross business profit		23,035	24,221	(1,186)
Net interest income		22,586	22,668	(82)
Domestic		21,030	21,400	(370)
International		1,556	1,267	289
Net fees and commissions		2,594	2,510	84
Net other operating income		(2,146)	(957)	(1,189)
Gains (losses) on sales (redemptions) of bonds		(2,201)	(1,041)	(1,160)
Overhead expenses (-)		16,292	18,168	(1,876)
Business profit (before transfer to general reserve for possible loan losses)		6,743	6,052	691
① Transfer to general reserve for possible loan losses (-)	[1,433]	—	924	(924)
<b>Business profit</b>		6,743	5,128	1,615
<b>Core business profit</b>	[7,900]	8,944	7,094	1,850
Core business profit (excluding gains (losses) on cancellation of investment trusts)		8,963	6,799	2,164
Other operating profit (loss)		2,302	1,617	685
② Credit cost for disposal of non-performing loans (-)		(1,948)	460	(2,408)
Net transfer to specific reserve for possible loan losses (-)	[(3,397)]	—	841	(841)
Reversal of allowance for loan losses		1,963	—	1,963
Recoveries of written-off claims		—	473	(473)
<b>Total credit cost ①+② (-)</b>	[900]	(1,948)	1,384	(3,332)
Gains (losses) on stocks		879	2,671	(1,792)
Others		(525)	(593)	68
<b>Ordinary profit</b>	[6,900]	9,045	6,746	2,299
Extraordinary profit (loss)		(263)	(182)	(81)
Income (loss) before income taxes		8,782	6,563	2,219
Total income taxes (-)		1,755	1,114	641
<b>Net income</b>	[5,300]	7,027	5,449	1,578

## Gain and Loss

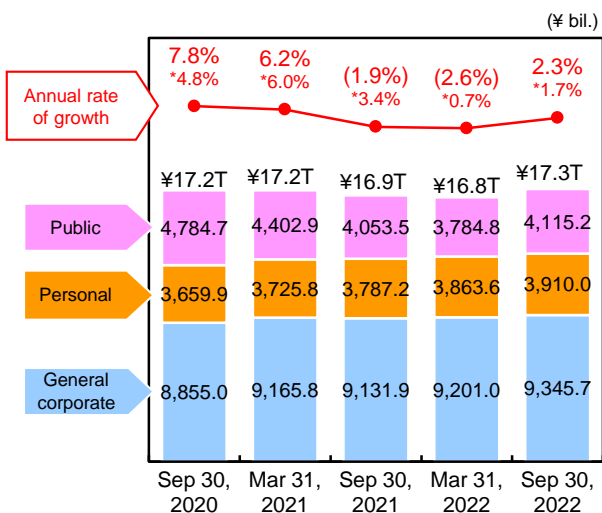
The Bank of Fukuoka  
(non-consolidated)The Kumamoto Bank  
(non-consolidated)The Juhachi-Shinwa Bank  
(non-consolidated)The Interim  
of FY2021The Interim  
of FY2022The Interim  
of FY2021The Interim  
of FY2022The Interim  
of FY2021The Interim  
of FY2022

## 2. Assets and liabilities

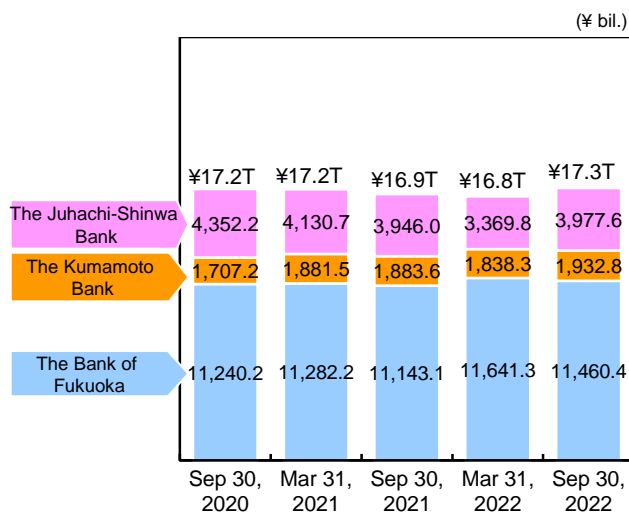
### (1) Loans

3 banks' total

Loans classified by customer segment  
(Term-end balance)



Loans classified by bank  
(Term-end balance)



\* Annual rates, excluding loans to FFG and Government

(¥ mil.)

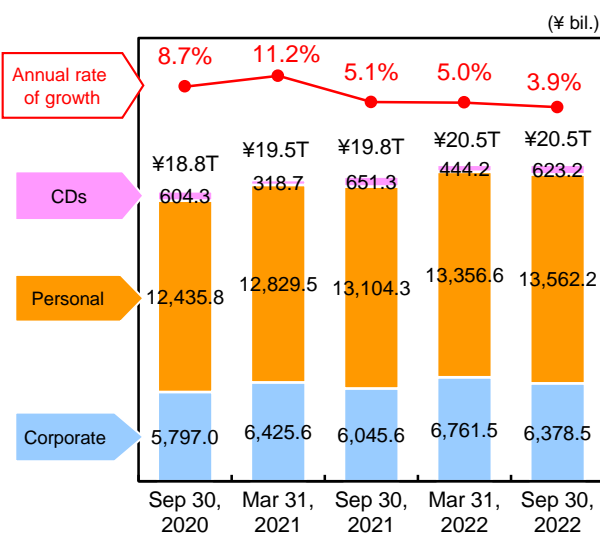
	Sep 30, 2022			Mar 31, 2022	Sep 30, 2021		
	annual rate of growth		change from Mar 31, 2022			change from Sep 30, 2021	
3 banks' total	Total loans	2.3%	17,370,967	521,411	398,195	16,849,556	16,972,772
	Personal segment	3.2%	3,910,004	46,332	122,741	3,863,672	3,787,263
	Corporate segment	2.1%	13,460,961	475,077	275,454	12,985,884	13,185,507
	General Corporate	2.3%	9,345,700	144,631	213,722	9,201,069	9,131,978
	Public Sector	1.5%	4,115,259	330,447	61,731	3,784,812	4,053,528
	Personal loans	3.3%	3,804,393	48,728	121,861	3,755,665	3,682,532
	Housing loans	3.8%	3,426,056	47,792	124,386	3,378,264	3,301,670
Consumer loans	2.3%	322,347	3,759	7,167	318,588	315,180	
The Bank of Fukuoka (non-consolidated)	Total loans	2.8%	11,460,476	(180,831)	317,347	11,641,307	11,143,129
	Personal segment	3.6%	2,474,699	31,040	85,452	2,443,659	2,389,247
	Corporate segment	2.6%	8,985,776	(211,872)	231,894	9,197,648	8,753,882
	General Corporate	2.6%	6,973,231	125,050	173,460	6,848,181	6,799,771
	Public Sector	3.0%	2,012,545	(336,921)	58,435	2,349,466	1,954,110
	Fukuoka prefecture	2.2%	7,890,532	3,512	170,388	7,887,020	7,720,144
	Personal loans	3.8%	2,410,769	35,326	87,461	2,375,443	2,323,308
Housing loans	4.1%	2,163,890	33,420	86,062	2,130,470	2,077,828	
Consumer loans	4.2%	210,691	4,476	8,556	206,215	202,135	
The Kumamoto Bank (non-consolidated)	Total loans	2.6%	1,932,883	94,527	49,248	1,838,356	1,883,635
	Personal segment	3.6%	553,266	9,181	19,472	544,085	533,794
	Corporate segment	2.2%	1,379,616	85,345	29,776	1,294,271	1,349,840
	General Corporate	(0.5%)	684,655	(3,382)	(3,117)	688,037	687,772
	Public Sector	5.0%	694,960	88,727	32,892	606,233	662,068
	Kumamoto prefecture	1.2%	1,284,542	12,511	14,933	1,272,031	1,269,609
	Personal loans	3.4%	530,196	7,337	17,362	522,859	512,834
Housing loans	3.9%	496,559	7,369	18,712	489,190	477,847	
Consumer loans	1.3%	30,104	356	399	29,748	29,705	
The Juhachi-Shinwa Bank (non-consolidated)	Total loans	0.8%	3,977,608	607,715	31,600	3,369,893	3,946,008
	Personal segment	2.1%	882,039	6,111	17,817	875,928	864,222
	Corporate segment	0.4%	3,095,569	601,604	13,784	2,493,965	3,081,785
	General Corporate	2.6%	1,687,814	22,963	43,379	1,664,851	1,644,435
	Public Sector	(2.1%)	1,407,754	578,641	(29,596)	829,113	1,437,350
	Nagasaki prefecture	0.3%	2,292,764	(9,593)	6,419	2,302,357	2,286,345
	Personal loans	2.0%	863,428	6,065	17,038	857,363	846,390
Housing loans	2.6%	765,607	7,003	19,612	758,604	745,995	
Consumer loans	(2.1%)	81,552	(1,073)	(1,788)	82,625	83,340	

<Note> The term-end balance of loans includes loans granted by the Bank of Fukuoka to FFG (¥128.3 billion at the end of September 2022 ¥123.3 billion at the end of March 2022, and ¥123.3 billion at the end of September 2021).

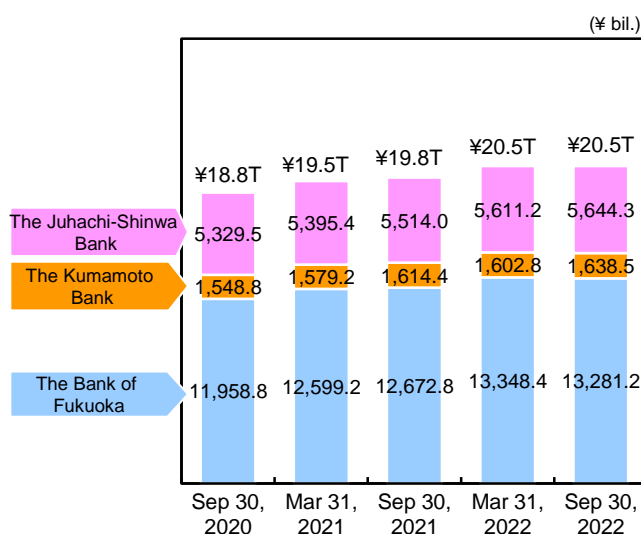
## (2) Deposits

3 banks' total

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



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



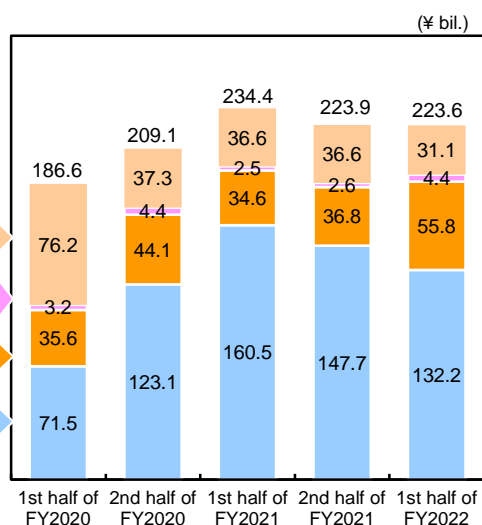
(¥ mil.)

		Sep 30, 2022			Mar 31, 2022	Sep 30, 2021
		annual rate of growth		change from Mar 31, 2022		
3 banks' total	Personal deposits	3.5%	13,562,284	205,599	457,980	13,356,685
	Corporate deposits	5.5%	6,378,507	(383,015)	332,825	6,761,522
	Total	4.1%	19,940,793	(177,416)	790,806	20,118,209
	Demand	6.3%	14,837,645	(202,626)	883,824	15,040,271
	Time	(1.8%)	5,103,147	25,211	(93,018)	5,077,936
	CDs	(4.3%)	623,297	179,031	(28,022)	444,266
	Deposits and CDs	3.9%	20,564,091	1,616	762,783	20,562,475
The Bank of Fukuoka (non-consolidated)	Personal deposits	3.9%	8,668,627	146,863	329,142	8,521,764
	Corporate deposits	7.6%	4,233,012	(285,053)	297,896	4,518,065
	Total	5.1%	12,901,640	(138,189)	627,039	13,039,829
	Demand	6.9%	9,739,262	(156,656)	627,116	9,895,918
	Time	(0.0%)	3,162,378	18,468	(77)	3,143,910
	CDs	(4.7%)	379,584	71,003	(18,703)	308,581
	Deposits and CDs	4.8%	13,281,224	(67,186)	608,335	13,348,410
Fukuoka prefecture	4.9%	11,987,678	(154,851)	559,710	12,142,529	
The Kumamoto Bank (non-consolidated)	Personal deposits	2.3%	1,185,537	12,663	26,794	1,172,874
	Corporate deposits	(0.6%)	452,364	22,993	(2,694)	429,371
	Total	1.5%	1,637,902	35,656	24,100	1,602,246
	Demand	5.1%	1,117,837	28,382	54,234	1,089,455
	Time	(5.5%)	520,064	7,273	(30,135)	512,791
	CDs	0.0%	600	0	0	600
	Deposits and CDs	1.5%	1,638,502	35,656	24,100	1,602,846
Kumamoto prefecture	1.6%	1,548,707	35,483	24,041	1,513,224	
The Juhachi-Shinwa Bank (non-consolidated)	Personal deposits	2.8%	3,708,120	46,073	102,044	3,662,047
	Corporate deposits	2.3%	1,693,131	(120,955)	37,623	1,814,086
	Total	2.7%	5,401,251	(74,883)	139,667	5,476,134
	Demand	5.4%	3,980,546	(74,352)	202,474	4,054,898
	Time	(4.2%)	1,420,705	(530)	(62,806)	1,421,235
	CDs	(3.7%)	243,113	108,028	(9,319)	135,085
	Deposits and CDs	2.4%	5,644,365	33,146	130,348	5,611,219
Nagasaki prefecture	2.6%	4,988,085	(90,576)	126,462	5,078,661	

### (3) Asset management products

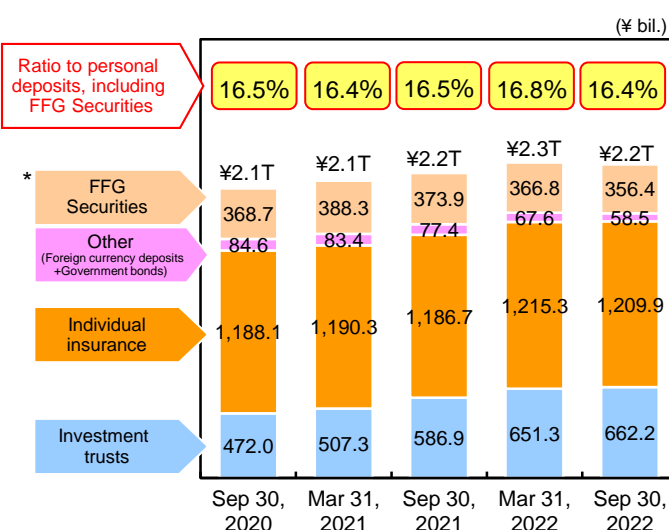
#### Group's total

#### 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

(¥ bil.)

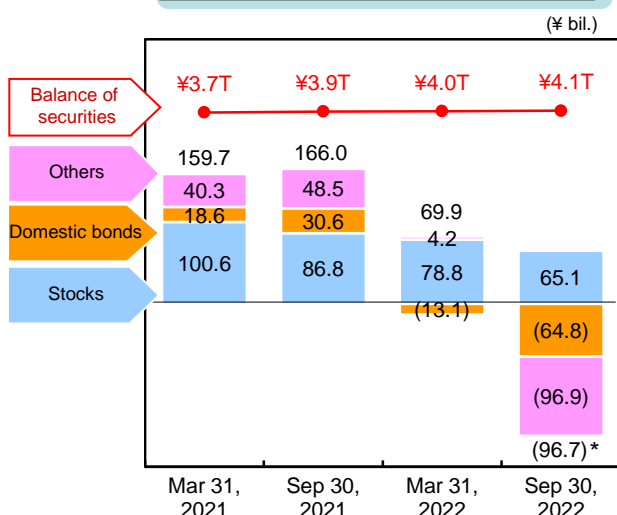
	1st half of FY2022			2nd half of FY2021 (6 months)	1st half of FY2021 (6 months)	Sep 30, 2022			Mar 31, 2022	Sep 30, 2021	
	1st half of FY2022 (6 months)	change from 2nd half of FY2021	change from 1st half of FY2021			Change from Mar 31, 2022	Change from Sep 30, 2021				
Group's total	Investment trusts	132.2	(15.5)	(28.3)	147.7	160.5	662.2	10.9	75.3	651.3	586.9
	Individual insurance	55.8	19.0	21.2	36.8	34.6	1,209.9	(5.4)	23.2	1,215.3	1,186.7
	Foreign currency deposits	1.9	0.9	1.2	1.0	0.7	22.9	(6.3)	(10.6)	29.2	33.5
	Government bonds	2.5	0.9	0.7	1.6	1.8	35.6	(2.8)	(8.2)	38.4	43.8
	FFG Securities	31.1	(5.5)	(5.5)	36.6	36.6	356.4	(10.4)	(17.5)	366.8	373.9
	Total	223.6	(0.3)	(10.8)	223.9	234.4	2,287.2	(14.0)	62.1	2,301.2	2,225.1
	Ratio to personal deposits						16.4%	(0.4%)	(0.1%)	16.8%	16.5%
The Bank of Fukuoka (non-consolidated)	Investment trusts	78.3	(8.1)	(17.0)	86.4	95.3	410.5	6.1	43.7	404.4	366.8
	Individual insurance	29.3	11.1	14.5	18.2	14.8	688.8	(0.6)	13.6	689.4	675.2
	Foreign currency deposits	1.5	0.6	1.0	0.9	0.5	17.6	(4.3)	(7.4)	21.9	25.0
	Government bonds	1.8	0.7	0.4	1.1	1.4	26.5	(1.9)	(6.2)	28.4	32.7
	Total	111.0	4.3	(1.2)	106.7	112.2	1,143.5	(0.7)	43.7	1,144.2	1,099.8
	Ratio to personal deposits						13.2%	(0.2%)	0.0%	13.4%	13.2%
The Kumamoto Bank (non-consolidated)	Investment trusts	19.2	(1.8)	(5.7)	21.0	24.9	83.9	0.3	7.3	83.6	76.6
	Individual insurance	6.0	1.2	(0.1)	4.8	6.1	145.5	(1.9)	1.5	147.4	144.0
	Foreign currency deposits	0.0	0.0	0.0	0.0	0.0	1.6	(0.6)	(0.9)	2.2	2.5
	Government bonds	0.0	0.0	0.0	0.0	0.0	0.8	0.0	(0.1)	0.8	0.9
	Total	25.3	(0.6)	(5.8)	25.9	31.1	232.1	(2.1)	8.0	234.2	224.1
	Ratio to personal deposits						19.6%	(0.4%)	0.3%	20.0%	19.3%
The Juhachi-Shinwa Bank (non-consolidated)	Investment trusts	34.6	(5.6)	(5.6)	40.2	40.2	167.6	4.4	24.2	163.2	143.4
	Individual insurance	20.4	6.7	6.8	13.7	13.6	375.5	(3.0)	8.1	378.5	367.4
	Foreign currency deposits	0.3	0.3	0.1	0.0	0.2	3.6	(1.3)	(2.4)	4.9	6.0
	Government bonds	0.5	0.1	0.2	0.4	0.3	8.1	(0.9)	(2.1)	9.0	10.2
	Total	56.0	1.5	1.6	54.5	54.4	555.1	(0.8)	28.0	555.9	527.1
	Ratio to personal deposits						15.0%	(0.2%)	0.4%	15.2%	14.6%

<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.

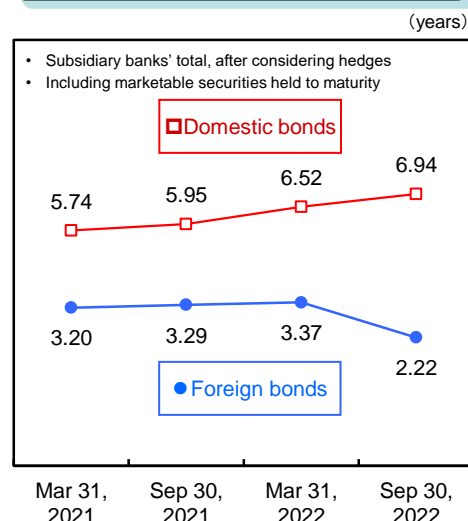
## (4) Marketable securities

FFG (consolidated)

### Unrealized gain



### Bond duration



\* Unrealized gain(loss) after considering hedges : ¥ (54.9) billion  
(a ¥124.5 billion decrease over the level at the end of March, 2022)

(¥ mil.)

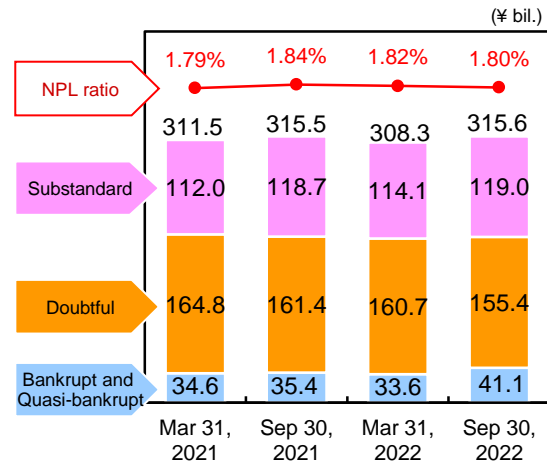
		Sep 30, 2022						Mar 31, 2022		Sep 30, 2021	
		Market value	change from Mar 31, 2022	change from Sep 30, 2021	Unrealized gain(loss)	change from Mar 31, 2022	change from Sep 30, 2021	Market value	Unrealized gain(loss)	Market value	Unrealized gain(loss)
FFG (consolidated)	Total	4,108,574	84,911	156,483	(96,716)	(166,640)	(262,772)	4,023,663	69,924	3,952,091	166,056
	Stocks	163,268	(12,939)	(18,337)	65,118	(13,708)	(21,700)	176,207	78,826	181,605	86,818
	Domestic bonds	2,426,552	(114,793)	(176,016)	(64,884)	(51,737)	(95,558)	2,541,345	(13,147)	2,602,568	30,674
	National government bonds	1,840,146	(83,172)	(141,942)	(58,754)	(48,549)	(87,934)	1,923,318	(10,205)	1,982,088	29,180
	Others	1,518,752	212,642	350,834	(96,950)	(101,194)	(145,512)	1,306,110	4,244	1,167,918	48,562
	Foreign bonds	1,002,743	203,431	291,013	(79,889)	(65,441)	(97,401)	799,312	(14,448)	711,730	17,512
The Bank of Fukuoka (consolidated)	Total	2,748,885	71,310	121,838	(54,914)	(123,444)	(192,317)	2,677,575	68,530	2,627,047	137,403
	Stocks	128,233	(11,607)	(14,276)	62,393	(11,755)	(16,337)	139,840	74,148	142,509	78,730
	Domestic bonds	1,494,608	(70,132)	(117,531)	(42,211)	(35,922)	(67,885)	1,564,740	(6,289)	1,612,139	25,674
	National government bonds	1,216,006	(39,407)	(87,033)	(38,898)	(34,259)	(63,770)	1,255,413	(4,639)	1,303,039	24,872
	Others	1,126,044	153,051	253,646	(75,096)	(75,768)	(108,094)	972,993	672	872,398	32,998
	Foreign bonds	780,330	161,984	237,999	(59,479)	(49,111)	(72,533)	618,346	(10,368)	542,331	13,054
The Kumamoto Bank (non-consolidated)	Total	146,054	(9,798)	4,492	(3,154)	(3,608)	(5,609)	155,852	454	141,562	2,455
	Stocks	1,380	(253)	(589)	427	(254)	(590)	1,633	681	1,969	1,017
	Domestic bonds	139,809	(9,610)	5,179	(3,360)	(3,219)	(4,823)	149,419	(141)	134,630	1,463
	National government bonds	119,779	(9,344)	5,135	(3,427)	(3,160)	(4,709)	129,123	(267)	114,644	1,282
	Others	4,864	65	(98)	(220)	(135)	(195)	4,799	(85)	4,962	(25)
	Foreign bonds	—	—	—	—	—	—	—	—	—	—
The Juhachi-Shinwa Bank (non-consolidated)	Total	1,210,701	23,536	30,414	(8,337)	(41,092)	(67,869)	1,187,165	32,755	1,180,287	59,532
	Stocks	33,655	(1,077)	(3,471)	11,628	(1,892)	(5,217)	34,732	13,520	37,126	16,845
	Domestic bonds	789,202	(34,913)	(63,401)	(7,632)	(13,567)	(24,991)	824,115	5,935	852,603	17,359
	National government bonds	501,427	(34,284)	(59,783)	(6,707)	(11,810)	(20,959)	535,711	5,103	561,210	14,252
	Others	387,843	59,527	97,286	(12,333)	(25,632)	(37,660)	328,316	13,299	290,557	25,327
	Foreign bonds	222,413	41,448	53,014	(18,321)	(16,794)	(25,426)	180,965	(1,527)	169,399	7,105

### 3. Non-performing loans

3 banks' total

(¥ mil.)

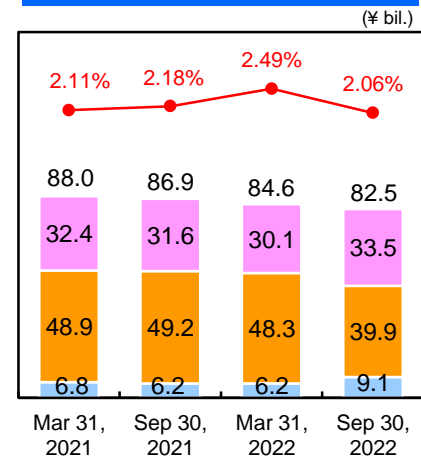
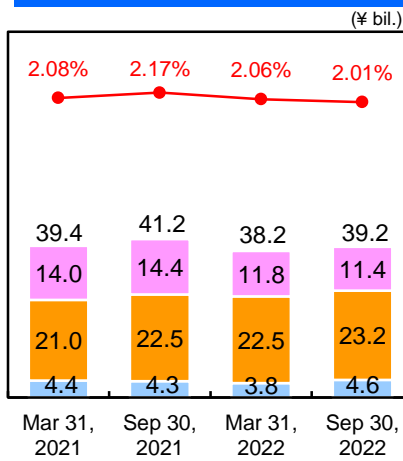
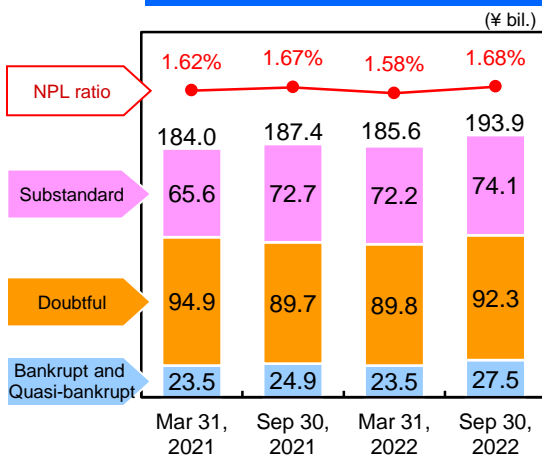
	Sep 30, 2022	change from		Mar 31, 2022	Sep 30, 2021
		Mar 31, 2022	Sep 30, 2021		
NPLs under the FRL	315,572	7,240	89	308,332	315,483
Bankrupt and Quasi-bankrupt	41,085	7,533	5,658	33,552	35,427
Doubtful	155,448	(5,250)	(5,919)	160,698	161,367
Substandard	119,037	4,960	351	114,077	118,686
Ratio of NPLs under the FRL to the total credits	1.80%	(0.02%)	(0.04%)	1.82%	1.84%



The Bank of Fukuoka  
(non-consolidated)

The Kumamoto Bank  
(non-consolidated)

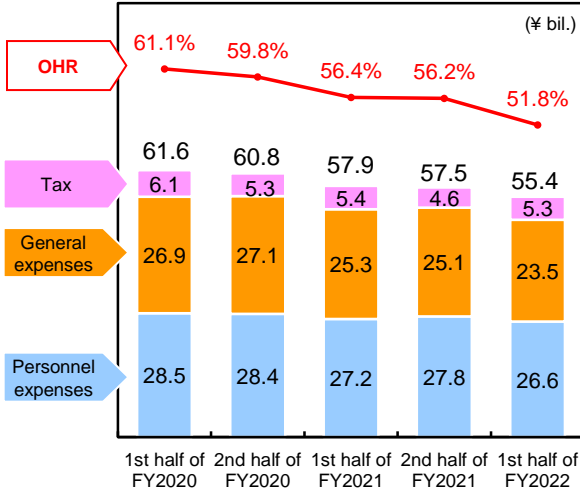
The Juhachi-Shinwa Bank  
(non-consolidated)



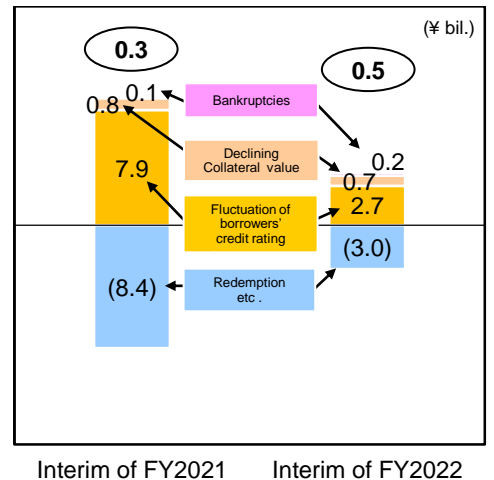
### 4. Overhead expenses • Credit cost

3 banks' total

Overhead expenses • OHR



Composition of credit cost





## 5. Capital adequacy ratio

FFG (consolidated)

The Domestic standard

- Consolidated capital adequacy ratio: 10.41%.
- Capital adequacy on its structure based on Pillar 3, market discipline, is disclosed on our website (<https://www.fukuoka-fg.com/investor/library/earnings.html>). (This information is Japanese only.)

	Sep 30, 2022			Mar 31, 2022	Sep 30, 2021
	[preliminary]	Change from Mar 31, 2022	Change from Sep 30, 2021		
①Total capital ratio ④/⑤	10.41%	(0.26%)	(0.38%)	10.67%	10.79%
②Core capital	900,408	16,487	14,922	883,921	885,486
③Deduction	33,209	1,285	(318)	31,924	33,527
④Total capital ②-③	867,199	15,202	15,241	851,997	851,958
⑤Risk adjusted assets	8,325,487	341,617	433,903	7,983,870	7,891,584

(¥ mil.)

## 6. Projections

- Considering the performance of the interim period of FY 2022, we revised our full-year forecast as follows. The consolidated ordinary profit and consolidated net income remain unchanged.

FFG (consolidated)

	FY2022		FY2021
	Projection	Interim Results	
Consolidated ordinary profit	83.0	44.3	76.1
FFG(consolidated)Net income	57.0	30.8	54.1

(¥ bil.)

	FY2022		FY2021
	Projection		
Net income(3 banks' total)	73.2		68.8
Consolidation adjustments	(16.1)		(14.7)
FFG(consolidated)Net income	57.0		54.1

(¥ bil.)

<Reference> • Projections on a subsidiary basis are as follows.

	FY2022(Projection)				Comparison	FY2021
	3 banks' total	The Bank of Fukuoka	The Kumamoto Bank	The Juhachi-Shinwa Bank		3 banks' total
Core business profit	104.0	80.2	7.8	16.0	6.5	97.5
Ordinary profit	99.6	77.5	6.8	15.4	7.7	91.9
Net income	73.2	56.1	5.1	12.0	4.4	68.8
Credit cost (-)	3.5	3.9	0.7	(1.1)	2.0	1.5

(¥ bil.)

<Note> The projections above were determined based on available information at present, and therefore they may be subject to change.