

# **Financial Highlights**

## **For the Third Quarter of FY 2016**

(April 1, 2016 through December 31, 2016)



**THE HOKKOKU BANK, LTD.**

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(Note)

All numbers and ratios less down unit have been rounded down.

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

**The Hokkoku Bank, Ltd. and Consolidated Subsidiaries**  
**Consolidated Balance Sheets**

(Millions of yen)

	As of March 31, 2016	As of December 31, 2016
<b>Assets</b>		
Cash and due from banks	467,351	659,416
Call loans and bills bought	—	135,000
Monetary claims bought	3,783	4,110
Trading account securities	157	1,153
Money held in trust	15,024	13,143
Securities	1,018,148	1,075,980
Loans and bills discounted	2,328,285	2,297,718
Foreign exchanges	11,044	10,777
Lease receivables and investment in leased assets	21,741	24,325
Other assets	16,084	19,518
Tangible fixed assets	36,923	35,173
Intangible fixed assets	8,866	8,375
Deferred tax assets	212	217
Customers' liabilities for acceptances and guarantees	16,661	16,717
Reserve for possible loan losses	△40,265	△40,197
<b>Total assets</b>	<b>3,904,020</b>	<b>4,261,431</b>

(Millions of yen)

	As of March 31, 2016	As of December 31, 2016
<b>Liabilities</b>		
Deposits	3,086,299	3,154,389
Negotiable certificates of deposit	89,817	93,195
Call money and bills sold	67,916	311,658
Guarantee deposit under securities lending transactions	337,572	380,314
Borrowed money	6,865	6,648
Foreign exchanges	22	32
Other liabilities	41,772	27,171
Reserve for bonuses	805	—
Net defined benefit liability	17,058	16,355
Reserve for directors' retirement benefits	56	53
Reserve for reimbursement of deposits	265	249
Reserve for loss on interest repayment	95	75
Reserve for customer service points	294	223
Deferred tax liabilities	1,383	4,222
Deferred tax liability arising from revaluation of land	2,113	1,821
Acceptances and guarantees	16,661	16,717
<b>Total liabilities</b>	<b>3,669,000</b>	<b>4,013,131</b>
<b>Net Assets</b>		
Common stock	26,673	26,673
Capital surplus	11,366	12,745
Retained earnings	150,502	159,922
Treasury shares	△188	△191
<b>Total shareholders' equity</b>	<b>188,353</b>	<b>199,149</b>
Net unrealized gains on available-for-sale securities	39,436	43,084
Net deferred losses on hedging instruments	△181	△56
Land revaluation surplus	3,260	2,592
Remeasurements of defined benefit plans	△5,623	△4,843
<b>Total accumulated other comprehensive income</b>	<b>36,891</b>	<b>40,776</b>
Subscription rights to shares	262	310
Non-controlling interests	9,512	8,062
<b>Total net assets</b>	<b>235,020</b>	<b>248,300</b>
<b>Total liabilities and net assets</b>	<b>3,904,020</b>	<b>4,261,431</b>

## Consolidated Statements of Income

(Millions of yen)

	For the nine Months ended December 31, 2015	For the nine Months ended December 31, 2016
<b>Ordinary income</b>	58,506	51,920
Interest income	33,330	30,876
Interest on loans and discounts	22,284	21,391
Interest and dividends on securities	10,680	9,171
Fees and commissions	7,189	6,969
Other operating income	13,139	11,576
Other income	4,847	2,498
<b>Ordinary expenses</b>	47,709	35,449
Interest expense	1,416	1,432
Interest on deposits	535	464
Fees and commissions	2,140	2,190
Other operating expenses	11,157	7,372
General and administrative expenses	22,691	23,292
Other expenses	10,303	1,161
<b>Ordinary profit</b>	10,797	16,471
<b>Extraordinary income</b>	0	28
<b>Extraordinary losses</b>	656	291
<b>Income before income taxes</b>	10,140	16,207
<b>Income taxes</b>	3,595	4,555
Current	5,896	3,857
Deferred	△2,301	697
<b>Profits</b>	6,544	11,652
<b>Profits attributable to non-controlling interests</b>	406	355
<b>Net income(Profit attributable to owners of parent)</b>	6,138	11,296

## Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the nine Months Ended December 31, 2015	For the nine Months Ended December 31, 2016
<b>Profit</b>	6,544	11,652
<b>Other comprehensive income</b>	△ 8,653	4,821
Net unrealized gains on available-for-sale securities	△ 9,232	3,917
Net deferred gains or losses on hedging instruments	200	124
Remeasurements of defined benefit plans	377	779
<b>Comprehensive income</b>	△ 2,108	16,473
Owners of the parent	△ 2,419	15,849
Non-controlling interests	311	624

## Financial Highlights (consolidated)

### Consolidated Operating Results

(Millions of yen)

	For the nine Months ended December 31, 2015 (B)	For the nine Months ended December 31, 2016 (A)	(A)–(B)
Ordinary income	58,506	51,920	△6,586
Ordinary profit	10,797	16,471	5,674
Profits attributable to owners of parent	6,138	11,296	5,158
Earnings per share-basic(yen)	20.17	37.73	17.56
Earnings per share-diluted(yen)	20.11	37.62	17.51

(%)

	As of March 31, 2016 (B)	As of December 31, 2016 (A)	(A)–(B)
Net assets(except for subscription right to share and non-controlling interests)ratio	5.7	5.6	△0.1

### 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 profit	16,471	17,000
Net income	11,296	11,000
Earnings per share-basic(yen)	37.73	36.74

## Soundness of Assets (non-consolidated)

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

(Billions of yen)

	As of December 31, 2015 (B)	As of December 31, 2016(A)	(A)–(B)
Bankrupt or De facto Bankrupt	23	13	△10
Doubtful	60	55	△5
Special Attention	1	1	0
Subtotal (C)	85	70	△15
Normal assets	2,415	2,334	△81
Total (D)	2,500	2,404	△96
(C) / (D) (%)	3.40	2.92	△0.48