

Financial Highlights
For the Year Ended March 31, 2019

(April 1, 2018 through March 31, 2019)



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)

	March 31, 2018	March 31, 2019
Assets:		
Cash and due from banks	1,094,772	1,221,400
Call loans and bills bought	54,561	—
Monetary claims bought	3,637	3,614
Trading account securities	167	90
Money held in trusts	13,531	13,523
Securities	1,060,597	1,088,790
Loans and bills discounted	2,402,114	2,567,333
Foreign exchanges	11,963	9,508
Lease receivables and investment in leased assets	29,602	33,335
Other assets	77,464	69,257
Tangible fixed assets	34,155	32,804
Intangible fixed assets	9,385	10,097
Deferred tax assets	168	166
Customers' liabilities for acceptances and guarantees	17,544	17,197
Reserve for possible loan losses	△36,774	△37,893
Total assets	4,772,893	5,029,226

(Millions of yen)

	March 31, 2018	March 31, 2019
Liabilities:		
Deposits	3,362,662	3,538,022
Negotiable certificates of deposit	76,821	63,914
Call money and bills sold	696,969	847,399
Payables under repurchase agreements	93,828	31,206
Guarantee deposit under securities lending transactions	197,918	204,703
Borrowed money	3,977	2,398
Foreign exchanges	7	14
Borrowed money from trust account	—	90
Other liabilities	21,353	21,853
Reserve for bonuses	806	796
Net defined benefit liability	15,239	14,586
Reserve for directors' retirement benefits	26	31
Reserve for management board incentive plan trust	453	530
Reserve for reimbursement of deposits	263	281
Reserve for loss on interest repayment	59	43
Reserve for customer service points	139	122
Deferred tax liabilities	14,320	13,188
Deferred tax liability arising from revaluation of land	1,724	1,630
Acceptances and guarantees	17,544	17,197
Total liabilities	4,504,115	4,758,010
Net Assets:		
Common stock	26,673	26,673
Capital surplus	12,854	12,854
Retained earnings	167,344	169,267
Treasury shares	△5,138	△920
Total shareholders' equity	201,734	207,876
Net unrealized gains on available-for-sale securities	60,762	56,553
Net deferred gains or losses on hedging instruments	△2	△1
Land revaluation surplus	2,371	2,189
Remeasurements of defined benefit plans	△3,745	△3,287
Total accumulated other comprehensive income	59,386	55,452
Non-controlling interests	7,656	7,886
Total net assets	268,777	271,215
Total liabilities and net assets	4,772,893	5,029,226

Consolidated Statements of Income

(Millions of yen)

	Year ended March 31, 2018	Year ended March 31, 2019
Ordinary income	68,633	67,114
Interest income	42,327	40,229
Interest on loans and discounts	26,701	26,354
Interest and dividends on securities	15,033	13,344
Trust fees	—	0
Fees and commissions	9,513	9,929
Other operating income	12,356	12,932
Other income	4,436	4,024
Ordinary expenses	52,266	52,948
Interest expense	3,004	4,554
Interest on deposits	393	341
Fees and commissions	2,969	3,219
Other operating expenses	12,206	10,409
General and administrative expenses	30,901	30,579
Other expenses	3,185	4,186
Ordinary profit	16,367	14,165
Extraordinary income	275	15
Extraordinary losses	904	732
Income before income taxes	15,738	13,449
Income taxes	5,129	4,510
Current	4,390	4,374
Deferred	738	135
Profit	10,608	8,939
Profit attributable to non-controlling interests	445	355
Profit attributable to owners of parent	10,163	8,583

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Year ended March 31, 2018	Year ended March 31, 2019
Profit	10,608	8,939
Other comprehensive income	15,019	△3,870
Net unrealized gains on available-for-sale securities	14,159	△4,328
Net deferred gains or losses on hedging instruments	23	0
Remeasurements of defined benefit plans	835	457
Comprehensive income	25,628	5,068
Owners of the parent	24,831	4,832
Non-controlling interests	796	236

Financial Highlights (consolidated)

Consolidated Operating Results

(Millions of yen)

	Year ended March 31, 2018 (B)	Year ended March 31, 2019 (A)	(A)–(B)
Ordinary income	68,633	67,114	△1,519
Ordinary profit	16,367	14,165	△2,202
Profits attributable to owners of parent	10,163	8,583	△1,580
Earnings per share-basic(yen)	346.38	296.83	△49.55
Earnings per share-diluted(yen)	—	—	—

Note: The Hokkoku Bank, Ltd. implemented a common stock consolidation at a ratio of ten stocks to one stock on October 1, 2017.

The above earnings per share-basic(yen) and earnings per share-diluted(yen) are calculated on the assumption that this stock consolidation took place at the beginning of the previous year.

Earnings per share-diluted(yen) is not indicated as there is no amount of share-diluted.

(%)

	March 31, 2018 (B)	March 31, 2019 (A)	(A)–(B)
Net assets ratio	5.4	5.2	△0.2

Note: Net assets ratio = (Total Net Assets – Non-controlling Interests) / Total Assets

Forecasts for the year ending March 31, 2020

(Millions of yen)

	Year ending March 31, 2020
Ordinary profit	11,500
Profits attributable to owners of parent	7,500
Earnings per share-basic(yen)	259.36

Securities (consolidated)

Unrealized gains and losses of available-for-sale securities (consolidated)

(Billions of yen)

	March 31, 2018				
	Fair value	Acquisition cost	Difference		
				gains	losses
Total	1,056	968	87	99	11
Stock	179	89	90	92	2
Debt securities	623	618	4	5	0
Others	253	260	△6	2	8

	March 31, 2019				
	Fair value	Acquisition cost	Difference		
				gains	losses
Total	1,085	1,003	82	91	9
Stock	167	88	78	82	3
Debt securities	652	648	4	4	0
Others	265	266	△0	4	4

Soundness of Assets (non-consolidated)

Disclosed Assets Based on the Financial Reconstruction Law (Before partial direct write-off)

(Billions of yen)

	March 31, 2018 (B)	March 31, 2019 (A)	(A)–(B)
Bankrupt or De facto Bankrupt	5	8	2
Doubtful	50	47	△3
Special Attention	1	1	△0
Subtotal (C)	57	56	△1
Normal assets	2,430	2,597	167
Total (D)	2,488	2,654	165

(C) / (D) (%)	2.32	2.13	△0.19
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Disclosed Assets Based on the Financial Reconstruction Law (After partial direct write-off)

(Billions of yen)

	March 31, 2018 (B)	March 31, 2019 (A)	(A)–(B)
Bankrupt or De facto Bankrupt	4	6	2
Doubtful	50	47	△3
Special Attention	1	1	△0
Subtotal (C)	56	55	△1
Normal assets	2,430	2,597	167
Total (D)	2,486	2,652	166

(C) / (D) (%)	2.26	2.08	△0.18
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