

Financial Highlights
For the Second Quarter of FY 2019

(April 1, 2019 through September 30, 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, 2019	September 30, 2019
Assets:		
Cash and due from banks	1,221,400	1,442,940
Monetary claims bought	3,614	3,733
Trading account securities	90	159
Money held in trusts	13,523	13,602
Securities	1,088,790	1,002,091
Loans and bills discounted	2,567,333	2,539,749
Foreign exchanges	9,508	9,041
Lease receivables and investment in leased assets	33,335	35,193
Other assets	69,257	49,992
Tangible fixed assets	32,804	32,209
Intangible fixed assets	10,097	10,909
Deferred tax assets	166	186
Customers' liabilities for acceptances and guarantees	17,197	17,864
Reserve for possible loan losses	△37,893	△42,345
Total assets	5,029,226	5,115,327

(Millions of yen)

	March 31, 2019	September 30, 2019
Liabilities:		
Deposits	3,538,022	3,459,124
Negotiable certificates of deposit	63,914	133,246
Call money and bills sold	847,399	1,046,362
Payables under repurchase agreements	31,206	—
Guarantee deposit received under securities lending transactions	204,703	103,835
Borrowed money	2,398	1,561
Foreign exchanges	14	24
Borrowed money from trust account	90	105
Other liabilities	21,853	47,593
Reserve for bonuses	796	803
Net defined benefit liability	14,586	13,990
Reserve for directors' retirement benefits	31	23
Reserve for management board incentive plan trust	530	516
Reserve for reimbursement of deposits	281	291
Reserve for loss on interest repayment	43	50
Reserve for customer service points	122	170
Deferred tax liabilities	13,188	12,781
Deferred tax liability arising from revaluation of land	1,630	1,609
Acceptances and guarantees	17,197	17,864
Total liabilities	4,758,010	4,839,954
Net Assets:		
Common stock	26,673	26,673
Capital surplus	12,854	12,854
Retained earnings	169,267	173,381
Treasury stock	△920	△862
Total shareholders' equity	207,876	212,047
Net unrealized gains on available-for-sale securities	56,553	56,269
Net deferred gains or losses on hedging instruments	△1	△5
Land revaluation surplus	2,189	2,140
Remeasurements of defined benefit plans	△3,287	△2,975
Total accumulated other comprehensive income	55,452	55,429
Non-controlling interests	7,886	7,896
Total net assets	271,215	275,373
Total liabilities and net assets	5,029,226	5,115,327

Consolidated Statements of Income

(Millions of yen)

	Six Months ended September 30, 2018	Six Months ended September 30, 2019
Ordinary income	34,544	39,483
Interest income	20,640	18,993
Interest on loans and discounts	13,101	13,198
Interest and dividends on securities	7,206	5,609
Trust fees	—	0
Fees and commissions	4,997	5,027
Other operating income	6,335	9,883
Other income	2,569	5,579
Ordinary expenses	25,455	30,737
Interest expense	1,993	1,384
Interest on deposits	189	150
Fees and commissions	1,570	1,742
Other operating expenses	5,013	5,890
General and administrative expenses	15,236	15,418
Other expenses	1,642	6,300
Ordinary profit	9,088	8,746
Extraordinary income	0	0
Extraordinary losses	85	195
Profit before income taxes	9,003	8,550
Income taxes	2,956	3,246
Current	2,781	3,817
Deferred	174	△570
Profit	6,047	5,303
Profit attributable to non-controlling interests	232	74
Profit attributable to owners of parent	5,814	5,229

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Six Months Ended September 30, 2018	Six Months Ended September 30, 2019
Profit	6,047	5,303
Other comprehensive income	4,569	△33
Net unrealized gains on available-for-sale securities	4,141	△341
Net deferred gains or losses on hedging instruments	0	△3
Remeasurements of defined benefit plans	428	312
Comprehensive income	10,617	5,270
Owners of the parent	10,290	5,254
Non-controlling interests	326	16

Financial Highlights (consolidated)

Consolidated Operating Results

(Millions of yen)

	Six Months ended September 30, 2018 (B)	Six Months ended September 30, 2019 (A)	(A)–(B)
Ordinary income	34,544	39,483	4,939
Ordinary profit	9,088	8,746	△342
Profits attributable to owners of parent	5,814	5,229	△585
Earnings per share-basic(yen)	201.08	180.81	△20.27
Earnings per share-diluted(yen)	—	—	—

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

(%)

	March 31, 2019 (B)	September 30, 2019 (A)	(A)–(B)
Net assets(except for non-controlling interests) ratio	5.2	5.2	0

Projections for the year ending March 31, 2020

(Millions of yen)

	Year ending March 31, 2020
Ordinary profit	13,000
Profits attributable to owners of parent	7,500
Earnings per share-basic(yen)	259.25

Note: Revision of earnings forecasts from the latest announcement: Yes

Soundness of Assets (non-consolidated)

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

(Billions of yen)

	September 30, 2018 (B)	September 30, 2019(A)	(A)–(B)
Bankrupt or De facto Bankrupt	7	10	3
Doubtful	48	44	△4
Special Attention	1	1	0
Subtotal (C)	57	56	△1
Normal assets	2,484	2,580	96
Total (D)	2,541	2,637	96

(C) / (D) (%)	2.25	2.14	△0.11
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Disclosed Assets Based on the Financial Reconstruction Law (After partial direct write-off)

(Billions of yen)

	September 30, 2018 (B)	September 30, 2019(A)	(A)–(B)
Bankrupt or De facto Bankrupt	6	9	3
Doubtful	48	44	△4
Special Attention	1	1	0
Subtotal (C)	55	55	0
Normal assets	2,484	2,580	96
Total (D)	2,540	2,635	95

(C) / (D) (%)	2.20	2.09	△0.11
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