

# **Financial Highlights**

## **For the Third Quarter of FY 2019**

(April 1, 2019 through December 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, 2019	December 31, 2019
<b>Assets:</b>		
Cash and due from banks	1,221,400	1,116,301
Monetary claims bought	3,614	4,167
Trading account securities	90	106
Money held in trusts	13,523	13,637
Securities	1,088,790	1,035,711
Loans and bills discounted	2,567,333	2,571,092
Foreign exchanges	9,508	11,159
Lease receivables and investment in leased assets	33,335	35,124
Other assets	69,257	39,996
Tangible fixed assets	32,804	31,813
Intangible fixed assets	10,097	10,744
Deferred tax assets	166	169
Customers' liabilities for acceptances and guarantees	17,197	18,711
Reserve for possible loan losses	△37,893	△44,646
<b>Total assets</b>	<b>5,029,226</b>	<b>4,844,090</b>

(Millions of yen)

	March 31, 2019	December 31, 2019
<b>Liabilities:</b>		
Deposits	3,538,022	3,554,283
Negotiable certificates of deposit	63,914	95,126
Call money and bills sold	847,399	710,940
Payables under repurchase agreements	31,206	—
Guarantee deposit received under securities lending transactions	204,703	128,290
Borrowed money	2,398	1,387
Foreign exchanges	14	3
Borrowed money from trust account	90	129
Other liabilities	21,853	24,243
Reserve for bonuses	796	—
Net defined benefit liability	14,586	13,735
Reserve for directors' retirement benefits	31	25
Reserve for management board incentive plan trust	530	537
Reserve for reimbursement of deposits	281	291
Reserve for loss on interest repayment	43	40
Reserve for customer service points	122	204
Deferred tax liabilities	13,188	14,765
Deferred tax liability arising from revaluation of land	1,630	1,556
Acceptances and guarantees	17,197	18,711
<b>Total liabilities</b>	<b>4,758,010</b>	<b>4,564,273</b>
<b>Net Assets:</b>		
Common stock	26,673	26,673
Capital surplus	12,854	12,854
Retained earnings	169,267	174,872
Treasury stock	△920	△3,014
<b>Total shareholders' equity</b>	<b>207,876</b>	<b>211,386</b>
Net unrealized gains on available-for-sale securities	56,553	61,111
Net deferred gains or losses on hedging instruments	△1	△15
Land revaluation surplus	2,189	2,060
Remeasurements of defined benefit plans	△3,287	△2,819
<b>Total accumulated other comprehensive income</b>	<b>55,452</b>	<b>60,336</b>
Non-controlling interests	7,886	8,093
<b>Total net assets</b>	<b>271,215</b>	<b>279,816</b>
<b>Total liabilities and net assets</b>	<b>5,029,226</b>	<b>4,844,090</b>

## Consolidated Statements of Income

(Millions of yen)

	Nine Months ended December 31, 2018	Nine Months ended December 31, 2019
<b>Ordinary income</b>	51,222	58,944
Interest income	31,181	28,892
Interest on loans and discounts	19,774	19,800
Interest and dividends on securities	10,973	8,810
Trust fees	—	0
Fees and commissions	7,491	7,673
Other operating income	9,538	15,386
Other income	3,011	6,992
<b>Ordinary expenses</b>	38,638	45,741
Interest expense	3,253	1,780
Interest on deposits	270	227
Fees and commissions	2,395	2,667
Other operating expenses	7,492	8,592
General and administrative expenses	22,854	23,494
Other expenses	2,642	9,205
<b>Ordinary profit</b>	12,584	13,203
<b>Extraordinary income</b>	0	0
<b>Extraordinary losses</b>	98	559
<b>Profit before income taxes</b>	12,485	12,643
<b>Income taxes</b>	4,255	4,818
Current	3,708	5,561
Deferred	546	△743
<b>Profit</b>	8,230	7,825
<b>Profit attributable to non-controlling interests</b>	276	166
<b>Profit attributable to owners of parent</b>	7,954	7,659

## Consolidated Statements of Comprehensive Income

(Millions of yen)

	Nine Months Ended December 31, 2018	Nine Months Ended December 31, 2019
<b>Profit</b>	8,230	7,825
<b>Other comprehensive income</b>	△20,016	5,050
Net unrealized gains on available-for-sale securities	△20,635	4,595
Net deferred gains or losses on hedging instruments	△23	△14
Remeasurements of defined benefit plans	642	468
<b>Comprehensive income</b>	△11,785	12,875
Owners of the parent	△11,912	12,671
Non-controlling interests	126	203

## Financial Highlights (consolidated)

### Consolidated Operating Results

(Millions of yen)

	Nine Months ended December 31, 2018 (B)	Nine Months ended December 31, 2019 (A)	(A)–(B)
Ordinary income	51,222	58,944	7,722
Ordinary profit	12,584	13,203	618
Profit attributable to owners of parent	7,954	7,659	△295
Earnings per share-basic(yen)	275.06	266.07	△8.99
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)	December 31, 2019 (A)	(A)–(B)
Net assets(except for non-controlling interests) ratio	5.2	5.6	0.3

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

### 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)	265.37

Note: Revision of earnings forecasts from the latest announcement: No

## Soundness of Assets (non-consolidated)

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

(Billions of yen)

	December 31, 2018 (B)	December 31, 2019 (A)	(A)–(B)
Bankrupt or De facto Bankrupt	8	10	2
Doubtful	47	44	△3
Special Attention	1	1	0
Subtotal (C)	57	56	△0
Normal assets	2,573	2,674	100
Total (D)	2,631	2,731	99

(C) / (D) (%)	2.18	2.08	△0.10
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Disclosed Assets Based on the Financial Reconstruction Law (After partial direct write-off)

(Billions of yen)

	December 31, 2018 (B)	December 31, 2019 (A)	(A)–(B)
Bankrupt or De facto Bankrupt	7	9	2
Doubtful	47	44	△3
Special Attention	1	1	0
Subtotal (C)	56	55	△0
Normal assets	2,573	2,674	100
Total (D)	2,630	2,730	100

(C) / (D) (%)	2.13	2.03	△0.10
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