

Financial Highlights
For the First Quarter of FY 2017

(April 1, 2017 through June 30, 2017)



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, 2017	As of June 31, 2017
Assets		
Cash and due from banks	748,544	651,089
Call loans and bills bought	30,000	151,200
Monetary claims bought	3,714	3,743
Trading account securities	156	144
Money held in trust	13,531	13,575
Securities	1,104,367	1,038,940
Loans and bills discounted	2,315,444	2,318,271
Foreign exchanges	11,323	10,387
Lease receivables and investment in leased assets	25,160	27,350
Other assets	47,438	40,014
Tangible fixed assets	35,223	35,161
Intangible fixed assets	8,315	8,487
Deferred tax assets	202	181
Customers' liabilities for acceptances and guarantees	16,397	16,985
Reserve for possible loan losses	△39,456	△38,437
Total assets	4,320,364	4,277,094

(Millions of yen)

	As of March 31, 2017	As of June 31, 2017
Liabilities		
Deposits	3,185,984	3,239,938
Negotiable certificates of deposit	108,046	109,589
Call money and bills sold	293,334	295,263
Payables under repurchase agreements	—	14,335
Guarantee deposit under securities lending transactions	359,851	256,218
Borrowed money	5,519	5,330
Foreign exchanges	5	7
Other liabilities	72,758	50,618
Reserve for bonuses	814	—
Net defined benefit liability	16,054	15,788
Reserve for directors' retirement benefits	55	21
Reserve for reimbursement of deposits	254	254
Reserve for loss on interest repayment	65	65
Reserve for customer service points	218	216
Deferred tax liabilities	6,824	9,116
Deferred tax liability arising from revaluation of land	1,819	1,819
Acceptances and guarantees	16,397	16,985
Total liabilities	4,068,006	4,015,569
Net Assets		
Common stock	26,673	26,673
Capital surplus	12,745	12,745
Retained earnings	159,480	163,680
Treasury shares	△193	△121
Total shareholders' equity	198,706	202,977
Net unrealized gains on available-for-sale securities	46,953	51,393
Net deferred gain or losses on hedging instruments	△25	△10
Land revaluation surplus	2,589	2,588
Remeasurements of defined benefit plans	△4,580	△4,327
Total accumulated other comprehensive income	44,936	49,643
Subscription rights to shares	326	275
Non-controlling interests	8,389	8,628
Total net assets	252,358	261,525
Total liabilities and net assets	4,320,364	4,277,094

Consolidated Statements of Income

(Millions of yen)

	For the three Months ended June 30, 2016	For the three Months ended June 30, 2017
Ordinary income	19,186	19,937
Interest income	10,545	11,725
Interest on loans and discounts	7,215	6,721
Interest and dividends on securities	3,219	4,895
Fees and commissions	2,297	2,444
Other operating income	4,119	3,420
Other income	2,223	2,346
Ordinary expenses	11,274	11,761
Interest expense	451	578
Interest on deposits	180	107
Fees and commissions	727	724
Other operating expenses	2,316	2,794
General and administrative expenses	7,727	7,535
Other expenses	51	127
Ordinary profit	7,911	8,176
Extraordinary income	—	—
Extraordinary losses	40	93
Income before income taxes	7,871	8,082
Income taxes	2,065	2,399
Current	1,237	2,221
Deferred	827	177
Profits	5,806	5,683
Profits attributable to non-controlling interests	151	130
Net income(Profit attributable to owners of parent)	5,654	5,552

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the three Months ended June 30, 2016	For the three Months ended June 30, 2017
Profit	5,806	5,683
Other comprehensive income	△7,018	4,823
Net unrealized gains on available-for-sale securities	△7,225	4,555
Net deferred gains or losses on hedging instruments	△52	14
Remeasurements of defined benefit plans	259	253
Comprehensive income	△1,211	10,507
Owners of the parent	△1,375	10,260
Non-controlling interests	163	246

Financial Highlights (consolidated)

Consolidated Operating Results

(Millions of yen)

	For the three Months ended June 30, 2016 (B)	For the three Months ended June 30, 2017 (A)	(A)–(B)
Ordinary income	19,186	19,937	751
Ordinary profit	7,911	8,176	265
Profits attributable to owners of parent	5,654	5,552	△102
Earnings per share-basic(yen)	18.88	18.54	△0.34
Earnings per share-diluted(yen)	18.83	18.48	△0.35

(%)

	As of March 31, 2017 (B)	As of June 30, 2017 (A)	(A)–(B)
Net assets(except for subscription right to share and non-controlling interests)ratio	5.6	5.9	△0.3

Projections for the year ending March 31, 2018

(Millions of yen)

	For the three Months ended June 30, 2017	For the six months ending September 30, 2017	For the year ending March 31, 2018
Ordinary profit	8,176	7,000	13,000
Net income	5,552	4,500	8,500
Earnings per share-basic(yen)	18.88	15.02	28.37

Soundness of Assets (non-consolidated)

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

(Billions of yen)

	As of June 30, 2016 (B)	As of June 30, 2017 (A)	(A)–(B)
Bankrupt or De facto Bankrupt	15	8	△7
Doubtful	55	53	△2
Special Attention	1	1	0
Subtotal (C)	72	63	△9
Normal assets	2,305	2,354	49
Total (D)	2,378	2,417	39
(C) / (D) (%)	3.05	2.63	△0.42