



Summary :

May 10, 2018

Financial Results for Fiscal 2017 (Japanese GAAP)

Company Name:

Hokuhoku Financial Group, Inc.

Stock Code Number (Japan):

8377

Stock Exchanges (Japan):

Tokyo Stock Exchange (First Section), Sapporo Securities Exchange

URL:

http://www.hokuhoku-fg.co.jp/

Address:

1-2-26 Tsutsumicho-dori, Toyama-city, Toyama Pref, 930-8637, Japan

Representative:

Name: Eishin Ihori
Title: President & CEO

Ordinary General Meeting of Shareholders (scheduled):

June 22, 2018

Commencement of Dividend Payment (scheduled):

June 25, 2018

Amounts less than one million yen and one decimal place are rounded down.

1. Financial Highlights for Fiscal 2017 (for the fiscal year ended March 31, 2018)

(1) Consolidated Results of Operations

(%: Changes from previous fiscal year)

| | Ordinary Income | | Ordinary Profits | | Net Income Attributable to Owners of the Parent | |
|-------------|-----------------|-------|------------------|--------|---|--------|
| | ¥ million | % | ¥ million | % | ¥ million | % |
| Fiscal 2017 | 180,916 | (3.5) | 31,792 | (19.5) | 21,191 | (24.7) |
| Fiscal 2016 | 187,420 | (2.7) | 39,477 | (15.0) | 28,157 | (2.4) |

Reference: Comprehensive income Fiscal 2017: ¥32,169 million [11.9%], Fiscal 2016: ¥28,739 million [—%]

| | Net Income | Diluted Net Income | Net Income | Ordinary Profits | Ordinary Profits |
|-------------|---------------------------|---------------------------|----------------|------------------|--------------------|
| | per Share of Common Stock | per Share of Common Stock | on Own Capital | to Total Assets | to Ordinary Income |
| | ¥ | ¥ | % | % | % |
| Fiscal 2017 | 149.40 | 149.10 | 3.6 | 0.3 | 17.6 |
| Fiscal 2016 | 201.36 | 201.04 | 5.1 | 0.3 | 21.1 |

Reference: Equity in Income from Investments in Affiliates: Fiscal 2017: ¥13 million; Fiscal 2016: ¥6 million

Notes: Hokuhoku Financial Group, Inc. implemented a common stock consolidation at a ratio of ten stocks to one stock on October 1, 2016. The above net income per share of common stock and diluted net income per share of common stock are calculated on the assumption that this stock consolidation took place at the beginning of the previous year.

(2) Consolidated Financial Conditions

| | Total Assets | Total Net Assets | Own Capital Ratio | Total Net Assets |
|-------------|--------------|------------------|-------------------|---------------------------|
| | ¥ million | ¥ million | % | per Share of Common Stock |
| Fiscal 2017 | 12,996,292 | 610,147 | 4.7 | 4,215.92 |
| Fiscal 2016 | 12,429,425 | 585,237 | 4.7 | 4,028.62 |

Reference: Own Capital: as of March 31, 2018: ¥607,031 million; as of March 31, 2017: ¥582,397 million

Notes: Own Capital Ratio is calculated as follows: (Total Net Assets - Stock Acquisition Rights - Non-controlling Interests)/ Total Assets × 100

(3) Conditions of Consolidated Cash Flows

| | Cash Flows from | Cash Flows from | Cash Flows from | Cash and Cash Equivalents |
|-------------|----------------------|----------------------|----------------------|-------------------------------|
| | Operating Activities | Investing Activities | Financing Activities | at the end of the fiscal Year |
| | ¥ million | ¥ million | ¥ million | ¥ million |
| Fiscal 2017 | 149,389 | 497,774 | (7,697) | 2,374,356 |
| Fiscal 2016 | 608,869 | (23,676) | (44,078) | 1,734,901 |

2. Cash Dividends for Shareholders of Common Stock

| (Record Date) | Cash Dividends per Share | | | | | Total Cash Dividends (Annual) | Dividends Pay-out Ratio (Consolidated basis) | Dividends on Net Assets (Consolidated basis) |
|------------------------|--------------------------------|--------------------------------|--------------------------------|-----------------|--------|-------------------------------|--|--|
| | The end of 1 st Qtr | The end of 2 nd Qtr | The end of 3 rd Qtr | Fiscal year-end | Annual | | | |
| | ¥ | ¥ | ¥ | ¥ | ¥ | ¥ million | % | % |
| Fiscal 2016 | — | 0.00 | — | 44.00 | 44.00 | 5,766 | 21.9 | 1.1 |
| Fiscal 2017 | — | 0.00 | — | 44.00 | 44.00 | 5,766 | 29.4 | 1.1 |
| Fiscal 2018 (forecast) | — | 0.00 | — | 44.00 | 44.00 | | 29.7 | |

3. Earnings Estimates for Fiscal 2018 (for the fiscal year ending March 31, 2019)

(%: Changes from corresponding period of previous fiscal year)

| | Ordinary Profits | | Net Income | | Net Income |
|-----------|------------------|--------|------------|--------|---------------------------|
| | ¥ million | % | ¥ million | % | per Share of Common Stock |
| Interim | 16,000 | (11.4) | 10,000 | (10.0) | ¥ 70.15 |
| Full Year | 33,000 | 3.8 | 21,000 | (0.9) | ¥ 147.94 |

4. Others

(1) Changes in Significant Subsidiaries during the Fiscal Year
(Changes in specified subsidiaries accompanying changes in scope of consolidation): No

(2) Changes in Accounting Methods and Presentation of Consolidated Financial Statements

(a) Changes due to revisions of accounting standards etc.: No

(b) Changes other than (a) above: No

(c) Changes in accounting estimates: No

(d) Restatements: No

(3) Issued Shares (Common Stock)

(a) Number of Common Stock outstanding at the end of fiscal year (including Treasury Stock)

| | | | |
|----------------------|-------------|----------------------|-------------|
| As of March 31, 2018 | 132,163,014 | As of March 31, 2017 | 132,163,014 |
|----------------------|-------------|----------------------|-------------|

(b) Number of Treasury Stock at the end of fiscal year

| | | | |
|----------------------|-----------|----------------------|-----------|
| As of March 31, 2018 | 1,109,893 | As of March 31, 2017 | 1,131,632 |
|----------------------|-----------|----------------------|-----------|

(c) Average number of Common Stock

| | | | |
|-------------|-------------|-------------|-------------|
| Fiscal 2017 | 131,049,476 | Fiscal 2016 | 131,831,516 |
|-------------|-------------|-------------|-------------|

Note: Hokuhoku Financial Group, Inc. implemented a common stock consolidation at a ratio of ten stocks to one stock on October 1, 2016. The above average number of common stock is calculated on the assumption that this stock consolidation took place at the beginning of the previous year.

(Reference) Non-consolidated Financial Statements for Fiscal 2017

1. Financial Highlights for Fiscal 2017 (for the fiscal year ended March 31, 2018)

(1) Non-Consolidated Results of Operations

(%: Changes from previous fiscal year)

| | Operating Income | | Operating Profits | | Ordinary Profits | | Net Income | |
|-------------|------------------|--------|-------------------|--------|------------------|--------|------------|--------|
| | ¥ million | % | ¥ million | % | ¥ million | % | ¥ million | % |
| Fiscal 2017 | 5,176 | (68.5) | 4,623 | (70.8) | 4,577 | (70.9) | 4,573 | (70.9) |
| Fiscal 2016 | 16,435 | 93.0 | 15,815 | 98.0 | 15,744 | 98.3 | 15,739 | 98.3 |

| | Net Income per Share of Common Stock | Diluted Net Income per Share of Common Stock |
|-------------|--------------------------------------|--|
| | ¥ | ¥ |
| Fiscal 2017 | 22.60 | 22.55 |
| Fiscal 2016 | 107.15 | 106.98 |

Notes: Hokuhoku Financial Group, Inc. implemented a common stock consolidation at a ratio of ten stocks to one stock on October 1, 2016. The above net income per share of common stock and diluted net income per share of common stock are calculated on the assumption that this stock consolidation took place at the beginning of the previous year.

(2) Non-Consolidated Financial Conditions

| | Total Assets | Total Net Assets | Own Capital Ratio | Total Net Assets per Share of Common Stock |
|-------------|--------------|------------------|-------------------|--|
| | ¥ million | ¥ million | % | ¥ |
| Fiscal 2017 | 264,314 | 239,088 | 90.3 | 1,404.73 |
| Fiscal 2016 | 267,028 | 241,774 | 90.4 | 1,426.10 |

Reference : Own Capital : as of March 31, 2018: ¥238,636 million ; as of March 31, 2017: ¥241,406 million

(Implementation status of audit procedures)

This report is not subject to audit procedures.

The above estimates are based on information that is available at this moment and assumptions of factors that have an influence on future results of operations. Actual results may differ materially from these estimates, depending on future events.

(Reference)

Cash Dividends for Shareholders of Preferred Stock (Type 5)

| | Cash dividends per share | | | | |
|------------------------|---------------------------------|---------------------------------|---------------------------------|-----------------|--------|
| | The end of 1 st Qtr. | The end of 2 nd Qtr. | The end of 3 rd Qtr. | Fiscal year-end | Annual |
| | ¥ | ¥ | ¥ | ¥ | ¥ |
| Fiscal 2016 | — | 7.50 | — | 7.50 | 15.00 |
| Fiscal 2017 | — | 7.50 | — | 7.50 | 15.00 |
| Fiscal 2018 (Forecast) | — | 7.50 | — | 7.50 | 15.00 |

SELECTED FINANCIAL INFORMATION
For the Fiscal Year 2017
(Ended March 31, 2018)



株式会社 ほくほくフィナンシャルグループ
Hokuhoku Financial Group, Inc.

SELECTED FINANCIAL INFORMATION

For the Fiscal Year 2017 (Ended March 31,2018)

Table of Contents

| | |
|---|----|
| I. Financial Highlights | |
| 決算ハイライト | |
| 1. Income Analysis | 1 |
| 2. Loans and Deposits | 4 |
| 3. Securities | 6 |
| 4. Non-Performing Loan | 7 |
| 5. Capital Adequacy Ratio | 8 |
| 6. Forecast | |
| II. Financial Statements | 9 |
| 財務諸表 | |
| III. Summary of Financial Results | |
| 決算の概要 | |
| 1. Income Analysis | 19 |
| 2. Average Balance of Use and Source of Funds | 22 |
| 3. Interest Rate Spread | |
| 4. Net Business Profits | 23 |
| 5. ROE・OHR・ROA | |
| 6. Net Gains and Losses on Securities | 24 |
| 7. Valuation Difference on Securities | 25 |
| 8. Capital Adequacy Ratio | 26 |
| IV. Loan Portfolio and Other | |
| 貸出金等の状況 | |
| 1. Disclosed Claims under the Financial Reconstruction Law | 27 |
| 2. Coverage on Disclosed Claims under the Financial Reconstruction Law | 28 |
| 3. Risk-Monitored Loans | 29 |
| 4. Allowance for Loan Losses | 30 |
| 5. Coverage Ratio for Risk-Monitored Loans | |
| 6. Deposits and Loans | 31 |
| 7. Loans to Small and Medium-sized Enterprises (“SMEs”) and Individuals | |
| 8. Housing and Consumer Loans | |
| 9. Classification of Loans by Type of Industry | 32 |

Note

“FG” means Hokuhoku Financial Group, Inc..

“Total of two banks” means aggregated figures of Hokuriku Bank and Hokkaido Bank.

This information contains forward-looking statements. Such forward-looking statements do not represent any guarantee by management of future performance and contains risks and uncertainties. Please take note that future performance may differ from forecasts due to changes in economic environment.

I. Financial Highlights

1. Income Analysis

【FG(consolidated)】

| | (Japanese) | For the fiscal year ended | | | (Billions of yen) |
|---|-----------------|---------------------------|---------|---------------|-------------------|
| | | Mar.31, 2018 | | | Mar.31, 2017 |
| | | (A) | (A)-(B) | {(A)-(B)}/(B) | (B) |
| Ordinary income | 経常収益 | 180.9 | (6.5) | (3.5%) | 187.4 |
| Ordinary profits | 経常利益 | 31.7 | (7.6) | (19.5%) | 39.4 |
| Net income attributable to owners of the parent | 親会社株主に帰属する当期純利益 | 21.1 | (6.9) | (24.7%) | 28.1 |

【Total of two banks】

| | (Japanese) | For the fiscal year ended | | | (Billions of yen) |
|---|---------------------|---------------------------|--------------|----------------|-------------------|
| | | Mar.31, 2018 | | | Mar.31, 2017 |
| | | (A) | (A)-(B) | {(A)-(B)}/(B) | (B) |
| Ordinary income | 経常収益 | 164.7 | (6.3) | (3.7%) | 171.0 |
| Core gross business profits | コア業務粗利益 | 126.7 | (6.1) | (4.6%) | 132.9 |
| Net interest income | 資金利益 | 108.4 | (6.8) | | 115.2 |
| Domestic | 国内業務部門 | 104.8 | (5.1) | | 110.0 |
| International | 国際業務部門 | 3.6 | (1.6) | | 5.2 |
| Net fees and commissions | 役務取引等利益 | 16.7 | (1.1) | | 17.8 |
| Net trading income | 特定取引利益 | 0.0 | (0.0) | | 0.0 |
| Net other income (excluding gains (losses) related to bonds) | その他業務利益 (国債等債券損益除く) | 1.5 | 1.8 | | (0.2) |
| Gains on foreign exchange transactions | うち外国為替売買益 | 0.3 | 0.5 | | (0.2) |
| Income from derivatives | うち金融派生商品収益 | 0.0 | 0.0 | | (0.0) |
| General and administrative expenses | 経費 | 88.8 | (1.0) | | 89.8 |
| Personnel | 人件費 | 42.9 | (0.4) | | 43.3 |
| Non-personnel | 物件費 | 39.3 | (0.5) | | 39.9 |
| Core net business profits | コア業務純益 | 37.9 | (5.1) | (11.9%) | 43.0 |
| Net gains (losses) related to bonds | 国債等債券損益 | (9.8) | (6.0) | | (3.8) |
| Net business Profits (before provision (reversal) of general allowance for loan losses) | 実質業務純益 | 28.1 | (11.1) | | 39.2 |
| Provision (reversal) of general allowance for loan losses (1) | 一般貸倒引当金繰入(1) | 0.5 | 0.5 | | — |
| Net business profits | 業務純益 | 27.5 | (11.7) | | 39.2 |
| Net non-recurring gains (losses) | 臨時損益 | 5.6 | 4.6 | | 0.9 |
| Credit related costs (2) | 不良債権処理額(2) | 0.0 | 0.6 | | (0.6) |
| (Reference) Total credit costs (1)+(2) | (参考)与信費用(1)+(2) | 0.5 | 1.2 | | (0.6) |
| Net gains (losses) related to stocks | 株式等損益 | 6.7 | 3.6 | | 3.1 |
| Ordinary profits | 経常利益 | 33.1 | (7.0) | (17.6%) | 40.2 |
| Net extraordinary gains (losses) | 特別損益 | 0.3 | 1.2 | | (0.9) |
| Income taxes | 法人税等 | 9.4 | (0.1) | | 9.6 |
| Income taxes-deferred | 法人税等調整額 | 3.4 | 0.3 | | 3.0 |
| Net income | 当期純利益 | 24.0 | (5.6) | (19.0%) | 29.6 |

【Hokuriku Bank】

For the fiscal year ended

(Billions of yen)

| | (Japanese) | Mar.31, 2018 | | | Mar.31, 2017 (B) |
|---|------------------------------|--------------|--------------|----------------|---------------------|
| | | (A) | (B) | {(A)-(B)}/(B) | |
| Ordinary income | 経 常 収 益 | 91.1 | (1.8) | (2.0%) | 92.9 |
| Core gross business profits | コ ア 業 務 粗 利 益 | 71.2 | (1.6) | (2.3%) | 72.9 |
| Net interest income | 資 金 利 益 | 61.1 | (1.6) | | 62.8 |
| Domestic | 国 内 業 務 部 門 | 59.2 | (1.1) | | 60.3 |
| International | 国 際 業 務 部 門 | 1.9 | (0.5) | | 2.4 |
| Net fees and commissions | 役 務 取 引 等 利 益 | 9.1 | 0.0 | | 9.0 |
| Net trading income | 特 定 取 引 利 益 | 0.0 | (0.0) | | 0.0 |
| Net other income (excluding gains (losses) related to bonds) | そ の 他 業 務 利 益 (国債等債券損益除く) | 0.9 | (0.1) | | 1.0 |
| Gains on foreign exchange transactions | う ち 外 国 為 替 売 買 益 | 0.9 | (0.0) | | 1.0 |
| Income from derivatives | う ち 金 融 派 生 商 品 収 益 | (0.0) | (0.0) | | 0.0 |
| General and administrative expenses | 経 費 | 47.5 | (0.7) | | 48.2 |
| Personnel | 人 件 費 | 24.0 | (0.4) | | 24.5 |
| Non-personnel | 物 件 費 | 19.9 | (0.2) | | 20.1 |
| Core net business profits | コ ア 業 務 純 益 | 23.7 | (0.9) | (3.9%) | 24.7 |
| Net gains (losses) related to bonds | 国 債 等 債 券 損 益 | (2.3) | 0.9 | | (3.2) |
| Net business Profits (before provision (reversal) of general allowance for loan losses) | 実 質 業 務 純 益 | 21.4 | (0.0) | | 21.4 |
| Provision (reversal) of general allowance for loan losses (1) | 一 般 貸 倒 引 当 金 繰 入 (1) | 1.0 | 1.0 | | — |
| Net business profits | 業 務 純 益 | 20.3 | (1.0) | | 21.4 |
| Net non-recurring gains (losses) | 臨 時 損 益 | 3.7 | 0.3 | | 3.3 |
| Credit related costs (2) | 不 良 債 権 処 理 額 (2) | 0.8 | 1.4 | | (0.6) |
| (Reference) Total credit costs (1)+(2) | (参 考) 与 信 費 用 (1)+(2) | 1.8 | 2.5 | | (0.6) |
| Net gains (losses) related to stocks | 株 式 等 損 益 | 4.4 | 0.9 | | 3.5 |
| Ordinary profits | 経 常 利 益 | 24.1 | (0.6) | (2.8%) | 24.8 |
| Net extraordinary gains (losses) | 特 別 損 益 | (1.8) | (1.1) | | (0.7) |
| Income taxes | 法 人 税 等 | 6.4 | 1.0 | | 5.4 |
| Income taxes-deferred | 法 人 税 等 調 整 額 | 0.9 | (0.4) | | 1.4 |
| Net income | 当 期 純 利 益 | 15.7 | (2.9) | (15.8%) | 18.7 |

【Hokkaido Bank】

For the fiscal year ended

(Billions of yen)

| | (Japanese) | Mar.31, 2018 | | | Mar.31, 2017 |
|---|------------------------|--------------|--------------|----------------|--------------|
| | | (A) | (A)-(B) | {(A)-(B)}/(B) | (B) |
| Ordinary income | 経常収益 | 78.2 | (0.7) | (1.0%) | 78.9 |
| Core gross business profits | コア業務粗利益 | 59.5 | (1.3) | (2.2%) | 60.8 |
| Net interest income | 資金利益 | 51.3 | (2.0) | | 53.3 |
| Domestic | 国内業務部門 | 49.6 | (0.8) | | 50.5 |
| International | 国際業務部門 | 1.7 | (1.1) | | 2.8 |
| Net fees and commissions | 役務取引等利益 | 7.6 | (1.1) | | 8.7 |
| Net trading income | 特定取引利益 | — | — | | — |
| Net other income (excluding gains (losses) related to bonds) | その他業務利益 (国債等債券損益除く) | 0.5 | 1.9 | | (1.3) |
| Gains on foreign exchange transactions | うち外国為替売買益 | (0.6) | 0.6 | | (1.2) |
| Income from derivatives | うち金融派生商品収益 | 0.0 | 0.0 | | (0.0) |
| General and administrative expenses | 経費 | 41.3 | (0.2) | | 41.5 |
| Personnel | 人件費 | 18.8 | 0.0 | | 18.7 |
| Non-personnel | 物件費 | 19.4 | (0.2) | | 19.7 |
| Core net business profits | コア業務純益 | 18.2 | (1.0) | (5.3%) | 19.2 |
| Net gains (losses) related to bonds | 国債等債券損益 | (11.5) | (10.0) | | (1.4) |
| Net business Profits (before provision (reversal) of general allowance for loan losses) | 実質業務純益 | 6.6 | (11.1) | | 17.7 |
| Provision (reversal) of general allowance for loan losses (1) | 一般貸倒引当金繰入(1) | — | — | | — |
| Net business profits | 業務純益 | 6.6 | (11.1) | | 17.7 |
| Net non-recurring gains (losses) | 臨時損益 | 2.3 | 4.7 | | (2.3) |
| Credit related costs (2) | 不良債権処理額(2) | (1.2) | (1.2) | | (0.0) |
| (Reference) Total credit costs (1)+(2) | (参考)与信費用(1)+(2) | (1.2) | (1.2) | | (0.0) |
| Net gains (losses) related to stocks | 株式等損益 | 2.3 | 2.7 | | (0.4) |
| Ordinary profits | 経常利益 | 8.9 | (6.3) | (41.5%) | 15.3 |
| Net extraordinary gains (losses) | 特別損益 | 2.2 | 2.4 | | (0.2) |
| Income taxes | 法人税等 | 2.9 | (1.2) | | 4.2 |
| Income taxes-deferred | 法人税等調整額 | 2.4 | 0.8 | | 1.6 |
| Net income | 当期純利益 | 8.2 | (2.6) | (24.5%) | 10.9 |

2. Loans and Deposits

(1) Loans

【Total of two banks】

(Billions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31,2016 |
|---|--------------------|-------------------|--------------|--------------|-------------------|-------------------|
| | | (A) | (A)-(B) | (A)-(C) | (B) | (C) |
| Loans | (1)貸出金 | 8,189.4 | 401.0 | 589.8 | 7,788.3 | 7,599.6 |
| Loans to small and medium-sized enterprises("SMEs") and individuals | (2)中小企業等向け貸出 | 5,153.9 | 181.7 | 308.9 | 4,972.2 | 4,845.0 |
| Housing and consumer loans | (3)個人ローン | 2,350.3 | 100.0 | 194.2 | 2,250.2 | 2,156.0 |
| Housing loans | 住宅系ローン | 2,195.8 | 94.0 | 174.1 | 2,101.7 | 2,021.6 |
| Percentage of loans to SMEs and individuals, to total loans | (2)/(1)中小企業等向け貸出比率 | 62.93% | (0.91%) | (0.82%) | 63.84% | 63.75% |
| Percentage of housing and consumer loans, to total loans | (3)/(1)個人ローン比率 | 28.69% | (0.20%) | 0.32% | 28.89% | 28.37% |

【Hokuriku bank】

(Billions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31,2016 |
|---|--------------------|-------------------|--------------|--------------|-------------------|-------------------|
| | | (A) | (A)-(B) | (A)-(C) | (B) | (C) |
| Loans | (1)貸出金 | 4,670.1 | 202.5 | 286.7 | 4,467.6 | 4,383.4 |
| Loans to small and medium-sized enterprises("SMEs") and individuals | (2)中小企業等向け貸出 | 3,050.2 | 80.4 | 132.0 | 2,969.7 | 2,918.1 |
| Housing and consumer loans | (3)個人ローン | 1,225.5 | 25.7 | 57.9 | 1,199.8 | 1,167.6 |
| Housing loans | 住宅系ローン | 1,157.6 | 23.6 | 48.8 | 1,133.9 | 1,108.7 |
| Percentage of loans to SMEs and individuals, to total loans | (2)/(1)中小企業等向け貸出比率 | 65.31% | (1.16%) | (1.26%) | 66.47% | 66.57% |
| Percentage of housing and consumer loans, to total loans | (3)/(1)個人ローン比率 | 26.24% | (0.61%) | (0.39%) | 26.85% | 26.63% |

【Hokkaido bank】

(Billions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31,2016 |
|---|--------------------|-------------------|--------------|--------------|-------------------|-------------------|
| | | (A) | (A)-(B) | (A)-(C) | (B) | (C) |
| Loans | (1)貸出金 | 3,519.2 | 198.5 | 303.0 | 3,320.7 | 3,216.1 |
| Loans to small and medium-sized enterprises("SMEs") and individuals | (2)中小企業等向け貸出 | 2,103.7 | 101.2 | 176.8 | 2,002.5 | 1,926.8 |
| Housing and consumer loans | (3)個人ローン | 1,124.7 | 74.3 | 136.2 | 1,050.3 | 988.4 |
| Housing loans | 住宅系ローン | 1,038.1 | 70.4 | 125.2 | 967.7 | 912.9 |
| Percentage of loans to SMEs and individuals, to total loans | (2)/(1)中小企業等向け貸出比率 | 59.77% | (0.53%) | (0.14%) | 60.30% | 59.91% |
| Percentage of housing and consumer loans, to total loans | (3)/(1)個人ローン比率 | 31.95% | 0.32% | 1.22% | 31.63% | 30.73% |

(2) Deposits and Investment products

【Group Total (Two banks and Hokuhoku Tokai Tokyo Securities Co.,Ltd. Combined)】

(Billions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31,2016 |
|---|----------------------|-------------------|------------|---------|-------------------|-------------------|
| | | (A) | (A)-(B) | (A)-(C) | (B) | (C) |
| Total balance of investment products for individuals | 個人向け投資型金融商品 | 613.4 | 7.1 | | 606.3 | 621.8 |
| Total balance of investment products for individuals (Total of two banks) | 個人向け投資型金融商品 (2行合算) | 541.7 | (6.8) | (80.0) | 548.5 | 621.8 |
| Investment products for individuals at Hokuhoku Tokai Tokyo Securities Co.,Ltd. | ほくほくTT証券の個人向け投資型金融商品 | 71.7 | 13.9 | | 57.7 | |

※Hokuhoku Tokai Tokyo Securities Co.,Ltd started business on Jan. 2017.

【Total of two banks】

(Billions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31,2016 |
|---|-------------------|-------------------|--------------|---------------|-------------------|-------------------|
| | | (A) | (A)-(B) | (A)-(C) | (B) | (C) |
| Deposits* | 預金(含む譲渡性預金) | 11,180.7 | 449.7 | 678.1 | 10,731.0 | 10,502.6 |
| Individual deposits* | うち個人預金(含む譲渡性預金) | 7,498.6 | 173.0 | 348.9 | 7,325.6 | 7,149.6 |
| Total individual assets | (1) 個人預かり資産 | 8,013.6 | 162.0 | 265.8 | 7,851.5 | 7,747.7 |
| Individual deposits* (deposits in yen) | 個人預金(円貨) | 7,471.8 | 168.9 | 345.9 | 7,302.9 | 7,125.9 |
| Investment products (for individuals) | (2) 投資型金融商品 | 541.7 | (6.8) | (80.0) | 548.5 | 621.8 |
| Foreign currency deposits | 外貨預金 | 26.7 | 4.0 | 2.9 | 22.6 | 23.7 |
| Public bonds | 公債 | 222.6 | 26.8 | (12.6) | 195.7 | 235.2 |
| Investment trusts | 投資信託 | 292.3 | (37.7) | (70.4) | 330.1 | 362.8 |
| Percentage of investment products, to total individual assets | (2)/(1) 投資型金融商品比率 | 6.76% | (0.22%) | (1.26%) | 6.98% | 8.02% |

【Hokuriku bank】

(Billions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31,2016 |
|---|-------------------|-------------------|---------------|---------------|-------------------|-------------------|
| | | (A) | (A)-(B) | (A)-(C) | (B) | (C) |
| Deposits* | 預金(含む譲渡性預金) | 6,505.8 | 262.4 | 388.1 | 6,243.3 | 6,117.6 |
| Individual deposits* | うち個人預金(含む譲渡性預金) | 4,176.7 | 105.6 | 212.4 | 4,071.1 | 3,964.3 |
| Total individual assets | (1) 個人預かり資産 | 4,426.0 | 78.3 | 151.3 | 4,347.7 | 4,274.7 |
| Individual deposits* (deposits in yen) | 個人預金(円貨) | 4,161.5 | 103.0 | 209.6 | 4,058.5 | 3,951.9 |
| Investment products (for individuals) | (2) 投資型金融商品 | 264.5 | (24.6) | (58.3) | 289.2 | 322.8 |
| Foreign currency deposits | 外貨預金 | 15.2 | 2.5 | 2.8 | 12.6 | 12.4 |
| Public bonds | 公債 | 104.5 | (1.8) | (12.9) | 106.3 | 117.4 |
| Investment trusts | 投資信託 | 144.7 | (25.4) | (48.1) | 170.2 | 192.9 |
| Percentage of investment products, to total individual assets | (2)/(1) 投資型金融商品比率 | 5.97% | (0.68%) | (1.58%) | 6.65% | 7.55% |

【Hokkaido bank】

(Billions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31,2016 |
|---|-------------------|-------------------|--------------|---------------|-------------------|-------------------|
| | | (A) | (A)-(B) | (A)-(C) | (B) | (C) |
| Deposits* | 預金(含む譲渡性預金) | 4,674.9 | 187.2 | 290.0 | 4,487.6 | 4,384.9 |
| Individual deposits* | うち個人預金(含む譲渡性預金) | 3,321.8 | 67.3 | 136.5 | 3,254.4 | 3,185.3 |
| Total individual assets | (1) 個人預かり資産 | 3,587.5 | 83.7 | 114.5 | 3,503.7 | 3,472.9 |
| Individual deposits* (deposits in yen) | 個人預金(円貨) | 3,310.3 | 65.9 | 136.3 | 3,244.4 | 3,174.0 |
| Investment products (for individuals) | (2) 投資型金融商品 | 277.1 | 17.8 | (21.7) | 259.3 | 298.9 |
| Foreign currency deposits | 外貨預金 | 11.5 | 1.4 | 0.1 | 10.0 | 11.3 |
| Public bonds | 公債 | 118.0 | 28.6 | 0.3 | 89.4 | 117.7 |
| Investment trusts | 投資信託 | 147.5 | (12.3) | (22.3) | 159.9 | 169.9 |
| Percentage of investment products, to total individual assets | (2)/(1) 投資型金融商品比率 | 7.72% | 0.32% | (0.88%) | 7.40% | 8.60% |

*including NCD

3. Securities

(1) Balance of securities

(Billions of yen)

| | (Japanese) | Total of two banks | | | | | | | | | | | |
|---|---------------|--------------------|----------------|----------------|-------------------|----------------|----------------|---------------|----------------|--------------|---------------|---------|-----|
| | | As of Mar.31,2018 | | | As of Mar.31,2017 | | | Hokuriku bank | | | Hokkaido bank | | |
| | | (A) | (A)-(B) | (B) | (A) | (A)-(B) | (B) | (A) | (A)-(B) | (B) | (A) | (A)-(B) | (B) |
| Securities | 有価証券 | 1,943.3 | (496.0) | 2,439.3 | 1,317.1 | (140.5) | 1,457.6 | 626.2 | (355.4) | 981.6 | | | |
| Government bonds | 国債 | 720.6 | (177.2) | 897.8 | 481.2 | (59.9) | 541.2 | 239.3 | (117.3) | 356.6 | | | |
| Local government bonds | 地方債 | 315.7 | (12.0) | 327.8 | 249.5 | 16.6 | 232.8 | 66.2 | (28.6) | 94.9 | | | |
| Corporate bonds | 社債 | 306.7 | (6.7) | 313.4 | 157.4 | (2.9) | 160.3 | 149.2 | (3.8) | 153.0 | | | |
| Japanese stocks | 株式 | 251.4 | 10.8 | 240.6 | 166.5 | 11.3 | 155.1 | 84.9 | (0.5) | 85.4 | | | |
| Foreign securities | 外国証券 | 224.2 | (171.2) | 395.4 | 165.9 | (100.5) | 266.4 | 58.2 | (70.6) | 128.9 | | | |
| Others | その他 | 124.4 | (139.6) | 264.1 | 96.3 | (5.1) | 101.5 | 28.1 | (134.4) | 162.5 | | | |
| Average duration to maturity of yen bonds (years) ※ | 円債デュレーション(年)※ | 3.08 | (0.06) | 3.14 | 2.58 | (0.34) | 2.92 | 4.06 | 0.58 | 3.48 | | | |

※ Excluding investment balance hedged with derivative transactions

(2) Valuation difference on available-for-sale securities

(Non-consolidated)

(Billions of yen)

| | (Japanese) | Total of two banks | | | | | | | | | | | |
|--------------------------------------|------------|--------------------|-------------|--------------|-------------------|------------|-------------|---------------|------------|-------------|---------------|---------|-----|
| | | As of Mar.31,2018 | | | As of Mar.31,2017 | | | Hokuriku bank | | | Hokkaido bank | | |
| | | (A) | (A)-(B) | (B) | (A) | (A)-(B) | (B) | (A) | (A)-(B) | (B) | (A) | (A)-(B) | (B) |
| Available-for-sale securities | その他有価証券 | 124.0 | 10.9 | 113.0 | 92.5 | 5.4 | 87.0 | 31.4 | 5.4 | 26.0 | | | |
| Japanese stocks | 株式 | 106.4 | 9.3 | 97.0 | 75.9 | 13.0 | 62.9 | 30.4 | (3.6) | 34.1 | | | |
| Japanese bonds | 債券 | 19.5 | (8.1) | 27.6 | 15.8 | (6.2) | 22.0 | 3.6 | (1.9) | 5.5 | | | |
| Others | その他 | (1.9) | 9.7 | (11.6) | 0.7 | (1.3) | 2.0 | (2.6) | 11.0 | (13.7) | | | |

(Consolidated)

(Billions of yen)

| | (Japanese) | FG | | | Hokuriku bank | | | Hokkaido bank | | |
|--------------------------------------|------------|-------------------|-------------|-------------------|-------------------|------------|-------------------|-------------------|------------|-------------------|
| | | As of Mar.31,2018 | | As of Mar.31,2017 | As of Mar.31,2018 | | As of Mar.31,2017 | As of Mar.31,2018 | | As of Mar.31,2017 |
| | | (A) | (A)-(B) | (B) | (A) | (A)-(B) | (B) | (A) | (A)-(B) | (B) |
| Available-for-sale securities | その他有価証券 | 121.6 | 13.4 | 108.1 | 92.5 | 5.4 | 87.0 | 32.7 | 5.7 | 27.0 |
| Japanese stocks | 株式 | 101.7 | 11.3 | 90.3 | 75.9 | 13.0 | 62.9 | 30.6 | (3.6) | 34.2 |
| Japanese bonds | 債券 | 19.4 | (8.1) | 27.5 | 15.8 | (6.2) | 22.0 | 3.6 | (1.9) | 5.5 |
| Others | その他 | 0.4 | 10.2 | (9.8) | 0.7 | (1.3) | 2.0 | (1.5) | 11.3 | (12.8) |

4. Non-Performing Loan (“NPL”) based on the Financial Reconstruction Law

【Total of two banks】

(Billions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31, 2016 |
|-------------------------------------|-----------------------|-------------------|----------------|----------------|-------------------|--------------------|
| | | (A) | (A)-(B) | (A)-(C) | (B) | (C) |
| Bankrupt and substantially bankrupt | 破産更生債権等 | 16.1 | (1.6) | (6.7) | 17.7 | 22.8 |
| Doubtful | 危険債権 | 112.2 | (7.6) | (13.4) | 119.8 | 125.7 |
| Substandard | 要管理債権 | 19.2 | 0.6 | (0.8) | 18.6 | 20.1 |
| Non Performing Loan | (1) 小計 (金融再生法開示債権) | 147.5 | (8.6) | (21.1) | 156.2 | 168.6 |
| Normal | 正常債権 | 8,280.3 | 421.0 | 640.6 | 7,859.3 | 7,639.7 |
| Total | (2) 合計 (総与信) | 8,427.8 | 412.3 | 619.4 | 8,015.4 | 7,808.3 |
| NPL ratio | (1)/(2) 開示債権比率 | 1.74% | (0.20%) | (0.41%) | 1.94% | 2.15% |

【Hokuriku bank】

(Billions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31, 2016 |
|-------------------------------------|-----------------------|-------------------|----------------|----------------|-------------------|--------------------|
| | | (A) | (A - B) | (A - C) | (B) | (C) |
| Bankrupt and substantially bankrupt | 破産更生債権等 | 11.0 | (1.6) | (5.3) | 12.6 | 16.3 |
| Doubtful | 危険債権 | 64.3 | (1.9) | (5.9) | 66.3 | 70.3 |
| Substandard | 要管理債権 | 10.9 | 0.7 | (0.1) | 10.2 | 11.1 |
| Non Performing Loan | (1) 小計 (金融再生法開示債権) | 86.3 | (2.8) | (11.4) | 89.1 | 97.7 |
| Normal | 正常債権 | 4,656.8 | 206.1 | 294.5 | 4,450.6 | 4,362.2 |
| Total | (2) 合計 (総与信) | 4,743.0 | 203.2 | 283.1 | 4,539.7 | 4,459.9 |
| NPL ratio | (1)/(2) 開示債権比率 | 1.81% | (0.15%) | (0.37%) | 1.96% | 2.18% |

【Hokkaido bank】

(Billions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31, 2016 |
|-------------------------------------|-----------------------|-------------------|----------------|----------------|-------------------|--------------------|
| | | (A) | (A)-(B) | (A)-(C) | (B) | (C) |
| Bankrupt and substantially bankrupt | 破産更生債権等 | 5.1 | (0.0) | (1.4) | 5.1 | 6.5 |
| Doubtful | 危険債権 | 47.9 | (5.6) | (7.5) | 53.5 | 55.4 |
| Substandard | 要管理債権 | 8.3 | (0.1) | (0.7) | 8.4 | 9.0 |
| Non Performing Loan | (1) 小計 (金融再生法開示債権) | 61.2 | (5.8) | (9.7) | 67.1 | 70.9 |
| Normal | 正常債権 | 3,623.6 | 214.9 | 346.0 | 3,408.6 | 3,277.5 |
| Total | (2) 合計 (総与信) | 3,684.8 | 209.0 | 336.3 | 3,475.7 | 3,348.4 |
| NPL ratio | (1)/(2) 開示債権比率 | 1.66% | (0.26%) | (0.45%) | 1.92% | 2.11% |

5. Capital adequacy ratio

(1) Capital adequacy ratio

| | (Japanese) | FG (consolidated) | | | Hokuriku bank (non-consolidated) | | | Hokkaido bank (non-consolidated) | | |
|--|------------|-----------------------------|---------|-----------------------------|-------------------------------------|---------|-----------------------------|-------------------------------------|---------|-----------------------------|
| | | As of Mar.31,2018 (A) | (A)-(B) | As of Mar.31,2017 (B) | As of Mar.31,2018 (A) | (A)-(B) | As of Mar.31,2017 (B) | As of Mar.31,2018 (A) | (A)-(B) | As of Mar.31,2017 (B) |
| | | Capital adequacy ratio | 自己資本比率 | 9.49% | 0.06% | 9.43% | 9.02% | 0.28% | 8.74% | 9.28% |

6. Forecast

(1) Earnings forecast

(Billions of yen)

| | (Japanese) | 【FG (consolidated)】 Forecast for FY 2018 | | |
|---|-----------------|---|-------------|------------------------|
| | | Full year | | Change from FY 2017 |
| | | Interim | Full year | |
| Ordinary profits | 経常利益 | 16.0 | 33.0 | 1.2 |
| Net income attributable to owners of the parent | 親会社株主に帰属する当期純利益 | 10.0 | 21.0 | (0.1) |

(Billions of yen)

| | (Japanese) | 【Total of two banks】 Forecast for FY 2018 | | | | | | | | |
|-------------------------------------|------------|--|--------------|------------------------|---------------|-------------|------------------------|---------------|-------------|------------------------|
| | | FG (consolidated) | | | Hokuriku bank | | | Hokkaido bank | | |
| | | Full year | | Change from FY 2017 | Full year | | Change from FY 2017 | Full year | | Change from FY 2017 |
| | | Interim | Full year | | Interim | Full year | | Interim | Full year | |
| Core gross business profits | コア業務粗利益 | 64.0 | 128.0 | 1.2 | 35.0 | 70.0 | (1.2) | 29.0 | 58.0 | (1.5) |
| General and administrative expenses | 経費 | 45.0 | 89.5 | 0.6 | 24.5 | 48.5 | 0.9 | 20.5 | 41.0 | (0.3) |
| Core net business profits | コア業務純益 | 19.0 | 38.5 | 0.5 | 10.5 | 21.5 | (2.2) | 8.5 | 17.0 | (1.2) |
| Total credit costs | 与信費用 | 2.5 | 5.0 | 4.4 | 1.5 | 3.0 | 1.1 | 1.0 | 2.0 | 3.2 |
| Ordinary profits | 経常利益 | 17.0 | 34.0 | 0.8 | 10.0 | 20.0 | (4.1) | 7.0 | 14.0 | 5.0 |
| Net income | 当期純利益 | 11.5 | 23.0 | (1.0) | 6.5 | 13.0 | (2.7) | 5.0 | 10.0 | 1.7 |

(2) Dividends forecast

| | (Japanese) | Annual | | | |
|--|------------|-----------------------|------------------------|---------------|------------------------|
| | | Interim (forecast) | Year-end (forecast) | Annual | Change from FY 2017 |
| Dividend per common share | 普通株式 | ¥0.00 | ¥44.00 | ¥44.00 | — |
| Dividend per preferred share (type 5) | 第5種優先株式 | ¥7.50 | ¥7.50 | ¥15.00 | — |

II. Financial Statements

【Hokuhoku Financial Group, Inc. (Consolidated)】

Consolidated Balance Sheets (Unaudited)

| | | <i>Millions of yen</i> | |
|---|----------------------|----------------------------|----------------------------|
| | | As of March 31, 2017 | As of March 31, 2018 |
| (Assets) | (資産の部) | | |
| Cash and due from banks | 現金預け金 | 1,753,743 | 2,388,907 |
| Call loans and bills bought | コールローン及び買入手形 | 89,415 | 52,753 |
| Monetary claims bought | 買入金銭債権 | 62,585 | 44,178 |
| Trading assets | 特定取引資産 | 4,646 | 4,397 |
| Money held in trust | 金銭の信託 | 10,001 | 11,241 |
| Securities | 有価証券 | 2,449,455 | 1,952,999 |
| Loans and bills discounted | 貸出金 | 7,771,338 | 8,172,888 |
| Foreign exchanges | 外国為替 | 16,260 | 18,782 |
| Other assets | その他資産 | 132,969 | 218,945 |
| Tangible fixed assets | 有形固定資産 | 101,192 | 100,807 |
| Intangible fixed assets | 無形固定資産 | 24,358 | 24,449 |
| Asset for retirement benefit | 退職給付に係る資産 | — | 895 |
| Deferred tax assets | 繰延税金資産 | 4,632 | 205 |
| Customers' liabilities for acceptances and guarantees | 支払承諾見返 | 60,551 | 53,253 |
| Allowance for loan losses | 貸倒引当金 | (51,725) | (48,413) |
| Total assets | 資産の部合計 | 12,429,425 | 12,996,292 |
| (Liabilities) | (負債の部) | | |
| Deposits | 預金 | 10,560,772 | 11,028,521 |
| Negotiable certificates of deposit | 譲渡性預金 | 140,499 | 122,691 |
| Call money and bills sold | コールマネー及び売渡手形 | 36,267 | 45,312 |
| Payables under repurchase agreements | 売現先勘定 | — | 18,528 |
| Payables under securities lending transactions | 債券貸借取引受入担保金 | 534,362 | 426,276 |
| Trading liabilities | 特定取引負債 | 861 | 683 |
| Borrowed money | 借入金 | 325,331 | 567,512 |
| Foreign exchanges | 外国為替 | 103 | 186 |
| Bonds payable | 社債 | 25,000 | 25,000 |
| Other liabilities | その他負債 | 123,335 | 65,704 |
| Liability for retirement benefit | 退職給付に係る負債 | 15,026 | 6,218 |
| Reserve for directors' retirement benefits | 役員退職慰労引当金 | 204 | 189 |
| Reserve for contingent loss | 偶発損失引当金 | 1,492 | 1,354 |
| Reserve for reimbursement of deposits | 睡眠預金払戻損失引当金 | 1,590 | 1,921 |
| Reserves under the special laws | 特別法上の引当金 | 0 | 1 |
| Deferred tax liabilities | 繰延税金負債 | 13,102 | 17,302 |
| Deferred tax liabilities for land revaluation | 再評価に係る繰延税金負債 | 5,686 | 5,487 |
| Acceptances and guarantees | 支払承諾 | 60,551 | 53,253 |
| Total liabilities | 負債の部合計 | 11,844,188 | 12,386,145 |
| (Net assets) | (純資産の部) | | |
| Capital stock | 資本金 | 70,895 | 70,895 |
| Capital surplus | 資本剰余金 | 144,587 | 144,590 |
| Retained earnings | 利益剰余金 | 284,896 | 299,060 |
| Treasury stock | 自己株式 | (1,398) | (1,367) |
| Total shareholders' equity | 株主資本合計 | 498,979 | 513,178 |
| Valuation difference on available-for-sale securities | その他有価証券評価差額金 | 81,406 | 90,163 |
| Deferred gains or losses on hedges | 繰延ヘッジ損益 | (1,208) | (975) |
| Revaluation reserve for land | 土地再評価差額金 | 8,993 | 8,642 |
| Remeasurements of defined benefit plans | 退職給付に係る調整累計額 | (5,773) | (3,977) |
| Accumulated other comprehensive income | その他の包括利益累計額合計 | 83,417 | 93,852 |
| Stock acquisition rights | 新株予約権 | 367 | 451 |
| Non-controlling interests | 非支配株主持分 | 2,472 | 2,664 |
| Total net assets | 純資産の部合計 | 585,237 | 610,147 |
| Total liabilities and net assets | 負債及び純資産の部合計 | 12,429,425 | 12,996,292 |

Notes: Amounts less than one million yen are rounded down.

【Hokuhoku Financial Group, Inc. (Consolidated)】

Consolidated Statements of Income (Unaudited)

| | | <i>Millions of yen</i> | |
|--|------------------|---|---|
| | | For the fiscal year ended March 31, 2017 | For the fiscal year ended March 31, 2018 |
| Ordinary income | 経常収益 | 187,420 | 180,916 |
| Interest income | 資金運用収益 | 120,786 | 113,659 |
| Interest on loans and discounts | 貸出金利息 | 92,941 | 89,931 |
| Interest and dividends on securities | 有価証券利息配当金 | 25,174 | 21,516 |
| Interest on call loans and bills bought | コールローン利息及び買入手形利息 | 1,092 | 893 |
| Interest on receivables under resale agreements | 買現先利息 | (1) | (10) |
| Interest on deposits with other banks | 預け金利息 | 914 | 923 |
| Other interest income | その他の受入利息 | 666 | 404 |
| Fees and commissions | 役務取引等収益 | 38,221 | 38,956 |
| Trading income | 特定取引収益 | 319 | 1,054 |
| Other ordinary income | その他業務収益 | 15,192 | 15,533 |
| Other income | その他経常収益 | 12,900 | 11,712 |
| Reversal of allowance for loan losses | 貸倒引当金戻入益 | 511 | — |
| Other | その他の経常収益 | 12,389 | 11,712 |
| Ordinary expenses | 経常費用 | 147,942 | 149,123 |
| Interest expenses | 資金調達費用 | 6,243 | 6,318 |
| Interest on deposits | 預金利息 | 1,776 | 1,478 |
| Interest on negotiable certificates of deposit | 譲渡性預金利息 | 62 | 28 |
| Interest on call money and bills sold | コールマネー利息及び売渡手形利息 | 144 | 79 |
| Interest on payables under repurchase agreements | 売現先利息 | — | 148 |
| Interest on payables under securities lending transactions | 債券貸借取引支払利息 | 1,483 | 2,018 |
| Interest on borrowings and rediscounts | 借入金利息 | 542 | 379 |
| Interest on bonds payable | 社債利息 | 276 | 187 |
| Other interest expenses | その他の支払利息 | 1,956 | 1,996 |
| Fees and commissions | 役務取引等費用 | 14,194 | 15,396 |
| Other ordinary expenses | その他業務費用 | 17,271 | 21,675 |
| General and administrative expenses | 営業経費 | 101,411 | 98,758 |
| Other expenses | その他経常費用 | 8,820 | 6,976 |
| Provision of allowance for loan losses | 貸倒引当金繰入額 | — | 645 |
| Other | その他の経常費用 | 8,820 | 6,330 |
| Ordinary profits | 経常利益 | 39,477 | 31,792 |
| Extraordinary income | 特別利益 | 104 | 1,491 |
| Gain on disposal of fixed assets | 固定資産処分益 | 104 | 92 |
| Gain on contribution of securities to retirement benefit trust | 退職給付信託設定益 | — | 1,398 |
| Extraordinary loss | 特別損失 | 1,030 | 2,246 |
| Loss on disposal of fixed assets | 固定資産処分損 | 419 | 249 |
| Impairment loss | 減損損失 | 610 | 1,995 |
| Other | その他 | — | 1 |
| Income before income taxes | 税金等調整前当期純利益 | 38,552 | 31,037 |
| Income taxes-current | 法人税、住民税及び事業税 | 7,312 | 6,888 |
| Income taxes-deferred | 法人税等調整額 | 3,047 | 2,792 |
| Total income taxes | 法人税等合計 | 10,360 | 9,681 |
| Net income | 当期純利益 | 28,192 | 21,356 |
| Net income attributable to non-controlling interests | 非支配株主に帰属する当期純利益 | 34 | 165 |
| Net income attributable to owners of the parent | 親会社株主に帰属する当期純利益 | 28,157 | 21,191 |

【Hokuhoku Financial Group, Inc. (Consolidated)】

Consolidated Statements of Comprehensive Income (Unaudited)

| | | <i>Millions of yen</i> | |
|---|------------------|---|---|
| | | For the fiscal year ended March 31, 2017 | For the fiscal year ended March 31, 2018 |
| Net income before adjusting minority interest | 当期純利益 | 28,192 | 21,356 |
| Other comprehensive income | その他の包括利益 | 547 | 10,813 |
| Valuation difference on available-for-sale securities | その他有価証券評価差額金 | (2,466) | 8,751 |
| Deferred gains or losses on hedges | 繰延ヘッジ損益 | 387 | 233 |
| Defined retirement benefit plans | 退職給付に係る調整額 | 2,567 | 1,795 |
| Share of other comprehensive income of associates accounted for using equity method | 持分法適用会社に対する持分相当額 | 58 | 33 |
| Total comprehensive income | 包括利益 | 28,739 | 32,169 |
| The amount attributable to owners of the parent | 親会社株主に係る包括利益 | 28,684 | 31,977 |
| The amount attributable to non-controlling interests | 非支配株主に係る包括利益 | 55 | 191 |

【Hokuhoku Financial Group, Inc. (Consolidated)】

Consolidated Statements of Changes In Net Assets (Unaudited)

Millions of yen

| For the fiscal year ended March 31, 2017 | Shareholders' equity | | | | |
|---|----------------------|--------------------|----------------------|-------------------|----------------------------------|
| | 株主資本 | | | | |
| | Capital stock | Capital surplus | Retained earnings | Treasury stock | Total shareholders' equity |
| | 資本金 | 資本剰余金 | 利益剰余金 | 自己株式 | 株主資本合計 |
| Balance at the beginning of the period 当期首残高 | 70,895 | 148,211 | 263,959 | (1,489) | 481,576 |
| Changes of items during the period 当期変動額 | | | | | |
| Cash dividends 剰余金の配当 | | | (7,307) | | (7,307) |
| Net income attributable to owners of the parent 親会社株主に帰属する当期純利益 | | | 28,157 | | 28,157 |
| Purchase of treasury stock 自己株式の取得 | | | | (3,608) | (3,608) |
| Disposal of treasury stock 自己株式の処分 | | 22 | | 52 | 75 |
| Retirement of treasury stock 自己株式の消却 | | (3,647) | | 3,647 | — |
| Reversal of revaluation reserve for land 土地再評価差額金の取崩 | | | 86 | | 86 |
| Net changes of items other than shareholders' equity 株主資本以外の項目の変動 | | | | | |
| Total changes during the period 当期変動額合計 | — | (3,624) | 20,936 | 91 | 17,403 |
| Balance at the end of current period 当期末残高 | 70,895 | 144,587 | 284,896 | (1,398) | 498,979 |

Millions of yen

| For the fiscal year ended March 31, 2017 | Accumulated other comprehensive income: | | | | | | | |
|---|--|--|---------------------------------|---|--|--------------------------------|------------------------------|---------------------|
| | その他の包括利益累計額 | | | | | | | |
| | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Revaluation reserve for land | Remeasurements of defined benefit plans | Total accumulated other comprehensive income | Stock acquisition rights | Non-controlling interests | Total net assets |
| その他有価証券評価差額金 | 繰延ヘッジ損益 | 土地再評価差額金 | 退職給付に係る調整累計額 | その他の包括利益累計額合計 | 新株予約権 | 非支配株主持分 | 純資産合計 | |
| Balance at the beginning of the period 当期首残高 | 83,834 | (1,596) | 9,079 | (8,340) | 82,976 | 319 | 1,378 | 566,251 |
| Changes of items during the period 当期変動額 | | | | | | | | |
| Cash dividends 剰余金の配当 | | | | | | | | (7,307) |
| Net income attributable to owners of the parent 親会社株主に帰属する当期純利益 | | | | | | | | 28,157 |
| Purchase of treasury stock 自己株式の取得 | | | | | | | | (3,608) |
| Disposal of treasury stock 自己株式の処分 | | | | | | | | 75 |
| Retirement of treasury stock 自己株式の消却 | | | | | | | | — |
| Reversal of revaluation reserve for land 土地再評価差額金の取崩 | | | | | | | | 86 |
| Net changes of items other than shareholders' equity 株主資本以外の項目の変動 | (2,428) | 387 | (86) | 2,567 | 440 | 47 | 1,094 | 1,582 |
| Total changes during the period 当期変動額合計 | (2,428) | 387 | (86) | 2,567 | 440 | 47 | 1,094 | 18,985 |
| Balance at the end of current period 当期末残高 | 81,406 | (1,208) | 8,993 | (5,773) | 83,417 | 367 | 2,472 | 585,237 |

Millions of yen

| For the fiscal year ended March 31, 2018 | Shareholders' equity | | | | |
|--|----------------------|-----------------|-------------------|----------------|----------------------------|
| | 株主資本 | | | | |
| | Capital stock | Capital surplus | Retained earnings | Treasury stock | Total shareholders' equity |
| | 資本金 | 資本剰余金 | 利益剰余金 | 自己株式 | 株主資本合計 |
| Balance at the beginning of the period 当期首残高 | 70,895 | 144,587 | 284,896 | (1,398) | 498,979 |
| Changes of items during the period 当期変動額 | | | | | |
| Cash dividends 剰余金の配当 | | | (7,377) | | (7,377) |
| Net income attributable to owners of the parent 親会社株主に帰属する当期純利益 | | | 21,191 | | 21,191 |
| Purchase of treasury stock 自己株式の取得 | | | | (24) | (24) |
| Disposal of treasury stock 自己株式の処分 | | 2 | | 55 | 58 |
| Retirement of treasury stock 自己株式の消却 | | | | | |
| Reversal of revaluation reserve for land 土地再評価差額金の取崩 | | | 350 | | 350 |
| Net changes of items other than shareholders' equity 株主資本以外の項目の変動 | | | | | |
| Total changes during the period 当期変動額合計 | — | 2 | 14,164 | 30 | 14,198 |
| Balance at the end of current period 当期末残高 | 70,895 | 144,590 | 299,060 | (1,367) | 513,178 |

Millions of yen

| For the fiscal year ended March 31, 2018 | Accumulated other comprehensive income: | | | | | | Stock acquisition rights 新株予約権 | Non-controlling interests 非支配株主持分 | Total net assets 純資産合計 |
|--|--|---|--|---|---|-----|-----------------------------------|--------------------------------------|---------------------------|
| | その他の包括利益累計額 | | | | | | | | |
| | Valuation difference on available-for-sale securities その他の有価証券評価差額金 | Deferred gains or losses on hedges 繰延ヘッジ損益 | Revaluation reserve for land 土地再評価差額金 | Remeasurements of defined benefit plans 退職給付に係る調整累計額 | Total accumulated other comprehensive income その他の包括利益累計額合計 | | | | |
| Balance at the beginning of the period 当期首残高 | 81,406 | (1,208) | 8,993 | (5,773) | 83,417 | 367 | 2,472 | 585,237 | |
| Changes of items during the period 当期変動額 | | | | | | | | | |
| Cash dividends 剰余金の配当 | | | | | | | | (7,377) | |
| Net income attributable to owners of the parent 親会社株主に帰属する当期純利益 | | | | | | | | 21,191 | |
| Purchase of treasury stock 自己株式の取得 | | | | | | | | (24) | |
| Disposal of treasury stock 自己株式の処分 | | | | | | | | 58 | |
| Retirement of treasury stock 自己株式の消却 | | | | | | | | — | |
| Reversal of revaluation reserve for land 土地再評価差額金の取崩 | | | | | | | | 350 | |
| Net changes of items other than shareholders' equity 株主資本以外の項目の変動 | 8,757 | 233 | (350) | 1,795 | 10,435 | 84 | 191 | 10,711 | |
| Total changes during the period 当期変動額合計 | 8,757 | 233 | (350) | 1,795 | 10,435 | 84 | 191 | 24,909 | |
| Balance at the end of current period 当期末残高 | 90,163 | (975) | 8,642 | (3,977) | 93,852 | 451 | 2,664 | 610,147 | |

【Hokuhoku Financial Group, Inc. (Consolidated)】

Consolidated Statements of Cash Flows (Unaudited)

| | | <i>Millions of yen</i> | |
|--|--------------------------|---|---|
| | | For the fiscal year ended March 31, 2017 | For the fiscal year ended March 31, 2018 |
| I. Cash flows from operating activities: | 営業活動によるキャッシュ・フロー | | |
| Income before income taxes | 税金等調整前当期純利益 | 38,552 | 31,037 |
| Depreciation | 減価償却費 | 5,881 | 6,776 |
| Impairment losses | 減損損失 | 610 | 1,995 |
| Amortization of goodwill | のれん償却額 | 2,943 | 2,102 |
| Equity in losses(gains) of affiliates | 持分法による投資損益(△) | (6) | (13) |
| Increase (decrease) in allowance for loan losses | 貸倒引当金の増減(△) | (3,199) | (3,311) |
| Increase (decrease) in reserve for contingent loss | 偶発損失引当金の増減(△)額 | (464) | (138) |
| Decrease (Increase) in asset for retirement benefit | 退職給付に係る資産の増(△)減額 | — | (895) |
| Increase (decrease) in liability for retirement benefit | 退職給付に係る負債の増減(△)額 | (5,433) | (8,807) |
| Increase (decrease) in reserve for directors' retirement benefits | 役員退職慰労引当金の増減(△)額 | (26) | (14) |
| Increase (decrease) in reserve for reimbursement of deposits | 睡眠預金払戻損失引当金の増減(△) | 170 | 331 |
| Interest income | 資金運用収益 | (120,786) | (113,659) |
| Interest expenses | 資金調達費用 | 6,243 | 6,318 |
| Losses (gains) on securities | 有価証券関係損益(△) | 879 | 3,980 |
| Losses (gains) on money held in trust | 金銭の信託の運用損益(△) | (10) | (0) |
| Losses (gains) on foreign exchange | 為替差損益(△) | (891) | 5,836 |
| Losses (gains) on sales of fixed assets | 固定資産処分損益(△) | 314 | 156 |
| Net decrease (increase) in trading assets | 特定取引資産の純増(△)減 | (15) | 248 |
| Net increase (decrease) in trading liabilities | 特定取引負債の純増減(△) | (267) | (178) |
| Net decrease (increase) in loans and bills discounted | 貸出金の純増(△)減 | (187,716) | (401,550) |
| Net increase (decrease) in deposits | 預金の純増減(△) | 329,363 | 467,749 |
| Net increase (decrease) in negotiable certificates of deposit | 譲渡性預金の純増減(△) | (103,508) | (17,807) |
| Net increase (decrease) in borrowed money (excluding subordinated borrowed money) | 借入金(劣後特約付借入金を除く)の純増減(△) | 141,912 | 242,180 |
| Net decrease (increase) in due from banks (excluding deposits with the Bank of Japan) | 預け金(日銀預け金を除く)の純増(△)減 | 22,858 | 4,290 |
| Net decrease (increase) in call loans, and others | コールローン等の純増(△)減 | (24,950) | 55,069 |
| Net increase (decrease) in call money and bills sold | コールマネー等の純増減(△) | 15,421 | 27,572 |
| Net increase (decrease) in payables under repurchase agreements | 債券貸借取引受入担保金の純増減(△) | 441,407 | (108,085) |
| Net decrease (increase) in foreign exchanges (assets) | 外国為替(資産)の純増(△)減 | (1,488) | (2,522) |
| Net increase (decrease) in foreign exchanges (liabilities) | 外国為替(負債)の純増減(△) | (123) | 82 |
| Interest income-cash basis | 資金運用による収入 | 95,954 | 90,917 |
| Interest expense-cash basis | 資金調達による支出 | (6,111) | (6,314) |
| Other, net | その他 | (28,835) | (129,917) |
| Subtotal | 小計 | 618,678 | 153,429 |
| Income taxes paid | 法人税等の支払額 | (9,808) | (4,040) |
| Net cash provided by (used in) operating activities | 営業活動によるキャッシュ・フロー | 608,869 | 149,389 |
| II. Cash flows from investing activities: | 投資活動によるキャッシュ・フロー | | |
| Purchases of securities | 有価証券の取得による支出 | (971,447) | (468,588) |
| Proceeds from sales of securities | 有価証券の売却による収入 | 700,130 | 695,593 |
| Proceeds from redemption of securities | 有価証券の償還による収入 | 235,058 | 259,314 |
| Payments for increase in money held in trust | 金銭の信託の増加による支出 | (20,476) | (21,380) |
| Proceeds from decrease in money held in trust | 金銭の信託の減少による収入 | 19,567 | 21,135 |
| Proceeds from fund management | 投資活動としての資金運用による収入 | 25,185 | 21,516 |
| Purchases of tangible fixed assets | 有形固定資産の取得による支出 | (5,630) | (5,826) |
| Proceeds from sales of tangible fixed assets | 有形固定資産の売却による収入 | 703 | 197 |
| Purchases of intangible fixed assets | 無形固定資産の取得による支出 | (4,365) | (4,186) |
| Purchases of shares of subsidiaries resulting in change in scope of consolidation | 連結の範囲の変更を伴う子会社株式の取得による支出 | (2,399) | — |
| Net cash provided by (used in) investing activities | 投資活動によるキャッシュ・フロー | (23,676) | 497,774 |
| III. Cash flows from financing activities: | 財務活動によるキャッシュ・フロー | | |
| Repayment of subordinated borrowed money | 劣後特約付借入金の返済による支出 | (24,500) | — |
| Repayment of subordinated bonds | 劣後特約付社債の償還による支出 | (8,000) | — |
| Expenditures for fund procurement | 財務活動としての資金調達による支出 | (662) | (307) |
| Dividends paid | 配当金の支払額 | (7,307) | (7,377) |
| Dividends paid to non-controlling shareholders | 非支配株主への配当金の支払額 | (0) | (0) |
| Purchases of treasury stock | 自己株式の取得による支出 | (3,608) | (12) |
| Proceeds from sales of treasury stock | 自己株式の売却による収入 | 0 | 0 |
| Net cash provided by (used in) financing activities | 財務活動によるキャッシュ・フロー | (44,078) | (7,697) |
| IV. Effect of exchange rate changes on cash and cash equivalents | 現金及び現金同等物に係る換算差額 | (12) | (11) |
| V. Net increase (decrease) in cash and cash equivalents | 現金及び現金同等物の増減(△)額 | 541,102 | 639,454 |
| VI. Cash and cash equivalents at the beginning of the period | 現金及び現金同等物の期首残高 | 1,193,798 | 1,734,901 |
| VII. Cash and cash equivalents at the end of the period | 現金及び現金同等物の期末残高 | 1,734,901 | 2,374,356 |

【The Hokuriku Bank, Ltd. (Non-Consolidated)】

Balance Sheets (Unaudited)

| | | <i>Millions of yen</i> | |
|---|--------------------|----------------------------|----------------------------|
| | | As of March 31, 2017 | As of March 31, 2018 |
| (Assets) | (資産の部) | | |
| Cash and due from banks | 現金預け金 | 1,108,739 | 1,465,060 |
| Call loans and bills bought | コールローン | 89,415 | 52,753 |
| Monetary claims bought | 買入金銭債権 | 62,585 | 44,177 |
| Trading assets | 特定取引資産 | 1,804 | 1,491 |
| Securities | 有価証券 | 1,457,677 | 1,317,103 |
| Loans and bills discounted | 貸出金 | 4,467,623 | 4,670,149 |
| Foreign exchanges | 外国為替 | 9,496 | 12,087 |
| Other assets | その他資産 | 33,684 | 73,461 |
| Tangible fixed assets | 有形固定資産 | 77,159 | 76,791 |
| Intangible fixed assets | 無形固定資産 | 4,920 | 5,963 |
| Prepaid pension cost | 前払年金費用 | 2,751 | 3,980 |
| Customers' liabilities for acceptances and guarantees | 支払承諾見返 | 31,547 | 28,593 |
| Allowance for loan losses | 貸倒引当金 | (18,066) | (18,675) |
| Total assets | 資産の部合計 | 7,329,338 | 7,732,938 |
| (Liabilities) | (負債の部) | | |
| Deposits | 預金 | 6,095,537 | 6,394,373 |
| Negotiable certificates of deposit | 譲渡性預金 | 147,860 | 111,451 |
| Call money and bills sold | コールマネー | 36,267 | 45,312 |
| Payables under repurchase agreements | 売現先勘定 | — | 18,528 |
| Payables under securities lending transactions | 債券貸借取引受入担保金 | 394,220 | 392,551 |
| Trading liabilities | 特定取引負債 | 861 | 683 |
| Borrowed money | 借入金 | 207,747 | 338,167 |
| Foreign exchanges | 外国為替 | 57 | 47 |
| Other liabilities | その他負債 | 53,501 | 21,181 |
| Reserve for employee retirement benefits | 退職給付引当金 | 1,608 | 1,132 |
| Reserve for directors' retirement benefits | 役員退職慰労引当金 | 43 | 43 |
| Reserve for contingent loss | 偶発損失引当金 | 925 | 876 |
| Reserve for reimbursement of deposits | 睡眠預金払戻損失引当金 | 1,075 | 1,331 |
| Deferred tax liabilities | 繰延税金負債 | 14,272 | 17,760 |
| Deferred tax liabilities for land revaluation | 再評価に係る繰延税金負債 | 5,686 | 5,487 |
| Acceptances and guarantees | 支払承諾 | 31,547 | 28,593 |
| Total liabilities | 負債の部合計 | 6,991,212 | 7,377,520 |
| (Net assets) | (純資産の部) | | |
| Capital stock | 資本金 | 140,409 | 140,409 |
| Capital surplus | 資本剰余金 | 14,998 | 14,998 |
| Retained earnings | 利益剰余金 | 108,584 | 122,717 |
| Total shareholders' equity | 株主資本合計 | 263,992 | 278,125 |
| Valuation difference on available-for-sale securities | その他有価証券評価差額金 | 66,348 | 69,625 |
| Deferred gains or losses on hedges | 繰延ヘッジ損益 | (1,208) | (975) |
| Revaluation reserve for land | 土地再評価差額金 | 8,993 | 8,642 |
| Total valuation and translation adjustments | 評価・換算差額等合計 | 74,132 | 77,292 |
| Total net assets | 純資産の部合計 | 338,125 | 355,417 |
| Total liabilities and net assets | 負債及び純資産の部合計 | 7,329,338 | 7,732,938 |

【The Hokuriku Bank, Ltd. (Non-Consolidated)】

Statements of Income (Unaudited)

| | | For the fiscal year ended March 31, 2017 | For the fiscal year ended March 31, 2018 |
|---|--------------|---|---|
| Ordinary income | 経常収益 | 92,995 | 91,139 |
| Interest income | 資金運用収益 | 68,115 | 66,465 |
| <i>Interest on loans and discounts</i> | 貸出金利息 | 48,851 | 46,558 |
| <i>Interest and dividends on securities</i> | 有価証券利息配当金 | 17,033 | 18,106 |
| Fees and commissions | 役務取引等収益 | 15,934 | 16,262 |
| Trading income | 特定取引収益 | 71 | 45 |
| Other ordinary income | その他業務収益 | 1,879 | 2,013 |
| Other income | その他経常収益 | 6,995 | 6,353 |
| Ordinary expenses | 経常費用 | 68,143 | 66,978 |
| Interest expense | 資金調達費用 | 5,311 | 5,309 |
| <i>Interest on deposits</i> | 預金利息 | 1,255 | 1,020 |
| <i>Interest on borrowings and rediscounts</i> | 借入金利息 | 483 | 333 |
| Fees and commissions | 役務取引等費用 | 6,905 | 7,154 |
| Other ordinary expenses | その他業務費用 | 4,075 | 3,385 |
| General and administrative expenses | 営業経費 | 50,096 | 48,154 |
| Other expenses | その他経常費用 | 1,752 | 2,975 |
| Ordinary profits | 経常利益 | 24,852 | 24,161 |
| Extraordinary income | 特別利益 | 104 | 91 |
| Extraordinary loss | 特別損失 | 822 | 1,990 |
| Income before income taxes | 税引前当期純利益 | 24,135 | 22,262 |
| Income taxes-current | 法人税、住民税及び事業税 | 3,947 | 5,502 |
| Income taxes-deferred | 法人税等調整額 | 1,455 | 987 |
| Total income taxes | 法人税等合計 | 5,403 | 6,490 |
| Net income | 当期純利益 | 18,732 | 15,772 |

【The Hokkaido Bank, Ltd. (Non-Consolidated)】

Balance Sheets (Unaudited)

| | | As of March 31, 2017 | As of March 31, 2018 |
|---|--------------------|----------------------------|----------------------------|
| (Assets) | (資産の部) | | |
| Cash and due from banks | 現金預け金 | 644,373 | 923,208 |
| Trading account securities | 商品有価証券 | 2,842 | 2,906 |
| Money held in trust | 金銭の信託 | 9,251 | 9,491 |
| Securities | 有価証券 | 981,696 | 626,231 |
| Loans and bills discounted | 貸出金 | 3,320,734 | 3,519,283 |
| Foreign exchanges | 外国為替 | 6,763 | 6,694 |
| Other assets | その他資産 | 49,722 | 94,949 |
| Tangible fixed assets | 有形固定資産 | 29,235 | 29,151 |
| Intangible fixed assets | 無形固定資産 | 3,407 | 4,563 |
| Deferred tax assets | 繰延税金資産 | 5,326 | 1,110 |
| Customers' liabilities for acceptances and guarantees | 支払承諾見返 | 24,181 | 24,646 |
| Allowance for loan losses | 貸倒引当金 | (25,916) | (22,175) |
| Total assets | 資産の部合計 | 5,051,619 | 5,220,060 |
| (Liabilities) | (負債の部) | | |
| Deposits | 預金 | 4,479,727 | 4,648,903 |
| Negotiable certificates of deposit | 譲渡性預金 | 7,939 | 26,040 |
| Payables under securities lending transactions | 債券貸借取引受入担保金 | 140,142 | 33,725 |
| Borrowed money | 借入金 | 139,792 | 249,400 |
| Foreign exchanges | 外国為替 | 45 | 139 |
| Other liabilities | その他負債 | 40,996 | 14,513 |
| Reserve for employee retirement benefits | 退職給付引当金 | 7,504 | 2,048 |
| Reserve for directors' retirement benefits | 役員退職慰労引当金 | 104 | 104 |
| Reserve for contingent loss | 偶発損失引当金 | 567 | 477 |
| Reserve for reimbursement of deposits | 睡眠預金払戻損失引当金 | 514 | 589 |
| Acceptances and guarantees | 支払承諾 | 24,181 | 24,646 |
| Total liabilities | 負債の部合計 | 4,841,517 | 5,000,588 |
| (Net assets) | (純資産の部) | | |
| Capital stock | 資本金 | 93,524 | 93,524 |
| Capital surplus | 資本剰余金 | 16,795 | 16,795 |
| Retained earnings | 利益剰余金 | 81,250 | 86,931 |
| Total shareholders' equity | 株主資本合計 | 191,569 | 197,250 |
| Valuation difference on available-for-sale securities | その他有価証券評価差額金 | 18,531 | 22,221 |
| Total valuation and translation adjustments | 評価・換算差額等合計 | 18,531 | 22,221 |
| Total net assets | 純資産の部合計 | 210,101 | 219,472 |
| Total liabilities and net assets | 負債及び純資産の部合計 | 5,051,619 | 5,220,060 |

【The Hokkaido Bank, Ltd. (Non-Consolidated)】

Statements of Income (Unaudited)

| | | For the fiscal year ended March 31, 2017 | For the fiscal year ended March 31, 2018 |
|---|--------------|---|---|
| Ordinary income | 經常収益 | 78,974 | 78,222 |
| Interest income | 資金運用収益 | 54,293 | 52,319 |
| <i>Interest on loans and discounts</i> | 貸出金利息 | 44,215 | 43,472 |
| <i>Interest and dividends on securities</i> | 有価証券利息配当金 | 9,637 | 8,438 |
| Fees and commissions | 役務取引等収益 | 17,341 | 17,199 |
| Other ordinary income | その他業務収益 | 1,738 | 1,382 |
| Other income | その他經常収益 | 5,601 | 7,319 |
| Ordinary expenses | 經常費用 | 63,593 | 69,226 |
| Interest expense | 資金調達費用 | 909 | 963 |
| <i>Interest on deposits</i> | 預金利息 | 523 | 460 |
| <i>Interest on borrowings and rediscounts</i> | 借入金利息 | 312 | 187 |
| Fees and commissions | 役務取引等費用 | 8,543 | 9,591 |
| Other ordinary expenses | その他業務費用 | 4,549 | 12,369 |
| General and administrative expenses | 営業経費 | 43,177 | 42,317 |
| Other expenses | その他經常費用 | 6,413 | 3,985 |
| Ordinary profits | 經常利益 | 15,381 | 8,995 |
| Extraordinary income | 特別利益 | 0 | 2,518 |
| Extraordinary loss | 特別損失 | 207 | 282 |
| Income before income taxes | 税引前当期純利益 | 15,173 | 11,231 |
| Income taxes-current | 法人税、住民税及び事業税 | 2,605 | 498 |
| Income taxes-deferred | 法人税等調整額 | 1,623 | 2,467 |
| Total income taxes | 法人税等合計 | 4,229 | 2,965 |
| Net income | 当期純利益 | 10,943 | 8,265 |

III. Summary of Financial Results

1. Income Analysis

【Hokuhoku FG (consolidated)】

For the fiscal year ended (Millions of yen)

| | (Japanese) | Mar.31, 2018 | | Mar.31, 2017 |
|--|-----------------|--------------|-------------------|--------------|
| | | (A) | change (A - B) | (B) |
| Consolidated gross business profits | 連結粗利益 | 125,815 | (10,995) | 136,810 |
| Net interest income | 資金利益 | 107,342 | (7,201) | 114,543 |
| Net fees and commissions | 役務取引等利益 | 23,560 | (465) | 24,026 |
| Net trading income | 特定取引利益 | 1,054 | 734 | 319 |
| Net other income | その他業務利益 | (6,141) | (4,062) | (2,078) |
| General and administrative expenses | 営業経費 | 98,758 | (2,653) | 101,411 |
| Amortization of goodwill | うちのれん償却 | 2,102 | (840) | 2,943 |
| Total credit costs | 不良債権処理額 | 1,409 | 1,848 | (439) |
| Written-off of loans | 貸出金償却 | 460 | (69) | 529 |
| Provision of allowance for loan losses | 貸倒引当金繰入額 | 645 | 1,157 | (511) |
| Other credit costs | その他不良債権処理額 | 303 | 760 | (457) |
| Net gains (losses) related to stocks | 株式等損益 | 5,872 | 2,816 | 3,055 |
| Other non-recurring gains (losses) | その他臨時損益 | 273 | (310) | 583 |
| Ordinary profits | 経常利益 | 31,792 | (7,685) | 39,477 |
| Net extraordinary gains (losses) | 特別損益 | (755) | 169 | (925) |
| Income before income taxes | 税金等調整前当期純利益 | 31,037 | (7,515) | 38,552 |
| Income taxes-current | 法人税、住民税及び事業税 | 6,888 | (424) | 7,312 |
| Income taxes-deferred | 法人税等調整額 | 2,792 | (254) | 3,047 |
| Net income | 当期純利益 | 21,356 | (6,836) | 28,192 |
| Net income attributable to non-controlling interests | 非支配株主に帰属する当期純利益 | 165 | 130 | 34 |
| Net income attributable to owners of the parent | 親会社株主に帰属する当期純利益 | 21,191 | (6,966) | 28,157 |

* Consolidated gross business profits = (Interest income - Interest expenses + Expenses corresponding to money trust) + (Fees and commissions - Fees and commissions payments) + (Trading income - Trading expenses) + (Other ordinary income - Other ordinary expenses)

* 連結粗利益 = (資金運用収益 - (資金調達費用 - 金銭の信託見合費用)) + (役務取引等収益 - 役務取引等費用) + (特定取引収益 - 特定取引費用) + (その他業務収益 - その他業務費用)

(Reference)

| | | | | |
|--|----------|--------|----------|--------|
| Consolidated net business Profits (before provision (reversal) of general allowance for loan losses) | 連結実質業務純益 | 30,862 | (10,986) | 41,848 |
| Consolidated core net business profits | 連結コア業務純益 | 40,715 | (5,068) | 45,783 |

* Consolidated net business Profits (before provision (reversal) of general allowance for loan losses)
= Consolidated gross business profits - General and administrative expenses (excluding non-recurring losses)

* 連結実質業務純益 = 連結粗利益 - 営業経費(臨時処理分を除く)

* Consolidated core net business profits
= Consolidated net business Profits (before provision (reversal) of general allowance for loan losses) - Net gains (losses) related to bonds

* 連結コア業務純益 = 連結実質業務純益 - 国債等債券損益等

| | | | | |
|--|----------|----|---|----|
| Number of consolidated subsidiaries | 連結子会社数 | 12 | — | 12 |
| Number of affiliates under the equity method | 持分法適用会社数 | 1 | — | 1 |

【Hokuriku Bank (Non-consolidated)】

For the fiscal year ended (Millions of yen)

| | (Japanese) | Mar.31, 2018 | | Mar.31, 2017 |
|---|---------------|--------------|-------------------|--------------|
| | | (A) | change (A - B) | (B) |
| Gross business profits | 業務粗利益 | 68,937 | (769) | 69,707 |
| (Reference) Excluding net gains (losses) related to bonds | (除く国債等債券損益) | 71,246 | (1,696) | 72,943 |
| Domestic gross business profits | 国内業務粗利益 | 68,059 | (1,783) | 69,843 |
| (Reference) Excluding net gains (losses) related to bonds | (除く国債等債券損益) | 68,122 | (1,062) | 69,185 |
| Net interest income | 資金利益 | 59,234 | (1,116) | 60,350 |
| Net fees and commissions | 役務取引等利益 | 8,848 | 87 | 8,760 |
| Net trading income | 特定取引利益 | 41 | (29) | 70 |
| Net other income | その他業務利益 | (64) | (725) | 660 |
| Net gains (losses) related to bonds | 国債等債券損益 | (63) | (721) | 657 |
| International gross business profits | 国際業務粗利益 | 878 | 1,014 | (135) |
| (Reference) Excluding net gains (losses) related to bonds | (除く国債等債券損益) | 3,123 | (634) | 3,758 |
| Net interest income | 資金利益 | 1,922 | (531) | 2,453 |
| Net fees and commissions | 役務取引等利益 | 260 | (7) | 267 |
| Net trading income | 特定取引利益 | 3 | 2 | 0 |
| Net other income | その他業務利益 | (1,307) | 1,550 | (2,857) |
| Net gains (losses) related to bonds | 国債等債券損益 | (2,244) | 1,648 | (3,893) |
| General and administrative expenses | 経費(臨時処理分を除く) | 47,503 | (731) | 48,234 |
| Personnel expenses | 人件費 | 24,082 | (469) | 24,551 |
| Non-personnel expenses | 物件費 | 19,904 | (269) | 20,174 |
| Taxes | 税金 | 3,516 | 7 | 3,508 |
| Net business profits (before provision (reversal) of general allowance for loan losses) | 実質業務純益 | 21,434 | (38) | 21,472 |
| (Reference) Excluding net gains (losses) related to bonds | (参考)除く国債等債券損益 | 23,743 | (965) | 24,708 |
| Provision (reversal) of general allowance for loan losses ① | 一般貸倒引当金繰入① | 1,040 | 1,040 | — |
| Net business profits | 業務純益 | 20,394 | (1,078) | 21,472 |
| Net gains (losses) related to bonds | 国債等債券損益 | (2,308) | 927 | (3,236) |
| Net non-recurring gains (losses) | 臨時損益 | 3,767 | 387 | 3,379 |
| Credit related costs ② | 不良債権処理額② | 849 | 1,499 | (650) |
| Written-off of loans | 貸出金償却 | 53 | (70) | 123 |
| Provision of allowance for loan losses | 個別貸倒引当金繰入額 | 631 | 631 | — |
| Losses on sales of non-performing loans | 延滞債権等売却損 | 61 | 56 | 4 |
| Provision of reserve for contingent loss | 偶発損失引当金繰入額 | (48) | 270 | (319) |
| Other credit costs | その他の債権売却損等 | 152 | 602 | (449) |
| Reversal of allowance for loan losses | 貸倒引当金戻入益 | — | 9 | (9) |
| (Reference) Total credit costs ①+② | (参考)与信費用①+② | 1,889 | 2,540 | (650) |
| Net gains (losses) related to stocks | 株式等損益 | 4,476 | 933 | 3,542 |
| Gains on sales of stocks and other securities | 株式等売却益 | 4,606 | 265 | 4,340 |
| Losses on sales of stocks and other securities | 株式等売却損 | 76 | (553) | 629 |
| Losses on devaluation of stocks and other securities | 株式等償却 | 53 | (114) | 168 |
| Ordinary profits | 経常利益 | 24,161 | (690) | 24,852 |
| Net extraordinary gains (losses) | 特別損益 | (1,898) | (1,181) | (717) |
| Net gain (loss) on disposal of noncurrent assets | 固定資産処分損益 | (23) | 195 | (218) |
| Gain on disposal of noncurrent assets | 固定資産処分益 | 91 | (13) | 104 |
| Loss on disposal of noncurrent assets | 固定資産処分損 | 114 | (208) | 323 |
| Impairment loss | 減損損失 | 1,875 | 1,376 | 498 |
| Income before income taxes | 税引前当期純利益 | 22,262 | (1,872) | 24,135 |
| Income taxes-current | 法人税、住民税及び事業税 | 5,502 | 1,555 | 3,947 |
| Income taxes-deferred | 法人税等調整額 | 987 | (468) | 1,455 |
| Net income | 当期純利益 | 15,772 | (2,960) | 18,732 |

【Hokkaido Bank (Non-consolidated)】

For the fiscal year ended (Millions of yen)

| | (Japanese) | Mar.31, 2018 | | Mar.31, 2017 |
|---|---------------|--------------|-------------------|--------------|
| | | (A) | change (A - B) | (B) |
| Gross business profits | 業務粗利益 | 47,978 | (11,392) | 59,371 |
| (Reference) Excluding net gains (losses) related to bonds | (除く国債等債券損益) | 59,551 | (1,313) | 60,864 |
| Domestic gross business profits | 国内業務粗利益 | 50,217 | (9,356) | 59,573 |
| (Reference) Excluding net gains (losses) related to bonds | (除く国債等債券損益) | 58,441 | (853) | 59,295 |
| Net interest income | 資金利益 | 49,644 | (899) | 50,544 |
| Net fees and commissions | 役務取引等利益 | 7,577 | (1,194) | 8,772 |
| Net trading income | 特定取引利益 | — | — | — |
| Net other income | その他業務利益 | (7,005) | (7,261) | 256 |
| Net gains (losses) related to bonds | 国債等債券損益 | (8,224) | (8,502) | 277 |
| International gross business profits | 国際業務粗利益 | (2,238) | (2,036) | (201) |
| (Reference) Excluding net gains (losses) related to bonds | (除く国債等債券損益) | 1,109 | (459) | 1,569 |
| Net interest income | 資金利益 | 1,712 | (1,128) | 2,840 |
| Net fees and commissions | 役務取引等利益 | 30 | 5 | 25 |
| Net trading income | 特定取引利益 | — | — | — |
| Net other income | その他業務利益 | (3,981) | (913) | (3,067) |
| Net gains (losses) related to bonds | 国債等債券損益 | (3,348) | (1,577) | (1,770) |
| General and administrative expenses | 経費(臨時処理分を除く) | 41,300 | (292) | 41,592 |
| Personnel expenses | 人件費 | 18,837 | 44 | 18,792 |
| Non-personnel expenses | 物件費 | 19,482 | (280) | 19,762 |
| Taxes | 税金 | 2,981 | (56) | 3,037 |
| Net business profits (before provision (reversal) of general allowance for loan losses) | 業務純益 | 6,678 | (11,100) | 17,778 |
| (Reference) Excluding net gains (losses) related to bonds | (参考)除く国債等債券損益 | 18,250 | (1,021) | 19,272 |
| Provision (reversal) of general allowance for loan losses ① | 一般貸倒引当金繰入① | — | — | — |
| Net business profits | 業務純益 | 6,678 | (11,100) | 17,778 |
| Net gains (losses) related to bonds | 国債等債券損益 | (11,572) | (10,079) | (1,493) |
| Net non-recurring gains (losses) | 臨時損益 | 2,317 | 4,714 | (2,397) |
| Credit related costs ② | 不良債権処理額② | (1,296) | (1,292) | (4) |
| Written-off of loans | 貸出金償却 | 50 | 48 | 1 |
| Provision of allowance for loan losses | 個別貸倒引当金繰入額 | — | — | — |
| Losses on sales of non-performing loans | 延滞債権等売却損 | 0 | (44) | 44 |
| Provision of reserve for contingent loss | 偶発損失引当金繰入額 | (89) | (92) | 3 |
| Other credit costs | その他の債権売却損等 | 124 | (4) | 129 |
| Reversal of allowance for loan losses | 貸倒引当金戻入益 | (1,382) | (1,198) | (183) |
| (Reference) Total credit costs ①+② | (参考)与信費用①+② | (1,296) | (1,292) | (4) |
| Net gains (losses) related to stocks | 株式等損益 | 2,302 | 2,732 | (429) |
| Gains on sales of stocks and other securities | 株式等売却益 | 4,063 | 355 | 3,707 |
| Losses on sales of stocks and other securities | 株式等売却損 | 1,747 | (2,358) | 4,106 |
| Losses on devaluation of stocks and other securities | 株式等償却 | 12 | (18) | 31 |
| Ordinary profits | 経常利益 | 8,995 | (6,386) | 15,381 |
| Net extraordinary gains (losses) | 特別損益 | 2,235 | 2,443 | (207) |
| Net gain (loss) on disposal of noncurrent assets | 固定資産処分損益 | (120) | (24) | (95) |
| Gain on disposal of noncurrent assets | 固定資産処分益 | 14 | 14 | 0 |
| Loss on disposal of noncurrent assets | 固定資産処分損 | 134 | 38 | 95 |
| Impairment loss | 減損損失 | 148 | 35 | 112 |
| Gain on contribution of securities to retirement benefit trust | 退職給付信託設定益 | 2,504 | 2,504 | — |
| Income before income taxes | 税引前当期純利益 | 11,231 | (3,942) | 15,173 |
| Income taxes-current | 法人税、住民税及び事業税 | 498 | (2,107) | 2,605 |
| Income taxes-deferred | 法人税等調整額 | 2,467 | 843 | 1,623 |
| Net income | 当期純利益 | 8,265 | (2,678) | 10,943 |

2. Average Balance of Use and Source of Funds

【Domestic】

For the fiscal year ended

(Billions of yen)

| | (Japanese) | Total of two banks | | | | | | | | | | | |
|------------------------------|------------|--------------------|---------|----------|--------------|--------|---------|---------------|---------|---------|---------------|-------|-----|
| | | Mar.31, 2018 | | | Mar.31, 2017 | | | Hokuriku bank | | | Hokkaido bank | | |
| | | (A) | (A-B) | (B) | (A) | (A-B) | (B) | (A) | (A-B) | (B) | (A) | (A-B) | (B) |
| Interest-earning assets | 資金運用勘定 | 10,924.5 | 94.0 | 10,830.5 | 6,388.8 | 83.3 | 6,305.4 | 4,535.7 | 10.6 | 4,525.0 | | | |
| Loans and bills discounted | 貸出金 | 7,931.5 | 291.6 | 7,639.9 | 4,541.4 | 146.8 | 4,394.6 | 3,390.0 | 144.7 | 3,245.3 | | | |
| Securities | 有価証券 | 1,752.6 | (256.4) | 2,009.1 | 1,072.2 | (18.2) | 1,090.5 | 680.4 | (238.1) | 918.6 | | | |
| Interest-bearing liabilities | 資金調達勘定 | 11,426.3 | 456.1 | 10,970.2 | 6,666.1 | 243.0 | 6,423.1 | 4,760.1 | 213.0 | 4,547.1 | | | |
| Deposits and NCD | 預金(NCD含む) | 10,926.4 | 347.6 | 10,578.7 | 6,312.7 | 181.4 | 6,131.3 | 4,613.6 | 166.2 | 4,447.3 | | | |

【Total】

For the fiscal year ended

(Billions of yen)

| | (Japanese) | Total of two banks | | | | | | | | | | | |
|------------------------------|------------|--------------------|---------|----------|--------------|--------|---------|---------------|---------|---------|---------------|-------|-----|
| | | Mar.31, 2018 | | | Mar.31, 2017 | | | Hokuriku bank | | | Hokkaido bank | | |
| | | (A) | (A-B) | (B) | (A) | (A-B) | (B) | (A) | (A-B) | (B) | (A) | (A-B) | (B) |
| Interest-earning assets | 資金運用勘定 | 11,196.1 | 93.4 | 11,102.7 | 6,620.1 | 70.2 | 6,549.8 | 4,576.0 | 23.1 | 4,552.9 | | | |
| Loans and bills discounted | 貸出金 | 7,961.6 | 276.8 | 7,684.8 | 4,565.6 | 138.5 | 4,427.0 | 3,396.0 | 138.2 | 3,257.8 | | | |
| Securities | 有価証券 | 2,067.5 | (304.6) | 2,372.1 | 1,292.5 | (27.1) | 1,319.6 | 775.0 | (277.4) | 1,052.4 | | | |
| Interest-bearing liabilities | 資金調達勘定 | 11,698.5 | 460.6 | 11,237.8 | 6,897.1 | 233.4 | 6,663.7 | 4,801.3 | 227.2 | 4,574.1 | | | |
| Deposits and NCD | 預金(NCD含む) | 10,988.9 | 333.2 | 10,655.7 | 6,358.5 | 168.1 | 6,190.3 | 4,630.3 | 165.0 | 4,465.3 | | | |

3. Interest Rate Spread

【Domestic】

For the fiscal year ended

(%)

| | (Japanese) | Total of two banks | | | | | | | | | | | |
|---|------------|--------------------|--------|------|--------------|--------|------|---------------|--------|------|---------------|-------|-----|
| | | Mar.31, 2018 | | | Mar.31, 2017 | | | Hokuriku bank | | | Hokkaido bank | | |
| | | (A) | (A-B) | (B) | (A) | (A-B) | (B) | (A) | (A-B) | (B) | (A) | (A-B) | (B) |
| Interest rate on interest-earning assets (a) | 資金運用利回り | 0.97 | (0.06) | 1.03 | 0.94 | (0.04) | 0.98 | 1.10 | (0.03) | 1.13 | | | |
| Loans and bills discounted (b) | 貸出金利回り | 1.12 | (0.08) | 1.20 | 1.01 | (0.08) | 1.09 | 1.27 | (0.08) | 1.35 | | | |
| Securities | 有価証券利回り | 0.91 | (0.01) | 0.92 | 1.27 | 0.11 | 1.16 | 0.93 | 0.20 | 0.73 | | | |
| Interest rate on interest-bearing liabilities (c) (including expenses) | 資金調達原価 | 0.77 | (0.05) | 0.82 | 0.71 | (0.04) | 0.75 | 0.86 | (0.05) | 0.91 | | | |
| Deposits and NCD (d) | 預金等利回り | 0.01 | 0.00 | 0.01 | 0.01 | 0.00 | 0.01 | 0.00 | (0.01) | 0.01 | | | |
| Expense ratio (e) | 預金経費率 | 0.79 | (0.03) | 0.82 | 0.72 | (0.04) | 0.76 | 0.88 | (0.03) | 0.91 | | | |
| Spread between loans and deposits rates(b)-(d) | 預貸金直接利鞘 | 1.11 | (0.08) | 1.19 | 1.00 | (0.08) | 1.08 | 1.27 | (0.07) | 1.34 | | | |
| Spread between loans and deposits rates (including expenses) (b)-(d)-(e) | 預貸金利鞘 | 0.32 | (0.04) | 0.36 | 0.27 | (0.04) | 0.31 | 0.39 | (0.03) | 0.42 | | | |
| Interest rate spread (a)-(c) | 総資金利鞘 | 0.20 | (0.01) | 0.21 | 0.23 | 0.01 | 0.22 | 0.24 | 0.03 | 0.21 | | | |

【Total】

For the fiscal year ended

(%)

| | (Japanese) | Total of two banks | | | | | | | | | | | |
|---|------------|--------------------|--------|------|--------------|--------|------|---------------|--------|------|---------------|-------|-----|
| | | Mar.31, 2018 | | | Mar.31, 2017 | | | Hokuriku bank | | | Hokkaido bank | | |
| | | (A) | (A-B) | (B) | (A) | (A-B) | (B) | (A) | (A-B) | (B) | (A) | (A-B) | (B) |
| Interest rate on interest-earning assets (a) | 資金運用利回り | 1.02 | (0.07) | 1.09 | 1.00 | (0.03) | 1.03 | 1.14 | (0.05) | 1.19 | | | |
| Loans and Bills discounted (b) | 貸出金利回り | 1.13 | (0.08) | 1.21 | 1.01 | (0.09) | 1.10 | 1.28 | (0.07) | 1.35 | | | |
| Securities | 有価証券利回り | 1.08 | 0.00 | 1.08 | 1.40 | 0.11 | 1.29 | 1.08 | 0.17 | 0.91 | | | |
| Interest rate on interest-bearing liabilities (c) (including expenses) | 資金調達原価 | 0.81 | (0.04) | 0.85 | 0.76 | (0.04) | 0.80 | 0.88 | (0.04) | 0.92 | | | |
| Deposits and NCD (d) | 預金等利回り | 0.01 | 0.00 | 0.01 | 0.01 | (0.01) | 0.02 | 0.00 | (0.01) | 0.01 | | | |
| Expense ratio (e) | 預金経費率 | 0.80 | (0.04) | 0.84 | 0.74 | (0.03) | 0.77 | 0.89 | (0.04) | 0.93 | | | |
| Spread between loans and deposits rates(b)-(d) | 預貸金直接利鞘 | 1.11 | (0.08) | 1.19 | 1.00 | (0.08) | 1.08 | 1.27 | (0.07) | 1.34 | | | |
| Spread between loans and deposits rates (including expenses) (b)-(d)-(e) | 預貸金利鞘 | 0.30 | (0.05) | 0.35 | 0.25 | (0.05) | 0.30 | 0.37 | (0.04) | 0.41 | | | |
| Interest rate spread (a)-(c) | 総資金利鞘 | 0.21 | (0.03) | 0.24 | 0.23 | 0.00 | 0.23 | 0.26 | 0.00 | 0.26 | | | |

4. Net Business Profits

For the fiscal year ended

(Millions of yen)

| | (Japanese) | Total of two banks | | | | | | | | |
|---------------------------------------|------------|--------------------|----------|--------------|---------------|---------|--------------|---------------|----------|--------------|
| | | Total of two banks | | | Hokuriku bank | | | Hokkaido bank | | |
| | | Mar.31, 2018 | (A-B) | Mar.31, 2017 | Mar.31, 2018 | (A-B) | Mar.31, 2017 | Mar.31, 2018 | (A-B) | Mar.31, 2017 |
| (A) | (A-B) | (B) | (A) | (A-B) | (B) | (A) | (A-B) | (B) | | |
| Core net business profits | コア業務純益 | 37,965 | (5,122) | 43,088 | 23,743 | (965) | 24,708 | 18,250 | (1,021) | 19,272 |
| As per employee (in thousands of yen) | 一人当たり(千円) | 7,402 | (1,059) | 8,461 | 8,602 | (259) | 8,862 | 7,703 | (660) | 8,364 |
| Net business profits | 業務純益 | 27,541 | (11,710) | 39,251 | 20,394 | (1,078) | 21,472 | 6,678 | (11,100) | 17,778 |
| As per employee (in thousands of yen) | 一人当たり(千円) | 5,369 | (2,338) | 7,708 | 7,389 | (312) | 7,701 | 2,818 | (4,897) | 7,716 |

5. ROE・OHR・ROA

(1) ROE (Return on Equity)

For the fiscal year ended

(%)

| | (Japanese) | Total of two banks | | | | | | | | |
|---|------------|--------------------|--------|--------------|---------------|--------|--------------|---------------|--------|--------------|
| | | Total of two banks | | | Hokuriku bank | | | Hokkaido bank | | |
| | | Mar.31, 2018 | (A-B) | Mar.31, 2017 | Mar.31, 2018 | (A-B) | Mar.31, 2017 | Mar.31, 2018 | (A-B) | Mar.31, 2017 |
| (A) | (A-B) | (B) | (A) | (A-B) | (B) | (A) | (A-B) | (B) | | |
| Core net business profits per common shareholders' equity | コア業務純益ベース | 7.15 | (1.33) | 8.48 | 6.84 | (0.52) | 7.36 | 10.33 | (1.19) | 11.52 |
| Net business profits per common shareholders' equity | 業務純益ベース | 5.10 | (2.60) | 7.70 | 5.88 | (0.51) | 6.39 | 3.14 | (7.41) | 10.55 |
| Net income per common shareholders' equity | 当期純利益ベース | 4.41 | (1.33) | 5.74 | 4.54 | (1.04) | 5.58 | 4.13 | (1.96) | 6.09 |

(2) OHR (Overhead Ratio)

For the fiscal year ended

(%)

| | (Japanese) | Total of two banks | | | | | | | | |
|-----------------------------------|------------|--------------------|-------|--------------|---------------|--------|--------------|---------------|-------|--------------|
| | | Total of two banks | | | Hokuriku bank | | | Hokkaido bank | | |
| | | Mar.31, 2018 | (A-B) | Mar.31, 2017 | Mar.31, 2018 | (A-B) | Mar.31, 2017 | Mar.31, 2018 | (A-B) | Mar.31, 2017 |
| (A) | (A-B) | (B) | (A) | (A-B) | (B) | (A) | (A-B) | (B) | | |
| Core gross business profits basis | コア業務粗利益ベース | 70.05 | 2.47 | 67.58 | 66.67 | 0.55 | 66.12 | 69.35 | 1.02 | 68.33 |
| Gross business profits basis | 業務粗利益ベース | 75.95 | 6.36 | 69.59 | 68.90 | (0.29) | 69.19 | 86.08 | 16.03 | 70.05 |

(3) ROA (Return on Assets)

For the fiscal year ended

(%)

| | (Japanese) | Total of two banks | | | | | | | | |
|-------------------------------------|------------|--------------------|--------|--------------|---------------|--------|--------------|---------------|--------|--------------|
| | | Total of two banks | | | Hokuriku bank | | | Hokkaido bank | | |
| | | Mar.31, 2018 | (A-B) | Mar.31, 2017 | Mar.31, 2018 | (A-B) | Mar.31, 2017 | Mar.31, 2018 | (A-B) | Mar.31, 2017 |
| (A) | (A-B) | (B) | (A) | (A-B) | (B) | (A) | (A-B) | (B) | | |
| Core net business profits on assets | コア業務純益ベース | 0.31 | (0.05) | 0.36 | 0.32 | (0.03) | 0.35 | 0.36 | (0.04) | 0.40 |
| Net business profits on assets | 業務純益ベース | 0.22 | (0.11) | 0.33 | 0.28 | (0.02) | 0.30 | 0.13 | (0.24) | 0.37 |
| Net income on assets | 当期純利益ベース | 0.19 | (0.06) | 0.25 | 0.21 | (0.05) | 0.26 | 0.16 | (0.06) | 0.22 |

6. Net Gains and Losses on Securities

【FG(consolidated)】

| | (Japanese) | For the fiscal year ended | | (Millions of yen) |
|--------------------------------------|------------|---------------------------|---------|-------------------|
| | | Mar.31, 2018 | | Mar.31, 2017 |
| | | (A) | (A-B) | (B) |
| Net gains (losses) related to bonds | 国債等債券損益 | (9,852) | (5,917) | (3,935) |
| Gains on sales | 売却益 | 1,182 | (1,244) | 2,427 |
| Gains on redemption | 償還益 | 42 | 1 | 41 |
| Losses on sales | 売却損 | 6,987 | 588 | 6,399 |
| Losses on redemption | 償還損 | 3,892 | 3,888 | 4 |
| Losses on devaluation | 償却 | 197 | 197 | — |
| Net gains (losses) related to stocks | 株式等損益 | 5,872 | 2,816 | 3,055 |
| Gains on sales | 売却益 | 8,170 | 104 | 8,065 |
| Losses on sales | 売却損 | 2,224 | (2,582) | 4,807 |
| Losses on devaluation | 償却 | 73 | (128) | 202 |

【Total of two banks】

| | (Japanese) | For the fiscal year ended | | (Millions of yen) |
|--------------------------------------|------------|---------------------------|---------|-------------------|
| | | Mar.31, 2018 | | Mar.31, 2017 |
| | | (A) | (A-B) | (B) |
| Net gains (losses) related to bonds | 国債等債券損益 | (9,852) | (6,016) | (3,836) |
| Gains on sales | 売却益 | 1,182 | (1,343) | 2,525 |
| Gains on redemption | 償還益 | 42 | 1 | 41 |
| Losses on sales | 売却損 | 6,987 | 588 | 6,399 |
| Losses on redemption | 償還損 | 3,892 | 3,888 | 4 |
| Losses on devaluation | 償却 | 197 | 197 | — |
| Net gains (losses) related to stocks | 株式等損益 | 6,779 | 3,666 | 3,112 |
| Gains on sales | 売却益 | 8,670 | 621 | 8,048 |
| Losses on sales | 売却損 | 1,824 | (2,911) | 4,736 |
| Losses on devaluation | 償却 | 66 | (133) | 199 |

【Hokuriku bank】

| | (Japanese) | For the fiscal year ended | | (Millions of yen) |
|--------------------------------------|------------|---------------------------|-------|-------------------|
| | | Mar.31, 2018 | | Mar.31, 2017 |
| | | (A) | (A-B) | (B) |
| Net gains (losses) related to bonds | 国債等債券損益 | (2,308) | 927 | (3,236) |
| Gains on sales | 売却益 | 1,075 | 235 | 839 |
| Gains on redemption | 償還益 | — | — | — |
| Losses on sales | 売却損 | 3,384 | (691) | 4,075 |
| Losses on redemption | 償還損 | — | — | — |
| Losses on devaluation | 償却 | — | — | — |
| Net gains (losses) related to stocks | 株式等損益 | 4,476 | 933 | 3,542 |
| Gains on sales | 売却益 | 4,606 | 265 | 4,340 |
| Losses on sales | 売却損 | 76 | (553) | 629 |
| Losses on devaluation | 償却 | 53 | (114) | 168 |

【Hokkaido bank】

| | (Japanese) | For the fiscal year ended | | (Millions of yen) |
|--------------------------------------|------------|---------------------------|----------|-------------------|
| | | Mar.31, 2018 | | Mar.31, 2017 |
| | | (A) | (A-B) | (B) |
| Net gains (losses) related to bonds | 国債等債券損益 | (11,572) | (10,079) | (1,493) |
| Gains on sales | 売却益 | 106 | (1,579) | 1,685 |
| Gains on redemption | 償還益 | 42 | 1 | 41 |
| Losses on sales | 売却損 | 3,603 | 1,279 | 2,323 |
| Losses on redemption | 償還損 | 7,920 | 7,023 | 897 |
| Losses on devaluation | 償却 | 197 | 197 | — |
| Net gains (losses) related to stocks | 株式等損益 | 2,302 | 2,732 | (429) |
| Gains on sales | 売却益 | 4,063 | 355 | 3,707 |
| Losses on sales | 売却損 | 1,747 | (2,358) | 4,106 |
| Losses on devaluation | 償却 | 12 | (18) | 31 |

7. Valuation Difference on Securities

(1) Valuation difference on securities

【FG(consolidated)】

(Millions of yen)

| | (Japanese) | As of Mar.31, 2018 | | | | As of Mar.31, 2017 | | |
|-------------------------------|------------|----------------------|---------|---------|--------|----------------------|---------|--------|
| | | Valuation difference | | | | Valuation difference | | |
| | | (A) | (A)-(B) | Gains | Losses | (B) | Gains | Losses |
| Bonds being held to maturity | 満期保有目的 | 11,874 | 150 | 11,930 | 56 | 11,723 | 11,792 | 68 |
| Available-for-sale securities | その他有価証券 | 121,616 | 13,498 | 134,895 | 13,278 | 108,118 | 129,591 | 21,473 |
| Japanese Stocks | 株式 | 101,781 | 11,396 | 107,496 | 5,715 | 90,384 | 92,519 | 2,134 |
| Japanese Bonds | 債券 | 19,432 | (8,106) | 19,689 | 257 | 27,538 | 27,974 | 435 |
| Others | その他 | 402 | 10,208 | 7,708 | 7,306 | (9,805) | 9,097 | 18,903 |
| Total | 合計 | 133,491 | 13,649 | 146,826 | 13,334 | 119,842 | 141,384 | 21,542 |
| Japanese Stocks | 株式 | 101,781 | 11,396 | 107,496 | 5,715 | 90,384 | 92,519 | 2,134 |
| Japanese Bonds | 債券 | 31,306 | (7,956) | 31,620 | 313 | 39,262 | 39,767 | 504 |
| Others | その他 | 402 | 10,208 | 7,708 | 7,306 | (9,805) | 9,097 | 18,903 |

【Total of two banks】

(Millions of yen)

| | (Japanese) | As of Mar.31, 2018 | | | | As of Mar.31, 2017 | | |
|-------------------------------|------------|----------------------|---------|---------|--------|----------------------|---------|--------|
| | | Valuation difference | | | | Valuation difference | | |
| | | (A) | (A)-(B) | Gains | Losses | (B) | Gains | Losses |
| Bonds being held to maturity | 満期保有目的 | 11,707 | 207 | 11,763 | 56 | 11,499 | 11,568 | 68 |
| Available-for-sale securities | その他有価証券 | 124,008 | 10,914 | 136,337 | 12,328 | 113,094 | 133,474 | 20,379 |
| Japanese Stocks | 株式 | 106,426 | 9,361 | 111,191 | 4,764 | 97,065 | 98,118 | 1,053 |
| Japanese Bonds | 債券 | 19,511 | (8,153) | 19,768 | 257 | 27,664 | 28,087 | 422 |
| Others | その他 | (1,929) | 9,705 | 5,376 | 7,306 | (11,635) | 7,267 | 18,903 |
| Total | 合計 | 135,716 | 11,122 | 148,100 | 12,384 | 124,593 | 145,042 | 20,448 |
| Japanese Stocks | 株式 | 106,426 | 9,361 | 111,191 | 4,764 | 97,065 | 98,118 | 1,053 |
| Japanese Bonds | 債券 | 31,218 | (7,945) | 31,532 | 313 | 39,164 | 39,655 | 491 |
| Others | その他 | (1,929) | 9,705 | 5,376 | 7,306 | (11,635) | 7,267 | 18,903 |

【Hokuriku bank】

(Millions of yen)

| | (Japanese) | As of Mar.31, 2018 | | | | As of Mar.31, 2017 | | |
|-------------------------------|------------|----------------------|---------|---------|--------|----------------------|--------|--------|
| | | Valuation difference | | | | Valuation difference | | |
| | | (A) | (A)-(B) | Gains | Losses | (B) | Gains | Losses |
| Bonds being held to maturity | 満期保有目的 | — | — | — | — | — | — | — |
| Available-for-sale securities | その他有価証券 | 92,522 | 5,476 | 100,532 | 8,010 | 87,046 | 92,901 | 5,855 |
| Japanese Stocks | 株式 | 75,963 | 13,052 | 79,208 | 3,245 | 62,910 | 63,314 | 403 |
| Japanese Bonds | 債券 | 15,853 | (6,216) | 16,045 | 191 | 22,070 | 22,387 | 317 |
| Others | その他 | 705 | (1,359) | 5,278 | 4,573 | 2,065 | 7,199 | 5,134 |
| Total | 合計 | 92,522 | 5,476 | 100,532 | 8,010 | 87,046 | 92,901 | 5,855 |
| Japanese Stocks | 株式 | 75,963 | 13,052 | 79,208 | 3,245 | 62,910 | 63,314 | 403 |
| Japanese Bonds | 債券 | 15,853 | (6,216) | 16,045 | 191 | 22,070 | 22,387 | 317 |
| Others | その他 | 705 | (1,359) | 5,278 | 4,573 | 2,065 | 7,199 | 5,134 |

【Hokkaido bank】

(Millions of yen)

| | (Japanese) | As of Mar.31, 2018 | | | | As of Mar.31, 2017 | | |
|-------------------------------|------------|----------------------|---------|--------|--------|----------------------|--------|--------|
| | | Valuation difference | | | | Valuation difference | | |
| | | (A) | (A)-(B) | Gains | Losses | (B) | Gains | Losses |
| Bonds being held to maturity | 満期保有目的 | 11,707 | 207 | 11,763 | 56 | 11,499 | 11,568 | 68 |
| Available-for-sale securities | その他有価証券 | 31,486 | 5,438 | 35,804 | 4,317 | 26,048 | 40,573 | 14,524 |
| Japanese Stocks | 株式 | 30,463 | (3,690) | 31,983 | 1,519 | 34,154 | 34,804 | 649 |
| Japanese Bonds | 債券 | 3,657 | (1,936) | 3,723 | 65 | 5,594 | 5,700 | 105 |
| Others | その他 | (2,634) | 11,065 | 97 | 2,732 | (13,700) | 68 | 13,769 |
| Total | 合計 | 43,193 | 5,646 | 47,568 | 4,374 | 37,547 | 52,141 | 14,593 |
| Japanese Stocks | 株式 | 30,463 | (3,690) | 31,983 | 1,519 | 34,154 | 34,804 | 649 |
| Japanese Bonds | 債券 | 15,364 | (1,728) | 15,487 | 122 | 17,093 | 17,268 | 174 |
| Others | その他 | (2,634) | 11,065 | 97 | 2,732 | (13,700) | 68 | 13,769 |

8. Capital Adequacy Ratio (Domestic Standard)

Credit risk : The Standardized Approach Operational Risk : The Standardized Approach

【FG(consolidated)】

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Sep.30,2017 (B) | As of Mar.31,2017 (C) |
|---|-------------|-------------------|---------|---------|--------------------------|--------------------------|
| | | (A) | (A-B) | (A-C) | | |
| (1) Capital adequacy ratio | 自己資本比率 | 9.49% | (0.24%) | 0.06% | 9.73% | 9.43% |
| (2) Capital ①-② | 自己資本 | 544,548 | 1,147 | 13,450 | 543,400 | 531,097 |
| ① Core capital : instruments and reserves | コア資本に係る基礎項目 | 564,655 | 2,511 | 14,118 | 562,144 | 550,537 |
| Shareholders' equity | うち株主資本 | 452,890 | 3,652 | 14,197 | 449,238 | 438,693 |
| General allowance for loan losses | うち一般貸倒引当金等 | 15,016 | (343) | 366 | 15,359 | 14,649 |
| Perpetual preferred stock | うち永久優先株 | 53,716 | — | — | 53,716 | 53,716 |
| Subordinated debts | うち劣後債務 | 40,000 | — | — | 40,000 | 40,000 |
| ② Core capital : regulatory adjustments | コア資本に係る調整項目 | 20,107 | 1,363 | 667 | 18,743 | 19,439 |
| Intangible fixed assets | うち無形固定資産 | 19,587 | 921 | 350 | 18,666 | 19,237 |
| (3) Risk-weighted assets | リスクアセット | 5,735,279 | 150,610 | 104,332 | 5,584,669 | 5,630,947 |

【Hokuriku bank】

(non-consolidated)

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Sep.30,2017 (B) | As of Mar.31,2017 (C) |
|---|-------------|-------------------|---------|--------|--------------------------|--------------------------|
| | | (A) | (A-B) | (A-C) | | |
| (1) Capital adequacy ratio | 自己資本比率 | 9.02% | (0.02%) | 0.28% | 9.04% | 8.74% |
| (2) Capital ①-② | 自己資本 | 302,238 | 6,896 | 12,184 | 295,342 | 290,053 |
| ① Core capital : instruments and reserves | コア資本に係る基礎項目 | 307,770 | 8,757 | 14,344 | 299,013 | 293,426 |
| Shareholders' equity | うち株主資本 | 278,125 | 9,336 | 14,132 | 268,789 | 263,992 |
| General allowance for loan losses | うち一般貸倒引当金等 | 5,830 | 135 | 1,020 | 5,694 | 4,809 |
| Perpetual preferred stock | うち永久優先株 | — | — | — | — | — |
| Subordinated debts | うち劣後債務 | 20,000 | — | — | 20,000 | 20,000 |
| ② Core capital : regulatory adjustments | コア資本に係る調整項目 | 5,532 | 1,861 | 2,159 | 3,671 | 3,373 |
| Intangible fixed assets | うち無形固定資産 | 3,318 | 1,189 | 1,271 | 2,128 | 2,046 |
| (3) Risk-weighted assets | リスクアセット | 3,349,488 | 84,772 | 32,112 | 3,264,716 | 3,317,376 |

(Consolidated)

| | | | | | | |
|------------------------|---------|-----------|---------|--------|-----------|-----------|
| Capital adequacy ratio | 自己資本比率 | 9.00% | (0.03%) | 0.29% | 9.03% | 8.71% |
| Capital | 自己資本 | 301,700 | 6,618 | 12,356 | 295,082 | 289,343 |
| Risk-weighted assets | リスクアセット | 3,350,359 | 85,587 | 31,839 | 3,264,772 | 3,318,519 |

【Hokkaido bank】

(non-consolidated)

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Sep.30,2017 (B) | As of Mar.31,2017 (C) |
|---|-------------|-------------------|---------|---------|--------------------------|--------------------------|
| | | (A) | (A-B) | (A-C) | | |
| (1) Capital adequacy ratio | 自己資本比率 | 9.28% | (0.25%) | (0.06%) | 9.53% | 9.34% |
| (2) Capital ①-② | 自己資本 | 217,131 | 241 | 4,023 | 216,890 | 213,108 |
| ① Core capital : instruments and reserves | コア資本に係る基礎項目 | 219,672 | 958 | 5,122 | 218,713 | 214,550 |
| Shareholders' equity | うち株主資本 | 142,728 | 1,531 | 5,680 | 141,196 | 137,048 |
| General allowance for loan losses | うち一般貸倒引当金等 | 3,227 | (573) | (558) | 3,801 | 3,786 |
| Perpetual preferred stock | うち永久優先株 | 53,716 | — | — | 53,716 | 53,716 |
| Subordinated debts | うち劣後債務 | 20,000 | — | — | 20,000 | 20,000 |
| ② Core capital : regulatory adjustments | コア資本に係る調整項目 | 2,540 | 716 | 1,098 | 1,823 | 1,441 |
| Intangible fixed assets | うち無形固定資産 | 2,540 | 716 | 1,122 | 1,823 | 1,417 |
| (3) Risk-weighted assets | リスクアセット | 2,339,472 | 64,437 | 57,799 | 2,275,035 | 2,281,673 |

(Consolidated)

| | | | | | | |
|------------------------|---------|-----------|---------|---------|-----------|-----------|
| Capital adequacy ratio | 自己資本比率 | 9.44% | (0.20%) | (0.02%) | 9.64% | 9.46% |
| Capital | 自己資本 | 222,235 | 1,572 | 5,118 | 220,662 | 217,116 |
| Risk-weighted assets | リスクアセット | 2,352,656 | 65,954 | 59,685 | 2,286,701 | 2,292,971 |

IV. Loan Portfolio and Other

1. Disclosed Claims under the Financial Reconstruction Law

【Total of two banks】

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31,2016 |
|-------------------------------------|-------------------|-------------------|---------|----------|-------------------|-------------------|
| | | (A) | (A-B) | (A-C) | (B) | (C) |
| Bankrupt and substantially bankrupt | 破産更生債権及びこれらに準ずる債権 | 16,077 | (1,661) | (6,742) | 17,739 | 22,820 |
| Doubtful | 危険債権 | 112,170 | (7,635) | (13,497) | 119,806 | 125,668 |
| Substandard | 要管理債権 | 19,228 | 616 | (880) | 18,611 | 20,108 |
| Non Performing Loans | (1) 小計 | 147,477 | (8,680) | (21,120) | 156,157 | 168,598 |
| | Normal | 8,280,324 | 421,059 | 640,616 | 7,859,265 | 7,639,707 |
| Total | (2) 合計 | 8,427,801 | 412,378 | 619,496 | 8,015,423 | 7,808,305 |
| NPL ratio (%) | (1)/(2) 比率 | 1.74% | (0.20%) | (0.41%) | 1.94% | 2.15% |

| | | | | | | |
|-----------------------------|-----------|--------|---------|----------|--------|--------|
| Amount of partial write-off | 部分直接償却実施額 | 43,033 | (6,706) | (18,449) | 49,739 | 61,483 |
|-----------------------------|-----------|--------|---------|----------|--------|--------|

【Hokuriku bank】

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31,2016 |
|-------------------------------------|-------------------|-------------------|---------|----------|-------------------|-------------------|
| | | (A) | (A-B) | (A-C) | (B) | (C) |
| Bankrupt and substantially bankrupt | 破産更生債権及びこれらに準ずる債権 | 10,991 | (1,621) | (5,303) | 12,612 | 16,295 |
| Doubtful | 危険債権 | 64,314 | (1,981) | (5,990) | 66,296 | 70,305 |
| Substandard | 要管理債権 | 10,946 | 769 | (116) | 10,176 | 11,062 |
| Non Performing Loans | (1) 小計 | 86,252 | (2,833) | (11,410) | 89,086 | 97,663 |
| | Normal | 4,656,756 | 206,114 | 294,560 | 4,450,642 | 4,362,196 |
| Total | (2) 合計 | 4,743,009 | 203,280 | 283,149 | 4,539,728 | 4,459,860 |
| NPL ratio (%) | (1)/(2) 比率 | 1.81% | (0.15%) | (0.37%) | 1.96% | 2.18% |

| | | | | | | |
|-----------------------------|-----------|--------|---------|----------|--------|--------|
| Amount of partial write-off | 部分直接償却実施額 | 30,315 | (5,862) | (12,645) | 36,178 | 42,961 |
|-----------------------------|-----------|--------|---------|----------|--------|--------|

【Hokkaido bank】

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31,2016 |
|-------------------------------------|-------------------|-------------------|---------|---------|-------------------|-------------------|
| | | (A) | (A-B) | (A-C) | (B) | (C) |
| Bankrupt and substantially bankrupt | 破産更生債権及びこれらに準ずる債権 | 5,086 | (40) | (1,438) | 5,126 | 6,524 |
| Doubtful | 危険債権 | 47,856 | (5,653) | (7,507) | 53,510 | 55,363 |
| Substandard | 要管理債権 | 8,282 | (152) | (764) | 8,435 | 9,046 |
| Non Performing Loans | (1) 小計 | 61,224 | (5,847) | (9,709) | 67,071 | 70,934 |
| | Normal | 3,623,567 | 214,945 | 346,056 | 3,408,622 | 3,277,510 |
| Total | (2) 合計 | 3,684,792 | 209,097 | 336,346 | 3,475,694 | 3,348,445 |
| NPL ratio (%) | (1)/(2) 比率 | 1.66% | (0.26%) | (0.45%) | 1.92% | 2.11% |

| | | | | | | |
|-----------------------------|-----------|--------|-------|---------|--------|--------|
| Amount of partial write-off | 部分直接償却実施額 | 12,717 | (843) | (5,804) | 13,561 | 18,522 |
|-----------------------------|-----------|--------|-------|---------|--------|--------|

2. Coverage on Disclosed Claims under the Financial Reconstruction Law

【Total of two banks】

(Millions of yen)

| (Japanese) | | | Loan amount | Covered by collateral and/or guarantees | Allowance for loan losses | Coverage ratio for unsecured portion | Coverage ratio |
|-------------------------------------|-------------------|------------------------|-------------|---|---------------------------|--------------------------------------|----------------|
| | | | (A) | (B) | (C) | (C)/{(A)-(B)} | {(B)+(C)}/(A) |
| | | | 債権額 | 担保・保証等 | 貸倒引当金等 | 引当率 | 保全率 |
| Bankrupt and substantially bankrupt | 破産更生債権及びこれらに準ずる債権 | As of Mar.31, 2018 (a) | 16,077 | 14,284 | 1,793 | 100.00% | 100.00% |
| | | As of Mar.31, 2017 (b) | 17,739 | 15,549 | 2,189 | 100.00% | 100.00% |
| | | (a) - (b) | (1,661) | (1,265) | (396) | 0.00% | 0.00% |
| Doubtful | 危険債権 | As of Mar.31, 2018 (a) | 112,170 | 68,558 | 31,011 | 71.10% | 88.76% |
| | | As of Mar.31, 2017 (b) | 119,806 | 73,750 | 34,271 | 74.41% | 90.16% |
| | | (a) - (b) | (7,635) | (5,192) | (3,259) | (3.31%) | (1.40%) |
| Substandard | 要管理債権 | As of Mar.31, 2018 (a) | 19,228 | 14,859 | 277 | 6.36% | 78.72% |
| | | As of Mar.31, 2017 (b) | 18,611 | 14,503 | 382 | 9.31% | 79.98% |
| | | (a) - (b) | 616 | 355 | (104) | (2.95%) | (1.26%) |
| Total | 合計 | As of Mar.31, 2018 (a) | 147,477 | 97,702 | 33,082 | 66.46% | 88.68% |
| | | As of Mar.31, 2017 (b) | 156,157 | 103,803 | 36,843 | 70.37% | 90.06% |
| | | (a) - (b) | (8,680) | (6,101) | (3,760) | (3.91%) | (1.38%) |

【Hokuriku bank】

(Millions of yen)

| (Japanese) | | | Loan amount | Covered by collateral and/or guarantees | Allowance for loan losses | Coverage ratio for unsecured portion | Coverage ratio |
|-------------------------------------|-------------------|------------------------|-------------|---|---------------------------|--------------------------------------|----------------|
| | | | (A) | (B) | (C) | (C)/{(A)-(B)} | {(B)+(C)}/(A) |
| | | | 債権額 | 担保・保証等 | 貸倒引当金等 | 引当率 | 保全率 |
| Bankrupt and substantially bankrupt | 破産更生債権及びこれらに準ずる債権 | As of Mar.31, 2018 (a) | 10,991 | 9,860 | 1,131 | 100.00% | 100.00% |
| | | As of Mar.31, 2017 (b) | 12,612 | 11,108 | 1,504 | 100.00% | 100.00% |
| | | (a) - (b) | (1,621) | (1,247) | (373) | 0.00% | 0.00% |
| Doubtful | 危険債権 | As of Mar.31, 2018 (a) | 64,314 | 45,836 | 12,349 | 66.83% | 90.47% |
| | | As of Mar.31, 2017 (b) | 66,296 | 48,564 | 12,394 | 69.90% | 91.94% |
| | | (a) - (b) | (1,981) | (2,728) | (45) | (3.07%) | (1.47%) |
| Substandard | 要管理債権 | As of Mar.31, 2018 (a) | 10,946 | 6,668 | 254 | 5.94% | 63.24% |
| | | As of Mar.31, 2017 (b) | 10,176 | 6,084 | 379 | 9.27% | 63.52% |
| | | (a) - (b) | 769 | 583 | (125) | (3.33%) | (0.28%) |
| Total | 合計 | As of Mar.31, 2018 (a) | 86,252 | 62,365 | 13,734 | 57.49% | 88.22% |
| | | As of Mar.31, 2017 (b) | 89,086 | 65,757 | 14,278 | 61.20% | 89.84% |
| | | (a) - (b) | (2,833) | (3,392) | (544) | (3.71%) | (1.62%) |

【Hokkaido bank】

(Millions of yen)

| (Japanese) | | | Loan amount | Covered by collateral and/or guarantees | Allowance for loan losses | Coverage ratio for unsecured portion | Coverage ratio |
|-------------------------------------|-------------------|------------------------|-------------|---|---------------------------|--------------------------------------|----------------|
| | | | (A) | (B) | (C) | (C)/{(A)-(B)} | {(B)+(C)}/(A) |
| | | | 債権額 | 担保・保証等 | 貸倒引当金等 | 引当率 | 保全率 |
| Bankrupt and substantially bankrupt | 破産更生債権及びこれらに準ずる債権 | As of Mar.31, 2018 (a) | 5,086 | 4,424 | 662 | 100.00% | 100.00% |
| | | As of Mar.31, 2017 (b) | 5,126 | 4,441 | 685 | 100.00% | 100.00% |
| | | (a) - (b) | (40) | (17) | (23) | 0.00% | 0.00% |
| Doubtful | 危険債権 | As of Mar.31, 2018 (a) | 47,856 | 22,721 | 18,662 | 74.25% | 86.47% |
| | | As of Mar.31, 2017 (b) | 53,510 | 25,186 | 21,876 | 77.23% | 87.95% |
| | | (a) - (b) | (5,653) | (2,464) | (3,214) | (2.98%) | (1.48%) |
| Substandard | 要管理債権 | As of Mar.31, 2018 (a) | 8,282 | 8,190 | 23 | 26.03% | 99.18% |
| | | As of Mar.31, 2017 (b) | 8,435 | 8,418 | 2 | 17.52% | 99.83% |
| | | (a) - (b) | (152) | (227) | 20 | 8.51% | (0.65%) |
| Total | 合計 | As of Mar.31, 2018 (a) | 61,224 | 35,336 | 19,348 | 74.73% | 89.31% |
| | | As of Mar.31, 2017 (b) | 67,071 | 38,046 | 22,564 | 77.73% | 90.36% |
| | | (a) - (b) | (5,847) | (2,709) | (3,216) | (3.00%) | (1.05%) |

3. Risk-Monitored Loans

【Total of two banks】

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31,2016 |
|-------------------------------------|------------|-------------------|---------|----------|-------------------|-------------------|
| | | (A) | (A-B) | (A-C) | (B) | (C) |
| Loans to bankrupt borrowers | 破綻先債権額 | 3,323 | (204) | (880) | 3,528 | 4,203 |
| Non-accrual delinquent loans | 延滞債権額 | 123,302 | (9,076) | (18,662) | 132,378 | 141,965 |
| Loans past due for 3 months or more | 3カ月以上延滞債権額 | 261 | (33) | (115) | 295 | 376 |
| Restructured loans | 貸出条件緩和債権額 | 18,967 | 650 | (764) | 18,316 | 19,731 |
| Total | 合計 | 145,855 | (8,663) | (20,423) | 154,518 | 166,278 |
| Total loans and bills discounted | 貸出金残高 | 8,189,432 | 401,074 | 589,804 | 7,788,358 | 7,599,627 |

(% to total loans and bills discounted)

| | | | | | | |
|-------------------------------------|------------|-------|---------|---------|-------|-------|
| Loans to bankrupt borrowers | 破綻先債権額 | 0.04% | 0.00% | (0.01%) | 0.04% | 0.05% |
| Non-accrual delinquent loans | 延滞債権額 | 1.50% | (0.19%) | (0.36%) | 1.69% | 1.86% |
| Loans past due for 3 months or more | 3カ月以上延滞債権額 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Restructured loans | 貸出条件緩和債権額 | 0.23% | 0.00% | (0.02%) | 0.23% | 0.25% |
| Total | 合計 | 1.78% | (0.20%) | (0.40%) | 1.98% | 2.18% |

【Hokuriku bank】

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31,2016 |
|-------------------------------------|------------|-------------------|---------|----------|-------------------|-------------------|
| | | (A) | (A-B) | (A-C) | (B) | (C) |
| Loans to bankrupt borrowers | 破綻先債権額 | 2,158 | (264) | (698) | 2,422 | 2,856 |
| Non-accrual delinquent loans | 延滞債権額 | 71,986 | (3,283) | (10,080) | 75,270 | 82,067 |
| Loans past due for 3 months or more | 3カ月以上延滞債権額 | 88 | (202) | (288) | 290 | 376 |
| Restructured loans | 貸出条件緩和債権額 | 10,858 | 971 | 172 | 9,886 | 10,685 |
| Total | 合計 | 85,091 | (2,777) | (10,895) | 87,869 | 95,987 |
| Total loans and bills discounted | 貸出金残高 | 4,670,149 | 202,525 | 286,706 | 4,467,623 | 4,383,442 |

(% to total loans and bills discounted)

| | | | | | | |
|-------------------------------------|------------|-------|---------|---------|-------|-------|
| Loans to bankrupt borrowers | 破綻先債権額 | 0.04% | (0.01%) | (0.02%) | 0.05% | 0.06% |
| Non-accrual delinquent loans | 延滞債権額 | 1.54% | (0.14%) | (0.33%) | 1.68% | 1.87% |
| Loans past due for 3 months or more | 3カ月以上延滞債権額 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Restructured loans | 貸出条件緩和債権額 | 0.23% | 0.01% | (0.01%) | 0.22% | 0.24% |
| Total | 合計 | 1.82% | (0.14%) | (0.36%) | 1.96% | 2.18% |

【Hokkaido bank】

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31,2016 |
|-------------------------------------|------------|-------------------|---------|---------|-------------------|-------------------|
| | | (A) | (A-B) | (A-C) | (B) | (C) |
| Loans to bankrupt borrowers | 破綻先債権額 | 1,165 | 59 | (181) | 1,105 | 1,346 |
| Non-accrual delinquent loans | 延滞債権額 | 51,315 | (5,793) | (8,581) | 57,108 | 59,897 |
| Loans past due for 3 months or more | 3カ月以上延滞債権額 | 173 | 168 | 173 | 4 | — |
| Restructured loans | 貸出条件緩和債権額 | 8,108 | (321) | (937) | 8,430 | 9,046 |
| Total | 合計 | 60,763 | (5,886) | (9,527) | 66,649 | 70,291 |
| Total loans and bills discounted | 貸出金残高 | 3,519,283 | 198,548 | 303,098 | 3,320,734 | 3,216,184 |

(% to total loans and bills discounted)

| | | | | | | |
|-------------------------------------|------------|-------|---------|---------|-------|-------|
| Loans to bankrupt borrowers | 破綻先債権額 | 0.03% | 0.00% | (0.01%) | 0.03% | 0.04% |
| Non-accrual delinquent loans | 延滞債権額 | 1.45% | (0.26%) | (0.41%) | 1.71% | 1.86% |
| Loans past due for 3 months or more | 3カ月以上延滞債権額 | 0.00% | 0.00% | 0.00% | 0.00% | — |
| Restructured loans | 貸出条件緩和債権額 | 0.23% | (0.02%) | (0.05%) | 0.25% | 0.28% |
| Total | 合計 | 1.72% | (0.28%) | (0.46%) | 2.00% | 2.18% |

4. Allowance for Loan Losses

【Total of two banks】

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31,2016 |
|---------------------------|------------|-------------------|---------|---------|-------------------|-------------------|
| | | (A) | (A-B) | (A-C) | (B) | (C) |
| Allowance for loan losses | 貸倒引当金 | 40,850 | (3,132) | (5,392) | 43,982 | 46,242 |
| General allowance | 一般貸倒引当金 | 7,724 | 571 | (739) | 7,153 | 8,463 |
| Specific allowance | 個別貸倒引当金 | 33,126 | (3,703) | (4,652) | 36,829 | 37,779 |

【Hokuriku bank】

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31,2016 |
|---------------------------|------------|-------------------|-------|---------|-------------------|-------------------|
| | | (A) | (A-B) | (A-C) | (B) | (C) |
| Allowance for loan losses | 貸倒引当金 | 18,675 | 608 | (269) | 18,066 | 18,944 |
| General allowance | 一般貸倒引当金 | 4,953 | 1,040 | 1,041 | 3,913 | 3,912 |
| Specific allowance | 個別貸倒引当金 | 13,721 | (432) | (1,311) | 14,153 | 15,032 |

【Hokkaido bank】

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31,2016 |
|---------------------------|------------|-------------------|---------|---------|-------------------|-------------------|
| | | (A) | (A-B) | (A-C) | (B) | (C) |
| Allowance for loan losses | 貸倒引当金 | 22,175 | (3,740) | (5,123) | 25,916 | 27,298 |
| General allowance | 一般貸倒引当金 | 2,770 | (469) | (1,781) | 3,240 | 4,551 |
| Specific allowance | 個別貸倒引当金 | 19,404 | (3,271) | (3,341) | 22,676 | 22,746 |

5. Coverage Ratio for Risk-Monitored Loans

【Total of two banks】

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31,2016 |
|-----------------------------|------------|-------------------|---------|----------|-------------------|-------------------|
| | | (A) | (A-B) | (A-C) | (B) | (C) |
| Before partial write-off | 部分直接償却前 | 44.40% | (1.48%) | (2.89%) | 45.88% | 47.29% |
| After partial write-off | 部分直接償却後 | 28.00% | (0.46%) | 0.19% | 28.46% | 27.81% |
| Amount of partial write-off | 部分直接償却実施額 | 43,033 | (6,706) | (18,449) | 49,739 | 61,483 |

【Hokuriku bank】

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31,2016 |
|-----------------------------|------------|-------------------|---------|----------|-------------------|-------------------|
| | | (A) | (A-B) | (A-C) | (B) | (C) |
| Before partial write-off | 部分直接償却前 | 42.45% | (1.27%) | (2.10%) | 43.72% | 44.55% |
| After partial write-off | 部分直接償却後 | 21.94% | 1.38% | 2.21% | 20.56% | 19.73% |
| Amount of partial write-off | 部分直接償却実施額 | 30,315 | (5,862) | (12,645) | 36,178 | 42,961 |

【Hokkaido bank】

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31,2016 |
|-----------------------------|------------|-------------------|---------|---------|-------------------|-------------------|
| | | (A) | (A-B) | (A-C) | (B) | (C) |
| Before partial write-off | 部分直接償却前 | 47.48% | (1.73%) | (4.11%) | 49.21% | 51.59% |
| After partial write-off | 部分直接償却後 | 36.49% | (2.39%) | (2.34%) | 38.88% | 38.83% |
| Amount of partial write-off | 部分直接償却実施額 | 12,717 | (843) | (5,804) | 13,561 | 18,522 |

6. Deposits and Loans

【Total of two banks】

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31,2016 |
|---|-----------------|-------------------|---------|---------|-------------------|-------------------|
| | | (A) | (A-B) | (A-C) | (B) | (C) |
| Deposits and NCD (term-end balance) | 預金(含む譲渡性預金)(末残) | 11,180,769 | 449,704 | 678,168 | 10,731,064 | 10,502,600 |
| Deposits and NCD (average balance) | 預金(含む譲渡性預金)(平残) | 10,988,970 | 333,245 | 350,023 | 10,655,725 | 10,638,947 |
| Loans and bills discounted (term-end balance) | 貸出金(末残) | 8,189,432 | 401,074 | 589,804 | 7,788,358 | 7,599,627 |
| Loans and bills discounted (average balance) | 貸出金(平残) | 7,961,699 | 276,855 | 415,953 | 7,684,843 | 7,545,745 |

【Hokuriku bank】

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31,2016 |
|---|------------|-------------------|---------|---------|-------------------|-------------------|
| | | (A) | (A-B) | (A-C) | (B) | (C) |
| Deposits (term-end balance) | 預金(末残) | 6,505,825 | 262,427 | 388,154 | 6,243,398 | 6,117,671 |
| Deposits (average balance) | 預金(平残) | 6,358,572 | 168,188 | 257,309 | 6,190,383 | 6,101,262 |
| Loans and bills discounted (term-end balance) | 貸出金(末残) | 4,670,149 | 202,525 | 286,706 | 4,467,623 | 4,383,442 |
| Loans and bills discounted (average balance) | 貸出金(平残) | 4,565,624 | 138,593 | 216,730 | 4,427,030 | 4,348,893 |

【Hokkaido bank】

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31,2016 |
|---|------------|-------------------|---------|---------|-------------------|-------------------|
| | | (A) | (A-B) | (A-C) | (B) | (C) |
| Deposits (term-end balance) | 預金(末残) | 4,674,943 | 187,276 | 290,013 | 4,487,666 | 4,384,929 |
| Deposits (average balance) | 預金(平残) | 4,630,398 | 165,057 | 92,713 | 4,465,341 | 4,537,685 |
| Loans and bills discounted (term-end balance) | 貸出金(末残) | 3,519,283 | 198,548 | 303,098 | 3,320,734 | 3,216,184 |
| Loans and bills discounted (average balance) | 貸出金(平残) | 3,396,074 | 138,262 | 199,222 | 3,257,812 | 3,196,851 |

7. Loans to Small and Medium-sized Enterprises (“SMEs”) and Individuals

【Total of two banks】

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31,2016 |
|-------------------------------|------------|-------------------|---------|---------|-------------------|-------------------|
| | | (A) | (A-B) | (A-C) | (B) | (C) |
| Loans to SMEs and Individuals | 中小企業等貸出残高 | 5,153,950 | 181,702 | 308,918 | 4,972,248 | 4,845,031 |
| % to total loans | 中小企業等貸出比率 | 62.93% | (0.91%) | (0.82%) | 63.84% | 63.75% |

【Hokuriku bank】

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31,2016 |
|-------------------------------|------------|-------------------|---------|---------|-------------------|-------------------|
| | | (A) | (A-B) | (A-C) | (B) | (C) |
| Loans to SMEs and Individuals | 中小企業等貸出残高 | 3,050,235 | 80,489 | 132,090 | 2,969,746 | 2,918,145 |
| % to total loans | 中小企業等貸出比率 | 65.31% | (1.16%) | (1.26%) | 66.47% | 66.57% |

【Hokkaido bank】

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31,2016 |
|-------------------------------|------------|-------------------|---------|---------|-------------------|-------------------|
| | | (A) | (A-B) | (A-C) | (B) | (C) |
| Loans to SMEs and Individuals | 中小企業等貸出残高 | 2,103,715 | 101,213 | 176,828 | 2,002,502 | 1,926,886 |
| % to total loans | 中小企業等貸出比率 | 59.77% | (0.53%) | (0.14%) | 60.30% | 59.91% |

8. Housing and Consumer Loans

【Total of two banks】

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31,2016 |
|----------------------------|-------------|-------------------|---------|---------|-------------------|-------------------|
| | | (A) | (A-B) | (A-C) | (B) | (C) |
| Housing and consumer loans | 個人ローン | 2,350,305 | 100,045 | 194,236 | 2,250,260 | 2,156,068 |
| Housing loans | うち住宅系ローン残高 | 2,195,820 | 94,075 | 174,127 | 2,101,744 | 2,021,693 |
| Other consumer loans | うちその他のローン残高 | 154,485 | 5,969 | 20,109 | 148,516 | 134,375 |

【Hokuriku bank】

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31,2016 |
|----------------------------|-------------|-------------------|--------|--------|-------------------|-------------------|
| | | (A) | (A-B) | (A-C) | (B) | (C) |
| Housing and consumer loans | 個人ローン | 1,225,590 | 25,718 | 57,948 | 1,199,871 | 1,167,641 |
| Housing loans | うち住宅系ローン残高 | 1,157,640 | 23,657 | 48,891 | 1,133,983 | 1,108,749 |
| Other consumer loans | うちその他のローン残高 | 67,949 | 2,061 | 9,057 | 65,888 | 58,891 |

【Hokkaido bank】

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | | As of Mar.31,2017 | As of Mar.31,2016 |
|----------------------------|-------------|-------------------|--------|---------|-------------------|-------------------|
| | | (A) | (A-B) | (A-C) | (B) | (C) |
| Housing and consumer loans | 個人ローン | 1,124,715 | 74,327 | 136,288 | 1,050,388 | 988,427 |
| Housing loans | うち住宅系ローン残高 | 1,038,179 | 70,418 | 125,236 | 967,760 | 912,943 |
| Other consumer loans | うちその他のローン残高 | 86,536 | 3,908 | 11,051 | 82,627 | 75,484 |

9. Classification of Loans by Type of Industry

【Total of two banks】

Classification of loans by type of industry

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | As of Mar.31,2017 | |
|---|----------------------|----------------------|---------------|----------------------|---------------|
| | | | % | | % |
| Domestic total (excluding loans booked offshore) | 国内 (除く特別国際金融取引勘定) | 8,189,432 | 100.0% | 7,788,358 | 100.0% |
| Manufacturing | 製造業 | 809,345 | 9.9% | 798,286 | 10.3% |
| Agriculture and forestry | 農業、林業 | 28,453 | 0.3% | 30,672 | 0.4% |
| Fishery | 漁業 | 2,593 | 0.0% | 2,513 | 0.0% |
| Mining and quarrying of stone and gravel | 鉱業・砕石業、砂利採取業 | 4,572 | 0.1% | 4,530 | 0.1% |
| Construction | 建設業 | 273,542 | 3.3% | 277,815 | 3.6% |
| Utilities | 電気・ガス・熱供給・水道業 | 145,173 | 1.8% | 125,133 | 1.6% |
| Communication | 情報通信業 | 57,736 | 0.7% | 56,186 | 0.7% |
| Transportation and postal activities | 運輸業、郵便業 | 185,569 | 2.3% | 185,535 | 2.4% |
| Wholesale and retail | 卸売業、小売業 | 777,933 | 9.5% | 764,547 | 9.8% |
| Finance and insurance | 金融業、保険業 | 328,848 | 4.0% | 346,807 | 4.5% |
| Real estate and goods rental and leasing | 不動産業、物品賃貸業 | 844,754 | 10.3% | 774,862 | 9.9% |
| Other services | 各種サービス業(学術研究他) | 606,573 | 7.4% | 591,585 | 7.6% |
| Government, local government (Government) | 地方公共団体等 (うち政府向け) | 1,758,735 401,839 | 21.5% 4.9% | 1,545,351 157,535 | 19.8% 2.0% |
| Others | その他 | 2,365,606 | 28.9% | 2,284,535 | 29.3% |

【Total of two banks】

Classification of risk-monitored loans by type of industry

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | As of Mar.31,2017 | |
|---|----------------------|-------------------|--------|-------------------|--------|
| | | | % | | % |
| Domestic total (excluding loans booked offshore) | 国内 (除く特別国際金融取引勘定) | 145,855 | 100.0% | 154,518 | 100.0% |
| Manufacturing | 製造業 | 22,632 | 15.5% | 23,653 | 15.3% |
| Agriculture and forestry | 農業、林業 | 616 | 0.4% | 506 | 0.3% |
| Fishery | 漁業 | 267 | 0.2% | 296 | 0.2% |
| Mining and quarrying of stone and gravel | 鉱業・砕石業、砂利採取業 | 75 | 0.1% | 68 | 0.1% |
| Construction | 建設業 | 15,170 | 10.4% | 18,892 | 12.2% |
| Utilities | 電気・ガス・熱供給・水道業 | 499 | 0.3% | 541 | 0.4% |
| Communication | 情報通信業 | 1,262 | 0.9% | 1,282 | 0.8% |
| Transportation and postal activities | 運輸業、郵便業 | 2,042 | 1.4% | 2,207 | 1.4% |
| Wholesale and retail | 卸売業、小売業 | 30,541 | 20.9% | 30,311 | 19.6% |
| Finance and insurance | 金融業、保険業 | 171 | 0.1% | 159 | 0.1% |
| Real estate and goods rental and leasing | 不動産業、物品賃貸業 | 17,444 | 12.0% | 19,825 | 12.9% |
| Other services | 各種サービス業(学術研究他) | 24,676 | 16.9% | 26,314 | 17.0% |
| Government, local government | 地方公共団体等 | — | — | — | — |
| Others | その他 | 30,453 | 20.9% | 30,459 | 19.7% |

【Hokuriku bank】

Classification of loans by type of industry

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | As of Mar.31,2017 | |
|---|-----------------------|--------------------|---------------|--------------------|---------------|
| | | | % | | % |
| Domestic total (excluding loans booked offshore) | 国内 (除く 特別国際金融取引勘定) | 4,670,149 | 100.0% | 4,467,623 | 100.0% |
| Manufacturing | 製造業 | 565,182 | 12.1% | 557,453 | 12.5% |
| Agriculture and forestry | 農業、林業 | 12,140 | 0.3% | 16,904 | 0.4% |
| Fishery | 漁業 | 1,227 | 0.0% | 809 | 0.0% |
| Mining and quarrying of stone and gravel | 鉱業・砕石業、砂利採取業 | 2,125 | 0.0% | 1,892 | 0.0% |
| Construction | 建設業 | 172,102 | 3.7% | 175,145 | 3.9% |
| Utilities | 電気・ガス・熱供給・水道業 | 76,522 | 1.6% | 66,819 | 1.5% |
| Communication | 情報通信業 | 29,489 | 0.6% | 30,717 | 0.7% |
| Transportation and postal activities | 運輸業、郵便業 | 91,713 | 2.0% | 88,549 | 2.0% |
| Wholesale and retail | 卸売業、小売業 | 472,004 | 10.1% | 458,204 | 10.3% |
| Finance and insurance | 金融業、保険業 | 184,722 | 4.0% | 184,269 | 4.1% |
| Real estate and goods rental and leasing | 不動産業、物品賃貸業 | 501,058 | 10.7% | 446,471 | 10.0% |
| Other services | 各種サービス業(学術研究他) | 372,964 | 8.0% | 362,752 | 8.1% |
| Government, local government (Government) | 地方公共団体等 (うち政府向け) | 961,418 256,849 | 20.6% 5.5% | 857,426 155,035 | 19.2% 3.5% |
| Others | その他 | 1,227,483 | 26.3% | 1,220,213 | 27.3% |

【Hokuriku bank】

Classification of risk-monitored loans by type of industry

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | As of Mar.31,2017 | |
|---|-----------------------|-------------------|--------|-------------------|--------|
| | | | % | | % |
| Domestic total (excluding loans booked offshore) | 国内 (除く 特別国際金融取引勘定) | 85,091 | 100.0% | 87,869 | 100.0% |
| Manufacturing | 製造業 | 17,479 | 20.5% | 18,152 | 20.7% |
| Agriculture and forestry | 農業、林業 | 200 | 0.2% | 115 | 0.1% |
| Fishery | 漁業 | 143 | 0.2% | 159 | 0.2% |
| Mining and quarrying of stone and gravel | 鉱業・砕石業、砂利採取業 | 5 | 0.0% | 47 | 0.0% |
| Construction | 建設業 | 7,691 | 9.0% | 10,506 | 12.0% |
| Utilities | 電気・ガス・熱供給・水道業 | — | — | — | — |
| Communication | 情報通信業 | 553 | 0.7% | 493 | 0.6% |
| Transportation and postal activities | 運輸業、郵便業 | 1,396 | 1.6% | 1,309 | 1.5% |
| Wholesale and retail | 卸売業、小売業 | 21,741 | 25.6% | 21,041 | 23.9% |
| Finance and insurance | 金融業、保険業 | 160 | 0.2% | 142 | 0.2% |
| Real estate and goods rental and leasing | 不動産業、物品賃貸業 | 7,923 | 9.3% | 8,481 | 9.6% |
| Other services | 各種サービス業(学術研究他) | 13,828 | 16.3% | 13,335 | 15.2% |
| Government, local government | 地方公共団体等 | — | — | — | — |
| Others | その他 | 13,968 | 16.4% | 14,082 | 16.0% |

【Hokkaido bank】

Classification of loans by type of industry

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | As of Mar.31,2017 | |
|---|-----------------------|--------------------|---------------|-------------------|---------------|
| | | | % | | % |
| Domestic total (excluding loans booked offshore) | 国内 (除く 特別国際金融取引勘定) | 3,519,283 | 100.0% | 3,320,734 | 100.0% |
| Manufacturing | 製造業 | 244,163 | 6.9% | 240,833 | 7.3% |
| Agriculture and forestry | 農業、林業 | 16,313 | 0.5% | 13,768 | 0.4% |
| Fishery | 漁業 | 1,366 | 0.0% | 1,704 | 0.0% |
| Mining and quarrying of stone and gravel | 鉱業・砕石業、砂利採取業 | 2,447 | 0.1% | 2,638 | 0.1% |
| Construction | 建設業 | 101,440 | 2.9% | 102,670 | 3.1% |
| Utilities | 電気・ガス・熱供給・水道業 | 68,651 | 1.9% | 58,314 | 1.8% |
| Communication | 情報通信業 | 28,247 | 0.8% | 25,469 | 0.8% |
| Transportation and postal activities | 運輸業、郵便業 | 93,856 | 2.7% | 96,986 | 2.9% |
| Wholesale and retail | 卸売業、小売業 | 305,929 | 8.7% | 306,343 | 9.2% |
| Finance and insurance | 金融業、保険業 | 144,126 | 4.1% | 162,538 | 4.9% |
| Real estate and goods rental and leasing | 不動産業、物品賃貸業 | 343,696 | 9.8% | 328,391 | 9.9% |
| Other services | 各種サービス業(学術研究他) | 233,609 | 6.6% | 228,833 | 6.9% |
| Government, local government (Government) | 地方公共団体等 (うち政府向け) | 797,317 144,990 | 22.7% 4.1% | 687,925 2,500 | 20.7% 0.1% |
| Others | その他 | 1,138,123 | 32.3% | 1,064,322 | 32.0% |

【Hokkaido bank】

Classification of risk-monitored loans by type of industry

(Millions of yen)

| | (Japanese) | As of Mar.31,2018 | | As of Mar.31,2017 | |
|---|-----------------------|-------------------|--------|-------------------|--------|
| | | | % | | % |
| Domestic total (excluding loans booked offshore) | 国内 (除く 特別国際金融取引勘定) | 60,763 | 100.0% | 66,649 | 100.0% |
| Manufacturing | 製造業 | 5,152 | 8.5% | 5,500 | 8.3% |
| Agriculture and forestry | 農業、林業 | 415 | 0.7% | 390 | 0.6% |
| Fishery | 漁業 | 124 | 0.2% | 137 | 0.2% |
| Mining and quarrying of stone and gravel | 鉱業・砕石業、砂利採取業 | 69 | 0.1% | 21 | 0.0% |
| Construction | 建設業 | 7,479 | 12.3% | 8,386 | 12.6% |
| Utilities | 電気・ガス・熱供給・水道業 | 499 | 0.8% | 541 | 0.8% |
| Communication | 情報通信業 | 708 | 1.2% | 788 | 1.2% |
| Transportation and postal activities | 運輸業、郵便業 | 646 | 1.1% | 897 | 1.3% |
| Wholesale and retail | 卸売業、小売業 | 8,800 | 14.5% | 9,269 | 13.9% |
| Finance and insurance | 金融業、保険業 | 10 | 0.0% | 16 | 0.0% |
| Real estate and goods rental and leasing | 不動産業、物品賃貸業 | 9,521 | 15.7% | 11,344 | 17.0% |
| Other services | 各種サービス業(学術研究他) | 10,848 | 17.8% | 12,978 | 19.5% |
| Government, local government | 地方公共団体等 | — | — | — | — |
| Others | その他 | 16,485 | 27.1% | 16,376 | 24.6% |