

Investor Meeting

*~Interim Results for FY 2009~
(ended September 30, 2009)*



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

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Hokuhoku Financial Group, Inc.

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“Hokugin Corp.”, Hokuriku bank's fully-owned subsidiary for corporate revitalization, terminated its projected operations and was liquidated in September, 2009. Figures of Hokugin Corp. are partly included in the past financial results for comparison.

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*Summary of Interim Results
for FY 2009*

Summary of Interim Results I-①

<P/L : Consolidated and Total of Two Banks >

Hokuhoku Financial Group, Inc.

< Consolidated > (JPY Bn)	Released on 05/15/2009	FY09 1H	change	FY08 1H
	['09/09 Forecasts]			
Ordinary income	[113.0]	114.3	(9.4)	123.8
Ordinary profits	[14.5]	13.3	(6.3)	19.6
Net income	[8.0]	5.7	(31.7)	37.5
< Total of two banks > (JPY Bn)				
Core gross business profits	[83.0]	79.6	(7.7)	87.3
Net interest income		65.3	(0.8)	66.1
Domestic		64.9	(0.3)	65.3
Net fees & commissions		11.3	(2.0)	13.3
Net trading income		0.8	(0.0)	0.9
Net other income (excluding gains (losses) related to bonds)		2.0	(4.8)	6.9
General & administrative expenses	[47.0]	(47.1)	(1.5)	(45.6)
Core net business profits	[36.0]	32.4	(9.2)	41.7
Net gains (losses) related to bonds		1.8	3.4	(1.6)
Net business profits before credit costs		34.3	(5.8)	40.1
Net non-recurring gains(losses)		(16.2)	4.1	(20.4)
Total credit costs	[18.0]	(16.8)	(0.7)	(16.1)
Net gains (losses) related to stocks		(0.9)	2.6	(3.5)
Ordinary profits	[15.5]	14.2	(5.2)	19.4
Net extraordinary gains (losses)		3.7	3.9	(0.2)
Income taxes		(6.5)	(25.2)	18.6
Net Income	[12.5]	11.4	(26.4)	37.8

< Consolidated >

Net income: ¥5.7Bn

-¥31.7Bn compared to FY08 1H

< Total of two banks >

Core net business profits: ¥32.4Bn

-¥9.2Bn compared to FY08 1H

- Decrease in gross business profits and increase in G&A expenses

Ordinary profits: ¥14.2Bn

-¥5.2Bn compared to FY08 1H

- Improvement in gains related to bonds and stocks in spite of increase in total credit costs

Net income: ¥11.4Bn

-¥26.4Bn compared to FY08 1H

- Decrease in income taxes-deferred due to decisions of liquidation of subsidiary, regarding 1st half of FY 2008

(JPY Bn)	FY09 1H	change	FY08 1H
A - B	(5.7)	(5.3)	(0.3)
Other Subsidiaries	(0.0)	(0.9)	0.9
Amortization of goodwill	(1.2)	(0.0)	(1.2)
Elimination	(1.1)	(0.9)	(0.1)
Gain on liquidation of subsidiaries	(3.0)	(3.0)	-

Summary of Interim Results I-②

<P/L : Non-Consolidated, each bank>

Hokuhoku Financial Group, Inc.

(JPY Bn)	〈Hokuriku Bank〉			〈Hokkaido Bank〉		
	FY09 1H	change	FY08 1H	FY09 1H	change	FY08 1H
Core gross business profits	45.3	(4.5)	49.8	34.2	(3.2)	37.5
Net interest income	36.5	(0.9)	37.5	28.7	0.1	28.6
Domestic	36.3	(0.6)	37.0	28.5	0.2	28.3
Net fees & commissions	6.9	(1.2)	8.2	4.4	(0.7)	5.1
Net trading income	0.8	(0.0)	0.9	-	-	-
Net other income (excluding gains (losses) related to bonds)	0.9	(2.2)	3.2	1.1	(2.5)	3.7
General & administrative expenses	(25.8)	(0.1)	(25.7)	(21.3)	(1.4)	(19.8)
Core net business profits	19.5	(4.6)	24.1	12.9	(4.6)	17.6
Net gains (losses) related to bonds	(0.4)	(0.0)	(0.4)	2.3	3.4	(1.1)
Net business profits before credit costs	19.0	(4.6)	23.6	15.2	(1.1)	16.4
Net non-recurring gains (losses)	(7.8)	6.9	(14.8)	(8.3)	(2.7)	(5.6)
Total credit costs	(7.0)	3.4	(10.5)	(9.7)	(4.1)	(5.6)
Net gains (losses) related to stocks	(0.7)	2.6	(3.3)	(0.2)	0.0	(0.2)
Ordinary profits	9.8	0.2	9.6	4.3	(5.4)	9.8
Net extraordinary gains (losses)	2.4	2.5	(0.1)	1.3	1.3	(0.0)
Income taxes	(4.7)	(25.3)	20.6	(1.8)	0.1	(1.9)
Net Income	7.5	(22.5)	30.1	3.8	(3.9)	7.7

Summary of Interim Results II-①

<B/S : Consolidated and Total of two Banks>

Hokuhoku Financial Group, Inc.

< Total of two banks +Hokugin Corp.> (JPY Bn)	Sep-09	change	Sep-08
Loans	7,001.5	(4.7)	7,006.3
Loans to SMEs & individuals	4,944.0	(32.9)	4,977.0
Housing & consumer loans	1,933.3	61.3	1,872.0
Securities	1,787.6	41.7	1,745.8
Deposits	8,818.7	266.9	8,551.8
Individual deposits	6,285.3	236.8	6,048.4
Total individual assets	7,031.6	166.4	6,865.2
Individual deposits (deposits in yen)	6,260.0	232.4	6,027.5
Investment products (for individuals)	771.6	(66.0)	837.6
Foreign currency deposits	25.2	4.4	20.8
Public bonds	312.1	(12.7)	324.8
Investment trusts	434.2	(57.7)	491.9
< Total of two banks +Hokugin Corp.> (JPY Bn)	Sep-09	change	Mar-09
Balance of NPLs	214.6	(12.8)	227.5
NPL ratio	2.96%	(0.11%)	3.07%
< Consolidated> (JPY Bn)	Sep-09	change	Mar-09
Capital adequacy ratio	10.91%	0.10%	10.81%
Tier1 ratio	6.70%	(0.88%)	7.58%
Net deferred tax assets / Tier1 capital	22.16%	(0.61%)	22.77%
Valuation difference on available- for-sale securities	13.0	41.0	(27.9)

<Total of two banks +Hokugin Corp.>

Loans: -¥4.7Bn compared to Sep-08

- ... Increase in loans to individual and decrease in loans to government and local governments

Securities: +¥41.7Bn compared to Sep-08

- ... Mainly due to the increase in Japanese government bonds and local government bonds

Deposits: +¥266.9Bn compared to Sep-08

- ... Mainly due to the increase in individual deposits

Total individual assets:

+¥166.4Bn compared to Sep-08

- ... Individual deposits increased

Balance of NPLs: -¥12.8Bn compared to Mar-09

NPL ratio: 2.96%

<Consolidated>

Capital adequacy ratio: 10.91%

Valuation difference on available-for-sale securities: ¥13.0Bn

- ... Improvement in stock price
- ... No assets related to Sub-prime loans are contained in our portfolio

Summary of Interim Results II-②

<B/S : Non-Consolidated, each bank>

Hokuhoku Financial Group, Inc.

(JPY Bn)	〈Hokuriku Bank +Hokugin Corp.〉			〈Hokkaido Bank〉		
	Sep-09	change	Sep-08	Sep-09	change	Sep-08
Loans	4,172.6	(73.3)	4,245.9	2,828.9	68.5	2,760.3
Loans to SMEs & individuals	2,920.6	(49.2)	2,969.9	2,023.4	16.2	2,007.1
Housing & consumer loans	998.5	44.2	954.2	934.8	17.0	917.7
Securities	858.4	24.6	833.7	929.1	17.0	912.0
Deposits	5,079.5	116.9	4,962.6	3,739.1	149.9	3,589.1
Individual deposits	3,489.7	101.7	3,388.0	2,795.5	135.1	2,660.4
Total individual assets	3,965.4	52.1	3,913.2	3,066.2	114.2	2,951.9
Individual deposits (deposits in yen)	3,471.3	98.6	3,372.6	2,788.6	133.7	2,654.9
Investment products (for individuals)	494.0	(46.5)	540.6	277.5	(19.4)	297.0
Foreign currency deposits	18.4	3.0	15.3	6.8	1.3	5.4
Public bonds	201.5	(9.7)	211.2	110.5	(2.9)	113.5
Investment trusts	274.1	(39.8)	313.9	160.1	(17.8)	177.9
	Sep-09	change	Mar-09	Sep-09	change	Mar-09
Balance of NPLs	140.1	(2.5)	142.6	74.5	(10.3)	84.8
NPL ratio	3.23%	0.04%	3.19%	2.57%	(0.32%)	2.89%
Capital adequacy ratio	10.56%	0.33%	10.23%	10.30%	(0.15%)	10.45%
Tier1 ratio	6.24%	(0.90%)	7.14%	6.45%	(0.82%)	7.27%
Net deferred tax assets / Tier1 capital	28.85%	(0.17%)	29.02%	16.53%	(0.80%)	17.33%
Valuation difference on available- for-sale securities	11.1	21.9	(10.7)	9.8	17.3	(7.4)

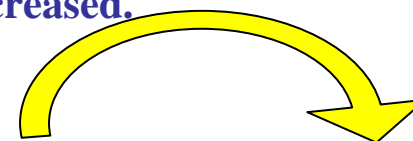
Breakdown of Business Profits ①

<Net interest income>

Hokuhoku Financial Group, Inc.

➤ While a decline in deposit interest rates has reduced fund procurement costs, a drop in yields on loans curved lending margins. Amount of lending outstanding has increased.

【Breakdown of net interest income (domestic)】



(JPY Bn, %)	FY2008 1H			FY2009 1H			change			breakdown		FY2008			FY2009 (Projection) (Domestic)		
	Average balance	Rate	Interest	Average balance	Rate	Interest	Average balance	Rate	Interest	Average balance	Rate	Average balance	Rate	Interest	Average balance	Rate	Interest
< Total of two banks >															Total of two banks		
Net interest income			65.3			64.9			(0.3)					131.9	Average balance	Rate	
Loans	6,858.6	2.03%	69.9	6,952.4	1.89%	66.2	93.8	(0.14%)	(3.7)	0.9	(4.6)	6,936.3	2.01%	140.0	Loans	+ 65.0	-0.14%
Securities	1,700.3	0.98%	8.3	1,795.2	0.98%	8.8	94.8	0.00%	0.4	0.4	0.0	1,703.5	1.01%	17.2	Securities	+140.0	+0.01%
Deposits & NCDs	8,561.3	0.30%	13.3	8,842.2	0.22%	10.1	280.9	(0.08%)	(3.1)	0.3	(3.5)	8,583.0	0.29%	25.2	Deposits & NCDs	+250.0	-0.08%
< Hokuriku bank >															Hokuriku bank		
Net interest income			37.0			36.3			(0.6)					73.8	Average balance	Rate	
Loans	4,167.2	1.94%	40.6	4,118.2	1.82%	37.6	(48.9)	(0.12%)	(2.9)	(0.4)	(2.5)	4,178.9	1.93%	80.7	Loans	- 26.0	-0.13%
Securities	783.8	1.02%	4.0	851.5	1.03%	4.4	67.7	0.01%	0.4	0.3	0.0	804.5	1.01%	8.1	Securities	+ 72.0	0.03%
Deposits & NCDs	4,941.1	0.31%	7.8	5,105.5	0.24%	6.2	164.4	(0.07%)	(1.6)	0.2	(1.9)	4,959.2	0.30%	15.2	Deposits & NCDs	+135.0	-0.07%
< Hokkaido bank >															Hokkaido bank		
Net interest income			28.3			28.5			0.2					58.1	Average balance	Rate	
Loans	2,691.4	2.17%	29.3	2,834.2	2.00%	28.5	142.8	(0.17%)	(0.7)	1.4	(2.2)	2,757.4	2.14%	59.2	Loans	+ 91.0	-0.16%
Securities	916.5	0.94%	4.3	943.7	0.94%	4.4	27.1	0.00%	0.0	0.1	0.0	898.9	1.01%	9.0	Securities	+ 68.0	-0.01%
Deposits & NCDs	3,620.2	0.29%	5.4	3,736.7	0.20%	3.8	116.4	(0.09%)	(1.5)	0.1	(1.6)	3,623.8	0.27%	9.9	Deposits & NCDs	+ 115.0	-0.08%

Breakdown of Business Profits ②

<Fee revenue>

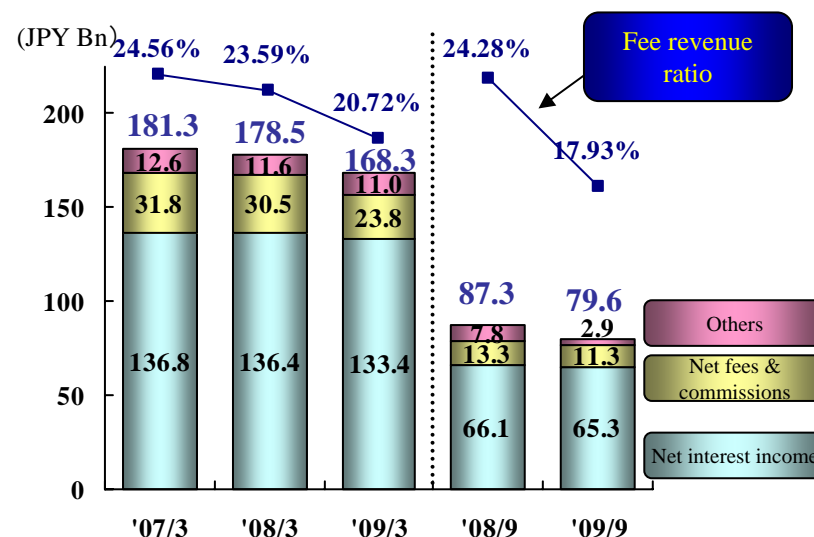
Hokuhoku Financial Group, Inc.

- Fees and commissions from the investment trusts and insurance decreased.
- Net gains on foreign exchange transactions and income from derivatives decreased.

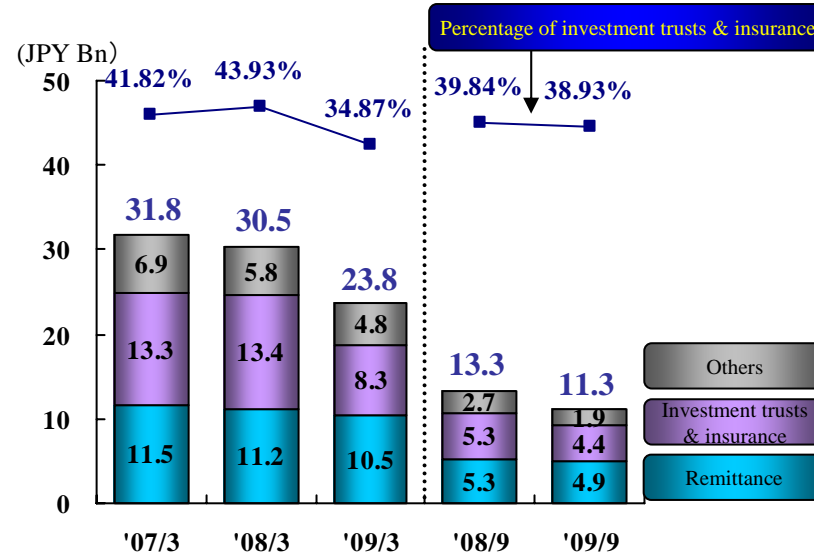
【Breakdown of fee revenue】

〈Total of two banks〉 (JPY Bn)	FY09 1H	change	FY08 1H
(1) Net fees & commissions	11.3	(2.0)	13.3
Fees and commissions	18.1	(1.7)	19.9
Remittance	5.9	(0.4)	6.4
Investment trusts	2.4	(0.3)	2.7
Insurance	2.0	(0.5)	2.5
Fees and commissions payments	6.7	0.2	6.5
Remittance	0.9	(0.0)	1.0
ATM (alliance with convenience stores)	1.0	0.0	1.0
Loan related expenses	4.3	0.2	4.1
(2) Net trading income	0.8	(0.0)	0.9
(3) Net other income (excluding gains(losses) related to bonds)	2.0	(4.8)	6.9
Net gains (losses) on foreign exchange transactions	2.2	(1.8)	4.1
Net income (expenses) on derivatives	(0.1)	(2.9)	2.8
(4) Fee revenue (1)+(2)+(3)	14.2	(6.9)	21.2
(5) Core gross business profits	79.6	(7.7)	87.3
(6) Fee revenue ratio (4)/(5)	17.93%	(6.35%)	24.28%

【Core gross business profits】 〈Total of two banks〉



【Net fees and commissions】 〈Total of two banks〉



Breakdown of Business Profits ③

<General and administrative expenses>

Hokuhoku Financial Group, Inc.

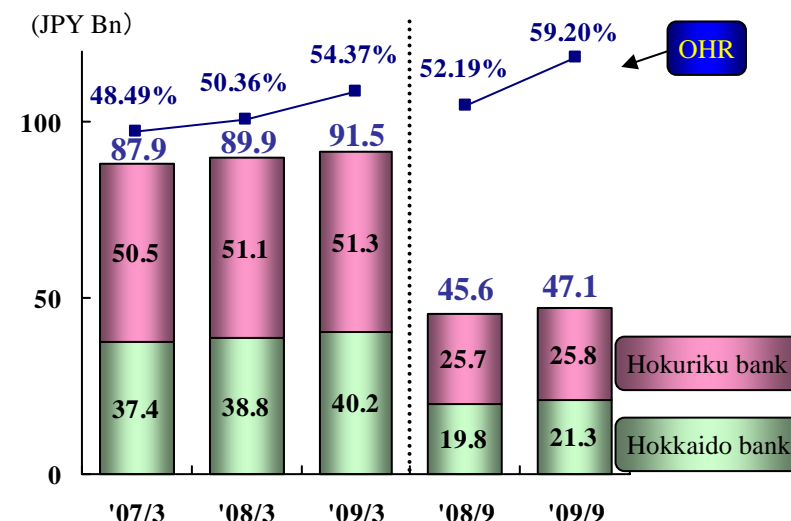
➤ General and administrative expenses increased due to the increase in personnel and IT system.

【Breakdown of G&A expenses】

〈Total of two banks〉 (JPY Bn)	FY09 1H	change	FY08 1H
General and administrative expenses	47.1	1.5	45.6
Personnel	21.5	1.0	20.5
Non-personnel	22.9	0.5	22.4
Taxes	2.5	(0.0)	2.6
OHR	59.20%	7.01%	52.19%
Number of employees (excluding temporary staffs) (A)	4,525	111	4,414
Temporary staffs (B)	4,232	66	4,166
Percentage of temporary staffs (B)/{(A)+(B)}	48.32%	(0.23%)	48.55%

※OHR = (G&A expenses / core gross business profits)

【G&A expenses · OHR】 〈Total two banks〉



Personnel expenses: +¥1.0Bn

- Increase in the number of employees to beef up marketing capabilities, and switch of the dispatch labor to the direct employment

Non-personnel expenses: +¥0.5Bn

- IT system, etc

Net Gains (Losses) related to Securities

Hokuhoku Financial Group, Inc.

- Net gains (losses) related to bonds: ¥1.8Bn
- Net gains (losses) related to stocks: -¥0.9Bn
 - · · Improvement in market environment

【Net gains (losses) related to securities】

(JPY Bn)	〈Total of two banks〉			〈Hokuriku bank〉			〈Hokkaido bank〉		
	FY09 1H	change	FY08 1H	FY09 1H	change	FY08 1H	FY09 1H	change	FY08 1H
Gains (losses) on bonds	1.8	3.4	(1.6)	(0.4)	(0.0)	(0.4)	2.3	3.4	(1.1)
Gains on sales	3.4	2.2	1.1	0.0	(0.5)	0.6	3.3	2.8	0.5
Losses on sales	0.8	(0.1)	1.0	0.2	0.1	0.0	0.6	(0.3)	1.0
Losses on redemption	0.2	(0.3)	0.6	—	—	—	0.2	(0.3)	0.6
Losses on devaluation	0.5	(0.6)	1.1	0.3	(0.7)	1.1	0.1	0.1	—
Gains (losses) on stocks	(0.9)	2.6	(3.5)	(0.7)	2.6	(3.3)	(0.2)	0.0	(0.2)
Gains on sales	0.5	0.2	0.3	0.3	0.0	0.3	0.1	0.1	0.0
Losses on sales	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(0.0)	0.0
Losses on devaluation	1.4	(2.4)	3.8	1.0	(2.6)	3.6	0.3	0.1	0.2

“Impairment loss ” is recognized on the following assets classified based on self-assessment.

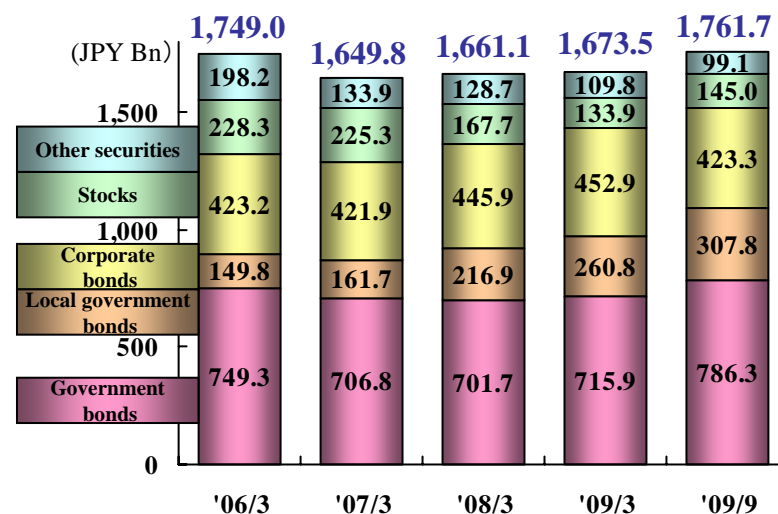
Assets requiring caution	“Market value has fallen below its acquisition cost”
Normal Assets	“Market value has fallen 50% or more from its acquisition cost, or market value has fallen more than 30% to less than 50% and market price has been below the certain level”

- Government bonds and Local government bonds led the increase of total balance of securities.
- Valuation difference on securities got better owing to the market recovery.

【Balance of securities】

〈Consolidated〉 (JPY Bn)	Sep-09	change	Mar-09
Securities	1,761.7	88.1	1,673.5
Government bonds	786.3	70.4	715.9
Local government bonds	307.8	47.0	260.8
Corporate bonds	423.3	(29.6)	452.9
Stocks	145.0	11.0	133.9
Other Securities	99.1	(10.7)	109.8

【Balance of securities】



【Valuation difference】

〈Consolidated〉 (JPY Bn)	Acquisition cost (1)			Balance sheet amount (2)			Valuation difference (2)-(1)		
	Sep-09	change	Mar-09	Sep-09	change	Mar-09	Sep-09	change	Mar-09
Available-for-sale securities	1,563.0	69.9	1,493.1	1,576.1	110.9	1,465.1	13.0	41.0	(27.9)
Stocks	109.5	(4.8)	114.4	114.1	9.7	104.4	4.6	14.6	(10.0)
Bonds	1,354.2	89.5	1,264.6	1,369.2	108.5	1,260.7	15.0	18.9	(3.9)
Other	99.2	(14.7)	113.9	92.6	(7.3)	99.9	(6.5)	7.4	(13.9)

➤ No securitization products related to Sub-prime nor SIV are included in our portfolio.

【 Balance of securitization products 】

<Total of two banks>

(JPY Bn)

	As of Sep 30, 2009					
	Securitization Products					
			RMBS	CMBS	CDO	ABS
Securities	1,787.6	(Δ0.0) 17.1	(Δ0.0) 15.4	—	(Δ0.0) 0.3	(+0.0) 1.4
Government bonds	781.8	—	—	—	—	—
Local government bonds	307.8	—	—	—	—	—
Corporate bonds	428.3	(+0.0) 4.4	(+0.0) * 1 2.6	—	(Δ0.0) 0.3	(+0.0) 1.4
Japanese stocks	170.4	—	—	—	—	—
Foreign securities	59.2	(Δ0.0) 12.7	(Δ0.0) * 2 12.7	—	—	—
Others	39.8	—	—	—	—	—
Money held in trust	4.4	(+0.0) 0.4	—	(+0.0) 0.4	—	—
Monetary claims bought	140.8	111.7	* 1 108.6	1.8	—	1.2

(*1) Most of RMBS are backed by mortgage loans held by domestic financial institutions.
 (*2) RMBS in foreign bonds are guaranteed by Ginnie Mae.

Note : Numbers in parentheses show the valuation difference.

➤ Valuation of some floating rate government bonds are based on parity prices.

【 Valuation difference of floating rate government bonds 】

(JPY Bn)

	(As of Sep 30, 2009)	<Total of two banks>	<Hokuriku Bank>	<Hokkaido Bank>
Valuation difference		4.7	0.5	4.2
<Reference> Valuation difference (market price)		(7.0)	0.5	(7.5)

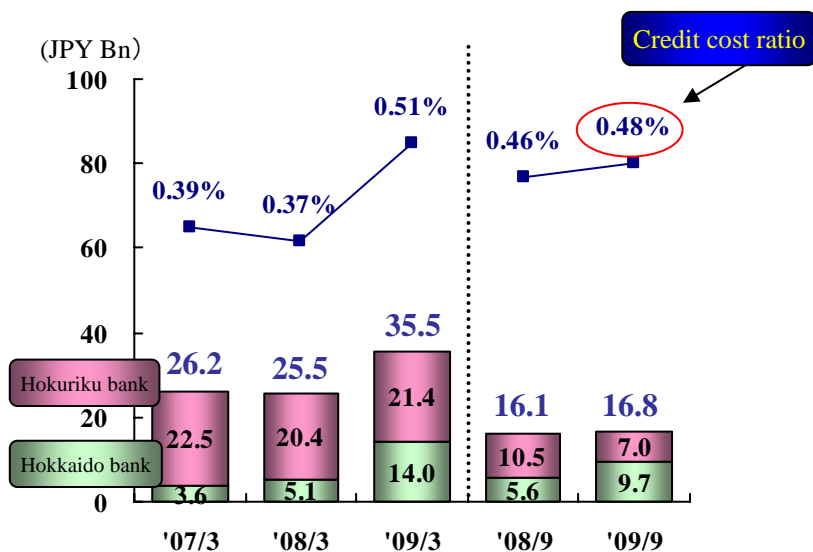
Valuation of some floating rate government bonds, of which we believe market prices are not appropriate as fair value, has been calculated based on parity prices since the end of December 2008. See reference for valuation difference when calculated by market prices.

Credit Costs and Non-Performing Loan

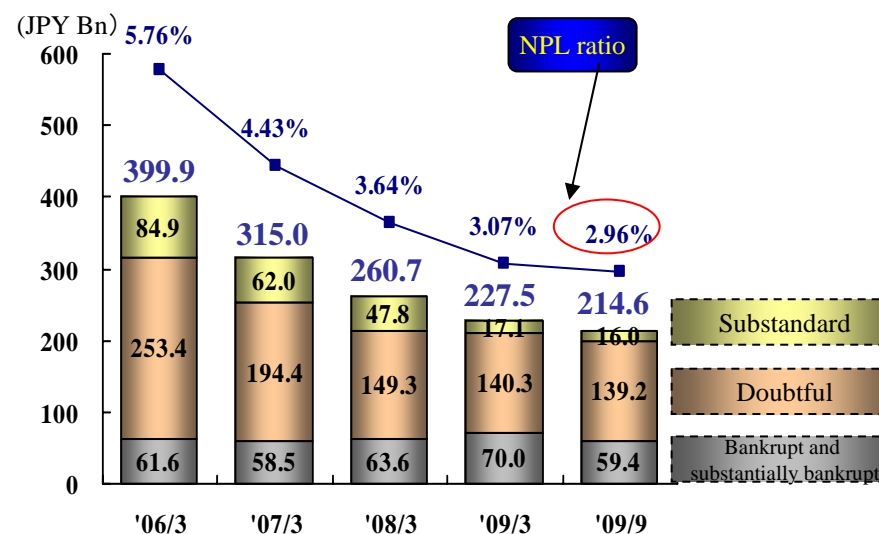
Hokuhoku Financial Group, Inc.

- Total credit costs was ¥16.8Bn (+¥0.7Bn compared to Sep-08), Credit cost ratio was 0.48% (+0.02%)
- NPL ratio was 2.96% (-0.11% compared to Mar-09)

【Total credit costs】〈Total of two banks〉



【Non-performing loan】〈Total of two banks + Hokugin Corp.〉



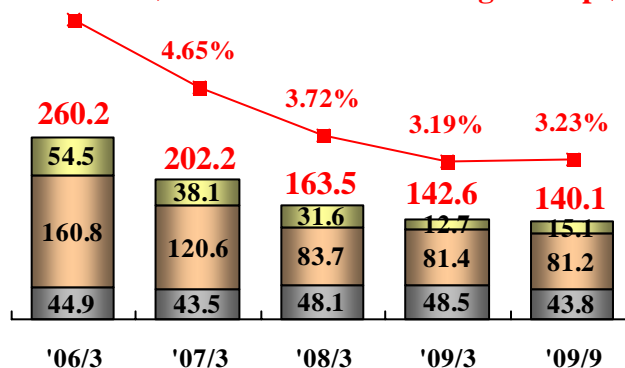
※ Total credit costs

= Credit related costs + Provision of general allowance for loan losses

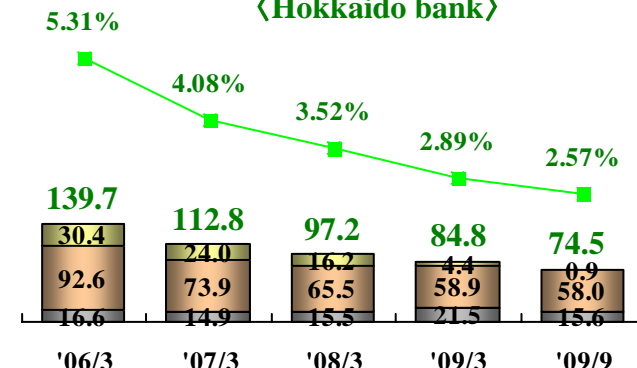
※ Credit cost ratio

= Total credit costs ÷ Average balance of Loans

6.03% 〈Hokuriku bank + Hokugin Corp.〉



5.31% 〈Hokkaido bank〉



Capital Adequacy Ratio

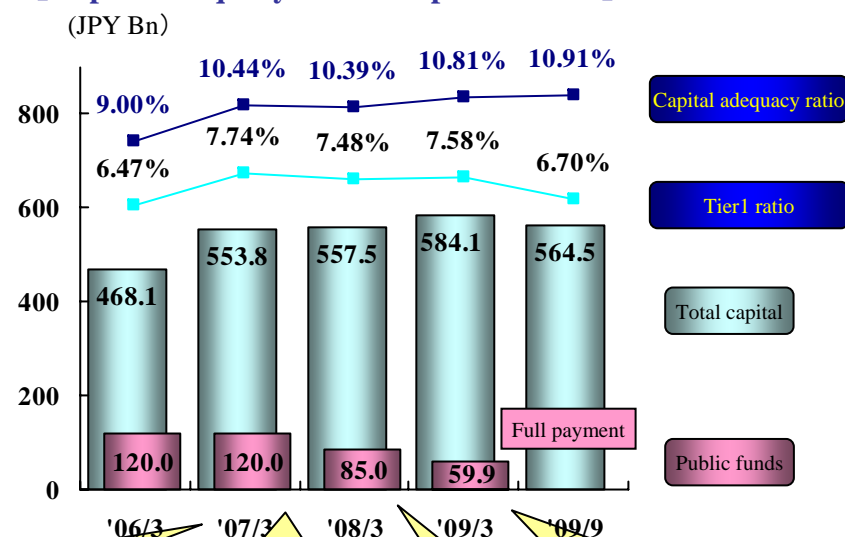
Hokuhoku Financial Group, Inc.

- Capital adequacy ratio was 10.91% (+0.10% from Mar-09).
- Public funds were all repaid in Aug.2009.

【Capital adequacy ratio】〈Consolidated〉

(JPY Bn)	Sep-09	change	Mar-09
Capital adequacy ratio	10.91%	0.10%	10.81%
Tier1 ratio	6.70%	(0.88%)	7.58%
Tier1 capital	346.8	(63.2)	410.0
Preferred shares (Public funds)	-	(59.9)	59.9
Preferred shares (Private sector)	53.7	-	53.7
Tier2 capital	219.1	43.4	175.6
Total capital	564.5	(19.6)	584.1
Risk-weighted assets	5,169.6	(233.9)	5,403.5
Credit risk portion	4,836.6	(226.9)	5,063.5
Operational risk portion	332.9	(7.0)	340.0

【Capital adequacy ratio and public funds】



'07/3 Basel II
Credit risk「The Standardized Approach」
Operational risk「The Standardized Approach」

'07/8 Repaid Public funds
¥35.0Bn (Repurchase Amount ¥40.0Bn)

'09/7・8 Repaid Public funds
¥59.9Bn (Repurchase Amount ¥69.9Bn)

'08/6 Repaid Public funds ¥25.0Bn
(Repurchase Amount ¥30.1Bn)

〈Hokuriku bank〉

(JPY Bn)	Sep-09	change	Mar-09
Capital adequacy ratio	10.56%	0.33%	10.23%
Tier1 ratio	6.24%	(0.90%)	7.14%
Tier1 capital	188.0	(39.8)	227.8
Tier2 capital	130.3	31.5	98.8
Total Capital	318.3	(8.2)	326.6
Risk-weighted assets	3,012.6	(178.4)	3,191.0
Total interest rate risk	41.1	0.8	40.3
Outlier ratio	12.93%	0.57%	12.36%

〈Hokkaido bank〉

(JPY Bn)	Sep-09	change	Mar-09
Capital adequacy ratio	10.30%	(0.15%)	10.45%
Tier1 ratio	6.45%	(0.82%)	7.27%
Tier1 capital	138.1	(23.6)	161.7
Tier2 capital	82.4	11.5	70.8
Total Capital	220.5	(12.0)	232.5
Risk-weighted assets	2,141.1	(83.8)	2,224.9
Total interest rate risk	30.2	(0.2)	30.5
Outlier ratio	13.73%	0.58%	13.15%

Deferred Tax Assets

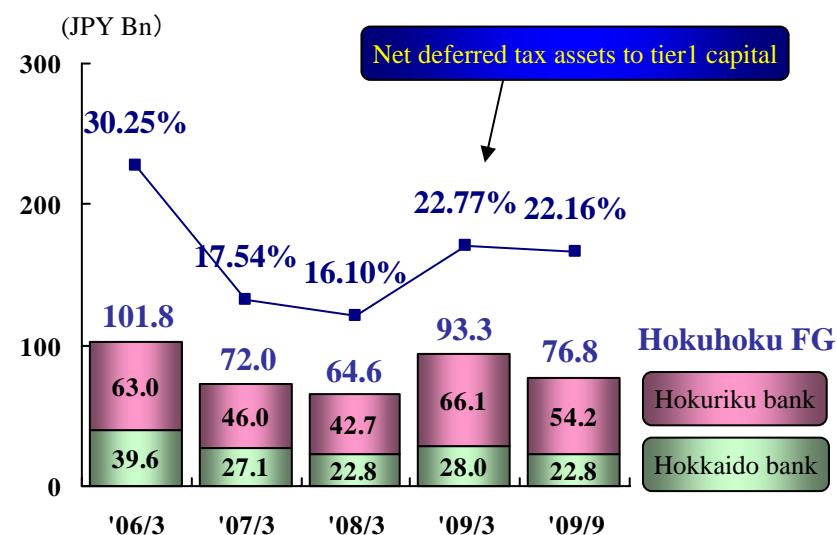
Hokuhoku Financial Group, Inc.

- Net deferred tax assets : ¥76.8Bn (-¥16.5Bn compared to Mar-09)
- Net deferred tax assets to tier1 capital ratio : 22.16% (-0.61% compared to Mar-09)

【Breakdown of deferred tax assets】

〈Consolidated〉 (JPY Bn)	Sep-09	change	Mar-09
Allowance for loan losses	69.4	(0.0)	69.5
Depreciation	1.9	(0.0)	1.9
Provision for retirement benefits	16.5	0.6	15.9
Loss on valuation of securities	14.5	(0.0)	14.5
Valuation difference on available-for-sale securities	-	(9.6)	9.6
Other	4.6	(0.2)	4.8
Operating loss carryforwards	31.0	(2.3)	33.4
(1) Deferred tax assets	138.1	(11.6)	149.8
(2) Valuation allowance	48.5	(1.4)	49.9
(3) Total deferred tax assets (1)-(2)	89.6	(10.2)	99.8
(4) Deferred tax liabilities	12.7	6.2	6.4
(5) Net deferred tax assets (3)-(4)	76.8	(16.5)	93.3

【Change of deferred tax assets】



(JPY Bn)	〈Hokuriku bank〉			〈Hokkaido bank〉		
	Sep-09	change	Mar-09	Sep-09	change	Mar-09
(1) Deferred tax assets	100.6	(9.3)	110.0	30.4	(0.8)	31.2
(2) Valuation allowance	41.3	(1.8)	43.2	1.8	(0.2)	2.1
(3) Total deferred tax assets (1)-(2)	59.3	(7.4)	66.7	28.5	(0.5)	29.1
(4) Deferred tax liabilities	5.0	4.4	0.6	5.7	4.6	1.1
(5) Net deferred tax assets (3)-(4)	54.2	(11.8)	66.1	22.8	(5.1)	28.0

Forecasts

Hokuhoku Financial Group, Inc.

【Earnings Forecasts for FY 2009】

〈Consolidated〉

(JPY Bn)	Interim Results	Full year Forecasts	Change from FY2008
Ordinary income	114.3	225.0	(14.6)
Ordinary profits	13.3	35.0	13.6
Net income	5.7	18.0	(19.0)

【Dividend Forecasts for FY 2009】

〈Non-consolidated〉

	Interim	Year-end	Annual	Change from FY2008
Dividend per common share	-	¥3.00	¥3.00	-
Dividend per preferred share (Type5)	¥7.50	¥7.50	¥15.00	-

〈Total of two banks〉

(JPY Bn)	Interim Results	Full year Forecasts	Change from FY2008
Ordinary income	104.4	205.0	(13.5)
Core gross business profits	79.6	162.0	(6.3)
G&A expenses	(47.1)	(94.0)	(2.4)
Core net business profits	32.4	68.0	(8.8)
Total credit costs	(16.8)	(27.0)	8.5
Ordinary profits	14.2	37.0	15.6
Net income	11.4	25.0	(12.9)

〈Hokuriku bank〉

	Interim Results	Full year Forecasts	Change from FY2008
Ordinary income	57.5	115.0	(9.2)
Core gross business profits	45.3	91.0	(3.7)
G&A expenses	(25.8)	(52.0)	(0.6)
Core net business profits	19.5	39.0	(4.4)
Total credit costs	(7.0)	(14.0)	7.4
Ordinary profits	9.8	21.0	12.1
Net income	7.5	15.0	(11.4)

〈Hokkaido bank〉

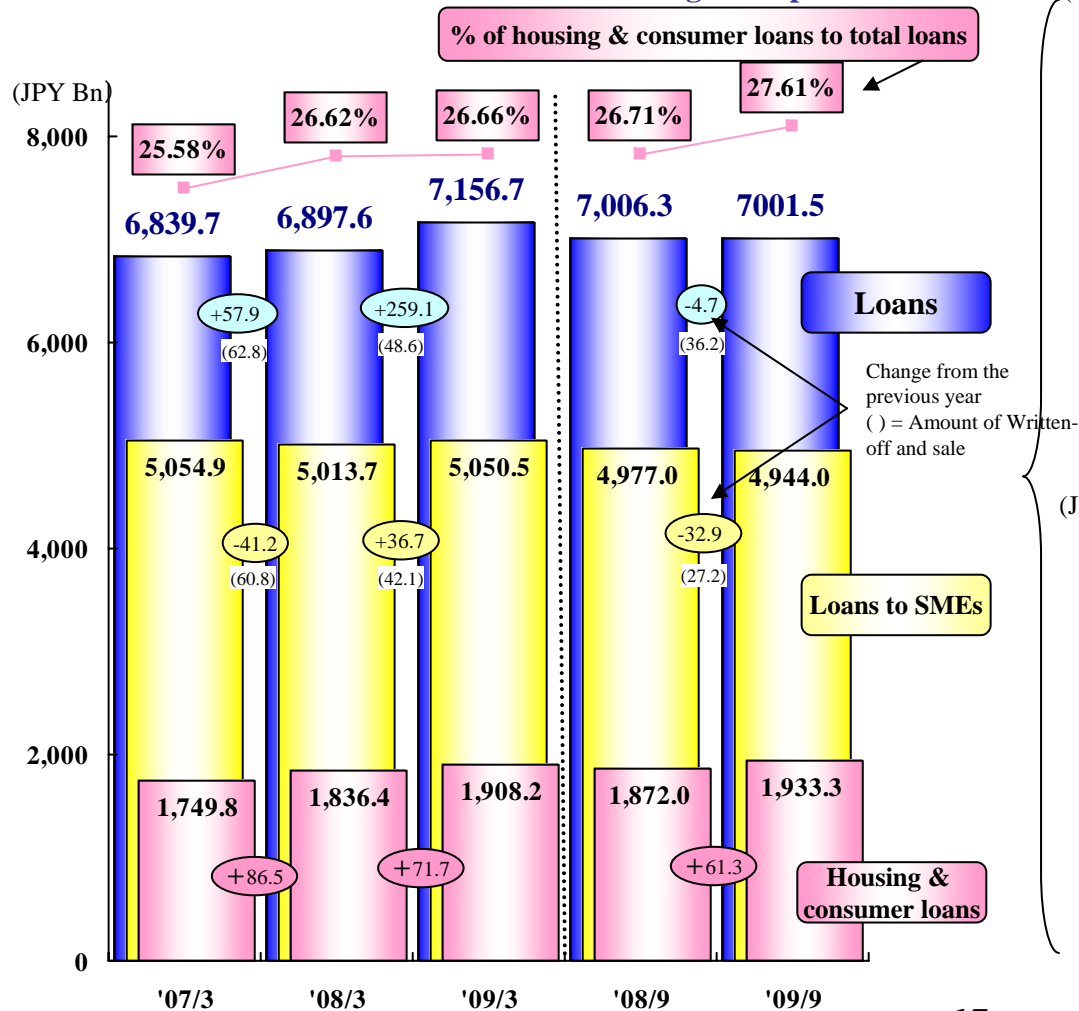
	Interim Results	Full year Forecasts	Change from FY2008
Ordinary income	46.9	90.0	(4.3)
Core gross business profits	34.2	71.0	(2.5)
G&A expenses	(21.3)	(42.0)	(1.7)
Core net business profits	12.9	29.0	(4.3)
Total credit costs	(9.7)	(13.0)	1.0
Ordinary profits	4.3	16.0	3.4
Net income	3.8	10.0	(1.4)

Operating Performance

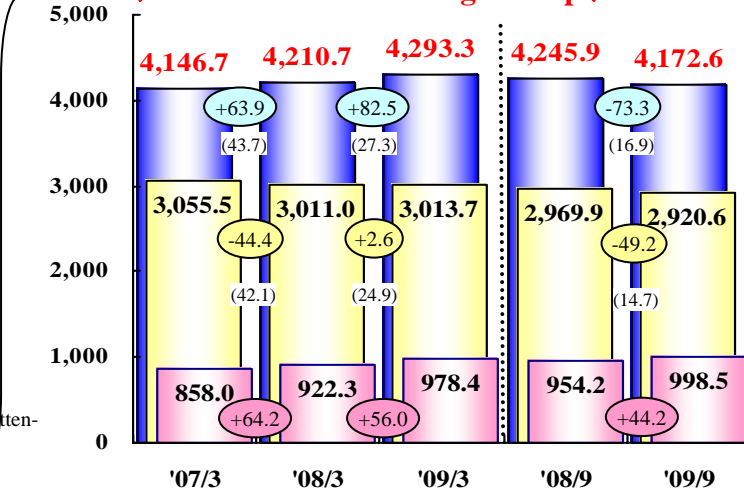
Loans

- Loans **-¥ 4.7Bn (-0.06%)** compared to Sep-08
- Loans to SMEs and individuals **-¥ 32.9Bn (-0.66%)** compared to Sep-08
- Housing and consumer loans **+¥ 61.3Bn (+3.27%)** compared to Sep-08

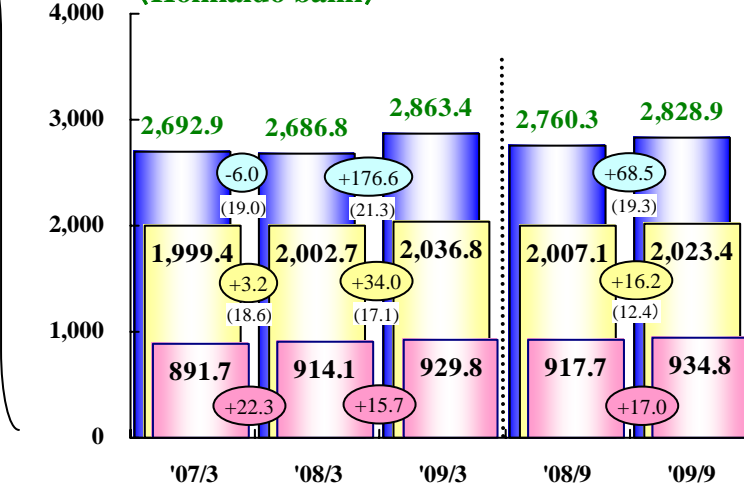
【Balance of loans】 <Total of two banks +Hokugin Corp.>



(JPY Bn) <Hokuriku bank +Hokugin Corp.>



(JPY Bn) <Hokkaido bank>

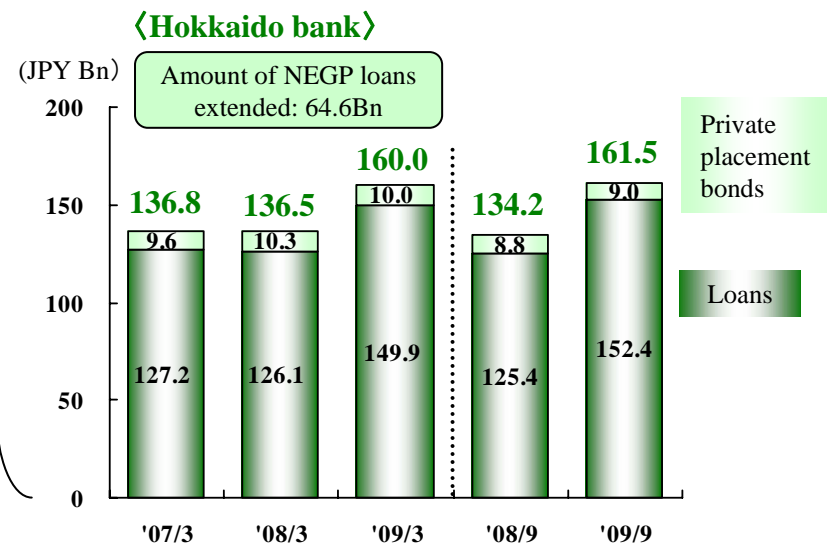
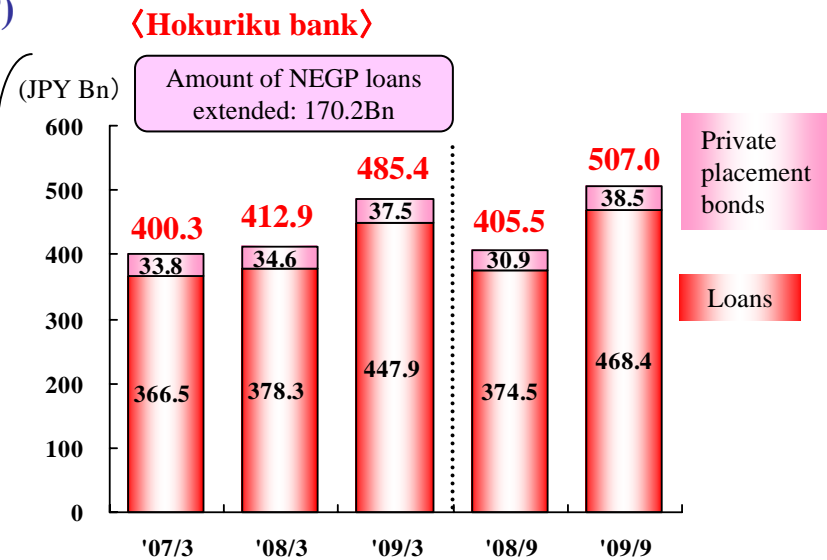
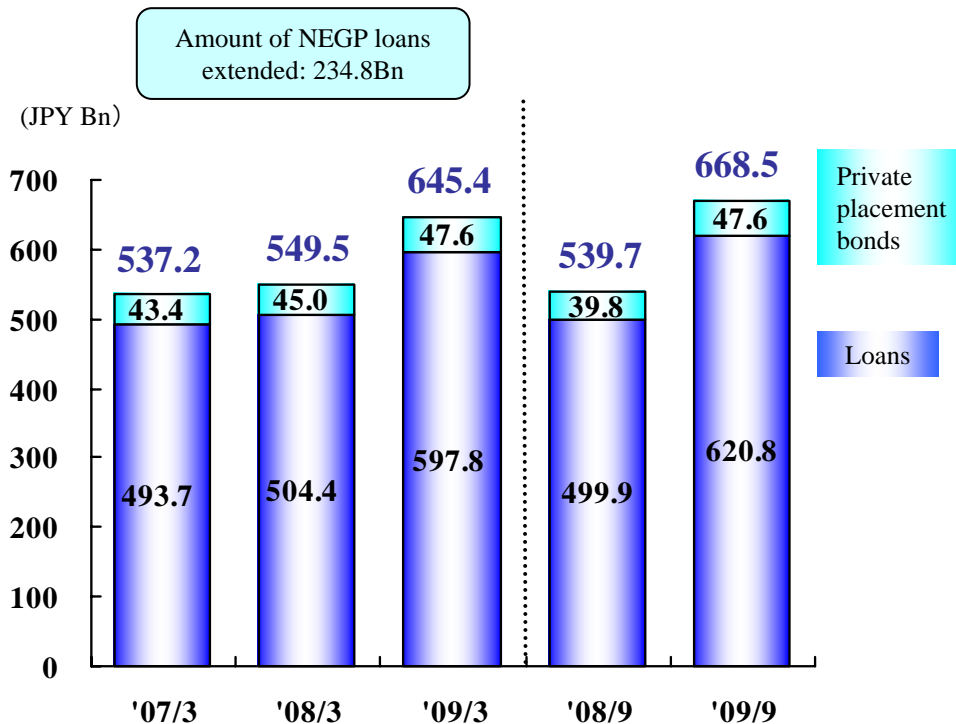


Loans guaranteed by Credit Guarantee Corporations (CGCs) (Maruho Loan)

Hokuhoku Financial Group, Inc.

- Balance of loan guaranteed by CGCs : +¥128.8Bn(+23.8%) compared to Sep-08.
- Nationwide Emergency Guarantee Program (NEGP)
Amount of loans extended from Oct.08: ¥234.8Bn

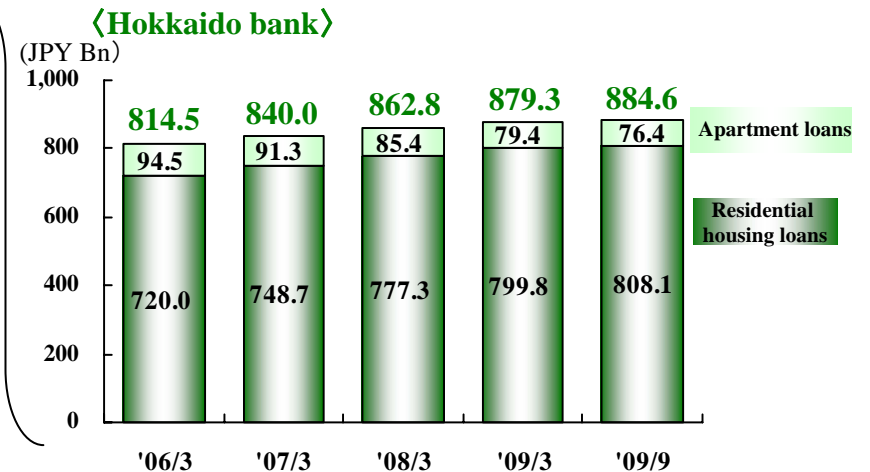
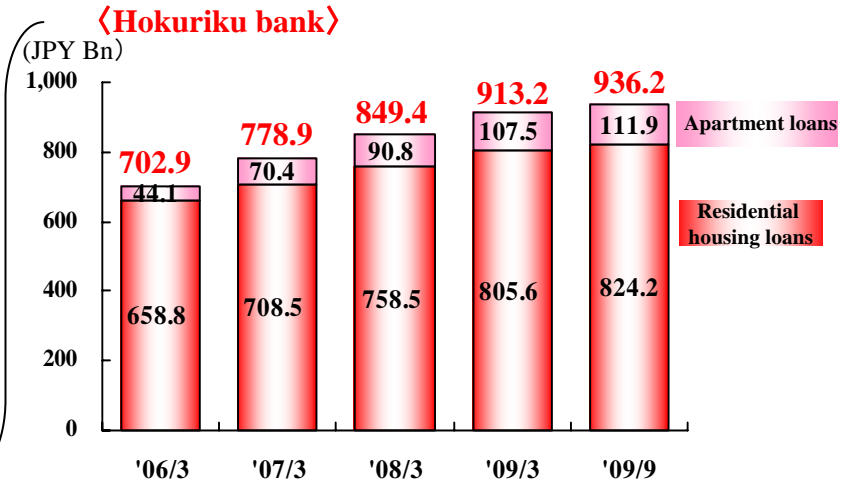
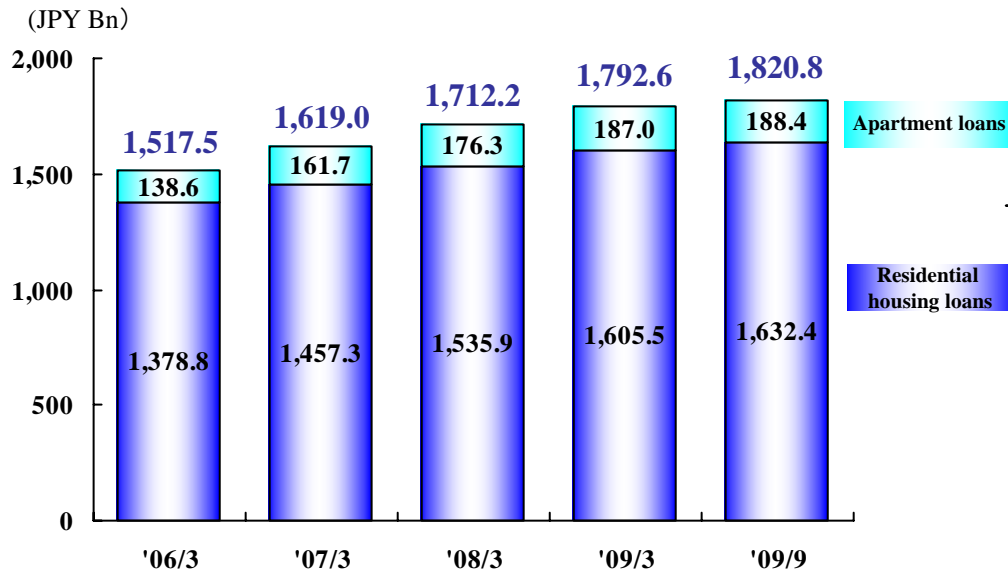
【Balance of loans guaranteed by CGCs】〈Total of two banks〉



Housing Loans

- Balance of housing loans increased by ¥28.2Bn compared to Mar-09.
- Sales amount of residential housing loans kept the same level as previous year.

【Balance of residential housing loans】〈Total of two banks〉



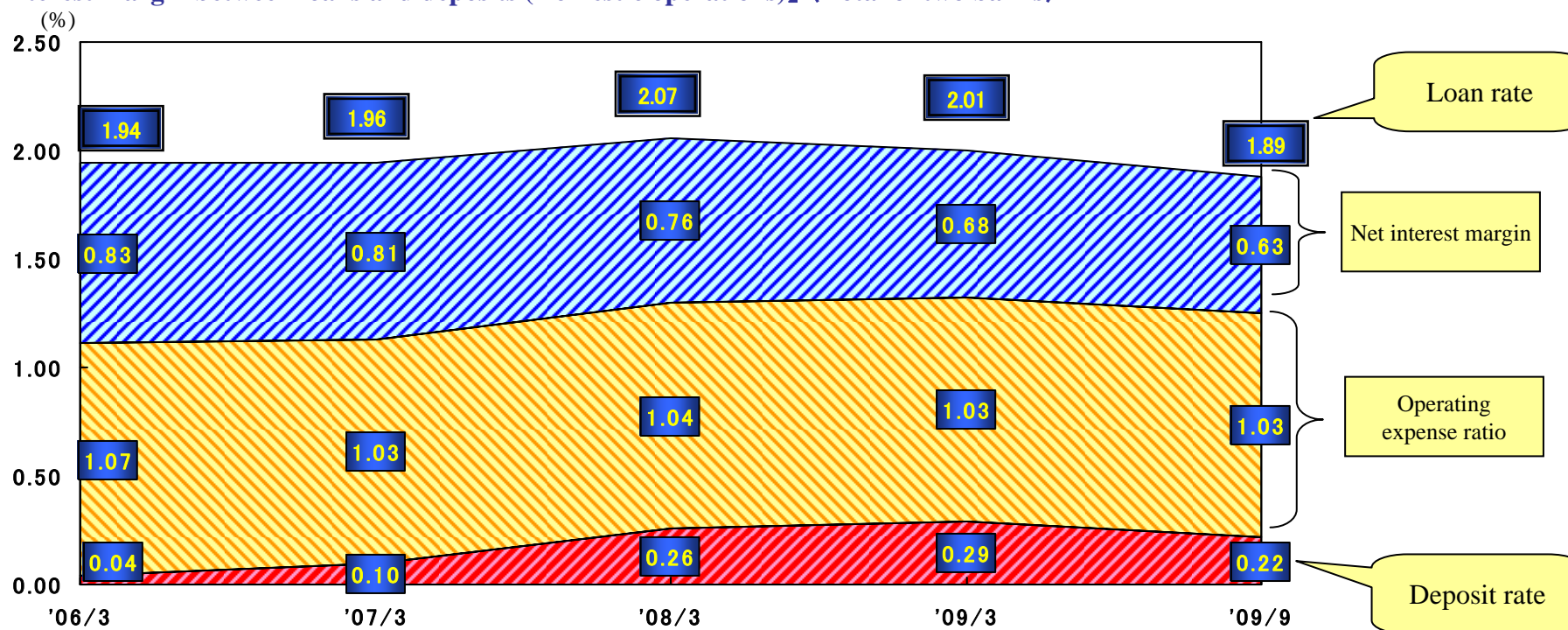
【Sales amount of housing loans】

(JPY Bn)	〈Total of two banks〉					〈Hokuriku bank〉					〈Hokkaido bank〉				
	FY06	FY07	FY08	FY08 1H	FY09 1H	FY06	FY07	FY08	FY08 1H	FY09 1H	FY06	FY07	FY08	FY08 1H	FY09 1H
Sales amount of residential housing loans	222.8	227.5	218.6	108.5	99.7	107.6	113.5	110.8	57.7	50.2	115.2	113.9	107.7	50.7	49.4
New loans	161.4	177.2	176.5	88.6	68.5	84.2	93.7	90.8	48.8	37.9	77.2	83.5	85.6	39.8	30.6
Refinanced loans	61.3	50.2	42.1	19.8	31.2	23.3	19.8	20.0	8.9	12.3	37.9	30.4	22.0	10.8	18.8

Interest Margins ①

- Loan rate **-0.12% compared to FY2008**
- Deposit rate **-0.07% compared to FY2008**
- Net interest margin **-0.05% compared to FY2008**

【Interest margin between loans and deposits (Domestic operations)] <Total of two banks>

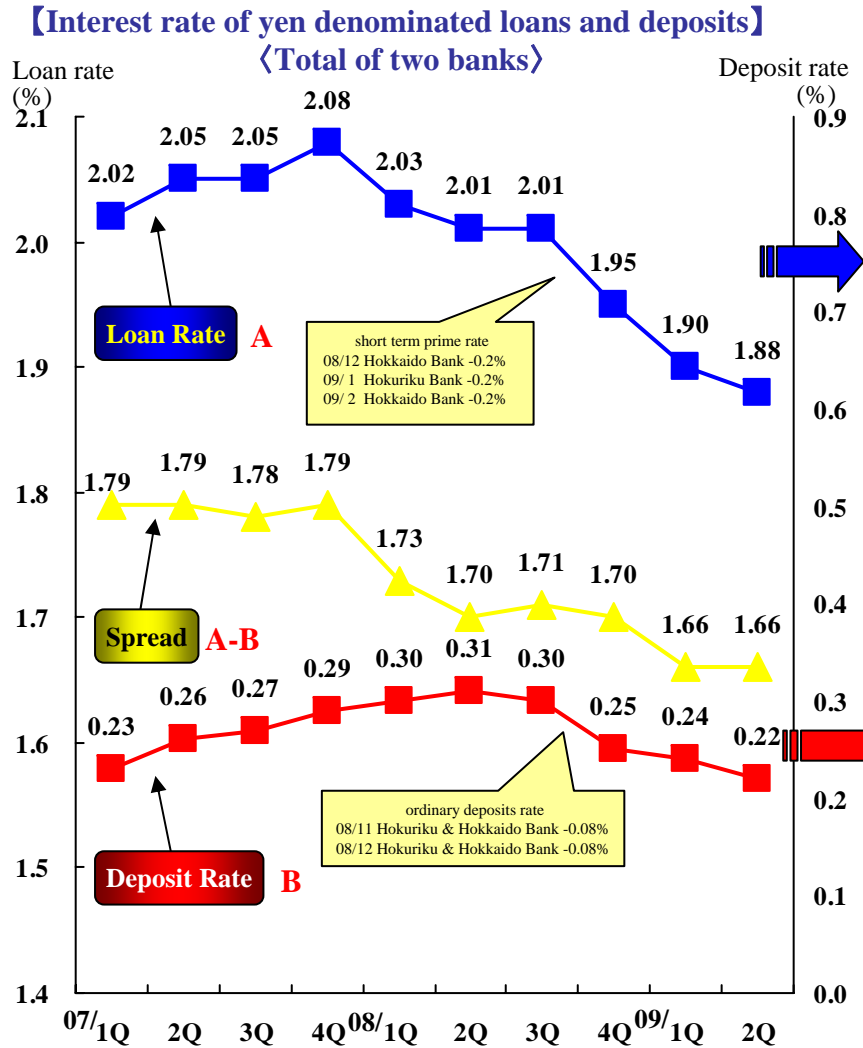


(%)	<Total of two banks>					<Hokuriku bank>					<Hokkaido bank>				
	FY05	FY06	FY07	FY08	FY09 1H	FY05	FY06	FY07	FY08	FY09 1H	FY05	FY06	FY07	FY08	FY09 1H
Loan rate	1.94	1.96	2.07	2.01	1.89	1.85	1.88	2.00	1.93	1.82	2.09	2.07	2.17	2.14	2.00
Net interest margin	0.83	0.81	0.76	0.68	0.63	0.75	0.75	0.70	0.62	0.59	0.95	0.92	0.85	0.78	0.69
Operating expense ratio	1.07	1.03	1.04	1.03	1.03	1.04	1.02	1.01	1.00	0.98	1.10	1.05	1.06	1.08	1.11
Deposit rate	0.04	0.10	0.26	0.29	0.22	0.05	0.10	0.27	0.30	0.24	0.03	0.09	0.25	0.27	0.20

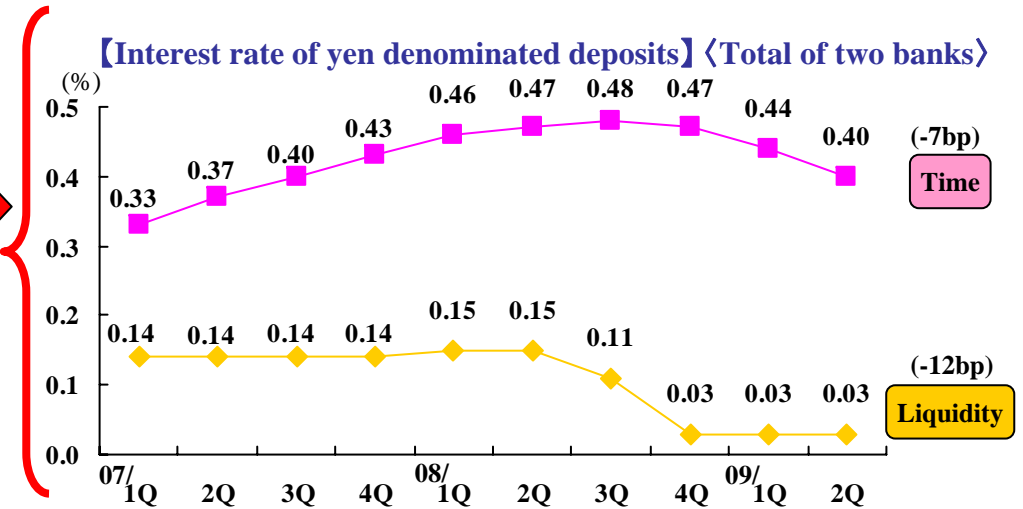
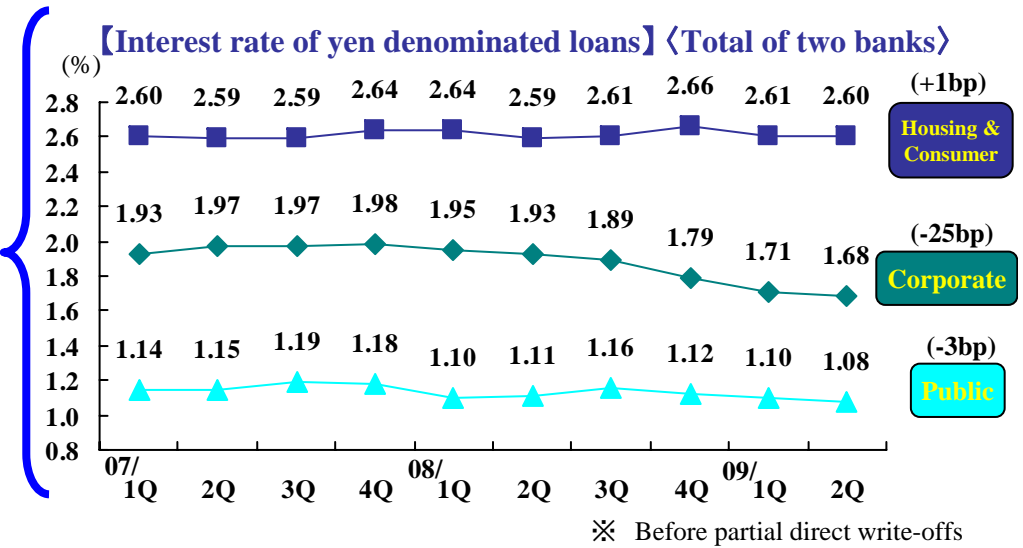
Interest Margins ②

➤ '09/2Q Loan rate : 1.88% (-0.13% compared to '08/2Q)

➤ '09/2Q Deposit rate : 0.22% (-0.09% compared to '08/2Q)



※ Internal management base



※ () = change from 08/2Q

Investment Products

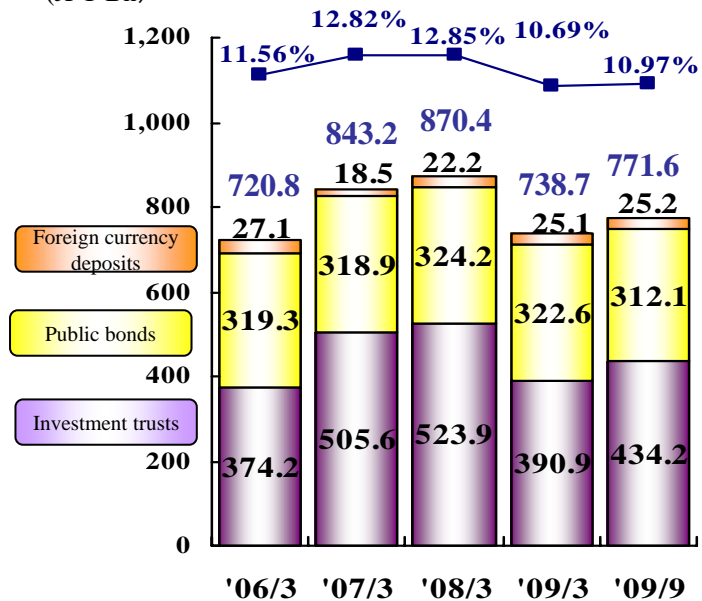
Hokuhoku Financial Group, Inc.

- Balance of investment products : ¥771.6Bn (+ ¥32.8Bn increase compared to Mar-09)
- Sales of both investment trusts and insurance products have been on the rise.

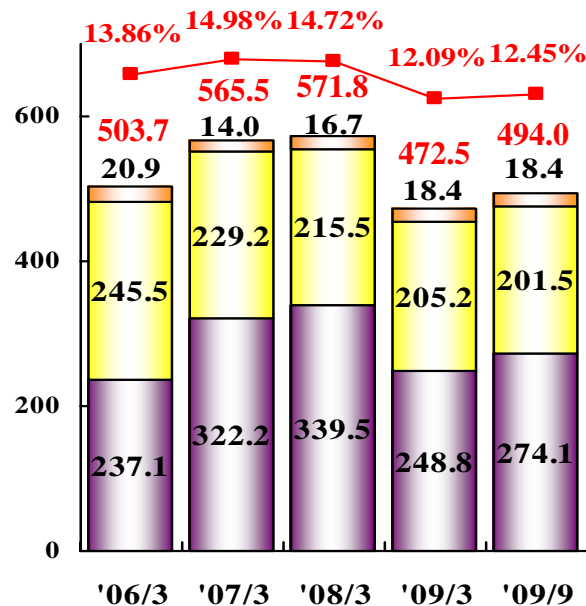
【Balance of investment products】

〈Total of two banks〉

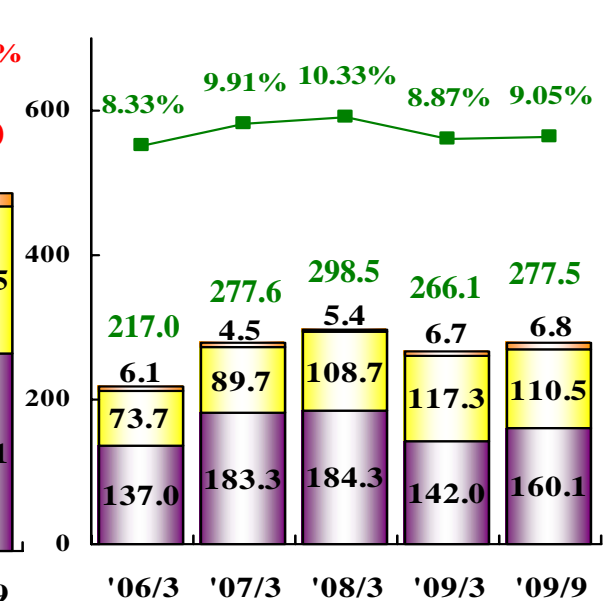
(JPY Bn)



〈Hokuriku bank〉



〈Hokkaido bank〉



【Sales amount of investment products and Fees】

〈Total of two banks〉

〈Hokuriku bank〉

〈Hokkaido bank〉

(JPY Bn)	FY07 2H	FY08 1H	FY08 2H	FY09 1H	FY07 2H	FY08 1H	FY08 2H	FY09 1H	FY07 2H	FY08 1H	FY08 2H	FY09 1H
Sales amount of investment trusts	71.9	59.3	24.9	61.2	47.5	32.9	11.0	43.5	24.3	26.3	13.8	17.7
Sales amount of insurance	46.7	50.6	32.3	56.0	34.5	35.4	20.0	34.1	12.2	15.1	12.2	21.9
Fees from investment trusts	3.1	2.7	1.6	2.4	2.0	1.7	0.9	1.7	1.1	1.0	0.6	0.7
Fees from insurance	2.5	2.5	1.4	2.0	1.8	1.9	1.0	1.4	0.7	0.5	0.4	0.5

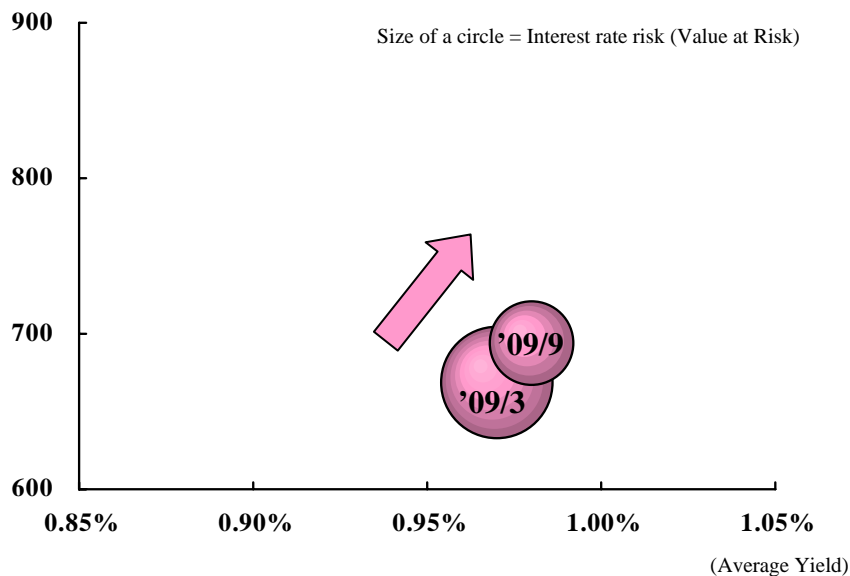
Bond Portfolio (yen denominated bonds)

Hokuhoku Financial Group, Inc.

【Bond portfolio; balance, yield, and Value at risk】 ※ Internal management base

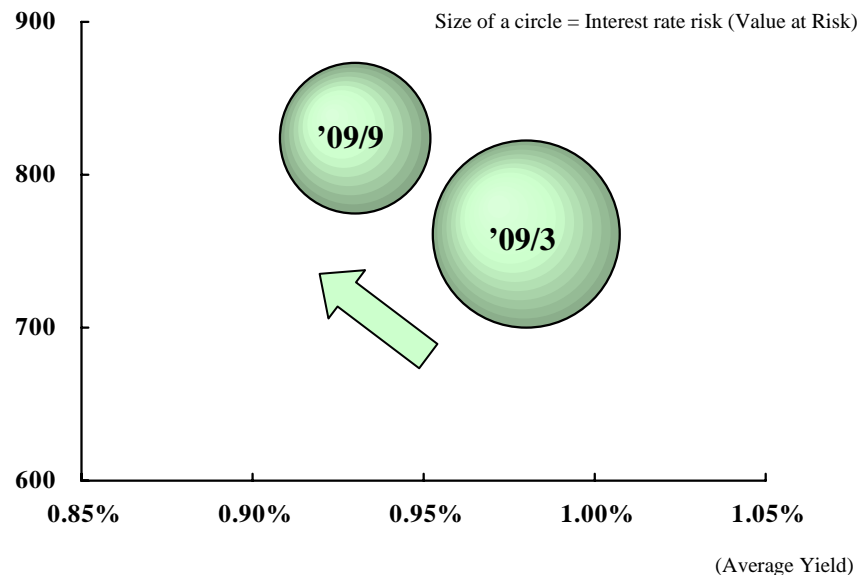
(term-end balance)
(JPY Bn)

〈Hokuriku bank〉



(term-end balance)
(JPY Bn)

〈Hokkaido bank〉

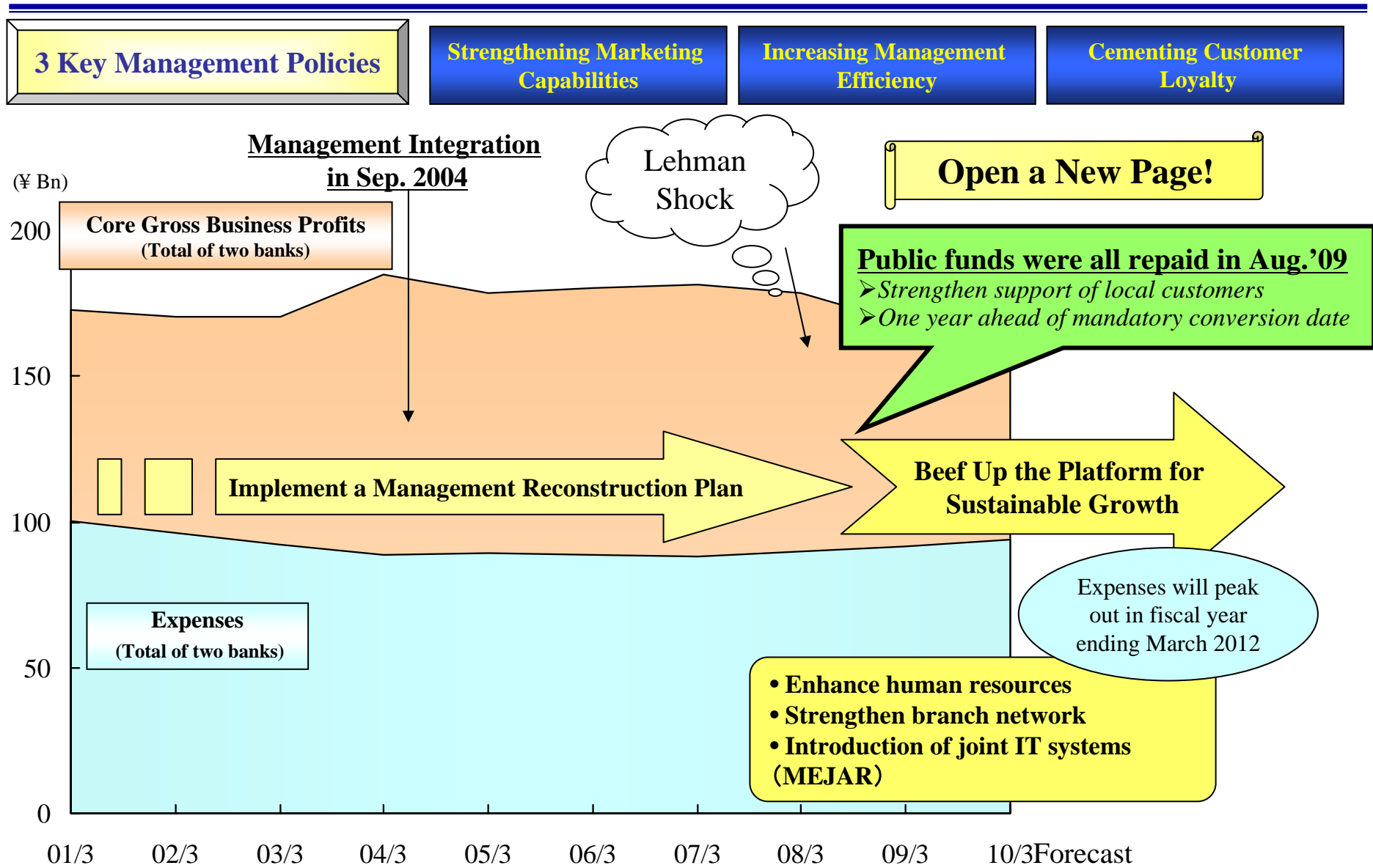


	'09/3	'09/9
Hokuriku Bank		
Term-end Balance (¥Bn)	668.8	694.0
Floating rate government bonds (measurement on interest period basis)	166.5	170.8
Average Yield (%)	0.97%	0.98%
Duration (year)	2.45	2.37
Value at Risk (¥Bn)	8.3	4.7

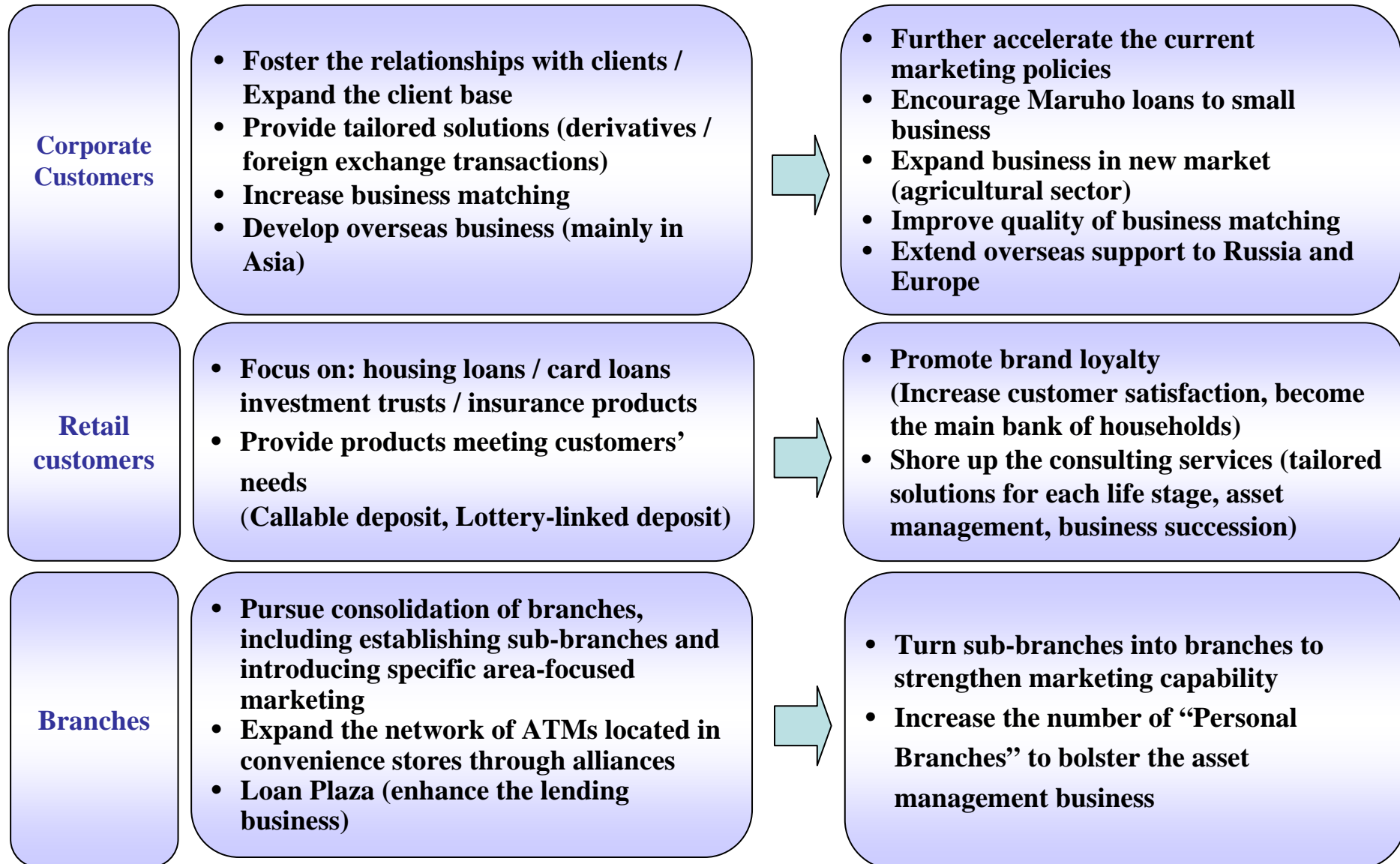
	'09/3	'09/9
Hokkaido Bank		
Term-end Balance (¥Bn)	761.3	823.9
Floating rate government bonds (GPS)	228.5	233.2
Average Yield (%)	0.98%	0.93%
Duration (year)	1.87	2.30
Value at Risk (¥Bn)	18.5	15.1

Management Strategy

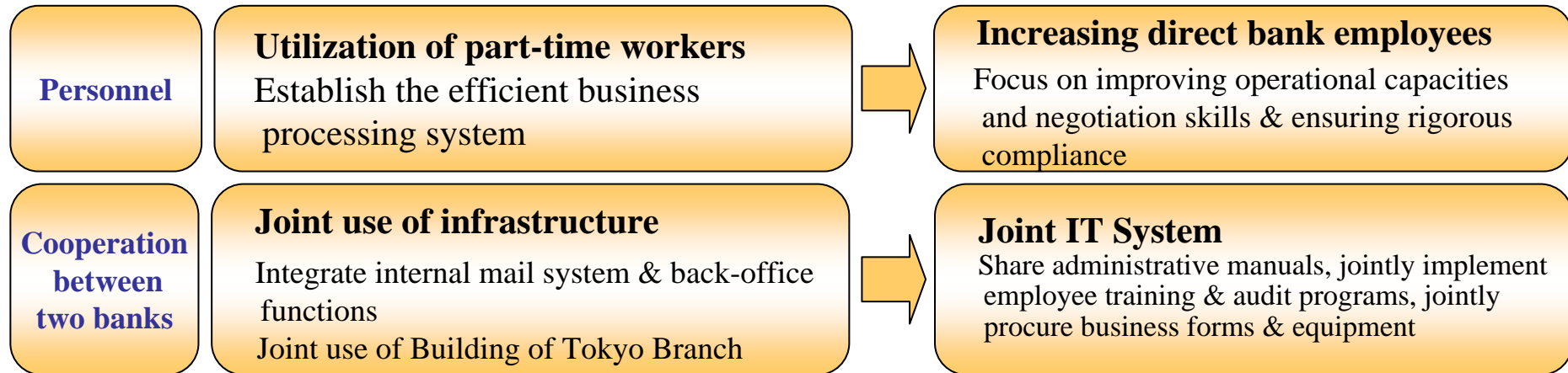
Time to Beef Up the Platform for Sustainable Growth Hokuhoku Financial Group, Inc.



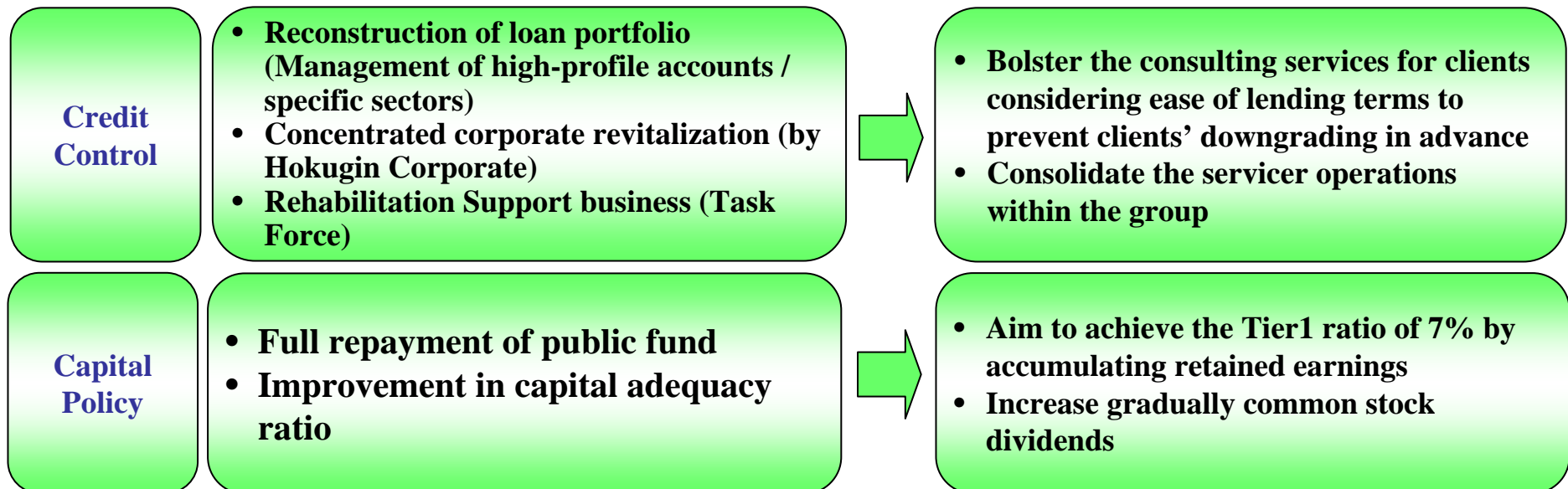
<Strengthening Marketing Capabilities> Building a solid earnings base in our regions



<Increasing Management Efficiency> Enhancing Operating Platforms



<Cementing Customer Loyalty> Preparing for the future developments



Hokkaido “Food” Special Business Fair in Nakashibetsu (July 2009)



Celebrating the opening of our new branch in Nakashibetsu, Hokkaido, where the main industry is dairy farming, we held a business fair and seminars and invited buyers of department stores and supermarkets to offer opportunities to discuss individual business deals.

“Food & Tourism” Summit in Fukui (March 2009)



A summit for food & tourism was held in Fukui, the land endowed with locally grown food, and attracted top-tier buyers in these fields. The number of visitors totaled around 3,600 and about 3,100 business deals were discussed.

“Monozukuri (Manufacturers) Business Fair at Shanghai” (July 2009)



Achievements through business matching events in the first half of FY2009

Number of Transactions 1,142

Amount of Loans Extended ¥68.5bn

Food Selection by Local Banks (November 2009)



“Hokkaido Business Forum 2009” (March 2009)



The business forum we have continued to hold since 1999 was recognized as the project that contributes to cooperation between local economies by the Hokkaido Bureau of Economy, Trade and Industry.

Business Matching Fair in Tokai & Hokuriku region (October 2009)



Global Support for Our SME Clients

Yuzhno-Sakhalinsk Rep. Office (Hokkaido Bank)

Opened on March 24

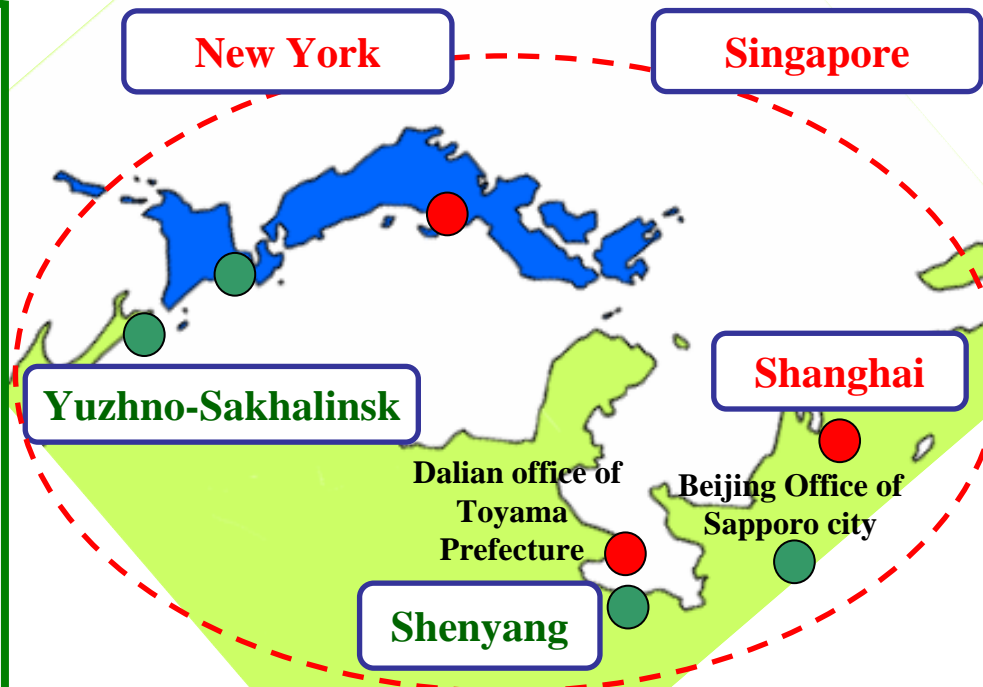
- Provides back-up support for local companies
- Supplies Information on Russia / Far Eastern regions
- Agreement with Sakhalin, Khabarovsk
- Alliance with VTB (Bank for Foreign Trade)
- 2 resident agents & 2 local staffs
- We dispatch a business mission consisting of 64 corporate clients to Sakhalin on October 7.



London Rep. Office (Hokuriku Bank)

Opened on September 23

- Provides back-up support for local companies
- Accumulates the financial expertise in the world's leading financial hub
- Alliance with Deutsche Bank
- 1 resident agent & 1 local staff
- Started providing support for 170 corporate clients which have offices in Europe.

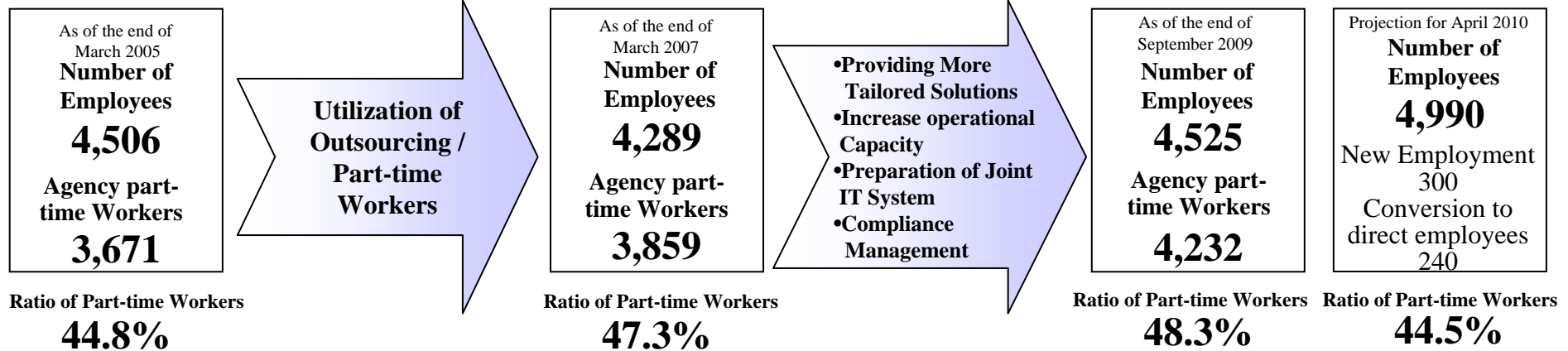
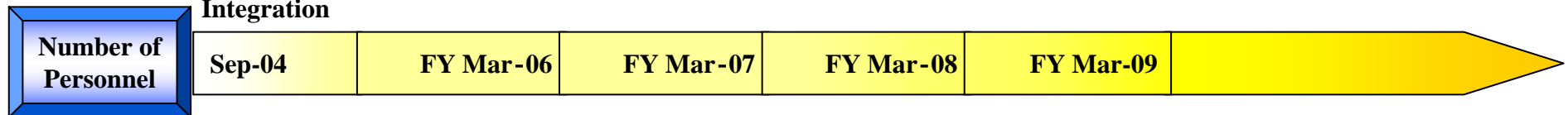


Associations of clients extending business in China and ASEAN (as of Sep. 2009)

Hokuriku Choujou Association:	1,022	companies
Hokkaido Choujou Association:	268	companies
Shanghai Choujou Association:	169	companies
Hokuhoku ASEAN Association:	150	companies

Human Resources / Branches

Hokuhoku Financial Group, Inc.

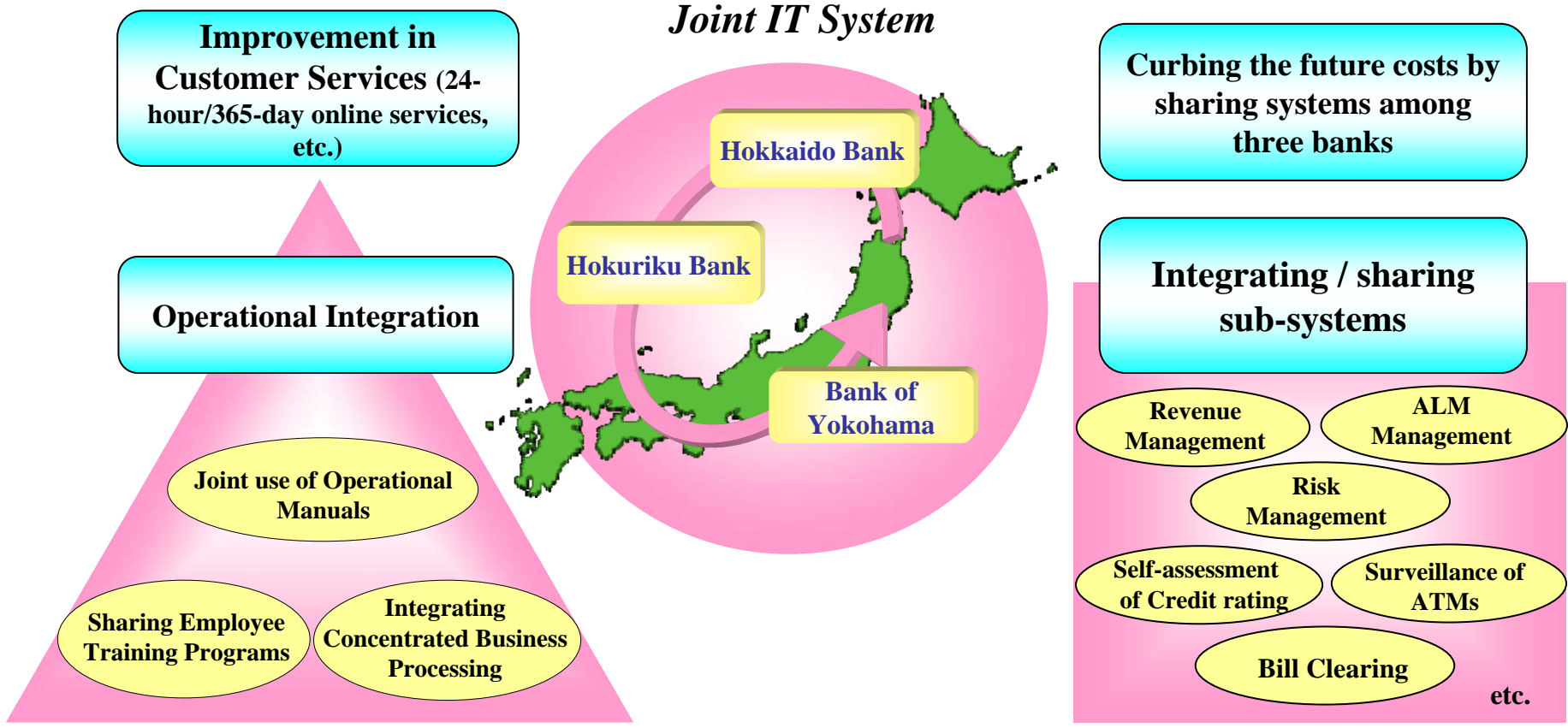


* Branches / the number of personnel are the combined figures of two banks. "Part-time workers" include temps.

Build Infrastructure for Stable Banking Services

Joint development with NTT Data
Regional Bank Integrated Services Center
(applied by 14 regional banks)

System Migration
(scheduled in May 2011)



Appendix

About Hokuhoku FG ①
Outline of Hokuhoku FG and Two Banks

Hokuhoku Financial Group, Inc.

(As of September 30, 2009)

Hokuhoku FG

Hokuriku Bank

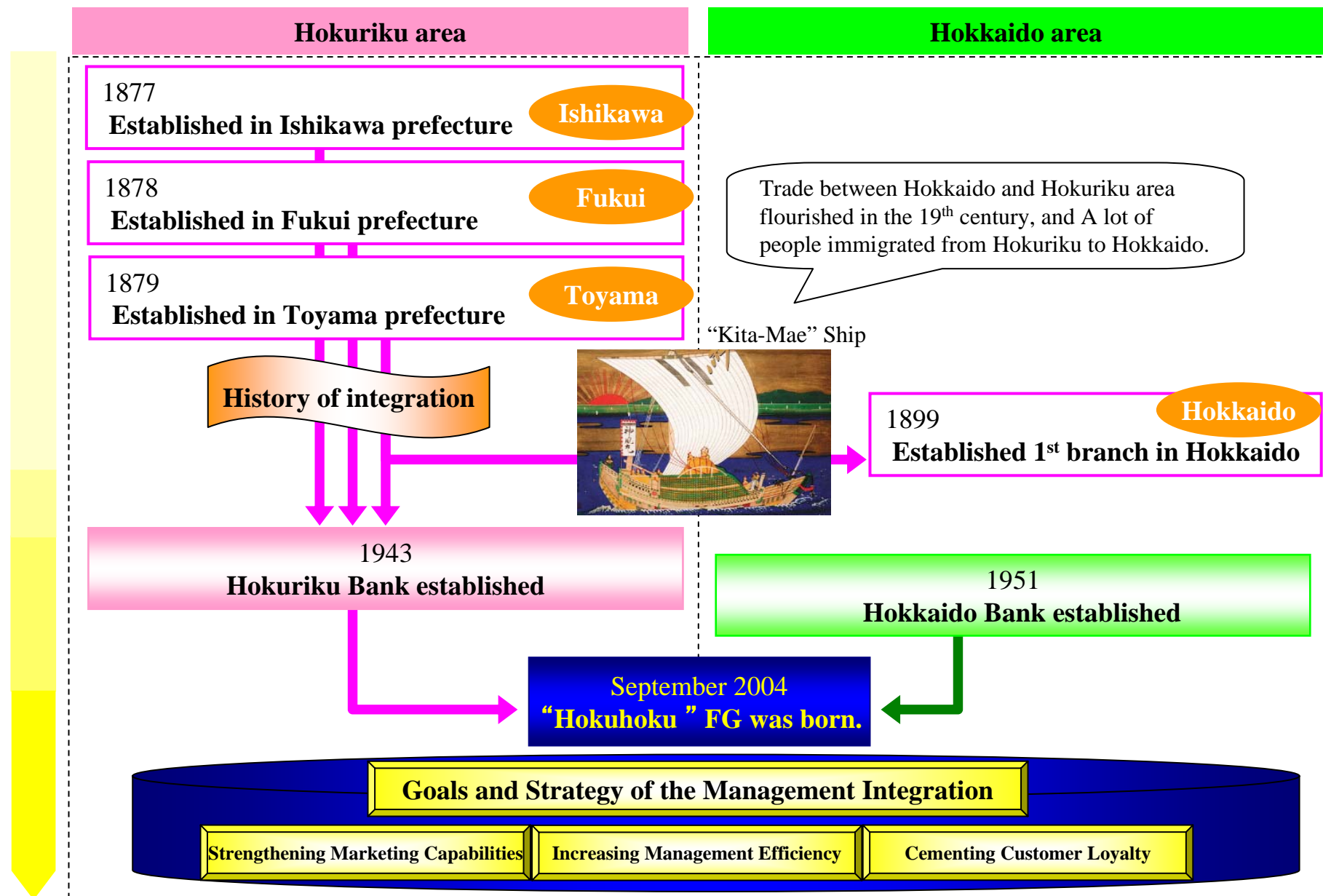
Hokkaido Bank

Date of establishment	September 26, 2003	July 31, 1943 (Started business in 1877)	March 5, 1951
Location of headoffice	1-2-26 Tsutsumicho-dori, Toyama City	1-2-26 Tsutsumicho-dori, Toyama City	4-1 Odori Nishi, Chuo-ku, Sapporo City
Capital	¥ 70,895 million	¥ 140,409.52 million	¥ 93,524.01 million
Shares issued and outstanding	Common stock 1,391,630,146 Preferred stock(Type5) 107,432,000	Common stock 987,147,185 Preferred stock(Type1) 113,900,000	Common stock 374,356,952 Preferred stock(Type1) 65,500,000 Preferred stock(Type2) 107,432,000
Total assets	(consolidated) ¥ 9,912.9 billion	¥ 5,741.6 billion	¥ 4,122.3 billion
Deposits	(consolidated) ¥ 8,770.4 billion	¥ 5,079.5 billion	¥ 3,739.1 billion
Loans	(consolidated) ¥ 6,983.5 billion	¥ 4,172.6 billion	¥ 2,828.9 billion
Capital ratio	(consolidated) 10.91%	(non-consolidated) 10.56%	(non-consolidated) 10.30%
Employees	53 (12 fulltime workers)	2,670	1,855
Ratings	A(R&I)、A-(JCR)	A(R&I)、A-(JCR)	A(R&I)、A-(JCR)
Branches (Domestic) (Overseas)		131 branches, 56 sub-branches 4 representative offices	128 branches, 9 sub-branches 2 representative offices

About Hokuhoku FG ②

History of Hokuhoku FG

Hokuhoku Financial Group, Inc.



Goals and Strategy of the Management Integration

Goals and Strategy of the Management Integration

Strengthening Marketing Capabilities

We possess a wide network including Japan's three major metropolises in addition to our main operational bases, Hokkaido and Hokuriku, and we aim to differentiate ourselves from other financial institutions and achieve stronger marketing power by linking our information and clients.

Beefing up the business matching services by utilizing our extensive regional network

Extending services with corporations, their trading partners and employees by capitalizing on the customer bases of the two banks

Enhancing the proposal and solution services by sharing the know-how of the two banks

Increasing Management Efficiency

We will create a highly profitable and efficient operating system, which allows us to integrate redundant infrastructure in Hokkaido and capitalize on management resources more efficiently, while placing continuous emphasis on maintaining and developing solid relationships with customers of two banks.

Rebuilding an efficient and effective network of branches

Sharing the system of back-offices for efficient operation. Integrating mail delivery services and back-office services of two banks in Hokkaido.

Cementing Customer Loyalty

We will create a more stable asset portfolio and become a highly-trusted and widely-supported regional financial group through extending services in two geographical areas with different economic environment.

Building an asset portfolio diversified across various geographical areas and a wide range of industries

Implementing a comprehensive capital structure that enables a steady repayment of public funds

About Hokuhoku FG ④
Historical Data (Hokuhoku FG)

Hokuhoku Financial Group, Inc.

(JPY Bn)

	FY2004	FY2005	FY2005	FY2006	FY2006	FY2007	FY2007	FY2008	FY2008	FY2009
<Consolidated>	Full year	Interim	Full year	Interim	Full year	Interim	Full year	Interim	Full year	Interim
Ordinary income	203.2	121.1	240.9	117.5	242.2	125.7	261.2	123.8	239.6	114.3
Ordinary profits	27.2	10.9	48.2	28.2	70.0	32.7	66.3	19.6	21.3	13.3
Net income	11.2	5.8	26.8	15.1	40.6	16.4	38.6	37.5	37.0	5.7
Capital adequacy ratio	8.33%	8.78%	9.00%	9.23%	10.44%	9.97%	10.39%	10.39%	10.81%	10.91%

<Total of two banks> * Total of two banks + Hokugin Corp.

Core gross business profits	178.5	87.7	180.2	90.1	181.3	90.1	178.5	87.3	168.3	79.6
General & administrative expenses	89.1	44.6	88.5	43.9	87.9	44.8	89.9	45.6	91.5	47.1
Core net business profits	89.3	43.0	91.7	46.2	93.4	45.2	88.6	41.7	76.8	32.4
Net gains(losses) related to securities	3.2	7.0	6.9	(1.4)	(1.5)	(0.6)	(0.6)	(5.2)	(17.6)	0.8
Credit costs	59.5	36.7	46.6	16.9	26.2	13.7	25.5	16.1	35.5	16.8
Ordinary profits	34.0	12.5	50.6	28.6	70.1	30.9	65.0	19.4	21.3	14.2
Net income	15.2	7.3	29.1	15.8	39.3	15.1	39.0	37.8	37.9	11.4
ROA	0.98%	0.96%	1.01%	1.01%	1.03%	0.97%	0.95%	0.88%	0.80%	0.66%
OHR	50.95%	50.91%	49.12%	48.77%	48.49%	49.78%	50.36%	52.19%	54.37%	59.20%
Loans *	6,538.9	6,570.4	6,706.2	6,699.9	6,839.7	6,895.0	6,897.6	7,006.3	7,156.7	7,001.5
Deposits	8,326.0	8,178.4	8,216.4	8,282.6	8,434.6	8,439.0	8,407.4	8,551.8	8,671.5	8,818.7
Securities	1,606.5	1,761.0	1,802.7	1,727.5	1,703.8	1,698.3	1,714.8	1,745.8	1,725.0	1,787.6
Non performing loan *	474.9	479.5	399.9	354.4	315.0	291.6	260.7	253.1	227.5	214.6
NPL ratio *	6.83%	7.04%	5.76%	5.10%	4.43%	4.07%	3.64%	3.48%	3.07%	2.96%

About Hokuhoku FG ⑤
Historical Data (Hokuriku Bank)

Hokuhoku Financial Group, Inc.

(JPY Bn)

	FY2004 Full year	FY2005 Interim	FY2005 Full year	FY2006 Interim	FY2006 Full year	FY2007 Interim	FY2007 Full year	FY2008 Interim	FY2008 Full year	FY2009 Interim
Ordinary income	133.5	66.8	132.0	62.7	130.1	66.8	141.2	65.3	124.2	57.5
Core gross business profits	107.1	51.6	105.4	52.8	106.6	53.1	105.2	49.8	94.7	45.3
General & administrative expenses	51.6	25.6	50.8	25.3	50.5	25.6	51.1	25.7	51.3	25.8
Core net business profits	55.4	26.0	54.6	27.4	56.1	27.5	54.1	24.1	43.4	19.5
Net gains(losses) related to securities	2.5	4.9	6.4	0.3	0.6	(0.1)	(0.7)	(3.8)	(12.6)	(1.2)
Credit costs	42.7	24.0	33.6	12.9	22.5	9.7	20.4	10.5	21.4	7.0
Ordinary profits	16.7	5.9	26.7	16.1	38.1	17.8	35.6	9.6	8.8	9.8
Net income	4.0	4.0	15.6	8.5	18.6	8.2	21.2	30.1	26.4	7.5
Capital adequacy ratio	8.42%	8.65%	8.86%	9.17%	9.16%	9.41%	10.10%	10.26%	10.23%	10.56%
ROA	0.98%	0.99%	1.02%	1.03%	1.05%	1.01%	0.99%	0.86%	0.77%	0.69%
OHR	49.85%	49.56%	48.18%	47.95%	47.37%	48.17%	48.53%	51.58%	54.18%	56.95%
Loans *	3,999.4	4,078.5	4,110.4	4,121.2	4,146.7	4,191.3	4,210.7	4,245.9	4,293.3	4,172.6
Deposits	4,942.7	4,793.3	4,836.6	4,824.5	4,917.4	4,921.3	4,909.1	4,962.6	5,040.0	5,079.5
Securities	815.6	879.1	892.7	859.9	853.2	840.0	820.9	833.7	858.8	858.4
Non performing loan *	326.5	319.3	260.2	230.8	202.2	187.1	163.5	159.7	142.6	140.1
NPL ratio *	7.46%	7.46%	6.03%	5.33%	4.65%	4.26%	3.72%	3.60%	3.19%	3.23%

* Hokuriku Bank + Hokugin Corp.

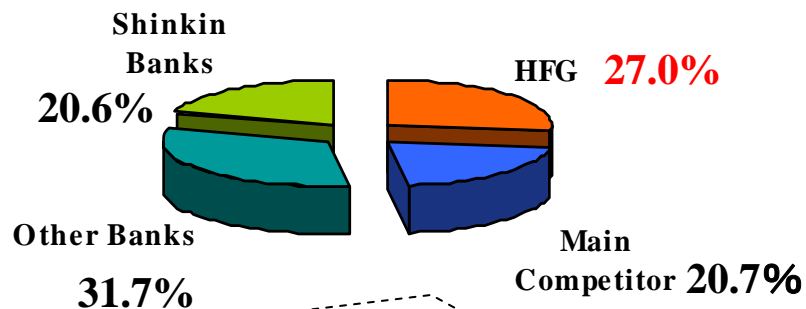
About Hokuhoku FG ⑥
Historical Data (Hokkaido Bank)

Hokuhoku Financial Group, Inc.

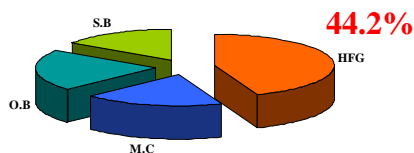
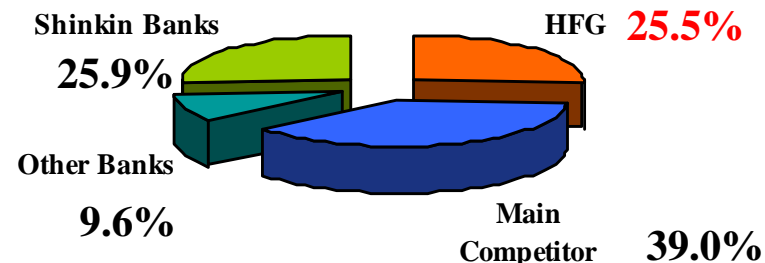
(JPY Bn)

	FY2004 Full year	FY2005 Interim	FY2005 Full year	FY2006 Interim	FY2006 Full year	FY2007 Interim	FY2007 Full year	FY2008 Interim	FY2008 Full year	FY2009 Interim
Ordinary income	81.9	44.2	88.2	42.8	88.4	46.6	96.0	47.7	94.3	46.9
Core gross business profits	71.3	36.1	74.7	37.3	74.7	37.0	73.2	37.5	73.5	34.2
General & administrative expenses	37.5	19.0	37.7	18.6	37.4	19.2	38.8	19.8	40.2	21.3
Core net business profits	33.8	17.0	37.0	18.7	37.2	17.7	34.4	17.6	33.3	12.9
Net gains(losses) related to securities	0.6	2.0	0.4	(1.7)	(2.1)	(0.4)	0.1	(1.3)	(4.9)	2.1
Credit costs	16.8	12.7	12.9	4.0	3.6	3.9	5.1	5.6	14.0	9.7
Ordinary profits	17.3	6.6	23.8	12.5	31.9	13.0	29.4	9.8	12.5	4.3
Net income	11.1	3.3	13.4	7.3	20.7	6.9	17.8	7.7	11.4	3.8
Capital adequacy ratio	7.28%	8.08%	8.50%	8.80%	9.91%	9.92%	10.13%	9.68%	10.45%	10.30%
ROA	0.98%	0.93%	1.00%	1.00%	1.00%	0.92%	0.90%	0.90%	0.85%	0.63%
OHR	52.56%	52.85%	50.44%	49.91%	50.08%	52.08%	52.98%	53.00%	54.62%	62.17%
Loans	2,539.4	2,491.9	2,595.7	2,578.6	2,692.9	2,703.6	2,686.8	2,760.3	2,863.4	2,828.9
Deposits	3,383.3	3,385.1	3,379.7	3,458.1	3,517.2	3,517.7	3,498.3	3,589.1	3,631.4	3,739.1
Securities	790.8	881.8	910.0	867.6	850.6	858.2	893.8	912.0	866.2	929.1
Non performing loan	148.3	160.2	139.7	123.5	112.8	104.5	97.2	93.5	84.8	74.5
NPL ratio	5.76%	6.33%	5.31%	4.72%	4.08%	3.77%	3.52%	3.29%	2.89%	2.57%

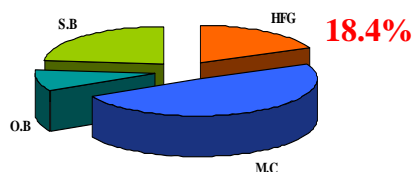
Hokuriku Area



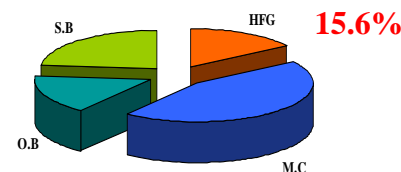
Hokkaido Area



Toyama



Ishikawa



Fukui

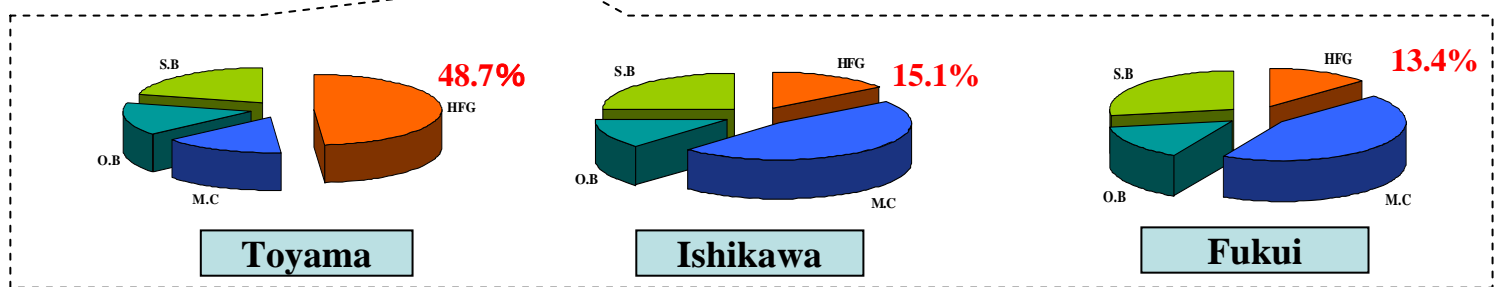
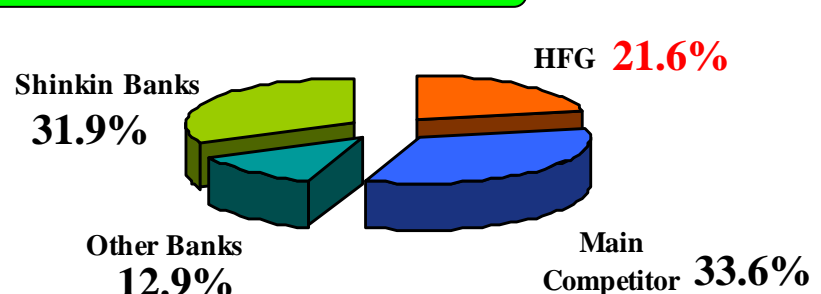
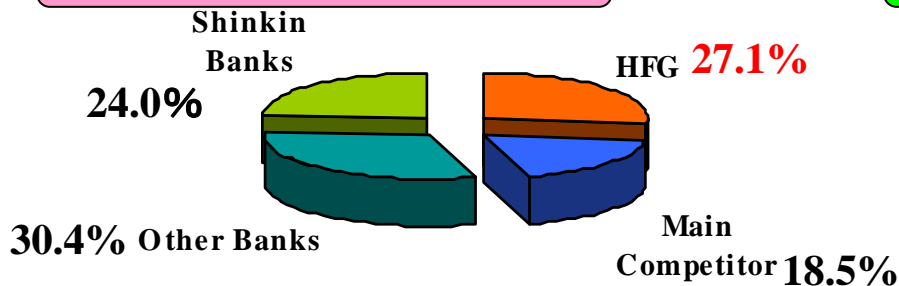
※Figures of the Main Competitor and Other banks are estimated figures

(JPY Bn)

	Hokuriku Area				Hokkaido Area
		Toyama Pref.	Ishikawa Pref.	Fukui Pref.	
Banks	7,177.1(79.4%)	2,761.6(84.5%)	2,604.2(76.5%)	1,811.1(76.4%)	9,105.6(74.1%)
Hokuhoku FG	2,443.5(27.0%)	1,445.6(44.2%)	627.8(18.4%)	369.9(15.6%)	3,136.7(25.5%)
Hokuriku Bank	2,443.5(27.0%)	1,445.6(44.2%)	627.8(18.4%)	369.9(15.6%)	530.2(4.3%)
Hokkaido Bank	0(0.0%)	0(0.0%)	0(0.0%)	0(0.0%)	2,606.5(21.2%)
Main Competitor	1,876.3(20.7%)	612.3(18.7%)	1,648.7(48.4%)	1,062.2(44.8%)	4,789.4(39.0%)
Shinkin Banks	1,867.0(20.6%)	507.3(15.5%)	801.0(23.5%)	558.5(23.6%)	3,178.6(25.9%)
Total	9,044.1(100 %)	3,268.9(100 %)	3,405.2(100%)	2,369.6(100%)	12,284.2(100%)

Hokuriku Area

Hokkaido Area



※Figures of the Main Competitor and Other banks are estimated figures

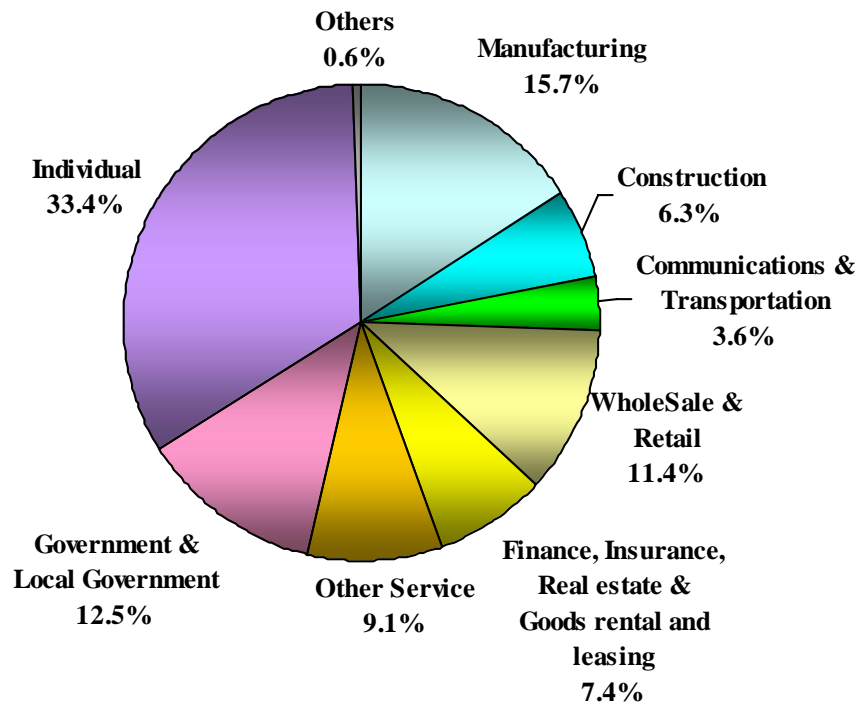
(JPY Bn)

	Hokuriku Area				Hokkaido Area
		Toyama Pref.	Ishikawa Pref.	Fukui Pref.	
Banks	11,058.0(76.0%)	4,265.4(79.2%)	4,051.3(75.1%)	2,741.3(72.6%)	12,995.1(68.1%)
HFG	3,939.3(27.1%)	2,620.7(48.7%)	813.5(15.1%)	505.0(13.4%)	4,127.9(21.6%)
Hokuriku Bank	3,939.3(27.1%)	2,620.7(48.7%)	813.5(15.1%)	505.0(13.4%)	515.8 (2.7%)
Hokkaido Bank	0(0.0%)	0(0.0%)	0(0.0%)	0(0.0%)	3,612.1(18.9%)
Main Competitor	2,698.3(18.5%)	814.2(15.1%)	2,535.3(47.0%)	1,678.1(44.4%)	6,412.8(33.6%)
Shinkin Banks	3,495.7(24.0%)	1,119.4(20.8%)	1,341.6(24.9%)	1,034.7(27.4%)	6,076.2(31.9%)
Total	14,553.7(100%)	5,384.8(100%)	5,392.9(100%)	3,776.0(100%)	19,071.3(100%)

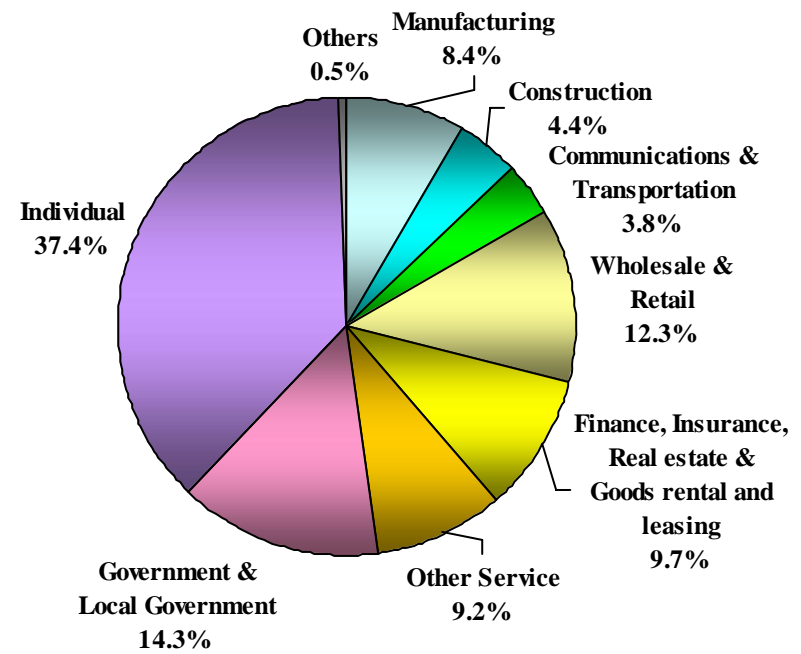
About Hokuhoku FG ⑨
Lending in the Region by Industry (Sep-09)

Hokuhoku Financial Group, Inc.

Hokuriku Bank



Hokkaido Bank



About Japanese Regional Banks ①

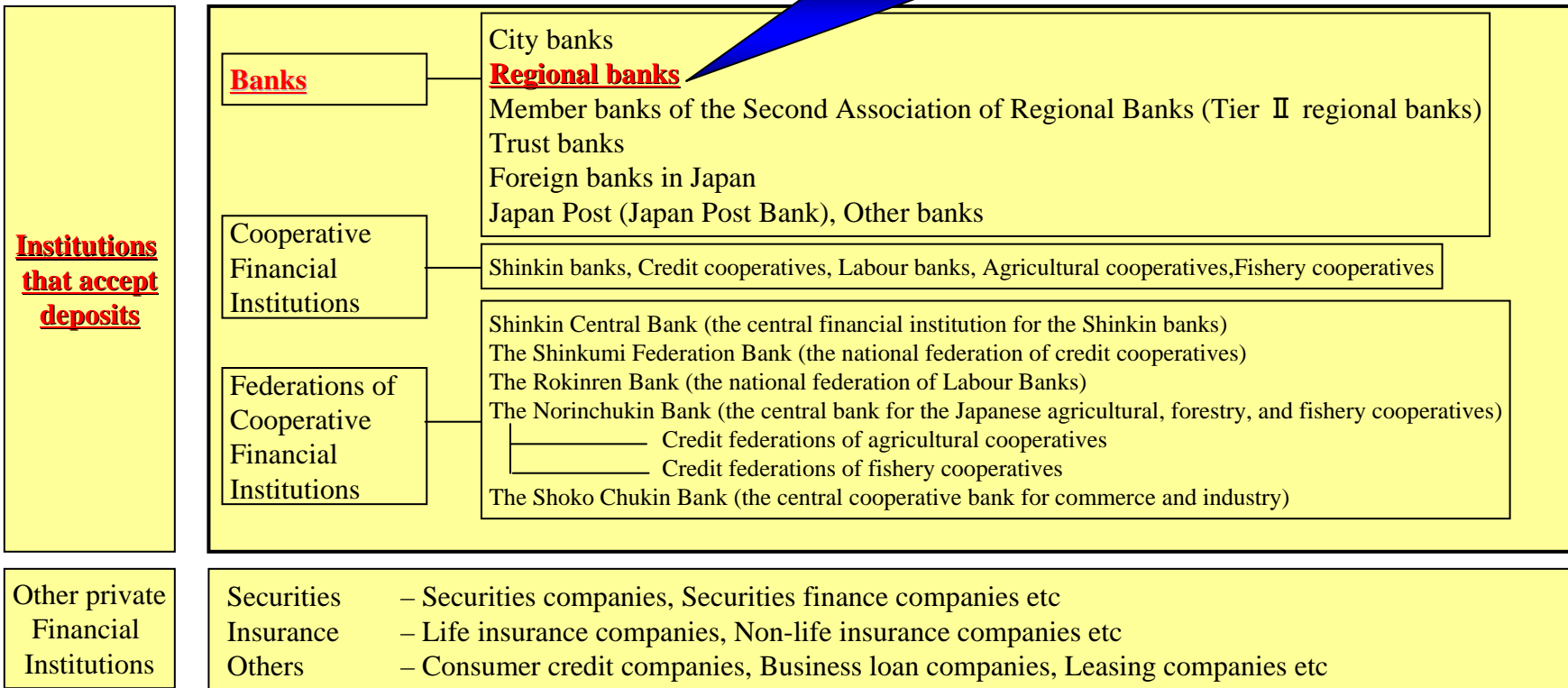
Financial Institutions in Japan

Source: Home page of Regional Banks Association of Japan

1 Central Bank - Bank of Japan

2 Private Financial Institutions

**Hokuhoku Financial Group, Inc.
(Hokuriku Bank, Hokkaido Bank)**



3 Public Financial Institutions

Development Bank of Japan, Japan Finance Corporation, Japan Housing Finance Agency etc

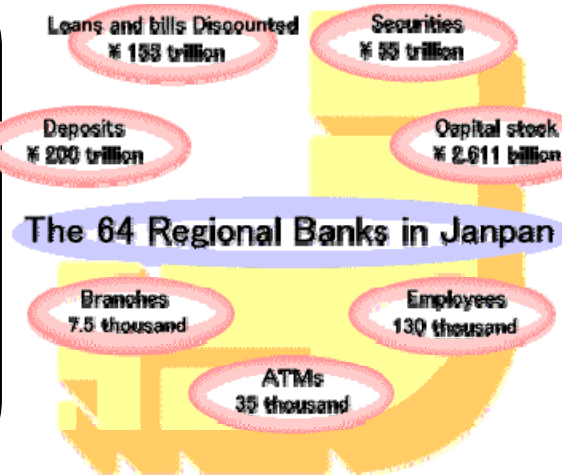
About Japanese Regional Banks ②

Outline of Regional Banks

Hokuhoku Financial Group, Inc.

Outline of Regional Banks

The 64 regional banks in Japan consistently enjoy wide patronage from customers as banks that develop in step with the region. On an ongoing quest to be trusted financial institutions, the regional banks will strive to maintain soundness of management, as well as proceed to be devoted to enhancing convenience for customers in the regions and to realizing vibrant regional communities..

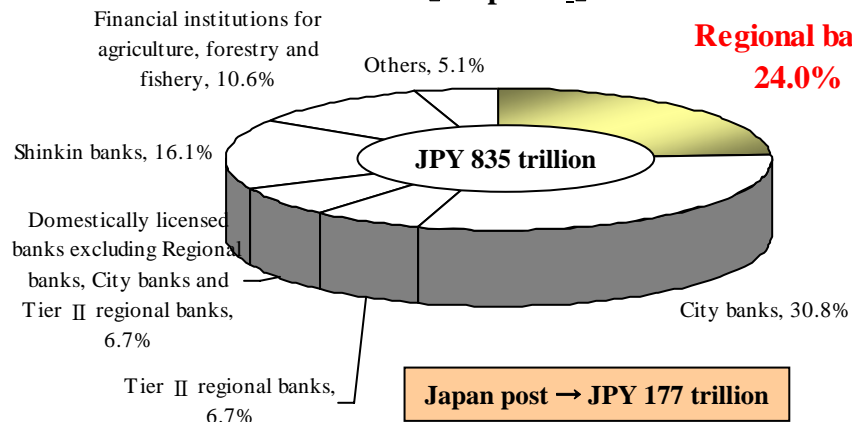


Leading Banks in the Regions

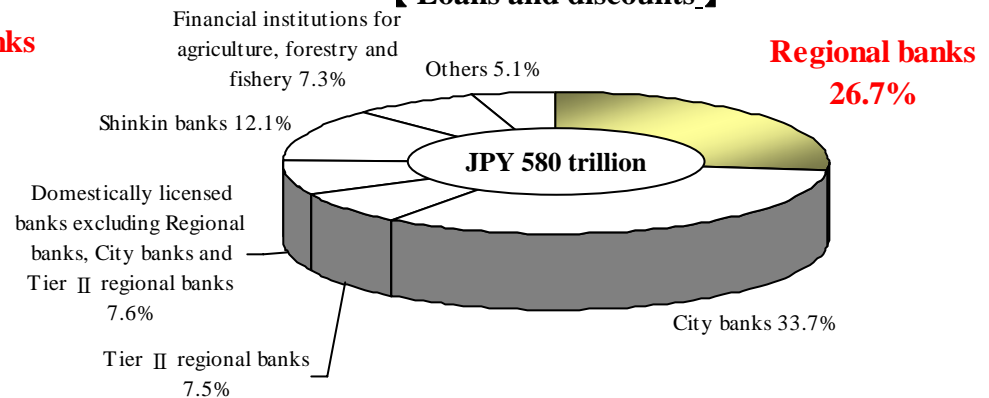
The regional banks have formed a dense branch network in the regions, mainly in the prefectures where their head offices are located, with some 7,500 branches and some 35,000 ATMs set up all over the country. Through this branch network, the regional banks cater to the diversified financial needs of individual customers as well as medium-sized and small- and medium-sized corporate clients in the regions, and also play a leading role in regional finance for the promotion and development of regional communities.

Shares of Deposits and Loans of Private Financial Institutions (Mar-09)

【 Deposits 】



【 Loans and discounts 】



The Present Condition of the Regional Economy ①

Characteristics of Our Main Business Area

Hokuhoku Financial Group, Inc.

Population and Square Measure

Data from Ministry of Internal Affairs and Communications

	Toyama Prefecture a	Ishikawa Prefecture b	Fukui Prefecture c	Total a+b+c	Hokkaido Prefecture	Total
Population (Ranking)	1.11Mn (38th)	1.17Mn (35th)	0.82Mn (43rd)	3.10Mn	5.57Mn (8th)	8.67Mn
Density of Population (Ranking)	260.3pt (25th)	279.5pt (23rd)	194.8pt (32nd)	—	71.0pt (47th)	—
Square Measure (Ranking) km ²	4,248 (33rd)	4,185 (35th)	4,189 (34th)	—	83,456 (1st)	—

Same as Osaka,
Kanagawa!

1 st	Tokyo
2 nd	Kanagawa (8.88Mn)
3 rd	Osaka (8.81Mn)

Gross Prefectural Product

Data from Ministry of Internal Affairs and Communications and Cabinet Office

(JPY Bn)

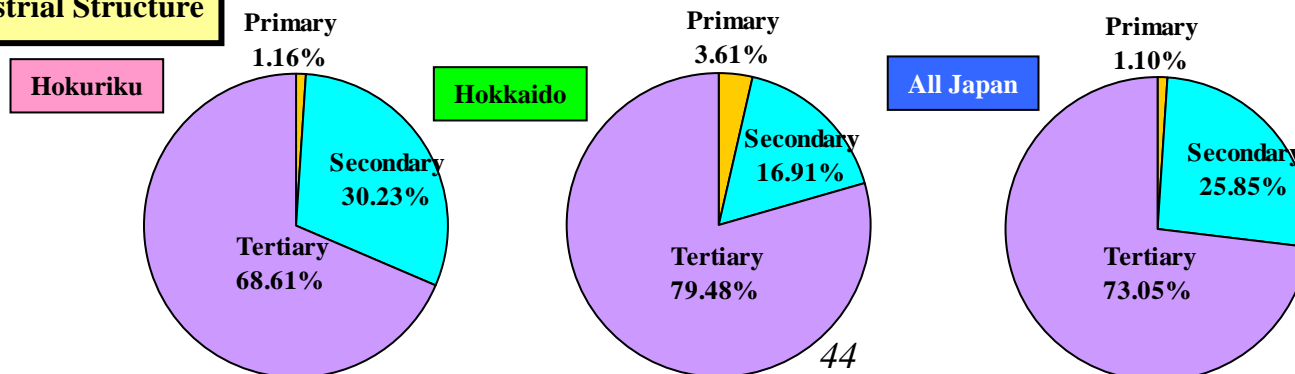
	Toyama a	Ishikawa b	Fukui c	Total a + b + c	Hokkaido	Total
GPP (Proportion) (Ranking)	4,576.2 (0.88%) (29th)	4,516.2 (0.87%) (31st)	3,318.6 (0.64%) (41st)	12,411.1 (2.39%)	18,911.1 (3.65%) (8th)	31,322.2 (6.04%)

Same as Kanagawa!

1 st	Tokyo
2 nd	Osaka
3 rd	Aichi
4 th	Kanagawa (31,775.2)

Industrial Structure

Data from Cabinet Office



Ranked
next to Denmark
(Europe No15) !

1 st	Germany
2 nd	UK
15 th	Denmark (36,690.5)

	Monthly Economic Report (By the Cabinet Office)	Regional Economic Report (By Bank of Japan)	
	All Japan	Hokuriku Area	Hokkaido Area
	Oct-09	Oct-09	Oct-09
Economic Trend	Picking up but remaining in a difficult situation	Remaining severe but showing some signs of picking up	Showing signs of picking up but remaining stagnant
Public Investment	Steady	Increased	Recovered
Business Investment	Decreasing	Declining substantially	Declining Substantially
Private consumption	Showing movements of picking up	Showing some signs of picking up	Showing signs of picking up
Housing construction	Decreasing moderately	Declining	Declining Substantially
Production	Picking up	Picked up steadily	Showing some signs of picking up
Employment & Income	Extremely severe	Below the previous year's level	Continued to be severe
Prices	Declined moderately	Below the previous year's level	More declining compared to the previous year
The number of bankrupt companies	Almost flat	The number was flat and the amount was below the previous year's level	Declining

The Present Condition of the Regional Economy ③

Big Projects in Hokuriku and Hokkaido Area

Hokuhoku Financial Group, Inc.

Hokkaido

◎Construction of the Hokkaido Bullet Train

Constructing a 360 KM line from Shin-Aomori Station to Sapporo Station.

Expected to be completed in FY 2015

(Shin-Aomori Station to Shin-Hakodate Station)

Planned to be completed to Sapporo in FY 2020

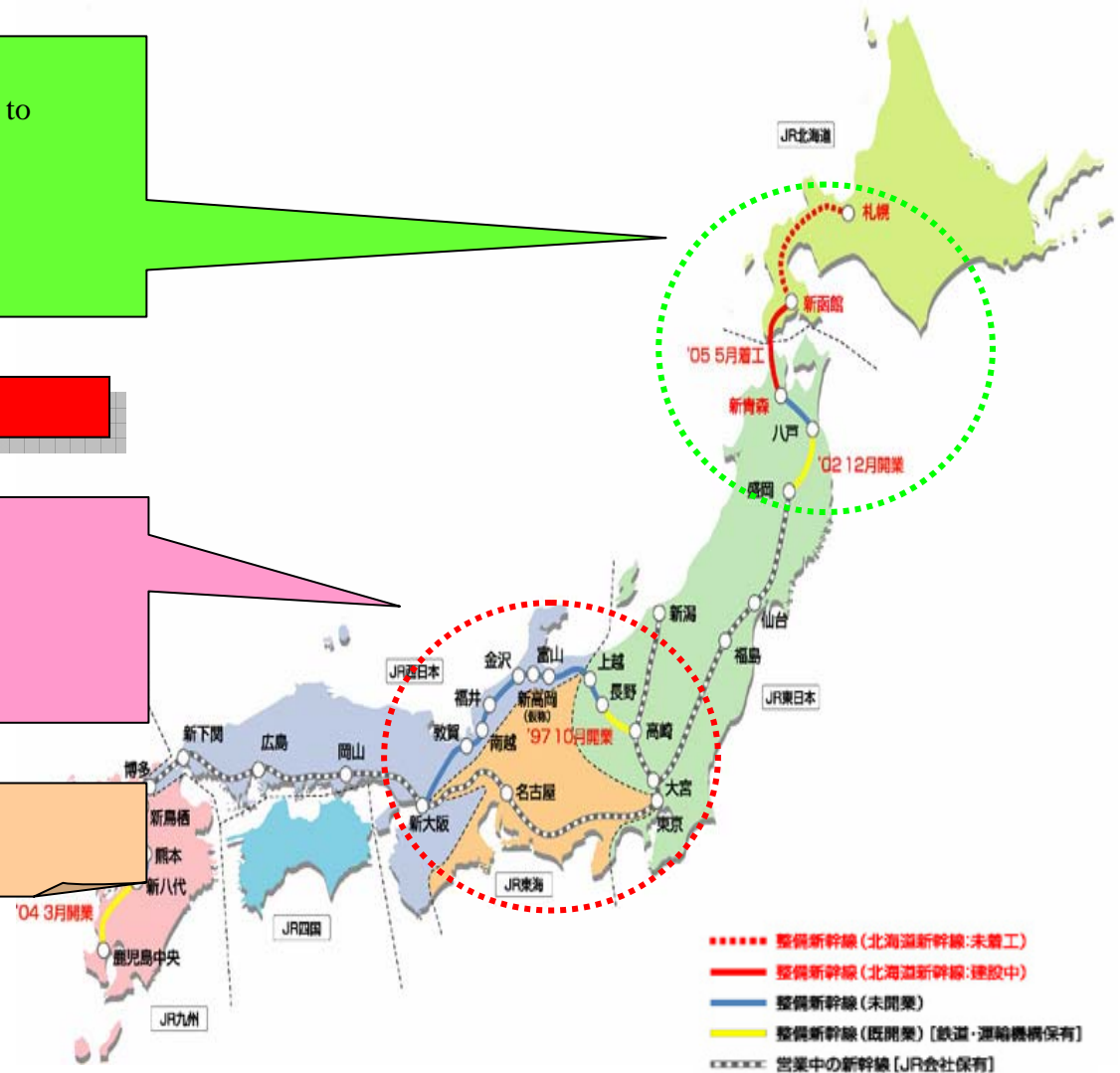
Hokuriku

◎Construction of the Hokuriku Bullet Train

Constructing a 700 KM line from Tokyo to Osaka via Nagano, Toyama, Kanazawa, Fukui.

Expected to be completed in FY 2014.

◎Tokai Hokuriku Highway completed in July, 2008



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