



Summary :

November 12, 2018

Interim Financial Results for Fiscal 2018 (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

Trading Accounts:

Established

Amounts less than one million yen are rounded down.

1. Financial Highlights for the first half of Fiscal 2018 (for the six months ended September 30, 2018)

(1) Consolidated Results of Operations

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

	Ordinary Income		Ordinary Profits		Net Income Attributable to Owners of the Parent	
	¥ million	%	¥ million	%	¥ million	%
1H F2018	91,878	0.1	19,475	7.8	13,976	25.8
1H F2017	91,763	(2.3)	18,064	(23.8)	11,113	(33.7)

Reference: Comprehensive income for the first half of Fiscal 2018: ¥21,295 million [5.9%], for the first half of Fiscal 2017: ¥20,108 million [54.8%]

	Net Income	Diluted Net Income
	per Share of Common Stock	per Share of Common Stock
	¥	¥
1H F2018	100.46	100.25
1H F2017	78.65	78.50

(2) Consolidated Financial Conditions

	Total Assets	Total Net Assets	Own Capital Ratio
	¥ million	¥ million	%
1H F2018	13,176,511	624,983	4.7
Fiscal 2017	12,996,292	610,147	4.7

Reference: Own Capital: as of September 30, 2018: ¥621,777 million; as of March 31, 2018: ¥607,031 million

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

2. Cash Dividends for Shareholders of Common Stock

(Record Date)	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 2017	—	0.00	—	44.00	44.00
Fiscal 2018	—	0.00	—	44.00	44.00
Fiscal 2018 (forecast)	—	—	—	44.00	44.00

Notes: Revision of released forecast for cash dividends for shareholders of common stock: No

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
Full Year	33,000	3.8	21,000	(0.9)	¥ 147.94

Notes: Revision of released earnings estimates: No

4. Others

(1) Changes in Significant Subsidiaries during the First Half of Fiscal 2018

(Changes in specified subsidiaries accompanying changes in scope of consolidation): No

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

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

(b) Changes in accounting policies 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 (including Treasury Stock)

As of September 30, 2018	132,163,014	As of March 31, 2018	132,163,014
As of September 30, 2018	1,035,684	As of March 31, 2018	1,109,893
As of September 30, 2018	131,093,254	As of September 30, 2017	131,044,682

(b) Number of Treasury Stock

(c) Average outstanding shares for the six months ended

Non-consolidated Financial Results

1. Financial Highlights for the First Half of Fiscal 2018 (for the six months ended September 30, 2018)

(1) Non-Consolidated Results of Operations

(%: Changes from previous fiscal year)

	Operating Income		Operating Profits		Ordinary Profits		Net Income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
1H Fiscal 2018	1,132	(0.5)	829	(0.2)	807	(0.1)	806	(0.0)
1H Fiscal 2017	1,138	(3.4)	831	(0.9)	808	0.1	807	0.2

	Net Income per Share of Common Stock	
	¥	
1H Fiscal 2018	0.00	
1H Fiscal 2017	0.01	

(2) Non-Consolidated Financial Conditions

	Total Assets	Total Net Assets	Own Capital Ratio
	¥ million	¥ million	%
1H Fiscal 2018	258,661	233,436	90.1
Fiscal 2017	264,314	239,088	90.3

Reference: Own Capital: as of September 30, 2018: ¥232,992 million; as of March 31, 2018: ¥238,636 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)

(Record Date)	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 2017	—	7.50	—	7.50	15.00
Fiscal 2018	—	7.50	—	7.50	15.00
Fiscal 2018 (forecast)	—	—	—	7.50	15.00

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

Statements of Income (Unaudited)

Millions of yen

		For the six months ended Sep. 30, 2017	For the six months ended Sep. 30, 2018
Ordinary income	經常収益	45,635	45,417
Interest income	資金運用収益	33,259	32,198
<i>Interest on loans and discounts</i>	貸出金利息	23,375	22,416
<i>Interest and dividends on securities</i>	有価証券利息配当金	9,098	8,615
Fees and commissions	役務取引等収益	8,052	8,663
Trading income	特定取引収益	29	27
Other ordinary income	その他業務収益	820	1,815
Other income	その他經常収益	3,473	2,712
Ordinary expenses	經常費用	34,776	32,785
Interest expense	資金調達費用	2,840	2,583
<i>Interest on deposits</i>	預金利息	549	456
Fees and commissions	役務取引等費用	3,580	3,698
Other ordinary expenses	その他業務費用	1,861	1,745
General and administrative expenses	営業経費	24,198	24,126
Other expenses	その他經常費用	2,294	631
Ordinary profits	經常利益	10,859	12,631
Extraordinary income	特別利益	41	94
Extraordinary loss	特別損失	1,093	778
Income before income taxes	税引前中間純利益	9,806	11,948
Income taxes-current	法人税、住民税及び事業税	3,166	2,721
Income taxes-deferred	法人税等調整額	52	0
Total income taxes	法人税等合計	3,218	2,721
Net income	中間純利益	6,588	9,226

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

Balance Sheets (Unaudited)

		Millions of yen	
		As of Mar. 31, 2018	As of Sep. 30, 2018
(Assets)	(資産の部)		
Cash and due from banks	現金預け金	923,208	1,033,514
Trading account securities	商品有価証券	2,906	3,009
Money held in trust	金銭の信託	9,491	8,890
Securities	有価証券	626,231	672,485
Loans and bills discounted	貸出金	3,519,283	3,504,135
Foreign exchanges	外国為替	6,694	5,986
Other assets	その他資産	94,949	96,135
Tangible fixed assets	有形固定資産	29,151	28,640
Intangible fixed assets	無形固定資産	4,563	4,217
Deferred tax assets	繰延税金資産	1,110	1,027
Customers' liabilities for acceptances and guarantees	支払承諾見返	24,646	30,538
Allowance for loan losses	貸倒引当金	(22,175)	(22,339)
Total assets	資産の部合計	5,220,060	5,366,242
(Liabilities)	(負債の部)		
Deposits	預金	4,648,903	4,691,948
Negotiable certificates of deposit	譲渡性預金	26,040	62,011
Payables under securities lending transactions	債券貸借取引受入担保金	33,725	73,875
Borrowed money	借入金	249,400	251,700
Foreign exchanges	外国為替	139	125
Other liabilities	その他負債	14,513	26,051
Reserve for employee retirement benefits	退職給付引当金	2,048	2,039
Reserve for directors' retirement benefits	役員退職慰勞引当金	104	93
Reserve for contingent loss	偶発損失引当金	477	354
Reserve for reimbursement of deposits	睡眠預金払戻損失引当金	589	557
Acceptances and guarantees	支払承諾	24,646	30,538
Total liabilities	負債の部合計	5,000,588	5,139,294
(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	86,931	92,475
Total shareholders' equity	株主資本合計	197,250	202,794
Valuation difference on available-for-sale securities	その他有価証券評価差額金	22,221	24,153
Total valuation and translation adjustments	評価・換算差額等合計	22,221	24,153
Total net assets	純資産の部合計	219,472	226,948
Total liabilities and net assets	負債及び純資産の部合計	5,220,060	5,366,242

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

Statements of Income (Unaudited)

Millions of yen

		For the six months ended Sep. 30, 2017	For the six months ended Sep. 30, 2018
Ordinary income	經常収益	38,764	38,226
Interest income	資金運用収益	26,987	26,298
<i>Interest on loans and discounts</i>	貸出金利息	21,711	21,142
<i>Interest and dividends on securities</i>	有価証券利息配当金	5,076	4,958
Fees and commissions	役務取引等収益	8,354	8,482
Other ordinary income	その他業務収益	127	160
Other income	その他經常収益	3,294	3,285
Ordinary expenses	經常費用	30,518	30,221
Interest expense	資金調達費用	455	666
<i>Interest on deposits</i>	預金利息	234	199
Fees and commissions	役務取引等費用	4,689	5,085
Other ordinary expenses	その他業務費用	1,567	775
General and administrative expenses	営業経費	21,224	20,318
Other expenses	その他經常費用	2,581	3,375
Ordinary profits	經常利益	8,246	8,004
Extraordinary loss	特別損失	195	86
Income before income taxes	税引前中間純利益	8,051	7,917
Income taxes-current	法人税、住民税及び事業税	1,838	2,398
Income taxes-deferred	法人税等調整額	285	(830)
Total income taxes	法人税等合計	2,123	1,568
Net income	中間純利益	5,927	6,349

III. Summary of Interim Financial Results

1. Income Analysis

【Hokuhoku FG (consolidated)】

		For the six months ended		(Millions of yen)
		Sep.30, 2018	change	Sep.30, 2017
		(A)	(A - B)	(B)
		(Japanese)		
Consolidated gross business profits	連結粗利益	66,911	576	66,335
Net interest income	資金利益	54,196	(1,509)	55,706
Net fees and commissions	役務取引等利益	11,668	234	11,434
Net trading income	特定取引利益	536	103	433
Net other income	その他業務利益	509	1,748	(1,238)
General and administrative expenses	営業経費	48,586	(856)	49,442
Amortization of goodwill	うちのれん償却	1,051	—	1,051
Total credit costs	不良債権処理額	1,276	(1,222)	2,499
Written-off of loans	貸出金償却	127	8	119
Provision of allowance for loan losses	貸倒引当金繰入額	1,195	(1,135)	2,331
Other credit costs	その他不良債権処理額	(47)	(95)	48
Net gains (losses) related to stocks	株式等損益	2,113	(1,227)	3,340
Other non-recurring gains (losses)	その他臨時損益	313	(16)	329
Ordinary profits	経常利益	19,475	1,410	18,064
Net extraordinary gains (losses)	特別損益	(779)	440	(1,219)
Income before income taxes	税金等調整前中間純利益	18,696	1,851	16,845
Income taxes-current	法人税、住民税及び事業税	5,555	68	5,486
Income taxes-deferred	法人税等調整額	(904)	(1,086)	181
Net income	中間純利益	14,046	2,869	11,176
Net income attributable to non-controlling interests	非支配株主に帰属する中間純利益	69	6	63
Net income attributable to owners of the parent	親会社株主に帰属する中間純利益	13,976	2,863	11,113

* 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	20,093	1,245	18,848
Consolidated core net business profits	連結コア業務純益	21,092	(2)	21,095

* 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

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 six months ended (Millions of yen)

	(Japanese)	Sep.30, 2018		Sep.30, 2017
		(A)	change (A - B)	(B)
Gross business profits	業務粗利益	34,677	798	33,879
(Reference) Excluding net gains (losses) related to bonds	(除く国債等債券損益)	35,033	(341)	35,375
Domestic gross business profits	国内業務粗利益	34,282	713	33,569
(Reference) Excluding net gains (losses) related to bonds	(除く国債等債券損益)	33,853	204	33,648
Net interest income	資金利益	28,985	(295)	29,281
Net fees and commissions	役務取引等利益	4,839	498	4,340
Net trading income	特定取引利益	27	0	27
Net other income	その他業務利益	429	509	(80)
Net gains (losses) related to bonds	国債等債券損益	429	508	(79)
International gross business profits	国際業務粗利益	395	85	309
(Reference) Excluding net gains (losses) related to bonds	(除く国債等債券損益)	1,180	(546)	1,726
Net interest income	資金利益	629	(507)	1,137
Net fees and commissions	役務取引等利益	125	(5)	131
Net trading income	特定取引利益	(0)	(2)	1
Net other income	その他業務利益	(359)	601	(960)
Net gains (losses) related to bonds	国債等債券損益	(785)	631	(1,416)
General and administrative expenses	経費(臨時処理分を除く)	23,589	(268)	23,858
Personnel expenses	人件費	11,955	(246)	12,201
Non-personnel expenses	物件費	9,876	(51)	9,928
Taxes	税金	1,757	30	1,727
Net business profits (before provision (reversal) of general allowance for loan losses)	実質業務純益	11,087	1,067	10,020
(Reference) Excluding net gains (losses) related to bonds	(参考) 除く国債等債券損益	11,443	(73)	11,516
Provision (reversal) of general allowance for loan losses ①	一般貸倒引当金繰入①	—	(990)	990
Net business profits	業務純益	11,087	2,057	9,030
Net gains (losses) related to bonds	国債等債券損益	(355)	1,140	(1,495)
Net non-recurring gains (losses)	臨時損益	1,543	(284)	1,828
Credit related costs ②	不良債権処理額②	(65)	(796)	730
Written-off of loans	貸出金償却	—	(13)	13
Provision of allowance for loan losses	個別貸倒引当金純繰入額	—	(723)	723
Losses on sales of non-performing loans	延滞債権売却損	0	(17)	18
Provision of reserve for contingent loss	偶発損失引当金繰入額	(120)	10	(130)
Other credit costs	その他の債権売却損等	124	19	105
Reversal of allowance for loan losses	貸倒引当金戻入益	69	69	—
(Reference) Total credit costs ①+②	(参考) 与信費用 ①+②	(65)	(1,786)	1,720
Net gains (losses) related to stocks	株式等損益	1,343	(1,031)	2,375
Gains on sales of stocks and other securities	株式等売却益	1,519	(983)	2,503
Losses on sales of stocks and other securities	株式等売却損	157	83	74
Losses on devaluation of stocks and other securities	株式等償却	18	(34)	53
Ordinary profits	経常利益	12,631	1,772	10,859
Net extraordinary gains (losses)	特別損益	(683)	368	(1,052)
Net gain (loss) on disposal of noncurrent assets	固定資産処分損益	(83)	(84)	0
Gain on disposal of noncurrent assets	固定資産処分益	94	52	41
Loss on disposal of noncurrent assets	固定資産処分損	178	137	41
Impairment loss	減損損失	599	(453)	1,052
Income before income taxes	税引前中間純利益	11,948	2,141	9,806
Income taxes-current	法人税、住民税及び事業税	2,721	(444)	3,166
Income taxes-deferred	法人税等調整額	0	(52)	52
Net income	中間純利益	9,226	2,638	6,588

【Hokkaido Bank (Non-consolidated)】

For the six months ended (Millions of yen)

	(Japanese)	Sep.30, 2018		Sep.30, 2017
		(A)	change (A - B)	(B)
Gross business profits	業務粗利益	28,413	(344)	28,757
(Reference) Excluding net gains (losses) related to bonds	(除く国債等債券損益)	29,046	(646)	29,693
Domestic gross business profits	国内業務粗利益	28,605	(250)	28,856
(Reference) Excluding net gains (losses) related to bonds	(除く国債等債券損益)	28,532	(488)	29,021
Net interest income	資金利益	25,169	(204)	25,373
Net fees and commissions	役務取引等利益	3,374	(280)	3,655
Net trading income	特定取引利益	—	—	—
Net other income	その他業務利益	61	234	(172)
Net gains (losses) related to bonds	国債等債券損益	72	237	(164)
International gross business profits	国際業務粗利益	(192)	(93)	(98)
(Reference) Excluding net gains (losses) related to bonds	(除く国債等債券損益)	513	(157)	671
Net interest income	資金利益	463	(696)	1,159
Net fees and commissions	役務取引等利益	21	11	10
Net trading income	特定取引利益	—	—	—
Net other income	その他業務利益	(677)	591	(1,268)
Net gains (losses) related to bonds	国債等債券損益	(706)	64	(770)
General and administrative expenses	経費(臨時処理分を除く)	20,181	(507)	20,688
Personnel expenses	人件費	9,208	(196)	9,404
Non-personnel expenses	物件費	9,440	(226)	9,667
Taxes	税金	1,532	(83)	1,616
Net business profits (before provision (reversal) of general allowance for loan losses)	実質業務純益	8,231	162	8,069
(Reference) Excluding net gains (losses) related to bonds	(参考)除く国債等債券損益	8,865	(138)	9,004
Provision (reversal) of general allowance for loan losses ①	一般貸倒引当金繰入①	(80)	(132)	51
Net business profits	業務純益	8,312	295	8,017
Net gains (losses) related to bonds	国債等債券損益	(633)	301	(935)
Net non-recurring gains (losses)	臨時損益	(307)	(537)	229
Credit related costs ②	不良債権処理額②	689	72	616
Written-off of loans	貸出金償却	—	—	—
Provision of allowance for loan losses	個別貸倒引当金繰入額	746	185	560
Losses on sales of non-performing loans	延滞債権等売却損	—	—	—
Provision of reserve for contingent loss	偶発損失引当金繰入額	(123)	(82)	(41)
Other credit costs	その他の債権売却損等	66	(30)	97
Reversal of allowance for loan losses	貸倒引当金戻入益	—	—	—
(Reference) Total credit costs ①+②	(参考)与信費用①+②	609	(59)	668
Net gains (losses) related to stocks	株式等損益	819	(582)	1,401
Gains on sales of stocks and other securities	株式等売却益	2,550	278	2,271
Losses on sales of stocks and other securities	株式等売却損	1,689	821	868
Losses on devaluation of stocks and other securities	株式等償却	40	39	1
Ordinary profits	経常利益	8,004	(242)	8,246
Net extraordinary gains (losses)	特別損益	(86)	108	(195)
Net gain (loss) on disposal of noncurrent assets	固定資産処分損益	(21)	25	(47)
Gain on disposal of noncurrent assets	固定資産処分益	—	—	—
Loss on disposal of noncurrent assets	固定資産処分損	21	(25)	47
Impairment loss	減損損失	65	(82)	148
Income before income taxes	税引前中間純利益	7,917	(133)	8,051
Income taxes-current	法人税、住民税及び事業税	2,398	560	1,838
Income taxes-deferred	法人税等調整額	(830)	(1,116)	285
Net income	中間純利益	6,349	422	5,927

2. Average Balance of Use and Source of Funds

【Domestic】

For the six months ended

(Billions of yen)

	(Japanese)	Total of two banks											
		Sep.30, 2018			Sep.30, 2017			Sep.30, 2018			Sep.30, 2017		
		(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	10,911.2	27.0	10,884.1	6,430.8	92.0	6,338.8	4,480.3	(64.9)	4,545.3			
Loans and bills discounted	貸出金	8,128.8	329.0	7,799.7	4,606.7	132.3	4,474.4	3,522.0	196.7	3,325.2			
Securities	有価証券	1,600.0	(250.1)	1,850.2	1,069.0	(13.5)	1,082.5	530.9	(236.6)	767.6			
Interest-bearing liabilities	資金調達勘定	12,063.7	761.2	11,302.5	7,070.3	497.0	6,573.3	4,993.3	264.2	4,729.1			
Deposits and NCD	預金(NCD含む)	11,210.4	322.4	10,887.9	6,480.0	176.7	6,303.2	4,730.4	145.7	4,584.6			

【Total】

For the six months ended

(Billions of yen)

	(Japanese)	Total of two banks											
		Sep.30, 2018			Sep.30, 2017			Sep.30, 2018			Sep.30, 2017		
		(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	11,120.2	(48.8)	11,169.0	6,586.6	(0.3)	6,586.9	4,533.6	(48.4)	4,582.1			
Loans and bills discounted	貸出金	8,146.3	310.7	7,835.6	4,624.0	124.0	4,499.9	3,522.3	186.6	3,335.6			
Securities	有価証券	1,826.6	(381.0)	2,207.7	1,229.1	(96.2)	1,325.4	597.5	(284.7)	882.3			
Interest-bearing liabilities	資金調達勘定	12,273.8	685.0	11,588.7	7,227.6	405.9	6,821.6	5,046.2	279.1	4,767.1			
Deposits and NCD	預金(NCD含む)	11,272.4	322.2	10,950.1	6,524.5	175.2	6,349.2	4,747.8	147.0	4,600.8			

3. Interest Rate Spread

【Domestic】

For the six months ended

(%)

	(Japanese)	Total of two banks											
		Sep.30, 2018			Sep.30, 2017			Sep.30, 2018			Sep.30, 2017		
		(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	1.00	(0.01)	1.01	0.91	(0.03)	0.94	1.13	0.01	1.12			
Loans and bills discounted (b)	貸出金利回り	1.06	(0.08)	1.14	0.95	(0.08)	1.03	1.19	(0.10)	1.29			
Securities	有価証券利回り	1.36	0.24	1.12	1.29	0.08	1.21	1.52	0.54	0.98			
Interest rate on interest-bearing liabilities (c) (including expenses)	資金調達原価	0.72	(0.06)	0.78	0.66	(0.06)	0.72	0.80	(0.06)	0.86			
Deposits and NCD (d)	預金等利回り	0.00	(0.01)	0.01	0.00	(0.01)	0.01	0.00	0.00	0.00			
Expense ratio (e)	預金経費率	0.76	(0.03)	0.79	0.70	(0.03)	0.73	0.83	(0.05)	0.88			
Spread between loans and deposits rates(b)-(d)	預貸金直接利差	1.05	(0.08)	1.13	0.95	(0.06)	1.01	1.19	(0.09)	1.28			
Spread between loans and deposits rates (including expenses) (b)-(d)-(e)	預貸金利鞘	0.29	(0.04)	0.33	0.24	(0.04)	0.28	0.35	(0.05)	0.40			
Interest rate spread (a)-(c)	総資金利鞘	0.28	0.05	0.23	0.25	0.03	0.22	0.32	0.07	0.25			

【Total】

For the six months ended

(%)

	(Japanese)	Total of two banks											
		Sep.30, 2018			Sep.30, 2017			Sep.30, 2018			Sep.30, 2017		
		(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	1.04	(0.03)	1.07	0.97	(0.03)	1.00	1.15	(0.02)	1.17			
Loans and Bills discounted (b)	貸出金利回り	1.06	(0.08)	1.14	0.96	(0.07)	1.03	1.19	(0.10)	1.29			
Securities	有価証券利回り	1.48	0.21	1.27	1.39	0.03	1.36	1.65	0.51	1.14			
Interest rate on interest-bearing liabilities (c) (including expenses)	資金調達原価	0.76	(0.06)	0.82	0.72	(0.05)	0.77	0.82	(0.06)	0.88			
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	0.77	(0.04)	0.81	0.71	(0.03)	0.74	0.84	(0.05)	0.89			
Spread between loans and deposits rates(b)-(d)	預貸金直接利差	1.05	(0.08)	1.13	0.95	(0.06)	1.01	1.18	(0.10)	1.28			
Spread between loans and deposits rates (including expenses) (b)-(d)-(e)	預貸金利鞘	0.28	(0.04)	0.32	0.23	(0.04)	0.27	0.34	(0.05)	0.39			
Interest rate spread (a)-(c)	総資金利鞘	0.28	0.03	0.25	0.25	0.03	0.22	0.33	0.04	0.29			

4. Net Business Profits

For the six months ended

(Millions of yen)

	(Japanese)	Total of two banks								
		Total of two banks			Hokuriku bank			Hokkaido bank		
		Sep.30, 2018		Sep.30, 2017	Sep.30, 2018		Sep.30, 2017	Sep.30, 2018		Sep.30, 2017
(A)	(A-B)	(B)	(A)	(A-B)	(B)	(A)	(A-B)	(B)		
Core net business profits	コア業務純益	20,309	(211)	20,521	11,443	(73)	11,516	8,865	(138)	9,004
As per employee (in thousands of yen)	一人当たり(千円)	3,949	10	3,939	4,161	58	4,102	3,706	(42)	3,748
Net business profits	業務純益	19,400	2,352	17,048	11,087	2,057	9,030	8,312	295	8,017
As per employee (in thousands of yen)	一人当たり(千円)	3,772	500	3,272	4,031	814	3,217	3,475	137	3,337

5. ROE・OHR・ROA

(1) ROE (Return on Equity)

For the six months ended

(%)

	(Japanese)	Total of two banks								
		Total of two banks			Hokuriku bank			Hokkaido bank		
		Sep.30, 2018		Sep.30, 2017	Sep.30, 2018		Sep.30, 2017	Sep.30, 2018		Sep.30, 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	7.31	(0.48)	7.79	6.30	(0.39)	6.69	9.48	(0.67)	10.15
Net business profits per common shareholders' equity	業務純益ベース	6.97	0.55	6.42	6.10	0.86	5.24	8.83	(0.09)	8.92
Interim net income per common shareholders' equity	中間純利益ベース	5.54	0.91	4.63	5.08	1.26	3.82	6.52	0.18	6.34

(2) OHR (Overhead Ratio)

For the six months ended

(%)

	(Japanese)	Total of two banks								
		Total of two banks			Hokuriku bank			Hokkaido bank		
		Sep.30, 2018		Sep.30, 2017	Sep.30, 2018		Sep.30, 2017	Sep.30, 2018		Sep.30, 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	68.30	(0.16)	68.46	67.33	(0.11)	67.44	69.47	(0.20)	69.67
Gross business profits basis	業務粗利益ベース	69.37	(1.74)	71.11	68.02	(2.40)	70.42	71.02	(0.92)	71.94

(3) ROA (Return on Assets)

For the six months ended

(%)

	(Japanese)	Total of two banks								
		Total of two banks			Hokuriku bank			Hokkaido bank		
		Sep.30, 2018		Sep.30, 2017	Sep.30, 2018		Sep.30, 2017	Sep.30, 2018		Sep.30, 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	(0.02)	0.33	0.30	(0.02)	0.32	0.33	(0.02)	0.35
Net business profits on assets	業務純益ベース	0.30	0.02	0.28	0.29	0.04	0.25	0.31	0.00	0.31
Interim net income on assets	中間純利益ベース	0.24	0.04	0.20	0.24	0.06	0.18	0.24	0.01	0.23

6. Net Gains and Losses on Securities

【FG(consolidated)】

For the six months ended

(Millions of yen)

	(Japanese)	Sep.30, 2018		Sep.30, 2017
		(A)	(A-B)	(B)
Net gains (losses) related to bonds	国債等債券損益	(999)	1,248	(2,247)
Gains on sales	売却益	1,455	986	469
Gains on redemption	償還益	55	34	20
Losses on sales	売却損	2,509	(227)	2,737
Losses on redemption	償還損	—	—	—
Losses on devaluation	償却	—	—	—
Net gains (losses) related to stocks	株式等損益	2,113	(1,227)	3,340
Gains on sales	売却益	4,019	(548)	4,568
Losses on sales	売却損	1,847	674	1,173
Losses on devaluation	償却	58	4	54

【Total of two banks】

For the six months ended

(Millions of yen)

	(Japanese)	Sep.30, 2018		Sep.30, 2017
		(A)	(A-B)	(B)
Net gains (losses) related to bonds	国債等債券損益	(989)	1,441	(2,430)
Gains on sales	売却益	1,465	995	469
Gains on redemption	償還益	55	34	20
Losses on sales	売却損	2,509	(227)	2,737
Losses on redemption	償還損	—	(183)	183
Losses on devaluation	償却	—	—	—
Net gains (losses) related to stocks	株式等損益	2,163	(1,613)	3,777
Gains on sales	売却益	4,070	(704)	4,774
Losses on sales	売却損	1,847	904	942
Losses on devaluation	償却	59	4	54

【Hokuriku bank】

For the six months ended

(Millions of yen)

	(Japanese)	Sep.30, 2018		Sep.30, 2017
		(A)	(A-B)	(B)
Net gains (losses) related to bonds	国債等債券損益	(355)	1,140	(1,495)
Gains on sales	売却益	1,389	1,025	364
Gains on redemption	償還益	—	—	—
Losses on sales	売却損	1,745	(114)	1,860
Losses on redemption	償還損	—	—	—
Losses on devaluation	償却	—	—	—
Net gains (losses) related to stocks	株式等損益	1,343	(1,031)	2,375
Gains on sales	売却益	1,519	(983)	2,503
Losses on sales	売却損	157	83	74
Losses on devaluation	償却	18	(34)	53

【Hokkaido bank】

For the six months ended

(Millions of yen)

	(Japanese)	Sep.30, 2018		Sep.30, 2017
		(A)	(A-B)	(B)
Net gains (losses) related to bonds	国債等債券損益	(633)	301	(935)
Gains on sales	売却益	75	(29)	104
Gains on redemption	償還益	55	34	20
Losses on sales	売却損	764	(112)	876
Losses on redemption	償還損	—	(183)	183
Losses on devaluation	償却	—	—	—
Net gains (losses) related to stocks	株式等損益	819	(582)	1,401
Gains on sales	売却益	2,550	278	2,271
Losses on sales	売却損	1,689	821	868
Losses on devaluation	償却	40	39	1

7. Valuation Difference on Securities

(1) Valuation difference on securities

【FG(consolidated)】

(Millions of yen)

	(Japanese)	As of Sep.30, 2018				As of Mar.31, 2018		
		Valuation difference				Valuation difference		
		(A)	(A)-(B)	Gains	Losses	(B)	Gains	Losses
Bonds being held to maturity	満期保有目的	10,444	(1,429)	10,512	67	11,874	11,930	56
Available-for-sale securities	その他有価証券	130,742	9,125	140,566	9,824	121,616	134,895	13,278
Japanese Stocks	株式	111,065	9,283	114,824	3,759	101,781	107,496	5,715
Japanese Bonds	債券	15,090	(4,341)	15,578	487	19,432	19,689	257
Others	その他	4,586	4,184	10,163	5,576	402	7,708	7,306
Total	合計	141,187	7,695	151,078	9,891	133,491	146,826	13,334
Japanese Stocks	株式	111,065	9,283	114,824	3,759	101,781	107,496	5,715
Japanese Bonds	債券	25,535	(5,771)	26,090	555	31,306	31,620	313
Others	その他	4,586	4,184	10,163	5,576	402	7,708	7,306

【Total of two banks】

(Millions of yen)

	(Japanese)	As of Sep.30, 2018				As of Mar.31, 2018		
		Valuation difference				Valuation difference		
		(A)	(A)-(B)	Gains	Losses	(B)	Gains	Losses
Bonds being held to maturity	満期保有目的	10,312	(1,394)	10,380	67	11,707	11,763	56
Available-for-sale securities	その他有価証券	132,240	8,231	141,089	8,849	124,008	136,337	12,328
Japanese Stocks	株式	115,642	9,215	118,426	2,784	106,426	111,191	4,764
Japanese Bonds	債券	15,139	(4,371)	15,627	487	19,511	19,768	257
Others	その他	1,458	3,388	7,035	5,576	(1,929)	5,376	7,306
Total	合計	142,553	6,837	151,469	8,916	135,716	148,100	12,384
Japanese Stocks	株式	115,642	9,215	118,426	2,784	106,426	111,191	4,764
Japanese Bonds	債券	25,452	(5,766)	26,008	555	31,218	31,532	313
Others	その他	1,458	3,388	7,035	5,576	(1,929)	5,376	7,306

【Hokuriku bank】

(Millions of yen)

	(Japanese)	As of Sep.30, 2018				As of Mar.31, 2018		
		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	97,908	5,386	103,131	5,223	92,522	100,532	8,010
Japanese Stocks	株式	82,362	6,399	84,118	1,756	75,963	79,208	3,245
Japanese Bonds	債券	12,456	(3,397)	12,738	282	15,853	16,045	191
Others	その他	3,089	2,384	6,274	3,184	705	5,278	4,573
Total	合計	97,908	5,386	103,131	5,223	92,522	100,532	8,010
Japanese Stocks	株式	82,362	6,399	84,118	1,756	75,963	79,208	3,245
Japanese Bonds	債券	12,456	(3,397)	12,738	282	15,853	16,045	191
Others	その他	3,089	2,384	6,274	3,184	705	5,278	4,573

【Hokkaido bank】

(Millions of yen)

	(Japanese)	As of Sep.30, 2018				As of Mar.31, 2018		
		Valuation difference				Valuation difference		
		(A)	(A)-(B)	Gains	Losses	(B)	Gains	Losses
Bonds being held to maturity	満期保有目的	10,312	(1,394)	10,380	67	11,707	11,763	56
Available-for-sale securities	その他有価証券	34,332	2,845	37,958	3,625	31,486	35,804	4,317
Japanese Stocks	株式	33,280	2,816	34,307	1,027	30,463	31,983	1,519
Japanese Bonds	債券	2,683	(974)	2,889	205	3,657	3,723	65
Others	その他	(1,631)	1,003	760	2,392	(2,634)	97	2,732
Total	合計	44,644	1,451	48,338	3,693	43,193	47,568	4,374
Japanese Stocks	株式	33,280	2,816	34,307	1,027	30,463	31,983	1,519
Japanese Bonds	債券	12,996	(2,368)	13,269	273	15,364	15,487	122
Others	その他	(1,631)	1,003	760	2,392	(2,634)	97	2,732

8. Capital Adequacy Ratio (Domestic Standard)

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

【FG(consolidated)】

(Millions of yen)

	(Japanese)	As of Sep.30,2018			As of Mar.31,2018	As of Sep.30,2017
		(A)	(A-B)	(A-C)	(B)	(C)
(1) Capital adequacy ratio	自己資本比率	9.78 %	0.29 %	0.05 %	9.49 %	9.73 %
(2) Capital ①－②	自己資本	558,356	13,808	14,956	544,548	543,400
① Core capital : instruments and reserves	コア資本に係る基礎項目	577,307	12,651	15,162	564,655	562,144
Shareholders' equity	うち株主資本	466,318	13,428	17,080	452,890	449,238
General allowance for loan losses	うち一般貸倒引当金等	13,964	(1,051)	(1,395)	15,016	15,359
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	18,950	(1,157)	206	20,107	18,743
Intangible fixed assets	うち無形固定資産	18,260	(1,327)	(405)	19,587	18,666
(3) Risk-weighted assets	リスクアセット	5,707,423	(27,856)	122,753	5,735,279	5,584,669

【Hokuriku bank】

(non-consolidated)

(Millions of yen)

	(Japanese)	As of Sep.30,2018			As of Mar.31,2018	As of Sep.30,2017
		(A)	(A-B)	(A-C)	(B)	(C)
(1) Capital adequacy ratio	自己資本比率	9.21 %	0.19 %	0.17 %	9.02 %	9.04 %
(2) Capital ①－②	自己資本	305,866	3,627	10,524	302,238	295,342
① Core capital : instruments and reserves	コア資本に係る基礎項目	311,260	3,489	12,247	307,770	299,013
Shareholders' equity	うち株主資本	282,616	4,490	13,826	278,125	268,789
General allowance for loan losses	うち一般貸倒引当金等	4,895	(934)	(799)	5,830	5,694
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	5,394	(138)	1,723	5,532	3,671
Intangible fixed assets	うち無形固定資産	3,242	(75)	1,113	3,318	2,128
(3) Risk-weighted assets	リスクアセット	3,318,346	(31,142)	53,629	3,349,488	3,264,716

(Consolidated)

Capital adequacy ratio	自己資本比率	9.19 %	0.19 %	0.16 %	9.00 %	9.03 %
Capital	自己資本	305,347	3,647	10,265	301,700	295,082
Risk-weighted assets	リスクアセット	3,319,440	(30,919)	54,668	3,350,359	3,264,772

【Hokkaido bank】

(non-consolidated)

(Millions of yen)

	(Japanese)	As of Sep.30,2018			As of Mar.31,2018	As of Sep.30,2017
		(A)	(A-B)	(A-C)	(B)	(C)
(1) Capital adequacy ratio	自己資本比率	9.44 %	0.16 %	(0.09) %	9.28 %	9.53 %
(2) Capital ①－②	自己資本	221,052	3,920	4,162	217,131	216,890
① Core capital : instruments and reserves	コア資本に係る基礎項目	223,400	3,727	4,686	219,672	218,713
Shareholders' equity	うち株主資本	146,642	3,913	5,445	142,728	141,196
General allowance for loan losses	うち一般貸倒引当金等	3,041	(185)	(759)	3,227	3,801
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	2,348	(192)	524	2,540	1,823
Intangible fixed assets	うち無形固定資産	2,348	(192)	524	2,540	1,823
(3) Risk-weighted assets	リスクアセット	2,341,075	1,603	66,040	2,339,472	2,275,035

(Consolidated)

Capital adequacy ratio	自己資本比率	9.57 %	0.13 %	(0.07) %	9.44 %	9.64 %
Capital	自己資本	225,396	3,161	4,733	222,235	220,662
Risk-weighted assets	リスクアセット	2,353,932	1,276	67,230	2,352,656	2,286,701

IV. Loan Portfolio and Other

1. Disclosed Claims under the Financial Reconstruction Law

【Total of two banks】

(Millions of yen)

	(Japanese)	As of Sep.30,2018			As of Mar.31,2018	As of Sep.30,2017
		(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	15,736	(341)	(1,953)	16,077	17,689
Doubtful	危険債権	117,355	5,184	427	112,170	116,927
Substandard	要管理債権	17,874	(1,353)	(2,066)	19,228	19,940
Non Performing Loans	(1) 小計	150,966	3,489	(3,591)	147,477	154,558
	Normal	8,251,889	(28,434)	222,426	8,280,324	8,029,463
Total	(2) 合計	8,402,856	(24,945)	218,834	8,427,801	8,184,021
NPL ratio (%)	(1)/(2) 比率	1.79%	0.05%	(0.09%)	1.74%	1.88%

Amount of partial write-off	部分直接償却実施額	41,650	(1,383)	(5,759)	43,033	47,410
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【Hokuriku bank】

(Millions of yen)

	(Japanese)	As of Sep.30,2018			As of Mar.31,2018	As of Sep.30,2017
		(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	10,731	(260)	(1,451)	10,991	12,182
Doubtful	危険債権	67,007	2,692	1,615	64,314	65,391
Substandard	要管理債権	10,035	(911)	(1,299)	10,946	11,335
Non Performing Loans	(1) 小計	87,774	1,521	(1,135)	86,252	88,909
	Normal	4,636,654	(20,102)	84,158	4,656,756	4,552,495
Total	(2) 合計	4,724,429	(18,580)	83,023	4,743,009	4,641,405
NPL ratio (%)	(1)/(2) 比率	1.85%	0.04%	(0.06%)	1.81%	1.91%

Amount of partial write-off	部分直接償却実施額	29,051	(1,264)	(4,833)	30,315	33,884
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【Hokkaido bank】

(Millions of yen)

	(Japanese)	As of Sep.30,2018			As of Mar.31,2018	As of Sep.30,2017
		(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	5,005	(80)	(501)	5,086	5,506
Doubtful	危険債権	50,347	2,491	(1,188)	47,856	51,536
Substandard	要管理債権	7,839	(442)	(766)	8,282	8,605
Non Performing Loans	(1) 小計	63,192	1,967	(2,456)	61,224	65,648
	Normal	3,615,234	(8,332)	138,267	3,623,567	3,476,967
Total	(2) 合計	3,678,427	(6,364)	135,811	3,684,792	3,542,616
NPL ratio (%)	(1)/(2) 比率	1.71%	0.05%	(0.14%)	1.66%	1.85%

Amount of partial write-off	部分直接償却実施額	12,598	(119)	(926)	12,717	13,525
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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 Sep.30, 2018 (a)	15,736	14,014	1,721	100.00%	100.00%
		As of Mar.31, 2018 (b)	16,077	14,284	1,793	100.00%	100.00%
		(a) - (b)	(341)	(270)	(71)	—	—
Doubtful	危険債権	As of Sep.30, 2018 (a)	117,355	70,627	32,165	68.83%	87.59%
		As of Mar.31, 2018 (b)	112,170	68,558	31,011	71.10%	88.76%
		(a) - (b)	5,184	2,068	1,153	(2.27%)	(1.17%)
Substandard	要管理債権	As of Sep.30, 2018 (a)	17,874	13,868	240	5.99%	78.93%
		As of Mar.31, 2018 (b)	19,228	14,859	277	6.36%	78.72%
		(a) - (b)	(1,353)	(990)	(37)	(0.37%)	0.21%
Total	合計	As of Sep.30, 2018 (a)	150,966	98,510	34,127	65.05%	87.85%
		As of Mar.31, 2018 (b)	147,477	97,702	33,082	66.46%	88.68%
		(a) - (b)	3,489	808	1,044	(1.41%)	(0.83%)

【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 Sep.30, 2018 (a)	10,731	9,632	1,098	100.00%	100.00%
		As of Mar.31, 2018 (b)	10,991	9,860	1,131	100.00%	100.00%
		(a) - (b)	(260)	(227)	(32)	—	—
Doubtful	危険債権	As of Sep.30, 2018 (a)	67,007	46,209	13,225	63.59%	88.69%
		As of Mar.31, 2018 (b)	64,314	45,836	12,349	66.83%	90.47%
		(a) - (b)	2,692	373	876	(3.24%)	(1.78%)
Substandard	要管理債権	As of Sep.30, 2018 (a)	10,035	6,090	225	5.70%	62.92%
		As of Mar.31, 2018 (b)	10,946	6,668	254	5.94%	63.24%
		(a) - (b)	(911)	(578)	(29)	(0.24%)	(0.32%)
Total	合計	As of Sep.30, 2018 (a)	87,774	61,932	14,549	56.30%	87.13%
		As of Mar.31, 2018 (b)	86,252	62,365	13,734	57.49%	88.22%
		(a) - (b)	1,521	(433)	814	(1.19%)	(1.09%)

【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 Sep.30, 2018 (a)	5,005	4,381	623	100.00%	100.00%
		As of Mar.31, 2018 (b)	5,086	4,424	662	100.00%	100.00%
		(a) - (b)	(80)	(42)	(38)	—	—
Doubtful	危険債権	As of Sep.30, 2018 (a)	50,347	24,417	18,939	73.04%	86.11%
		As of Mar.31, 2018 (b)	47,856	22,721	18,662	74.25%	86.47%
		(a) - (b)	2,491	1,695	277	(1.21%)	(0.36%)
Substandard	要管理債権	As of Sep.30, 2018 (a)	7,839	7,778	15	25.19%	99.42%
		As of Mar.31, 2018 (b)	8,282	8,190	23	26.03%	99.18%
		(a) - (b)	(442)	(412)	(8)	(0.84%)	0.24%
Total	合計	As of Sep.30, 2018 (a)	63,192	36,578	19,578	73.56%	88.86%
		As of Mar.31, 2018 (b)	61,224	35,336	19,348	74.73%	89.31%
		(a) - (b)	1,967	1,241	230	(1.17%)	(0.45%)

3. Risk-Monitored Loans

【Total of two banks】

(Millions of yen)

		As of Sep.30,2018			As of Mar.31,2018	As of Sep.30,2017
(Japanese)		(A)	(A-B)	(A-C)	(B)	(C)
Loans to bankrupt borrowers	破綻先債権額	3,513	189	(112)	3,323	3,625
Non-accrual delinquent loans	延滞債権額	127,878	4,575	(1,241)	123,302	129,119
Loans past due for 3 months or more	3カ月以上延滞債権額	75	(186)	(402)	261	477
Restructured loans	貸出条件緩和債権額	17,799	(1,167)	(1,664)	18,967	19,463
Total	合計	149,266	3,410	(3,420)	145,855	152,686
Total loans and bills discounted	貸出金残高	8,150,551	(38,881)	204,238	8,189,432	7,946,313

(% to total loans and bills discounted)

Loans to bankrupt borrowers	破綻先債権額	0.04	0.00	0.00	0.04	0.04
Non-accrual delinquent loans	延滞債権額	1.56	0.06	(0.06)	1.50	1.62
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	0.21	(0.02)	(0.03)	0.23	0.24
Total	合計	1.83	0.05	(0.09)	1.78	1.92

【Hokuriku bank】

(Millions of yen)

		As of Sep.30,2018			As of Mar.31,2018	As of Sep.30,2017
(Japanese)		(A)	(A-B)	(A-C)	(B)	(C)
Loans to bankrupt borrowers	破綻先債権額	2,316	158	(169)	2,158	2,486
Non-accrual delinquent loans	延滞債権額	74,190	2,204	382	71,986	73,808
Loans past due for 3 months or more	3カ月以上延滞債権額	75	(12)	(72)	88	147
Restructured loans	貸出条件緩和債権額	9,960	(898)	(1,227)	10,858	11,187
Total	合計	86,542	1,451	(1,087)	85,091	87,630
Total loans and bills discounted	貸出金残高	4,646,416	(23,732)	78,445	4,670,149	4,567,970

(% 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	1.59	0.05	(0.02)	1.54	1.61
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	0.21	(0.02)	(0.03)	0.23	0.24
Total	合計	1.86	0.04	(0.05)	1.82	1.91

【Hokkaido bank】

(Millions of yen)

		As of Sep.30,2018			As of Mar.31,2018	As of Sep.30,2017
(Japanese)		(A)	(A-B)	(A-C)	(B)	(C)
Loans to bankrupt borrowers	破綻先債権額	1,196	31	57	1,165	1,138
Non-accrual delinquent loans	延滞債権額	53,687	2,371	(1,623)	51,315	55,311
Loans past due for 3 months or more	3カ月以上延滞債権額	—	(173)	(329)	173	329
Restructured loans	貸出条件緩和債権額	7,839	(269)	(437)	8,108	8,276
Total	合計	62,723	1,959	(2,332)	60,763	65,056
Total loans and bills discounted	貸出金残高	3,504,135	(15,148)	125,792	3,519,283	3,378,342

(% to total loans and bills discounted)

Loans to bankrupt borrowers	破綻先債権額	0.03	0.00	0.00	0.03	0.03
Non-accrual delinquent loans	延滞債権額	1.53	0.08	(0.10)	1.45	1.63
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	0.22	(0.01)	(0.02)	0.23	0.24
Total	合計	1.78	0.06	(0.14)	1.72	1.92

4. Allowance for Loan Losses

【Total of two banks】

(Millions of yen)

	(Japanese)	As of Sep.30,2018			As of Mar.31,2018	As of Sep.30,2017
		(A)	(A-B)	(A-C)	(B)	(C)
Allowance for loan losses	貸倒引当金	41,041	190	(3,786)	40,850	44,827
General allowance	一般貸倒引当金	6,829	(894)	(1,365)	7,724	8,195
Specific allowance	個別貸倒引当金	34,211	1,085	(2,421)	33,126	36,632

【Hokuriku bank】

(Millions of yen)

	(Japanese)	As of Sep.30,2018			As of Mar.31,2018	As of Sep.30,2017
		(A)	(A-B)	(A-C)	(B)	(C)
Allowance for loan losses	貸倒引当金	18,701	26	(551)	18,675	19,253
General allowance	一般貸倒引当金	4,139	(814)	(763)	4,953	4,903
Specific allowance	個別貸倒引当金	14,562	841	212	13,721	14,349

【Hokkaido bank】

(Millions of yen)

	(Japanese)	As of Sep.30,2018			As of Mar.31,2018	As of Sep.30,2017
		(A)	(A-B)	(A-C)	(B)	(C)
Allowance for loan losses	貸倒引当金	22,339	163	(3,235)	22,175	25,574
General allowance	一般貸倒引当金	2,690	(80)	(601)	2,770	3,291
Specific allowance	個別貸倒引当金	19,649	244	(2,633)	19,404	22,282

5. Coverage Ratio for Risk-Monitored Loans

【Total of two banks】

(Millions of yen)

	(Japanese)	As of Sep.30,2018			As of Mar.31,2018	As of Sep.30,2017
		(A)	(A-B)	(A-C)	(B)	(C)
Before partial write-off	部分直接償却前	43.31%	(1.09%)	(2.78%)	44.40%	46.09%
After partial write-off	部分直接償却後	27.49%	(0.51%)	(1.86%)	28.00%	29.35%
Amount of partial write-off	部分直接償却実施額	41,650	(1,383)	(5,759)	43,033	47,410

【Hokuriku bank】

(Millions of yen)

	(Japanese)	As of Sep.30,2018			As of Mar.31,2018	As of Sep.30,2017
		(A)	(A-B)	(A-C)	(B)	(C)
Before partial write-off	部分直接償却前	41.31%	(1.14%)	(2.41%)	42.45%	43.72%
After partial write-off	部分直接償却後	21.60%	(0.34%)	(0.37%)	21.94%	21.97%
Amount of partial write-off	部分直接償却実施額	29,051	(1,264)	(4,833)	30,315	33,884

【Hokkaido bank】

(Millions of yen)

	(Japanese)	As of Sep.30,2018			As of Mar.31,2018	As of Sep.30,2017
		(A)	(A-B)	(A-C)	(B)	(C)
Before partial write-off	部分直接償却前	46.38%	(1.10%)	(3.37%)	47.48%	49.75%
After partial write-off	部分直接償却後	35.61%	(0.88%)	(3.70%)	36.49%	39.31%
Amount of partial write-off	部分直接償却実施額	12,598	(119)	(926)	12,717	13,525

6. Deposits and Loans

【Total of two banks】

(Millions of yen)

	(Japanese)	As of Sep.30,2018			As of Mar.31,2018	As of Sep.30,2017
		(A)	(A-B)	(A-C)	(B)	(C)
Deposits and NCD (term-end balance)	預金(含む譲渡性預金)(末残)	11,307,106	126,337	293,797	11,180,769	11,013,308
Deposits and NCD (average balance)	預金(含む譲渡性預金)(平残)	11,272,402	283,431	322,291	10,988,970	10,950,110
Loans and bills discounted (term-end balance)	貸出金(末残)	8,150,551	(38,881)	204,238	8,189,432	7,946,313
Loans and bills discounted (average balance)	貸出金(平残)	8,146,378	184,679	310,705	7,961,699	7,835,673

【Hokuriku bank】

(Millions of yen)

	(Japanese)	As of Sep.30,2018			As of Mar.31,2018	As of Sep.30,2017
		(A)	(A-B)	(A-C)	(B)	(C)
Deposits and NCD (term-end balance)	預金(末残)	6,553,146	47,320	189,369	6,505,825	6,363,776
Deposits and NCD (average balance)	預金(平残)	6,524,509	165,937	175,274	6,358,572	6,349,235
Loans and bills discounted (term-end balance)	貸出金(末残)	4,646,416	(23,732)	78,445	4,670,149	4,567,970
Loans and bills discounted (average balance)	貸出金(平残)	4,624,023	58,398	124,023	4,565,624	4,499,999

【Hokkaido bank】

(Millions of yen)

	(Japanese)	As of Sep.30,2018			As of Mar.31,2018	As of Sep.30,2017
		(A)	(A-B)	(A-C)	(B)	(C)
Deposits and NCD (term-end balance)	預金(末残)	4,753,959	79,016	104,427	4,674,943	4,649,532
Deposits and NCD (average balance)	預金(平残)	4,747,893	117,494	147,017	4,630,398	4,600,875
Loans and bills discounted (term-end balance)	貸出金(末残)	3,504,135	(15,148)	125,792	3,519,283	3,378,342
Loans and bills discounted (average balance)	貸出金(平残)	3,522,355	126,281	186,682	3,396,074	3,335,673

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

【Total of two banks】

(Millions of yen)

	(Japanese)	As of Sep.30,2018			As of Mar.31,2018	As of Sep.30,2017
		(A)	(A-B)	(A-C)	(B)	(C)
Loans to SMEs and Individuals	中小企業等貸出残高	5,189,038	35,088	126,883	5,153,950	5,062,155
% to total loans	中小企業等貸出比率	63.66%	0.73%	(0.04%)	62.93%	63.70%

【Hokuriku bank】

(Millions of yen)

	(Japanese)	As of Sep.30,2018			As of Mar.31,2018	As of Sep.30,2017
		(A)	(A-B)	(A-C)	(B)	(C)
Loans to SMEs and Individuals	中小企業等貸出残高	3,042,969	(7,266)	38,548	3,050,235	3,004,421
% to total loans	中小企業等貸出比率	65.49%	0.18%	(0.28%)	65.31%	65.77%

【Hokkaido bank】

(Millions of yen)

	(Japanese)	As of Sep.30,2018			As of Mar.31,2018	As of Sep.30,2017
		(A)	(A-B)	(A-C)	(B)	(C)
Loans to SMEs and Individuals	中小企業等貸出残高	2,146,069	42,354	88,335	2,103,715	2,057,734
% to total loans	中小企業等貸出比率	61.24%	1.47%	0.34%	59.77%	60.90%

8. Housing and Consumer Loans

【Total of two banks】

(Millions of yen)

	(Japanese)	As of Sep.30,2018			As of Mar.31,2018	As of Sep.30,2017
		(A)	(A-B)	(A-C)	(B)	(C)
Housing and consumer loans	個人ローン	2,384,283	33,978	80,439	2,350,305	2,303,843
Housing loans	うち住宅系ローン残高	2,229,447	33,626	80,153	2,195,820	2,149,294
Other consumer loans	うちその他のローン残高	154,836	351	286	154,485	154,549

【Hokuriku bank】

(Millions of yen)

	(Japanese)	As of Sep.30,2018			As of Mar.31,2018	As of Sep.30,2017
		(A)	(A-B)	(A-C)	(B)	(C)
Housing and consumer loans	個人ローン	1,235,227	9,637	11,054	1,225,590	1,224,172
Housing loans	うち住宅系ローン残高	1,167,380	9,740	12,226	1,157,640	1,155,154
Other consumer loans	うちその他のローン残高	67,846	(102)	(1,172)	67,949	69,018

【Hokkaido bank】

(Millions of yen)

	(Japanese)	As of Sep.30,2018			As of Mar.31,2018	As of Sep.30,2017
		(A)	(A-B)	(A-C)	(B)	(C)
Housing and consumer loans	個人ローン	1,149,056	24,340	69,385	1,124,715	1,079,670
Housing loans	うち住宅系ローン残高	1,062,066	23,886	67,926	1,038,179	994,139
Other consumer loans	うちその他のローン残高	86,990	454	1,459	86,536	85,531

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 Sep.30,2018		As of Mar.31,2018		As of Sep.30,2017	
			%		%		%
Domestic total (excluding loans booked offshore)	国内 (除く特別国際金融取引勘定)	8,150,551	100.0%	8,189,432	100.0%	7,946,313	100.0%
Manufacturing	製造業	807,206	9.9%	809,345	9.9%	819,136	10.3%
Agriculture and forestry	農業、林業	25,238	0.3%	28,453	0.3%	25,121	0.3%
Fishery	漁業	2,904	0.0%	2,593	0.0%	2,665	0.0%
Mining and quarrying of stone and gravel	鉱業・砕石業、砂利採取業	4,829	0.1%	4,572	0.1%	5,151	0.1%
Construction	建設業	268,584	3.3%	273,542	3.3%	267,106	3.4%
Utilities	電気・ガス・熱供給・水道業	145,888	1.8%	145,173	1.8%	138,994	1.7%
Communication	情報通信業	55,775	0.7%	57,736	0.7%	56,314	0.7%
Transportation and postal activities	運輸業、郵便業	179,112	2.2%	185,569	2.3%	188,377	2.4%
Wholesale and retail	卸売業、小売業	770,251	9.5%	777,933	9.5%	761,610	9.6%
Finance and insurance	金融業、保険業	334,596	4.1%	328,848	4.0%	351,277	4.4%
Real estate and goods rental and leasing	不動産業、物品賃貸業	854,883	10.5%	844,754	10.3%	811,571	10.2%
Other services	各種サービス業(学術研究他)	598,095	7.3%	606,573	7.4%	605,221	7.6%
Government, local government (Government)	地方公共団体等 (うち政府向け)	1,711,793 413,604	21.0% 5.1%	1,758,735 401,839	21.5% 4.9%	1,588,465 184,234	20.0% 2.3%
Others	その他	2,391,397	29.3%	2,365,606	28.9%	2,325,304	29.3%

【Total of two banks】

Classification of risk-monitored loans by type of industry

(Millions of yen)

	(Japanese)	As of Sep.30,2018		As of Mar.31,2018		As of Sep.30,2017	
			%		%		%
Domestic total (excluding loans booked offshore)	国内 (除く特別国際金融取引勘定)	149,266	100.0%	145,855	100.0%	152,686	100.0%
Manufacturing	製造業	23,485	15.7%	22,632	15.5%	25,950	17.0%
Agriculture and forestry	農業、林業	490	0.3%	616	0.4%	717	0.5%
Fishery	漁業	256	0.2%	267	0.2%	275	0.2%
Mining and quarrying of stone and gravel	鉱業・砕石業、砂利採取業	174	0.1%	75	0.1%	119	0.1%
Construction	建設業	15,678	10.5%	15,170	10.4%	16,559	10.9%
Utilities	電気・ガス・熱供給・水道業	366	0.2%	499	0.3%	522	0.3%
Communication	情報通信業	1,015	0.7%	1,262	0.9%	1,258	0.8%
Transportation and postal activities	運輸業、郵便業	2,214	1.5%	2,042	1.4%	2,075	1.4%
Wholesale and retail	卸売業、小売業	30,971	20.7%	30,541	20.9%	31,645	20.7%
Finance and insurance	金融業、保険業	90	0.1%	171	0.1%	153	0.1%
Real estate and goods rental and leasing	不動産業、物品賃貸業	18,433	12.4%	17,444	12.0%	18,071	11.8%
Other services	各種サービス業(学術研究他)	25,822	17.3%	24,676	16.9%	24,648	16.1%
Government, local government Others	地方公共団体等 その他	— 30,265	— 20.3%	— 30,453	— 20.9%	— 30,688	— 20.1%

【Hokuriku bank】

Classification of loans by type of industry

(Millions of yen)

	(Japanese)	As of Sep.30,2018		As of Mar.31,2018		As of Sep.30,2017	
			%		%		%
Domestic total (excluding loans booked offshore)	国内 (除く特別国際金融取引勘定)	4,646,416	100.0%	4,670,149	100.0%	4,567,970	100.0%
Manufacturing	製造業	567,055	12.2%	565,182	12.1%	562,661	12.3%
Agriculture and forestry	農業、林業	9,468	0.2%	12,140	0.3%	9,543	0.2%
Fishery	漁業	1,585	0.0%	1,227	0.0%	1,078	0.0%
Mining and quarrying of stone and gravel	鉱業・砕石業、砂利採取業	2,214	0.0%	2,125	0.0%	1,999	0.1%
Construction	建設業	166,457	3.6%	172,102	3.7%	163,975	3.6%
Utilities	電気・ガス・熱供給・水道業	73,756	1.6%	76,522	1.6%	75,111	1.7%
Communication	情報通信業	30,085	0.6%	29,489	0.6%	28,724	0.6%
Transportation and postal activities	運輸業、郵便業	89,811	1.9%	91,713	2.0%	92,296	2.0%
Wholesale and retail	卸売業、小売業	467,762	10.1%	472,004	10.1%	458,698	10.0%
Finance and insurance	金融業、保険業	175,449	3.8%	184,722	4.0%	202,798	4.4%
Real estate and goods rental and leasing	不動産業、物品賃貸業	510,059	11.0%	501,058	10.7%	477,058	10.5%
Other services	各種サービス業(学術研究他)	361,222	7.8%	372,964	8.0%	370,812	8.1%
Government, local government (Government)	地方公共団体等 (うち政府向け)	961,979	20.7%	961,418	20.6%	891,168	19.5%
Others	その他	291,640	6.3%	256,849	5.5%	184,234	4.0%
		1,229,514	26.5%	1,227,483	26.3%	1,232,049	27.0%

【Hokuriku bank】

Classification of risk-monitored loans by type of industry

(Millions of yen)

	(Japanese)	As of Sep.30,2018		As of Mar.31,2018		As of Sep.30,2017	
			%		%		%
Domestic total (excluding loans booked offshore)	国内 (除く特別国際金融取引勘定)	86,542	100.0%	85,091	100.0%	87,630	100.0%
Manufacturing	製造業	17,937	20.7%	17,479	20.5%	18,612	21.2%
Agriculture and forestry	農業、林業	180	0.2%	200	0.2%	251	0.3%
Fishery	漁業	142	0.2%	143	0.2%	149	0.2%
Mining and quarrying of stone and gravel	鉱業・砕石業、砂利採取業	5	0.0%	5	0.0%	46	0.0%
Construction	建設業	7,954	9.2%	7,691	9.0%	8,759	10.0%
Utilities	電気・ガス・熱供給・水道業	—	—	—	—	—	—
Communication	情報通信業	395	0.5%	553	0.7%	520	0.6%
Transportation and postal activities	運輸業、郵便業	1,600	1.8%	1,396	1.6%	1,409	1.6%
Wholesale and retail	卸売業、小売業	22,198	25.6%	21,741	25.6%	22,586	25.8%
Finance and insurance	金融業、保険業	81	0.1%	160	0.2%	143	0.2%
Real estate and goods rental and leasing	不動産業、物品賃貸業	8,085	9.4%	7,923	9.3%	7,724	8.8%
Other services	各種サービス業(学術研究他)	14,058	16.2%	13,828	16.3%	13,121	15.0%
Government, local government	地方公共団体等	—	—	—	—	—	—
Others	その他	13,902	16.1%	13,968	16.4%	14,305	16.3%

【Hokkaido bank】

Classification of loans by type of industry

(Millions of yen)

	(Japanese)	As of Sep.30,2018		As of Mar.31,2018		As of Sep.30,2017	
			%		%		%
Domestic total (excluding loans booked offshore)	国内 (除く特別国際金融取引勘定)	3,504,135	100.0%	3,519,283	100.0%	3,378,342	100.0%
Manufacturing	製造業	240,151	6.9%	244,163	6.9%	256,475	7.6%
Agriculture and forestry	農業、林業	15,770	0.5%	16,313	0.5%	15,578	0.5%
Fishery	漁業	1,319	0.0%	1,366	0.0%	1,587	0.0%
Mining and quarrying of stone and gravel	鉱業・砕石業、砂利採取業	2,615	0.1%	2,447	0.1%	3,152	0.1%
Construction	建設業	102,127	2.9%	101,440	2.9%	103,131	3.1%
Utilities	電気・ガス・熱供給・水道業	72,132	2.1%	68,651	1.9%	63,883	1.9%
Communication	情報通信業	25,690	0.7%	28,247	0.8%	27,590	0.8%
Transportation and postal activities	運輸業、郵便業	89,301	2.5%	93,856	2.7%	96,081	2.8%
Wholesale and retail	卸売業、小売業	302,489	8.6%	305,929	8.7%	302,912	9.0%
Finance and insurance	金融業、保険業	159,147	4.5%	144,126	4.1%	148,479	4.4%
Real estate and goods rental and leasing	不動産業、物品賃貸業	344,824	9.8%	343,696	9.8%	334,513	9.9%
Other services	各種サービス業(学術研究他)	236,873	6.8%	233,609	6.6%	234,409	6.9%
Government, local government (Government)	地方公共団体等 (うち政府向け)	749,814 121,964	21.4% 3.5%	797,317 144,990	22.7% 4.1%	697,297 —	20.6% —
Others	その他	1,161,883	33.2%	1,138,123	32.3%	1,093,255	32.4%

【Hokkaido bank】

Classification of risk-monitored loans by type of industry

(Millions of yen)

	(Japanese)	As of Sep.30,2018		As of Mar.31,2018		As of Sep.30,2017	
			%		%		%
Domestic total (excluding loans booked offshore)	国内 (除く特別国際金融取引勘定)	62,723	100.0%	60,763	100.0%	65,056	100.0%
Manufacturing	製造業	5,548	8.8%	5,152	8.5%	7,338	11.3%
Agriculture and forestry	農業、林業	309	0.5%	415	0.7%	465	0.7%
Fishery	漁業	113	0.2%	124	0.2%	126	0.2%
Mining and quarrying of stone and gravel	鉱業・砕石業、砂利採取業	168	0.3%	69	0.1%	73	0.1%
Construction	建設業	7,724	12.3%	7,479	12.3%	7,800	12.0%
Utilities	電気・ガス・熱供給・水道業	366	0.6%	499	0.8%	522	0.8%
Communication	情報通信業	619	1.0%	708	1.2%	737	1.2%
Transportation and postal activities	運輸業、郵便業	613	1.0%	646	1.1%	665	1.0%
Wholesale and retail	卸売業、小売業	8,772	14.0%	8,800	14.5%	9,059	13.9%
Finance and insurance	金融業、保険業	9	0.0%	10	0.0%	10	0.0%
Real estate and goods rental and leasing	不動産業、物品賃貸業	10,348	16.5%	9,521	15.7%	10,346	15.9%
Other services	各種サービス業(学術研究他)	11,764	18.7%	10,848	17.8%	11,527	17.7%
Government, local government	地方公共団体等	—	—	—	—	—	—
Others	その他	16,362	26.1%	16,485	27.1%	16,383	25.2%