

Financial Summary

Year ended March 31,2022



May 13, 2022
North Pacific Bank, Ltd.

Tokyo Stock Exchange Prime Market, Sapporo Securities Exchange: 8524

I . Financial Statements

1. Consolidated Balance Sheets

(¥ millions)

| | | As of Mar. 31, 2021 | As of Mar. 31, 2022 |
|---|----------------|------------------------|------------------------|
| Assets | 資産の部 | | |
| Cash and due from banks | 現金預け金 | 2,625,082 | 4,338,005 |
| Call loans and bills bought | コールローン及び買入手形 | 544 | 183 |
| Monetary claims bought | 買入金銭債権 | 14,224 | 11,853 |
| Trading securities | 商品有価証券 | 3,711 | 2,576 |
| Securities | 有価証券 | 1,505,246 | 1,483,991 |
| Loans and bills discounted | 貸出金 | 7,367,433 | 7,361,881 |
| Foreign exchanges | 外国為替 | 8,569 | 12,390 |
| Lease receivables and investment assets | リース債権及びリース投資資産 | 53,166 | 55,355 |
| Other assets | その他資産 | 178,051 | 183,752 |
| Property, plant and equipment | 有形固定資産 | 77,252 | 73,541 |
| Buildings, net | 建物 | 31,851 | 30,298 |
| Land | 土地 | 32,898 | 31,918 |
| Leased assets, net | リース資産 | 2,181 | 2,031 |
| Construction in progress | 建設仮勘定 | 1,346 | 1,371 |
| Other, net | その他の有形固定資産 | 8,975 | 7,921 |
| Intangible assets | 無形固定資産 | 4,936 | 3,390 |
| Software | ソフトウェア | 4,512 | 3,001 |
| Other | その他の無形固定資産 | 423 | 389 |
| Net defined benefit asset | 退職給付に係る資産 | 814 | 1,057 |
| Deferred tax assets | 繰延税金資産 | 290 | 812 |
| Customers' liabilities for acceptances and guarantees | 支払承諾見返 | 55,942 | 53,468 |
| Allowance for loan losses | 貸倒引当金 | (37,704) | (38,438) |
| Total assets | 資産の部合計 | <u>11,857,562</u> | <u>13,543,823</u> |
| Liabilities | 負債の部 | | |
| Deposits | 預金 | 9,900,963 | 10,563,784 |
| Negotiable certificates of deposit | 譲渡性預金 | 71,077 | 99,451 |
| Securities sold under repurchase agreements | 売現先勘定 | 13,402 | 14,473 |
| Cash collateral received for securities lent | 債券貸借取引受入担保金 | 251,108 | 303,985 |
| Borrowed money | 借入金 | 1,030,491 | 2,003,407 |
| Foreign exchanges | 外国為替 | 51 | 163 |
| Other liabilities | その他負債 | 59,699 | 61,502 |
| Provision for bonuses | 賞与引当金 | 1,670 | 1,588 |
| Provision for share awards | 株式給付引当金 | 164 | 156 |
| Net defined benefit liability | 退職給付に係る負債 | 548 | 961 |
| Provision for reimbursement of deposits | 睡眠預金払戻損失引当金 | 1,889 | 1,604 |
| Provision for point card certificates | ポイント引当金 | 460 | 334 |
| Reserves under special laws | 特別法上の引当金 | 19 | 19 |
| Deferred tax liabilities | 繰延税金負債 | 27,404 | 15,992 |
| Deferred tax liabilities for land revaluation | 再評価に係る繰延税金負債 | 2,030 | 1,858 |
| Acceptances and guarantees | 支払承諾 | 55,942 | 53,468 |
| Total liabilities | 負債の部合計 | <u>11,416,926</u> | <u>13,122,751</u> |

・ In accordance with the change in accounting policy, some of the figures for the previous consolidated fiscal year do not match those already disclosed.

(¥ millions)

| | | As of Mar. 31, 2021 | As of Mar. 31, 2022 |
|---|---------------|------------------------|------------------------|
| Net assets | 純資産の部 | | |
| Capital stock | 資本金 | 121,101 | 121,101 |
| Capital surplus | 資本剰余金 | 74,741 | 74,750 |
| Retained earnings | 利益剰余金 | 154,102 | 162,019 |
| Treasury shares | 自己株式 | (3,153) | (3,053) |
| Total shareholders' equity | 株主資本合計 | 346,792 | 354,817 |
| Valuation difference on available-for-sale securities | その他有価証券評価差額金 | 84,491 | 58,284 |
| Revaluation reserve for land | 土地再評価差額金 | 4,048 | 3,654 |
| Remeasurements of defined benefit plans | 退職給付に係る調整累計額 | 639 | 11 |
| Total accumulated other comprehensive income | その他の包括利益累計額合計 | 89,179 | 61,951 |
| Share acquisition rights | 新株予約権 | 84 | 37 |
| Non-controlling interests | 非支配株主持分 | 4,580 | 4,266 |
| Total net assets | 純資産の部合計 | 440,636 | 421,072 |
| Total liabilities and net assets | 負債及び純資産の部合計 | 11,857,562 | 13,543,823 |

・ In accordance with the change in accounting policy, some of the figures for the previous consolidated fiscal year do not match those already disclosed.

2. Consolidated Statements of Income and Comprehensive Income

(1) Consolidated Statements of Income

(¥ millions)

| | | Year ended Mar. 31, | |
|---|------------------|---------------------|---------|
| | | 2021 | 2022 |
| Ordinary income | 経常収益 | 128,277 | 124,461 |
| Interest income | 資金運用収益 | 66,697 | 68,710 |
| Interest on loans and discounts | 貸出金利息 | 58,140 | 57,584 |
| Interest and dividends on securities | 有価証券利息配当金 | 7,680 | 7,795 |
| Interest on call loans and bills bought | コールローン利息及び買入手形利息 | (8) | 0 |
| Interest on deposits with banks | 預け金利息 | 691 | 3,153 |
| Other interest income | その他の受入利息 | 193 | 176 |
| Fees and commissions | 役務取引等収益 | 27,900 | 27,723 |
| Other ordinary income | その他業務収益 | 25,252 | 24,813 |
| Other income | その他経常収益 | 8,425 | 3,214 |
| Recoveries of written off claims | 償却債権取立益 | 0 | 1 |
| Other | その他の経常収益 | 8,425 | 3,212 |
| Ordinary expenses | 経常費用 | 112,509 | 105,214 |
| Interest expenses | 資金調達費用 | 1,912 | 885 |
| Interest on deposits | 預金利息 | 232 | 133 |
| Interest on negotiable certificates of deposit | 譲渡性預金利息 | 15 | 11 |
| Interest on call money and bills sold | コールマネー利息及び売渡手形利息 | (2) | (15) |
| Interest expenses on securities sold under repurchase agreements | 売現先利息 | 13 | 13 |
| Interest expenses on cash collateral received for securities lent | 債券貸借取引支払利息 | 16 | 46 |
| Interest on borrowings and rediscounts | 借入金利息 | 1,634 | 694 |
| Other interest expenses | その他の支払利息 | 2 | 2 |
| Fees and commissions payments | 役務取引等費用 | 11,285 | 11,474 |
| Other ordinary expenses | その他業務費用 | 20,831 | 20,880 |
| General and administrative expenses | 営業経費 | 68,345 | 64,038 |
| Other expenses | その他経常費用 | 10,134 | 7,935 |
| Provision of allowance for loan losses | 貸倒引当金繰入額 | 7,674 | 2,820 |
| Other | その他の経常費用 | 2,459 | 5,115 |
| Ordinary profit | 経常利益 | 15,767 | 19,247 |
| Extraordinary income | 特別利益 | 242 | 163 |
| Gain on disposal of non-current assets | 固定資産処分益 | 239 | 131 |
| Gain on bargain purchase | 負ののれん発生益 | 2 | — |
| Other | その他の特別利益 | — | 31 |
| Extraordinary losses | 特別損失 | 1,301 | 1,168 |
| Loss on disposal of non-current assets | 固定資産処分損 | 470 | 516 |
| Impairment losses | 減損損失 | 828 | 644 |
| Loss on step acquisitions | 段階取得に係る差損 | 1 | — |
| Other | その他の特別損失 | — | 8 |
| Profit before income taxes | 税金等調整前当期純利益 | 14,708 | 18,241 |
| Income taxes – current | 法人税、住民税及び事業税 | 6,863 | 6,643 |
| Income taxes – deferred | 法人税等調整額 | (1,900) | (323) |
| Total income taxes | 法人税等合計 | 4,963 | 6,319 |
| Profit | 当期純利益 | 9,745 | 11,921 |
| Profit attributable to non-controlling interests | 非支配株主に帰属する当期純利益 | 322 | 165 |
| Profit attributable to owners of parent | 親会社株主に帰属する当期純利益 | 9,422 | 11,756 |

・ In accordance with the change in accounting policy, some of the figures for the previous consolidated fiscal year do not match those already disclosed.

(2) Consolidated Statements of Comprehensive Income

(¥ millions)

| | | Year ended Mar. 31, | |
|--|--------------|---------------------|----------|
| | | 2021 | 2022 |
| Profit | 当期純利益 | 9,745 | 11,921 |
| Other comprehensive income | その他の包括利益 | 25,496 | (27,302) |
| Valuation difference on available-for-sale securities | その他有価証券評価差額金 | 24,565 | (26,675) |
| Remeasurements of defined benefit plans, net of tax | 退職給付に係る調整額 | 930 | (627) |
| Comprehensive income | 包括利益 | 35,241 | (15,380) |
| Comprehensive income attributable to owners of parent | 親会社株主に係る包括利益 | 34,330 | (15,077) |
| Comprehensive income attributable to non-controlling interests | 非支配株主に係る包括利益 | 911 | (303) |

3. Non-Consolidated Balance Sheets

(¥ millions)

| | | As of Mar. 31, 2021 | As of Mar. 31, 2022 |
|---|------------|------------------------|------------------------|
| Assets | 資産の部 | | |
| Cash and due from banks | 現金預け金 | 2,623,534 | 4,336,360 |
| Cash | 現金 | 98,167 | 104,985 |
| Due from banks | 預け金 | 2,525,366 | 4,231,375 |
| Call loans | コールローン | 544 | 183 |
| Monetary claims bought | 買入金銭債権 | 14,224 | 11,853 |
| Trading securities | 商品有価証券 | 3,711 | 2,576 |
| Trading government bonds | 商品国債 | 862 | 469 |
| Trading local government bonds | 商品地方債 | 2,848 | 2,106 |
| Securities | 有価証券 | 1,504,582 | 1,484,796 |
| Government bonds | 国債 | 490,219 | 437,109 |
| Local government bonds | 地方債 | 422,893 | 487,075 |
| Short-term corporate bonds | 短期社債 | 1,999 | 1,999 |
| Corporate bonds | 社債 | 323,998 | 304,728 |
| Stocks | 株式 | 174,102 | 146,445 |
| Other securities | その他の証券 | 91,367 | 107,438 |
| Loans and bills discounted | 貸出金 | 7,424,406 | 7,420,532 |
| Bills discounted | 割引手形 | 9,802 | 10,568 |
| Loans on bills | 手形貸付 | 184,997 | 164,080 |
| Loans on deeds | 証書貸付 | 6,603,711 | 6,610,561 |
| Overdrafts | 当座貸越 | 625,894 | 635,322 |
| Foreign exchanges | 外国為替 | 8,569 | 12,390 |
| Due from foreign banks (our accounts) | 外国他店預け | 8,368 | 12,251 |
| Foreign bills bought | 買入外国為替 | 191 | 127 |
| Foreign bills receivable | 取立外国為替 | 10 | 11 |
| Other assets | その他資産 | 138,457 | 146,309 |
| Domestic exchange settlement account, debit | 未決済為替貸 | 352 | 464 |
| Prepaid expenses | 前払費用 | 3,035 | 2,947 |
| Accrued income | 未収収益 | 4,881 | 5,263 |
| Financial derivatives | 金融派生商品 | 13,509 | 14,337 |
| Cash collateral paid for financial instruments | 金融商品等差入担保金 | 4,483 | 769 |
| Other | その他の資産 | 112,195 | 122,529 |
| Property, plant and equipment | 有形固定資産 | 76,128 | 72,059 |
| Buildings, net | 建物 | 31,827 | 30,222 |
| Land | 土地 | 32,894 | 31,913 |
| Leased assets, net | リース資産 | 3,765 | 3,376 |
| Construction in progress | 建設仮勘定 | 1,346 | 1,371 |
| Other, net | その他の有形固定資産 | 6,296 | 5,175 |
| Intangible assets | 無形固定資産 | 4,885 | 3,245 |
| Software | ソフトウェア | 4,474 | 2,863 |
| Other | その他の無形固定資産 | 410 | 382 |
| Prepaid pension costs | 前払年金費用 | — | 1,003 |
| Customers' liabilities for acceptances and guarantees | 支払承諾見返 | 55,942 | 53,468 |
| Allowance for loan losses | 貸倒引当金 | (31,137) | (32,976) |
| Total assets | 資産の部合計 | 11,823,850 | 13,511,805 |

(¥ millions)

| | | As of Mar. 31, 2021 | As of Mar. 31, 2022 |
|---|--------------------|------------------------|------------------------|
| Liabilities | 負債の部 | | |
| Deposits | 預金 | 9,908,304 | 10,570,550 |
| Current deposits | 当座預金 | 538,716 | 533,148 |
| Ordinary deposits | 普通預金 | 7,077,087 | 7,775,266 |
| Saving deposits | 貯蓄預金 | 220,200 | 224,479 |
| Deposits at notice | 通知預金 | 11,387 | 14,683 |
| Time deposits | 定期預金 | 1,886,855 | 1,849,281 |
| Other deposits | その他の預金 | 174,057 | 173,690 |
| Negotiable certificates of deposit | 譲渡性預金 | 82,431 | 110,805 |
| Securities sold under repurchase agreements | 売現先勘定 | 13,402 | 14,473 |
| Cash collateral received for securities lent | 債券貸借取引受入担保金 | 251,108 | 303,985 |
| Borrowed money | 借入金 | 1,019,357 | 1,991,887 |
| Borrowings from other banks | 借入金 | 1,019,357 | 1,991,887 |
| Foreign exchanges | 外国為替 | 51 | 163 |
| Foreign bills payable | 未払外国為替 | 51 | 163 |
| Other liabilities | その他負債 | 38,485 | 41,911 |
| Domestic exchange settlement account, credit | 未決済為替借 | 842 | 1,586 |
| Income taxes payable | 未払法人税等 | 3,885 | 2,801 |
| Accrued expenses | 未払費用 | 1,795 | 1,651 |
| Unearned revenue | 前受収益 | 2,626 | 2,896 |
| Financial derivatives | 金融派生商品 | 8,693 | 9,977 |
| Cash collateral received for financial instruments | 金融商品等受入担保金 | 1,934 | 4,235 |
| Lease obligations | リース債務 | 3,765 | 3,376 |
| Other | その他の負債 | 14,943 | 15,386 |
| Provision for bonuses | 賞与引当金 | 1,457 | 1,408 |
| Provision for share awards | 株式給付引当金 | 164 | 156 |
| Provision for retirement benefits | 退職給付引当金 | 365 | 633 |
| Provision for reimbursement of deposits | 睡眠預金払戻損失引当金 | 1,889 | 1,604 |
| Provision for point card certificates | ポイント引当金 | 454 | 327 |
| Deferred tax liabilities | 繰延税金負債 | 25,921 | 14,880 |
| Deferred tax liabilities for land revaluation | 再評価に係る繰延税金負債 | 2,030 | 1,858 |
| Acceptances and guarantees | 支払承諾 | 55,942 | 53,468 |
| Total liabilities | 負債の部合計 | 11,401,367 | 13,108,114 |
| Net assets | 純資産の部 | | |
| Capital stock | 資本金 | 121,101 | 121,101 |
| Capital surplus | 資本剰余金 | 50,005 | 50,014 |
| Legal capital surplus | 資本準備金 | 50,001 | 50,001 |
| Other capital surplus | その他資本剰余金 | 4 | 13 |
| Retained earnings | 利益剰余金 | 167,945 | 175,196 |
| Legal retained earnings | 利益準備金 | 7,219 | 7,998 |
| Other retained earnings | その他利益剰余金 | 160,726 | 167,198 |
| Reserve for advanced depreciation of non-current assets | 固定資産圧縮積立金 | 1,024 | 914 |
| Retained earnings brought forward | 繰越利益剰余金 | 159,701 | 166,283 |
| Treasury shares | 自己株式 | (3,158) | (3,058) |
| Total shareholders' equity | 株主資本合計 | 335,893 | 343,253 |
| Valuation difference on available-for-sale securities | その他有価証券評価差額金 | 82,456 | 56,745 |
| Revaluation reserve for land | 土地再評価差額金 | 4,048 | 3,654 |
| Total valuation and translation adjustments | 評価・換算差額等合計 | 86,504 | 60,399 |
| Share acquisition rights | 新株予約権 | 84 | 37 |
| Total net assets | 純資産の部合計 | 422,482 | 403,690 |
| Total liabilities and net assets | 負債及び純資産の部合計 | 11,823,850 | 13,511,805 |

4. Non-Consolidated Statements of Income

(¥ millions)

| | | Year ended Mar. 31, | |
|---|--------------|---------------------|---------|
| | | 2021 | 2022 |
| Ordinary income | 経常収益 | 103,998 | 100,820 |
| Interest income | 資金運用収益 | 67,449 | 70,281 |
| Interest on loans and discounts | 貸出金利息 | 58,380 | 57,828 |
| Interest and dividends on securities | 有価証券利息配当金 | 8,193 | 9,123 |
| Interest on call loans | コールローン利息 | (8) | 0 |
| Interest on deposits with banks | 預け金利息 | 689 | 3,152 |
| Other interest income | その他の受入利息 | 193 | 176 |
| Fees and commissions | 役務取引等収益 | 25,435 | 24,859 |
| Fees and commissions on domestic and foreign exchanges | 受入為替手数料 | 7,908 | 6,803 |
| Other fees and commissions | その他の役務収益 | 17,527 | 18,056 |
| Other ordinary income | その他業務収益 | 2,701 | 2,438 |
| Gains on foreign exchange transactions | 外国為替売買益 | 396 | 515 |
| Gains on sale of bonds | 国債等債券売却益 | 528 | 398 |
| Gains on redemption of bonds | 国債等債券償還益 | 245 | 0 |
| Gain on financial derivatives | 金融派生商品収益 | 1,517 | 1,435 |
| Other | その他の業務収益 | 13 | 89 |
| Other income | その他経常収益 | 8,411 | 3,240 |
| Gain on sale of stocks and other securities | 株式等売却益 | 5,919 | 1,063 |
| Other | その他の経常収益 | 2,492 | 2,177 |
| Ordinary expenses | 経常費用 | 89,879 | 82,968 |
| Interest expenses | 資金調達費用 | 1,880 | 848 |
| Interest on deposits | 預金利息 | 232 | 133 |
| Interest on negotiable certificates of deposit | 譲渡性預金利息 | 15 | 11 |
| Interest on call money | コールマネー利息 | (2) | (15) |
| Interest expenses on securities sold under repurchase agreements | 売現先利息 | 13 | 13 |
| Interest expenses on cash collateral received for securities lent | 債券貸借取引支払利息 | 16 | 46 |
| Interest on borrowings and rediscounts | 借入金利息 | 1,602 | 657 |
| Other interest expenses | その他の支払利息 | 2 | 2 |
| Fees and commissions payments | 役務取引等費用 | 12,380 | 12,712 |
| Fees and commissions on domestic and foreign exchanges | 支払為替手数料 | 1,258 | 903 |
| Other fees and commissions | その他の役務費用 | 11,122 | 11,808 |
| Other ordinary expenses | その他業務費用 | 1,010 | 1,323 |
| Net loss on trading securities transactions | 商品有価証券売買損 | 19 | 16 |
| Loss on sale of bonds | 国債等債券売却損 | 902 | 937 |
| Loss on devaluation of bonds | 国債等債券償却 | 72 | 293 |
| Other | その他の業務費用 | 15 | 75 |
| General and administrative expenses | 営業経費 | 65,215 | 60,665 |
| Other expenses | その他経常費用 | 9,392 | 7,418 |
| Provision of allowance for loan losses | 貸倒引当金繰入額 | 7,641 | 3,129 |
| Written-off of loans | 貸出金償却 | 0 | — |
| Loss on sale of stocks and other securities | 株式等売却損 | 4 | — |
| Loss on devaluation of stocks and other securities | 株式等償却 | 21 | 3,226 |
| Other | その他の経常費用 | 1,725 | 1,063 |
| Ordinary profit | 経常利益 | 14,119 | 17,852 |
| Extraordinary income | 特別利益 | 239 | 131 |
| Gain on disposal of non-current assets | 固定資産処分益 | 239 | 131 |
| Extraordinary losses | 特別損失 | 1,282 | 1,160 |
| Loss on disposal of non-current assets | 固定資産処分損 | 453 | 516 |
| Impairment losses | 減損損失 | 828 | 644 |
| Income before income taxes | 税引前当期純利益 | 13,076 | 16,823 |
| Income taxes – current | 法人税、住民税及び事業税 | 6,346 | 5,938 |
| Income taxes – deferred | 法人税等調整額 | (2,086) | (191) |
| Total income taxes | 法人税等合計 | 4,260 | 5,746 |
| Net income | 当期純利益 | 8,815 | 11,076 |

II . Digest of financial results for the year ended March 31, 2022

1. Summary (Non-Consolidated)

(¥ billions)

| | Year ended Mar.31, | | Increase/ (Decrease) | Performance Forecast (Nov 10,2021) | Change from forecast |
|---|--------------------|----------|-------------------------|--|----------------------------|
| | 2021 | 2022 | | | |
| Core gross profit | 80.5 | 83.5 | 3.0 | 82.6 | 0.9 |
| Core operating profit | 15.7 | 22.0 | 6.2 | 20.1 | 1.9 |
| Ordinary profit | 14.1 | 17.8 | 3.7 | 17.3 | 0.5 |
| Net income | 8.8 | 11.0 | 2.2 | 11.8 | (0.7) |
| Deposits and NCDs (Average balance) | 9,620.3 | 10,142.9 | 522.6 | | |
| Loans and bills discounted (Average balance) | 7,131.5 | 7,480.9 | 349.4 | | |
| Capital Adequacy Ratio (Domestic) (%) | 12.07% | 12.16% | 0.09% | | |
| ROE (%) | 2.15% | 2.68% | 0.53% | | |

* NCDs = Negotiable certificates of deposit

$$\text{ROE} = \frac{\text{Net income for the current fiscal year}}{(\text{Total net assets at beginning of fiscal year}^* + \text{Total net assets at end of fiscal year}^*) / 2}$$

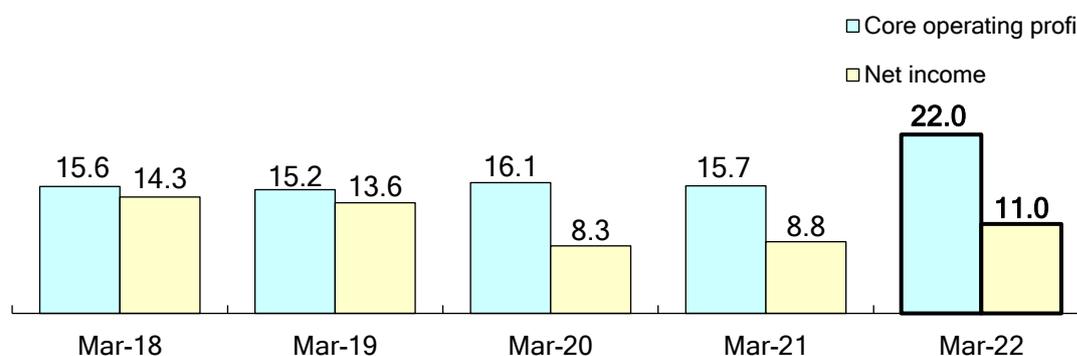
*Excluding share acquisition rights

Core gross profit = Net interest income + Net fees and commissions + Net other operating income(excluding gains (losses) on bonds)

Core operating profit = Core gross profit - Expenses(excluding non-recurring losses)

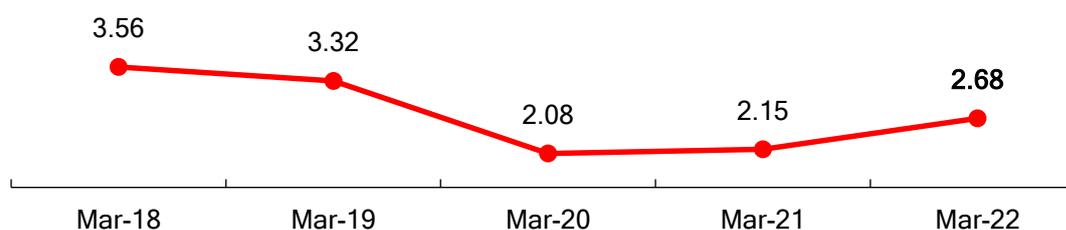
○ Core operating profit and Net income

(¥ billions)



○ ROE

(%)



2. Income Summary

【Non-Consolidated】

(¥ billions)

| | Year ended Mar.31, | | Increase/ (Decrease) |
|---|--------------------|---------------|-------------------------|
| | 2021 | 2022 | |
| Core gross profit | 80.5 | 83.5 | 3.0 |
| Net interest income | 65.5 | 69.4 | 3.8 |
| Net fees and commissions | 13.0 | 12.1 | (0.9) |
| Net other operating income (excluding gains (losses) on bonds) | 1.8 | 1.9 | 0.0 |
| Expenses(excluding non-recurring losses) | 64.7 | 61.5 | (3.2) |
| Core OHR (%) | 80.41% | 73.65% | (6.76%) |
| Personnel | 27.5 | 26.9 | (0.6) |
| Facilities | 32.5 | 30.3 | (2.2) |
| Taxes | 4.6 | 4.2 | (0.3) |
| Core operating profit | 15.7 | 22.0 | 6.2 |
| Excluding gains (losses) on cancellation of investment trusts | 15.7 | 22.0 | 6.2 |
| Credit cost | 8.0 | 3.2 | (4.7) |
| Gains (losses) on securities | 5.6 | (2.9) | (8.6) |
| Net other non-recurring income (loss) | 0.6 | 2.1 | 1.4 |
| Ordinary profit | 14.1 | 17.8 | 3.7 |
| Net income | 8.8 | 11.0 | 2.2 |
| Net operating profit | 15.5 | 21.1 | 5.6 |

Net operating profit = Core operating profit + Gains (losses) on bonds

【Consolidated】

(¥ billions)

| | Year ended Mar.31, | | Increase/ (Decrease) |
|--|--------------------|-------------|-------------------------|
| | 2021 | 2022 | |
| Core gross profit | 86.0 | 88.8 | 2.8 |
| Ordinary profit | 15.7 | 19.2 | 3.4 |
| Profit attributable to owners of parent | 9.4 | 11.7 | 2.3 |
| Core operating profit | 18.1 | 23.9 | 5.7 |
| Excluding gains (losses) on cancellation of investment trusts | 18.1 | 23.9 | 5.7 |
| Net operating profit | 17.9 | 23.1 | 5.1 |

3. Deposits and NCDs(Non-Consolidated)

【Average Balance】

(¥ billions)

| | Year ended Mar.31, | | Increase/ (Decrease) |
|---|--------------------|-----------------|-------------------------|
| | 2021 | 2022 | |
| Deposits and NCDs | 9,620.3 | 10,142.9 | 522.6 |
| Yield on deposits and NCDs (%) | 0.00% | 0.00% | (0.00%) |
| Corporate | 2,749.3 | 3,026.5 | 277.2 |
| Individual | 6,137.2 | 6,459.2 | 322.0 |
| Public sectors and financial institutions | 733.7 | 657.1 | (76.6) |

【Outstanding Balance】

(¥ billions)

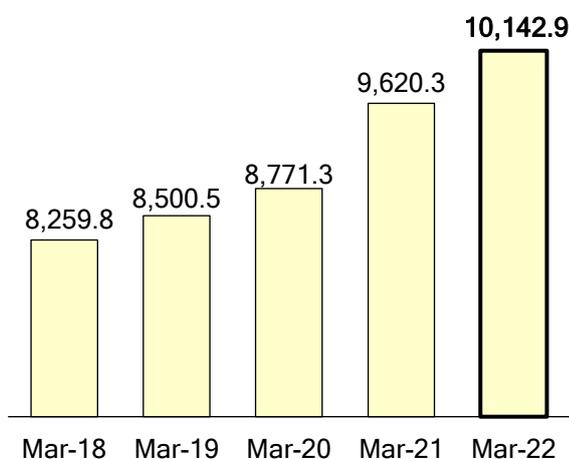
| | As of Mar.31, | | Increase/ (Decrease) |
|------------------------------|-----------------|-----------------|-------------------------|
| | 2021 | 2022 | |
| Deposits and NCDs | 9,990.7 | 10,681.3 | 690.6 |
| Deposit assets | 244.4 | 256.3 | 11.8 |
| Safe custody of public bonds | 102.5 | 102.4 | (0.1) |
| Investment trusts | 141.8 | 153.9 | 12.0 |
| Total | 10,235.2 | 10,937.6 | 702.4 |

* Deposit assets = Safe custody of public bonds + Investment trusts
Investment trusts are stated at fair value.

○ Deposits and NCDs

(Average Balance)

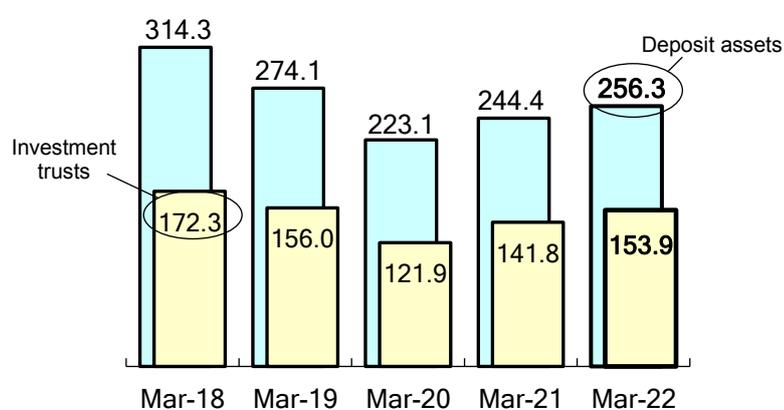
(¥ billions)



○ Deposit assets and Investment trusts

(Outstanding Balance)

(¥ billions)



4. Loans and bills discounted (Non-Consolidated)

【Average Balance】

(¥ billions)

| | Year ended Mar.31, | | Increase/ (Decrease) |
|---|--------------------|----------------|-------------------------|
| | 2021 | 2022 | |
| Loans and bills discounted | 7,131.5 | 7,480.9 | 349.4 |
| Yield on loans and bills discounted (%) | 0.81% | 0.77% | (0.04%) |
| Enterprises | 2,967.1 | 3,071.9 | 104.7 |
| Individuals | 1,917.8 | 1,993.0 | 75.1 |
| Housing loans | 1,785.3 | 1,862.1 | 76.8 |
| Consumer loans | 132.5 | 130.8 | (1.7) |
| Public sectors | 2,246.4 | 2,415.9 | 169.5 |

* Consumer loans = Car loans ,card loans ,etc.

【Outstanding Balance】

(¥ billions)

| | As of Mar.31, | | Increase/ (Decrease) |
|----------------------------|---------------|----------------|-------------------------|
| | 2021 | 2022 | |
| Loans and bills discounted | 7,424.4 | 7,420.5 | (3.8) |
| Enterprises | 3,041.9 | 3,003.5 | (38.3) |
| Individuals | 1,960.3 | 2,034.8 | 74.5 |
| Public sectors | 2,422.1 | 2,382.1 | (40.0) |
| SMEs, etc | 4,072.6 | 4,149.4 | 76.8 |
| In Hokkaido | 5,766.5 | 5,798.5 | 31.9 |

* SMEs, etc = SMEs + Individuals

Public sector loans include loans to government and land development public corporations.

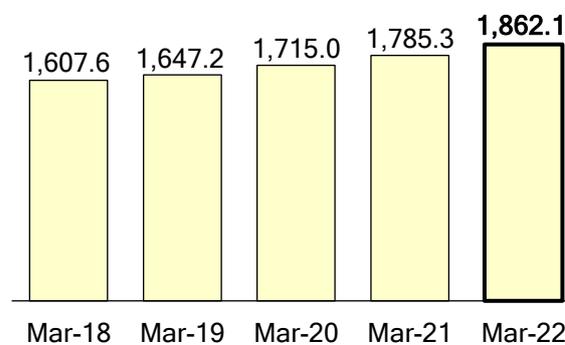
○ Loans and bills discounted (Average Balance)

(¥ billions)



○ Housing loans (Average Balance)

(¥ billions)



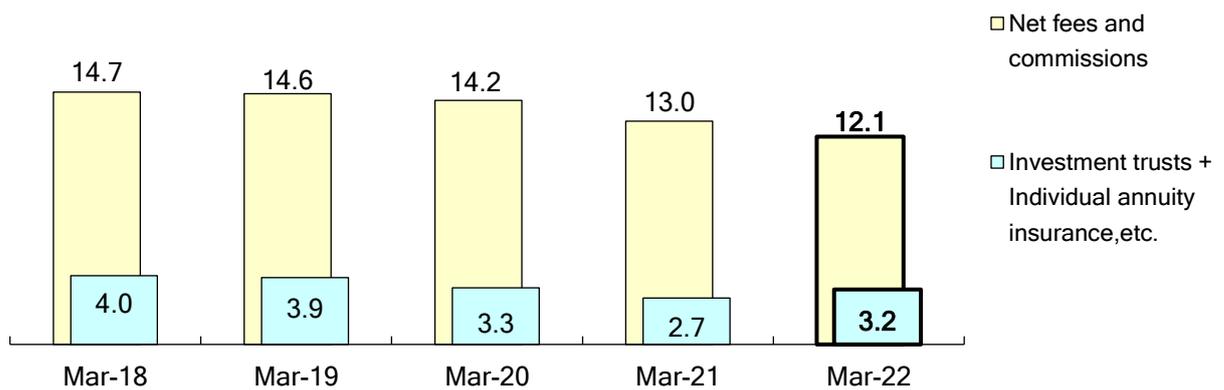
5. Fees and commissions (Non-Consolidated)

(¥ billions)

| | Year ended Mar.31, | | Increase/ (Decrease) |
|--|--------------------|-------------|-------------------------|
| | 2021 | 2022 | |
| Fees and commissions | 25.4 | 24.8 | (0.5) |
| Of which, domestic and foreign exchanges | 7.9 | 6.8 | (1.1) |
| Of which, investment trusts | 1.2 | 1.4 | 0.2 |
| Of which, individual annuity insurance, etc. | 1.4 | 1.7 | 0.2 |
| Fees and commissions payments | 12.3 | 12.7 | 0.3 |
| Of which, group credit life insurance | 5.2 | 5.8 | 0.6 |
| Of which, guarantee | 3.7 | 3.7 | (0.0) |
| Net fees and commissions | 13.0 | 12.1 | (0.9) |

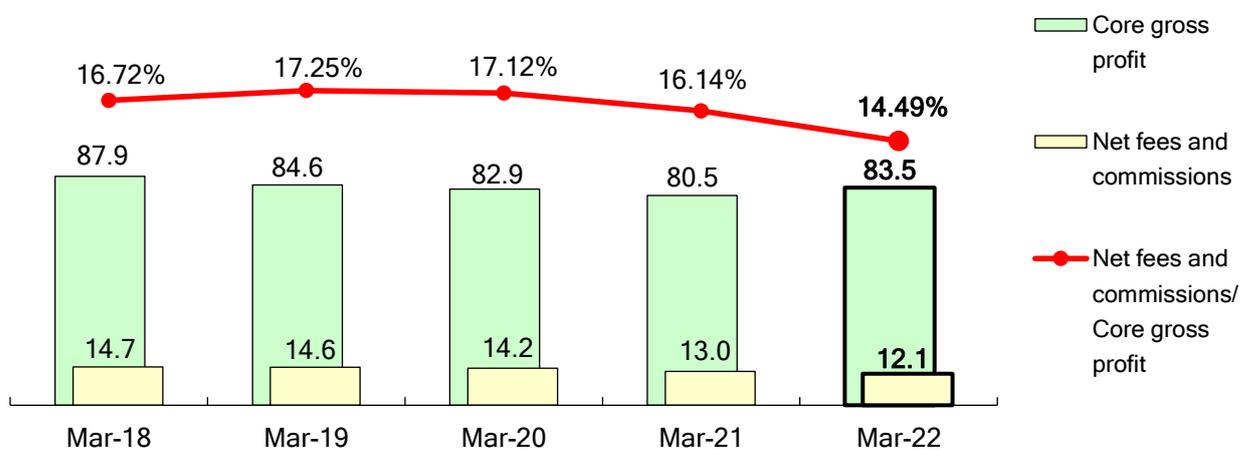
○ Net fees and commissions

(¥ billions)



○ Core gross profit and Net fees and commissions

(¥ billions)



6. Securities (Non-consolidated)

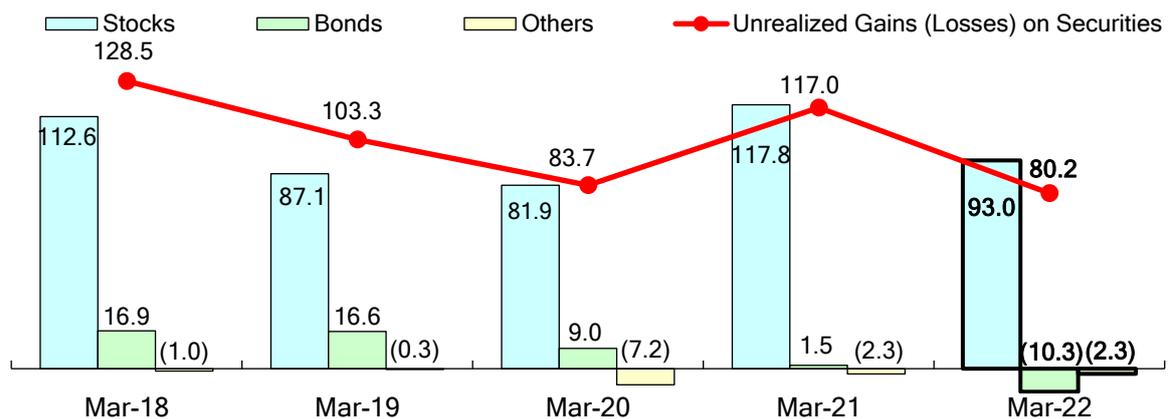
(¥ billions)

| | As of Mar.31, | | | | Increase/ (Decrease) | |
|--|---------------------|---------------------------------|---------------------|---------------------------------|-------------------------|---------------------------------|
| | 2021 | | 2022 | | Acquisition cost | Unrealized Gains (Losses) |
| | Acquisition cost | Unrealized Gains (Losses) | Acquisition cost | Unrealized Gains (Losses) | | |
| Stocks | 47.4 | 117.8 | 44.6 | 93.0 | (2.8) | (24.8) |
| Bonds | 1,237.5 | 1.5 | 1,241.3 | (10.3) | 3.7 | (11.9) |
| Others | 94.6 | (2.3) | 109.2 | (2.3) | 14.6 | 0.0 |
| Total | 1,379.6 | 117.0 | 1,395.1 | 80.2 | 15.5 | (36.7) |
| Nikkei stock average (¥) | 29,178 | | 27,821 | | (135.7) | |
| New 10-year Japanese government bond (JGB) yield (%) | 0.120% | | 0.210% | | 0.090% | |

* Excluding trading securities, capital investment in Investment Partnership, subsidiary stocks and affiliates stocks.

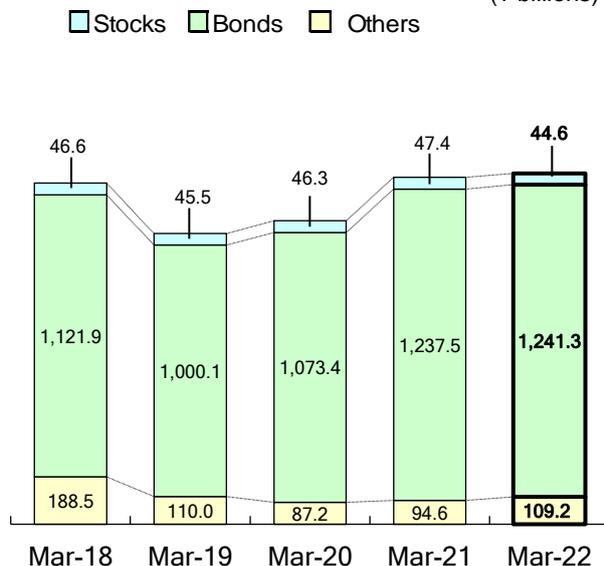
○ Unrealized Gains (Losses) on Securities

(¥ billions)



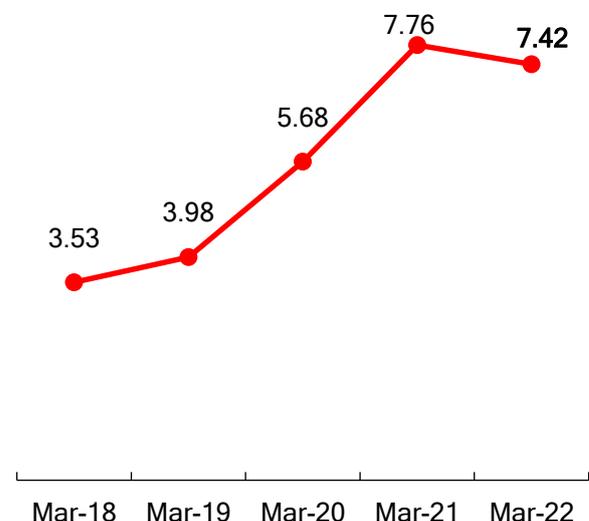
○ Acquisition cost on Securities

(¥ billions)



○ Average duration to maturity of yen bonds

(years)



* Including floating-rate JGBs

7. Capital Adequacy Ratio (Domestic)

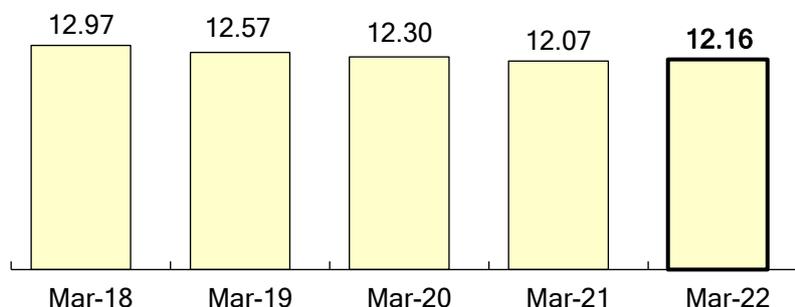
(¥ billions)

| | Non-Consolidated | | | Consolidated | | |
|----------------------------|--------------------|--------------------|----------------------|--------------------|--------------------|----------------------|
| | As of Mar.31, 2021 | As of Mar.31, 2022 | Increase/ (Decrease) | As of Mar.31, 2021 | As of Mar.31, 2022 | Increase/ (Decrease) |
| Capital Adequacy Ratio (%) | 12.07% | 12.16% | 0.09% | 12.41% | 12.51% | 0.10% |
| Capital | 332.9 | 340.2 | 7.3 | 349.6 | 356.4 | 6.7 |
| Risk-adjusted assets | 2,757.7 | 2,798.2 | 40.4 | 2,815.0 | 2,847.2 | 32.1 |

* The figures are calculated using the fundamental internal rating based approach (FIRB).

○ Capital Adequacy Ratio(Non-Consolidated)

(%)

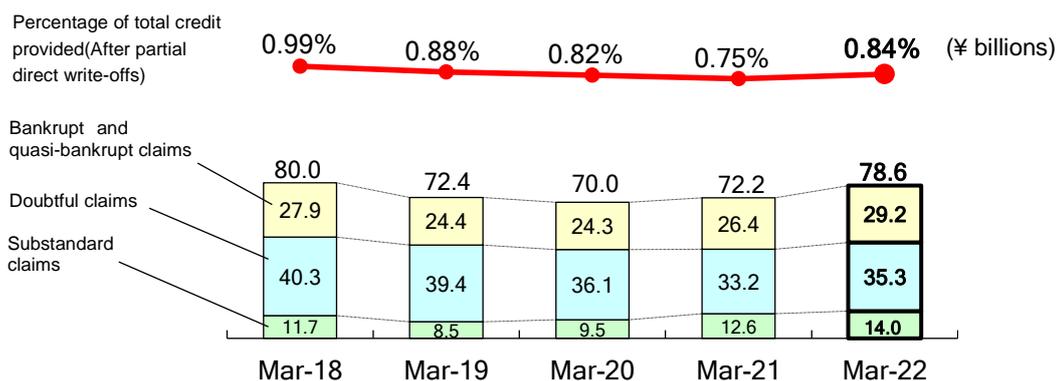


8. Disclosed claims under the Financial Reconstruction Law (Non-Consolidated)

(¥ billions)

| | As of Mar.31, | | Increase/ (Decrease) |
|---|---------------|--------------|----------------------|
| | 2021 | 2022 | |
| Bankrupt and quasi-bankrupt claims | 26.4 | 29.2 | 2.8 |
| Doubtful claims | 33.2 | 35.3 | 2.1 |
| Substandard claims | 12.6 | 14.0 | 1.4 |
| Disclosed claims under the Financial Reconstruction Law | 72.2 | 78.6 | 6.3 |
| Percentage of total credit provided (%) | 0.94% | 1.03% | (0.09%) |
| After partial direct write-offs (%) * | 0.75% | 0.84% | (0.09%) |

* Partial direct write-offs have not been implemented. The figures as they would appear after partial direct write-offs are shown for reference.



III. Performance Forecasts

【Non-Consolidated】

(¥ billions)

| | Six months ended Sep.30, | | | Year ended Mar.31, | | |
|--|---|---|-------------------------|--------------------|--------------------|-------------------------|
| | 1 st Half of FY2021 Actual | 1 st Half of FY2022 Forecast | Increase/ (Decrease) | FY2021 Actual | FY2022 Forecast | Increase/ (Decrease) |
| Ordinary income | 50.3 | 49.3 | (1.0) | 100.8 | 96.0 | (4.8) |
| Core gross profit | 41.1 | 40.8 | (0.3) | 83.5 | 80.1 | (3.4) |
| Expenses (excluding non-recurring losses) | 31.1 | 30.9 | (0.2) | 61.5 | 63.8 | 2.2 |
| Core operating profit | 10.0 | 9.8 | (0.2) | 22.0 | 16.2 | (5.8) |
| Excluding gains (losses) on cancellation of investment trusts | 10.0 | 9.8 | (0.2) | 22.0 | 16.2 | (5.8) |
| Credit cost | 1.5 | 1.5 | (0.0) | 3.2 | 3.0 | (0.2) |
| Ordinary profit | 9.6 | 9.0 | (0.6) | 17.8 | 14.1 | (3.7) |
| Net income | 6.5 | 6.2 | (0.3) | 11.0 | 7.9 | (3.1) |

【Consolidated】

(¥ billions)

| | Six months ended Sep.30, | | | Year ended Mar.31, | | |
|--|---|---|-------------------------|--------------------|--------------------|-------------------------|
| | 1 st Half of FY2021 Actual | 1 st Half of FY2022 Forecast | Increase/ (Decrease) | FY2021 Actual | FY2022 Forecast | Increase/ (Decrease) |
| Ordinary income | 61.3 | 59.9 | (1.4) | 124.4 | 119.1 | (5.3) |
| Core gross profit | 43.0 | 42.3 | (0.7) | 88.8 | 85.1 | (3.7) |
| Expenses (excluding non-recurring losses) | 32.7 | 32.7 | (0.0) | 64.8 | 67.5 | 2.6 |
| Credit cost | 1.6 | 1.9 | 0.2 | 3.4 | 4.1 | 0.6 |
| Ordinary profit | 9.6 | 8.1 | (1.5) | 19.2 | 13.9 | (5.3) |
| Profit attributable to owners of parent | 6.2 | 5.4 | (0.8) | 11.7 | 7.6 | (4.1) |
| Core operating profit | 10.2 | 9.5 | (0.7) | 23.9 | 17.5 | (6.4) |
| Excluding gains (losses) on cancellation of investment trusts | 10.2 | 9.5 | (0.7) | 23.9 | 17.5 | (6.4) |

Please be cautious this report is an English translation of the Japanese original. Please refer to the Japanese version for more information.