

Financial Summary

Year ended March 31, 2017



May 12, 2017
North Pacific Bank, Ltd.

Tokyo Stock Exchange First Section, Sapporo Securities Exchange: 8524

I . Financial Statements

1. Consolidated Balance Sheets

(¥ millions)

		As of Mar. 31, 2016	As of Mar. 31, 2017
Assets	資産の部		
Cash and due from banks	現金預け金	718,742	1,022,200
Call loans and bills bought	コールローン及び買入手形	30,708	1,322
Monetary claims bought	買入金銭債権	11,673	14,239
Trading account securities	商品有価証券	5,624	4,952
Securities	有価証券	1,711,785	1,729,586
Loans and bills discounted	貸出金	5,747,173	6,052,348
Foreign exchanges	外国為替	3,388	5,102
Lease receivables and investment assets	リース債権及びリース投資資産	45,479	47,186
Other assets	その他資産	89,461	103,610
Property, plant and equipment	有形固定資産	90,084	88,549
Buildings, net	建物	37,449	36,374
Land	土地	40,116	38,873
Leased assets, net	リース資産	2,938	2,785
Construction in progress	建設仮勘定	144	1,053
Other, net	その他の有形固定資産	9,435	9,462
Intangible assets	無形固定資産	10,545	9,171
Software	ソフトウェア	10,112	8,731
Other	その他の無形固定資産	433	439
Deferred tax assets	繰延税金資産	477	465
Customers' liabilities for acceptances and guarantees	支払承諾見返	50,210	54,558
Allowance for loan losses	貸倒引当金	(50,836)	(39,579)
Total assets	資産の部合計	8,464,519	9,093,714
Liabilities	負債の部		
Deposits	預金	7,715,256	8,086,989
Negotiable certificates of deposit	譲渡性預金	98,212	75,120
Payables under securities lending transactions	債券貸借取引受入担保金	52,346	222,758
Borrowed money	借入金	77,796	160,486
Foreign exchanges	外国為替	53	69
Other liabilities	その他負債	58,590	54,307
Provision for bonuses	賞与引当金	1,945	1,943
Net defined benefit liability	退職給付に係る負債	785	1,030
Provision for reimbursement of deposits	睡眠預金払戻損失引当金	1,553	1,615
Provision for point card certificates	ポイント引当金	335	369
Deferred tax liabilities	繰延税金負債	15,010	23,159
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	2,859	2,693
Acceptances and guarantees	支払承諾	50,210	54,558
Total liabilities	負債の部合計	8,074,956	8,685,102

(¥ millions)

		As of Mar. 31, 2016	As of Mar. 31, 2017
Net assets	純資産の部		
Capital stock	資本金	121,101	121,101
Capital surplus	資本剰余金	72,328	72,344
Retained earnings	利益剰余金	112,178	124,280
Treasury shares	自己株式	(1)	(0)
Total shareholders' equity	株主資本合計	305,607	317,725
Valuation difference on available-for-sale securities	その他有価証券評価差額金	72,602	79,344
Deferred gains or losses on hedges	繰延ヘッジ損益	(0)	—
Revaluation reserve for land	土地再評価差額金	5,969	5,586
Remeasurements of defined benefit plans	退職給付に係る調整累計額	14	(128)
Total accumulated other comprehensive income	その他の包括利益累計額合計	78,585	84,802
Subscription rights to shares	新株予約権	55	101
Non-controlling interests	非支配株主持分	5,315	5,981
Total net assets	純資産の部合計	389,563	408,611
Total liabilities and net assets	負債及び純資産の部合計	8,464,519	9,093,714

2. Consolidated Statements of Income and Comprehensive Income

(1) Consolidated Statements of Income

(¥ millions)

		Year ended Mar. 31,	
		2016	2017
Ordinary income	経常収益	149,791	147,972
Interest income	資金運用収益	80,727	78,229
Interest on loans and discounts	貸出金利息	66,828	63,446
Interest and dividends on securities	有価証券利息配当金	13,113	14,137
Interest on call loans and bills bought	コールローン利息及び買入手形利息	71	(7)
Interest on deposits with banks	預け金利息	490	438
Other interest income	その他の受入利息	223	215
Fees and commissions	役務取引等収益	30,386	29,594
Other ordinary income	その他業務収益	32,212	32,480
Other income	その他経常収益	6,465	7,667
Reversal of allowance for loan losses	貸倒引当金戻入益	1,167	1,851
Recoveries of written off claims	償却債権取立益	29	3
Other	その他の経常収益	5,268	5,812
Ordinary expenses	経常費用	119,351	126,575
Interest expenses	資金調達費用	4,127	3,471
Interest on deposits	預金利息	1,601	619
Interest on negotiable certificates of deposit	譲渡性預金利息	271	124
Interest on call money and bills sold	コールマネー利息及び売出手形利息	0	(3)
Interest on payables under securities lending transactions	債券貸借取引支払利息	228	842
Interest on borrowings and rediscounts	借用金利息	1,990	1,883
Other interest expenses	その他の支払利息	34	6
Fees and commissions payments	役務取引等費用	10,119	10,420
Other ordinary expenses	その他業務費用	26,065	33,954
General and administrative expenses	営業経費	75,332	76,200
Other expenses	その他経常費用	3,706	2,529
Other	その他の経常費用	3,706	2,529
Ordinary profit	経常利益	30,440	21,396
Extraordinary income	特別利益	9	2,114
Gain on disposal of non-current assets	固定資産処分益	9	2,114
Extraordinary losses	特別損失	1,192	669
Loss on disposal of non-current assets	固定資産処分損	265	247
Impairment loss	減損損失	926	422
Profit before income taxes	税金等調整前当期純利益	29,256	22,841
Income taxes – current	法人税、住民税及び事業税	3,260	1,787
Income taxes – deferred	法人税等調整額	7,272	4,011
Total income taxes	法人税等合計	10,533	5,798
Profit	当期純利益	18,722	17,042
Profit attributable to non-controlling interests	非支配株主に帰属する当期純利益	706	337
Profit attributable to owners of parent	親会社株主に帰属する当期純利益	18,015	16,704

(2) Consolidated Statements of Comprehensive Income

(¥ millions)

		Year ended Mar. 31,	
		2016	2017
Profit	当期純利益	18,722	17,042
Other comprehensive income	その他の包括利益	6,161	6,929
Valuation difference on available-for-sale securities	その他有価証券評価差額金	6,437	7,070
Deferred gains or losses on hedges	繰延ヘッジ損益	19	0
Revaluation reserve for land	土地再評価差額金	181	—
Remeasurements of defined benefit plans , net of tax	退職給付に係る調整額	(476)	(142)
Comprehensive income	包括利益	24,884	23,971
Comprehensive income attributable to owners of parent	親会社株主に係る包括利益	24,041	23,305
Comprehensive income attributable to non-controlling interests	非支配株主に係る包括利益	842	665

3. Non-Consolidated Balance Sheets

(¥ millions)

		As of Mar. 31, 2016	As of Mar. 31, 2017
Assets	資産の部		
Cash and due from banks	現金預け金	718,615	1,021,957
Cash	現金	129,065	98,185
Due from banks	預け金	589,549	923,771
Call loans	コールローン	30,708	1,322
Monetary claims bought	買入金銭債権	11,673	14,239
Trading account securities	商品有価証券	5,624	4,952
Trading government bonds	商品国債	1,784	1,439
Trading local government bonds	商品地方債	3,840	3,512
Securities	有価証券	1,710,549	1,727,163
Government bonds	国債	615,478	622,116
Local government bonds	地方債	274,529	283,023
Short-term corporate bonds	短期社債	—	1,999
Corporate bonds	社債	384,795	361,763
Stocks	株式	124,286	143,947
Other securities	その他の証券	311,459	314,313
Loans and bills discounted	貸出金	5,797,800	6,108,890
Bills discounted	割引手形	23,730	23,439
Loans on bills	手形貸付	259,527	247,922
Loans on deeds	証書貸付	4,868,709	5,171,061
Overdrafts	当座貸越	645,832	666,466
Foreign exchanges	外国為替	3,388	5,102
Due from foreign banks (our accounts)	外国他店預け	3,203	4,718
Foreign bills bought	買入外国為替	161	277
Foreign bills receivable	取立外国為替	23	107
Other assets	その他資産	57,950	70,664
Prepaid expenses	前払費用	70	60
Accrued income	未収収益	5,491	5,675
Derivatives other than for trading - assets	金融派生商品	20,565	13,228
Cash collateral paid for financial instruments	金融商品等差入担保金	484	2,270
Other	その他の資産	31,338	49,429
Property, plant and equipment	有形固定資産	89,048	87,588
Buildings, net	建物	37,425	36,353
Land	土地	40,116	38,873
Leased assets, net	リース資産	4,775	4,771
Construction in progress	建設仮勘定	144	1,053
Other, net	その他の有形固定資産	6,586	6,536
Intangible assets	無形固定資産	10,267	8,933
Software	ソフトウェア	9,841	8,502
Other	その他の無形固定資産	425	430
Customers' liabilities for acceptances and guarantees	支払承諾見返	50,210	54,558
Allowance for loan losses	貸倒引当金	(44,810)	(33,723)
Total assets	資産の部合計	8,441,026	9,071,648

(¥ millions)

		As of Mar. 31, 2016	As of Mar. 31, 2017
Liabilities	負債の部		
Deposits	預金	7,723,235	8,094,082
Current deposits	当座預金	353,010	377,416
Ordinary deposits	普通預金	4,861,849	5,250,296
Saving deposits	貯蓄預金	207,637	208,470
Deposits at notice	通知預金	12,970	12,948
Time deposits	定期預金	2,118,397	2,063,243
Installment savings	定期積金	108	90
Other deposits	その他の預金	169,261	181,617
Negotiable certificates of deposit	譲渡性預金	111,572	88,480
Payables under securities lending transactions	債券貸借取引受入担保金	52,346	222,758
Borrowed money	借入金	67,772	153,642
Borrowings from other banks	借入金	67,772	153,642
Foreign exchanges	外国為替	53	69
Foreign bills sold	売渡外国為替	0	—
Foreign bills payable	未払外国為替	53	69
Other liabilities	その他負債	39,498	35,912
Income taxes payable	未払法人税等	1,846	762
Accrued expenses	未払費用	2,551	2,393
Unearned revenue	前受収益	3,452	3,677
Reserve for interest on installment savings	給付補填備金	0	0
Derivatives other than for trading - liabilities	金融派生商品	12,895	7,904
Cash collateral received for financial instruments	金融商品等受入担保金	—	1,680
Lease obligations	リース債務	4,775	4,771
Other	その他の負債	13,976	14,721
Provision for bonuses	賞与引当金	1,733	1,694
Provision for retirement benefits	退職給付引当金	596	626
Provision for reimbursement of deposits	睡眠預金払戻損失引当金	1,553	1,615
Provision for point card certificates	ポイント引当金	323	359
Deferred tax liabilities	繰延税金負債	14,501	22,447
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	2,859	2,693
Acceptances and guarantees	支払承諾	50,210	54,558
Total liabilities	負債の部合計	8,066,259	8,678,940
Net assets	純資産の部		
Capital stock	資本金	121,101	121,101
Capital surplus	資本剰余金	50,001	50,001
Legal capital surplus	資本準備金	50,001	50,001
Retained earnings	利益剰余金	126,106	137,963
Legal retained earnings	利益準備金	2,907	3,904
Other retained earnings	その他利益剰余金	123,199	134,058
Reserve for advanced depreciation of non-current assets	固定資産圧縮積立金	1,046	1,046
Retained earnings brought forward	繰越利益剰余金	122,152	133,011
Treasury shares	自己株式	(129)	(107)
Total shareholders' equity	株主資本合計	297,079	308,957
Valuation difference on available-for-sale securities	その他有価証券評価差額金	71,663	78,062
Deferred gains or losses on hedges	繰延ヘッジ損益	(0)	—
Revaluation reserve for land	土地再評価差額金	5,969	5,586
Valuation and translation adjustments	評価・換算差額等合計	77,632	83,649
Subscription rights to shares	新株予約権	55	101
Total net assets	純資産の部合計	374,767	392,708
Total liabilities and net assets	負債及び純資産の部合計	8,441,026	9,071,648

4. Non-Consolidated Statements of Income

(¥ millions)

		Year ended Mar. 31,	
		2016	2017
Ordinary income	経常収益	121,654	119,698
Interest income	資金運用収益	81,008	78,835
Interest on loans and discounts	貸出金利息	67,028	63,639
Interest and dividends on securities	有価証券利息配当金	13,194	14,549
Interest on call loans	コールローン利息	71	(7)
Interest on deposits with banks	預け金利息	490	438
Other interest income	その他の受入利息	223	215
Fees and commissions	役務取引等収益	28,027	27,884
Fees and commissions on domestic and foreign exchanges	受入為替手数料	8,159	8,208
Other fees and commissions	その他の役務収益	19,868	19,676
Other ordinary income	その他業務収益	5,971	4,989
Gain on trading account securities transactions	商品有価証券売買益	46	—
Gains on sales of bonds	国債等債券売却益	4,699	1,766
Gains on redemption of bonds	国債等債券償還益	40	1,402
Income from derivatives other than for trading or hedging	金融派生商品収益	1,183	1,535
Other	その他の業務収益	0	284
Other income	その他経常収益	6,646	7,988
Reversal of allowance for loan losses	貸倒引当金戻入益	1,463	2,232
Recoveries of written off claims	償却債権取立益	26	2
Gain on sales of stocks and other securities	株式等売却益	2,427	3,101
Other	その他の経常収益	2,728	2,651
Ordinary expenses	経常費用	93,345	99,234
Interest expenses	資金調達費用	4,073	3,430
Interest on deposits	預金利息	1,603	619
Interest on negotiable certificates of deposit	譲渡性預金利息	274	125
Interest on call money	コールマネー利息	0	(3)
Interest on payables under securities lending transactions	債券貸借取引支払利息	228	842
Interest on borrowings and rediscounts	借入金利息	1,931	1,839
Interest on interest swaps	金利スワップ支払利息	29	1
Other interest expenses	その他の支払利息	4	4
Fees and commissions payments	役務取引等費用	11,489	11,685
Fees and commissions on domestic and foreign exchanges	支払為替手数料	1,284	1,283
Other fees and commissions	その他の役務費用	10,204	10,402
Other ordinary expenses	その他業務費用	1,275	8,169
Loss on foreign exchange transactions	外国為替売買損	407	1,253
Loss on trading account securities transactions	商品有価証券売買損	—	29
Loss on sales of bonds	国債等債券売却損	868	6,886
General and administrative expenses	営業経費	73,675	74,334
Other expenses	その他経常費用	2,831	1,614
Written-off of loans	貸出金償却	40	1
Losses on sales of stocks and other securities	株式等売却損	182	329
Losses on devaluation of stocks and other securities	株式等償却	56	70
Other	その他の経常費用	2,552	1,213
Ordinary profit	経常利益	28,308	20,463
Extraordinary income	特別利益	269	2,114
Gain on disposal of non-current assets	固定資産処分益	9	2,114
Gain on extinguishment of tie-in shares	抱合せ株式消滅差益	260	—
Extraordinary losses	特別損失	1,192	669
Loss on disposal of non-current assets	固定資産処分損	265	246
Impairment loss	減損損失	926	422
Income before income taxes	税引前当期純利益	27,384	21,908
Income taxes – current	法人税、住民税及び事業税	2,382	1,374
Income taxes – deferred	法人税等調整額	7,298	4,069
Total income taxes	法人税等合計	9,680	5,443
Net income	当期純利益	17,704	16,464

Ⅱ . Digest of financial results for the year ended March 31, 2017

1. Summary (Non-Consolidated)

(¥ billions)

	Year ended Mar.31,		Increase/ (Decrease)	Performance Forecast (May 12,2016)	Change from forecast
	2016	2017			
Core gross profit	94.2	92.1	(2.1)	94.8	(2.6)
Core operating profit	19.8	17.8	(2.0)	18.8	(0.9)
Ordinary profit	28.3	20.4	(7.8)	22.2	(1.7)
Net income	17.7	16.4	(1.2)	15.5	0.9
Deposits and NCDs (Average balance)	7,579.8	7,992.4	412.5		
Loans and bills discounted (Average balance)	5,607.2	5,937.9	330.6		
Capital Adequacy Ratio (Domestic) (%)	11.67%	13.20%	1.53%		
ROE (%)	4.85%	4.29%	(0.56%)		

* NCDs = Negotiable certificates of deposit

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

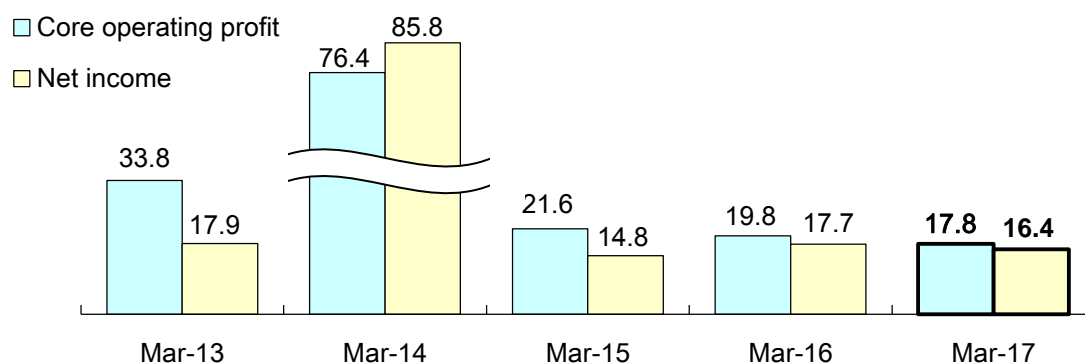
*Excluding subscription rights to shares

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)

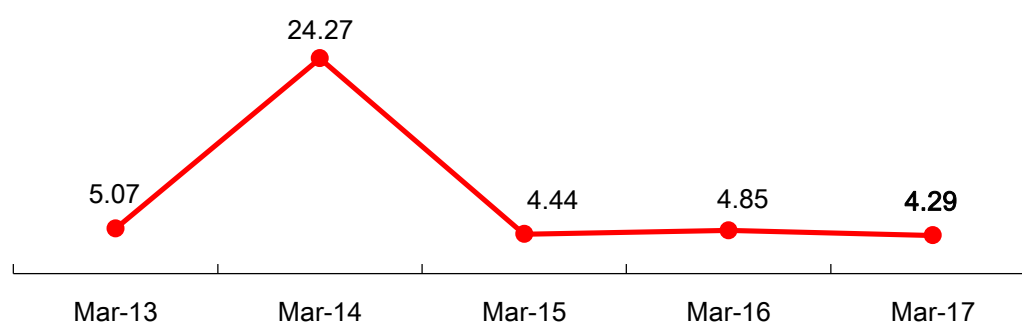
○ Core operating profit and Net income

(¥ billions)



○ ROE

(%)



2. Income Summary

【Non-Consolidated】

(¥ billions)

	Year ended Mar.31,		Increase/ (Decrease)
	2016	2017	
Core gross profit	94.2	92.1	(2.1)
Net interest income	76.9	75.4	(1.5)
Net fees and commissions	16.5	16.1	(0.3)
Net other operating income (excluding gains (losses) on bonds)	0.8	0.5	(0.2)
Expenses(excluding non-recurring losses) (△)	74.4	74.2	(0.1)
Core OHR (%)	78.90%	80.62%	1.72%
Personnel	31.7	31.0	(0.6)
Facilities	38.0	38.1	0.1
Taxes	4.6	5.0	0.3
Core operating profit	19.8	17.8	(2.0)
Credit cost (△)	0.3	(1.8)	(2.1)
Gains (losses) on securities	6.0	(1.0)	(7.0)
Net other non-recurring income (loss) (including gains (losses) on money held in trust)	2.6	1.8	(0.8)
Ordinary profit	28.3	20.4	(7.8)
Net income	17.7	16.4	(1.2)

【Consolidated】

(¥ billions)

	Year ended Mar.31,		Increase/ (Decrease)
	2016	2017	
Core gross profit	99.1	96.1	(2.9)
Ordinary profit	30.4	21.3	(9.0)
Profit attributable to owners of parent	18.0	16.7	(1.3)
Core operating profit	23.0	20.0	(3.0)

3. Deposits and NCDs(Non-Consolidated)

【Average Balance】

(¥ billions)

	Year ended Mar.31,		Increase/ (Decrease)
	2016	2017	
Deposits and NCDs	7,579.8	7,992.4	412.5
Yield on deposits and NCDs (%)	0.02%	0.00%	(0.02%)
Corporate	2,000.6	2,134.1	133.4
Individual	5,098.8	5,215.9	117.0
Public sectors and financial institutions	480.3	642.4	162.1

【Outstanding Balance】

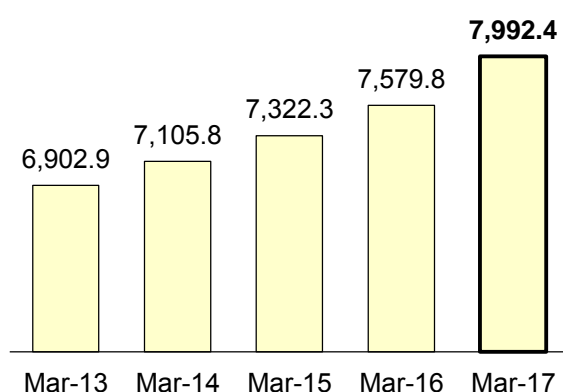
(¥ billions)

	As of Mar.31,		Increase/ (Decrease)
	2016	2017	
Deposits and NCDs	7,834.8	8,182.5	347.7
Deposit assets	387.1	327.9	(59.1)
Safe custody of public bonds	191.2	153.3	(37.9)
Investment trusts	195.8	174.6	(21.1)
Total	8,221.9	8,510.5	288.6
<Reference> Individual annuity insurance, etc.	539.8	586.5	46.6

* Deposit assets = Safe custody of public bonds + Investment trusts
Investment trusts are stated at fair value.
Individual annuity insurance, etc. sales reflect cumulative sales amounts.

○ Deposits and NCDs (Average Balance)

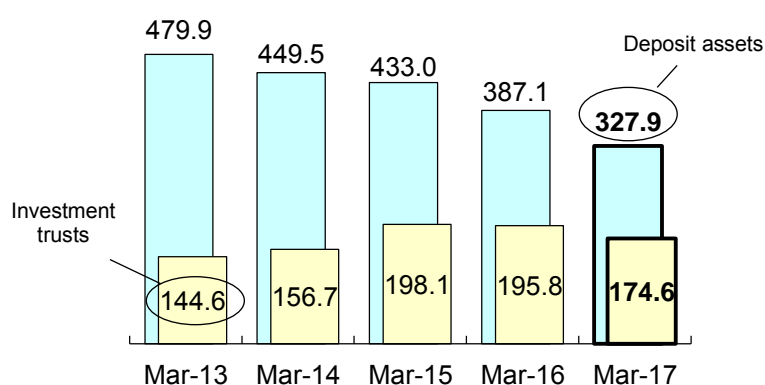
(¥ billions)



○ Deposit assets and Investment trusts

(Outstanding Balance)

(¥ billions)



4. Loans and bills discounted (Non-Consolidated)

【Average Balance】

(¥ billions)

	Year ended Mar.31,		Increase/ (Decrease)
	2016	2017	
Loans and bills discounted	5,607.2	5,937.9	330.6
Yield on loans and bills discounted (%)	1.19%	1.07%	(0.12%)
Enterprises	2,532.5	2,584.1	51.5
Individuals	1,669.8	1,690.5	20.7
Of which, residential loans	1,567.2	1,574.1	6.9
Of which, consumer loans	102.6	116.4	13.7
Public sectors	1,404.7	1,663.1	258.4

【Outstanding Balance】

(¥ billions)

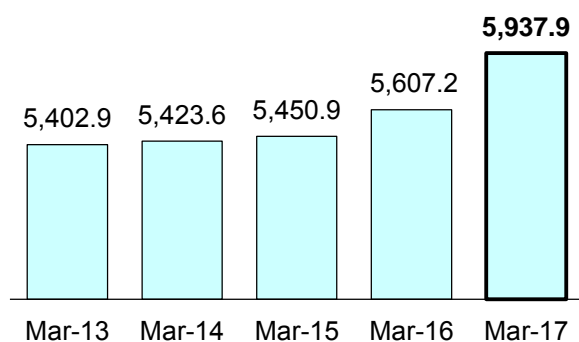
	As of Mar.31,		Increase/ (Decrease)
	2016	2017	
Loans and bills discounted	5,797.8	6,108.8	311.0
Enterprises	2,634.6	2,591.2	(43.3)
Individuals	1,689.5	1,718.9	29.4
Public sectors	1,473.6	1,798.6	325.0
SMEs, etc	3,409.5	3,468.8	59.3
In Hokkaido	5,085.7	5,160.7	75.0

* SMEs, etc = SMEs + Individuals

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

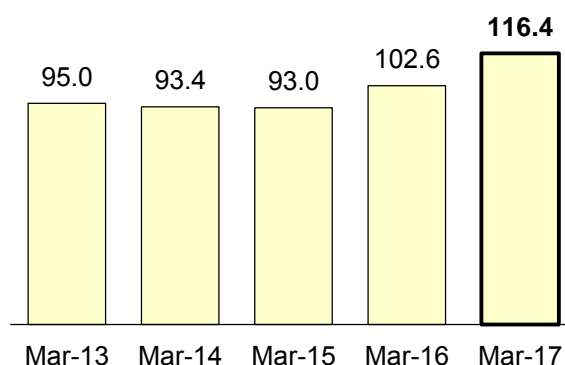
○ Loans and bills discounted (Average Balance)

(¥ billions)



○ Consumer loans (Average Balance)

(¥ billions)



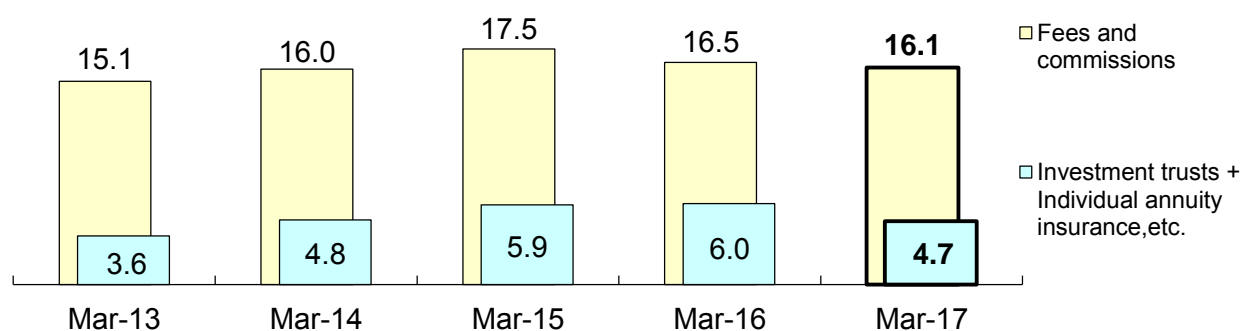
5. Fees and commissions (Non-Consolidated)

(¥ billions)

	Year ended Mar.31,		Increase/ (Decrease)
	2016	2017	
Fees and commissions	28.0	27.8	(0.1)
Of which, domestic and foreign exchanges	8.1	8.2	0.0
Of which, investment trusts	2.7	2.0	(0.7)
Of which, individual annuity insurance, etc.	3.2	2.7	(0.5)
Fees and commissions payments	11.4	11.6	0.1
Of which, group credit life insurance	4.8	4.7	(0.0)
Of which, guarantee	3.3	3.4	0.1
Net fees and commissions	16.5	16.1	(0.3)

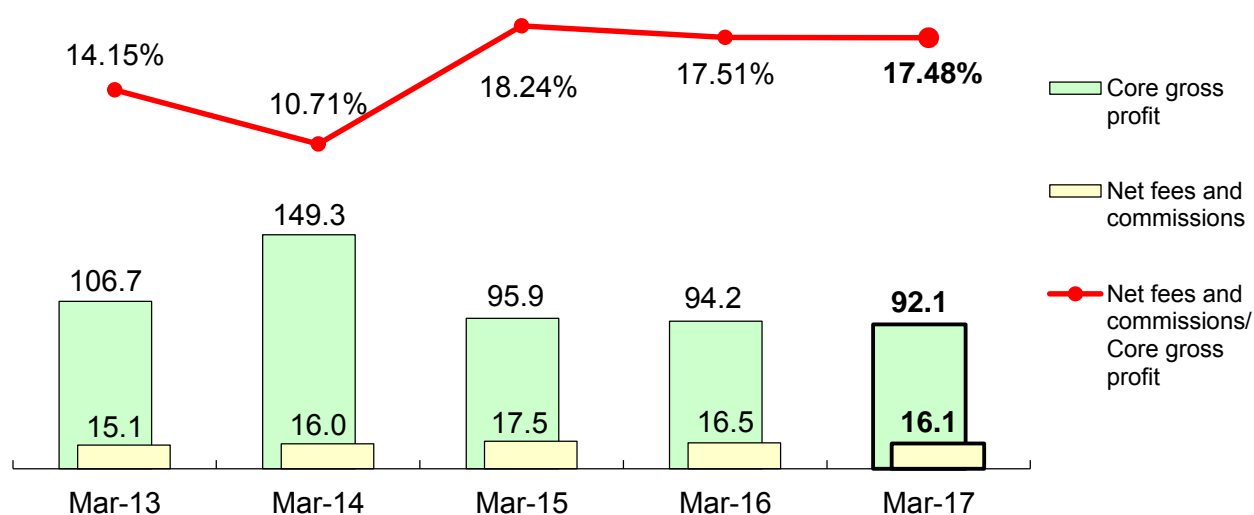
○ Net fees and commissions

(¥ billions)



○ Core operating profit and Net fees and commissions

(¥ billions)



6. Securities (Non-consolidated)

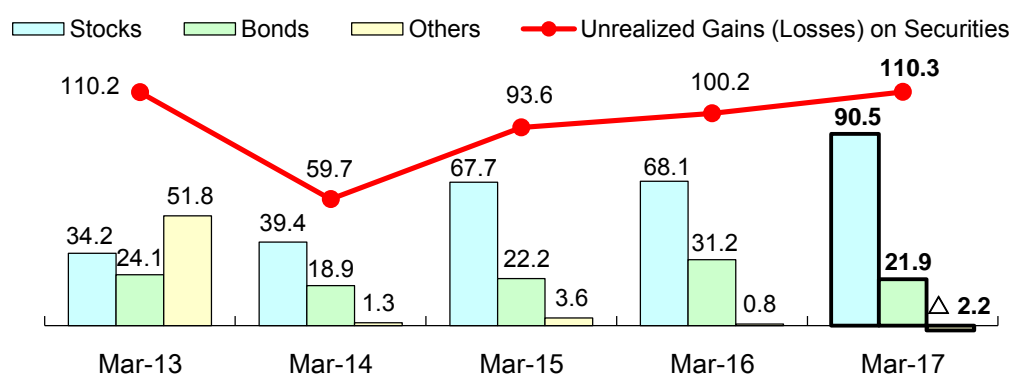
(¥ billions)

	As of Mar.31,				Increase/ (Decrease)	
	2016		2017		Acquisition cost	Unrealized Gains (Losses)
	Acquisition cost	Unrealized Gains (Losses)	Acquisition cost	Unrealized Gains (Losses)		
Stocks	56.1	68.1	53.3	90.5	(2.7)	22.4
Bonds	1,243.5	31.2	1,246.9	21.9	3.3	(9.2)
Others	310.6	0.8	316.5	(2.2)	5.9	(3.0)
Total	1,610.2	100.2	1,616.7	110.3	6.5	10.1
Nikkei stock average (¥)	16,758		18,909		2,151	
New 10-year Japanese government bond (JGB) yield (%)	(0.050%)		0.065%		0.115%	

* Excluding trading account securities

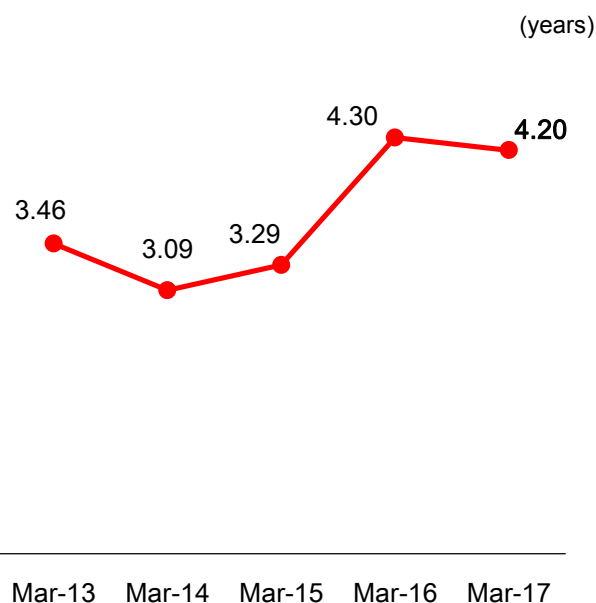
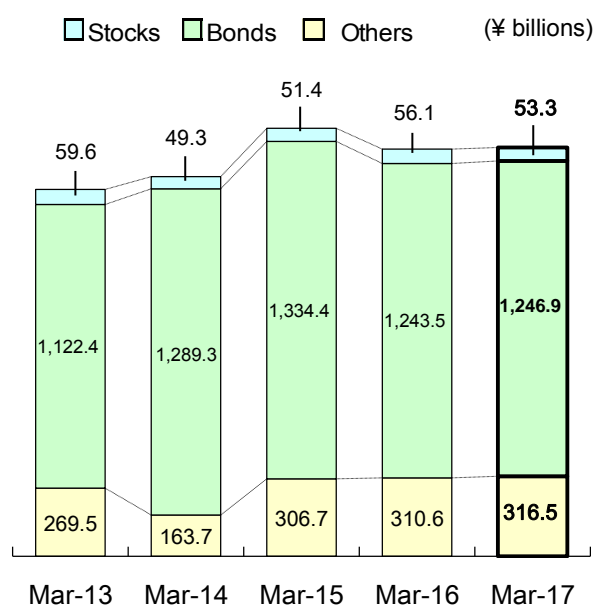
○ Unrealized Gains (Losses) on Securities

(¥ billions)



○ Securities (Acquisition cost)

○ Average duration to maturity of yen bonds

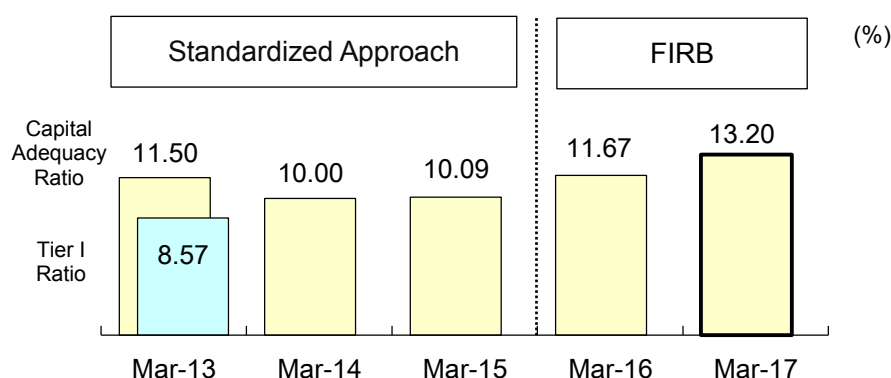


* Including floating-rate JGBs

7. Capital Adequacy Ratio (Domestic)

(¥ billions)

	Non-Consolidated			Consolidated		
	As of Mar.31, 2016	As of Mar.31, 2017	Increase/ (Decrease)	As of Mar.31, 2016	As of Mar.31, 2017	Increase/ (Decrease)
Capital Adequacy Ratio (%)	11.67%	13.20%	1.53%	11.98%	13.54%	1.56%
Capital	332.8	335.6	2.8	349.3	351.9	2.5
Risk-adjusted assets	2,850.8	2,542.2	(308.5)	2,916.2	2,598.4	(317.7)



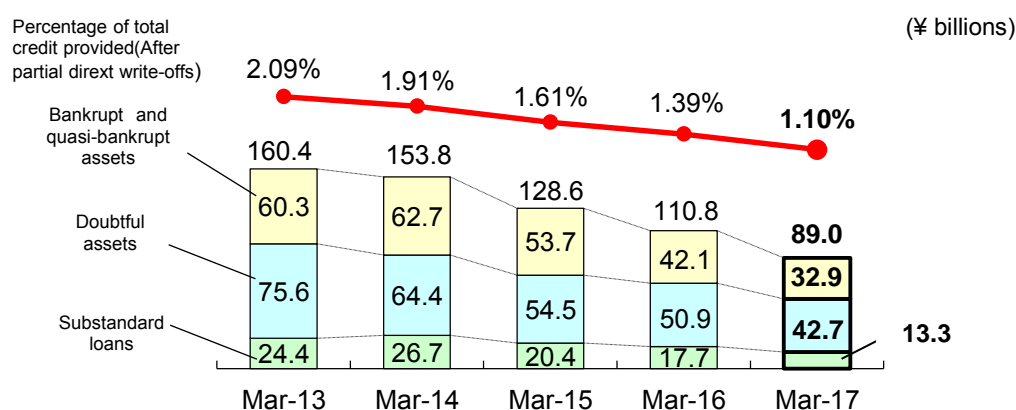
* The ratio has been calculated in accordance with the notification of revision to Capital Adequacy Ratio (Basel III) since the end of March, 2014.

8. Problem Assets Based on the Financial Revitalization Law (Non-Consolidated)

(¥ billions)

	As of Mar.31,		Increase/ (Decrease)
	2016	2017	
Bankrupt and quasi-bankrupt assets	42.1	32.9	(9.1)
Doubtful assets	50.9	42.7	(8.2)
Substandard loans	17.7	13.3	(4.4)
Problem assets based on the Financial Revitalization Law	110.8	89.0	(21.8)
Percentage of total credit provided (%)	1.86%	1.41%	(0.45%)
After partial direct write-offs (%) *	1.39%	1.10%	(0.29%)

* 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 FY2016 Actual	1 st Half of FY2017 Forecast	Increase/ (Decrease)	FY2016 Actual	FY2017 Forecast	Increase/ (Decrease)
Ordinary income	61.7	56.0	(5.7)	119.6	111.0	(8.6)
Core gross profit	46.7	44.2	(2.5)	92.1	90.0	(2.1)
Expenses (△) (excluding non-recurring losses)	37.7	38.2	0.4	74.2	74.5	0.2
Core operating profit	8.9	5.9	(3.0)	17.8	15.4	(2.4)
Credit cost (△)	(2.9)	0.0	2.9	(1.8)	0.0	1.8
Ordinary profit	14.1	7.4	(6.7)	20.4	17.1	(3.3)
Net income	10.8	5.4	(5.4)	16.4	12.0	(4.4)

【Consolidated】

(¥ billions)

	Six months ended Sep.30,			Year ended Mar.31,		
	1 st Half of FY2016 Actual	1 st Half of FY2017 Forecast	Increase/ (Decrease)	FY2016 Actual	FY2017 Forecast	Increase/ (Decrease)
Ordinary income	75.0	70.0	(5.0)	147.9	139.3	(8.6)
Core gross profit	48.4	46.1	(2.3)	96.1	94.3	(1.8)
Expenses (△) (excluding non-recurring losses)	38.6	39.1	0.4	76.1	76.4	0.2
Credit cost (△)	(2.3)	1.0	3.3	(0.6)	2.0	2.6
Ordinary profit	14.3	7.4	(6.9)	21.3	17.5	(3.8)
Profit attributable to owners of parent	10.6	5.2	(5.4)	16.7	12.0	(4.7)
Core operating profit	9.7	7.0	(2.7)	20.0	17.9	(2.1)

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