

**Translation**

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## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2023 (Based on Japanese GAAP)

October 27, 2023

Company name: Hokkoku Financial Holdings, Inc.  
 Stock exchange listing: Tokyo  
 Stock code: 7381 URL <https://www.hfhd.co.jp/>  
 Representative: President & Chief Executive Officer Shuji Tsuemura  
 Representative Director  
 Managing Executive Officer,  
 Inquiries: General Manager of General Planning Tomohiko Kikuzawa TEL 076-263-1111  
 Department  
 Scheduled date to file Quarterly Securities Report: November 20, 2023  
 Scheduled date to commence dividend payments: December 5, 2023  
 Trading accounts: No  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the six months ended September 30, 2023 (from April 1, 2023 to September 30, 2023)

#### (1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Ordinary income		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2023	48,007	(6.4)	9,862	(51.8)	6,846	(46.9)
Six months ended September 30, 2022	51,328	—	20,463	—	12,895	—

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2023	278.69		278.54	
Six months ended September 30, 2022	484.42		—	

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2023	5,461,818	225,569	3.9
As of March 31, 2023	5,603,724	237,688	4.0

### 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2023	—	50.00	—	50.00	100.00
Year ending March 31, 2024	—	55.00	—	—	—
Year ending March 31, 2024 (Forecast)	—	—	—	55.00	110.00

### 3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

Percentages indicate year-on-year changes

	Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Yen
Full year	16,500	2.8	11,000	25.8	459.10

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2023  
 (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2023	25,208,582 shares	As of March 31, 2023	26,908,582 shares
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Number of treasury shares at the end of the period

As of September 30, 2023	1,248,898 shares	As of March 31, 2023	1,809,299 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2023	24,568,218 shares	Six months ended September 30, 2022	26,620,822 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
<b>Assets</b>		
Cash and due from banks	1,354,859	1,209,683
Call loans and bills bought	141,000	188,000
Monetary claims bought	3,266	3,225
Trading securities	–	5
Money held in trust	13,535	13,591
Securities	1,468,300	1,479,159
Loans and bills discounted	2,523,613	2,463,183
Foreign exchanges	11,684	10,019
Lease receivables and investment assets	36,445	37,737
Other assets	51,111	42,867
Tangible fixed assets	32,102	38,557
Intangible fixed assets	8,539	9,561
Deferred tax assets	4,617	10,779
Customers' liabilities for acceptances and guarantees	17,282	18,008
Allowance for loan losses	(62,631)	(62,559)
<b>Total assets</b>	<b>5,603,724</b>	<b>5,461,818</b>
<b>Liabilities</b>		
Deposits	4,360,798	4,384,213
Call money and bills sold	532,156	453,525
Cash collateral received for securities lent	360,955	326,854
Borrowed money	26,553	131
Foreign exchanges	3	0
Bonds payable	20,000	20,000
Borrowed money from trust account	164	168
Other liabilities	42,925	27,755
Provision for bonuses	712	700
Retirement benefit liability	1,376	1,258
Provision for management board incentive plan trust	410	410
Provision for reimbursement of deposits	96	96
Provision for loss on interest repayment	2	0
Deferred tax liabilities	1,185	1,747
Deferred tax liabilities for land revaluation	1,411	1,377
Acceptances and guarantees	17,282	18,008
<b>Total liabilities</b>	<b>5,366,036</b>	<b>5,236,249</b>
<b>Net assets</b>		
Share capital	10,000	10,000
Capital surplus	27,139	19,557
Retained earnings	188,428	194,090
Treasury shares	(8,216)	(6,047)
<b>Total shareholders' equity</b>	<b>217,351</b>	<b>217,600</b>
Valuation difference on available-for-sale securities	11,332	(2,240)
Deferred gains or losses on hedges	(2)	735
Revaluation reserve for land	2,296	2,220
Remeasurements of defined benefit plans	(1,333)	(1,054)
<b>Total accumulated other comprehensive income</b>	<b>12,292</b>	<b>(339)</b>
Non-controlling interests	8,044	8,308
<b>Total net assets</b>	<b>237,688</b>	<b>225,569</b>
<b>Total liabilities and net assets</b>	<b>5,603,724</b>	<b>5,461,818</b>

**Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)**

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Ordinary income	51,328	48,007
Interest income	19,329	20,737
Interest on loans and discounts	11,959	12,360
Interest and dividends on securities	7,065	8,030
Trust fees	0	0
Fees and commissions	4,773	4,931
Other ordinary income	8,798	7,484
Other income	18,427	14,853
Ordinary expenses	30,865	38,145
Interest expenses	1,171	3,928
Interest on deposits	47	79
Fees and commissions payments	1,775	1,829
Other ordinary expenses	11,948	13,252
General and administrative expenses	14,946	16,158
Other expenses	1,023	2,976
Ordinary profit	20,463	9,862
Extraordinary income	33	–
Gain on disposal of non-current assets	33	–
Extraordinary losses	1,419	529
Loss on disposal of non-current assets	1,330	387
Impairment losses	88	142
Profit before income taxes	19,077	9,332
Income taxes - current	3,066	2,530
Income taxes - deferred	2,959	(180)
Total income taxes	6,025	2,350
Profit	13,051	6,981
Profit attributable to non-controlling interests	156	134
Profit attributable to owners of parent	12,895	6,846

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Profit	13,051	6,981
Other comprehensive income	(42,803)	(12,439)
Valuation difference on available-for-sale securities	(42,894)	(13,456)
Deferred gains or losses on hedges	(115)	737
Remeasurements of defined benefit plans, net of tax	207	278
Comprehensive income	(29,751)	(5,457)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(29,857)	(5,709)
Comprehensive income attributable to non-controlling interests	106	252

## Consolidated statements of changes in equity

Six months ended September 30, 2022

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,000	29,727	182,357	(3,124)	218,960
Changes during period					
Dividends of surplus			(1,345)		(1,345)
Profit attributable to owners of parent			12,895		12,895
Purchase of treasury shares				(1,803)	(1,803)
Disposal of treasury shares				60	60
Cancellation of treasury shares		(2,562)		2,562	–
Reversal of revaluation reserve for land			(1)		(1)
Net changes in items other than shareholders' equity					
Total changes during period	–	(2,562)	11,548	820	9,806
Balance at end of period	10,000	27,165	193,906	(2,304)	228,766

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	36,652	115	2,296	(1,467)	37,597	7,701	264,258
Changes during period							
Dividends of surplus							(1,345)
Profit attributable to owners of parent							12,895
Purchase of treasury shares							(1,803)
Disposal of treasury shares							60
Cancellation of treasury shares							–
Reversal of revaluation reserve for land							(1)
Net changes in items other than shareholders' equity	(42,845)	(115)	1	207	(42,751)	100	(42,651)
Total changes during period	(42,845)	(115)	1	207	(42,751)	100	(32,844)
Balance at end of period	(6,192)	–	2,298	(1,260)	(5,154)	7,801	231,413

Six months ended September 30, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,000	27,139	188,428	(8,216)	217,351
Changes during period					
Dividends of surplus			(1,260)		(1,260)
Profit attributable to owners of parent			6,846		6,846
Purchase of treasury shares				(5,617)	(5,617)
Disposal of treasury shares		(6)		104	97
Cancellation of treasury shares		(7,682)		7,682	–
Reversal of revaluation reserve for land			75		75
Change by business combination		97			97
Change in ownership interest of parent due to transactions with non-controlling interests		9			9
Net changes in items other than shareholders' equity					
Total changes during period	–	(7,581)	5,662	2,169	249
Balance at end of period	10,000	19,557	194,090	(6,047)	217,600

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	11,332	(2)	2,296	(1,333)	12,292	8,044	237,688
Changes during period							
Dividends of surplus							(1,260)
Profit attributable to owners of parent							6,846
Purchase of treasury shares							(5,617)
Disposal of treasury shares							97
Cancellation of treasury shares							–
Reversal of revaluation reserve for land							75
Change by business combination							97
Change in ownership interest of parent due to transactions with non-controlling interests							9
Net changes in items other than shareholders' equity	(13,573)	737	(75)	278	(12,632)	263	(12,368)
Total changes during period	(13,573)	737	(75)	278	(12,632)	263	(12,118)
Balance at end of period	(2,240)	735	2,220	(1,054)	(339)	8,308	225,569