

**Translation**

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**Summary of Consolidated Financial Results  
for the Year Ended March 31, 2024  
(Based on Japanese GAAP)**

April 26, 2024

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 Corporate Planning Naotaka Terai TEL 076-263-1111  
 Department  
 Scheduled date of ordinary general meeting of shareholders: June 14, 2024  
 Scheduled date to file Securities Report: June 17, 2024  
 Scheduled date to commence dividend payments: May 27, 2024  
 Trading accounts: No  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(1) Consolidated operating results

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	%
Year ended March 31, 2024	90,839	7.1	14,461	(9.8)	9,055	3.5
Year ended March 31, 2023	84,743	–	16,046	(16.2)	8,741	(6.8)

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Ordinary profit/ordinary income
	Yen	Yen	%	%	%
Year ended March 31, 2024	378.26	378.15	3.8	0.2	15.9
Year ended March 31, 2023	336.06	336.05	3.5	0.2	18.9

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	5,758,652	252,954	4.2	10,533.34
As of March 31, 2023	5,603,724	237,688	4.0	9,149.42

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2024	183,653	51,406	(12,522)	1,570,556
Year ended March 31, 2023	(128,949)	(117,364)	(10,420)	1,348,008

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2023	–	50.00	–	50.00	100.00	2,585	29.7	1.0
Year ended March 31, 2024	–	55.00	–	55.00	110.00	2,604	29.0	1.1
Year ending March 31, 2025 (Forecast)	–	60.00	–	60.00	120.00		27.8	

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

Percentages indicate year-on-year changes

	Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2024	8,500	(13.8)	5,500	(19.6)	237.21
Full year	15,000	3.7	10,000	10.4	431.30

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2024

(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 March 31, 2024	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 March 31, 2024	2,023,177 shares	As of March 31, 2023	1,809,299 shares
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Average number of shares during the period

Year ended March 31, 2024	23,939,197 shares	Year ended March 31, 2023	26,010,696 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Assets</b>		
Cash and due from banks	1,354,859	1,576,763
Call loans and bills bought	141,000	166,000
Monetary claims bought	3,266	3,195
Money held in trust	13,535	13,532
Securities	1,468,300	1,488,459
Loans and bills discounted	2,523,613	2,418,522
Foreign exchanges	11,684	6,344
Lease receivables and investment assets	36,445	39,329
Other assets	51,111	39,046
Tangible fixed assets	32,102	37,903
Buildings, net	10,202	12,437
Land	16,904	15,691
Construction in progress	2,332	5,994
Other tangible fixed assets	2,662	3,779
Intangible fixed assets	8,539	10,269
Software	8,207	8,925
Goodwill	–	1,016
Other intangible fixed assets	331	327
Deferred tax assets	4,617	1,061
Customers' liabilities for acceptances and guarantees	17,282	18,166
Allowance for loan losses	(62,631)	(59,943)
<b>Total assets</b>	<b>5,603,724</b>	<b>5,758,652</b>
<b>Liabilities</b>		
Deposits	4,360,798	4,679,694
Call money and bills sold	532,156	423,297
Cash collateral received for securities lent	360,955	318,639
Borrowed money	26,553	5,396
Foreign exchanges	3	1
Bonds payable	20,000	20,000
Borrowed money from trust account	164	167
Other liabilities	42,925	32,722
Provision for bonuses	712	697
Retirement benefit liability	1,376	684
Provision for management board incentive plan trust	410	410
Provision for reimbursement of deposits	96	68
Provision for loss on interest repayment	2	0
Deferred tax liabilities	1,185	4,506
Deferred tax liabilities for land revaluation	1,411	1,244
Acceptances and guarantees	17,282	18,166
<b>Total liabilities</b>	<b>5,366,036</b>	<b>5,505,697</b>

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Net assets		
Share capital	10,000	10,000
Capital surplus	27,139	19,507
Retained earnings	188,428	195,209
Treasury shares	(8,216)	(9,814)
Total shareholders' equity	217,351	214,902
Valuation difference on available-for-sale securities	11,332	28,084
Deferred gains or losses on hedges	(2)	(35)
Revaluation reserve for land	2,296	1,986
Remeasurements of defined benefit plans	(1,333)	(718)
Total accumulated other comprehensive income	12,292	29,317
Non-controlling interests	8,044	8,735
Total net assets	237,688	252,954
Total liabilities and net assets	5,603,724	5,758,652

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Ordinary income	84,743	90,839
Interest income	38,319	41,042
Interest on loans and discounts	24,061	24,705
Interest and dividends on securities	13,701	15,596
Interest on call loans and bills bought	44	135
Interest on deposits with banks	491	450
Other interest income	20	153
Trust fees	0	0
Fees and commissions	9,628	9,983
Other ordinary income	15,897	14,845
Other income	20,897	24,967
Recoveries of written off receivables	263	370
Other	20,634	24,597
Ordinary expenses	68,696	76,378
Interest expenses	4,149	7,634
Interest on deposits	103	162
Interest on negotiable certificates of deposit	0	–
Interest on call money and bills sold	1,684	2,042
Interest expenses on cash collateral received for securities lent	2,169	5,236
Interest on borrowings and rediscounts	4	12
Interest expenses on bonds	179	179
Other interest expenses	7	0
Fees and commissions payments	3,517	3,642
Other ordinary expenses	21,847	25,230
General and administrative expenses	30,992	33,764
Other expenses	8,187	6,106
Provision of allowance for loan losses	3,269	3,271
Other	4,917	2,835
Ordinary profit	16,046	14,461
Extraordinary income	70	121
Gain on disposal of non-current assets	70	121
Extraordinary losses	1,554	1,720
Loss on disposal of non-current assets	1,460	405
Impairment losses	93	985
Loss on disaster	–	329
Profit before income taxes	14,562	12,862
Income taxes - current	2,305	3,587
Income taxes - deferred	3,216	(826)
Total income taxes	5,522	2,761
Profit	9,040	10,100
Profit attributable to non-controlling interests	299	1,045
Profit attributable to owners of parent	8,741	9,055

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	9,040	10,100
Other comprehensive income	(25,254)	16,967
Valuation difference on available-for-sale securities	(25,269)	16,385
Deferred gains or losses on hedges	(118)	(32)
Remeasurements of defined benefit plans, net of tax	133	614
Comprehensive income	(16,213)	27,067
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(16,562)	26,389
Comprehensive income attributable to non-controlling interests	348	678

## Consolidated statements of changes in equity

Fiscal year ended March 31, 2023

(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			(2,670)		(2,670)
Profit attributable to owners of parent			8,741		8,741
Purchase of treasury shares				(8,081)	(8,081)
Disposal of treasury shares		(25)		427	401
Cancellation of treasury shares		(2,562)		2,562	–
Reversal of revaluation reserve for land			0		0
Net changes in items other than shareholders' equity					
Total changes during period	–	(2,588)	6,070	(5,091)	(1,609)
Balance at end of period	10,000	27,139	188,428	(8,216)	217,351

	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							(2,670)
Profit attributable to owners of parent							8,741
Purchase of treasury shares							(8,081)
Disposal of treasury shares							401
Cancellation of treasury shares							–
Reversal of revaluation reserve for land							0
Net changes in items other than shareholders' equity	(25,319)	(118)	(0)	133	(25,304)	343	(24,960)
Total changes during period	(25,319)	(118)	(0)	133	(25,304)	343	(26,569)
Balance at end of period	11,332	(2)	2,296	(1,333)	12,292	8,044	237,688

	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			(2,583)		(2,583)
Profit attributable to owners of parent			9,055		9,055
Purchase of treasury shares				(9,925)	(9,925)
Disposal of treasury shares		(56)		645	588
Cancellation of treasury shares		(7,682)		7,682	–
Reversal of revaluation reserve for land			309		309
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	–	(7,631)	6,781	(1,597)	(2,448)
Balance at end of period	10,000	19,507	195,209	(9,814)	214,902

	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							(2,583)
Profit attributable to owners of parent							9,055
Purchase of treasury shares							(9,925)
Disposal of treasury shares							588
Cancellation of treasury shares							–
Reversal of revaluation reserve for land							309
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	16,752	(32)	(309)	614	17,024	690	17,714
Total changes during period	16,752	(32)	(309)	614	17,024	690	15,266
Balance at end of period	28,084	(35)	1,986	(718)	29,317	8,735	252,954



## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	14,562	12,862
Depreciation	4,190	4,021
Impairment losses	93	1,009
Amortization of goodwill	–	53
Increase (decrease) in allowance for loan losses	782	(2,688)
Increase (decrease) in provision for bonuses	(35)	(14)
Increase (decrease) in retirement benefit liability	(1,021)	(692)
Increase (decrease) in provision for share awards for directors (and other officers)	(86)	–
Increase (decrease) in provision for reimbursement of deposits	(30)	(28)
Increase (decrease) in provision for loss on interest repayment	(17)	(2)
Interest income	(38,319)	(41,042)
Interest expenses	4,149	7,634
Loss (gain) related to securities	(11,325)	(12,474)
Loss (gain) on money held in trust	(6)	3
Foreign exchange losses (gains)	(19,204)	(23,712)
Loss (gain) on disposal of non-current assets	640	284
Net decrease (increase) in loans and bills discounted	61,648	105,090
Net increase (decrease) in deposits	102,598	318,895
Net increase (decrease) in borrowed money (excluding subordinated borrowings)	(129,432)	(21,157)
Net decrease (increase) in due from banks (excluding due from Bank of Japan)	(3,700)	791
Net decrease (increase) in call loans	(76,214)	(24,929)
Net increase (decrease) in call money	(86,668)	(108,858)
Net increase (decrease) in cash collateral received for securities lent	47,458	(42,315)
Net decrease (increase) in foreign exchanges - assets	(545)	5,339
Net increase (decrease) in foreign exchanges - liabilities	1	(2)
Net decrease (increase) in lease receivables and investments in leases	(1,672)	(3,004)
Net decrease (increase) in cash collateral paid for financial instruments assets	3,387	(303)
Net increase (decrease) in borrowed money from trust account	9	3
Interest received	24,471	24,807
Interest paid	(3,955)	(7,796)
Other, net	(12,827)	(9,838)
Subtotal	(121,068)	181,935
Income taxes refund	1,315	3,535
Income taxes paid	(9,196)	(1,817)
Net cash provided by (used in) operating activities	(128,949)	183,653

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from investing activities		
Purchase of securities	(489,726)	(300,791)
Proceeds from sale of securities	298,613	255,012
Proceeds from redemption of securities	60,669	91,619
Proceeds from fund management as investing activities	17,125	18,522
Purchase of tangible fixed assets	(2,477)	(9,334)
Purchase of intangible assets	(2,569)	(2,742)
Proceeds from sale of property, plant and equipment	1,000	99
Payments for asset retirement obligations	–	(31)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	(947)
Net cash provided by (used in) investing activities	(117,364)	51,406
Cash flows from financing activities		
Dividends paid	(2,673)	(2,579)
Dividends paid to non-controlling interests	(5)	(5)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	–	(11)
Purchase of treasury shares	(8,081)	(9,925)
Proceeds from sale of treasury shares	340	–
Net cash provided by (used in) financing activities	(10,420)	(12,522)
Effect of exchange rate change on cash and cash equivalents	21	9
Net increase (decrease) in cash and cash equivalents	(256,712)	222,547
Cash and cash equivalents at beginning of period	1,604,721	1,348,008
Cash and cash equivalents at end of period	1,348,008	1,570,556