

For the Nine Months Ended December 31, 2025
(2025/4/1 – 2025/12/31)

Small Meeting

February 17, 2026

Make the HOKKAIDO Way



(TSE Prime Market/Sapporo: 8524)

1	Summary (non-consolidated)	P1
2	Summary (consolidated)	P2
3	Net interest income, interest on loans and discounts, deposits	P3
4	Loans and bills discounted	P4
5	Deposits	P5
6	Securities investment	P6
7	Net fees and commissions	P7
8	Expenses	P8
9	Credit-related expenses and non-performing loans	P9
10	Forecast for the Fiscal Year Ending March 31, 2026	P10
11	Shareholder returns	P11
12	Direction of the next Medium-term Business Plan	P12
	[Appendix] Impact of rising interest	P14
	[Appendix] Policy shareholdings	P15

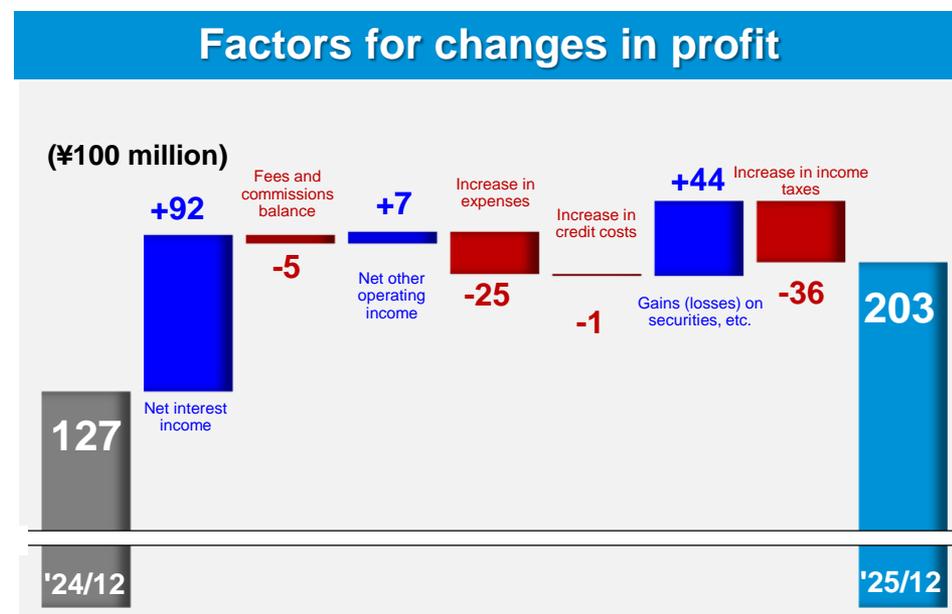
[Notes]

- This document contains descriptions about our Group's future performance, management objectives, and others. Such descriptions do not guarantee any future results but involve risks and uncertainties. Please note that actual results may differ from our forecasts due to changes in the business environment, etc.
- Information on financial institutions other than our bank is based on publicly available information.
- Unless otherwise noted, amounts less than the stated amount are rounded down.

1 Summary (non-consolidated)

Core operating profit and net income both increased for the second consecutive period, primarily due to higher interest income on loans.

[Non-consolidated] (¥100 million)	'24/12 results	'25/12 results	YoY
Core gross profit	683	778	+94
Net interest income	592	684	+92
Interest on loans and discounts	484	650	+166
Interest on deposits & NCDs (-)	37	137	+99
Interest and dividends on securities	118	133	+14
Other cash flows	26	37	+11
Net fees and commissions	79	74	-5
Net other operating income	11	19	+7
Expenses (excluding non-recurring losses) (-)	480	505	+25
Core operating profit	203	272	+69
Credit costs (-)	13	15	+1
Gains (losses) on securities	-29	10	+40
Ordinary profit	173	286	+113
Profit	127	203	+76



2 Summary (consolidated)

Consolidated results for subsidiaries were largely on par with the previous year, while consolidated results also showed year-on-year increases in both revenue and profit.

[Consolidated] (¥100 million)	'24/12 results	'25/12 results	YoY
Consolidated core gross profit	730	835	+104
Net interest income	576	670	+93
Interest on loans and discounts	481	646	+164
Interest on deposits & NCDs (-)	37	136	+99
Interest and dividends on securities	105	124	+18
Other cash flows	25	36	+10
Net fees and commissions	123	124	+0
Net other operating income	30	40	+9
Expenses (excluding non-recurring losses) (-)	513	542	+29
Consolidated core operating profit	217	292	+75
Credit costs (-)	23	25	+1
Gains (losses) on securities	-28	11	+39
Consolidated ordinary profit	176	293	+116
Profit attributable to owners of parent	125	204	+78

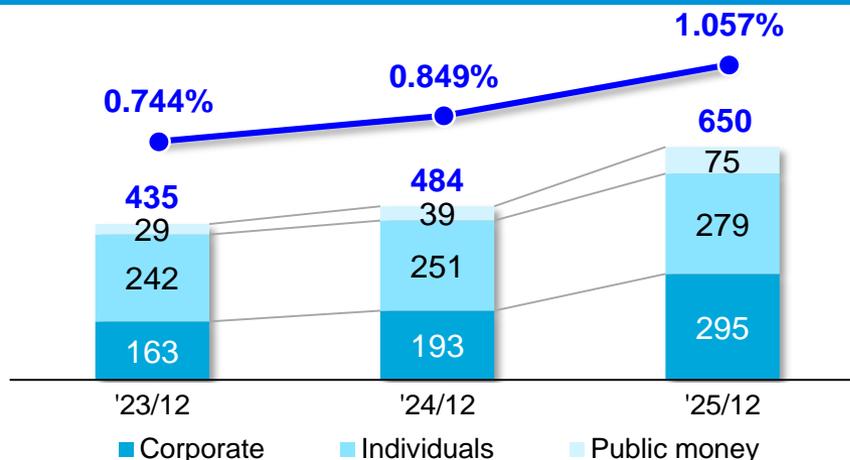
Subsidiaries				
(¥100 million)	Ordinary income	'24/12	'25/12	YoY
	Profit			
Sapporo Hokuyo Lease	Ordinary income	176	185	+9
	Profit	4	4	+0
North Pacific	Ordinary income	17	17	+0
	Profit	1	0	-0
North Pacific Securities	Ordinary income	14	15	+0
	Profit	-0	-0	-0
Hokkaido Kyoso Partners Co., Ltd. (HKP)	Ordinary income	11	15	+4
	Profit	1	2	+0
Two other companies	Ordinary income	21	22	+0
	Profit	2	1	-0
Total for 6 consolidated subsidiaries	Ordinary income	241	256	+15
	Profit	9	9	-0

3 Net interest income, interest on loans and discounts, deposits

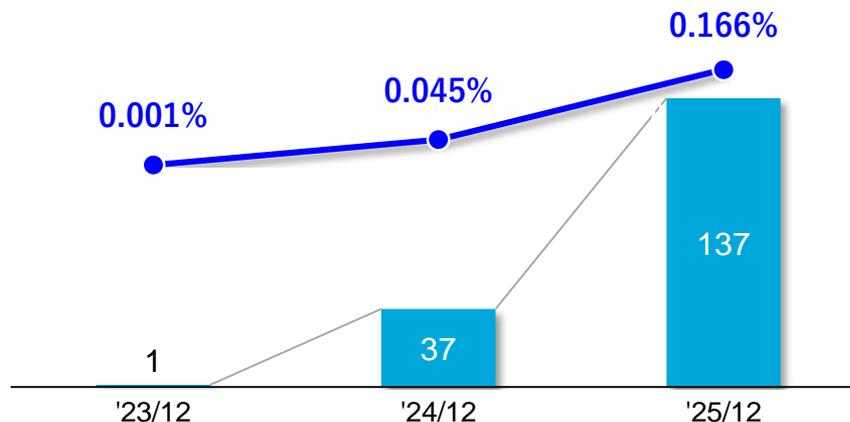
Loan yields increased; deposits increased for the 16th consecutive period although growth rate slowed

[Non-consolidated] (¥100 million)	'24/12 results	'25/12 results	YoY
Net interest income	592	684	+92
Loans and deposits	447	513	+66
Interest on loans and discounts	484	650	+166
Interest on NCDs (-)	37	137	+99
Interest and dividends on securities	118	133	+14
Yen bonds	57	67	+9
Stocks	40	37	-3
Foreign securities	3	5	+1
Other	17	23	+6
Gains on cancellation of investment trusts	-	0	+0
Other cash flows	26	37	+11
Net interest income (excluding gains on cancellation of investment trusts)	592	684	+92

Interest on loans & discounts/loan yields (¥100 million)



Interest on a deposits (¥100 million) / Deposit yield

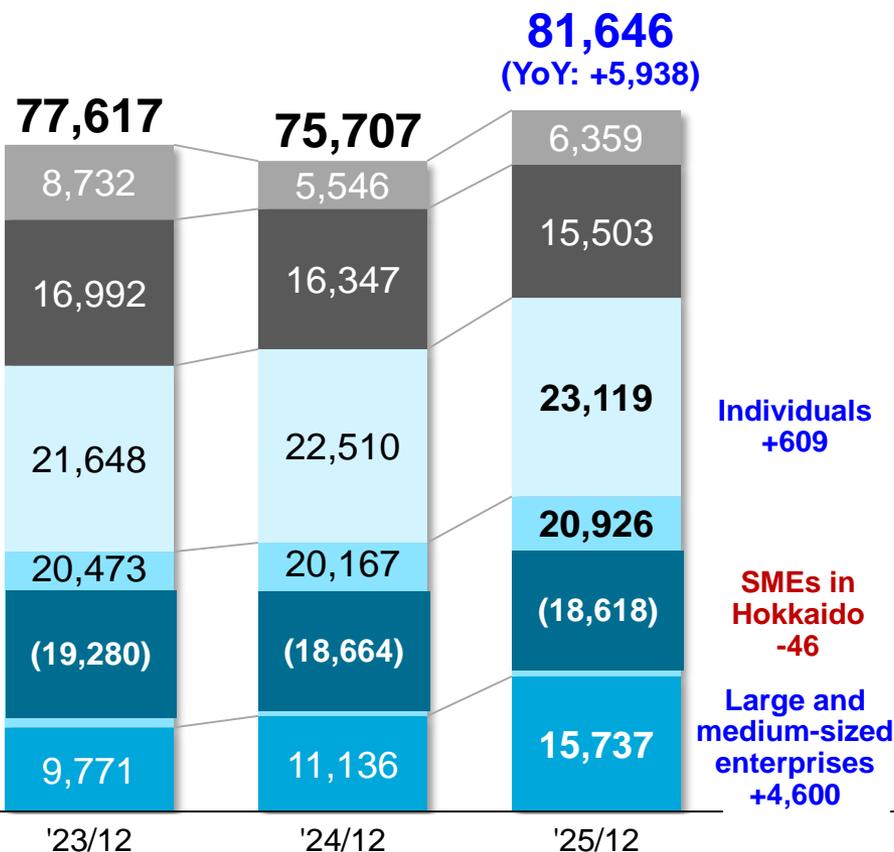


4 Loans and bills discounted

Loan balances increased primarily for large and medium-sized enterprises; Loans to small and medium-sized enterprises within the prefecture showed a year-on-year increase based on year-end balances.

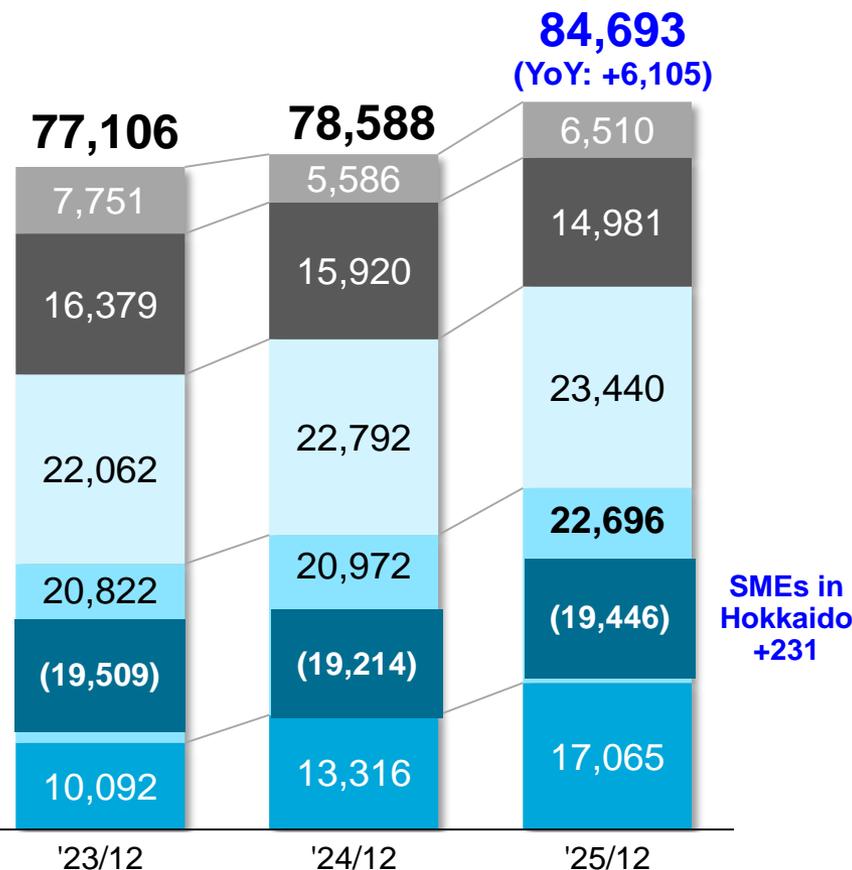
Average balance of loans

(¥100 million)



Outstanding Balance of loans

(¥100 million)



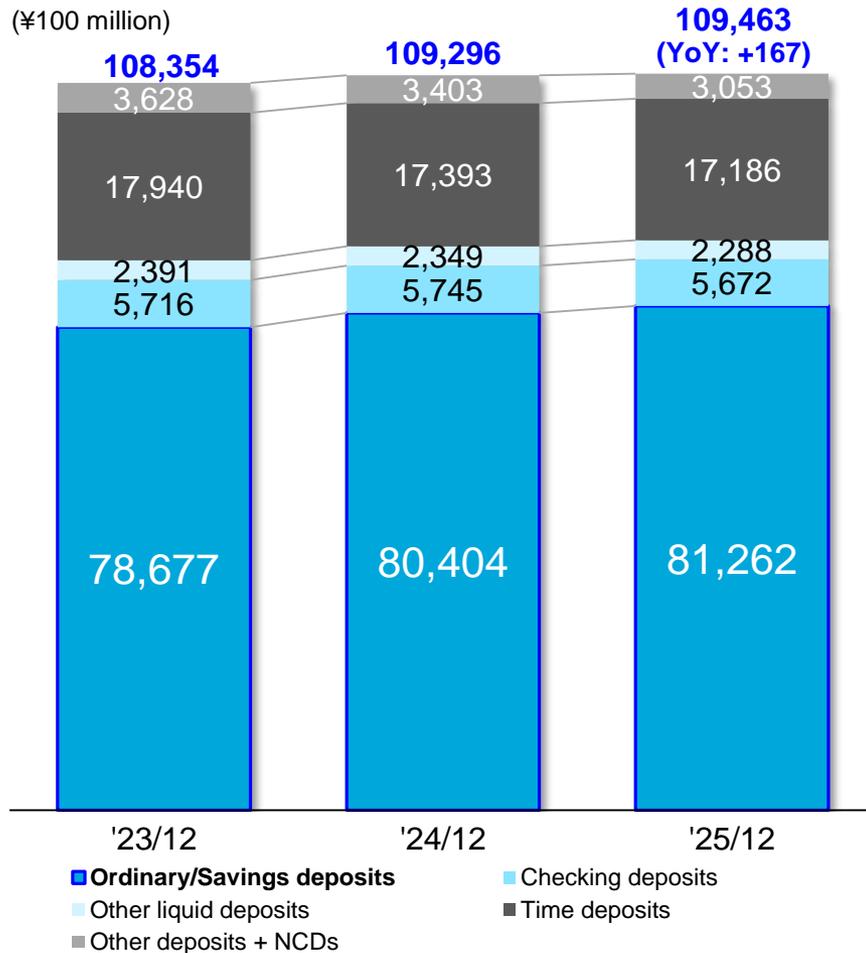
■ To large and medium-sized enterprises
■ To SMEs, etc.
■ To individuals
■ To local public entities, etc.
■ To government entities (Ministry of Finance)
■ (To SMEs in Hokkaido)

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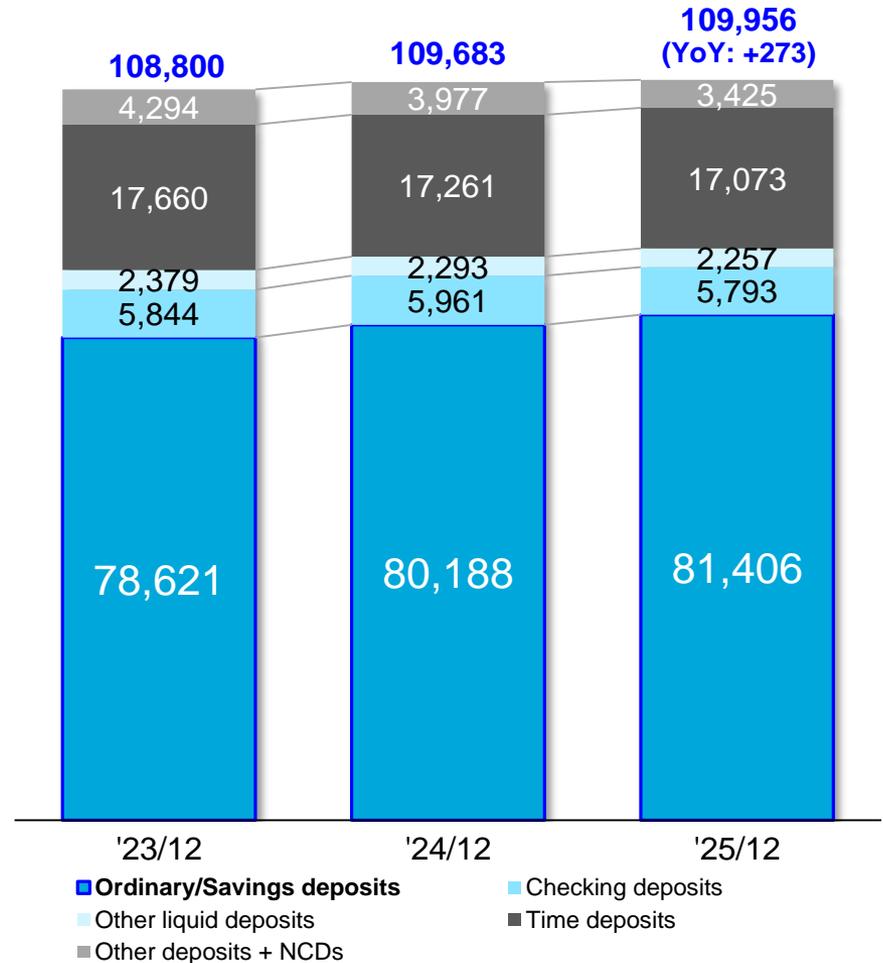
5 Deposits

Deposits increased on both the average balance and end-of-period basis.

Average balance of deposits by type



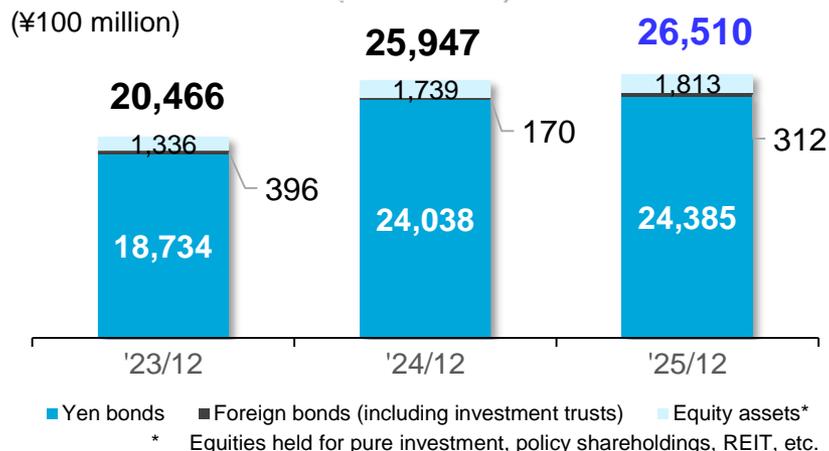
Outstanding Balance of deposits by type



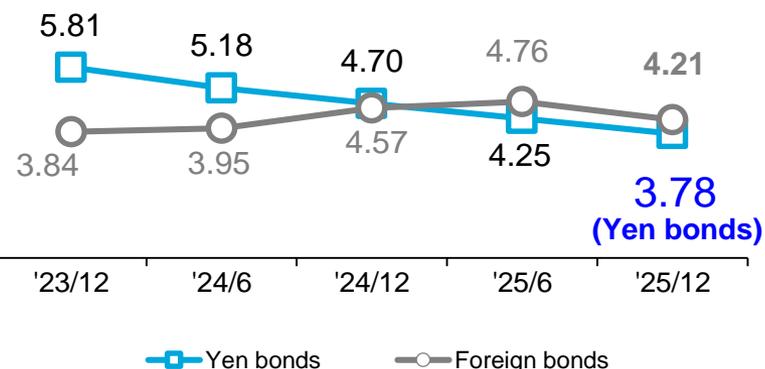
6 Securities investment

Bond valuation losses widened, resulting in negative valuation gains/losses, though the amount was minimal. Duration shortened further.

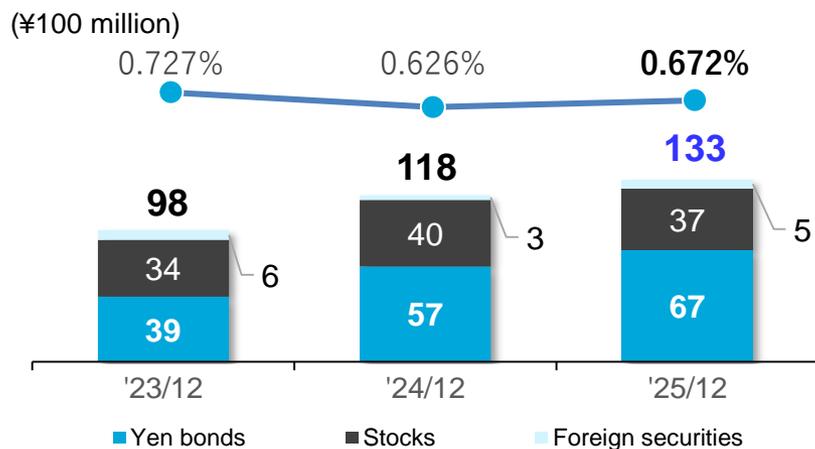
Outstanding balance of securities (Book value)



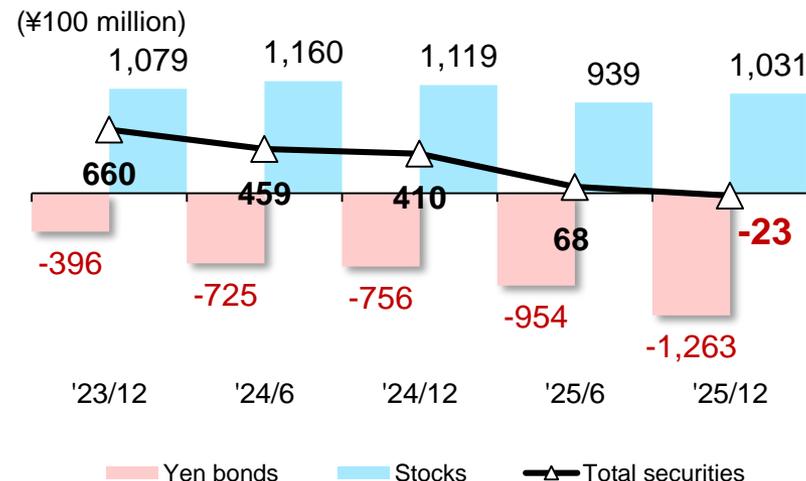
Bond duration (years)



Dividends/yields on securities



Unrealized gains (losses) on securities

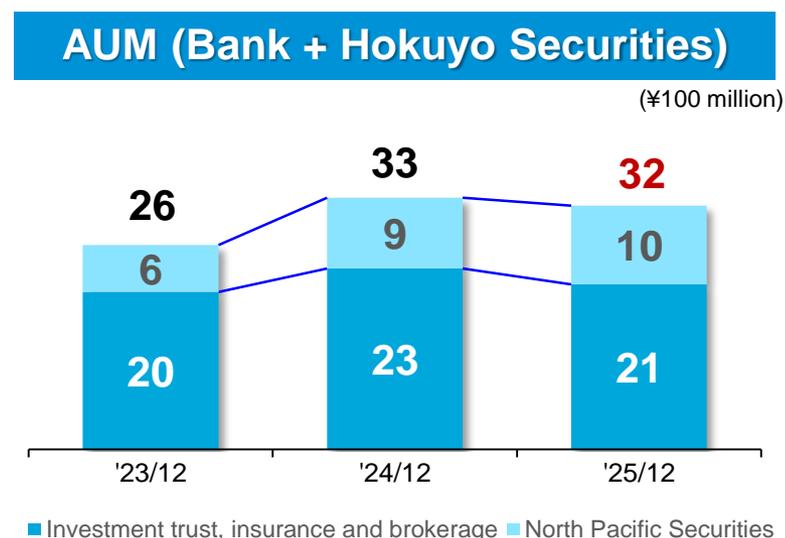
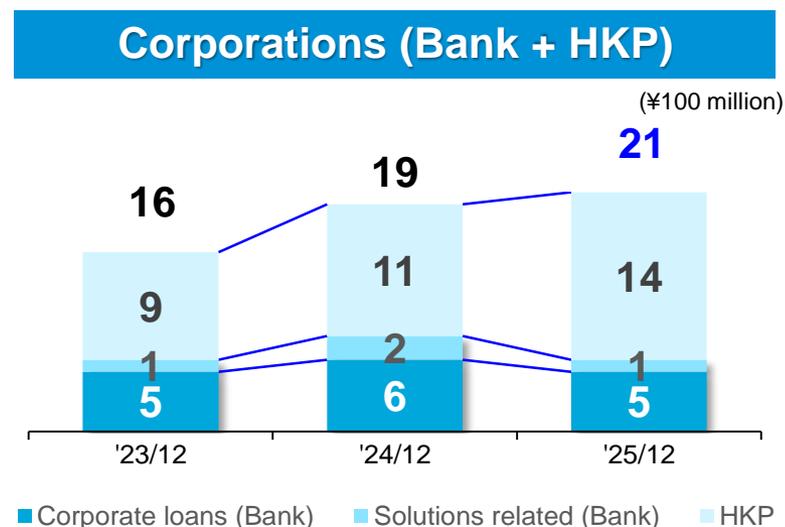


7 Net fees and commissions

Corporate-related business progressed steadily, but assets under custody remained sluggish due to market conditions.

Overall performance was on par with the previous year.

[Consolidated] (¥100 million)	'24/12 results	'25/12 results	YoY
Corporation-related	19	21	+1
Corporate loans	6	5	-0
Solutions related	2	1	-0
HKP* <small>* Hokkaido Kyoso Partners Co., Ltd.</small>	11	14	+2
AUM-related	33	32	-0
Investment trust/insurance	22	20	-1
Financial instrument brokerage	1	1	+0
North Pacific Securities	9	10	+0
Danshin insurance premiums	-58	-59	-0
Foreign exchange fees	45	46	+0
Other subsidiaries (excl. HKP and Securities)	32	33	+0
Other	52	51	-1
Total	123	124	+0

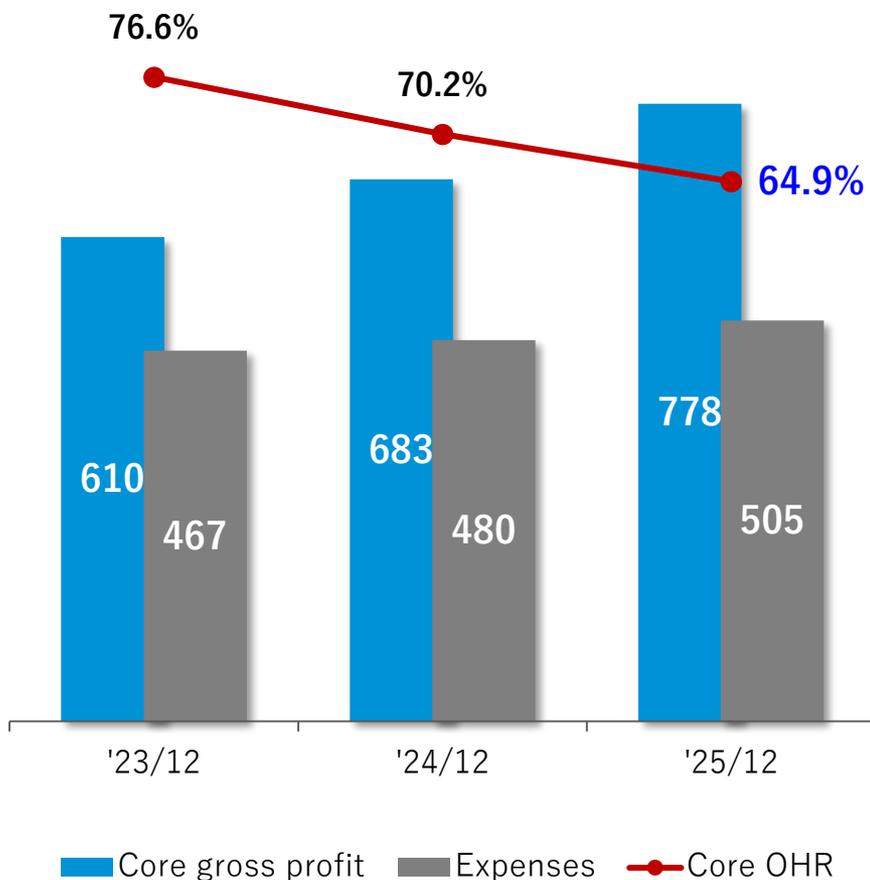


8 Expenses

Expenses increased, but core OHR continued to decline due to growth in top-line revenue

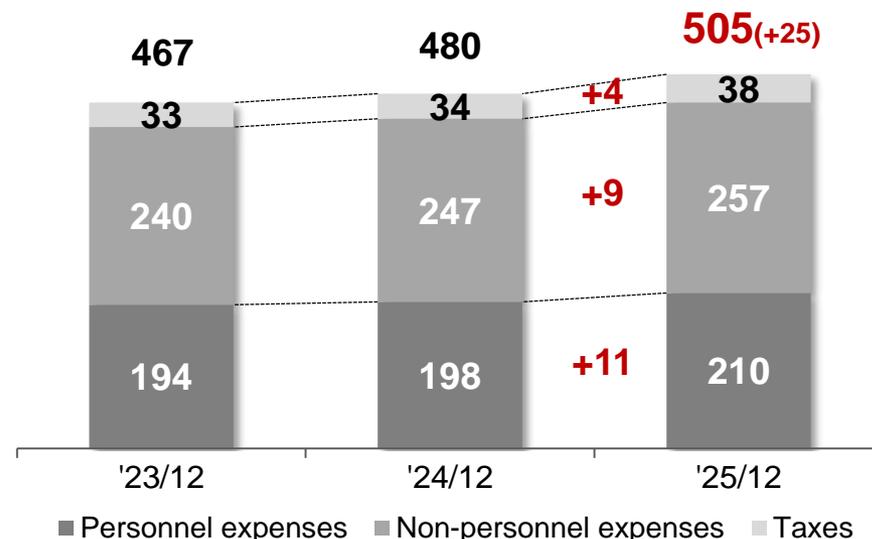
Expenses/core OHR

(¥100 million)



Expenses breakdown

(¥100 million)



[Main factors for YoY changes]

Personnel expenses +11

⇒ Increased due to base-pay increase and new personnel system

Non-personnel expenses +9

⇒ Outsourcing service expenses +3 (system usage fees, etc.)
 ⇒ Advertising expenses +1, amortization of movables/immovables +1, etc.

Taxes +4

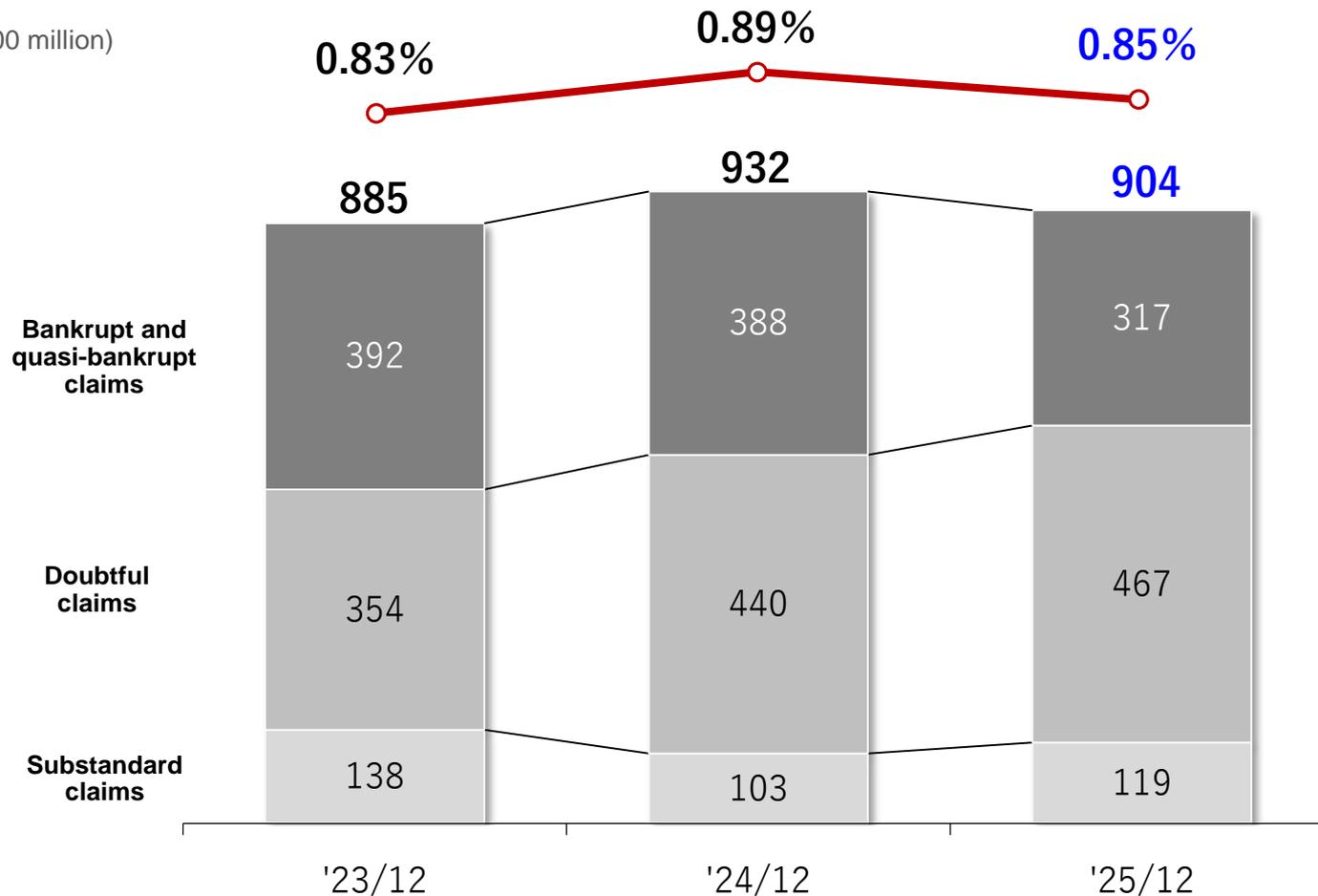
⇒ Increase in consumption tax due to acquisition of assets

9 Credit-related expenses and non-performing loans

The ratio of the disclosed claims to total credit exposure remained at a low level

Disclosed claims amount and ratio* [Non-consolidated]

(¥100 million)



* Percentage of disclosed claims to total credit provided after partial direct write-off

10 Forecast for the Fiscal Year Ending March 31, 2026

Core business profits remain strong due to increased funding income; bottom-line profits align with initial forecasts due to strategic yen bond loss-cutting.

[Non-consolidated] (¥100 million)	FY2025/3 results	FY2026/3 Initial	FY2026/3 revised
Core gross profit	934	1,013	1,079
Net interest income	795	894	945
Interest on loans and discounts	671	849	895
Interest on NCDs (-)	67	179	193
Interest and dividends on securities	151	169	197
Other cash flows	38	55	46
Net fees and commissions	121	108	113
Expenses (excluding non-recurring losses) (-)	643	678	687
Core operating profit	290	334	392
Credit costs (-)	30	40	40
Gains (losses) on securities	-13	23	-20
Ordinary profit	266	336	352
Profit	201	238	242

[Consolidated] (¥100 million)	FY2025/3 results	FY2026/3 initial	FY2026/3 revised
Consolidated core gross profit	1,004	1,090	1,157
Ordinary profit	280	348	362
Profit attributable to owners of parent	206	243	243

Key Points for Revision

[] Initial Change from Forecast (Unit: 100 million yen)

Figures in brackets represent YoY change (¥100 millions)

Profit-enhancing factors

- (1) Increase in lending volume, mainly to corporations [+21]
- (2) Improvement in loan yields [+24]
- (3) Increase in gain on investments in securities [+27]

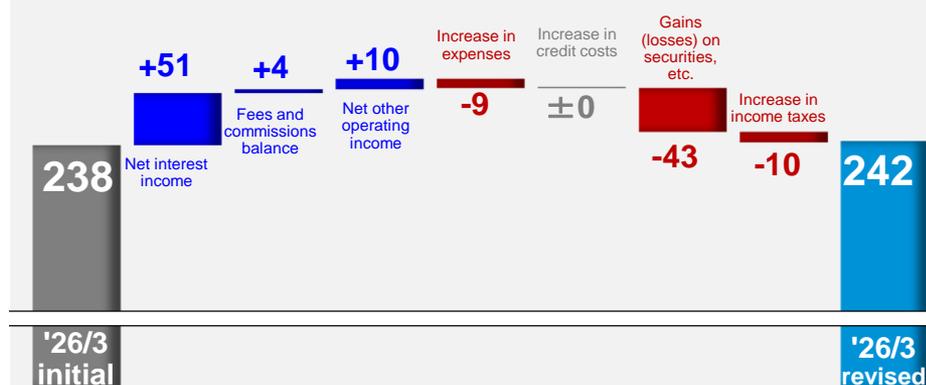
Profit-cutting factors

- (1) Increase in interest expenses on deposits [-13]
- (2) Increase in personnel expenses [-9]
- (3) Recognition of losses on securities due to strategic yen bond loss-cutting measures aimed at future profit improvement [-43]

Factors for changes in profit

(Compared to initial earnings forecast)

(¥100 million)



11 Shareholder returns

Dividend payout ratio of 40% or more, treasury share repurchase totaling ¥2.4 billion

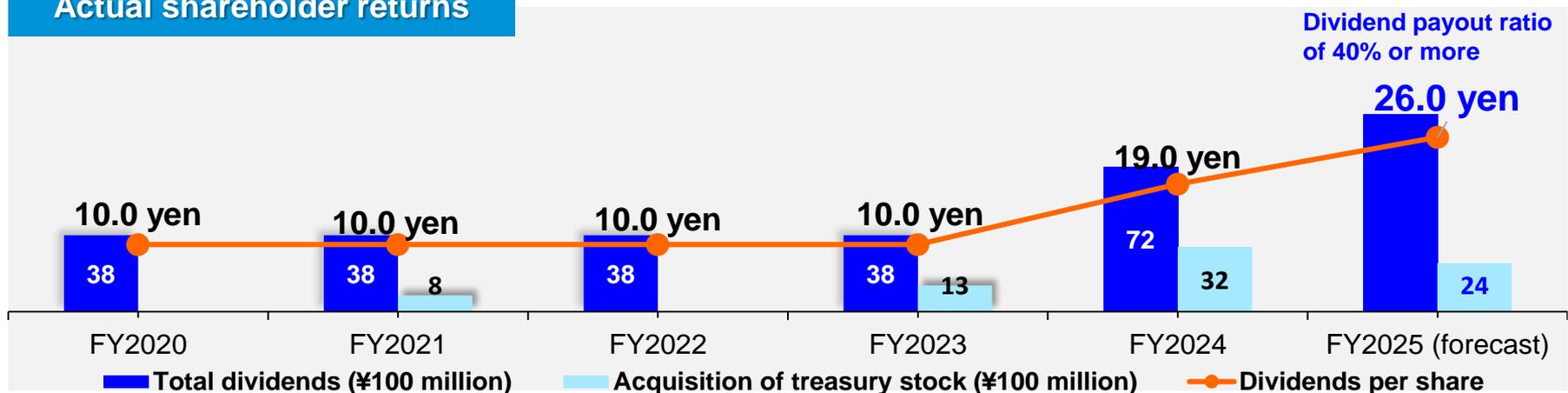
Cash dividends Forecast

First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	First quarter-end
6.50 yen	6.50 yen	6.50 yen	6.50 yen	26.00 yen
As initially predicted				

Purchase of Treasury Share

Total number of shares to be acquired	3,200,000 shares (upper limit)
Total amount of share acquisition costs	¥2,400,000,000 (upper limit)
Acquisition period	From February 13, 2026 to March 31, 2026

Actual shareholder returns



12 Direction of the next Medium-term Business Plan

- Positioning of the plan -

Management philosophy

Taking a thorough customer-oriented approach, striving to solve diverse challenges, and exploring the future of Hokkaido



Long-term vision and mission

Making Hokkaido Japan's No. 1 in Both Attractiveness and Happiness

1

Aim to become the No. 1 regional bank group in employee satisfaction, thereby enhancing the quality and speed of our services

2

Lead growth unique to Hokkaido by promoting the sustainable use of Hokkaido's rich natural environment while preserving it

3

Dedicate our full management resources to realizing Hokkaido's potential

4

Are fully committed to sharing happiness with the people of Hokkaido through asset-building support

Five pillars of overall strategy

2 3

Hokkaido-based strategy

Maintain clear commitment to Hokkaido, supporting growth unique to the region

2 4

Full digital transformation (DX) strategy

Ensure we pursue basic application functions and combine real channels

2 4

Loyalty improvement strategy

Combine a sense of specialty with community-oriented approach
Provide a customer journey process

2 3

Non-financial diversification strategy

Not only finance, but also search for any business that leads to the development of Hokkaido and the happiness of the people of Hokkaido

1

Human resources and organizational transformation strategy

Build a foundation of a culture that takes on challenges
Strengthen organizational capacity to support the key four strategies

Each strategy is associated with one of the four missions (the numbering indicates the corresponding mission)



First 3 years of 10

Next Medium-Term Business Plan

12 Direction of the next Medium-term Business Plan

- Target ROE index -

Target ROE index under the next medium-term business plan is 10% or higher

December 4, 2025 27th Information Meeting Materials (Reprinted)



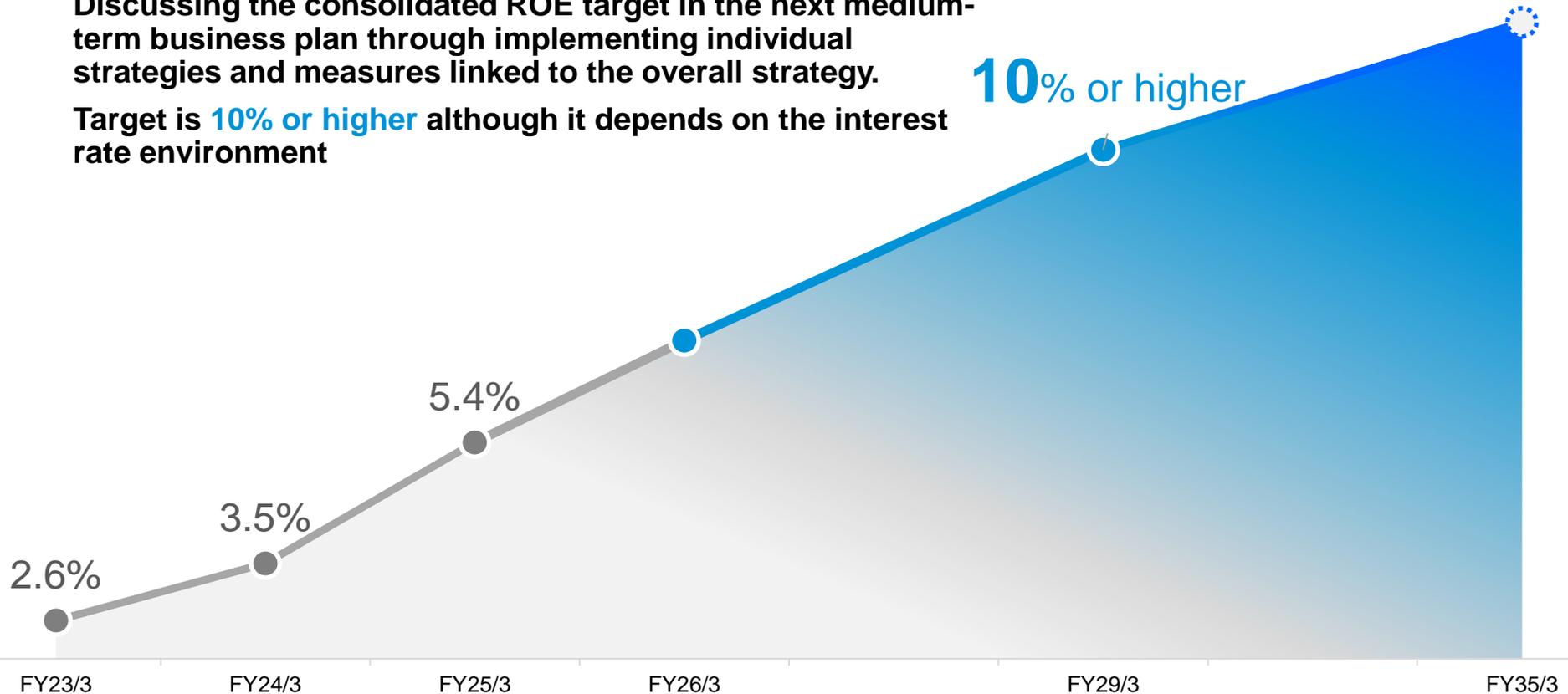
Target level of consolidated ROE*

To further improve

Discussing the consolidated ROE target in the next medium-term business plan through implementing individual strategies and measures linked to the overall strategy.

Target is 10% or higher although it depends on the interest rate environment

10% or higher



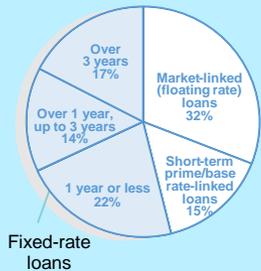
* Shareholders' equity basis

(Appendix) Impact of rising interest rates

If the policy interest rate rises by 0.25% going forward, it is estimated to have a positive impact of approximately ¥4 billion on net interest income.

BS summary (as of December 31, 2025)

Loans and bills discounted
Approx. 8.4 trillion yen

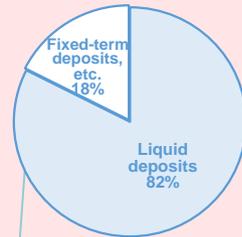


Fixed-rate loans

Securities
Approx. 2.7 trillion yen

Bank of Japan current accounts
Approx. 1.6 trillion yen

Deposits
Approx. 11.0 trillion yen



Of liquid deposits, non-interest bearing deposits account for 1.7 trillion yen

Fund-raising through BOJ bond repos, etc.
Approx. 1.5 trillion yen

If the policy interest rate rises by 0.25%

Impact on Net interest income (Annual Basis)

Total +4 billion yen

Interest on loans and discounts
+11.3 billion yen

Others
+1.2 billion yen

Interest on deposits & NCDs
-8.5 billion yen

<Assumptions>

- Only the impact of interest rates is estimated on the assumption that the investment-funding balance at December 31, 2025, remains unchanged.
- *For fund-raising through the BOJ, considered the impact of a decrease in the outstanding balance following the termination of the Loan Support Program. Climate change operation assumes refinancing the same amount.
- The follow-through rate of each asset is estimated based on the actual result at the time of the most recent policy rate hike. (Liquid deposits follow-through rate: 40%, lending follow-through rate: 100%)

Steady progress in dialogue toward the formulation of the next reduction plan by the end of FY 2025

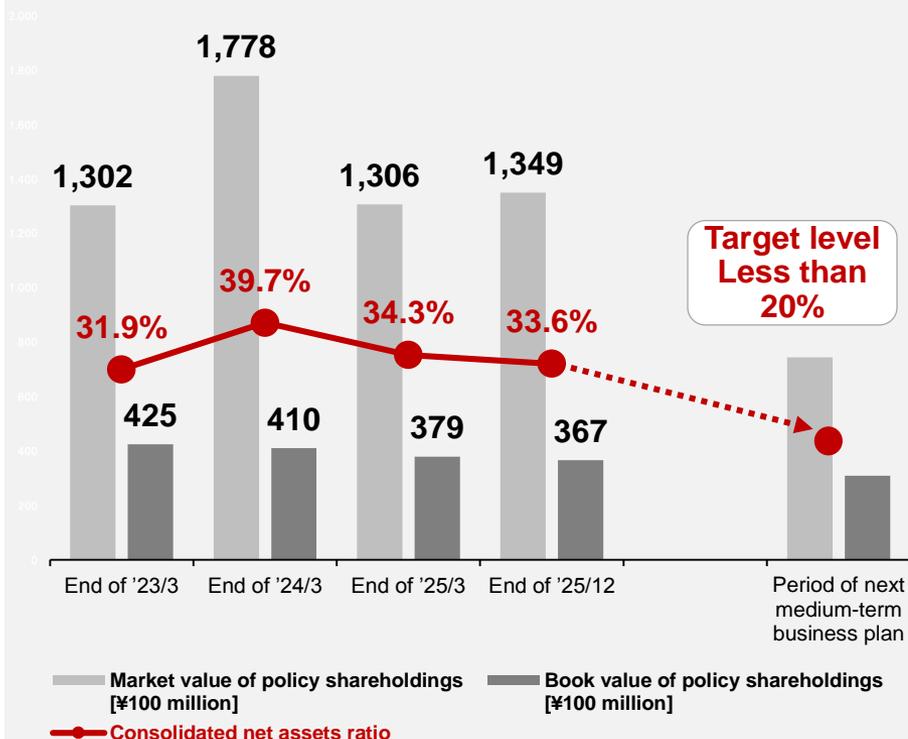
Reduction of policy shareholdings

[Current reduction plan]

Reduce book value by 5 billion yen by the end of '26/3 (vs. the end of '23/3)
Reduce book value by 5.1 billion yen by the end of '25/7

➤ Target achieved

[Period of current reduction plan] ➤ To a new reduction plan



Progress of formulation of the next reduction plan

- Hold dialogue with all companies, including those headquartered in Hokkaido, with the aim of formulating a plan to reduce the consolidated net assets ratio to below 20% during the period of the next Medium-Term Business Plan.

[Summary of dialogue results]

Target companies	Positive response	Continue dialogue
46 companies	21 companies	25 companies

- As a result of dialogue, received positive responses from 21 parties and made steady progress. Will work to reach an agreement on specific sales schedule and amount and proceed with formulating the reduction plan for the next fiscal year. Will continue regular dialogue with the remaining 25 parties.
- Gain on sale will be allocated to replacing low-yield bonds and for investments and loans for growth. We aim to achieve a sustained ROE of 10% or higher and a PBR of 1x or higher at an early stage to enhance shareholder value.
- Reduced amount of risk associated with the sale and cash inflows will be appropriated to invest in and finance small and medium-sized enterprises in Hokkaido and new industries (semiconductor, GX, etc.), and the remainder will be used to restructure our securities portfolio.

North Pacific Bank, Ltd.

**Briefing Materials for Small Meeting for the Nine Months
Ended December 31, 2025 (2025/4/1 – 2025/12/31)**

February 17, 2026

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