

Financial Summary  
Third Quarter (Nine Months) ended December 31, 2014



February 6, 2015  
**NORTH PACIFIC BANK, LTD.**

Tokyo Stock Exchange First Section, Sapporo Securities Exchange: 8524

## 1. Income Summary (Non-Consolidated)

(¥ billions)

	Nine months ended Dec.31,		Increase/ (Decrease)
	2013	2014	
Ordinary income	170.3	89.4	( 80.8)
Core gross profit	125.1	71.0	( 54.0)
Net interest income	112.8	58.1	( 54.7)
Net fees and commissions	11.3	12.0	0.7
Net other operating income (excluding gains (losses) on bonds)	0.9	0.8	( 0.1)
Expenses (excluding non-recurring losses)	55.6	56.8	1.2
Core operating profit	69.5	14.2	( 55.3)
Credit cost	2.7	( 2.4)	( 5.2)
Gains (losses) on securities	29.9	2.0	( 27.8)
Net other non-recurring income (loss)	( 4.3)	1.4	5.8
Ordinary profit	92.3	20.2	( 72.0)
Net income	87.2	13.6	( 73.6)

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)

Gains (losses) on securities=Gains (losses) on bonds +Gains (losses) on stocks

## 2. Deposits, Loans and Securities (Non-Consolidated)

(¥ billions)

	As of Dec.31,		Increase/ (Decrease)
	2013	2014	
Deposits	7,208	7,492	283
Deposit assets	461	438	( 23)
Safe custody of public bonds	312	253	( 59)
Investment trusts	148	185	36
Total	7,670	7,931	260
Individual annuity insurance, etc.	394	460	66
Loans and bills discounted	5,438	5,539	100
SMEs	3,342	3,393	51
Individual clients	1,623	1,629	6
Securities	1,421	1,746	325

Deposits include negotiable certificates of deposits.

### 3. Unrealized Gains (Losses) on Securities (Non-Consolidated)

(¥ billions)

	As of Sep.30, 2014	As of Dec.31, 2014	Increase/ (Decrease)
Unrealized gains (losses) on securities	72	85	13
Stocks	50	56	5
Bonds	20	26	6
Others	0	2	1

< Reference >

Nikkei stock average (¥)	16,173	17,450
New 10-year government bond yield (%)	0.525	0.330

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

(¥ billions,%)

	As of Dec.31,		Increase/ (Decrease)
	2013	2014	
Bankrupt and quasi-bankrupt assets	60	52	( 7)
Doubtful assets	65	61	( 3)
Substandard loans	25	21	( 4)
Problem assets based on the Financial Revitalization Law	151	136	( 15)
Percentage of total credit provided	2.71	2.39	( 0.32)
* After partial direct write-offs	108	98	( 10)
Percentage of total credit provided	1.95	1.73	( 0.22)

\* Partial direct write-offs have not been implemented.

The figures as they would appear after partial direct write-offs are shown for reference.

### Consolidated Balance Sheets

(¥ millions)

	As of Mar.31, 2014	As of Dec.31, 2014
<b>ASSETS</b>		
Cash and due from banks	486,243	<b>561,060</b>
Call loans and bills purchased	22,658	<b>2,073</b>
Other debt purchased	12,060	<b>14,781</b>
Trading account securities	5,955	<b>5,215</b>
Securities	1,561,854	<b>1,746,924</b>
Loans and bills discounted	5,572,012	<b>5,488,218</b>
Foreign exchanges	2,202	<b>2,622</b>
Lease receivables and investment assets	46,178	<b>44,259</b>
Other assets	83,064	<b>91,948</b>
Tangible fixed assets	92,460	<b>92,223</b>
Intangible fixed assets	14,157	<b>12,395</b>
Deferred tax assets	11,952	<b>647</b>
Customers' liabilities for acceptances and guarantees	53,170	<b>58,409</b>
Allowance for loan losses	( 76,401)	<b>( 65,760)</b>
<b>Total assets</b>	<b>7,887,568</b>	<b>8,055,019</b>

## Consolidated Balance Sheets

(¥ millions)

	As of Mar.31, 2014	As of Dec.31, 2014
<b>LIABILITIES</b>		
Deposits	7,233,033	7,203,216
Negotiable certificates of deposit	96,787	267,911
Borrowed money	107,803	85,818
Foreign exchanges	16	28
Other liabilities	59,125	70,772
Reserve for bonus payments	1,635	467
Net defined benefit liability	3,896	1,506
Reserve for reimbursement of deposits	1,652	1,652
Reserve for point card certificates	297	322
Deferred tax liabilities	88	4,216
Deferred tax liabilities for land revaluation	3,512	3,493
Acceptances and guarantees	53,170	58,409
<b>Total liabilities</b>	<b>7,561,020</b>	<b>7,697,816</b>
<b>NET ASSETS</b>		
Capital stock	121,101	121,101
Capital surplus	72,328	72,328
Retained earnings	82,834	95,789
Treasury stock	( 0)	( 0)
<b>Total shareholders' equity</b>	<b>276,263</b>	<b>289,218</b>
Valuation difference on available-for-sale securities	40,883	58,100
Deferred gains or losses on hedges	( 95)	( 29)
Revaluation reserve for land	5,752	5,722
Remeasurements of defined benefit plans	138	12
<b>Total accumulated other comprehensive income</b>	<b>46,677</b>	<b>63,806</b>
Minority interests	3,607	4,179
<b>Total net assets</b>	<b>326,548</b>	<b>357,203</b>
<b>Total liabilities and net assets</b>	<b>7,887,568</b>	<b>8,055,019</b>

## Consolidated Statements of Income (Summary)

(¥ millions)

	Nine months ended Dec.31,	
	2013	<b>2014</b>
Ordinary income	192,672	<b>111,031</b>
Interest income	116,565	<b>61,017</b>
Interest on loans and discounts	55,547	<b>52,549</b>
Interest and dividends on securities	60,407	<b>7,939</b>
Fees and commissions	21,906	<b>22,271</b>
Other operating income	44,037	<b>22,783</b>
Other income	10,163	<b>4,958</b>
Ordinary expenses	98,498	<b>89,096</b>
Interest expenses	3,992	<b>3,168</b>
Interest on deposits	1,380	<b>1,296</b>
Fees and commissions payments	7,584	<b>7,376</b>
Other operating expenses	20,103	<b>18,838</b>
General and administrative expenses	58,528	<b>58,035</b>
Other expenses	8,290	<b>1,677</b>
Ordinary profit	94,174	<b>21,935</b>
Extraordinary income	72	<b>99</b>
Extraordinary loss	1,031	<b>605</b>
Income before income taxes	93,214	<b>21,429</b>
Income taxes:		
Current	724	<b>1,481</b>
Deferred	4,189	<b>5,286</b>
Total income taxes	4,914	<b>6,768</b>
Income before minority interests	88,300	<b>14,660</b>
Minority interests in income	379	<b>387</b>
Net income	87,920	<b>14,273</b>

(¥)

	Nine months ended Dec.31,	
	2013	<b>2014</b>
EPS	219.22	<b>35.78</b>
Diluted EPS	135.49	—