

Financial Summary
Year ended March 31,2019



May 14, 2019
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, 2018	As of Mar. 31, 2019
Assets	資産の部		
Cash and due from banks	現金預け金	1,409,341	1,614,911
Call loans and bills bought	コールローン及び買入手形	2,681	858
Monetary claims bought	買入金銭債権	14,481	13,572
Trading account securities	商品有価証券	4,345	4,321
Securities	有価証券	1,489,802	1,265,106
Loans and bills discounted	貸出金	6,251,728	6,518,080
Foreign exchanges	外国為替	7,399	9,347
Lease receivables and investment assets	リース債権及びリース投資資産	49,490	51,506
Other assets	その他資産	158,667	167,298
Property, plant and equipment	有形固定資産	88,412	87,115
Buildings, net	建物	36,978	36,191
Land	土地	37,741	37,314
Leased assets, net	リース資産	2,632	2,482
Construction in progress	建設仮勘定	1,607	1,406
Other, net	その他の有形固定資産	9,452	9,720
Intangible assets	無形固定資産	8,786	8,579
Software	ソフトウェア	8,278	8,093
Other	その他の無形固定資産	507	485
Net defined benefit asset	退職給付に係る資産	75	—
Deferred tax assets	繰延税金資産	273	631
Customers' liabilities for acceptances and guarantees	支払承諾見返	52,801	52,241
Allowance for loan losses	貸倒引当金	(37,778)	(33,795)
Total assets	資産の部合計	9,500,510	9,759,776
Liabilities	負債の部		
Deposits	預金	8,344,356	8,596,305
Negotiable certificates of deposit	譲渡性預金	77,667	74,818
Payables under repurchase agreements	売現先勘定	31,064	—
Payables under securities lending transactions	債券貸借取引受入担保金	145,169	118,320
Borrowed money	借入金	328,848	405,955
Foreign exchanges	外国為替	125	414
Other liabilities	その他負債	52,122	59,103
Provision for bonuses	賞与引当金	1,828	1,751
Provision for share-based remuneration	株式給付引当金	—	71
Net defined benefit liability	退職給付に係る負債	228	409
Provision for reimbursement of deposits	睡眠預金払戻損失引当金	1,976	2,278
Provision for point card certificates	ポイント引当金	384	431
Reserves under special laws	特別法上の引当金	—	19
Deferred tax liabilities	繰延税金負債	30,347	24,016
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	2,643	2,576
Acceptances and guarantees	支払承諾	52,801	52,241
Total liabilities	負債の部合計	9,069,565	9,338,715

(¥ millions)

		As of Mar. 31, 2018	As of Mar. 31, 2019
Net assets	純資産の部		
Capital stock	資本金	121,101	121,101
Capital surplus	資本剰余金	72,367	72,485
Retained earnings	利益剰余金	133,386	143,718
Treasury shares	自己株式	(0)	(1,260)
Total shareholders' equity	株主資本合計	326,854	336,044
Valuation difference on available-for-sale securities	その他有価証券評価差額金	92,193	74,151
Revaluation reserve for land	土地再評価差額金	5,380	5,229
Remeasurements of defined benefit plans	退職給付に係る調整累計額	387	(127)
Total accumulated other comprehensive income	その他の包括利益累計額合計	97,960	79,253
Share acquisition rights	新株予約権	128	106
Non-controlling interests	非支配株主持分	6,001	5,657
Total net assets	純資産の部合計	430,945	421,061
Total liabilities and net assets	負債及び純資産の部合計	9,500,510	9,759,776

2. Consolidated Statements of Income and Comprehensive Income

(1) Consolidated Statements of Income

(¥ millions)

		Year ended Mar. 31,	
		2018	2019
Ordinary income	経常収益	143,611	138,362
Interest income	資金運用収益	76,218	70,644
Interest on loans and discounts	貸出金利息	62,013	59,761
Interest and dividends on securities	有価証券利息配当金	13,528	10,246
Interest on call loans and bills bought	コールローン利息及び買入手形利息	17	(13)
Interest on deposits with banks	預け金利息	429	428
Other interest income	その他の受入利息	229	221
Fees and commissions	役務取引等収益	28,898	29,290
Other ordinary income	その他業務収益	29,696	31,675
Other income	その他経常収益	8,798	6,752
Recoveries of written off claims	償却債権取立益	2	1
Other	その他の経常収益	8,795	6,750
Ordinary expenses	経常費用	128,467	118,558
Interest expenses	資金調達費用	4,083	2,834
Interest on deposits	預金利息	471	410
Interest on negotiable certificates of deposit	譲渡性預金利息	67	41
Interest on call money and bills sold	コールマネー利息及び売渡手形利息	6	(2)
Interest on payables under repurchase agreements	売現先利息	346	301
Interest on payables under securities lending transactions	債券貸借取引支払利息	1,380	302
Interest on borrowings and rediscounts	借入金利息	1,805	1,777
Other interest expenses	その他の支払利息	4	3
Fees and commissions payments	役務取引等費用	10,767	10,694
Other ordinary expenses	その他業務費用	31,733	28,985
General and administrative expenses	営業経費	74,488	71,452
Other expenses	その他経常費用	7,394	4,591
Provision of allowance for loan losses	貸倒引当金繰入額	4,931	1,079
Other	その他の経常費用	2,463	3,512
Ordinary profit	経常利益	15,143	19,804
Extraordinary income	特別利益	398	605
Gain on disposal of non-current assets	固定資産処分益	398	22
Gain on bargain purchase	負ののれん発生益	—	550
Gain on step acquisitions	段階取得に係る差益	—	33
Extraordinary losses	特別損失	453	478
Loss on disposal of non-current assets	固定資産処分損	195	226
Impairment loss	減損損失	258	252
Profit before income taxes	税金等調整前当期純利益	15,087	19,931
Income taxes – current	法人税、住民税及び事業税	1,188	3,990
Income taxes – deferred	法人税等調整額	715	1,498
Total income taxes	法人税等合計	1,904	5,489
Profit	当期純利益	13,183	14,441
Profit(loss) attributable to non-controlling interests	非支配株主に帰属する当期純利益又は非支配株主に帰属する当期純損失(△)	(503)	300
Profit attributable to owners of parent	親会社株主に帰属する当期純利益	13,686	14,141

(2) Consolidated Statements of Comprehensive Income

(¥ millions)

		Year ended Mar. 31,	
		2018	2019
Profit	当期純利益	13,183	14,441
Other comprehensive income	その他の包括利益	13,887	(19,004)
Valuation difference on available-for-sale securities	その他有価証券評価差額金	13,372	(18,490)
Remeasurements of defined benefit plans, net of tax	退職給付に係る調整額	515	(514)
Comprehensive income	包括利益	27,070	(4,563)
Comprehensive income attributable to owners of parent	親会社株主に係る包括利益	27,050	(4,414)
Comprehensive income attributable to non-controlling interests	非支配株主に係る包括利益	20	(148)

3. Non-Consolidated Balance Sheets

(¥ millions)

		As of Mar. 31, 2018	As of Mar. 31, 2019
Assets	資産の部		
Cash and due from banks	現金預け金	1,408,901	1,614,456
Cash	現金	90,275	92,508
Due from banks	預け金	1,318,626	1,521,948
Call loans	コールローン	2,681	858
Monetary claims bought	買入金銭債権	14,481	13,572
Trading account securities	商品有価証券	4,345	4,321
Trading government bonds	商品国債	1,258	1,215
Trading local government bonds	商品地方債	3,087	3,105
Securities	有価証券	1,485,806	1,265,524
Government bonds	国債	506,679	360,000
Local government bonds	地方債	294,877	323,649
Short-term corporate bonds	短期社債	1,999	1,999
Corporate bonds	社債	335,370	331,152
Stocks	株式	164,120	141,419
Other securities	その他の証券	182,758	107,302
Loans and bills discounted	貸出金	6,309,356	6,577,293
Bills discounted	割引手形	25,839	23,284
Loans on bills	手形貸付	226,658	234,323
Loans on deeds	証書貸付	5,365,904	5,637,676
Overdrafts	当座貸越	690,953	682,008
Foreign exchanges	外国為替	7,399	9,347
Due from foreign banks (our accounts)	外国他店預け	7,168	9,247
Foreign bills bought	買入外国為替	212	76
Foreign bills receivable	取立外国為替	18	23
Other assets	その他資産	124,242	129,801
Domestic exchange settlement account, debit	未決済為替貸	—	679
Prepaid expenses	前払費用	53	147
Accrued income	未収収益	5,983	5,245
Derivatives other than for trading – assets	金融派生商品	12,582	12,101
Cash collateral paid for financial instruments	金融商品等差入担保金	4,262	8,369
Other	その他の資産	101,360	103,257
Property, plant and equipment	有形固定資産	87,214	85,947
Buildings, net	建物	36,959	36,073
Land	土地	37,741	37,309
Leased assets, net	リース資産	4,682	4,750
Construction in progress	建設仮勘定	1,607	1,406
Other, net	その他の有形固定資産	6,222	6,408
Intangible assets	無形固定資産	8,559	8,417
Software	ソフトウェア	8,133	7,994
Other	その他の無形固定資産	426	422
Prepaid pension cost	前払年金費用	—	198
Customers' liabilities for acceptances and guarantees	支払承諾見返	52,801	52,241
Allowance for loan losses	貸倒引当金	(30,247)	(26,088)
Total assets	資産の部合計	9,475,544	9,735,893

(¥ millions)

		As of Mar. 31, 2018	As of Mar. 31, 2019
Liabilities	負債の部		
Deposits	預金	8,350,902	8,603,439
Current deposits	当座預金	428,656	441,276
Ordinary deposits	普通預金	5,575,084	5,838,515
Saving deposits	貯蓄預金	207,670	207,691
Deposits at notice	通知預金	12,300	9,840
Time deposits	定期預金	2,008,431	1,972,522
Installment savings	定期積金	69	18
Other deposits	その他の預金	118,689	133,573
Negotiable certificates of deposit	譲渡性預金	88,967	88,172
Payables under repurchase agreements	売現先勘定	31,064	—
Payables under securities lending transactions	債券貸借取引受入担保金	145,169	118,320
Borrowed money	借用金	320,314	397,745
Borrowings from other banks	借入金	320,314	397,745
Foreign exchanges	外国為替	125	414
Foreign bills payable	未払外国為替	125	414
Other liabilities	その他負債	35,102	39,635
Domestic exchange settlement account, credit	未決済為替借	—	811
Income taxes payable	未払法人税等	496	3,405
Accrued expenses	未払費用	2,232	2,079
Unearned revenue	前受収益	3,170	3,018
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	6,729	7,669
Cash collateral received for financial instruments	金融商品等受入担保金	1,413	577
Lease obligations	リース債務	4,682	4,750
Other	その他の負債	16,378	17,322
Provision for bonuses	賞与引当金	1,613	1,533
Provision for share-based remuneration	株式給付引当金	—	71
Provision for retirement benefits	退職給付引当金	479	141
Provision for reimbursement of deposits	睡眠預金払戻損失引当金	1,976	2,278
Provision for point card certificates	ポイント引当金	375	422
Deferred tax liabilities	繰延税金負債	29,326	23,421
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	2,643	2,576
Acceptances and guarantees	支払承諾	52,801	52,241
Total liabilities	負債の部合計	<u>9,060,863</u>	<u>9,330,414</u>
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	147,731	157,453
Legal retained earnings	利益準備金	4,861	5,654
Other retained earnings	その他利益剰余金	142,869	151,799
Reserve for advanced depreciation of non-current assets	固定資産圧縮積立金	1,042	1,042
Retained earnings brought forward	繰越利益剰余金	141,827	150,757
Treasury shares	自己株式	(60)	(1,265)
Total shareholders' equity	株主資本合計	<u>318,773</u>	<u>327,290</u>
Valuation difference on available-for-sale securities	その他有価証券評価差額金	90,397	72,853
Revaluation reserve for land	土地再評価差額金	5,380	5,229
Total valuation and translation adjustments	評価・換算差額等合計	<u>95,778</u>	<u>78,082</u>
Share acquisition rights	新株予約権	128	106
Total net assets	純資産の部合計	<u>414,680</u>	<u>405,478</u>
Total liabilities and net assets	負債及び純資産の部合計	<u>9,475,544</u>	<u>9,735,893</u>

4. Non-Consolidated Statements of Income

(¥ millions)

		Year ended Mar. 31,	
		2018	2019
Ordinary income	経常収益	114,906	108,975
Interest income	資金運用収益	76,807	70,910
Interest on loans and discounts	貸出金利息	62,226	59,956
Interest and dividends on securities	有価証券利息配当金	13,904	10,317
Interest on call loans	コールローン利息	17	(13)
Interest on deposits with banks	預け金利息	429	427
Other interest income	その他の受入利息	229	221
Fees and commissions	役務取引等収益	27,307	27,532
Fees and commissions on domestic and foreign exchanges	受入為替手数料	8,149	7,997
Other fees and commissions	その他の役務収益	19,157	19,535
Other ordinary income	その他業務収益	2,123	3,649
Gains on foreign exchange transactions	外国為替売買益	—	433
Gains on sales of bonds	国債等債券売却益	986	1,651
Gains on redemption of bonds	国債等債券償還益	—	62
Income from derivatives other than for trading or hedging	金融派生商品収益	1,137	1,502
Other	その他の業務収益	0	0
Other income	その他経常収益	8,667	6,882
Reversal of allowance for loan losses	貸倒引当金戻入益	—	195
Recoveries of written off claims	償却債権取立益	0	1
Gain on sales of stocks and other securities	株式等売却益	4,501	3,088
Other	その他の経常収益	4,165	3,597
Ordinary expenses	経常費用	98,824	89,675
Interest expenses	資金調達費用	4,047	2,797
Interest on deposits	預金利息	471	410
Interest on negotiable certificates of deposit	譲渡性預金利息	67	41
Interest on call money	コールマネー利息	6	(2)
Interest on payables under repurchase agreements	売戻先利息	346	301
Interest on payables under securities lending transactions	債券貸借取引支払利息	1,380	302
Interest on borrowings and rediscounts	借入金利息	1,769	1,740
Other interest expenses	その他の支払利息	4	3
Fees and commissions payments	役務取引等費用	12,526	12,908
Fees and commissions on domestic and foreign exchanges	支払為替手数料	1,277	1,273
Other fees and commissions	その他の役務費用	11,249	11,634
Other ordinary expenses	その他業務費用	5,685	2,404
Loss on foreign exchange transactions	外国為替売買損	666	—
Loss on trading account securities transactions	商品有価証券売買損	22	12
Loss on sales of bonds	国債等債券売却損	4,997	2,319
Loss on devaluation of bonds	国債等債券償却	—	72
General and administrative expenses	営業経費	72,559	68,904
Other expenses	その他経常費用	4,004	2,660
Provision of allowance for loan losses	貸倒引当金繰入額	2,218	—
Written-off of loans	貸出金償却	0	—
Losses on sales of stocks and other securities	株式等売却損	—	355
Losses on devaluation of stocks and other securities	株式等償却	6	23
Other	その他の経常費用	1,778	2,281
Ordinary profit	経常利益	16,082	19,299
Extraordinary income	特別利益	398	7
Gain on disposal of non-current assets	固定資産処分益	398	7
Extraordinary losses	特別損失	453	476
Loss on disposal of non-current assets	固定資産処分損	195	224
Impairment loss	減損損失	258	252
Income before income taxes	税引前当期純利益	16,026	18,830
Income taxes - current	法人税、住民税及び事業税	662	3,540
Income taxes - deferred	法人税等調整額	989	1,663
Total income taxes	法人税等合計	1,652	5,203
Net income	当期純利益	14,374	13,626

II . Digest of financial results for the year ended March 31, 2019

1. Summary (Non-Consolidated)

(¥ billions)

	Year ended Mar.31,		Increase/ (Decrease)	Performance Forecast (May 10,2018)	Change from forecast
	2018	2019			
Core gross profit	87.9	84.6	(3.3)	89.3	(4.6)
Core operating profit	15.6	15.2	(0.4)	18.0	(2.7)
Ordinary profit	16.0	19.2	3.2	20.5	(1.2)
Net income	14.3	13.6	(0.7)	13.5	0.1
Deposits and NCDs (Average balance)	8,259.8	8,500.5	240.6		
Loans and bills discounted (Average balance)	6,210.5	6,311.9	101.3		
Capital Adequacy Ratio (Domestic) (%)	12.97%	12.57%	(0.40%)		
ROE (%)	3.56%	3.32%	(0.24%)		

* NCDs = Negotiable certificates of deposit

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

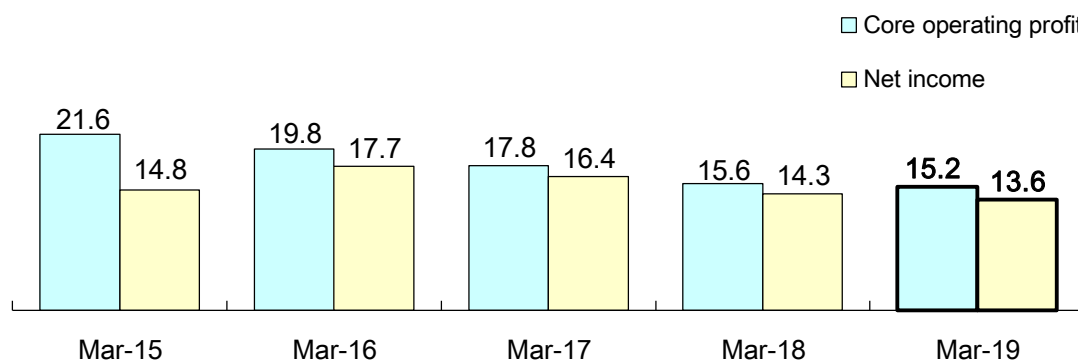
*Excluding share acquisition rights

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)

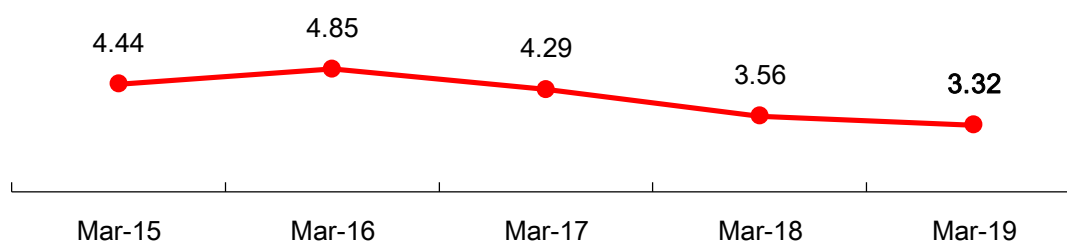
○ Core operating profit and Net income

(¥ billions)



○ ROE

(%)



2. Income Summary

【Non-Consolidated】

(¥ billions)

	Year ended Mar.31,		Increase/ (Decrease)
	2018	2019	
Core gross profit	87.9	84.6	(3.3)
Net interest income	72.7	68.1	(4.6)
Net fees and commissions	14.7	14.6	(0.1)
Net other operating income (excluding gains (losses) on bonds)	0.4	1.9	1.4
Expenses(excluding non-recurring losses)	72.3	69.4	(2.8)
Core OHR (%)	82.17%	81.98%	(0.19%)
Personnel	30.0	29.3	(0.7)
Facilities	37.1	35.3	(1.8)
Taxes	5.0	4.7	(0.2)
Core operating profit	15.6	15.2	(0.4)
Credit cost	2.5	0.3	(2.2)
Gains (losses) on securities	0.4	2.0	1.5
Net other non-recurring income (loss) (including gains (losses) on money held in trust)	2.4	2.3	(0.1)
Ordinary profit	16.0	19.2	3.2
Net income	14.3	13.6	(0.7)

【Consolidated】

(¥ billions)

	Year ended Mar.31,		Increase/ (Decrease)
	2018	2019	
Core gross profit	92.2	89.7	(2.4)
Ordinary profit	15.1	19.8	4.6
Profit attributable to owners of parent	13.6	14.1	0.4
Core operating profit	18.0	17.8	(0.1)

3. Deposits and NCDs(Non-Consolidated)

【Average Balance】

(¥ billions)

	Year ended Mar.31,		Increase/ (Decrease)
	2018	2019	
Deposits and NCDs	8,259.8	8,500.5	240.6
Yield on deposits and NCDs (%)	0.00%	0.00%	(0.00%)
Corporate	2,245.4	2,319.4	74.0
Individual	5,399.7	5,579.1	179.3
Public sectors and financial institutions	614.7	601.9	(12.7)

【Outstanding Balance】

(¥ billions)

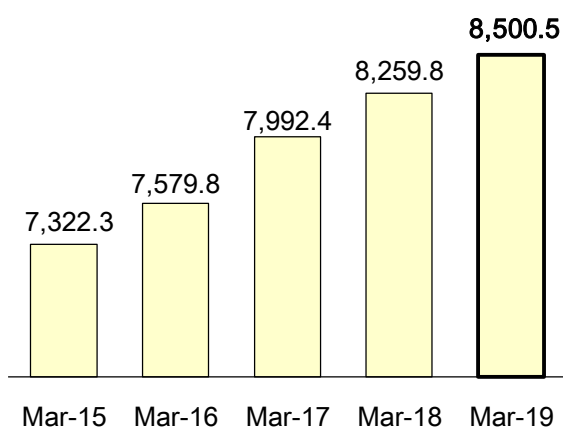
	As of Mar.31,		Increase/ (Decrease)
	2018	2019	
Deposits and NCDs	8,439.8	8,691.6	251.7
Deposit assets	314.3	274.1	(40.1)
Safe custody of public bonds	141.9	118.0	(23.8)
Investment trusts	172.3	156.0	(16.3)
Total	8,754.2	8,965.7	211.5
<Reference> Individual annuity insurance, etc.	634.8	685.8	50.9

* 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)

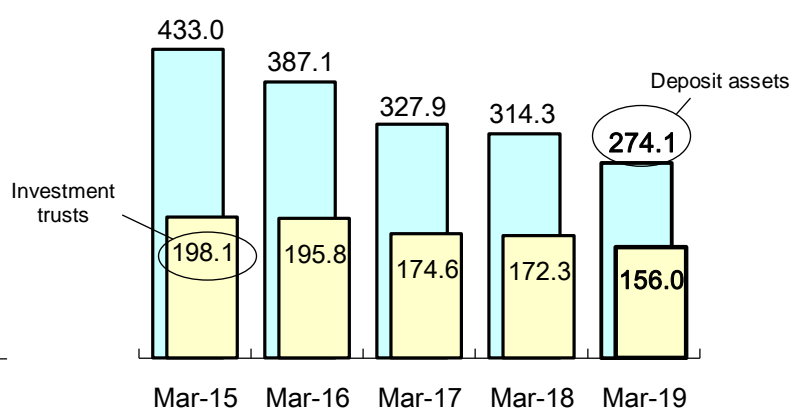
(¥ billions)



○ Deposit assets and Investment trusts

(Outstanding Balance)

(¥ billions)



4. Loans and bills discounted (Non-Consolidated)

【Average Balance】

(¥ billions)

	Year ended Mar.31,		Increase/ (Decrease)
	2018	2019	
Loans and bills discounted	6,210.5	6,311.9	101.3
Yield on loans and bills discounted (%)	1.00%	0.94%	(0.06%)
Enterprises	2,595.4	2,630.8	35.4
Individuals	1,738.5	1,784.5	45.9
Residential loans	1,607.6	1,647.2	39.6
Consumer loans	130.8	137.2	6.3
Public sectors	1,876.6	1,896.4	19.8

* Consumer loans = Car loans ,card loans ,etc.

【Outstanding Balance】

(¥ billions)

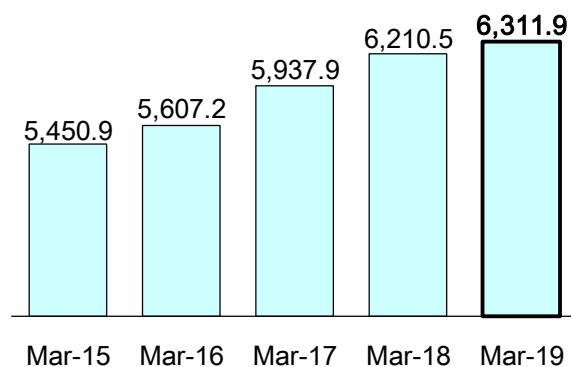
	As of Mar.31,		Increase/ (Decrease)
	2018	2019	
Loans and bills discounted	6,309.3	6,577.2	267.9
Enterprises	2,615.8	2,692.2	76.4
Individuals	1,769.5	1,822.3	52.7
Public sectors	1,924.0	2,062.7	138.7
SMEs, etc	3,562.3	3,675.6	113.2
In Hokkaido	5,270.9	5,347.2	76.2

* SMEs, etc = SMEs + Individuals

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

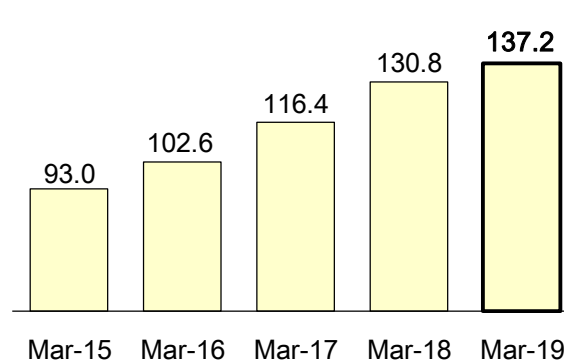
○ Loans and bills discounted (Average Balance)

(¥ billions)



○ Consumer loans (Average Balance)

(¥ billions)



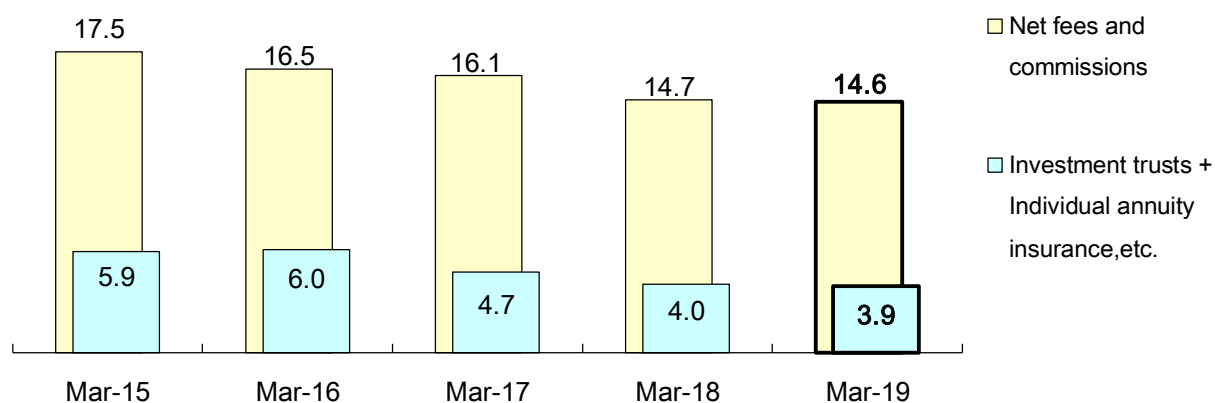
5. Fees and commissions (Non-Consolidated)

(¥ billions)

	Year ended Mar.31,		Increase/ (Decrease)
	2018	2019	
Fees and commissions	27.3	27.5	0.2
Of which, domestic and foreign exchanges	8.1	7.9	(0.1)
Of which, investment trusts	2.0	1.5	(0.4)
Of which, individual annuity insurance, etc.	2.0	2.4	0.4
Fees and commissions payments	12.5	12.9	0.3
Of which, group credit life insurance	4.7	4.6	(0.1)
Of which, guarantee	4.3	4.8	0.5
Net fees and commissions	14.7	14.6	(0.1)

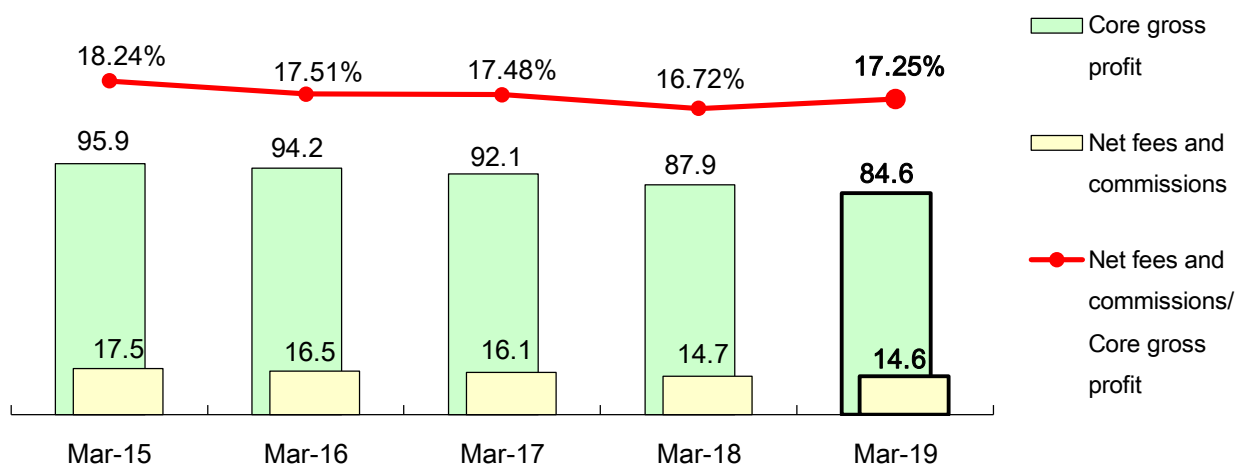
○ Net fees and commissions

(¥ billions)



○ Core gross profit and Net fees and commissions

(¥ billions)



6. Securities (Non-consolidated)

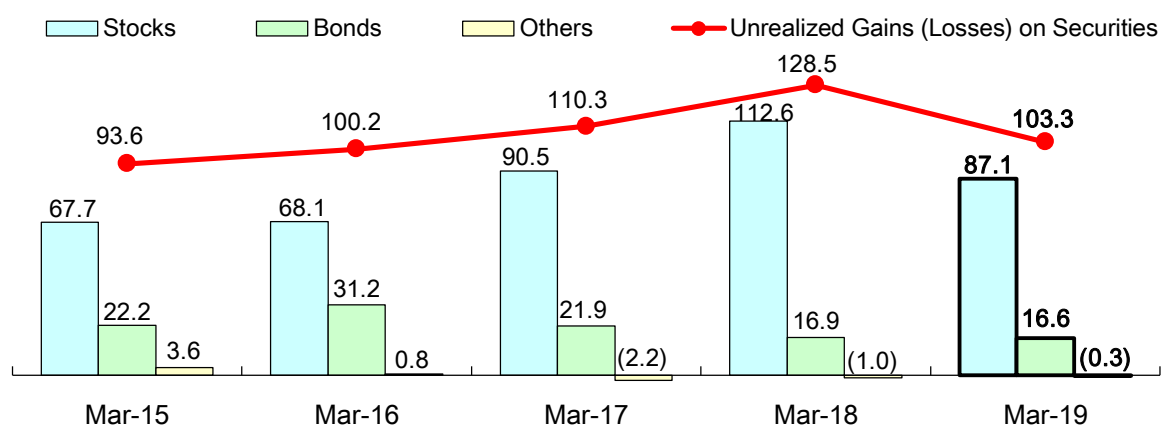
(¥ billions)

	As of Mar.31,				Increase/ (Decrease)	
	2018		2019		Acquisition cost	Unrealized Gains (Losses)
	Acquisition cost	Unrealized Gains (Losses)	Acquisition cost	Unrealized Gains (Losses)		
Stocks	46.6	112.6	45.5	87.1	(1.0)	(25.5)
Bonds	1,121.9	16.9	1,000.1	16.6	(121.8)	(0.3)
Others	188.5	(1.0)	110.0	(0.3)	(78.4)	0.6
Total	1,357.0	128.5	1,155.8	103.3	(201.2)	(25.1)
Nikkei stock average (¥)	21,454		21,205		(249)	
New 10-year Japanese government bond (JGB) yield (%)	0.045%		(0.095%)		(0.140%)	

* Excluding trading account securities, capital investment in Investment Partnership

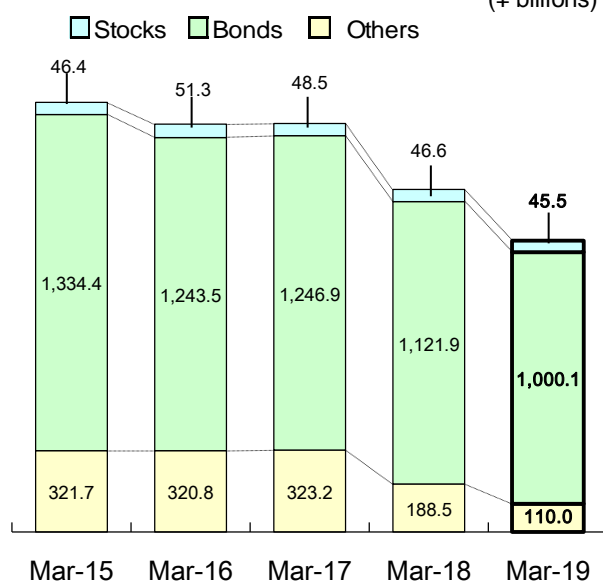
○ Unrealized Gains (Losses) on Securities

(¥ billions)



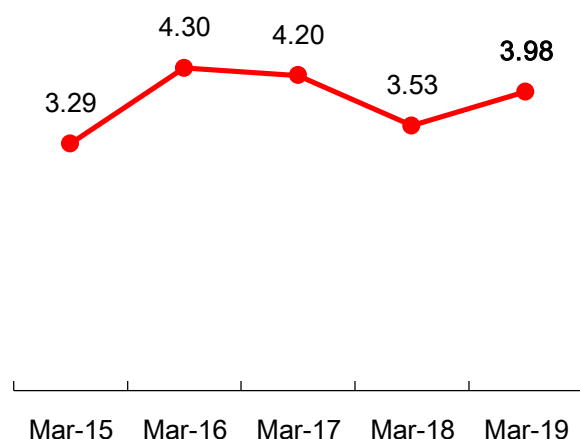
○ Acquisition cost on Securities

(¥ billions)



○ Average duration to maturity of yen bonds

(years)



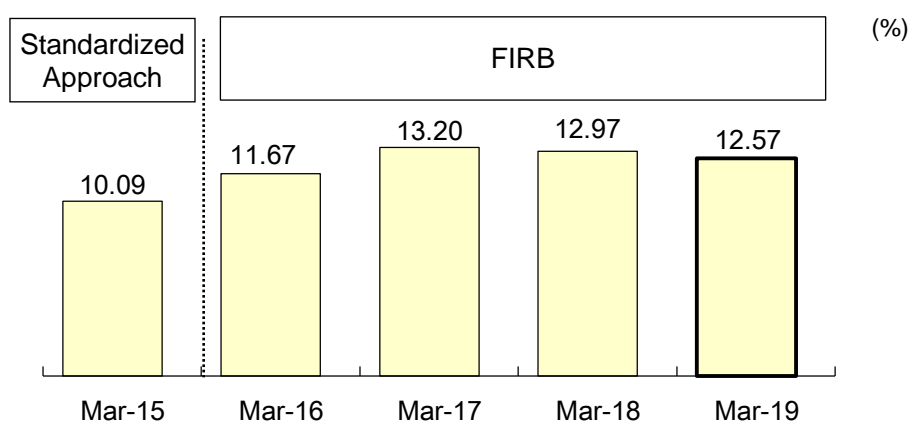
* Including floating-rate JGBs

7. Capital Adequacy Ratio (Domestic)

(¥ billions)

	Non-Consolidated			Consolidated		
	As of Mar.31, 2018	As of Mar.31, 2019	Increase/ (Decrease)	As of Mar.31, 2018	As of Mar.31, 2019	Increase/ (Decrease)
Capital Adequacy Ratio (%)	12.97%	12.57%	(0.40%)	13.29%	12.89%	(0.40%)
Capital	338.8	339.8	1.0	355.5	356.3	0.7
Risk-adjusted assets	2,610.5	2,702.6	92.1	2,673.5	2,763.7	90.1

○ Capital Adequacy Ratio(Non-Consolidated)

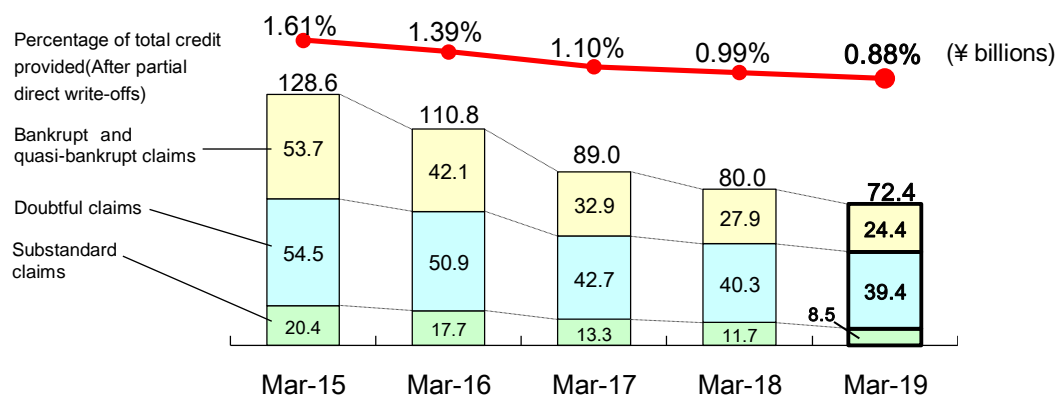


8. Disclosed claims under the Financial Reconstruction Law (Non-Consolidated)

(¥ billions)

	As of Mar.31,		Increase/ (Decrease)
	2018	2019	
Bankrupt and quasi-bankrupt claims	27.9	24.4	(3.5)
Doubtful claims	40.3	39.4	(0.9)
Substandard claims	11.7	8.5	(3.1)
Disclosed claims under the Financial Reconstruction Law	80.0	72.4	(7.6)
Percentage of total credit provided (%)	1.23%	1.06%	(0.17%)
After partial direct write-offs (%) *	0.99%	0.88%	(0.11%)

* 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 FY2018 Actual	1 st Half of FY2019 Forecast	Increase/ (Decrease)	FY2018 Actual	FY2019 Forecast	Increase/ (Decrease)
Ordinary income	55.4	50.5	(4.9)	108.9	101.0	(7.9)
Core gross profit	42.3	40.5	(1.8)	84.6	82.2	(2.4)
Expenses (excluding non-recurring losses)	35.3	34.7	(0.6)	69.4	68.9	(0.5)
Core operating profit	6.9	5.8	(1.1)	15.2	13.3	(1.9)
Credit cost	(0.3)	0.5	0.8	0.3	1.0	0.6
Ordinary profit	9.5	6.4	(3.1)	19.2	15.0	(4.2)
Net income	6.9	4.5	(2.4)	13.6	10.5	(3.1)

【Consolidated】

(¥ billions)

	Six months ended Sep.30,			Year ended Mar.31,		
	1 st Half of FY2018 Actual	1 st Half of FY2019 Forecast	Increase/ (Decrease)	FY2018 Actual	FY2019 Forecast	Increase/ (Decrease)
Ordinary income	69.5	65.6	(3.9)	138.3	132.1	(6.2)
Core gross profit	44.6	43.1	(1.5)	89.7	87.8	(1.9)
Expenses (excluding non-recurring losses)	36.3	36.3	(0.0)	71.9	72.0	0.0
Credit cost	0.6	1.2	0.5	2.3	2.9	0.5
Ordinary profit	9.8	6.5	(3.3)	19.8	15.5	(4.3)
Profit attributable to owners of parent	7.0	4.2	(2.8)	14.1	10.3	(3.8)
Core operating profit	8.3	6.7	(1.6)	17.8	15.8	(2.0)

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