

Financial Summary
Year ended March 31,2023



May 15, 2023
North Pacific Bank, Ltd.

Tokyo Stock Exchange Prime Market, Sapporo Securities Exchange: 8524

I. Financial Statements

1. Consolidated Balance Sheets

(¥ millions)

		As of Mar. 31, 2022	As of Mar. 31, 2023
Assets	資産の部		
Cash and due from banks	現金預け金	4,338,005	2,796,033
Call loans and bills bought	コールローン及び買入手形	183	492
Monetary claims bought	買入金銭債権	11,853	8,350
Trading securities	商品有価証券	2,576	1,992
Securities	有価証券	1,483,991	1,588,951
Loans and bills discounted	貸出金	7,361,881	7,703,573
Foreign exchanges	外国為替	12,390	6,991
Lease receivables and investment assets	リース債権及びリース投資資産	55,355	57,203
Other assets	その他資産	183,752	235,340
Property, plant and equipment	有形固定資産	73,541	72,266
Buildings, net	建物	30,298	28,986
Land	土地	31,918	31,694
Leased assets, net	リース資産	2,031	1,883
Construction in progress	建設仮勘定	1,371	1,695
Other, net	その他の有形固定資産	7,921	8,006
Intangible assets	無形固定資産	3,390	21,996
Software	ソフトウェア	3,001	21,627
Other	その他の無形固定資産	389	368
Net defined benefit asset	退職給付に係る資産	1,057	764
Deferred tax assets	繰延税金資産	812	943
Customers' liabilities for acceptances and guarantees	支払承諾見返	53,468	68,828
Allowance for loan losses	貸倒引当金	(38,438)	(42,755)
Total assets	資産の部合計	<u>13,543,823</u>	<u>12,520,974</u>
Liabilities	負債の部		
Deposits	預金	10,563,784	10,828,182
Negotiable certificates of deposit	譲渡性預金	99,451	174,937
Securities sold under repurchase agreements	売現先勘定	14,473	10,964
Cash collateral received for securities lent	債券貸借取引受入担保金	303,985	9,484
Borrowed money	借入金	2,003,407	941,784
Foreign exchanges	外国為替	163	152
Other liabilities	その他負債	61,502	64,790
Provision for bonuses	賞与引当金	1,588	1,516
Provision for share awards	株式給付引当金	156	155
Net defined benefit liability	退職給付に係る負債	961	1,366
Provision for reimbursement of deposits	睡眠預金払戻損失引当金	1,604	1,149
Provision for point card certificates	ポイント引当金	334	364
Reserves under special laws	特別法上の引当金	19	19
Deferred tax liabilities	繰延税金負債	15,992	8,143
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	1,858	1,809
Acceptances and guarantees	支払承諾	53,468	68,828
Total liabilities	負債の部合計	<u>13,122,751</u>	<u>12,113,649</u>

(¥ millions)

		As of Mar. 31, 2022	As of Mar. 31, 2023
Net assets	純資産の部		
Capital stock	資本金	121,101	121,101
Capital surplus	資本剰余金	74,750	74,751
Retained earnings	利益剰余金	162,019	167,891
Treasury shares	自己株式	(3,053)	(3,800)
Total shareholders' equity	株主資本合計	354,817	359,943
Valuation difference on available-for-sale securities	その他有価証券評価差額金	58,284	40,209
Revaluation reserve for land	土地再評価差額金	3,654	3,550
Remeasurements of defined benefit plans	退職給付に係る調整累計額	11	(377)
Total accumulated other comprehensive income	その他の包括利益累計額合計	61,951	43,382
Share acquisition rights	新株予約権	37	28
Non-controlling interests	非支配株主持分	4,266	3,970
Total net assets	純資産の部合計	421,072	407,324
Total liabilities and net assets	負債及び純資産の部合計	13,543,823	12,520,974

2. Consolidated Statements of Income and Comprehensive Income

(1) Consolidated Statements of Income

(¥ millions)

		Year ended Mar. 31,	
		2022	2023
Ordinary income	経常収益	124,461	126,734
Interest income	資金運用収益	68,710	69,400
Interest on loans and discounts	貸出金利息	57,584	57,412
Interest and dividends on securities	有価証券利息配当金	7,795	9,236
Interest on call loans and bills bought	コールローン利息及び買入手形利息	0	7
Interest on deposits with banks	預け金利息	3,153	2,571
Other interest income	その他の受入利息	176	173
Fees and commissions	役務取引等収益	27,723	27,154
Other ordinary income	その他業務収益	24,813	24,603
Other income	その他経常収益	3,214	5,575
Recoveries of written off claims	償却債権取立益	1	0
Other	その他の経常収益	3,212	5,575
Ordinary expenses	経常費用	105,214	109,422
Interest expenses	資金調達費用	885	1,615
Interest on deposits	預金利息	133	125
Interest on negotiable certificates of deposit	譲渡性預金利息	11	10
Interest on call money and bills sold	コールマネー利息及び売渡手形利息	(15)	(32)
Interest expenses on securities sold under repurchase agreements	売現先利息	13	537
Interest expenses on cash collateral received for securities lent	債券貸借取引支払利息	46	298
Interest on borrowings and rediscounts	借入金利息	694	674
Other interest expenses	その他の支払利息	2	1
Fees and commissions payments	役務取引等費用	11,474	11,355
Other ordinary expenses	その他業務費用	20,880	21,121
General and administrative expenses	営業経費	64,038	67,398
Other expenses	その他経常費用	7,935	7,931
Provision of allowance for loan losses	貸倒引当金繰入額	2,820	5,266
Other	その他の経常費用	5,115	2,665
Ordinary profit	経常利益	19,247	17,312
Extraordinary income	特別利益	163	25
Gain on disposal of non-current assets	固定資産処分益	131	25
Other	その他の特別利益	31	—
Extraordinary losses	特別損失	1,168	1,527
Loss on disposal of non-current assets	固定資産処分損	516	226
Impairment losses	減損損失	644	302
System migration related expenses	システム移行関連費用	—	998
Other	その他の特別損失	8	—
Profit before income taxes	税金等調整前当期純利益	18,241	15,810
Income taxes – current	法人税、住民税及び事業税	6,643	6,604
Income taxes – deferred	法人税等調整額	(323)	(38)
Total income taxes	法人税等合計	6,319	6,566
Profit	当期純利益	11,921	9,243
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(△)	165	(403)
Profit attributable to owners of parent	親会社株主に帰属する当期純利益	11,756	9,647

(2) Consolidated Statements of Comprehensive Income

(¥ millions)

		Year ended Mar. 31,	
		2022	2023
Profit	当期純利益	11,921	9,243
Other comprehensive income	その他の包括利益	(27,302)	(18,343)
Valuation difference on available-for-sale securities	その他有価証券評価差額金	(26,675)	(17,953)
Remeasurements of defined benefit plans, net of tax	退職給付に係る調整額	(627)	(389)
Comprehensive income	包括利益	<u>(15,380)</u>	<u>(9,099)</u>
Comprehensive income attributable to owners of parent	親会社株主に係る包括利益	(15,077)	(8,816)
Comprehensive income attributable to non-controlling interests	非支配株主に係る包括利益	(303)	(282)

3. Non-Consolidated Balance Sheets

(¥ millions)

		As of Mar. 31, 2022	As of Mar. 31, 2023
Assets	資産の部		
Cash and due from banks	現金預け金	4,336,360	2,794,929
Cash	現金	104,985	106,367
Due from banks	預け金	4,231,375	2,688,562
Call loans	コールローン	183	492
Monetary claims bought	買入金銭債権	11,853	8,350
Trading securities	商品有価証券	2,576	1,975
Trading government bonds	商品国債	469	192
Trading local government bonds	商品地方債	2,106	1,782
Securities	有価証券	1,484,796	1,589,448
Government bonds	国債	437,109	405,503
Local government bonds	地方債	487,075	574,709
Short-term corporate bonds	短期社債	1,999	4,999
Corporate bonds	社債	304,728	337,452
Stocks	株式	146,445	139,075
Other securities	その他の証券	107,438	127,708
Loans and bills discounted	貸出金	7,420,532	7,762,579
Bills discounted	割引手形	10,568	12,357
Loans on bills	手形貸付	164,080	159,191
Loans on deeds	証書貸付	6,610,561	6,936,347
Overdrafts	当座貸越	635,322	654,682
Foreign exchanges	外国為替	12,390	6,991
Due from foreign banks (our accounts)	外国他店預け	12,251	6,928
Foreign bills bought	買入外国為替	127	62
Foreign bills receivable	取立外国為替	11	—
Other assets	その他資産	146,309	195,673
Domestic exchange settlement account, debit	未決済為替貸	464	734
Prepaid expenses	前払費用	2,947	3,300
Accrued income	未収収益	5,263	5,446
Financial derivatives	金融派生商品	14,337	18,641
Cash collateral paid for financial instruments	金融商品等差入担保金	769	3,408
Other	その他の資産	122,529	164,143
Property, plant and equipment	有形固定資産	72,059	70,622
Buildings, net	建物	30,222	28,917
Land	土地	31,913	31,689
Leased assets, net	リース資産	3,376	3,026
Construction in progress	建設仮勘定	1,371	1,695
Other, net	その他の有形固定資産	5,175	5,293
Intangible assets	無形固定資産	3,245	21,873
Software	ソフトウェア	2,863	21,512
Other	その他の無形固定資産	382	361
Prepaid pension costs	前払年金費用	1,003	1,249
Customers' liabilities for acceptances and guarantees	支払承諾見返	53,468	68,828
Allowance for loan losses	貸倒引当金	(32,976)	(37,094)
Total assets	資産の部合計	13,511,805	12,485,921

(¥ millions)

		As of Mar. 31, 2022	As of Mar. 31, 2023
Liabilities	負債の部		
Deposits	預金	10,570,550	10,832,981
Current deposits	当座預金	533,148	560,856
Ordinary deposits	普通預金	7,775,266	8,085,163
Saving deposits	貯蓄預金	224,479	225,268
Deposits at notice	通知預金	14,683	11,600
Time deposits	定期預金	1,849,281	1,792,012
Other deposits	その他の預金	173,690	158,080
Negotiable certificates of deposit	譲渡性預金	110,805	186,291
Securities sold under repurchase agreements	売現先勘定	14,473	10,964
Cash collateral received for securities lent	債券貸借取引受入担保金	303,985	9,484
Borrowed money	借入金	1,991,887	928,763
Borrowings from other banks	借入金	1,991,887	928,763
Foreign exchanges	外国為替	163	152
Foreign bills sold	売渡外国為替	—	1
Foreign bills payable	未払外国為替	163	150
Other liabilities	その他負債	41,911	44,325
Domestic exchange settlement account, credit	未決済為替借	1,586	569
Income taxes payable	未払法人税等	2,801	3,117
Accrued expenses	未払費用	1,651	1,943
Unearned revenue	前受収益	2,896	2,882
Financial derivatives	金融派生商品	9,977	13,901
Cash collateral received for financial instruments	金融商品等受入担保金	4,235	3,875
Lease obligations	リース債務	3,376	3,026
Other	その他の負債	15,386	15,009
Provision for bonuses	賞与引当金	1,408	1,353
Provision for share awards	株式給付引当金	156	155
Provision for retirement benefits	退職給付引当金	633	1,013
Provision for reimbursement of deposits	睡眠預金払戻損失引当金	1,604	1,149
Provision for point card certificates	ポイント引当金	327	358
Deferred tax liabilities	繰延税金負債	14,880	6,907
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	1,858	1,809
Acceptances and guarantees	支払承諾	53,468	68,828
Total liabilities	負債の部合計	13,108,114	12,094,538
Net assets	純資産の部		
Capital stock	資本金	121,101	121,101
Capital surplus	資本剰余金	50,014	50,015
Legal capital surplus	資本準備金	50,001	50,001
Other capital surplus	その他資本剰余金	13	14
Retained earnings	利益剰余金	175,196	181,928
Legal retained earnings	利益準備金	7,998	8,774
Other retained earnings	その他利益剰余金	167,198	173,154
Reserve for advanced depreciation of non-current assets	固定資産圧縮積立金	914	914
Retained earnings brought forward	繰越利益剰余金	166,283	172,239
Treasury shares	自己株式	(3,058)	(3,805)
Total shareholders' equity	株主資本合計	343,253	349,239
Valuation difference on available-for-sale securities	その他有価証券評価差額金	56,745	38,564
Revaluation reserve for land	土地再評価差額金	3,654	3,550
Total valuation and translation adjustments	評価・換算差額等合計	60,399	42,115
Share acquisition rights	新株予約権	37	28
Total net assets	純資産の部合計	403,690	391,383
Total liabilities and net assets	負債及び純資産の部合計	13,511,805	12,485,921

4. Non-Consolidated Statements of Income

(¥ millions)

		Year ended Mar. 31,	
		2022	2023
Ordinary income	経常収益	100,820	103,119
Interest income	資金運用収益	70,281	71,494
Interest on loans and discounts	貸出金利息	57,828	57,686
Interest and dividends on securities	有価証券利息配当金	9,123	11,057
Interest on call loans	コールローン利息	0	7
Interest on deposits with banks	預け金利息	3,152	2,570
Other interest income	その他の受入利息	176	173
Fees and commissions	役務取引等収益	24,859	24,024
Fees and commissions on domestic and foreign exchanges	受入為替手数料	6,803	6,215
Other fees and commissions	その他の役務収益	18,056	17,809
Other ordinary income	その他業務収益	2,438	2,017
Gains on foreign exchange transactions	外国為替売買益	515	311
Gains on sale of bonds	国債等債券売却益	398	560
Gains on redemption of bonds	国債等債券償還益	0	78
Gain on financial derivatives	金融派生商品収益	1,435	1,060
Other	その他の業務収益	89	7
Other income	その他経常収益	3,240	5,582
Recoveries of written off receivables	償却債権取立益	—	0
Gain on sale of stocks and other securities	株式等売却益	1,063	3,173
Other	その他の経常収益	2,177	2,409
Ordinary expenses	経常費用	82,968	85,284
Interest expenses	資金調達費用	848	1,582
Interest on deposits	預金利息	133	125
Interest on negotiable certificates of deposit	譲渡性預金利息	11	10
Interest on call money	コールマネー利息	(15)	(32)
Interest expenses on securities sold under repurchase agreements	売現先利息	13	537
Interest expenses on cash collateral received for securities lent	債券貸借取引支払利息	46	298
Interest on borrowings and rediscounts	借入金利息	657	641
Other interest expenses	その他の支払利息	2	1
Fees and commissions payments	役務取引等費用	12,712	12,647
Fees and commissions on domestic and foreign exchanges	支払為替手数料	903	577
Other fees and commissions	その他の役務費用	11,808	12,070
Other ordinary expenses	その他業務費用	1,323	685
Net loss on trading securities transactions	商品有価証券売買損	16	10
Loss on sale of bonds	国債等債券売却損	937	557
Loss on devaluation of bonds	国債等債券償却	293	117
Other	その他の業務費用	75	—
General and administrative expenses	営業経費	60,665	63,835
Other expenses	その他経常費用	7,418	6,533
Provision of allowance for loan losses	貸倒引当金繰入額	3,129	4,694
Loss on sale of stocks and other securities	株式等売却損	—	8
Loss on devaluation of stocks and other securities	株式等償却	3,226	681
Other	その他の経常費用	1,063	1,148
Ordinary profit	経常利益	17,852	17,835
Extraordinary income	特別利益	131	25
Gain on disposal of non-current assets	固定資産処分益	131	25
Extraordinary losses	特別損失	1,160	1,526
Loss on disposal of non-current assets	固定資産処分損	516	226
Impairment losses	減損損失	644	302
System migration related expenses	システム移行関連費用	—	998
Income before income taxes	税引前当期純利益	16,823	16,333
Income taxes – current	法人税、住民税及び事業税	5,938	5,913
Income taxes – deferred	法人税等調整額	(191)	(87)
Total income taxes	法人税等合計	5,746	5,826
Net income	当期純利益	11,076	10,507

II . Digest of financial results for the year ended March 31, 2023

1. Summary (Non-Consolidated)

(¥ billions)

	Year ended Mar.31,		Increase/ (Decrease)	Performance Forecast (May 5,2022)	Change from forecast
	2022	2023			
Core gross profit	83.5	82.6	(0.8)	80.1	2.5
Core operating profit	22.0	18.8	(3.1)	16.2	2.6
Ordinary profit	17.8	17.8	(0.0)	14.1	3.7
Net income	11.0	10.5	(0.5)	7.9	2.6
Deposits and NCDs (Average balance)	10,142.9	10,544.6	401.6		
Loans and bills discounted (Average balance)	7,480.9	7,732.2	251.3		
Capital Adequacy Ratio (Domestic) (%)	12.17%	11.48%	(0.69%)		
ROE (%)	2.68%	2.64%	(0.04%)		

* NCDs = Negotiable certificates of deposit

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

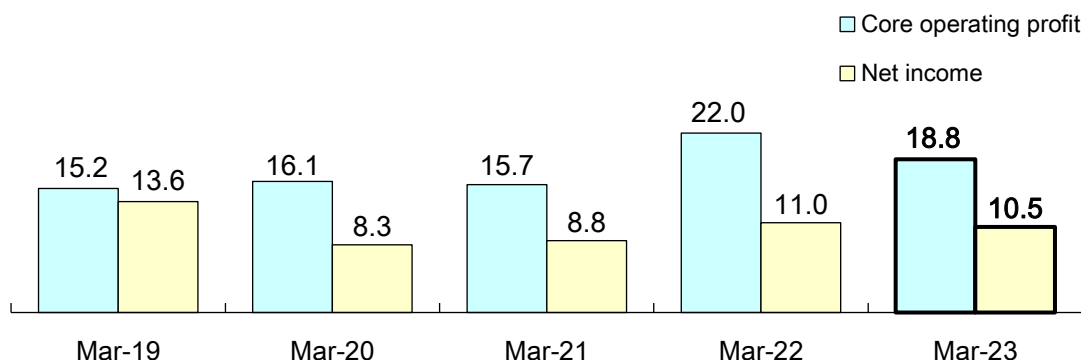
*Excluding share acquisition rights

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)

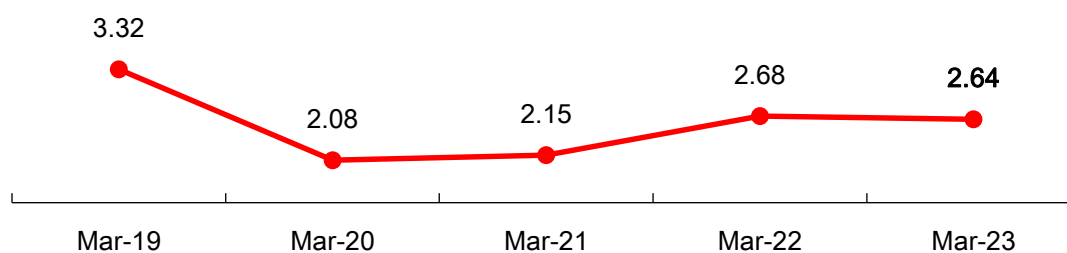
○ Core operating profit and Net income

(¥ billions)



○ ROE

(%)



2. Income Summary

【Non-Consolidated】

(¥ billions)

	Year ended Mar.31,		Increase/ (Decrease)
	2022	2023	
Core gross profit	83.5	82.6	(0.8)
Net interest income	69.4	69.9	0.4
Net fees and commissions	12.1	11.3	(0.7)
Net other operating income (excluding gains (losses) on bonds)	1.9	1.3	(0.5)
Expenses(excluding non-recurring losses)	61.5	63.8	2.2
Core OHR (%)	73.65%	77.20%	3.55%
Personnel	26.9	26.4	(0.4)
Facilities	30.3	31.3	1.0
Taxes	4.2	6.0	1.7
Core operating profit	22.0	18.8	(3.1)
Excluding gains (losses) on cancellation of investment trusts	22.0	18.8	(3.1)
Credit cost	3.2	4.8	1.5
Gains (losses) on securities	(2.9)	2.4	5.4
Net other non-recurring income (loss)	2.1	1.3	(0.7)
Ordinary profit	17.8	17.8	(0.0)
Net income	11.0	10.5	(0.5)
Net operating profit	21.1	18.8	(2.3)

Net operating profit = Core operating profit + Gains (losses) on bonds

【Consolidated】

(¥ billions)

	Year ended Mar.31,		Increase/ (Decrease)
	2022	2023	
Core gross profit	88.8	87.1	(1.7)
Ordinary profit	19.2	17.3	(1.9)
Profit attributable to owners of parent	11.7	9.6	(2.1)
Core operating profit	23.9	19.7	(4.2)
Excluding gains (losses) on cancellation of investment trusts	23.9	19.6	(4.2)
Net operating profit	23.1	19.6	(3.4)

3. Deposits and NCDs(Non-Consolidated)

【Average Balance】

(¥ billions)

	Year ended Mar.31,		Increase/ (Decrease)
	2022	2023	
Deposits and NCDs	10,142.9	10,544.6	401.6
Yield on deposits and NCDs (%)	0.00%	0.00%	(0.00%)
Corporate	3,026.5	3,019.1	(7.4)
Individual	6,459.2	6,734.1	274.8
Public sectors and financial institutions	657.1	791.3	134.1

【Outstanding Balance】

(¥ billions)

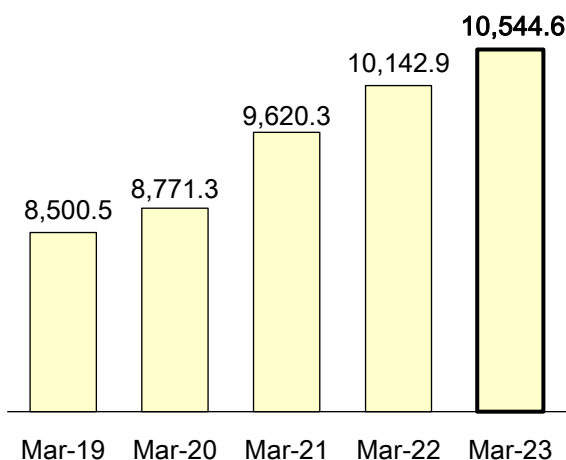
	As of Mar.31,		Increase/ (Decrease)
	2022	2023	
Deposits and NCDs	10,681.3	11,019.2	337.9
Deposit assets	256.3	248.3	(7.9)
Safe custody of public bonds	102.4	104.4	1.9
Investment trusts	153.9	143.9	(9.9)
Total	10,937.6	11,267.6	329.9

* Deposit assets = Safe custody of public bonds + Investment trusts
Investment trusts are stated at fair value.

○ Deposits and NCDs

(Average Balance)

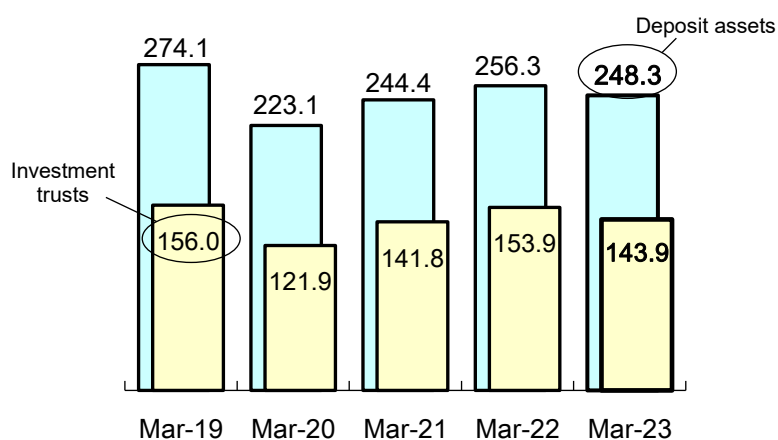
(¥ billions)



○ Deposit assets and Investment trusts

(Outstanding Balance)

(¥ billions)



4. Loans and bills discounted (Non-Consolidated)

【Average Balance】

(¥ billions)

	Year ended Mar.31,		Increase/ (Decrease)
	2022	2023	
Loans and bills discounted	7,480.9	7,732.2	251.3
Yield on loans and bills discounted (%)	0.77%	0.74%	(0.03%)
Enterprises	3,071.9	3,056.5	(15.3)
Individuals	1,993.0	2,079.1	86.1
Housing loans	1,862.1	1,950.1	87.9
Consumer loans	130.8	128.9	(1.8)
Public sectors	2,415.9	2,596.5	180.5

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

【Outstanding Balance】

(¥ billions)

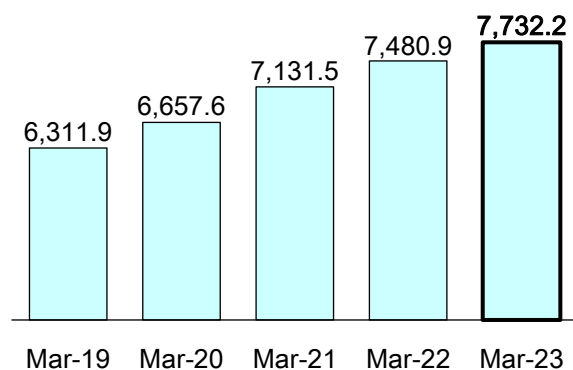
	As of Mar.31,		Increase/ (Decrease)
	2022	2023	
Loans and bills discounted	7,420.5	7,762.5	342.0
Enterprises	3,003.5	3,020.1	16.6
Individuals	2,034.8	2,136.4	101.5
Public sectors	2,382.1	2,605.9	223.8
SMEs, etc	4,149.4	4,252.2	102.8
In Hokkaido	5,798.5	5,836.9	38.3

* SMEs, etc = SMEs + Individuals

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

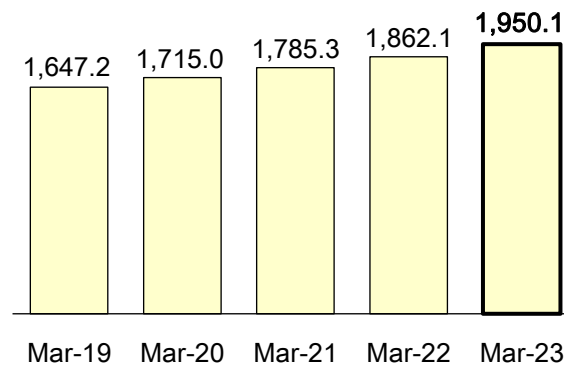
○ Loans and bills discounted (Average Balance)

(¥ billions)



○ Housing loans (Average Balance)

(¥ billions)



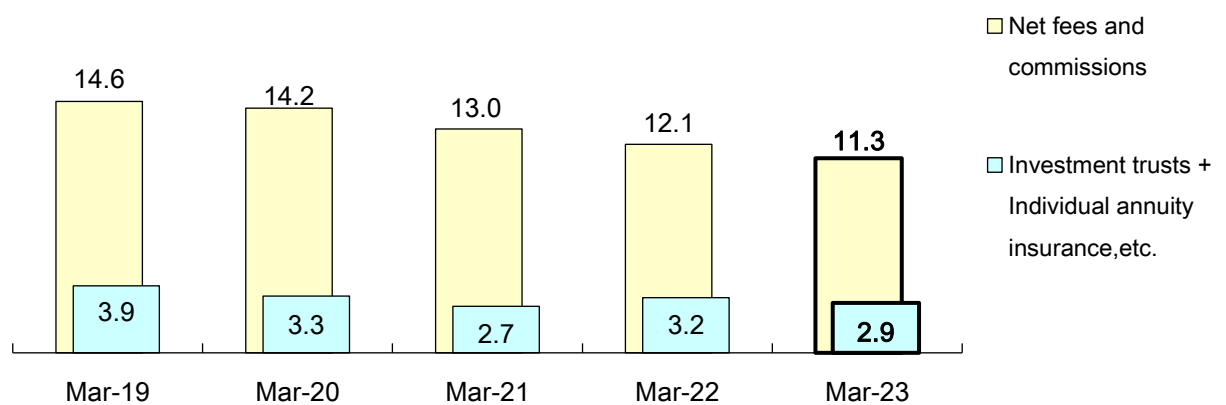
5. Fees and commissions (Non-Consolidated)

(¥ billions)

	Year ended Mar.31,		Increase/ (Decrease)
	2022	2023	
Fees and commissions	24.8	24.0	(0.8)
Of which, domestic and foreign exchanges	6.8	6.2	(0.5)
Of which, investment trusts	1.4	1.1	(0.3)
Of which, individual annuity insurance, etc.	1.7	1.7	0.0
Fees and commissions payments	12.7	12.6	(0.0)
Of which, group credit life insurance	5.8	5.9	0.0
Of which, guarantee	3.7	3.7	0.0
Net fees and commissions	12.1	11.3	(0.7)

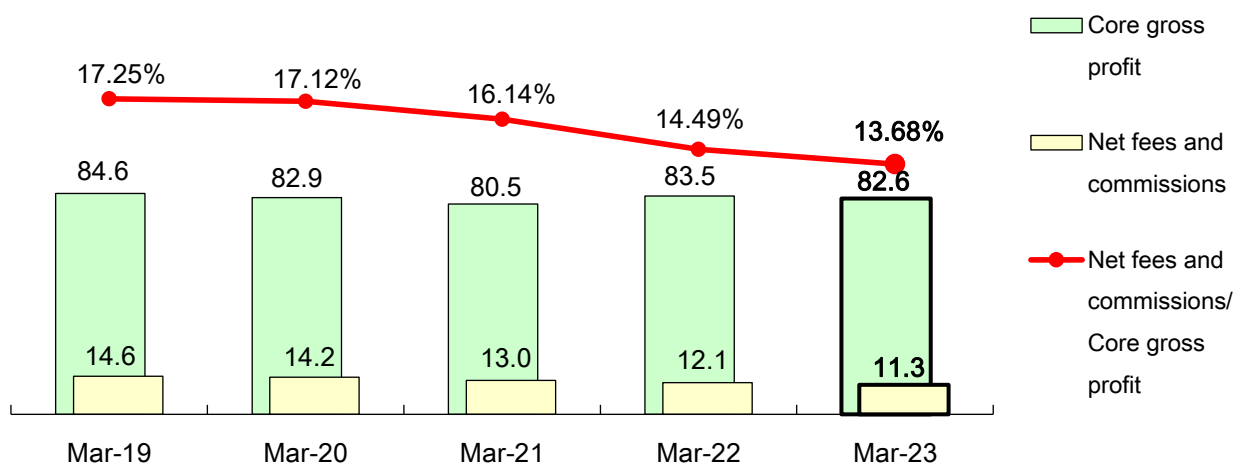
○ Net fees and commissions

(¥ billions)



○ Core gross profit and Net fees and commissions

(¥ billions)



6. Securities (Non-consolidated)

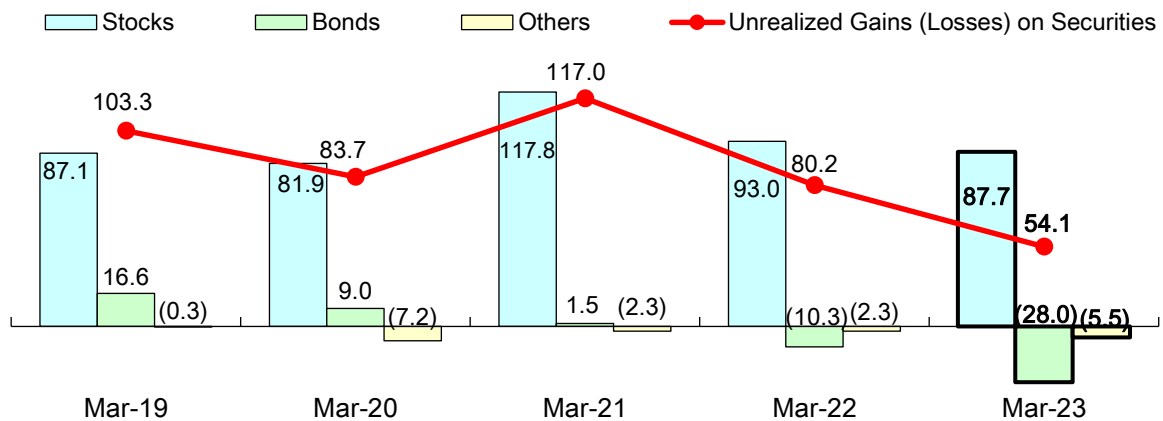
(¥ billions)

	As of Mar.31,				Increase/ (Decrease)	
	2022		2023		Acquisition cost	Unrealized Gains (Losses)
	Acquisition cost	Unrealized Gains (Losses)	Acquisition cost	Unrealized Gains (Losses)		
Stocks	44.6	93.0	42.5	87.7	(2.0)	(5.2)
Bonds	1,241.3	(10.3)	1,350.6	(28.0)	109.3	(17.6)
Others	109.2	(2.3)	132.0	(5.5)	22.8	(3.2)
Total	1,395.1	80.2	1,525.2	54.1	130.1	(26.1)
Nikkei stock average (¥)	27,821		28,041		22.0	
New 10-year Japanese government bond (JGB) yield (%)	0.210%		0.320%		0.110%	

* Excluding trading securities, capital investment in Investment Partnership, subsidiary stocks and affiliates stocks.

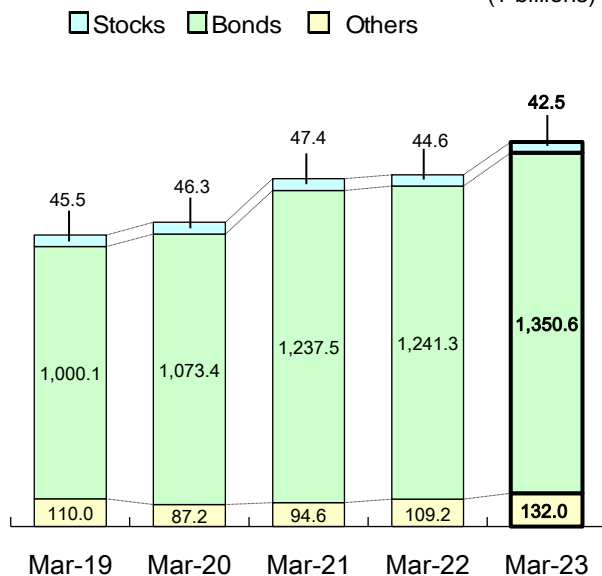
○ Unrealized Gains (Losses) on Securities

(¥ billions)



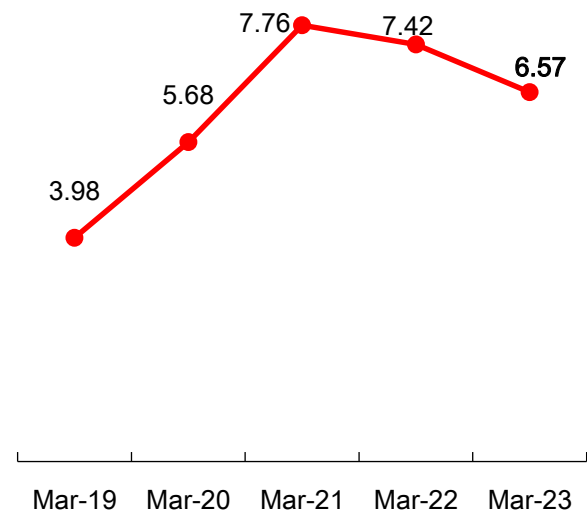
○ Acquisition cost on Securities

(¥ billions)



○ Average duration to maturity of yen bonds

(years)



* Including floating-rate JGBs

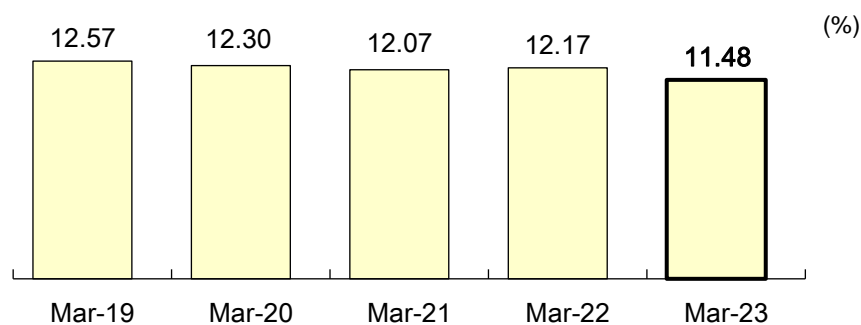
7. Capital Adequacy Ratio (Domestic)

(¥ billions)

	Non-Consolidated			Consolidated		
	As of Mar.31, 2022	As of Mar.31, 2023	Increase/ (Decrease)	As of Mar.31, 2022	As of Mar.31, 2023	Increase/ (Decrease)
Capital Adequacy Ratio (%)	12.17%	11.48%	(0.69%)	12.53%	11.78%	(0.75%)
Capital	339.3	324.8	(14.5)	355.5	339.8	(15.6)
Risk-adjusted assets	2,786.9	2,828.8	41.9	2,835.9	2,884.2	48.2

* The figures are calculated using the fundamental internal rating based approach (FIRB).

○ Capital Adequacy Ratio(Non-Consolidated)

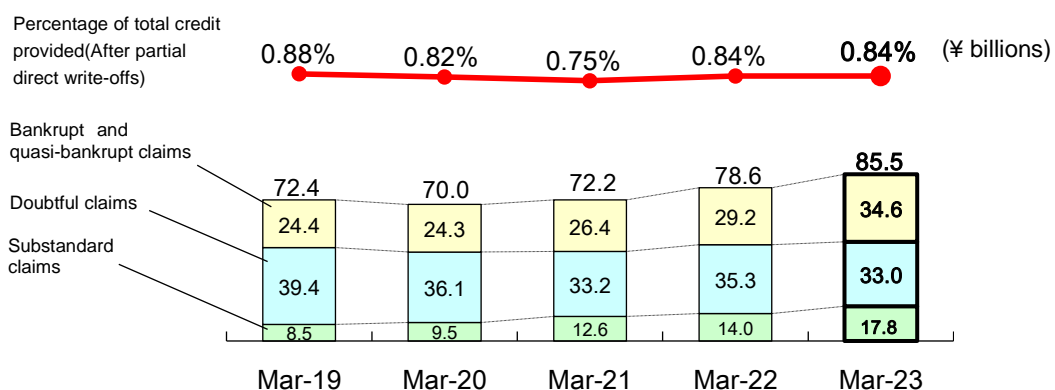


8. Disclosed claims under the Financial Reconstruction Law (Non-Consolidated)

(¥ billions)

	As of Mar.31,		Increase/ (Decrease)
	2022	2023	
Bankrupt and quasi-bankrupt claims	29.2	34.6	5.3
Doubtful claims	35.3	33.0	(2.3)
Substandard claims	14.0	17.8	3.7
Loans overdue for more than 3 months	0.3	0.5	0.2
Restructured loans	13.7	17.2	3.5
Disclosed claims under the Financial Reconstruction Law	78.6	85.5	6.8
Percentage of total credit provided (%)	1.03%	1.07%	0.04%
After partial direct write-offs (%) *	0.84%	0.84%	0.00%

* 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 FY2022 Actual	1 st Half of FY2023 Forecast	Increase/ (Decrease)	FY2022 Actual	FY2023 Forecast	Increase/ (Decrease)
Ordinary income	53.3	50.9	(2.4)	103.1	100.0	(3.1)
Core gross profit	42.5	40.7	(1.8)	82.6	80.9	(1.7)
Expenses (excluding non-recurring losses)	30.6	32.5	1.8	63.8	64.7	0.8
Core operating profit	11.9	8.2	(3.7)	18.8	16.2	(2.6)
Excluding gains (losses) on cancellation of investment trusts	11.9	8.2	(3.7)	18.8	16.2	(2.6)
Credit cost	1.5	2.0	0.4	4.8	4.0	(0.8)
Ordinary profit	12.5	8.0	(4.5)	17.8	15.9	(1.9)
Net income	8.5	5.6	(2.9)	10.5	11.0	0.4

【Consolidated】

(¥ billions)

	Six months ended Sep.30,			Year ended Mar.31,		
	1 st Half of FY2022 Actual	1 st Half of FY2023 Forecast	Increase/ (Decrease)	FY2022 Actual	FY2023 Forecast	Increase/ (Decrease)
Ordinary income	64.3	62.8	(1.5)	126.7	125.0	(1.7)
Core gross profit	43.9	43.1	(0.8)	87.1	87.3	0.1
Expenses (excluding non-recurring losses)	32.4	34.5	2.0	67.3	68.8	1.4
Credit cost	2.1	2.5	0.3	5.8	4.9	(0.9)
Ordinary profit	11.3	7.7	(3.6)	17.3	16.8	(0.5)
Profit attributable to owners of parent	7.5	5.0	(2.5)	9.6	11.1	1.4
Core operating profit	11.5	8.6	(2.9)	19.7	18.5	(1.2)
Excluding gains (losses) on cancellation of investment trusts	11.4	8.6	(2.8)	19.6	18.5	(1.1)

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