

Financial Results for the Fiscal Year 2019, Forecast in the Fiscal Year 2020 and Dividend
1. Financial Results for the Fiscal Year 2019 on a consolidated basis

- While expenses decreased, securities-related gains and losses decreased, and total credit costs increased. As a result, ordinary profits decreased by ¥2.2bn (43.4%) to ¥2.8bn year on year. Net income (profits attributable to owners of the parent) decreased by ¥2.4bn (64.4%) to ¥1.3bn year on year.
- Deposit balance (including NCD) decreased by ¥3bn to ¥2,464bn mainly due to the decrease of public money deposit. Loan balance decreased by ¥19bn to ¥1,697bn mainly due to the decrease of personal loan, year on year.
- Capital adequacy ratio decreased by 0.24 point to 9.26% due to the premature redemption of subordinated debt, while enhancing retained earnings.

« Consolidated »	FY2019	FY2018	(JPY Billion) Increase / Decrease
Ordinary revenue	50.8	48.8	1.9
Net business profit	5.2	5.7	(0.4)
Core net business profit	5.8	5.4	0.4
Ordinary profit	2.8	5.0	(2.2)
Net income (Profits attributable to owners of parent)	1.3	3.7	(2.4)
Total asset	2,714	2,731	(16)
Deposits & Negotiable certificates of deposit	2,464	2,467	(3)
Loans and bills discounted	1,697	1,716	(19)
Securities	739	749	(10)
Capital adequacy ratio	9.26%	9.50%	(0.24%)
Core business gross profit expense ratio (Core OHR)	82.43%	84.00%	(1.56%)
Non-performing loan balance disclosed under Financial Reconstruction Law (* 2 Banks)	27.8	30.0	(2.1)
Non-performing loan ratio (* 2 Banks)	1.58%	1.69%	(0.11%)
Total credit costs	1.4	0.5	0.9

* 2 Banks : Shonai Bank « non-consolidated » + Hokuto Bank « non-consolidated »

2. Forecast of Financial Results for the Fiscal Year 2020 on a consolidated basis

- As for financial results of the fiscal year 2020 on a consolidated basis, we estimate ordinary profits ¥2.3 bn and net income ¥1.4 bn. We expect the decrease of net interest income and the increase of total credit costs, reflecting the impact of the coronavirus pandemic.

3. Dividend

- We have a basic policy to make stable dividend payments on ordinary share through making efforts to maintain the solid management foundation based on our long term perspective.
- We have decided to pay the term end dividend of ¥3 per ordinary share for the fiscal year 2019. Together with ¥3 per ordinary share as the interim dividend paid already, the annual dividend will be ¥6 per ordinary share.
- We are planning to pay ¥6 per ordinary share for the fiscal year 2020 (both of the interim and the term-end dividend will be ¥3 respectively).

Ends