



Financial results for the 1st Half of Fiscal Year 2020

1. Consolidated basis financial results for H1 FY2020

- Due to the increase in net interest income and the decrease in expenses, ordinary profit increased by ¥0.02bn (0.8%) to ¥3.2bn year on year. Interim net income (Interim profit attributable to owners of parent) decreased by ¥0.4bn (25.1%) to ¥1.4bn year on year.
- Deposit balance (including NCD) increased by ¥167bn (6.7%) to ¥2,652bn mainly due to the increase of personal deposit and corporate deposit over the same period of the previous year.
Loan balance increased by ¥38bn (2.2%) to ¥1,741bn mainly due to the increase of business loan.

《Consolidated》	(JPY Billion)		
	FY2020 H1	FY2019 H1	Increase / Decrease
Ordinary revenue	23.7	24.7	(1.0)
Net business profit	3.9	4.1	(0.2)
Core net business profit	3.6	2.2	1.3
Ordinary profit	3.2	3.2	0.0
Interim net income (Interim profit attributable to owners of parent)	1.4	1.9	(0.4)
Total asset	2,994	2,717	277
Deposits & Negotiable certificates of deposit	2,652	2,485	167
Loans and bills discounted	1,741	1,703	38
Securities	796	767	28
Capital adequacy ratio (preliminary figures)	9.26%	9.18%	0.08%
Core business gross profit expense ratio (Core OHR)	78.81%	85.84%	(7.03%)
Non-performing loan balance disclosed under Financial Reconstruction Law (* 2 Banks)	27.8	27.7	0.0
Non-performing loan ratio (* 2 Banks)	1.54%	1.57%	(0.03%)
Total credit costs	0.2	0.4	(0.2)

* 2 Banks : Shonai Bank 《non-consolidated》 + Hokuto Bank 《non-consolidated》

2. Forecast of Financial Result of the FY2020 on a consolidated base

- Based on financial results for H1 FY2020, we revised upward our consolidated financial results forecasts announced on May 14, 2020 for the fiscal year 2020: ordinary profit from ¥2.3bn to ¥4.7bn and net income from ¥1.4bn to ¥2.1bn.

Ends