

Consolidated Interim Balance Sheets (Unaudited)

The Hokuriku Bank, Ltd. and Consolidated Subsidiaries (As of September 30, 2002 and 2001)

	Millions of yen		Thousands of U.S. dollars
	2002	2001	2002
ASSETS			
Cash and Due from Banks	¥ 289,391	¥ 233,599	\$ 2,360,450
Call Loans	100,000	100,000	815,661
Commercial Paper and Other Debt Purchased	8,219	11,061	67,044
Trading Assets	3,851	4,058	31,419
Money Held in Trust	2,633	12,286	21,480
Securities	755,079	901,737	6,158,889
Loans and Bills Discounted	4,220,269	4,428,379	34,423,080
Foreign Exchanges	14,099	16,223	115,003
Other Assets	76,155	79,078	621,169
Premises and Equipment	125,980	134,152	1,027,573
Deferred Tax Assets	107,892	89,107	880,035
Customers' Liabilities for Acceptances and Guarantees	107,091	120,030	873,504
Reserve for Possible Loan Losses	(154,275)	(127,760)	(1,258,367)
Total Assets	¥5,656,388	¥6,001,956	\$46,136,940
LIABILITIES, MINORITY INTERESTS, AND SHAREHOLDERS' EQUITY			
Liabilities			
Deposits	¥5,113,096	¥5,420,490	\$41,705,515
Call Money and Bills Sold	88,000	65,300	717,781
Trading Liabilities	478	681	3,901
Borrowed Money	61,793	84,324	504,026
Foreign Exchanges	169	180	1,383
Corporate Bonds	34,000	37,000	277,325
Other Liabilities	32,258	73,277	263,117
Reserve for Employee Bonuses	2	9	24
Reserve for Employee Retirement Benefit	11,484	13,004	93,677
Reserve for Possible Losses on Sales of Loans	6,108	5,198	49,821
Other Reserves	—	2	—
Deferred Tax Liabilities for Revaluation	21,478	23,484	175,188
Acceptance and Guarantees	107,091	120,030	873,504
Total Liabilities	5,475,961	5,842,983	44,665,262
Minority Interests	—	517	—
Shareholders' Equity			
Capital Stock	140,409	120,842	1,145,265
Capital Surplus	14,998	95,778	122,340
Retained Earnings	9,899	(83,917)	80,747
Revaluation Excess for Land	30,438	33,296	248,278
Net Unrealized Losses on Available-for-sale Securities	(15,158)	(6,479)	(123,644)
Less, Treasury Stock	(160)	(1,064)	(1,308)
Total Shareholders' Equity	180,427	158,455	1,471,678
Total Liabilities, Minority Interests, and Shareholders' Equity	¥5,656,388	¥6,001,956	\$46,136,940

Consolidated Interim Statements of Income and Retained Earnings (Unaudited)

The Hokuriku Bank, Ltd. and Consolidated Subsidiaries (For the six months ended September 30, 2002 and 2001)

	Millions of yen		Thousands of U.S. dollars
	2002	2001	2002
Income			
Interest Income:			
Interest on Loans and Discounts	¥ 43,629	¥ 46,569	\$ 355,867
Interest and Dividends on Securities	4,948	7,142	40,364
Other Interest Income	535	1,292	4,370
Other Income	23,735	22,823	193,602
Total Income	72,849	77,827	594,203
Expenses			
Interest Expenses:			
Interest on Deposits	4,870	7,420	39,724
Other Interest Expenses	2,383	2,570	19,441
General and Administrative Expenses	27,912	30,312	227,670
Other Expenses	29,954	163,252	244,326
Total Expenses	65,120	203,555	531,161
Income (Loss) before Income Taxes	7,728	(125,728)	63,042
Income Taxes			
Current	208	91	1,700
Deferred	12	(7,228)	105
Minority Interests in Net Income	127	343	1,039
Net Income (Loss)	¥ 7,380	¥(118,935)	\$ 60,198
Retained Earnings			
Balance, Beginning of Period	¥ —	¥ 35,257	\$ —
Additions to Retained Earnings:			
Transfer from Revaluation Account	—	337	—
Deductions of Retained Earnings:			
Cash Dividends	—	577	—
Net Income (Loss)	—	(118,935)	—
Balance, End of Period	¥ —	¥ (83,917)	\$ —
Retained Earnings			
Balance, Beginning of Period	¥ (99,439)	¥ —	\$ (811,086)
Additions to Retained Earnings:			
Net Income	7,380	—	60,198
Transfer from Revaluation Account	1,611	—	13,144
Transfer from Capital Surplus	100,346	—	818,491
Deductions of Retained Earnings	—	—	—
Balance, End of Period	¥ 9,899	¥ —	\$ 80,747

The Hokuriku Bank, Ltd.

SERVICE NETWORK (As of September 30, 2002)

Head Office

International Department
2-26, Tsutsumicho-dori 1-chome,
Toyama City, Toyama 930-8637, Japan
Telephone: (076) 423-7111

International Operations Center

2-10, Nihonbashi Muromachi 3-chome,
Chuo-ku, Tokyo 103-0022, Japan
Telephone: (03) 3231-7353
Facsimile: (03) 3242-0541
E-mail: b.office@hokugin.co.jp
Telex: J23604, J28660, J28649, RIKBKJ
SWIFT Address: RIKB JP JT

Overseas Offices

New York Representative Office
780 Third Avenue, 28th Floor, New
York, N.Y. 10017, U.S.A.
Telephone: (212) 355-3883
Facsimile: (212) 355-3204

E-mail: nyrep@hokugin.com

Shanghai Representative Office

HSBC Tower, 28th Floor, 101 Yin
Cheng East Rd., Pudong, Shanghai,
People's Republic of China
Telephone: (021) 6841-0058
Facsimile: (021) 6841-2701
E-mail: hokugin@online.sh.cn

Singapore Representative Office

6 Battery Road #17-04,
Singapore 049909
Telephone: 6534-0010
Facsimile: 6534-0070
E-mail: hokuriku@singnet.com.sg

Number of Domestic Offices

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Consolidated Interim Statements of Cash Flows (Unaudited)

The Hokuriku Bank, Ltd. and Consolidated Subsidiaries (For the six months ended September 30, 2002 and 2001)

	Millions of yen		Thousands of U.S. dollars
	2002	2001	2002
I. Cash Flows from Operating Activities			
Net Income (Loss) before Adjustments (Taxes, etc.)	¥ 7,728	¥(125,728)	\$ 63,042
Depreciation	8,541	8,813	69,672
Increase in Reserve for Possible Loan Losses	8,942	66,167	72,940
Increase in Reserve for Losses on Sales of Loans	102	2,848	832
Increase in Reserve for Employee Bonuses	(4)	(4)	(41)
Increase in Reserve for Employee Retirement Benefit	7	101	61
Income from Lending Activities	(49,113)	(55,003)	(400,601)
Funding Costs	7,253	9,990	59,165
Loss (Gain) Related to Securities	2,198	78,617	17,929
Loss (Gain) on Money Held in Trust	65	193	531
Loss (Gain) on Foreign Exchange Translations	25	10	211
Loss (Gain) on Sales of Premises and Equipment	1,026	226	8,371
Decrease (Increase) in Trading Account Assets	2,429	3,094	19,818
Increase (Decrease) in Trading Account Liabilities	(49)	(52)	(404)
Net Decrease (Increase) in Loans and Bills Discounted	143,411	(65,924)	1,169,749
Net Increase (Decrease) in Deposits	(119,580)	45,127	(975,367)
Net Increase (Decrease) in NCDs	(20,859)	(10,508)	(170,139)
Net Increase (Decrease) in Borrowed Money (excluding subordinated loans)	(6,936)	(1,837)	(56,576)
Net Decrease (Increase) in Deposits with Banks (excluding Central Bank)	(2,629)	19,418	(21,444)
Net Decrease (Increase) in Call Loans	(48,693)	146,872	(397,173)
Net Increase (Decrease) in Call Money	(112,300)	65,300	(915,987)
Net Increase (Decrease) in Funds Held as Collateral for Securities Lent Out	—	(5,213)	—
Net Decrease (Increase) in Foreign Exchanges (Assets)	(12)	(3,224)	(103)
Net Increase (Decrease) in Foreign Exchanges (Liabilities)	75	(34)	613
Revenue from Lending Activities	46,350	47,823	378,066
Payments for Funding Expenses	(8,014)	(8,355)	(65,375)
Other	(17,093)	(5,475)	(139,425)
Subtotal	(157,128)	213,244	(1,281,635)
Corporate and Other Taxes Paid	(200)	(89)	(1,633)
Net Cash Provided by (Used in) Operating Activities	(157,328)	213,154	(1,283,268)
II. Cash Flows from Investing Activities			
Purchases of Securities	(99,695)	(327,311)	(813,175)
Proceeds from Sales of Securities	108,885	141,610	888,137
Proceeds from Redemption of Securities	30,686	70,650	250,302
Decrease in Money Held in Trust	1,900	6,613	15,497
Revenue from Investment Activities	5,542	5,876	45,206
Proceeds from Sales of Premises and Equipment	3,374	601	27,524
Purchase of Premises and Equipment	(1,039)	(2,627)	(8,483)
Net Cash Provided by (Used in) Investing Activities	49,653	(104,587)	405,008
III. Cash Flows from Financing Activities			
Repayment of Subordinated Borrowings	(5,000)	(5,000)	(40,783)
Payments to Subordinated Bonds	(720)	(100)	(5,873)
Payments to Financing Activities	(1,074)	(1,113)	(8,763)
Dividends Paid	(0)	(577)	(2)
Purchase of Treasury Stock	(20)	(17)	(167)
Net Cash Provided by (Used in) Financing Activities	(6,815)	(6,809)	(55,588)
IV. Effects of Changes in Exchange Rates on Cash and Cash Equivalents			
	(25)	(10)	(211)
V. Net Increase (Decrease) in Cash and Cash Equivalents			
	(114,515)	101,746	(934,059)
VI. Cash and Cash Equivalents at Beginning of Period			
	372,668	78,446	3,039,713
VII. Cash and Cash Equivalents at End of Period			
	¥ 258,153	¥ 180,193	\$ 2,105,654

Notes:

1) These consolidated financial statements have been prepared in accordance with the provisions set forth in the Securities and Exchange Law of Japan and the Banking Law of Japan, and in conformity with accounting principles and practices generally accepted in Japan, which may differ in some material respects from accounting principles and practices generally accepted in countries and jurisdictions other than Japan. In preparing these financial statements, certain reclassifications and rearrangements have been made to the financial statements issued domestically in Japan.

2) The financial statements are stated in millions of yen by discarding fractional amounts less than ¥1 million.

3) The U.S. dollar amounts represent the arithmetical results of translating original Japanese yen amounts to U.S. dollars rounded off in thousands at the rate of ¥122.60 per US\$1.00, prevailing at the end of September 2002.

4) The consolidated financial statements include the accounts of the Bank and its eight subsidiaries after the elimination of all intercompany transactions, balances, and unrealized profit.

5) There are six affiliates for which the equity method does not apply as they do not have a significant impact on the consolidated financial statements.

6) Loans and bills discounted

	Millions of yen	Thousands of U.S. dollars
Loans to Borrowers under		
Bankruptcy Proceedings	¥106,308	\$ 867,118
Overdue Loans	233,332	1,903,203
Loans Overdue for at Least Three		
Months	3,140	25,615
Restructured Loans	79,404	647,672

The total of the above loans amounted to ¥422,186 million (\$3,443,608 thousand).

7) Market value information

	Millions of yen	Thousands of U.S. dollars
Held-to-Maturity Bonds that Have a		
Market Value		
Book Value	¥ 71,499	\$ 583,197
Market Value	73,927	602,997
Differences	2,427	19,800
Other Securities that Have a Market		
Value*		
Cost	661,920	5,399,029
Book Value	636,097	5,188,399
Valuation Difference	(25,823)	(210,630)

*The difference between cost and book value is directly inserted into equity, net of tax.

8) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and demand deposits with the Bank of Japan.

9) Reclassifications

Certain reclassifications have been made to the accompanying 2001 financial statements to conform to the 2002 presentation.