

Oct 01, 2021

R&I Assigns A, Stable: Hokkoku Financial Holdings, Inc.

Rating and Investment Information, Inc. (R&I) has announced the following:

ISSUER: Hokkoku Financial Holdings, Inc.
Issuer Rating: A, Assigned
Rating Outlook: Stable

RATIONALE:

Hokkoku Financial Holdings, Inc. was established in October 2021 as a holding company for the group that has The Hokkoku Bank, Ltd. at its core. To become a next-generation integrated regional company, it intends to expand non-banking businesses and strengthen group synergies by, for instance, launching subsidiaries under the holding company structure. Because of the strong unity of the group, the rating reflects the entire group's creditworthiness. By incorporating the structural subordination inherent in a holding company and other factors, however, R&I has assigned Hokkoku Financial Holdings an Issuer Rating of A, one notch below that for Hokkoku Bank, the group's core entity.

Details for Hokkoku Bank are provided in the press release dated September 17.

The primary rating methodologies applied to this rating are provided at "R&I's Basic Methodology for Corporate Credit Ratings", "Shared Rating Approach for Financial Institutions, etc.", "Depository Financial Institutions" and "R&I's Analytical Approach to Financial Groups". The methodologies are available at the web site listed below, together with other rating methodologies that are taken into consideration when assigning the rating.

https://www.r-i.co.jp/en/rating/about/rating_method.html

R&I RATINGS:

ISSUER: Hokkoku Financial Holdings, Inc. (Sec. Code: 7381)
Issuer Rating
RATING: A, Assigned
RATING OUTLOOK: Stable

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