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Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 [Japanese GAAP]

May 12, 2022

Company name: Tochigi Bank, Ltd.
Stock exchange listing: Tokyo Stock Exchange
Code number: 8550
URL: https://www.tochigibank.co.jp
Representative: Junnosuke Kuromoto, President
Contact: Hiroyuki Nakada, Director, General Manager of Corporate Planning Division
Phone: +81-28-633-1241
Scheduled date of annual general shareholders' meeting: June 29, 2022
Scheduled date of commencing dividend payments: June 30, 2022
Scheduled date of filing securities report: June 29, 2022
Establishment of specific transaction accounts: None
Availability of supplementary explanatory materials on annual financial results: Available
Schedule of annual financial results briefing session: Scheduled

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 1, 2021 - March 31, 2022)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Ordinary income		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%
March 31, 2022	41,646	3.5	5,576	23.2	3,628	74.3
March 31, 2021	40,238	(5.2)	4,525	2.1	2,081	14.2

(Note) Comprehensive income: Fiscal year ended March 31, 2022: ¥(4,888) million [–%]
Fiscal year ended March 31, 2021: ¥10,291 million [–%]

	Profit per share	Diluted profit per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of ordinary profit to ordinary income
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2022	34.75	34.55	2.2	0.2	13.4
March 31, 2021	19.94	19.85	1.3	0.1	11.2

(Reference) Equity in earnings of affiliated companies: Fiscal year ended March 31, 2022: ¥ – million
Fiscal year ended March 31, 2021: ¥ – million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2022	3,516,989	162,657	4.6	1,542.79
As of March 31, 2021	3,261,125	168,317	5.1	1,600.18

(Reference) Equity: As of March 31, 2022: ¥161,155 million
As of March 31, 2021: ¥167,024 million

(Note) "Equity ratio" is calculated by dividing (Total net assets at end of period − Share acquisition rights at end of period − Non-controlling interests at end of period) by Total assets at end of period.
This "Equity ratio" is not the equity ratio provided for in the regulatory notices pertaining to capital adequacy ratio.

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2022	279,583	(42,956)	(545)	887,602
March 31, 2021	317,901	(43,851)	(1,677)	651,466

2. Dividends

	Annual dividends					Total dividends (annual)	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2021	–	2.50	–	2.50	5.00	521	25.1	0.3
Fiscal year ended March 31, 2022	–	2.50	–	3.00	5.50	574	15.8	0.4
Fiscal year ending March 31, 2023 (Forecast)	–	3.00	–	3.00	6.00		20.9	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 1, 2022 - March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Ordinary income		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Million yen	%	Million yen	%	Million yen	%	Yen
First half	20,000	(5.3)	2,500	(30.7)	1,500	(30.5)	14.36
Full year	40,000	(3.9)	5,000	(10.3)	3,000	(17.3)	28.72

*** Notes:**

(1) Changes in significant subsidiaries during the fiscal year under review
(Changes in specified subsidiaries resulting in changes in scope of consolidation): None

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
1) Changes in accounting policies due to the revision of accounting standards: Yes
2) Changes in accounting policies other than 1) above: None
3) Changes in accounting estimates: None
4) Retrospective restatement: None

(3) Total number of issued and outstanding shares (common shares)
1) Total number of issued and outstanding shares at the end of the year (including treasury shares):
March 31, 2022: 109,608,000 shares
March 31, 2021: 109,608,000 shares

2) Total number of treasury shares at the end of the year:
March 31, 2022: 5,151,020 shares
March 31, 2021: 5,229,417 shares

3) Average number of shares during the year:
Year ended March 31, 2022: 104,436,634 shares
Year ended March 31, 2021: 104,378,770 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 1, 2021 - March 31, 2022)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Ordinary income		Ordinary profit		Profit	
Year ended	Million yen	%	Million yen	%	Million yen	%
March 31, 2022	36,667	3.0	4,412	29.9	3,098	90.7
March 31, 2021	35,604	(8.8)	3,397	(13.7)	1,625	(7.0)

	Profit per share	Diluted profit per share
Year ended	Yen	Yen
March 31, 2022	29.67	29.51
March 31, 2021	15.57	15.50

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2022	3,501,451	154,798	4.4	1,480.62
As of March 31, 2021	3,246,071	161,011	5.0	1,541.30

(Reference) Equity: As of March 31, 2022: ¥154,661 million
As of March 31, 2021: ¥160,878 million

(Note) "Equity ratio" is calculated by dividing (Total net assets at end of period − Share acquisition rights at end of period − Non-controlling interests at end of period) by Total assets at end of period.
This "Equity ratio" is not the equity ratio provided for in the regulatory notices pertaining to capital adequacy ratio.

2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 1, 2022 - March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Ordinary income		Ordinary profit		Profit		Profit per share
	Million yen	%	Million yen	%	Million yen	%	Yen
First half	17,100	(8.3)	2,200	(26.3)	1,300	(30.5)	12.45
Full year	34,000	(7.2)	4,300	(2.5)	2,600	(16.1)	24.89

* These consolidated financial results are outside the scope of audit by certified public accountants or an audit firm.

* Explanation of the appropriate use of financial results forecast and other notes

The financial results forecast and other forward-looking statements herein are based on information currently available to the Bank and certain assumptions deemed reasonable. Actual results, etc. may differ significantly due to various factors.

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1. Operating Results

(1) Analysis of Operating Results

・ Operating Results for the Fiscal Year Under Review

The financial results for the fiscal year under review were as follows:

Ordinary income increased by 1,407 million yen from the previous fiscal year to 41,646 million yen due in part to an increase in fees and commissions.

Ordinary expenses increased by 356 million yen from the previous fiscal year to 36,069 million yen due in part to an increase in loss on sale of bonds.

As a result, ordinary profit increased by 1,051 million yen from the previous fiscal year to 5,576 million yen and profit attributable to owners of parent increased by 1,547 million yen from the previous fiscal year to 3,628 million yen.

As for the status of the segments by business type, in the Banking Business, ordinary income increased by 993 million yen from the previous fiscal year to 37,606 million yen and segment profit increased by 989 million yen from the previous fiscal year to 4,394 million yen.

In the Financial Instruments Business, ordinary income increased by 3,025 million yen from the previous fiscal year to 470 million yen and segment profit increased by 79 million yen from the previous fiscal year to 871 million yen.

The Bank has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. and the "Accounting Standard for Fair Value Measurement" (ASBJ Statement No. 30, July 4, 2019), etc. starting from the beginning of the fiscal year under review. An impact of the application is minor, and therefore, the analysis has been made using figures for the previous fiscal year, without any adjustment.

・ Outlook for the following fiscal year

As for the consolidated financial results forecast for the fiscal year ending March 31, 2023, the Bank expects ordinary income of 40,000 million yen, ordinary profit of 5,000 million yen, and profit attributable to owners of parent of 3,000 million yen.

While the above financial results forecast is based on currently available information, actual business performance may vary due in part to changes in the business environment in the future, including an impact of the spread of COVID-19. Should any matter requiring disclosure arise, the Bank will make a prompt announcement.

(2) Analysis of Financial Position

(i) Status of assets, liabilities, and net assets

Assets at the end of the fiscal year under review increased by 255.8 billion yen from the end of the previous fiscal year to 3,516.9 billion yen due in part to an increase in securities. Liabilities increased by 261.5 billion yen from the end of the previous fiscal year to 3,354.3 billion yen due in part to an increase in deposits. Net assets decreased by 5.6 billion yen from the end of the previous fiscal year to 162.6 billion yen due in part to a decrease in valuation difference on available-for-sale securities.

The status of main accounts is as follows:

・ Deposits

The balance of deposits increased by 91.6 billion yen from the end of the previous fiscal year to 3,014.8 billion yen due in part to an increase in personal deposits.

・ Loans and bills discounted

The balance of loans and bills discounted decreased by 7.1 billion yen from the end of the previous fiscal year to 1,954.7 billion yen.

・ Securities

Investment has been made with a close attention to market trends. As a result, the balance of securities increased by 25.7 billion yen from the end of the previous fiscal year to 604.2 billion yen.

(ii) Status of cash flows

The status of cash flows is as follows:

Net cash provided by operating activities was 279,583 million yen due in part to an increase in deposits (a decrease of 38,318 million yen from the previous fiscal year).

Net cash used in investing activities was 42,956 million yen due in part to purchase of securities (an increase of 894 million yen from the previous fiscal year).

Net cash used in financing activities was 545 million yen due in part to dividends paid (an increase of 1,131 million yen from the previous fiscal year).

As a result of the above, the balance of cash and cash equivalents at the end of the fiscal year under review increased by 236,136 million yen from the end of the previous fiscal year to 887,602 million yen.

(3) Basic Policy on Distribution of Profit and Dividends for the Fiscal Year under Review and the Following Fiscal Year

In light of its public nature as a bank, it is the basic policy of the Bank to strive for sound management and greater internal reserves and maintain stable dividend distribution to secure the trust of customers and local communities.

The Bank intends to pay 3.00 yen per share, an increase of 0.50 yen per share, as the year-end dividend for the fiscal year ended March 31, 2022, in appreciation of the support of shareholders, considering the facts such as that the financial performance remained strong. As a result, combining the interim dividend of 2.50 yen, the annual dividend per share will be 5.50 yen.

As announced on May 12, 2022, the Bank has formulated its shareholder returns policy for the purposes of clarifying the policy on shareholder returns and enhancing the appeal of investing in shares of the Bank. Under the policy, the Bank has set the total return ratio to profit attributable to owners of parent, combining dividend payment and purchase of treasury shares, to be around 30% to 35%. In line with this policy, for the dividends for the following fiscal year, the Bank plans to pay an annual dividend of 6.00 yen per share, consisting of an interim dividend of 3.00 yen per share and a year-end dividend of 3.00 yen per share.

The Bank intends to make effective use of the internal reserves by continuing investment in branches and IT to improve services for customers as well as to enhance the management base and strengthen the management structure.

2. Basic Policy on Selection of Accounting Standards

The Group's business is currently limited to operations in Japan, without activities in overseas countries. Accordingly, the Group intends to apply the Japanese accounting standards for the time being. It is the Group's policy to consider the application of the International Financial Reporting Standards (IFRS) taking into consideration the future trends in the application of the IFRS by other Japanese companies in the same industry.

3. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Cash and due from banks	658,859	895,522
Call loans and bills bought	4,038	2,634
Trading securities	67	15
Money held in trust	1,135	834
Securities	578,557	604,272
Loans and bills discounted	1,961,883	1,954,732
Foreign exchanges	2,527	929
Other assets	36,891	34,510
Tangible fixed assets	21,835	20,427
Buildings, net	6,747	6,217
Land	13,320	12,622
Construction in progress	126	137
Other tangible fixed assets	1,640	1,450
Intangible fixed assets	584	623
Software	305	461
Other intangible fixed assets	279	161
Retirement benefit asset	2,592	3,779
Deferred tax assets	4,417	8,158
Customers' liabilities for acceptances and guarantees	2,804	2,424
Allowance for loan losses	(15,070)	(11,876)
Total assets	3,261,125	3,516,989
Liabilities		
Deposits	2,923,183	3,014,849
Negotiable certificates of deposit	11,812	990
Borrowed money	132,733	313,799
Foreign exchanges	32	11
Other liabilities	19,490	19,581
Provision for bonuses	953	933
Provision for bonuses for directors (and other officers)	34	20
Retirement benefit liability	238	268
Provision for retirement benefits for directors (and other officers)	–	1
Provision for reimbursement of deposits	268	258
Provision for contingent loss	209	221
Reserves under special laws	7	8
Deferred tax liabilities for land revaluation	1,039	961
Acceptances and guarantees	2,804	2,424
Total liabilities	3,092,807	3,354,331

(Million yen)

	As of March 31, 2021	As of March 31, 2022
Net assets		
Share capital	27,408	27,408
Capital surplus	30,036	30,036
Retained earnings	113,473	116,366
Treasury shares	(2,346)	(2,311)
Total shareholders' equity	168,572	171,500
Valuation difference on available-for-sale securities	(2,022)	(10,676)
Revaluation reserve for land	(793)	(843)
Remeasurements of defined benefit plans	1,268	1,175
Total accumulated other comprehensive income	(1,547)	(10,344)
Share acquisition rights	132	137
Non-controlling interests	1,159	1,365
Total net assets	168,317	162,657
Total liabilities and net assets	3,261,125	3,516,989

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Ordinary income	40,238	41,646
Interest income	26,382	25,606
Interest on loans and discounts	20,923	20,446
Interest and dividends on securities	5,052	4,300
Interest on call loans and bills bought	3	2
Interest on deposits with banks	401	856
Other interest income	0	0
Fees and commissions	8,375	8,990
Other ordinary income	1,816	2,267
Other income	3,664	4,781
Recoveries of written off receivables	267	274
Other	3,397	4,507
Ordinary expenses	35,713	36,069
Interest expenses	410	239
Interest on deposits	374	211
Interest on negotiable certificates of deposit	6	0
Interest on borrowings and rediscounts	25	27
Other interest expenses	4	0
Fees and commissions payments	3,496	3,608
Other ordinary expenses	1,217	3,456
General and administrative expenses	25,041	24,038
Other expenses	5,547	4,727
Provision of allowance for loan losses	2,231	1,370
Other	3,316	3,356
Ordinary profit	4,525	5,576
Extraordinary income	98	58
Gain on disposal of non-current assets	96	58
Reversal of reserve for financial instruments transaction liabilities	1	–
Extraordinary losses	348	1,187
Loss on disposal of non-current assets	43	51
Provision of reserve for financial instruments transaction liabilities	–	1
Impairment losses	305	1,135
Profit before income taxes	4,274	4,448
Income taxes - current	1,615	503
Income taxes - deferred	199	86
Total income taxes	1,814	589
Profit	2,459	3,858
Profit attributable to non-controlling interests	378	229
Profit attributable to owners of parent	2,081	3,628

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Profit	2,459	3,858
Other comprehensive income	7,831	(8,746)
Valuation difference on available-for-sale securities	5,174	(8,653)
Remeasurements of defined benefit plans, net of tax	2,657	(93)
Comprehensive income	10,291	(4,888)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,903	(5,118)
Comprehensive income attributable to non-controlling interests	387	229

(3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	27,408	26,235	112,012	(2,346)	163,310
Changes during period					
Dividends of surplus			(521)		(521)
Profit attributable to owners of parent			2,081		2,081
Purchase of treasury shares				(0)	(0)
Reversal of revaluation reserve for land			(98)		(98)
Change in ownership interest of parent due to transactions with non-controlling interests		3,801			3,801
Net changes in items other than shareholders' equity					
Total changes during period	–	3,801	1,460	(0)	5,262
Balance at end of period	27,408	30,036	113,473	(2,346)	168,572

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	(7,188)	(892)	(1,388)	(9,468)	107	5,727	159,677
Changes during period							
Dividends of surplus							(521)
Profit attributable to owners of parent							2,081
Purchase of treasury shares							(0)
Reversal of revaluation reserve for land							(98)
Change in ownership interest of parent due to transactions with non-controlling interests							3,801
Net changes in items other than shareholders' equity	5,165	98	2,657	7,920	25	(4,568)	3,377
Total changes during period	5,165	98	2,657	7,920	25	(4,568)	8,639
Balance at end of period	(2,022)	(793)	1,268	(1,547)	132	1,159	168,317

Fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	27,408	30,036	113,473	(2,346)	168,572
Cumulative effects of changes in accounting policies			(248)		(248)
Restated balance	27,408	30,036	113,225	(2,346)	168,323
Changes during period					
Dividends of surplus			(522)		(522)
Profit attributable to owners of parent			3,628		3,628
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(15)		35	19
Transfer of loss on disposal of treasury shares		15	(15)		–
Reversal of revaluation reserve for land			50		50
Change in ownership interest of parent due to transactions with non-controlling interests					–
Net changes in items other than shareholders' equity					
Total changes during period	–	–	3,141	35	3,176
Balance at end of period	27,408	30,036	116,366	(2,311)	171,500

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	(2,022)	(793)	1,268	(1,547)	132	1,159	168,317
Cumulative effects of changes in accounting policies							(248)
Restated balance	(2,022)	(793)	1,268	(1,547)	132	1,159	168,068
Changes during period							
Dividends of surplus							(522)
Profit attributable to owners of parent							3,628
Purchase of treasury shares							(0)
Disposal of treasury shares							19
Transfer of loss on disposal of treasury shares							–
Reversal of revaluation reserve for land							50
Change in ownership interest of parent due to transactions with non-controlling interests							–
Net changes in items other than shareholders' equity	(8,653)	(50)	(93)	(8,796)	4	205	(8,586)
Total changes during period	(8,653)	(50)	(93)	(8,796)	4	205	(5,410)
Balance at end of period	(10,676)	(843)	1,175	(10,344)	137	1,365	162,657

(4) Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit before income taxes	4,274	4,448
Depreciation	1,220	1,219
Impairment losses	305	1,135
Increase (decrease) in allowance for loan losses	2,008	(3,193)
Increase (decrease) in provision for bonuses	64	(20)
Increase (decrease) in provision for bonuses for directors (and other officers)	8	(13)
Decrease (increase) in retirement benefit asset	–	(1,321)
Increase (decrease) in retirement benefit liability	(538)	30
Increase (decrease) in provision for retirement benefits for directors (and other officers)	–	1
Increase (decrease) in provision for reimbursement of deposits	(7)	(9)
Increase (decrease) in provision for contingent loss	(13)	11
Interest income	(26,382)	(25,606)
Interest expenses	410	239
Loss (gain) related to securities	847	2,205
Loss (gain) on money held in trust	(2)	(4)
Foreign exchange losses (gains)	10	(55)
Loss (gain) on disposal of non-current assets	(53)	(7)
Net decrease (increase) in loans and bills discounted	(13,739)	7,150
Net increase (decrease) in deposits	212,788	90,674
Net increase (decrease) in negotiable certificates of deposit	(14,670)	(10,821)
Net increase (decrease) in borrowed money	129,773	181,066
Net decrease (increase) in due from banks (excluding due from Bank of Japan)	(1,557)	463
Net decrease (increase) in call loans	(341)	1,404
Net decrease (increase) in foreign exchanges - assets	(104)	1,598
Net increase (decrease) in foreign exchanges - liabilities	2	(21)
Interest received	26,490	26,022
Interest paid	(524)	(312)
Other, net	(484)	4,069
Subtotal	319,784	280,351
Income taxes paid	(1,887)	(887)
Income taxes refund	3	119
Net cash provided by (used in) operating activities	317,901	279,583

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Cash flows from investing activities		
Purchase of securities	(140,384)	(190,207)
Proceeds from sale of securities	80,608	138,996
Proceeds from redemption of securities	16,756	8,843
Decrease in money held in trust	281	305
Purchase of tangible fixed assets	(1,263)	(773)
Proceeds from sale of tangible fixed assets	282	229
Purchase of intangible fixed assets	(180)	(385)
Payments of leasehold and guarantee deposits	(4)	(31)
Proceeds from refund of leasehold and guarantee deposits	53	66
Net cash provided by (used in) investing activities	(43,851)	(42,956)
Cash flows from financing activities		
Dividends paid	(521)	(522)
Dividends paid to non-controlling interests	(14)	(23)
Proceeds from share issuance to non-controlling shareholders	280	–
Purchase of treasury shares	(0)	(0)
Proceeds from sale of treasury shares	–	0
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(1,420)	–
Net cash provided by (used in) financing activities	(1,677)	(545)
Effect of exchange rate change on cash and cash equivalents	(10)	55
Net increase (decrease) in cash and cash equivalents	272,363	236,136
Cash and cash equivalents at beginning of period	379,102	651,466
Cash and cash equivalents at end of period	651,466	887,602

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Significant accounting policies for preparation of consolidated financial statements)

Not applicable.

(Changes in accounting policies)

(Application of the Accounting Standard for Revenue Recognition, etc.)

The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020, hereinafter referred to as "Revenue Recognition Accounting Standard"), etc. from the beginning of the fiscal year under review, and has decided to recognize revenue in the amount expected to be received in exchange for promised goods or service when the control of the goods or service is transferred to customers.

Accordingly, the Bank now recognizes revenue from certain fees, etc. upon the fulfillment of the performance obligations through the transfer of a good or service to a relevant customer based on a contract, which was previously recognized upon the receipt of consideration (recorded principally as fees and commissions).

The application of the Revenue Recognition Accounting Standard, etc., is subject to the transitional treatment provided for in the proviso to Paragraph 84 of the Revenue Recognition Accounting Standard. The cumulative effect of the retrospective application of the new accounting policy, assuming it has been applied to the periods prior to the beginning of the fiscal year under review, has been added to or subtracted from retained earnings at the beginning of the fiscal year under review, and the new accounting policy has been applied from the said beginning balance.

As a result, retained earnings at the beginning of the fiscal year under review decreased by 248 million yen, and other liabilities and deferred tax assets increased by 319 million yen and 70 million yen, respectively. A resulting impact on the consolidated financial statements for the fiscal year under review is minor.

(Application of the Accounting Standard for Fair Value Measurement, etc.)

The Bank has applied the "Accounting Standard for Fair Value Measurement" (ASBJ Statement No. 30, July 4, 2019, hereinafter referred to as "Fair Value Measurement Accounting Standard"), etc. from the beginning of the fiscal year under review, and prospectively applies the new accounting policy determined by the Fair Value Measurement Accounting Standard, etc. in accordance with the transitional treatment set forth in Paragraph 19 of the Fair Value Measurement Accounting Standard and Paragraph 44-2 of the "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10, July 4, 2019)." Accordingly, the Bank has conducted valuation of credit derivatives at market value, which has previously been deemed extremely difficult to ascertain the market value and treated in accordance with treatment of guarantee of obligations. However, a resulting impact on the consolidated financial statements for the fiscal year under review is minor.

(Segment information, etc.)

1. Overview of reportable segments

The Group engages in businesses related to financial service including not only the core banking business but also the leasing business, the credit card business and the financial instruments business. The reportable segments consist of "Banking Business" and "Financial Instruments Business," and the "Others" segment includes leasing business, credit card business, etc.

"Banking Business" engages in deposit operations, lending operations, domestic/foreign exchange operations, etc., and includes the Bank and two consolidated subsidiaries which mainly engage in operations

entrusted by the Bank. “Financial Instruments Business” is comprised of Tochigin Tokai Tokyo Securities Co., Ltd., a consolidated subsidiary which engages in securities brokerage, etc.

2. Method for calculating amount of ordinary income, profit or loss, assets and other items by reportable segment
The accounting method for the reported business segments is the same as the accounting method used in preparing the consolidated financial statements. Profit figures for reportable segments are based on ordinary profit, and the inter-segment transactions are based on third-party prices.

As the Bank has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. from the beginning of the fiscal year under review, the method for calculating the amount of profit or loss of the business segments has been changed likewise, starting from the fiscal year under review. An impact of the change on the segment information is minor. The segment information for the previous fiscal year is calculated based on the accounting standards before the change.

3. Information concerning amount of ordinary income, profit or loss, assets and other items by reportable segment
For the fiscal year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)

(Million yen)

	Reportable segment			Others	Total	Adjustments	Amount recorded in Consolidated Financial Statements
	Banking Business	Financial Instruments Business	Total				
Ordinary income							
Ordinary income from outside customers	36,128	2,554	38,682	1,555	40,238	–	40,238
Inter-segment ordinary income	484	0	485	866	1,351	(1,351)	–
Total	36,613	2,554	39,167	2,422	41,590	(1,351)	40,238
Segment profit	3,404	792	4,197	350	4,547	(22)	4,525
Segment assets	3,245,944	9,549	3,255,493	13,022	3,268,516	(7,391)	3,261,125
Other items							
Depreciation	1,051	32	1,084	26	1,110	110	1,220
Interest income	26,409	24	26,434	4	26,439	(57)	26,382
Interest expenses	380	22	403	45	448	(37)	410
Provision (reversal) of allowance for loan losses	2,195	0	2,195	35	2,231	(0)	2,231
Increases in tangible fixed assets and intangible fixed assets	1,144	9	1,153	107	1,261	182	1,444

(Notes) 1. Ordinary income is stated for each segment in lieu of net sales of general companies.
2. “Others” is a business segment that is not included in the reportable segments, which is comprised of the leasing business, the credit card business, etc.
3. Adjustments represent eliminations for inter-segment transactions.
4. Segment profit is adjusted with ordinary profit in the Consolidated Statements of Income.

For the fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(Million yen)

	Reportable segment			Others	Total	Adjustments	Amount recorded in Consolidated Financial Statements
	Banking Business	Financial Instruments Business	Total				
Ordinary income							
Ordinary income from outside customers	37,008	3,023	40,031	1,614	41,646	–	41,646
Inter-segment ordinary income	598	1	600	715	1,315	(1,315)	–
Total	37,606	3,025	40,631	2,329	42,961	(1,315)	41,646
Segment profit	4,394	871	5,266	352	5,618	(41)	5,576
Segment assets	3,501,391	9,219	3,510,610	13,045	3,523,655	(6,666)	3,516,989
Other items							
Depreciation	1,031	60	1,091	35	1,127	92	1,219
Interest income	25,653	28	25,681	5	25,687	(80)	25,606
Interest expenses	211	23	235	43	279	(39)	239
Provision (reversal) of allowance for loan losses	1,411	–	1,411	(40)	1,370	0	1,370
Increases in tangible fixed assets and intangible fixed assets	872	206	1,078	29	1,107	51	1,158

(Notes) 1. Ordinary income is stated for each segment in lieu of net sales of general companies.
2. “Others” is a business segment that is not included in the reportable segments, which is comprised of the leasing business, the credit card business, etc.
3. Adjustments represent eliminations for inter-segment transactions.
4. Segment profit is adjusted with ordinary profit in the Consolidated Statements of Income.

(Per share information)

1. Net assets per share and the basis for calculation

		As of March 31, 2022
Net assets per share	Yen	1542.79
(Basis for calculation)		
Total net assets	Million yen	162,657
Amount deducted from total net assets	Million yen	1,502
(Share acquisition rights)	Million yen	137
(Non-controlling interests)	Million yen	1,365
Net assets relating to common shares at end of period	Million yen	161,155
Number of shares of common shares at end of period used to calculate net assets per share	Thousand shares	104,456

2. The basis for calculation of profit per share and diluted profit per share

		For the fiscal year ended March 31, 2022
(1) Profit per share	Yen	34.75
(Basis for calculation)		
Profit attributable to owners of parent	Million yen	3,628
Amount not attributable to common shareholders	Million yen	–
Profit attributable to owners of parent relating to common shares	Million yen	3,628
Average number of common shares during period	Thousand shares	104,436
(2) Diluted profit per share	Yen	34.55
(Basis for calculation)		
Adjustment for profit attributable to owners of parent relating to common shares	Million yen	–
Increase in number of shares of common shares	Thousand shares	581
(Share acquisition rights)	Thousand shares	581
Overview of potentially dilutive shares not included in the calculation of diluted profit per share due to their non-dilutive effect		–

(Significant subsequent events)

Not applicable.

4. Non-consolidated Financial Statements

(1) Non-consolidated Balance Sheets

(Million yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Cash and due from banks	655,612	892,982
Cash	39,796	42,026
Due from banks	615,816	850,955
Call loans	4,038	2,634
Trading securities	67	15
Trading government bonds	67	15
Money held in trust	1,135	834
Securities	581,248	606,964
Government bonds	104,800	167,386
Local government bonds	64,581	58,425
Corporate bonds	115,842	116,042
Stocks	14,456	13,216
Other securities	281,567	251,892
Loans and bills discounted	1,962,995	1,955,198
Bills discounted	4,378	4,342
Loans on bills	79,376	79,110
Loans on deeds	1,778,903	1,764,023
Overdrafts	100,336	107,722
Foreign exchanges	2,527	929
Due from foreign banks (our accounts)	2,527	929
Other assets	22,555	19,642
Accrued revenue	2,059	2,234
Financial derivatives	0	–
Other	20,496	17,407
Tangible fixed assets	21,364	19,954
Buildings, net	6,708	6,132
Land	13,223	12,543
Leased assets, net	419	307
Construction in progress	126	137
Other tangible fixed assets	886	834
Intangible fixed assets	550	491
Software	277	335
Leased assets	21	33
Other intangible fixed assets	252	122
Prepaid pension costs	767	2,088
Deferred tax assets	4,888	8,599
Customers' liabilities for acceptances and guarantees	2,804	2,424
Allowance for loan losses	(14,484)	(11,308)
Total assets	3,246,071	3,501,451

(Million yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities		
Deposits	2,925,905	3,017,387
Current deposits	64,573	68,035
Ordinary deposits	1,821,441	1,939,934
Savings deposits	37,467	37,342
Deposits at notice	1,910	601
Time deposits	979,511	951,221
Installment savings	11,156	10,800
Other deposits	9,844	9,449
Negotiable certificates of deposit	11,812	990
Borrowed money	130,200	311,200
Borrowings from other banks	130,200	311,200
Foreign exchanges	32	11
Foreign bills payable	32	11
Other liabilities	11,977	12,366
Income taxes payable	336	89
Accrued expenses	710	609
Unearned revenue	751	991
Reserve for interest on installment savings	0	0
Financial derivatives	0	147
Lease liabilities	481	362
Other	9,695	10,165
Provision for bonuses	785	773
Provision for bonuses for directors (and other officers)	25	12
Provision for retirement benefits	–	43
Provision for reimbursement of deposits	268	258
Provision for contingent loss	209	221
Deferred tax liabilities for land revaluation	1,039	961
Acceptances and guarantees	2,804	2,424
Total liabilities	3,085,060	3,346,652
Net assets		
Share capital	27,408	27,408
Capital surplus	26,150	26,150
Legal capital surplus	26,150	26,150
Retained earnings	112,487	114,937
Legal retained earnings	1,745	1,745
Other retained earnings	110,742	113,191
General reserve	106,987	106,987
Retained earnings brought forward	3,755	6,204
Treasury shares	(2,346)	(2,311)
Total shareholders' equity	163,699	166,184
Valuation difference on available-for-sale securities	(2,027)	(10,680)
Revaluation reserve for land	(793)	(843)
Total valuation and translation adjustments	(2,821)	(11,523)
Share acquisition rights	132	137
Total net assets	161,011	154,798
Total liabilities and net assets	3,246,071	3,501,451

(2) Non-consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Ordinary income	35,604	36,667
Interest income	26,409	25,653
Interest on loans and discounts	20,936	20,458
Interest and dividends on securities	5,067	4,336
Interest on call loans	3	2
Interest on deposits with banks	401	856
Other interest income	0	0
Fees and commissions	7,621	8,157
Fees and commissions on domestic and foreign exchanges	1,725	1,573
Other fees and commissions	5,896	6,583
Other ordinary income	468	633
Gain on foreign exchange transactions	26	19
Gain on sale of bonds	90	153
Other	352	460
Other income	1,104	2,223
Recoveries of written off receivables	266	272
Gain on sale of equity securities	179	1,367
Gain on money held in trust	2	4
Other	655	577
Ordinary expenses	32,206	32,255
Interest expenses	380	211
Interest on deposits	374	211
Interest on negotiable certificates of deposit	6	0
Interest on borrowings and rediscounts	0	0
Fees and commissions payments	3,792	3,871
Fees and commissions on domestic and foreign exchanges	336	238
Other fees and commissions	3,455	3,633
Other ordinary expenses	1,217	3,456
Net loss on trading securities transactions	0	0
Loss on sale of bonds	824	3,009
Loss on devaluation of bonds	15	–
Loss on financial derivatives	–	183
Other	377	263
General and administrative expenses	23,145	21,840
Other expenses	3,670	2,874
Provision of allowance for loan losses	2,193	1,387
Written-off of loans	1,025	528
Loss on sale of equity securities	154	588
Loss on devaluation of equity securities	65	128
Other	232	241
Ordinary profit	3,397	4,412

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Extraordinary income	86	45
Gain on disposal of non-current assets	86	45
Extraordinary losses	348	1,164
Loss on disposal of non-current assets	43	50
Impairment losses	305	1,113
Profit before income taxes	3,135	3,292
Income taxes - current	1,174	118
Income taxes - deferred	336	74
Total income taxes	1,510	193
Profit	1,625	3,098

(3) Non-consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)

(Million yen)

	Shareholders' equity						
	Share capital	Capital surplus		Retained earnings			
		Legal capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings
					General reserve	Retained earnings brought forward	
Balance at beginning of period	27,408	26,150	26,150	1,745	106,987	2,750	111,482
Changes during period							
Dividends of surplus						(521)	(521)
Profit						1,625	1,625
Purchase of treasury shares							
Reversal of revaluation reserve for land						(98)	(98)
Net changes in items other than shareholders' equity							
Total changes during period	–	–	–	–	–	1,004	1,004
Balance at end of period	27,408	26,150	26,150	1,745	106,987	3,755	112,487

	Shareholders' equity		Valuation and translation adjustments			Share acquisition rights	Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments		
Balance at beginning of period	(2,346)	162,694	(7,187)	(892)	(8,079)	107	154,723
Changes during period							
Dividends of surplus		(521)					(521)
Profit		1,625					1,625
Purchase of treasury shares	(0)	(0)					(0)
Reversal of revaluation reserve for land		(98)					(98)
Net changes in items other than shareholders' equity			5,159	98	5,258	25	5,283
Total changes during period	(0)	1,004	5,159	98	5,258	25	6,288
Balance at end of period	(2,346)	163,699	(2,027)	(793)	(2,821)	132	161,011

Fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(Million yen)

	Shareholders' equity							
		Capital surplus			Retained earnings			
						Other retained earnings		
	Share capital	Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	General reserve	Retained earnings brought forward	Total retained earnings
Balance at beginning of period	27,408	26,150	–	26,150	1,745	106,987	3,755	112,487
Cumulative effects of changes in accounting policies							(161)	(161)
Restated balance	27,408	26,150	–	26,150	1,745	106,987	3,593	112,325
Changes during period								
Dividends of surplus							(522)	(522)
Profit							3,098	3,098
Purchase of treasury shares								
Disposal of treasury shares			(15)	(15)				
Transfer of loss on disposal of treasury shares			15	15			(15)	(15)
Reversal of revaluation reserve for land							50	50
Net changes in items other than shareholders' equity								
Total changes during period	–	–	–	–	–	–	2,611	2,611
Balance at end of period	27,408	26,150	–	26,150	1,745	106,987	6,204	114,937

	Shareholders' equity		Valuation and translation adjustments			Share acquisition rights	Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments		
Balance at beginning of period	(2,346)	163,699	(2,027)	(793)	(2,821)	132	161,011
Cumulative effects of changes in accounting policies		(161)					(161)
Restated balance	(2,346)	163,538	(2,027)	(793)	(2,821)	132	160,849
Changes during period							
Dividends of surplus		(522)					(522)
Profit		3,098					3,098
Purchase of treasury shares	(0)	(0)					(0)
Disposal of treasury shares	35	19					19
Transfer of loss on disposal of treasury shares		–					–
Reversal of revaluation reserve for land		50					50
Net changes in items other than shareholders' equity			(8,652)	(50)	(8,702)	4	(8,698)
Total changes during period	35	2,646	(8,652)	(50)	(8,702)	4	(6,051)
Balance at end of period	(2,311)	166,184	(10,680)	(843)	(11,523)	137	154,798

Financial Results Presentation Material

I Overview of Financial Results for Fiscal Year Ended March 31, 2022
1. Status of Profit and Loss

[Non-consolidated]

(Million yen)

	Fiscal year ended March 2022	Change from fiscal year ended March 2021	Fiscal year ended March 2021
Gross operating profit	26,903	(2,205)	29,109
(Excluding gains (losses) on government bonds and other securities)	29,760	(99)	29,859
Domestic gross profit	26,810	(2,190)	29,001
(Excluding gains (losses) on government bonds and other securities)	29,666	(83)	29,750
Net interest income	25,368	(583)	25,951
Fees and commissions income	4,284	460	3,824
Other operating income	(2,842)	(2,067)	(775)
International gross profit	93	(15)	108
(Excluding gains (losses) on government bonds and other securities)	93	(15)	108
Net interest income	73	(3)	77
Fees and commissions income	0	(4)	4
Other operating income	19	(7)	26
Expenses (excluding extraordinary adjustments)	22,198	(488)	22,686
Personnel expenses	12,543	(314)	12,857
Non-personnel expenses	8,227	(105)	8,333
Taxes	1,427	(68)	1,495
Substantial net business profit (Note 1)	4,705	(1,717)	6,423
Core net business profit (Note 2)	7,562	389	7,172
Core net business profit (excluding gains (losses) from cancellation of investment trust)	7,466	1,638	5,828
Provision of general allowance for loan losses (1)	604	(723)	1,328
Net business profit	4,101	(993)	5,094
Of which, gains (losses) on government bonds and other securities	(2,856)	(2,106)	(749)
Unusual profits and losses	310	2,008	(1,697)
Bad loans disposed (2)	1,456	(576)	2,033
Written-off of loans	528	(496)	1,025
Provision of individual allowance for loan losses	783	(81)	864
Loss on sale of receivables	25	25	–
Provision for contingent loss	11	11	–
Cost borne under joint responsibility system of credit guarantee corporations	107	(35)	142
(Costs for loans written-off (1) + (2))	2,061	(1,300)	3,361
Reversal of provision for contingent loss (3)	–	(13)	13

Recoveries of written off receivables		272	6	266
Gains (losses) related to equity securities		650	689	(39)
	Gain on sale of equity securities	1,367	1,187	179
	Loss on sale of equity securities	588	434	154
	Loss on devaluation of equity securities	128	63	65
Other unusual profits and losses		844	748	96
Ordinary profit		4,412	1,014	3,397
Extraordinary income and losses		(1,119)	(857)	(261)
Of which, loss (gain) on disposal of non-current assets		(5)	(48)	43
	Gain on disposal of non-current assets	45	(41)	86
	Loss on disposal of non-current assets	50	7	43
Of which, impairment losses		1,113	808	305
Profit before income taxes		3,292	157	3,135
Income taxes - current		118	(1,055)	1,174
Income taxes - deferred		74	(261)	336
Total income taxes		193	(1,316)	1,510
Profit		3,098	1,473	1,625

Costs for loans written-off (1) + (2) - (3)	2,061	(1,287)	3,348

(Note 1) Substantial net business profit = Net business profit (before transfer to general allowance for loan losses)

(Note 2) Core net business profit = Substantial net business profit - Gain (loss) on bonds

[Consolidated]
(Million yen)

	Fiscal year ended March 2022	Change from fiscal year ended March 2021	Fiscal year ended March 2021
Consolidated gross profit	29,560	(1,889)	31,449
Net interest income	25,367	(604)	25,971
Fees and commissions income	5,382	503	4,878
Other operating income	(1,188)	(1,788)	599
General and administrative expenses	24,038	(1,003)	25,041
Costs for loans written-off (1)	2,102	(1,357)	3,459
Written-off of loans	586	(498)	1,085
Provision of individual allowance for loan losses	774	(150)	924
Provision of general allowance for loan losses	596	(710)	1,306
Loss on sale of receivables	25	25	–
Provision for contingent loss	11	11	–
Cost borne under joint responsibility system of credit guarantee corporations	107	(35)	142
Reversal of provision for contingent loss (2)	–	(13)	13
Recoveries of written off receivables	274	6	267
Gains (losses) related to equity securities	650	698	(48)
Others	1,232	(112)	1,344
Ordinary profit	5,576	1,051	4,525
Extraordinary income and losses	(1,128)	(877)	(250)
Profit before income taxes	4,448	173	4,274
Income taxes - current	503	(1,112)	1,615
Income taxes - deferred	86	(112)	199
Total income taxes	589	(1,224)	1,814
Profit attributable to non-controlling interests	229	(148)	378
Profit attributable to owners of parent	3,628	1,547	2,081

Costs for loans written-off ((1) - (2))	2,102	(1,344)	3,446

(Note) Consolidated gross profit = (Interest income - Interest expenses) + (Fees and commissions - Fees and commissions payments) + (Other ordinary income - Other ordinary expenses)

(Number of companies in the scope of consolidation)

(No. of companies)

	Fiscal year ended March 2022	Change from fiscal year ended March 2021	Fiscal year ended March 2021
Number of consolidated subsidiaries	5	–	5
Number of equity-method affiliated companies	–	–	–

2. Main Accounts [Non-consolidated]

Balance of deposits

(Million yen)

	March 31, 2022	Change from September 30, 2021	Change from March 31, 2021	September 30, 2021	March 31, 2021
Deposits	3,017,387	16,113	91,481	3,001,273	2,925,905
Time deposits	964,974	(29,355)	(30,364)	994,329	995,338
Liquid deposits	2,052,413	45,468	121,845	2,006,944	1,930,567

*Excluding negotiable certificates of deposit.

Balance of loans and bills discounted

(Million yen, %)

	March 31, 2022	Change from September 30, 2021	Change from March 31, 2021	September 30, 2021	March 31, 2021
Loans and bills discounted	1,955,198	7,312	(7,796)	1,947,886	1,962,995
Loans and bills discounted for individuals, SMEs, etc.	1,484,601	5,748	(23,151)	1,478,853	1,507,752
Liquid deposits	75.93	0.01	(0.87)	75.92	76.80

Balance of securities

(Million yen)

	March 31, 2022	Change from September 30, 2021	Change from March 31, 2021	September 30, 2021	March 31, 2021
Securities	606,964	34,700	25,715	572,263	581,248
Government bonds	167,386	37,302	62,586	130,083	104,800

Balance of deposit assets

(Million yen)

	March 31, 2022	Change from September 30, 2021	Change from March 31, 2021	September 30, 2021	March 31, 2021
Deposit assets	398,356	13,238	23,582	385,117	374,774
Public bonds	23,522	(727)	(2,109)	24,250	25,632
Investment trusts	137,538	12,867	25,931	124,670	111,607
Individual pension, etc.	237,295	1,098	(239)	236,197	237,535

3. Margin [Non-consolidated]

(%)

	Fiscal year ended March 2022	Change from fiscal year ended March 2021	Fiscal year ended March 2021
(1) Yield on assets (A)	0.83	(0.06)	0.89
(A) Yield on loans and bills discounted	1.04	(0.02)	1.06
(B) Yield on securities	0.73	(0.17)	0.90
(2) Funding costs (B)	0.70	(0.07)	0.77
(A) Yield on deposits, etc.	0.00	(0.01)	0.01
(B) Yield on external liabilities	0.00	–	0.00
(3) Total interest margin (A) - (B)	0.13	0.01	0.12
(Reference) Deposit and loan margin (domestic)	0.30	0.03	0.27
(Reference) Total interest margin (domestic)	0.14	0.02	0.12

4. Securities-Related Profit and Loss [Non-consolidated]

(Million yen)

	Fiscal year ended March 2022	Change from fiscal year ended March 2021	Fiscal year ended March 2021
Gains (losses) on government bonds and other securities	(2,856)	(2,106)	(749)
Gains on sales	153	63	90
Gains on redemption	–	–	–
Losses on sales	3,009	2,184	824
Losses on redemption	–	–	–
Write-offs	–	(15)	15
Gains (losses) on equity securities	650	689	(39)
Gains on sales	1,367	1,187	179
Losses on sales	588	434	154
Write-offs	128	63	65

5. Valuation Gain and Loss on Securities with Market Value

[Non-consolidated]

(Million yen)

		March 31, 2022				March 31, 2021		
		Valuation gain and loss	YoY change	Evaluation gain	Evaluation loss	Valuation gain and loss	Evaluation gain	Evaluation loss
Held to maturity		–	–	–	–	–	–	–
Stocks of subsidiaries and affiliates		–	–	–	–	–	–	–
Other securities		(15,441)	(12,432)	2,201	17,643	(3,008)	4,857	7,865
	Stocks	1,235	(388)	1,964	729	1,623	2,425	801
	Bonds	(5,537)	(3,728)	40	5,577	(1,808)	268	2,076
	Others	(11,139)	(8,315)	197	11,336	(2,823)	2,164	4,987
Total		(15,441)	(12,432)	2,201	17,643	(3,008)	4,857	7,865
	Stocks	1,235	(388)	1,964	729	1,623	2,425	801
	Bonds	(5,537)	(3,728)	40	5,577	(1,808)	268	2,076
	Others	(11,139)	(8,315)	197	11,336	(2,823)	2,164	4,987

[Consolidated]

(Million yen)

		March 31, 2022				March 31, 2021		
		Valuation gain and loss	YoY change	Evaluation gain	Evaluation loss	Valuation gain and loss	Evaluation gain	Evaluation loss
Held to maturity		–	–	–	–	–	–	–
Stocks of subsidiaries and affiliates		–	–	–	–	–	–	–
Other securities		(15,429)	(12,434)	2,217	17,647	(2,994)	4,871	7,866
	Stocks	1,235	(388)	1,964	729	1,623	2,425	801
	Bonds	(5,537)	(3,728)	40	5,577	(1,808)	268	2,076
	Others	(11,127)	(8,317)	213	11,340	(2,809)	2,178	4,988
Total		(15,429)	(12,434)	2,217	17,647	(2,994)	4,871	7,866
	Stocks	1,235	(388)	1,964	729	1,623	2,425	801
	Bonds	(5,537)	(3,728)	40	5,577	(1,808)	268	2,076
	Others	(11,127)	(8,317)	213	11,340	(2,809)	2,178	4,988

6. Capital Adequacy Ratio (domestic standard)

[Non-consolidated]

(Million yen, %)

	March 31, 2022	Change from September 30, 2021	Change from March 31, 2021	September 30, 2021	March 31, 2021
(1) Capital adequacy ratio (2) / (3)	11.79	(0.15)	0.16	11.94	11.63
(2) Non-consolidated equity capital	169,481	531	2,141	168,950	167,340
(3) Risk assets	1,437,146	22,726	(1,519)	1,414,419	1,438,665
(4) Total non-consolidated equity capital requirements (3) × 4%	57,485	909	(60)	56,576	57,546

[Consolidated]

(Million yen, %)

	March 31, 2022	Change from September 30, 2021	Change from March 31, 2021	September 30, 2021	March 31, 2021
(1) Capital adequacy ratio (2) / (3)	12.06	(0.15)	0.16	12.21	11.90
(2) Consolidated equity capital	175,171	631	2,452	174,539	172,718
(3) Risk assets	1,451,982	23,360	895	1,428,621	1,451,086
(4) Total consolidated equity capital requirements (3) × 4%	58,079	934	35	57,144	58,043

II Status of Loans and Bills Discounted, Etc. [Non-consolidated]

1. Status of Loans Based on the Banking Act and the Financial Reconstruction Act [Non-consolidated]

(Million yen)

	March 31, 2022	Change from September 30, 2021	Change from March 31, 2021	September 30, 2021	March 31, 2021
Bankrupt and quasi-bankrupt loans	1,129	(2,125)	(793)	3,254	1,922
Doubtful loans	42,022	(2,905)	(1,279)	44,928	43,302
Special attention loans	1,331	(131)	521	1,463	809
Accruing loans contractually past due 3 months or more	28	(26)	5	54	22
Restructured loans	1,302	(105)	516	1,408	786
Subtotal (A)	44,483	(5,162)	(1,550)	49,646	46,033
Normal assets	1,934,603	15,426	(1,356)	1,919,176	1,935,959
Total (total claims) (B)	1,979,086	10,263	(2,906)	1,968,822	1,981,993
Ratio to total claims (A) / (B)	2.24%	(0.28)%	(0.08)%	2.52%	2.32%

2. Status of Preservation of Loans Based on the Financial Reconstruction Act [Non-consolidated]

(Million yen)

	March 31, 2022	Change from September 30, 2021	Change from March 31, 2021	September 30, 2021	March 31, 2021
Amount preserved (C)	28,554	(5,059)	(2,781)	33,613	31,335
Allowance for loan losses	6,134	(3,379)	(3,636)	9,513	9,770
Provision for possible loss on specific borrowers	–	–	–	–	–
Collateral and guarantees, etc.	22,420	(1,680)	855	24,100	21,564
Preservation rate (C) / (A)	64.19%	(3.51)%	(3.88)%	67.70%	68.07%

3. Status of Loans Based on the Banking Act and the Financial Reconstruction Act [Consolidated]

(Million yen)

	March 31, 2022	Change from September 30, 2021	Change from March 31, 2021	September 30, 2021	March 31, 2021
Bankrupt and quasi-bankrupt loans	1,346	(2,124)	(789)	3,471	2,136
Doubtful loans	42,115	(2,907)	(1,292)	45,023	43,408
Special attention loans	1,331	(131)	521	1,463	809
Accruing loans contractually past due 3 months or more	28	(26)	5	54	22
Restructured loans	1,302	(105)	516	1,408	786
Subtotal (A)	44,793	(5,164)	(1,560)	49,957	46,354
Normal assets	1,933,829	15,637	(699)	1,918,192	1,934,528
Total (total claims) (B)	1,978,623	10,473	(2,259)	1,968,150	1,980,882
Ratio to total claims (A) / (B)	2.26%	(0.27)%	(0.08)%	2.53%	2.34%

4. Loans and Bills Discounted by Business Type

(Million yen)

	March 31, 2022	Change from September 30, 2021	Change from March 31, 2021	September 30, 2021	March 31, 2021
Total loans and bills discounted	1,955,198	7,312	(7,796)	1,947,886	1,962,995
Manufacturing	142,909	(1,710)	(8,638)	144,620	151,548
Agriculture and forestry	8,373	1,568	791	6,805	7,581
Fishery	759	(0)	(0)	760	760
Mining, quarrying, and gravel	2,424	(42)	6	2,466	2,417
Construction	98,899	5,775	4,168	93,123	94,731
Utilities	28,779	(1,953)	(4,141)	30,733	32,921
Communication and information services	10,111	(1,737)	(1,929)	11,849	12,041
Transport and postal activities	66,432	1,447	(539)	64,985	66,972
Wholesale and retail	151,520	430	(1,716)	151,090	153,237
Finance and insurance	47,872	234	(2,586)	47,638	50,459
Real estate and goods rental and leasing	297,494	(5,811)	(9,800)	303,306	307,294
Services	191,055	(27)	(9,408)	191,083	200,464
Municipal government	265,981	9,532	26,430	256,448	239,551
Other (individuals)	642,581	(393)	(432)	642,975	643,014

5. Consumer Loan Balance

(Million yen)

	March 31, 2022	Change from September 30, 2021	Change from March 31, 2021	September 30, 2021	March 31, 2021
Balance of housing loans	586,746	1,173	2,729	585,573	584,017
Balance of other loans	42,471	(1,269)	(2,935)	43,740	45,406
Total	629,217	(96)	(205)	629,313	629,423