



The Chiba Bank, Ltd. Financial Data 2021

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The Chiba Bank, Ltd. and Consolidated Subsidiaries
Years ended March 31

*1 Japanese yen amounts are presented in millions of yen by rounding down figures below one million. As a result, the totals in Japanese yen in the supplementary information do not necessarily agree with the sums of individual amounts.

*2 U.S. dollar amounts are shown solely for the convenience of the readers of this Integrated Report and are translated at the rate of ¥110.71 to \$1.00, the exchange rate prevailing at March 31, 2021.

Consolidated Balance Sheet

The Chiba Bank, Ltd. and Consolidated Subsidiaries
As of March 31, 2021

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Assets			
Cash and Due from Banks (Note 30)	¥ 3,615,356	¥ 1,928,656	\$ 32,656,102
Call Loans and Bills Bought	81,039	152,307	732,000
Receivables under Resale Agreements	19,999	19,999	180,652
Monetary Claims Bought	20,600	21,245	186,076
Trading Assets (Notes 9 and 35)	157,955	418,373	1,426,746
Money Held in Trust (Note 37)	21,647	28,684	195,533
Securities (Notes 10, 15, 35 and 36)	2,401,246	2,118,588	21,689,519
Loans and Bills Discounted (Notes 11, 15 and 35)	11,166,329	10,565,697	100,861,070
Foreign Exchanges (Note 12)	6,725	6,394	60,748
Other Assets (Notes 13 and 15)	248,729	199,995	2,246,672
Tangible Fixed Assets (Notes 14 and 23)	126,881	116,118	1,146,067
Intangible Fixed Assets	14,447	14,593	130,497
Net Defined Benefit Asset (Note 22)	13,662	536	123,409
Deferred Tax Assets (Note 33)	4,015	4,776	36,269
Customers' Liabilities for Acceptances and Guarantees	32,388	45,259	292,550
Allowance for Loan Losses	(32,855)	(31,291)	(296,773)
Total Assets	¥17,898,168	¥15,609,936	\$161,667,136
Liabilities			
Deposits (Notes 15, 16 and 35)	¥14,543,283	¥13,216,977	\$131,363,777
Call Money and Bills Sold	463,298	220,000	4,184,790
Payables under Repurchase Agreements (Note 15)	10,792	30,657	97,486
Payables under Securities Lending Transactions (Note 15)	279,072	287,159	2,520,751
Trading Liabilities (Notes 17 and 35)	16,792	25,641	151,683
Borrowed Money (Notes 15 and 18)	1,198,092	522,514	10,821,900
Foreign Exchanges (Note 19)	505	834	4,564
Bonds Payable (Note 20)	83,160	115,229	751,159
Borrowed Money from Trust Account	3,743	2,790	33,815
Other Liabilities (Note 21)	177,239	195,755	1,600,934
Net Defined Benefit Liability (Note 22)	727	1,655	6,570
Provision for Directors' Retirement Benefits	190	192	1,717
Provision for Reimbursement of Deposits	1,140	1,692	10,298
Provision for Point Loyalty Programs	634	576	5,727
Reserve under Special Laws	21	21	198
Deferred Tax Liabilities (Note 33)	34,858	3,129	314,863
Deferred Tax Liabilities for Land Revaluation (Note 23)	10,470	10,511	94,577
Acceptances and Guarantees	32,388	45,259	292,550
Total Liabilities	¥16,856,412	¥14,680,602	\$152,257,358
Net Assets			
Capital Stock (Note 24)	¥ 145,069	¥ 145,069	\$ 1,310,353
Capital Surplus	122,134	122,134	1,103,190
Retained Earnings	676,994	641,387	6,115,028
Treasury Shares	(49,121)	(49,194)	(443,696)
Total Shareholders' Equity	895,076	859,396	8,084,874
Valuation Difference on Available-for-sale Securities (Note 38)	139,614	73,231	1,261,083
Deferred Gains or Losses on Hedges	(5,762)	(8,504)	(52,051)
Revaluation Reserve for Land (Note 23)	9,931	10,025	89,707
Remeasurements of Defined Benefit Plans	2,268	(5,330)	20,490
Total Accumulated Other Comprehensive Income	146,051	69,423	1,319,230
Subscription Rights to Shares	628	514	5,675
Total Net Assets	¥ 1,041,756	¥ 929,334	\$ 9,409,778
Total Liabilities and Net Assets	¥17,898,168	¥15,609,936	\$161,667,136

See notes to consolidated financial statements.

Consolidated Statement of Income

The Chiba Bank, Ltd. and Consolidated Subsidiaries
For the year ended March 31, 2021

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Income			
Interest Income:			
Interest on Loans and Discounts	¥103,665	¥111,429	\$ 936,373
Interest and Dividends on Securities	28,876	31,163	260,826
Other Interest Income	1,555	2,088	14,048
Trust Fees	23	8	213
Fees and Commissions	55,094	52,666	497,649
Trading Income (Note 25)	5,989	5,457	54,099
Other Ordinary Income (Note 26)	6,043	6,544	54,590
Other Income (Note 27)	31,694	33,625	286,285
Total Income	¥232,943	¥242,984	\$2,104,084
Expenses			
Interest Expenses:			
Interest on Deposits	¥ 2,350	¥ 11,380	\$ 21,230
Interest on Borrowings and Rediscounts	692	2,251	6,259
Other Interest Expenses	9,547	10,517	86,237
Fees and Commissions Payments	18,316	19,669	165,449
Trading Expenses	—	10	—
Other Ordinary Expenses (Note 28)	2,506	1,952	22,643
General and Administrative Expenses	93,955	89,029	848,665
Other Expenses (Note 29)	34,111	39,396	308,112
Total Expenses	¥161,481	¥174,208	\$1,458,595
Profit before Income Taxes	71,462	68,775	645,489
Income Taxes—Current	22,667	21,204	204,742
Income Taxes—Deferred	(846)	(465)	(7,647)
Profit	¥ 49,641	¥ 48,037	\$ 448,394
Profit Attributable to Owners of Parent	¥ 49,641	¥ 48,037	\$ 448,394

See notes to consolidated financial statements.

Consolidated Statement of Comprehensive Income

The Chiba Bank, Ltd. and Consolidated Subsidiaries
For the year ended March 31, 2021

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Profit	¥ 49,641	¥48,037	\$ 448,394
Other Comprehensive Income (Note 31)			
Valuation Difference on Available-for-sale Securities	66,177	(39,209)	597,757
Deferred Gains or Losses on Hedges	2,741	(6,527)	24,766
Remeasurements of Defined Benefit Plans	7,598	(3,356)	68,634
Share of Other Comprehensive Income of Associates Accounted for Using Equity Method	205	(7)	1,853
Total Other Comprehensive Income	76,723	(49,101)	693,010
Comprehensive Income	¥126,364	¥ (1,064)	\$1,141,404
(Breakdown)			
Comprehensive Income Attributable to Owners of Parent	¥126,364	¥ (1,064)	\$1,141,404

See notes to consolidated financial statements.

Consolidated Statement of Changes in Net Assets

The Chiba Bank, Ltd. and Consolidated Subsidiaries
For the year ended March 31, 2021

	Millions of Yen (Note 1)											
	Shareholders' Equity					Accumulated Other Comprehensive Income						
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Shares	Total Shareholders' Equity	Valuation Difference on Available-for-sale Securities	Deferred Gains or Losses on Hedges	Revaluation Reserve for Land	Remeasurements of Defined Benefit Plans	Total Accumulated Other Comprehensive Income	Subscription Rights to Shares	Total Net Assets
Balance at March 31, 2019	¥145,069	¥122,134	¥621,548	¥(56,260)	¥832,491	¥112,448	¥(1,976)	¥10,798	¥(1,973)	¥119,296	¥479	¥ 952,267
Cash Dividends	—	—	(12,033)	—	(12,033)	—	—	—	—	—	—	(12,033)
Profit	—	—	48,037	—	48,037	—	—	—	—	—	—	48,037
Purchase of Treasury Shares	—	—	—	(10,001)	(10,001)	—	—	—	—	—	—	(10,001)
Disposal of Treasury Shares	—	—	(22)	153	130	—	—	—	—	—	—	130
Retirement of Treasury Shares	—	—	(16,914)	16,914	—	—	—	—	—	—	—	—
Reversal of Revaluation Reserve for Land	—	—	772	—	772	—	—	—	—	—	—	772
Net Changes of Items Other than Shareholders' Equity	—	—	—	—	—	(39,216)	(6,527)	(772)	(3,356)	(49,873)	35	(49,838)
Total of Items during FY2019	—	—	19,838	7,066	26,904	(39,216)	(6,527)	(772)	(3,356)	(49,873)	35	(22,933)
Balance at March 31, 2020	¥145,069	¥122,134	¥641,387	¥(49,194)	¥859,396	¥ 73,231	¥(8,504)	¥10,025	¥(5,330)	¥ 69,423	¥514	¥ 929,334
Cash Dividends	—	—	(14,114)	—	(14,114)	—	—	—	—	—	—	(14,114)
Profit	—	—	49,641	—	49,641	—	—	—	—	—	—	49,641
Purchase of Treasury Shares	—	—	—	(1)	(1)	—	—	—	—	—	—	(1)
Disposal of Treasury Shares	—	—	(13)	73	59	—	—	—	—	—	—	59
Retirement of Treasury Shares	—	—	—	—	—	—	—	—	—	—	—	—
Reversal of Revaluation Reserve for Land	—	—	94	—	94	—	—	—	—	—	—	94
Net Changes of Items Other than Shareholders' Equity	—	—	—	—	—	66,382	2,741	(94)	7,598	76,628	113	76,742
Total of Items during FY2020	—	—	35,607	72	35,680	66,382	2,741	(94)	7,598	76,628	113	112,422
Balance at March 31, 2021	¥145,069	¥122,134	¥676,994	¥(49,121)	¥895,076	¥139,614	¥(5,762)	¥ 9,931	¥ 2,268	¥146,051	¥628	¥1,041,756

	Thousands of U.S. Dollars (Note 1)											
	Shareholders' Equity					Accumulated Other Comprehensive Income						
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Shares	Total Shareholders' Equity	Valuation Difference on Available-for-sale Securities	Deferred Gains or Losses on Hedges	Revaluation Reserve for Land	Remeasurements of Defined Benefit Plans	Total Accumulated Other Comprehensive Income	Subscription Rights to Shares	Total Net Assets
Balance at March 31, 2020	\$1,310,353	\$1,103,190	\$5,793,398	\$(444,352)	\$7,762,588	\$ 661,473	\$(76,816)	\$90,559	\$(48,144)	\$ 627,071	\$4,651	\$8,394,311
Cash Dividends	0	0	(127,490)	0	(127,490)	0	0	0	0	0	0	(127,490)
Profit	0	0	448,394	0	448,394	0	0	0	0	0	0	448,394
Purchase of Treasury Shares	0	0	0	(9)	(9)	0	0	0	0	0	0	(9)
Disposal of Treasury Shares	0	0	(126)	665	539	0	0	0	0	0	0	539
Retirement of Treasury Shares	0	0	0	0	0	0	0	0	0	0	0	0
Reversal of Revaluation Reserve for Land	0	0	851	0	851	0	0	0	0	0	0	851
Net Changes of Items Other than Shareholders' Equity	0	0	0	0	0	599,611	24,766	(851)	68,634	692,158	1,024	693,182
Total of Items during FY2020	0	0	321,630	656	322,285	599,611	24,766	(851)	68,634	692,158	1,024	1,015,468
Balance at March 31, 2021	\$1,310,353	\$1,103,190	\$6,115,028	\$(443,696)	\$8,084,874	\$1,261,083	\$(52,051)	\$89,707	\$ 20,490	\$1,319,230	\$5,675	\$9,409,778

See notes to consolidated financial statements.

Consolidated Statement of Cash Flows

The Chiba Bank, Ltd. and Consolidated Subsidiaries
For the year ended March 31, 2021

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Cash Flows from Operating Activities:			
Profit before Income Taxes	¥ 71,462	¥ 68,775	\$ 645,489
Depreciation and Amortization	9,360	8,034	84,547
Impairment Loss	208	1,292	1,882
Equity in (Earnings) Losses of Affiliates	(342)	(509)	(3,097)
Increase (Decrease) in Allowance for Loan Losses	1,564	1,445	14,130
Decrease (Increase) in Net Defined Benefit Asset	(13,126)	(536)	(118,563)
Increase (Decrease) in Net Defined Benefit Liability	(928)	(393)	(8,388)
Increase (Decrease) in Provision for Directors' Retirement Benefits	(2)	36	(26)
Increase (Decrease) in Provision for Reimbursement of Deposits	(552)	(685)	(4,990)
Increase (Decrease) in Provision for Point Loyalty Programs	58	80	524
Interest Income	(134,097)	(144,681)	(1,211,247)
Financing Expenses	12,590	24,150	113,726
Loss (Gain) Related to Securities	(5,442)	(5,450)	(49,164)
Loss (Gain) on Money Held in Trust	(174)	249	(1,580)
Foreign Exchange Losses (Gains)	100	(105)	911
Loss (Gain) on Disposal of Fixed Assets	122	62	1,103
Loss on Reconstruction of the Head Office	—	2,486	—
Net Decrease (Increase) in Trading Assets	260,418	(229,468)	2,352,258
Net Increase (Decrease) in Trading Liabilities	(8,849)	3,425	(79,931)
Net Decrease (Increase) in Loans and Bills Discounted	(600,632)	(475,624)	(5,425,273)
Net Increase (Decrease) in Deposits (excluding Negotiable Certificates of Deposit)	1,315,148	456,501	11,879,220
Net Increase (Decrease) in Negotiable Certificates of Deposit	11,157	(87,517)	100,780
Net Increase (Decrease) in Borrowed Money (excluding Subordinated Borrowings)	675,578	147,683	6,102,232
Net Decrease (Increase) in Due from Banks (excluding Due from BOJ)	30,071	35,650	271,628
Net Decrease (Increase) in Call Loans and Bills Bought and Others	71,912	(47,492)	649,559
Net Increase (Decrease) in Call Money and Bills Sold	223,432	51,253	2,018,182
Net Increase (Decrease) in Payables under Securities Lending Transactions	(8,087)	73,813	(73,050)
Net Decrease (Increase) in Foreign Exchanges - Assets	(331)	(2,565)	(2,991)
Net Increase (Decrease) in Foreign Exchanges - Liabilities	(329)	106	(2,974)
Increase (Decrease) in Issuance and Redemption of Straight Bonds	(32,646)	(717)	(294,879)
Increase (Decrease) in Borrowed Money from Trust Account	953	406	8,610
Interest and Dividends Received	130,403	142,331	1,177,879
Interest Paid	(14,385)	(25,187)	(129,939)
Other, net	(60,811)	47,547	(549,283)
Subtotal	¥1,933,803	¥ 44,399	\$17,467,287
Income Taxes Paid	(19,982)	(23,448)	(180,492)
Net Cash Provided by (Used in) Operating Activities	¥1,913,821	¥ 20,951	\$17,286,795
Cash Flows from Investing Activities:			
Purchase of Securities	¥ (789,551)	¥ (805,871)	\$ (7,131,708)
Proceeds from Sales of Securities	412,430	486,403	3,725,325
Proceeds from Redemption of Securities	210,574	238,057	1,902,039
Increase in Money Held in Trust	(14,010)	(9,000)	(126,547)
Decrease in Money Held in Trust	21,509	8,500	194,289
Purchase of Tangible Fixed Assets	(18,934)	(15,147)	(171,030)
Purchase of Intangible Fixed Assets	(4,771)	(5,847)	(43,100)
Proceeds from Sales of Tangible Fixed Assets	—	—	—
Payments for Retirement of Tangible Fixed Assets	(79)	(43)	(722)
Net Cash Provided by (Used in) Investing Activities	¥ (182,832)	¥ (102,947)	\$ (1,651,453)
Cash Flows from Financing Activities:			
Issuance of Subordinated Bonds	—	—	—
Redemption of Subordinated Bonds	—	—	—
Cash Dividends Paid	(14,114)	(12,033)	(127,490)
Purchase of Treasury Shares	(1)	(10,001)	(9)
Proceeds from Sales of Treasury Shares	0	0	4
Net Cash Provided by (Used in) Financing Activities	¥ (14,115)	¥ (22,034)	\$ (127,496)
Effect of Exchange Rate Change on Cash and Cash Equivalents	¥ (100)	¥ 105	\$ (911)
Net Increase (Decrease) in Cash and Cash Equivalents	¥1,716,772	¥ (103,925)	\$15,506,935
Cash and Cash Equivalents at Beginning of Period	¥1,878,861	¥1,982,786	\$16,971,020
Cash and Cash Equivalents at End of Period (Note 30)	¥3,595,634	¥1,878,861	\$32,477,955

See notes to consolidated financial statements.

Notes to Consolidated Financial Statements

The Chiba Bank, Ltd. and Consolidated Subsidiaries
For the year ended March 31, 2021

1. Basis of Presentation

The Chiba Bank, Ltd. (the “Bank”) and its consolidated subsidiaries maintain their books of accounts in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Act and its related accounting regulations and in conformity with accounting principles and practices generally accepted in Japan, which are different in certain respects as to the application and disclosure requirements of International Financial Reporting Standards. The classification of accounts is in conformity with the Ordinance for Enforcement of Banking Act of Japan.

The accompanying consolidated financial statements have been compiled from the consolidated financial statements issued domestically in order to present them in a form which is more familiar to readers outside Japan. Certain reclassifications and rearrangements have been made to the financial statements for the previous year to conform to the classification used in the financial statements for the current year. In addition, the accompanying notes include information that is not required under accounting principles generally accepted in Japan, but is presented herein for the convenience of readers.

Japanese yen amounts are presented in millions of yen by rounding down figures below one million. As a result, the totals in Japanese yen in the accompanying consolidated financial statements do not necessarily agree with the sums of individual amounts.

U.S. dollar amounts are shown solely for the convenience of the readers of this Integrated Report and are translated at the rate of ¥110.71 to \$1.00, the exchange rate prevailing at March 31, 2021.

2. Principles of Consolidation

The consolidated financial statements include the accounts of the Bank and its subsidiaries, including Chibagin Guarantee Co., Ltd., Chibagin Leasing Co., Ltd., Chibagin Securities Co., Ltd. (Chibagin Securities) and other subsidiaries. The number of consolidated subsidiaries as of March 31, 2021 was nine (nine as of March 31, 2020).

All significant inter-company balances and transactions have been eliminated in consolidation. The consolidated financial statements do not include the accounts of Chibagin Computer Service Co., Ltd. and four other subsidiaries, since the combined total assets, total income, profit (based on the owned interest), retained earnings (based on the owned interest) and accumulated other comprehensive income (based on the owned interest) of these subsidiaries are not significant and would not have a material impact on the consolidated financial statements of the Bank. Nevertheless, the investments in these unconsolidated subsidiaries are carried using the equity method and are included in securities in the consolidated balance sheet. Also, the consolidated financial statements do not include the accounts of eleven limited partnerships (ten as of March 31, 2020). The investments in these unconsolidated subsidiaries and affiliates including Himawari G5 Investment Limited Partnership and Chiba Corporate Value Improvement Investment Limited Partnership established in the current fiscal year, are not accounted for by the equity method since profit (based on the owned interest), retained earnings (based on the owned interest) and accumulated other

comprehensive income (based on the owned interest) of these subsidiaries are not significant and would not have a material impact on the consolidated financial statements of the Bank. The difference between the cost and the underlying equity in the net assets measured at their market value at dates of acquisition of consolidated subsidiaries is amortized in the year of acquisition.

Fiscal year-ends of all consolidated subsidiaries are at the end of March.

3. Significant Accounting Policies

(1) Trading Account

The following criteria are applied in accounting for the Bank's trading assets and liabilities, and trading income and expenses:

Transactions that aim to gain a profit by arbitraging short term fluctuations in interest rates, currency values and market prices, other benchmarks in the traded securities' market prices and by arbitraging differentials between markets (hereafter “trading purposes”) are accounted for under “Trading Assets” or “Trading Liabilities” on the consolidated balance sheet. Profit or loss from such transactions is recorded under “Trading Income” or “Trading Expenses” on the consolidated statement of income.

Trading securities and monetary claims, etc. held for trading purposes are stated at market value at the end of the fiscal year. Trading-related financial derivatives such as swaps, futures or options are valued on the assumption that they were settled at the end of the fiscal year.

In the case of trading-related financial derivatives, “Trading Income/Expenses” includes the interest received/paid during the fiscal year and the difference between the amount of profit/loss based on the assumption that transactions were settled at the end of the current fiscal year and that at the end of the previous fiscal year.

(2) Securities

Held-to-maturity bonds are stated at amortized cost determined by the moving average method. Investments in unconsolidated subsidiaries and affiliates not accounted for by the equity method are stated at cost determined by the moving average method. Available-for-sale equity shares and investment trusts listed on Japanese markets are stated at the average market value during the last month of the fiscal year, and other available-for-sale securities whose fair value can be estimated are stated at fair value at the fiscal year-end while their costs are calculated mainly by the moving average method. Other non-marketable securities whose fair value cannot be reliably estimated are stated at cost determined by the moving average method or amortized cost.

Unrealized gains and losses on available-for-sale securities are included in net assets, net of income taxes.

Moreover, the same way as above (1) and fair value method based upon the market value at the fiscal year end are applied for the valuation of securities that are held as trust assets in individually managed money trusts with the principal objective of securities portfolio management.

(3) Derivatives

Derivatives for purposes other than trading are stated at fair value.

(4) Tangible Fixed Assets

Depreciation of buildings of the Bank and its consolidated subsidiaries is computed using the straight-line method, and depreciation of other tangible fixed assets is computed using the declining-balance method. Principal useful lives are as follows:

Buildings.....	6 years to 50 years
Others	2 years to 20 years

(5) Intangible Fixed Assets

Depreciation of intangible fixed assets is computed using the straight-line method. Depreciation for capitalized software for internal use is computed using the straight-line method based on useful lives determined by the Bank and its consolidated subsidiaries (5 years).

(6) Allowance for Loan Losses

Allowance for loan losses made by the Bank is provided in accordance with the internally established standards for write-offs and provisions.

For claims on borrowers that have entered into bankruptcy, special liquidation proceedings or similar legal proceedings ("Bankrupt Borrowers"), or borrowers that are not legally or formally insolvent but are regarded as substantially in the same situation ("Effectively Bankrupt Borrowers"), an allowance is provided based on the amount of claims, after the write-off stated below, net of the expected amount of recoveries from collateral and guarantees.

For claims on borrowers that are not currently bankrupt but likely to become bankrupt in the future ("Potentially Bankrupt Borrowers"), an allowance is provided in the amount deemed necessary based on an overall solvency assessment of the claims, net of the expected amount of recoveries from collateral and guarantees.

For claims on Potentially Bankrupt Borrowers and on borrowers whose loans are classified as "Loans past due 3 months or more" or "Restructured Loans" over a certain amount, if future cash flows from the collection of principal and interest are reasonably estimated, the allowances for loan losses are calculated by "Discounted Cash Flow Method," by which the allowances for loan losses are calculated as the difference between the booked amounts of the loans and the cash flows discounted by the original contractual interest rates.

For other claims, an allowance is provided based on the historical loan-loss ratio.

The operating divisions assess all claims in accordance with the Bank's policy and guidelines for the self-assessment of asset quality, and the internal Audit and Inspection Division, which is independent from the operating divisions, audits these assessments. The allowance for loan losses is provided based on the results of these assessments.

For collateralized or guaranteed claims on Bankrupt Borrowers and Effectively Bankrupt Borrowers, the amount exceeding the estimated value of collateral and guarantees is deemed to be uncollectible and written off against the total outstanding amount of the claims. The amount of write-off as of March 31, 2021 was ¥36,726

million (¥32,036 million as of March 31, 2020). Allowance made by consolidated subsidiaries for general claims is provided in the amount deemed necessary based on the historical loan-loss ratio, and for specific claims in the amount deemed uncollectible based on the respective assessments.

(7) Provision for Directors' Retirement Benefits

Provision for directors' retirement benefits is provided for payment of retirement benefits to directors and corporate auditors of consolidated subsidiaries, in the amount deemed accrued until the fiscal year-end.

(8) Provision for Reimbursement of Deposits

Provision for reimbursement of deposits, which were derecognized from liabilities, is based on the possible losses on the future claims of withdrawal to prepare for depositor's needs of withdrawal.

(9) Provision for Point Loyalty Programs

Provision for point loyalty programs which is provided for accumulation of points granted to customers using the credit card and others of the Bank or the consolidated subsidiaries is based on the estimated amounts equivalent to expected future usage of the points.

(10) Reserve under Special Laws

Reserve under special laws is a Reserve for Financial Products Transaction Liabilities provided by Chibagin Securities. This reserve is provided for losses from securities transactions pursuant to Paragraph 46-5-1 of the Financial Instruments and Exchange Act and Paragraph 175 of the Cabinet Office Ordinance on Financial Instrument Business Operators, etc.

(11) Retirement Benefits

In retirement benefit obligation calculations, the method of allocating the estimated value of retirement benefits to the current fiscal year is based on the benefit formula method. The net actuarial gain (loss) is amortized using the straight-line method over 10 years from following fiscal year. Consolidated subsidiaries calculate the net defined benefit liability and retirement benefit cost using the simplified method which assumes the retirement benefit obligation to be equal to the necessary payments assuming the voluntary retirement of all employees at the fiscal year-end.

(12) Translation of Foreign Currencies

The Bank's assets and liabilities denominated in foreign currencies and overseas branches' accounts are translated into Japanese yen primarily at the exchange rate at the balance sheet date. Consolidated subsidiaries' assets and liabilities denominated in foreign currencies are translated into Japanese yen at the exchange rate prevailing at the fiscal year-end of each company.

(13) Lease Transactions

(As lessors)

Finance leases other than those that are deemed to transfer the ownership of leased property to the lessees are accounted for as installment sales.

(14) Hedge Accounting

i) Hedging Interest Rate Risk

As for the hedge accounting method applied to hedging transactions for interest rate risk arising from financial assets and liabilities, the Bank applies the deferral hedge accounting stipulated in the "Treatment for Accounting and Auditing of Application of Accounting Standard for Financial Instruments in Banking Industry" (JICPA Industry Committee Practical Guidelines No. 24).

The Bank assesses the effectiveness of such hedges by monitoring offsetting fluctuation of fair value by changes in interest rates, of the hedged items (such as deposits and loans) and hedging instruments (such as interest rate swaps) classified by their maturity.

ii) Hedging Foreign Currency Fluctuation Risk

As for the hedge accounting method applied to hedging transactions for foreign currency fluctuation risk arising from foreign-currency-denominated financial assets and liabilities, the Bank applies the deferral hedge accounting stipulated in the "Treatment for Accounting and Auditing concerning Accounting for Foreign Currency Transactions in Banking Industry" (JICPA Industry Committee Practical Guidelines No. 25).

The Bank designates certain currency swaps and foreign exchange swap transactions as hedges against fluctuation in foreign currency exchange rates arising from foreign-currency monetary claims and debt obligations, and assesses the effectiveness of such hedges by verifying that the Bank holds foreign currency positions of the hedged items corresponding to the positions of the hedging instruments.

In addition to the above accounting, the Bank applies for a part of assets and liabilities the deferral hedge accounting method or exceptional treatments permitted for interest rate swaps.

(15) Cash Flows

In preparing the consolidated statement of cash flows, cash and due from the Bank of Japan are considered to be cash and cash equivalents.

(16) Consumption Taxes

Consumption tax and municipal consumption tax of the Bank and its domestic consolidated subsidiaries are accounted for using the tax-excluded method.

(17) Appropriation of Retained Earnings

Dividends are recorded in the fiscal year in which the proposed appropriation of retained earnings is approved by the Board of Directors and by the general meeting of shareholders. There is a limit for dividend under Article 18 of the Banking Act. An amount equal to 20% of the aggregated amount of dividends shall be set aside as a legal reserve or legal capital surplus, regardless of Article 445-4 of the Companies Act of Japan.

4. Significant Accounting Estimates

In the consolidated financial statements for the current fiscal year, allowance for loan losses was recognized based on accounting estimates, and this item could have a significant impact on the consolidated financial statements for the following fiscal year.

(1) Amount Recorded in the Consolidated Financial Statements for the Current Fiscal Year

Allowance for Loan Losses ¥32,855 million

(2) Information That Contributes to Understanding the Contents of Significant Accounting Estimates for Identified Items

i) Calculation Information

The calculation method of allowance for loan losses is described in "Significant Accounting Policies 3. (6) Allowance for Loan Losses."

ii) Key Assumptions

Key assumptions include "future performance outlook of the borrower in determining the borrower classification" and "impact of COVID-19." With regard to "future performance outlook of the borrower in determining the borrower classification", we evaluate the financial results, financial condition, repayment capacity of the borrower, and other factors based on industry characteristics and regional economic trends, and forecast of future performance. Regarding the "Impact of COVID-19", we assume that the spread of COVID-19 will have a certain impact mainly on the credit risk for loans. and that the repayment capacity of borrowers could potentially decline. Allowance for loan losses is recorded based on the assumption that COVID-19 will gradually end during the next fiscal year and the increase in net credit costs will not be significant.

iii) Impact on the Consolidated Financial Statements for the Following Fiscal Year

Such estimates can be affected by uncertainties that are difficult to predict, such as economic trends inside and outside Chiba Prefecture, Japan, changes in the financial and economic environment including real estate prices and interest rates and stock prices, changes in the business conditions of client companies, and the timing of the end of the spread of COVID-19. Changes in the assumptions used in the original estimates can materially affect the amount of allowance for loan losses in the consolidated financial statements for the following fiscal year.

5. Changes in Accounting Policies Difficult to Distinguish from Changes in Accounting Estimates

· Change in Depreciation Method for Buildings

Previously, the Bank and its consolidated subsidiaries mainly used the declining-balance method for depreciation of buildings but have changed to the straight-line method from the current fiscal year.

With the launch of the 14th medium term management plan “NEXT STEP 2023 -connect and go beyond, for the future” and completion of the new head office in the current fiscal year, we reviewed the depreciation method for buildings. We concluded that the straight-line method which allocates depreciation expense evenly over the useful lives of the assets, would more appropriately reflect the actual condition and profit management for each periodic, because buildings are stably over the long-term, and value in use decrease at a relatively constant rate throughout the assets’ useful lives. As a result of this change, depreciation recognized for the current fiscal year decreased, and ordinary profit and profit before income taxes increased by ¥961 million respectively compared with the previous method.

6. Accounting Standards Issued but Not Yet Applied

- Accounting Standard for Fair Value Measurement (Accounting Standards Board of Japan (ASBJ) Statement No. 30, July 4, 2019)
- Implementation Guidance on Accounting Standard for Fair Value Measurement (ASBJ Guidance No. 31, July 4, 2019)
- Accounting Standard for Financial Instruments (ASBJ Statement No. 10, July 4, 2019)
- Implementation Guidance on Disclosure about Fair Value of Financial Instruments (ASBJ Guidance No. 19, March 31, 2020)

(1) Summary

In Japan, the Accounting Standards for Financial Instruments requires the measurement of market value (fair value), but detailed guidance on calculation methods has not been provided so far, while the International Accounting Standards Board (IASB) and the Financial Accounting Standards Board (FASB) provide similar detailed guidance on fair value measurement.

In light of these circumstances, the ASBJ has initiated efforts to ensure consistency with international accounting standards, mainly with regard to guidance and disclosure on fair value of financial instruments, and has conducted repeated studies to develop these accounting standards.

(2) Expected Date of Application

These standards are scheduled to be adopted from the beginning of the fiscal year ending March 2022.

(3) Impact of Adoption of the New Accounting Standard

The impact of the adoption of these accounting standards is under evaluation.

- Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020)
- Implementation Guidance on Accounting Standard for Revenue Recognition (ASBJ Guidance No. 30, March 26, 2021)

(1) Summary

The IASB and the FASB jointly developed a comprehensive accounting standard for revenue recognition, and issued “Revenue from Contracts with Customers” in May 2014 (IFRS No. 15 for IASB, and Topic 606 for FASB). In light of circumstances that IFRS No.15 is effective for fiscal years beginning after January 1, 2018, and Topic 600 is effective for fiscal years beginning after December 15, 2017, the ASBJ has developed comprehensive accounting standards for revenue recognition and issued them with the applicable guidance.

(2) Expected Date of Application

These standards are scheduled to be adopted from the beginning of the fiscal year ending March 2022.

(3) Impact of Adoption of the New Accounting Standard

The impact of the adoption of these accounting standards is under evaluation.

7. Changes in Presentation Method

“Accounting Standards for Disclosure of Accounting Estimates” (ASBJ Statement No. 31, March 31, 2020) is applied in preparing the consolidated financial statements from the current fiscal year, and significant accounting estimates are disclosed in the notes to the consolidated financial statements.

However, comparative information for the previous fiscal year is not presented in the relevant notes in accordance with the transitional treatment specified in the proviso to paragraph 11 of the accounting standards.

8. Securities Purchased under Resale Agreements

As for securities purchased under resale agreements or securities accepted as collateral for derivative transactions, ¥19,998 million was held in hand on March 31, 2021 (¥19,997 million on March 31, 2020).

9. Trading Assets

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Trading Account Securities	¥ 7,035	¥ 12,729	\$ 63,546
Derivatives of Trading Securities	—	49	—
Trading-Related Financial Derivatives	20,241	29,100	182,832
Other Trading Assets	130,678	376,494	1,180,368
Total	¥157,955	¥418,373	\$1,426,746

10. Securities

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Japanese Government Bonds	¥ 187,008	¥ 170,936	\$ 1,689,178
Japanese Local Government Bonds	374,191	351,980	3,379,926
Japanese Corporate Bonds	467,959	436,927	4,226,893
Japanese Stocks	272,717	218,018	2,463,354
Other Securities	1,099,368	940,726	9,930,168
Total	¥2,401,246	¥2,118,588	\$21,689,519

Securities included investments in non-consolidated subsidiaries and affiliates of ¥12,431 million on March 31, 2021 (¥11,906 million on March 31, 2020).

Guarantee obligations for bonds in private placement (defined in Article 2 (3) of Financial Instruments and Exchange Act) included in Japanese Corporate Bonds was ¥66,256 million as of March 31, 2021 (¥75,265 million as of March 31, 2020).

11. Loans and Bills Discounted

(1) Loans and Bills Discounted :

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Bills Discounted	¥ 8,394	¥ 11,271	\$ 75,820
Loans on Bills	146,944	140,459	1,327,296
Loans on Deeds	10,233,878	9,738,929	92,438,608
Overdrafts	777,111	675,036	7,019,346
Total	¥11,166,329	¥10,565,697	\$100,861,070

Bills discounted are accounted for as financial transactions in accordance with JICPA Industry Committee Practical Guidelines No. 24. The Bank has rights to sell or pledge bank acceptance bought, commercial bills discounted, documentary bills and foreign exchanges bought without restrictions. Their total face value as of March 31, 2021 was ¥8,394 million (¥11,349 million as of March 31, 2020).

Contracts of overdraft facilities and loan commitment limits are the contracts that the Bank lends to customers up to the prescribed limits in response to customers' application of loan as long as there is no violation of any condition in the contracts. The unused amount within the limits was ¥2,542,136 million relating to these contracts, including ¥2,270,403 million of which the term of contracts is less than one year or revocable at any time as of March 31, 2021 (respective amounts were ¥2,339,155 million and ¥2,121,667 million as of March 31, 2020).

Since many of these commitments expire without being utilized, the unused amount does not necessarily represent a future cash requirement. Most of these contracts have conditions that the Bank can refuse customers' application of loan or decrease the contract limits with proper reasons (e.g., changes in financial situation, deterioration in customers' creditworthiness). At the inception of contracts, the Bank obtains real estate, securities, etc. as collateral if considered to be necessary. Subsequently, the Bank performs periodic review of the customers' business results based on initial rules, and takes necessary measures to reconsider conditions in contracts and/or require additional collateral and guarantees.

Additionally, the unused amount within the limits of overdraft facilities on General Accounts as of March 31, 2021 was ¥821,482 million (¥829,408 million as of March 31, 2020). General Accounts are the Ordinary Deposit Accounts that its depositors can overdraw up to the amounts calculated by multiplying incidental Time Deposits and so on by certain weight.

(2) Risk-Monitored Loans :

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Loans to Bankrupt Borrowers	¥ 1,230	¥ 1,174	\$ 11,117
Delinquent Loans	69,698	70,096	629,559
Loans Past Due 3 Months or More	1,078	1,646	9,741
Restructured Loans	41,128	42,598	371,501
Total	¥113,136	¥115,515	\$1,021,918

Loans to bankrupt borrowers represent non-accrual loans to borrowers who are legally bankrupt as defined in Article 96 (1) (iii) and (iv) of the Corporation Tax Act Enforcement Ordinance (Article 97 of 1965 Cabinet Order).

Delinquent loans represent non-accrual loans other than (i) loans to bankrupt borrowers and (ii) loans of which payments of interest are deferred in order to assist or facilitate the restructuring of borrowers in financial difficulties.

Loans past due 3 months or more represent loans on which the payment of principal and/or interest has not been received for 3 months or more from the due date, and which are not included in Loans to bankrupt borrowers or Delinquent loans.

Restructured loans are loans which have been restructured to support the rehabilitation of certain borrowers who are encountering financial difficulties, with the intention of ensuring recovery of the loans by providing easier repayment terms for the borrowers (such as by reducing the rate of interest or by providing a grace period for the payment of principal/interest, etc.) and are not classified in any of the above categories.

12. Foreign Exchange Assets

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Due from Foreign Banks (our accounts)	¥5,978	¥5,378	\$54,000
Foreign Bills Bought	—	78	—
Foreign Bills Receivable	747	937	6,747
Total	¥6,725	¥6,394	\$60,748

13. Other Assets

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Accrued Income	¥ 13,117	¥ 13,398	\$ 118,485
Prepaid Expenses	1,605	1,082	14,505
Derivatives	46,160	14,197	416,954
Lease Investment Assets	51,992	51,655	469,626
Other	135,852	119,661	1,227,101
Total	¥248,729	¥199,995	\$2,246,672

14. Tangible Fixed Assets

Depreciation was computed using the declining-balance method. Tangible fixed assets were shown at net of the following accumulated depreciation:

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
	¥106,506	¥104,610	\$962,034

Deferred gain on real estate deductible for tax purposes amounted to ¥11,756 million as of March 31, 2021 (¥11,755 million as of March 31, 2020).

15. Assets Pledged

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Securities	¥ 802,811	¥723,868	\$ 7,251,485
Loans and Bills Discounted	1,506,830	988,991	13,610,613

Liabilities related to the above pledged assets were as follows:

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Deposits	¥ 48,945	¥ 40,255	\$ 442,107
Payables under Repurchase Agreements	10,792	30,657	97,486
Payables under Securities Lending Transactions	279,072	287,159	2,520,751
Borrowed Money	1,183,968	519,894	10,694,325

In addition, the following was pledged as collateral for settlements of exchange or margins for futures transactions.

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Securities	¥4,085	¥3,248	\$36,898

Initial margins of futures markets of ¥3,514 million, cash collateral paid for financial instruments of ¥85,957 million and guarantee deposits of ¥6,932 million were included in Other Assets as of March 31, 2021 (respective amounts were ¥2,979 million, ¥79,942 million and ¥6,939 million as of March 31, 2020).

16. Deposits

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Current Deposits	¥ 291,288	¥ 248,273	\$ 2,631,091
Ordinary Deposits	9,837,565	8,612,613	88,858,866
Savings Deposits	278,563	260,236	2,516,159
Deposits at Notice	5,305	6,111	47,927
Time Deposits	3,443,627	3,369,434	31,104,935
Other Deposits	231,482	276,014	2,090,893
Subtotal	¥14,087,833	¥12,772,684	\$127,249,870
Negotiable Certificates of Deposit	455,450	444,293	4,113,907
Total	¥14,543,283	¥13,216,977	\$131,363,777

17. Trading Liabilities

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Derivatives of Trading Securities	¥ 4	¥ —	\$ 42
Trading-related Financial Derivatives	16,788	25,641	151,641
Total	¥16,792	¥25,641	\$151,683

18. Borrowed Money

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Borrowings from the Bank of Japan and Other Financial Institutions	¥1,198,092	¥522,514	\$10,821,900

19. Foreign Exchange Liabilities

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Foreign Bills Sold	¥135	¥634	\$1,227
Foreign Bills Payable	369	200	3,337
Total	¥505	¥834	\$4,564

20. Bonds Payable

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Subordinated Bonds	¥50,000	¥ 50,000	\$451,630
Straight Bond	33,160	65,229	299,528
Total	¥83,160	¥115,229	\$751,159

21. Other Liabilities

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Domestic Exchange Settlement Account, credit	¥ 5	¥ 27	\$ 50
Accrued Expenses	8,964	13,600	80,972
Unearned Revenue	36,603	34,951	330,624
Income Taxes Payable	11,416	8,732	103,124
Derivatives	61,899	27,032	559,117
Other	58,349	111,410	527,045
Total	¥177,239	¥195,755	\$1,600,934

22. Retirement Benefit Plans

The Bank and its consolidated subsidiaries have defined benefit plans, i.e., lump-sum payment plans, welfare pension fund plans and tax-qualified pension plans, as well as corporate-type defined contribution plans. The Bank has retirement benefit trusts for lump-sum payment plans since the end of March 2018.

Net retirement benefit liability and retirement benefit cost of the consolidated subsidiaries' lump-sum payment plans are calculated by the simplified method.

I. Defined Benefit Plans

(1) Retirement Benefit Obligation

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Balance at the Beginning of Current Period	¥80,011	¥80,947	\$722,709
Service Cost	2,730	2,755	24,661
Interest Cost	158	160	1,432
Actuarial Gain or Loss	2,181	282	19,702
Retirement Benefits Paid	(4,085)	(4,135)	(36,900)
Balance at the End of Current Period	¥80,995	¥80,011	\$731,603

(2) Plan Assets at Fair Value

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Balance at the Beginning of Current Period	¥78,891	¥78,897	\$712,597
Expected Return on Plan Assets	2,381	2,394	21,508
Actuarial Gain or Loss	12,284	(4,515)	110,965
Contributions by the Company	2,925	4,666	26,424
Retirement Benefits Trusts	—	—	—
Retirement Benefits Paid	(2,552)	(2,551)	(23,051)
Balance at the End of Current Period	¥93,931	¥78,891	\$848,443

(3) Net Defined Benefit Liability/Asset

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Funded Retirement Benefit Obligation	¥ 80,404	¥ 79,404	\$ 726,261
Plan Assets at fair value	(93,931)	(78,891)	(848,443)
Subtotal	¥(13,526)	¥ 512	\$(122,182)
Unfunded Retirement Benefit Obligation	591	606	5,342
Net Amount Accrued on the Balance Sheet	¥(12,935)	¥ 1,119	\$(116,840)

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Net Defined Benefit Liability	¥ 727	¥1,655	\$ 6,570
Net Defined Benefit Asset	(13,662)	(536)	(123,409)
Net Amount Accrued on the Balance Sheet	¥(12,935)	¥1,119	\$(116,840)

(4) Retirement Benefit Cost

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Service Cost	¥ 2,730	¥ 2,755	\$ 24,661
Interest Cost	158	160	1,432
Expected Return on Plan Assets	(2,381)	(2,394)	(21,508)
Amortization of Actuarial Gain or Loss	829	(31)	7,491
Retirement Benefit Cost	¥ 1,336	¥ 489	\$ 12,076

(5) Remeasurements of Defined Benefit Plans Included in Other Comprehensive Income(before Tax Effect)

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Actuarial Gain or Loss	¥10,933	¥(4,829)	\$98,754

(6) Remeasurements of Defined Benefit Plans Included in Accumulated Other Comprehensive Income(before Tax Effect)

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Unrecognized Actuarial Gain or Loss	¥3,263	¥(7,669)	\$29,482

(7) Components of Plan Assets at Fair Value

	2021	2020
Stocks	45%	38%
General Accounts at Life Insurance Companies	19%	23%
Bonds	36%	38%
Other	0%	1%
Total	100%	100%

(8) Assumptions used in Accounting for the above Plans

	2021	2020
Discount Rate	0.2%	0.2%
Expected Rate of Long-Term Return on Plan Assets	3.5%	3.0%
Expected Rates of Future Salary Increases	1.0%-3.3%	1.0%-3.3%

The expected rates of long-term return on plan assets has been estimated based on the anticipated allocation to each asset class and the expected long-term returns on assets held in each category.

II. Defined Contribution Plans

The required contribution amount of the Bank and its consolidated subsidiaries for the fiscal year ended March 31, 2021 was ¥411 million (¥379 million as of March 31, 2020).

23. Revaluation Reserve for Land

Pursuant to the Law concerning Revaluation of Premises, premises used for business operations have been revalued as of March 31, 1998. Premises revaluation gain was included in Net Assets, net of income taxes.

Date of the revaluation: March 31, 1998

The method of the revaluation (set forth in Article 3 (3) of the Law): Pursuant to Article 2 (4) of the Enforcement Ordinance for the Law concerning Revaluation of Premises, the premises price for the revaluation is determined based on the method established and published by the Director General of National Tax Agency in order to calculate the premises value for a basis of determining the taxable amount subject to premises value tax prescribed by Article 16 of the Premises Value Tax Law, reflecting appropriate adjustments for land shape and timing of the assessment.

The difference between the revalued carrying amount and the fair value of premises revalued pursuant to Article 10 of the Law was ¥22,776 million as of March 31, 2021 (¥25,721 million as of March 31, 2020).

24. Capital Stock

The number of the Bank's authorized shares was 2,500,000,000 as of March 31, 2021 and 2020.

	Number of Shares	
	2021	2020
Shares in Issue	815,521,087	815,521,087

The number of treasury shares held by the Bank was 72,602 thousand as of March 31, 2021 (72,709 thousand as of March 31, 2020).

25. Trading Income

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Gains on Trading Account Securities Transactions	¥4,482	¥3,739	\$40,485
Income from Securities and Derivatives related to Trading Transactions	—	220	—
Income from Trading-Related Financial Derivatives Transactions	1,420	1,497	12,830
Other Trading Income	86	—	784
Total	¥5,989	¥5,457	\$54,099

26. Other Ordinary Income

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Gains on Foreign Exchange Transactions	¥3,899	¥1,831	\$35,224
Gains on Sales of Bonds	2,129	4,700	19,239
Income from Derivatives other than for Trading or Hedging	0	—	4
Other	13	13	123
Total	¥6,043	¥6,544	\$54,590

27. Other Income

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Gains on Sales of Stocks and Other Securities	¥ 6,435	¥ 4,199	\$58,130
Gains on Money Held in Trust	174	95	1,580
Revenue on Lease	16,851	16,007	152,214
Recoveries of Written-Off Claims	1,213	2,672	10,959
Equity in Earnings of Affiliates	342	509	3,097
Other	6,676	10,142	60,305
Total	¥31,694	¥33,625	\$286,285

28. Other Ordinary Expenses

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Loss on Sales of Bonds	¥2,444	¥1,169	\$22,084
Loss on Devaluation of Bonds	61	269	559
Expenses on Derivatives other than for Trading or Hedging	—	512	—
Total	¥2,506	¥1,952	\$22,643

31. Other Comprehensive Income

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Valuation Difference on Available-for-Sale Securities			
Gains (Losses) Arising during the Fiscal Year	¥105,026	¥(47,321)	\$ 948,664
Reclassification Adjustment to Profit or Loss	(10,091)	(9,170)	(91,149)
Amount before Income Tax Effect	94,935	(56,491)	857,515
Income Tax Effect	(28,757)	17,282	(259,758)
Total	66,177	(39,209)	597,757
Deferred Gains or Losses on Hedges			
Gains (Losses) Arising during the Fiscal Year	¥ (2,969)	¥(16,552)	\$ (26,825)
Reclassification Adjustment to Profit or Loss	6,914	7,160	62,459
Amount before Income Tax Effect	3,945	(9,392)	35,634
Income Tax Effect	(1,203)	2,864	(10,868)
Total	2,741	(6,527)	24,766
Remeasurements of Defined Benefit Plans			
Gains (Losses) Arising during the Fiscal Year	¥ 10,103	¥ (4,798)	\$ 91,263
Reclassification Adjustment to Profit or Loss	829	(31)	7,491
Amount before Income Tax Effect	10,933	(4,829)	98,754
Income Tax Effect	(3,334)	1,473	(30,120)
Total	7,598	(3,356)	68,634
Share of Other Comprehensive Income of Entities Accounted for by the Equity Method			
Gains (Losses) Arising during the Fiscal Year	¥ 213	¥ (7)	\$ 1,927
Reclassification Adjustment to Profit or Loss	(8)	—	(73)
Amount before Income Tax Effect	205	(7)	1,853
Income Tax Effect	—	—	—
Total	205	(7)	1,853
Total Other Comprehensive Income	¥ 76,723	¥(49,101)	\$ 693,010

29. Other Expenses

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Provision of Allowance for Loan Losses	¥ 3,850	¥ 3,988	\$ 34,779
Written-Off of Loans	7,179	8,931	64,846
Losses on Sales of Stocks and Other Securities	114	104	1,034
Losses on Devaluation of Stocks and Other Securities	501	1,904	4,528
Losses on Money Held in Trust	—	345	—
Cost of Leased Assets	15,063	14,401	136,064
Loss on Disposal of Fixed Assets	124	64	1,126
Impairment Loss on Fixed Assets	208	1,292	1,882
Loss on Reconstruction of the Head Office	—	2,486	—
Other	7,069	5,877	63,853
Total	¥34,111	¥39,396	\$308,112

30. Cash and Cash Equivalents

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Cash and Due from Banks	¥3,615,356	¥1,928,656	\$32,656,102
Interest-Bearing Deposits included in Due from Banks (excluding Due from BOJ)	(19,722)	(49,794)	(178,147)
Cash and Cash Equivalents	¥3,595,634	¥1,878,861	\$32,477,955

32. Lease Transactions

Operating Lease Transactions

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Lessee Side (Lease Payables Related to Non-Cancelable Operating Lease Transactions)			
Amount Corresponding to Lease Payables (within 1 year)	¥205	¥147	\$1,859
Amount Corresponding to Lease Payables (over 1 year)	582	297	5,263
Total	¥788	¥445	\$7,122

33. Tax Effect

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Deferred Tax Assets:			
Allowance for Loan Losses	¥ 18,519	¥ 17,152	\$ 167,282
Net Defined Benefit Liability	5,516	5,722	49,826
Write-Offs of Securities	689	907	6,230
Remeasurements of Defined Benefit Plans	—	2,339	—
Other	11,986	12,479	108,269
Subtotal	¥ 36,712	¥ 38,601	\$ 331,608
Valuation Allowance	(1,278)	(1,147)	(11,552)
Total Deferred Tax Assets	¥ 35,433	¥ 37,453	\$ 320,055
Deferred Tax Liabilities:			
Valuation Difference on Available-for-Sale Securities	¥(60,990)	¥(32,233)	\$(550,906)
Net Defined Benefit Asset	(2,503)	(1,701)	(22,617)
Remeasurements of Defined Benefit Plans	(995)	—	(8,992)
Other	(1,786)	(1,872)	(16,134)
Total Deferred Tax Liabilities	¥(66,276)	¥(35,806)	\$(598,649)
Net Deferred Tax Assets (Liabilities)	¥(30,843)	¥ 1,647	\$(278,594)

For the fiscal years ended March 31, 2020 and 2021, as the difference between the statutory tax rate and the effective income tax rate was less than 5 percent of the statutory tax rate, the reconciliation of the effective income tax rate is not disclosed.

34. Segment Information

I. Segment Information for the Current Fiscal Year (from April 1, 2020 to March 31, 2021) and the Previous Fiscal Year (from April 1, 2019 to March 31, 2020)

Since the Bank and its consolidated subsidiaries (the "Group") operate solely within the banking segment, segment information is omitted.

II. Related Information

(1) Information by Service Type

Since ordinary income from external customers in the banking business of the Group exceeds 90% of ordinary income in the consolidated statement of income, segment information by service type is omitted.

(2) Information by Geographic Areas

i) Ordinary Income

Since ordinary income from domestic external customers of the Group exceeds 90% of ordinary income in the consolidated statement of income, segment information by geographic areas is omitted.

ii) Tangible Fixed Assets

Since the balance of the Group's tangible fixed assets located in Japan exceeds 90% of the balance of those in the consolidated balance sheet, segment information on tangible fixed assets is omitted.

(3) Information by Major Customers

Since there is no single customer that accounts for more than 10% of ordinary income in the consolidated statement of income, segment information by major customer is omitted.

III. Information about Impairment Loss of Fixed Assets by Reporting Segments

Since the Group operates solely within the banking segment, segment information on impairment loss of fixed assets is omitted.

IV. Information about Amortization Expense and Unamortized Balance of Goodwill by Reporting Segments

Not applicable.

V. Information about Gains from Negative Goodwill by Reporting Segment

Not applicable.

35. Financial Instruments

I. Disclosure on Financial Instruments

(1) Policy on Financial Instruments

The Group conducts market businesses such as deposit-taking, lending and securities investments as a regional bank which is mainly based in Chiba Prefecture, Japan.

The Group takes deposits, which are its main financing source, and invests those deposits in corporate loans, personal housing loans and securities. In order to manage these assets and liabilities and also to make management plans in response to changes in market environment, we have established an ALM management system led by the ALM Committee.

(2) Types of and Risks Associated with Financial Instruments

Because of corporate and housing loans being our main financial assets, we are exposed to credit risk which is the risk of losses on receivable such as those arising from any nonperformance of borrowers.

We hold securities primarily comprising bonds, stocks and investment trusts for investment and operating purposes. These securities are exposed to credit risk of the issuers and market risk arising from changes in interest rates, prices and exchange rates.

The Group's financial liabilities are mainly deposits from our individual customers in Chiba Prefecture, Japan, which consist of liquid deposits and time deposits. These deposits are exposed to liquidity risk arising from unexpected outflows of fund in certain situations.

The Group is exposed to interest rate risk caused by any interest rate mismatch or duration mismatch between the assets (e.g., loans)

and liabilities (e.g., deposits). We in part hedge the risk using interest rate swaps.

We are also exposed to foreign exchange risk arising from a position mismatch between the foreign currency denominated assets and liabilities, which we in part hedge using currency swaps.

We utilize derivatives for purposes of: addressing customer's various needs for investments and financing, managing risks from the assets and liabilities, and trading (i.e., short term gains from sales). We enter into derivatives transactions to hedge interest rate and exchange rate risks from the assets and liabilities as follows:

	Hedged Items	Hedging Instruments
Interest rate risk hedge	Loans and bills discounted	Interest rate swaps
Foreign exchange risk hedge	Receivables and payables denominated in foreign currencies	Currency swaps Forward foreign exchange

Hedge accounting is applied to these transactions. Derivatives are subject to market risk and credit risk like other transactions in markets.

Certain subsidiaries have leasing credit and installment receivables which are subject to interest rate risk and credit risk.

(3) Risk Management Relating to Financial Instruments

i) Credit Risk Management

We have established the system of self-assessment of assets to provide appropriate allowance and write-offs. We also perform rigid credit risk management through individual credit management and credit portfolio management based on internal rating system. The Compliance and Risk Management Division, which is responsible for credit risk management, has been placed as a division independent of the Credit Unit (including the Business Support Division) for a check-and-balance effect. Further, the Credit Risk Management Committee discusses plans and actions on credit portfolios based on consideration of credit risk situations.

The details of credit risk management are as follows:

(Individual Credit Management)

Branches and the Business Support Division take the lead in credit review in accordance with credit review standards under the basic principles of credit (safety, profitability, liquidity, growth potential and public good). The Business Support Division provides support for customers who need to improve business operations and collection activities with regard to Bankrupt Borrowers and others. The Bank strives to accumulate high-performing loan assets and minimize future losses through these in-advance review and after-the-fact administration.

(Credit Portfolio Management)

Credit portfolio management is to control risk of incurring a major loss at a time due to concentration of individual loans in specific countries or specific industries. The Compliance and Risk Management Division monitors the state of credit risk from various perspectives, such as by country, by industry, and by customer credit rating. They also establish policies and take actions such as setting credit limits to control an increase in credit risk.

ii) Market Risk Management

We have established strict market risk management system including risk limit monitoring. The Compliance and Risk Management Division, which is responsible for market risk management, has been placed as a division independent of the Treasury Division and overseas branches in business operation unit and the Treasury Operation Division in business management unit, for a check-and-balance effect. The ALM Committee discusses plans and actions on overall management of the assets and liabilities based on market risk situations. The following is how we set and monitor the upper guideline limits:

(Risk Limit Monitoring)

We set and monitor upper guideline limits to control market risk of financial assets such as securities, loans and deposits. In order to control an increase in market risk, we also set upper limits on investment balances, average duration, 10BPV and unrealized gains (losses) according to risk characteristics of transactions and products, and utilize such limits as additional management indicators. For trading, we set and monitor upper guideline limits on positions and losses.

(Quantitative Information on Market Risk)

(a) Financial Instruments of Banking Account

We use VaR (the assumed maximum loss) for quantitative analysis on market risk of financial instruments such as available-for-sale securities, loans and deposits. For calculating VaR, we have adopted the variance co-variance model (holding period of 1 year; confidence interval of 99.9%; and observation period of 1 year), and the changes of interest and stock price are considered. However, the VaR based on a holding period of 10 days is used for some tradings activities, such as market asset trading. Those VaR are used for risk limit monitoring. Our VaR of banking business is ¥163,704 million as of March 31, 2021 (¥188,377 million as of March 31, 2020). In case of a 99% confidence level, VaR is ¥127,660 million as of March 31, 2021 (¥153,084 million as of March 31, 2020).

(b) Financial Instruments of Trading Account

We use VaR for quantitative analysis on market risk of financial instruments such as securities for trading and derivatives. For calculating VaR, we have adopted the variance co-variance model (holding period of 10 days; confidence interval of 99.9%; and observation period of 1 year). Those VaR is used for risk limit monitoring. Our VaR of trading business is ¥60 million as of March 31, 2021 (¥91 million as of March 31, 2020). In case of a 99% confidence level, VaR is ¥45 million as of March 31, 2021 (¥68 million as of March 31, 2020).

(c) Validity of VaR

We check the validity of the market risk measurement made by VaR approach by the back-test which compares VaR calculated using the model with actual profit or loss. Since VaR estimates possible losses statistically under the certain probability from the past market changes, risk might not be complemented under anomalous market situations.

iii) Liquidity Risk Management

We have established strict liquidity risk management system including limit monitoring. The Compliance and Risk Management Division, which is responsible for liquidity risk management, has been placed as a division independent of Treasury Division in financing management unit for a check-and-balance effect. The ALM Committee discusses plans and actions on overall management of the assets and liabilities based on liquidity risk situations. Upon an event with a significant impact on the cash flows, we would immediately have a conference chaired by the President and discuss plans to address the event. The following outlines how limits for liquidity management are set and monitored:

(Limit Management)

We set and monitor the minimum level of liquid assets such as government bonds that can be converted to cash in a short time. We also set upper limits on financing from inter-bank and other markets in order to facilitate stable cash flows with our fund-raising capacity.

iv) Integrated Risk Management

We have established rigid integrated risk management system including risk capital allocation framework. The Compliance and Risk Management Division is responsible for integrated risk management and is the unit that monitors various risks including credit and market risks. In order to ensure that we have capital sufficient for the risks we bear, the Compliance and Risk Management Division also conducts stress test, the results of which the Board of Directors monitors on a regular basis and discuss

actions to take as necessary. The following is the details of risk capital allocation framework:

(Risk Capital Allocation Framework)

Risk capital allocation framework is to distribute risk capital (tolerable risk) within the capital representing our financial strength, to divisions such as domestic business divisions and treasury divisions in advance. Each division then controls risks within the allocated risk capital. Through this framework, each division conducts its operations focusing on risk-return spectrum (e.g., improves profitability and/or utilize the capital in a more efficient manner) while the entire Bank's financial strength is maintained.

(4) Supplementary Explanation on Fair Value of Financial Instruments

The fair value of financial instruments includes, in addition to values determined based on market prices, those calculated on a reasonable basis if no market price is available. Since certain assumptions are used for the calculations, the result may vary if different assumptions are applied.

II. Disclosure on Fair Value of Financial Instruments

The following table summarizes the amount stated in the consolidated balance sheet and the fair value of financial instruments as of March 31, 2021 with their difference. Note that the following table does not include unlisted equity securities and other securities for which fair value is extremely difficult to determine (Note ii). Furthermore, some items are not shown since the consolidated balance sheet amounts are insignificant.

	Millions of Yen (Note 1)					
	March 31, 2021			March 31, 2020		
	Consolidated Balance Sheet Amount	Fair Value	Difference*1	Consolidated Balance Sheet Amount	Fair Value	Difference*1
(1) Securities						
Held-to-Maturity Bonds	¥ 7,840	¥ 8,487	¥ 646	¥ 7,736	¥ 8,014	¥ 277
Available-for-Sale Securities	2,354,903	2,354,903	—	2,074,260	2,074,260	—
(2) Loans and Bills Discounted	11,166,329			10,565,697		
Allowance for Loan Losses*2	(30,137)			(27,900)		
	11,136,191	11,266,805	130,613	10,537,796	10,666,037	128,241
Total Assets	¥13,498,935	¥13,630,196	¥131,260	¥12,619,792	¥12,748,311	¥128,518
(1) Deposits	14,087,833	14,087,934	(101)	12,772,684	12,772,763	(78)
(2) Negotiable Certificates of Deposit	455,450	455,450	—	444,293	444,293	0
Total Liabilities	¥14,543,283	¥14,543,384	¥ (101)	¥13,216,977	¥13,217,056	¥ (78)
Derivative Transactions*3						
Not Qualifying for Hedge Accounting	2,590	2,590	—	3,490	3,490	—
Qualifying for Hedge Accounting	[10,473]	[10,473]	—	(13,930)	(13,930)	—
Total Derivative Transactions	¥ [7,882]	¥ [7,882]	¥ —	¥ (10,440)	¥ (10,440)	¥ —

*1 Unrealized gains (losses) are presented.

*2 General and specific allowance for Loans and bills discounted is deducted here.

*3 Presents derivative transactions included in Trading assets/liabilities as well as those in Other assets/liabilities. Also presents assets or liabilities arising from derivative transactions on a net basis. Net liability positions are presented with brackets [].

(Note i) Methods used for determining the estimated fair value of financial instruments

Assets

(1) Securities

The fair value of stocks is determined based on price quoted by the exchanges. The fair value of bonds is determined based on the Trading Reference Statistical Data published by Japanese Securities Dealers Association or prices provided by financial institutions. The fair value of investment trusts is determined based on the net asset value provided by financial institutions.

The fair value of domestic stocks and domestic investment trusts is based on the average market price during the month preceding the consolidated fiscal year-end. The fair value of privately placed bonds guaranteed by the Bank is determined based on a market interest rate adjusted with projected default rate.

(2) Loans and Bills Discounted

Because a floating-rate loan reflects market interest rate within a short term, its fair value approximates the carrying amount unless the credit-worthiness of the borrower has changed significantly since the loan origination. As such the carrying amount is deemed as the fair value. With respect to fixed rate loans, the fair value is calculated as total of principal and interest discounted at market interest rate adjusted with projected default rate for each category of loans based on type, internal rating and maturity length.

As for short-term loans with maturity of one year or less, the carrying amount is deemed as the fair value since the fair value approximates such carrying amount.

For loans to Bankrupt, Effectively Bankrupt and Potentially Bankrupt Borrowers, Allowance for loan losses is estimated based on present value of expected future cash flows or expected amount to be collected from collaterals and guarantees. Accordingly, the fair value approximates the consolidated balance sheet amount less the allowance, which is then deemed and used as the fair value in the above table.

For loans without a fixed maturity due to loan characteristics such as limiting loans to within the value of collateral, the carrying amount is deemed as the fair value since the fair value is considered to approximate such carrying amount in terms of expected duration and interest rate.

Liabilities

(1) Deposits and (2) Negotiable Certificates of Deposit

For demand deposits, the amount payable on demand as of the consolidated balance sheet date is considered to be the fair value. The fair value of time deposits and negotiable certificates of deposit are calculated as future cash flows discounted by time period. The discount rate used in the calculation is the interest rate that would be applied to newly accepted deposits. For short-term deposits, the carrying amount is deemed as the fair value since the fair value approximates such carrying amount because of the short contract term of one year or less.

Derivative Transactions

See "39. Derivative Transactions."

(Note ii) The following table summarizes financial instruments whose fair value is extremely difficult to be estimated. These securities are not included in the amount presented under "Assets, (1) Available-for-Sale Securities" in the above table.

	Millions of Yen (Note 1)	
	March 31, 2021 Consolidated Balance Sheet Amount	March 31, 2020 Consolidated Balance Sheet Amount
(1) Unlisted Stocks (*1)(*2)(*3)	¥ 4,713	¥ 5,210
(2) Investments in Limited Partnerships, etc. (*4)(*5)	21,358	19,473
Total	¥26,071	¥24,684

*1 Unlisted stocks do not carry quoted market prices. Since it is extremely difficult to estimate the fair value of these securities, the fair value is not disclosed.

*2 An impairment loss of ¥501 million was recorded on these unlisted stocks in the current fiscal year.

*3 Stocks of non-consolidated subsidiaries and affiliates of ¥9,061 million were not included as of March 31, 2021 (¥8,473 million as of March 31, 2020).

*4 Fair value of investments in limited partnerships, etc., is not disclosed since such partnerships invest in assets, such as unlisted stocks, of which fair value is extremely difficult to be estimated.

*5 Investments in non-consolidated subsidiaries and affiliates of ¥3,369 million were not included as of March 31, 2021 (¥3,432 million as of March 31, 2020).

(Note iii) Redemption schedule of monetary claims and securities with maturities:

Millions of Yen (Note 1)						
March 31, 2021						
	Within 1 Year	1-3 Years	3-5 Years	5-7 Years	7-10 Years	Over 10 Years
Securities	¥ 237,806	¥ 336,296	¥ 424,768	¥ 150,219	¥ 400,315	¥ 334,990
Held-to-Maturity Bonds	—	5,535	2,214	—	—	—
Available-for-Sale Securities with Maturities	237,806	330,760	422,553	150,219	400,315	334,990
Government Bonds	85,500	22,500	30,000	—	23,000	24,000
Local Government Bonds	26,837	44,832	95,020	62,136	140,495	2,478
Short-Term Corporate Bonds	—	—	—	—	—	—
Corporate Bonds	37,259	79,498	115,338	20,360	29,800	184,903
Loans ^(*)	1,548,097	1,724,318	1,391,583	959,256	1,163,471	3,531,611
Total	¥1,785,903	¥2,060,614	¥1,816,351	¥1,109,475	¥1,563,786	¥3,866,602

* These amounts do not include loans to Bankrupt, Effectively Bankrupt or Potentially Bankrupt Borrowers and other loans of which redemption amount cannot be projected and those which do not have specific maturities, amounting to ¥847,989 million in total.

Millions of Yen (Note 1)						
March 31, 2020						
	Within 1 Year	1-3 Years	3-5 Years	5-7 Years	7-10 Years	Over 10 Years
Securities	¥ 182,565	¥ 419,058	¥ 411,556	¥ 216,804	¥ 239,214	¥ 249,341
Held-to-Maturity Bonds	—	—	6,529	1,088	—	—
Available-for-Sale Securities with Maturities	182,565	419,058	405,026	215,716	239,214	249,341
Government Bonds	18,500	98,000	25,000	15,000	1,000	10,000
Local Government Bonds	42,775	39,816	89,913	99,715	75,014	1,518
Short-Term Corporate Bonds	—	—	—	—	—	—
Corporate Bonds	54,177	100,552	111,072	43,000	19,300	106,851
Loans ^(*)	1,553,232	1,614,613	1,294,797	864,066	1,084,960	3,407,753
Total	¥1,735,797	¥2,033,671	¥1,706,354	¥1,080,871	¥1,324,174	¥3,657,095

* These amounts do not include loans to Bankrupt, Effectively Bankrupt or Potentially Bankrupt Borrowers and other loans of which redemption amount cannot be projected and those which do not have specific maturities, amounting to ¥746,273 million in total.

(Note iv) Repayment schedule of interest-bearing liabilities:

Millions of Yen (Note 1)						
March 31, 2021						
	Within 1 Year	1-3 Years	3-5 Years	5-7 Years	7-10 Years	Over 10 Years
Deposits ^(*)	¥13,339,675	¥676,991	¥58,863	¥3,237	¥9,064	¥—
Negotiable Certificates of Deposit	455,450	—	—	—	—	—
Total	¥13,795,126	¥676,991	¥58,863	¥3,237	¥9,064	¥—

* Demand deposits are included in "Within 1 year."

Millions of Yen (Note 1)						
March 31, 2020						
	Within 1 Year	1-3 Years	3-5 Years	5-7 Years	7-10 Years	Over 10 Years
Deposits ^(*)	¥12,050,423	¥660,011	¥48,915	¥5,500	¥7,833	¥—
Negotiable Certificates of Deposit	444,213	80	—	—	—	—
Total	¥12,494,636	¥660,091	¥48,915	¥5,500	¥7,833	¥—

* Demand deposits are included in "Within 1 year."

36. Market Value of Securities

(1) Trading Securities

	Millions of Yen (Note 1)	
	March 31, 2021	March 31, 2020
	Unrealized Gains (Losses) Included in the Consolidated Statement of Income	Unrealized Gains (Losses) Included in the Consolidated Statement of Income
Trading Securities	¥(40)	¥(66)

(2) Marketable Securities Held to Maturity

		Millions of Yen (Note 1)					
		March 31, 2021			March 31, 2020		
		Consolidated Balance Sheet Amount	Fair Value	Difference	Consolidated Balance Sheet Amount	Fair Value	Difference
(a) Securities for which the Fair Value Exceeds the Consolidated Balance Sheet Amount	Bonds:						
	Japanese Government Bonds	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
	Japanese Local Government Bonds	—	—	—	—	—	—
	Japanese Short-Term Corporate Bonds	—	—	—	—	—	—
	Japanese Corporate Bonds	—	—	—	—	—	—
	Other	7,840	8,487	646	7,806	8,084	278
	Foreign Bonds	7,840	8,487	646	7,736	8,014	277
	Subtotal	¥7,840	¥8,487	¥646	¥7,806	¥8,084	¥278
(b) Securities for which the Fair Value Does Not Exceed the Consolidated Balance Sheet Amount	Bonds:						
	Japanese Government Bonds	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
	Japanese Local Government Bonds	—	—	—	—	—	—
	Japanese Short-Term Corporate Bonds	—	—	—	—	—	—
	Japanese Corporate Bonds	—	—	—	—	—	—
	Other	—	—	—	330	330	(0)
	Foreign Bonds	—	—	—	—	—	—
	Subtotal	—	—	—	¥ 330	¥ 330	¥ (0)
	Total	¥7,840	¥8,487	¥646	¥8,137	¥8,415	¥277

(3) Marketable Securities Available for Sale

		Millions of Yen (Note 1)					
		March 31, 2021			March 31, 2020		
		Consolidated Balance Sheet Amount	Acquisition Cost	Difference	Consolidated Balance Sheet Amount	Acquisition Cost	Difference
(a) Securities for which the Fair Value Exceeds the Amortized Acquisition Cost	Stocks	¥ 245,698	¥ 78,541	¥167,157	¥ 176,881	¥ 64,032	¥112,849
	Bonds:	614,832	612,154	2,677	692,545	688,470	4,075
	Japanese Government Bonds	150,781	149,835	946	159,601	157,743	1,858
	Japanese Local Government Bonds	251,519	250,502	1,016	265,674	264,514	1,160
	Japanese Short-Term Corporate Bonds	—	—	—	—	—	—
	Japanese Corporate Bonds	212,531	211,817	713	267,269	266,212	1,056
	Other	714,797	664,730	50,066	538,422	512,273	26,149
	Foreign Bonds	369,523	358,392	11,131	320,304	310,651	9,653
	Subtotal	¥1,575,328	¥1,355,426	¥219,902	¥1,407,849	¥1,264,776	¥143,073
(b) Securities for which the Fair Value Does Not Exceed the Amortized Acquisition Cost	Stocks	¥ 13,244	¥ 18,895	¥ (5,651)	¥ 24,951	¥ 33,694	¥ (8,742)
	Bonds:	414,327	416,901	(2,573)	267,298	268,709	(1,411)
	Japanese Government Bonds	36,226	36,979	(752)	11,334	11,658	(323)
	Japanese Local Government Bonds	122,672	122,987	(314)	86,305	86,519	(213)
	Japanese Short-Term Corporate Bonds	—	—	—	—	—	—
	Japanese Corporate Bonds	255,427	256,934	(1,506)	169,657	170,532	(874)
	Other	352,003	363,541	(11,538)	375,248	402,950	(27,701)
	Foreign Bonds	151,109	154,338	(3,228)	187,443	191,870	(4,427)
	Subtotal	¥ 779,574	¥ 799,337	¥ (19,763)	¥ 667,498	¥ 705,354	¥ (37,855)
	Total	¥2,354,903	¥2,154,764	¥200,138	¥2,075,348	¥1,970,130	¥105,217

(4) Securities Held to Maturity Sold during the Fiscal Year

None.

(5) Securities Available for Sale Sold during the Fiscal Year

	Millions of Yen (Note 1)					
	March 31, 2021			March 31, 2020		
	Proceeds from Sales	Gain	Loss	Proceeds from Sales	Gain	Loss
Stocks	¥ 8,277	¥5,296	¥ 17	¥ 6,528	¥4,623	¥ 31
Bonds:	107,713	309	263	156,532	1,209	126
Japanese Government Bonds	70,305	175	243	95,063	318	105
Japanese Local Government Bonds	14,369	46	8	33,963	574	—
Japanese Short-Term Corporate Bonds	—	—	—	—	—	—
Japanese Corporate Bonds	23,038	88	11	27,505	316	20
Other	145,870	2,959	2,278	158,651	3,066	1,116
Foreign Bonds	130,641	1,519	1,162	145,384	1,908	487
Total	¥261,860	¥8,565	¥2,559	¥321,711	¥8,899	¥1,274

(6) Securities for Which the Holding Purpose Has Changed

None.

(7) Impairment Losses on Securities

Marketable securities available for sale are subject to write-downs when the market value or reasonably estimated value of these securities (collectively, "fair value") has declined considerably and it is not probable that the value will recover to the acquisition cost. In such case, any differences between fair value and acquisition cost are recognized as losses for the period. For the current fiscal year, impairment losses were ¥563 million (Stocks; ¥501 million, Corporate bonds; ¥61 million) (¥2,174 million (Corporate bonds; ¥1,904 million, Stocks; ¥269 million) for the previous fiscal year).

"Considerable decline in fair value" is determined based on the classification of issuers in accordance with the internal standards for self-assessment of assets as follows:

Bankrupt, effectively bankrupt and potentially bankrupt

Fair value is lower than acquisition cost.

Requiring caution

Fair value has declined by 30% or more from acquisition cost.

Normal

Fair value has declined by 50% or more from acquisition cost, or fair value has declined by more than 30% but less than 50% from acquisition cost and stayed below a certain level.

Bankrupt issuer means one who has entered into bankruptcy, special liquidation proceedings, corporate rehabilitation, civil rehabilitation or similar legal proceedings or whose notes have been dishonored and suspended from processing through clearing houses.

Effectively bankrupt issuer means one who is not legally or formally bankrupt but regarded as substantially in a similar condition.

Potentially bankrupt issuer means one who is not legally bankrupt but deemed to have high possibility of becoming bankrupt.

Requiring caution issuer means one who is financially weak and under close monitoring conducted by the Bank.

Normal issuer means one who does not belong to the other categories.

37. Money Held in Trust**(1) Money Held in Trust for Trading Purposes**

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Consolidated Balance Sheet Amount	¥10,068	¥19,605	\$90,944
Unrealized Gains (Losses) Included in the Consolidated Statement of Income	472	—	4,268

(2) Money Held in Trust for Other Purposes

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Acquisition Cost	¥11,579	¥9,079	\$104,589
Consolidated Balance Sheet Amount	11,579	9,079	104,589
Valuation Differences	—	—	—
Gains	—	—	—
Losses	—	—	—

38. Valuation Difference on Available-for-Sale Securities

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Valuation Difference	¥199,971	¥105,036	\$1,806,265
Securities Available for Sale	199,971	105,036	1,806,265
Other Money Held in Trust	—	—	—
Deferred Tax Liabilities (Assets)	60,990	32,233	550,906
Valuation Difference, Net of Taxes	¥138,980	¥72,803	\$1,255,359
Net Unrealized Gains on Securities Available for Sale Owned by Subsidiaries, which is Attributable to the Parent	633	428	5,724
Valuation Difference on Available-for-Sale Securities	¥139,614	¥73,231	\$1,261,083

39. Derivative Transactions**(1) Derivative Transactions to Which Hedge Accounting Is Not Applied**

With respect to the derivative transactions, contract amount or notional principal, fair value, unrealized gains (losses) and fair value calculation by transaction type as of the consolidated balance sheet date are as follows. Contract amount or notional principal does not necessarily represent market risk of the derivative transaction.

(a) Interest Rate Derivatives

		Millions of Yen (Note 1)				
		March 31, 2021				
		Notional Principal or Contract Amount				
		Total	Over 1 Year	Fair Value	Unrealized Gains (Losses)	
Listed:						
Futures:						
Sold	¥	—	¥	—	¥	—
Bought		—	—	—	—	
Options:						
Sold		—	—	—	—	
Bought		—	—	—	—	
Over-the-Counter:						
FRAs:						
Sold		—	—	—	—	
Bought		—	—	—	—	
Swaps:						
Receive Fixed / Pay Float		1,470,256	1,310,328	16,885	16,885	
Receive Float / Pay Fixed		1,382,303	1,220,299	(13,399)	(13,399)	
Receive Float / Pay Float		51,700	46,100	(133)	(133)	
Options:						
Sold		2,110	910	(6)	(6)	
Bought		—	—	—	—	
Other:						
Sold		690	510	(1)	(1)	
Bought		—	—	—	—	
Total	¥	—	¥	—	¥	3,344

- The above transactions are valued at fair value and the unrealized gains (losses) are included in the consolidated statement of income.
- The fair value of listed transactions is based on the final price issued by Tokyo Financial Exchange or other exchange. The fair value of OTC transactions is based on the discounted cash flow method, option pricing models, etc.

		Millions of Yen (Note 1)						
		March 31, 2020						
		Notional Principal or Contract Amount						
		Total	Over 1 Year	Fair Value	Unrealized Gains (Losses)			
Listed:								
Futures:								
Sold	¥	—	¥	—	¥	—		
Bought		—	—	—	—			
Options:								
Sold		—	—	—	—			
Bought		—	—	—	—			
Over-the-Counter:								
FRAs:								
Sold		—	—	—	—			
Bought		—	—	—	—			
Swaps:								
Receive Fixed / Pay Float		1,611,529	1,421,224	27,102	27,102			
Receive Float / Pay Fixed		1,526,768	1,334,421	(23,788)	(23,788)			
Receive Float / Pay Float		43,550	40,050	6	6			
Options:								
Sold		2,060	2,060	(20)	(20)			
Bought		—	—	—	—			
Other:								
Sold		1,210	620	(2)	(2)			
Bought		—	—	—	—			
Total	¥	—	¥	—	¥	3,298	¥	3,298

- The above transactions are valued at fair value and the unrealized gains (losses) are included in the consolidated statement of income.
- The fair value of listed transactions is based on the final price issued by Tokyo Financial Exchange or other exchange. The fair value of OTC transactions is based on the discounted cash flow method, option pricing models, etc.

(b) Currency Derivatives

		Millions of Yen (Note 1)				
		March 31, 2021				
		Notional Principal or Contract Amount				
		Total	Over 1 Year	Fair Value	Unrealized Gains (Losses)	
Listed:						
Futures:						
Sold	¥	—	¥	—	¥	—
Bought		—		—		—
Options:						
Sold		—	—	—		—
Bought		—	—	—		—
Over-the-Counter:						
Currency Swaps		325,539	220,634	121		121
Forward Foreign Exchange:						
Sold		25,135	—	(1,050)		(1,050)
Bought		9,935	—	178		178
Currency Options:						
Sold		414,317	—	(44,426)		(1,898)
Bought		414,317	—	44,426		7,051
Other:						
Sold		—	—	—		—
Bought		—	—	—		—
Total	¥	—	¥	—	¥ (749)	¥ 4,404

1. The above transactions are valued at fair value and the unrealized gains (losses) are included in the consolidated statement of income.
2. The fair value is based on the discounted cash flow method, etc.

		Millions of Yen (Note 1)				
		March 31, 2020				
		Notional Principal or Contract Amount				
		Total	Over 1 Year	Fair Value	Unrealized Gains (Losses)	
Listed:						
Futures:						
Sold	¥	—	¥	—	¥	—
Bought		—	—	—	—	—
Options:						
Sold		—	—	—	—	—
Bought		—	—	—	—	—
Over-the-Counter:						
Currency Swaps		382,150	303,327	180	180	
Forward Foreign Exchange:						
Sold		14,860	—	(86)	(86)	
Bought		9,836	—	49	49	
Currency Options:						
Sold		118,287	—	(9,952)	3,349	
Bought		118,287	—	9,952	(1,232)	
Other:						
Sold		—	—	—	—	
Bought		—	—	—	—	
Total	¥	—	¥	—	¥ 142	¥ 2,259

1. The above transactions are valued at fair value and the unrealized gains (losses) are included in the consolidated statement of income.
2. The fair value is based on the discounted cash flow method, etc.

(c) Equity Derivatives

None.

(d) Bond Derivatives

		Millions of Yen (Note 1)			
		March 31, 2021			
		Notional Principal or Contract Amount			
		Total	Over 1 Year	Fair Value	Unrealized Gains (Losses)
Listed:					
Futures:					
Sold		¥3,018	¥—	¥(4)	¥(4)
Bought		—	—	—	—
Futures Options:					
Sold		—	—	—	—
Bought		—	—	—	—
Over-the-Counter:					
Options:					
Sold		—	—	—	—
Bought		—	—	—	—
Other:					
Sold		—	—	—	—
Bought		—	—	—	—
Total	¥	—	¥—	¥(4)	¥(4)

1. The above transactions are valued at fair value and the unrealized gains (losses) are included in the consolidated statement of income.
2. The fair value of listed transactions is based on the final price issued by Osaka Exchange or other exchange. The fair value of OTC transactions is based on the discounted cash flow method, option pricing models, etc.

		Millions of Yen (Note 1)			
		March 31, 2020			
		Notional Principal or Contract Amount			
		Total	Over 1 Year	Fair Value	Unrealized Gains (Losses)
Listed:					
Futures:					
Sold		¥3,100	¥—	¥49	¥49
Bought		—	—	—	—
Futures Options:					
Sold		—	—	—	—
Bought		—	—	—	—
Over-the-Counter:					
Options:					
Sold		—	—	—	—
Bought		—	—	—	—
Other:					
Sold		—	—	—	—
Bought		—	—	—	—
Total	¥	—	¥—	¥49	¥49

1. The above transactions are valued at fair value and the unrealized gains (losses) are included in the consolidated statement of income.
2. The fair value of listed transactions is based on the final price issued by Osaka Exchange or other exchange. The fair value of OTC transactions is based on the discounted cash flow method, option pricing models, etc.

(e) Commodity Derivatives

None.

(f) Credit Derivatives

None.

(2) Derivative Transactions to Which Hedge Accounting Is Applied

With respect to the derivative transactions, contract amount or notional principal, fair value, unrealized gains (losses) and fair value calculation by hedge accounting method as of the consolidated balance sheet date are as follows. Contract amount or notional principal does not necessarily represent market risk of the derivative transaction.

(a) Interest Rate Derivatives

Millions of Yen (Note 1)				
March 31, 2021				
	Hedged item	Notional Principal or Contract Amount		Fair Value
		Total	Over 1 Year	
Principle Method				
Interest Swap	Interest-bearing financial assets and liabilities including loans, available-for-sale debt securities, deposits and negotiable certificates of deposit			
Receive Fixed / Pay Float		¥ —	¥ —	¥ —
Receive Float / Pay Fixed		359,186	303,483	(9,268)
Receive Float / Pay Float		—	—	—
Other		—	—	—
Exceptional Accrual Method				
Interest Swap	Loans			
Receive Fixed / Pay Float		—	—	
Receive Float / Pay Fixed		39,883	35,301	*3
Receive Float / Pay Float		—	—	
Total	—	¥ —	¥ —	¥(9,268)

1. Deferred hedge is primarily applied to the above transactions under the "Treatment for Accounting and Auditing of Application of Accounting Standard for Financial Instruments in Banking Industry" (JICPA Industry Committee Practical Guidelines No. 24).
2. The fair value of the above transactions is based on the discounted cash flow method, option pricing models, etc.
3. Since derivative transactions qualifying for the exceptional accrual method are treated as a unit of the underlying loans as the hedged items, those fair values are included in fair values of such loans in "35. Financial Instruments."

Millions of Yen (Note 1)				
March 31, 2020				
	Hedged item	Notional Principal or Contract Amount		Fair Value
		Total	Over 1 Year	
Principle Method				
Interest Swap	Interest-bearing financial assets and liabilities including loans, available-for-sale debt securities, deposits and negotiable certificates of deposit			
Receive Fixed / Pay Float		¥ —	¥ —	¥ —
Receive Float / Pay Fixed		369,539	341,790	(13,809)
Receive Float / Pay Float		—	—	—
Other		—	—	—
Exceptional Accrual Method				
Interest Swap	Loans			
Receive Fixed / Pay Float		—	—	
Receive Float / Pay Fixed		33,893	26,037	*3
Receive Float / Pay Float		—	—	
Total	—	¥ —	¥ —	¥(13,809)

1. Deferred hedge is primarily applied to the above transactions under the "Treatment for Accounting and Auditing of Application of Accounting Standard for Financial Instruments in Banking Industry" (JICPA Industry Audit Committee Report No. 24).
2. The fair value of the above transactions is based on the discounted cash flow method, option pricing models, etc.
3. Since derivative transactions qualifying for the exceptional accrual method are treated as a unit of the underlying loans as the hedge items, those fair values are included in fair values of such loans in "35. Financial Instruments."

(b) Currency Derivatives

Method of hedge accounting : Principle method

Millions of Yen (Note 1)				
March 31, 2021				
	Hedged item	Notional Principal or Contract Amount		Fair Value
		Total	Over 1 Year	
Currency Swap	Foreign currency denominated loans, securities, deposits and foreign exchanges	¥237,564	¥108,953	¥(1,205)
Total	—	¥ —	¥ —	¥(1,205)

1. Deferred hedge is primarily applied to the above transactions under the "Treatment for Accounting and Auditing Concerning Accounting for Foreign Currency Transactions in Banking Industry" (JICPA Industry Committee Practical Guidelines No. 25).
2. The fair value is based on the discounted cash flow method, etc.

Millions of Yen (Note 1)				
March 31, 2020				
	Hedged item	Notional Principal or Contract Amount		Fair Value
		Total	Over 1 Year	
Currency Swap	Foreign currency denominated loans, securities, deposits and foreign exchanges	¥301,524	¥200,718	¥(121)
Total	—	¥ —	¥ —	¥(121)

1. Deferred hedge is primarily applied to the above transactions under the "Treatment for Accounting and Auditing Concerning Accounting for Foreign Currency Transactions in Banking Industry" (JICPA Industry Audit Committee Report No. 25).
2. The fair value is based on the discounted cash flow method, etc.

(c) Equity Derivatives

None.

(d) Bond Derivatives

None.

40. Per Share Data

	Yen (Note 1)		U.S. Dollars (Note 1)
	2021	2020	2021
Net Assets per Share of Common Stock	¥1,401.40	¥1,250.41	\$12.66
Profit per Share of Common Stock	66.82	63.99	0.60
Diluted Net Income per Share of Common Stock	66.71	63.91	0.60

I. Basis on Calculating Net Assets per Share

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Total Net Assets	¥1,041,756	¥929,334	\$9,409,778
Less: Subscription Rights to Shares	628	514	5,675
Consolidated Net Assets Attributable to Common Stock	¥1,041,128	¥928,819	\$9,404,103

	Number of Shares	
	2021	2020
Number of Shares of Common Stock Used for Calculating Net Assets per Share	742,918,370	742,811,309

II. Basis on Calculating Net Income per Share

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
Profit Attributable to Owners of Parent	¥49,641	¥48,037	\$448,394
Not Attributable to Common Stock	—	—	—
Profit Attributable to Owners of Parent for Common Stock	¥49,641	¥48,037	\$448,394

	Number of Shares	
	2021	2020
Average Number of Shares of Common Stock (excluding Treasury Shares)	742,892,057	750,592,354

The increase in the number of shares of common stock represents stock options totaling 1,195 thousand (960 thousand for the previous fiscal year), which are used for calculating diluted profit per share.

41. Related Party Transactions

There were no significant transactions with related parties to report for the fiscal years ended March 31, 2021 and 2020.

42. Cash Dividends Paid**I. Cash Dividends Paid for the Fiscal Year Ended March 31, 2020**

Resolution	Category of Shares	Total Amounts of Cash Dividends Paid Millions of Yen (Note 1)	Cash Dividends per Share Yen (Note 1)	Record Date	Effective Date
Annual General Shareholders Meeting, at June 26, 2019	Common Stock	¥6,091	¥8.00	March 31, 2019	June 27, 2019
Board of Directors, at November 11, 2019	Common Stock	¥5,942	¥8.00	September 30, 2019	December 5, 2019

II. Cash Dividends Paid for the Fiscal Year Ended March 31, 2021

Resolution	Category of Shares	Total Amounts of Cash Dividends Paid Millions of Yen (Note 1)	Cash Dividends per Share Yen (Note 1)	Record Date	Effective Date
Annual General Shareholders Meeting, at June 26, 2020	Common Stock	¥7,428	¥10.00	March 31, 2020	June 29, 2020
Board of Directors, at November 9, 2020	Common Stock	¥6,686	¥ 9.00	September 30, 2020	December 4, 2020

III. Cash Dividends with the Record Date in the Fiscal Year Ended March 31, 2021 and the Effective Date in the Fiscal Year Ending March 31, 2022

Resolution	Category of Shares	Total Amounts of Cash Dividends Paid Millions of Yen (Note 1)	Source of Dividends	Cash Dividends per Share Yen (Note 1)	Record Date	Effective Date
Annual General Shareholders Meeting, at June 25, 2021	Common Stock	¥8,172	Retained Earnings	¥11.00	March 31, 2021	June 28, 2021

43. Stock Options**I. Line Item where Stock Option Expense Is Presented and the Amount**

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2021	2020	2021
General and Administrative Expenses	¥172	¥165	\$1,559

II. Stock Option Activity

(1) Outline of Stock Options

		The first subscription rights	The second subscription rights	The third subscription rights	The fourth subscription rights	The fifth subscription rights
Number of Grantees	Directors	9	9	9	9	10
	Executive officers	9	9	9	11	10
Number of Stock Options	Common stock	311,100	343,600	344,700	229,400	243,000
Date of Grant		July 20, 2010	July 20, 2011	July 20, 2012	July 19, 2013	July 18, 2014
Requirement for Determination of Rights		Not fixed	Not fixed	Not fixed	Not fixed	Not fixed
Target Period		Not fixed	Not fixed	Not fixed	Not fixed	Not fixed
Exercise Period		From July 21, 2010 to July 20, 2040	From July 21, 2011 to July 20, 2041	From July 21, 2012 to July 20, 2042	From July 20, 2013 to July 19, 2043	From July 19, 2014 to July 18, 2044
		The sixth subscription rights	The seventh subscription rights	The eighth subscription rights	The ninth subscription rights	The tenth subscription rights
Number of Grantees	Directors	10	10	9	6	6
	Executive officers	10	10	11	14	15
Number of Stock Options	Common stock	180,700	365,400	230,500	231,800	346,000
Date of Grant		July 17, 2015	July 20, 2016	July 20, 2017	July 20, 2018	July 19, 2019
Requirement for Determination of Rights		Not fixed	Not fixed	Not fixed	Not fixed	Not fixed
Target Period		Not fixed	Not fixed	Not fixed	Not fixed	Not fixed
Exercise Period		From July 18, 2015 to July 17, 2045	From July 21, 2016 to July 20, 2046	From July 21, 2017 to July 20, 2047	From July 21, 2018 to July 20, 2048	From July 20, 2019 to July 19, 2049
		The eleventh subscription rights				
Number of Grantees	Directors	5				
	Executive officers	16				
Number of Stock Options	Common stock	380,500				
Date of Grant		July 20, 2020				
Requirement for Determination of Rights		Not fixed				
Target Period		Not fixed				
Exercise Period		From July 21, 2020 to July 20, 2050				

(2) Size and Situation of Stock Options

(a) Number of Stock Options

		Number of Shares				
		The first subscription rights	The second subscription rights	The third subscription rights	The fourth subscription rights	The fifth subscription rights
Non-vested						
As of March 31, 2020		—	—	—	—	—
Granted		—	—	—	—	—
Forfeited		—	—	—	—	—
Vested		—	—	—	—	—
Outstanding		—	—	—	—	—
Vested						
As of March 31, 2020		41,300	44,200	46,800	28,300	28,700
Vested		—	—	—	—	—
Exercised		—	—	—	—	—
Forfeited		—	—	—	—	—
Outstanding		41,300	44,200	46,800	28,300	28,700
		Number of Shares				
		The sixth subscription rights	The seventh subscription rights	The eighth subscription rights	The ninth subscription rights	The tenth subscription rights
Non-vested						
As of March 31, 2020		—	—	—	—	—
Granted		—	—	—	—	—
Forfeited		—	—	—	—	—
Vested		—	—	—	—	—
Outstanding		—	—	—	—	—
Vested						
As of March 31, 2020		34,200	128,100	114,000	181,900	364,000
Vested		—	—	—	—	—
Exercised		—	13,400	16,600	17,600	60,700
Forfeited		—	—	—	—	—
Outstanding		34,200	114,700	97,400	164,300	285,300

	Number of Shares The eleventh subscription rights
Non-vested	
As of March 31, 2020	—
Granted	380,500
Forfeited	—
Vested	380,500
Outstanding	—
Vested	
As of March 31, 2020	—
Vested	380,500
Exercised	—
Forfeited	26,700
Outstanding	353,800

(b) Price Information

	Yen (Note 1)				
	The first subscription rights	The second subscription rights	The third subscription rights	The fourth subscription rights	The fifth subscription rights
Exercise Price	1	1	1	1	1
Average Price at Exercise	—	—	—	—	—
Fair Value at Grant Date	467	446	403	686	673

	Yen (Note 1)				
	The sixth subscription rights	The seventh subscription rights	The eighth subscription rights	The ninth subscription rights	The tenth subscription rights
Exercise Price	1	1	1	1	1
Average Price at Exercise	—	507	507	507	507
Fair Value at Grant Date	913	433	721	675	488

	Yen (Note 1) The eleventh subscription rights
Exercise Price	1
Average Price at Exercise	—
Fair Value at Grant Date	457

III. Estimations Used to Measure Fair Value of Stock Options

(1) Valuation Method

Black-Scholes option pricing model

(2) Main Assumptions and Estimation Method

	The eleventh subscription rights
Volatility of Stock Price ^{(*)1}	30.864%
Estimated Remaining Outstanding Period ^{(*)2}	4 years
Estimated Dividend ^{(*)3}	¥18 per share
Risk-Free Interest Rate ^{(*)4}	-0.148%

*1. Volatility of Stock Price is calculated based on the actual stock prices of Estimated Remaining Outstanding Period.

*2. Estimated Remaining Outstanding Period is estimated based on the average administration period of the directors from the past decade.

*3. Estimated Dividend is based on the actual results of the fiscal year ended March 31, 2020.

*4. Risk-Free Interest Rate is based on the yields of bonds for the Estimated Remaining Outstanding Period.

IV. Estimated Number of Stock Options to be Vested

The actual number of forfeited stock options alone is reflected because the number of stock options that will be forfeited in the future cannot be readily estimated.

44. Subsequent Events

None.

Independent Auditor's Report

The Board of Directors
The Chiba Bank, Ltd.

Opinion

We have audited the accompanying consolidated financial statements of The Chiba Bank, Ltd. and its consolidated subsidiaries (the Group), which comprise the consolidated balance sheet as at March 31, 2021, and the consolidated statements of income, comprehensive income, changes in net assets, and cash flows for the year then ended, and notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters.

Classification of debtors for the purpose of determining the allowance for loans losses	
Description of Key Audit Matter	Auditor's Response
<p>As described in the consolidated financial statements, the Group has recorded loans and bills discounted of ¥11,166,329 million (62.39% of total assets) and an allowance for loan losses of ¥32,855 million (0.18% of total assets).</p> <p>The specific method of applied for recording the allowance for loan losses by the Group is described in (6) "Allowance for Loan Losses" in Note 3, "Significant Accounting Policies" and Note 4, "Significant Accounting Estimates" of the consolidated financial statements.</p>	<p>To evaluate the classification of debtors, we performed the following audit procedures:</p> <ul style="list-style-type: none"> We evaluated the Group's internal controls for determining debtor classification including controls to verify the accuracy and completeness of schedules used in determining the debtor classification, and controls for underlying credit rating data about the debtor. We selected samples by taking into account the type of business of the debtors, their repayment status, financial position or the degree of deterioration in their business performance, potential credit risk

<p>The Group primarily serves clients located in Chiba Prefecture, Japan, but loans to debtors based in Tokyo metropolitan area have also been increasing in the recent years. In addition, at year end, loans to the real estate leasing and management industry accounted for 22.38% of the total loans and bills discounted outstanding. Furthermore, in response to COVID-19, the Group has extended financial support mainly to customers in Chiba Prefecture during the fiscal year. As a result, the outstanding amount of loans and bills discounted has increased compared with the previous fiscal year and the amount recorded in the consolidated balance sheet as of the end of the current fiscal year has increased by ¥600,632 million (+5.68%) compared to the end of the previous fiscal year.</p> <p>The allowance for loan losses is measured in accordance with the Group's internal standards for write-offs and provisions.</p> <p>The calculation process includes ascertaining the debtor classification, which is determined by assessing the debtor's ability to repay loans, estimates of the recoverable amount by collateral transferred from each debtor and also includes estimates of the expected loss ratio based on the historical loan loss ratio considering repayment status, financial position, business performance, and future prospects.</p> <p>These estimates are involve uncertainties such as economic trends within and outside Chiba Prefecture, fluctuations in financial and economic environments such as real estate prices, interest rates stock prices, fluctuations in the business conditions of clients and the timing of the end of the COVID-19 pandemic.</p> <p>In particular, the classification of debtors in the process of calculating the allowance for loan losses requires an evaluation of the business characteristics of each debtor, economic trends specific to each region and the debtor's business performance, financial position, repayment capacity based on these characteristics and in the case of debtors experiencing adverse business conditions or those in financial difficulty, it is necessary to make judgment in a timely manner to evaluate the prospect of future business recovery or the possibility of improvement in the financial condition of the business.</p>	<p>estimated from external disclosure information and the degree of the impact of the COVID-19 pandemic by industry and region for a sample of debtors to evaluate management's classification of sampled debtor. We also considered the quantitative impact of changes in debtor classification on the amount recorded in the allowance for loan losses.</p> <ul style="list-style-type: none"> • We evaluated assumptions regarding sampled debtors' recent repayment status, financial position, and business performance, by evaluating materials related to the Group's internal assessment, such as explanatory materials including a description of the business, borrowing and repayment status, research materials providing an understanding of actual financial position, documents related to the operation status of the real estate subject to the loan and the assets status of the real estate owner, financial statements, and the trial balance, approval documents for and opinions concerning loans newly executed or those whose conditions were recently changed, and, in addition, we made inquiries to the department in charge of the loan as necessary to supplement our understanding. • We examined the reasonableness and feasibility of business improvement plans, that incorporate the future outlook regarding the repayment status, financial position, and business performance. We also performed analysis of trends from past results of the major profit or loss items such as sales, cost of sales, selling, general and administrative expenses of debtors, evaluating the accuracy of estimates based on the historical achievement of objectives of business improvement plans in previous years. And we considered and evaluated relevant market and industry information, such as performance trends of other companies in the same industry and industry profit or loss trends, reports of industry trends by analysts, when available, that corroborated or contradicted management assumptions used in the classification of the debtors. In addition, we made inquiries with management, officers in charge of loans, and personnel from departments in charge of loans.
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<p>The degree of future uncertainty due to the COVID-19 pandemic varies depending on the type of industry and the debtor's specific business. In particular, the reasonableness and feasibility of a management improvement plan that incorporates these prospects for future growth are important factors in determining the classification of debtors with regard to those whose repayment status, financial conditions or business performance are deteriorating.</p> <p>The reasonableness and feasibility of business improvement plans are affected by changes in the business environment surrounding each debtor and the success or failure of the debtor's business strategy. Therefore, determining the debtor's classification requires significant management judgement as various assumptions and estimates are used by Group.</p> <p>Accordingly, we have identified the classification of debtors to determine the allowance for loans and bills discounted, particularly with respect to debtors experiencing a deterioration in repayment status, financial position or business performance and those impacted by the COVID-19 pandemic, as a Key Audit Matter.</p>	<ul style="list-style-type: none"> • In relation to the COVID-19 pandemic, we also held discussions with management and departments in charge of loans to evaluate the management assumptions regarding the Group's evaluation of the reasonableness and feasibility of management improvement plans for debtors who have modified their loan repayment terms in response to the impact of the COVID-19 pandemic and the Group's judgment regarding the business performance recovery status of the debtors on which the evaluation is based. • For debtors significantly impacted by the COVID-19 pandemic, we made additional inquiries with the division in charge of loans regarding the impact on the business or performance of the target debtors and the Group's policy, and we analyzed and verified the assumptions identified and understood. • In order to examine economic trends by industry and region within and outside of Chiba Prefecture, Japan, as well as decisions by the Group on the impact of COVID-19 on the performance of debtors and the classification of debtors, we made inquiries with the managers and departments in charge of loans. We also compared and examined available external information on personal consumption, corporate earnings and real estate market conditions, including the impact of COVID-19 and evaluated management's assumptions.
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Responsibilities of Management, the Corporate Auditor and the Board of Corporate Auditors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

The Corporate Auditor and the Board of Corporate Auditors are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the consolidated financial statements is not expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles generally accepted in Japan.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Corporate Auditor and the Board of Corporate Auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Corporate Auditor and the Board of Corporate Auditors with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Corporate Auditor and the Board of Corporate Auditors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Convenience Translation

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2021 are presented solely for convenience. Our audit also included the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 1 to the consolidated financial statements.

Ernst & Young ShinNihon LLC
Tokyo, Japan

June 21, 2021

/s/Noboru Miura
Noboru Miura
Designated Engagement Partner
Certified Public Accountant

/s/Nobuko Kubo
Nobuko Kubo
Designated Engagement Partner
Certified Public Accountant

/s/Norio Hashiba
Norio Hashiba
Designated Engagement Partner
Certified Public Accountant

Non-Consolidated Balance Sheet (Unaudited)

The Chiba Bank, Ltd.
As of March 31, 2021

	Millions of Yen*1		Thousands of U.S. Dollars*2
	2021	2020	2021
Assets			
Cash and Due from Banks	¥ 3,609,203	¥ 1,923,761	\$ 32,600,522
Call Loans	81,039	152,307	732,000
Receivables under Resale Agreements	19,999	19,999	180,652
Monetary Claims Bought	10,120	10,650	91,416
Trading Assets	157,387	412,833	1,421,617
Money Held in Trust	12,147	21,684	109,723
Securities	2,380,625	2,103,737	21,503,257
Loans and Bills Discounted	11,206,449	10,616,525	101,223,462
Foreign Exchanges	6,725	6,394	60,748
Other Assets	166,114	122,124	1,500,447
Tangible Fixed Assets	121,234	110,990	1,095,065
Intangible Fixed Assets	14,129	14,377	127,625
Prepaid Pension Cost	10,398	7,284	93,928
Customers' Liabilities for Acceptances and Guarantees	25,125	37,204	226,949
Allowance for Loan Losses	(24,882)	(22,815)	(224,750)
Total Assets	¥17,795,820	¥15,537,059	\$160,742,661
Liabilities			
Deposits	¥14,613,955	¥13,285,206	\$132,002,128
Call Money	463,298	220,000	4,184,790
Payables under Repurchase Agreements	10,792	30,657	97,486
Payables under Securities Lending Transactions	279,072	287,159	2,520,751
Trading Liabilities	16,792	25,641	151,683
Borrowed Money	1,185,635	521,711	10,709,378
Foreign Exchanges	505	834	4,564
Bonds Payable	83,160	115,229	751,159
Borrowed money from Trust Account	3,743	2,790	33,815
Other Liabilities	110,185	130,781	995,266
Provision for Reimbursement of Deposits	1,140	1,692	10,298
Provision for Point Loyalty Programs	328	278	2,965
Deferred Tax Liabilities	29,493	2,316	266,405
Deferred Tax Liabilities for Land Revaluation	10,470	10,511	94,577
Acceptances and Guarantees	25,125	37,204	226,949
Total Liabilities	¥16,833,700	¥14,672,016	\$152,052,213
Net Assets			
Capital Stock	¥ 145,069	¥ 145,069	\$ 1,310,353
Capital Surplus	122,134	122,134	1,103,190
Retained Earnings	612,593	580,928	5,533,316
Legal Retained Earnings	50,930	50,930	460,033
Other Retained Earnings	561,663	529,998	5,073,283
Treasury Shares	(49,121)	(49,194)	(443,696)
Total Shareholders' Equity	830,674	798,937	7,503,161
Valuation Difference on Available-for-Sale Securities	126,647	64,068	1,143,955
Deferred Gains or Losses on Hedges	(5,762)	(8,504)	(52,051)
Revaluation Reserve for Land	9,931	10,025	89,707
Total Valuation and Translation Adjustments	130,816	65,590	1,181,612
Subscription Rights to Shares	628	514	5,675
Total Net Assets	¥ 962,119	¥ 865,042	\$ 8,690,448
Total Liabilities and Net Assets	¥17,795,820	¥15,537,059	\$160,742,661

*1 Japanese yen amounts are presented in millions of yen by rounding down figures below one million. As a result, the totals in Japanese yen in the non-consolidated financial statements do not necessarily agree with the sums of individual amounts.

*2 U.S. dollar amounts are shown solely for the convenience of the readers of this Integrated Report and are translated at the rate of ¥110.71 to \$1.00, the exchange rate prevailing at March 31, 2021.

Non-Consolidated Statement of Income (Unaudited)

The Chiba Bank, Ltd.
For the year ended March 31, 2021

	Millions of Yen*1		Thousands of U.S. Dollars*2
	2021	2020	2021
Income			
Interest Income:			
Interest on Loans and Discounts	¥103,693	¥111,440	\$ 936,621
Interest and Dividends on Securities	31,971	34,370	288,782
Other Interest Income	1,464	1,998	13,229
Trust Fees	23	8	213
Fees and Commissions	45,013	43,235	406,586
Trading Income	1,763	1,812	15,929
Other Ordinary Income	6,034	6,548	54,508
Other Income	9,244	12,855	83,506
Total Income	¥199,208	¥212,270	\$1,799,374
Expenses			
Interest Expenses:			
Interest on Deposits	¥ 2,353	¥ 11,385	\$ 21,261
Interest on Borrowings and Rediscounts	669	2,250	6,047
Other Interest Expenses	9,525	10,496	86,037
Fees and Commissions Payments	18,865	20,601	170,402
Trading Expenses	—	10	—
Other Ordinary Expenses	2,506	1,952	22,643
General and Administrative Expenses	87,415	82,560	789,589
Other Expenses	13,950	18,982	126,010
Total Expenses	¥135,286	¥148,240	\$1,221,989
Profit before Income Taxes	63,922	64,030	577,385
Income Taxes—Current	19,464	18,318	175,816
Income Taxes—Deferred	(1,240)	(225)	(11,209)
Profit	¥ 45,698	¥ 45,937	\$ 412,777

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Supplementary Information (Unaudited)

The Chiba Bank, Ltd. and Consolidated Subsidiaries
As of March 31, 2021

Consolidated Capital Ratio (BIS Guidelines)

	Millions of Yen*1		Thousands of U.S. Dollars*2
	2021	2020	2021
Common Equity Tier 1 Capital: Instruments and Reserves	¥1,033,584	¥ 921,906	\$ 9,335,963
Capital Stock and Capital Surplus	267,203	267,203	2,413,542
Retained Earnings	676,994	641,387	6,115,028
Treasury Shares	49,121	49,194	443,696
Cash Dividends to be Paid	8,172	7,428	73,815
Subscription Rights to Shares	628	514	5,675
Accumulated Other Comprehensive Income and Other Disclosed Reserves	146,051	69,423	1,319,230
Common Equity Tier 1 Capital: Regulatory Adjustments	38,346	34,240	346,373
Total Intangible Assets (Excluding Those Relating to Mortgage Servicing Rights)	10,031	10,137	90,612
Deferred Gains or Losses on Derivatives under Hedge Accounting	(737)	(321)	(6,659)
Shortfall of Eligible Provisions to Expected Losses	18,796	23,865	169,784
Securitization Gain on Sale	30	34	272
Net Defined Benefit Asset	10,163	490	91,801
Investments in Own Shares (Excluding Those Reported in the Net Assets Section)	62	33	563
Total Common Equity Tier 1 Capital	¥ 995,237	¥ 887,665	\$ 8,989,590
Additional Tier 1 Capital: Instruments	—	—	—
Additional Tier 1 Capital: Regulatory Adjustments	—	—	—
Total Additional Tier 1 Capital	—	—	—
Total Tier 1 Capital	¥ 995,237	¥ 887,665	\$ 8,989,590
Tier 2 Capital: Instruments and Provisions	¥ 40,616	¥ 46,636	\$ 366,871
Directly Issued Qualifying Tier 2 Instruments plus Related Capital Surplus of which: Classified as Liabilities under Applicable Accounting Standards	40,476	46,469	365,606
General Allowance for Loan Losses and Eligible Provisions	140	166	1,266
Tier 2 Capital: Regulatory Adjustments	—	—	—
Total Tier 2 Capital	¥ 40,616	¥ 46,636	\$ 366,871
Total Capital	¥1,035,853	¥ 934,301	\$ 9,356,461
Risk-Weighted Assets:			
Total Risk-Weighted Assets*3	¥8,098,718	¥7,705,542	\$73,152,546
Total Required Capital*4	¥ 647,897	¥ 616,443	\$ 5,852,204
Capital Ratios:			
Common Equity Tier 1 Capital Ratio	12.28%	11.51%	12.28%
Tier 1 Capital Ratio	12.28%	11.51%	12.28%
Total Capital Ratio	12.79%	12.12%	12.79%

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*3 The following approaches were adopted to calculate Total Risk-Weighted Assets.

Credit Risk: Foundation Internal Ratings-Based Approach

Operational Risk: Standardized Approach

*4 Total Required Capital is calculated by multiplying Total Risk-Weighted Assets by 8%.

Consolidated Leverage Ratio

	Millions of Yen*1		Thousands of U.S. Dollars*2
	2021	2020	2021
On-Balance Sheet Exposures			
On-Balance Sheet Exposures before Adjustments	¥14,263,910	¥15,501,329	\$128,840,311
Total Assets Reported in the Consolidated Balance Sheet	14,382,701	15,609,936	129,913,298
The Amount of Assets that Are Deducted from the Total Assets Reported in the Consolidated Balance Sheet (except Adjustment Items)	(118,790)	(108,606)	(1,072,988)
The Amount of Adjustments to Tier 1 Capital	(39,054)	(34,527)	(352,760)
Total On-Balance Sheet Exposures	¥14,224,856	¥15,466,802	\$128,487,551
Derivative Exposures			
Replacement Cost Multiplied by 1.4 Associated with Derivatives Transactions	47,870	19,065	432,393
Potential Future Exposure Multiplied by 1.4 Associated with Derivatives Transactions	26,376	17,851	238,245
The Amount of Deductions of Receivables (Out of Those Arising from Providing Cash Variation Margin)	(25,274)	(17,515)	(228,296)
Total Derivative Exposures	¥ 48,971	¥ 19,402	\$ 442,343
Securities Financing Transaction (SFT) Exposures			
The Amount of SFT Assets	¥ 19,999	¥ 19,999	\$ 180,652
The Exposures for Counter-Party Credit Risk for SFTs	3,160	9,504	28,545
Total SFT Exposures	¥ 23,160	¥ 29,504	\$ 209,197
Off-Balance Sheet Exposures			
Notional Amount of Off-Balance Sheet Exposures	¥ 3,562,198	¥ 3,371,918	\$ 32,175,942
The Amount of Adjustments for Conversion in Relation to Off-Balance Sheets	(3,018,942)	(2,871,385)	(27,268,927)
Total Off-Balance Sheet Exposures	¥ 543,255	¥ 500,532	\$ 4,907,015
Tier 1 Capital	¥ 995,237	¥ 887,665	\$ 8,989,590
Total Exposures	¥14,840,244	¥16,016,242	\$134,046,106
Leverage Ratio	6.70%	5.54%	6.70%

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Loans and Bills Discounted, Borrower Classification by Industry (Consolidated)

Millions of Yen (Note 1)		
March 31, 2021		
	Outstanding Balance	Composition
Domestic Operations		
Manufacturing	¥ 740,345	6.78%
Agriculture and Forestry	17,188	0.16%
Fishery	1,331	0.01%
Mining, Quarrying and Gravel	17,067	0.16%
Construction	388,175	3.55%
Electricity, Gas, Heat Supply and Water	132,196	1.21%
Information and Communications	48,287	0.44%
Transport and Postal Service	312,013	2.86%
Wholesale and Retail Trade	800,037	7.32%
Finance and Insurance	430,113	3.94%
Real Estate and Leasing	3,029,572	27.74%
Medical, Welfare and Other Services	705,479	6.46%
Government and Local Public Sector	398,911	3.65%
Others (Mainly Consumer Loans)	3,901,829	35.72%
Total	¥10,922,551	100.00%
Overseas operations and JOM Account	¥ 243,777	—

Millions of Yen (Note 1)		
March 31, 2020		
	Outstanding Balance	Composition
Domestic Operations		
Manufacturing	¥ 685,222	6.64%
Agriculture and Forestry	16,344	0.16%
Fishery	1,403	0.01%
Mining, Quarrying and Gravel	17,330	0.17%
Construction	338,859	3.28%
Electricity, Gas, Heat Supply and Water	107,441	1.04%
Information and Communications	48,361	0.47%
Transport and Postal Service	258,658	2.50%
Wholesale and Retail Trade	759,496	7.36%
Finance and Insurance	379,519	3.68%
Real Estate and Leasing	2,913,886	28.22%
Medical, Welfare and Other Services	609,886	5.90%
Government and Local Public Sector	394,425	3.82%
Others (Mainly Consumer Loans)	3,794,551	36.75%
Total	¥10,325,386	100.00%
Overseas operations and JOM Account	¥ 240,310	—

Starting from the current consolidated fiscal year, the Bank adjusted method of monitoring loan breakdown by industry. As a result, compared to the case of using conventional method, "Electricity, Gas, Heat Supply and Water" increased by ¥20,315 million in the previous fiscal year, ¥27,128 million in the current fiscal year. And "Medical, Welfare and Other Services" decreased by the same amount.