



The Chiba Bank, Ltd. Financial Data 2022

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

See notes to consolidated financial statements.

Consolidated Balance Sheet

The Chiba Bank, Ltd. and Consolidated Subsidiaries
As of March 31, 2022

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Assets			
Cash and Due from Banks (Note 29)	¥ 4,201,429	¥ 3,615,356	\$ 34,328,212
Call Loans and Bills Bought	152,070	81,039	1,242,506
Receivables under Resale Agreements	14,999	19,999	122,559
Monetary Claims Bought	21,404	20,600	174,891
Trading Assets (Notes 8 and 34)	138,757	157,955	1,133,731
Money Held in Trust (Note 36)	9,879	21,647	80,718
Securities (Notes 7, 9, 10, 14, 34 and 35)	2,482,224	2,401,246	20,281,270
Loans and Bills Discounted (Notes 10, 14 and 34)	11,646,721	11,166,329	95,160,726
Foreign Exchanges (Notes 10 and 11)	5,970	6,725	48,786
Other Assets (Notes 10, 12 and 14)	279,891	248,729	2,286,880
Tangible Fixed Assets (Notes 13 and 22)	125,937	126,881	1,028,988
Intangible Fixed Assets	14,450	14,447	118,073
Net Defined Benefit Asset (Note 21)	16,576	13,662	135,443
Deferred Tax Assets (Note 32)	3,924	4,015	32,066
Customers' Liabilities for Acceptances and Guarantees (Note 10)	25,771	32,388	210,569
Allowance for Loan Losses	(35,246)	(32,855)	(287,985)
Total Assets	¥19,104,764	¥17,898,168	\$156,097,434
Liabilities			
Deposits (Notes 14, 15 and 34)	¥15,324,161	¥14,543,283	\$125,207,629
Call Money and Bills Sold	681,777	463,298	5,570,529
Payables under Repurchase Agreements (Note 14)	13,945	10,792	113,944
Payables under Securities Lending Transactions (Note 14)	262,547	279,072	2,145,175
Trading Liabilities (Notes 16 and 34)	10,448	16,792	85,369
Borrowed Money (Notes 14 and 17)	1,336,732	1,198,092	10,921,907
Foreign Exchanges (Note 18)	576	505	4,710
Bonds Payable (Note 19)	103,331	83,160	844,279
Borrowed Money from Trust Account	8,883	3,743	72,586
Other Liabilities (Note 20)	233,541	177,239	1,908,174
Net Defined Benefit Liability (Note 21)	732	727	5,987
Provision for Directors' Retirement Benefits	152	190	1,249
Provision for Reimbursement of Deposits	1,296	1,140	10,593
Provision for Point Loyalty Programs	746	634	6,100
Reserve under Special Laws	24	21	199
Deferred Tax Liabilities (Note 32)	30,595	34,858	249,987
Deferred Tax Liabilities for Land Revaluation (Note 22)	10,407	10,470	85,035
Acceptances and Guarantees	25,771	32,388	210,569
Total Liabilities	¥18,045,673	¥16,856,412	\$147,444,019
Net Assets			
Capital Stock (Note 23)	¥ 145,069	¥ 145,069	\$ 1,185,302
Capital Surplus	122,134	122,134	997,909
Retained Earnings	714,455	676,994	5,837,528
Treasury Shares	(53,108)	(49,121)	(433,926)
Total Shareholders' Equity	928,550	895,076	7,586,814
Valuation Difference on Available-for-sale Securities (Note 37)	114,391	139,614	934,646
Deferred Gains or Losses on Hedges	5,198	(5,762)	42,477
Revaluation Reserve for Land (Note 22)	9,791	9,931	80,004
Remeasurements of Defined Benefit Plans	1,159	2,268	9,472
Total Accumulated Other Comprehensive Income	130,541	146,051	1,066,600
Subscription Rights to Shares	—	628	—
Total Net Assets	¥ 1,059,091	¥ 1,041,756	\$ 8,653,414
Total Liabilities and Net Assets	¥19,104,764	¥17,898,168	\$156,097,434

See notes to consolidated financial statements.

Consolidated Statement of Income

The Chiba Bank, Ltd. and Consolidated Subsidiaries
For the year ended March 31, 2022

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Income			
Interest Income:			
Interest on Loans and Discounts	¥103,619	¥103,665	\$ 846,631
Interest and Dividends on Securities	30,795	28,876	251,620
Other Interest Income	3,655	1,555	29,872
Trust Fees	115	23	941
Fees and Commissions	56,915	55,094	465,031
Trading Income (Note 24)	4,153	5,989	33,934
Other Ordinary Income (Note 25)	4,148	6,043	33,898
Other Income (Note 26)	32,782	31,694	267,852
Total Income	¥236,185	¥232,943	\$1,929,778
Expenses			
Interest Expenses:			
Interest on Deposits	¥ 1,049	¥ 2,350	\$ 8,575
Interest on Borrowings and Rediscounts	(25)	692	(211)
Other Interest Expenses	8,969	9,547	73,287
Fees and Commissions Payments	18,338	18,316	149,837
Other Ordinary Expenses (Note 27)	3,163	2,506	25,846
General and Administrative Expenses	91,131	93,955	744,602
Other Expenses (Note 28)	35,180	34,111	287,443
Total Expenses	¥157,807	¥161,481	\$1,289,379
Profit before Income Taxes	78,378	71,462	640,399
Income Taxes—Current	21,130	22,667	172,645
Income Taxes—Deferred	2,750	(846)	22,470
Profit	¥ 54,498	¥ 49,641	\$ 445,284
Profit Attributable to Owners of Parent	¥ 54,498	¥ 49,641	\$ 445,284

See notes to consolidated financial statements.

Consolidated Statement of Comprehensive Income

The Chiba Bank, Ltd. and Consolidated Subsidiaries
For the year ended March 31, 2022

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Profit	¥ 54,498	¥ 49,641	\$ 445,284
Other Comprehensive Income (Note 30)			
Valuation Difference on Available-for-sale Securities	(25,122)	66,177	(205,266)
Deferred Gains or Losses on Hedges	10,961	2,741	89,561
Remeasurements of Defined Benefit Plans	(1,109)	7,598	(9,062)
Share of Other Comprehensive Income of Associates Accounted for Using Equity Method	(100)	205	(823)
Total Other Comprehensive Income	(15,370)	76,723	(125,590)
Comprehensive Income	¥ 39,127	¥126,364	\$ 319,694
(Breakdown)			
Comprehensive Income Attributable to Owners of Parent	¥ 39,127	¥126,364	\$ 319,694

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, 2022

	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, 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
Cumulative Effects of Changes in Accounting Policies	—	—	(639)	—	(639)	—	—	—	—	—	—	(639)
Restated Balance	145,069	122,134	676,355	(49,121)	894,437	139,614	(5,762)	9,931	2,268	146,051	628	1,041,117
Cash Dividends	—	—	(16,360)	—	(16,360)	—	—	—	—	—	—	(16,360)
Profit	—	—	54,498	—	54,498	—	—	—	—	—	—	54,498
Purchase of Treasury Shares	—	—	—	(5,006)	(5,006)	—	—	—	—	—	—	(5,006)
Disposal of Treasury Shares	—	—	(177)	1,020	842	—	—	—	—	—	—	842
Retirement of Treasury Shares	—	—	—	—	—	—	—	—	—	—	—	—
Reversal of Revaluation Reserve for Land	—	—	139	—	139	—	—	—	—	—	—	139
Net Changes of Items Other than Shareholders' Equity	—	—	—	—	—	(25,223)	10,961	(139)	(1,109)	(15,510)	(628)	(16,138)
Total of Items during FY2021	—	—	38,099	(3,986)	34,112	(25,223)	10,961	(139)	(1,109)	(15,510)	(628)	17,974
Balance at March 31, 2022	¥145,069	¥122,134	¥714,455	¥(53,108)	¥928,550	¥114,391	¥ 5,198	¥ 9,791	¥ 1,159	¥130,541	¥ —	¥1,059,091

	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, 2021	\$1,185,302	\$997,909	\$5,531,455	\$(401,353)	\$7,313,313	\$1,140,735	\$(47,083)	\$81,146	\$18,534	\$1,193,332	\$5,133	\$8,511,778
Cumulative Effects of Changes in Accounting Policies	—	—	(5,222)	—	(5,222)	—	—	—	—	—	—	(5,222)
Restated Balance	1,185,302	997,909	5,526,232	(401,353)	7,308,090	1,140,735	(47,083)	81,146	18,534	1,193,332	5,133	8,506,556
Cash Dividends	—	—	(133,677)	—	(133,677)	—	—	—	—	—	—	(133,677)
Profit	—	—	445,284	—	445,284	—	—	—	—	—	—	445,284
Purchase of Treasury Shares	—	—	—	(40,908)	(40,908)	—	—	—	—	—	—	(40,908)
Disposal of Treasury Shares	—	—	(1,453)	8,335	6,883	—	—	—	—	—	—	6,883
Retirement of Treasury Shares	—	—	—	—	—	—	—	—	—	—	—	—
Reversal of Revaluation Reserve for Land	—	—	1,142	—	1,142	—	—	—	—	—	—	1,142
Net Changes of Items Other than Shareholders' Equity	—	—	—	—	—	(206,089)	89,561	(1,142)	(9,062)	(126,732)	(5,133)	(131,865)
Total of Items during FY2021	—	—	311,296	(32,573)	278,723	(206,089)	89,561	(1,142)	(9,062)	(126,732)	(5,133)	146,858
Balance at March 31, 2022	\$1,185,302	\$997,909	\$5,837,528	\$(433,926)	\$7,586,814	\$ 934,646	\$ 42,477	\$80,004	\$ 9,472	\$1,066,600	\$ —	\$8,653,414

See notes to consolidated financial statements.

Consolidated Statement of Cash Flows

The Chiba Bank, Ltd. and Consolidated Subsidiaries
For the year ended March 31, 2022

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Cash Flows from Operating Activities:			
Profit before Income Taxes	¥ 78,378	¥ 71,462	\$ 640,399
Depreciation and Amortization	9,909	9,360	80,965
Impairment Loss	85	208	701
Equity in (Earnings) Losses of Affiliates	(383)	(342)	(3,135)
Increase (Decrease) in Allowance for Loan Losses	2,390	1,564	19,534
Decrease (Increase) in Net Defined Benefit Asset	(2,914)	(13,126)	(23,811)
Increase (Decrease) in Net Defined Benefit Liability	5	(928)	44
Increase (Decrease) in Provision for Directors' Retirement Benefits	(37)	(2)	(304)
Increase (Decrease) in Provision for Reimbursement of Deposits	156	(552)	1,277
Increase (Decrease) in Provision for Point Loyalty Programs	112	58	919
Interest Income	(138,070)	(134,097)	(1,128,123)
Financing Expenses	9,993	12,590	81,651
Loss (Gain) Related to Securities	(1,290)	(5,442)	(10,542)
Loss (Gain) on Money Held in Trust	(191)	(174)	(1,562)
Foreign Exchange Losses (Gains)	(116)	100	(954)
Loss (Gain) on Disposal of Fixed Assets	363	122	2,970
Net Decrease (Increase) in Trading Assets	19,197	260,418	156,856
Net Increase (Decrease) in Trading Liabilities	(6,344)	(8,849)	(51,838)
Net Decrease (Increase) in Loans and Bills Discounted	(480,392)	(600,632)	(3,925,093)
Net Increase (Decrease) in Deposits (excluding Negotiable Certificates of Deposit)	683,369	1,315,148	5,583,541
Net Increase (Decrease) in Negotiable Certificates of Deposit	97,508	11,157	796,702
Net Increase (Decrease) in Borrowed Money (excluding Subordinated Borrowings)	138,639	675,578	1,132,770
Net Decrease (Increase) in Due from Banks (excluding Due from BOJ)	1,347	30,071	11,010
Net Decrease (Increase) in Call Loans and Bills Bought and Others	(66,835)	71,912	(546,082)
Net Increase (Decrease) in Call Money and Bills Sold	221,631	223,432	1,810,866
Net Increase (Decrease) in Payables under Securities Lending Transactions	(16,524)	(8,087)	(135,014)
Net Decrease (Increase) in Foreign Exchanges - Assets	754	(331)	6,164
Net Increase (Decrease) in Foreign Exchanges - Liabilities	71	(329)	581
Increase (Decrease) in Issuance and Redemption of Straight Bonds	36,655	(32,646)	299,501
Increase (Decrease) in Borrowed Money from Trust Account	5,140	953	41,997
Interest and Dividends Received	134,595	130,403	1,099,730
Interest Paid	(10,168)	(14,385)	(83,085)
Other, net	17,109	(60,811)	139,799
Subtotal	¥ 734,148	¥1,933,803	\$ 5,998,435
Income Taxes Paid	(24,107)	(19,982)	(196,973)
Net Cash Provided by (Used in) Operating Activities	¥ 710,040	¥1,913,821	\$ 5,801,462
Cash Flows from Investing Activities:			
Purchase of Securities	¥ (862,001)	¥ (789,551)	\$ (7,043,072)
Proceeds from Sales of Securities	484,387	412,430	3,957,741
Proceeds from Redemption of Securities	294,668	210,574	2,407,621
Increase in Money Held in Trust	(6,560)	(14,010)	(53,599)
Decrease in Money Held in Trust	18,260	21,509	149,195
Purchase of Tangible Fixed Assets	(5,803)	(18,934)	(47,420)
Purchase of Intangible Fixed Assets	(4,647)	(4,771)	(37,975)
Proceeds from Sales of Tangible Fixed Assets	326	—	2,664
Payments for Retirement of Tangible Fixed Assets	—	(79)	—
Net Cash Provided by (Used in) Investing Activities	¥ (81,370)	¥ (182,832)	\$ (664,844)
Cash Flows from Financing Activities:			
Redemption of Subordinated Bonds	¥ (20,000)	¥ —	\$ (163,412)
Cash Dividends Paid	(16,360)	(14,114)	(133,677)
Purchase of Treasury Shares	(5,006)	(1)	(40,908)
Proceeds from Sales of Treasury Shares	0	0	4
Net Cash Provided by (Used in) Financing Activities	¥ (41,367)	¥ (14,115)	\$ (337,994)
Effect of Exchange Rate Change on Cash and Cash Equivalents	¥ 116	¥ (100)	\$ 954
Net Increase (Decrease) in Cash and Cash Equivalents	¥ 587,420	¥1,716,772	\$ 4,799,579
Cash and Cash Equivalents at Beginning of Period	¥3,595,634	¥1,878,861	\$29,378,498
Cash and Cash Equivalents at End of Period (Note 29)	¥4,183,054	¥3,595,634	\$34,178,077

See notes to consolidated financial statements.

Notes to Consolidated Financial Statements

The Chiba Bank, Ltd. and Consolidated Subsidiaries
For the year ended March 31, 2022

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 ¥122.39 to \$1.00, the exchange rate prevailing at March 31, 2022.

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, 2022 was nine (nine as of March 31, 2021).

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 five 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, including Chibagin Market Co., Ltd. established in May 2021, 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 nine limited partnerships (eleven as of March 31, 2021).

The investments in these unconsolidated subsidiaries and affiliates including the Chiba-Yokohama Partnership Series 1 Investment Limited Partnership and On Ad co. Ltd. established in the current fiscal year, while Chiba New Industry Development Investment Limited Partnership and Chiba SME Revitalization Fund Series 2 Investment

Limited Partnership were liquidated, 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 securities are stated at the market value method while their costs are calculated mainly by the moving average method. Stocks and others without a market price are stated at cost determined by the moving average method.

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, 2022 was ¥31,765

million (¥36,726 million as of March 31, 2021). 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 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) 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 ¥35,246 million (¥32,855 million on March 31, 2021)

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

i) Calculation Method

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 related to allowance for loan losses 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 the repayment capacity of borrowers could potentially decline due to the stagnation of economic activities, etc. caused by the spread of COVID-19. Allowance for loan losses is recorded based on the assumption that there will be no significant impact on the borrower classification due to economic measures by the government and local governments, and support by financial institutions, etc. The impact of COVID-19 is expected to be continued in the next fiscal year and beyond.

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 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

(1) Application of Accounting Standard for Revenue Recognition

The “Accounting Standard for Revenue Recognition” (Accounting Standards Board of Japan (ASBJ) Statement No. 29, March 31, 2020) was adopted from the beginning of the current fiscal year. Revenue is recognized when control of promised products or services is transferred to customers in an amount that is expected to be received in exchange for those products or services. But there was no impact on the consolidated financial statements.

(2) Application of Accounting Standard for Fair Value Measurement

The “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30, July 4, 2019) was adopted from the beginning of the current fiscal year, and in accordance with paragraph 8 of the Accounting Standard for Fair Value Measurement, the method of adjusting the fair value of derivative transactions was revised to maximize the use of observable inputs estimated from derivatives, etc. traded in the market. This revision was made in accordance with the application of the Accounting Standard for Fair Value Measurement. Based on the transitional treatment stipulated in paragraph 20 of the Accounting Standard for Fair Value Measurement, the cumulative effect of the new accounting standard adopted retrospectively prior to the beginning of the current fiscal year is reflected in the balance of retained earnings at the beginning of the current fiscal year.

As a result, retained earnings at the beginning of the current fiscal year decreased by ¥639 million, trading assets decreased by ¥170 million, other assets decreased by ¥1,033 million, trading liabilities decreased by ¥12 million, other liabilities decreased by ¥271 million, deferred tax assets increased by ¥280 million, and total net assets per share decreased by ¥0.86.

In addition, in accordance with the transitional treatment stipulated in paragraph 19 of the Accounting Standard for Fair Value Measurement and paragraph 44-2 of the Accounting Standard for Financial Instruments (ASBJ Statement No. 10, July 4, 2019), the Bank decided to adopt a new accounting standard stipulated by the Accounting Standard for Fair Value Measurement in the future.

As a result, measurement of fair value of domestic stocks and investment trusts, which are included in marketable securities available-for-sale, was changed from the market value method based on the average market prices during the month prior to the end of the current fiscal year to the market value method based on the market prices at the last day of the current fiscal year from the end of the current fiscal year.

Except for the above, the Bank has decided to provide notes on items such as the breakdown of the fair value of financial instruments by level in the notes to “34. Financial Instruments.”

In accordance with the transitional treatment stipulated in paragraph 7-4 of the “Implementation Guidance on Disclosures about Fair Value of Financial Instruments” (ASBJ Guidance No. 19), the notes related to the previous consolidated fiscal year are excluded from these notes.

6. Accounting Standards Issued but Not Yet Applied

“Implementation Guidance on Accounting Standard for Fair Value Measurement” (ASBJ Guidance No. 31)

(1) Summary

The new standard establishes the treatment of calculation and notes of fair value of investment trusts, and treatment of notes to the fair value of investments in partnerships, etc., in which the net amount equivalent to the equity interest is recorded on the balance sheet.

(2) Expected Date of Application

The accounting standard will be applied from the beginning of the fiscal year ending March 31, 2023.

(3) Impact of Adoption of the New Accounting Standard

The effect of the adoption of this accounting standard is under evaluation.

7. Securities Purchased under Resale Agreements

As for securities purchased under resale agreements or securities accepted as collateral for derivative transactions, ¥14,999 million was held in hand on March 31, 2022 (¥19,998 million on March 31, 2021).

8. Trading Assets

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Trading Account Securities	¥ 6,450	¥ 7,035	\$ 52,707
Derivatives of Trading Securities	12	—	106
Trading-Related Financial Derivatives	13,474	20,241	110,097
Other Trading Assets	118,818	130,678	970,821
Total	¥138,757	¥157,955	\$1,133,731

9. Securities

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Japanese Government Bonds	¥ 163,323	¥ 187,008	\$ 1,334,447
Japanese Local Government Bonds	365,453	374,191	2,985,976
Japanese Corporate Bonds	524,890	467,959	4,288,671
Japanese Stocks	265,829	272,717	2,171,989
Other Securities	1,162,727	1,099,368	9,500,187
Total	¥2,482,224	¥2,401,246	\$20,281,270

Securities included investments in non-consolidated subsidiaries and affiliates of ¥13,187 million on March 31, 2022 (¥12,431 million on March 31, 2021).

Guarantee obligations for bonds in private placement (defined in Article 2 (3) of Financial Instruments and Exchange Act) included in Japanese Corporate Bonds was ¥59,289 million as of March 31, 2022 (¥66,256 million as of March 31, 2021).

10. Loans and Bills Discounted

(1) Loans and Bills Discounted :

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Bills Discounted	¥ 10,096	¥ 8,394	\$ 82,496
Loans on Bills	158,461	146,944	1,294,723
Loans on Deeds	10,595,857	10,233,878	86,574,533
Overdrafts	882,306	777,111	7,208,974
Total	¥11,646,721	¥11,166,329	\$95,160,726

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, 2022 was ¥10,099 million (¥8,394 million as of March 31, 2021).

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 ¥2,517,108 million relating to these contracts, including ¥2,263,039 million of which the term of contracts is less than one year or revocable at any time as of March 31, 2022 (respective amounts were ¥2,542,136 million and ¥2,270,403 million as of March 31, 2021).

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, 2022 was ¥798,015 million (¥821,482 million as of March 31, 2021). 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) Disclosed Claims under the Financial Reconstruction Law :

The following table presents claims under the Banking Law and the Law Concerning Emergency Measures for Reconstruction of Financial Functions. Claims refers to bonds (limited to those whose redemption of principal and all or part of the payment of interest thereon are guaranteed, and whose issuance is made through the private placement of securities (as set forth in Article 2, Paragraph 3 of the Financial Instruments and Exchange Act)) included in "Securities" on the consolidated balance sheet, loans, foreign exchanges, and accrued interest and suspense payments included in "Other assets," and items recorded under customers' liabilities for

acceptances and guarantees, as well as securities on loan among the securities with notes (limited to those based on loan-for-use agreements or loan agreements).

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Bankrupt and Substantially Bankrupt Claims	¥ 15,242	¥ 14,556	\$124,537
Doubtful Claims	55,091	57,122	450,128
Loans past due 3 months or more	656	1,078	5,362
Restructured Loans	40,525	41,128	331,117
Total	¥111,514	¥113,886	\$911,144

Bankrupt and substantially bankrupt claims are claims to borrowers who are subject to bankruptcy, corporate reorganization/rehabilitation or other similar proceedings and other borrowers in serious financial difficulties.

Doubtful Claims are claims to obligors (other than bankrupt and substantially bankrupt claims) with deteriorated financial condition and results of operations from which it is unlikely that the principal and interest on the loans will be recovered (Excludes bankrupt and substantially bankrupt claims).

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 and substantially bankrupt claims or doubtful claims.

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.

The above claims amounts are before deduction of allowance for loan losses.

(Changes in presentation method)

The "Cabinet Office Order Partially Amending the Regulation for Enforcement of the Banking Law, etc." (Cabinet Office Order No. 3) was enforced on March 31, 2022. Accordingly, the categories of "risk-monitored loans" under the Banking Law are presented in accordance with the categories of loans subject to disclosure under the Act on Emergency Measures for the Revitalization of the Financial Functions.

11. Foreign Exchange Assets

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Due from Foreign Banks (our accounts)	¥4,862	¥5,978	\$39,728
Foreign Bills Bought	2	—	22
Foreign Bills Receivable	1,105	747	9,036
Total	¥5,970	¥6,725	\$48,786

12. Other Assets

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Accrued Income	¥ 13,272	¥ 13,117	\$ 108,443
Prepaid Expenses	1,482	1,605	12,113
Derivatives	56,533	46,160	461,912
Lease Investment Assets	52,353	51,992	427,759
Other	156,249	135,852	1,276,652
Total	¥279,891	¥248,729	\$2,286,880

13. 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)
	2022	2021	2022
	¥107,363	¥106,506	\$877,225

Deferred gain on real estate deductible for tax purposes amounted to ¥11,760 million as of March 31, 2022 (¥11,756 million as of March 31, 2021).

14. Assets Pledged

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Securities	¥ 935,853	¥ 802,811	\$ 7,646,489
Loans and Bills Discounted	1,299,855	1,506,830	10,620,600

Liabilities related to the above pledged assets were as follows:

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Deposits	¥ 74,836	¥ 48,945	\$ 611,460
Payables under Repurchase Agreements	13,945	10,792	113,944
Payables under Securities Lending Transactions	262,547	279,072	2,145,175
Borrowed Money	1,322,542	1,183,968	10,805,969

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)
	2022	2021	2022
Securities	¥3,508	¥4,085	\$28,663

Initial margins of futures markets of ¥4,202 million, cash collateral paid for financial instruments of ¥86,787 million and guarantee deposits of ¥7,098 million were included in Other Assets as of March 31, 2022 (respective amounts were ¥3,514 million, ¥85,957 million and ¥6,932 million as of March 31, 2021).

15. Deposits

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Current Deposits	¥ 307,355	¥ 291,288	\$ 2,511,279
Ordinary Deposits	10,441,364	9,837,565	85,312,236
Savings Deposits	291,744	278,563	2,383,731
Deposits at Notice	6,183	5,305	50,523
Time Deposits	3,415,370	3,443,627	27,905,635
Other Deposits	309,183	231,482	2,526,216
Subtotal	¥14,771,202	¥14,087,833	\$120,689,620
Negotiable Certificates of Deposit	552,959	455,450	4,518,009
Total	¥15,324,161	¥14,543,283	\$125,207,629

16. Trading Liabilities

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Derivatives of Trading Securities	¥ —	¥ 4	\$ —
Trading-related Financial Derivatives	10,448	16,788	85,369
Total	¥10,448	¥16,792	\$85,369

17. Borrowed Money

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Borrowings from the Bank of Japan and Other Financial Institutions	¥1,336,732	¥1,198,092	\$10,921,907

18. Foreign Exchange Liabilities

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Foreign Bills Sold	¥100	¥135	\$ 823
Foreign Bills Payable	475	369	3,886
Total	¥576	¥505	\$4,710

19. Bonds Payable

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Subordinated Bonds	¥ 30,000	¥50,000	\$245,118
Straight Bonds	73,331	33,160	599,161
Total	¥103,331	¥83,160	\$844,279

20. Other Liabilities

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Domestic Exchange Settlement Account, credit	¥ 54	¥ 5	\$ 444
Accrued Expenses	8,607	8,964	70,332
Unearned Revenue	38,004	36,603	310,521
Income Taxes Payable	8,439	11,416	68,955
Derivatives	74,566	61,899	609,253
Other	103,868	58,349	848,668
Total	¥233,541	¥177,239	\$1,908,174

21. 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)
	2022	2021	2022
Balance at the Beginning of Current Period	¥80,995	¥80,011	\$661,785
Service Cost	2,755	2,730	22,516
Interest Cost	160	158	1,312
Actuarial Gain or Loss	552	2,181	4,517
Retirement Benefits Paid	(4,202)	(4,085)	(34,341)
Balance at the End of Current Period	¥80,261	¥80,995	\$655,788

(2) Plan Assets at Fair Value

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Balance at the Beginning of Current Period	¥93,931	¥78,891	\$767,474
Expected Return on Plan Assets	3,296	2,381	26,933
Actuarial Gain or Loss	(545)	12,284	(4,454)
Contributions by the Company	1,995	2,925	16,305
Retirement Benefits Trusts	—	—	—
Retirement Benefits Paid	(2,571)	(2,552)	(21,013)
Balance at the End of Current Period	¥96,106	¥93,931	\$785,245

(3) Net Defined Benefit Liability/Asset

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Funded Retirement Benefit Obligation	¥ 79,668	¥ 80,404	\$ 650,937
Plan Assets at fair value	(96,106)	(93,931)	(785,245)
Subtotal	¥(16,437)	¥(13,526)	\$(134,308)
Unfunded Retirement Benefit Obligation	593	591	4,852
Net Amount Accrued on the Balance Sheet	¥(15,844)	¥(12,935)	\$(129,457)

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Net Defined Benefit Liability	¥ 732	¥ 727	\$ 5,987
Net Defined Benefit Asset	(16,576)	(13,662)	(135,443)
Net Amount Accrued on the Balance Sheet	¥(15,844)	¥(12,935)	\$(129,457)

(4) Retirement Benefit Cost

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Service Cost	¥2,755	¥2,730	\$ 22,516
Interest Cost	160	158	1,312
Expected Return on Plan Assets	(3,296)	(2,381)	(26,933)
Amortization of Actuarial Gain or Loss	(497)	829	(4,068)
Retirement Benefit Cost	¥ (877)	¥1,336	\$ (7,174)

(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)
	2022	2021	2022
Actuarial Gain or Loss	¥(1,595)	¥10,933	\$(13,039)

(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)
	2022	2021	2022
Unrecognized Actuarial Gain or Loss	¥1,668	¥3,263	\$13,629

(7) Components of Plan Assets at Fair Value

	2022	2021
Stocks	42%	45%
General Accounts at Life Insurance Companies	14%	19%
Bonds	44%	36%
Other	0%	0%
Total	100%	100%

(8) Assumptions used in Accounting for the above Plans

	2022	2021
Discount Rate	0.2%	0.2%
Expected Rate of Long-Term Return on Plan Assets	3.5%	3.5%
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, 2022 was ¥446 million (¥411 million as of March 31, 2021).

22. 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 ¥25,843 million as of March 31, 2022 (¥22,776 million as of March 31, 2021).

23. Capital Stock

The number of the Bank's authorized shares was 2,500,000,000 as of March 31, 2022 and 2021.

	Number of Shares	
	2022	2021
Shares in Issue	815,521,087	815,521,087

The number of treasury shares held by the Bank was 78,374 thousand as of March 31, 2022 (72,602 thousand as of March 31, 2021).

24. Trading Income

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Gains on Trading Account Securities Transactions	¥3,196	¥4,482	\$26,120
Income from Securities and Derivatives related to Trading Transactions	—	—	—
Income from Trading-Related Financial Derivatives Transactions	937	1,420	7,658
Other Trading Income	19	86	156
Total	¥4,153	¥5,989	\$33,934

25. Other Ordinary Income

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Gains on Foreign Exchange Transactions	¥1,987	¥3,899	\$16,241
Gains on Sales of Bonds	1,648	2,129	13,467
Income from Derivatives other than for Trading or Hedging	410	0	3,351
Other	102	13	839
Total	¥4,148	¥6,043	\$33,898

26. Other Income

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Gains on Sales of Stocks and Other Securities	¥ 6,109	¥ 6,435	\$ 49,918
Gains on Money Held in Trust	191	174	1,562
Revenue on Lease	17,075	16,851	139,516
Recoveries of Written-Off Claims	1,777	1,213	14,522
Equity in Earnings of Affiliates	383	342	3,135
Other	7,245	6,676	59,199
Total	¥32,782	¥31,694	\$267,852

30. Other Comprehensive Income

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Valuation Difference on Available-for-Sale Securities			
Gains (Losses) Arising during the Fiscal Year	¥(31,669)	¥105,026	\$ (258,757)
Reclassification Adjustment to Profit or Loss	(4,481)	(10,091)	(36,616)
Amount before Income Tax Effect	(36,150)	94,935	(295,374)
Income Tax Effect	11,028	(28,757)	90,108
Total	(25,122)	66,177	(205,266)
Deferred Gains or Losses on Hedges			
Gains (Losses) Arising during the Fiscal Year	¥ 9,226	¥ (2,969)	\$ 75,383
Reclassification Adjustment to Profit or Loss	6,545	6,914	53,482
Amount before Income Tax Effect	15,771	3,945	128,865
Income Tax Effect	(4,810)	(1,203)	(39,304)
Total	10,961	2,741	89,561
Remeasurements of Defined Benefit Plans			
Gains (Losses) Arising during the Fiscal Year	¥ (1,097)	¥ 10,103	\$ (8,971)
Reclassification Adjustment to Profit or Loss	(497)	829	(4,068)
Amount before Income Tax Effect	(1,595)	10,933	(13,039)
Income Tax Effect	486	(3,334)	3,977
Total	(1,109)	7,598	(9,062)
Share of Other Comprehensive Income of Entities Accounted for by the Equity Method			
Gains (Losses) Arising during the Fiscal Year	¥ (39)	¥ 213	\$ (327)
Reclassification Adjustment to Profit or Loss	(60)	(8)	(496)
Amount before Income Tax Effect	(100)	205	(823)
Income Tax Effect	—	—	—
Total	(100)	205	(823)
Total Other Comprehensive Income	¥(15,370)	¥ 76,723	\$ (125,590)

27. Other Ordinary Expenses

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Loss on Sales of Bonds	¥3,092	¥2,444	\$25,269
Loss on Devaluation of Bonds	8	61	73
Expenses on Derivatives other than for Trading or Hedging	—	—	—
Other	61	—	503
Total	¥3,163	¥2,506	\$25,846

28. Other Expenses

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Provision of Allowance for Loan Losses	¥ 4,373	¥ 3,850	\$ 35,731
Written-Off of Loans	4,728	7,179	38,632
Losses on Sales of Stocks and Other Securities	212	114	1,734
Losses on Devaluation of Stocks and Other Securities	3,153	501	25,766
Cost of Leased Assets	15,515	15,063	126,771
Loss on Disposal of Fixed Assets	456	124	3,729
Impairment Loss on Fixed Assets	85	208	701
Other	6,655	7,069	54,378
Total	¥35,180	¥34,111	\$287,443

29. Cash and Cash Equivalents

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Cash and Due from Banks	¥4,201,429	¥3,615,356	\$34,328,212
Interest-Bearing Deposits included in Due from Banks (excluding Due from BOJ)	(18,375)	(19,722)	(150,135)
Cash and Cash Equivalents	¥4,183,054	¥3,595,634	\$34,178,077

31. Lease Transactions

Operating Lease Transactions

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Lessee Side (Lease Payables Related to Non-Cancelable Operating Lease Transactions)			
Amount Corresponding to Lease Payables (within 1 year)	¥223	¥205	\$1,823
Amount Corresponding to Lease Payables (over 1 year)	410	582	3,358
Total	¥634	¥788	\$5,181

32. Tax Effect

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Deferred Tax Assets:			
Allowance for Loan Losses	¥ 17,920	¥ 18,519	\$ 146,421
Net Defined Benefit Liability	5,229	5,516	42,726
Write-Offs of Securities	970	689	7,932
Remeasurements of Defined Benefit Plans	—	—	—
Other	8,907	11,986	72,777
Subtotal	¥ 33,027	¥ 36,712	\$ 269,855
Valuation Allowance	(1,523)	(1,278)	(12,448)
Total Deferred Tax Assets	¥ 31,503	¥ 35,433	\$ 257,407
Deferred Tax Liabilities:			
Valuation Difference on Available-for-Sale Securities	¥(49,962)	¥(60,990)	\$(408,224)
Net Defined Benefit Asset	(3,532)	(2,503)	(28,865)
Remeasurements of Defined Benefit Plans	(508)	(995)	(4,157)
Other	(4,171)	(1,786)	(34,081)
Total Deferred Tax Liabilities	¥(58,175)	¥(66,276)	\$(475,327)
Net Deferred Tax Assets (Liabilities)	¥(26,671)	¥(30,843)	\$(217,921)

For the fiscal years ended March 31, 2021 and 2022, 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.

33. Segment Information

I. Segment Information for the Current Fiscal Year (from April 1, 2021 to March 31, 2022) and the Previous Fiscal Year (from April 1, 2020 to March 31, 2021)

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.

34. 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 ¥213,184 million as of March 31, 2022 (¥163,704 million as of 31, 2021). In case of a 99% confidence level, VaR is ¥168,637 million as of March 31, 2022 (¥127,660 million as of 31, 2021).

(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 ¥62 million as of March 31, 2022 (¥60 million as of 31, 2021). In case of a 99% confidence level, VaR is ¥47 million as of March 31, 2022 (¥45 million as of 31, 2021).

(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, 2022 with their difference. Note that stocks and others without a market price and investments in limited partnerships are excluded from the following table (Note i). Notes to cash and due from banks, call loans and bills bought, receivables under resale agreements, trading assets (excluding derivative transactions), foreign exchanges (assets and liabilities), call money and bills sold, payables under repurchase agreements, and payables under securities lending transactions are not shown since the majority of these items are settled within a short period (within one year) and their fair value approximates their book value. Furthermore, some items are not shown since the consolidated balance sheet amounts are insignificant.

	Millions of Yen (Note 1)					
	March 31, 2022			March 31, 2021		
	Consolidated Balance Sheet Amount	Fair Value	Difference*1	Consolidated Balance Sheet Amount	Fair Value	Difference*1
(1) Securities						
Held-to-Maturity Bonds	¥ 8,635	¥ 8,746	¥ 111	¥ 7,840	¥ 8,487	¥ 646
Available-for-Sale Securities	2,427,275	2,427,275	—	2,354,903	2,354,903	—
(2) Loans and Bills Discounted	11,646,721			11,166,329		
Allowance for Loan Losses*2	(32,669)			(30,137)		
	11,614,051	11,727,859	113,807	11,136,191	11,266,805	130,613
Total Assets	¥14,049,962	¥14,163,880	¥113,918	¥13,498,935	¥13,630,196	¥131,260
(1) Deposits	14,771,202	14,771,246	(43)	14,087,833	14,087,934	(101)
(2) Negotiable Certificates of Deposit	552,959	552,959	—	455,450	455,450	—
Total Liabilities	¥15,324,161	¥15,324,205	¥ (43)	¥14,543,283	¥14,543,384	¥ (101)
Derivative Transactions*3						
Not Qualifying for Hedge Accounting	2,411	2,411	—	2,590	2,590	—
Qualifying for Hedge Accounting*4	2,341	2,341	—	(10,473)	(10,473)	—
Total Derivative Transactions	¥ 4,752	¥ 4,752	¥ —	¥ (7,882)	¥ (7,882)	¥ —

*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 [].

*4 In the current fiscal year, interest rate swaps and currency swaps, etc., designated as hedging instruments to reduce the exposure to fluctuations in interest rates and foreign exchange rates on loans, securities, etc., which are hedged items, are mainly applied as deferred hedges. The Bank applies the "Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR" (Practical Solution No. 40) to these hedging relations.

(Note i) The following table summarizes financial instruments of stocks and others without a market price and investments in limited partnerships. These securities are not included in the amount presented under “Available-for-Sale Securities” in the above table.

	Millions of Yen (Note 1)	
	March 31, 2022	March 31, 2021
	Consolidated Balance Sheet Amount	Consolidated Balance Sheet Amount
(1) Unlisted Stocks ^(*) (⁽²⁾)	¥14,882	¥13,774
(2) Investments in Limited Partnerships, etc. ^(*) (⁽³⁾)	31,431	24,727
Total	¥46,314	¥38,502

(*) Fair value of unlisted stocks is not disclosed in accordance with Paragraph 5 of the “Implementation Guidance on Disclosures about Fair Value of Financial Instruments” (ASBJ Guidance No. 19).

(⁽²⁾) An impairment loss of ¥501 million was recorded on these unlisted stocks in the previous fiscal year.

(⁽³⁾) Fair value of investments in limited partnerships, etc., is not disclosed in accordance with paragraph 27 of the “Implementation Guidance on Accounting Standard for Fair Value Measurement” (ASBJ Guidance No. 31).

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

	Millions of Yen (Note 1)					
	March 31, 2022					
	Within 1 Year	1-3 Years	3-5 Years	5-7 Years	7-10 Years	Over 10 Years
Securities	¥ 153,107	¥ 419,687	¥ 358,046	¥ 121,838	¥ 388,309	¥ 528,626
Held-to-Maturity Bonds	—	7,343	1,223	—	—	—
Available-for-Sale Securities with Maturities	153,107	412,344	356,822	121,838	388,309	528,626
Japanese Government Bonds	12,500	15,000	15,000	—	31,000	88,500
Japanese Local Government Bonds	12,369	85,978	83,711	16,523	164,692	2,299
Japanese Short-Term Corporate Bonds	—	—	—	—	—	—
Japanese Corporate Bonds	37,953	90,506	89,399	16,968	33,200	259,366
Loans ^(*)	1,674,950	1,825,326	1,383,760	1,012,438	1,146,478	3,654,928
Total	¥1,828,057	¥2,245,013	¥1,741,806	¥1,134,277	¥1,534,788	¥4,183,555

(*) 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 ¥948,839 million in total.

	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
Japanese Government Bonds	85,500	22,500	30,000	—	23,000	24,000
Japanese Local Government Bonds	26,837	44,832	95,020	62,136	140,495	2,478
Japanese Short-Term Corporate Bonds	—	—	—	—	—	—
Japanese 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.

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

	Millions of Yen (Note 1)					
	March 31, 2022					
	Within 1 Year	1-3 Years	3-5 Years	5-7 Years	7-10 Years	Over 10 Years
Deposits ^(*)	¥13,994,598	¥707,542	¥54,637	¥4,130	¥10,293	¥—
Negotiable Certificates of Deposit	552,959	—	—	—	—	—
Total	¥14,547,557	¥707,542	¥54,637	¥4,130	¥10,293	¥—

(*) Demand deposits are included in “Within 1 year.”

	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.”

III. Fair Value Hierarchy

Fair values of financial instruments are categorized into three levels as below on the basis of the observability and the materiality of the valuation inputs used in fair value measurements.

Fair values of Level 1: Fair values measured by quoted prices of the assets or liabilities which are given in active markets among observable valuation inputs

Fair values of Level 2: Fair values measured by inputs other than inputs included within Level 1 among observable valuation inputs

Fair values of Level 3: Fair values measured by unobservable valuation inputs

When several inputs that have significant impact on fair value measurement are used and those inputs are categorized into different levels, the fair value is categorized into the lowest priority level for fair value measurement among the levels in which each of the inputs belongs.

(1) Financial Instruments Recorded at Fair Value in the Consolidated Balance Sheet

Millions of Yen (Note 1)				
March 31, 2022				
Fair Value				
	Level 1	Level 2	Level 3	Total
Securities				
Available-for-Sale Securities				
Japanese Government Bonds	¥163,323	¥ —	¥ —	¥ 163,323
Japanese Local Government Bonds	—	365,453	—	365,453
Japanese Corporate Bonds	—	464,148	60,741	524,890
Stocks	250,947	—	—	250,947
Other	25,608	508,348	—	533,957
Total Assets	¥439,878	¥1,337,951	¥60,741	¥1,838,571
Derivative Transactions ⁽²⁾				
Interest Rate-Related Transactions	¥ —	¥ 8,869	¥ —	¥ 8,869
Currency-Related Transactions	—	(3,602)	(527)	(4,129)
Stocks-Related Transactions	—	—	—	—
Bond-Related Transactions	12	—	—	12
Commodity-Related Transactions	—	—	—	—
Credit Derivative Transactions	—	—	—	—
Total Derivative Transactions	¥ 12	¥ 5,267	¥ (527)	¥ 4,752

(1) The amounts of investment trusts for which transitional measures are applied in accordance with Paragraph 26 of the Guidance for Application of Fair Value Measurement are not included in the table above. The relevant investment trust and others in the consolidated balance sheet is ¥588,703 million.

(2) The amounts collectively represent the derivative transactions which are recorded on "Trading assets," "Trading liabilities," "Other assets" and "Other liabilities." Debts and credits arising from derivative transactions are presented on a net basis, and items that are net liabilities in the total are presented in ().

(2) Financial Instruments Other than Financial Instruments Recorded at Fair Value in the Consolidated Balance Sheet

Millions of Yen (Note 1)				
March 31, 2022				
Fair Value				
	Level 1	Level 2	Level 3	Total
Securities				
Held-to-Maturity Bonds				
Japanese Government Bonds	¥ —	¥ —	¥ —	¥ —
Japanese Local Government Bonds	—	—	—	—
Other	—	8,746	—	8,746
Loans and Bills Discounted	—	—	11,727,859	11,727,859
Total Assets	¥ —	¥ 8,746	¥11,727,859	¥11,736,605
Deposits	¥ —	¥14,771,246	¥ —	¥14,771,246
Negotiable Certificates of Deposit	—	552,959	—	552,959
Total Liabilities	¥ —	¥15,324,205	¥ —	¥15,324,205

(Note i) Explanation of valuation techniques and valuation inputs used in fair value measurements

Assets

Securities

Fair values of securities for which unadjusted quoted market prices in active markets are available are categorized as Level 1, which includes mainly listed stocks and government bonds. In the case the market is inactive even if the quoted market price is available, those securities are categorized as Level 2, which includes mainly local government bonds and corporate bonds.

Fair values of private placement bonds are measured by discounting the total amount of principal and interest and others at interest rates based on the discount rate reflecting expected loss and various risk factors by categories based on the internal ratings and terms and are categorized as Level 3 since the discount rate is unobservable.

Loans and Bills Discounted

Fair values of loans and bills discounted are measured by discounting the total amount of principal and interest and others at interest rates based on the discount rate reflecting expected loss and various risk factors by categories according to the types, internal ratings and terms of the loans and bills discounted and are categorized as Level 3 since the discount rate is unobservable.

In addition, fair values of claims against bankrupt obligors, substantially bankrupt obligors, and intensive control obligors whose bad debts are measured at the present value of the expected future cash flows or the estimated amounts calculated based on the recoverability from collateral and guarantees approximate the amount of claims and others minus the amount of reserves for possible losses on loans in the consolidated balance sheet as of the consolidated balance sheet date and those amount are considered to be fair values which are categorized as Level 3.

Among the loans and bills discounted, for those without a fixed maturity due to loan characteristics such as limiting loans to within the value of pledged assets, book values are considered to be fair values since fair values are expected to approximate book values based on the estimated loan periods, interest rates and other conditions. Fair values of those loans and bills discounted are categorized as Level 3.

Liabilities

Deposits and Negotiable Certificates of Deposit

For demand deposits, the payment amounts required on the consolidated balance sheet date (i.e., book values) are considered to be fair values. In addition, fair values of time deposits and negotiable certificates of deposits are calculated by classifying them based on their terms and by discounting the future cash flows. The discount rates used in such calculations are the market interest rates. Since fair values of those whose deposit terms are short (i.e., within one year) approximate book values, the book values are considered to be fair values and those fair values are categorized as Level 2.

Derivative Transactions

Derivative transactions that can be measured at unadjusted quoted prices in active markets are categorized as Level 1, which includes such transactions as bonds futures.

However, since most derivative transactions are over-the-counter transactions and there are no quoted market prices, market values are measured using valuation techniques such as the discounted cash flow method and the Black-Scholes model, depending on the type of transaction and the maturity period. The main inputs which are used in those valuation techniques are interest rate, currency rate, volatility and others. In addition, price adjustments based on credit risk of counterparty and credit risk of the Bank itself. When unobservable inputs are not used or impact of unobservable inputs are not material, transactions are categorized as Level 2, which includes such transactions as plain vanilla interest rate swaps and foreign exchange forwards. When significant unobservable inputs are used, transactions are categorized as Level 3, which includes transactions such as long-term currency-related transactions.

(Note ii) Information relating to fair values of Level 3 among the financial instruments recorded at fair value in the consolidated balance sheet

(1) Quantitative Information of Significant Unobservable Valuation Inputs

Millions of Yen (Note 1)				
March 31, 2022				
	Principal Valuation Technique	Significant Unobservable Valuation Input	Range of Valuation Input	Weighted Average
Securities				
Available-for-Sale Securities				
Japanese Corporate Bonds				
Private Placement Bonds	Discounted cash flow method	Discount rate	0.01% - 4.33%	0.12%
Derivative Transactions				
Currency-Related Transactions	Option valuation model	Volatility	8.90% - 10.78%	—

(2) Balances at the Beginning and the End of Current Period and the Unrealized Gains (Losses) Included in the Income (Expenses) for the Period

Millions of Yen (Note 1)								
March 31, 2022								
	Income (Expenses) for the Period/ Other Comprehensive Income				Unrealized Gains (Losses) on Financial Assets and Liabilities Held as of the Consolidated Balance Sheet Date Among the Amount Recorded to Income (Expenses) for the Period ^(*)			
	Beginning Balance	Recorded to Income (Expenses) for the Period ^(*)	Recorded to Other Comprehensive Income ^(*)	Net Amount of Purchase, Sale, Issue, and Settlement	Transfer to Fair Values of Level 3	Transfer from Fair Values of Level 3 ^(*)	Ending Balance as of Period	
Securities								
Available-for-Sale Securities								
Japanese Corporate Bonds								
Private Placement Bonds	¥68,567	¥ (1)	¥(101)	¥(7,723)	¥—	¥ —	¥60,741	¥ —
Derivative Transactions								
Currency-Related Transactions	¥ (858)	¥644	¥ —	¥ (489)	¥—	¥176	¥ (527)	¥644

(*) Those amounts are included in Other Ordinary Income and Other Ordinary Expenses in the consolidated statement of income.

(*) Those amounts are included in Valuation Difference on Available-for-sale Securities of Other Comprehensive Income in the consolidated statement of comprehensive income.

(*) Those are the transfers from Level 3 to Level 2, mainly due to increase of the observability of the input which is used in fair value measurements for options. The transfer was made on the end of the current fiscal year.

(3) Explanation of the Process of Fair Value Measurement

In the Group, middle-offices and back-offices have established policies and procedures related to the measurement of fair values and procedures related to usage of the valuation model. For the fair values and the level categories, the validity of the valuation techniques and valuation inputs used in fair value measurement are verified.

In fair value measurement, valuation models in which the nature, characteristics and risks of individual assets are most appropriately reflected are used. In addition, when quoted prices obtained from third parties are used, the validity of the prices is verified by appropriate methods such as confirmation of valuation techniques and used valuation inputs and comparison with the fair values of similar financial instruments.

(4) Explanation of the Impact on Fair Values in the Case where Significant Unobservable Inputs Are Fluctuated

Discount rate

The discount rate is an adjustment rate to a benchmark market interest rate such as TONA or swap rates. It primarily consists of a risk premium component which is the amount of compensation that market participants require due to the uncertainty inherent in the financial instruments' cash flows resulting from credit risk. A significant increase (decrease) in discount rate would generally significantly impact the valuation of the fair values of financial instruments negatively (positively).

Volatility

Volatility is a measure of the expected change in variables over a fixed period of time. Some financial instruments benefit from an increase in volatility and others benefit from a decrease in volatility. Generally, a significant increase (decrease) in volatility would result in a significant increase (decrease) in option values and, for a long position in an option, it would result in a significant increase (decrease) in the fair values of financial instruments.

35. Market Value of Securities

(1) Trading Securities

	Millions of Yen (Note 1)	
	March 31, 2022	March 31, 2021
	Unrealized Gains (Losses) Included in the Consolidated Statement of Income	Unrealized Gains (Losses) Included in the Consolidated Statement of Income
Trading Securities	¥(61)	¥(40)

(2) Marketable Securities Held to Maturity

		Millions of Yen (Note 1)					
		March 31, 2022			March 31, 2021		
		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	8,635	8,746	111	7,840	8,487	646
	Foreign Bonds	8,635	8,746	111	7,840	8,487	646
	Subtotal	¥8,635	¥8,746	¥111	¥7,840	¥8,487	¥646
(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	—	—	—	—	—	—
	Foreign Bonds	—	—	—	—	—	—
	Subtotal	—	—	—	—	—	—
	Total	¥8,635	¥8,746	¥111	¥7,840	¥8,487	¥646

(3) Marketable Securities Available for Sale

		Millions of Yen (Note 1)					
		March 31, 2022			March 31, 2021		
		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	¥ 240,151	¥ 77,077	¥163,074	¥ 245,698	¥ 78,541	¥167,157
	Bonds:	339,081	337,986	1,094	614,832	612,154	2,677
	Japanese Government Bonds	63,243	62,800	442	150,781	149,835	946
	Japanese Local Government Bonds	138,554	138,180	373	251,519	250,502	1,016
	Japanese Short-Term Corporate Bonds	—	—	—	—	—	—
	Japanese Corporate Bonds	137,284	137,005	278	212,531	211,817	713
	Other	487,288	445,762	41,525	714,797	664,730	50,066
	Foreign Bonds	169,179	167,978	1,201	369,523	358,392	11,131
	Subtotal	¥1,066,521	¥ 860,826	¥205,694	¥1,575,328	¥1,355,426	¥219,902
(b) Securities for which the Fair Value Does Not Exceed the Amortized Acquisition Cost	Stocks	¥ 10,795	¥ 14,190	¥ (3,395)	¥ 13,244	¥ 18,895	¥ (5,651)
	Bonds:	714,585	724,006	(9,421)	414,327	416,901	(2,573)
	Japanese Government Bonds	100,079	103,037	(2,958)	36,226	36,979	(752)
	Japanese Local Government Bonds	226,899	228,591	(1,692)	122,672	122,987	(314)
	Japanese Short-Term Corporate Bonds	—	—	—	—	—	—
	Japanese Corporate Bonds	387,605	392,377	(4,771)	255,427	256,934	(1,506)
	Other	635,372	664,312	(28,939)	352,003	363,541	(11,538)
	Foreign Bonds	364,776	380,526	(15,750)	151,109	154,338	(3,228)
	Subtotal	¥1,360,753	¥1,402,510	¥ (41,756)	¥ 779,574	¥ 799,337	¥ (19,763)
	Total	¥2,427,275	¥2,263,336	¥163,938	¥2,354,903	¥2,154,764	¥200,138

(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, 2022			March 31, 2021		
	Proceeds from Sales	Gain	Loss	Proceeds from Sales	Gain	Loss
Stocks	¥ 14,381	¥5,248	¥ 177	¥ 8,277	¥5,296	¥ 17
Bonds:	157,894	215	219	107,713	309	263
Japanese Government Bonds	134,186	185	210	70,305	175	243
Japanese Local Government Bonds	18,457	5	8	14,369	46	8
Japanese Short-Term Corporate Bonds	—	—	—	—	—	—
Japanese Corporate Bonds	5,250	25	—	23,038	88	11
Other	138,686	2,293	2,907	145,870	2,959	2,278
Foreign Bonds	118,459	1,176	2,792	130,641	1,519	1,162
Total	¥310,962	¥7,757	¥3,304	¥261,860	¥8,565	¥2,559

(6) Securities for Which the Holding Purpose Has Changed

None.

(7) Impairment Losses on Securities

Marketable securities available for sale (excluding stocks and others without a market price and investments in limited partnerships) are subject to write-downs when the market value or reasonably estimated value of these securities (collectively, "fair value") (in principle, the market price on the last day of the fiscal year) 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 ¥3,162 million (Stocks; ¥3,153 million, Corporate bonds; ¥8 million) (¥563 million (Stocks; ¥501 million, Corporate bonds; ¥61 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.

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

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Consolidated Balance Sheet Amount	¥—	¥10,068	\$—
Unrealized Gains (Losses) Included in the Consolidated Statement of Income	—	472	—

(2) Money Held in Trust for Other Purposes

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Acquisition Cost	¥9,879	¥11,579	\$80,718
Consolidated Balance Sheet Amount	9,879	11,579	80,718
Valuation Differences	—	—	—
Gains	—	—	—
Losses	—	—	—

37. Valuation Difference on Available-for-Sale Securities

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Valuation Difference	¥163,820	¥199,971	\$1,338,515
Securities Available for Sale	163,820	199,971	1,338,515
Other Money Held in Trust	—	—	—
Deferred Tax Liabilities (Assets)	49,962	60,990	408,224
Valuation Difference, Net of Taxes	¥113,858	¥138,980	\$ 930,291
Net Unrealized Gains on Securities Available for Sale Owned by Subsidiaries, which is Attributable to the Parent	533	633	4,355
Valuation Difference on Available-for-Sale Securities	¥114,391	¥139,614	\$ 934,646

38. 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, 2022			
	Notional Principal or Contract Amount			Unrealized Gains (Losses)
	Total	Over 1 Year	Fair Value	
Listed:				
Futures:				
Sold	¥ —	¥ —	¥ —	¥ —
Bought	—	—	—	—
Options:				
Sold	—	—	—	—
Bought	—	—	—	—
Over-the-Counter:				
FRA:				
Sold	—	—	—	—
Bought	—	—	—	—
Swaps:				
Receive Fixed / Pay Float	1,791,874	1,180,427	3,402	3,402
Receive Float / Pay Fixed	1,800,023	1,107,376	(315)	(315)
Receive Float / Pay Float	97,050	53,250	(106)	(106)
Options:				
Sold	910	860	(5)	(5)
Bought	—	—	—	—
Other:				
Sold	510	430	(1)	(1)
Bought	—	—	—	—
Total	¥ —	¥ —	¥2,972	¥2,972

(*) The above transactions are valued at fair value and the unrealized gains (losses) are included in the consolidated statement of income.

	Millions of Yen (Note 1)			
	March 31, 2021			
	Notional Principal or Contract Amount			Unrealized Gains (Losses)
	Total	Over 1 Year	Fair Value	
Listed:				
Futures:				
Sold	¥ —	¥ —	¥ —	¥ —
Bought	—	—	—	—
Options:				
Sold	—	—	—	—
Bought	—	—	—	—
Over-the-Counter:				
FRA:				
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	¥ 3,344

(*) The above transactions are valued at fair value and the unrealized gains (losses) are included in the consolidated statement of income.

(b) Currency Derivatives

		Millions of Yen (Note 1)			
		March 31, 2022			
		Notional Principal or Contract Amount		Unrealized Gains (Losses)	
		Total	Over 1 Year	Fair Value	
Listed:					
Futures:					
Sold	¥	—	¥	—	¥
Bought		—	—	—	—
Options:					
Sold		—	—	—	—
Bought		—	—	—	—
Over-the-Counter:					
Currency Swaps		230,537	67,291	66	66
Forward Foreign Exchange:					
Sold		20,618	—	(705)	(705)
Bought		14,140	—	414	414
Currency Options:					
Sold		525,743	—	(47,573)	3,531
Bought		525,743	—	47,223	1,904
Other:					
Sold		—	—	—	—
Bought		—	—	—	—
Total	¥	—	¥	—	¥ (574) ¥ 5,212

(*) The above transactions are valued at fair value and the unrealized gains (losses) are included in the consolidated statement of income.

		Millions of Yen (Note 1)			
		March 31, 2021			
		Notional Principal or Contract Amount		Unrealized Gains (Losses)	
		Total	Over 1 Year	Fair Value	
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

(*) The above transactions are valued at fair value and the unrealized gains (losses) are included in the consolidated statement of income.

(c) Equity Derivatives

None.

(d) Bond Derivatives

		Millions of Yen (Note 1)			
		March 31, 2022			
		Notional Principal or Contract Amount		Unrealized Gains (Losses)	
		Total	Over 1 Year	Fair Value	
Listed:					
Futures:					
Sold		¥2,557	¥—	¥12	¥12
Bought		—	—	—	—
Futures Options:					
Sold		—	—	—	—
Bought		—	—	—	—
Over-the-Counter:					
Options:					
Sold		—	—	—	—
Bought		—	—	—	—
Other:					
Sold		—	—	—	—
Bought		—	—	—	—
Total	¥	—	¥—	¥12	¥12

(*) The above transactions are valued at fair value and the unrealized gains (losses) are included in the consolidated statement of income.

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

(*) The above transactions are valued at fair value and the unrealized gains (losses) are included in the consolidated statement of income.

(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, 2022				
	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		561,017	463,390	5,896
Receive Float / Pay Float		—	—	—
Other		—	—	—
Exceptional Accrual Method				
Interest Swap	Loans			
Receive Fixed / Pay Float		—	—	
Receive Float / Pay Fixed		47,854	42,676	*2
Receive Float / Pay Float		—	—	
Total	—	¥ —	¥ —	¥ 5,896

(*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) 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 "34. Financial Instruments."

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	*2
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 Audit Committee Report No. 24).

(*2) 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 "34. Financial Instruments."

(b) Currency Derivatives

Method of hedge accounting : Principle method

Millions of Yen (Note 1)				
March 31, 2022				
	Hedged item	Notional Principal or Contract Amount		Fair Value
		Total	Over 1 Year	
Currency Swap	Foreign currency denominated loans, securities, deposits and foreign exchanges	¥314,267	¥150,181	¥(3,555)
Total	—	¥ —	¥ —	¥(3,555)

(*) 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).

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)

(*) 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).

(c) Equity Derivatives

None.

(d) Bond Derivatives

None.

39. Per Share Data

	Yen (Note 1)		U.S. Dollars (Note 1)
	2022	2021	2022
Net Assets per Share of Common Stock	¥1,436.74	¥1,401.40	\$11.74
Profit per Share of Common Stock	73.47	66.82	0.60
Diluted Net Income per Share of Common Stock	73.45	66.71	0.60

I. Basis on Calculating Net Assets per Share

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Total Net Assets	¥1,059,091	¥1,041,756	\$8,653,414
Less: Subscription Rights to Shares	—	628	—
Consolidated Net Assets Attributable to Common Stock	¥1,059,091	¥1,041,128	\$8,653,414

	Number of Shares	
	2022	2021
Number of Shares of Common Stock Used for Calculating Net Assets per Share	741,684,365	742,918,370

II. Basis on Calculating Net Income per Share

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Profit Attributable to Owners of Parent	¥54,498	¥49,641	\$445,284
Not Attributable to Common Stock	—	—	—
Profit Attributable to Owners of Parent for Common Stock	¥54,498	¥49,641	\$445,284

	Number of Shares	
	2022	2021
Average Number of Shares of Common Stock (excluding Treasury Shares)	741,684,365	742,892,057

The increase in the number of shares of common stock represents stock options totaling 250 thousand (1,195 thousand for the previous fiscal year), which are used for calculating diluted profit per share.

40. Related Party Transactions

There were no significant transactions with related parties to report for the fiscal years ended March 31, 2022 and 2021.

41. Cash Dividends Paid**I. 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

II. Cash Dividends Paid for the Fiscal Year Ended March 31, 2022

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 25, 2021	Common Stock	¥8,172	¥11.00	March 31, 2021	June 28, 2021
Board of Directors, at November 8, 2021	Common Stock	¥8,188	¥11.00	September 30, 2021	December 3, 2021

III. Cash Dividends with the Record Date in the Fiscal Year Ended March 31, 2022 and the Effective Date in the Fiscal Year Ending March 31, 2023

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 28, 2022	Common Stock	¥9,582	Retained Earnings	¥13.00	March 31, 2022	June 29, 2022

42. 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)
	2022	2021	2022
General and Administrative Expenses	¥31	¥172	\$255

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, 2021		—	—	—	—	—
Granted		—	—	—	—	—
Forfeited		—	—	—	—	—
Vested		—	—	—	—	—
Outstanding		—	—	—	—	—
Vested						
As of March 31, 2021		41,300	44,200	46,800	28,300	28,700
Vested		—	—	—	—	—
Exercised		—	—	—	—	—
Forfeited		41,300	44,200	46,800	28,300	28,700
Outstanding		—	—	—	—	—
		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, 2021		—	—	—	—	—
Granted		—	—	—	—	—
Forfeited		—	—	—	—	—
Vested		—	—	—	—	—
Outstanding		—	—	—	—	—
Vested						
As of March 31, 2021		34,200	114,700	97,400	164,300	285,300
Vested		—	—	—	—	—
Exercised		6,500	42,200	29,000	48,500	103,800
Forfeited		27,700	72,500	68,400	115,800	181,500
Outstanding		—	—	—	—	—

	Number of Shares The eleventh subscription rights
Non-vested	
As of March 31, 2021	—
Granted	—
Forfeited	—
Vested	—
Outstanding	—
Vested	
As of March 31, 2021	353,800
Vested	—
Exercised	—
Forfeited	106,500
Outstanding	247,300

(*) Effective from the current fiscal year, the Bank has abolished the stock option plan for stock-linked compensation and introduced a restricted stock compensation plan.

(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	670	713	708	719	722
Fair Value at Grant Date	913	433	721	675	488
	Yen (Note 1)				
	The eleventh subscription rights				
Exercise Price	1				
Average Price at Exercise	721				
Fair Value at Grant Date	457				

43. 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, 2022, 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, 2022, 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 ¥11,646,721 million (60.96% of total assets) and an allowance for loan losses of ¥35,246 million (0.18% of total assets).</p> <p>The specific method applied for recording the allowance for loan losses by the Group is described in Note 3 (6) "Allowance for Loan Losses" in "Significant Accounting Policies" of the consolidated financial statements.</p> <p>The allowance for loan losses is calculated in accordance with the Group's policy and guidelines for the self-assessment of asset quality and internal standards for write-offs and provisions.</p> <p>The calculation process involves certain estimates such as debtor classification, which is determined by assessing the debtor's ability to repay loans in consideration of its repayment status, financial position, business performance and future prospects based on the aforementioned factors; assessment of the amount recoverable from collateral transferred from debtors; determination of the expected loss ratio based on the historical loan loss ratio; and necessary revisions in consideration of other future expectations and the like. These estimates involve uncertainties that are difficult to predict such as those related to economic trends within and outside Chiba Prefecture, changes in financial and economic environments (e.g., fluctuations in real estate prices, interest rates, and stock prices), fluctuations in the business conditions of clients, and the debtor's outlook on earnings amidst the COVID-19 pandemic.</p>	<p>To evaluate the appropriateness of the classification of debtors, we mainly performed the following audit procedures:</p> <p>(Evaluation of internal controls)</p> <ul style="list-style-type: none"> We mainly performed the following procedures to evaluate the design and operating effectiveness of the Group's internal controls related to determinations of debtor classification and to credit ratings that form the basis for such determinations: <ul style="list-style-type: none"> Evaluation of the implementation status of rules relating to credit ratings and self-assessments, Evaluation of controls for verifying that financial information about debtors is accurately reflected in the system used when determining credit ratings and performing self-assessments, and Evaluation of controls for verifying whether approval is granted by the appropriate persons with approval authority in the responsible department. <p>(Appropriateness of the classification of debtors)</p> <ul style="list-style-type: none"> We sampled individual debtors for testing in consideration of both quantitative and qualitative factors. For the quantitative factor, we took into account the quantitative impact on the amount recorded in the allowance for loan losses when debtors were not appropriately classified. For the qualitative factors, we took into account, for example, the type of business of individual debtors and the degree of the impact of the COVID-19 pandemic.

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 a 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.

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, important factors in determining the classification of debtors for which repayment status, financial position or business performance is deteriorating are the reasonableness and feasibility of a management improvement plan that incorporates prospects for future improvement in these items.

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 involves significant estimation uncertainty and requires significant management judgement as various assumptions and estimates are used by the Group.

Accordingly, we have determined that the appropriateness of the classification of debtors to determine the allowance for loans and bills discounted, particularly with respect to debtors significantly impacted by the COVID-19 pandemic, is a Key Audit Matter.

- We performed the following audit procedures to consider the appropriateness of the classification of individual debtors subject to testing:
 - To ascertain the recent repayment status, financial position, and business performance of debtors, we made inquiries of the departments in charge of loans (the Business Support Division and bank branches) as necessary and inspected and verified a set of materials from the Group related to self-assessments (explanatory materials including a description of the business, materials regarding borrowing and repayment status, research materials providing an understanding of actual financial position, financial statements, and the trial balance).
 - To consider the appropriateness of the future outlook regarding the repayment status, financial position, and business performance of debtors, we verified assessments performed by the Group with respect to the reasonableness and feasibility of business improvement plans of these debtors.
 - We inspected materials related to research performed by the Group regarding economic trends within and outside of Chiba Prefecture, and the impact of COVID-19 on the business performance of debtors and the classification of debtors. We also made inquiries of managers and departments in charge of loans (the Compliance and Risk Management Division and the Business Support Division), and compared our observations with available external information on the impact of COVID-19.



Other Information

The other information comprises the information included in the Financial Data 2022 that contains audited consolidated financial statements but does not include the consolidated financial statements and our auditor's report thereon. Management is responsible for preparation and disclosure of the other information. The Corporate Auditor and the Board of Corporate Auditors are responsible for overseeing the Group's reporting process of the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 consolidated 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, 2022 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

July 29, 2022

/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, 2022

	Millions of Yen*1		Thousands of U.S. Dollars*2
	2022	2021	2022
Assets			
Cash and Due from Banks	¥ 4,197,816	¥ 3,609,203	\$ 34,298,691
Call Loans	152,070	81,039	1,242,506
Receivables under Resale Agreements	14,999	19,999	122,559
Monetary Claims Bought	10,400	10,120	84,975
Trading Assets	137,929	157,387	1,126,964
Money Held in Trust	2,079	12,147	16,987
Securities	2,463,245	2,380,625	20,126,196
Loans and Bills Discounted	11,691,342	11,206,449	95,525,310
Foreign Exchanges	5,970	6,725	48,786
Other Assets	191,539	166,114	1,564,996
Tangible Fixed Assets	118,724	121,234	970,049
Intangible Fixed Assets	14,164	14,129	115,730
Prepaid Pension Cost	14,908	10,398	121,814
Customers' Liabilities for Acceptances and Guarantees	23,657	25,125	193,295
Allowance for Loan Losses	(27,638)	(24,882)	(225,825)
Total Assets	¥19,011,209	¥17,795,820	\$155,333,033
Liabilities			
Deposits	¥15,396,647	¥14,613,955	\$125,799,881
Call Money	681,777	463,298	5,570,529
Payables under Repurchase Agreements	13,945	10,792	113,944
Payables under Securities Lending Transactions	262,547	279,072	2,145,175
Trading Liabilities	10,448	16,792	85,369
Borrowed Money	1,324,536	1,185,635	10,822,262
Foreign Exchanges	576	505	4,710
Bonds Payable	103,331	83,160	844,279
Borrowed money from Trust Account	8,883	3,743	72,586
Other Liabilities	166,519	110,185	1,360,565
Provision for Reimbursement of Deposits	1,296	1,140	10,593
Provision for Point Loyalty Programs	432	328	3,533
Deferred Tax Liabilities	26,290	29,493	214,812
Deferred Tax Liabilities for Land Revaluation	10,407	10,470	85,035
Acceptances and Guarantees	23,657	25,125	193,295
Total Liabilities	¥18,031,298	¥16,833,700	\$147,326,567
Net Assets			
Capital Stock	¥ 145,069	¥ 145,069	\$ 1,185,302
Capital Surplus	122,134	122,134	997,909
Retained Earnings	647,883	612,593	5,293,598
Legal Retained Earnings	50,930	50,930	416,130
Other Retained Earnings	596,953	561,663	4,877,467
Treasury Shares	(53,108)	(49,121)	(433,926)
Total Shareholders' Equity	861,978	830,674	7,042,883
Valuation Difference on Available-for-Sale Securities	102,942	126,647	841,101
Deferred Gains or Losses on Hedges	5,198	(5,762)	42,477
Revaluation Reserve for Land	9,791	9,931	80,004
Total Valuation and Translation Adjustments	117,932	130,816	963,582
Subscription Rights to Shares	—	628	—
Total Net Assets	¥ 979,911	¥ 962,119	\$ 8,006,466
Total Liabilities and Net Assets	¥19,011,209	¥17,795,820	\$155,333,033

*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 ¥122.39 to \$1.00, the exchange rate prevailing at March 31, 2022.

Non-Consolidated Statement of Income (Unaudited)

The Chiba Bank, Ltd.
For the year ended March 31, 2022

	Millions of Yen*1		Thousands of U.S. Dollars*2
	2022	2021	2022
Income			
Interest Income:			
Interest on Loans and Discounts	¥103,653	¥103,693	\$ 846,911
Interest and Dividends on Securities	34,560	31,971	282,379
Other Interest Income	3,562	1,464	29,108
Trust Fees	115	23	941
Fees and Commissions	46,303	45,013	378,331
Trading Income	1,113	1,763	9,096
Other Ordinary Income	4,207	6,034	34,376
Other Income	9,785	9,244	79,957
Total Income	¥203,302	¥199,208	\$1,661,100
Expenses			
Interest Expenses:			
Interest on Deposits	¥ 1,050	¥ 2,353	\$ 8,584
Interest on Borrowings and Rediscounts	(61)	669	(502)
Other Interest Expenses	8,963	9,525	73,234
Fees and Commissions Payments	18,866	18,865	154,155
Other Ordinary Expenses	3,163	2,506	25,846
General and Administrative Expenses	84,299	87,415	688,775
Other Expenses	13,758	13,950	112,414
Total Expenses	¥130,040	¥135,286	\$1,062,506
Profit before Income Taxes	73,261	63,922	598,594
Income Taxes—Current	18,375	19,464	150,140
Income Taxes—Deferred	2,558	(1,240)	20,903
Profit	¥ 52,328	¥ 45,698	\$ 427,551

*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.

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Supplementary Information (Unaudited)

The Chiba Bank, Ltd. and Consolidated Subsidiaries
As of March 31, 2022

Consolidated Capital Ratio (BIS Guidelines)

	Millions of Yen*1		Thousands of U.S. Dollars*2
	2022	2021	2022
Common Equity Tier 1 Capital: Instruments and Reserves	¥1,049,508	¥1,033,584	\$ 8,575,116
Capital Stock and Capital Surplus	267,203	267,203	2,183,211
Retained Earnings	714,455	676,994	5,837,528
Treasury Shares	53,108	49,121	433,926
Cash Dividends to be Paid	9,582	8,172	78,298
Subscription Rights to Shares	—	628	—
Accumulated Other Comprehensive Income and Other Disclosed Reserves	130,541	146,051	1,066,600
Common Equity Tier 1 Capital: Regulatory Adjustments	39,702	38,346	324,395
Total Intangible Assets (Excluding Those Relating to Mortgage Servicing Rights)	10,035	10,031	81,999
Deferred Gains or Losses on Derivatives under Hedge Accounting	4	(737)	38
Shortfall of Eligible Provisions to Expected Losses	16,832	18,796	137,535
Securitization Gain on Sale	—	30	—
Gains and losses due to changes in own credit risk on fair valued liabilities	201	—	1,645
Net Defined Benefit Asset	12,535	10,163	102,421
Investments in Own Shares (Excluding Those Reported in the Net Assets Section)	92	62	758
Total Common Equity Tier 1 Capital	¥1,009,805	¥ 995,237	\$ 8,250,721
Additional Tier 1 Capital: Instruments	—	—	—
Additional Tier 1 Capital: Regulatory Adjustments	—	—	—
Total Additional Tier 1 Capital	—	—	—
Total Tier 1 Capital	¥1,009,805	¥ 995,237	\$ 8,250,721
Tier 2 Capital: Instruments and Provisions	¥ 14,593	¥ 40,616	\$ 119,239
Directly Issued Qualifying Tier 2 Instruments plus Related Capital Surplus of which: Classified as Liabilities under Applicable Accounting Standards	14,482	40,476	118,333
General Allowance for Loan Losses and Eligible Provisions	110	140	906
Tier 2 Capital: Regulatory Adjustments	—	—	—
Total Tier 2 Capital	¥ 14,593	¥ 40,616	\$ 119,239
Total Capital	¥1,024,399	¥1,035,853	\$ 8,369,960
Risk-Weighted Assets:			
Total Risk-Weighted Assets*	¥8,455,907	¥8,098,718	\$69,089,857
Total Required Capital*	¥ 676,472	¥ 647,897	\$ 5,527,189
Capital Ratios:			
Common Equity Tier 1 Capital Ratio	11.94%	12.28%	11.94%
Tier 1 Capital Ratio	11.94%	12.28%	11.94%
Total Capital Ratio	12.11%	12.79%	12.11%

*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 Annual Report and are translated at the rate of ¥122.39 to \$1.00, the exchange rate prevailing at March 31, 2022.

*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
	2022	2021	2022
On-Balance Sheet Exposures			
On-Balance Sheet Exposures before Adjustments	¥14,889,411	¥14,263,910	\$121,655,455
Total Assets Reported in the Consolidated Balance Sheet	15,000,203	14,382,701	122,560,698
The Amount of Assets that Are Deducted from the Total Assets Reported in the Consolidated Balance Sheet (except Adjustment Items)	(110,792)	(118,790)	(905,243)
The Amount of Adjustments to Tier 1 Capital	(39,496)	(39,054)	(322,712)
Total On-Balance Sheet Exposures	¥14,849,914	¥14,224,856	\$121,332,743
Derivative Exposures			
Replacement Cost Multiplied by 1.4 Associated with Derivatives Transactions	51,107	47,870	417,578
Potential Future Exposure Multiplied by 1.4 Associated with Derivatives Transactions	35,529	26,376	290,296
The Amount of Deductions of Receivables (Out of Those Arising from Providing Cash Variation Margin)	(23,006)	(25,274)	(187,976)
Total Derivative Exposures	¥ 63,630	¥ 48,971	\$ 519,899
Securities Financing Transaction (SFT) Exposures			
The Amount of SFT Assets	¥ 14,999	¥ 19,999	\$ 122,559
The Exposures for Counter-Party Credit Risk for SFTs	6,747	3,160	55,129
Total SFT Exposures	¥ 21,747	¥ 23,160	\$ 177,688
Off-Balance Sheet Exposures			
Notional Amount of Off-Balance Sheet Exposures	¥ 3,516,628	¥ 3,562,198	\$ 28,732,970
The Amount of Adjustments for Conversion in Relation to Off-Balance Sheets	(2,977,399)	(3,018,942)	(24,327,151)
Total Off-Balance Sheet Exposures	¥ 539,228	¥ 543,255	\$ 4,405,819
Tier 1 Capital	¥ 1,009,805	¥ 995,237	\$ 8,250,721
Total Exposures	¥15,474,520	¥14,840,244	\$126,436,148
Leverage Ratio	6.52%	6.70%	6.52%

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

	Thousands of U.S. Dollars (Note 1)	
	Millions of Yen (Note 1)	
	March 31, 2022	
	Outstanding Balance	Composition
		Outstanding Balance
Domestic Operations		
Manufacturing	¥ 726,827	6.39%
Agriculture and Forestry	18,508	0.16%
Fishery	1,258	0.01%
Mining, Quarrying and Gravel	15,479	0.14%
Construction	419,129	3.68%
Electricity, Gas, Heat Supply and Water	174,777	1.54%
Information and Communications	47,268	0.41%
Transport and Postal Service	323,713	2.84%
Wholesale and Retail Trade	837,873	7.36%
Finance and Insurance	455,063	4.00%
Real Estate and Leasing	3,157,812	27.74%
Medical, Welfare and Other Services	739,343	6.50%
Government and Local Public Sector	464,129	4.08%
Others (Mainly Consumer Loans)	4,000,115	35.15%
Total	¥11,381,300	100.00%
Overseas operations and JOM Account	¥ 265,421	—

	Thousands of U.S. Dollars (Note 1)	
	Millions of Yen (Note 1)	
	March 31, 2021	
	Outstanding Balance	Composition
		Outstanding Balance
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	—

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.

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