

Financial Statements  
for the First Half  
Ended September 30, 2019

The Bank of Okinawa, Ltd.

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# I. Bank of Okinawa Financial Statements for the First Half Ended September 30, 2019

## 1. Earnings (non-consolidated)

### ➤ Year-on-year comparison

Ordinary income for the reporting period decreased ¥914 million year on year to ¥18,065 million. Despite an increase in interest on loans and other non-recurrent income, this decrease was largely attributable to decreases in interest and dividends on securities and gain on sales of equity securities.

Business profit on core banking operations decreased ¥357 million year on year to ¥3,631 million. This result was mainly due to decreases in interest income and fees and commissions.

Ordinary profit decreased ¥700 million year on year to ¥2,912 million. This result was mainly due to a decrease in business profit on core banking operations and an increase in credit cost. In addition, net income for the reporting period stood at ¥2,036 million, down ¥376 million year on year.

### Business performance (non-consolidated)

(¥ million)

	(Japanese)	No.	1H FY19		1H FY18
			Amounts	1H FY18 increase (decrease)	
Ordinary income	経 常 収 益	1	18,065	(914)	18,979
Gross business profit	業 務 粗 利 益	2	14,762	791	13,971
Interest income	資 金 利 益	3	13,635	(74)	13,709
Fees and commissions	役 務 取 引 等 利 益	4	862	(189)	1,051
Expenses for the disposal of bad debt included in trust account	うち信託勘定不良債権処理額	5	-	-	-
Other business profit	そ の 他 業 務 利 益	6	265	1,055	(790)
Gains (losses) on bond trading	うち国債等債券関係損益	7	127	1,002	(874)
Expenses (excluding non-recurrent items)	経費 (除く臨時処理分)	8	11,003	147	10,856
Personnel expenses	う ち 人 件 費	9	4,781	18	4,762
Non-personnel expenses	う ち 物 件 費	10	5,234	95	5,139
Real net business profit (A)	実 質 業 務 純 益	11	3,759	644	3,114
Business profit on core banking operations (B)	コ ア 業 務 純 益	12	3,631	(357)	3,988
Gains (losses) on cancellation of investment trusts	投資信託解約損益	13	3	(82)	86
Excluding gains (losses) on cancellation of investment trusts	除く投資信託解約損益	14	3,627	(275)	3,902
Provision of general allowance for possible loan losses	一般貸倒引当金繰入額	15	628	438	189
Net business profit (C)	業 務 純 益	16	3,130	205	2,924
Non-recurrent items	臨 時 損 益	17	(218)	(906)	688
Recoveries of written-off claims	うち償却債権取立益	18	58	9	49
Net gains (losses) on equity securities	うち株式等関係損益	19	(230)	(1,408)	1,177
Bad debt disposal (non-recurrent items)	うち不良債権処理額	20	416	(110)	526
Ordinary profit	経 常 利 益	21	2,912	(700)	3,612
Extraordinary gains (losses)	特 別 損 益	22	(27)	(3)	(23)
Gains on disposal of noncurrent assets	うち固定資産処分損益	23	(27)	(3)	(23)
Income before income taxes	税 引 前 中 間 純 利 益	24	2,884	(704)	3,589
Total income taxes and other taxes	法 人 税 等 合 計	25	848	(328)	1,177
Net income	中 間 純 利 益	26	2,036	(376)	2,412

(Note) The total amount for bad debt disposal

No. (20+5) 1H FY19 ¥416 million

1H FY18 ¥526 million

(Note) Credit cost

No. (20+15+5)

《Explanation of terms》

(A) Real net business profit

No. (16+15+5)

Net business profit excluding provision of general allowance for possible loan losses and written-off claims under trust accounts, which fluctuate due to variable factors.

(B) Business profit on core banking operations

No. (11-7)

An indicator of Bank earnings capacity, comprising real net business profit (non-consolidated) excluding gains (losses) on bond trading.

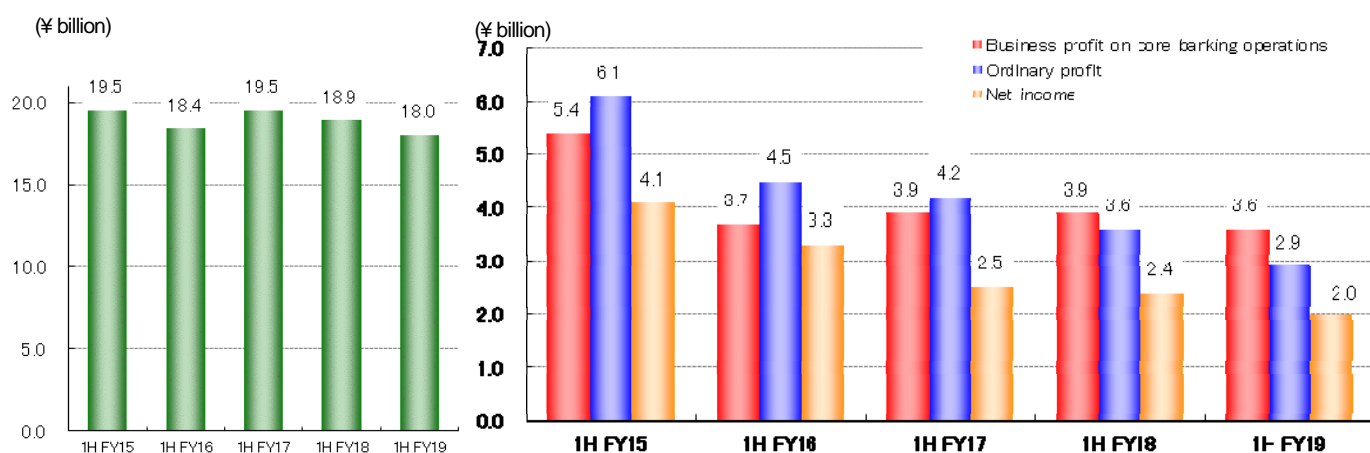
(C) Net business profit

No. (2-8-15)

Roughly equivalent to operating income at companies outside the banking sector

Ordinary Income

Income



## 2. Major assets and liabilities (non-consolidated)

### (1) Loans and bills discounted

#### ➤ Year-on-year comparison

The aggregate balance of loans and bills discounted under banking and trust accounts stood at ¥1,623.7 billion as of the end of the reporting period, up ¥40.5 billion (2.56%) year on year. This increase was largely attributable to ongoing steady increase in mortgage loans and apartment loans reflecting the efforts to strengthen sales of consumer loans, as well as increased business financing resulting from the proactive financing to SMEs based on business evaluations.

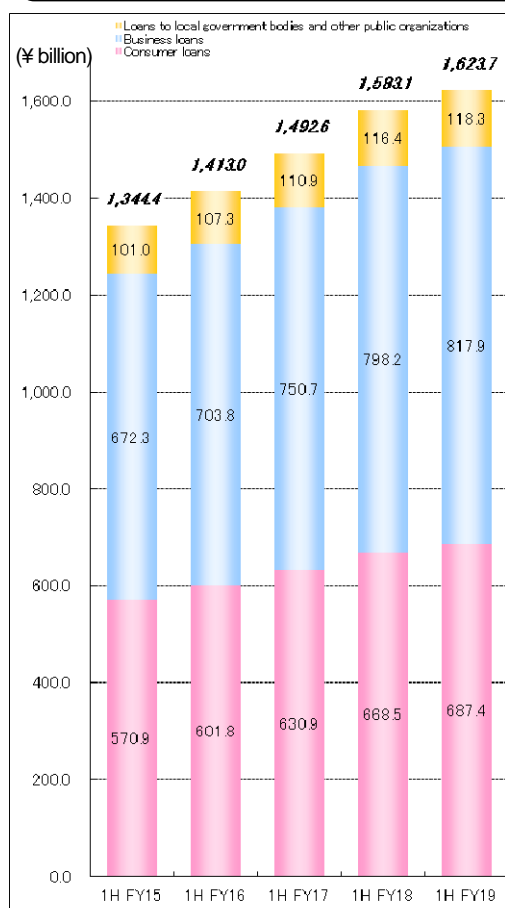
#### Term-end balance

(¥ billion, %)

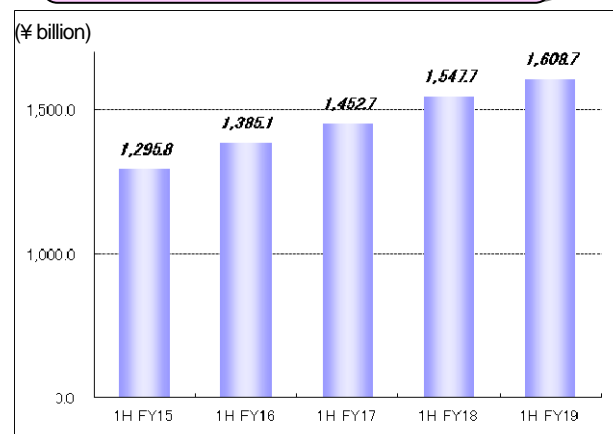
	(Japanese)	1H FY19				FY18	1H FY18	
		Amounts	FY18		1H FY18			
			increase (decrease)	%	increase (decrease)			%
Loans and bills discounted (term-end balance)	貸出金 (期末残高)	1,623.7	(7.9)	(0.48)	40.5	2.56	1,631.7	1,583.1
Business loans	事業性貸出	817.9	(5.8)	(0.71)	19.7	2.46	823.8	798.2
Consumer loans	生活密着型ローン	687.4	8.1	1.20	18.9	2.83	679.2	668.5
Mortgage loans	住宅ローン	612.2	8.6	1.43	18.0	3.03	603.5	594.2
Loans to local government bodies and other public organizations	国・地公体向け貸出	118.3	(10.2)	(7.97)	1.9	1.64	128.6	116.4
Loans and bills discounted (average balance)	貸出金 (平均残高)	1,608.7	42.9	2.74	61.0	3.94	1,565.7	1,547.7

(Note) Including trust accounts.

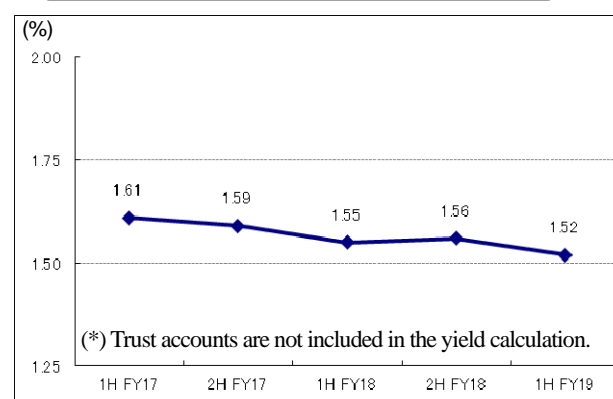
#### Loans and bills discounted (term-end balance)



#### Loans and bills discounted (average balance)



#### Yield on loans



## (2) Deposits

### ➤ Year-on-year comparison

The aggregate balance of deposits under banking and trust accounts increased ¥48.6 billion (2.37%) year on year to ¥2,097.6 billion. This result mainly reflected the steady increase mainly in individual deposits thanks to securing direct pension and payroll deposits and retirement payments, and increased transactions with employees of corporate clients through our “Strong Relations Plan.”

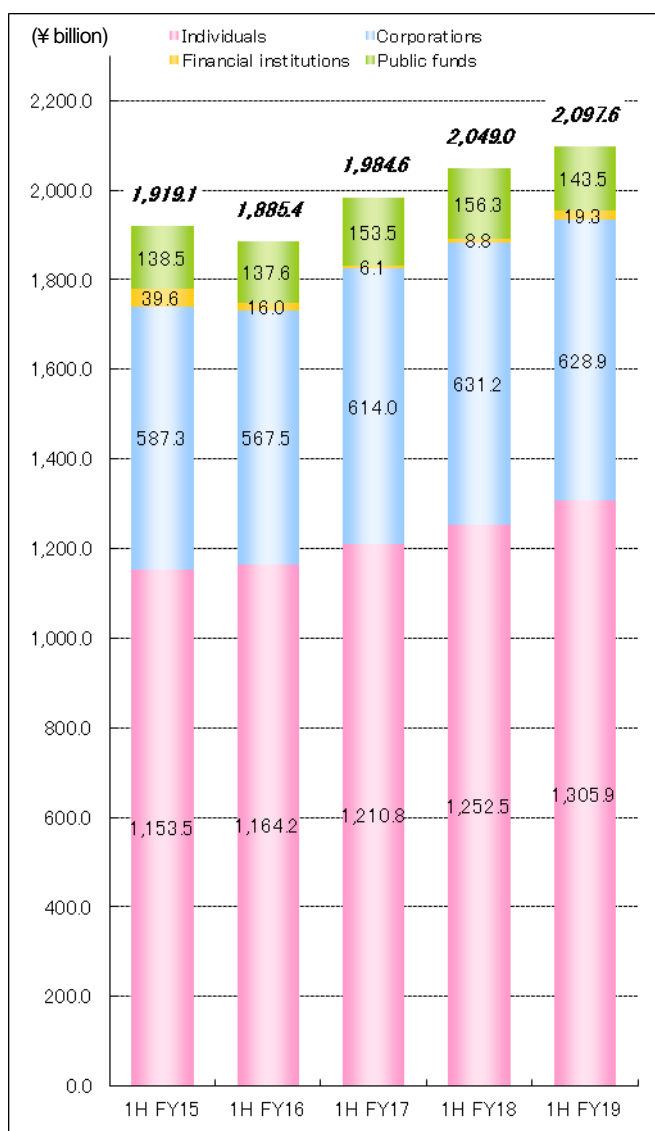
### Term-end balance

(¥ billion, %)

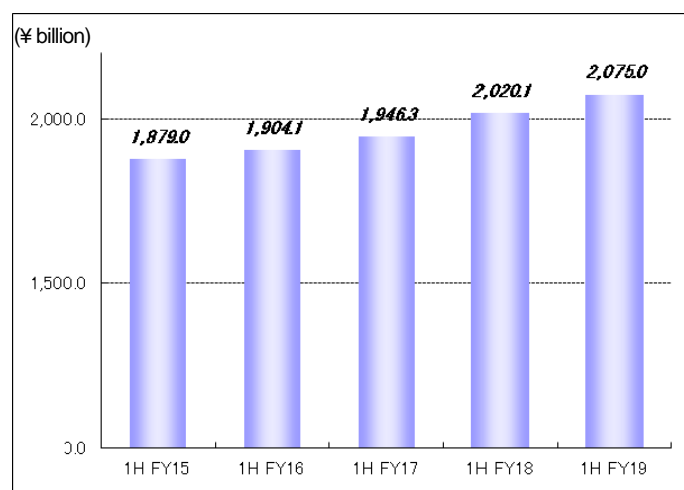
	(Japanese)	1H FY19						FY18	1H FY18
		Amounts	FY18		1H FY18				
			increase (decrease)	%	increase (decrease)	%			
Deposits (term-end balance)	預金 (期末残高)	2,097.6	60.6	2.97	48.6	2.37	2,037.0	2,049.0	
Individuals	個人	13,05.9	33.7	2.65	53.3	4.25	1,272.2	1,252.5	
Corporations	法人	628.9	7.4	1.19	(2.3)	(0.37)	621.4	631.2	
Financial institutions	金融	19.3	12.4	180.84	10.4	116.94	6.8	8.8	
Public funds	公金	143.5	7.0	5.14	(12.7)	(8.16)	136.5	156.3	
Deposits (average balance)	預金 (平均残高)	2,075.0	55.9	2.77	54.9	2.71	2,019.0	2,020.1	

(Note) Including trust accounts.

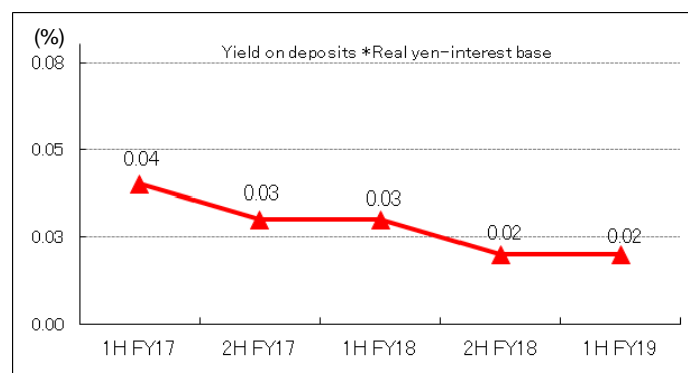
### Deposits (term-end balance)



### Deposits (average balance)



### Yield on deposits



(\*) Trust accounts are not included in the yield calculation.

(\*) Yield on deposits is presented in real yen-interest rate base.

(\*) Real interest rate base: real yield on yen deposits in foreign currency time deposits with forward contract (swap), after interest-rate adjustment between currencies.

### (3) Securities

#### ➤ Year-on-year comparison

The balance of securities stood at ¥399.7 billion, a year-on-year decrease of ¥14.4 billion (3.48%). This was primarily due to efficient fund management with attention to financial market trends, mainly in domestic bonds and investment trusts.

The total unrealized gain on securities increased ¥2.3 billion (15.03%) year on year to ¥18.2 billion.

#### Term-end balance

(¥ billion, %)

	(Japanese)	1H FY19						FY18	1H FY18
		Amounts	FY18		1H FY18				
			increase (decrease)	%	increase (decrease)	%			
Securities	有 価 証 券	399.7	7.4	1.89	(14.4)	(3.48)	392.3	414.1	
Bonds	債 券	330.0	8.2	2.57	7.1	2.21	321.7	322.8	
Stocks	株 式	23.0	(1.1)	(4.93)	(7.8)	(25.39)	24.2	30.8	
Others	そ の 他	46.7	0.3	0.75	(13.7)	(22.73)	46.3	60.5	

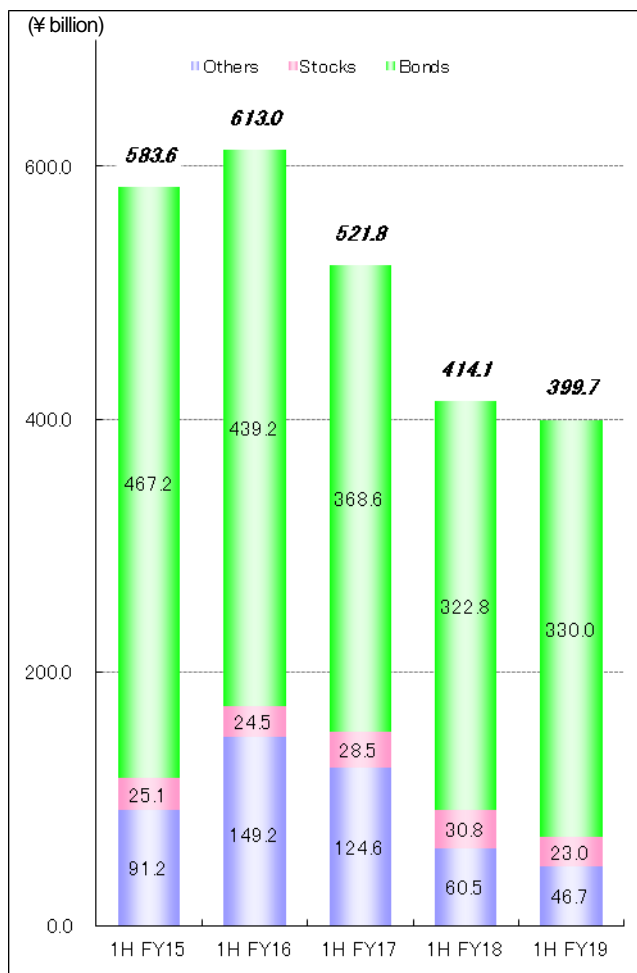
#### Unrealized gains and losses

(¥ billion, %)

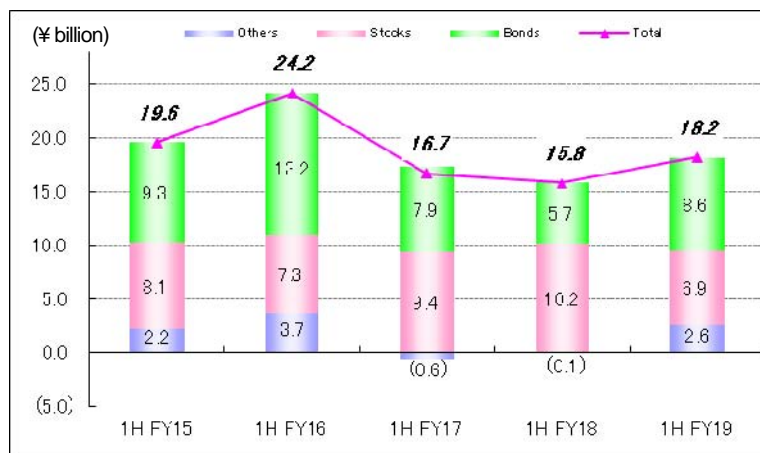
	(Japanese)	1H FY19						FY18	1H FY18
		Amounts	FY18		1H FY18				
			increase (decrease)	%	increase (decrease)	%			
Securities	有 価 証 券	18.2	2.1	13.04	2.3	15.03	16.1	15.8	
Bonds	債 券	8.6	0.5	7.04	2.9	51.07	8.0	5.7	
Stocks	株 式	6.9	(0.1)	(2.28)	(3.3)	(32.70)	7.0	10.2	
Others	そ の 他	2.6	1.6	175.16	2.8	-	0.9	(0.1)	

(Note) "Others" include foreign securities and investment trusts.

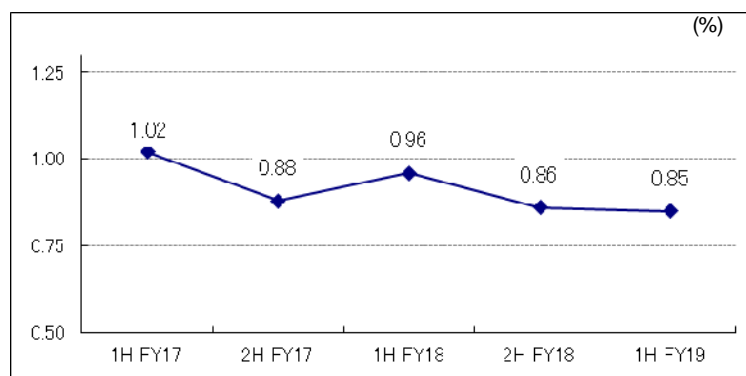
#### Balance of securities



#### Trends in unrealized gains (losses)



#### Trends in yields on securities



#### (4) Assets in custody

##### ➤ Year-on-year comparison

The balance of total assets in custody stood at ¥146.2 billion as of the end of the reporting period, down ¥5.5 billion year on year. Although personal pension insurance, etc. increased, this decrease was largely attributable to sluggish sales of JGBs and investment trusts as well as increases in redemptions and cancellations.

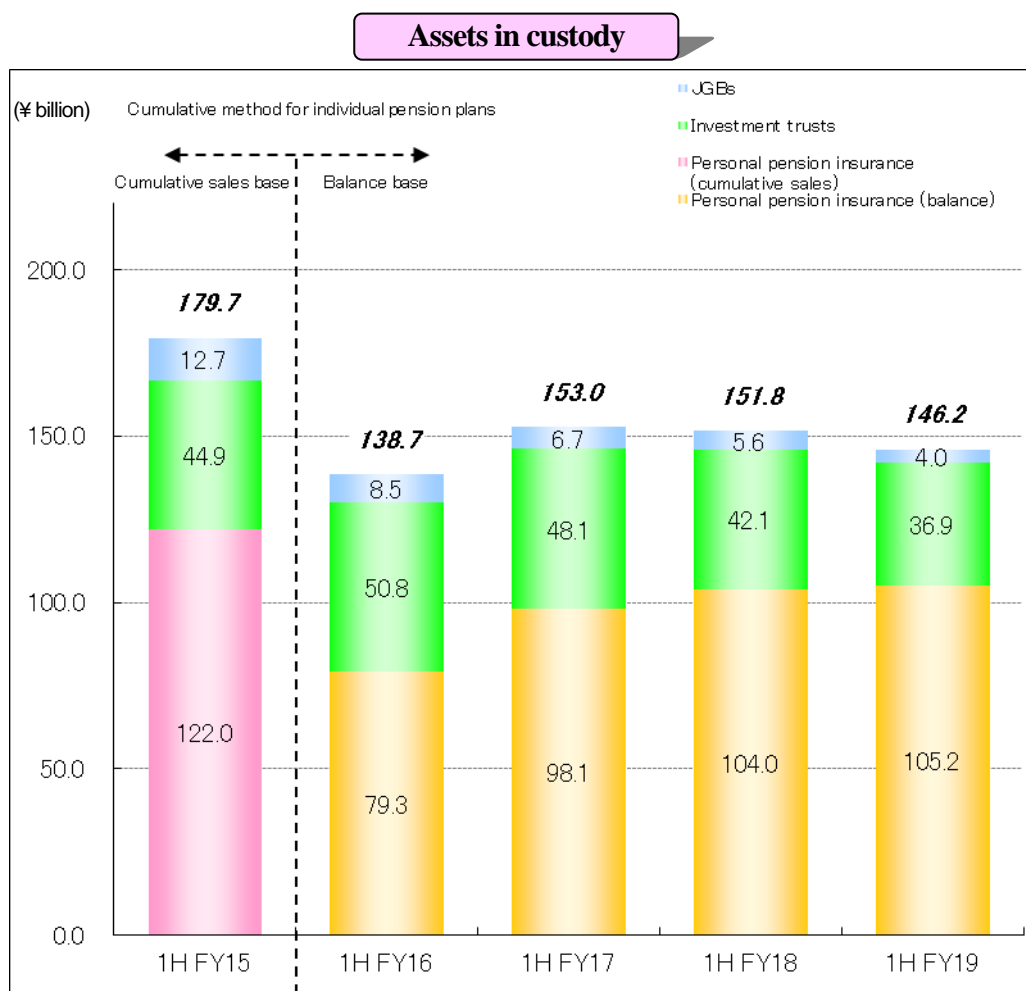
##### Term-end balance

(¥ billion)

	(Japanese)	1H FY19			FY18	1H FY18
		Amounts	FY18 increase (decrease)	1H FY18 increase (decrease)		
Assets in custody	預かり資産	146.2	(4.5)	(5.5)	150.7	151.8
JGBs	国債	4.0	(0.8)	(1.5)	4.9	5.6
Investment trusts	投資信託	36.9	(2.8)	(5.1)	39.8	42.1
Personal pension insurance	個人年金保険等	105.2	(0.7)	1.1	105.9	104.0

《Assets in custody》

\* “Assets in custody” collectively refers to the customers’ asset management products.



\* As to personal pension insurance, etc., figures for 1H FY15 and before are based on cumulative sales, while those for 1H FY16 and after are based on balance.



### 3. Expenses (non-consolidated)

#### ➤ Year-on-year comparison

Personnel expenses increased ¥18 million year on year to ¥4,781 million owing partly to an increase in employee salaries associated with the abolition of clerical position (and the establishment of area-limited career-track position).

Non-personnel expenses increased ¥95 million year on year to ¥5,234 million mainly due to increases in maintenance and repair expenses and operations consignment expenses.

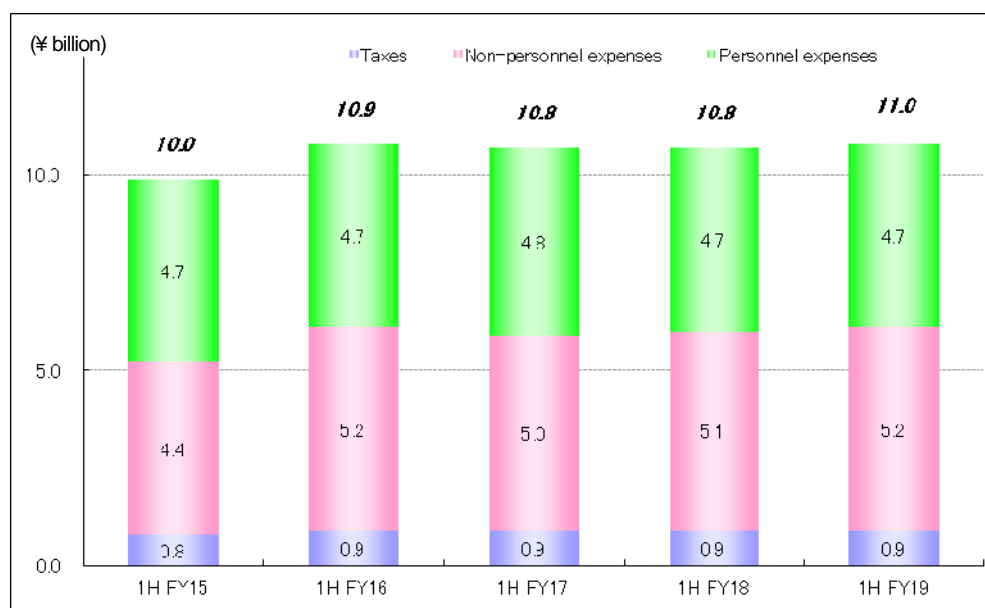
Taxes increased ¥33 million year on year to ¥987 million, mainly due to an increase in consumption tax associated with the completion of the new office building of Yaeyama Branch. In overall terms, expenses increased ¥147 million year on year to ¥11,003 million.

#### Breakdown of expenses

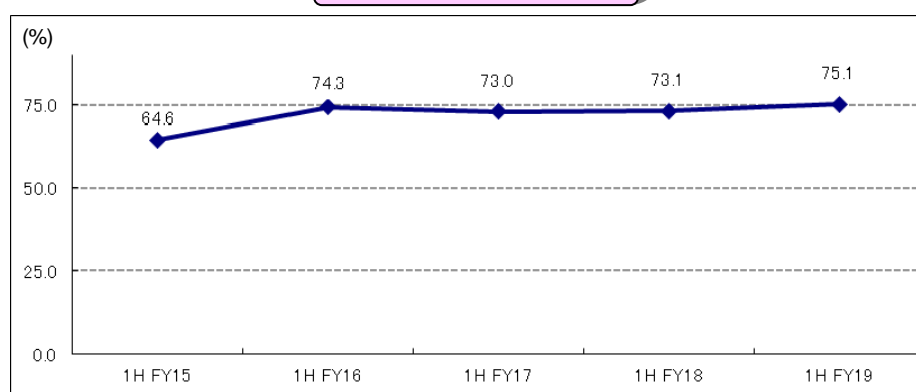
(¥ million, %)

	(Japanese)	1H FY19		1H FY18
		Amounts	1H FY18 increase (decrease)	
Expenses	経 費	11,003	147	10,856
Personnel expenses	人 件 費	4,781	18	4,762
Non-personnel expenses	物 件 費	5,234	95	5,139
Taxes	税 金	987	33	953
Gross business profit on core banking operations	コア業務粗利益	14,634	(210)	14,845
Core OHR	コアOHR	75.1	2.0	73.1

#### Expenses



#### Core OHR



#### 4. Asset soundness (non-consolidated)

##### (1) Credit cost

###### ➤ Year-on-year comparison

Provision of general allowance for possible loan losses increased ¥438 million year on year to ¥628 million, due to increases in historical default rate of normal assets and balance of assets requiring caution.

Bad debt disposal decreased ¥110 million year on year to ¥416 million mainly due to a large amount of repayment made by a borrower subject to specific allowance for loan losses.

In overall terms, credit cost increased ¥328 million year on year to ¥1,045 million.

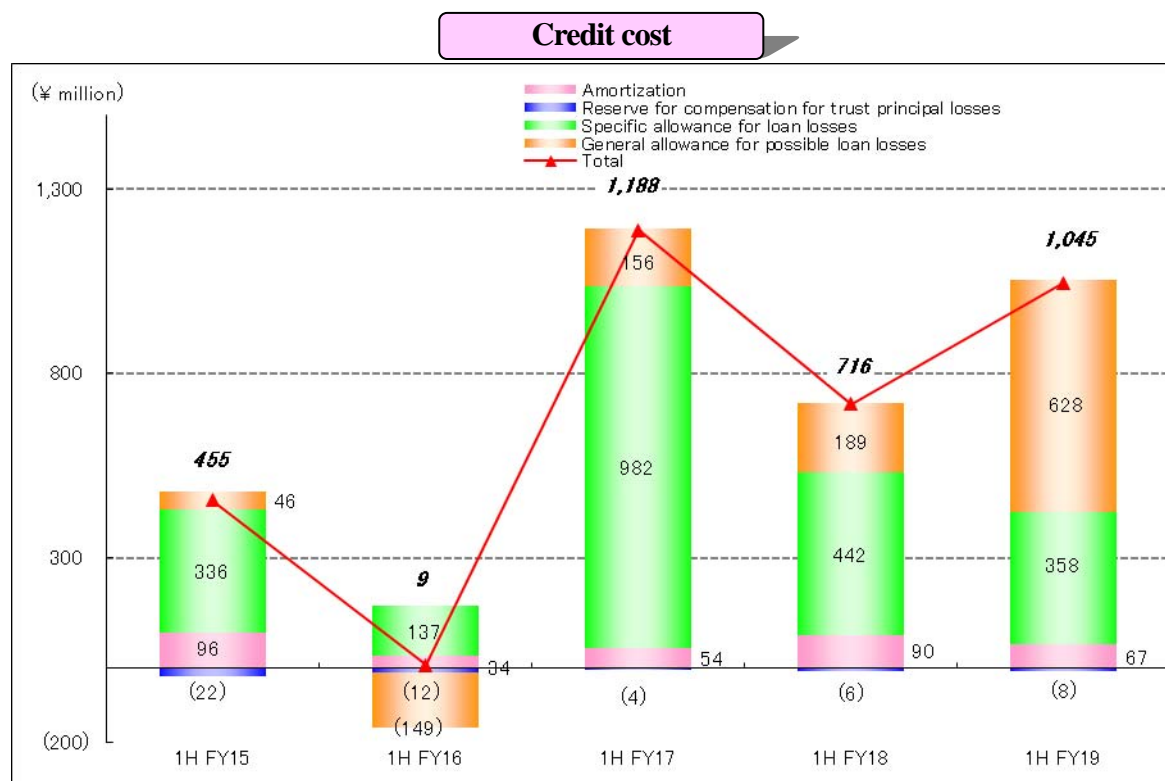
##### Credit cost

(¥ million)

	(Japanese)	1H FY19		1H FY18
		Amounts	1H FY18 increase (decrease)	
Credit cost	与 信 費 用	1,045	328	716
Provision of general allowance for possible loan losses	一般貸倒引当金繰入額	628	438	189
Bad debt disposal	不良債権処理額	416	(110)	526
Provision of specific allowance for loan losses	個別貸倒引当金繰入額	358	(84)	442
Provision of reserve for compensation for trust principal losses	信託元本補填引当金繰入額	(8)	(2)	(6)
Written-off of loans	貸 出 金 償 却	67	(23)	90

(Notes)

1. Including trust accounts.
2. Credit cost refers to expenses incurred in ensuring the soundness of claims (total of provision of general allowance for possible loan losses and bad debt disposal).



## (2) Mandatory disclosure of bad debt

### ➤ Year-on-year comparison

The balance of bad debt subject to mandatory disclosure under Japan's Financial Reconstruction Law as of the end of the reporting period decreased ¥2.2 billion year on year to ¥19.3 billion. The ratio of loans subject to mandatory disclosure decreased 0.17 percentage points to 1.18%.

The above-mentioned ratio remains at a low level, which poses no problem with the soundness of bank assets.

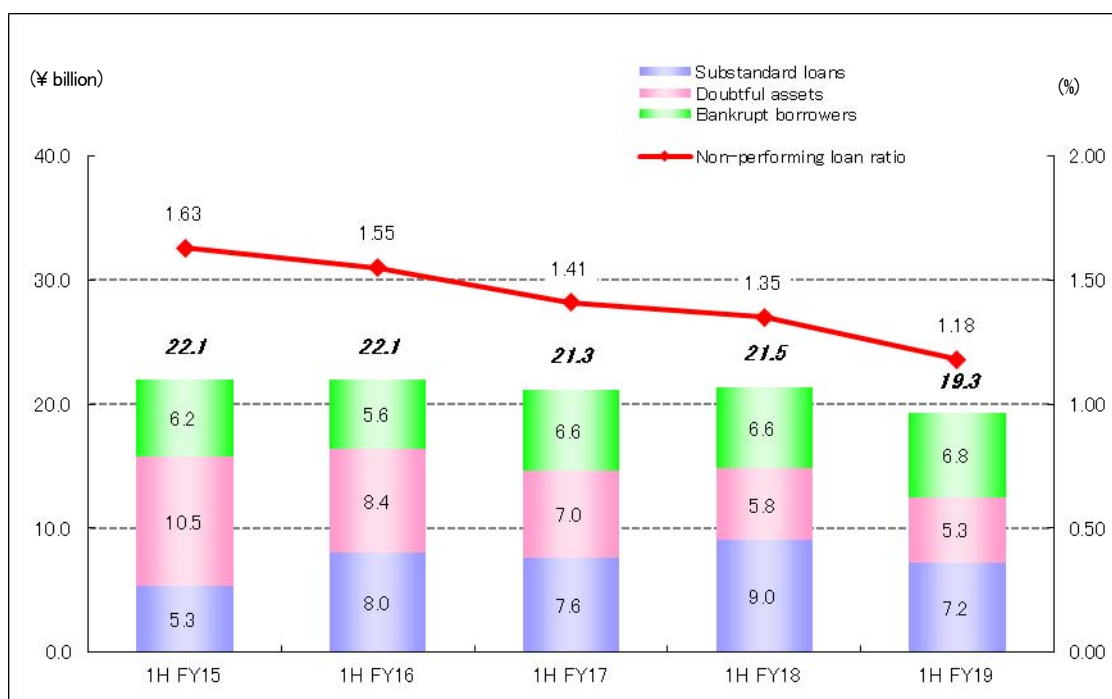
### Mandatory disclosure of bad debt under the Financial Reconstruction Law

(¥ billion, %)

	(Japanese)	1H FY19			(Reference)	FY18	1H FY18
		Amounts	FY18 increase (decrease)	1H FY18 increase (decrease)	Prior to partial charge-offs		
Mandatory disclosure of bad debt (a)	開示債権	19.3	(0.0)	(2.2)	21.8	19.3	21.5
Bankrupt borrowers	破産更生等債権	6.8	(0.7)	0.1	9.2	7.5	6.6
Doubtful assets	危険債権	5.3	0.8	(0.4)	5.3	4.4	5.8
Substandard loans	要管理債権	7.2	(0.0)	(1.8)	7.2	7.3	9.0
Normal assets	正常債権	1,613.7	(8.5)	41.2	1,613.7	1,622.3	1,572.5
Total credit balance (b)	総与信額	1,633.1	(8.6)	39.0	1,633.1	1,641.7	1,594.0
Non-performing loan ratio (a/b)	開示債権比率	1.18	0.00	(0.17)	1.33	1.18	1.35

(Note) Including trust accounts.

### Mandatory disclosure of bad debt (non-consolidated)



## 5. Capital ratio (domestic standards)

### ➤ Year-on-year comparison, non-consolidated

The capital ratio was 10.03%, a year-on-year increase of 0.03 percentage points, as (core) regulatory capital increased due to an increase in retained earnings, despite an increase in risk-weighted assets mainly led by an increased amount of loans.

#### Non-consolidated

(¥ billion, %)

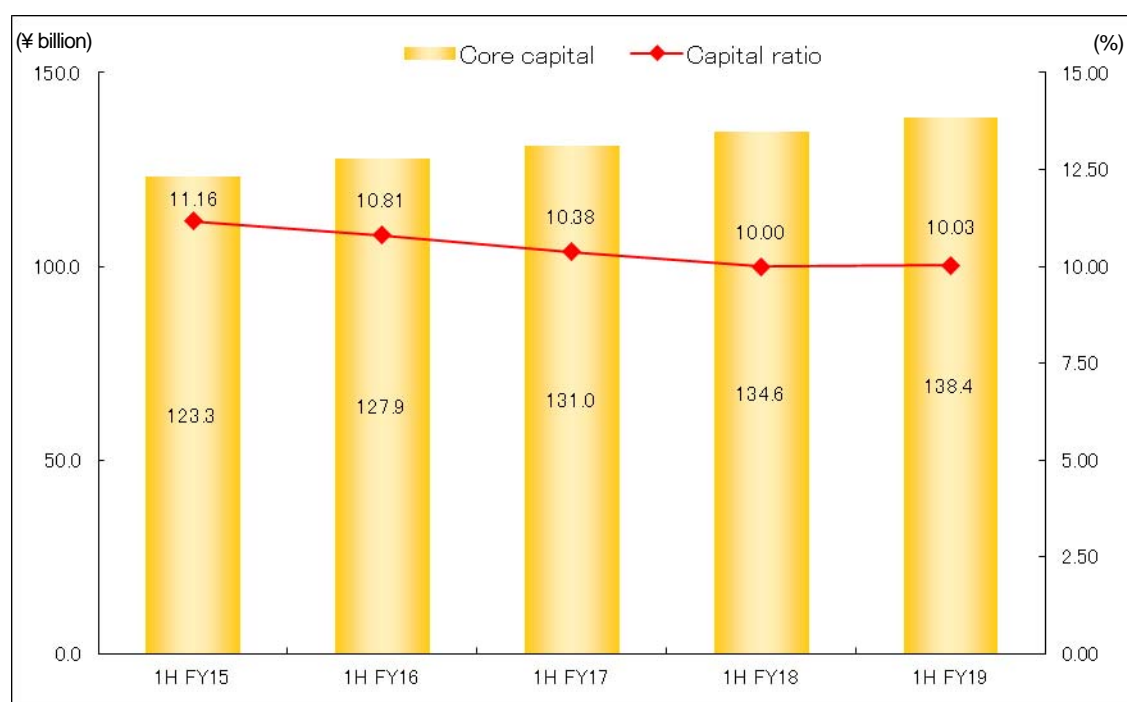
	(Japanese)	1H FY19			FY18	1H FY18
		Amounts	FY18 increase (decrease)	1H FY18 increase (decrease)		
(Core) regulatory capital (a)	自己(コア)資本額	138.4	1.4	3.7	136.9	134.6
Basic elements	基礎項目	139.6	1.2	3.9	138.3	135.7
Adjustments	調整項目(△)	1.2	(0.1)	0.1	1.3	1.0
Risk-weighted assets (b)	リスクアセット	1,379.6	6.5	34.4	1,373.0	1,345.1
Capital ratio (a/b)	自己資本比率	10.03	0.06	0.03	9.97	10.00

#### Consolidated

(¥ billion, %)

	(Japanese)	1H FY19			FY18	1H FY18
		Amounts	FY18 increase (decrease)	1H FY18 increase (decrease)		
(Core) regulatory capital (a)	自己(コア)資本額	150.3	1.9	4.2	148.4	146.1
Basic elements	基礎項目	151.6	1.7	4.3	149.8	147.2
Adjustments	調整項目(△)	1.3	(0.1)	0.1	1.4	1.1
Risk-weighted assets (b)	リスクアセット (b)	1,407.9	7.8	37.2	1,400.1	1,370.9
Capital ratio (a/b)	自己資本比率 a/b	10.67	0.08	0.02	10.59	10.65

### Capital ratio (non-consolidated)



## 6. Performance forecasts

### Non-consolidated full-term performance forecasts

#### ➤ Ordinary income

Ordinary income is forecast to decrease ¥3.9 billion year on year to ¥35.1 billion due chiefly to decreases in interests and dividends on securities and gain on sales of equity securities, despite an expected increase in interest on loans.

#### ➤ Net business profit

Business profit on core banking operations is forecast to decrease ¥1.2 billion year on year to ¥7.0 billion. This decrease is largely attributable to a decrease in interest income as a result of a decrease in interests and dividends on securities, as well as an increase in expenses due to an increase in non-personnel expenses.

Net business profit is forecast to decrease ¥0.2 billion year on year to ¥7.2 billion, largely due to a decrease in Business profit on core banking operations and an increase in provision of general allowance for possible loan losses, despite an increase in gains on bond trading.

#### ➤ Ordinary profit

Ordinary profit is forecast to be ¥6.5 billion which is a ¥3.0 billion decrease from the previous fiscal year, chiefly due to decreases in Business profit on core banking operations and gains (losses) on securities, and an increase in credit cost.

#### ➤ Net income

Net income is forecast to decrease ¥2.2 billion year on year to ¥4.6 billion.

Non-consolidated	(Japanese)	FY19 full-term forecasts (¥ billion)	
		forecasts	YoY increase (decrease)
Ordinary income	経常収益	35.1	(3.9)
Business profit on core banking operations	コア業務純益	7.0	(1.2)
Net business profit	業務純益	7.2	(0.2)
Ordinary profit	経常利益	6.5	(3.0)
Net income	当期純利益	4.6	(2.2)
Bad debt disposal*	不良債権処 理 額	0.9	(0.0)

\*Bad debt disposal amounts include under trust accounts.

Consolidated	(Japanese)	FY19 full-term forecasts (¥ billion)	
		forecasts	YoY increase (decrease)
Ordinary income	経常収益	50.3	(3.2)
Ordinary profit	経常利益	7.4	(3.1)
Net income attributable to owners of the parent	親会社株主に帰属する当期純利益	4.7	(2.4)

### Mandatory disclosure of bad debt (under the Financial Reconstruction Law)

FY19 full-term forecasts	
Non-consolidated	Consolidated
1% to 1.99%	1% to 1.99%

### Capital ratio

FY19 full-term forecasts	
Non-consolidated	Consolidated
Around 10%	10% to 10.99%

\*Forecasts for fiscal 2019 in this report are based on information available at the present time and assessments of future factors likely to affect performance. Actual results may differ widely from our forecasts.

## II. Summary of Business Results for the First Half Ended September 30, 2019

### 1. Business performance

#### Non-consolidated

(¥ million)

	(Japanese)	1HFY19	YoY increase (decrease)		1HFY18
Gross business profit	業 務 粗 利 益	14,762	791		13,971
Net interest income	資 金 利 益	13,635	(74)		13,709
Net fees and commissions	役 務 取 引 等 利 益	862	(189)		1,051
Trust fees	う ち 信 託 報 酬	64	(14)		79
Expenses for the disposal of bad debt included in trust account (1)	信 託 勘 定 不 良 債 権 処 理 額	-	-		-
Other business profit	そ の 他 業 務 利 益	265	1,055		(790)
Expenses (excluding non-recurrent items)	経 費 (除 く 臨 時 処 理 分)	11,003	147		10,856
Personnel expenses	人 件 費	4,781	18		4,762
Non-personnel expenses	物 件 費	5,234	95		5,139
Taxes	税 金	987	33		953
Net business profit (prior to provision of general allowance for possible loan losses)	業 務 純 益 (一 般 貸 倒 繰 入 前)	3,759	644		3,114
Excluding gains (losses) on bond trading	除 く 国 債 等 債 券 関 係 損 益 ( 5 勘 定 戻 )	3,631	(357)		3,988
Gains (losses) on cancellation of investment trusts	投 資 信 託 解 約 損 益	3	(82)		86
Excluding gains (losses) on cancellation of investment trusts	除 く 投 資 信 託 解 約 損 益	3,627	(275)		3,902
Provision of general allowance for possible loan losses (2)	一 般 貸 倒 引 当 金 繰 入 額	628	438		189
Net business profit	業 務 純 益	3,130	205		2,924
Gains (losses) on bond trading	う ち 国 債 等 債 券 関 係 損 益 ( 5 勘 定 戻 )	127	1,002		(874)
Non-recurrent items	臨 時 損 益	(218)	(906)		688
Recoveries of written-off claims	う ち 償 却 債 権 取 立 益	58	9		49
Net gains (losses) on equity trading	う ち 株 式 等 関 係 損 益 ( 3 勘 定 戻 )	(230)	(1,408)		1,177
Losses on bad debt disposal (3)	う ち 不 良 債 権 処 理 損 失	425	(107)		533
Provision of specific allowance for loan losses	個 別 貸 倒 引 当 金 繰 入 額	358	(84)		442
Written-off of loans	貸 出 金 償 却	67	(23)		90
Reversal of reserve for compensation for trust principal losses (4)	う ち 信 託 元 本 補 填 引 当 金 戻 入 益	8	2		6
Ordinary profit	経 常 利 益	2,912	(700)		3,612
Extraordinary gains (losses)	特 別 損 益	(27)	(3)		(23)
Losses on disposal of noncurrent assets	う ち 固 定 資 産 処 分 損 益	(27)	(3)		(23)
Income before income taxes	税 引 前 中 間 純 利 益	2,884	(704)		3,589
Income taxes-current	法 人 税、住 民 税 及 び 事 業 税	1,122	(129)		1,252
Income taxes-deferred	法 人 税 等 調 整 額	(274)	(198)		(75)
Total income taxes	法 人 税 等 合 計	848	(328)		1,177
Net income	中 間 純 利 益	2,036	(376)		2,412
Bad debt disposal ((1) + (3) - (4))	不 良 債 権 処 理 額	416	(110)		526
Credit cost ((1) + (2) + (3) - (4))	与 信 費 用	1,045	328		716

Consolidated

(¥ million)

	(Japanese)	1HFY19	YoY increase (decrease)	1HFY18
		Gross business profit	連結業務粗利益	16,454
Interest income	資金利益	13,868	(76)	13,944
Trust fees	信託報酬	64	(14)	79
Fees and commissions	役務取引等利益	1,143	(289)	1,433
Other business profit	その他業務利益	1,377	1,156	220
Operating expenses	営業経費	12,127	79	12,048
Loan-loss provisions	貸倒償却引当費用	1,241	99	1,142
Provision of general allowance for possible loan losses	一般貸倒引当金繰入額	701	511	189
Provision of specific allowance for loan losses	個別貸倒引当金繰入額	218	(437)	655
Written-off of loans	貸出金償却	321	24	296
Net gains (losses) on equity securities	株式等関係損益	(230)	(1,410)	1,179
Other	その他	658	367	291
Ordinary profit	経常利益	3,513	(445)	3,958
Extraordinary gains (losses)	特別損益	(27)	(4)	(23)
Losses on disposal of noncurrent assets	うち固定資産処分損益	(27)	(4)	(23)
Income before income taxes	税金等調整前 中間純利益	3,485	(449)	3,935
Income taxes-current	法人税、住民税及び 事業税	1,362	(134)	1,497
Income taxes-deferred	法人税等調整額	(203)	(141)	(61)
Total income taxes	法人税等合計	1,159	(275)	1,435
Net income	中間純利益	2,326	(173)	2,499
Net income attributable to non-controlling interests	非支配株主に帰属する 中間純利益	92	10	81
Net income attributable to owners of the parent	親会社株主に帰属する 中間純利益	2,234	(183)	2,417

(Note) Gross business profit = interest income + fund procurement cost for the acquisition of money held in trust + trust fees + fees and commissions + other business profit

(Reference)

(¥ million)

Net business profit (on a consolidated basis)*	連結業務純益	3,732	118	3,614
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(Note) Gross business profit - operating expenses (excluding non-recurrent items) - provision of general allowance for possible loan losses

(Consolidated)

(Number of companies)

Number of consolidated subsidiaries	連結子会社数	8	0	8
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## 2. Net business profit (non-consolidated)

(¥ million)

	(Japanese)	1H FY19	YoY increase (decrease)	1H FY18
Net business profit (prior to provision of general allowance for possible loan losses)	業 務 純 益 (一般貸倒繰入前)	3,759	644	3,114
Per staff (¥ thousand)	職員一人当たり (千円)	3,246	533	2,713
Net business profit	業 務 純 益	3,130	205	2,924
Per staff (¥ thousand)	職員一人当たり (千円)	2,703	155	2,547

(Note) The average number of employees during the term (excluding those seconded to other organizations) is employed.

## 3. Interest margins (non-consolidated)

### (1) Aggregate

(%)

	(Japanese)	1H FY19	YoY increase (decrease)	1H FY18
Yield on fund operation (A)	資 金 運 用 利 回	1.39	(0.01)	1.40
Yield on loans	貸 出 金 利 回	1.52	(0.03)	1.55
Yield on securities	有 価 証 券 利 回	0.85	(0.11)	0.96
Fund procurement cost (B)	資 金 調 達 原 価	1.11	0.01	1.10
Yield on deposits	預 金 等 利 回	0.06	0.02	0.04
Yield on external debt*	外 部 負 債 利 回	(0.00)	(0.00)	0.00
Gross interest margin (A)-(B)	総 資 金 利 鞘	0.28	(0.02)	0.30

(Note) External debt\* = call money + bills sold + borrowed money

### (2) Domestic

(%)

	(Japanese)	1H FY19	YoY increase (decrease)	1H FY18
Yield on fund operation (A)	資 金 運 用 利 回	1.36	(0.02)	1.38
Yield on loans	貸 出 金 利 回	1.52	(0.03)	1.55
Yield on securities	有 価 証 券 利 回	0.83	(0.07)	0.90
Fund procurement cost (B)	資 金 調 達 原 価	1.02	(0.03)	1.05
Yield on deposits	預 金 等 利 回	0.02	(0.01)	0.03
Yield on external debt*	外 部 負 債 利 回	(0.00)	0.00	(0.00)
Gross interest margin (A)-(B)	総 資 金 利 鞘	0.34	0.01	0.33

(Note) External debt\* = call money + bills sold + borrowed money



#### 4. Gains and losses on securities (non-consolidated)

(¥ million)

	(Japanese)	1H FY19	YoY	1H FY18
			increase (decrease)	
Gains (losses) on securities	有価証券関係損益	(103)	(406)	303
Gains (losses) on bond trading	国債等債券関係損益 (5勘定尻)	127	1,002	(874)
Gains on sale of bonds	売却益	182	0	181
Gains on redemption of bonds	償還益	-	-	-
Losses on sale of bonds	売却損	54	(1,001)	1,056
Losses on redemption of bonds	償還損	-	-	-
Write-off	償却	-	-	-
Net gains (losses) on equity securities	株式等関係損益 (3勘定尻)	(230)	(1,408)	1,177
Gains on sale of equity shares	売却益	97	(1,114)	1,212
Losses on sale of equity shares	売却損	300	265	35
Write-off	償却	28	28	-

#### 5. Capital ratio (domestic standards)

##### (1) Capital ratio (domestic standards) (non-consolidated)

(¥ million, %)

	(Japanese)	As of	Comparison	Comparison	As of March	As of
		September 30, 2019	with the previous balance-sheet date (March 31, 2019)	with the previous interim balance-sheet date (September 30, 2018)		
(1) Capital ratio	自己資本比率	10.03	0.06	0.03	9.97	10.00
(2) Basic elements of core capital	コア資本に係る 基礎項目	139,622	1,281	3,900	138,341	135,722
45% of the difference between the revalued land and the book value	うち土地の再評価 差額の45%	554	13	(109)	541	664
General allowance for possible loan losses	うち一般貸倒 引当金	4,220	628	(237)	3,591	4,457
Qualifying subordinated debt	うち負債性資本 調達手段等	-	-	-	-	-
(3) Adjustments to core capital	コア資本に係る 調整項目	1,205	(150)	130	1,356	1,075
(4) Capital ratio (2)-(3)	自己資本	138,416	1,431	3,770	136,985	134,646
(5) Risk-weighted assets	リスクアセット	1,379,605	6,543	34,433	1,373,061	1,345,171

## (2) Capital ratio (domestic standards) (consolidated)

(¥ million, %)

	(Japanese)	As of September 30, 2019	Comparison		As of March 31, 2019	As of September 30, 2018
			with the previous balance-sheet date (March 31, 2019)	with the previous interim balance-sheet date (September 30, 2018)		
(1) Capital ratio	自己資本比率	10.67	0.08	0.02	10.59	10.65
(2) Basic elements of core capital	コア資本に係る 基礎項目	151,645	1,761	4,383	149,884	147,262
45% of the difference between the revalued land and the book value	うち土地の再評価 差額の45%	554	13	(109)	541	664
General allowance for possible loan losses	うち一般貸倒 引当金	5,094	701	(210)	4,392	5,304
Qualifying subordinated debt	うち負債性資本 調達手段等	-	-	-	-	-
(3) Adjustments to core capital	コア資本に係る 調整項目	1,318	(164)	158	1,483	1,160
(4) Capital ratio (2)-(3)	自己資本	150,327	1,925	4,224	148,401	146,102
(5) Risk-weighted assets	リスクアセット	1,407,978	7,814	37,292	1,400,164	1,370,685

## 6. ROE (non-consolidated)

(%)

	(Japanese)	1H FY19	YoY		1H FY18
			increase	(decrease)	
Net business profit basis	業務純益ベース	4.22	0.14		4.08
Business profit on core banking operations basis	コア業務純益ベース	4.90	(0.67)		5.57
Net income basis	中間純利益ベース	2.74	(0.63)		3.37

(Calculation formula) 
$$\frac{\text{Net business profit (business profit on core banking operations, net income)}}{(\text{Net assets at the beginning of period} + \text{net assets at the end of period}) \div 2} \times 365 \div 183 \times 100$$

- \* Business profit on core banking operations = Net business profit – gains (losses) on bond trading + provision of general allowance for possible loan losses + written-off claims under trust accounts
- \* Subscription rights to shares are excluded from net assets.

## (Reference)

## ROE (shareholders' equity basis; non-consolidated)

(%)

	(Japanese)	1H FY19	YoY		1H FY18
			increase	(decrease)	
Net business profit basis	業務純益ベース	4.61	0.15		4.46
Business profit on core banking operations basis	コア業務純益ベース	5.35	(0.74)		6.09
Net income basis	中間純利益ベース	3.00	(0.68)		3.68

(Calculation formula) 
$$\frac{\text{Net business profit (business profit on core banking operations, net income)}}{(\text{Shareholders' equity at the beginning of period} + \text{shareholders' equity at the end of period}) \div 2} \times 365 \div 183 \times 100$$

### III. Loans and Bills Discounted

#### 1. Risk-monitored loans (under the Banking Law)

\* Partial charge-offs are recorded.

\*\* Accrued interests are not recorded (on the self-assessment basis).

#### Non-consolidated

(¥ million)

		(Japanese)	As of	Comparison	Comparison	As of March	As of	
			September	with the	with the			31, 2019
			30, 2019	previous	previous interim		30, 2018	
				balance-sheet	balance-sheet			
				date	date			
				(March 31,	(September 30,			
				2019)	2018)			
Risk-monitored assets	リスク管理債権	Loans to bankrupt borrowers	破綻先債権額	1,011	(277)	158	1,289	853
		Delinquent loans	延滞債権額	11,076	314	(532)	10,762	11,609
		Past due loans (3 months or more)	3ヶ月以上延滞債権額	468	24	225	443	242
		Restructured loans	貸出条件緩和債権額	6,757	(124)	(2,092)	6,881	8,849
		Total	合計	19,313	(63)	(2,241)	19,376	21,554

(Note) Including trust accounts.

(¥ million)

Loans (term-end balance)	貸出金残高(未残)	1,623,760	(7,975)	40,561	1,631,735	1,583,199
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(Note) Including trust accounts.

(%)

		(Japanese)	As of	Comparison	Comparison	As of March	As of	
			September	with the	with the			31, 2019
			30, 2019	previous	previous interim		30, 2018	
				balance-sheet	balance-sheet			
				date	date			
				(March 31,	(September 30,			
				2019)	2018)			
As a percentage of total loans	貸出金残高比	Loans to bankrupt borrowers	破綻先債権	0.06	(0.01)	0.00	0.07	0.05
		Delinquent loans	延滞債権	0.68	0.02	(0.05)	0.66	0.73
		Past due loans (3 months or more)	3ヶ月以上延滞債権	0.02	0.00	0.01	0.02	0.01
		Restructured loans	貸出条件緩和債権	0.41	(0.00)	(0.14)	0.42	0.55
		Total	合計	1.18	0.00	(0.17)	1.18	1.36

(Note) Including trust accounts.

#### Consolidated

(¥ million)

		(Japanese)	As of	Comparison	Comparison	As of March	As of	
			September	with the	with the			31, 2019
			30, 2019	previous	previous interim		30, 2018	
				balance-sheet	balance-sheet			
				date	date			
				(March 31,	(September 30,			
				2019)	2018)			
Risk-monitored assets	リスク管理債権	Loans to bankrupt borrowers	破綻先債権額	1,019	(271)	143	1,291	876
		Delinquent loans	延滞債権額	11,560	291	(553)	11,269	12,114
		Past due loans (3 months or more)	3ヶ月以上延滞債権額	468	24	225	443	242
		Restructured loans	貸出条件緩和債権額	6,757	(124)	(2,092)	6,881	8,849
		Total	合計	19,806	(80)	(2,277)	19,886	22,083

(Note) Including trust accounts.

(¥ million)

Loans (term-end balance)	貸出金残高(未残)	1,611,700	(8,366)	40,179	1,620,066	1,571,520
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(Note) Including trust accounts.

(%)

As a percentage of total loans	貸出金残高比	Loans to bankrupt borrowers	破綻先債権	0.06	(0.01)	0.00	0.08	0.05
		Delinquent loans	延滞債権	0.71	0.02	(0.05)	0.69	0.77
		Past due loans (3 months or more)	3ヶ月以上延滞債権	0.02	0.00	0.01	0.02	0.01
		Restructured loans	貸出条件緩和債権	0.41	(0.00)	(0.14)	0.42	0.56
		Total	合計	1.22	0.00	(0.17)	1.22	1.40

(Note) Including trust accounts.

## 2. Allowance for loan losses

### Non-consolidated

(¥ million)

	(Japanese)	As of	Comparison with	Comparison with	As of March	As of
		September 30, 2019	the previous balance-sheet date (March 31, 2019)	the previous interim balance-sheet date (September 30, 2018)		
Allowance for possible loan losses	貸倒引当金	6,967	339	(342)	6,628	7,310
General allowance	一般貸倒引当金	4,220	628	(237)	3,591	4,457
Specific allowance	個別貸倒引当金	2,747	(289)	(105)	3,036	2,852
Reserve for compensation for trust principal losses	信託元本補填引当金	54	(8)	(22)	62	76

### Consolidated

(¥ million)

	(Japanese)	As of	Comparison with	Comparison with	As of March	As of
		September 30, 2019	the previous balance-sheet date (March 31, 2019)	the previous interim balance-sheet date (September 30, 2018)		
Allowance for possible loan losses	貸倒引当金	9,272	230	(517)	9,042	9,789
General allowance	一般貸倒引当金	5,094	701	(210)	4,392	5,304
Specific allowance	個別貸倒引当金	4,178	(471)	(306)	4,649	4,485
Reserve for compensation for trust principal losses	信託元本補填引当金	54	(8)	(22)	62	76

## 3. Coverage of risk monitored loans

### Non-consolidated

(¥ million, %)

	(Japanese)	As of	Comparison with	Comparison with	As of March	As of
		September 30, 2019	the previous balance-sheet date (March 31, 2019)	the previous interim balance-sheet date (September 30, 2018)		
Risk-monitored loans (A)	リスク管理債権額	19,313	(63)	(2,241)	19,376	21,554
Coverage	保 全 額	16,468	(199)	(2,025)	16,667	18,493
Allowance for possible loan losses (B)	貸倒引当金	3,769	(250)	(660)	4,019	4,429
Collateral and guarantees (C)	担保・保証等	12,698	50	(1,365)	12,648	14,064
Coverage ratio (B+C)/(A)	保 全 率	85.26	(0.74)	(0.53)	86.01	85.79
Allowance for possible loan losses (B/A)	貸倒引当金	19.51	(1.22)	(1.03)	20.74	20.54
Collateral and guarantees (C/A)	担保・保証等	65.75	0.47	0.50	65.27	65.24

(Note) Including trust accounts.

**Consolidated**

(¥ million, %)

	<i>(Japanese)</i>	As of September 30, 2019	Comparison with the previous balance-sheet date		As of March 31, 2019	As of September 30, 2018
			Comparison with the previous balance-sheet date (March 31, 2019)	Comparison with the previous interim balance-sheet date (September 30, 2018)		
Risk-monitored loans (A)	リスク管理債権額	19,806	(80)	(2,277)	19,886	22,083
Coverage	保 全 額	16,955	(215)	(2,060)	17,171	19,015
Allowance for possible loan losses (B)	貸 倒 引 当 金	3,854	(272)	(685)	4,126	4,540
Collateral and guarantees (C)	担 保 ・ 保 証 等	13,100	56	(1,374)	13,044	14,475
Coverage ratio (B+C)/(A)	保 全 率	85.60	(0.74)	(0.50)	86.34	86.10
Allowance for possible loan losses (B/A)	貸 倒 引 当 金	19.46	(1.29)	(1.09)	20.75	20.55
Collateral and guarantees (C/A)	担 保 ・ 保 証 等	66.14	0.55	0.59	65.59	65.54

(Note) Including trust accounts.

#### 4. Mandatory disclosure of bad debt under the Financial Reconstruction Law

\* Partial charge-offs are recorded.

##### Non-consolidated

(¥ million, %)

	(Japanese)	As of September 30, 2019			As of March 31, 2019	As of September 30, 2018
			Comparison with the previous balance-sheet date (March 31, 2019)	Comparison with the previous interim balance-sheet date (September 30, 2018)		
Bankrupt and quasi-bankrupt assets	破産更生債権及びこれらに準ずる債権	6,803	(783)	104	7,586	6,698
Doubtful assets	危険債権	5,307	825	(494)	4,481	5,801
Substandard loans	要管理債権	7,225	(99)	(1,867)	7,325	9,092
Total (A)	合計	19,336	(56)	(2,256)	19,393	21,593
Normal assets	正常債権	1,613,785	(8,546)	41,280	1,622,332	1,572,504
Total credit balance (B)	総与信残高	1,633,122	(8,603)	39,023	1,641,725	1,594,098
As a percentage of total credit balance (A)/(B)	総与信残高に占める割合	1.18	0.00	(0.17)	1.18	1.35
Partial charge-offs	部分直接償却額	2,470	656	344	1,813	2,126

(Note) Including trust accounts.

##### Consolidated

(¥ million, %)

	(Japanese)	As of September 30, 2019			As of March 31, 2019	As of September 30, 2018
			Comparison with the previous balance-sheet date (March 31, 2019)	Comparison with the previous interim balance-sheet date (September 30, 2018)		
Bankrupt and quasi-bankrupt assets	破産更生債権及びこれらに準ずる債権	7,285	(799)	71	8,085	7,214
Doubtful assets	危険債権	5,317	825	(497)	4,492	5,815
Substandard loans	要管理債権	7,225	(99)	(1,867)	7,325	9,092
Total (A)	合計	19,829	(73)	(2,292)	19,902	22,122
Normal assets	正常債権	1,601,247	(8,923)	40,929	1,610,170	1,560,318
Total credit balance (B)	総与信残高	1,621,076	(8,997)	38,636	1,630,073	1,582,440
As a percentage of total credit balance (A)/(B)	総与信残高に占める割合	1.22	0.00	(0.17)	1.22	1.39
Partial charge-offs	部分直接償却額	8,781	343	642	8,438	8,138

(Note) Including trust accounts.

#### 5. Coverage of assets subject to mandatory disclosure under the Financial Reconstruction Law

##### Non-consolidated

(¥ million)

	(Japanese)	As of September 30, 2019			As of March 31, 2019	As of September 30, 2018
			Comparison with the previous balance-sheet date (March 31, 2019)	Comparison with the previous interim balance-sheet date (September 30, 2018)		
Coverage (C)	保全額	16,491	(190)	(2,027)	16,681	18,518
	貸倒引当金	3,785	(241)	(664)	4,027	4,450
	担保・保証等	12,705	50	(1,363)	12,654	14,068

(Note) Including trust accounts.

							(%)
Coverage ratio (C)/(A)	保全率	85.28	(0.73)	(0.47)	86.01	85.76	

**Consolidated**

(¥ million)

	(Japanese)	As of September 30, 2019	Comparison with the previous balance-sheet date (March 31, 2019)	Comparison with the previous interim balance-sheet date (September 30, 2018)	As of March 31, 2019	As of September 30, 2018
Coverage (C)	保 全 額	16,978	(206)	(2,062)	17,185	19,040
Allowance for loan losses	貸 倒 引 当 金	3,870	(263)	(689)	4,134	4,560
Collateral and guaranteed	担 保 ・ 保 証 等	13,107	57	(1,372)	13,050	14,479

(Note) Including trust accounts.

							(%)
Coverage ratio (C)/(A)	保 全 率	85.62	(0.72)	(0.44)	86.34	86.07	

**6. Allowance ratio and coverage ratio of assets subject to mandatory disclosure under the Financial Reconstruction Law by asset category and borrower category**

 Allowance ratios and coverage ratios of assets subject to mandatory disclosure under the Financial Reconstruction Law  
**(non-consolidated)**

(¥ million, %)

	(Japanese)	As of September 30, 2019			
		Bankrupt and quasi-bankrupt assets	Doubtful assets	Substandard loans	Total
Total credit balance (A)	総 与 信 額	6,803	5,307	7,225	19,336
Covered portion (B)	担 保 等 の 保 全 額	5,097	3,286	4,320	12,705
Uncovered portion (C)=(A)-(B)	未 保 全 額	1,705	2,020	2,904	6,631
Allowance for loan losses (D)	引 当 額	1,705	1,061	1,018	3,785
Allowance ratio (D)/(C)	引 当 率	100.00	52.52	35.07	57.09
Coverage ratio [(B)+(D)]/(A)	保 全 率	100.00	81.92	73.89	85.28

(Note) Including trust accounts.

**Allowance ratio and coverage ratio of assets by borrower category (non-consolidated)**

(¥ million, %)

	(Japanese)	As of September 30, 2019			
		Bankrupt assets	Effectively bankrupt assets	Potentially bankrupt assets	Total
Total credit balance (A)	総 与 信 額	1,020	5,782	5,307	12,110
Covered portion (B)	担 保 等 の 保 全 額	918	4,179	3,286	8,384
Uncovered portion (C)=(A)-(B)	未 保 全 額	102	1,603	2,020	3,726
Allowance for loan losses (D)	引 当 額	102	1,603	1,061	2,767
Allowance ratio (D)/(C)	引 当 率	100.00	100.00	52.52	74.25
Coverage ratio [(B)+(D)]/(A)	保 全 率	100.00	100.00	81.92	92.07

(Note) Including trust accounts.



Allowance ratios and coverage ratios of assets subject to mandatory disclosure under the Financial Reconstruction Law (**consolidated**)  
(¥ million, %)

	(Japanese)	As of September 30, 2019			
		Bankrupt and quasi-bankrupt assets	Doubtful assets	Substandard loans	Total
Total credit balance (A)	総 与 信 額	7,285	5,317	7,225	19,829
Covered portion (B)	担 保 等 の 保 全 額	5,499	3,286	4,320	13,107
Uncovered portion (C)=(A)-(B)	未 保 全 額	1,785	2,031	2,904	6,721
Allowance for loan losses (D)	引 当 額	1,785	1,066	1,018	3,870
Allowance ratio (D)/(C)	引 当 率	100.00	52.49	35.07	57.58
Coverage ratio [(B)+(D)]/(A)	保 全 率	100.00	81.85	73.89	85.62

(Note) Including trust accounts.

Allowance ratio and coverage ratio of assets by borrower category (**consolidated**)  
(¥ million, %)

	(Japanese)	As of September 30, 2019			
		Bankrupt assets	Effectively bankrupt assets	Potentially bankrupt assets	Total
Total credit balance (A)	総 与 信 額	1,029	6,256	5,317	12,603
Covered portion (B)	担 保 等 の 保 全 額	924	4,575	3,286	8,786
Uncovered portion (C)=(A)-(B)	未 保 全 額	105	1,680	2,031	3,817
Allowance for loan losses (D)	引 当 額	105	1,680	1,066	2,852
Allowance ratio (D)/(C)	引 当 率	100.00	100.00	52.49	74.71
Coverage ratio [(B)+(D)]/(A)	保 全 率	100.00	100.00	81.85	92.34

(Note) Including trust accounts.

**7. Asset self-assessment and classification of assets (non-consolidated)**

(¥ million, %)

	(Japanese)	As of September 30, 2019		As of March 31, 2019		As of September 30, 2018	
		Amounts	As a percentage of total credit (%)	Amount	As a percentage of total credit (%)	Amount	As a percentage of total credit (%)
Total credit balance	総 与 信 残 高	1,633,122	100.00	1,641,725	100.00	1,594,098	100.00
Classification I	非 分 類 額	1,481,586	90.72	1,509,110	91.92	1,471,738	92.32
Total classified amount	分 類 額 合 計	151,535	9.27	132,615	8.07	122,359	7.67
Classification II	Ⅱ 分 類	150,690	9.22	132,029	8.04	121,362	7.61
Classification III	Ⅲ 分 類	844	0.05	585	0.03	997	0.06
Classification IV	Ⅳ 分 類	-	-	-	-	-	-

(Notes)

- Total credit balance: total balance of securities loaned, loans and bills discounted, foreign exchanges, accrued interest, suspense payments and customers' liabilities for acceptances and guarantees. The provision of specific allowance for loan losses is deducted from figures of each classification.
- Classification I: Assets not classified under Classifications II, III, or IV assets, with no risks of noncollectivity or impairment of asset value  
 Classification II: Assets perceived to have an above-average risk of noncollectivity  
 Classification III: Assets for which final collection or asset value is very doubtful and which pose a high risk of incurring loss for which reasonable estimation is difficult  
 Classification IV: Assets assessed as uncollectible or worthless

Self-assessment borrower categories 自己査定区分	Standards for write-offs and reserves 償却・引当基準
Bankrupt assets 破綻先債権	Provision of specific allowance for possible loan losses in a full amount of the portion not covered by collateral and guarantees, or direct charge-offs 担保・保証等で保全されていない債権額の100%を個別貸倒引当金として計上するか、又は直接償却する。
Effectively bankrupt assets 実質破綻先債権	
Potentially bankrupt assets 破綻懸念先債権	Provision of specific allowance for possible loan losses in an amount of estimated losses calculated by multiplying the estimated loss rate based on the historical default rate 貸倒実績率に基づく予想損失率を乗じて算定した予想損失額に相当する額を個別貸倒引当金として計上する。
Assets requiring monitoring 要管理先債権	Provision of general allowance for possible loan losses in an amount of estimated losses calculated by multiplying the estimated loss rate for three years based on the historical default rate to the asset balance 対象債権残高に対し、貸倒実績率に基づく今後3年間の予想損失率を乗じて算定した予想損失額を一般貸倒引当金として計上する。
Other assets requiring caution その他要注意先債権	Provision of general allowance for possible loan losses in an amount of estimated losses calculated by multiplying the estimated loss rate for one year based on the historical default rate to the asset balance 対象債権残高に対し、貸倒実績率に基づく今後1年間の予想損失率を乗じて算定した予想損失額を一般貸倒引当金として計上する。
Normal assets 正常先債権	

However, the following standards for write-offs and reserves have been adopted for the DCFs and DDSs.

DCF DCF先	Provision of general allowances for possible loan losses in an amount of asset balance after deduction of discounted present value of future cash flows 対象先の将来キャッシュ・フローの割引現在価値を見積り、当該額を対象債権残高から控除した金額を一般貸倒引当金として計上する。
DDS DDS先	Estimated loan losses on total monetary claims in an amount calculated by using the estimated loss rate without regard to preference or subordination, or in an amount equivalent to acquisition cost or write-off cost estimating that the collectible amount of subordinated loans is zero 当該債務者に対する金銭債権全体について、優先・劣後の関係を考慮せずに予想損失率を用いて計上する。又は、資本的劣後ローンの回収可能見込額をゼロと算定し、取得原価又は償却原価と同額を貸倒見込額として計上する。

8. Asset self-assessment and mandatory disclosure of assets under the Financial Reconstruction Law (non-consolidated)

(¥ million)

Asset self-assessment (by assets category) 自己査定結果 (債務者区分) Scope: Total credits 対象: 総与信					Assets subject to mandatory disclosure under the Financial Reconstruction Law 金融再生法 開示債権 Scope: Total credits 対象: 総与信	Risk-monitored loans リスク 管理債権 Scope: Loans and bills discounted 対象: 貸出金	Allowance 引当金	Coverage ratio (Allowance ratio) 保全率 (引当率)
Assets category (after charge-offs) 債務者区分 (償却後)	Classification 分類							
	I 非分類	II II分類	III III分類	IV IV分類				
Bankrupt assets 破綻先 1,020	Portion of claims secured by reserves, collateral or guarantees 引当・担保・保証等による保全部分 110      910		Fully reserved 全額引当	Direct charge-offs 償却引当	Bankrupt and quasi-bankrupt assets 破産更生債権及びこれらに準ずる債権 6,803	Bankrupt loans 破綻先債権 1,011	102	100.00%
Effectively bankrupt assets 実質破綻先 5,782	Portion of claims secured by reserves, collateral or guarantees 引当・担保・保証等による保全部分 2,144      3,638						Coverage ratio: 保全率: 100.00%	
Potentially bankrupt assets 破綻懸念先 5,307	Portion of claims secured by reserves, collateral or guarantees 引当・担保・保証等による保全部分 2,256      2,206		Necessary amount reserved 必要額を引当 844		Doubtful assets 危険債権 5,307 Coverage ratio: 保全率: 81.92%	Delinquent loans 延滞債権 11,076	1,061	81.92% (52.52%)
Assets requiring monitoring 要管理先 8,886	Collateral: 担保: 5,428 Non-Covered: 信用: 3,457 1,862      7,024		Provision of reserves in an estimated loss amount for three years based on historical default rates. Fully reserved for loans converted to subordinated debt (DDS). 貸倒実績率に基づく3年間の予想損失額を引当。資本的劣後ローン (DDS) は全額引当。		Substandard loans 要管理債権 7,225 Coverage ratio: 保全率: 73.89%	Past due loans (3 months or more) 3ヶ月以上延滞債権 468	1,106	73.53% (31.99%)
	Other assets requiring caution 要管理先以外の要注意先 159,909	22,998      136,911			Subtotal 小計 19,336 Overall coverage 全体の保全率 85.28%	Restructured loans 貸出条件緩和債権 6,757 Total 合計 19,313		
Normal assets 正常先 1,452,215	1,452,215		Provision of reserves in an estimated loss amount for one year based on historical default rates. 貸倒実績率に基づく1年間の予想損失額を引当。		Normal assets 正常債権 1,613,785		2,742	
<b>Total 合計 1,633,122</b>	<b>1,481,586</b>	<b>150,690</b>	<b>844</b>	<b>-</b>	<b>1,633,122</b>	<b>1,623,760</b>	<b>6,990</b>	<b>84.23% (53.91%)</b>

(Note) Including trust accounts.

## 9. Loans and bills discounted by industrial segment (non-consolidated)

### (1) Loans made by industrial segment (non-consolidated)

(¥ million)

	(Japanese)	As of September 30, 2019			As of March 31, 2019	As of September 30, 2018
			Comparison with the previous balance-sheet date (March 31, 2019)	Comparison with the previous interim balance-sheet date (September 30, 2018)		
Domestic branches (excl. the special account for international financial transactions)	国内店分(除く特別国際金融取引勘定)	1,623,760	(7,975)	40,561	1,631,735	1,583,199
Manufacturing	製造業	34,999	148	369	34,851	34,630
Agriculture and forestry	農業, 林業	2,413	100	353	2,312	2,059
Fishery	漁業	563	51	80	512	482
Mining and quarrying of stone and gravel	鉱業, 採石業, 砂利採取業	2,201	(1,292)	(1,048)	3,493	3,249
Construction	建設業	48,473	(2,955)	860	51,428	47,612
Electricity, gas, heat and water supply	電気・ガス・熱供給・水道業	12,705	2,430	6,011	10,274	6,693
Telecommunications	情報通信業	10,952	(285)	774	11,238	10,178
Transport and postal activities	運輸業, 郵便業	10,335	(2,218)	(3,105)	12,554	13,441
Wholesaling and retailing	卸売業, 小売業	97,283	(2,494)	(1,613)	99,777	98,896
Finance and insurance	金融業, 保険業	19,260	(1,575)	(2,663)	20,835	21,923
Real estate, and goods rental and leasing	不動産業, 物品賃貸業	513,815	11,129	31,234	502,686	482,581
Miscellaneous services	各種サービス業	178,328	(4,192)	(1,701)	182,520	180,029
Local government bodies	地方公共団体	118,383	(10,259)	1,912	128,642	116,470
Others	その他	574,045	3,437	9,096	570,607	564,948

(Note) Including trust accounts.

### (2) Risk-monitored loans by industrial segment (non-consolidated)

(¥ million)

	(Japanese)	As of September 30, 2019			As of March 31, 2019	As of September 30, 2018
			Comparison with the previous balance-sheet date (March 31, 2019)	Comparison with the previous interim balance-sheet date (September 30, 2018)		
Domestic branches (excl. the special account for international financial transactions)	国内店分(除く特別国際金融取引勘定)	19,313	(63)	(2,241)	19,376	21,554
Manufacturing	製造業	1,953	(65)	91	2,018	1,862
Agriculture and forestry	農業, 林業	41	27	27	13	13
Fishery	漁業	424	(4)	(9)	428	433
Mining and quarrying of stone and gravel	鉱業, 採石業, 砂利採取業	11	(6)	(12)	17	24
Construction	建設業	1,084	524	618	560	466
Electricity, gas, heat and water supply	電気・ガス・熱供給・水道業	44	13	21	30	22
Telecommunications	情報通信業	113	(64)	(23)	178	137
Transport and postal activities	運輸業, 郵便業	72	3	3	69	69
Wholesaling and retailing	卸売業, 小売業	1,744	(55)	(823)	1,799	2,567
Finance and insurance	金融業, 保険業	1	1	1	-	-
Real estate, and goods rental and leasing	不動産業, 物品賃貸業	3,030	476	(913)	2,554	3,943
Miscellaneous services	各種サービス業	5,749	(845)	(760)	6,595	6,510
Local government bodies	地方公共団体	-	-	-	-	-
Others	その他	5,040	(68)	(462)	5,109	5,503

(Note) Including trust accounts.

## (3) Loan and bad debt balances – wholesaling &amp; retailing, construction, real estate, finance (excluding banking)

(¥ million)

			Risk-monitored loans (Banking Law)				
			Total loans	Past due loans (3 months or more)	Restructured loans	Delinquent loans	Bankrupt loans
Wholesaling/ retailing	卸売・小売業	September 30, 2018	98,896	-	1,255	1,309	3
		March 31, 2019	99,777	4	689	1,105	1
		September 30, 2019	97,283	20	758	964	1
Construction	建設業	September 30, 2018	47,612	-	82	379	3
		March 31, 2019	51,428	4	79	472	3
		September 30, 2019	48,473	2	69	1,009	3
Real estate	不動産業	September 30, 2018	458,500	1	2,656	1,182	86
		March 31, 2019	478,075	93	873	1,156	417
		September 30, 2019	488,449	-	739	2,120	114
Finance (excl. banking)	その他金融	September 30, 2018	11,929	-	-	-	-
		March 31, 2019	12,118	-	-	-	-
		September 30, 2019	11,084	-	-	-	-

(Note) Including trust accounts.

(¥ million)

			Mandatory disclosure under the Financial Reconstruction Law			
			Total credit balance	Substandard loans	Doubtful assets	Bankrupt and quasi-bankrupt assets
Wholesaling/ retailing	卸売・小売業	September 30, 2018	102,536	1,255	861	451
		March 31, 2019	103,319	693	757	351
		September 30, 2019	101,013	779	541	425
Construction	建設業	September 30, 2018	50,254	82	293	90
		March 31, 2019	53,481	83	425	58
		September 30, 2019	49,782	72	932	79
Real estate	不動産業	September 30, 2018	459,503	2,658	783	516
		March 31, 2019	479,048	966	631	943
		September 30, 2019	490,325	739	1,515	729
Finance (excl. banking)	その他金融	September 30, 2018	11,938	-	-	-
		March 31, 2019	12,123	-	-	-
		September 30, 2019	11,088	-	-	-

(Note) Including trust accounts.

## (4) Consumer loan balance (non-consolidated)

(¥ million)

	(Japanese)	As of September 30, 2019	Comparison with the previous balance-sheet date (March 31, 2019)		As of March 31, 2019	As of September 30, 2018
			Comparison with the previous interim balance-sheet date (September 30, 2018)			
Loans to consumers	生活密着型ローン 残 高	687,093 [687,456]	8,197 [8,181]	18,976 [18,936]	678,896 [679,274]	668,117 [668,519]
Housing loans (incl. mortgage loans)	うち住宅ローン 残 高	612,104 [612,253]	8,670 [8,657]	18,032 [18,005]	603,434 [603,595]	594,071 [594,247]
Other than housing loans	うちその他ローン 残 高	74,989 [75,203]	(472) [(475)]	944 [930]	75,462 [75,678]	74,045 [74,272]

(Note) Amounts posted under trust accounts are included in the figures recorded on the lower rows.

## (5) Loans to SMEs and ratio of loans to SMEs to total loans (non-consolidated)

(¥ million, %)

	(Japanese)	As of September 30, 2019	Comparison with the previous balance-sheet date (March 31, 2019)		As of March 31, 2019	As of September 30, 2018
			Comparison with the previous interim balance-sheet date (September 30, 2018)			
Loans to SMEs	中小企業等貸出残高	1,443,964 [1,445,144]	7,687 [7,582]	44,714 [44,488]	1,436,277 [1,437,562]	1,399,249 [1,400,656]
As a percentage of total loans	中小企業等貸出比率	88.99 [88.99]	0.90 [0.89]	0.54 [0.53]	88.09 [88.10]	88.45 [88.46]

(Note) Amounts posted under trust accounts are included in the figures recorded on the lower rows.

## 10. Loans guaranteed by credit guarantee associations (non-consolidated)

(¥ million)

	(Japanese)	As of September 30, 2019	As of March 31, 2019	As of September 30, 2018
Loans guaranteed by credit guarantee associations	信用保証協会保証付の 融 資 残 高	51,037	53,385	52,890
Special credit lines	うち特別保証枠分	1	2	2

## 11. Loan balance to affiliate non-bank financial institutions (non-consolidated)

(¥ million)

As of September 30, 2019	As of March 31, 2019	As of September 30, 2018
13,986	13,858	14,089

## 12. Deposits and loan balances (non-consolidated)

(¥ million)

		As of September 30, 2019	Comparison with the previous balance-sheet date (March 31, 2019)		As of March 31, 2019	As of September 30, 2018	
			Comparison with the previous interim balance-sheet date (September 30, 2018)				
Deposits	預 金	(term-end balance)	2,076,108 [2,097,696]	62,521 [60,617]	52,443 [48,623]	2,013,587 [2,037,078]	2,023,665 [2,049,072]
		(average balance)	2,052,766 [2,075,097]	59,129 [55,999]	59,150 [54,916]	1,993,637 [2,019,098]	1,993,616 [2,020,181]
Loans	貸 出 金	(term-end balance)	1,622,580 [1,623,760]	(7,870) [(7,975)]	40,787 [40,561]	1,630,450 [1,631,735]	1,581,792 [1,583,199]
		(average balance)	1,607,530 [1,608,757]	43,156 [42,964]	61,293 [61,027]	1,564,373 [1,565,793]	1,546,237 [1,547,730]

(Note) Amounts posted under trust accounts are included in the figures recorded on the lower rows.

### 13. Deposit made by individuals and corporations by deposit category (average balance; non-consolidated)

(¥ million)

	(Japanese)	As of September 30, 2019			As of March 31, 2019	As of September 30, 2018	
			Comparison with the previous balance-sheet date (March 31, 2019)	Comparison with the previous interim balance-sheet date (September 30, 2018)			
Individuals	個人預金	1,296,695	43,407	56,156	1,253,288	1,240,539	
	Liquid deposits	流動性預金	831,997	50,786	67,121	781,211	764,876
	Time deposits	定期性預金	464,697	(7,379)	(10,965)	472,077	475,662
Corporations	法人預金	623,274	16,064	12,291	607,210	610,983	
	Liquid deposits	流動性預金	434,334	25,307	25,534	409,026	408,799
	Time deposits	定期性預金	188,940	(9,243)	(13,243)	198,183	202,183

(Notes) 1. Including trust accounts.

2. Deposits from corporations exclude deposits made by local governments and other public bodies and financial institutions.

## IV. Performance Forecasts

### 1. Full-year performance forecasts for the year ending March 31, 2020 (non-consolidated)

(¥ million)

	(Japanese)	Year ending March 31, 2020 forecasts	1H ended September 30, 2019 results	Year ended March 31, 2019 results	
Ordinary income	経 常 収 益	35,100	18,065	39,031	
Ordinary profit	経 常 利 益	6,500	2,912	9,575	
Net income	当 期 ( 中 間 ) 純 利 益	4,600	2,036	6,824	
Net business profit	業 務 純 益	7,200	3,130	7,444	
Net business profit (prior to provision of general allowance)	業 務 純 益 ( 一 般 貸 倒 繰 入 前 )	7,300	3,759	7,444	
	Excl. gains (losses) on bond transactions	除 く 国 債 等 債 券 関 係 損 益	7,000	3,631	8,257
Bad debt disposal	不 良 債 権 処 理 額	910	416	992	

(Note) Including bad debt disposal posted under trust accounts.

### Net business profit (non-consolidated)

(¥ million)

	Prior to provision of general allowance		After making provision of general allowance	Net business profit posted under trust account (prior to write-off)		
				信託勘定償却前業務純益		
		Excluding gains (losses) on bond trading		Prior to provision of general allowance		After making provision of general allowance
				Excluding gains (losses) on bond trading		
	一般貸引繰入前	除く債券損益	一般貸引繰入後	一般貸引繰入前	除く債券損益	一般貸引繰入後
1H ended September 30, 2018	3,114	3,988	2,924	3,114	3,988	2,924
Year ended March 31, 2019	7,444	8,257	7,444	7,444	8,257	7,444
1H ended September 30, 2019	3,759	3,631	3,130	3,759	3,631	3,130
Year ending March 31, 2020 forecasts	7,300	7,000	7,200	7,300	7,000	7,200

### 2. Employees and branches (non-consolidated)

#### (1) Employees

	(Japanese)	As of September 30, 2019	Comparison with the previous balance-sheet date (March 31, 2019)	Comparison with the previous interim balance-sheet date (September 30, 2018)	As of March 31, 2019	As of September 30, 2018
Regular employees	在 籍 行 員 数	1,171	56	16	1,115	1,155

#### (2) Branches

	(Japanese)	As of September 30, 2019	Comparison with the previous balance-sheet date (March 31, 2019)	Comparison with the previous interim balance-sheet date (September 30, 2018)	As of March 31, 2019	As of September 30, 2018
Number of branches	店 舗 数	65 (4)	0 (0)	0 (0)	65 (4)	65 (4)

(Note) Branches include sub-branches. Figures in parenthesis are the number of sub-branches.



### 3. Shareholdings (non-consolidated)

#### (1) Value of shares held by the Bank

(¥ million)

	Acquisition cost	Fair market value
	取得原価ベース	時価ベース
As of September 30, 2018	20,563	30,845
As of March 31, 2019	17,126	24,207
As of September 30, 2019	16,092	23,012

#### (2) Impairment accounting

(¥ million)

	Net gains (losses) on equity securities	Impairment loss
	株式等関係損益	うち減損処理額
1H ended September 30, 2018	1,177	-
Year ended March 31, 2019	1,901	-
1H ended September 30, 2019	(230)	(28)

### 4. Bad debt (non-consolidated)

#### (1) Credit cost

(¥ million)

	1) Net provision (reversal) of general allowance	2) Bad debt disposal (bank account)	3) Bad debt disposal (trust account)	Total credit cost 1) + 2) + 3)
	一般貸倒引当金 純繰入額	不良債権処理額 (銀行勘定)	不良債権処理額 (信託勘定)	総与信費用
1H ended September 30, 2018	189	526	-	716
Year ended March 31, 2019	(675)	992	-	317
1H ended September 30, 2019	628	416	-	1,045
Year ending March 31, 2020 forecasts	73	910	-	983

(Note) 2) = specific allowance for loan losses + written-off of loans + losses on sale of credit

#### (2) Bad debt balance

(¥ million)

	Asset self-assessment				
	自己査定				
	Bankrupt assets	Potentially bankrupt assets	Potentially bankrupt assets or below	Assets requiring caution	Total
	1)	2)	1) + 2)	3)	1) + 2) + 3)
	破綻・実質破綻先	破綻懸念先	破綻懸念先以下	要注意先	計
As of September 30, 2018	6,698	5,801	12,500	138,356	150,856
As of March 31, 2019	7,586	4,481	12,068	149,681	161,750
As of September 30, 2019	6,803	5,307	12,110	168,795	180,906

	Under the Financial Reconstruction Law	
	金融再生法基準	
	Substandard loans	Total
	4)	1) + 2) + 4)
	要管理債権	計
As of September 30, 2018	9,092	21,593
As of March 31, 2019	7,325	19,393
As of September 30, 2019	7,225	19,336

(Note) Including trust accounts.

## (3) Bad debt final disposal and new occurrence

## a. Bad debt balance (under the Financial Reconstruction Law)

(¥ million)

	Bankrupt and quasi-bankrupt assets	Doubtful assets	Total
	破産更生債権	危険債権	合計
As of September 30, 2018	6,698	5,801	12,500
As of March 31, 2019	7,586	4,481	12,068
As of September 30, 2019	6,803	5,307	12,110
New occurrence during 1H FY19	628	2,365	2,993
Removed from balance sheet during 1H FY19	1,717	1,233	2,950
Net increase (decrease) during 1H FY19	(783)	825	42

(Note) Including trust accounts.

## b. Removal from balance sheet by type of disposal measure

(¥ million)

	(Japanese)	1H FY19 results	FY18 results	1H FY18 results
Liquidation and similar measures	清算型処理	-	-	-
Corporate rehabilitation	再建型処理	-	-	-
Improved performance by corporate rehabilitation	再建型処理に伴う業況改善	-	-	-
Securitization	債権流動化	-	-	-
Sale to RCC	RCC向け売却	-	-	-
Direct charge-offs	直接償却	714	1,002	706
Other	その他	2,235	2,830	1,789
Collection/repayment	回収・返済	1,913	1,849	1,076
Improved performance	業況改善	322	980	712
Total	合計	2,950	3,832	2,495

## (4) Reserves for possible loan losses by borrower category and reserve ratios

				As of September 30, 2019		As of March 31, 2019		As of September 30, 2018	
Bankrupt and effectively bankrupt assets	実質破綻・破綻先債権	As a percentage of portion not secured by collateral	無担保部分の	100.00 %	¥1.7 billion	100.00 %	¥2.2 billion	100.00 %	¥1.5 billion
Potentially bankrupt assets	破綻懸念先債権	As a percentage of portion not secured by collateral	無担保部分の	52.52 %	¥1.0 billion	55.27 %	¥0.8 billion	55.70 %	¥1.3 billion
Assets requiring monitoring (substandard loans)	要管理先債権	As a percentage of debt amount	債権額の	12.45 %	¥1.1 billion	11.30 %	¥1.0 billion	16.33 %	¥1.6 billion
Assets requiring caution (excl. substandard loans)	その他要注意先債権	As a percentage of debt amount	債権額の	1.71 %	¥2.7 billion	1.38 %	¥1.9 billion	2.01 %	¥2.5 billion
Normal assets	正常先債権	As a percentage of debt amount	債権額の	0.03 %	¥0.3 billion	0.05 %	¥0.6 billion	0.02 %	¥0.1 billion

(Note) The Bank recorded provisions for possible losses on assets requiring caution (excl. substandard loans), assets requiring monitoring (substandard loans) and potentially bankrupt assets in the amount of ¥1.5 billion, ¥0.6 billion and ¥0.0 billion respectively, as of September 30, 2019, with regard to the portion which has been converted to Debt Debt Swap (DDS).

## (5) Bad debt ratios (under the Financial Reconstruction Law)

(%)

	<i>(Japanese)</i>	1HFY17	FY17	1HFY18	FY18	1HFY19	FY19 (forecasts)
Non-consolidated	単体ベース	1.41	1.37	1.35	1.18	1.18	1% to 1.99%
Consolidated	連結ベース	1.46	1.41	1.39	1.22	1.22	1% to 1.99%