

Financial Statements

The Consolidated Financial Statements included in this report were prepared based on the Consolidated Financial Statements audited by Deloitte Touche Tohmatsu LLC pursuant to the provisions of Article 396, Paragraph 1 of the Companies Act and Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act.

Non-Consolidated Balance Sheet (Assets)

	Millions of Japanese Yen		Thousands of U.S. Dollars
	FY 2022	FY 2023	FY 2023
Cash and due from banks	1,189,707	1,016,791	7,614,701
Cash	39,163	47,914	358,826
Due from banks	1,150,543	968,877	7,255,875
Call loans	1,012	2,270	17,000
Money held in trust	11,000	—	—
Securities	715,797	695,475	5,208,380
Government bonds	76,473	22,881	171,355
Local government bonds	307,591	282,930	2,118,850
Corporate bonds	76,761	75,836	567,932
Stocks	76,181	69,833	522,976
Other securities	178,790	243,994	1,827,260
Loans and bills discounted	2,263,593	2,246,429	16,823,403
Bills discounted	3,592	2,944	22,047
Loans on bills	33,343	33,363	249,854
Loans on deeds	1,982,581	1,954,690	14,638,583
Overdrafts	244,076	255,431	1,912,911
Foreign exchanges	2,416	5,094	38,149
Due from foreign banks (our accounts)	2,366	4,991	37,377
Foreign bills bought	0	—	—
Foreign exchange receivable	49	103	771
Other assets	23,737	24,875	186,288
Prepaid expenses	60	73	547
Accrued revenue	2,568	3,315	24,826
Financial derivatives	57	219	1,640
Other	21,050	21,267	159,268
Property, plant and equip	22,495	22,198	166,240
Buildings	7,542	7,262	54,385
Land	13,327	13,093	98,053
Lease assets	513	404	3,026
Construction in progress	—	149	1,116
Other	1,111	1,288	9,646
Intangible assets	4,346	4,472	33,491
Software	4,281	4,407	33,004
Other	64	64	479
Prepaid pension cost	240	667	4,995
Deferred tax assets	5,433	7,183	53,793
Customers' liabilities for acceptances and guarantees	4,940	4,303	32,225
Allowance for loan losses	(12,271)	(13,141)	(98,412)
Total assets	4,232,450	4,016,621	30,080,289

(Liabilities and Net Assets)

	Millions of Japanese Yen		Thousands of U.S. Dollars
	FY 2022	FY 2023	FY 2023
Liabilities:			
Deposits	2,952,975	3,085,817	23,109,541
Current deposits	63,104	70,331	526,706
Ordinary deposits	2,097,927	2,162,581	16,195,469
Savings deposits	16,048	16,210	121,396
Deposits at notice	141	145	1,086
Time deposits	728,229	747,548	5,598,352
Installment savings	1,125	949	7,107
Other deposits	46,397	88,051	659,410
Negotiable certificates of deposit	45,065	33,674	252,183
Call money	326,871	189,287	1,417,562
Securities sold under repurchase agreements	—	7,127	53,374
Cash collateral received for securities lent	119,274	113,698	851,479
Borrowed money	614,193	407,576	3,052,318
Borrowings from other banks	614,193	407,576	3,052,318
Foreign exchanges	99	132	989
Foreign bills sold	43	16	120
Foreign bills payable	56	116	869
Other liabilities	8,947	11,995	89,830
Domestic exchange settlement account, credit	34	22	165
Income taxes payable	1,721	—	—
Accrued expenses	930	1,518	11,368
Unearned revenue	2,293	2,579	19,314
Reserve for interest on installment savings	1	1	7
Financial derivatives	1,947	2,052	15,367
Lease liabilities	572	453	3,392
Asset retirement obligations	141	162	1,213
Other	1,303	5,205	38,980
Provision for bonuses for directors (and other officers)	35	35	262
Provision for retirement benefits	1,937	1,974	14,783
Provision for reimbursement of deposits	284	237	1,775
Provision for contingent loss	135	135	1,011
Deferred tax liabilities for land revaluation	2,176	2,168	16,236
Acceptances and guarantees	4,940	4,303	32,225
Total liabilities	4,076,936	3,858,163	28,893,604
Net assets:			
Share capital	14,697	14,697	110,065
Capital surplus	8,772	8,771	65,686
Legal capital surplus	8,771	8,771	65,686
Other capital surplus	0	—	—
Retained earnings	127,081	132,818	994,668
Legal retained earnings	6,473	6,473	48,476
Other retained earnings	120,607	126,344	946,184
General reserve	113,001	117,701	881,457
Retained earnings brought forward	7,606	8,643	64,727
Treasury shares	(1,191)	(1,133)	(8,485)
Total shareholders' equity	149,359	155,153	1,161,934
Valuation difference on available-for-sale securities	3,143	1,417	10,612
Deferred gains or losses on hedges	—	(1,109)	(8,305)
Revaluation reserve for land	2,773	2,762	20,684
Total valuation and translation adjustments	5,917	3,070	22,991
Share acquisition rights	236	233	1,745
Total net assets	155,513	158,457	1,186,677
Total liabilities and net assets	4,232,450	4,016,621	30,080,289

Non-Consolidated Statement of Income and Retained Earnings

	Millions of Japanese Yen		Thousands of
	FY 2022	FY 2023	U.S. Dollars FY 2023
Ordinary income	55,724	60,095	450,049
Interest income	37,828	44,679	334,599
Interest on loans and discounts	27,205	27,752	207,833
Interest and dividends on securities	9,670	16,073	120,370
Interest on call loans	1	112	839
Interest on deposits with banks	1	0	0
Other interest income	949	741	5,549
Fees and commissions	9,545	10,128	75,848
Fees and commissions on domestic and foreign exchanges	1,952	1,863	13,952
Other fees and commissions	7,593	8,265	61,896
Other ordinary income	421	1,364	10,215
Gain on foreign exchange transactions	211	—	—
Net gain on trading securities transactions	0	1	7
Gain on sale of bonds	210	1,209	9,054
Gain on financial derivatives	—	153	1,146
Other income	7,928	3,922	29,372
Recoveries of written off receivables	58	98	734
Gain on sale of equity securities	6,819	2,740	20,520
Other	1,049	1,083	8,111
Ordinary expenses	45,164	49,006	367,004
Interest expenses	589	3,087	23,118
Interest on deposits	109	117	876
Interest on negotiable certificates of deposit	1	2	15
Interest on call money	1	552	4,134
Interest expenses on securities sold under repurchase agreements	—	15	112
Interest expenses on cash collateral received for securities lent	140	2,124	15,907
Interest on borrowings and rediscounts	4	0	0
Interest expenses on interest rate swaps	299	248	1,857
Other interest expenses	31	27	202
Fees and commissions payments	5,270	5,441	40,747
Fees and commissions on domestic and foreign exchanges	305	215	1,610
Other fees and commissions	4,965	5,225	39,130
Other ordinary expenses	4,226	9,539	71,437
Loss on foreign exchange transactions	—	950	7,115
Loss on sale of bonds	1,380	8,421	63,064
Loss on redemption of bonds	2,793	167	1,251
Loss on devaluation of bonds	18	—	—
Loss on financial derivatives	35	—	—
General and administrative expenses	24,947	24,276	181,802
Other expenses	10,129	6,660	49,876
Provision of allowance for loan losses	4,400	2,679	20,063
Written-off of loans	409	177	1,326
Loss on sale of equity securities	4,633	2,349	17,592
Loss on devaluation of equity securities	240	1,135	8,500
Loss on money held in trust	230	235	1,760
Other	214	83	622
Ordinary profit	10,559	11,089	83,045
Extraordinary income	11	1	7
Gain on disposal of non-current assets	11	1	7
Extraordinary losses	72	50	374
Loss on disposal of non-current assets	52	23	172
Impairment losses	20	27	202
Profit before income taxes	10,499	11,040	82,678
Income taxes - current	4,224	3,586	26,855
Income taxes - deferred	(365)	(184)	(1,378)
Total income taxes	3,859	3,402	25,477
Profit	6,639	7,637	57,193