

Quarterly Financial Highlights
For the Nine Months Ended December 31, 2019



SAN-IN GODO BANK

Table of Contents

| | |
|--|---|
| Consolidated Balance Sheets..... | 1 |
| Consolidated Statements of Income..... | 2 |
| Consolidated Statements of Comprehensive Income..... | 2 |
| Financial Data (consolidated)..... | 3 |
| Securities (consolidated)..... | 4 |
| Soundness of Assets (non-consolidated)..... | 5 |

(Note)

Information presented herein has been extracted from the original material, solely for the convenience of the readers outside Japan.

The amounts, ratios or any other information presented herein have not been audited.

The San-in Godo Bank, Ltd. and Consolidated Subsidiaries

Consolidated Balance Sheets

(Millions of yen)

| | As of March 31, 2019 | As of December 31, 2019 |
|--|-------------------------|----------------------------|
| Assets: | | |
| Cash and due from banks | 769,410 | 1,039,904 |
| Call loans and bills purchased | 332 | - |
| Debt purchased | 10,801 | 12,749 |
| Trading securities | 57 | 50 |
| Money held in trust | 4,000 | 4,973 |
| Securities | 1,599,306 | 1,616,332 |
| Loans and bills discounted | 3,090,046 | 3,209,671 |
| Foreign exchange | 5,957 | 4,697 |
| Lease receivables and investment assets | 28,997 | 30,641 |
| Other assets | 69,972 | 71,235 |
| Tangible fixed assets | 36,245 | 35,564 |
| Intangible fixed assets | 5,327 | 6,039 |
| Net defined benefit assets | - | 403 |
| Deferred tax assets | 262 | 180 |
| Customers' liabilities for acceptances and guarantees | 16,441 | 14,867 |
| Reserve for possible loan losses | (37,517) | (39,363) |
| Reserve for devaluation of securities | (46) | (44) |
| Total assets | 5,599,597 | 6,007,903 |
| Liabilities: | | |
| Deposits | 3,818,934 | 3,886,418 |
| Negotiable certificates of deposit | 321,370 | 182,490 |
| Call money and bills sold | 75,973 | 618,424 |
| Cash collateral received under securities lending | 468,440 | 419,458 |
| Borrowed money | 447,367 | 449,148 |
| Foreign exchange | 7 | 13 |
| Other liabilities | 56,969 | 35,334 |
| Reserve for employees' bonuses | 1,008 | - |
| Net defined benefit liabilities | 11,258 | 10,419 |
| Reserve for stocks payment | 315 | 369 |
| Reserve for directors' and corporate auditors' retirement benefits | 88 | 75 |
| Reserve for reimbursement of deposits | 414 | 371 |
| Reserve for contingencies | 969 | 950 |
| Reserve under special laws | 0 | 0 |
| Deferred tax liabilities | 5,244 | 6,597 |
| Deferred tax liabilities for land revaluation excess | 2,293 | 2,258 |
| Acceptances and guarantees | 16,441 | 14,867 |
| Total liabilities | 5,227,098 | 5,627,196 |
| Net assets: | | |
| Common stock | 20,705 | 20,705 |
| Capital surplus | 21,381 | 21,385 |
| Retained earnings | 276,800 | 281,504 |
| Treasury stock | (724) | (680) |
| Total shareholders' equity | 318,162 | 322,914 |
| Net unrealized gain on other securities | 54,697 | 57,764 |
| Net deferred gain/(loss) on hedging instruments | (8) | (0) |
| Land revaluation excess | 2,820 | 2,738 |
| Valuation adjustment of defined benefit plans | (4,792) | (4,326) |
| Total accumulated other comprehensive income | 52,716 | 56,175 |
| Subscription rights to share | 292 | 281 |
| Non-controlling interests | 1,326 | 1,334 |
| Total net assets | 372,498 | 380,706 |
| Total liabilities and net assets | 5,599,597 | 6,007,903 |

The San-in Godo Bank, Ltd. and Consolidated Subsidiaries

Consolidated Statements of Income

(Millions of yen)

| | For the nine months ended December 31, 2018 | For the nine months ended December 31, 2019 |
|--|---|---|
| Ordinary income: | 73,662 | 65,789 |
| Interest income | 46,952 | 42,107 |
| <i>Interest on loans and bills discounted</i> | 24,570 | 24,883 |
| <i>Interest and dividends on securities</i> | 17,575 | 15,332 |
| Fees and commissions | 8,564 | 8,120 |
| Other operating income | 13,109 | 13,077 |
| Other income | 5,036 | 2,483 |
| Ordinary expenses: | 60,213 | 52,576 |
| Interest expenses | 7,505 | 3,284 |
| <i>Interest on deposits</i> | 4,312 | 1,106 |
| Fees and commissions | 3,095 | 3,143 |
| Other operating expenses | 15,392 | 11,607 |
| General and administrative expenses | 30,688 | 30,441 |
| Other expenses | 3,530 | 4,099 |
| Ordinary profit | 13,448 | 13,213 |
| Extraordinary gains | 89 | 0 |
| Extraordinary losses | 200 | 452 |
| Income before income taxes | 13,336 | 12,761 |
| Income taxes : | 4,009 | 4,050 |
| current | 4,355 | 4,249 |
| deferred | (345) | (199) |
| Net income : | 9,326 | 8,710 |
| attributable to non-controlling interests | 58 | 17 |
| attributable to owners of the Bank | 9,268 | 8,692 |

Consolidated Statements of Comprehensive Income

(Millions of yen)

| | For the nine months ended December 31, 2018 | For the nine months ended December 31, 2019 |
|--|---|---|
| Net income | 9,326 | 8,710 |
| Other comprehensive income : | (10,793) | 3,532 |
| Net unrealized gain on other securities | (11,450) | 3,058 |
| Net deferred gain/(loss) on hedging instruments | (40) | 8 |
| Valuation adjustment of defined benefit plans | 697 | 465 |
| Comprehensive income : | (1,467) | 12,242 |
| attributable to owners of the Bank | (1,452) | 12,233 |
| attributable to non-controlling interests | (14) | 8 |

Financial Data (consolidated)

Highlights (Millions of yen)

| | For the nine months ended December 31, 2018 (B) | For the nine months ended December 31, 2019 (A) | (A)-(B) |
|---|---|---|---------|
| Ordinary profit | 13,448 | 13,213 | (235) |
| Net income attributable to owners of the Bank | 9,268 | 8,692 | (576) |
| Earnings per share - basic (Yen) | ¥59.36 | ¥55.70 | (¥3.66) |
| Earnings per share - diluted (Yen) | ¥59.20 | ¥55.56 | (¥3.64) |

(%)

| | As of March 31, 2019 (B) | As of December 31, 2019 (A) | (A)-(B) |
|--|--------------------------|-----------------------------|---------|
| Net assets (except for subscription rights to share and non-controlling interests) ratio | 6.6 | 6.3 | (0.3) |

Projections for the year ending March 31, 2020 (Millions of yen)

| | For the nine months ended December 31, 2019 | For the year ending March 31, 2020 |
|---|---|------------------------------------|
| Ordinary income | 65,789 | 88,500 |
| Ordinary profit | 13,213 | 18,200 |
| Net income attributable to owners of the Bank | 8,692 | 12,100 |
| Earnings per share - basic (Yen) | ¥55.70 | ¥77.53 |

Securities (consolidated)

Holding gains and losses of other securities (consolidated) (100 Millions of yen)

| | As of December 31, 2018 | | | |
|------------------|-------------------------|-------------------|-------|--------|
| | Fair value | Net gain / (loss) | | |
| | | | gains | losses |
| Other securities | 15,484 | 602 | 703 | 100 |
| Stocks | 526 | 209 | 228 | 18 |
| Bonds | 9,131 | 376 | 377 | 0 |
| Others | 5,826 | 16 | 97 | 81 |

| | As of December 31, 2019 | | | |
|------------------|-------------------------|-------------------|-------|--------|
| | Fair value | Net gain / (loss) | | |
| | | | gains | losses |
| Other securities | 15,129 | 831 | 871 | 39 |
| Stocks | 612 | 301 | 313 | 12 |
| Bonds | 8,411 | 335 | 336 | 1 |
| Others | 6,105 | 194 | 221 | 26 |

| | As of September 30, 2019 | | | |
|------------------|--------------------------|-------------------|-------|--------|
| | Fair value | Net gain / (loss) | | |
| | | | gains | losses |
| Other securities | 14,689 | 915 | 962 | 47 |
| Stocks | 568 | 251 | 274 | 22 |
| Bonds | 8,535 | 409 | 409 | 0 |
| Others | 5,585 | 254 | 278 | 24 |

Soundness of Assets (non-consolidated)

Disclosed Assets Based on the Financial Reconstruction Act (non-consolidated)

(Millions of yen)

| | As of December 31, 2018 (B) | As of December 31, 2019 (A) | (A)-(B) |
|------------------------------------|--------------------------------|--------------------------------|---------|
| Bankrupt and quasi-bankrupt assets | 14,944 | 17,055 | 2,111 |
| Doubtful assets | 27,602 | 26,386 | (1,216) |
| Substandard loans | 14,922 | 17,527 | 2,605 |
| Subtotal (C) | 57,469 | 60,969 | 3,500 |
| Normal assets | 3,085,656 | 3,274,832 | 189,176 |
| Total (D) | 3,143,126 | 3,335,802 | 192,676 |

| | | | |
|-------------|------|------|------|
| (C)/(D) (%) | 1.82 | 1.82 | 0.00 |
|-------------|------|------|------|

Risk managed loans (non-consolidated)

(Millions of yen)

| | As of December 31, 2018 (B) | As of December 31, 2019 (A) | (A)-(B) |
|---|--------------------------------|--------------------------------|---------|
| Risk managed loans (E) | 57,021 | 60,594 | 3,573 |
| Loans to borrowers under bankruptcy proceedings | 2,338 | 4,052 | 1,714 |
| Non-accrual past due loans | 39,759 | 39,014 | (745) |
| Loans past due for three months or more | 418 | 72 | (346) |
| Loans with altered lending conditions | 14,504 | 17,454 | 2,950 |

| | | | |
|--------------------------------|-----------|-----------|---------|
| Loans and bills discounted (F) | 3,056,642 | 3,236,489 | 179,847 |
|--------------------------------|-----------|-----------|---------|

| | | | |
|---|------|------|------|
| Ratio of risk managed loans (E)/(F) (%) | 1.86 | 1.87 | 0.01 |
|---|------|------|------|