

Quarterly Financial Highlights
For the Three Months Ended June 30, 2019



SAN-IN GODO BANK

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(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 June 30, 2019
Assets:		
Cash and due from banks	769,410	876,422
Call loans and bills purchased	332	269
Debt purchased	10,801	10,539
Trading securities	57	65
Money held in trust	4,000	4,975
Securities	1,599,306	1,522,294
Loans and bills discounted	3,090,046	3,067,872
Foreign exchange	5,957	3,232
Lease receivables and investment assets	28,997	29,070
Other assets	69,972	70,434
Tangible fixed assets	36,245	36,024
Intangible fixed assets	5,327	5,907
Deferred tax assets	262	225
Customers' liabilities for acceptances and guarantees	16,441	14,622
Reserve for possible loan losses	(37,517)	(37,295)
Reserve for devaluation of securities	(46)	(46)
Total assets	5,599,597	5,604,614
Liabilities:		
Deposits	3,818,934	3,859,822
Negotiable certificates of deposit	321,370	223,750
Call money and bills sold	75,973	222,889
Cash collateral received under securities lending	468,440	401,950
Borrowed money	447,367	448,661
Foreign exchange	7	16
Other liabilities	56,969	33,700
Reserve for employees' bonuses	1,008	-
Net defined benefit liabilities	11,258	10,777
Reserve for stocks payment	315	351
Reserve for directors' and corporate auditors' retirement benefits	88	52
Reserve for reimbursement of deposits	414	403
Reserve for contingencies	969	949
Reserve under special laws	0	0
Deferred tax liabilities	5,244	7,388
Deferred tax liabilities for land revaluation excess	2,293	2,264
Acceptances and guarantees	16,441	14,622
Total liabilities	5,227,098	5,227,601
Net assets:		
Common stock	20,705	20,705
Capital surplus	21,381	21,385
Retained earnings	276,800	277,660
Treasury stock	(724)	(717)
Total shareholders' equity	318,162	319,034
Net unrealized gain on other securities	54,697	58,343
Net deferred gain/(loss) on hedging instruments	(8)	(84)
Land revaluation excess	2,820	2,752
Valuation adjustment of defined benefit plans	(4,792)	(4,637)
Total accumulated other comprehensive income	52,716	56,374
Subscription rights to share	292	281
Non-controlling interests	1,326	1,322
Total net assets	372,498	377,012
Total liabilities and net assets	5,599,597	5,604,614

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

Consolidated Statements of Income

(Millions of yen)

	For the three months ended June 30, 2018	For the three months ended June 30, 2019
Ordinary income:	27,413	22,711
Interest income	15,972	14,946
<i>Interest on loans and bills discounted</i>	8,124	8,180
<i>Interest and dividends on securities</i>	6,063	6,035
Fees and commissions	2,686	2,560
Other operating income	4,214	4,312
Other income	4,540	891
Ordinary expenses:	22,896	17,253
Interest expenses	2,862	1,350
<i>Interest on deposits</i>	1,711	429
Fees and commissions	1,035	1,031
Other operating expenses	7,407	4,246
General and administrative expenses	10,653	10,557
Other expenses	938	68
Ordinary profit	4,516	5,457
Extraordinary gains	4	-
Extraordinary losses	67	121
Income before income taxes	4,453	5,336
Income taxes	1,223	1,567
: current	1,010	1,089
: deferred	213	478
Net income :	3,229	3,769
Attributable to non-controlling interests	32	2
Attributable to owners of the Bank	3,197	3,767

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the three months ended June 30, 2018	For the three months ended June 30, 2019
Net income	3,229	3,769
Other comprehensive income :	1,403	3,719
Net unrealized gain on other securities	1,211	3,640
Net deferred gain/(loss) on hedging instruments	(40)	(75)
Valuation adjustment of defined benefit plans	232	155
Comprehensive income :	4,633	7,489
Attributable to owners of the Bank	4,598	7,492
Attributable to non-controlling interests	34	(3)

Financial Data (consolidated)

Highlights (Millions of yen)

	For the three months ended June 30, 2018 (B)	For the three months ended June 30, 2019 (A)	(A)-(B)
Ordinary profit	4,516	5,457	941
Net income attributable to owners of the Bank	3,197	3,767	570
Earnings per share - basic (Yen)	¥20.48	¥24.14	¥3.66
Earnings per share - diluted (Yen)	¥20.42	¥24.08	¥3.66

(%)

	As of March 31, 2019 (B)	As of June 30, 2019 (A)	(A)-(B)
Net assets (except for subscription rights to share and non-controlling interests) ratio	6.6	6.6	0.0

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

	For the three months ended June 30, 2019	For the six months ending September 30, 2019	For the year ending March 31, 2020
Ordinary income	22,711	42,600	85,200
Ordinary profit	5,457	9,100	17,500
Net income attributable to owners of the Bank	3,767	6,300	12,100
Earnings per share - basic (Yen)	¥24.14	¥40.37	¥77.55

Securities (consolidated)

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

	As of June 30, 2018			
	Fair value	Net gain / (loss)		
			gains	losses
Other securities	16,676	779	839	60
Stocks	619	309	318	8
Bonds	10,642	400	404	3
Others	5,413	68	117	48

	As of June 30, 2019			
	Fair value	Net gain / (loss)		
			gains	losses
Other securities	14,250	839	898	58
Stocks	544	226	251	25
Bonds	8,578	409	409	0
Others	5,127	204	237	33

	As of March 31, 2019			
	Fair value	Net gain / (loss)		
			gains	losses
Other securities	15,041	787	851	64
Stocks	555	236	256	19
Bonds	8,896	400	400	0
Others	5,589	150	195	44

Soundness of Assets (non-consolidated)

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

(Millions of yen)

	As of June 30, 2018 (B)	As of June 30, 2019 (A)	(A)-(B)
Bankrupt and quasi-bankrupt assets	13,044	15,389	2,345
Doubtful assets	29,570	26,860	(2,710)
Substandard loans	12,199	14,088	1,889
Subtotal (C)	54,814	56,338	1,524
Normal assets	3,033,525	3,133,412	99,887
Total (D)	3,088,339	3,189,750	101,411

(C)/(D) (%)	1.77	1.76	(0.01)
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Risk managed loans (non-consolidated)

(Millions of yen)

	As of June 30, 2018 (B)	As of June 30, 2019 (A)	(A)-(B)
Risk managed loans (E)	54,243	55,941	1,698
Loans to borrowers under bankruptcy proceedings	2,742	2,767	25
Non-accrual past due loans	39,301	39,086	(215)
Loans past due for three months or more	-	37	37
Loans with altered lending conditions	12,199	14,050	1,851

Loans and bills discounted (F)	3,011,229	3,096,708	85,479
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Ratio of risk managed loans (E)/(F) (%)	1.80	1.80	0.00
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