

Financial Highlights
For the Six Months Ended September 30, 2021



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, 2021	As of September 30, 2021
Assets:		
Cash and due from banks	872,988	1,034,424
Debt purchased	10,914	10,342
Money held in trust	4,978	5,011
Securities	1,809,682	1,982,648
Loans and bills discounted	3,554,553	3,661,869
Foreign exchange	9,494	8,526
Lease receivables and investment assets	29,514	28,999
Other assets	67,392	69,388
Tangible fixed assets	34,226	33,778
Intangible fixed assets	4,894	4,480
Net retirement benefit asset	443	1,133
Deferred tax assets	39	34
Customers' liabilities for acceptances and guarantees	13,971	13,629
Reserve for possible loan losses	(42,629)	(42,853)
Reserve for devaluation of securities	(179)	(236)
Total assets	6,370,285	6,811,178
Liabilities:		
Deposits	4,432,481	4,669,608
Negotiable certificates of deposit	285,982	284,764
Call money and bills sold	115,456	153,296
Cash collateral received under securities lending	445,776	392,480
Borrowed money	597,672	839,515
Foreign exchange	83	13
Other liabilities	83,830	51,990
Reserve for employees' bonuses	966	977
Net retirement benefit liability	9,681	9,522
Reserve for stocks payment	392	359
Reserve for directors' and corporate auditors' retirement benefits	76	53
Reserve for reimbursement of deposits	319	305
Reserve for contingencies	862	800
Deferred tax liabilities	743	2,506
Deferred tax liabilities for land revaluation excess	2,133	2,131
Acceptances and guarantees	13,971	13,629
Total liabilities	5,990,432	6,421,959
Net assets:		
Common stock	20,705	20,705
Capital surplus	22,058	22,058
Retained earnings	290,042	296,530
Treasury stock	(749)	(642)
Total shareholders' equity	332,056	338,651
Net unrealized gain on other securities	47,912	49,135
Net deferred gain/(loss) on hedging instruments	(0)	1,243
Land revaluation excess	2,510	2,507
Valuation adjustment of defined benefit plans	(3,330)	(2,956)
Total accumulated other comprehensive income	47,092	49,929
Subscription rights to share	170	123
Non-controlling interests	532	514
Total net assets	379,852	389,218
Total liabilities and net assets	6,370,285	6,811,178

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

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income	(Millions of yen)	
	For the six months ended September 30, 2020	For the six months ended September 30, 2021
Ordinary income:	43,063	46,146
Interest income	27,605	28,634
<i>Interest on loans and bills discounted</i>	17,212	17,853
<i>Interest and dividends on securities</i>	9,769	10,172
Fees and commissions	5,073	6,266
Other operating income	8,751	9,028
Other income	1,633	2,217
Ordinary expenses:	35,109	34,357
Interest expenses	1,067	888
<i>Interest on deposits</i>	656	548
Fees and commissions	2,109	2,136
Other operating expenses	7,632	9,201
General and administrative expenses	20,425	20,331
Other expenses	3,873	1,800
Ordinary profit	7,954	11,789
Extraordinary gains	5	12
Extraordinary losses	258	281
Income before income taxes	7,701	11,520
Income taxes:	2,419	3,172
current	2,694	2,487
deferred	(275)	685
Net income :	5,281	8,347
attributable to non-controlling interests	(25)	(5)
attributable to owners of the Bank	5,307	8,353

Consolidated Statements of Comprehensive Income

	For the six months ended September 30, 2020	For the six months ended September 30, 2021
Net income	5,281	8,347
Other comprehensive income :	13,296	2,829
Net unrealized gain on other securities	12,861	1,212
Net deferred gain/(loss) on hedging instruments	(7)	1,243
Valuation adjustment of defined benefit plans	442	373
Comprehensive income :	18,578	11,177
attributable to owners of the Bank	18,591	11,193
attributable to non-controlling interests	(13)	(16)

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

Consolidated Statements of Changes in Net Assets

For the six months ended September 30, 2020

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total
Balance at the beginning of the period	20,705	21,385	283,495	(947)	324,637
Cumulative effect of changes in accounting policies	-	-	-	-	-
Restated balance	20,705	21,385	283,495	(947)	324,637
Changes during the period					
Dividends from surplus	-	-	(2,035)	-	(2,035)
Net income attributable to owners of the Bank	-	-	5,307	-	5,307
Purchases of treasury stock	-	-	-	(0)	(0)
Sales of treasury stock	-	(3)	(12)	199	183
Transfer from land revaluation excess	-	-	8	-	8
Net changes of items other than shareholders' equity	-	-	-	-	-
Total changes during the period	-	(3)	3,268	199	3,463
Balance at the end of the period	20,705	21,381	286,763	(748)	328,101

	Accumulated other comprehensive income					Subscription rights to share	Non-controlling interests	Total net assets
	Net unrealized gain on other securities	Net deferred gain/(loss) on hedging instruments	Land revaluation excess	Valuation adjustment of defined benefit plans	Total			
Balance at the beginning of the period	38,191	8	2,522	(5,314)	35,407	281	1,323	361,650
Cumulative effect of changes in accounting policies	-	-	-	-	-	-	-	-
Restated balance	38,191	8	2,522	(5,314)	35,407	281	1,323	361,650
Changes during the period								
Dividends from surplus	-	-	-	-	-	-	-	(2,035)
Net income attributable to owners of the Bank	-	-	-	-	-	-	-	5,307
Purchases of treasury stock	-	-	-	-	-	-	-	(0)
Sales of treasury stock	-	-	-	-	-	-	-	183
Transfer from land revaluation excess	-	-	-	-	-	-	-	8
Net changes of items other than shareholders' equity	12,848	(7)	(8)	442	13,275	(110)	(14)	13,150
Total changes during the period	12,848	(7)	(8)	442	13,275	(110)	(14)	16,614
Balance at the end of the period	51,040	1	2,513	(4,872)	48,683	170	1,309	378,264

For the six months ended September 30, 2021

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total
Balance at the beginning of the period	20,705	22,058	290,042	(749)	332,056
Cumulative effect of changes in accounting policies	-	-	(142)	-	(142)
Restated balance	20,705	22,058	289,899	(749)	331,914
Changes during the period					
Dividends from surplus	-	-	(1,723)	-	(1,723)
Net income attributable to owners of the Bank	-	-	8,353	-	8,353
Purchases of treasury stock	-	-	-	(0)	(0)
Sales of treasury stock	-	-	(1)	106	105
Transfer from land revaluation excess	-	-	2	-	2
Net changes of items other than shareholders' equity	-	-	-	-	-
Total changes during the period	-	-	6,630	106	6,737
Balance at the end of the period	20,705	22,058	296,530	(642)	338,651

	Accumulated other comprehensive income					Subscription rights to share	Non-controlling interests	Total net assets
	Net unrealized gain on other securities	Net deferred gain/(loss) on hedging instruments	Land revaluation excess	Valuation adjustment of defined benefit plans	Total			
Balance at the beginning of the period	47,912	(0)	2,510	(3,330)	47,092	170	532	379,852
Cumulative effect of changes in accounting policies	-	-	-	-	-	-	-	(142)
Restated balance	47,912	(0)	2,510	(3,330)	47,092	170	532	379,710
Changes during the period								
Dividends from surplus	-	-	-	-	-	-	-	(1,723)
Net income attributable to owners of the Bank	-	-	-	-	-	-	-	8,353
Purchases of treasury stock	-	-	-	-	-	-	-	(0)
Sales of treasury stock	-	-	-	-	-	-	-	105
Transfer from land revaluation excess	-	-	-	-	-	-	-	2
Net changes of items other than shareholders' equity	1,222	1,243	(2)	373	2,837	(47)	(18)	2,771
Total changes during the period	1,222	1,243	(2)	373	2,837	(47)	(18)	9,508
Balance at the end of the period	49,135	1,243	2,507	(2,956)	49,929	123	514	389,218

After the balance sheet date, mid-year dividend of ¥11 per share is to be paid to the shareholders as of September 30, 2021.

The San-in Godo Bank, Ltd.

Balance Sheets (summarized, non-consolidated)

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021
Assets:		
Cash and due from banks	871,417	1,033,839
Debt purchased	9,639	9,205
Money held in trust	4,978	5,011
Securities	1,809,181	1,980,021
Loans and bills discounted	3,583,995	3,691,405
Foreign exchange	9,494	8,526
Other assets	54,870	57,149
Tangible fixed assets	31,725	31,242
Intangible fixed assets	4,839	4,432
Prepaid pension cost	4,643	4,900
Customers' liabilities for acceptances and guarantees	13,943	13,603
Reserve for possible loan losses	(42,190)	(42,347)
Reserve for devaluation of securities	(115)	(153)
Total assets	6,356,422	6,796,838
Liabilities:		
Deposits	4,452,312	4,690,674
Negotiable certificates of deposit	285,982	284,764
Call money	115,456	153,296
Cash collateral received under securities lending	445,776	392,480
Borrowed money	582,000	822,000
Foreign exchange	83	13
Other liabilities	78,482	47,260
Reserve for employees' bonuses	923	938
Reserve for employees' retirement benefits	8,975	8,915
Reserve for stocks payment	392	359
Reserve for reimbursement of deposits	319	305
Reserve for contingencies	862	800
Deferred tax liabilities	1,535	3,175
Deferred tax liabilities for land revaluation excess	2,133	2,131
Acceptances and guarantees	13,943	13,603
Total liabilities	5,989,180	6,420,721
Net assets:		
Common stock	20,705	20,705
Capital surplus	15,516	15,516
Retained earnings	282,681	289,142
Treasury stock	(749)	(642)
Total shareholders' equity	318,153	324,721
Net unrealized gain on other securities	46,408	47,521
Net deferred gain/(loss) on hedging instruments	(0)	1,243
Land revaluation excess	2,510	2,507
Total valuation and translation adjustments	48,918	51,272
Subscription rights to share	170	123
Total net assets	367,242	376,117
Total liabilities and net assets	6,356,422	6,796,838

The San-in Godo Bank, Ltd.
Statements of Income (non-consolidated)

(Millions of yen)

	For the six months ended September 30, 2020	For the six months ended September 30, 2021
Ordinary income:	34,491	37,852
Interest income	27,670	28,749
<i>Interest on loans and bills discounted</i>	17,264	17,902
<i>Interest and dividends on securities</i>	9,788	10,239
Fees and commissions	4,617	6,010
Other operating income	602	918
Other income	1,600	2,173
Ordinary expenses:	26,455	26,172
Interest expenses	1,047	868
<i>Interest on deposits</i>	656	548
Fees and commissions	2,216	2,225
Other operating expenses	150	1,852
General and administrative expenses	19,326	19,581
Other expenses	3,714	1,644
Ordinary profit	8,036	11,679
Extraordinary gains	1	8
Extraordinary losses	1,249	280
Income before income taxes	6,788	11,408
Income taxes:	2,411	3,082
current	2,648	2,391
deferred	(236)	690
Net income	4,376	8,326

Financial Data

Summary of income (consolidated) (Millions of yen)

	For the six months ended September 30, 2020 (B)	For the six months ended September 30, 2021 (A)	
		(A)-(B)	
Ordinary profit	7,954	3,835	11,789
Net income attributable to owners of the Bank	5,307	3,046	8,353
Earnings per share - basic (yen)	¥34.08	¥19.50	¥53.58

Summary of financial conditions (consolidated) (%)

	As of March 31, 2021 (B)	As of September 30, 2021 (A)	
		(A)-(B)	
Net assets (except for subscription rights to share and non-controlling interests) ratio	5.9	(0.2)	5.7
Capital adequacy ratio (domestic standard)	12.48	(0.35)	12.13

Summary of income (non-consolidated) (Millions of yen)

	For the six months ended September 30, 2020 (B)	For the six months ended September 30, 2021 (A)	
		(A)-(B)	
Ordinary profit	8,036	3,643	11,679
Net income	4,376	3,950	8,326
Earnings per share - basic (yen)	¥28.11	¥25.29	¥53.40
Credit cost	2,566	(2,272)	294
Gains/(Losses) on bonds	293	(1,894)	(1,601)
Gains/(Losses) on stocks	(172)	241	69

Summary of financial conditions (non-consolidated) (%)

	As of March 31, 2021 (B)	As of September 30, 2021 (A)	
		(A)-(B)	
Net assets (except for subscription rights to share) ratio	5.7	(0.2)	5.5
Capital adequacy ratio (domestic standard)	11.97	(0.33)	11.64

Dividends per share (Yen)

	For the year ended March 31, 2021 (B)	For the year ending March 31, 2022 (A)	
		(A)-(B)	
Dividends per share (*expected)	¥18	¥14	¥32 *
Mid-year dividend per share	¥7	¥4	¥11
Year-end dividend per share (*expected)	¥11	¥10	¥21 *

Net Holding Gain (Loss) on Securities

Net holding gain (loss) on securities (consolidated) (Millions of yen)

	As of March 31, 2021 (B)	As of September 30,	
		(A) - (B)	2021 (A)
Held to maturity	(120)	14	(106)
Other securities	69,036	1,729	70,765
Stock	29,528	993	30,521
Bond	21,774	1,073	22,847
Others	17,733	(337)	17,396
Total	68,915	1,744	70,659

Net holding gain (loss) on securities (non-consolidated) (Millions of yen)

	As of March 31, 2021 (B)	As of September 30,	
		(A) - (B)	2021 (A)
Held to maturity	(111)	12	(99)
Other securities	66,708	1,579	68,287
Stock	27,200	842	28,042
Bond	21,774	1,073	22,847
Others	17,733	(337)	17,396
Total	66,597	1,590	68,187

Risk Managed Loans

Risk managed loans (consolidated) (Millions of yen)

	As of March 31, 2021 (B)	As of September 30,	
		(A) - (B)	2021 (A)
Risk managed loans (C)	61,371	3,596	64,967
Loans to borrowers under bankruptcy proceedings	2,459	769	3,228
Non-accrual past due loans	44,297	2,195	46,492
Loans past due for three months or more	-	10	10
Loans with altered lending conditions	14,615	621	15,236
Loans and bills discounted (D)	3,554,553	107,316	3,661,869

Ratio of risk managed loans (consolidated) (%)

Risk managed loans (C)/(D)	1.72	0.05	1.77
Loans to borrowers under bankruptcy proceedings	0.06	0.02	0.08
Non-accrual past due loans	1.24	0.02	1.26
Loans past due for three months or more	-	0.00	0.00
Loans with altered lending conditions	0.41	0.00	0.41

Risk managed loans (non-consolidated) (Millions of yen)

	As of March 31, 2021 (B)	As of September 30,	
		(A) - (B)	2021 (A)
Risk managed loans (E)	61,371	3,596	64,967
Loans to borrowers under bankruptcy proceedings	2,459	769	3,228
Non-accrual past due loans	44,297	2,195	46,492
Loans past due for three months or more	-	10	10
Loans with altered lending conditions	14,615	621	15,236
Loans and bills discounted (F)	3,583,995	107,410	3,691,405

Ratio of risk managed loans (non-consolidated) (%)

Risk managed loans (E)/(F)	1.71	0.04	1.75
Loans to borrowers under bankruptcy proceedings	0.06	0.02	0.08
Non-accrual past due loans	1.23	0.02	1.25
Loans past due for three months or more	-	0.00	0.00
Loans with altered lending conditions	0.40	0.01	0.41

Classification of Loans and Bills Discounted by Types of Industry (non-consolidated)

Loans and bills discounted (non-consolidated) (Millions of yen)

	As of March 31, 2021 (B)	As of September 30, 2021 (A)	
		(A) - (B)	
Domestic loans (Excluding JOM account)	3,583,995	107,410	3,691,405
Manufacturing	453,645	(10,056)	443,589
Agriculture and forestry	10,248	516	10,764
Fishery	3,437	(91)	3,346
Mining, quarrying and gravel-digging	1,659	(89)	1,570
Construction	130,893	(13,377)	117,516
Electric power, gas, heat supply and water supply	104,169	17,636	121,805
Telecommunication	21,021	5,017	26,038
Transportation and postal service	157,872	11,058	168,930
Wholesale and retail	364,448	25,463	389,911
Finance and insurance	137,524	10,008	147,532
Real estate and leasing	518,276	20,341	538,617
Services	394,037	10,871	404,908
Local government	288,254	(18,210)	270,044
Others	998,502	48,322	1,046,824

Risk managed loans (non-consolidated) (Millions of yen)

	As of March 31, 2021 (B)	As of September 30, 2021 (A)	
		(A) - (B)	
Domestic loans (Excluding JOM account)	61,371	3,596	64,967
Manufacturing	11,630	300	11,930
Agriculture and forestry	298	30	328
Fishery	1,025	(3)	1,022
Mining, quarrying and gravel-digging	40	0	40
Construction	2,323	488	2,811
Electric power, gas, heat supply and water supply	230	0	230
Telecommunication	349	42	391
Transportation and postal service	1,285	139	1,424
Wholesale and retail	11,761	538	12,299
Finance and insurance	2,584	0	2,584
Real estate and leasing	6,967	1,339	8,306
Services	14,489	565	15,054
Local government	-	-	-
Others	8,386	156	8,542

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

Disclosed assets (Millions of yen, %)

	As of March 31, 2021 (B)	As of September 30,	
		(A) - (B)	2021 (A)
Bankrupt and quasi-bankrupt assets	12,935	1,460	14,395
Doubtful assets	34,017	1,503	35,520
Substandard loans	14,615	632	15,247
Subtotal (C)	61,568	3,595	65,163
Normal assets	3,637,109	104,788	3,741,897
Total (D)	3,698,677	108,383	3,807,060

(C)/(D)	1.66	0.05	1.71
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Preservation of the disclosed assets (Millions of yen, %)

	As of March 31, 2021 (B)	As of September 30,	
		(A) - (B)	2021 (A)
Total (E)=(F)+(G)	48,559	2,533	51,092
Collateral and guarantees (F)	24,939	724	25,663
Bankrupt and quasi-bankrupt assets	5,381	44	5,425
Doubtful assets	16,700	1,036	17,736
Substandard loans	2,856	(355)	2,501
Reserve for possible loan losses (G)	23,620	1,808	25,428
Bankrupt and quasi-bankrupt assets	7,554	1,415	8,969
Doubtful assets	13,515	719	14,234
Substandard loans	2,550	(326)	2,224

Coverage ratio (E)/(C)	78.87	(0.47)	78.40
Bankrupt and quasi-bankrupt assets	100.00	-	100.00
Doubtful assets	88.82	1.18	90.00
Substandard loans	36.99	(6.00)	30.99

Ratio of reserve (G)/((C)-(F))	64.48	(0.11)	64.37
Bankrupt and quasi-bankrupt assets	100.00	-	100.00
Doubtful assets	78.05	1.99	80.04
Substandard loans	21.68	(4.23)	17.45

Projections for the Year Ending March 31, 2022

Projections of earnings (consolidated)

(Millions of yen)

	For the year ended March 31, 2021 (B)	For the year ending March 31, 2022 (A)	
		(A)-(B)	
Ordinary income	89,178	1,622	90,800
Ordinary profit	14,439	6,161	20,600
Net income attributable to owners of the Bank	9,679	4,621	14,300
Earnings per share - basic (Yen)	¥62.14	¥29.55	¥91.69

Projections of earnings (non-consolidated)

(Millions of yen)

	For the year ended March 31, 2021 (B)	For the year ending March 31, 2022 (A)	
		(A)-(B)	
Ordinary income	72,540	2,060	74,600
Ordinary profit	13,891	6,109	20,000
Net income	8,325	5,675	14,000
Earnings per share - basic (Yen)	¥53.45	¥36.32	¥89.77

Expected credit costs (non-consolidated)

(Millions of yen)

	For the year ended March 31, 2021 (B)	For the year ending March 31, 2022 (A)	
		(A)-(B)	
Expected credit costs	7,246	(1,846)	5,400

Expected dividend (non-consolidated)

(Yen)

	For the year ended March 31, 2021 (B)	For the year ending March 31, 2022 (A)	
		(A)-(B)	
Expected dividend per share	¥18	¥14	¥32 *

*Expected dividend per share includes mid-year dividend of ¥11.