

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2020 (Based on Japanese GAAP)

July 30, 2020

Company name: The Chugoku Bank, Limited
 Stock exchange listing: Tokyo
 Stock code: 8382 URL <https://www.chugin.co.jp/>
 Representative: President Sadanori Katoh
 Executive Officer General Manager, Management Planning Department Masakazu Yamagata TEL 086-223-3111
 Inquiries: Masakazu Yamagata
 Scheduled date to file Quarterly Securities Report: August 11, 2020
 Scheduled date to commence dividend payments: –
 Trading accounts: No
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2020 (from April 1, 2020 to June 30, 2020)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Ordinary income		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2020	30,445	(9.3)	7,652	(4.0)	5,104	(5.7)
Three months ended June 30, 2019	33,596	(2.2)	7,978	(0.1)	5,413	0.2

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2020	27.14		27.12	
Three months ended June 30, 2019	28.77		28.72	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2020	8,722,541	529,900	6.0
As of March 31, 2020	8,147,386	511,193	6.2

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2020	–	11.00	–	11.00	22.00
Year ending March 31, 2021	–	–	–	–	–
Year ending March 31, 2021 (Forecast)	–	11.00	–	11.00	22.00

3. Forecast of consolidated financial results for the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

Percentages indicate year-on-year changes

	Ordinary income		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2020	56,500	(11.4)	8,600	(33.5)	5,700	(34.0)	30.30
Full year	113,400	(10.9)	16,700	(4.3)	11,100	(6.8)	59.02

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2020
 (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2020	195,272,106 shares	As of March 31, 2020	195,272,106 shares
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Number of treasury shares at the end of the period

As of June 30, 2020	7,212,444 shares	As of March 31, 2020	7,212,380 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2020	188,059,683 shares	Three months ended June 30, 2019	188,169,514 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2020	As of June 30, 2020
Assets		
Cash and due from banks	576,348	722,251
Call loans	59,877	278,898
Monetary claims bought	24,928	23,511
Trading account securities	1,316	2,527
Money held in trust	27,100	27,091
Securities	2,339,566	2,472,099
Loans and bills discounted	4,899,984	4,990,596
Foreign exchanges	11,960	6,385
Lease receivables and investments in leases	24,130	23,871
Other assets	140,349	140,543
Tangible fixed assets	39,460	39,229
Intangible fixed assets	3,064	2,723
Deferred tax assets	6,611	833
Customers' liabilities for acceptances and guarantees	33,413	33,298
Allowance for loan losses	(40,724)	(41,321)
Total assets	8,147,386	8,722,541
Liabilities		
Deposits	6,701,781	7,039,874
Negotiable certificates of deposit	194,963	261,210
Call money	30,068	57,189
Payables under repurchase agreements	124,704	79,277
Payables under securities lending transactions	217,164	191,088
Commercial papers	32,611	20,458
Borrowed money	157,365	384,969
Foreign exchanges	272	511
Borrowed money from trust account	3,309	3,473
Other liabilities	119,768	101,356
Provision for bonuses	1,395	–
Provision for bonuses for directors (and other officers)	31	–
Retirement benefit liability	18,245	17,780
Provision for retirement benefits for directors (and other officers)	82	59
Provision for reimbursement of deposits	642	559
Provision for point card certificates	94	95
Reserves under special laws	6	6
Deferred tax liabilities	271	1,431
Acceptances and guarantees	33,413	33,298
Total liabilities	7,636,192	8,192,641

(Millions of yen)

	As of March 31, 2020	As of June 30, 2020
Net assets		
Share capital	15,149	15,149
Capital surplus	8,153	8,153
Retained earnings	453,024	456,061
Treasury shares	(9,622)	(9,622)
Total shareholders' equity	466,705	469,741
Valuation difference on available-for-sale securities	62,987	76,260
Deferred gains or losses on hedges	(11,456)	(9,297)
Remeasurements of defined benefit plans	(7,221)	(6,992)
Total accumulated other comprehensive income	44,308	59,970
Share acquisition rights	179	188
Total net assets	511,193	529,900
Total liabilities and net assets	8,147,386	8,722,541

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2019	Three months ended June 30, 2020
Ordinary income	33,596	30,445
Interest income	20,606	18,251
Interest on loans and discounts	12,798	11,754
Interest and dividends on securities	7,592	6,297
Trust fees	0	0
Fees and commissions	4,405	4,454
Other ordinary income	5,236	5,520
Other income	3,347	2,217
Ordinary expenses	25,617	22,792
Interest expenses	4,809	2,326
Interest on deposits	626	223
Fees and commissions payments	1,077	917
Other ordinary expenses	3,035	2,919
General and administrative expenses	14,927	14,420
Other expenses	1,767	2,209
Ordinary profit	7,978	7,652
Extraordinary income	0	-
Gain on disposal of non-current assets	0	-
Extraordinary losses	6	35
Loss on disposal of non-current assets	6	17
Impairment loss	-	18
Profit before income taxes	7,972	7,616
Income taxes - current	2,557	2,481
Income taxes - deferred	1	30
Total income taxes	2,559	2,511
Profit	5,413	5,104
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	5,413	5,104

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2019	Three months ended June 30, 2020
Profit	5,413	5,104
Other comprehensive income	(1,934)	15,661
Valuation difference on available-for-sale securities	(783)	13,273
Deferred gains or losses on hedges	(1,314)	2,158
Remeasurements of defined benefit plans, net of tax	163	229
Comprehensive income	3,479	20,766
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,479	20,766
Comprehensive income attributable to non-controlling interests	—	—