

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2021 (Based on Japanese GAAP)

July 29, 2021

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
 Inquiries: Masakazu Yamagata TEL 086-223-3111
 Scheduled date to file Quarterly Securities Report: August 12, 2021
 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, 2021 (from April 1, 2021 to June 30, 2021)

(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, 2021	33,230	11.6	10,686	39.6	7,299	43.0
Three months ended June 30, 2020	29,769	(11.3)	7,652	(4.0)	5,104	(5.7)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2021	38.89		38.85	
Three months ended June 30, 2020	27.14		27.12	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2021	9,536,372	570,915	5.9
As of March 31, 2021	9,153,162	562,197	6.1

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2021	–	11.00	–	12.00	23.00
Year ending March 31, 2022	–	–	–	–	–
Year ending March 31, 2022 (Forecast)	–	11.50	–	11.50	23.00

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

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, 2021	55,700	(3.1)	10,500	(12.2)	7,100	(13.6)	37.99
Full year	111,500	(4.1)	21,500	1.1	14,700	1.9	78.66

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2021
(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: Yes
- 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, 2021	195,272,106 shares	As of March 31, 2021	195,272,106 shares
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Number of treasury shares at the end of the period

As of June 30, 2021	8,189,819 shares	As of March 31, 2021	7,213,056 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, 2021	187,641,608 shares	Three months ended June 30, 2020	188,059,683 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
Assets		
Cash and due from banks	1,000,773	1,146,840
Call loans	125,878	475,021
Monetary claims bought	21,485	21,364
Trading securities	1,148	1,161
Money held in trust	27,300	28,455
Securities	2,618,039	2,549,952
Loans and bills discounted	5,135,435	5,126,290
Foreign exchanges	8,333	7,976
Lease receivables and investments in leases	24,291	24,054
Other assets	162,723	125,521
Tangible fixed assets	38,766	38,466
Intangible fixed assets	2,437	2,176
Deferred tax assets	809	828
Customers' liabilities for acceptances and guarantees	32,031	33,446
Allowance for loan losses	(46,291)	(45,185)
Total assets	9,153,162	9,536,372
Liabilities		
Deposits	7,499,830	7,557,219
Negotiable certificates of deposit	167,189	260,817
Call money	71,293	70,176
Securities sold under repurchase agreements	129,640	92,486
Cash collateral received for securities lent	172,747	425,931
Commercial papers	54,228	54,167
Borrowed money	286,194	324,966
Foreign exchanges	289	235
Bonds payable	10,000	10,000
Borrowed money from trust account	4,857	5,503
Other liabilities	143,853	111,648
Provision for bonuses	1,332	–
Provision for bonuses for directors (and other officers)	27	–
Retirement benefit liability	6,624	6,116
Provision for retirement benefits for directors (and other officers)	67	38
Provision for reimbursement of deposits	307	219
Provision for point card certificates	88	107
Reserves under special laws	6	6
Deferred tax liabilities	10,354	12,369
Acceptances and guarantees	32,031	33,446
Total liabilities	8,590,965	8,965,456

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
Net assets		
Share capital	15,149	15,149
Capital surplus	8,153	8,153
Retained earnings	463,305	468,012
Treasury shares	(9,622)	(10,475)
Total shareholders' equity	476,985	480,839
Valuation difference on available-for-sale securities	96,574	102,644
Deferred gains or losses on hedges	(5,320)	(6,727)
Remeasurements of defined benefit plans	(6,258)	(6,067)
Total accumulated other comprehensive income	84,994	89,849
Share acquisition rights	217	226
Total net assets	562,197	570,915
Total liabilities and net assets	9,153,162	9,536,372

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, 2020	Three months ended June 30, 2021
Ordinary income	29,769	33,230
Interest income	18,251	17,699
Interest on loans and discounts	11,754	11,240
Interest and dividends on securities	6,297	6,264
Trust fees	0	0
Fees and commissions	4,454	4,631
Other ordinary income	5,520	8,329
Other income	1,542	2,570
Ordinary expenses	22,117	22,544
Interest expenses	2,326	1,314
Interest on deposits	223	169
Fees and commissions payments	242	389
Other ordinary expenses	2,919	6,333
General and administrative expenses	14,420	14,206
Other expenses	2,209	299
Ordinary profit	7,652	10,686
Extraordinary income	–	2
Gain on disposal of non-current assets	–	2
Extraordinary losses	35	73
Loss on disposal of non-current assets	17	12
Impairment losses	18	61
Profit before income taxes	7,616	10,614
Income taxes - current	2,481	3,312
Income taxes - deferred	30	3
Total income taxes	2,511	3,315
Profit	5,104	7,299
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	5,104	7,299

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit	5,104	7,299
Other comprehensive income	15,661	4,854
Valuation difference on available-for-sale securities	13,273	6,070
Deferred gains or losses on hedges	2,158	(1,407)
Remeasurements of defined benefit plans, net of tax	229	190
Comprehensive income	20,766	12,153
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	20,766	12,153
Comprehensive income attributable to non-controlling interests	—	—