

# Non-consolidated Financial Statements

## Non-consolidated Balance Sheets

The Chugoku Bank, Limited  
March 31, 2022 and 2021

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
<b>ASSETS:</b>			
Cash and due from banks.....	¥ 1,757,035	¥ 1,000,601	\$ 14,356,033
Call loans .....	446,381	125,878	3,647,201
Other debt purchased.....	18,681	19,678	152,635
Trading account securities .....	2,834	1,148	23,155
Money trusts .....	23,000	23,000	187,923
Securities .....	2,509,806	2,622,547	20,506,626
Loans and bills discounted .....	5,269,043	5,144,425	43,051,254
Foreign exchange .....	6,282	8,333	51,327
Other assets .....	122,829	145,811	1,003,586
Tangible fixed assets .....	34,722	36,811	283,699
Intangible fixed assets .....	1,386	2,328	11,324
Prepaid pension costs .....	3,550	3,037	29,005
Customers' liabilities for acceptances and guarantees.....	30,918	32,031	252,618
Reserve for possible loan losses .....	(48,486)	(42,943)	(396,159)
<b>Total assets .....</b>	<b>¥ 10,177,987</b>	<b>¥ 9,122,688</b>	<b>\$ 83,160,282</b>
<b>LIABILITIES AND NET ASSETS:</b>			
<b>Liabilities:</b>			
Deposits .....	¥ 7,883,792	¥ 7,688,546	\$ 64,415,328
Call money .....	110,709	71,293	904,559
Payables under repurchase agreements .....	191,006	129,640	1,560,634
Payables under securities lending transactions .....	588,355	172,747	4,807,214
Commercial paper.....	55,017	54,228	449,522
Borrowed money.....	663,152	275,463	5,418,351
Foreign exchange .....	625	289	5,106
Bonds payable .....	10,000	10,000	81,706
Due to trust account.....	6,935	4,857	56,663
Other liabilities .....	104,047	124,586	850,126
Liability for employees' severance and retirement benefits.....	100	380	817
Accrued employees' bonuses .....	1,353	1,217	11,054
Reserve for reimbursement of deposits .....	60	307	490
Reserve for point program .....	75	57	612
Deferred tax liabilities.....	2,149	13,033	17,558
Acceptances and guarantees.....	30,918	32,031	252,618
<b>Total liabilities .....</b>	<b>¥ 9,648,299</b>	<b>¥ 8,578,681</b>	<b>\$ 78,832,412</b>
<b>Net assets</b>			
Shareholders' equity			
Common stock .....	¥ 15,149	¥ 15,149	\$ 123,776
Capital surplus.....	6,286	6,286	51,360
Retained earnings.....	454,193	442,019	3,711,030
Less treasury stock, at cost.....	(11,623)	(9,622)	(94,966)
Valuation and translation adjustments:			
Net unrealized gains on available-for-sale securities.....	66,033	95,279	539,529
Net deferred losses on hedging instruments .....	(606)	(5,320)	(4,951)
Subscription rights to shares.....	256	217	2,091
<b>Total net assets.....</b>	<b>529,688</b>	<b>544,007</b>	<b>4,327,869</b>
<b>Total liabilities and net assets.....</b>	<b>¥ 10,177,987</b>	<b>¥ 9,122,688</b>	<b>\$ 83,160,282</b>

# Non-consolidated Income Statements

The Chugoku Bank, Limited  
For the Years Ended March 31, 2022 and 2021

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2022	2021	2022
Income:			
Interest and dividends on:			
Loans and discounts .....	¥ 45,162	¥ 45,840	\$ 369,000
Securities .....	19,952	19,160	163,019
Other .....	1,715	740	14,012
Fees and commissions .....	20,645	19,954	168,682
Other operating income: .....			
Gains on sales and redemptions of bonds .....	9,550	2,546	78,029
Gain on foreign exchange transactions .....	768	1,345	6,275
Net gain on trading securities .....	—	8	—
Other .....	763	513	6,234
Other income:			
Bad debt recovered .....	42	0	343
Gains on sales of equity securities .....	9,800	7,233	80,071
Gains on money trusts .....	203	113	1,658
Gains on disposals of fixed assets .....	314	—	2,565
Other .....	1,732	1,634	14,151
Total income .....	110,652	99,090	904,093
Expenses:			
Interest on:			
Deposits .....	685	871	5,596
Borrowing .....	182	1,051	1,487
Interest rate swaps .....	3,553	4,217	29,030
Other .....	802	735	6,552
Fees and commissions .....	3,485	3,605	28,474
Other operating expenses:			
Losses on sales and redemptions of bonds .....	12,499	3,098	102,124
Net loss on trading securities transactions .....	8	—	65
Other .....	—	45	—
General and administrative expenses .....	53,015	54,106	433,164
Other expenses:			
Losses on sales and write-offs of shares .....	3,800	1,646	31,048
Losses on money trusts .....	104	4	849
Reserve for possible loan losses .....	7,381	8,039	60,307
Write-offs of loans .....	—	26	—
Losses on disposals of fixed assets .....	203	94	1,658
Losses on impairment of fixed assets .....	505	244	4,126
Other .....	1,407	2,592	11,496
Total expenses .....	87,637	80,384	716,047
Income before income taxes .....	23,015	18,706	188,046
Income taxes:			
Current .....	6,155	7,316	50,290
Deferred .....	(56)	(1,617)	(457)
	6,099	5,698	49,832
Net income .....	¥16,915	¥13,007	\$138,205

## Non-consolidated Statements of Changes in Net Assets

The Chugoku Bank, Limited  
For the Years Ended March 31, 2022 and 2021

	Millions of Yen							
	2022							
	Common stock	Capital surplus	Retained earnings	Treasury stock	Net unrealized gains (losses) on available-for-sale securities	Net deferred losses on hedging instruments	Subscription rights to shares	Total net assets
Balance at beginning of year.....	¥ 15,149	¥ 6,286	¥ 442,019	¥ (9,622)	¥ 95,279	¥ (5,320)	¥ 217	¥ 544,007
Cumulative effects of changes in accounting policies .....			(335)					(335)
Restated balance .....	15,149	6,286	441,683	(9,622)	95,279	(5,320)	217	543,671
Net income.....			16,915					16,915
Cash dividends .....			(4,406)					(4,406)
Purchases of treasury stock.....				(2,000)				(2,000)
Net changes in items other than shareholders' equity .....					(29,246)	4,713	39	(24,493)
Net changes during the year .....	—	—	12,509	(2,000)	(29,246)	4,713	39	(13,983)
Balance at end of year.....	¥ 15,149	¥ 6,286	¥ 454,193	¥ (11,623)	¥ 66,033	¥ (606)	¥ 256	¥ 529,688

	Millions of Yen							
	2021							
	Common stock	Capital surplus	Retained earnings	Treasury stock	Net unrealized gains (losses) on available-for-sale securities	Net deferred losses on hedging instruments	Subscription rights to shares	Total net assets
Balance at beginning of year.....	¥ 15,149	¥ 6,286	¥ 433,148	¥ (9,622)	¥ 62,535	¥ (11,456)	¥ 179	¥ 496,220
Net income.....			13,007					13,007
Cash dividends .....			(4,137)					(4,137)
Purchases of treasury stock.....				(0)				(0)
Disposal of treasury stock .....			(0)	0				0
Net changes in items other than shareholders' equity .....					32,743	6,136	37	38,917
Net changes during the year .....	—	—	8,870	(0)	32,743	6,136	37	47,786
Balance at end of year.....	¥ 15,149	¥ 6,286	¥ 442,019	¥ (9,622)	¥ 95,279	¥ (5,320)	¥ 217	¥ 544,007

	Thousands of U.S. Dollars (Note 1)							
	2022							
	Common stock	Capital surplus	Retained earnings	Treasury stock	Net unrealized gains (losses) on available-for-sale securities	Net deferred losses on hedging instruments	Subscription rights to shares	Total net assets
Balance at beginning of year	\$ 123,776	\$ 51,360	\$ 3,611,561	\$ (78,617)	\$ 778,486	\$ (43,467)	\$ 1,773	\$ 4,444,864
Cumulative effects of changes in accounting policies .....			(2,737)					(2,737)
Restated balance .....	123,776	51,360	3,608,816	(78,617)	778,486	(43,467)	1,773	4,442,119
Net income.....			138,205					138,205
Cash dividends .....			(35,999)					(35,999)
Purchases of treasury stock.....				(16,341)				(16,341)
Net changes in items other than shareholders' equity .....					(238,957)	38,508	318	(200,122)
Net changes during the year .....	—	—	102,206	(16,341)	(238,957)	38,508	318	(114,249)
Balance at end of year.....	\$ 123,776	\$ 51,360	\$ 3,711,030	\$ (94,966)	\$ 539,529	\$ (4,951)	\$ 2,091	\$ 4,327,869