

Financial Statements for the Fiscal 2020

Name : **The Norinchukin Bank**

(URL <https://www.nochubank.or.jp/>)

Name of the President: OKU Kazuto President & Chief Executive Officer

The Person Responsible for Inquiries : CHIBA Yuji, General Manager of Financial Planning & Control Division

(Note) Amounts less than one million Yen are rounded down.

1. Consolidated Financial Results for the Fiscal 2020(for the fiscal year ended March 31, 2021)

(1) Consolidated Results of Operations

(Percentage represents change from previous fiscal year)

	Ordinary Income		Ordinary Profits		Profit Attributable to Owners of Parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Fiscal 2020	1,358,863	(12.0)	310,002	152.2	208,233	126.3
Fiscal 2019	1,544,544	(10.8)	122,915	(1.3)	92,027	(11.1)

(Note) Comprehensive Income for Fiscal 2020 769,833 millions of Yen -% for Fiscal 2019 (111,106) millions of Yen -%

	Net Assets Net Income Ratio		Total Assets Ordinary Profits Ratio		Ordinary Income Ordinary Profits Ratio	
		%		%		%
Fiscal 2020	2.7		0.3		22.8	
Fiscal 2019	1.3		0.1		8.0	

(Ref) Equity in Earnings of Affiliates for Fiscal 2020 3,008 millions of Yen for Fiscal 2019 4,320 millions of Yen

(2) Consolidated Financial Conditions

	Total Assets		Total Net Assets		Net Assets Ratio (Note)	
	Millions of Yen		Millions of Yen		%	
Fiscal 2020	107,647,809		7,955,581		7.4	
Fiscal 2019	105,482,009		7,261,673		6.9	

(Ref) Net Assets - Non-controlling Interests for Fiscal 2020 7,943,793 millions of Yen for Fiscal 2019 7,250,536 millions of Yen

(Note) Net Assets Ratio is computed by dividing (Net Assets - Non-controlling Interests) by Total Assets.

Net Assets Ratio above is not the one calculated on the formula found in Notification No.4 of the Financial Services Agency and the Ministry of Agriculture, Forestry and Fisheries (Standards for Judging the Soundness of Management of the Norinchukin Bank).

(3) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at the End of the Fiscal Year
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Fiscal 2020	(2,542,436)	3,245,911	(75,926)	19,121,793
Fiscal 2019	(469,829)	732,031	(100,508)	18,491,970

※ Notes

(1) Changes in Significant Subsidiaries in the fiscal year

(Changes in specified subsidiaries in accordance with changes in the scope of consolidation) : None

(2) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatements

- ① Changes in Accounting Policies due to revisions of Accounting Standards : None
- ② Changes in Accounting Policies other than ① above : None
- ③ Changes in Accounting Estimates : Yes
- ④ Restatements : None

(Note) The details are reported in “ Changes in Accounting Estimates ” (page 9).

2. Non-consolidated Financial Results for the Fiscal 2020(for the fiscal year ended March 31, 2021)

(1) Non-consolidated Results of Operations

(Percentage represents change from previous fiscal year)

	Ordinary Income		Ordinary Profits		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Fiscal 2020	1,337,192	(12.0)	309,612	165.7	212,083	137.1
Fiscal 2019	1,519,122	(11.1)	116,532	(0.8)	89,465	(11.1)

(2) Non-consolidated Financial Conditions

	Total Assets	Total Net Assets	Net Assets Ratio (Note)
	Millions of Yen	Millions of Yen	%
Fiscal 2020	105,238,114	7,826,026	7.4
Fiscal 2019	103,403,535	7,174,874	6.9

(Ref) Net Assets for Fiscal 2020 7,826,026 millions of Yen for Fiscal 2019 7,174,874 millions of Yen

(Note) Net Assets Ratio is computed by dividing Net Assets by Total Assets.

Net Assets Ratio above is not the one calculated on the formula found in Notification No.4 of the Financial Services Agency and the Ministry of Agriculture, Forestry and Fisheries (Standards for Judging the Soundness of Management of the Norinchukin Bank).

(Note) This report is out of the scope of the external auditor’s annual audit procedure.

Qualitative Information

1 Qualitative information relating to the Results of Operations

The global economy in the fiscal year ended March 31, 2021 drastically slowed down due to the worldwide outbreak of COVID-19. In the latter half of the fiscal year, although uncertainties such as the re-expansion of COVID-19 remained, the global economy bottomed out in response to reopening businesses and gradually recovered mainly in the United States and China supported by stimulus packages and monetary easing programs by countries around the world.

In financial markets, although the price of stocks had sharply fell down reflected on a risk-off trend in global since the beginning of March 2020, it reversely rose up due to the expectation of economic recovery by stimulus packages, monetary easing programs and others. Interest rates were low under money easy policies in countries, and interests of US Treasury bonds mainly went up afterwards on the background of the expectation for fiscal expansion resulting from the victory of Biden US president and the Democratic Party in presidential election of US. In currency markets, the yen strengthened in value against both US dollar and Euro in the background of the expectation for economic recovery and others.

Under such earnings environment, Consolidated Ordinary Profits were ¥310.0 billion, up ¥187.0 billion from the previous fiscal year and Profit Attributable to Owners of Parent was ¥208.2 billion, up ¥116.2 billion from the previous fiscal year.

The Norinchukin Bank (“the Bank”) has been managing operations to secure steady accumulation of interest income, and the non-consolidated interest income of the Bank totaled to ¥264.1 billion, up ¥127.9 billion from the previous fiscal year.

The total credit costs were ¥83.1 billion in net losses mainly due to the general provision of reserve for possible loan losses and others.

As for securities investments, net gains/losses on sales were net losses of ¥46.5 billion, down ¥114.5 billion from the previous fiscal year and the expenses of provisions and impairments for price-decline of securities and other reasons increased by ¥11.5 billion to ¥13.4 billion from the previous fiscal year.

As a result, with all of the factors mentioned above, the Bank recorded ¥309.6 billion in Ordinary Profits, up ¥193.0 billion and ¥212.0 billion in Net Income, up ¥122.6 billion from the previous fiscal year, respectively. The Bank’s net operating profits stood at ¥2.3 billion.

2 Qualitative information relating to the Financial Conditions

Consolidated Total Assets at the end of the fiscal year increased by ¥2,165.7 billion to ¥107,647.8 billion from the previous fiscal year-end.

Total Assets of the Bank at the end of the fiscal year increased by ¥1,834.5 billion to ¥105,238.1 billion from the previous fiscal year-end. Total Net Assets at the end of the fiscal year increased by ¥651.1 billion to ¥7,826.0 billion from the previous fiscal year-end.

As to the balances of the major accounts on the assets side, Loans and Bills Discounted at the end of the fiscal year increased by ¥1,995.1 billion to ¥21,824.0 billion from the previous fiscal year-end, and Securities at the end of the fiscal year decreased by ¥6,202.8 billion to ¥48,491.4 billion from the previous fiscal year-end. For those on the liabilities side, Deposits at the end of the fiscal year increased by ¥19.4 billion to ¥65,675.4 billion, and Debentures at the end of the fiscal year decreased by ¥429.9 billion to ¥361.4 billion from the previous fiscal year-end, respectively.

(Note) All the amounts shown in this document are rounded down.

Consolidated Balance Sheet

(Millions of Yen)

	Fiscal 2019 (As of March 31,2020)	Fiscal 2020 (As of March 31,2021)
(Assets)		
Loans and Bills Discounted	20,058,825	22,102,545
Foreign Exchange Assets	209,889	290,017
Securities	54,533,258	48,093,847
Money Held in Trust	5,996,681	10,638,598
Trading Assets	7,862	7,310
Monetary Claims Bought	301,081	302,918
Call Loans and Bills Bought	54,330	60,890
Receivables under Resale Agreements	13,048	548,061
Cash and Due from Banks	19,505,050	20,066,967
Other Assets	2,500,911	2,885,756
Tangible Fixed Assets	123,562	165,914
Buildings	42,048	36,641
Land	46,885	97,707
Lease Assets	31,279	19,436
Construction in Progress	212	1,187
Other Tangible Fixed Assets	3,135	10,941
Intangible Fixed Assets	53,100	57,724
Software	27,299	38,636
Lease Assets	4,772	10,863
Other Intangible Fixed Assets	21,028	8,224
Net Defined Benefit Asset	58,213	112,151
Deferred Tax Assets	2,952	3,771
Customers' Liabilities for Acceptances and Guarantees	2,115,202	2,446,587
Reserve for Possible Loan Losses	(51,587)	(134,983)
Reserve for Possible Investment Losses	(372)	(270)
Total Assets	105,482,009	107,647,809
(Liabilities)		
Deposits	65,639,097	65,652,162
Negotiable Certificates of Deposit	2,406,965	3,100,259
Debentures	784,446	355,479
Trading Liabilities	8,102	5,137
Borrowed Money	5,413,844	5,092,464
Payables under Repurchase Agreements	15,726,573	17,073,926
Foreign Exchange Liabilities	0	0
Short-term Entrusted Funds	792,594	877,743
Other Liabilities	4,824,601	4,543,028
Reserve for Bonus Payments	7,490	7,552
Net Defined Benefit Liability	38,841	29,486
Reserve for Directors' Retirement Benefits	1,425	1,459
Deferred Tax Liabilities	452,542	498,333
Deferred Tax Liabilities for Land Revaluation	8,607	8,607
Acceptances and Guarantees	2,115,202	2,446,587
Total Liabilities	98,220,336	99,692,228
(Net Assets)		
Paid-in Capital	4,040,198	4,040,198
Capital Surplus	24,993	24,993
Retained Earnings	2,013,599	2,146,592
Total Owners' Equity	6,078,792	6,211,784
Net Unrealized Gains on Other Securities	1,701,619	1,948,587
Net Deferred Losses on Hedging Instruments	(550,151)	(280,135)
Revaluation Reserve for Land	14,312	14,312
Foreign Currency Transaction Adjustments	(153)	(16)
Remeasurements of Defined Benefit Plans	6,118	49,260
Total Accumulated Other Comprehensive Income	1,171,744	1,732,008
Non-controlling Interests	11,136	11,787
Total Net Assets	7,261,673	7,955,581
Total Liabilities and Net Assets	105,482,009	107,647,809

Consolidated Statements of Operations and Comprehensive Income

(1) Consolidated Statement of Operations

(Millions of Yen)

	Fiscal 2019 (Year ended March 31,2020)	Fiscal 2020 (Year ended March 31,2021)
Ordinary Income	1,544,544	1,358,863
Interest Income	1,246,628	847,539
Interest on Loans and Bills Discounted	126,361	97,446
Interest and Dividends on Securities	1,092,029	730,549
Interest on Call Loans and Bills Bought	2,187	(4)
Interest on Receivables under Resale Agreements	5	(211)
Interest on Due from Banks	20,093	11,866
Other Interest Income	5,950	7,893
Fees and Commissions	35,576	31,359
Trading Income	-	513
Other Operating Income	137,769	79,462
Other Ordinary Income	124,570	399,989
Recoveries of Written-off Claims	1,901	202
Other Ordinary Income	122,668	399,786
Ordinary Expenses	1,421,629	1,048,861
Interest Expenses	1,155,180	631,003
Interest on Deposits	121,363	29,014
Interest on Negotiable Certificates of Deposit	41,918	8,629
Interest on Debentures	1,825	690
Interest on Borrowed Money	42,868	40,945
Interest on Call Money and Bills Sold	(14)	(0)
Interest on Payables under Repurchase Agreements	174,812	4,977
Other Interest Expenses	772,405	546,746
Fees and Commissions	19,057	17,743
Trading Expenses	885	18
Other Operating Expenses	66,065	157,130
General and Administrative Expenses	153,383	151,139
Other Ordinary Expenses	27,057	91,826
Provision of Reserve for Possible Loan Losses	3,470	84,317
Other Ordinary Expenses	23,587	7,509
Ordinary Profits	122,915	310,002
Extraordinary Profits	1,796	-
Gains on Disposal of Fixed Assets	1,796	-
Extraordinary Losses	712	16,388
Losses on Disposal of Fixed Assets	493	340
Losses on Impairment of Fixed Assets	218	16,047
Income before Income Taxes	123,999	293,613
Income Taxes - Current	21,637	251,398
Income Taxes - Deferred	8,871	(167,310)
Total Income Taxes	30,509	84,087
Profit	93,490	209,526
Profit Attributable to Non-controlling Interests	1,462	1,292
Profit Attributable to Owners of Parent	92,027	208,233

(2) Consolidated Statement of Comprehensive Income

(Millions of Yen)

	Fiscal 2019 (Year ended March 31,2020)	Fiscal 2020 (Year ended March 31,2021)
Profit	93,490	209,526
Other Comprehensive Income	(204,596)	560,307
Net Unrealized Gains (Losses) on Other Securities	199,065	244,792
Net Deferred Gains (Losses) on Hedging Instruments	(397,480)	270,026
Foreign Currency Transaction Adjustments	(63)	121
Remeasurements of Defined Benefit Plans	(6,841)	42,960
Share of Other Comprehensive Income of Affiliates accounted for by the equity method	722	2,406
Total Comprehensive Income	(111,106)	769,833
Attributable to:		
Owners of Parent	(112,537)	768,497
Non-controlling Interests	1,431	1,336

Consolidated Statement of Capital Surplus and Retained Earnings

(Millions of Yen)

	Fiscal 2019 (Year ended March 31,2020)	Fiscal 2020 (Year ended March 31,2021)
(Capital Surplus)		
Balance at the Beginning of the Fiscal Year	24,993	24,993
Additions:	-	-
Deductions:	-	-
Balance at the End of the Fiscal Year	24,993	24,993
(Retained Earnings)		
Balance at the Beginning of the Fiscal Year	2,021,435	2,013,599
Additions:	92,034	208,233
Profit Attributable to Owners of Parent	92,027	208,233
Increase Resulting from Exclusion from Consolidation	6	-
Deductions:	99,870	75,241
Dividends	99,870	75,241
Balance at the End of the Fiscal Year	2,013,599	2,146,592

Consolidated Statement of Cash Flows

(Millions of Yen)

	Fiscal 2019 (Year ended March 31,2020)	Fiscal 2020 (Year ended March 31,2021)
I Cash Flows from Operating Activities:		
Income before Income Taxes	123,999	293,613
Depreciation	20,861	24,150
Losses on Impairment of Fixed Assets	218	16,047
Equity in Losses (Earnings) of Affiliates	(4,320)	(3,008)
Net Increase (Decrease) in Reserve for Possible Loan Losses	3,190	83,455
Net Increase (Decrease) in Reserve for Possible Investment Losses	217	(101)
Net Increase (Decrease) in Reserve for Bonus Payments	(66)	61
Net Decrease (Increase) in Net Defined Benefit Asset	(498)	(53,937)
Net Increase (Decrease) in Net Defined Benefit Liability	553	(9,354)
Net Increase (Decrease) in Reserve for Directors' Retirement Benefits	189	34
Interest Income	(1,246,628)	(847,539)
Interest Expenses	1,155,180	631,003
Losses (Gains) on Securities	(104,196)	29,472
Losses (Gains) on Money Held in Trust	(5,754)	(94,234)
Foreign Exchange Losses (Gains)	1,221,648	(1,619,658)
Losses (Gains) on Disposal of Fixed Assets	(1,303)	340
Net Decrease (Increase) in Trading Assets	7,981	552
Net Increase (Decrease) in Trading Liabilities	1,080	(2,965)
Net Decrease (Increase) in Loans and Bills Discounted	(1,464,008)	(2,003,467)
Net Increase (Decrease) in Deposits	(1,157,971)	13,064
Net Increase (Decrease) in Negotiable Certificates of Deposit	1,616,366	693,293
Net Increase (Decrease) in Debentures	(469,792)	(428,967)
Net Increase (Decrease) in Borrowed Money (Excluding Subordinated Borrowed Money)	593,178	(364,898)
Net Decrease (Increase) in Interest-bearing Due from Banks	(403,009)	68,890
Net Decrease (Increase) in Call Loans and Bills Bought and Other	12,088	(543,180)
Net Increase (Decrease) in Call Money and Bills Sold and Other	615,276	1,347,353
Net Increase (Decrease) in Short-term Entrusted Funds	(255,497)	85,149
Net Decrease (Increase) in Foreign Exchange Assets	135,053	(80,127)
Net Increase (Decrease) in Foreign Exchange Liabilities	(32)	(0)
Interest Received	1,253,014	871,473
Interest Paid	(1,162,236)	(664,663)
Other, Net	(938,536)	53,762
Subtotal	(453,753)	(2,504,385)
Income Taxes Paid	(16,076)	(38,051)
Net Cash Provided by (Used in) Operating Activities	(469,829)	(2,542,436)
II Cash Flows from Investing Activities:		
Purchases of Securities	(10,603,832)	(11,727,989)
Proceeds from Sales of Securities	1,426,336	4,661,573
Proceeds from Redemption of Securities	9,295,906	10,050,713
Increase in Money Held in Trust	(871,627)	(537,046)
Decrease in Money Held in Trust	1,497,296	883,393
Purchases of Tangible Fixed Assets	(1,617)	(75,581)
Purchases of Intangible Fixed Assets	(12,997)	(9,151)
Proceeds from Sales of Tangible Fixed Assets	2,566	-
Net Cash Provided by (Used in) Investing Activities	732,031	3,245,911
III Cash Flows from Financing Activities:		
Dividends Paid	(99,870)	(75,241)
Dividends Paid to Non-controlling Interests	(638)	(685)
Net Cash Provided by (Used in) Financing Activities	(100,508)	(75,926)
IV Effect of Exchange Rate Changes on Cash and Cash Equivalents	47	2,274
V Net Increase (Decrease) in Cash and Cash Equivalents	161,740	629,823
VI Cash and Cash Equivalents at the Beginning of the Fiscal Year	18,330,229	18,491,970
VII Cash and Cash Equivalents at the End of the Fiscal Year	18,491,970	19,121,793

Amounts less than one million yen are rounded down.

Notes to Consolidated Financial Statements

(Notes to Accounting Policies)

Consolidated Financial Statements are under Japanese GAAP (Generally Accepted Accounting Policies).

(Notes on Going-Concern Assumption)

None.

(Change in Accounting Estimates)

The Bank had estimated Reserve for Possible Loan Losses based on long-term averages of the historical loan-loss ratios. In accordance with “JFSA's supervisory approaches to lending business and loan loss provisioning” (Financial Services Agency, December 18th 2019), the Bank has prepared methodology and setup by which the Bank reflects the risks identified by future forecasts on estimation of Reserve for Possible Loan Losses. The Bank's objective of the preparation is to stably contribute to financial intermediation regardless of economic fluctuation and other factors resulting from various risks such as the expansion of COVID-19.

The Bank has changed the methodology of estimating Reserve for Possible Loan Losses since this consolidated accounting period because the Bank has been able to reasonably make an estimate which reflects the risks more properly on Reserve for Possible Loan Losses before the risks identified by future forecasts are actually recognized as loan losses.

Not only considering possibility of each scenario based upon current situation in economic cycle and an outlook for future through macroeconomic indicators (the GDP growth rate of Japan) highly correlated to historical records of loan losses and the Bank's outlook for economic fluctuation but referring to the historical records of loan losses, the Bank accounts Reserve for Possible Loan Losses.

According to the change in accounting estimates, Reserve for Possible Loan Losses in the consolidated accounting period increased by ¥34,774 million, and both Ordinary Profits and Income before Income Taxes in the consolidated accounting period decreased by ¥34,774 million.

(Additional Information)

As described (Additional Information) in “Financial Statements for the Fiscal 2019”, the Bank made decision to relocate its headquarter in the board of directors held on 3rd March 2020, and concluded a memorandum between the Bank and the transferee for divided sale of land and building. This transfer will be carried out at two separate times, in March 2022 and April 2022. The transfer will generate profit approximately 26,000 million yen in the fourth quarter of fiscal year 2021 and approximately 24,000 million yen in the first quarter of fiscal year 2022 respectively, which will be booked as “Gains on Disposal of Fixed Assets” of “Extraordinary Profits” on the consolidated financial statements of the each quarter. The profit after deduction of corporate tax and others from the original profit for the transfer will approximately be 18,000 million yen in the fourth quarter of fiscal year 2021, and 17,000 million yen in the first quarter of fiscal year 2022, respectively.

The transfer had no impact on profit and losses on its consolidated financial statements of the fiscal year 2020.

(Securities)

Information relating to Securities is provided as below. The Securities include Trading Securities in Trading Assets, negotiable certificates of deposit in Cash and Due from Banks and trust beneficiary interest in Monetary Claims Bought.

1. Trading Securities (as of March 31, 2021)

(Millions of Yen)

	Unrealized Gains (Losses) included in the Income for the fiscal year
Trading Securities	(6)

2. Held-to-Maturity Debt Securities (as of March 31, 2021)

(Millions of Yen)

	Type	Consolidated Balance Sheet Amount	Fair Value	Difference
Transactions for Fair Value exceeding Consolidated Balance Sheet Amount	Japanese Government Bonds	2,645,562	2,670,296	24,733
	Municipal Government Bonds	-	-	-
	Corporate Bonds	101,113	101,157	44
	Other	6,552,479	6,598,745	46,266
	Foreign Bonds	6,466,477	6,512,642	46,165
	Other	86,001	86,102	101
	Subtotal	9,299,155	9,370,199	71,044
Transactions for Fair Value not exceeding Consolidated Balance Sheet Amount	Japanese Government Bonds	499,613	493,520	(6,093)
	Municipal Government Bonds	-	-	-
	Corporate Bonds	-	-	-
	Other	3,164,118	3,156,465	(7,652)
	Foreign Bonds	3,073,398	3,065,781	(7,616)
	Other	90,719	90,684	(35)
	Subtotal	3,663,731	3,649,985	(13,745)
Total		12,962,886	13,020,185	57,298

3. Other Securities (as of March 31, 2021)

(Millions of Yen)

	Type	Consolidated Balance Sheet Amount	Acquisition Cost	Difference
Transactions for Consolidated Balance Sheet Amount exceeding Acquisition Cost	Stocks	729,825	247,130	482,694
	Bonds	3,069,931	2,935,371	134,560
	Japanese Government Bonds	2,919,990	2,785,565	134,424
	Municipal Government Bonds	45,364	45,336	27
	Corporate Bonds	104,577	104,470	107
	Other	18,269,308	16,375,128	1,894,180
	Foreign Bonds	13,297,229	12,309,926	987,303
	Foreign Stocks	20,351	7,682	12,669
	Investment Trusts	4,818,888	3,924,913	893,974
	Other	132,839	132,605	233
	Subtotal	22,069,066	19,557,630	2,511,435
Transactions for Consolidated Balance Sheet Amount not exceeding Acquisition Cost	Stocks	14,502	17,700	(3,198)
	Bonds	5,253,339	5,298,601	(45,261)
	Japanese Government Bonds	4,047,084	4,087,890	(40,805)
	Municipal Government Bonds	108,626	110,229	(1,602)
	Corporate Bonds	1,097,628	1,100,482	(2,853)
	Other	7,101,613	7,476,432	(374,819)
	Foreign Bonds	4,983,002	5,205,465	(222,462)
	Foreign Stocks	-	-	-
	Investment Trusts	2,113,075	2,265,432	(152,356)
	Other	5,535	5,535	(0)
	Subtotal	12,369,455	12,792,735	(423,279)
Total	34,438,521	32,350,365	2,088,156	

4. Held-to-Maturity Debt Securities Sold during the fiscal year ended March 31, 2021

The Bank and its consolidated subsidiaries sold no held-to-maturity debt securities.

5. Other Securities Sold during the fiscal year ended March 31, 2021

(Millions of Yen)

Type	Sales Proceeds	Gains on Sales	Losses on Sales
Stocks	11,761	6,574	23
Bonds	983,657	5,006	845
Japanese Government Bonds	983,657	5,006	845
Municipal Government Bonds	-	-	-
Corporate Bonds	-	-	-
Other	3,761,627	40,819	98,106
Foreign Bonds	3,656,949	14,151	97,831
Foreign Stocks	24	24	0
Investment Trusts	99,481	26,435	274
Other	5,172	208	-
Total	4,757,045	52,400	98,974

6. Securities Recognized for Revaluation Loss

Securities other than those for trading purposes and stocks with no market prices and investments in partnership and others, are revalued to their fair value, and the difference between the acquisition cost (and other) and the fair value is treated as a realized loss for the fiscal year ended March 31, 2021 (“revaluation loss”), if the fair value has significantly deteriorated from the acquisition cost (and other), and unless a recovery in the fair value is deemed probable.

The amount of revaluation loss for the period was ¥12,986 million, including ¥12,113 million on Investment Trusts and ¥872 million on Stocks.

The criteria for determining whether the securities’ fair value has “significantly deteriorated” are outlined as follows:

Securities whose fair values are equal to or less than 50% of their acquisition costs (and other)

Securities whose fair values remain between 50% (exclusive) and 70% (inclusive) of their acquisition costs (and other) for a certain period

(Money Held in Trust)

1. Money Held in Trust for Trading Purposes (as of March 31, 2021)

The Bank and its consolidated subsidiaries held no money held in trust for trading purposes.

2. Held-to-Maturity Money Held in Trust (as of March 31, 2021)

The Bank and its consolidated subsidiaries held no held-to-maturity money held in trust.

3. Other Money Held in Trust (Money Held in Trust other than that for trading purposes or held-to-maturity) (as of March 31, 2021)

				(Millions of Yen)	
	Consolidated Balance Sheet Amount	Acquisition Cost	Difference	Transactions for Consolidated Balance Sheet Amount exceeding Acquisition Cost	Transactions for Consolidated Balance Sheet Amount not exceeding Acquisition Cost
Other Money Held in Trust	10,638,598	10,192,091	446,506	470,534	24,028

(Note)

“Transactions for Consolidated Balance Sheet Amount exceeding Acquisition Cost” and “Transactions for Consolidated Balance Sheet Amount not exceeding Acquisition Cost” are gross valuation of the difference between the acquisition cost and the consolidated balance sheet amount presented in “Difference.”

(Segment Information)

Segment Information is not shown in these statements, since the banking business is the only reportable segment.

(Per Share Information)

Net Assets per Share at the end of the fiscal year was ¥988.18 (Non-controlling Interests, the residual assets for the holders of lower dividend rate stocks and preferred stocks, the total dividends on lower dividend rate stocks and preferred stocks, and the total special dividends are deducted from the numerator, and the aggregate number of lower dividend rate stocks and preferred stocks is deducted from the denominator respectively in the calculation of Net Assets per Share.) Profit Attributable to Owners of Parent per Share for the fiscal year was ¥27.19 (The total dividends for lower dividend rate stocks and preferred stocks and the total special dividends are deducted from the numerator, the aggregate number of lower dividend rate stocks and preferred stocks is deducted from the denominator respectively in the calculation of Profit Attributable to Owners of Parent per Share.)

(Significant Subsequent Events)

None.

Non-consolidated Financial Statements

Non-consolidated Balance Sheet

(Millions of Yen)

	Fiscal 2019 (As of March 31, 2020)	Fiscal 2020 (As of March 31, 2021)
(Assets)		
Loans and Bills Discounted	19,828,858	21,824,004
Loans on Deeds	18,128,236	19,611,508
Loans on Bills	382,495	286,386
Overdrafts	1,316,200	1,924,852
Bills Discounted	1,926	1,257
Foreign Exchange Assets	189,851	271,190
Due from Foreign Banks	189,851	271,190
Securities	54,694,312	48,491,498
Japanese Government Bonds	11,180,408	10,112,251
Municipal Government Bonds	151,039	138,183
Corporate Bonds	1,473,066	1,303,319
Stocks	731,854	923,765
Other Securities	41,157,942	36,013,977
Money Held in Trust	5,996,009	10,637,717
Trading Assets	7,862	7,310
Trading Securities	1	2,016
Derivatives of Securities Related to Trading Transactions	-	39
Trading-related Financial Derivatives	7,861	5,254
Monetary Claims Bought	301,081	302,918
Call Loans	54,330	60,890
Receivables under Resale Agreements	13,048	547,931
Cash and Due from Banks	19,458,993	19,820,208
Cash	39,368	34,397
Due from Banks	19,419,624	19,785,811
Other Assets	2,475,961	2,877,505
Domestic Exchange Settlement Account, Debit	13	13
Prepaid Expenses	946	1,248
Accrued Income	149,098	119,428
Initial Margins of Futures Markets	31,692	20,493
Derivatives other than for Trading	339,270	61,325
Cash Collateral Paid for Financial Instruments	1,243,372	1,424,768
Others	711,567	1,250,227
Tangible Fixed Assets	122,233	164,657
Buildings	41,578	36,015
Land	46,885	97,707
Lease Assets	31,007	19,221
Construction in Progress	5	1,184
Other Tangible Fixed Assets	2,756	10,528
Intangible Fixed Assets	49,375	54,299
Software	24,774	36,600
Lease Assets	4,302	10,420
Other Intangible Fixed Assets	20,298	7,278
Prepaid Pension Cost	35,568	41,641
Customers' Liabilities for Acceptances and Guarantees	226,965	269,647
Reserve for Possible Loan Losses	(49,181)	(131,577)
Reserve for Possible Investment Losses	(1,734)	(1,730)
Total Assets	103,403,535	105,238,114

(Millions of Yen)

	Fiscal 2019 (As of March 31, 2020)	Fiscal 2020 (As of March 31, 2021)
(Liabilities)		
Deposits	65,656,007	65,675,444
Time Deposits	56,957,616	56,792,460
Deposits at Notice	12,658	12,650
Ordinary Deposits	3,572,318	3,817,593
Current Deposits	94,583	102,099
Other Deposits	5,018,831	4,950,639
Negotiable Certificates of Deposit	2,406,965	3,100,259
Debentures	791,446	361,479
Debentures Issued	791,446	361,479
Trading Liabilities	8,102	5,137
Derivatives of Securities Related to Trading Transactions	-	26
Trading-related Financial Derivatives	8,102	5,111
Borrowed Money	5,357,344	5,035,964
Borrowings	5,357,344	5,035,964
Payables under Repurchase Agreements	15,726,573	17,073,926
Foreign Exchange Liabilities	0	0
Foreign Bills Payable	0	0
Short-term Entrusted Funds	792,594	877,743
Other Liabilities	4,773,113	4,491,742
Domestic Exchange Settlement Account, Credit	51	12,781
Accrued Expenses	70,646	37,733
Income Taxes Payable	7,071	216,907
Unearned Income	9,182	5,049
Variation Margins of Futures Markets	-	8
Derivatives other than for Trading	950,878	1,262,630
Cash Collateral Received for Financial Instruments	132,844	986
Lease Liabilities	22,682	18,691
Accounts Payable for Securities Purchased	3,408,314	2,915,225
Others	171,441	21,727
Reserve for Bonus Payments	5,877	5,901
Reserve for Retirement Benefits	23,124	25,394
Reserve for Directors' Retirement Benefits	925	1,015
Deferred Tax Liabilities	451,012	479,825
Deferred Tax Liabilities for Land Revaluation	8,607	8,607
Acceptances and Guarantees	226,965	269,647
Total Liabilities	96,228,661	97,412,087
(Net Assets)		
Paid-in Capital	4,040,198	4,040,198
Common Stock	4,015,198	4,015,198
(including Lower Dividend Rate Stock)	3,589,481	3,589,481
Preferred Stock	24,999	24,999
Capital Surplus	25,020	25,020
Capital Surplus Reserve	24,999	24,999
Other Capital Surplus	20	20
Reserve for Revaluation	20	20
Retained Earnings	1,942,649	2,079,491
Legal Reserves	755,766	773,666
Voluntary Reserves	1,186,883	1,305,825
Special Reserves	323,700	333,744
General Reserves	559,403	559,403
Reserves for Tax Basis Adjustments of Fixed Assets	7,030	6,930
Others	7	7
Unappropriated Retained Earnings	296,741	405,739
Net Income	89,465	212,083
Total Owners' Equity	6,007,868	6,144,710
Net Unrealized Gains on Other Securities, net of taxes	1,700,265	1,944,952
Net Deferred Losses on Hedging Instruments, net of taxes	(547,571)	(277,948)
Revaluation Reserve for Land, net of taxes	14,312	14,312
Total Valuation and Translation Adjustments	1,167,005	1,681,316
Total Net Assets	7,174,874	7,826,026
Total Liabilities and Net Assets	103,403,535	105,238,114

Non-consolidated Statement of Operations

(Millions of Yen)

	Fiscal 2019 (Year ended March 31, 2020)	Fiscal 2020 (Year ended March 31, 2021)
Ordinary Income	1,519,122	1,337,192
Interest Income	1,246,587	851,281
Interest on Loans and Bills Discounted	115,880	83,558
Interest and Dividends on Securities	1,102,526	749,319
Interest on Call Loans	2,187	(4)
Interest on Receivables under Resale Agreements	5	(211)
Interest on Due from Banks	20,036	11,857
Other Interest Income	5,950	6,762
Fees and Commissions	19,417	14,346
Exchange Fees	890	866
Other Commissions Receivable	18,526	13,479
Trading Income	-	513
Income from Securities and Derivatives Related to Trading Transactions	-	50
Income from Trading-related Financial Derivatives	-	463
Other Operating Income	132,740	74,208
Gains on Foreign Exchange Transactions	3,270	-
Gains on Sales of Bonds	83,986	19,366
Gains on Financial Derivatives	-	9,009
Other Operating Income	45,483	45,832
Other Ordinary Income	120,377	396,843
Recoveries from Written-off Claims	1,901	202
Gains on Sales of Stocks and Other Securities	4,671	33,035
Gains on Money Held in Trust	112,109	352,811
Others	1,695	10,793
Ordinary Expenses	1,402,589	1,027,580
Interest Expenses	1,155,024	629,387
Interest on Deposits	121,363	29,065
Interest on Negotiable Certificates of Deposit	41,918	8,629
Interest on Debentures	1,825	690
Interest on Borrowed Money	42,733	40,816
Interest on Call Money	(14)	(0)
Interest on Payables under Repurchase Agreements	174,812	4,977
Interest on Interest Rate Swap	375,243	212,505
Other Interest Expenses	397,140	332,703
Fees and Commissions	16,055	15,925
Exchange Fees	881	895
Other Commissions	15,173	15,029
Trading Expenses	885	18
Expenses on Trading Securities and Derivatives	7	18
Expenses on Securities and Derivatives Related to Trading Transactions	36	-
Expenses on Trading-related Financial Derivatives	841	-
Other Operating Expenses	65,427	156,212
Amortization of Debenture Issuance Costs	28	23
Losses on Foreign Exchange Transactions	-	1,163
Losses on Sales of Bonds	20,009	98,685
Losses on Revaluation of Bonds	-	12,113
Expenses on Financial Derivatives	4,744	-
Other Operating Expenses	40,644	44,227
General and Administrative Expenses	139,440	135,504
Other Ordinary Expenses	25,756	90,531
Provision of Reserve for Possible Loan Losses	2,400	83,089
Provision of Reserve for Possible Investment Losses	53	-
Write-off of Loans	4	89
Losses on Sales of Stocks and Other Securities	649	282
Losses on Revaluation of Stocks and Other Securities	1,893	1,339
Losses on Money Held in Trust	6,215	4,740
Others	14,539	990
Ordinary Profits	116,532	309,612
Extraordinary Profits	1,796	-
Gains on Disposal of Fixed Assets	1,796	-
Extraordinary Losses	568	16,368
Losses on Disposal of Fixed Assets	349	320
Losses on Impairment of Fixed Assets	218	16,047
Income before Income Taxes	117,761	293,244
Income Taxes - Current	18,673	247,987
Income Taxes - Deferred	9,621	(166,826)
Total Income Taxes	28,295	81,160
Net Income	89,465	212,083
Unappropriated Retained Earnings Brought Forward	207,276	193,655
Unappropriated Retained Earnings at the End of the Year	296,741	405,739