

INTERIM CONSOLIDATED BALANCE SHEETS

The Iyo Bank, Ltd. and Its consolidated subsidiaries
As of September 30, 2020 and 2019

	Millions of yen		Thousands of U.S. dollars
	2020	2019	2020
ASSETS			
Cash and due from banks	¥ 1,282,559	¥ 931,174	\$ 12,122,485
Receivables under resale agreements	69,046	-	652,608
Monetary claims purchased	6,986	8,351	66,030
Trading account securities	717	754	6,776
Money held in trust	8,233	6,109	77,816
Securities	1,839,219	1,684,986	17,383,922
Loans and bills discounted	4,851,440	4,594,920	45,854,820
Reserve for loan losses	(29,453)	(28,639)	(278,383)
Foreign exchange	37,254	11,709	352,117
Lease receivables and investment assets	32,818	33,353	310,189
Other assets	123,515	88,014	1,167,438
Tangible fixed assets	72,035	73,515	680,860
Intangible fixed assets	7,751	7,777	73,260
Net defined benefit asset	19,864	18,640	187,750
Customers' liabilities for acceptances and guarantees	26,675	32,726	252,126
Deferred tax assets	194	191	1,833
Total assets	¥ 8,348,860	¥ 7,463,586	\$ 78,911,720
LIABILITIES AND NET ASSETS			
Liabilities			
Deposits	¥ 6,160,914	¥ 5,793,076	\$ 58,231,701
Call money and bills sold	88,464	60,251	836,143
Payables under repurchase agreements	216,091	36,921	2,042,448
Payables under securities lending transactions	163,019	351,979	1,540,822
Borrowed money	791,302	395,655	7,479,224
Foreign exchanges	210	172	1,984
Borrowed money from trust account	15	31	141
Other liabilities	86,953	35,799	821,862
Accrued employees' bonuses	1,658	1,666	15,671
Net defined benefit liability	12,287	12,315	116,134
Reserve for losses on repayments of dormant bank accounts	2,084	2,831	19,697
Reserve for contingent losses	584	559	5,519
Reserve for share-based payments	225	133	2,126
Reserve under the special laws	2	1	18
Deferred tax liabilities	77,032	60,300	728,090
Deferred taxes on revaluation excess	9,607	9,765	90,803
Acceptances and guarantees	26,675	32,726	252,126
Total liabilities	¥ 7,637,126	¥ 6,794,187	\$ 72,184,555
Net Assets			
Common stock			
Authorized—600,000,000 shares			
Issued—323,775,366 shares as of September 30, 2020	¥ 20,948	¥ 20,948	\$ 197,996
Capital surplus	20,352	11,612	192,362
Retained earnings	444,931	427,153	4,205,396
Treasury stock	(5,045)	(5,131)	(47,684)
Total stockholders' equity	481,187	454,583	4,548,081
Net unrealized holding gains(losses) on securities	205,071	171,771	1,938,289
Net deferred gains (losses) on derivatives under hedge accounting	(1,092)	(1,448)	(10,321)
Land revaluation excess	19,245	19,579	181,899
Remeasurements of defined benefit plans	(794)	436	(7,504)
Total accumulated other comprehensive income	222,430	190,339	2,102,362
Stock acquisition rights	273	343	2,580
Noncontrolling interests	7,842	24,132	74,120
Total net assets	711,733	669,399	6,727,155
Total liabilities and net assets	¥ 8,348,860	¥ 7,463,586	\$ 78,911,720

Note: (1) Japanese yen figures are expressed with amounts under one million omitted. Accordingly figures may not add up to sums.
(2) U.S. dollar amounts represent translation of Japanese yen at the exchange rate of ¥105.80 to U.S. \$1.00 on September 30, 2020.

INTERIM CONSOLIDATED STATEMENTS OF INCOME

The Iyo Bank, Ltd. and Its consolidated subsidiaries

For the six months ended September 30, 2020 and 2019

	Millions of yen		Thousands of U.S. dollars
	2020	2019	2020
INCOME			
Interest and dividend income:			
Interest on loans and discounts -----	¥ 25,082	¥ 27,332	\$ 237,069
Interest and dividends on securities -----	12,051	11,349	113,903
Other interest income -----	358	740	3,383
Fees and commissions -----	6,985	7,842	66,020
Other operating income -----	15,953	13,203	150,784
Other income -----	3,273	3,737	30,935
Total income -----	<u>63,705</u>	<u>64,206</u>	<u>602,126</u>
EXPENSES			
Interest expense:			
Interest on deposits -----	887	2,488	8,383
Interest on borrowings and rediscounts -----	795	888	7,514
Interest on payables under repurchase agreements -----	76	301	718
Interest on payables under securities lending transactions -----	10	851	94
Other interest expenses -----	795	2,328	7,514
Fees and commissions -----	2,519	2,542	23,809
Other operating expenses -----	9,046	7,791	85,500
General and administrative expenses -----	25,979	26,147	245,548
Other expenses -----	3,670	4,594	34,688
Total expenses -----	<u>43,781</u>	<u>47,934</u>	<u>413,809</u>
Interim income before income taxes -----	19,924	16,271	188,317
Income taxes			
Current -----	5,109	4,317	48,289
Deferred -----	750	206	7,088
Total taxes -----	<u>5,860</u>	<u>4,523</u>	<u>55,387</u>
Interim net income -----	<u>14,063</u>	<u>11,747</u>	<u>132,920</u>
Profit attributable to noncontrolling interests -----	66	707	623
Profit attributable to owners of parent -----	<u>13,997</u>	<u>11,039</u>	<u>132,296</u>

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

The Iyo Bank, Ltd. and Its Consolidated Subsidiaries

For the years ended September 30, 2020 and 2019

	Millions of yen		Thousands of U.S. dollars
	2020	2019	2020
Interim net income-----	¥ 14,063	¥ 11,747	\$ 132,920
Other comprehensive income-----	36,932	11,522	349,073
Net unrealized holding gains (losses) on securities-----	38,962	11,767	368,260
Net deferred gains (losses) on derivatives under hedge accounting-----	(1,885)	97	(17,816)
Remeasurements of defined benefit plans-----	(144)	(342)	(1,361)
Comprehensive income-----	¥ 50,996	¥ 23,270	\$ 482,003
Comprehensive income attribute to:			
Comprehensive income attribute to owners of parent -----	¥ 50,263	¥ 21,870	\$ 475,075
Comprehensive income attribute to non-controlling interests-----	732	1,400	6,918

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

The Iyo Bank, Ltd. and its Consolidated Subsidiaries
For the year ended September 30, 2020

	Stockholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total stockholders' equity
Balance at the beginning of the accounting period	¥ 20,948	¥ 14,578	¥ 433,082	¥ (5,131)	¥ 463,478
Changes during the accounting period					
Dividends			(2,217)		(2,217)
Profit attributable to owners of parent			13,997		13,997
Purchase of treasury stock				(0)	(0)
Disposal of treasury stock		11		86	98
Reversal of land revaluation excess			69		69
Purchase of shares of consolidated subsidiaries		5,761			5,761
Changes in items other than stockholders' equity, net					
Total changes during the accounting period	-	5,773	11,849	86	17,708
Balance at the end of the accounting period	¥ 20,948	¥ 20,352	¥ 444,931	¥ (5,045)	¥ 481,187

	Stockholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total stockholders'
Balance at the beginning of the accounting period	\$ 197,996	\$ 137,788	\$ 4,093,402	\$ (48,497)	\$ 4,380,699
Changes during the accounting period					
Dividends			(20,954)		(20,954)
Profit attributable to owners of parent			132,296		132,296
Purchase of treasury stock				(0)	(0)
Disposal of treasury stock		103		812	926
Reversal of land revaluation excess			652		652
Purchase of shares of consolidated subsidiaries		54,451			54,451
Changes in items other than stockholders' equity, net					
Total changes during the accounting period	-	54,565	111,994	812	167,372
Balance at the end of the accounting period	\$ 197,996	\$ 192,362	\$ 4,205,396	\$ (47,684)	\$ 4,548,081

	Total other comprehensive income					Stock acquisition rights	Noncontrolling interests	Total net assets
	Net unrealized	Net deferred gains	Land revaluation	Remeasurements of	Total accumulated			
Balance at the beginning of the accounting period	¥ 166,775	¥ 792	¥ 19,315	¥ (650)	¥ 186,233	¥ 343	¥ 21,792	¥ 671,848
Changes during the accounting period								
Dividends								(2,217)
Profit attributable to owners of parent								13,997
Purchase of treasury stock								(0)
Disposal of treasury stock								98
Reversal of land revaluation excess								69
Purchase of shares of consolidated subsidiaries							(5,761)	-
Changes in items other than stockholders' equity, net	38,295	(1,885)	(69)	(144)	36,196	(69)	(8,187)	27,938
Total changes during the accounting period	38,295	(1,885)	(69)	(144)	36,196	(69)	(13,949)	39,885
Balance at the end of the accounting period	¥ 205,071	¥ (1,092)	¥ 19,245	¥ (794)	¥ 222,430	¥ 273	¥ 7,842	¥ 711,733

	Total other comprehensive income					Stock acquisition rights	Noncontrolling interests	Total net assets
	Net unrealized	Net deferred gains	Land revaluation	Remeasurements of	Total accumulated			
Balance at the beginning of the accounting period	\$ 1,576,323	\$ 7,485	\$ 182,561	\$ (6,143)	\$ 1,760,236	\$ 3,241	\$ 205,973	\$ 6,350,170
Changes during the accounting period								
Dividends								(20,954)
Profit attributable to owners of parent								132,296
Purchase of treasury stock								(0)
Disposal of treasury stock								926
Reversal of land revaluation excess								652
Purchase of shares of consolidated subsidiaries							(54,451)	-
Changes in items other than stockholders' equity, net	361,956	(17,816)	(652)	(1,361)	342,117	(652)	(77,381)	264,064
Total changes during the accounting period	361,956	(17,816)	(652)	(1,361)	342,117	(652)	(131,843)	376,984
Balance at the end of the accounting period	\$ 1,938,289	\$ (10,321)	\$ 181,899	\$ (7,504)	\$ 2,102,362	\$ 2,580	\$ 74,120	\$ 6,727,155

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

The Iyo Bank, Ltd. and its Consolidated Subsidiaries
For the year ended September 30, 2019

Millions of yen

	Stockholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total stockholders' equity
Balance at the beginning of the accounting period	¥ 20,948	¥ 11,604	¥ 418,320	¥ (5,189)	¥ 445,684
Changes during the accounting period					
Dividends			(2,217)		(2,217)
Profit attributable to owners of parent			11,039		11,039
Purchase of treasury stock				(0)	(0)
Disposal of treasury stock		8		58	66
Reversal of land revaluation excess			10		10
Changes in items other than stockholders' equity, net					
Total changes during the accounting period	-	8	8,833	58	8,899
Balance at the end of the accounting period	¥ 20,948	¥ 11,612	¥ 427,153	¥ (5,131)	¥ 454,583

Millions of yen

	Total other comprehensive income					Stock acquisition rights	Noncontrolling interests	Total net assets
	Net unrealized	Net deferred gains	Land revaluation	Remeasurements of	Total accumulated			
Balance at the beginning of the accounting period	¥ 160,696	¥ (1,545)	¥ 19,590	¥ 779	¥ 179,519	¥ 397	¥ 22,725	¥ 648,327
Changes during the accounting period								
Dividends								(2,217)
Profit attributable to owners of parent								11,039
Purchase of treasury stock								(0)
Disposal of treasury stock								66
Reversal of land revaluation excess								10
Changes in items other than stockholders' equity, net	11,075	97	(10)	(342)	10,819	(54)	1,407	12,172
Total changes during the accounting period	11,075	97	(10)	(342)	10,819	(54)	1,407	21,071
Balance at the end of the accounting period	¥ 171,771	¥ (1,448)	¥ 19,579	¥ 436	¥ 190,339	¥ 343	¥ 24,132	¥ 669,399

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

The Iyo Bank, Ltd. and Its consolidated subsidiaries
For the six months ended September 30, 2020 and 2019

	Millions of yen		Thousands of U.S. dollars
	2020	2019	2020
Cash flows from operating activities:			
Interim income before income taxes -----	¥ 19,924	¥ 16,271	\$ 188,317
Depreciation -----	2,427	2,400	22,939
Impairment losses -----	128	20	1,209
Increase (decrease) in reserve for loan losses -----	(1,920)	736	(18,147)
Increase (decrease) in accrued for employees' bonuses -----	9	7	85
Decrease (increase) in net defined benefit asset -----	(1,130)	(1,140)	(10,680)
Increase (decrease) in net defined benefit liability -----	(199)	34	(1,880)
Increase (decrease) in reserve for losses on repayment of dormant bank accounts -----	(309)	(470)	(2,920)
Increase (decrease) in reserve for contingent losses -----	(7)	42	(66)
Increase (decrease) in reserve for share-based payments -----	32	46	302
Interest and dividend income -----	(37,492)	(39,422)	(354,366)
Interest expense -----	2,564	6,857	24,234
Securities losses (gains), net -----	(4,890)	(4,086)	(46,219)
Money in trust losses (gains), net -----	(6)	(171)	(56)
Foreign exchange losses (gains), net -----	2,304	7,481	21,776
Losses (gains) on disposal of tangible fixed assets, net -----	91	37	860
Net changes in loans and bills discounted -----	(118,348)	(67,109)	(1,118,601)
Net changes in deposits -----	432,171	105,055	4,084,792
Net changes in borrowed money (excluding subordinated borrowings) -----	20,924	29,798	197,769
Net changes in deposits from banks -----	(1,004)	(485)	(9,489)
Net changes in call loans -----	287,699	2,573	2,719,272
Net changes in call money -----	56,579	(130,961)	534,773
Net changes in payables under securities lending transactions -----	(35,417)	275,011	(334,754)
Net changes in foreign exchange assets -----	(26,512)	(4,544)	(250,586)
Net changes in foreign exchange liabilities -----	(85)	(77)	(803)
Net changes in lease receivables and investment assets -----	985	(1,909)	9,310
Net changes in borrowed money from trust account -----	(13)	0	(122)
Interest income received -----	37,319	39,666	352,731
Interest expense paid -----	(3,113)	(7,144)	(29,423)
Other -----	(30)	(2,017)	(283)
Subtotal -----	632,679	226,502	5,979,952
Income taxes paid -----	(4,022)	(2,988)	(38,015)
Net cash provided by (used in) operating activities -----	628,656	223,513	5,941,928
Cash flows from investing activities:			
Purchases of securities -----	(374,847)	(285,400)	(3,542,977)
Proceeds from sales of securities -----	253,327	138,170	2,394,395
Proceeds from maturities of securities -----	70,096	49,570	662,533
Increase in money held in trust -----	(1,885)	(47)	(17,816)
Decrease in money held in trust -----	532	473	5,028
Purchases of tangible fixed assets -----	(1,356)	(1,257)	(12,816)
Proceeds from sales of tangible fixed assets -----	36	10	340
Purchases of intangible fixed assets -----	(941)	(1,792)	(8,894)
Net cash provided by (used in) investing activities -----	(55,039)	(100,273)	(520,217)
Cash flows from financing activities			
Proceeds from share issuance to noncontrolling shareholders -----	5	13	47
Cash dividends paid -----	(2,217)	(2,217)	(20,954)
Cash dividends paid to noncontrolling stockholders -----	(5)	(5)	(47)
Purchases of treasury stock -----	(0)	(0)	(0)
Proceeds from sales of treasury stock -----	0	0	0
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation -----	(8,921)	-	(84,319)
Net cash provided by (used in) financing activities -----	(11,138)	(2,210)	(105,274)
Foreign currency translation adjustments -----	(10)	(9)	(94)
Net increase (decrease) in cash and cash equivalents -----	562,467	121,020	5,316,323
Cash and cash equivalents at beginning of year -----	717,887	808,389	6,785,321
Cash and cash equivalents at the end of year -----	¥ 1,280,355	¥ 929,410	\$ 12,101,654