

Fiscal 2020 Earnings Briefing Materials

(April 1, 2020 – March 31, 2021)

Investor Relations 2021



伊予銀行

June 4, 2021

I. Summary of Earnings for Fiscal 2020

II. Overview of Fiscal 2021 Medium-Term Management Plan

II-1. Summary of Fiscal 2018 Medium-Term Management Plan

II-2. Fiscal 2021 Medium-Term Management Plan

Profit and Loss Overview in Fiscal 2020

◆ Although net income decreased due to an increase in credit costs, a high level of core business gross profit was secured

Nonconsolidated results (Units: Millions of yen)	Fiscal 2020	YoY	Increase/ Decrease	Fiscal 2019
Core business gross profit	80,595	+3,827	+4.99%	76,768
Interest and dividend income	71,354	+5,154		66,200
Fees and commissions	6,201	(913)		7,114
Of which, revenue on assets in custody	1,449	(248)		1,697
Other operating income (Excluding profit/loss related to bonds including JGBs, etc.)	3,038	(415)		3,453
Expenses (-)	49,660	(273)	(0.55%)	49,933
Personnel expenses	25,700	(133)		25,833
Nonpersonnel expenses	21,073	(152)		21,225
Taxes	2,886	+13		2,873
Core business net income	30,934	+4,099	+15.27%	26,835
Core business net income (excluding gain (loss) on cancellation of investment trusts)	29,396	+2,501	+9.30%	26,895
Credit costs (-) ①+②-③	12,504	+5,594		6,910
Provision of reserve for general loan losses ①	9,174	+8,710		464
Amortization of non-performing loans ②	3,940	(3,252)		7,192
Recoveries of written off claims ③	610	(135)		745
Gain (loss) related to securities	3,737	+221		3,516
Gain (loss) related to bonds including JGBs, etc.	2,515	+494		2,021
Gain (loss) related to stock, etc.	1,222	(272)		1,494
Other temporary gain (loss)	1,609	(1,532)		3,141
Ordinary income	23,776	(2,805)	(10.55%)	26,581
Extraordinary income (loss)	(372)	+583		(955)
Income before income taxes	23,404	(2,222)		25,626
Net income	16,679	(1,823)	(9.85%)	18,502
Ordinary revenue	104,428	(1,970)	(1.85%)	106,398
Business net income	24,276	(4,116)	(14.50%)	28,392

Core business gross profit

Up ¥3,827 million YoY

While fees and commissions decreased due to restricted face-to-face sales, interest and dividend income increased due to increased gain on securities management from stronger foreign-denominated securities

Expenses (-)

Down ¥273 million YoY

Although strategic investment has continued, personnel expenses and nonpersonnel expenses decreased through efforts for improvement of operational efficiency and reductions in expenses

Credit costs (-)

Up ¥5,594 million YoY

Amid the COVID-19 pandemic, a preventive provision of ¥8,700 million was recorded in consideration of future increases in credit costs

Gain (loss) related to securities

Up ¥221 million YoY

Gain (loss) related to bonds including JGBs, etc. increased due to flexible rebalancing of portfolios according to market trends



Net income

Down ¥1,823 million YoY

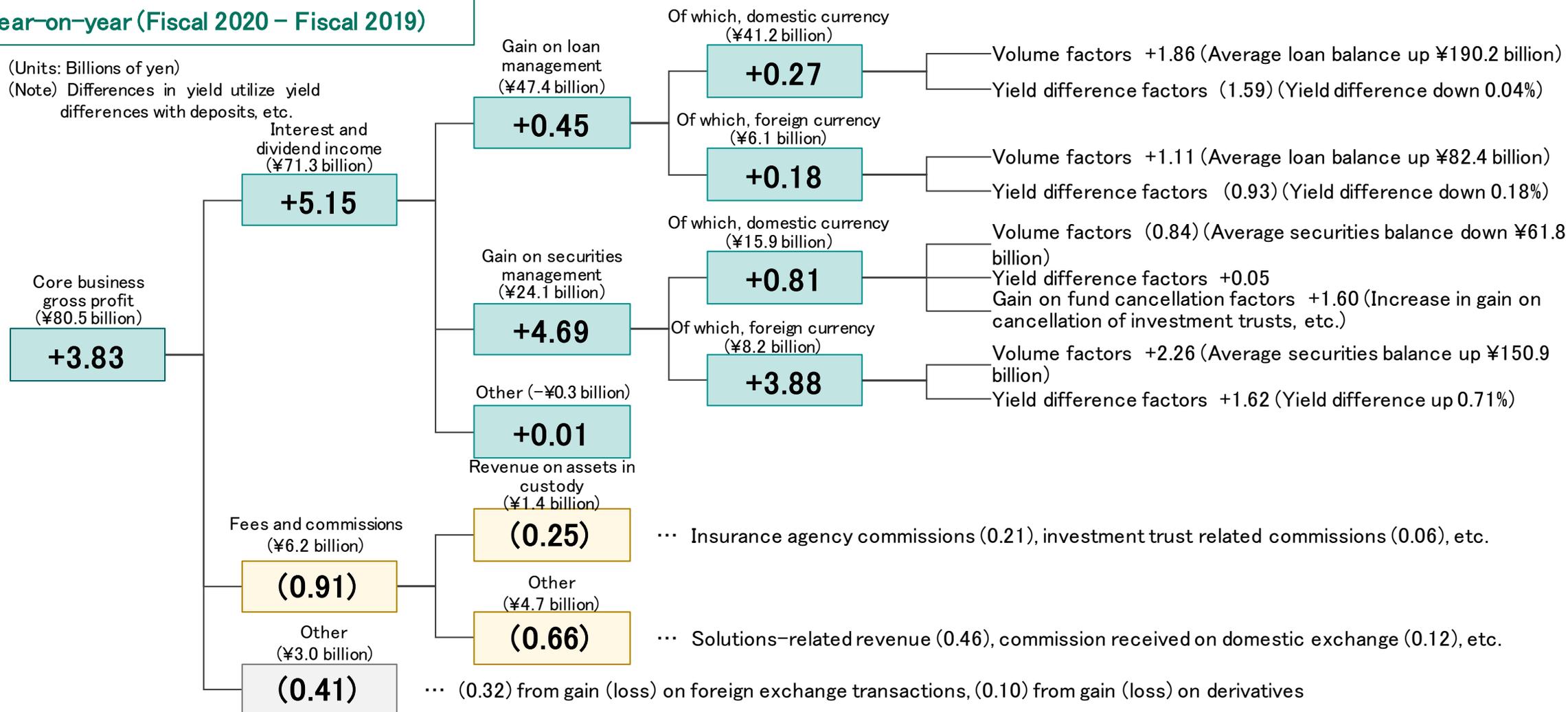
Factors in Increase / Decrease in Core Business Gross Profit in Fiscal 2020

◆ A high level of core business gross profit was secured due mainly to an increase in gain on securities management

Year-on-year (Fiscal 2020 – Fiscal 2019)

(Units: Billions of yen)

(Note) Differences in yield utilize yield differences with deposits, etc.



Loans, Deposits, and Assets in Custody in Fiscal 2020

“Deposits, etc.” **Up 13.4%** year-on-year
 “Loans” **Up 5.1%** year-on-year

Both **increased for 24 consecutive years**

Balance of deposits, etc. by region

(Units: Billions of yen)

Region	Fiscal 2019	Fiscal 2020	YoY	
			YoY	Increase/Decrease
Within Ehime Prefecture	4,536.3	4,938.1	+401.8	+8.9%
Shikoku (excluding Ehime)	234.4	265.4	+31.0	+13.2%
Kyushu	163.1	181.0	+17.9	+11.0%
Chugoku	242.1	300.5	+58.4	+24.1%
Kinki	152.0	192.4	+40.4	+26.6%
Tokyo and Nagoya	398.1	462.3	+64.2	+16.1%
Overseas, etc.	28.0	182.6	+154.6	+552.1%
Total	5,754.3	6,522.6	+768.3	+13.4%

Balance of loans by region

(Units: Billions of yen)

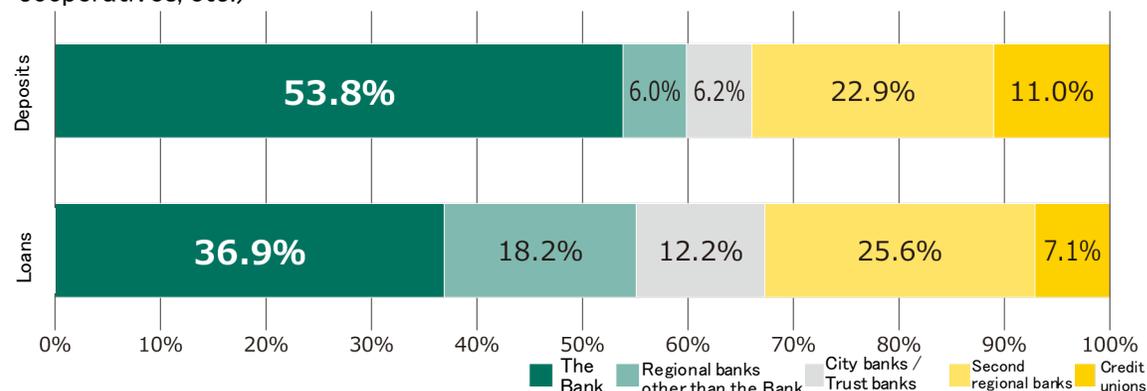
Region	Fiscal 2019	Fiscal 2020	YoY	
			YoY	Increase/Decrease
Within Ehime Prefecture	2,409.2	2,543.9	+134.7	+5.6%
Shikoku (excluding Ehime)	315.6	331.7	+16.1	+5.1%
Kyushu	306.9	317.7	+10.8	+3.5%
Chugoku	447.0	467.8	+20.8	+4.7%
Kinki	371.6	381.1	+9.5	+2.6%
Tokyo and Nagoya	639.4	649.1	+9.7	+1.5%
Financial Market Business Office	117.6	118.0	+0.4	+0.3%
Total (domestic branches)	4,607.5	4,809.5	+202.0	+4.4%
Overseas, etc.	149.0	189.7	+40.7	+27.3%
Total	4,756.6	4,999.3	+242.7	+5.1%

Balance of assets in custody

(Units: Billions of yen)

	Fiscal 2019	Fiscal 2020	YoY	
			YoY	Increase/Decrease
Group assets in custody	542.2	593.5	+51.3	+9.5%
Balance at the Bank	339.7	348.3	+8.6	+2.5%
Balance at Shikoku Alliance Securities	202.4	245.2	+42.8	+21.1%
Sales of Group assets in custody	122.3	131.9	+9.6	+7.8%
Sales at the Bank	54.4	49.4	(5.0)	(9.2)%
Sales at Shikoku Alliance Securities	67.9	82.4	+14.5	+21.4%

Share within Ehime Prefecture as of March 31, 2021 (excluding Japan Post, agricultural cooperatives, etc.)



Credit Costs and Disclosed Non-performing Loans in Fiscal 2020

Credit costs by factor

(Units: Billions of yen)

	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	YoY
Credit costs total	3.5	5.8	6.9	12.5	+5.6
Provision of reserve for general loan losses	(0.6)	0.2	0.4	9.1	+8.7
Amortization of non-performing loans	4.7	6.1	7.1	3.9	(3.2)
Bankruptcies	0.8	1.0	1.3	0.5	(0.8)
Downgrades, etc.	6.3	6.9	8.1	6.2	(1.9)
Upgrades and collections	(2.3)	(1.8)	(2.2)	(2.8)	(0.6)
Recoveries of written off claims (-)	0.5	0.5	0.7	0.6	(0.1)
Credit management expense ratio (*)	0.09%	0.13%	0.15%	0.26%	+0.11P

(*) Credit management expense ratio = Credit costs / Average loan balance

Amounts and ratios of disclosed non-performing loans under the Financial Reconstruction Act

(Units: Billions of yen)

	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	YoY
Loans to bankrupt or effectively bankrupt borrowers	3.0	6.0	6.5	3.6	(2.9)
Doubtful assets	44.1	46.6	53.2	52.8	(0.4)
Credit subject to specific risk management	18.0	18.6	18.0	16.8	(1.2)
Total disclosed non-performing loans	65.2	71.3	77.7	73.3	(4.4)
Ratio of disclosed non-performing loans	1.44%	1.48%	1.55%	1.39%	(0.16)P

Credit costs **Up ¥5.6 billion YoY**
(An increase factor due to provision for COVID-19 measures +¥8.7 billion)

Provision of reserve for general loan losses was up ¥8.7 billion as a preventive provision (provision for COVID-19 measures) was recorded in consideration of future increases in credit costs
Amortization of non-performing loans was down ¥3.2 billion as the occurrence of bankruptcies and downgrades, etc. remained low

Ratio of disclosed non-performing loans 1.39%

Continued at a low level owing to limited occurrence of bankruptcies and downgrades, etc.

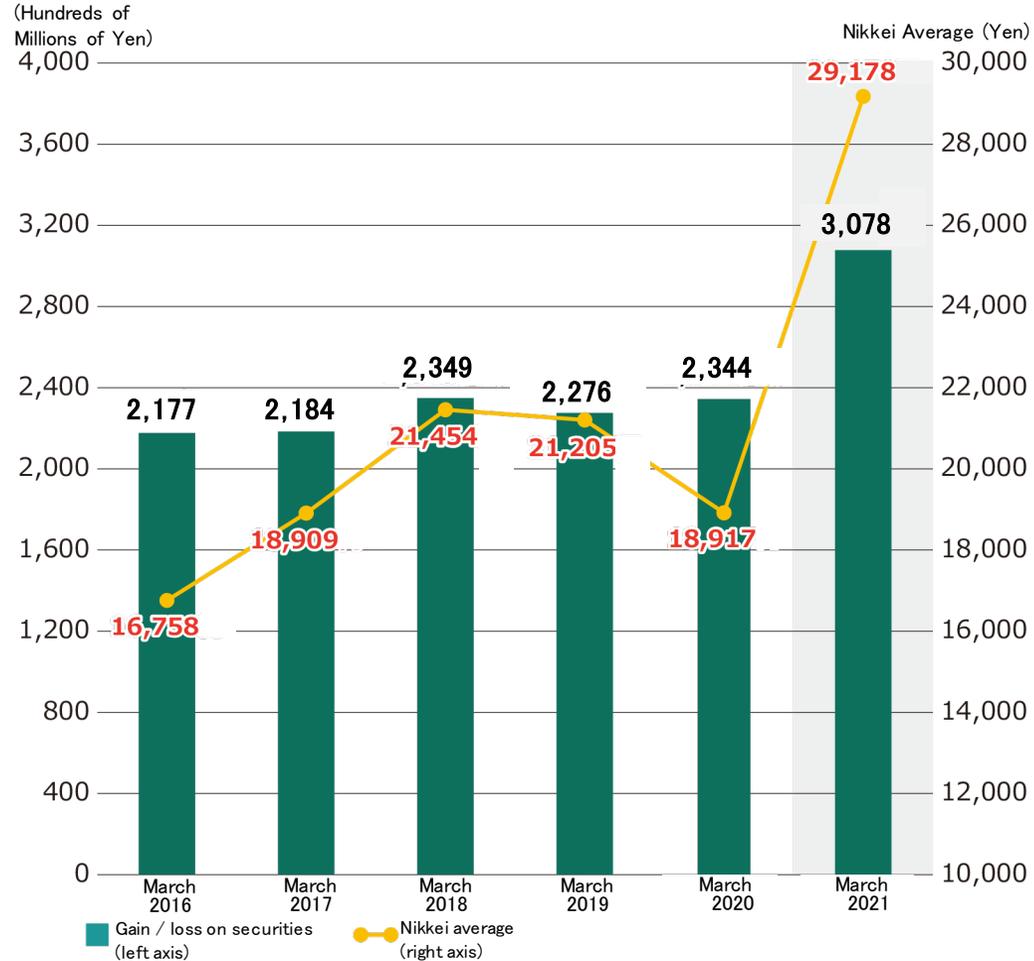
Evaluation Gain (Loss) on Securities and Equity Ratio in Fiscal 2020

Evaluation Gain on Securities

¥307.8 billion

Maintained a top level among regional banks

Evaluation gain on securities (nonconsolidated)



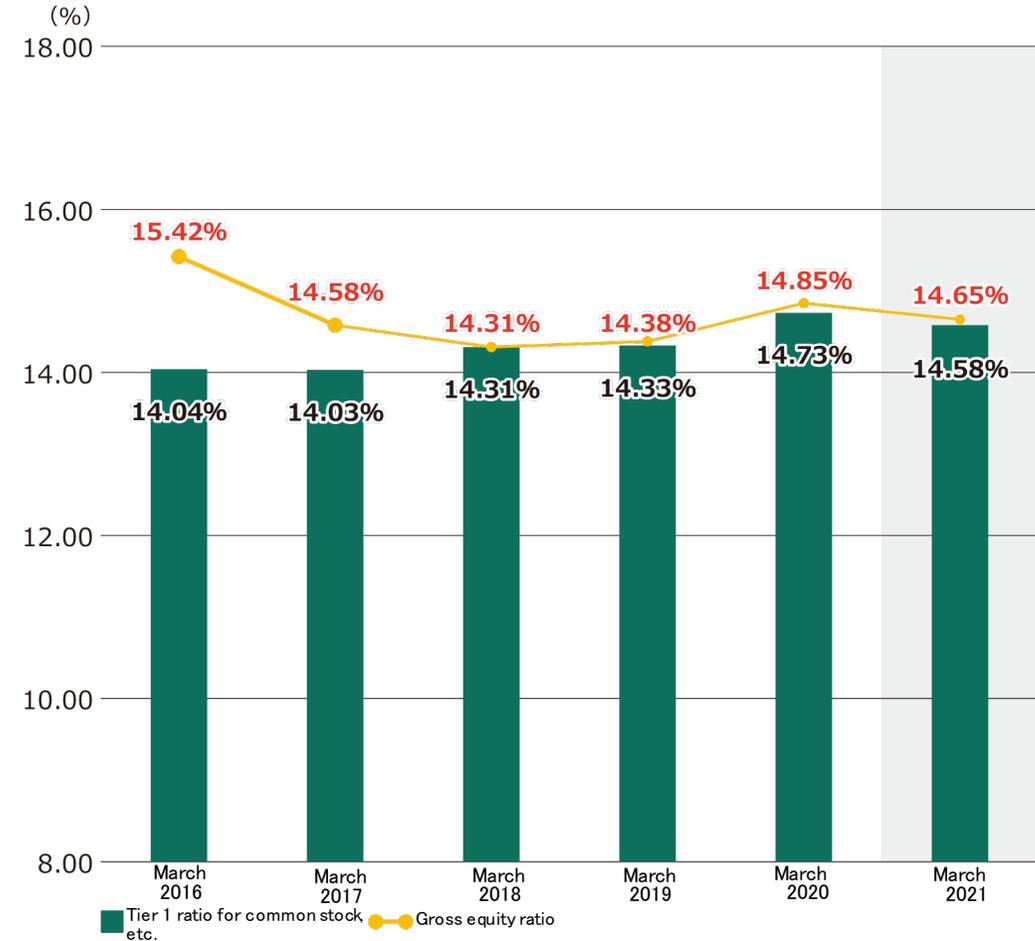
(Note) Excludes evaluation gains / losses on money held in trust

Consolidated Gross Equity Ratio

14.65%

Secured high soundness, sufficiently exceeding required equity ratio

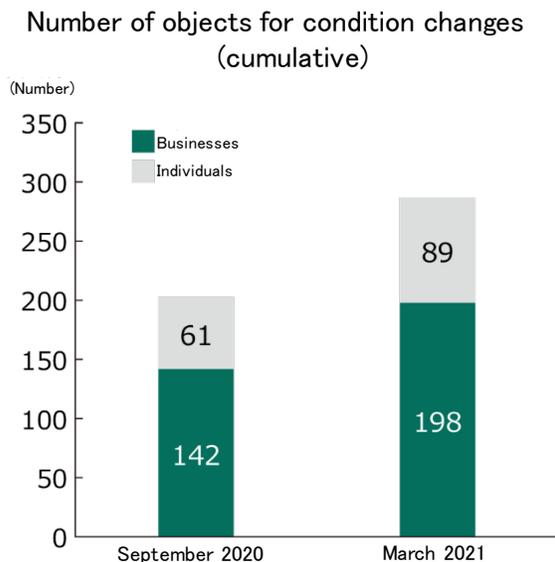
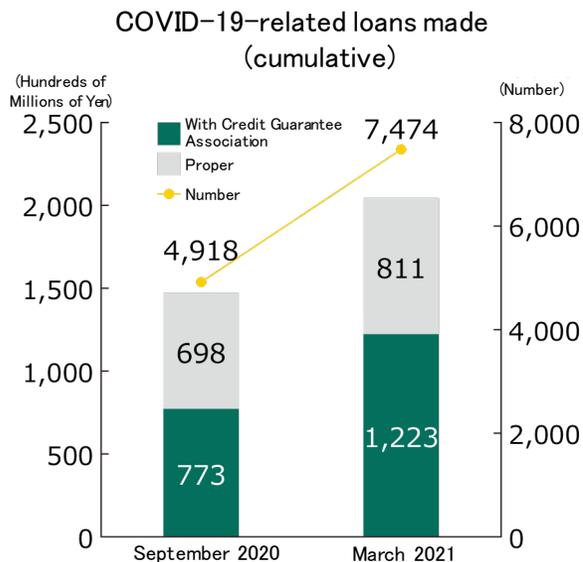
Consolidated gross equity ratio



<Continuation of Fund Management Support for Customers>

COVID-19 loans
Approx. ¥200.0 billion

Changes in condition
Approx. 300 borrowers



Support by the support team for COVID-19 measures

- Consisting of ten employees in the headquarters with expertise and know-how in business support
- Providing wide support for business issues as well as consulting on fund management

[Support results (as of March 31, 2021)]

In progress	Done	Total
32	127	159

Main support methods

- Business matching
- ICT consulting
- Business succession, M&A
- Financing
- Primary industry support
- Staffing
- Manufacturer support
- Overseas business support
- Local product support website

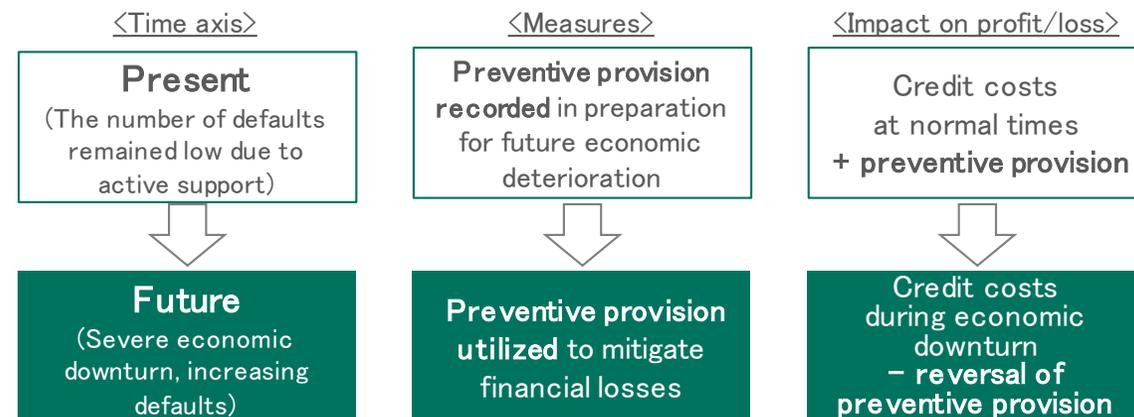
<Impact on Business>

Recording provision for COVID-19 measures

¥8.7 billion

Preventive provision was recorded in preparation for future increases in defaults amid the COVID-19 pandemic

[Objectives and chart of preventive provision]



Provision that is preventively recorded is utilized during an economic downturn, which contributes to securing stable profits less sensitive to economic changes, trends of COVID-19, etc. in the future

Actively supporting fund management of customer companies and local economies while securing financial soundness and risk taking capacity

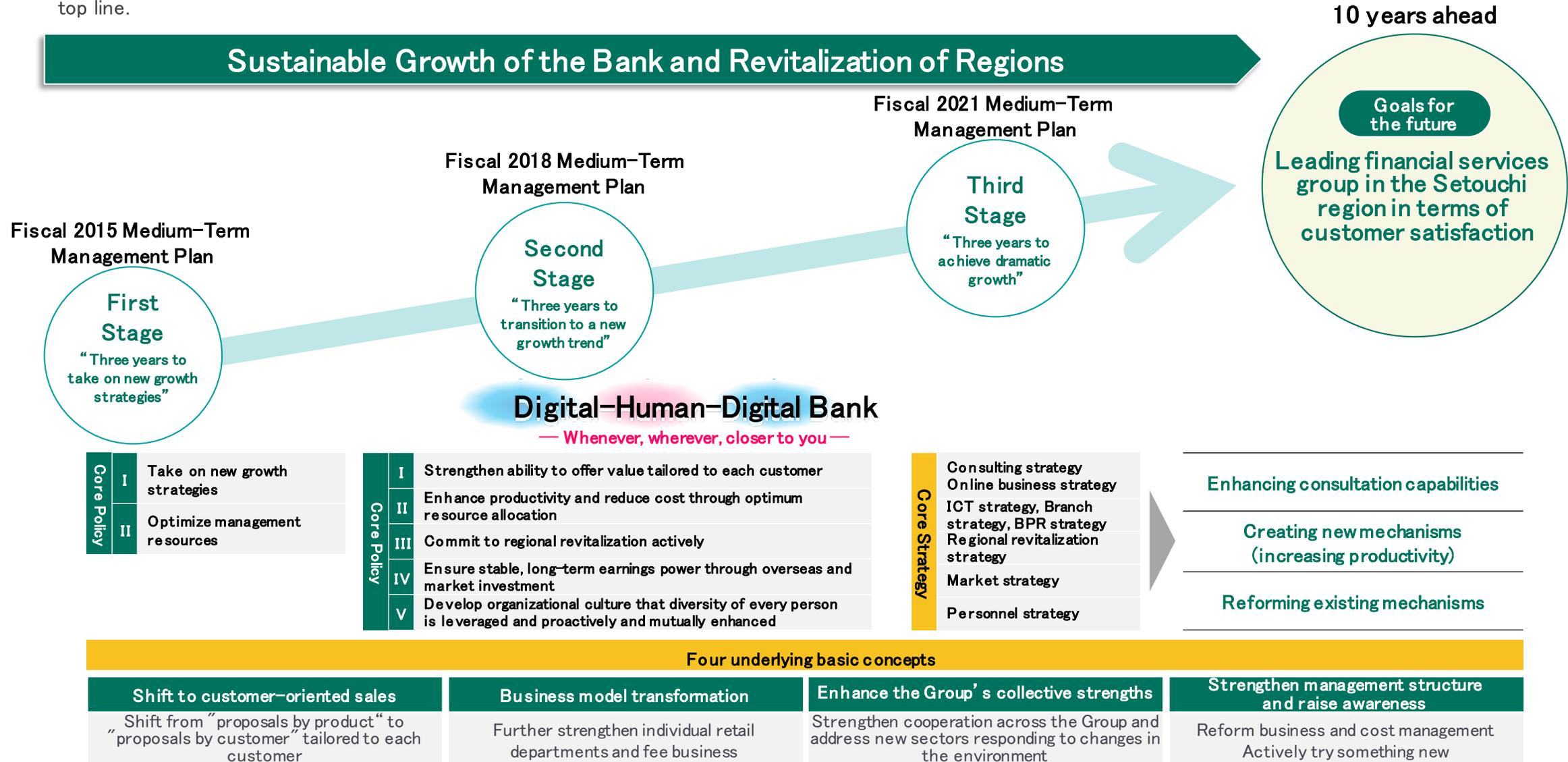
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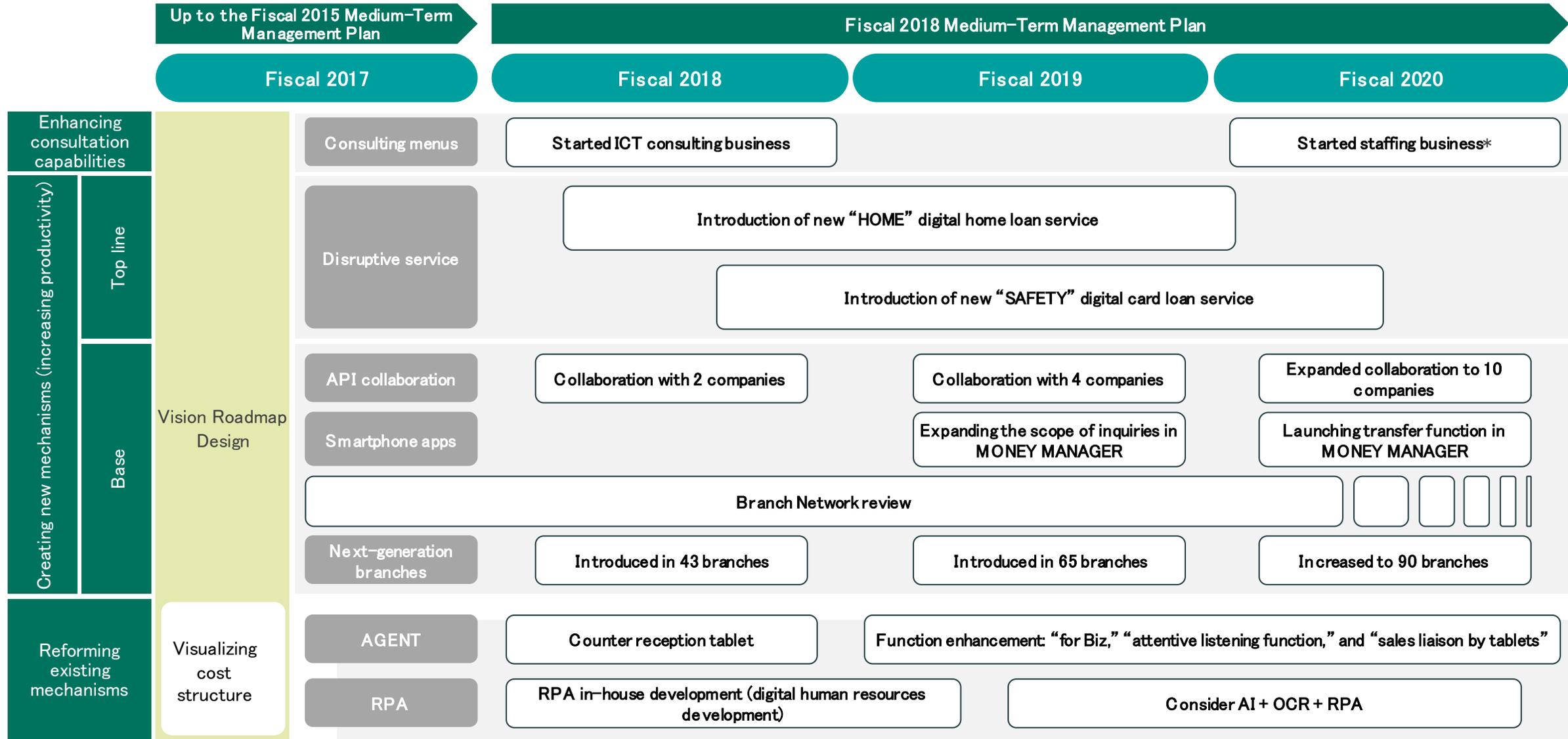
II–1. Summary of Fiscal 2018 Medium–Term Management Plan

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- ◆ The Fiscal 2018 Medium-Term Management Plan further advanced reform of existing mechanisms which had been worked on from the Fiscal 2015 Medium-Term Management Plan and took measures such as establishing new mechanisms for increasing productivity while strengthening foundations with customers and improving the top line.



Major Outcomes I



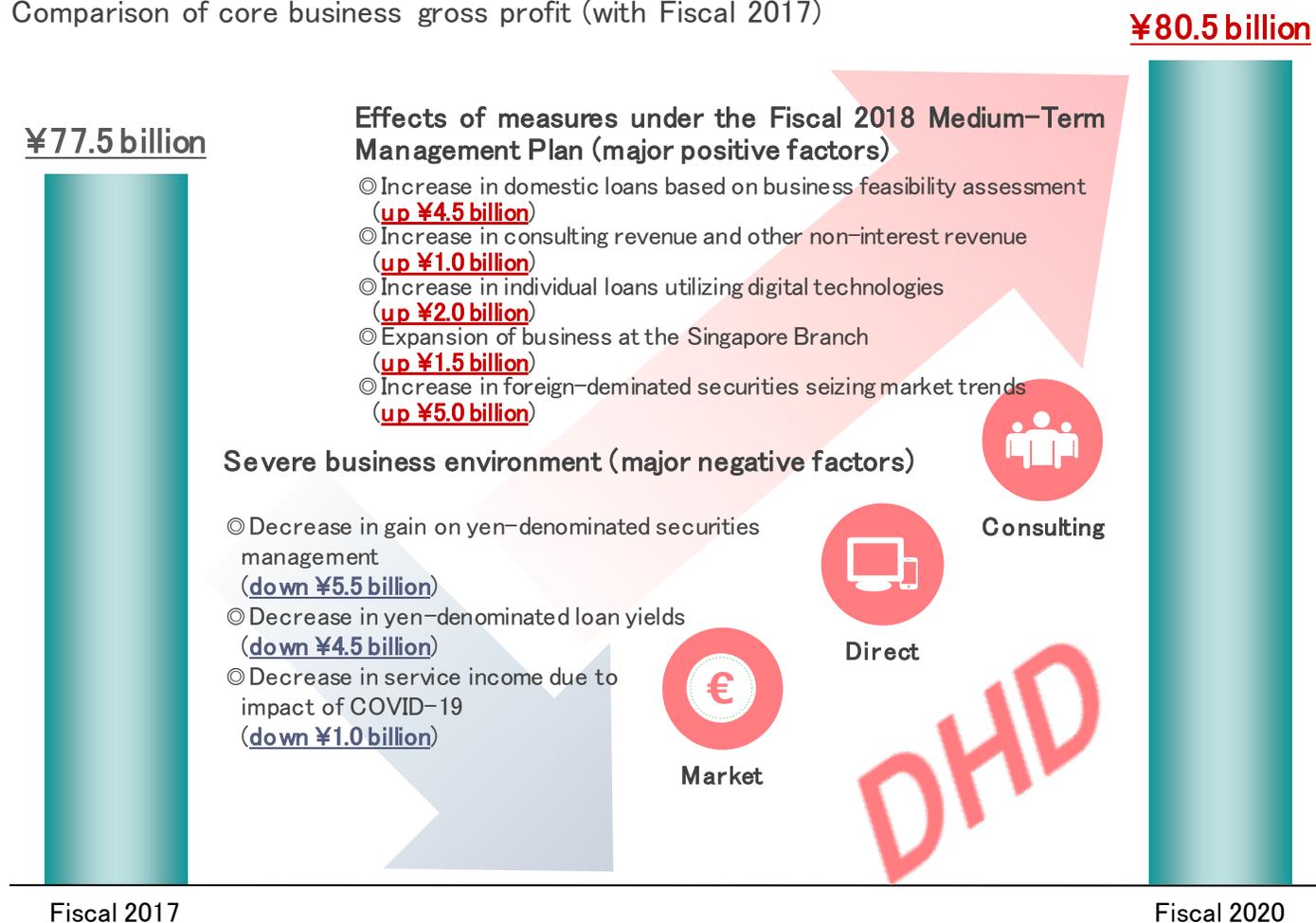
Major Outcomes II

- ◆ Despite continuation of a severe business environment, core business gross profit was secured at a high level with various measures taken, exceeding the targets
- ◆ The results were generally in line with the targets, although net income and ROE in Fiscal 2020 were below the targets due to an increase in credit costs caused by recording preventive provision

Numerical targets of Fiscal 2018 Medium-Term Management Plan and actual results

	Fiscal 2017 Results	Fiscal 2020	
		Targets	Results
Core business gross profit	¥77.5 billion	¥76.5 billion	¥80.5 billion
Fees and commissions	¥6.6 billion	¥8.5 billion	¥6.2 billion
Net income	¥22.6 billion	¥20.5 billion	¥16.6 billion
ROE	3.83%	3.0% or more	2.50%
Core OHR	63.31%	65.0% or less	61.61%
Equity ratio (BIS standard)	14.31%	15.0% or more	14.65%
Ratio of non-performing loans	1.44%	2.0% or less	1.39%

Comparison of core business gross profit (with Fiscal 2017)



<Environmental Protection>

Efforts with Project Finance for Renewable Energy



[Renewable energy]

Solar power generation	14
Biomass generation	4

[Number of other environmental loans executed]

Loans relating to the interest subsidy business implemented by the Ministry of the Environment	9
Arrangement of syndicated loans for investment funds for green bonds	1

Promoting paperless

- Utilized an electronic approval system (April 2017)
- Promoted development of web databases (April 2019)
 - ⇒ Digitalized application flows (123 cases)
- Introduced “CUBE” management system for properties in custody (April 2020)
 - ⇒ Reduced collection slips and reception slips (11,000 books/year)



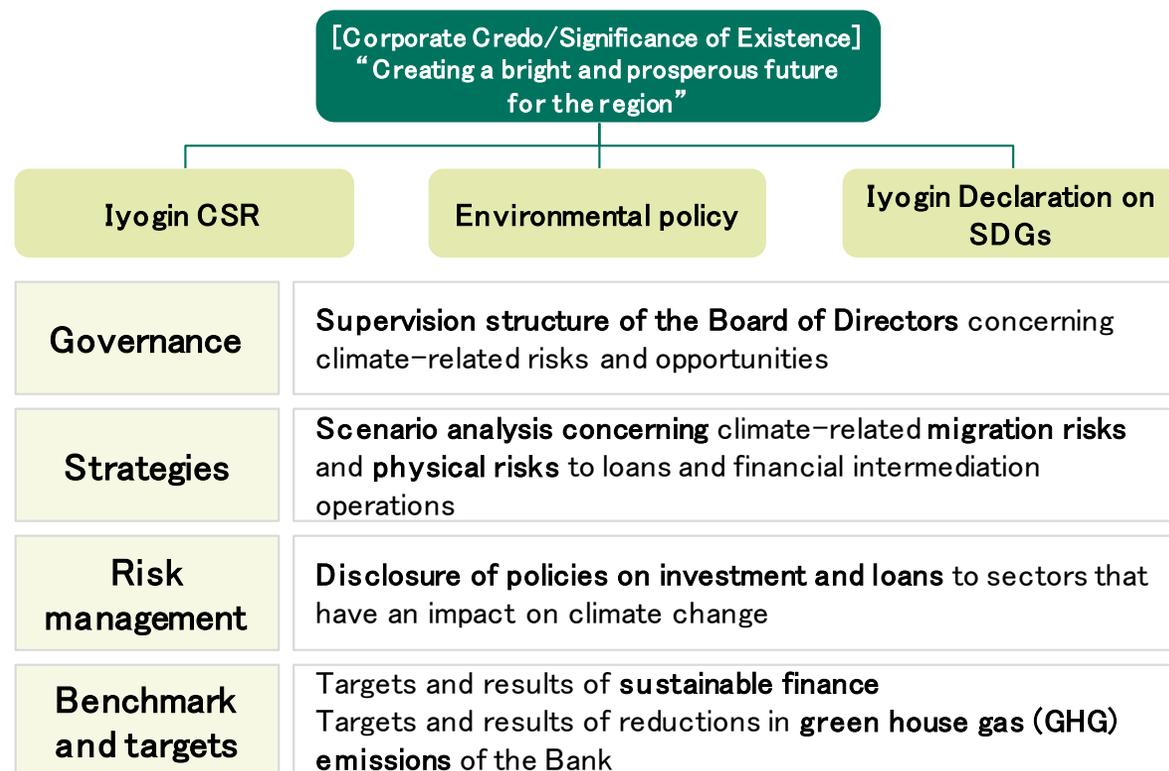
[Reduction of paper use]

Approx. 7 million sheets during the year
≡ approx. 600 forest planted trees

Expressed support for the TCFD Recommendations



Improving information disclosure to contribute to achieving a decarbonized society, assuming risks of climate change to customers and the Bank

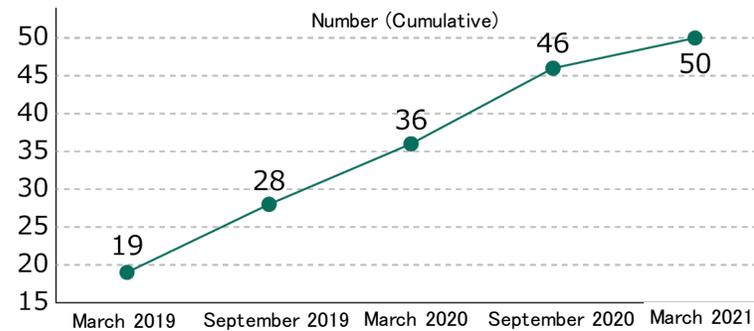


<Local Economy and Community> Business Foundation Support



Number of business foundation support	March 2019	March 2020	March 2021
Business foundation planning support	205	255	367
Of which, start-up loans (with/without Credit Guarantee Association)	93	72	301
Of which, referrals to government-affiliated financial institutions and start-up support organizations	43	50	17
Of which, venture companies registered for grants or investments	26	25	24

Crowdfunding



<Financial and Information Services>

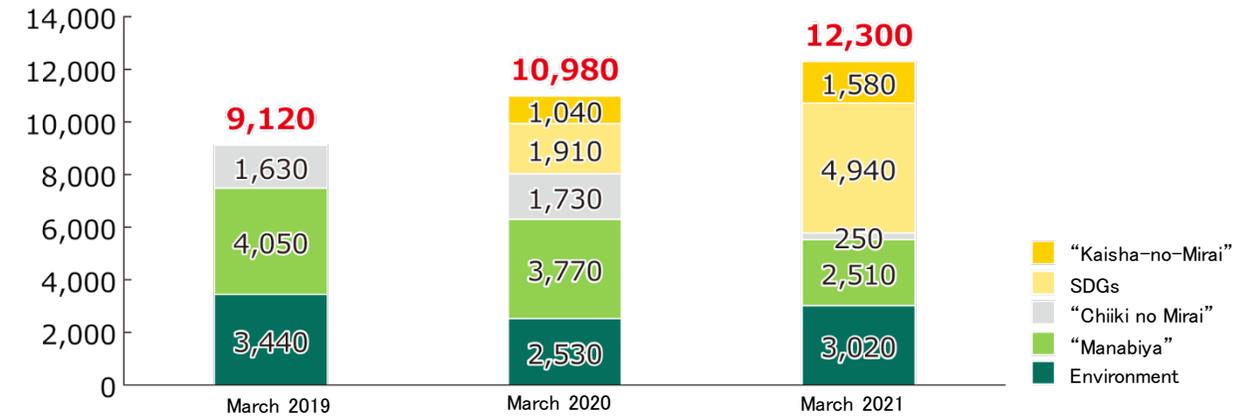


Iyogin SDGs Advisory Service

- Started operations of “Iyogin SDGs Advisory Service” in December 2020
- Number of support services provided for preparing “SDGs Declaration”
⇒ 18 cases (As of March 31, 2021)

ESG/SDGs Related Private Placement Bonds

(Millions of Yen)



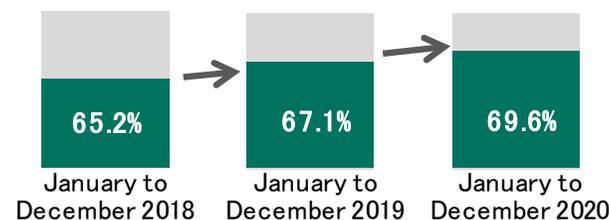
<Diversity and Work Style Reforms>



Change in Overtime Work under Labor Standards Act



Change in paid leave utilization rate



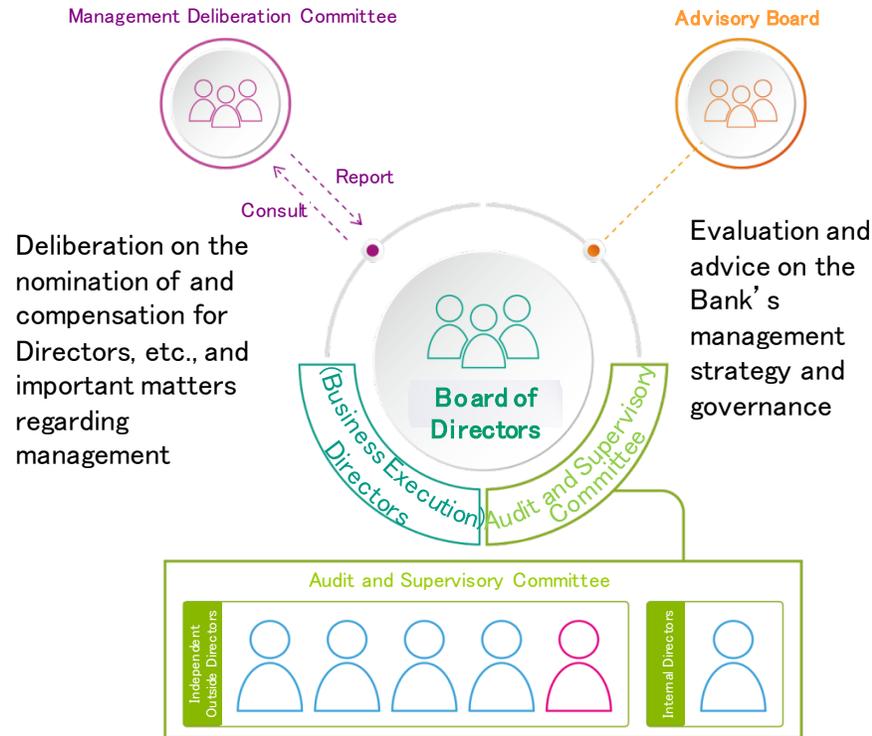
Enhancement of Employee Engagement with “wevox” Introduced

- Tool for visualizing and analyzing engagement at each office
- Improving organizational capacity and business results by implementing the PDCA cycle speedily through meetings, etc. at each office based on the results

<Governance>



Governance System



Strengthening Group Governance

Introduced the “**Group Chief Officer System**” from this Medium-Term Management Plan for the purpose of further strengthening the Group’s management control structure

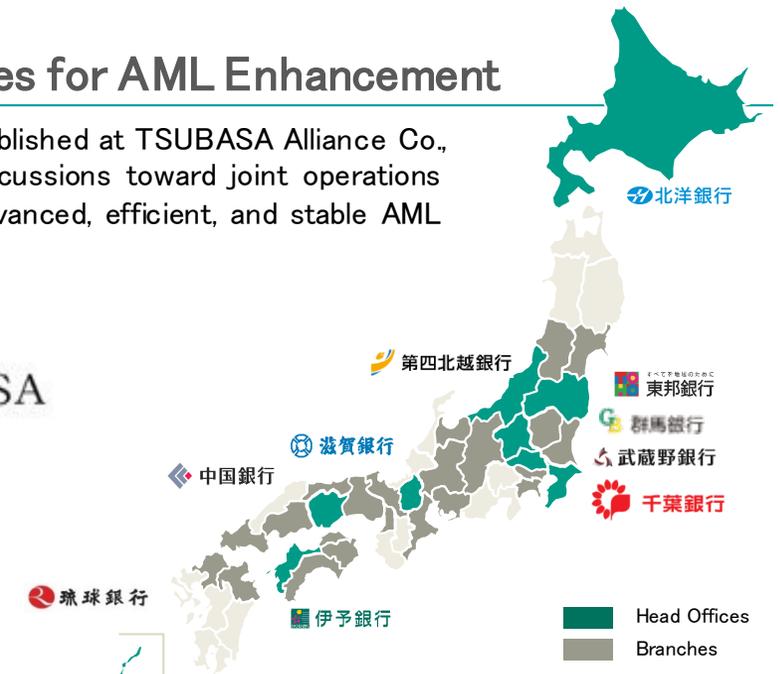
Countermeasures against Money Laundering and Terrorism Funding

<Strict customer management> <Thorough examination and verification>

- Improving the counter reception structure
- Introducing “customer risk rating”
- Conducting “continuous customer management”
- Investigating “suspicious transactions”
- Conducting “track monitoring” for ship finance
- Monitoring overseas remittance by utilizing AI
- Investigating foreign companies based on external databases

Building Structures for AML Enhancement

- The AML Center was established at TSUBASA Alliance Co., Ltd. in October 2020. Discussions toward joint operations are promoted for more advanced, efficient, and stable AML operations.



Environmental Protection



Iyo Bank Evergreen Forest

Established in 2008 (13th year)

Under the "Agreement on Forest Creation Activities" which was entered into with Ehime Prefecture, Ozu City and Forest Fund of Ehime, we are making efforts to foster forests in four locations in Ehime Prefecture.



Iyo Bank Evergreen Forest (Toon City)

Iyo Bank Environment Foundation "Evergreen" (public trust)

Established in 2008 (13th year)

Applications are invited once every year from April to August

We support organizations and individuals who are engaging in environmental preservation activities in Ehime. To this day, we granted a total of ¥60 million to 165 recipients.



Fiscal 2020 "Tada Eco-group Tanpopo"

Contribution to local communities



Iyo Bank Regional Cultural Activity Assistance Program

Established in 1992 (29th year)

Applications are invited twice a year from June to July and from December to January

We grant part of funds for activities of parties which carry out "grassroots" cultural activities in Ehime and granted a total of ¥238 million to 1,227 organizations. In addition, "special applications" targeting organizations damaged by the heavy rain in July 2018 are also invited.



58th recipient "Oshibune Conservation Society"

Iyo Bank Social Welfare Fund (Public Interest Incorporated Foundation)

Established in 1976 (45th year)

We support improvement in social welfare and human resource development for the next generation in Ehime

Granting scholarships to high school students in single or no parent families

Employment subsidies for children living in child welfare institutions, etc.

Iyo Bank Social Welfare Fund (Public Interest Incorporated Foundation)

Donation of social welfare equipment to social welfare institutions, etc.

Donation of subsidies for buying books to high schools, etc.

Diversity



Side business system

Started in April 2020

We introduced a side business system for employees to support their growth so that they will gain a wide range of knowledge, skills, and human networks through various experiences, which are useful for their future life and work in the Bank. About 30 employees carry out various side businesses including creation of paintings and fabric accessories as well as website development.



Iyogin Challenge&Smile

Established in 2018 (3rd year)

Iyogin Challenge & Smile Co., Ltd. has been established as a special subsidiary company with the purpose of promotion of employment of persons with disabilities. It engages in various initiatives aiming to create a workplace where they can work actively with local communities, including development of goods, sales of goods at rest stops, event venues, etc. in cooperation with local companies, and succession of traditional industries.



Iyogin Financial Education Class

Started in 2007 (14th year)

Iyogin is supporting children



Seminars for kids

Seminars for learning about bank mechanisms and healthy financial literacy



Workplace experience

Programs for work experience in a bank and a study tour in a branch



Iyogin Junior Mirai Juku

Lesson program in line with school curriculum guidelines and financial literacy map



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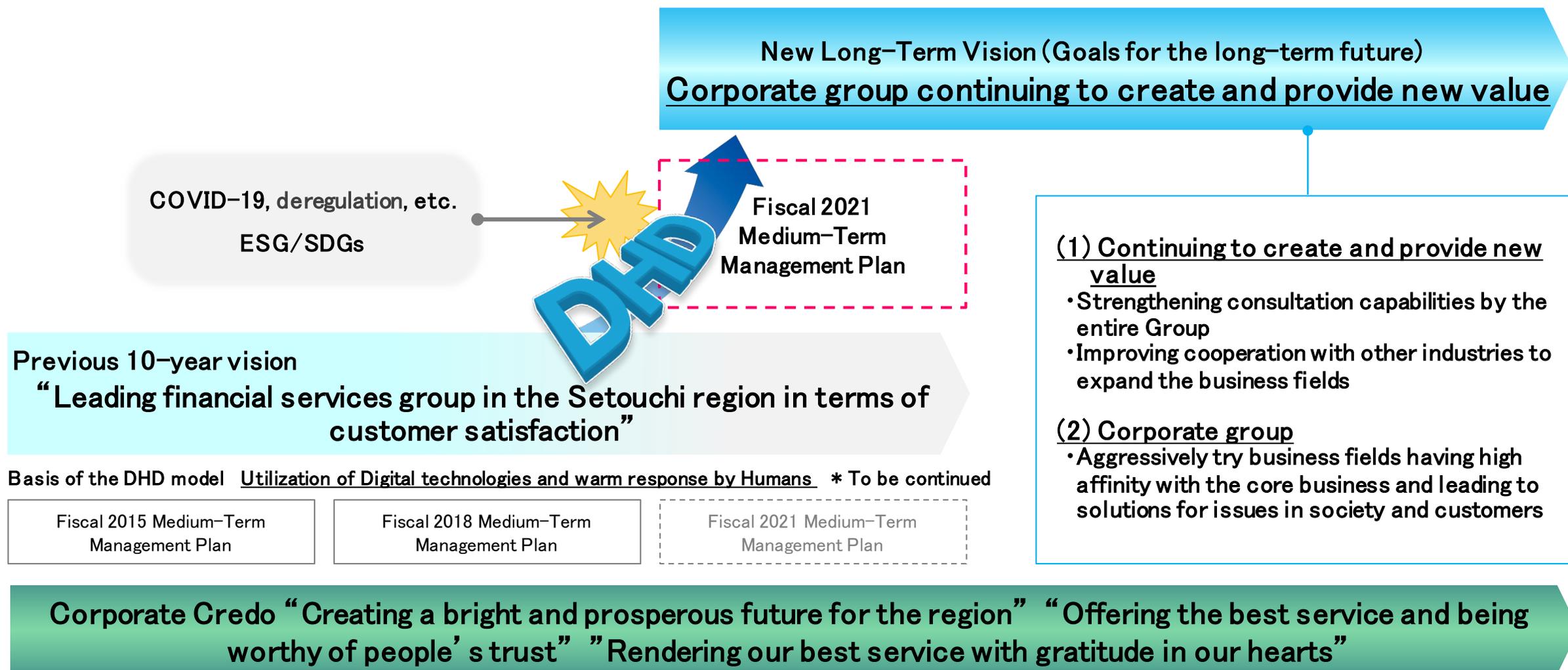
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Positioning and New Long-Term Vision

- ◆ The new “Long-Term Vision” looking 10 years ahead was established to promptly solve issues in society and customers and address industry deregulation by further deepening and evolving the DHD model



Current to New Medium-Term Management Plan

AGENT

- Bank employees serving as the bank at a customer site
- Counters where no pens are used

SAFETY

- New card loan service that issues notifications on insufficient amounts

HOME

- House purchasing plan with a smartphone

AGENT

- Improvement in cooperation with other industries with high affinity with core business
- A bank on your palm
Connecting with bank employees via video chat

Creation of new services and new businesses

Deepening and evolving the DHD model = "DX"

Change in company culture (fixed thinking)

Improvement in customer experience value (CX)

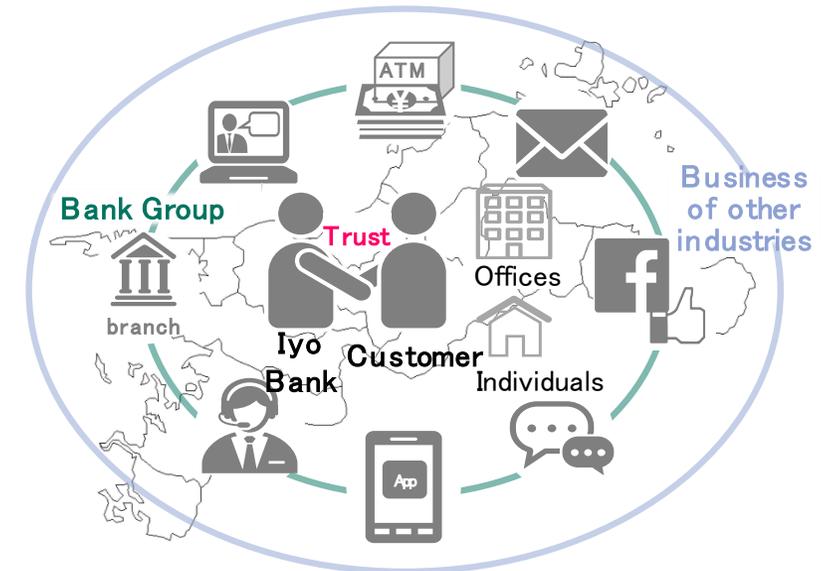
Review of existing business and reduction in technical debt

- More efficient administration through introduction of RPA
- Reorganization of branches through review of operation structure
- Review and abolition of legacy systems
- Recombination of businesses based on customer needs

Future Vision

Aiming to become a leading corporate group based on the Chugoku and Shikoku regions

For bringing "better choice" to each and every customer



Reduction of administrative work to one-third

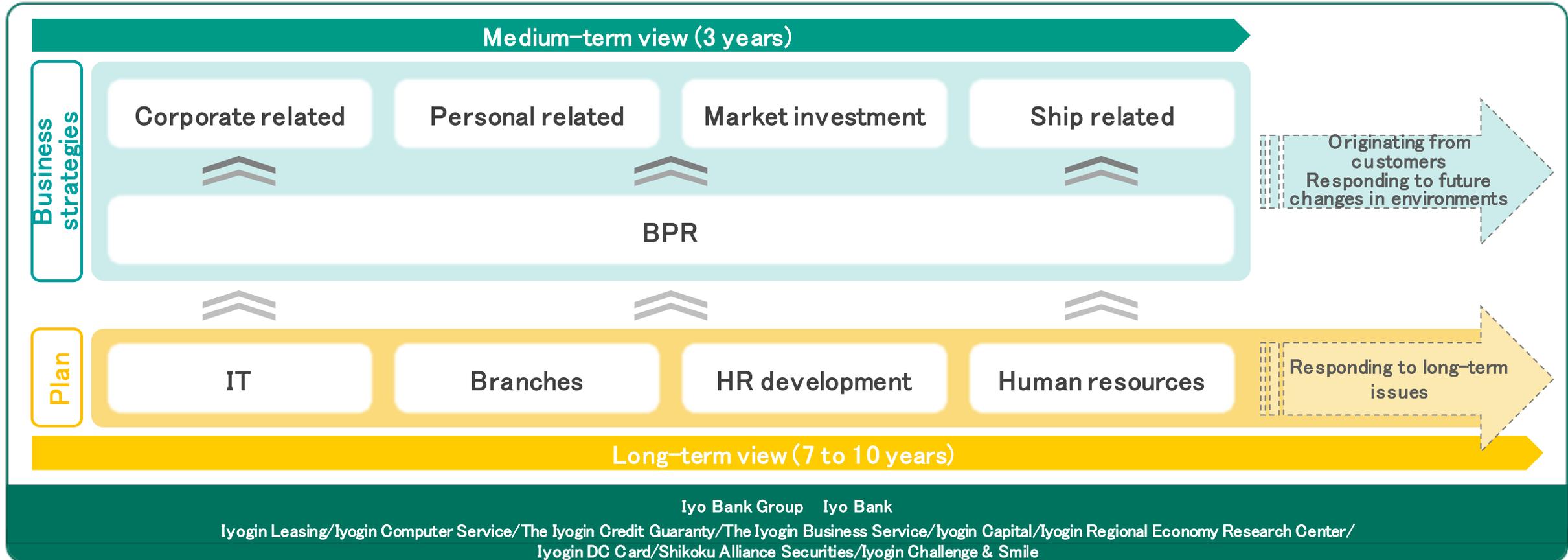
* Compared to March 2018

Consulting staff 1,500 persons/
Tech staff 150 persons

Location free operations
(Omnichannel/integration of online and offline channels)

- ◆ Business strategies: to be worked on under this Medium-Term Management Plan and developed according to future changes in environments
 - ◆ Plan: to address issues from a long term view, watching adaptation to changes in environments
- ✕ To be worked on **by the Group as a whole** toward achieving the Long-Term Vision

Toward achieving a “corporate group continuing to create and provide new value”



Fiscal 2021 Medium-Term Management Plan _ Major Numerical Targets I

- ◆ Aiming at profit attributable to owners of parent of ¥23.0 billion and consolidated ROE of 4.0% or more, maintaining and improving profitability by strengthening consulting sales originating from customer needs, though changes in the business environment are expected
- ◆ Keeping consolidated core OHR and consolidated common stock Tier 1 ratio at current levels in consideration of profitability, efficiency and soundness while making efforts to improve revenue

Items	Fiscal 2018 Medium-Term Management Plan (Actual results for Fiscal 2020)		Fiscal 2021 Medium-Term Management Plan (Targets for Fiscal 2023)
Consolidated core business gross profit	¥86.6 billion	➔	¥86.0 billion
Profit attributable to owners of parent	¥18.0 billion		¥23.0 billion
Consolidated ROE (shareholders' equity basis)	3.82%		4.0% or more
Consolidated core OHR	60.19%		Approx. 60.0%
Consolidated common stock Tier 1 ratio	14.58%		Approx. 15.0%

Fiscal 2021 Medium-Term Management Plan _ Major Numerical Targets II

- ◆ Deposits, etc. → Average balance for Fiscal 2023: **¥6,685.0 billion** (an increase by ¥500.0 billion for three years of Medium-Term Management Plan)
- ◆ Loans → Average balance for Fiscal 2023: **¥5,290.0 billion** (an increase by ¥395.0 billion for three years of the Medium-Term Management Plan)

Plans for average deposits, etc., balance and assets in custody balance

(Units: Billions of yen)

	Fiscal 2020 Results	Fiscal 2021		Fiscal 2022		Fiscal 2023		
		Plan	YoY	Plan	YoY	Plan	YoY	Increase/decrease during the Plan
Average deposits, etc., balance	6,184.6	6,470.0	+285.4	6,580.0	+110.0	6,685.0	+105.0	+500.4
Of which, individual deposits	3,658.3	3,779.0	+120.7	3,827.0	+48.0	3,876.0	+49.0	+217.7
Group assets in custody balance	593.5	602.0	+8.5	626.0	+24.0	657.0	+31.0	+63.5
Of which, balance of assets in custody at the Bank	348.3	352.0	+3.7	359.0	+7.0	372.0	+13.0	+23.7
Of which, balance at Shikoku Alliance Securities	245.2	250.0	+4.8	267.0	+17.0	285.0	+18.0	+39.8

Plans for average loan balance (including Singapore Branch)

(Units: Billions of yen)

	Fiscal 2020 Results	Fiscal 2021		Fiscal 2022		Fiscal 2023		
		Plan	YoY	Plan	YoY	Plan	YoY	Increase/decrease during the Plan
Average loan balance	4,894.4	5,040.0	+145.6	5,155.0	+115.0	5,290.0	+135.0	+395.6
Corporate loans	3,246.8	3,312.0	+65.2	3,365.0	+53.0	3,433.0	+68.0	+186.2
Of which, within Ehime	1,438.6	1,509.0	+70.4	1,528.0	+19.0	1,538.0	+10.0	+99.4
Individual loans	1,130.7	1,171.0	+40.3	1,224.0	+53.0	1,281.0	+57.0	+150.3
Municipal loans	232.2	217.0	(15.2)	214.0	(3.0)	211.0	(3.0)	(21.2)
Financial Market Business Office	116.3	117.0	+0.7	117.0	+0.0	117.0	+0.0	+0.7
Singapore Branch	168.1	223.0	+54.9	235.0	+12.0	248.0	+13.0	+79.9

Achievement of SDGs

Corporate Credo



ESG

Fiscal 2021 Medium–Term Management Plan

Business strategies

Plan

Developing various measures originating from issues and needs of customers and local communities, toward achievement of the Long–Term Vision (goals for the future)

Through business activities

Accelerating measures for environmental and social issues

⇒ Realize a community with warmth and vitality

Matters to Be Prioritized as Basis of Business Activities

Standpoints from
ESG and SDGs

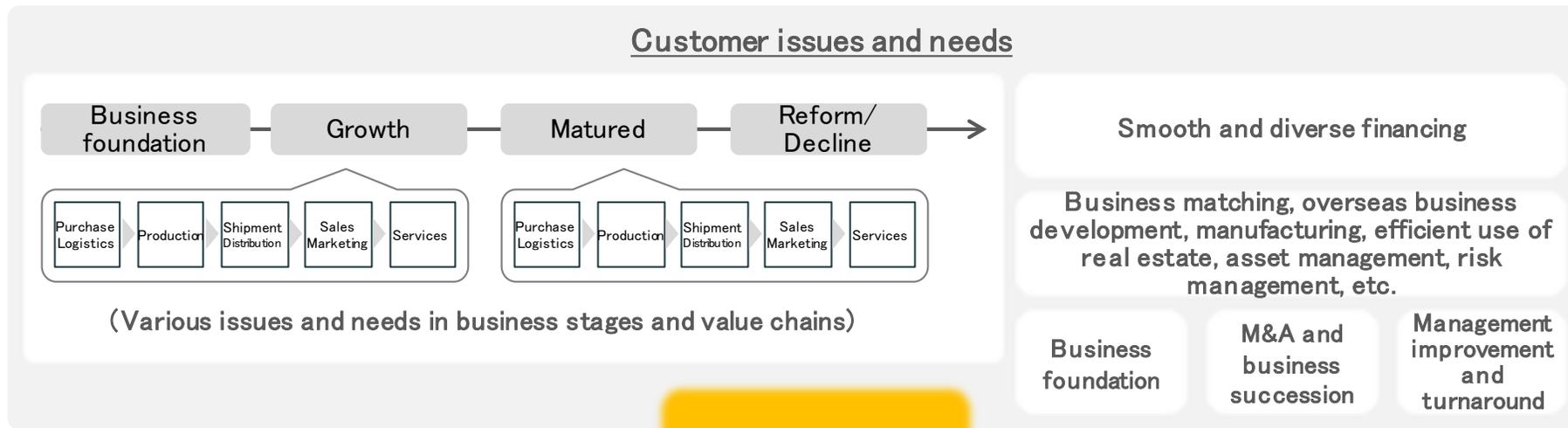
SUSTAINABLE DEVELOPMENT GOALS



Others

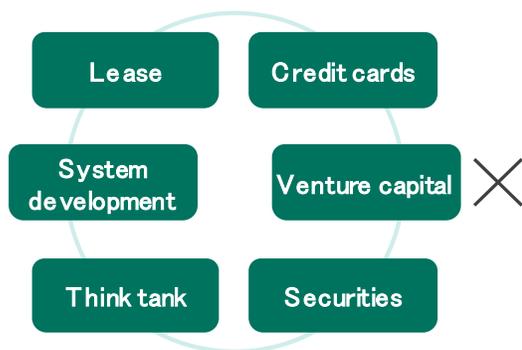
Post COVID–19
Deregulation
Utilization of digital
technologies

<Basic policies> Providing integrated solutions through cooperation between the Group, partner companies, etc. to improve customer experience value



ESG/SDGs as business opportunities

Strengthening consultation capabilities at the entire Group



Support in consideration of cooperation with partner companies, external experts, local public entities, etc.



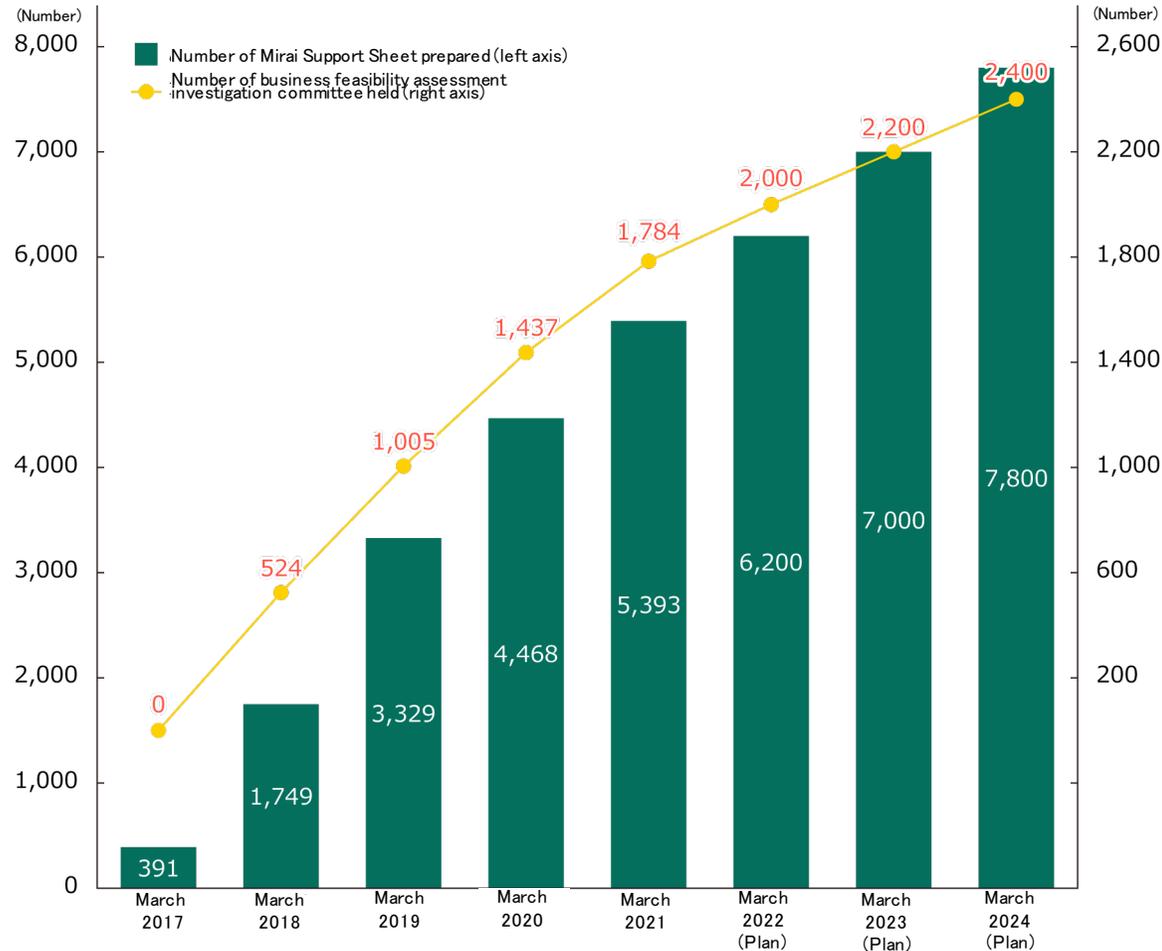
Major plans
(Total for Fiscal 2021-2023)

Solution revenue	¥11.0 billion
Number of customers for which business feasibility assessment is conducted	2,400
Number of new customers	3,900
Support for M&A and business succession	435 cases
Business as the core of local communities	58 cases to be cultivated
Number of staffing contracts concluded	320 cases
Digitalization of utilities payment operations	Payment at counters to be halved

Business Feasibility Assessment

To be conducted for 2,400 customers

“Mirai Support Sheet” × ”business feasibility assessment investigation committee”
⇒ Correct understanding of customers’ management issues



M&As and Business Succession (Total for the Medium-Term Management Plan) 435 contracts to be concluded

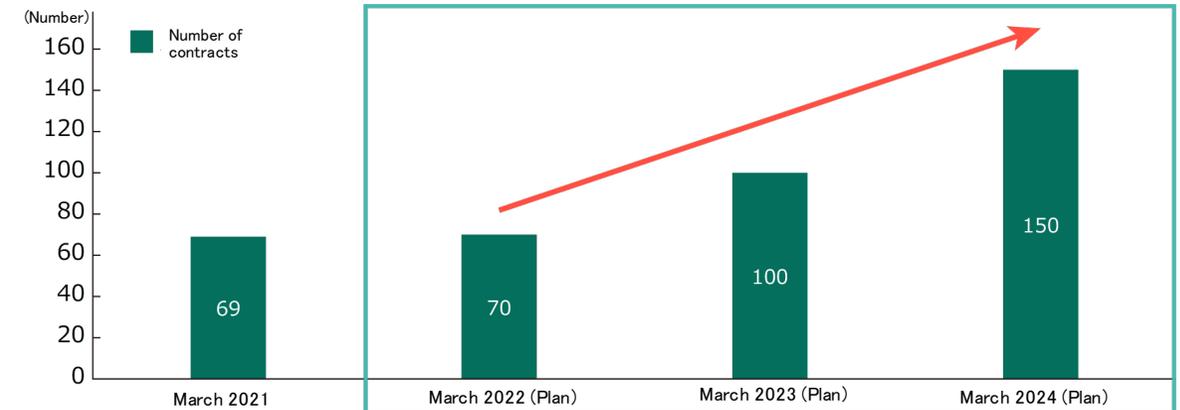
Responding to more diversifying succession and inheritance needs by understanding changes in industry trends



Staffing Business (Total for the Medium-Term Management Plan)

320 contracts to be concluded

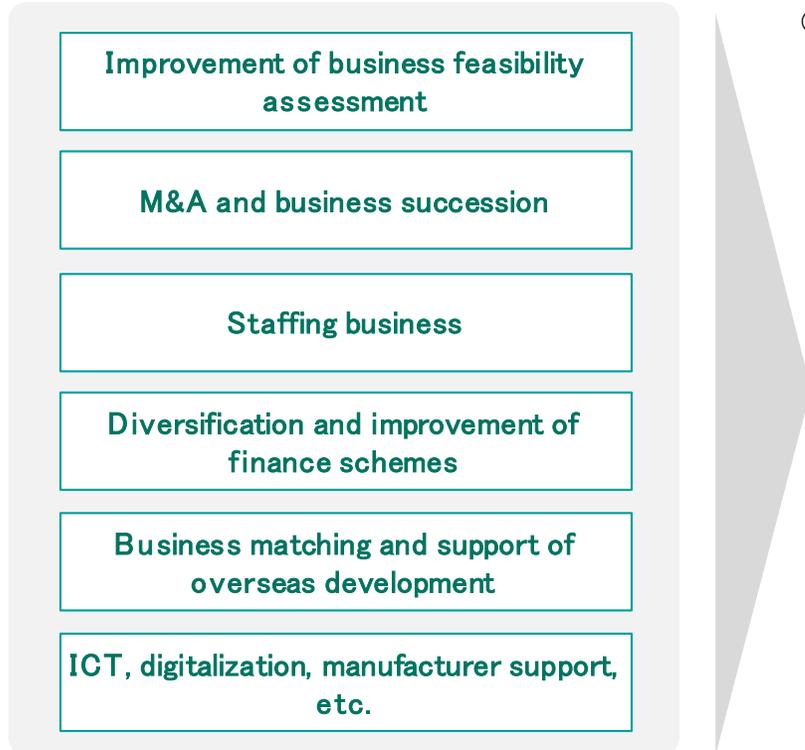
378 inquiries and 69 contracts concluded as of March 31, 2021



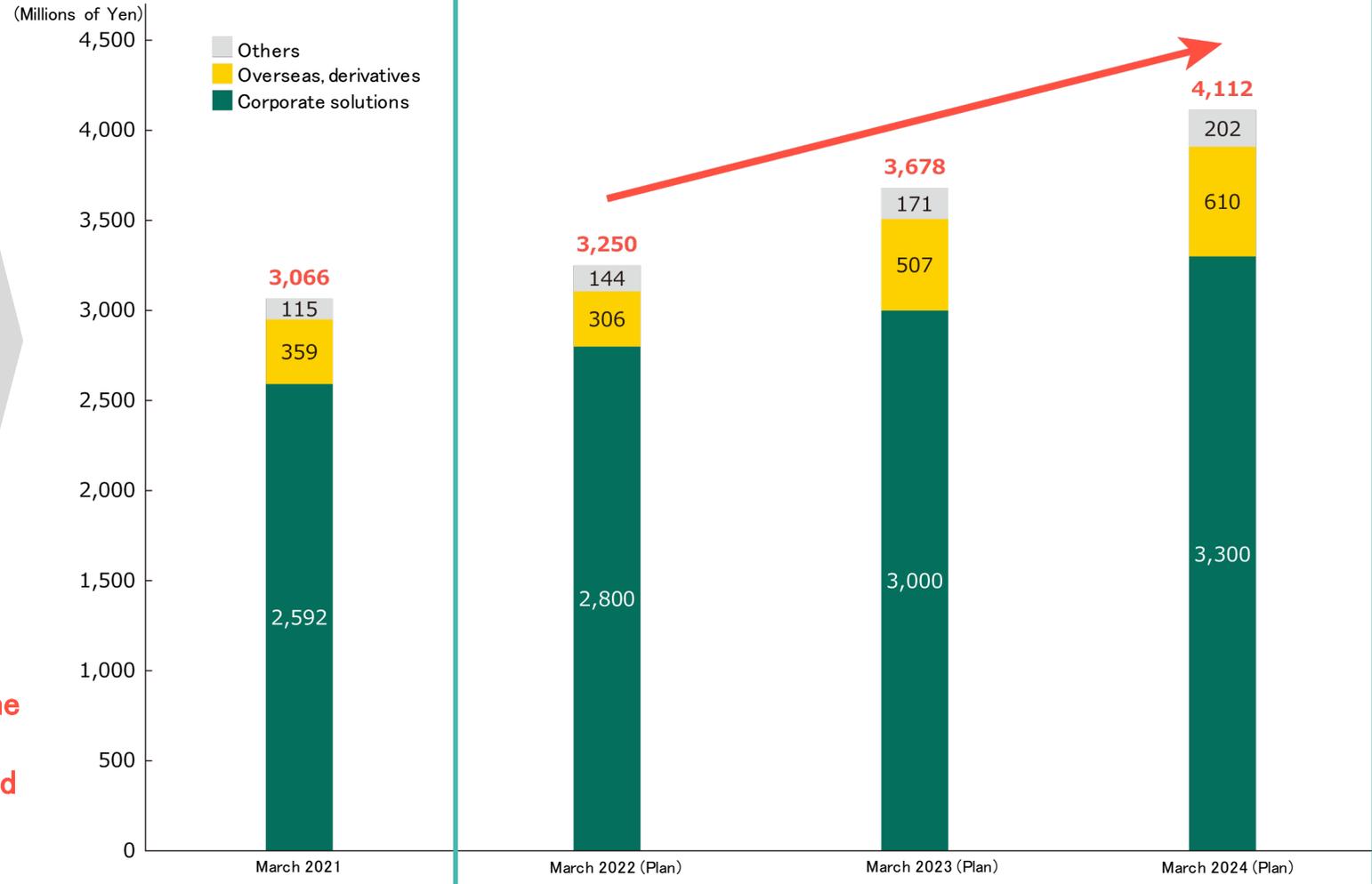
Solution Revenue (Total for the Medium-Term Management Plan)

¥11.0 billion

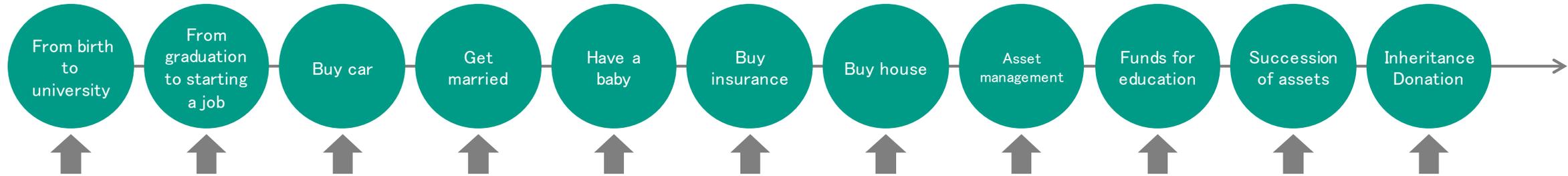
Aiming at an increase in revenue by taking various measures, focusing on stable provision of funds and business and management support with business feasibility assessment as a focus



Expanding the support menu and strengthening the structure to solve customers' issues through consulting services from multiple aspects provided by the entire Group



<Basic policies> Realizing enhancement in customer experience value by providing integrated solutions for each customer in all channels



Customers' issues and needs

Easy and convenient

Loans

Saving and increasing

Preparing

Bequeathing

Retail cashless settlement
Transaction volume of
¥40.0 billion

*As of the end of Fiscal 2023

SAFETY HOME
Number of new contracts
7,200
Percentage of HOME
80%*

* Percentage of HOME to the total application number as of the end of Fiscal 2023

Group assets in custody
balance
¥677.0 billion*

* Balance as of the end of Fiscal 2023 including foreign currency time deposits

Number of customers of
level premium insurance
contracts
39,500

Number of customers of
testamentary trust
contracts
730

Major plans (total for Fiscal 2021 to Fiscal 2023)

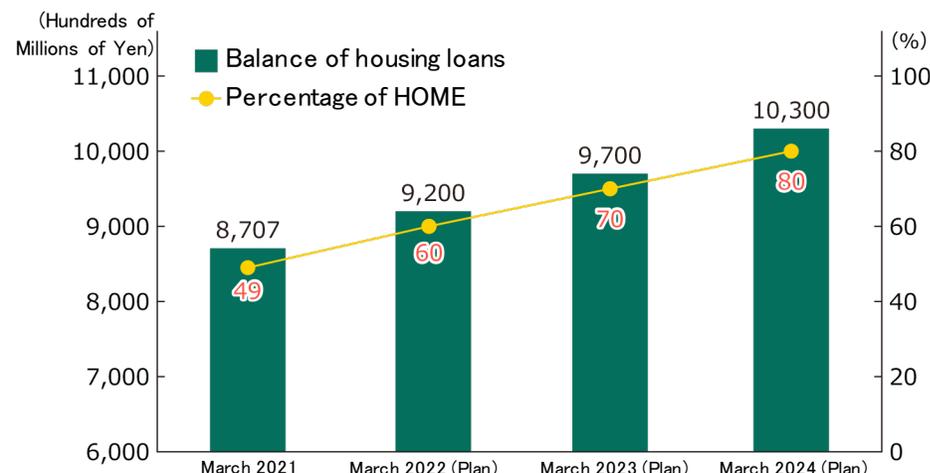
Business Strategies _ Personal Related II

New Digital Home Loan Service **HOME**

Aiming to increase the housing loan balance by further improving convenience for customers and housing companies

Percentage of HOME **80%**

Housing loan balance **¥1,030.0 billion**

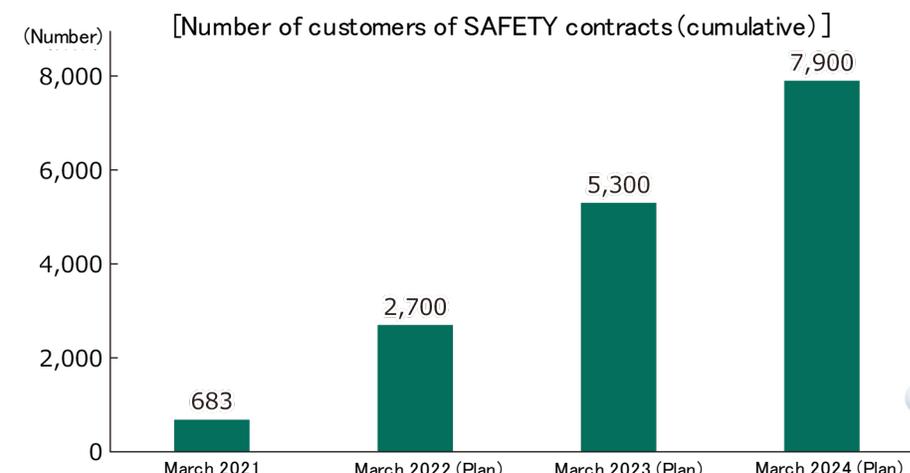


ステータス	DHDM受付番号	氏名	不備有り無し	アクション
本審査情報入力中	20100012	川田通知	不備なし	詳細を表示
本審査情報入力中	20100003	段階金利イチ	不備なし	詳細を表示
本審査情報入力中(戻し用)	20100011	山田通知	不備なし	詳細を表示
申込情報・バウチャー確認中	20100002	松島ハウスメーカ	不備なし	詳細を表示

New Digital Card Loan Service **SAFETY**

Aiming to increase the number of customers with contracts by strengthening promotion and continuously improving UI/UX

Number of contracts **7,900 customers**



診断結果

ご利用可能額 **1,000,000円**

利率 **9.5%**

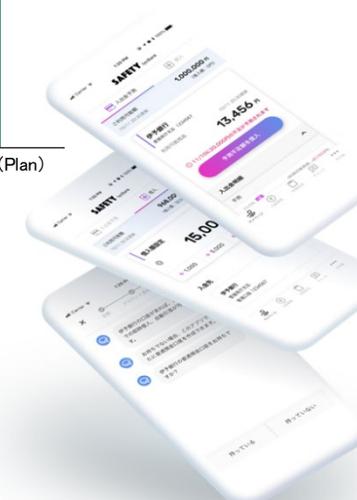
※ 実際のお申し込みでは、借入希望額・個人信用情報機関の情報に基づき審査を行うため、審査結果が異なる場合がございます。
※ また利用開始後は増枠を行うことも可能です。

伊予銀行
愛媛県庁支店 12345678

利用可能残高 **13,456円**
10/11 20:30更新

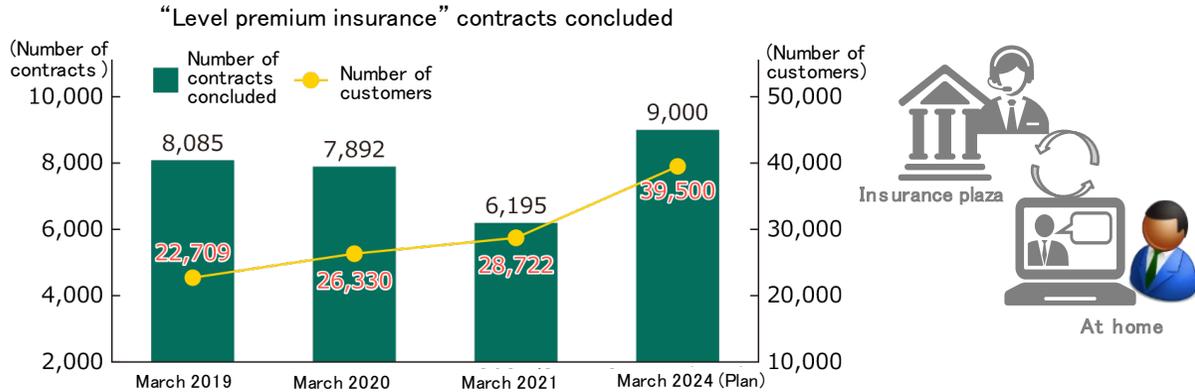
⚠ 11/10に20,000円の不足が予測されます

予測不足額を借入



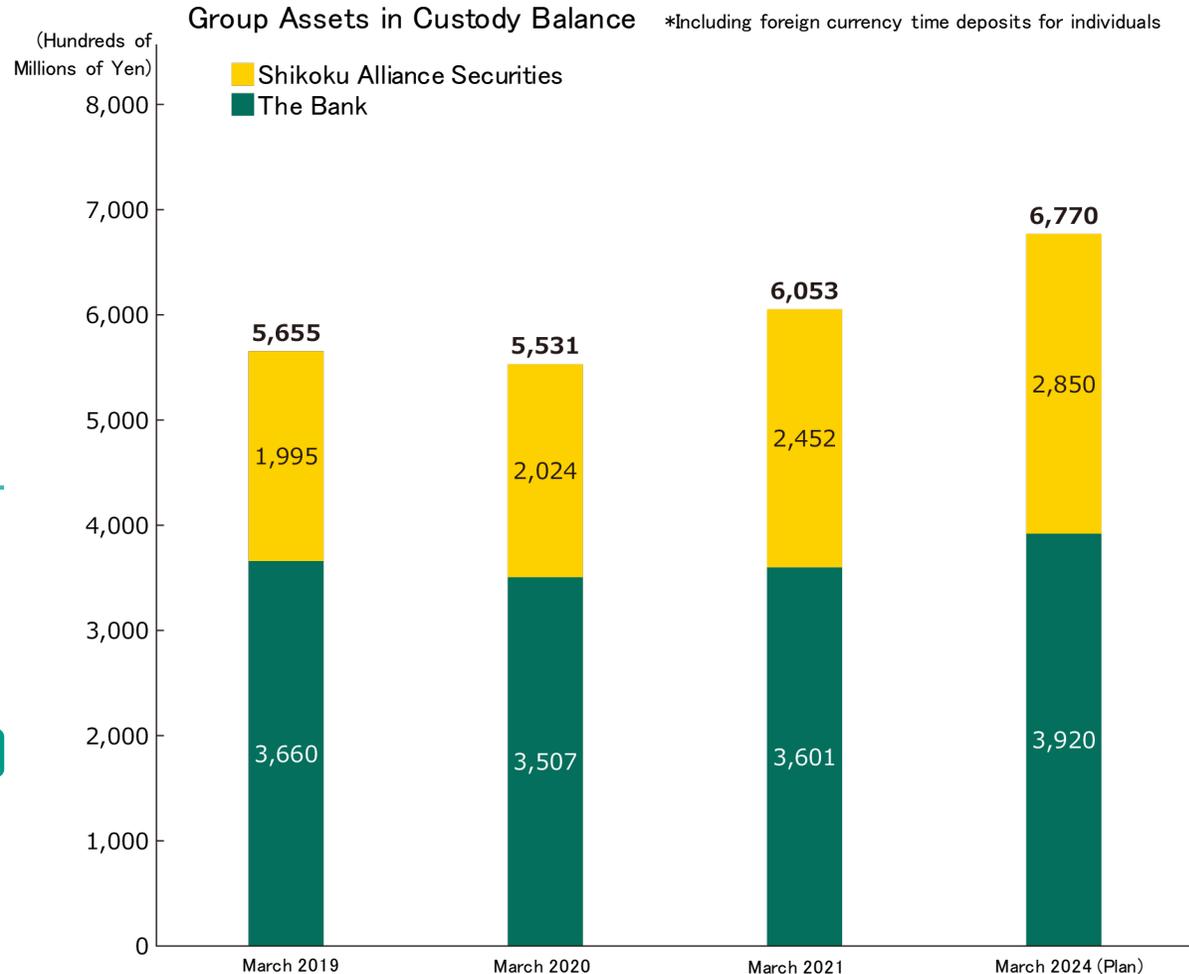
Number of Customers of Level Premium Insurance **39,500**

Online insurance consultation provides sophisticated consulting on level premium insurance at home



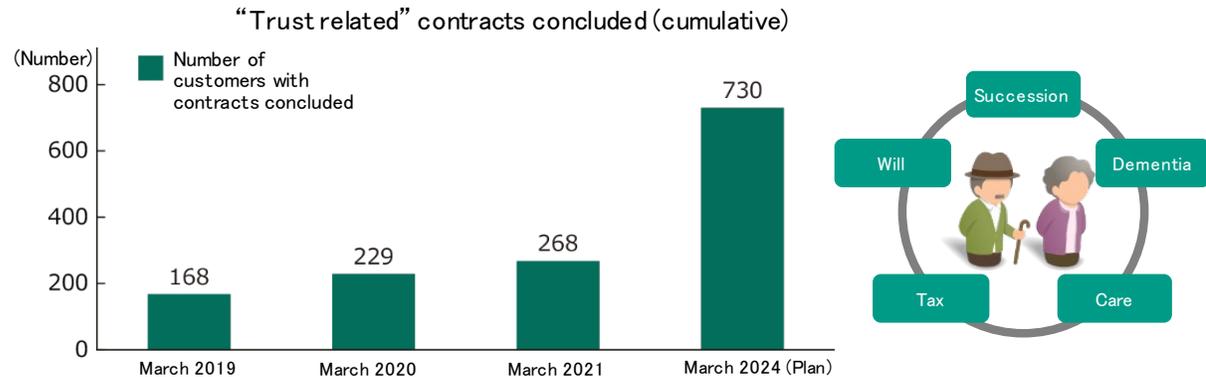
Group Assets in Custody Balance **¥677.0 billion**

Responding to various customers’ thoughts such as “saving and increasing,” “bequeathing” and “preparing”



Number of Customers of “Trust-Related” Contracts **730**

April 2021 ⇒ Introduced “Magokoro (Heartfelt) Letter,” a living trust by which withdrawal is possible before death



◀Basic policies▶ Supporting optimum business investment for customers by appropriately understanding changes in the business environment in the maritime industry

Improvement in Risk Consulting Capabilities Concerning the Shipbuilding and Ocean Transport Industries

- Improvement in risk analysis and assessment concerning the ocean transport industry
- Collection and analysis of macroeconomic information and future projections
- Appropriate proposals for risk hedge methods

Improvement in Research and Analysis Capabilities Concerning the Maritime Industry in General

- Strengthening a wide range of cooperation with companies and organizations relating to the maritime industry
- Collection and provision of cross-sectional information in the maritime industry
- Collection of information related to reduction in environmental loads and digitalization and provision of support to related companies



Provision of Diverse Funding Sources

- Utilization of syndicated loans and credit guarantees
- Improvement in ship evaluation methods
- Consideration of asset finance and project finance

Enrichment in Activities Connecting Domestic and Overseas Maritime Industries

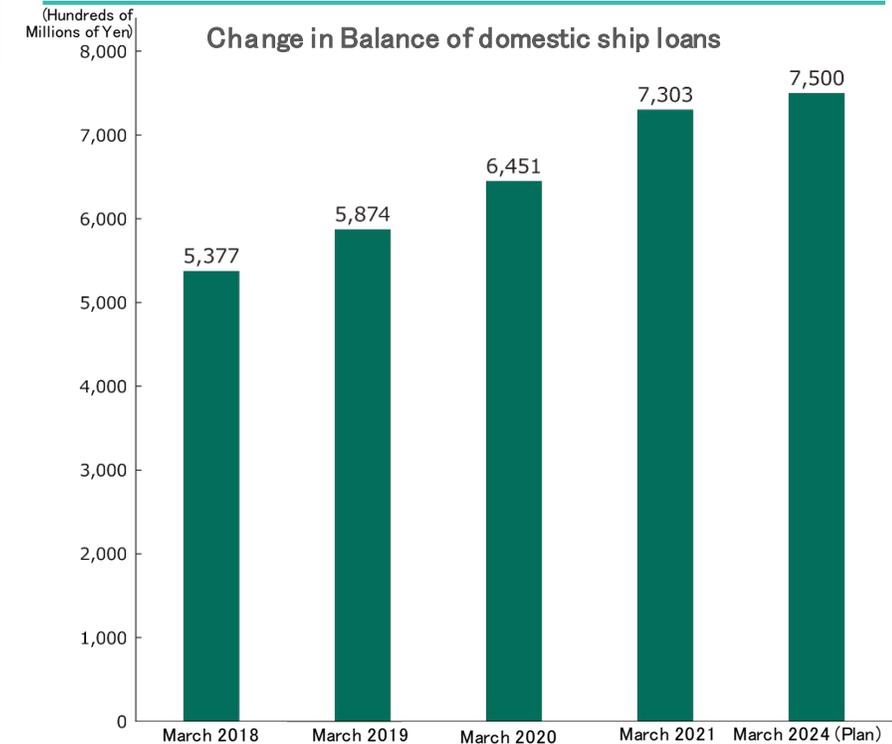
- Enrichment in collection of information related to the overseas maritime industry
- Provision of information concerning overseas companies related to the domestic industry
- Support of overseas development for domestic companies



Balance of domestic ship loans as of March 2021 (actual results)
¥730.3 billion

Recorded ¥730.3 billion, up ¥85.2 billion year on year, due to factors such as an increase in new transactions, a decrease in ship sales and weaker yen in the fiscal year-end period

Balance of domestic ship loans as of March 2024 (plan)
¥750.0 billion

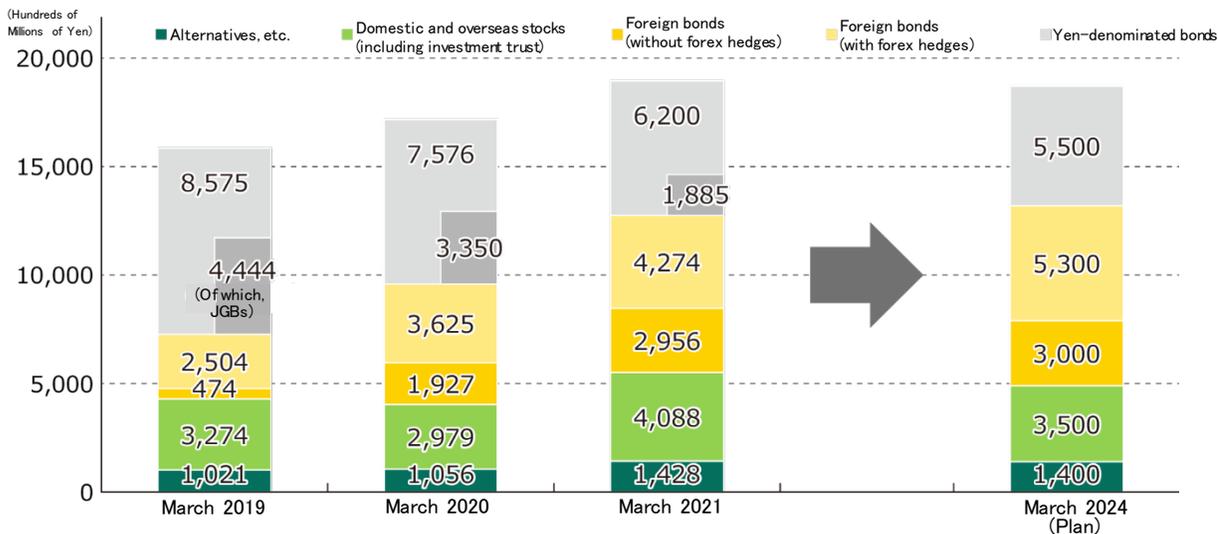


<Basic policies> Making diversified investments emphasizing liquidity, considering total profit and loss leading to stable revenue and future revenue

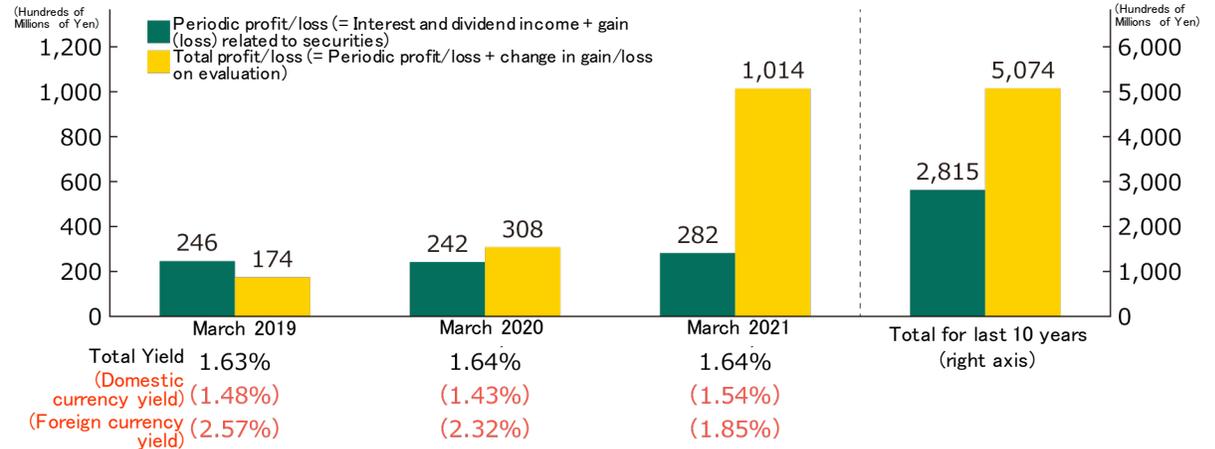
Investment Policy by Risk Category

(Risk category)		(New investment policy)
Yen-denominated bonds	Not change	◎ Keep a certain amount as assets inversely correlated with stocks, while in view of interest trends. ◎ In a continuing low interest environment in Japan, keep the balance as a bond including foreign bonds with hedges.
Foreign bonds (with forex hedges)		
Foreign bonds (without forex hedges)	Not change	◎ Adjust the balance and implement strategic re-balancing according to the situation while keeping a certain amount to secure stable profit from carry trading.
Domestic and overseas stocks (including investment trust)	Decrease	◎ Sell off stocks held for strategic purposes if the necessity of holding is not recognized. ◎ Purchase stocks held solely for investment purposes of which growth is expected in the medium- to long-term view.
Alternatives, etc.	Not change	◎ Consider investment to secure stable carrying and portfolio diversification.

Balance of Securities at Market Value by Risk Category



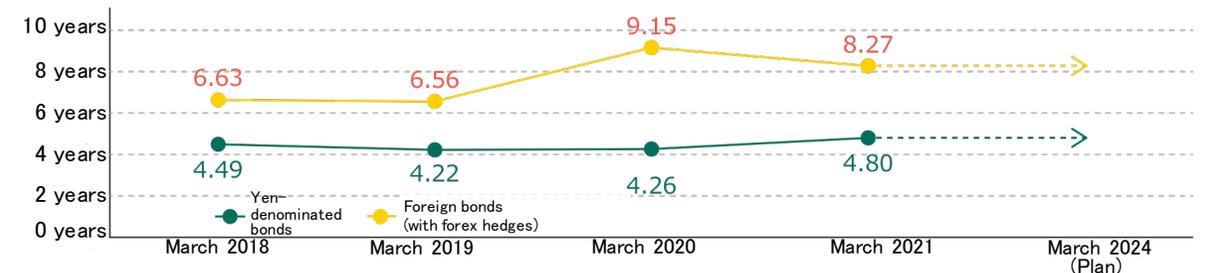
Securities Performance



Portfolio Risk Sensitivity and Duration

● Portfolio risk sensitivity (As of March 31, 2021)

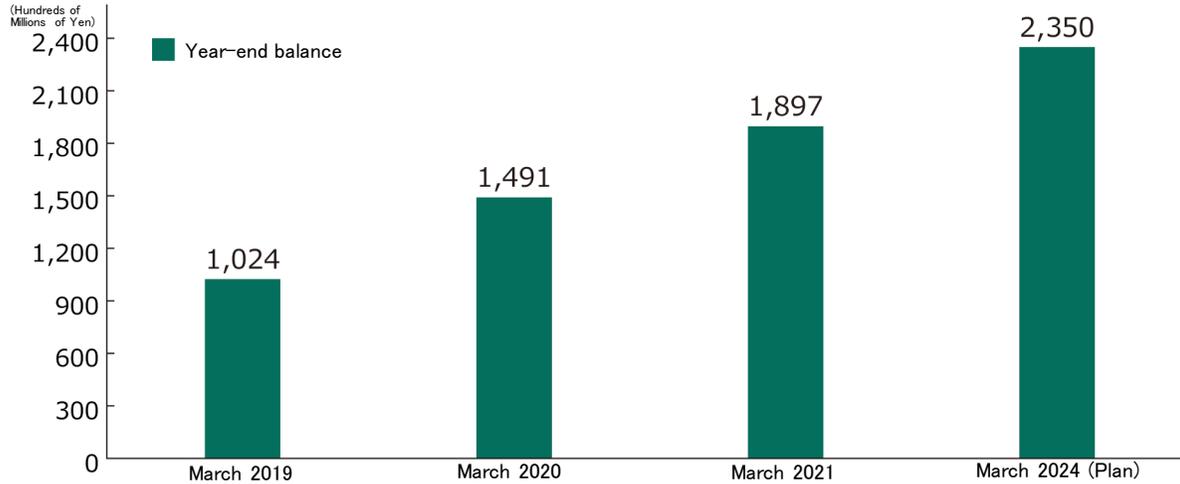
- ◎ Yen-denominated bond portfolio 10BPV ¥3.0 billion
- ◎ Foreign bond portfolio (with hedges) 10BPV ¥3.6 billion
- ◎ Foreign bond portfolio (without hedges) 10BPV ¥3.0 billion / Exchange ¥10V ¥26.7 billion
- ◎ Stock portfolio Nikkei Stock Average ¥1,000V ¥10.1 billion



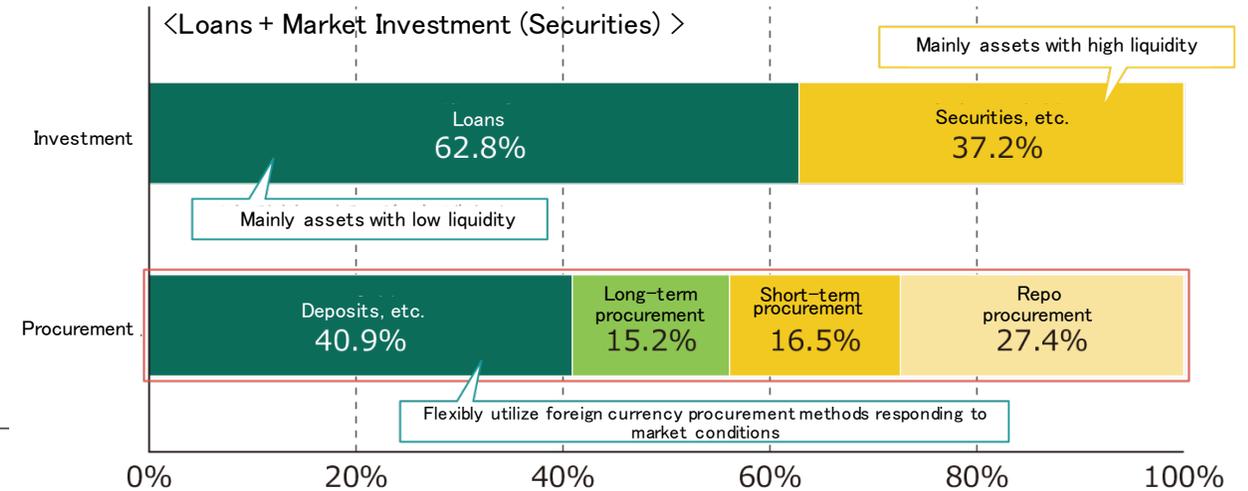
Business Strategies _ Market Investment II

- ◆ Build up quality assets mainly in the Singapore Branch and Financial Market Business Office and maintain profitability by stable foreign currency procurement and reduction of procurement cost

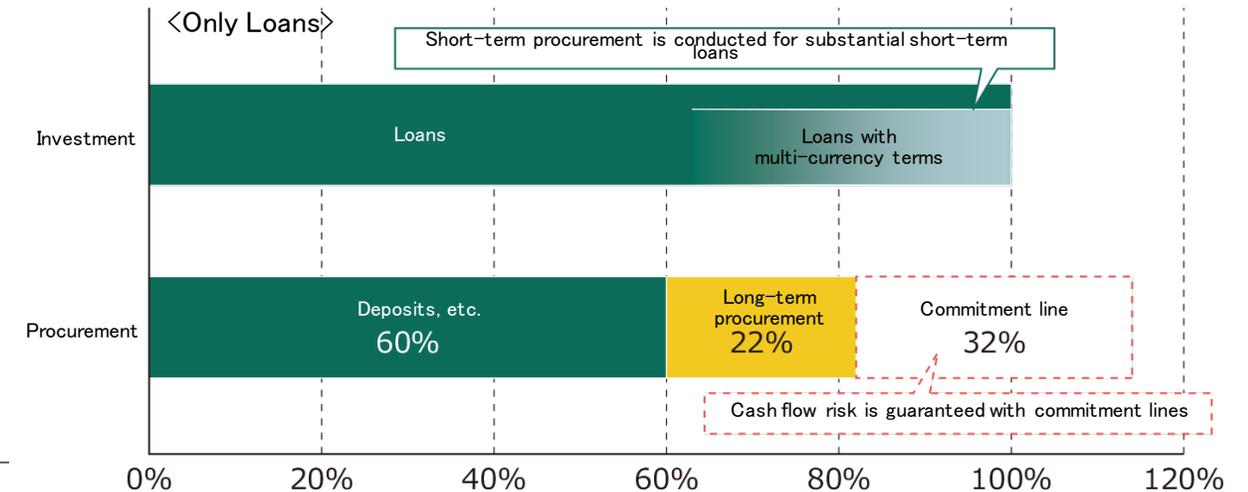
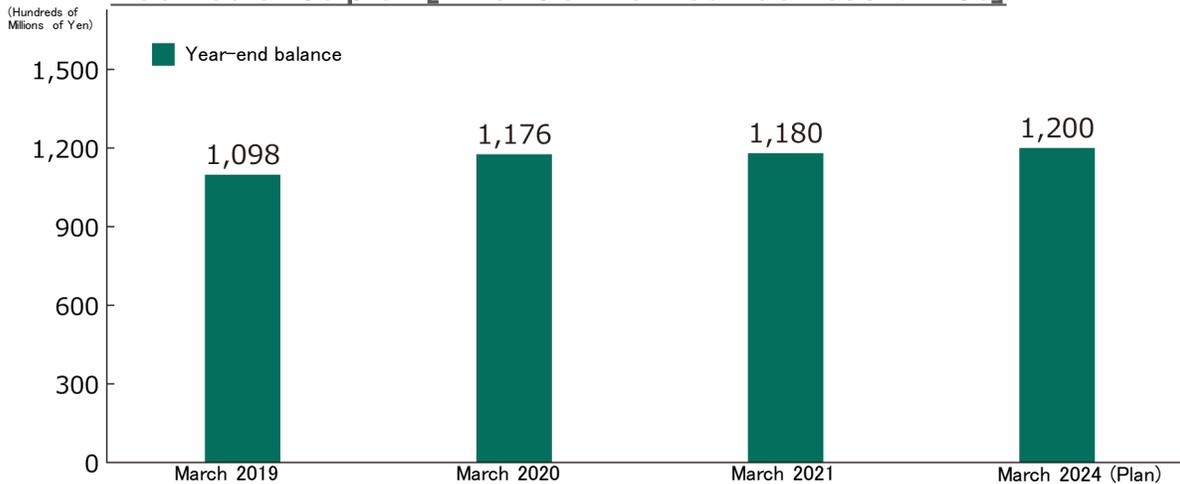
Loan balance plan [Singapore Branch]



Status of Foreign Currency Investment and Procurement [March 31, 2021]



Loan balance plan [Financial Market Business Office]

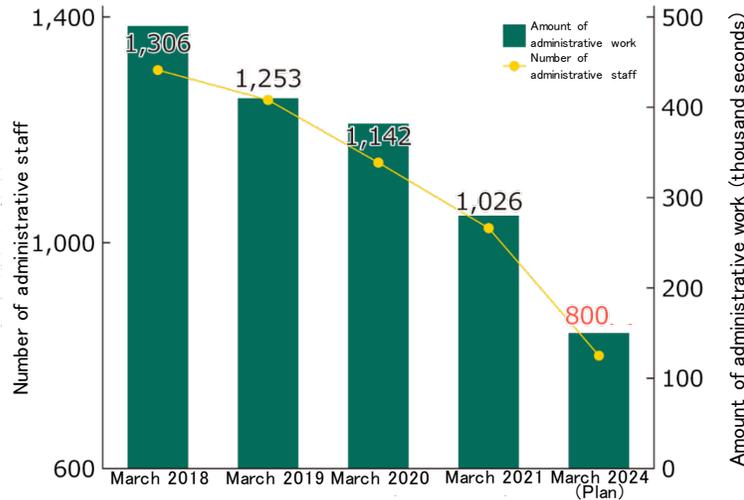


Cross-Sectional Efforts Supporting Business Strategies _ BPR Strategy

<Basic policies> Aiming to increase productivity of the entire Group by minimizing administrative and routine work and strengthening workforce available for responding to customers and planning operations

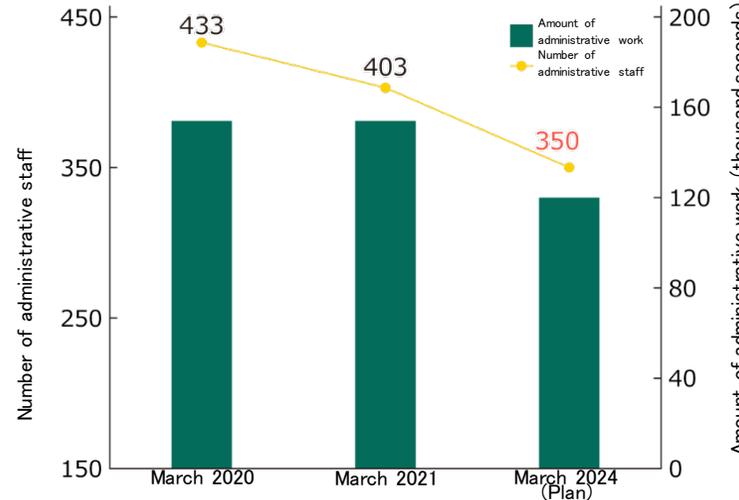
Bank Branch Administrative Staff (in Charge of Operations)

⇒ Downsizing to 800 staff members



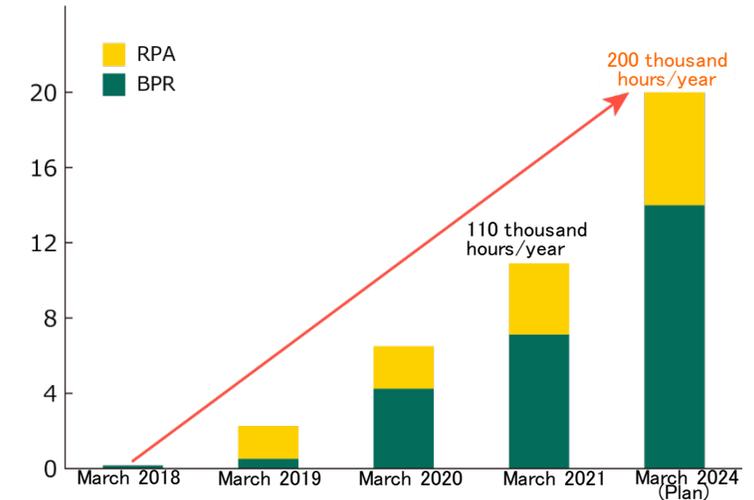
Bank Branch Administrative Staff (in Charge of Loans)

⇒ Downsizing to 350 staff members



Effect of Headquarters Workload Reduction

⇒ 200 thousand hours/year
(Personnel conversion: Approx. 100 people)



Simpler administration flow

- Introduction of "AGENT" to all branches
- "CUBE" management system of property in custody
- Electronic contracting service for business loans

Cashless processing

- Satto Madoguchi (Quick Counter) (next-generation branches)
- * Minimization of cash handling operations through connection between Satto (Quick) ATM and terminals at Bank Branches

Headquarters-centralized operations

- Operation Support Center
- Centralized call reception, centralized document storage
- Loan Operation Support Center

Improvement of Operational Efficiency at Headquarters

- Introduction of RPA
- Digitalization of various application flows through introduction of groupware (paperless)

Improvement of AGENT

- Introduction of AGENT tablets
- AGENT for Business
- Transfer request form with QR
- Attentive listening function
- Tablets with sales liaison function

● NEXT STAGE

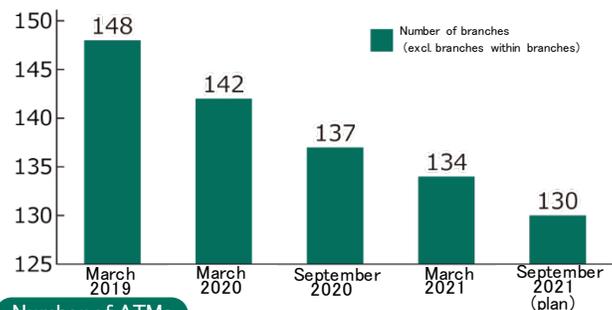
⇒ Bank on your palm

<Basic policies> Aiming to diversify touch points connecting to customers by restructuring channels including branches

Review of Branches and ATM Locations

Number of branches

- ◎ **Sorting out excessive branches** in addition to improving efficiency with centralized branch functions



Number of ATMs

- ◎ Reducing the number of installed ATMs by utilizing common use and no charge alliance against a background of increases in cashless settlements and ATMs in convenience stores
⇒ **The number of installed ATMs decreased by approx. 19%** (actual results under the previous Medium-Term Management Plan)

Review of Branch Functions

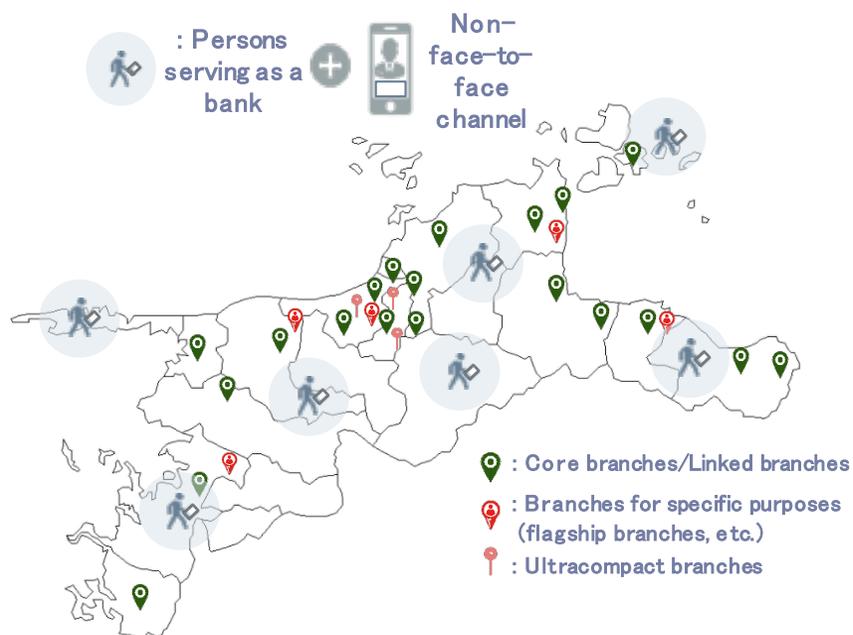
- ◎ **Introduction of the Group Head system** (as of May 31, 2021)
Core branches: 28 Linked branches: 57
- ◎ **Review of business hours** (as of May 31, 2021)
Extension of business hours: 3 branches
Adoption of lunch break: 8 branches
* Excluding account transactions
- ◎ **Shift to labor-saving branches** (as of May 31, 2021)
Branches located in government offices: 5 branches

Introduction of Next-generation Branches

- ◎ **Shift of 91 branches to Next-generation branches** (as of May 31, 2021)

Restructuring of the branch channel toward deepening and evolving the DHD model

Past **Improvement and advancement** → Future **Challenge**



* The figure shows examples of branch locations, etc. and not actual locations.

Optimum Locations of Branches and ATMs

- ◎ Continual consideration of **optimum locations of branches and ATMs**, utilizing new channels (ex. various apps and Iyogin SMART)

Development of Non-Face-to-Face Channels

- ◎ Developing an app that can provide the same customer experience as at a counter



- ◎ **Daily transactions with a smartphone app**
- ◎ **Value added operations that only humans can provide are mainly implemented at branches**

Establishment of Iyogin SMART

- ◎ Newly establishing micro branches for the purpose of maintaining contact points with local customers

<To be opened>

- **Iyogin SMART Nakayama**
August 2, 2021
- **Iyogin SMART Kaminada**
August 3, 2021



- * This new form of branches where business days, business hours, and operations handled are limited aims to keep contact points with local communities

Supporting business strategies from a digital view to contribute to improving CX

<Basic policies> Establishing IT governance that ensures both speedy and flexible digital responses to external environments and customer needs and a safe, stable and secure banking system

Speedy and Flexible Digital Responses to External Environments and Customer Needs

Development and improvement of data utilization system Link to omnichannel and improvement in channels

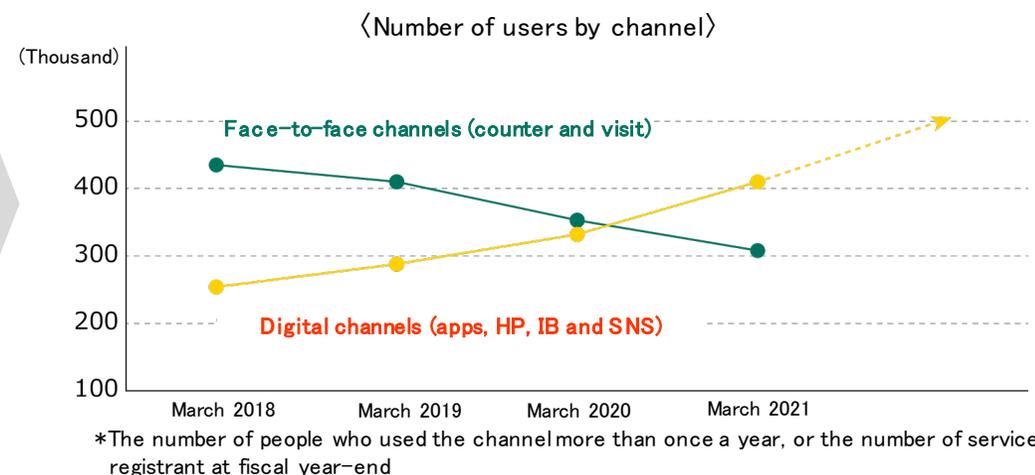


● **Participation in Collective MCIF Center and improvement in data utilization**
Sharing know-how on data utilization, developing personnel, and establishing a sophisticated analysis system, which is difficult for the Bank alone

● **Joint development of data personnel**
Started joint development of data analysis and business planning personnel with INTEC Inc. to improve data analysis skills and planning

● **MONEY MANAGER function added**
Installation of coupon distribution function in April 2021 following improvement including installation of a transfer function

Continuation of expansion of digital touch points



Maintaining a Safe, Stable and Secure Banking System

Promotion of improvement in core systems

- Study and research of application technologies
- Decision on improvement policies

Improvement in system infrastructure in the Bank

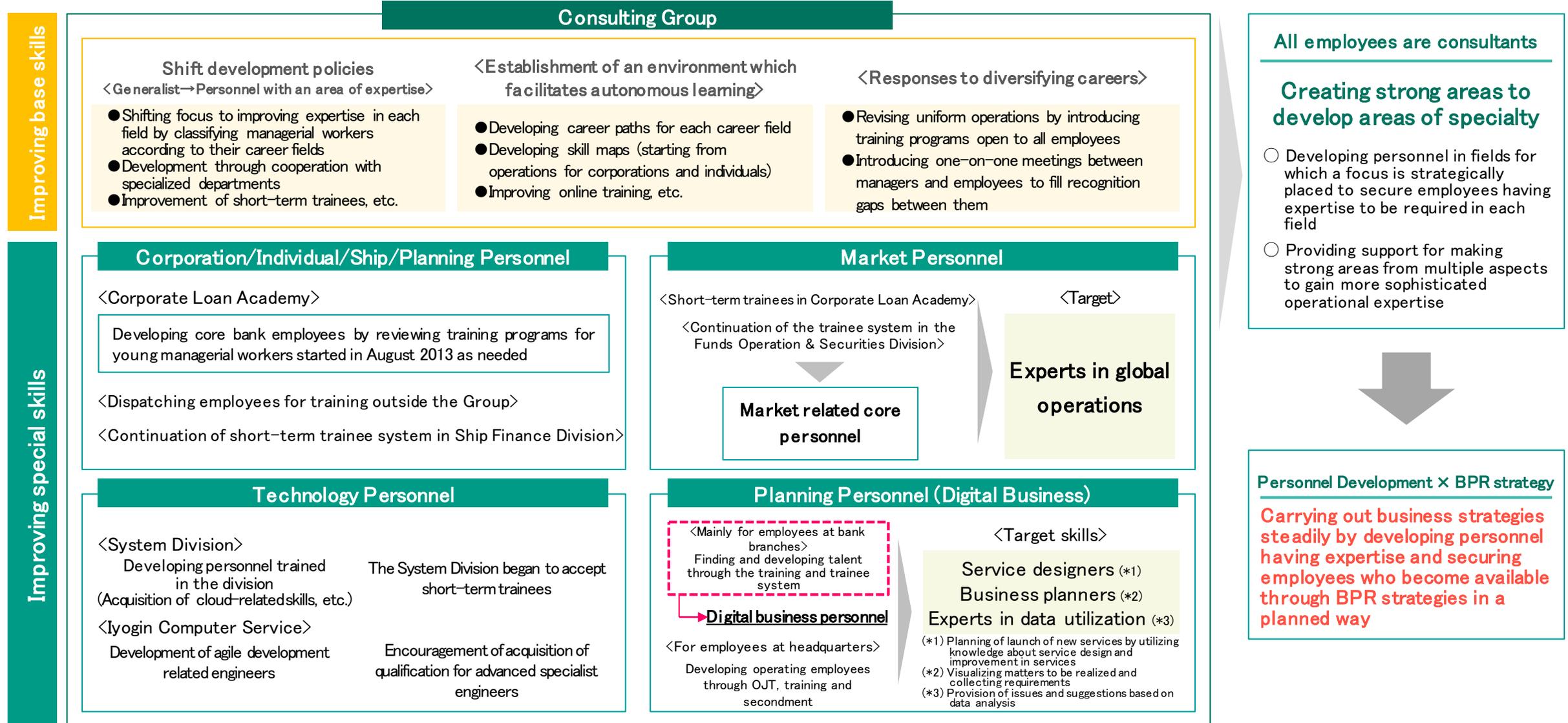
- Priority consideration of cloud utilization
- Location-free and device-free responses

Establishing IT Governance

Optimization of IT investment

- Improvement in long-term investment forecasts
- Establishment and review of IT investment rules

<Basic policies> Aiming to become a group creating and providing diversified value by developing personnel who can work actively in areas of their expertise under a basic idea of "originating from customers"



Profit / Loss Forecasts for Fiscal 2021

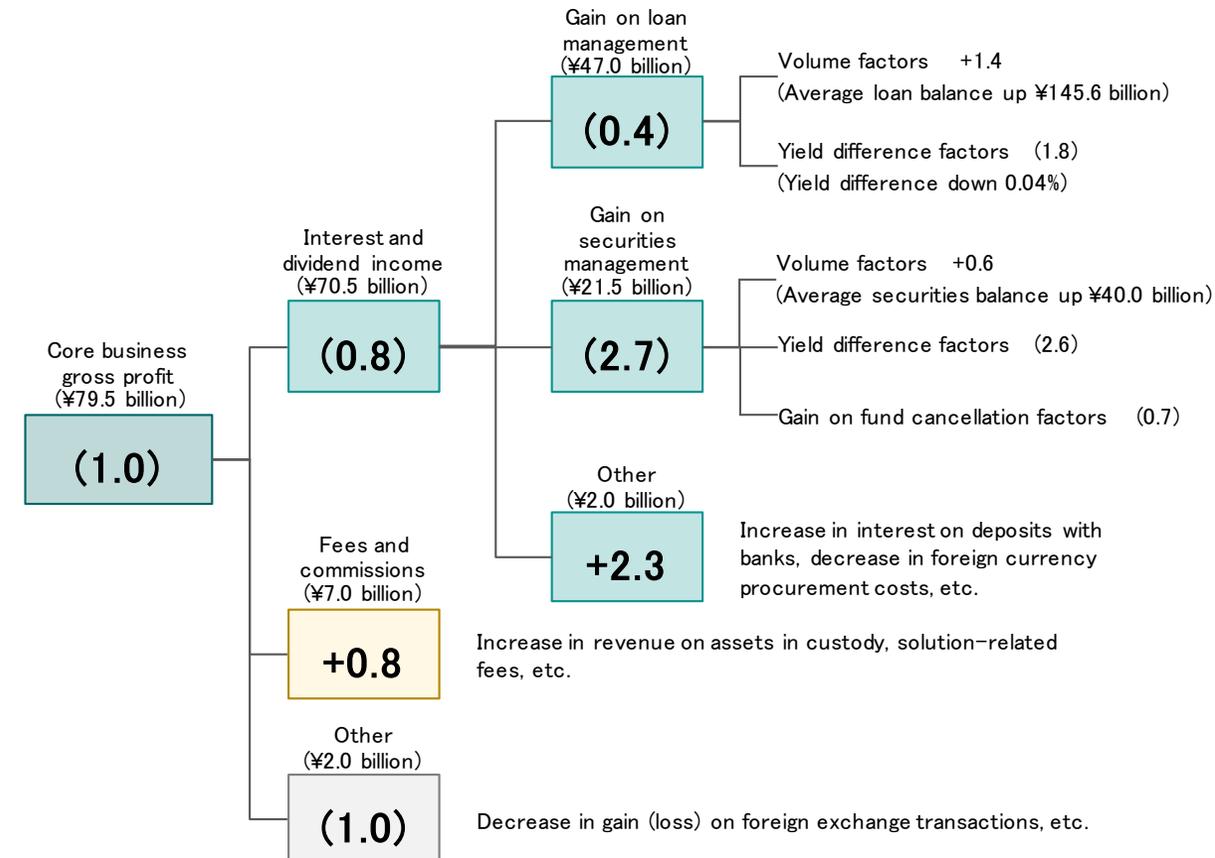
- ◆ Aiming net income of ¥18.5 billion assuming a decrease in credit costs, though core business gross profit is expected to decrease due mainly to a decrease in gain on securities management

[Nonconsolidated results (Units: Billions of yen)]	Fiscal 2020 results		Fiscal 2021 forecast			
	Inter- mediate results		Inter- mediate forecast	YoY		YoY
Core business gross profit	39.8	80.5	40.2	+0.4	79.5	(1.0)
Of which, interest and dividend income	34.8	71.3	35.5	+0.7	70.5	(0.8)
Of which, fees and commissions	3.0	6.2	3.6	+0.6	7.0	+0.8
Expenses (-)	24.8	49.6	24.8	(0.0)	49.0	(0.6)
Of which, personnel expenses	12.8	25.7	12.9	+0.1	25.5	(0.2)
Of which, nonpersonnel expenses	10.3	21.0	10.3	(0.0)	20.5	(0.5)
Core business net income	14.9	30.9	15.5	+0.6	30.5	(0.4)
Credit costs(-)	1.4	12.5	5.6	+4.2	9.0	(3.5)
Gain (loss) related to securities	4.9	3.7	3.0	(1.9)	1.5	(2.2)
Ordinary income	19.4	23.7	14.5	(4.9)	26.5	+2.8
Net (intermediate) income	13.6	16.6	10.0	(3.6)	18.5	+1.9

Factors Contributing to Increase / Decrease in Core Business Gross Profit (Fiscal 2021 – Fiscal 2020)

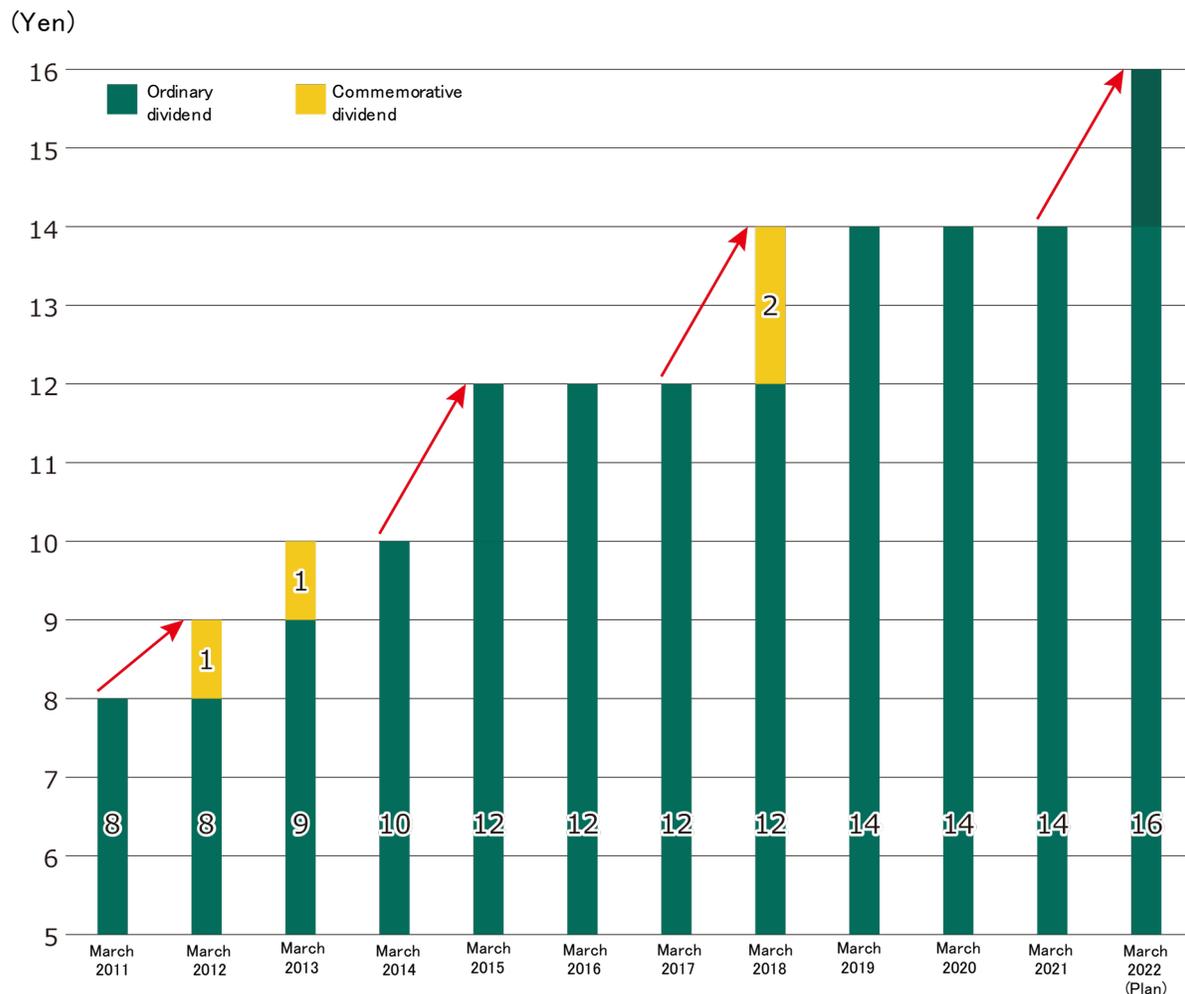
(Units: Billions of yen)

(Note) Differences in yield utilize yield differences with deposits, etc.



Dividend Trends and Policy

- Planning to **increase dividends by ¥2** for the fiscal year ending **March 2022 (119th term)**, while strengthening the financial position with internal reserves



Shareholder Benefit Program

Shareholders holding 100 or more but less than 1,000 shares

- Grant shareholder benefits (Imabari towel)



* Image for illustrative purposes.

Shareholders holding 1,000 shares or more

Select one of the following three choices

- Goods made in Ehime Prefecture and special goods jointly designed by the TSUBASA Alliance
- Preferential time deposit accounts for shareholders
- Donation to the Japanese Red Cross Society



Future business results contained in this document are based on information available as of announcement and assumptions regarding uncertain factors that may affect future business results. Future business results may differ due to changes in the management environment, etc.

<For inquiries regarding this document> Nakatani, General Planning Division, Iyo Bank TEL:089-907-1034/FAX:089-946-9104

Iyo Bank Fiscal 2020 Earnings Briefing

(April 1, 2020 – March 31, 2021)

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Head Office	Matsuyama, Ehime Prefecture
Year of foundation	March 15, 1878 (The 29th National Bank)
Capital	¥20,900 million (Total number of issued shares: 323,775 thousand shares)
Number of employees	12 Officers, 2,699 employees (excluding temporary staff)
Number of branches	149 domestic (including 17 branches within branches, 7 sub-branches), 1 overseas (Singapore)
	2 overseas representative offices (Shanghai, Hong Kong)
External credit ratings	A+: Rating and Investment (R&I)
	A-: Standard & Poor's (S&P)
	AA: Japan Credit Rating Agency (JCR)

Consolidated equity ratio (BIS standards)	14.65%
Consolidated subsidiaries	16 companies
Consolidated employees (excluding temporary staff)	3,071 persons

(As of March 31, 2021)

Branch Network

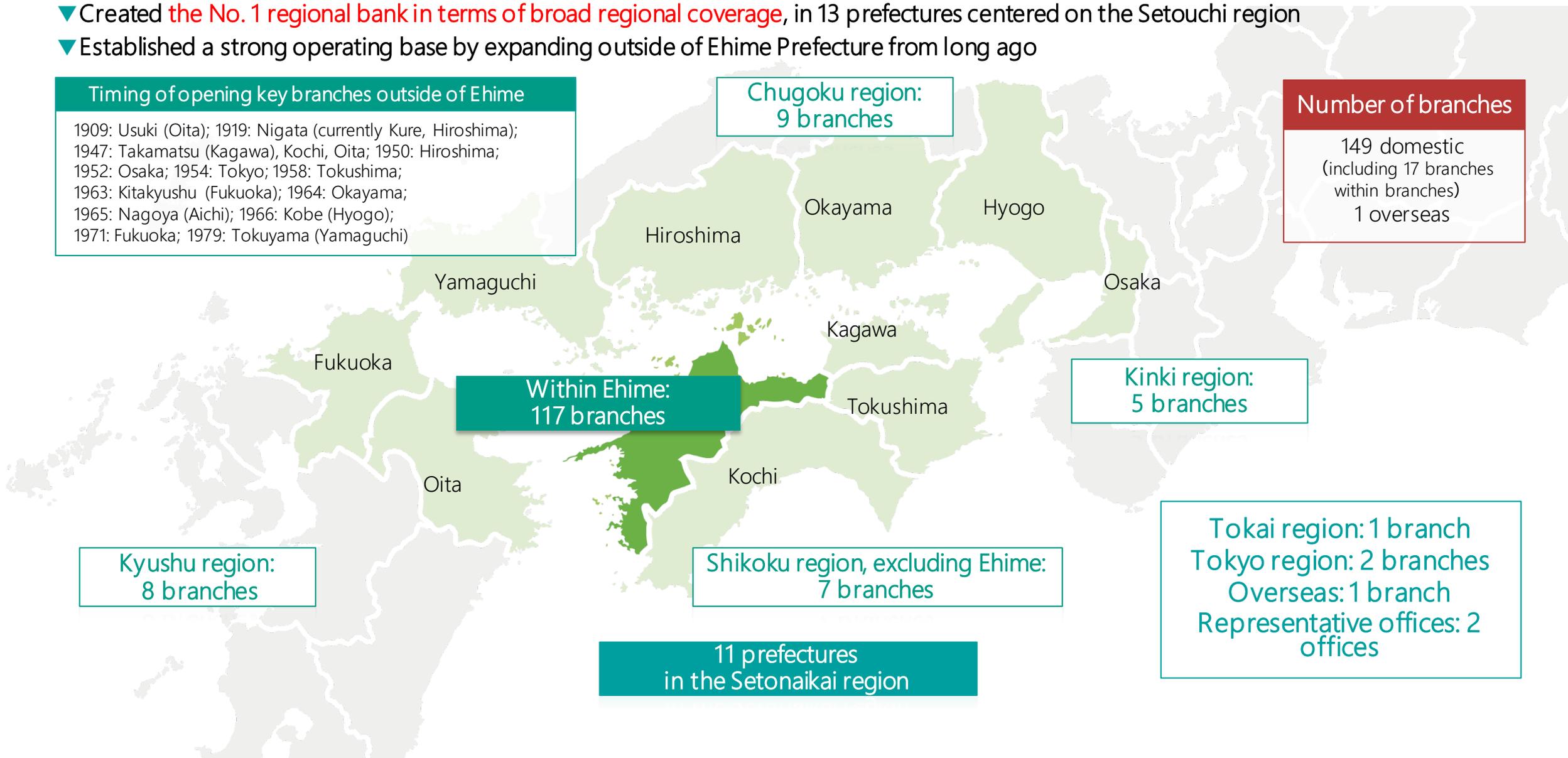
- ▼ Created **the No. 1 regional bank in terms of broad regional coverage**, in 13 prefectures centered on the Setouchi region
- ▼ Established a strong operating base by expanding outside of Ehime Prefecture from long ago

Timing of opening key branches outside of Ehime

1909: Usuki (Oita); 1919: Nigata (currently Kure, Hiroshima);
 1947: Takamatsu (Kagawa), Kochi, Oita; 1950: Hiroshima;
 1952: Osaka; 1954: Tokyo; 1958: Tokushima;
 1963: Kitakyushu (Fukuoka); 1964: Okayama;
 1965: Nagoya (Aichi); 1966: Kobe (Hyogo);
 1971: Fukuoka; 1979: Tokuyama (Yamaguchi)

Number of branches

149 domestic
 (including 17 branches
 within branches)
 1 overseas



Summary of the Iyo Bank Group

Consolidated Earnings Summary

(Units: Millions of Yen)

[Consolidated]	Fiscal 2020	YoY	Increase/ Decrease	Fiscal 2019	Consolidated- nonconsolidated Difference (Note)
Ordinary revenue	124,817	(1,689)	(1.3)%	126,506	20,389
Ordinary income	26,172	(3,241)	(11.0)%	29,413	2,396
Profit attributable to owners of parent	18,088	(834)	(4.4)%	18,922	1,409

(Note) The difference between consolidated and nonconsolidated. The Bank has acquired additional shares of consolidated subsidiaries during fiscal 2019 and fiscal 2020. By this additional acquisition, the Group's shareholding ratio increased, and profit attributable to owners of parent increased by about ¥790 million.

List of Iyo Bank Group Companies



(As of March 31, 2021)

Main Industries in Ehime Prefecture

- Industries with top national share concentrated in each region
- Manufactured product shipments from Ehime Prefecture totaled ¥4.3 trillion (45% of Shikoku) in 2018

...Total national share of Ehime Prefecture

Matsuyama Region

The Matsuyama region has companies with large shares in products such as "small once-through steam boilers," "farm machinery," and "dried bonito shavings."

Uwajima Region

13.8%
(¥66.2 billion)

No. 1 in Japan
(Note 2)

Sea culture industry (2019)
¥480.2 billion total national production

Niihama Region

Manufactured product shipments
(2018)
¥1,740.4 billion

Approx. 41% of shipments of
manufactured products in Ehime

As a corporate town under the Sumitomo Group, nonferrous metal, chemicals, steel, machinery and equipment are concentrated particularly in the Niihama region.

Imabari Region

32.7%
(1,199 ships)

No. 1 in Japan
(Note 2)

Number of ocean-going vessels owned by domestic ship owners (as of September 2020) (Note 1)
3,663 total vessels in Japan (including operators)

65.0%
(¥34.8 billion)

No. 1 in Japan
(Note 2)

Towels (2018)
¥53.6 billion shipped in Japan

Shikokuchuo Region

7.2%
(¥570.2 billion)

No. 2 in Japan
(Note 2)

Pulp and paper industry (2019)
¥7,679.3 billion shipped in Japan

•(Note 1) Iyogin Regional Economy Research Center, Inc. (IRC) estimates; the ranking in Japan excludes operators.

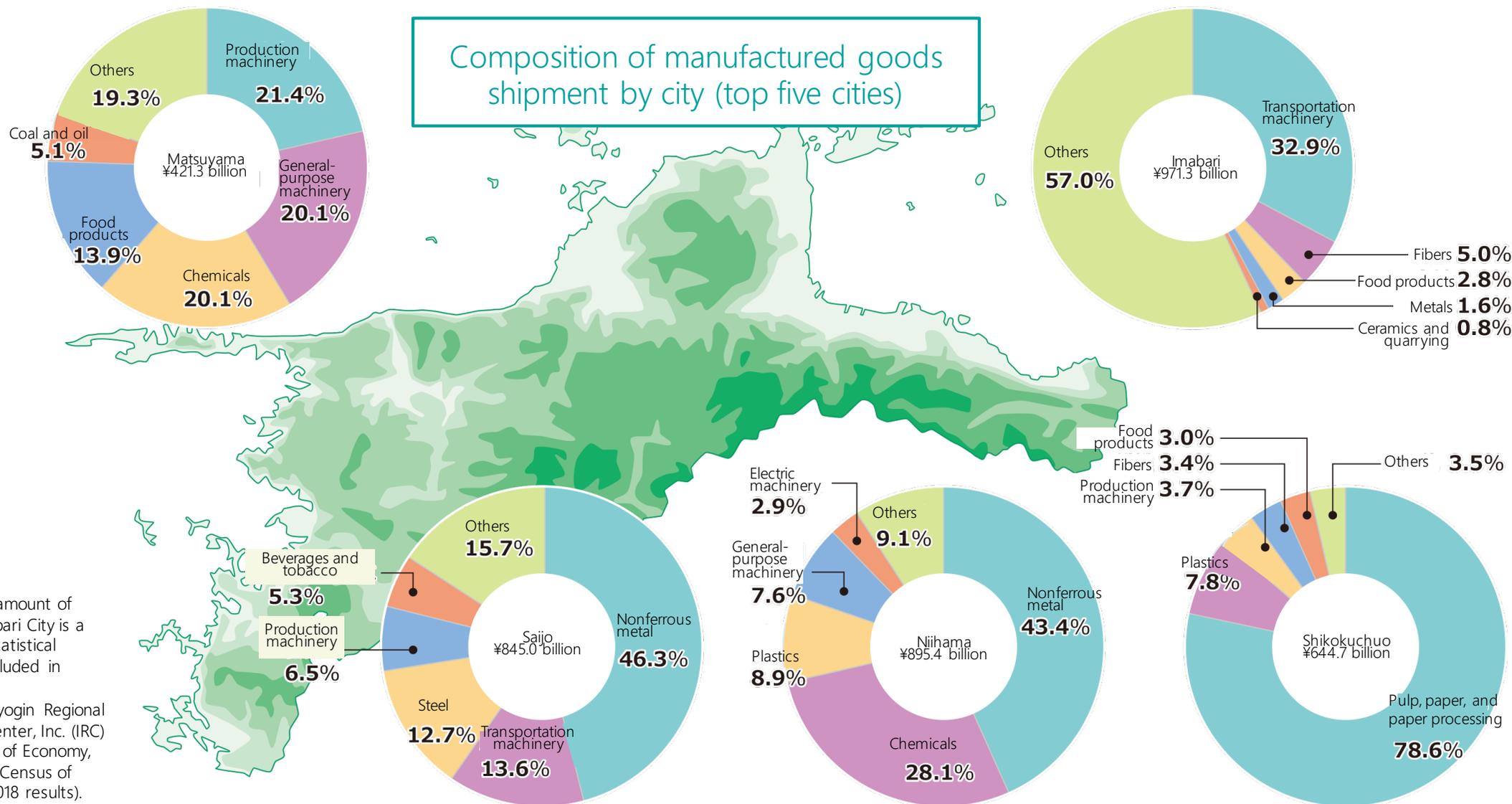
•(Note 2) Ranking of Ehime Prefecture

Source: Prepared based on the Ministry of Economy, Trade and Industry's "Census of Manufacture 2019" (2018 results) and the Ministry of Agriculture, Forestry and Fisheries' "total fishery output for 2018."

Figures for the pulp and paper industry are confirmed figures for 2018 and preliminary figures for 2019.

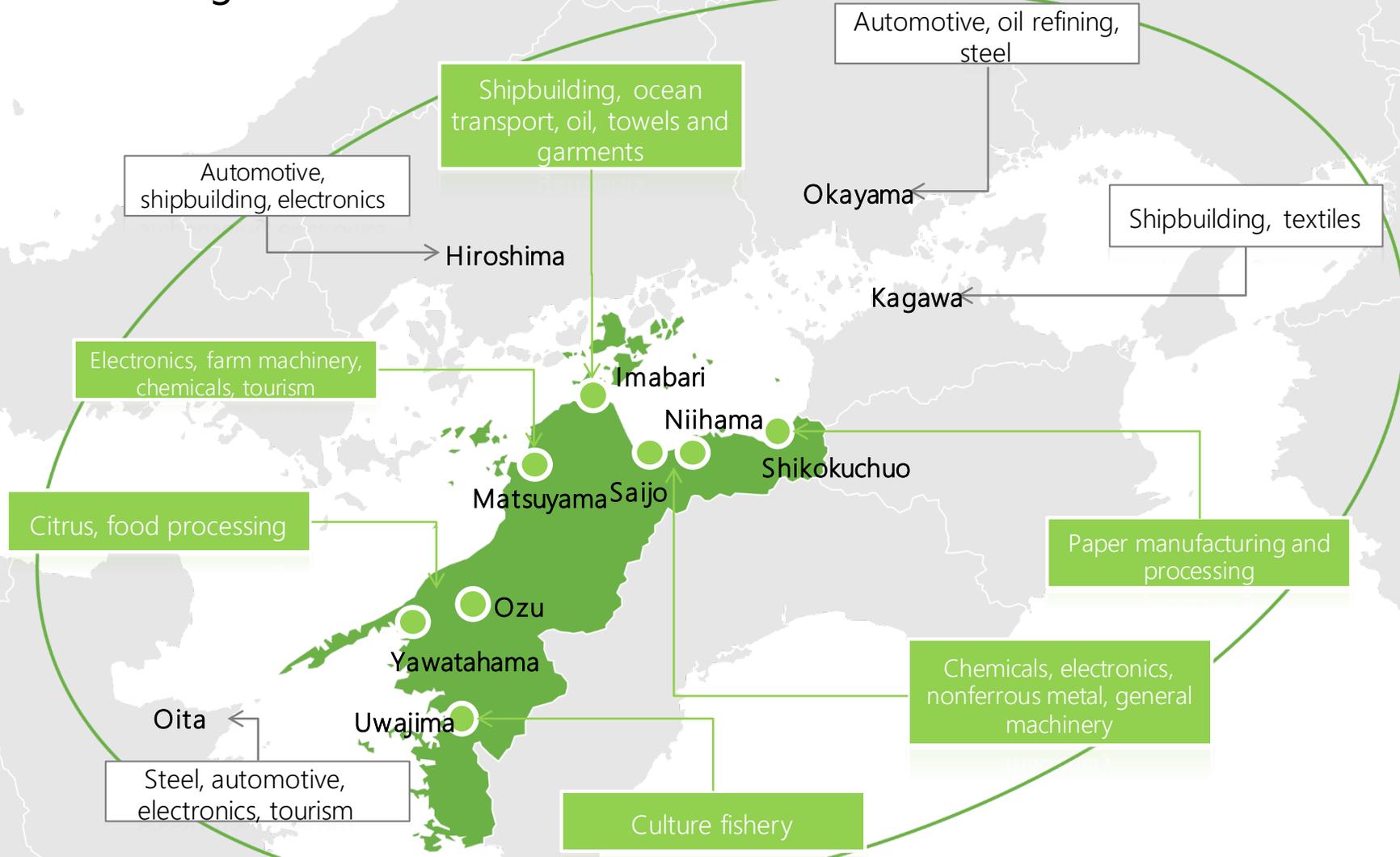
Manufacturing Industry in Ehime Prefecture

▼ Ehime Prefecture has manufacturing industries distinctive to each region



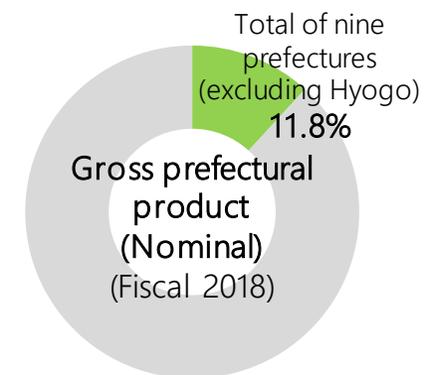
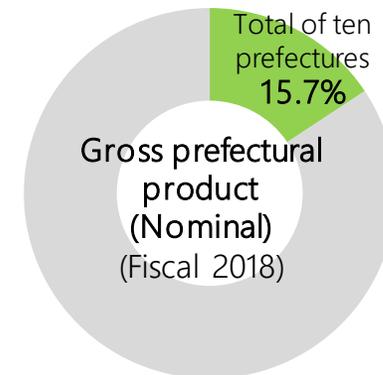
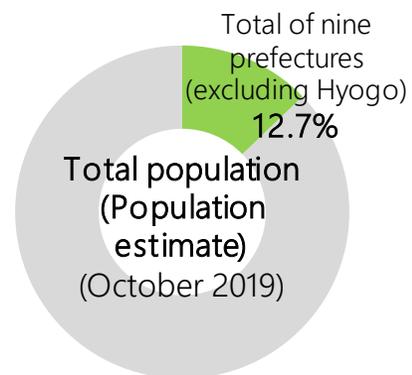
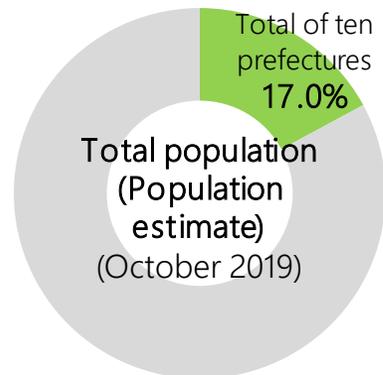
Industrial Structure of the Setouchi Region

▼ The Setonaikai coastal region has established various industrial structures



Economic Indicators of the Setouchi Region I

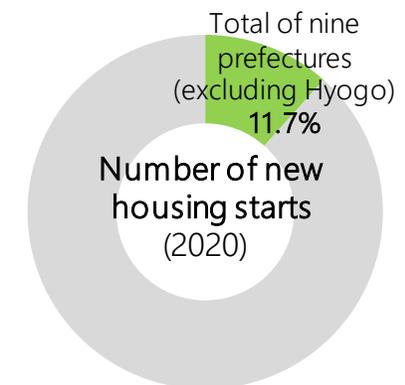
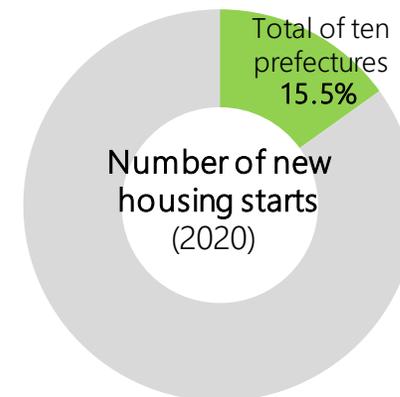
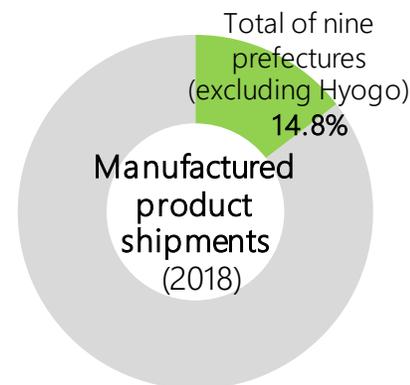
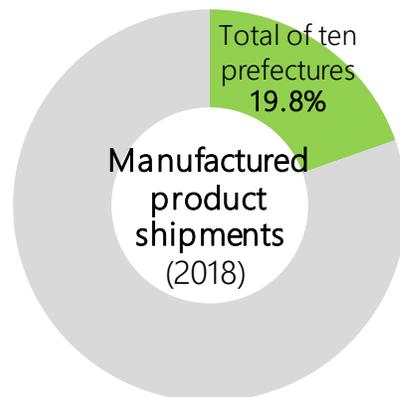
	Total population (Population estimate)	Total area (Geospatial Information Authority of Japan)	Number of offices (Private sector, excluding public sector)	Number of employees (Private sector, excluding public sector)	Prefecture total production (Nominal)	Prefectural gross product growth rate (Real)	Prefectural income per capita
	October 2019 (Persons)	January 2021 (k m ²)	2016 (Offices)	2016 (Persons)	Fiscal 2018 (Billions of yen)	Fiscal 2018 (%)	Fiscal 2018 (Thousands of yen)
Ehime	1,339,215	5,676	63,310	566,761	4,988.3	(1.9)	2,658
Kagawa	956,347	1,877	46,774	429,167	3,855.1	0.4	3,013
Tokushima	727,977	4,147	35,853	301,688	3,173.3	1.3	3,092
Kochi	698,029	7,104	35,366	279,196	2,419.0	0	2,644
Oita	1,135,434	6,341	52,973	483,206	4,614.3	2.8	2,714
Fukuoka	5,103,679	4,987	212,649	2,236,269	19,808.0	0.9	2,885
Yamaguchi	1,358,336	6,113	61,385	577,791	6,374.6	0.7	3,203
Hiroshima	2,804,177	8,479	127,057	1,302,074	11,713.7	(0.7)	3,109
Okayama	1,889,586	7,114	79,870	820,656	7,805.7	0.4	2,769
Total of the above nine prefectures (A)	16,012,780	51,838	715,237	6,996,808	64,752.0		
(A)/(C)	12.7%	13.7%	13.4%	12.3%	11.8%		
Hyogo	5,466,190	8,401	214,169	2,203,102	21,177.8	(0.4)	2,968
Total of ten prefectures (B)	21,478,970	60,239	929,406	9,199,910	85,929.8		
(B)/(C)	17.0%	15.9%	17.4%	16.2%	15.7%		
National total (C)	126,166,948	377,976	5,340,783	56,872,826	548,367.0	0.3	3,198



Source: Prepared based on the Statistics Bureau of Japan's "Population Estimates," the Geospatial Information Authority of Japan's "Statistical reports on the land area by prefectures and municipalities in Japan," the Ministry of Internal Affairs and Communications' and Ministry of Economy, Trade and Industry's "Economic Census" and each prefecture's "Annual Report on Prefectural Accounts"

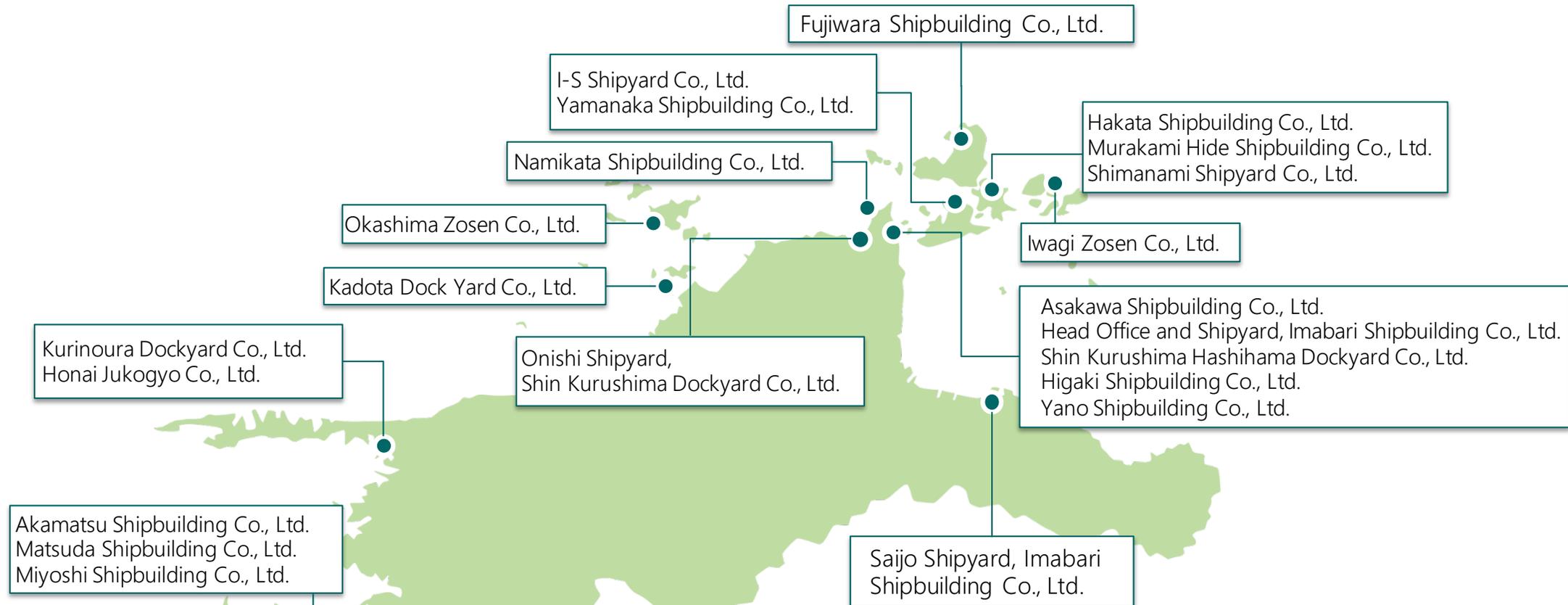
Economic Indicators of the Setouchi Region II

	Manufactured product shipments	Annual wholesale sales amount	Annual retail sales amount	Industrial production index (annual average)	Number of new housing starts	Jobs-to-applicants ratio (annual average)	Overall unemployment rate (annual average)
	2018 (Millions of yen)	2016 (Millions of yen)	2016 (Millions of yen)	2019 2015 = 100	2020 (Homes)	2020 (Times)	2020 (%)
Ehime	4,264,038	2,511,264	1,528,554	99.9	8,049	1.33	2.0
Kagawa	2,769,479	2,619,010	1,169,352	106.5	4,747	1.42	2.2
Tokushima	1,853,356	904,487	757,121	101.3	3,554	1.16	2.2
Kochi	594,523	874,256	753,371	99.8	3,437	1.03	2.7
Oita	4,438,950	1,344,689	1,235,257	96.1	6,892	1.19	2.0
Fukuoka	10,237,865	16,970,699	5,864,032	105.1	34,464	1.15	3.0
Yamaguchi	6,701,163	1,641,957	1,488,895	107.0	6,217	1.27	1.9
Hiroshima	10,039,720	9,166,762	3,309,726	100.7	16,050	1.42	2.4
Okayama	8,354,250	3,543,971	2,093,111	101.4	12,103	1.59	2.3
Total of the above nine prefectures (A)	49,253,344	39,577,095	18,199,419		95,513		
(A)/(C)	14.8%	9.1%	12.5%		11.7%		
Hyogo	16,506,736	10,219,241	5,726,476	104.1	30,884	1.04	2.7
Total of ten prefectures (B)	65,760,080	49,796,336	23,925,895		126,397		
(B)/(C)	19.8%	11.4%	16.5%		15.5%		
National total (C)	331,809,377	436,522,525	145,103,822	101.1	815,340	1.18	2.8



Source: Prepared based on the Ministry of Economy, Trade and Industry's "Census of Manufacture", the Ministry of Internal Affairs and Communications' and Ministry of Economy, Trade and Industry's "Economic Census," each prefecture's materials, the Ministry of Land, Infrastructure, Transport and Tourism's "Survey of Building Construction Work Started," the Ministry of Health, Labour and Welfare's "Employment referrals for general workers" and the Statistics Bureau of Japan's "Labour Force Survey"

Shipbuilding Yards in Ehime Prefecture



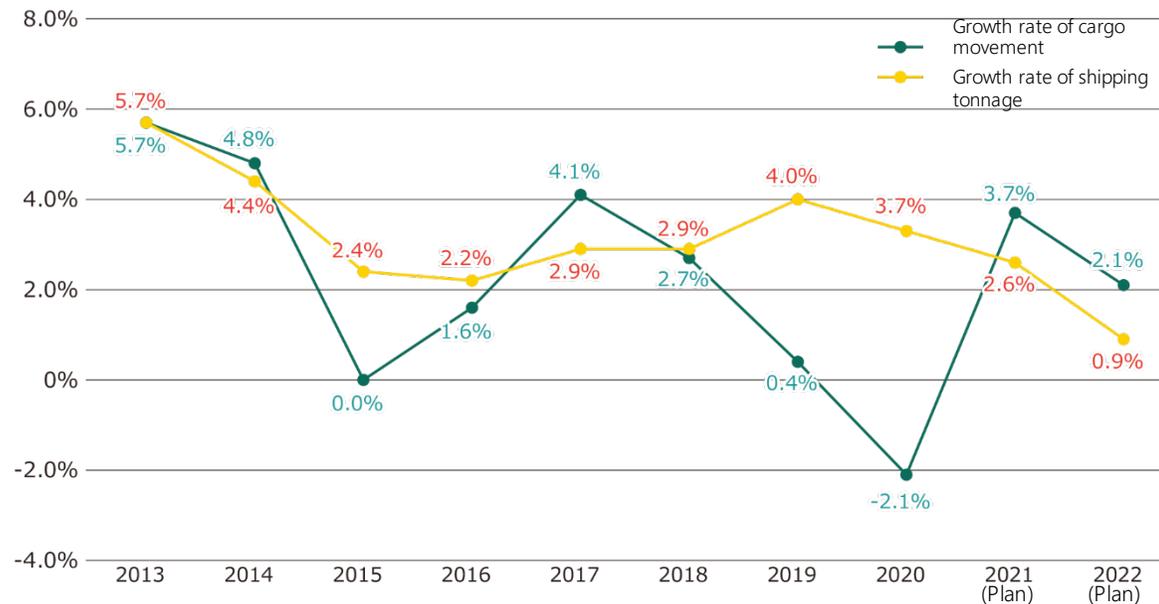
15 Groups, 22 Offices

Source: Prepared by the Bank based on "Documents for Shipbuilding Under Jurisdiction" published by the Shikoku Land Transport Office

*Shipbuilding facilities currently in operation either constructing or repairing steel vessels of at least 500 gross tons or 50 m or longer

Dry Bulk Transport Demand and Supply

● Volume of cargo movement and shipping tonnage



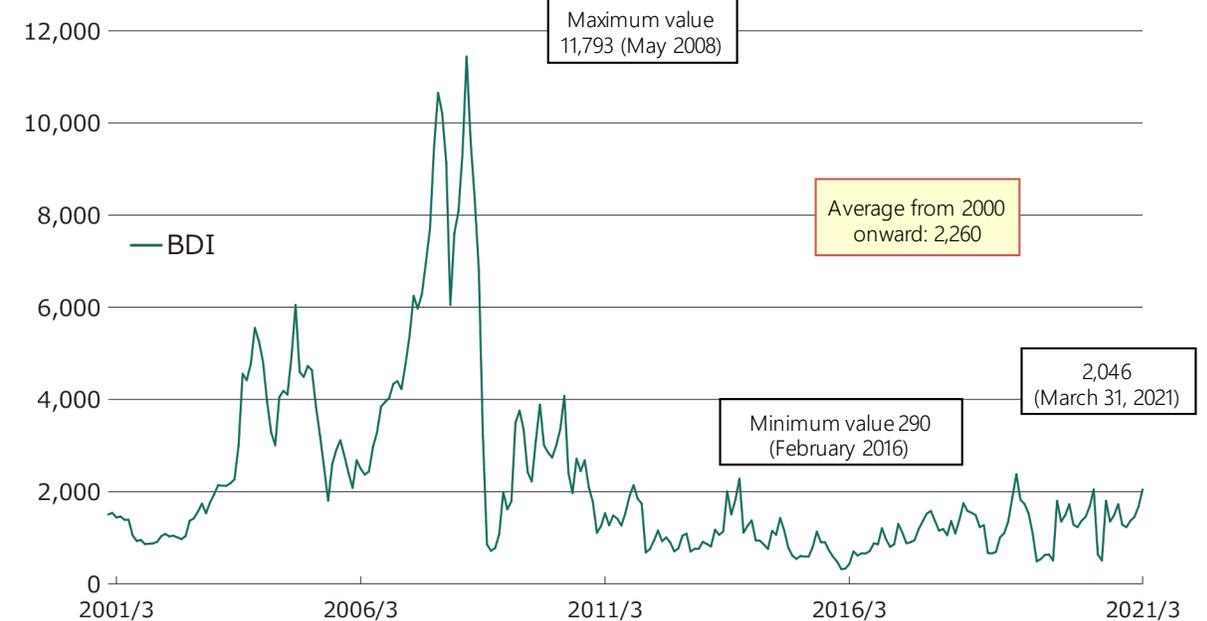
Source: "Clarkson Research Shipping Review & Outlook" (Spring 2021)"

● Dry bulk transport demand and supply

- Shipping tonnage of dry bulk vessels for 2020 increased by 3.7% (up 329 thousand DWT) from 2019. Meanwhile, the volume of cargo movement significantly decreased by 2.1% from 2019 due to the impact of COVID-19.
- The growth rate of shipping tonnage in 2021 is expected to be limited to 2.6% from 2020 as growth of 18.9 million tons is expected. Meanwhile, cargo movement is expected to grow at 3.7%, which indicates a V-shaped recovery.

Future Market Outlook

● Baltic Dry Index (BDI) trends



● Future market outlook

- During 2020, although the market temporarily declined due to the impact of COVID-19, the volume of transport recovered in line with China's economic recovery. Thereafter, the market environment became favorable, supported by shipping tonnage limited due to replacement of crews and demand for transport of grains and coals to China.
- Moving forward, the market is expected to remain solid for the time being as the volume of new ship construction is limited in strong transport demand.
- Expected long-term factors in market changes include trends of China's economic policies, demand for coals for fuel and retirement of aging ships due to stricter environmental regulations.

Breakdown of Balance of Loans and Deposits at End of Period

1. Breakdown of balance of loans at end of period

(Units: Billions of Yen)

	March 2017	September 2017	March 2018	September 2018	March 2019	September 2019	March 2020	September 2020	March 2021	Vs. March 2020
Total loans	4,043.3	4,132.4	4,292.6	4,431.5	4,550.8	4,617.5	4,756.6	4,874.5	4,999.3	242.7
General loans	3,802.3	3,899.0	4,054.6	4,192.2	4,310.7	4,387.7	4,522.2	4,648.1	4,783.6	261.4
Corporate loans (incl. overseas, etc.)	2,807.4	2,891.8	3,030.6	3,146.0	3,238.2	3,291.1	3,397.9	3,507.7	3,624.6	226.7
Corporate loans (domestic branches)	2,806.0	2,864.4	2,965.5	3,060.4	3,135.8	3,158.3	3,248.8	3,347.1	3,434.9	186.1
Individual financing	994.9	1,007.1	1,024.0	1,046.2	1,072.4	1,096.5	1,124.3	1,140.3	1,158.9	34.6
Housing loans	723.8	731.2	742.6	758.2	781.0	805.3	831.8	852.6	870.7	38.9
Apartment and building loans	184.0	186.3	191.3	198.0	202.2	203.1	205.2	205.2	205.7	0.5
Card loans	29.6	30.0	29.6	29.1	28.3	27.9	26.9	24.5	23.6	(3.3)
Municipal loans, etc.	241.0	233.4	238.1	239.2	240.1	229.7	234.3	226.4	215.6	(18.7)

(Note) The figures shown for apartment and building loans are the total of the "institutional finance" portion.

2. Breakdown of balance of assets in custody such as deposits, etc. at end of period

(Units: Billions of Yen)

	March 2017	September 2017	March 2018	September 2018	March 2019	September 2019	March 2020	September 2020	March 2021	Vs. March 2020
Total deposits, etc. + assets in custody A	5,789.1	5,765.3	5,889.0	5,894.2	6,070.6	6,174.5	6,094.1	6,532.5	6,870.9	776.8
Total deposits, etc.	5,457.0	5,424.5	5,546.0	5,542.2	5,712.6	5,817.3	5,754.3	6,184.6	6,522.6	768.3
Total deposits	5,006.8	4,987.1	5,099.6	5,057.7	5,247.1	5,288.5	5,265.6	5,652.6	5,983.1	717.5
Individual	3,354.6	3,376.3	3,392.1	3,412.0	3,423.6	3,450.2	3,512.5	3,652.2	3,740.7	228.2
General companies	1,434.4	1,429.1	1,442.0	1,455.4	1,555.4	1,553.7	1,564.4	1,733.5	1,853.4	289.0
Public	146.6	135.8	164.4	111.4	126.4	113.2	119.8	112.7	162.8	43.0
Financial	36.0	23.1	53.8	37.4	61.0	31.9	40.8	32.7	43.4	2.6
Overseas / offshore	35.2	22.6	47.3	41.3	80.5	139.4	28.0	121.3	182.6	154.6
NCD	450.2	437.4	446.4	484.4	465.5	528.8	488.7	531.9	539.4	50.7
General companies	354.7	319.6	375.4	345.1	348.2	390.0	367.0	384.9	427.4	60.4
Public	95.5	117.7	71.0	139.2	117.3	138.7	121.7	147.0	112.0	(9.7)
General company funds (incl. NCD)	1,789.1	1,748.8	1,817.4	1,800.6	1,903.6	1,943.8	1,931.4	2,118.5	2,280.8	349.4
Public funds (incl. NCD)	242.1	253.5	235.4	250.7	243.7	252.0	241.5	259.8	274.9	33.4
Foreign currency deposits (balance)	97.1	104.1	118.3	111.0	111.0	101.6	89.3	96.3	99.0	9.7
Individual deposits+individual assets in custody	3,673.2	3,703.7	3,722.5	3,751.4	3,769.1	3,795.6	3,841.4	3,988.5	4,078.3	236.9
Individual deposits	3,354.6	3,376.3	3,392.1	3,412.0	3,423.6	3,450.2	3,512.5	3,652.2	3,740.7	228.2
Individual assets in custody	318.6	327.3	330.4	339.3	345.4	345.4	328.8	336.3	337.6	8.8

<Assets in custody (Term-end basis)>

Assets in custody at the Bank (excl. deposits, etc.) B	332.0	340.7	343.0	351.9	357.9	357.1	339.7	347.8	348.3	8.6
JGBs	27.2	25.0	25.4	24.0	22.4	20.3	19.8	19.9	19.2	(0.6)
Investment trusts	85.1	81.0	71.6	71.5	68.6	66.7	53.8	58.7	61.6	7.8
Single premium policies	191.5	202.1	206.2	210.8	215.7	216.4	214.2	211.3	208.7	(5.5)
Financial product intermediary	28.3	32.5	39.7	45.5	51.0	53.6	51.7	57.7	58.6	6.9
Shikoku Alliance Securities balance C	163.7	192.7	201.4	208.3	199.5	207.8	202.4	226.6	245.2	42.8
Balance of Group's assets in custody B+C=D	495.8	533.5	544.4	560.3	557.4	565.0	542.2	574.5	593.5	51.3
Assets in custody composition (D/A+C)	8.3%	9.0%	8.9%	9.2%	8.9%	8.9%	8.6%	8.5%	8.3%	-

(Note) The figures shown for foreign currency deposits (balance) are the total excluding overseas / offshore.

Balance and Composition of Loans by Industry

▼ There are no major changes in the composition of loans by industry, and the loans are well-balanced

(Units: Billions of Yen, %)

	March 2017		March 2018		March 2019		March 2020		March 2021		Vs. March 2020	
		Composition	Balance	Rate of balance increase/decrease								
Manufacturing	583.0	14.4	611.7	14.5	643.0	14.5	650.5	14.1	660.2	13.7	9.7	1.5%
Agricultural	2.8	0.1	2.6	0.1	2.7	0.1	2.6	0.1	2.5	0.1	(0.1)	(3.8%)
Forestry	0.2	0.0	0.3	0.0	0.3	0.0	0.4	0.0	0.4	0.0	0.0	0.0%
Fishing	13.8	0.3	12.1	0.3	11.3	0.3	11.9	0.3	8.8	0.2	(3.1)	(26.1%)
Mining	8.8	0.2	8.7	0.2	8.6	0.2	7.1	0.2	6.7	0.1	(0.4)	(5.6%)
Construction	112.6	2.8	112.9	2.7	116.3	2.6	116.0	2.5	135.1	2.8	19.1	16.5%
Electricity, gas, heat provision, water	92.9	2.3	108.1	2.6	134.0	3.0	154.4	3.4	176.7	3.7	22.3	14.4%
Information communications	28.8	0.7	21.8	0.5	22.0	0.5	18.9	0.4	17.7	0.4	(1.2)	(6.3%)
Transportation	629.9	15.6	679.7	16.1	717.9	16.1	769.7	16.7	859.7	17.9	90.0	11.7%
Of which, ocean transport	510.3	12.6	542.1	12.8	580.3	13.0	639.3	13.9	724.6	15.1	85.3	13.3%
Wholesale and retail	471.2	11.7	469.4	11.1	511.6	11.5	504.3	10.9	518.1	10.8	13.8	2.7%
Finance and insurance	192.7	4.8	205.7	4.9	200.2	4.5	185.3	4.0	180.9	3.8	(4.4)	(2.4%)
Real estate	221.4	5.5	255.6	6.0	270.5	6.1	299.8	6.5	315.8	6.6	16.0	5.3%
Various services	412.7	10.2	435.1	10.3	438.5	9.9	467.6	10.1	496.7	10.3	29.1	6.2%
Of which, medical-related	181.3	4.5	193.7	4.6	192.2	4.3	197.2	4.3	209.7	4.4	12.5	6.3%
Regional public entities	240.2	5.9	232.7	5.5	234.8	5.3	230.0	5.0	212.0	4.4	(18.0)	(7.8%)
Other	1,030.8	25.5	1,071.2	25.3	1,136.1	25.5	1,188.5	25.8	1,217.3	25.3	28.8	2.4%
Total	4,041.8	100.0	4,227.5	100.0	4,448.4	100.0	4,607.5	100.0	4,809.5	100.0	202.0	4.4%

(For domestic branches, excludes special international transactions account)

"Goods rental" is included in "real estate" from the six months ended September 30, 2009.

"Real estate" for the year ended March 31, 2021, excluding "goods rental," was ¥293.9 billion, which is an increase of ¥16.1 billion (+5.8%) compared with the year ended March 31, 2020. In addition, "other" includes "home renting by individuals" (¥214.4 billion for year ended March 31, 2021).

* As "ocean transport" displays balances applicable to the "ocean transport industry" according to Japan Standard Industrial Classification, this figure does not match "Balance of domestic ship loans" on page 29 of the Earnings Briefing.

Table of Changes in Borrower Classification

- ▼ Activities for supporting enhancement of corporate value are conducted through business feasibility assessments of customers
- ▼ Corporate revitalization support is provided mainly by the Corporate Consulting Division
Use of various types of revitalization schemes, such as reconstruction funds and the SME Business Rehabilitation Support Co-operative, as well as solution sales

[Changes in borrower classification for business borrowers] (one year)

		March 31, 2021							Rate of degradation to at risk of bankruptcy or below	Improvement	Degradation	
		Total	Normal borrowers	Borrowers requiring close monitoring	Borrowers under strict observation	Borrowers at risk of bankruptcy	Substantially bankrupt borrowers	Bankrupt borrowers				
March 31, 2020	Normal borrowers	19,082 34,616	17,303 35,269	16,501 33,820	754 1,415	6 2	28 20	13 12	1 0	0.22% 0.09%		802 1,449
	Borrowers requiring close monitoring	2,004 3,830	1,890 3,635	327 913	1,473 2,609	18 35	72 78	0 0	0 0	3.59% 2.03%	327 913	90 113
	Borrowers under strict observation	140 237	130 228	20 8	6 4	87 201	15 15	1 0	1 0	12.14% 6.31%	26 12	17 15
	Borrowers at risk of bankruptcy	297 517	260 421	15 4	21 18	3 4	212 390	7 2	2 3		39 26	9 5
	Substantially bankrupt borrowers	88 18	67 12	0 0	0 0	0 0	0 0	65 12	2 0		0 0	2 0
	Bankrupt borrowers	37 42	17 8	1 0	0 0	0 0	1 5	0 0	15 3		2 5	
	Total	21,648 39,261	19,667 39,573	16,864 34,745	2,254 4,045	114 242	328 508	86 27	21 6		394 957	920 1,582

(Note 1) The chart displays the changes in the borrower classification from March 31, 2020 to March 31, 2021.

(Note 2) The balances after changes are the balances after write-offs as of March 31, 2021.

Management by Risk Category: Securities Investment

(Units: Billions of Yen)

Risk Category (*1)	Year ended March 31, 2021											Source of main revenue and profit
	Book balance	Evaluation gain / loss	Market balance	Composition	Vs. March 2020	Total profit / loss (*2)	Interest and dividend income			Profit / loss from purchase, sale, and amortization (*4)	Increase/ decrease on gain/loss on evaluation (vs. March 2020)	
							Interest received (*3)	Procurement cost				
Yen-denominated bonds	612.0	+8.0	620.0	32.7%	(11.4%)	2.1	5.0	5.0	0.0	0.0	(2.9)	Difference in long and short term interest on yen interest
Of which, JGBs	186.3	+2.3	188.5	10.0%	(9.6%)	0.2	2.3	2.3	0.0	0.0	(2.2)	
Of which, inflation-indexed JGBs	79.4	(0.8)	78.6	4.1%	(0.4%)	0.3	(0.2)	(0.2)	0.0	0.0	+0.5	Rise in expected inflation rate
Foreign currency bonds (with hedges)	424.2	+3.2	427.4	22.6%	+1.4%	(17.5)	6.7	7.3	0.6	1.7	(25.9)	Difference in long and short term interest on overseas interest
Foreign currency bonds (without hedges)	286.2	+9.4	295.6	15.6%	+4.4%	2.3	3.4	3.4	0.0	0.4	(1.5)	Gain on foreign exchange /interest revenue
Domestic and overseas stocks (incl. stock trusts)	142.3	+266.5	408.8	21.6%	+4.2%	91.9	6.0	6.0	0.0	1.2	+84.7	Growth in domestic/foreign companies centered on transaction partners
Alternatives, etc.	122.1	+20.7	142.8	7.5%	+1.4%	22.7	3.4	3.4	0.0	0.3	+18.9	
Hedge funds	37.3	+1.0	38.3	2.0%	+0.1%	2.6	0.7	0.7	0.0	0.0	+1.9	Strategic diversification by external consigned management
Real estate-related	72.7	+20.0	92.7	4.9%	+1.4%	19.0	2.9	2.9	0.0	0.4	+15.7	Revenue from real estate rentals and profit from price increase
Private equity	7.2	+0.0	7.2	0.4%	(0.1%)	(0.2)	(0.1)	(0.1)	0.0	(0.1)	+0.0	Rise in enterprise value due to management improvement of unlisted stocks, etc.
Emerging stocks	5.0	(0.4)	4.6	0.2%	+0.1%	1.3	0.0	0.0	0.0	0.0	+1.3	Growth and foreign exchange gains in emerging markets
Other (corporate management, etc.)	0.0	+0.0	0.0	0.0%	(0.2%)	(0.0)	(0.0)	(0.0)	0.0	0.0	(0.0)	Seeking short-term profits due to market views
Total	1,586.7	+307.8	1,894.7	100.0%	-	101.4	24.5	25.1	0.6	3.6	+73.4	

*1 Assets invested by the Financial Market Division calculated based on primary risk, regardless of accounting item (on the basis of including money held in trust, unsecured repurchase agreement, etc.)

*2 "Total profit / loss" and "interest and dividend income" eliminate three-month LIBOR interest, etc., as procurement costs, but this differs from actual procurement costs.

*3 Interest received includes gain / loss on cancellation of funds, etc., recorded in asset management revenue.

*4 Includes derivative-related gain / loss

<Of yen-denominated bonds and foreign currency bonds, investment conditions in credit risk and securitized products, etc.>

Credit risk	208.0	+2.4	210.4	11.1%	(2.5%)	6.1	3.0	3.2	0.1	0.0	+3.1	Business continuity of domestic and foreign companies
Securitized products	3.1	+0.0	3.1	0.2%	(0.1%)	0.0	0.0	0.0	0.0	0.0	(0.0)	Loan interest revenue from housing loans, etc.
Subtotal	211.1	+2.4	213.5	11.3%	(2.5%)	6.1	3.0	3.2	0.1	0.0	+3.1	

Balance of Investments by Region and Sector: Financial Market Business

Balance by Region (Final Risk Country Basis)

(Units: Billions of Yen)

	March 2021			
	Loan balance	Commitment balance	Total	Composition
Japan	57.6	15.0	72.6	53.9%
North America	18.5	1.7	20.2	15.0%
(Of which, the U.S.)	(15.8)	(1.7)	(17.5)	(13.0%)
Asia and Oceania	18.6	0.0	18.6	13.8%
Europe	15.4	0.0	15.4	11.4%
Middle East	4.0	0.0	4.0	3.0%
Latin America	3.6	0.0	3.6	2.7%
Total	118.0	16.7	134.7	100.0%

* Excluding Singapore Branch

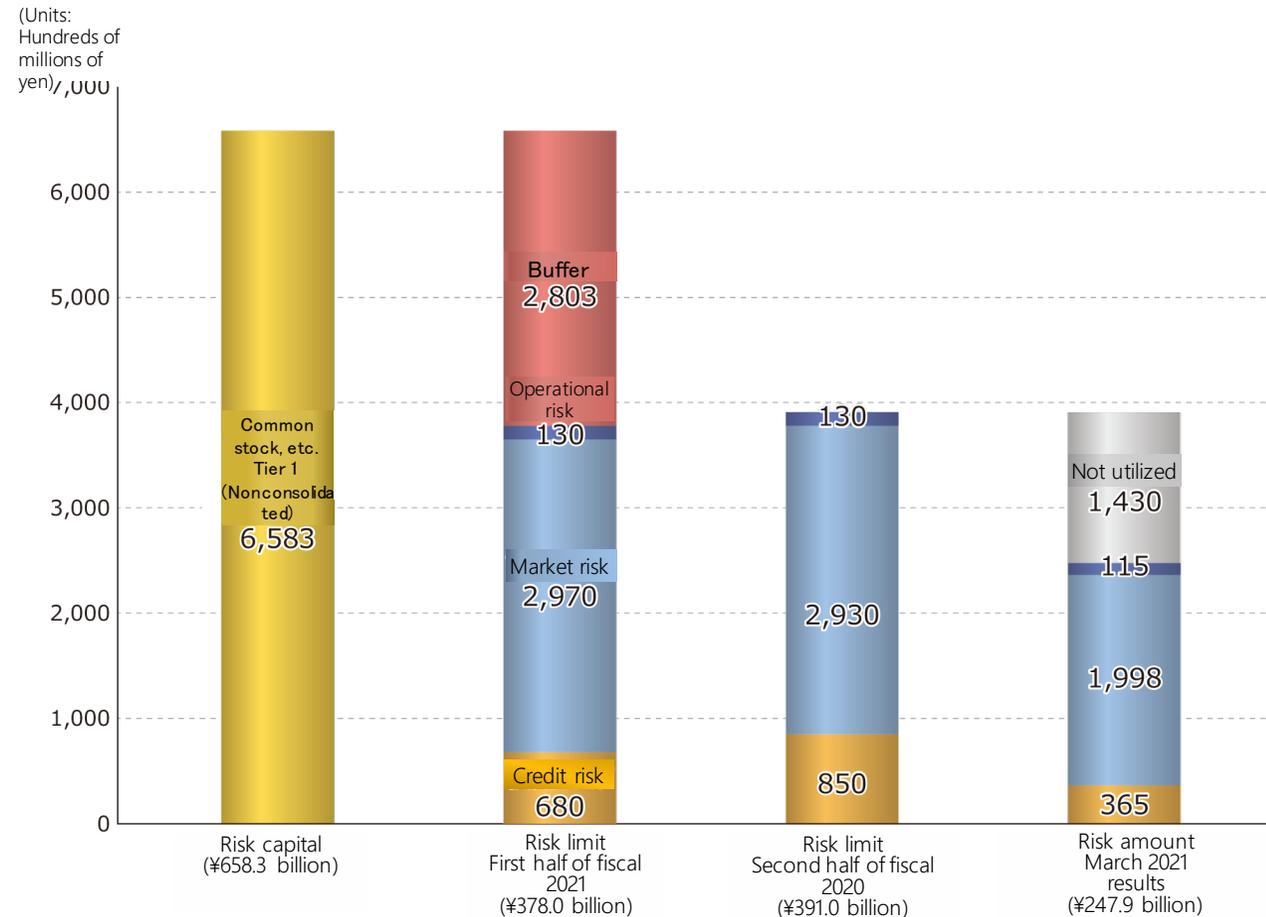
Balance by Industry

(Units: Billions of Yen)

	March 2021			
	Loan balance	Commitment balance	Total	Composition
Electricity and gas	56.0	15.0	71.0	52.7%
(Of which, solar power generation)	(31.2)	(8.6)	(39.8)	(29.5%)
Manufacturing	14.7	0.0	14.7	10.9%
Transportation	17.5	0.0	17.5	13.0%
(Of which, aircraft finance)	(12.6)	(0.0)	(12.6)	(9.4%)
Various services	14.8	0.0	14.8	11.0%
Financial	6.6	1.7	8.3	6.2%
Wholesale and retail	1.3	0.0	1.3	1.0%
Construction	2.0	0.0	2.0	1.5%
Other	4.8	0.0	4.8	3.6%
Total	118.0	16.7	134.7	100.0%

* Excluding Singapore Branch

[Status of Integrated Risk Management (March 31, 2021)]



- Operational risk
 - Calculated by The Standardized Approach
- Market risk (holding period of six months, 99.9%)
 - Take into account correlation between different risks
 - Core deposits: Use an internal model
 - Stock VaR: Includes strategic equity holdings
- Credit risk (holding period of one year, 99.9%)
 - Business loans, etc.: Monte Carlo method
 - Loans for individuals: Analysis method