

Fiscal 2021 Earnings Briefing Materials

(April 1, 2021 – March 31, 2022)

Investor Relations 2022



Iyo Bank

June 3, 2022

I. Summary of Earnings for Fiscal 2021

II. Transition to Holding Company Structure

III. Main Strategies and Progress of Fiscal 2021 Medium-Term Management Plan

III-1. Major Numerical Targets of Medium-Term Management Plan

III-2. Progress of Business Strategies and Plan

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Profit and Loss Overview for Fiscal 2021

Better Money,
Better Life.

Profit and Loss Overview

» Mainly due to increase in core business gross profit and decrease in credit costs, profit increased at each profit stage and a high level of profit was secured

Nonconsolidated results (Units: Millions of yen)	Fiscal 2021	YoY	Increase/ Decrease	Fiscal 2020
Core business gross profit	84,545	+3,950	+4.90%	80,595
Interest and dividend income	72,455	+1,101		71,354
Fees and commissions	6,299	+98		6,201
Of which, revenue on assets in custody	1,630	+181		1,449
Other operating income (Excluding profit/loss related to bonds including JGBs, etc.)	5,790	+2,752		3,038
Expenses (-)	49,086	(574)	(1.16%)	49,660
Personnel expenses	25,824	+124		25,700
Nonpersonnel expenses	20,683	(390)		21,073
Taxes	2,578	(308)		2,886
Core business net income	35,459	+4,525	+14.63%	30,934
Core business net income (excluding gain (loss) on cancellation of investment trusts)	36,846	+7,450	+25.34%	29,396
Credit costs (-) ①+②-③	4,203	(8,301)		12,504
Provision of reserve for general loan losses ①	(367)	(9,541)		9,174
Amortization of non-performing loans ②	5,135	+1,195		3,940
Recoveries of written off claims ③	564	(46)		610
Gain (loss) related to securities	1,188	(2,549)		3,737
Gain (loss) related to bonds including JGBs, etc.	(2,271)	(4,786)		2,515
Gain (loss) related to stock, etc.	3,460	+2,238		1,222
Other temporary gain (loss)	2,789	+1,180		1,609
Ordinary income	35,234	+11,458	+48.19%	23,776
Extraordinary income (loss)	(463)	(91)		(372)
Income before income taxes	34,771	+11,367		23,404
Net income	24,660	+7,981	+47.85%	16,679
Ordinary revenue	114,142	+9,714	+9.30%	104,428
Business net income	33,555	+9,279	+38.22%	24,276

Core business gross profit

Up ¥3,950 million YoY

- ✓ Interest and dividend income increased due to strong performance in foreign-denominated loans and securities, and the recording of special interest granted by the Bank of Japan.
- ✓ Other operating income increased due to stronger revenue on derivatives.

Expenses (-)

Down ¥574 million YoY

- ✓ Nonpersonnel expenses decreased through efforts for improvement of operational efficiency and reductions in expenses. Also, taxes decreased due to a decrease in the consumption tax.

Credit costs (-)

Down ¥8,301 million YoY

- ✓ Provision for COVID-19 measures of ¥8.7 billion was recorded in the previous year and the provision of reserve for general loan losses decreased.
- ✓ Amortization of non-performing loans increased due to an increase in bankruptcies and downgrades amid the COVID-19 pandemic.

Gain (loss) related to securities

Down ¥2,549 million YoY

- ✓ Due to foreign bonds being bought/sold for replacements amid the trend of rising interest rates, gain (loss) related to bonds including JGBs, etc. decreased.
- ✓ Gain (loss) related to stock, etc. increased due to increased gain on sales of strategic equity holdings.

Net income

Up ¥7,981 million YoY

Factors in Increase / Decrease in Core Business Gross Profit for Fiscal 2021

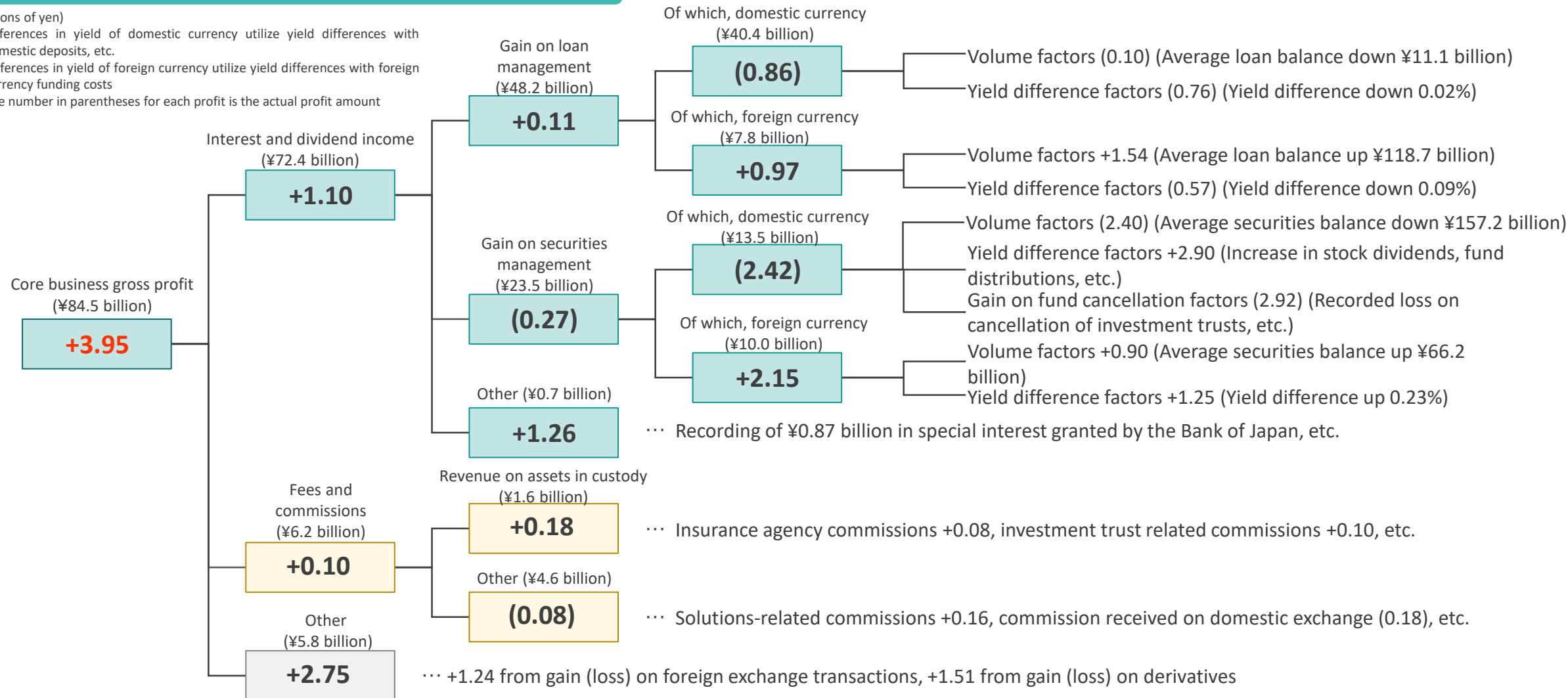
Factors in Increase / Decrease in Core Business Gross Profit

A high level of core business gross profit was secured due mainly to an increase in other operating income

Year-on-year (Fiscal 2021 – Fiscal 2020)

(Units: Billions of yen)

(Note) Differences in yield of domestic currency utilize yield differences with domestic deposits, etc.
Differences in yield of foreign currency utilize yield differences with foreign currency funding costs
The number in parentheses for each profit is the actual profit amount



Loans, Deposits, and Assets in Custody for Fiscal 2021

Better Money,
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Deposits, etc. » Deposits, etc. were **up 2.0%** year-on-year

Balance of deposits, etc. by region

(Units: Billions of yen)

Region	Fiscal 2020	Fiscal 2021	YoY	Increase/ Decrease
Within Ehime Prefecture	4,938.1	5,140.9	+202.8	+4.1%
Shikoku (excluding Ehime)	265.4	285.5	+20.1	+7.6%
Kyushu	181.0	186.1	+5.1	+2.8%
Chugoku	300.5	276.2	(24.3)	(8.1)%
Kinki	192.4	198.4	+6.0	+3.1%
Tokyo and Nagoya	462.3	477.9	+15.6	+3.4%
Singapore	28.1	68.7	+40.6	+144.5%
Offshore, etc.	154.5	20.0	(134.5)	(87.1)%
Total	6,522.6	6,654.1	+131.5	+2.0%

Assets in Custody » Balance of assets in custody were **up 2.3%** year-on-year

Balance of assets in custody

(Units: Billions of yen)

	Fiscal 2020	Fiscal 2021	YoY	Increase/ Decrease
Group assets in custody	593.5	607.1	+13.6	+2.3%
Balance at the Bank	348.3	361.1	+12.8	+3.7%
Balance at Shikoku Alliance Securities	245.2	246.0	+0.8	+0.3%
Sales of Group assets in custody	131.9	137.2	+5.3	+4.0%
Sales at the Bank	49.4	57.5	+8.1	+16.4%
Sales at Shikoku Alliance Securities	82.4	79.6	(2.8)	(3.4)%

Loans » Loans were **up 1.4%** year-on-year

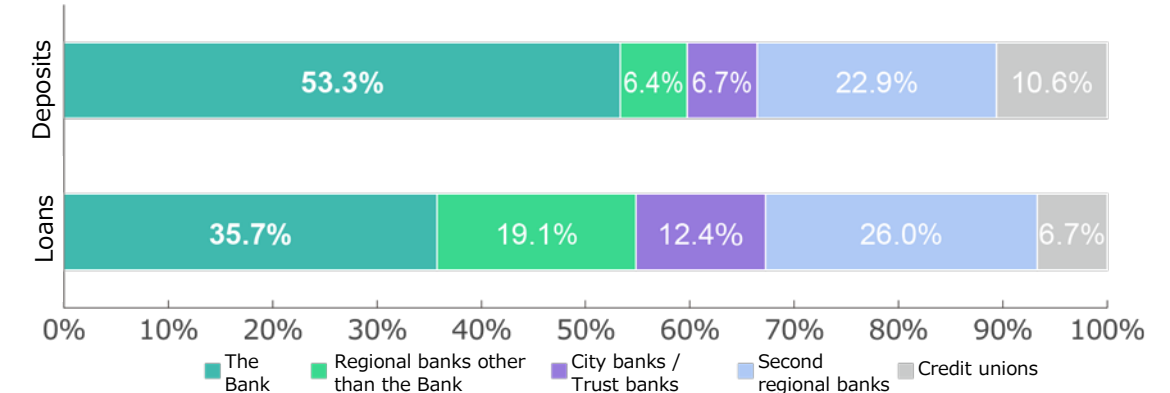
Balance of loans by region

(Units: Billions of yen)

Region	Fiscal 2020	Fiscal 2021	YoY	Increase/ Decrease
Within Ehime Prefecture	2,543.9	2,543.9	+0.0	+0.0%
Shikoku (excluding Ehime)	331.7	345.0	+13.3	+4.0%
Kyushu	317.7	320.6	+2.9	+0.9%
Chugoku	467.8	482.1	+14.3	+3.1%
Kinki	381.1	394.4	+13.3	+3.5%
Tokyo and Nagoya	649.1	646.7	(2.4)	(0.4)%
Financial Market Business Office	118.0	119.3	+1.3	+1.1%
Total (domestic branches)	4,809.5	4,852.4	+42.9	+0.9%
Singapore	189.7	216.4	+26.7	+14.1%
Total	4,999.3	5,068.8	+69.5	+1.4%

Share within Ehime Prefecture as of March 31, 2022

(excluding Japan Post, agricultural cooperatives, etc.)



Credit Costs and Disclosed Non-performing Loans for Fiscal 2021

Credit Costs

Credit costs by factor

(Units: Billions of yen)

	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	YoY
Credit costs total	5.8	6.9	12.5	4.2	(8.3)
Provision of reserve for general loan losses	0.2	0.4	9.1	(0.3)	(9.4)
Amortization of non-performing loans	6.1	7.1	3.9	5.1	+1.2
Bankruptcies	1.0	1.3	0.5	1.4	+0.9
Downgrades, etc.	6.9	8.1	6.2	6.5	+0.3
Upgrades and collections	(1.8)	(2.2)	(2.8)	(2.8)	+0.0
Recoveries of written off claims (-)	0.5	0.7	0.6	0.5	(0.1)
Credit management expense ratio (*)	0.13%	0.15%	0.26%	0.08%	(0.18)P

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



Credit costs were **down ¥8.3 billion year on year** due to a pullback from the absence of provision for COVID-19 measures of ¥8.7 billion recorded in the previous year, despite an increase in bankruptcies and downgrades, etc. amid the COVID-19 pandemic

Ratio of Disclosed Non-Performing Loans

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

(Units: Billions of yen)

	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	YoY
Loans to bankrupt or effectively bankrupt borrowers	6.0	6.5	3.6	1.7	(1.9)
Doubtful assets	46.6	53.2	52.8	62.3	+9.5
Credit subject to specific risk management	18.6	18.0	16.8	23.7	+6.9
Total disclosed non-performing loans	71.3	77.7	73.3	87.9	+14.6
Ratio of disclosed non-performing loans	1.48%	1.55%	1.39%	1.64%	+0.25P



Although ratio of non-performing loan was up amid the COVID-19 pandemic, continued at a low level of **1.64%**

Evaluation Gain (Loss) on Securities and Equity Ratio for Fiscal 2021

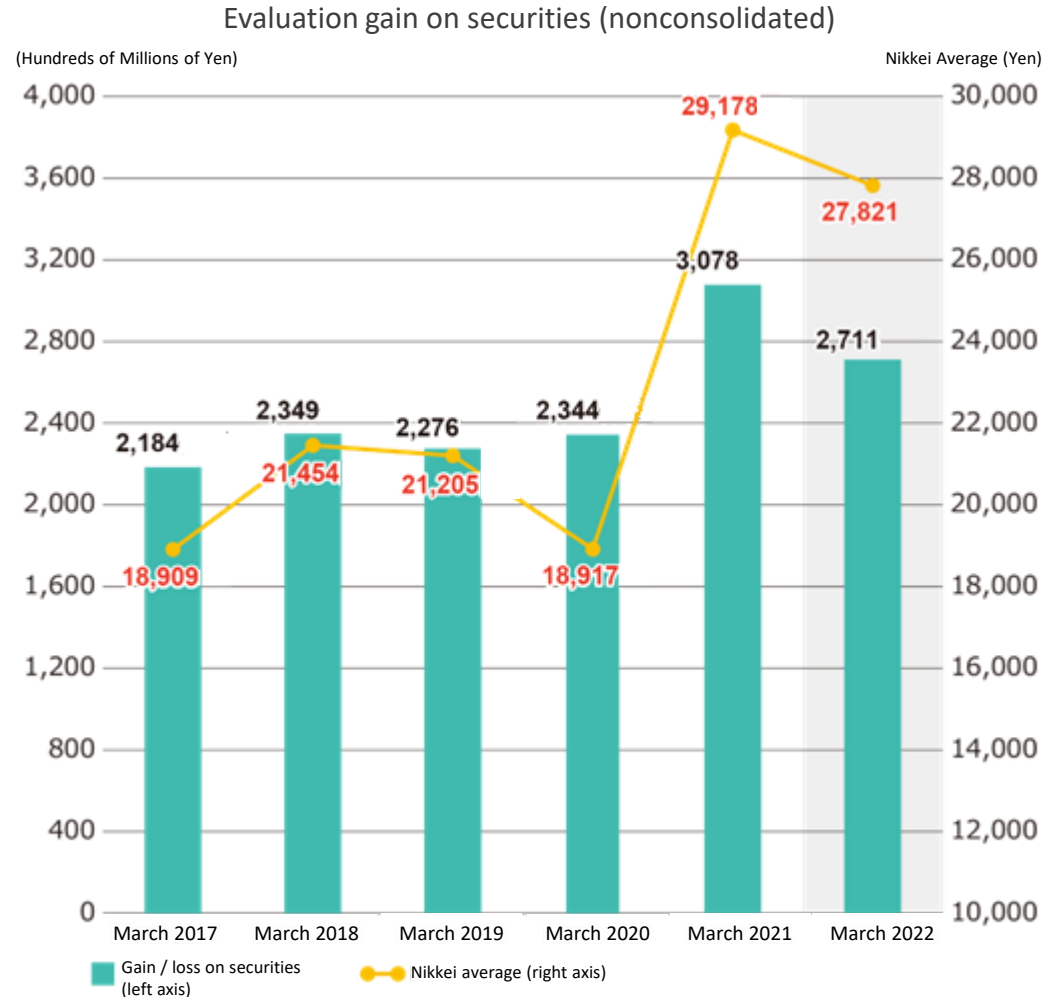
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Evaluation Gain on Securities



¥271.1 billion

- ✓ Maintained a top level among regional banks



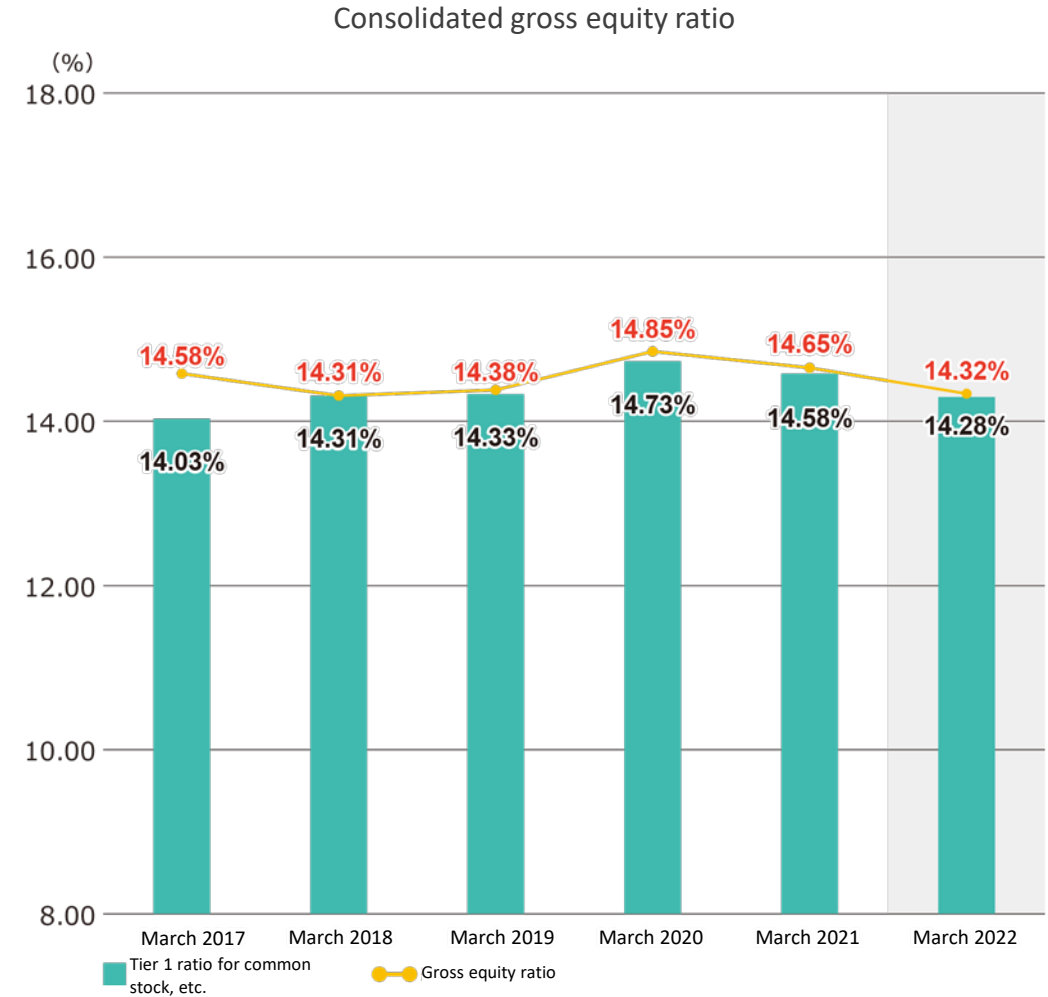
(Note) Excludes evaluation gains / losses on money held in trust

Consolidated Gross Equity Ratio



14.32%

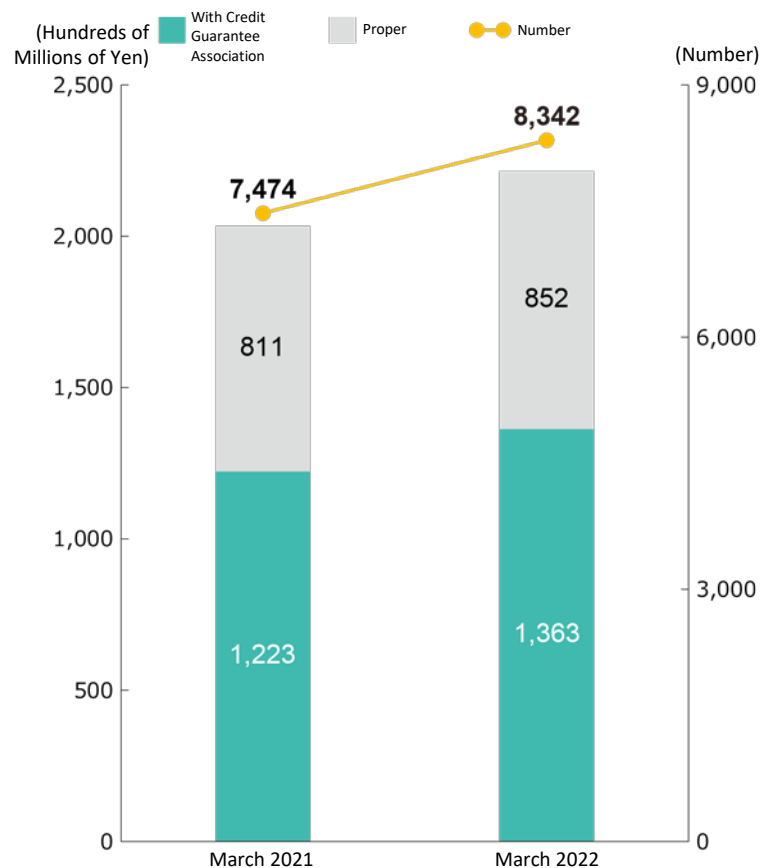
- ✓ Secured high soundness, sufficiently exceeding required equity ratio



Continuation of Fund Management Support for Customers

COVID-19-related Loans

Loans made (cumulative) Approx. ¥220.0 billion



Support for Business Issues

Support by the Support Team for COVID-19 Measures



Support Team for
COVID-19 Measures

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

Results (as of March 31, 2022)

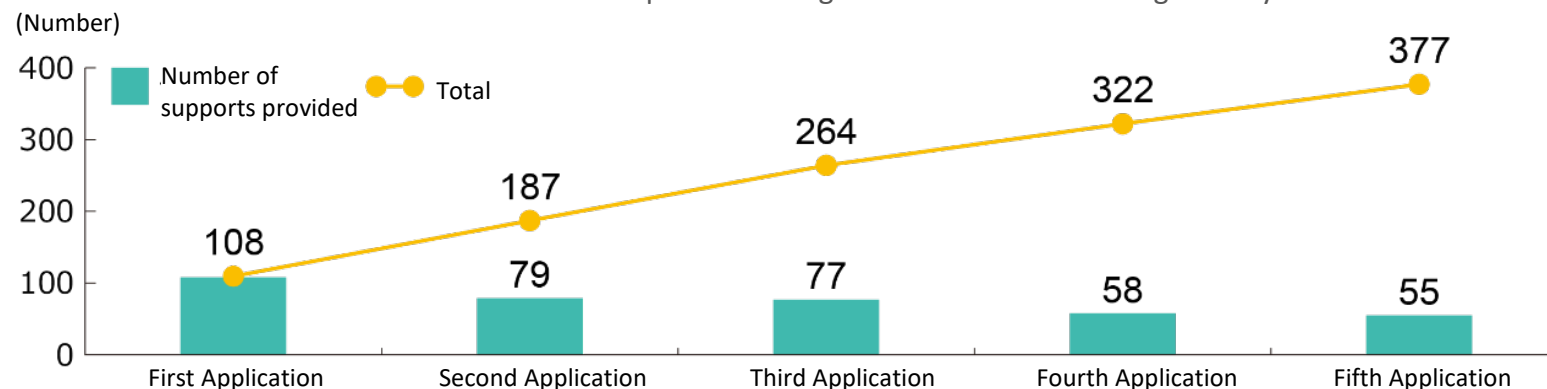
In progress	33
Done	607
Total	640

Providing wide support for business issues by forming teams across the organization

Examples of efforts

- Supported sales channel development by utilizing networks such as various alliances for customers who are seeking to develop sales channels due to the cancellation of business meetings or a decrease in sales
- Developed a remote work environment by utilizing ICT consulting for customers who are considering introducing work from home
- Dealt with a total of 377 cases since the start of the first public offering for participants in March 2021 to the fifth public offering, and support creation of new businesses for customers working on business restructuring

✓ Number of cases for each public offering of Business Restructuring Subsidy



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III-1. Major Numerical Targets of Medium-Term Management Plan

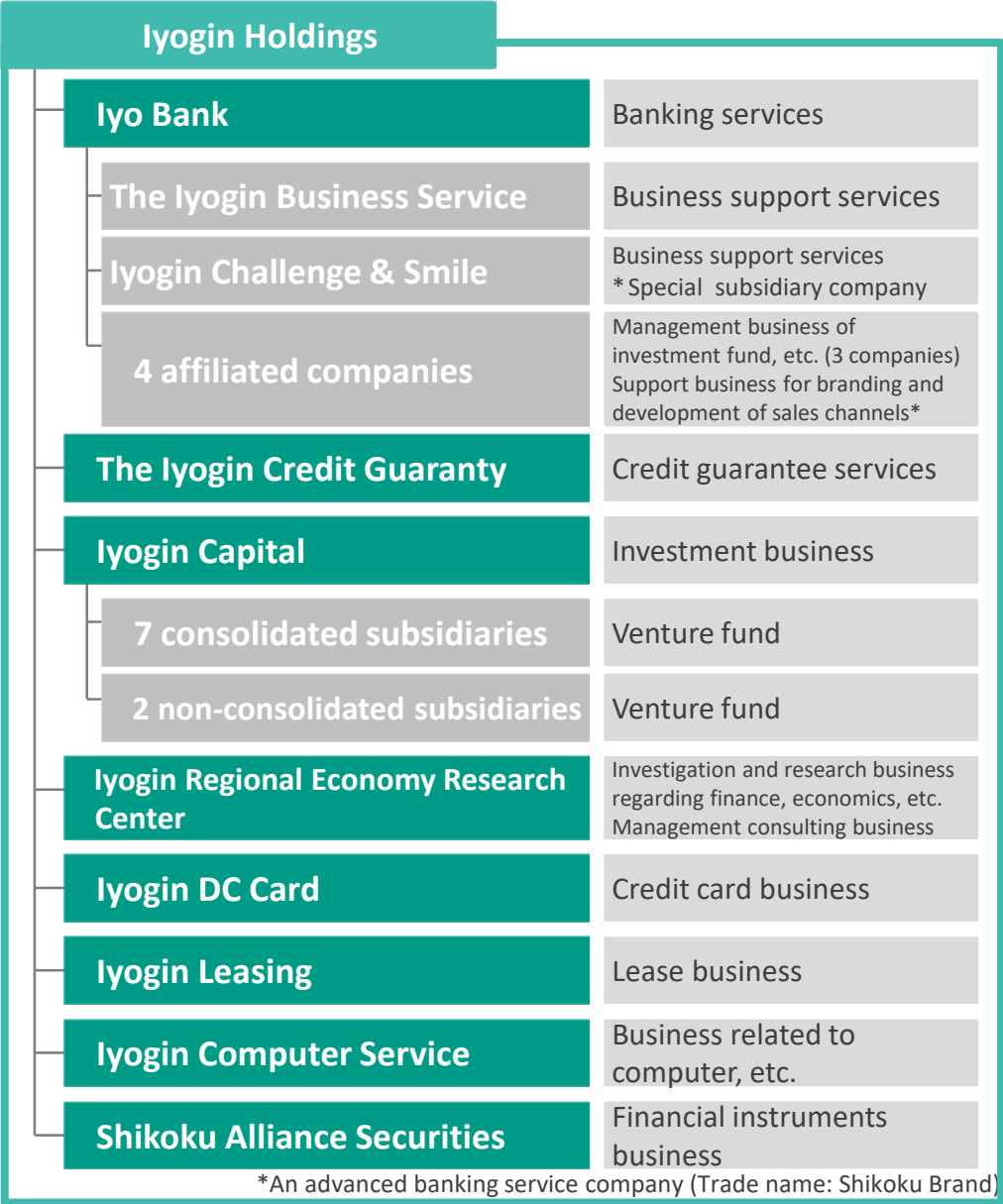
III-2. Progress of Business Strategies and Plan

III-3. Efforts for Sustainability

III-4. Profit / Loss Forecasts and Capital Policy

Transition to Holding Company Structure

Group structure after the transition (scheduled to be established on October 3, 2022)



Inheriting the spirit of the Bank's Corporate Credo

Iyogin Group's Corporate Credo

"Creating a bright and prosperous future for the region" "Offering the best service and being worthy of people's trust" "Rendering our best service with gratitude in our hearts"

Purpose of the transition to a holding company structure

Expansion of business fields in light of relaxation of regulations

Enhanced group governance by strengthening business management functions

Maximizing group synergies by changing employee and officer awareness and behavior

Expansion of business fields in light of relaxation of regulations

- By centralizing common operations within the Group to the holding company, we will pursue higher efficiency while making efforts to expand business fields to contribute to solving regional and customer issues

Centralizing common operations within the Group



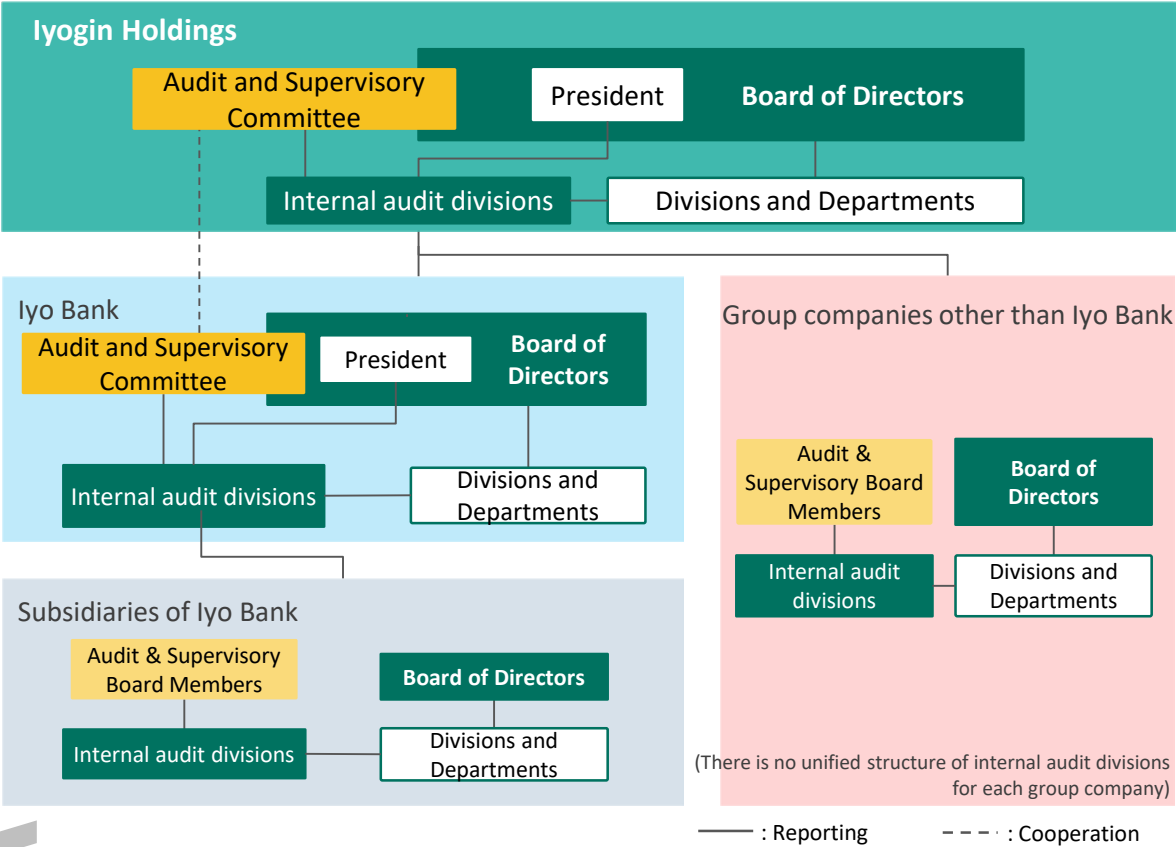
— Current —

— Vision for the future —

Maximizing group synergies by changing employee and officer awareness and behavior

Enhanced group governance by strengthening business management functions

- By making Iyogin Holdings and Iyo Bank companies with an Audit and Supervisory Committee, we will build consistent internal management structures in the holding company and the core company
- By centralizing business management to Iyogin Holdings, the Group companies will be able to focus on execution of operations, resulting in efficient business operations



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

- ✓ Currently, a profit level that exceeds the plan has been achieved, and the numerical targets are proceeding smoothly
- ✓ Aiming to maintain and improve profitability and productivity and achieve the numerical targets through steady implementation of the strategies under the Medium-Term Management Plan, though a severe business environment is expected to continue

[Major Numerical Targets]

Items	Fiscal 2020 Results	Fiscal 2021 Results	Targets for Fiscal 2023
Consolidated core business gross profit	¥86.6 billion	¥90.4 billion	¥86.0 billion
Profit attributable to owners of parent	¥18.0 billion	¥26.4 billion	¥23.0 billion
Consolidated ROE (shareholders' equity basis)	3.82%	5.34%	4.0% or more
Consolidated core OHR	60.19%	57.05%	Approx. 60.0%
Consolidated common stock Tier 1 ratio	14.58%	14.28%	Approx. 15.0%

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

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Deposits, etc.



Planning an average balance for fiscal 2023 totaling **¥6,685.0 billion** with an increase by approx. ¥500.0 billion for three years of the Medium-Term Management Plan

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

	Fiscal 2020 Results	Fiscal 2021	
		Results	YoY
Average deposits, etc., balance	6,184.6	6,623.1	+438.5
Of which, individual deposits	3,658.3	3,807.9	+149.6
Group assets in custody balance	593.5	607.1	+13.6
Of which, balance of assets in custody at the Bank	348.3	361.1	+12.8
Of which, balance at Shikoku Alliance Securities	245.2	246.0	+0.8



(Units: Billions of yen)

Fiscal 2023	
Plan	Increase/ decrease during the Plan
6,685.0	+500.4
3,876.0	+217.7
657.0	+63.5
372.0	+23.7
285.0	+39.8

Loans



Planning an average balance for fiscal 2023 totaling **¥5,290.0 billion** with an increase by approx. ¥395.0 billion for three years of the Medium-Term Management Plan

[Plans for average loan balance]

	Fiscal 2020 Results	Fiscal 2021	
		Results	YoY
Average loan balance	4,894.4	5,002.1	+107.7
Corporate loans	3,246.8	3,303.7	+56.9
Of which, within Ehime	1,438.6	1,492.5	+53.9
Individual loans	1,130.7	1,157.3	+26.6
Municipal loans	232.2	213.1	(19.1)
Financial Market Business Office	116.3	115.6	(0.7)
Singapore Branch	168.2	212.1	+43.9



(Units: Billions of yen)

Fiscal 2023	
Plan	Increase/ decrease during the Plan
5,290.0	+395.6
3,433.0	+186.2
1,538.0	+99.4
1,281.0	+150.3
211.0	(21.2)
117.0	+0.7
248.0	+79.8

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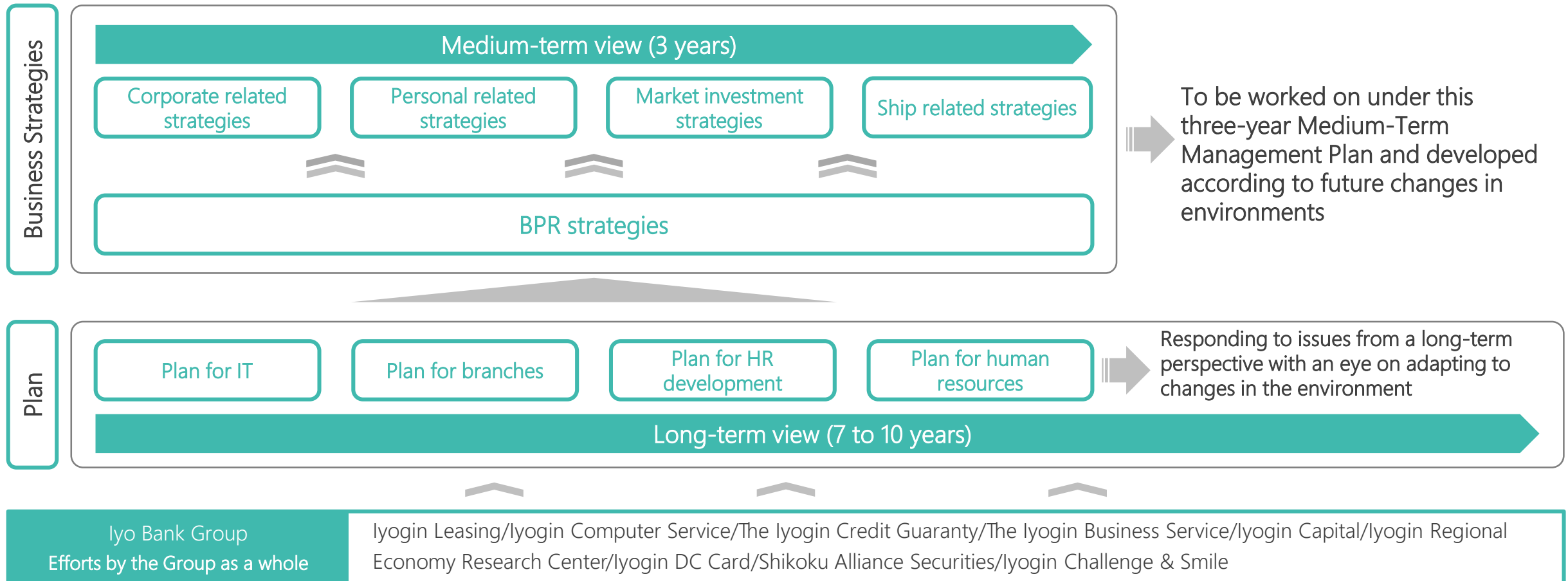
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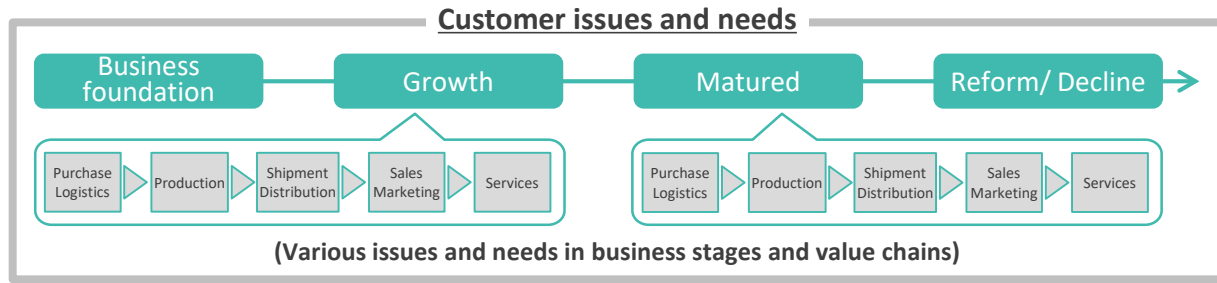
Business Strategy and Plan for Realizing the Long-Term Vision

- ✓ Toward achieving a long-term vision of a “corporate group continuing to create and provide new value,” the Bank will work to further deepen and evolve the DHD model centered on **five business strategies** and **four plans**. By doing so, we will strive to strengthen relationships of trust with local communities and customers, and work to improve sustainability as a corporate group.

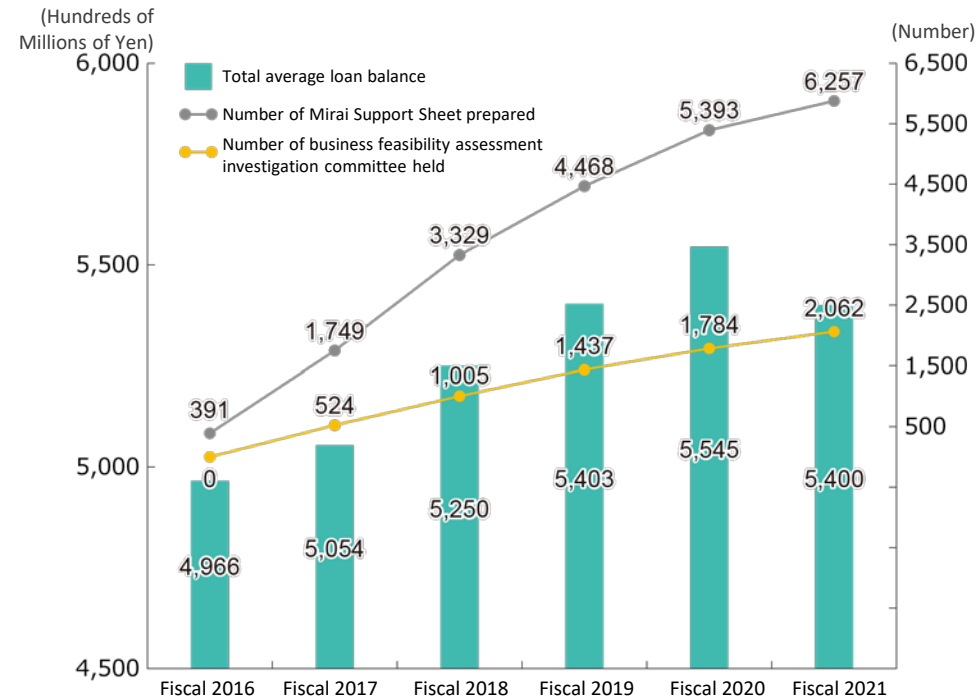
Achieving a long-term vision of a "corporate group continuing to create and provide new value"



- ✓ By applying business feasibility assessments as the starting point for solving various customer issues and needs in different business stages and value chains, we create enhanced corporate value for customers and expand Group revenue



Sharing of Management Issues through Business Feasibility Assessment

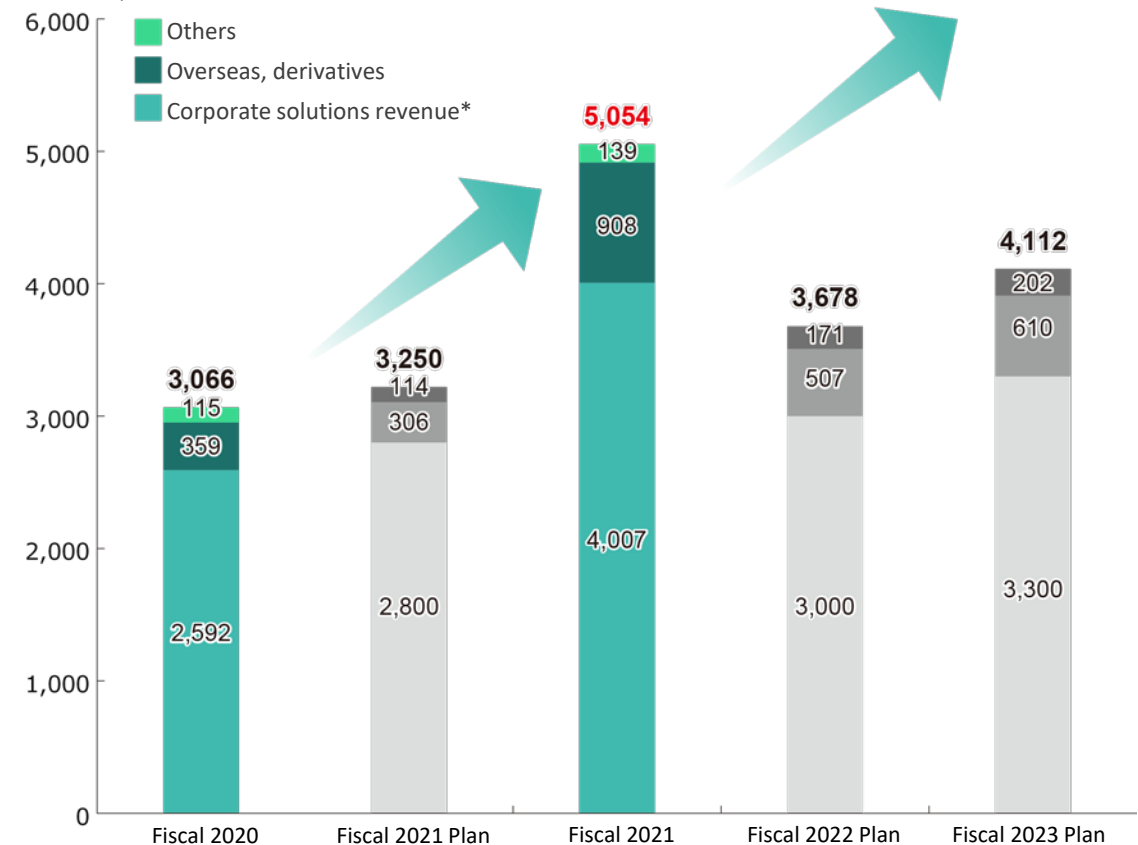


Identifying and sharing of customers' management issues + Formulating concrete supporting measures for enhancement of corporate value

Solution Revenue Results

- ✓ Owing to contributions from financing and derivatives, etc., plans for the final year (fiscal 2023) of the current Medium-Term Management Plan were achieved ahead of schedule

(Millions of Yen)

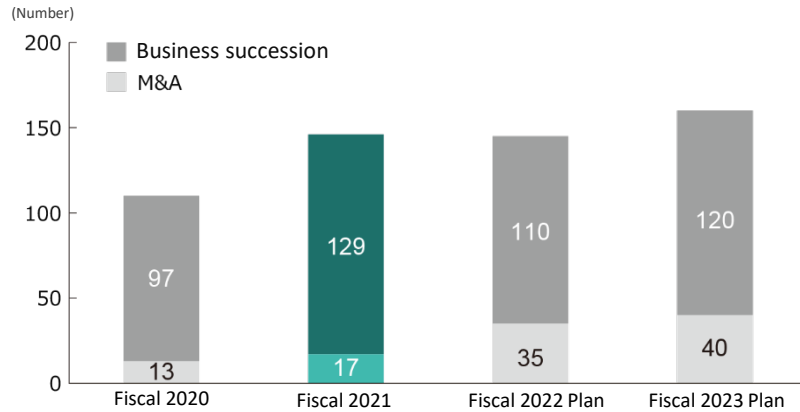


* Corporate solutions revenue: Financing-related, business succession and M&A, business matching, corporate life insurances, etc.

Key Efforts

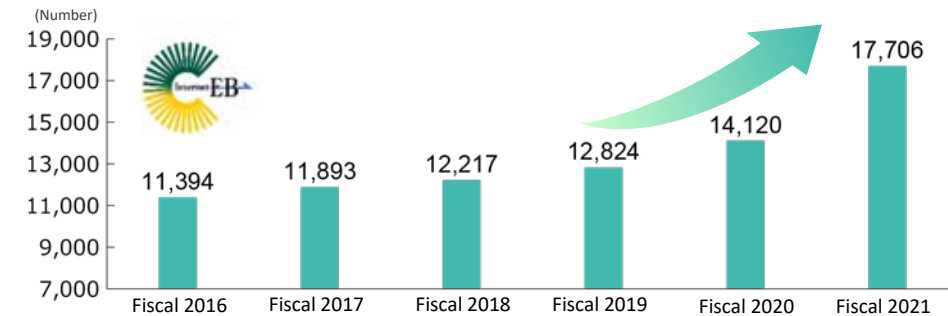
Number of cases for M&As and Business Succession

- ✓ Although M&A had not reached the plan due to the impact of the COVID-19, business succession has progressed better than planned, with increased inheritance support for the wealthy.



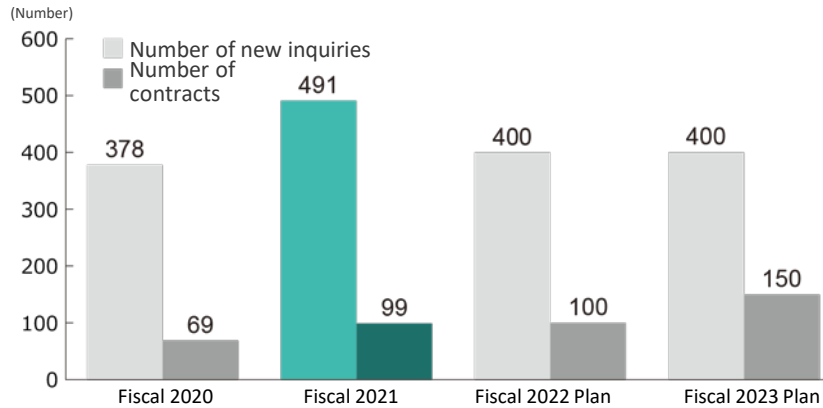
Introduction of Corporate Portal

- ✓ From August 2022, the existing internet banking system and its customer base of 18 thousand members are scheduled to transition to the "Corporate Portal"
- ✓ With the Corporate Portal acting as the starting point, efforts will be made for "DX support for regional companies," "data-based proposals and consulting sales," as well as establishing "a model that introduces customers to external services," and continue expanding functions and content



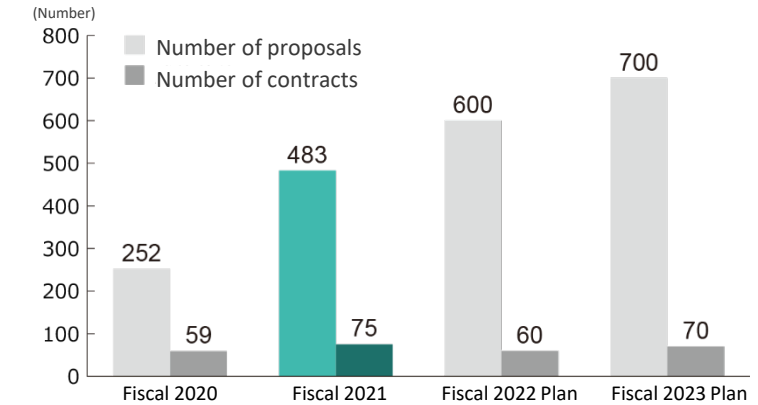
Staffing Business

- ✓ A total of 869 inquiries including 168 contracts since the service started in April 2020
- ✓ Started new job-seeking business (career advisor and recruiting advisor) in October 2021 and focused on staffing for management positions

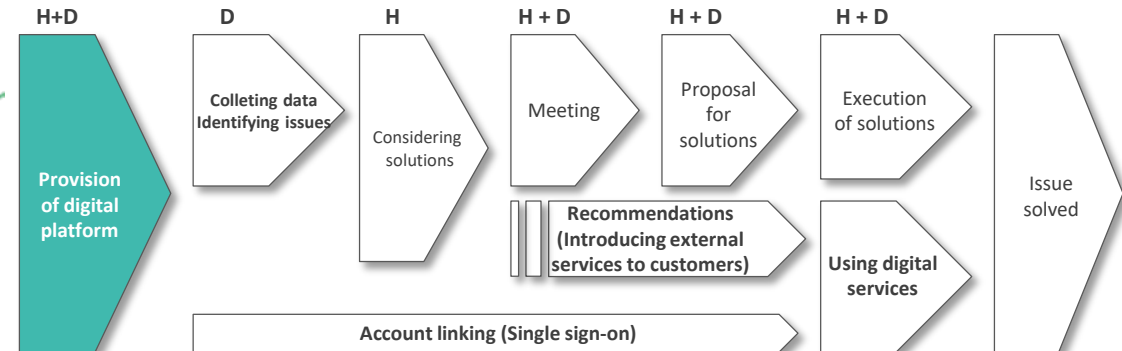


ICT Consulting

- ✓ As a result of responding meticulously to changes in the business environment for customers such as the development of remote work environments, both the number of proposals and the number of contracts increased.



Identifying issues by utilizing digital tools (D) and aiming for proposing communication solutions with humans (H) acting as agents, providing new customer experience value (H + D)



- Strengthening consultation capabilities at the entire Group**

The diagram illustrates a cycle of six services: Lease, Credit cards, Venture capital, Securities, Think tank, and System development. These services are supported by a box listing various support areas: Support in consideration of cooperation with partner companies, external experts, local public entities, etc.

Business Areas Supported:

 - Diverse and smooth financing
 - Business matching
 - Overseas business development
 - Manufacturing
 - Efficient use of real estate
 - Asset management
 - Risk management
 - Business foundation
 - M&A / business succession
 - Management improvement and turnaround
 - Primary industries
 - Staffing
 - ICT consulting, etc.

The diagram is titled "Solutions Related to Payments" in a teal header. It features a central teal box labeled "Operations related to IDC partnership". Surrounding this central box are several other boxes, some with solid borders and others with dashed borders, representing different payment solutions:

- Purchasing cards** (dashed border box at the top left)
- BNPL Buy now play later** (solid border box nested within the Purchasing cards box)
- Business credit cards (with IDC)** (solid border box below BNPL)
- Business owner credit cards** (solid border box at the bottom left)
- E-commerce payments** (dashed border box to the right of the central box)
- Cloud service for expense calculation** (dashed border box at the top right)
- Cloud-based accounting software** (solid border box at the bottom right)
- Low-cost payment devices** (solid border box at the bottom center)

Business Strategies _ Personal Related I

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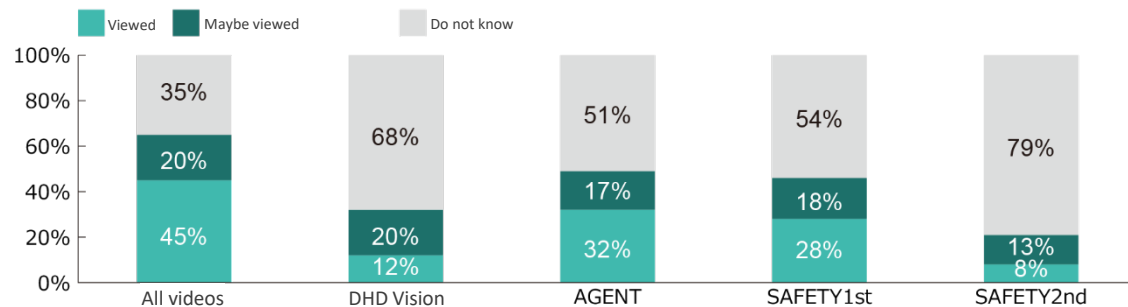
- ✓ Aim for further deepening and evolving of DHC service to provide integrated solutions for each customer, with the purpose of realizing enhancement in customer experience value

Development of DHD Brand Strategies

- Promotion visuals were updated from January 2022, in order to convey the Bank's thoughts and efforts on DHD
- Gathering understanding of customers and fostering change in actions that link popularizing DHD services and CX



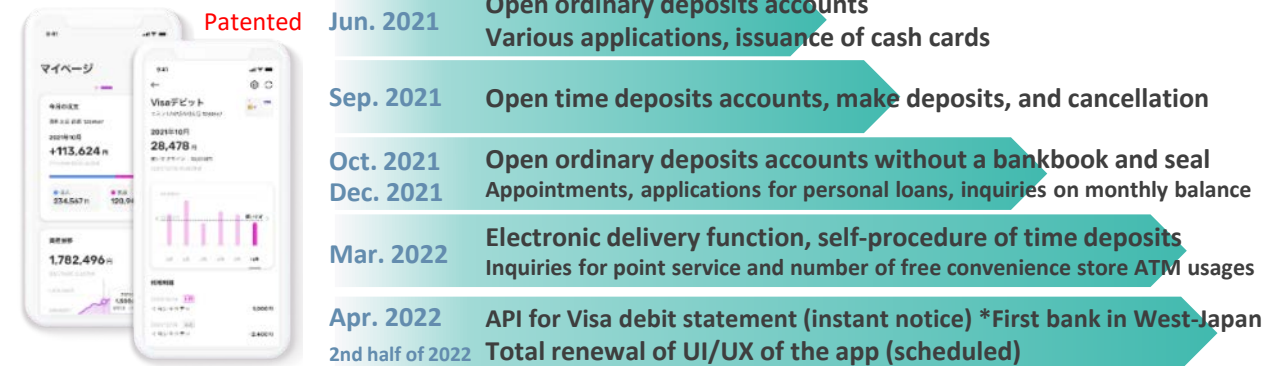
Recognition rate of DHD videos (in Ehime Prefecture)



Sophistication of the AGENT App

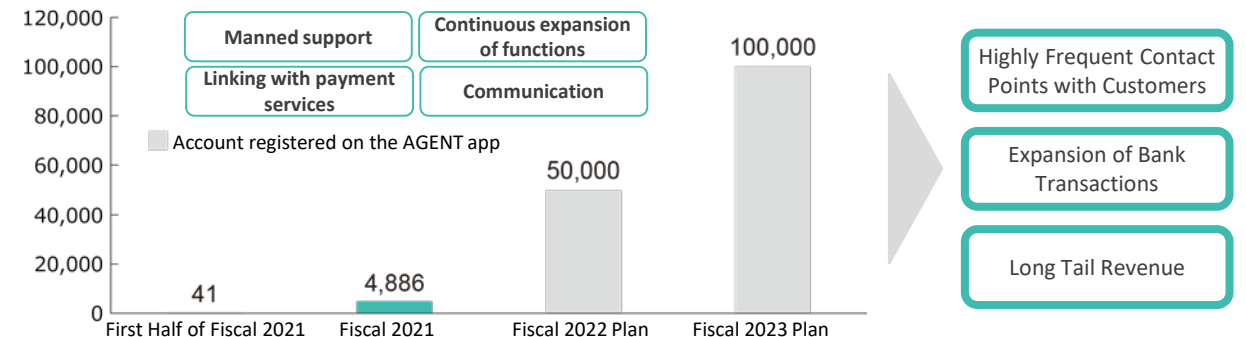
- Providing new customer experience = improvement in customer experience value (CX) and restructuring of contact points with customers
- New channels combining physical and digital aspects, realizing a world where the app and branches send customers to each other

AGENT A bank on your palm



Expanding Digital Touch Points

- Promoting regular usage to create highly frequent contact points with customers and utilize data gained thereof
- Increasing the number of users of the app and therefore expand bank transactions, aiming at long tail revenue



LIFE PALETTE

Simulation tool that allows customers to chart various future plans



Providing value for customers

- ✓ To understand how to improve financial health and what product or service fits oneself most
- ✓ Finding not only money, but also how to realize one's dream
- ✓ Consult with an advisor

Evolving business model

- ✓ By having advance knowledge of users' life events, it makes timely proposals for adequate advice and product/service possible
- ✓ Enhancing appeal for customers in the mass retail category, which has been difficult to approach, by cooperation of various channels

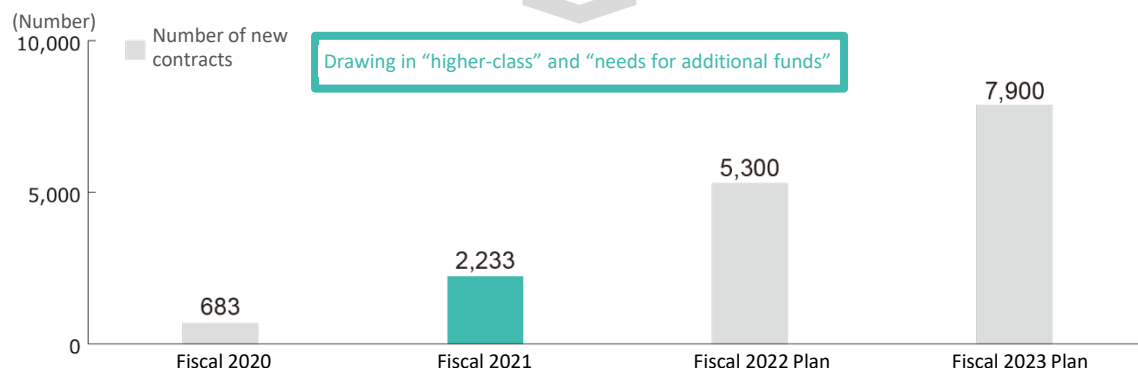
SAFETY

New card loan service that issues notifications on insufficient amount

"Card loan as an ordinary tool useful in daily life"

Renewal to card loan "distinctively by bank" in February 2022

- ✓ Two types: "Standard," and "Premium," which requires an annual income certificate
- ✓ Interest rates for the Premium type is based on "risk ranking" instead of the "borrow amount"
- ✓ With the ability to start from a smaller borrow amount, then increase the amount when necessary (approx. 20% of the users have increased their borrow amount)



Drawing in "higher-class" and "needs for additional funds"

HOME

House purchasing plan with a smartphone

"From simply product provider to service provider responding to customers' essential needs"

House Purchasing without Fail

- ✓ With HOME TICKET, it becomes possible to formulate a house purchasing plan by identifying the borrowing amount available
- ✓ Progress of utilization of HOME TICKET at the offices of housing companies

Expanding Support as a Housing Loans Infrastructure

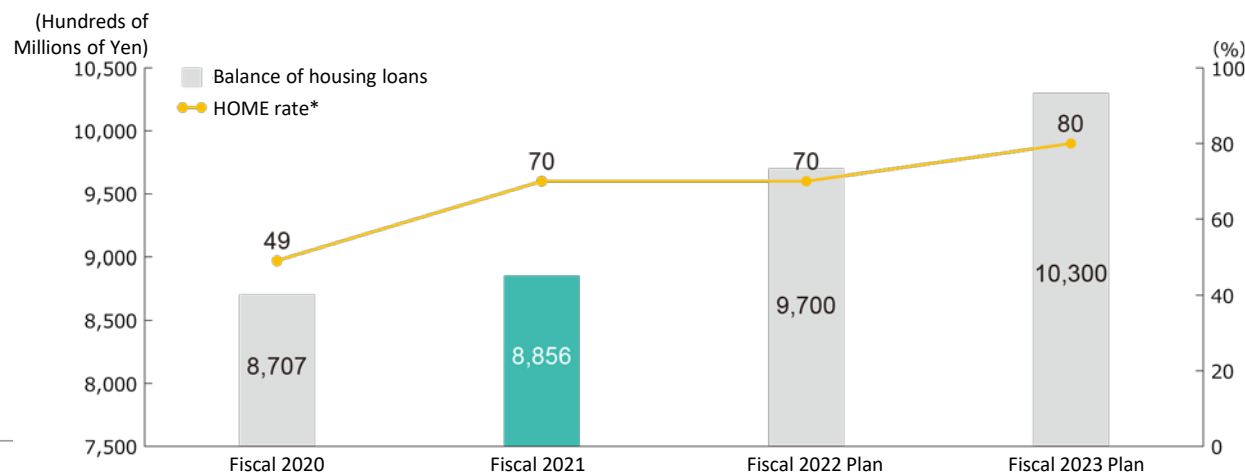
- ✓ Achieved 70% of HOME rate*
- ✓ Less administrative workload on customers, housing companies, and the Bank
- ✓ Expanded usages of "HOME HOUSE BUILDER," targeting housing companies (195 locations as of March 31, 2022)

Cooperation with Different Industries

- ✓ From April 2022, business matching agreements with SUUMO Counter (in Ehime Prefecture) and Ie-zukuri-gakko
- ✓ Ensure customer contact points from the house purchasing consideration phase
- ✓ Enhancement of housing loans and stronger revenue from business matching fees

Renewal of Housing Loans Line-up

- ✓ From April 2022, the longest borrow period becomes 40 years (fixed rates for initial period type)
- ✓ Ongoing special interest rate promotion (minus 0.2% from other promotions) (until December 2022)
- ✓ Scheduled to expand the line-up of group credit life insurance

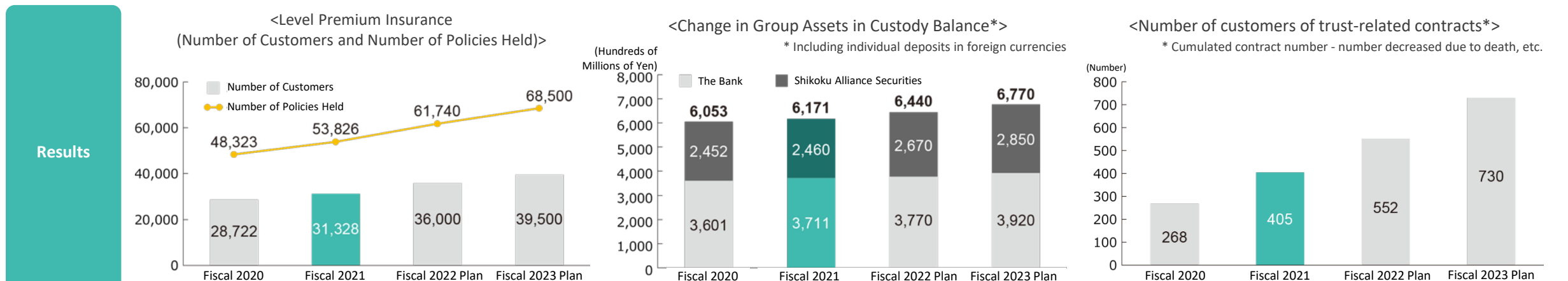
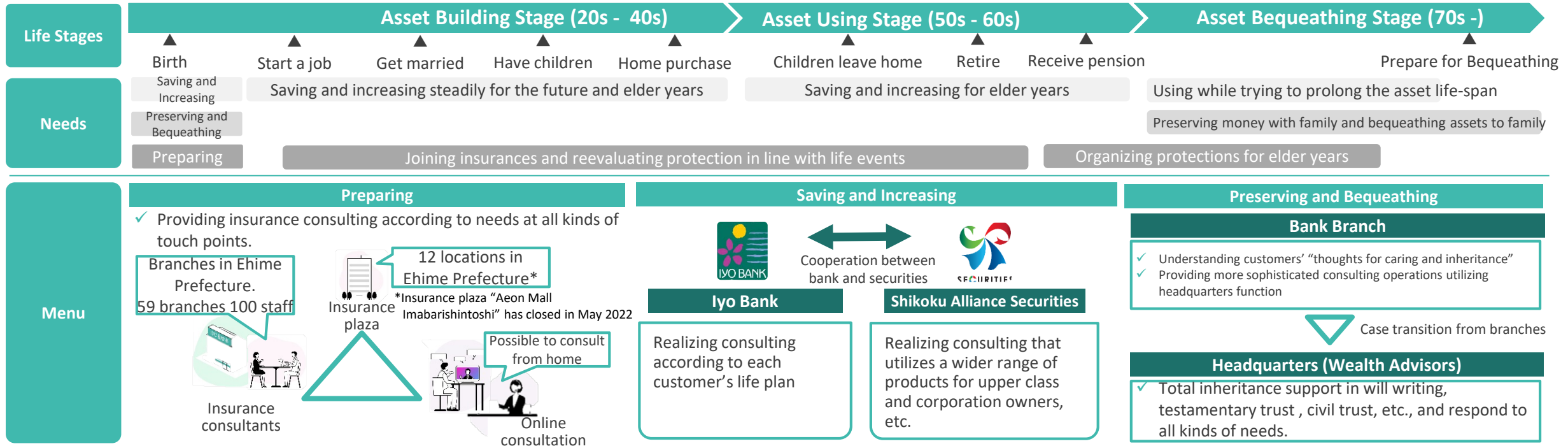


(* Percentage of housing loan application using HOME)

Business Strategies _ Personal Related III

Better Money,
Better Life.

✓ Deepening and evolving consulting proposals according to the needs at customer's life stages, and enhance the ability to provide value to customers



The Role That the Bank Should Play as a Member of the Maritime Cluster

Environment Surrounding Ship Owners

- Foreign exchange and interest rates
 - (1) Ongoing weaker yen and stronger US dollar
 - (2) Stable yen interest at a low level
- Market position of ocean transport industries and soaring cost of producing new ships
 - (1) Price increases of steel and related materials
 - (2) Increase in the need for ships

- Environmental regulations
 - IMO has adopted a goal of reducing total GHG emissions by 50% by 2050.

Although increase in income on a US dollar basis in the business model centered in medium- to long-term regular charters is limited, it is generally a favorable business environment with upward trend in the market / weaker yen

[Relationship between market position of ocean transport industries / foreign exchange and the ship owner business]

Upward trend in ocean transport market

- Increase in the need for chartering ships (=business opportunities) and long-term charters
- Increase in asset value of ships held
- Improvement of cash flow due to increases in charter fees in short-term charters/charters related to market condition
- × Increase in the cost of producing new ships

Weaker yen

- Effectively increase income on a yen basis due to charter fees income received in US dollars
- × Higher costs in payments in US dollars

Downward trend in ocean transport market

- × Decrease in the need for chartering ships and long-term charters and decline of charterers' credit
- × Decrease in asset value of ships held
- × Deterioration of cash flow due to decreases in charter fees in short-term charters/charters related to market condition
- Decrease in the cost of producing new ships

Stronger yen

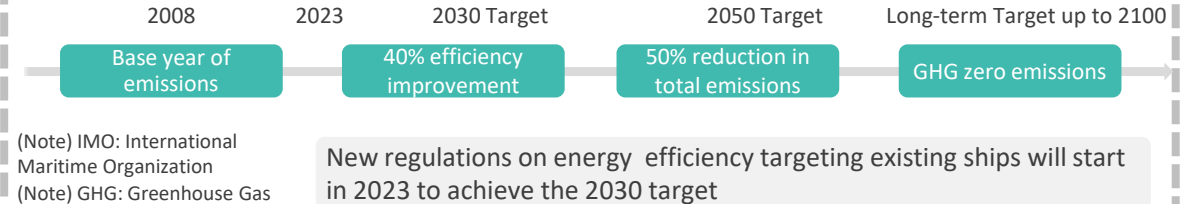
- × Shrinking income on a yen basis
- Lower costs in payments in US dollars

Our Loan Policies in Line with Solutions in Preparation for Risks of Market Condition Downturn

- Emphasis on a portfolio not overly depending on short-term charters/charters related to market condition and asset value of ships held
- Proposing derivatives, etc., that prepare for risks of future fluctuation in foreign exchange and interest rates
- Emphasis on long-term relationships and make judgements on customers' comprehensive ability in a multilateral manner



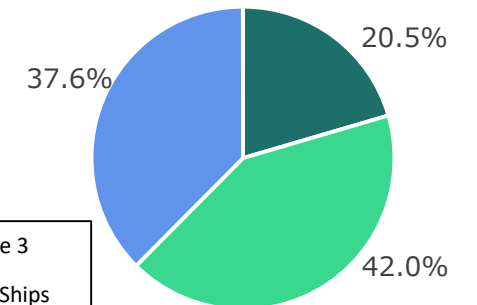
["Strategy on the reduction of GHG emissions" by IMO]



Efforts to Support Decarbonization in Ocean Transport

- Loans for ships manufactured by Japanese shipbuilding yards that have high fuel efficiency
- Initiatives on loans for LNG dual-fuel ships
- Loans for ships following the regulations on energy efficiency starting 2025 in advance (18 ships including cases not yet executed, loans in total approx. ¥100 billion decided)
- Initiatives for Sustainability Linked Loans and Transition Loans

<Ratio of ships designed with environmental initiative in mind in loan cases decided>

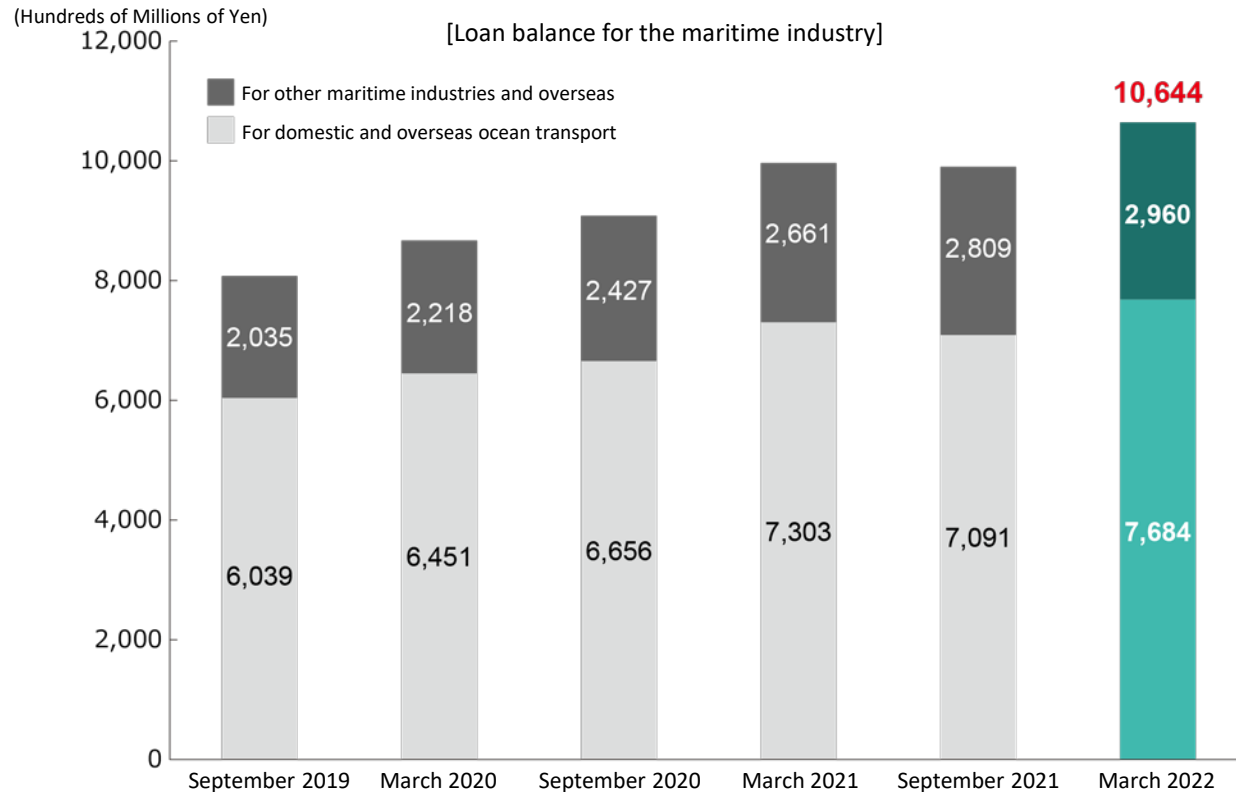


* In the recent 6 months

Decarbonization in Ocean Transport and Asset Value of Ships

- Relatively high environmental performance
Domestic ships on our loans are on average 5 years old and are mostly manufactured in Japan, and have relatively high fuel efficiency
- Assets with quick turnover rate
Loans for ships, in principle, have a maximum period of 15 years after manufacture, and most ships are sold by around 10 years old, resulting in a quick renewal cycle for the assets

Loan Balance for the Maritime Industry » ¥1,064.4 billion



Solutions the Bank Aims to Provide

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

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

Deepening into Bank-wide efforts for more appropriate business feasibility assessments of the maritime industry

- Providing methods to control risks for ship owners such as risk hedge measures utilizing financial derivatives
- Consideration of solutions, such as improvement of productivity, for issues marine equipment manufacturers we have business relationships with are facing,

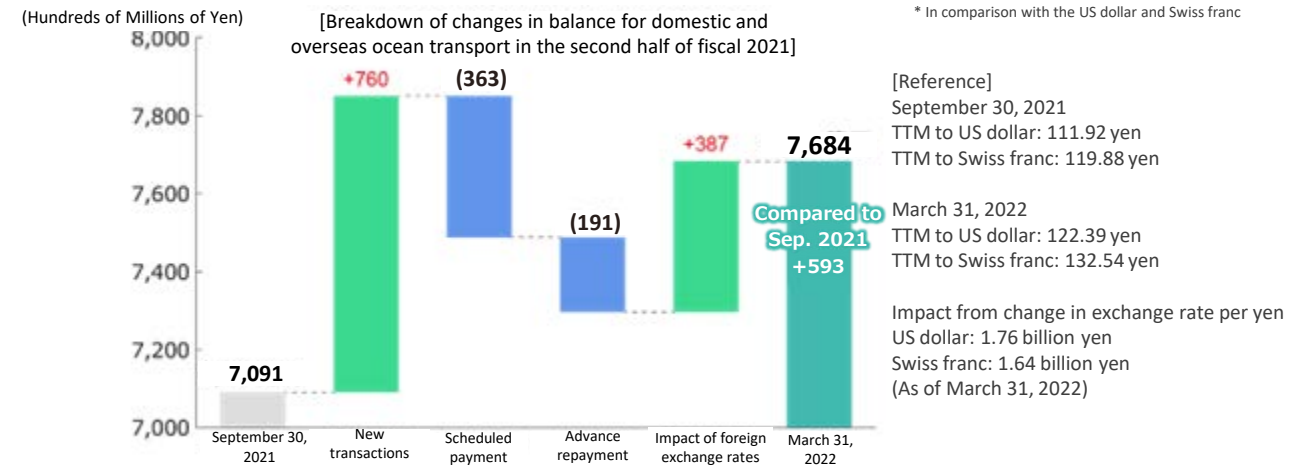
Understanding the industry and advancing efforts to solve problems through wide-ranging cooperation with maritime clusters centered on Tokyo and Imabari

- Improvement of market position analysis capability, provision of the analysis data, and more advanced case evaluation based on data, etc.

Status of Balance Changes by Segment

For Domestic and Overseas Ocean Transport

- Significant increase in newly executed amount due to the increase in number of cases executed and the trend of ships getting larger and higher priced
- In addition, significantly weaker yen* during the fiscal year resulted in an increase in foreign-denominated loan amounts when translated into yen



For Other Maritime Industries

- While the balance for the first half of fiscal 2021 increased due to COVID-19 loans for companies related to shipbuilding yards and marine equipment, it has remained flat for the period

For Overseas Offices

- Stable growth despite restrictions on sales activities amid the COVID-19 pandemic

Provision of Diverse Funding Sources

Enrichment in Activities Connecting Domestic and Overseas Maritime Industries

Implementing syndicated loans based on the framework of the TSUBASA Alliance, etc.

- Initiatives for Sustainability Linked Loans and Transition Loans
- Composition of syndicated loans
- Loans for higher priced next-generation-fuel ships

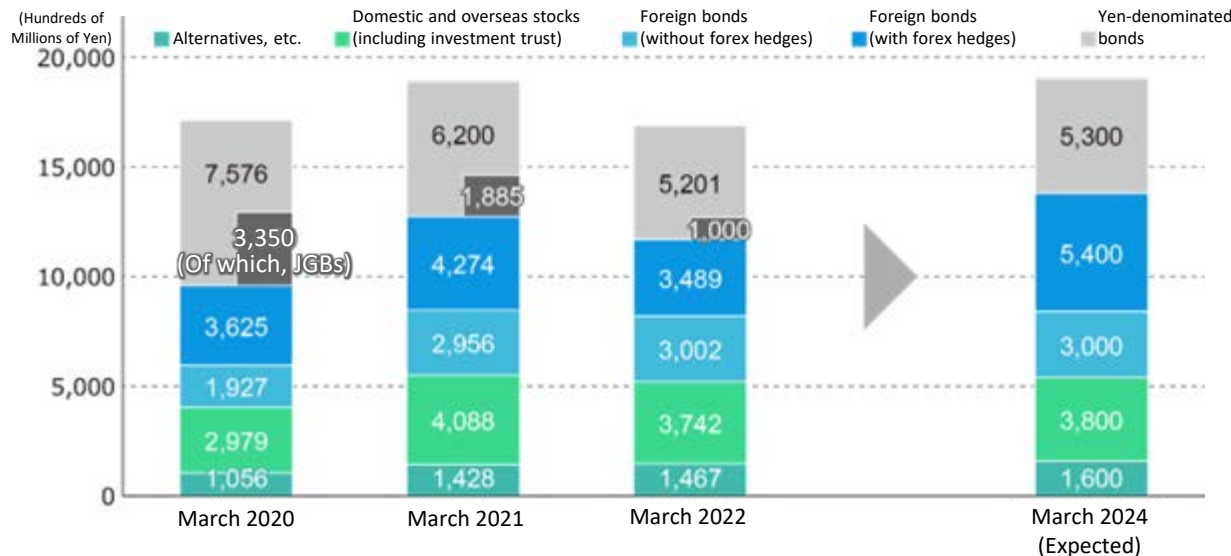
Aiming to provide new value unique to the Bank for business opportunities such as chartering and selling ships

- Initiatives for active information exchange with a wide range of maritime businesses mainly by the Tokyo Desk of Ship Finance Division, linking to business matching and case intermediation

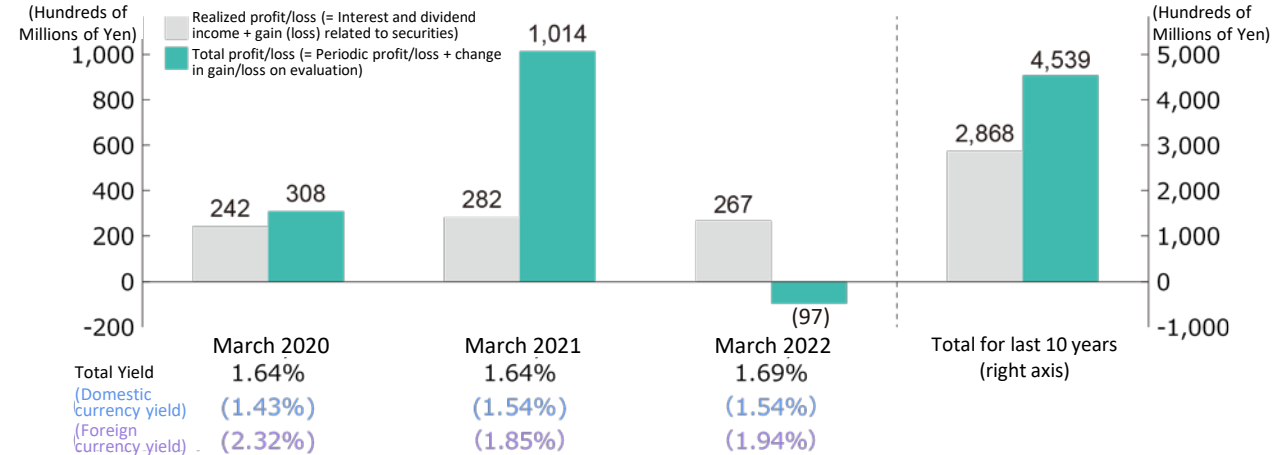
Investment Policy by Risk Category

(Risk category)	(Direction)	(Policy for new investment)
Yen-denominated bonds	Restore balance	◎Keep the balance as a bond including foreign bonds as assets inversely correlated with stocks. ◎For foreign bonds (with forex hedges), the balance is temporarily shrunk in anticipation of rising interest rates. In the future, the balance is planned to be restored gradually.
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

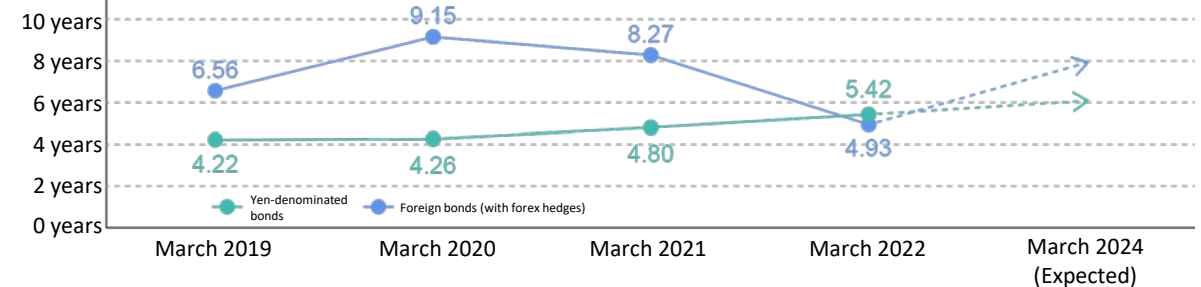


Portfolio Risk Sensitivity and Duration

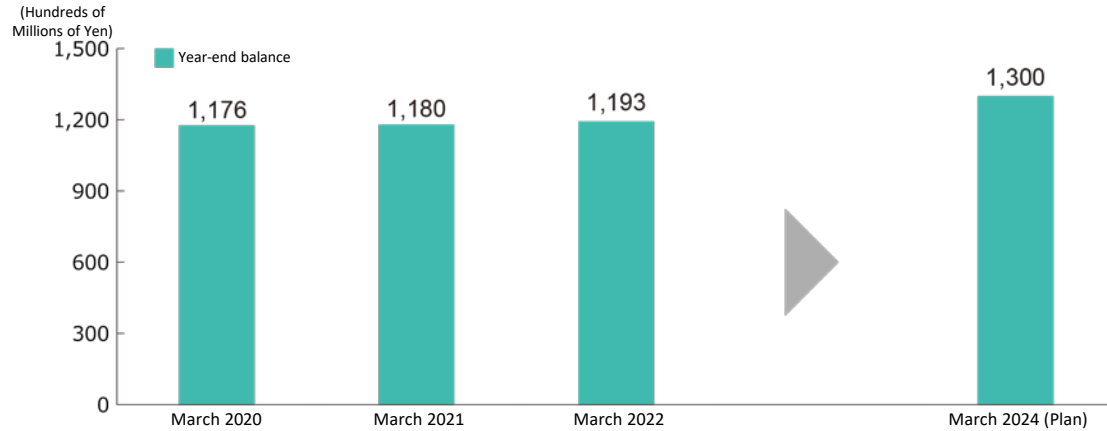
Portfolio risk sensitivity (As of March 31, 2022)

◎ Yen-denominated bond portfolio	10BPV	¥2.8 billion
◎ Foreign bond portfolio (with hedges)	10BPV	¥1.8 billion
◎ Foreign bond portfolio (without hedges)	10BPV	¥1.8 billion / Exchange portfolio exchange ¥10V
◎ Stock portfolio Nikkei Stock Average	¥1,000V	¥9.9 billion

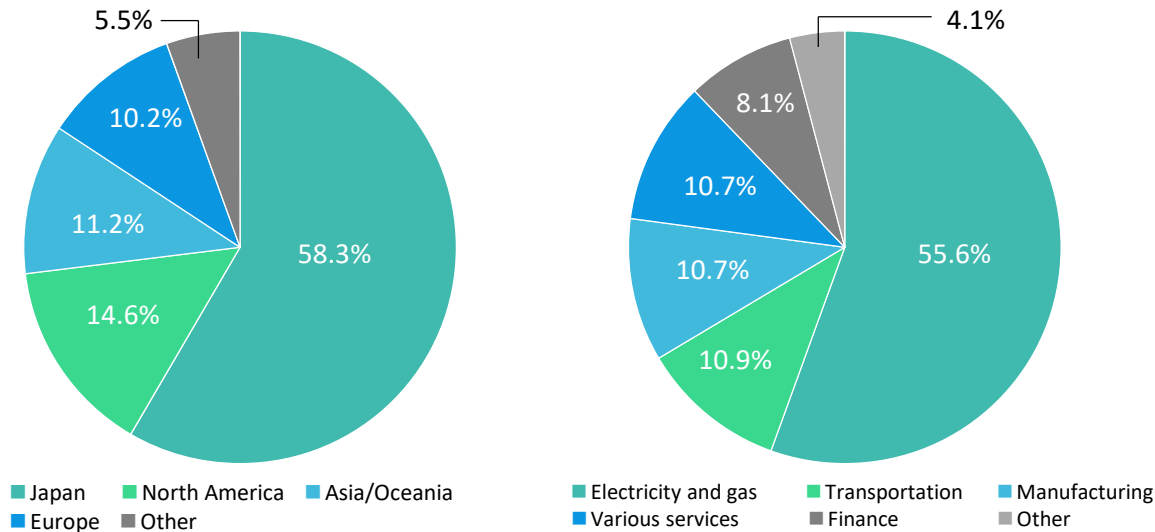
Duration



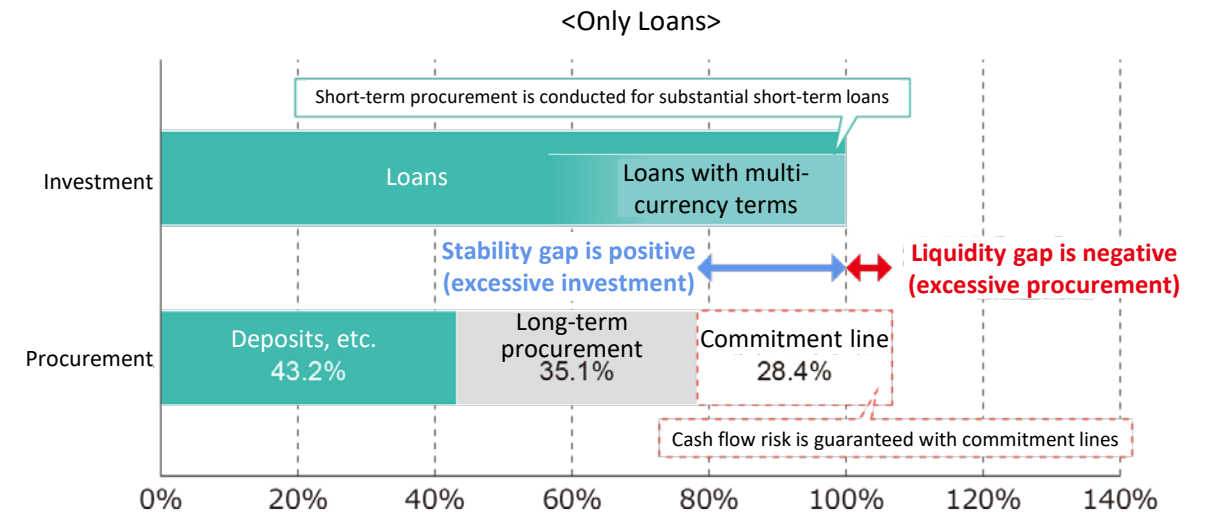
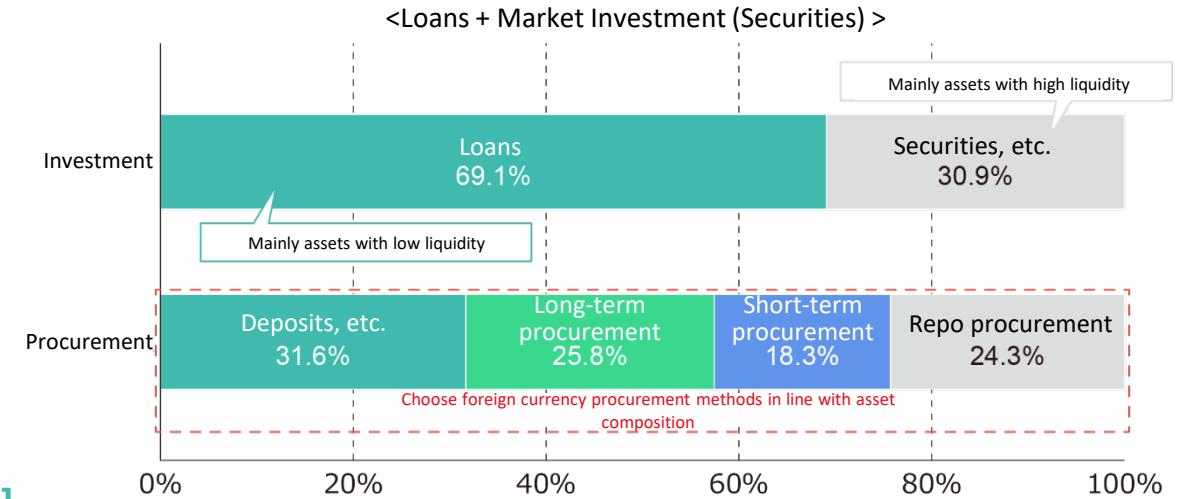
Loan Balance Plan [Financial Market Business Office]



Portfolio by Region and Industry [Financial Market Business Office]



Status of Foreign Currency Investment and Procurement [March 31, 2022]



(*) Stability gap: Loans, etc. - (Deposits, etc. + Long-term procurement)

(*) Liquidity gap: Loans, etc. - (Deposits, etc. + Long-term procurement + Commitment line)

Cross-Sectional Efforts Supporting Business Strategies _ BPR Strategy I

Better Money,
Better Life.

Bank Branch

Digitization and Simplification of Administrative Work

- At bank branches, promotion of utilizing "AGENT" Tablet has shifted approx. 40% of reception-related administrative works at the counter toward digital platforms

AGENT tab



Number of use: **23 thousand cases**
(Usage rate: **90.6%**)

AGENT app



Evolving
into an app

Patent No. 7026274

- Simplifying procedures such as opening an account, application for internet banking for corporations, and remitting to a "QR-code attached slips/applications" and lower the load of administrative work on both sides

AGENT for
Business

[Remitting with QR code]



Usage rate
41%



[Internet banking for
corporations]



Promoting usage by
corporate customers

Cashless Processing (cooperation with group company)

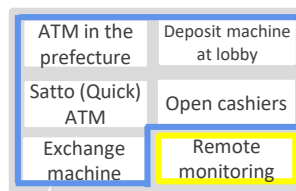
- Outsourcing cash management business at bank branches to group company (IBS), etc.



Iyo Bank



The Iyogin Business Service
(IBS)



- Introduced remote monitoring system
→ Shifting cash checking to the headquarters

Gradually expanding number of branches outsourcing such services mainly in Ehime Prefecture
→ Aiming to minimize administrative work handling cash at bank branches

Expanding the Area of Headquarters-centralized Operations

- In February 2023, system renewal at bank branches and sophistication of Satto ATM is scheduled

<Main measures>

System renewal

Linking data with AGENT

Sophistication of Satto ATM

Centralize seal registration

,etc.

- Realization of centralizing slips handled on the day to the headquarters
- Realization of paperless handling for deposit and withdrawal, and remitting
- Downsizing number of branch terminals (UBT) (targeting cutting by half)

Downsizing of administrative staff (expected)

Approx. 156 staff members

Headquarters

Efforts for Improvement of Operational Efficiency and Productivity at Headquarters

<Going paperless and using RPA for automation for operations at the headquarters>

- With in-house development structure to accelerate further reduction of headquarters operations

Paperless and digitalization
DB: **more than 200 projects**



[DB development team]

Thoroughly digitalize
paper-base workflow

Expanding areas of
RPA automation
by digitalizing

Automation by robots

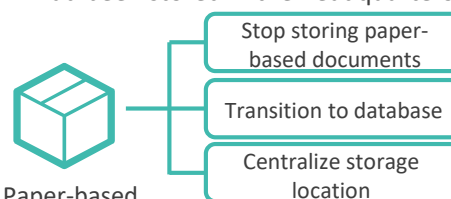
RPA: **113 robots**



[RPA development team]

<Centrally keeping retained documents>

- From April 2018, documents stored in bank branches are immediately transferred to Shigenobu Document Center for centralized storage
- This time, centralized storage has started for documents that had been stored in the headquarters

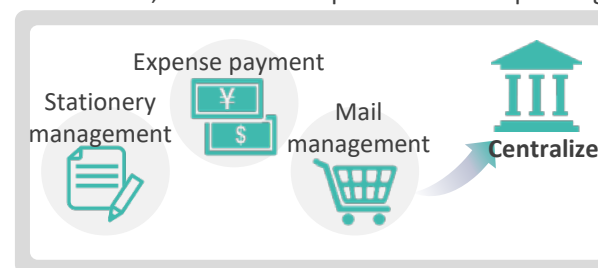


Paper-based documents stored at each division

Cutting down
administrative costs
and cost of spaces

<Consolidate Headquarters Operation (general affairs operations)>

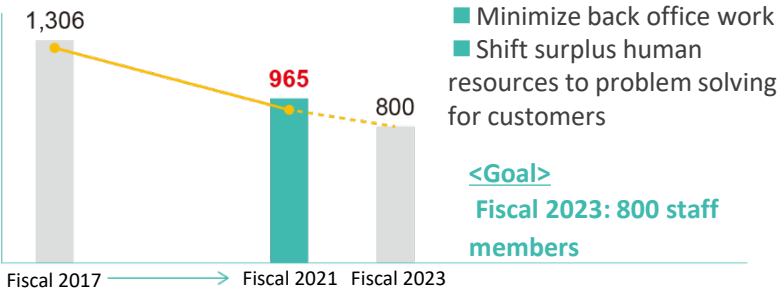
- Operation started from August 2021
- Consolidate general affairs operations in the headquarters
- As the Bank is transitioning to a holding company structure, consolidated operations are expanding



Effect of Reduction Due to Ongoing BPR Measures

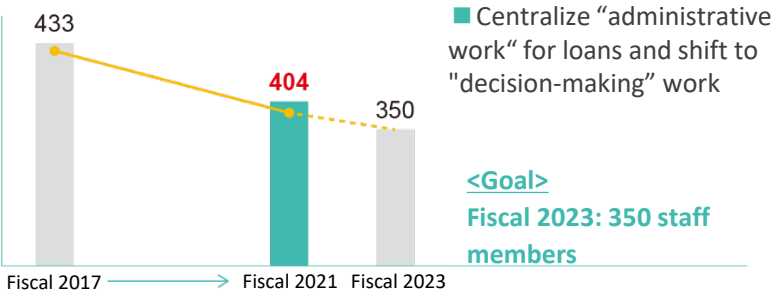
Bank branch administrative staff (in charge of operations):

Minus 341 Administrative Staff



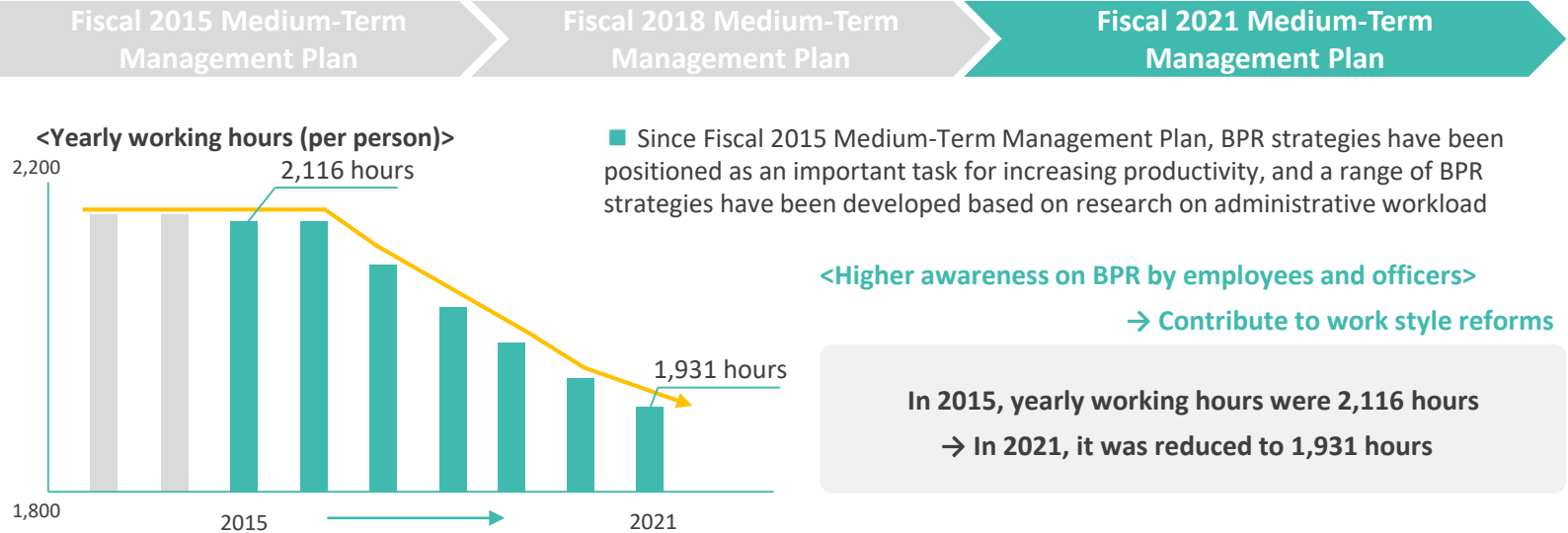
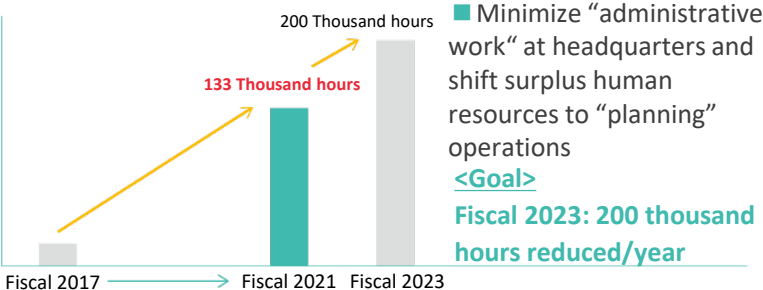
Bank branch administrative staff (in charge of loans):

Minus 29 Administrative Staff

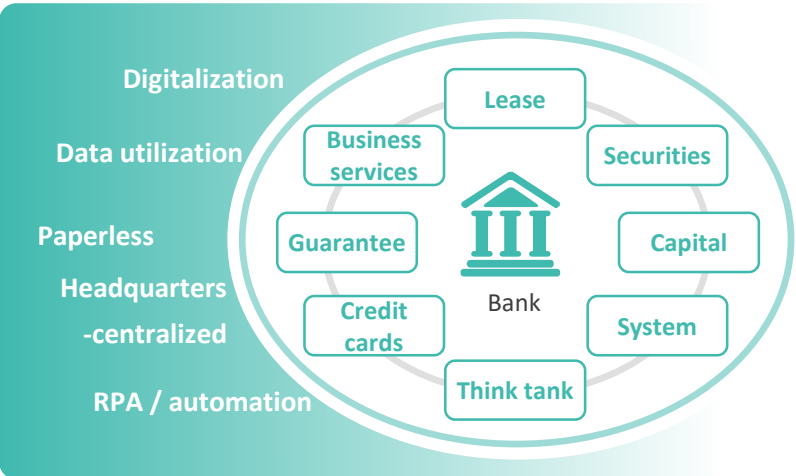


Effect of headquarters workload reduction:

133 Thousand Hours/Year Reduction



To Increase Productivity of the Entire Group (Horizontal Expansion of Insights on BPR to Group Companies)

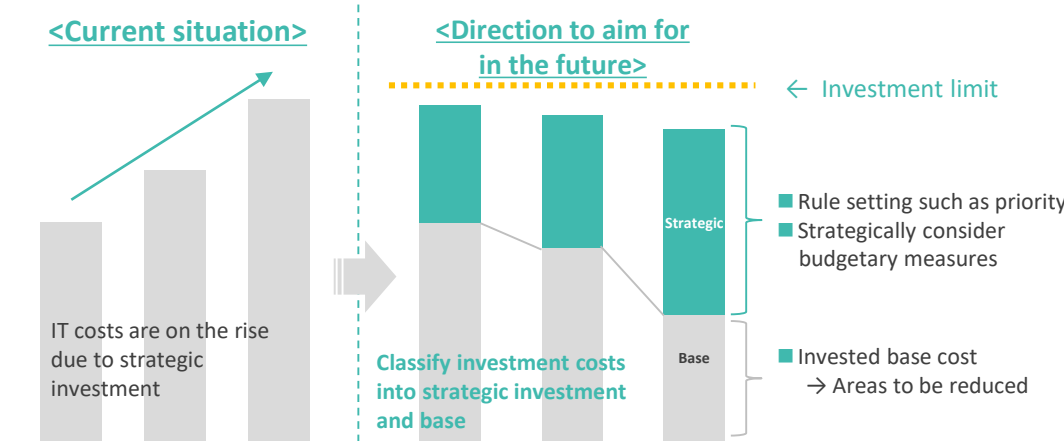


■ As the Bank is transitioning to a holding company structure in October 2022, continue to accelerate improvement on productivity of the entire Group



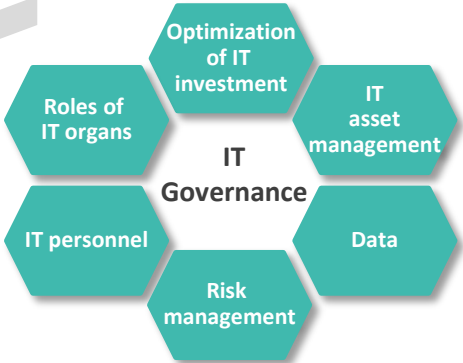
Redistribute surplus human resources to business strategies to realize problem solving for customers

Efforts for Optimization of IT Investment



Initiatives	Aims
■ Visualize IT assets (operational functions and system composition, etc.) and develop criteria for IT asset renewal and disposal	■ Preventing IT assets from bloating
■ Prioritize IT investment and development projects with considerations on both sides of investment amount (money) and development (human)	■ Optimization of resource distribution and IT investment based on overall optimization
■ Refine long-term IT cost forecasts by developing a long-term renewal plan	■ Appropriate control of IT costs

As the Bank is transitioning to a holding company structure, aiming for optimization of IT investment and enhancement of IT governance of the Group as a whole

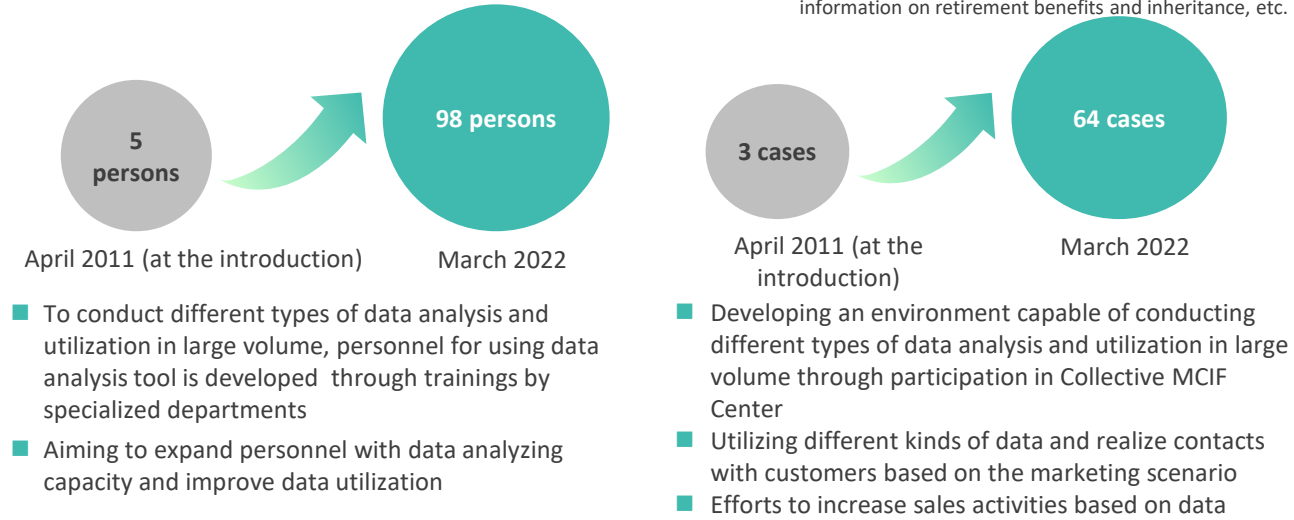


Development and Improvement of Data Utilization System

Number of Persons with Capacity to Utilize Data Analyzing Tool

Number of Marketing Scenarios*

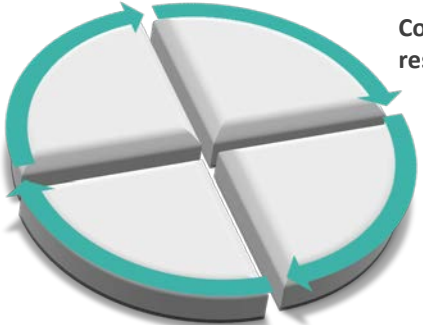
* e.g., data on corporations' distribution channels, information on retirement benefits and inheritance, etc.



Creating a virtuous cycle where customer experience improves by continuous efforts in sophistication of data analysis and utilization

Improve customer experience at all kinds of channels

Creating and refining touch points

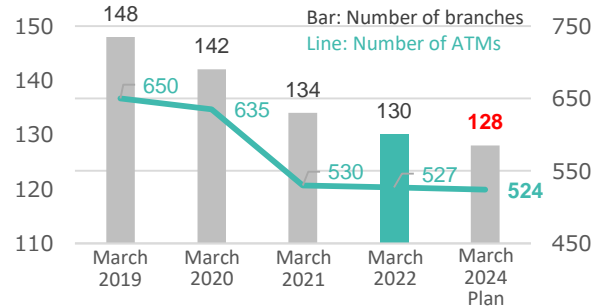


Cross-Sectional Efforts Supporting Business Strategies _ Branch Plan

Better Money,
Better Life.

Review the locations and functions of existing channels and advanced use thereof

Review of Branches and ATM Locations



- Sorting out excessive branches while maintaining points of contact with customers
- Reducing the number of installed ATMs against a background of increases in cashless settlements

Review of Branch Functions

- Introduction of the Group Head system
Core branches (full-service banking): **28 branches**
Linked branches (branches specialized in individual services): **57 branches**
- Shift to labor-saving branches
Branches located in government offices: **5 branches**
- Review of business hours
Extension of business hours: **33 branches**
Adoption of lunch break: **7 branches**

Advanced Use of Branches

<Fukuoka Branch>



<Nagoya Branch>



- Based on regional needs, renovating branches to include rental spaces targeting at third parties to contribute to liveliness

Review the channel functions in line with customers' changes in lifestyles

AGENT app * Released June 2021

- Released **AGENT app** that can provide the same customer experience as at a counter reception

* A new banking app that utilizes the video chat function



Iyogin SMART * Released August 2021

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

<Branches>
Nakayama and Kaminada
(2 branches)



Iyogin SMART plus * Scheduled to release August 2022

- Newly establishing branches specialized in transactions to respond to customers' diversified needs

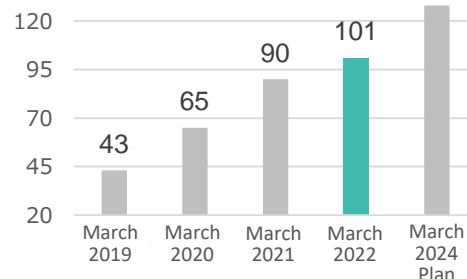
<Branches to be introduced>
Wake, Johoku, Kuwabara, and Awai
(4 branches)



Introduction of Next-generation Branches

* Gradually introduced from April 2018

- Shift to Next-generation Branches with Satto Madoguchi (Quick Counter) and AGENT system

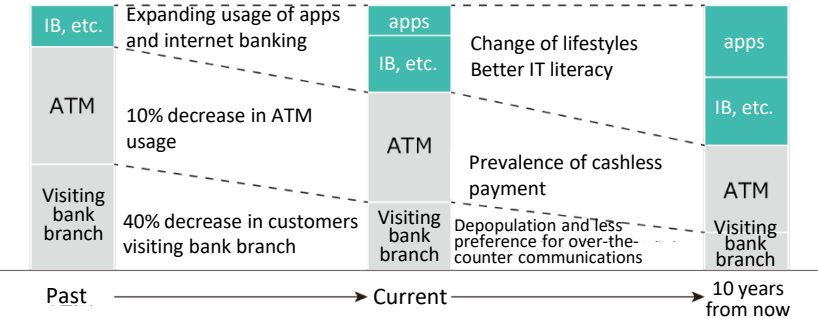


Kawano Branch is scheduled to open in July 2022

Branch plan visioning 10 years into the future / rebuilding channels of contact points with customers

Contact Points with Customers (Expected)

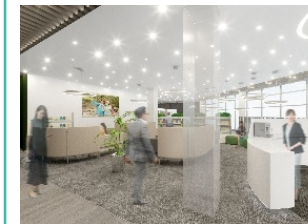
Building digital channels Sophistication of digital channels



- Since the COVID-19 pandemic, contact points with customers have changed drastically

Rebuilding Channels of Contact Points with Customers

Real Channels



Anytime and anywhere, at customers' convenience

Place for consultation and problem solving

Digital Channels



Branches and ATMs

AGENT app and IB

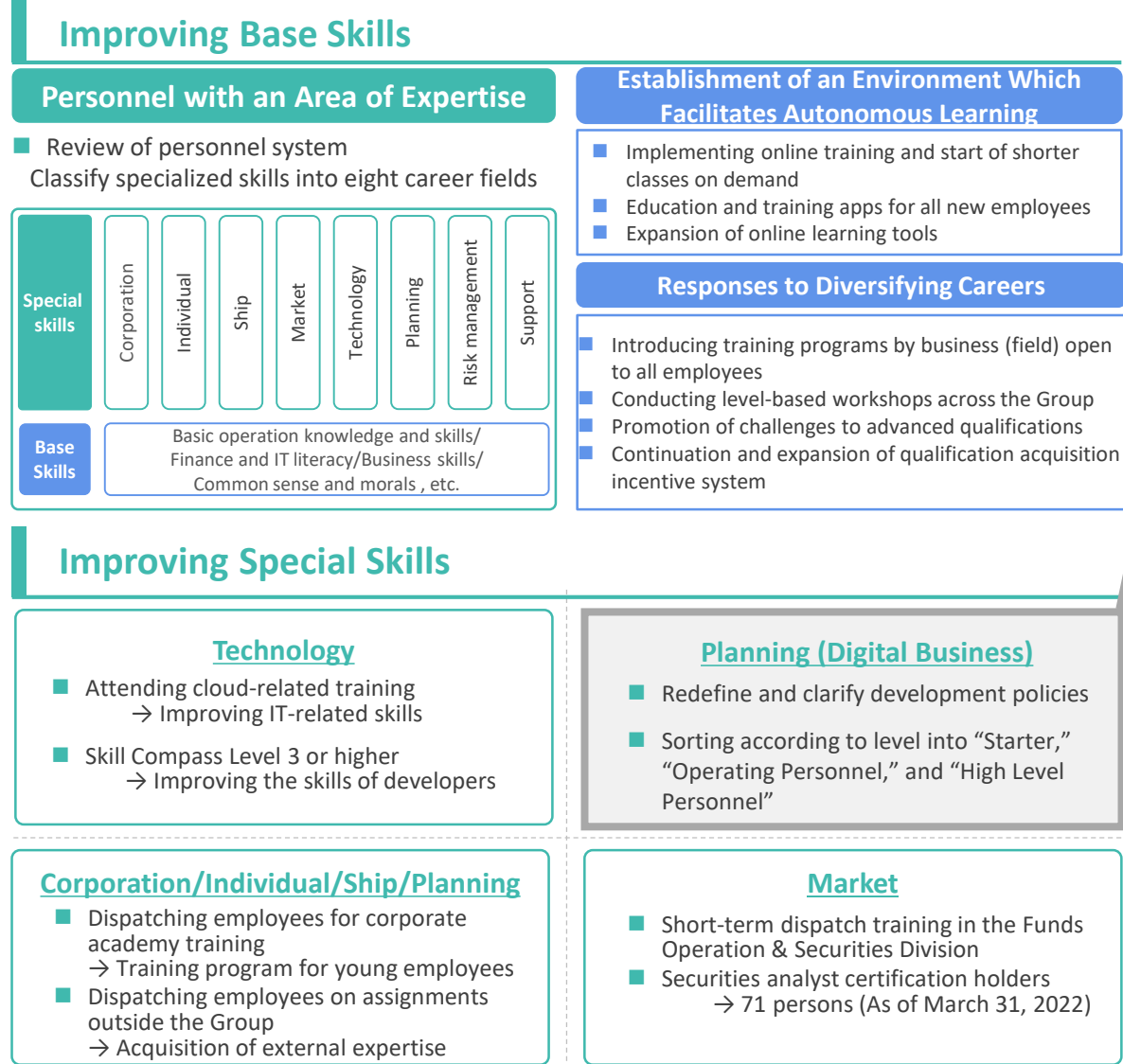
- Daily use transactions are mainly conducted by digital channels easily and conveniently, while value-added operations that only humans can provide are implemented by real channels, which is the strength of regional banks

Enhancement on Digital Channels

- Enhancing content publishing on financial knowledge and regional attractions, the Bank's content publishing approach is ranked at **first place at the Overall category at the "Gomez Regional Bank WEB Site Ranking 2022"** (Among 99 banks)



✓ 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"



I. Summary of Earnings for Fiscal 2021

II. Transition to Holding Company Structure

III. Main Strategies and Progress of Fiscal 2021 Medium-Term Management Plan

III-1. Major Numerical Targets of Medium-Term Management Plan

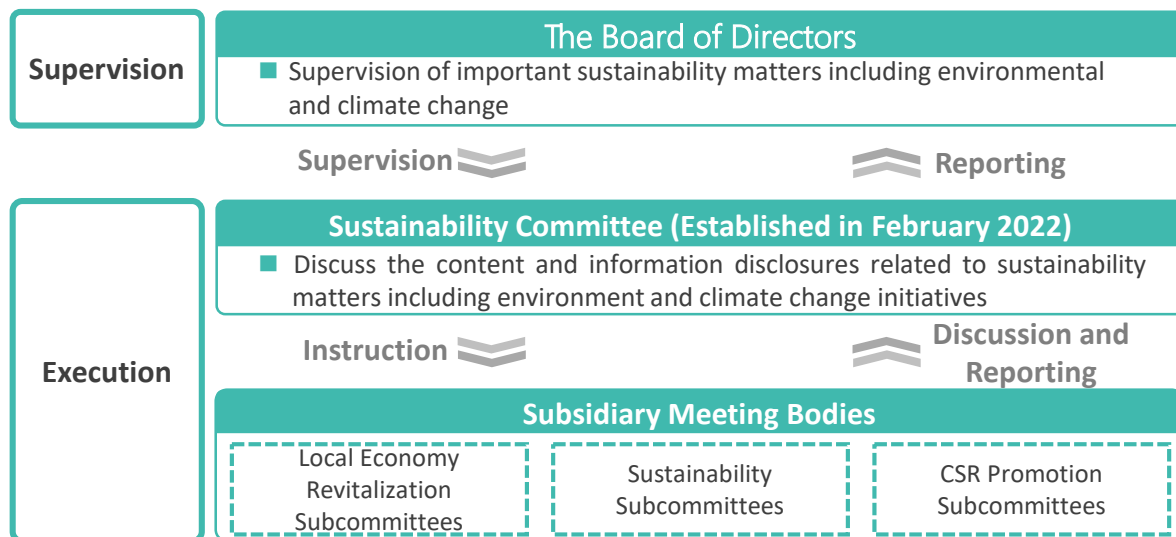
III-2. Progress of Business Strategies and Plan

III-3. Efforts for Sustainability

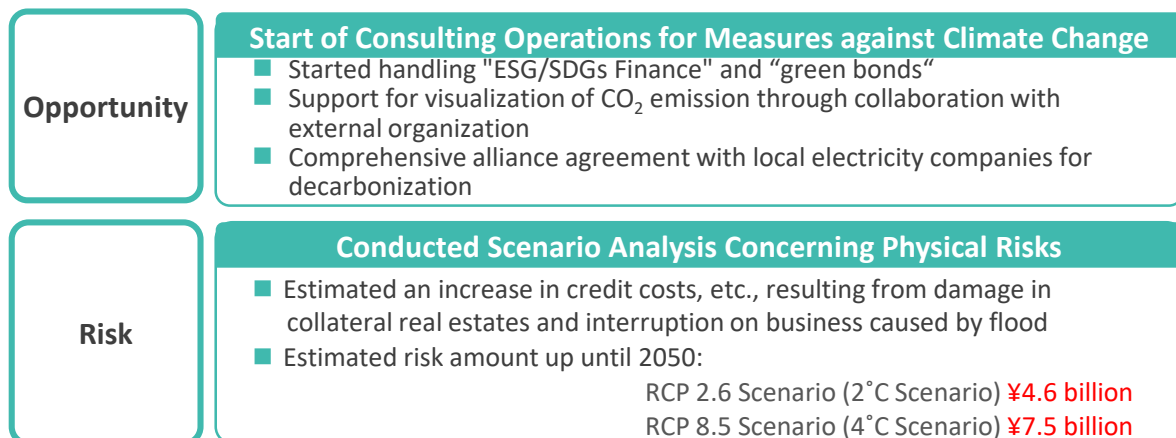
III-4. Profit / Loss Forecasts and Capital Policy

Response to the TCFD Recommendations

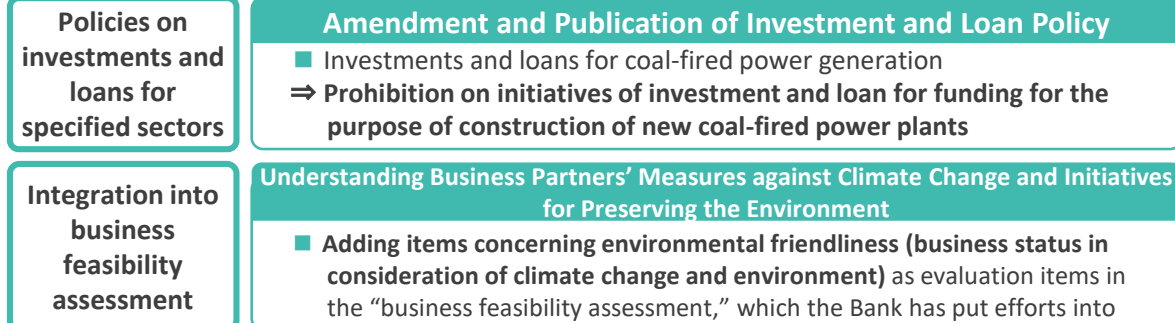
Governance



Strategies



Risk Management



Benchmark and Targets

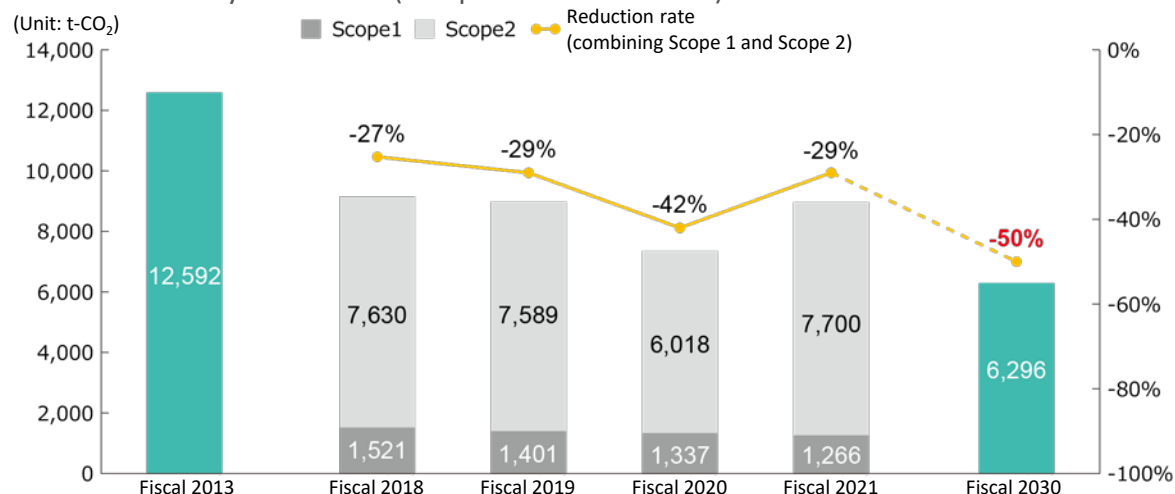
[Sustainable finance target]

Cumulated transaction amount from fiscal 2021 to fiscal 2030:

¥ 1,400.0 billion (including ¥700.0 billion in the environmental area)

[CO₂ emission reduction target]

50% reduction by fiscal 2030 (compared to fiscal 2013)



Sustainable Finance

- Started handling "ESG/SDGs Finance" and "green bonds" in April 2021
→ Supporting customers' efforts toward sustainable management, which is of increasing social interest

ESG/SDGs Finance and Green Bonds

— Financial support for customers' sustainable management sophistication —

Green loans

Transition loans

Sustainability linked loans

Green bonds

Sustainable Finance Executed

- Transaction amount in fiscal 2021: **¥92.6 billion (including ¥60.9 billion in the environmental area)**

- Of which, key sustainable finance projects

Renewable energy businesses related **¥49.4 billion**

ESG/SDGs finance and green bonds **¥9.0 billion**

Private placement bonds (environmental private placement bonds and SDGs private placement bonds, etc.) **¥11.4 billion**

Collaboration Agreement to Support Initiatives toward Local Carbon Neutrality

- In February 2022, the Bank entered into a collaboration agreement with Shikoku Electric Power Company, Incorporated to support initiatives toward local carbon neutrality

Overview of Alliance

- Providing information and proposals to support initiatives toward carbon neutrality
- Introducing products and services, etc., that the two companies (including Group companies) provide to support initiatives toward carbon neutrality
- Development of products and services, etc., to support initiatives toward carbon neutrality
- Activities raising awareness to support initiatives toward carbon neutrality



- CO₂ Emission Calculation Service
- ESG/SDGs Finance
- Iyogin SDGs Advisory Service
- SDGs Card Game



Provide powerful support for
carbon neutrality measures
for the local
communities

- A menu of renewable energies utilizing non-fossil fuel energy certificate
- Developing renewable energy (onsite PPA, etc.)
- Energy solutions (energy conservation and reduction of CO₂ emissions)
- Support local governments to formulate carbon neutral plans
- Electrifying mobility

Revitalization of Local Economy by Business Foundation Support

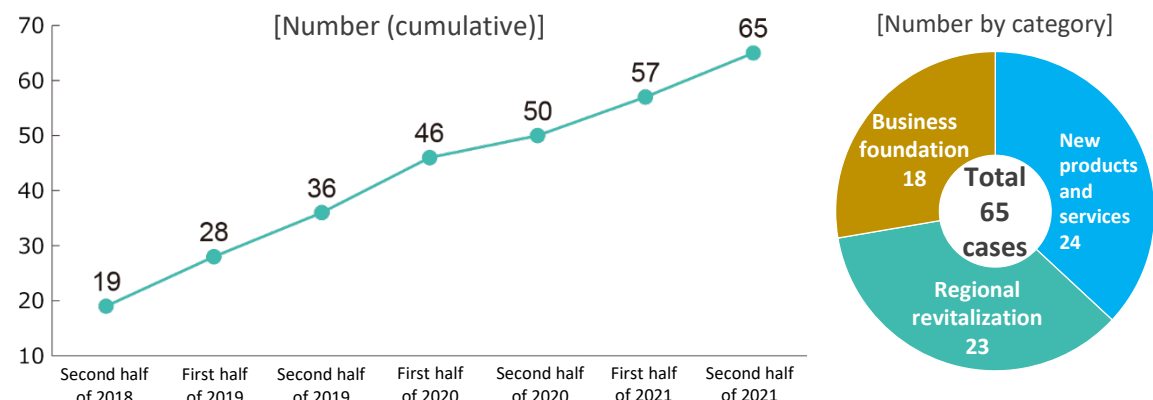
Number of Business Foundation Support

	March 2020	March 2021	March 2022
Business foundation planning support	255	370	352
Of which, start-up loans (with/without Credit Guarantee Association)	72	303	217
Of which, referrals to government-affiliated financial institutions and start-up support organizations	50	17	19
Of which, venture companies registered for grants or investments	25	24	18

*Businesses within 3 years of establishment are counted

- Continuing from last year, the Bank supports the operationalization of customers during the start-up period, centering on “start-up loans”

Revitalization of Local Economy by Crowdfunding



- The Bank subsidizes part of the fees paid by customers to crowdfunding companies to support projects on starting business and regional revitalization in Ehime Prefecture

“Demonstration Experiment on Combined Passenger and Freight Transportation*” using Railways

Collaborating with Shikoku Railway Company and Yamato Transport Co., Ltd., the Bank Supports Development of a New Framework in Logistics

Purpose

- Utilizing the punctuality and speediness of railways to create new value
- Promotion of a framework that transports cargo by railways, which puts less stress on the environment (modal shift)
- Initiatives for regional revitalization by connecting manufacturers in the prefecture and consumers

Shikoku
Railway
Company

Yamato
Transport
Co., Ltd.

Iyo Bank



* While usually referred to as “combined freight and passenger transportation,” the Bank agrees with Yamato Transport Co., Ltd.’s view that “priority is on passengers when transporting freight on passenger trains,” therefore referring to it as “combined passenger and freight transportation”

Collaboration with Ehime Prefecture and Japan Manned Space Systems Corporation

Entering “Comprehensive Collaboration Agreement to Promote DX with Industries That Utilize Space Technology”

Overview of collaboration

- DX utilizing space technology
- Matching with companies in the Ehime Prefecture
- Responding to consultations on development of space technology and taking part in space industries

Ehime
Prefecture

Japan Manned
Space Systems
Corporation

Iyo Bank

First in regional banks



Diversity



TSUBASA Diversity and Inclusion Declaration

- Formulated a joint declaration at Tsubasa Alliance to further enhance initiatives toward diversity and inclusion

TSUBASA Diversity and Inclusion Declaration

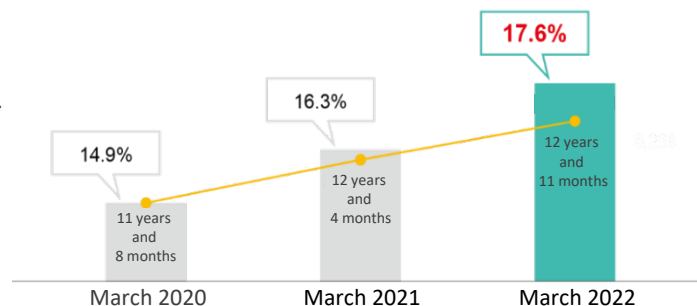
In order to realize sustainable growth in the region, one of the objectives of the Alliance, Tsubasa Alliance, we declare that we will position diversity and inclusion as the source of our competitiveness and actively work on it.



A framework of regional bank wide-area collaboration in which 10 banks participating from Chiba Bank, Daishi Hokuetsu Bank, Chugoku Bank, Iyo Bank, Toho Bank, Hokuyo Bank, Musashino Bank, Shiga Bank, Bank of the Ryukyus and Gunma Bank

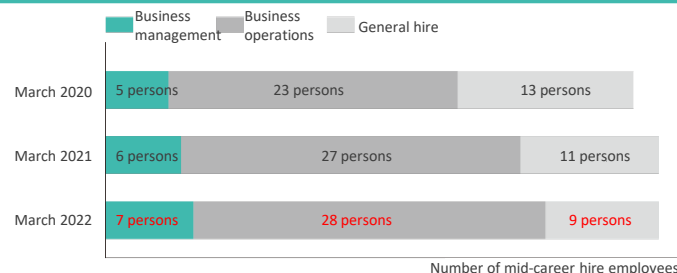
Female Manager Ratio/Average Years of Service

- Female manager ratio and average years of service
→ **Increasing** steadily year after year



Promoting Mid-career Hires to Managers

- Mid-career hires who qualify for business management and business operations
→ **Increasing** steadily year after year



Health Management



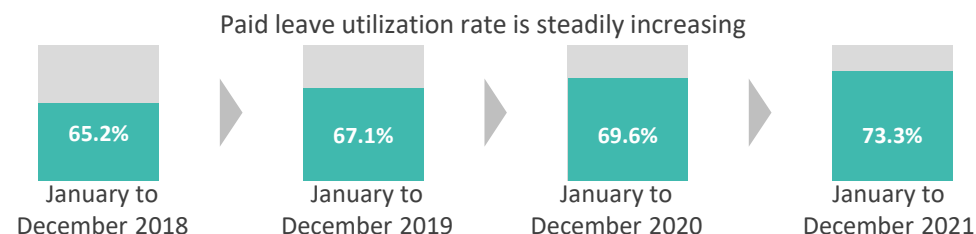
Recognized in the 2022 Certified Health & Productivity Management Outstanding Organizations Recognition Program (large enterprise category)

- Putting efforts in cutting down on overtime hours, lending out wearable devices free-of-charge, and mandatory health checkups, etc., the Bank has been recognized in the Certified Health & Productivity Management Outstanding Organizations Recognition Program for five years consecutively
- Ratio of employees who exercise regularly
- Ratio of health checkups taken by employees 40 years old or older

2019	2020	2021	2019	2020	2021
22.8%	23.2%	24.5%	92.6%	100%	100%

Work Style Reforms

Change in paid leave utilization rate



Engagement

- Officially introduced wevox, an engagement detection tool
- Implementing the PDCA cycle for improvement in engagement for the purpose of "creating a working place that employees take pride in," which is based on a "satisfying working environment" that builds on health management and work style reforms

Environmental Protection



Iyo Bank Evergreen Forest

Established in 2008 (14th 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 (Matsuyama City)

Iyo Bank Environment Foundation "Evergreen" (public trust)

Established in 2008 (15th 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 ¥65 million to 179 recipients.



Fiscal 2021 "Tada Eco-group Tanpopo"

Contribution to Local Communities



Iyo Bank Regional Cultural Activity Assistance Program

Established in 1992 (31st 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 ¥247 million to 1,274 organizations. In addition, "special applications" targeting organizations damaged by the heavy rain in July 2018 are also invited.



60th recipient "Matsuyama Keiun-kai"

Iyo Bank Social Welfare Fund (Public Interest Incorporated Foundation)

Established in 1976 (47th 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



Iyogin Challenge & Smile

Established in 2018 (5th 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.



SDGs Card Game

Started in 2021 (2nd year)

Iyogin Regional Economy Research Center is conducting "2030 SDGs Card Game" training for local companies and organizations. Anyone can easily learn "why SDGs are needed" and "how SDGs are relevant to us" while experiencing in a game format.



Iyogin Financial Education Class

Started in 2007 (15th year)



Iyogin is supporting children

Seminars for kids

Seminars for learning about bank mechanisms and healthy financial literacy



YouTube Videos

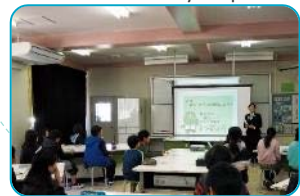
Publishing videos on themes such as lowering the age of adulthood and banking operations

成年年齢引き下げとは?



Iyogin Junior Mirai Juku

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



I. Summary of Earnings for Fiscal 2021

II. Transition to Holding Company Structure

III. Main Strategies and Progress of Fiscal 2021 Medium-Term Management Plan

III-1. Major Numerical Targets of Medium-Term Management Plan

III-2. Progress of Business Strategies and Plan

III-3. Efforts for Sustainability

III-4. Profit / Loss Forecasts and Capital Policy

Profit / Loss Forecasts for Fiscal 2022

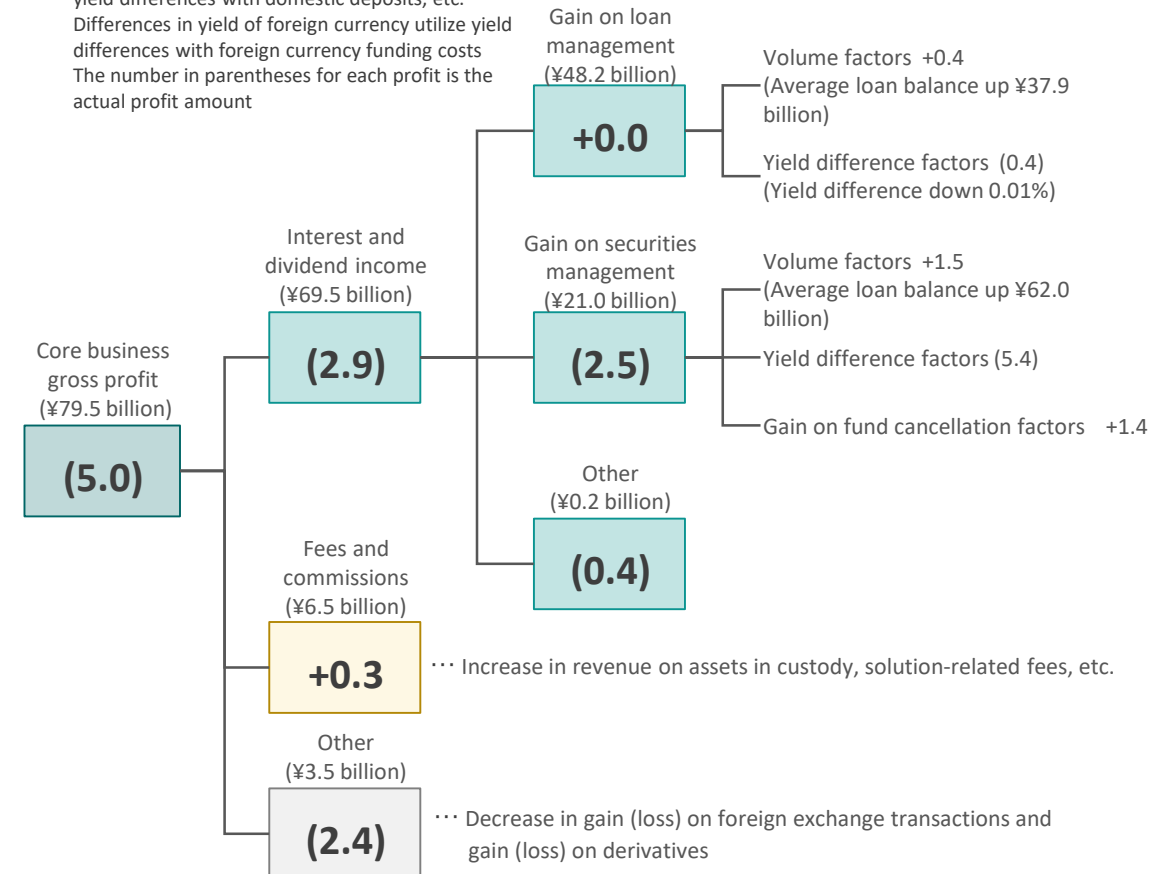
- ✓ Core business gross profit is projected to be ¥79.5 billion, a decrease of ¥5.0 billion year on year due to a decrease in interest and dividend income owing to an increase in foreign currency procurement costs and a decrease in other operating income
- ✓ Despite profit decreasing at each profit stage, net income is forecast to continue at a high level at ¥21.5 billion

[Nonconsolidated results (Units: Billions of yen)]	Fiscal 2021 results		Fiscal 2022 forecast			
	Inter- mediate results		Inter- mediate forecast	YoY		YoY
Core business gross profit	41.8	84.5	40.7	(1.1)	79.5	(5.0)
Of which, interest and dividend income	36.8	72.4	35.7	(1.1)	69.5	(2.9)
Of which, fees and commissions	3.2	6.2	3.1	(0.1)	6.5	+0.3
Expenses (-)	24.3	49.0	24.7	+0.4	49.0	+0.0
Of which, personnel expenses	12.9	25.8	12.6	(0.3)	25.5	(0.3)
Of which, nonpersonnel expenses	10.2	20.6	10.4	+0.2	20.5	(0.1)
Core business net income	17.5	35.4	16.0	(1.5)	30.5	(4.9)
Credit costs (-)	3.5	4.2	3.2	(0.3)	5.0	+0.8
Gain (loss) related to securities	3.9	1.1	1.5	(2.4)	3.5	+2.4
Ordinary income	19.7	35.2	16.0	(3.7)	32.0	(3.2)
Net (intermediate) income	14.0	24.6	11.0	(3.0)	21.5	(3.1)

Factors Contributing to Increase / Decrease in Core Business Gross Profit (Fiscal 2022 - Fiscal 2021)

(Note) Differences in yield of domestic currency utilize yield differences with domestic deposits, etc.
Differences in yield of foreign currency utilize yield differences with foreign currency funding costs
The number in parentheses for each profit is the actual profit amount

(Units: Billions of yen)

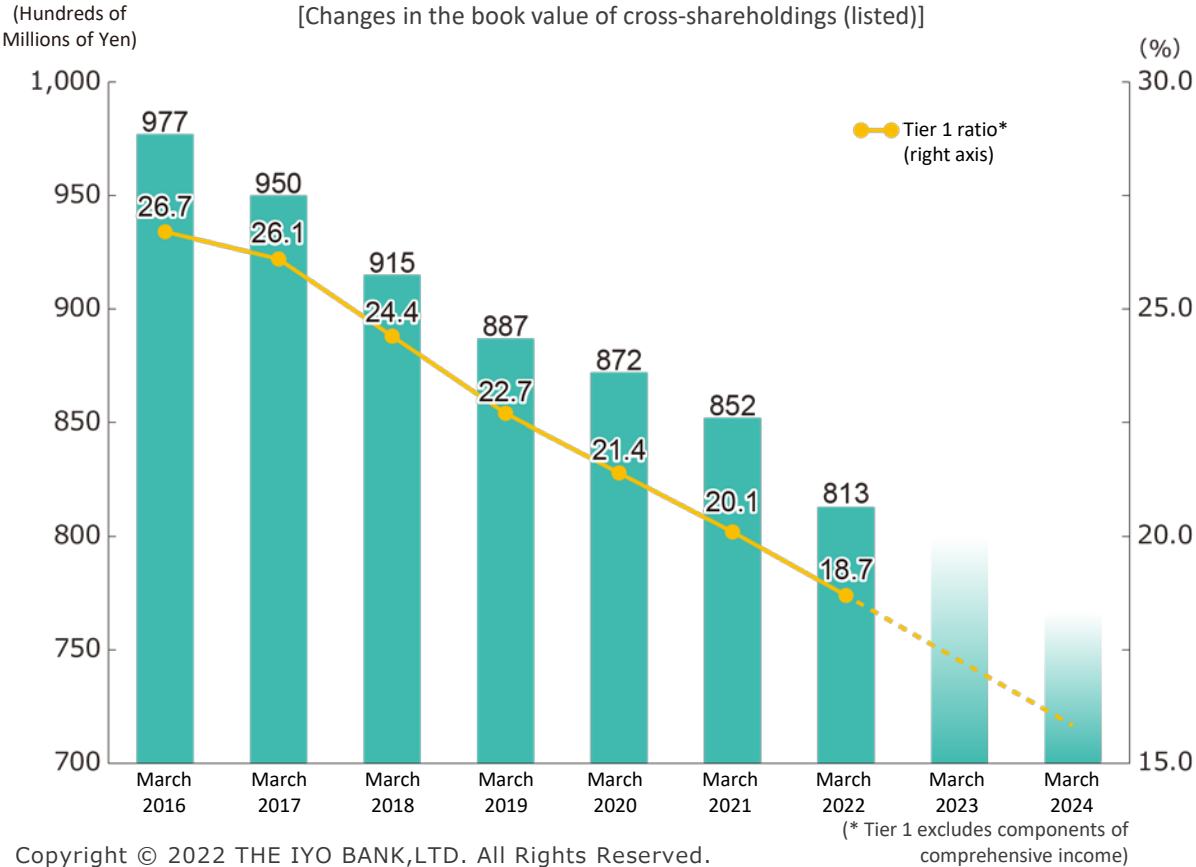


Cross-Shareholdings

■ Basic policy and response status of cross-shareholdings

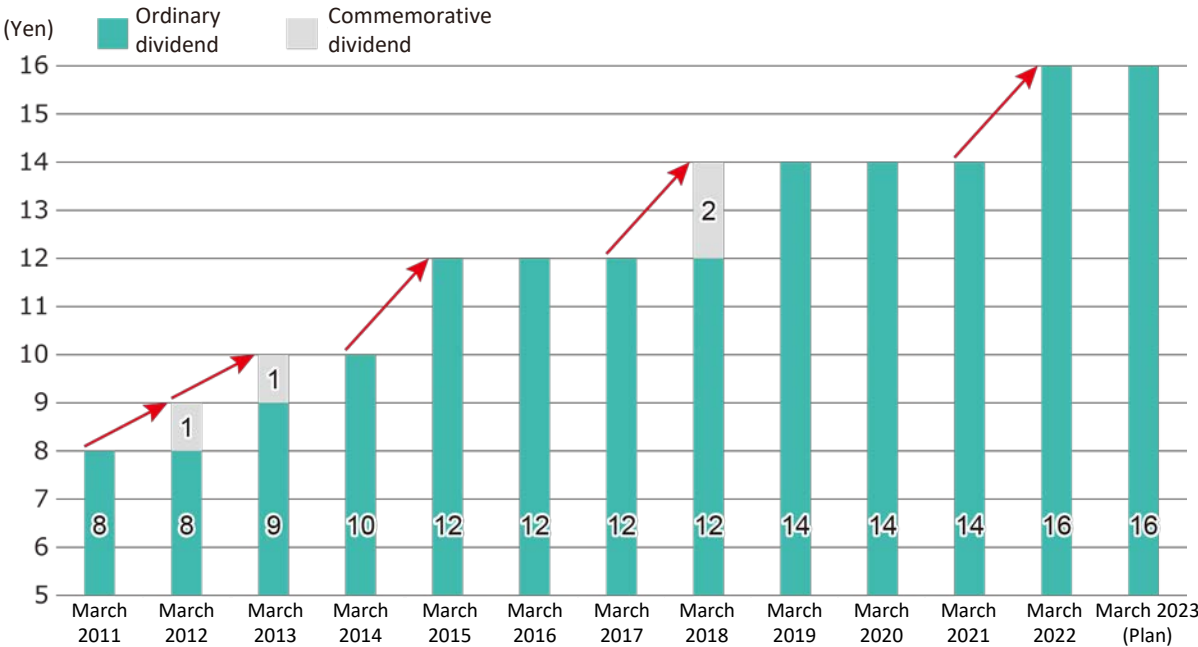
Basic policy	Reduce	→ The Board of Directors verifies the rationality of holding at least once a year
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Policy on holding is set through the evaluation matrix of "investment side" and "policy side" for all stocks held. Shares which are earmarked for divestment are being sold off in stages.



Dividend and Shareholder Return Policy

■ As priority is put in fulfilling the responsibility of a stable dividend policy, dividends for the fiscal year ending March 2023 (120th term) is planned to be the same as previous year at **¥16 per annum**



■ Purchase of treasury stock

In order to enhance profit return, improve capital efficiency, and enable flexible capital policies, it has been decided to purchase treasury stock

- ✓ Type of shares (to be) purchased Common stock
- ✓ Total amount of shares (to be) purchased 5,000,000 shares (Upper limit)
(1.57% of total number of issued shares (excluding treasury stock))
- ✓ Total amount of purchase price ¥3.0 billion (Upper limit)
- ✓ Method of purchase Through market purchase at the Tokyo Stock Exchange
- ✓ Purchase period May 16, 2022 to July 29, 2022

- 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.

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Iyo Bank Fiscal 2021 Earnings Briefing

(April 1, 2021 – March 31, 2022)

Reference Materials



Iyo Bank

June 3, 2022

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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	13 Officers, 2,670 employees (excluding temporary staff)
Number of branches	151 domestic (including 22 branches within branches, 9 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)	14.32%
Consolidated subsidiaries	16 companies
Consolidated employees (excluding temporary staff)	3,044 persons

〈As of March 31, 2022〉

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)

Chugoku region:
9 branches

Number of branches

151 domestic
(including 2 Iyogin SMART branches)
(including 22 branches within branches)
1 overseas

Kinki region:
5 branches

Within Ehime:
119 branches

Tokai region: 1 branch
Tokyo region: 2 branches

Singapore: 1 branch
Representative offices: 2 offices

Shikoku region, excluding Ehime:
7 branches

11 prefectures
in the Setonaikai region

Kyushu region:
8 branches

Summary of the Iyo Bank Group

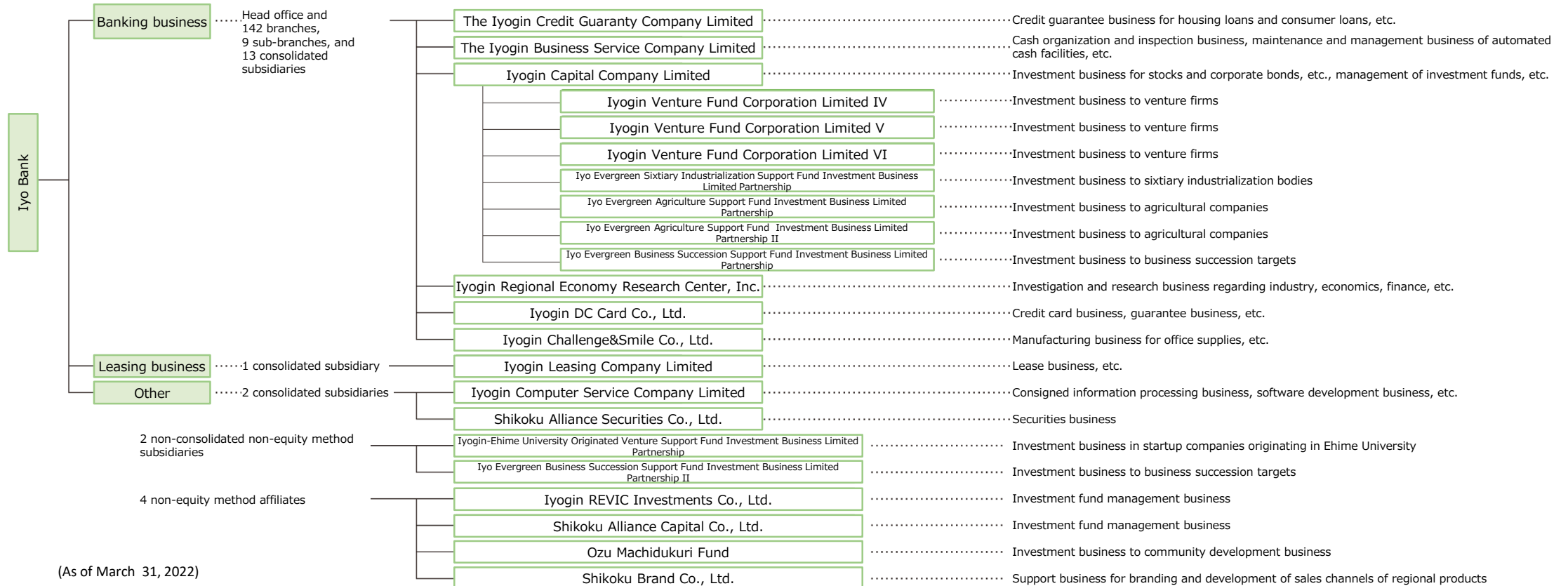
Consolidated Earnings Summary

(Units: Millions of Yen)

【Consolidated】	Fiscal 2021	YoY	Increase/ Decrease	Fiscal 2020	Consolidated- nonconsolidated Difference (Note)
Ordinary revenue	133,971	9,154	+7.3%	124,817	19,829
Ordinary income	38,239	12,067	+46.1%	26,172	3,005
Profit attributable to owners of parent	26,417	8,329	+46.0%	18,088	1,757

(Note) The difference between consolidated and nonconsolidated.

List of Iyo Bank Group Companies



(As of March 31, 2022)

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 2019

 ...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.”

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)

61.5%
(¥32.9 billion)

No. 1 in Japan
(Note 2)

Towels (2019)
¥53.6 billion shipped in Japan

Uwajima Region

13.4%
(¥58.6 billion)

No. 1 in Japan
(Note 2)

Sea culture industry (2020)
¥436.8 billion total national production

Niihama Region

Manufactured product shipments (2019)
¥1,644.7 billion

Approx. 38.2% 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.

Uma (Shikokuchuo) Region

7.4%
(¥570.2 billion)

No. 2 in Japan
(Note 2)

Pulp and paper industry (2019)
¥7,687.9 billion shipped in Japan

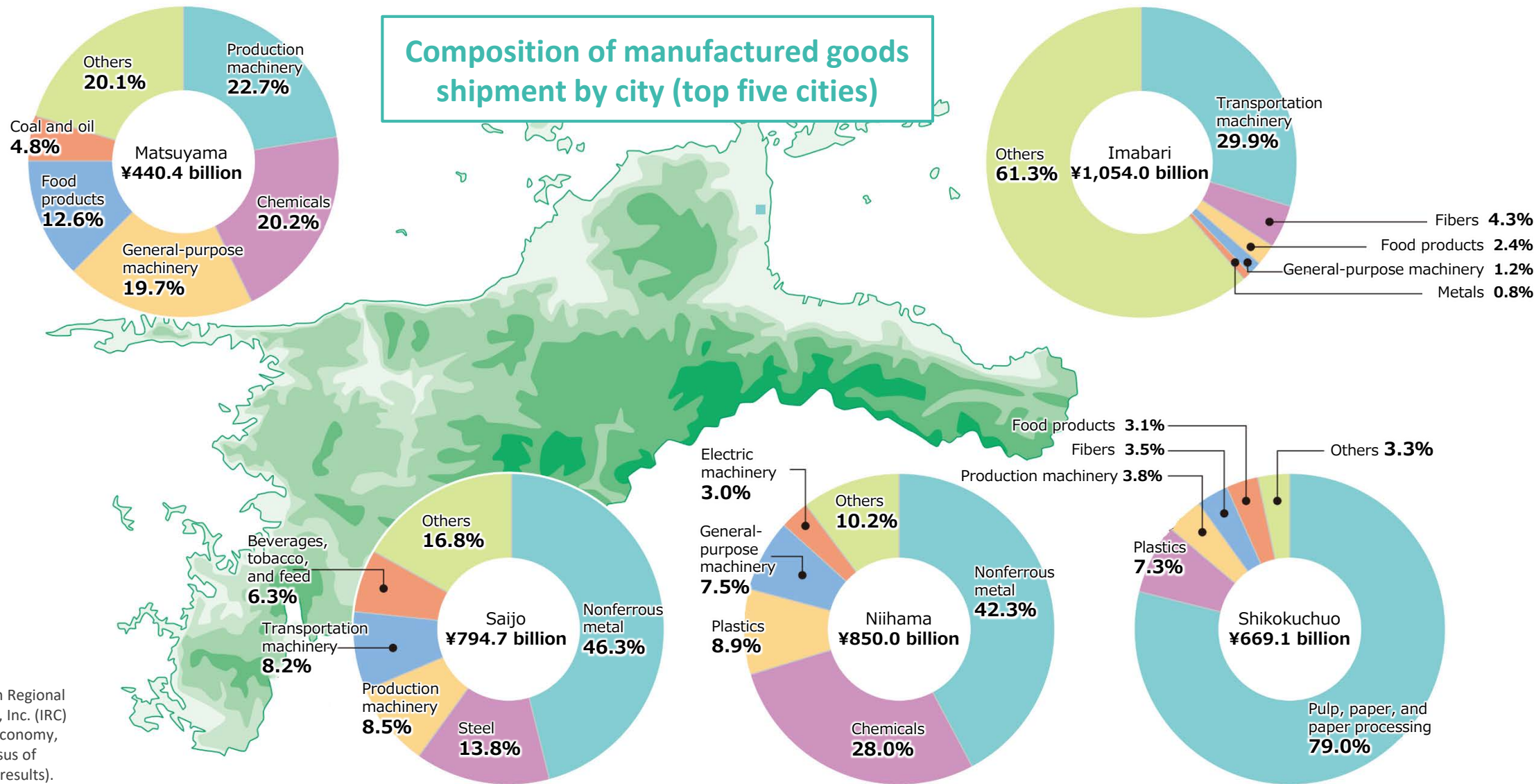
•(Note 1) Iyogin Regional Economy Research Center, Inc. (IRC) estimates; the ranking in Japan excludes operators.

•(Note 2) Ranking of Ehime Prefecture

Source: Prepared based on the Ministry of Economy, Trade and Industry’s “Census of Manufacture 2020” (2019 results) and the Ministry of Agriculture, Forestry and Fisheries’ “total fishery output for 2020.”

Manufacturing Industry in Ehime Prefecture

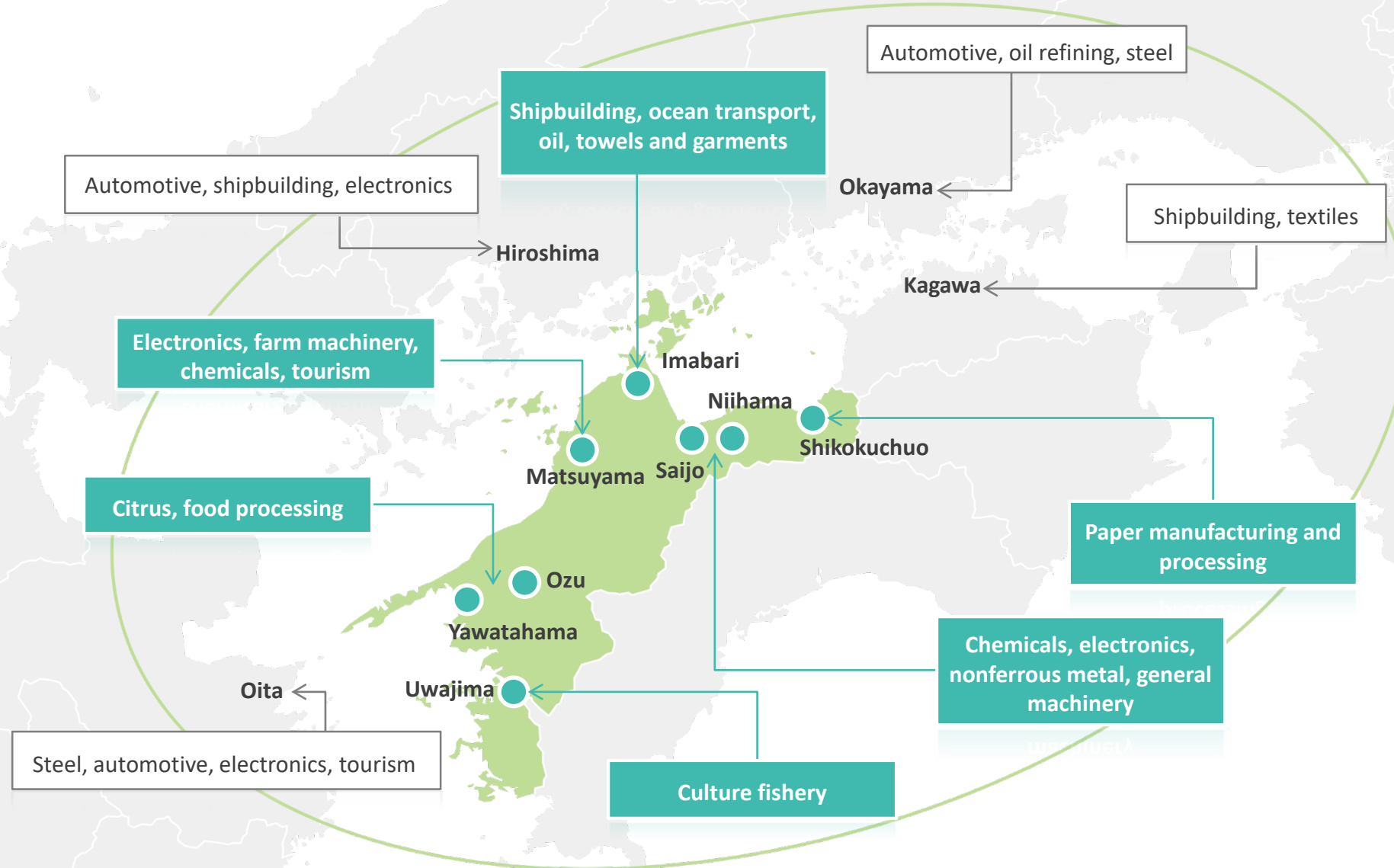
Ehime Prefecture has manufacturing industries distinctive to each region



Source: Prepared by Iyogin Regional Economy Research Center, Inc. (IRC) based on the Ministry of Economy, Trade and Industry's "Census of Manufacture 2020" (2019 results).

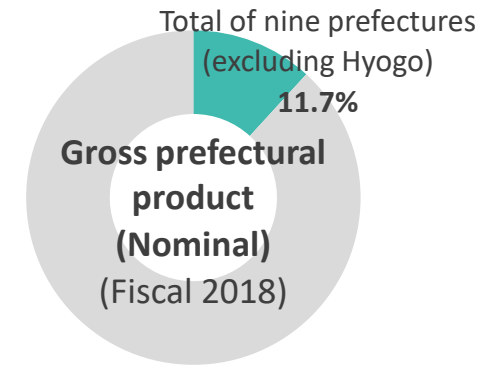
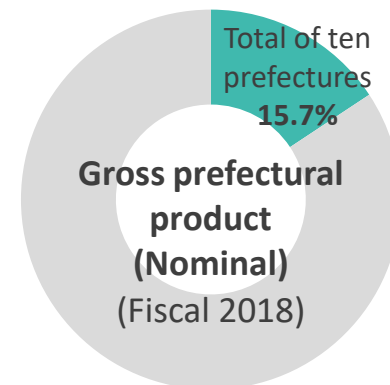
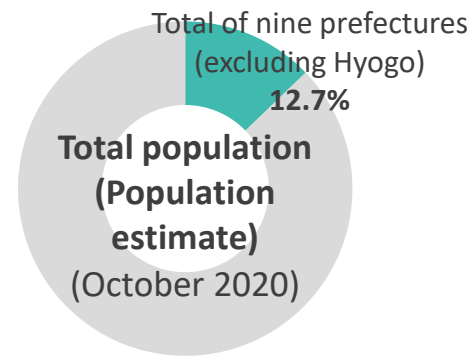
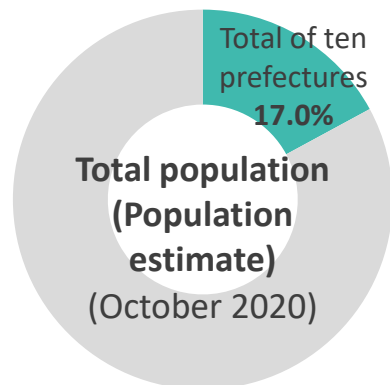
Industrial Structure of the Setouchi Region

- The Setonaikai coastal region has established various industrial structures



Economic Indicators of the Setouchi Region I

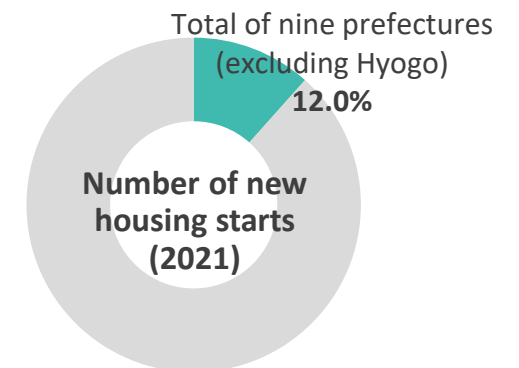
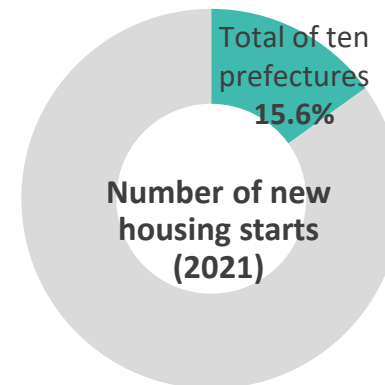
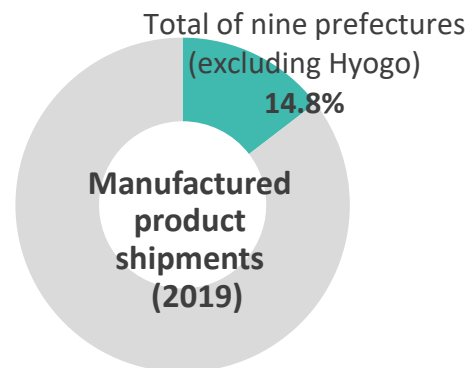
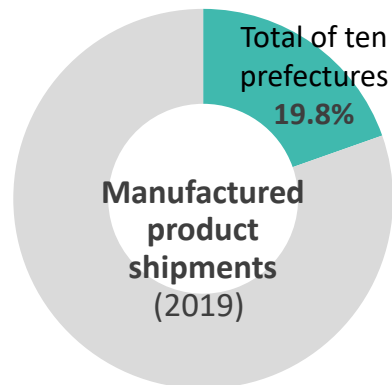
	Total population (Population estimate)	Total area (Geospatial Information Authority of Japan)	Number of offices (Private sector, excluding public sector)	Number of employees (Private sector, excluding public sector)	Prefecture total production (Nominal)	Prefectural gross product growth rate (Real)	Prefectural income per capita
	October 2020 (Persons)	January 2022 (Km ²)	2016 (Offices)	2016 (Persons)	Fiscal 2018 (Billions of yen)	Fiscal 2018 (%)	Fiscal 2018 (Thousands of yen)
Ehime	1,334,841	5,676	63,310	566,761	4,988.3	(1.9)	2,658
Kagawa	950,244	1,877	46,774	429,167	3,956.3	0.0	2,966
Tokushima	719,559	4,147	35,853	301,688	3,173.3	1.3	3,092
Kochi	691,527	7,104	35,366	279,196	2,472.9	(0.7)	2,647
Oita	1,123,852	6,341	52,973	483,206	4,614.3	2.8	2,714
Fukuoka	5,135,214	4,988	212,649	2,236,269	20,057.8	0.4	2,867
Yamaguchi	1,342,059	6,113	61,385	577,791	6,482.1	0.6	3,289
Hiroshima	2,799,702	8,479	127,057	1,302,074	11,713.7	(0.7)	3,109
Okayama	1,888,432	7,115	79,870	820,656	7,805.7	0.4	2,769
Total of the above nine prefectures (A)	15,985,430	51,840	715,237	6,996,808	65,264.4		
(A)/(C)	12.7%	13.7%	13.4%	12.3%	11.7%		
Hyogo	5,465,002	8,401	214,169	2,203,102	22,161.4	0.3	3,042
Total of the ten prefectures (B)	21,450,432	60,241	929,406	9,199,910	87,425.8		
(B)/(C)	17.0%	15.9%	17.4%	16.2%	15.7%		
National Total (C)	126,146,099	377,974	5,340,783	56,872,826	556,303.7	0.6	3,182



Source: Prepared based on the Statistics Bureau of Japan's "2020 Population Census," 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," websites of each prefecture, and Cabinet Office's "Annual Report on National Accounts"

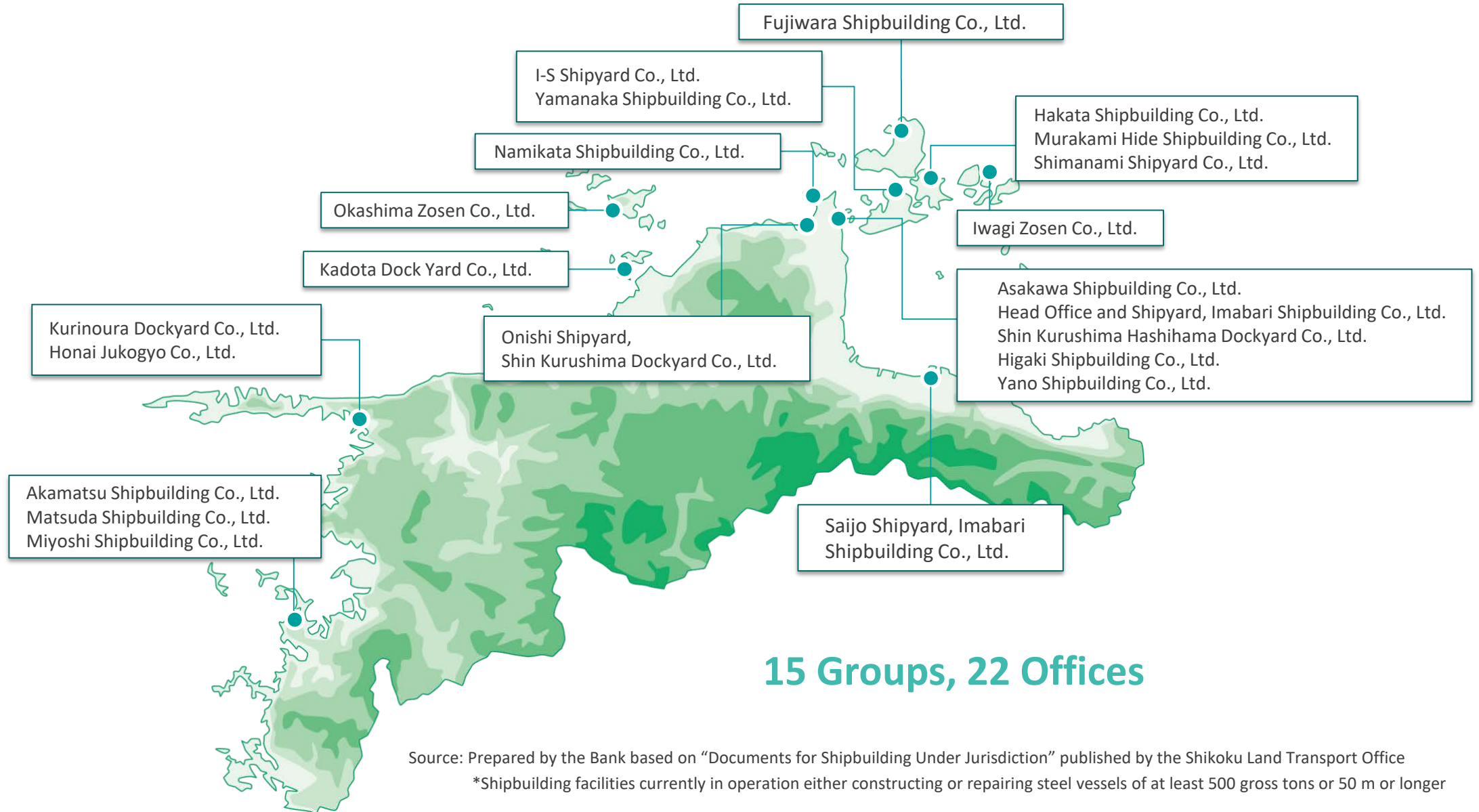
Economic Indicators of the Setouchi Region II

	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)
	2019 (Millions of yen)	2016 (Millions of yen)	2016 (Millions of yen)	2020 2015=100	2021 (Homes)	2021 (Times)	2021 (%)
Ehime	4,308,818	2,511,264	1,528,554	94.2	8,069	1.28	2.2
Kagawa	2,711,583	2,619,010	1,169,352	92.5	5,718	1.36	2.4
Tokushima	1,908,126	904,487	757,121	95.1	3,044	1.19	2.5
Kochi	585,527	874,256	753,371	93.0	2,790	1.08	2.2
Oita	4,298,945	1,344,689	1,235,257	Unpublished	6,260	1.16	2.2
Fukuoka	9,912,191	16,970,699	5,864,032	Unpublished	40,298	1.06	3.0
Yamaguchi	6,553,479	1,641,957	1,488,895	92.2	7,832	1.33	1.9
Hiroshima	9,741,531	9,166,762	3,309,726	88.2	17,809	1.32	2.4
Okayama	7,704,136	3,543,971	2,093,111	92.8	11,316	1.39	2.4
Total of the above nine prefectures (A)	47,724,336	39,577,095	18,199,419		103,136		
(A)/(C)	14.8%	9.1%	12.5%		12.0%		
Hyogo	16,263,313	10,219,241	5,726,476	94.0	30,284	0.93	2.8
Total of ten prefectures (B)	63,987,649	49,796,336	23,925,895		133,420		
(B)/(C)	19.8%	11.4%	16.5%		15.6%		
National Total ©	322,533,418	436,522,525	145,103,822	90.6	856,484	1.13	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"

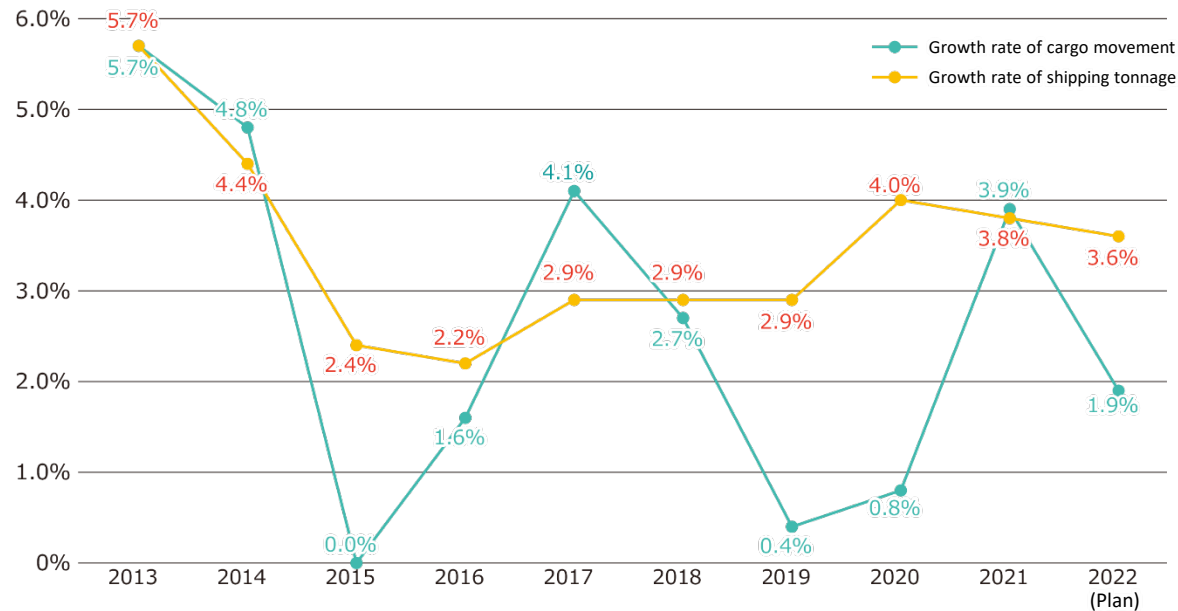
Shipbuilding Yards in Ehime Prefecture



Outlook of Dry Bulk Market Conditions

Dry Bulk Transport Demand and Supply

Unit transport volume and shipping tonnage



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

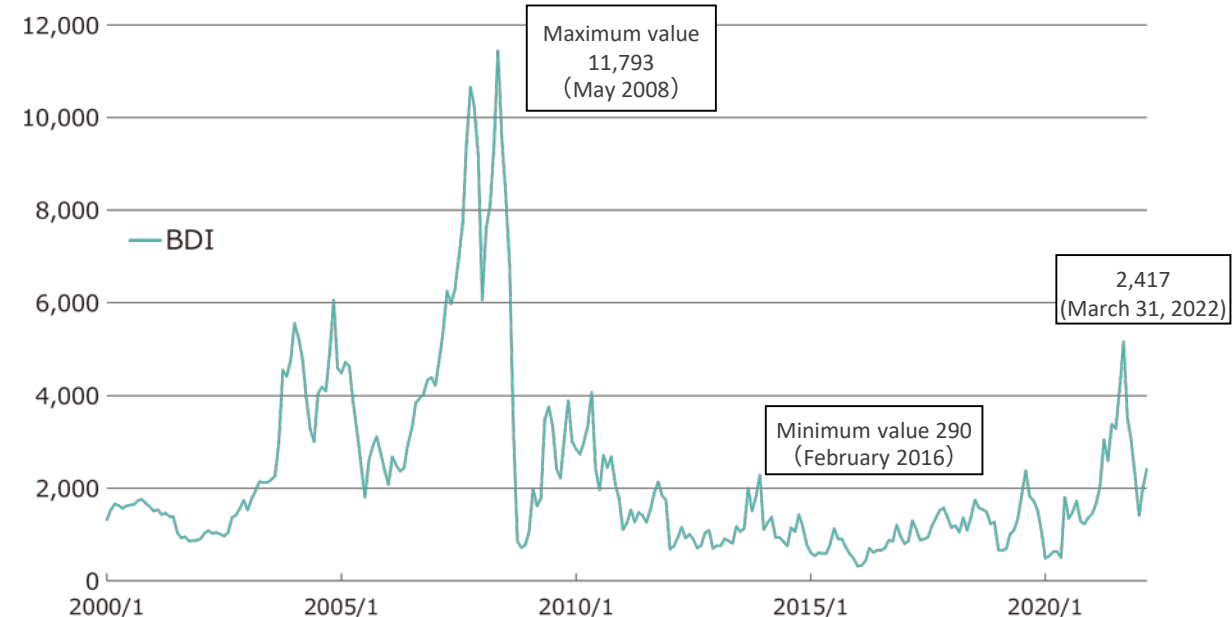
Dry bulk transport demand and supply

- Shipping tonnage of dry bulk vessels for 2022 is expected to increase by 3.6% (up 328 thousand DWT) from 2021. However, the unit transport volume* is expected to increase by only 1.9% due to the prospect of a decrease in transport of grains resulting from the situation between Russia and Ukraine, etc.
- Although unit transport volume growth is limited in comparison with 2021, because of increasing demand for dry bulk vessels due to tight space in container cargo and shipping tonnage substantially suppressed due to port entry restrictions in China, concerns over a significant decline in transport demand are considered low at present.

* Unit transport volume: Also called ton-mile. Indicates the tonnage and mileage of cargo transported and is an indicator to measure actual demand for ships.

Future Market Outlook

Baltic Dry Index (BDI) trends



Future market outlook

- In 2021, the market conditions were supported by the increase in the cargo movement, the increase in dry bulk transport of container cargo due to the recovery of economic activities from the impact of COVID-19, and shipping tonnage limited due to the replacement of crews, and the market environment became favorable for the first time in 12 years since the ocean transport bubble economy period.
- Starting from the beginning of 2022, although the market declined due to seasonal factors such as unfavorable weather in South America, the market has recovered to a rising trend due to longer transport distances for grains and coal caused by the situation between Russia and Ukraine (increase in unit transport volume). Indicators for chartering fees for the next fiscal year are also at high levels and are not expected to weaken significantly.

Breakdown of Balance of Loans and Deposits at End of Period

1. Breakdown of balance of loans at end of period

(Unites: Billions of yen)

	March 2018	September 2018	March 2019	September 2019	March 2020	September 2020	March 2021	September 2021	March 2022	Vs. March 2021
Total Loans	4,292.6	4,431.5	4,550.8	4,617.5	4,756.6	4,874.5	4,999.3	4,959.1	5,068.8	69.5
General loans	4,054.6	4,192.2	4,310.7	4,387.7	4,522.2	4,648.1	4,783.6	4,752.4	4,870.3	86.7
Corporate loans (incl. overseas, etc.)	3,030.6	3,146.0	3,238.2	3,291.1	3,397.9	3,507.7	3,624.6	3,586.1	3,696.2	71.6
Corporate loans (domestic branches)	2,965.5	3,060.4	3,135.8	3,158.3	3,248.8	3,347.1	3,434.9	3,387.6	3,479.8	44.9
Individual financing	1,024.0	1,046.2	1,072.4	1,096.5	1,124.3	1,140.3	1,158.9	1,166.3	1,174.0	15.1
Housing loans	742.6	758.2	781.0	805.3	831.8	852.6	870.7	879.6	885.5	14.8
Apartment and building loans	191.3	198.0	202.2	203.1	205.2	205.2	205.7	206.2	208.8	3.1
Card Loans, etc.	29.6	29.1	28.3	27.9	26.9	24.5	23.6	22.9	21.9	(1.7)
Municipal loans, etc.	238.1	239.2	240.1	229.7	234.3	226.4	215.6	206.6	198.5	(17.1)

(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

(Unites: Billions of yen)

	March 2018	September 2018	March 2019	September 2019	March 2020	September 2020	March 2021	September 2021	March 2022	Vs. March 2021
Total Deposits, etc. + assets in custody A	5,889.0	5,894.2	6,070.6	6,174.5	6,094.1	6,532.5	6,870.9	6,956.9	7,015.2	144.3
Total Deposits, etc.	5,546.0	5,542.2	5,712.6	5,817.3	5,754.3	6,184.6	6,522.6	6,603.0	6,654.1	131.5
Total deposits	5,099.6	5,057.7	5,247.1	5,288.5	5,265.6	5,652.6	5,983.1	5,956.2	6,041.8	58.7
Individual	3,392.1	3,412.0	3,423.6	3,450.2	3,512.5	3,652.2	3,740.7	3,794.0	3,850.8	110.1
General companies	1,442.0	1,455.4	1,555.4	1,553.7	1,564.4	1,733.5	1,853.4	1,857.9	1,915.1	61.7
Public	164.4	111.4	126.4	119.8	119.8	112.7	162.8	114.0	141.7	(21.1)
Financial	53.8	37.4	61.0	31.9	40.8	32.7	43.4	30.6	45.2	1.8
Overseas / offshore	47.3	41.3	80.5	139.4	28.0	121.3	182.6	159.5	88.8	(93.8)
NCD	446.4	484.4	465.5	528.8	488.7	531.9	539.4	646.8	612.2	72.8
General companies	375.4	345.1	348.2	390.0	367.0	384.9	427.4	476.2	445.0	17.6
Public	71.0	139.2	117.3	138.7	121.7	147.0	112.0	170.6	167.0	55.0
General company funds (incl. NCD)	1,817.4	1,800.6	1,903.6	1,943.8	1,931.4	2,118.5	2,280.8	2,334.1	2,360.2	79.4
Public funds (incl. NCD)	235.4	250.7	243.7	252.0	241.5	259.8	274.9	284.6	308.8	33.9
Foreign currency deposits (balance)	118.3	111.0	111.0	101.6	89.3	96.3	99.0	116.0	133.1	34.1
Individual deposits + individual assets in custody	3,722.5	3,751.4	3,769.1	3,795.6	3,841.4	3,988.5	4,078.3	4,137.4	4,201.0	122.7
Individual deposits	3,392.1	3,412.0	3,423.6	3,450.2	3,512.5	3,652.2	3,740.7	3,794.0	3,850.8	110.1
Individual assets in custody	330.4	339.3	345.4	345.4	328.8	336.3	337.6	343.4	350.1	12.5

<Assets in custody (Term-end basis)>

Assets in custody at the Bank (excl. deposits, etc.) B	343.0	351.9	357.9	357.1	339.7	347.8	348.3	353.9	361.1	12.8
JGBs	25.4	24.0	22.4	20.3	19.8	19.9	19.2	20.0	21.3	2.1
Investment trusts	71.6	71.5	68.6	66.7	53.8	58.7	61.6	64.0	67.8	6.2
Single premium policies	206.2	210.8	215.7	216.4	214.2	211.3	208.7	207.2	205.4	(3.3)
Financial product intermediary	39.7	45.5	51.0	53.6	51.7	57.7	58.6	62.5	66.4	7.8
Shikoku Alliance Securities balance C	201.4	208.3	199.5	207.8	202.4	226.6	245.2	246.3	246.0	0.8
Balance of Group's assets in custody B+C=D	544.4	560.3	557.4	565.0	542.2	574.5	593.5	600.2	607.1	13.6
Assets in custody composition (D/A+C)	8.9%	9.2%	8.9%	8.9%	8.6%	8.5%	8.3%	8.3%	8.4%	—

(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		March 2022		Vs. March 2021	
		Composition		Composition		Composition		Composition		Composition		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	638.8	13.2	(21.4)	(3.2%)
Agricultural	2.8	0.1	2.6	0.1	2.7	0.1	2.6	0.1	2.5	0.1	2.8	0.1	0.3	12.0%
Forestry	0.2	0.0	0.3	0.0	0.3	0.0	0.4	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	8.1	0.2	(0.7)	(8.0%)
Mining	8.8	0.2	8.7	0.2	8.6	0.2	7.1	0.2	6.7	0.1	6.4	0.1	(0.3)	(4.5%)
Construction	112.6	2.8	112.9	2.7	116.3	2.6	116.0	2.5	135.1	2.8	135.7	2.8	0.6	0.4%
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	200.6	4.1	23.9	13.5%
Information communications	28.8	0.7	21.8	0.5	22.0	0.5	18.9	0.4	17.7	0.4	18.0	0.4	0.3	1.7%
Transportation	629.9	15.6	679.7	16.1	717.9	16.1	769.7	16.7	859.7	17.9	896.8	18.5	37.1	4.3%
Of which, ocean transport	510.3	12.6	542.1	12.8	580.3	13.0	639.3	13.9	724.6	15.1	765.7	15.8	41.1	5.7%
Wholesale and retail	471.2	11.7	469.4	11.1	511.6	11.5	504.3	10.9	518.1	10.8	516.5	10.6	(1.6)	(0.3%)
Finance and insurance	192.7	4.8	205.7	4.9	200.2	4.5	185.3	4.0	180.9	3.8	205.8	4.2	24.9	13.8%
Real estate	221.4	5.5	255.6	6.0	270.5	6.1	299.8	6.5	315.8	6.6	311.7	6.4	(4.1)	(1.3%)
Various services	412.7	10.2	435.1	10.3	438.5	9.9	467.6	10.1	496.7	10.3	483.3	10.0	(13.4)	(2.7%)
Of which, medical-related	181.3	4.5	193.7	4.6	192.2	4.3	197.2	4.3	209.7	4.4	207.0	4.3	(2.7)	(1.3%)
Regional public entities	240.2	5.9	232.7	5.5	234.8	5.3	230.0	5.0	212.0	4.4	197.7	4.1	(14.3)	(6.7%)
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	1,229.0	25.3	11.7	1.0%
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	4,852.4	100.0	42.9	0.9%

(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, 2022, excluding “goods rental,” was ¥294.0 billion, which is an increase of ¥0.1 billion (+0.0%) compared with the year ended March 31, 2021. In addition, “other” includes “home renting by individuals” (¥217.7 billion for the year ended March 31, 2022).

* As “ocean transport” displays balances applicable to the “ocean transport industry” according to Japan Standard Industrial Classification, this figure does not match “Loan balance for the maritime industry” on page 24 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 Support Office

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)

Upper row: Number of borrowers

Lower row: Credit amount
(Hundreds of millions of yen)

			March 31, 2022							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, 2021	Normal borrowers	18,923	17,335	16,712	569	26	18	7	3	0.15%		623
		36,628	35,494	34,424	968	92	8	1	0	0.03%		1,070
	Borrowers requiring close monitoring	2,377	2,259	516	1,602	19	122	0	0	5.13%	516	141
		4,179	4,010	884	2,950	34	142	0	0	3.40%	884	176
	Borrowers under strict observation	114	109	12	9	73	14	1	0	13.16%	21	15
		242	225	20	7	170	27	0	0	11.39%	27	28
	Borrowers at risk of bankruptcy	339	311	14	23	3	261	3	7		40	10
		513	474	4	29	7	431	1	2		40	3
	Substantially bankrupt borrowers	87	54	0	0	0	0	51	3		0	3
		27	10	0	0	0	0	9	0		0	0
	Bankrupt borrowers	21	7	0	0	0	0	0	7		0	
		6	1	0	0	0	0	0	1		0	
	Total	21,861	20,075	17,254	2,203	121	415	62	20		577	792
		41,595	40,212	35,332	3,955	302	608	11	4		951	1,277

(Note 1) The chart displays the changes in the borrower classification from March 31, 2021 to March 31, 2022.

(Note 2) The balances after changes are the balances after write-offs as of March 31, 2022.

Management by Risk Category: Securities Investment

(Units: Billions of Yen)

Risk Category (*1)	Year ended March 31, 2022											Source of main revenue and profit
	Book balance	Evaluation gain / loss	Market balance	Composition	Vs. March 2021	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 2021)		
							Interest received (*3)	Procurement cost				
Yen-denominated bonds	512.9	+7.2	520.1	30.8%	(2.0%)	2.5	3.4	3.4	0.0	(0.0)	(0.9)	Difference in long and short term interest on yen interest
Of which, JGBs	95.6	+4.4	100.0	5.9%	(4.0%)	3.2	1.0	1.0	0.0	0.0	+2.1	
Of which, inflation-indexed JGBs	79.8	+2.1	81.8	4.8%	+0.7%	3.3	0.5	0.5	0.0	0.0	+2.8	Rise in expected inflation rate
Foreign currency bonds (with hedges)	354.6	(5.7)	348.9	20.6%	(1.9%)	(9.5)	4.5	4.9	0.5	(5.0)	(8.9)	Difference in long and short term interest on overseas interest
Foreign currency bonds (without hedges)	285.8	+14.4	300.2	17.8%	+2.2%	11.7	3.6	3.6	0.0	3.2	+5.0	Gain on foreign exchange /interest revenue
Domestic and overseas stocks (incl. stock trusts)	141.1	+233.1	374.2	22.1%	+0.6%	(21.8)	8.1	8.1	0.0	3.5	(33.4)	Growth in domestic/foreign companies centered on transaction partners
Alternatives	124.2	+22.5	146.7	8.7%	+1.1%	7.3	4.2	4.2	0.0	1.3	+1.8	
Hedge funds	30.3	(0.8)	29.5	1.7%	(0.3%)	(0.7)	1.1	1.1	0.0	0.0	(1.8)	Strategic diversification by external consigned management
Real estate-related	81.1	+22.6	103.7	6.1%	+1.2%	6.9	3.1	3.1	0.0	1.3	+2.6	Revenue from real estate rentals and profit from price increase
Private equity	7.9	+0.1	8.0	0.5%	+0.1%	0.1	0.0	0.0	0.0	0.0	+0.1	Rise in enterprise value due to management improvement of unlisted stocks, etc.
Emerging stocks	4.9	+0.6	5.5	0.3%	+0.1%	1.0	0.0	0.0	0.0	0.0	+1.0	Growth and foreign exchange gains in emerging markets
Total	1,418.5	+271.5	1,690.1	100.0%	-	(9.7)	23.8	24.3	0.5	2.9	(36.4)	

*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	+187.3	(2.8)	+184.5	10.9%	(0.2%)	(5.2)	0.0	0.1	0.1	0.0	(5.2)	Business continuity of domestic and foreign companies, etc.
Securitized products	+2.2	(0.0)	+2.2	0.1%	(0.0%)	0.0	0.0	0.0	0.0	0.0	(0.0)	Loan interest revenue from housing loans, etc.
Subtotal	+189.6	(2.8)	+186.8	11.1%	(0.2%)	(5.2)	0.0	0.1	0.1	0.0	(5.2)	

Balance of Investments by Region and Sector: Financial Market Business

Balance by Region (Final Risk Country Basis)

(Units: Billions of Yen)

	March 2022			
	Loan balance	Commitment balance	Total	Composition
Japan	64.5	14.6	79.2	58.3%
North America	18.1	1.7	19.8	14.6%
(Of which, the U.S.)	(16.3)	(1.7)	(18.0)	(13.3%)
Europe	15.2	0.0	15.2	11.2%
Asia and Oceania	13.9	0.0	13.9	10.2%
Middle East	3.9	0.0	3.9	2.9%
Latin America	2.5	0.0	2.5	1.9%
Other (international organization)	1.0	0.0	1.0	0.7%
Total	119.3	16.3	135.7	100.0%

* Excluding Singapore Branch

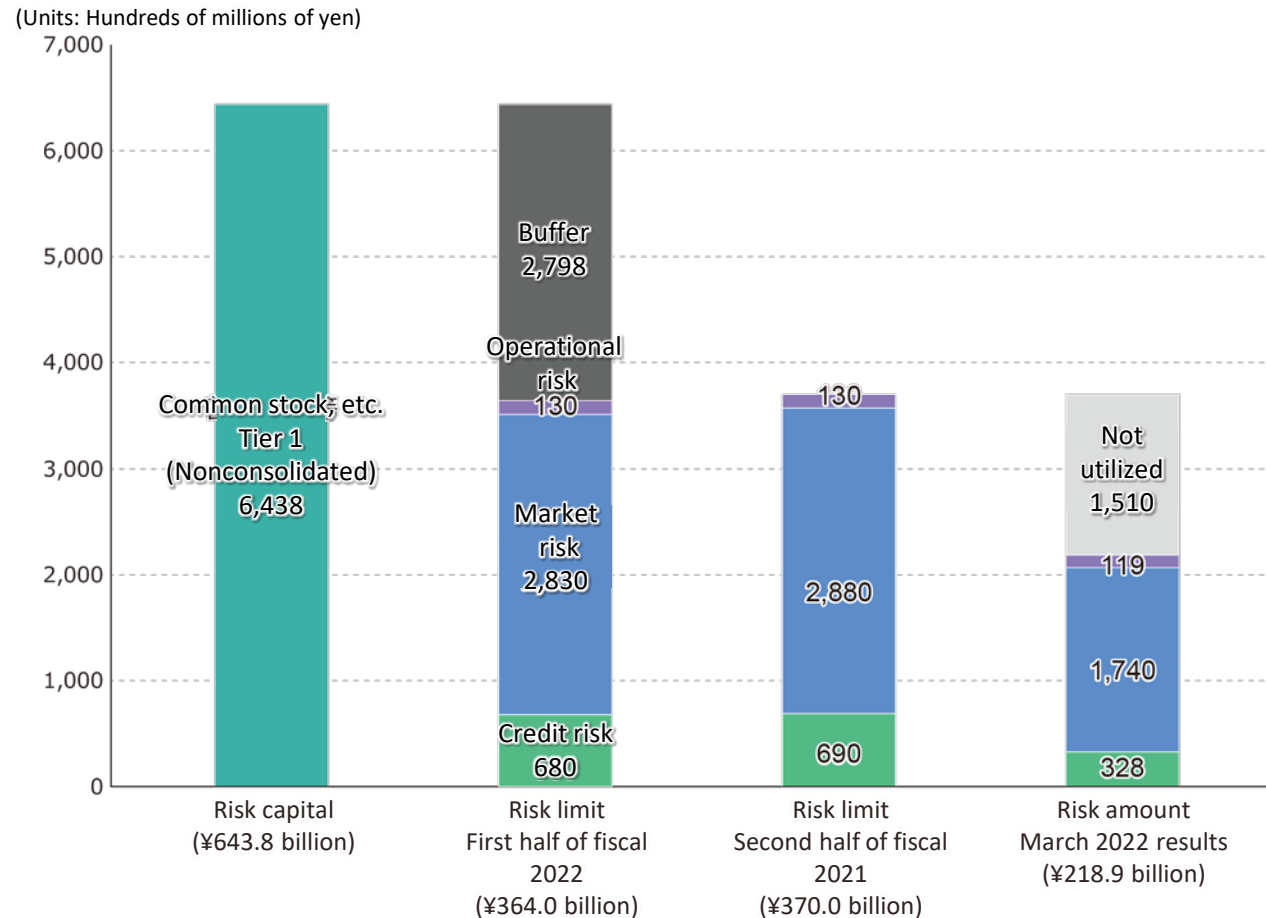
Balance by Sector (Final Risk Country Basis)

(Units: Billions of Yen)

	March 2022			
	Loan balance	Commitment balance	Total	Composition
Electricity and gas	60.7	14.6	75.4	55.6%
(Of which, solar power generation)	(34.3)	(4.6)	(38.9)	(28.7%)
Transportation	14.7	0.0	14.7	10.9%
(Of which, aircraft finance)	(10.0)	(0.0)	(10.0)	(7.4%)
Manufacturing	14.5	0.0	14.5	10.7%
Various services	14.4	0.0	14.4	10.7%
Financial	9.2	1.7	10.9	8.1%
Construction	1.2	0.0	1.2	0.9%
Wholesale and retail	1.0	0.0	1.0	0.7%
Other	3.3	0.0	3.3	2.5%
Total	119.3	16.3	135.7	100.0%

* Excluding Singapore Branch

[Status of Integrated Risk Management (March 31, 2022)]



○ 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