

**Interim Financial Information
for Fiscal Year 2020**

(Ended September 30, 2020)

(Summary)

THE 77 BANK, LTD.

INTERIM FINANCIAL INFORMATION
FOR FISCAL YEAR 2020
(ENDED SEPTEMBER 30, 2020)
(Summary)

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I . Interim Consolidated Information

1. Interim Consolidated Balance Sheets

(Millions of Yen)

Item	科目 (Japanese)	As of MAR.31, 2020	As of SEP.30, 2020
Assets:	(資産の部)		
Cash and due from banks	現金預け金	747,105	1,225,091
Call loans and bills bought	コールローン及び買入手形	429	—
Debt purchased	買入金銭債権	4,000	4,000
Trading account securities	商品有価証券	18,873	19,550
Money held in trust	金銭の信託	82,344	85,987
Investment securities	有価証券	2,903,632	2,972,711
Loans and bills discounted	貸出金	4,886,221	4,927,630
Foreign exchange assets	外国為替	9,528	9,106
Lease receivables and investment assets	リース債権及びリース 投資資産	19,261	19,142
Other assets	その他資産	79,792	78,265
Tangible fixed assets	有形固定資産	32,251	32,093
Intangible fixed assets	無形固定資産	384	365
Deferred tax assets	繰延税金資産	4,173	1,013
Customers' liabilities for acceptances and guarantees	支払承諾見返	45,258	46,210
Reserve for possible loan losses	貸倒引当金	(63,220)	(67,595)
Total assets	資産の部合計	8,770,037	9,353,573

Note: The amounts are rounded down to the nearest million.

(Millions of Yen)

Item	科目 (Japanese)	As of MAR.31, 2020	As of SEP.30, 2020
Liabilities:	(負債の部)		
Deposits	預金	7,576,991	7,912,976
Negotiable certificates of deposit	譲渡性預金	289,000	258,140
Call money and bills sold	コールマネー及び売渡手形	8,706	—
Payables under securities lending transactions	債券貸借取引受入担保金	11,986	1,180
Borrowed money	借入金	285,901	554,208
Foreign exchange liabilities	外国為替	116	193
Other liabilities	その他負債	77,058	77,981
Liability for bonus for directors and corporate auditors	役員賞与引当金	81	—
Net defined benefit liability	退職給付に係る負債	25,539	24,589
Liability for directors' and corporate auditors' retirement benefits	役員退職慰労引当金	26	29
Reserve for stock benefits	株式給付引当金	735	738
Reserve for reimbursement of deposits	睡眠預金払戻損失引当金	337	347
Reserve for contingent losses	偶発損失引当金	860	799
Reserves under special laws	特別法上の引当金	0	0
Deferred tax liabilities	繰延税金負債	—	4,762
Acceptances and guarantees	支払承諾	45,258	46,210
Total liabilities	負債の部合計	8,322,600	8,882,157
Net assets:	(純資産の部)		
Common stock	資本金	24,658	24,658
Capital surplus	資本剰余金	20,517	20,517
Retained earnings	利益剰余金	361,462	367,083
Treasury stock	自己株式	(7,040)	(6,971)
Total stockholders' equity	株主資本合計	399,597	405,288
Unrealized gains on available-for-sale securities	その他有価証券 評価差額金	56,207	73,720
Deferred gain (loss) on derivatives under hedge accounting	繰延ヘッジ損益	(826)	(615)
Remeasurements of defined benefit plans	退職給付に係る調整累 計額	(7,541)	(6,978)
Total accumulated other comprehensive income	その他の包括利益累計 額合計	47,838	66,126
Total net assets	純資産の部合計	447,436	471,415
Total liabilities and net assets	負債及び純資産の部合計	8,770,037	9,353,573

Note: The amounts are rounded down to the nearest million.

2. Interim Consolidated Statements of Income
and Consolidated Interim Statements of Comprehensive Income

Interim Consolidated Statements of Income

(Millions of Yen)

Item	科目 (Japanese)	For the six months ended SEP.30, 2019	For the six months ended SEP.30, 2020
Ordinary income	経常収益	59,409	55,609
Interest income	資金運用収益	36,961	34,258
[Interest on loans and discounts]	[うち貸出金利息]	[20,943]	[20,739]
[Interest and dividends on trading account and investment securities]	[うち有価証券利息配当金]	[15,906]	[13,336]
Fees and commissions	役務取引等収益	8,651	8,295
Other operating income	その他業務収益	6,109	6,372
Other income	その他経常収益	7,688	6,682
Ordinary expenses	経常費用	43,542	44,535
Interest expenses	資金調達費用	1,254	827
[Interest on deposits]	[うち預金利息]	[406]	[192]
Fees and commissions	役務取引等費用	3,159	3,187
Other operating expenses	その他業務費用	7,428	5,452
General and administrative expenses	営業経費	28,275	27,622
Other expenses	その他経常費用	3,424	7,445
Ordinary profits	経常利益	15,867	11,073
Extraordinary income	特別利益	—	—
Extraordinary loss	特別損失	24	146
Impairment loss	減損損失	24	146
Transfer to reserve for financial products transaction liabilities	金融商品取引責任準備金繰入額	0	0
Income before income taxes and minority interests	税金等調整前中間純利益	15,842	10,927
Income taxes - current	法人税、住民税及び事業税	4,122	3,557
Income taxes - deferred	法人税等調整額	400	(108)
Total Income taxes	法人税等合計	4,522	3,449
Net income	中間純利益	11,320	7,477
Net income attributable to owners of the parent	親会社株主に帰属する 中間純利益	11,320	7,477

Note: The amounts are rounded down to the nearest million.

Consolidated Interim Statements of Comprehensive Income

(Millions of Yen)

Item	科目 (Japanese)	For the six months ended SEP.30, 2019	For the six months ended SEP.30, 2020
Net income	中間純利益	11,320	7,477
Other comprehensive income	その他の包括利益	(696)	18,288
Unrealized gain on available-for-sale securities	その他有価証券評価差額金	(1,176)	17,513
Deferred gains or losses on hedges	繰延ヘッジ損益	63	211
Remeasurements of defined benefit plans, net of tax	退職給付に係る調整額	416	563
Comprehensive income	中間包括利益	10,623	25,766
Comprehensive income attributable to owners of the parent	親会社株主に係る中間包括利益	10,623	25,766

Note: The amounts are rounded down to the nearest million.

3. Interim Consolidated Statements of Changes in Net Assets

For the six months ended Sep.30,2019 (from April 1, 2019 to September 30, 2019)

(Millions of Yen)

Item	(Japanese)	Stockholders' equity					Total stockholders' equity	
		Common stock	Capital surplus	Retained earnings	Treasury stock			
		株主資本						
		資本金	資本剰余金	利益剰余金	自己株式	株主資本合計		
Balance at the start of current period	当期首残高	24,658	20,517	346,926	(6,391)	385,710		
Changes of items during the period	当中間期変動額							
Dividends from surplus	剰余金の配当			(1,868)		(1,868)		
Net income attributable to owners	親会社株主に帰属する中間純利益			11,320		11,320		
Purchase of treasury stock	自己株式の取得				(800)	(800)		
Disposal of treasury stock	自己株式の処分		(0)		153	153		
Net changes of items other than shareholders' equity	株主資本以外の項目の当中間期変動額(純額)							
Total changes of items during the period	当中間期変動額合計	—	(0)	9,451	(646)	8,804		
Balance at the end of current period	当中間期末残高	24,658	20,517	356,377	(7,038)	394,515		

Note: The amounts are rounded down to the nearest million.

(Millions of Yen)

Item	(Japanese)	Accumulated other comprehensive income				Total net assets	
		Unrealized gain on available-for-sale securities	Deferred gain (loss) on derivatives under hedge accounting	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
		その他の包括利益累計額					純資産合計
		その他有価証券評価差額金	繰延ヘッジ損益	退職給付に係る調整累計額	その他の包括利益累計額合計		
Balance at the start of current period	当期首残高	111,108	(1,451)	(6,290)	103,367	489,077	
Changes of items during the period	当中間期変動額						
Dividends from surplus	剰余金の配当					(1,868)	
Net income attributable to owners	親会社株主に帰属する中間純利益					11,320	
Purchase of treasury stock	自己株式の取得					(800)	
Disposal of treasury stock	自己株式の処分					153	
Net changes of items other than shareholders' equity	株主資本以外の項目の当中間期変動額(純額)	(1,176)	63	416	(696)	(696)	
Total changes of items during the period	当中間期変動額合計	(1,176)	63	416	(696)	8,107	
Balance at the end of current period	当中間期末残高	109,932	(1,387)	(5,874)	102,670	497,185	

Note: The amounts are rounded down to the nearest million.

For the six months ended Sep.30,2020 (from April 1, 2020 to September 30, 2020)

(Millions of Yen)

Item	(Japanese)	Stockholders' equity					Total stockholders' equity	
		Common stock	Capital surplus	Retained earnings	Treasury stock			
		株主資本						
		資本金	資本剰余金	利益剰余金	自己株式	株主資本合計		
Balance at the start of current period	当期首残高	24,658	20,517	361,462	(7,040)	399,597		
Changes of items during the period	当中間期変動額							
Dividends from surplus	剰余金の配当			(1,856)		(1,856)		
Net income attributable to owners	親会社株主に帰属する中間純利益			7,477		7,477		
Purchase of treasury stock	自己株式の取得				(0)	(0)		
Disposal of treasury stock	自己株式の処分				70	70		
Net changes of items other than shareholders' equity	株主資本以外の項目の当中間期変動額(純額)							
Total changes of items during the period	当中間期変動額合計	—	—	5,621	69	5,690		
Balance at the end of current period	当中間期末残高	24,658	20,517	367,083	(6,971)	405,288		

Note: The amounts are rounded down to the nearest million.

(Millions of Yen)

Item	(Japanese)	Accumulated other comprehensive income				Total net assets	
		Unrealized gain on available-for-sale securities	Deferred gain (loss) on derivatives under hedge accounting	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
		その他の包括利益累計額					純資産合計
		その他有価証券評価差額金	繰延ヘッジ損益	退職給付に係る調整累計額	その他の包括利益累計額合計		
Balance at the start of current period	当期首残高	56,207	(826)	(7,541)	47,838	447,436	
Changes of items during the period	当中間期変動額						
Dividends from surplus	剰余金の配当					(1,856)	
Net income attributable to owners	親会社株主に帰属する中間純利益					7,477	
Purchase of treasury stock	自己株式の取得					(0)	
Disposal of treasury stock	自己株式の処分					70	
Net changes of items other than shareholders' equity	株主資本以外の項目の当中間期変動額(純額)	17,513	211	563	18,288	18,288	
Total changes of items during the period	当中間期変動額合計	17,513	211	563	18,288	23,979	
Balance at the end of current period	当中間期末残高	73,720	(615)	(6,978)	66,126	471,415	

Note: The amounts are rounded down to the nearest million.

4. Interim Consolidated Statements of Cash Flows

(Millions of Yen)

		For the six months ended Sep.30,2019	For the six months ended Sep.30,2020
I. Operating activities:	営業活動によるキャッシュ・フロー		
Income before income taxes and minority interests	税金等調整前中間純利益	15,842	10,927
Depreciation and amortization	減価償却費	1,523	1,490
Impairment loss	減損損失	24	146
Change in reserve for possible loan losses	貸倒引当金の増減	1,506	4,374
Change in reserve for contingent losses	偶発損失引当金の増減	57	(61)
Change in liability for bonus for directors and corporate auditors	役員賞与引当金の増減額	(81)	(81)
Change in net defined benefit liability	退職給付に係る負債の増減額	(117)	(140)
Change in liability for directors' and corporate auditors' retirement benefits	役員退職慰労引当金の増減額	(8)	2
Change in reserve for stock benefits	株式給付引当金の増減	(82)	3
Change in reserve for reimbursement of deposits	睡眠預金払戻損失引当金の増減	(72)	10
Interest income	資金運用収益	(36,961)	(34,258)
Interest expense	資金調達費用	1,254	827
Investment securities losses (gains) - net	有価証券関係損益	(2,043)	(1,496)
Gains on money held in trust - net	金銭の信託の運用損益	(3,265)	(2,254)
Foreign exchange gains (losses) -net	為替差損益	4,127	3,025
Gains on disposals of fixed assets	固定資産処分損益	34	38
Net change in loans and bills discounted	貸出金の純増減	(22,792)	(41,409)
Net change in deposits	預金の純増減	(152,740)	335,984
Net change in negotiable certificates of deposit	譲渡性預金の純増減	(43,170)	(30,860)
Net change in borrowed money	借入金（劣後特約付借入金を除く）の純増減	2,517	268,306
Net change in due from banks	預け金（日銀預け金を除く）の純増減	428	(4,128)
Net change in call loans and others	コールローン等の純増減	(79,891)	429
Net change in call money and others	コールマネー等の純増減	(5,852)	(8,706)
Net change in payable under securities lending transactions	債券貸借取引受入担保金の純増減	(5,597)	(10,806)
Net change in trading account securities	商品有価証券の純増減	(3,787)	(677)
Net change in foreign exchange assets	外国為替（資産）の純増減	(2,343)	421
Net change in foreign exchange liabilities	外国為替（負債）の純増減	(120)	76
Net change in lease receivables and investment assets	リース債権及びリース投資資産の純増減	(1,112)	119
Interest received	資金運用による収入	39,968	36,471
Interest paid	資金調達による支出	(1,343)	(1,042)
Other - net	その他	36,254	9,460
Sub total	小計	(257,846)	536,194
Income taxes (paid) refund	法人税等の支払額又は還付額	(4,216)	(5,118)
Net cash provided by (used in) operating activities	営業活動によるキャッシュ・フロー	(262,063)	531,076

Note: The amounts are rounded down to the nearest million.

(Millions of Yen)

		For the six months ended Sep.30,2019	For the six months ended Sep.30,2020
II .Investing activities:	投資活動によるキャッシュ・フロー		
Purchases of investment securities	有価証券の取得による支出	(220,507)	(412,615)
Proceeds from sales of investment securities	有価証券の売却による収入	29,315	76,552
Proceeds from maturity of investment securities	有価証券の償還による収入	328,495	282,164
Purchases of tangible fixed assets	有形固定資産の取得による支出	(1,214)	(1,464)
Proceeds from sales of tangible fixed assets	有形固定資産の売却による収入	14	5
Purchases of intangible fixed assets	無形固定資産の取得による支出	(96)	—
Payments for asset retirement obligations	資産除去債務の履行による支出	—	—
Net cash (used in) provided by investing activities	投資活動によるキャッシュ・フロー	136,006	(55,357)
III .Financing activities:	財務活動によるキャッシュ・フロー		
Purchases of treasury stock	自己株式の取得による支出	(800)	(0)
Proceeds from sales of treasury stock	自己株式の売却による収入	0	—
Dividends paid	配当金の支払額	(1,865)	(1,859)
Net cash used in financing activities	財務活動によるキャッシュ・フロー	(2,666)	(1,860)
IV .Foreign currency translation adjustments on cash and cash equivalents	現金及び現金同等物に係る換算差額	(13)	(0)
V .Net increase(decrease)in cash and cash equivalents	現金及び現金同等物の増減額	(128,736)	473,857
VI .Cash and cash equivalents, beginning of term	現金及び現金同等物の期首残高	704,983	737,406
VII .Cash and cash equivalents, end of term	現金及び現金同等物の中間期末残高	<u>576,246</u>	<u>1,211,264</u>

Note: The amounts are rounded down to the nearest million.

5. Segment Information

The 77 Bank Group is mainly focused on banking operations and is also engaged in the leasing business and the provision of other financial services. The reportable segments of the Group are subject to periodical review by the Bank's management team to assess performance and allocate management resources based on available financial information related to each segment. The Group's only reportable segment is Banking Operations. The Other Operations segment is immaterial and has been omitted.

II .Interim Non-consolidated Information
1.Interim Non-consolidated Balance Sheets (Parent Company)

(Millions of Yen)

Item	科目 (Japanese)	As of MAR.31, 2020	As of SEP.30, 2020
Assets:	(資産の部)		
Cash and due from banks	現金預け金	747,051	1,225,037
Call loans	コールローン	429	—
Dept purchased	買入金銭債権	4,000	4,000
Trading account securities	商品有価証券	18,873	19,550
Money held in trust	金銭の信託	82,344	85,987
Investment securities	有価証券	2,913,386	2,982,321
Loans and bills discounted	貸出金	4,894,634	4,935,661
Foreign exchange assets	外国為替	9,528	9,106
Other assets	その他資産	62,405	60,535
Tangible fixed assets	有形固定資産	31,912	31,791
Intangible fixed assets	無形固定資産	259	258
Customers' liabilities for acceptances and guarantees	支払承諾見返	45,258	46,210
Reserve for possible loan losses	貸倒引当金	(58,226)	(62,662)
Total assets	資産の部合計	8,751,857	9,337,799

Note: The amounts are rounded down to the nearest million.

(Millions of Yen)

Item	科目 (Japanese)	As of MAR.31, 2020	As of SEP.30, 2020
Liabilities:	(負債の部)		
Deposits	預金	7,586,480	7,923,109
Negotiable certificates of deposit	譲渡性預金	302,000	271,140
Call money	コールマネー	8,706	—
Payables under securities lending transactions	債券貸借取引受入担保金	11,986	1,180
Borrowed money	借入金	280,257	547,122
Foreign exchange liabilities	外国為替	116	193
Other liabilities	その他負債	60,369	61,557
Income tax payable	未払法人税等	3,349	1,634
Lease obligations	リース債務	77	63
asset retirement obligations	資産除去債務	661	664
Other	その他の負債	56,281	59,195
Liability for bonus for directors and corporate auditors	役員賞与引当金	64	—
Liability for employees' retirement benefits	退職給付引当金	14,565	14,419
	株式給付引当金	735	738
Reserve for reimbursement of deposits	睡眠預金払戻損失引当金	337	347
Reserve for contingent losses	偶発損失引当金	860	799
Deferred tax liabilities	繰延税金負債	229	7,836
Acceptances and guarantees	支払承諾	45,258	46,210
Total liabilities	負債の部合計	8,311,967	8,874,655
Net assets:	(純資産の部)		
Common stock	資本金	24,658	24,658
Capital surplus	資本剰余金	8,937	8,937
Legal capital surplus	資本準備金	7,835	7,835
Other capital surplus	その他資本剰余金	1,102	1,102
Retained earnings	利益剰余金	357,402	362,957
Legal retained earnings	利益準備金	24,658	24,658
Other retained earnings	その他利益剰余金	332,743	338,298
Reserve for advanced depreciation of noncurrent assets	固定資産圧縮積立金	708	697
General reserve	別途積立金	312,805	326,305
Retained earnings brought forward	繰越利益剰余金	19,230	11,295
Treasury stock	自己株式	(6,200)	(6,130)
Total stockholders' equity	株主資本合計	384,798	390,422
Unrealized gains on available-for-sale securities	その他有価証券 評価差額金	55,917	73,336
Deferred gain (loss) on derivatives under hedge accounting	繰延ヘッジ損益	(826)	(615)
Total valuation and translation adjustments	評価・換算差額等合計	55,091	72,721
Total net assets	純資産の部合計	439,889	463,144
Total liabilities, and net assets	負債及び純資産の部合計	8,751,857	9,337,799

Note: The amounts are rounded down to the nearest million.

2. Interim Non-consolidated Statements of Income (Parent Company)

(Millions of Yen)

Item	科目 (Japanese)	For the six months ended SEP.30, 2019	For the six months ended SEP.30, 2020
Ordinary income	経常収益	53,974	50,065
Interest income	資金運用収益	37,627	34,885
[Interest on loans and discounts]	[うち貸出金利息]	[20,903]	[20,711]
[Interest and dividends on trading account and investment securities]	[うち有価証券利息配 当金]	[16,613]	[13,990]
Fees and commissions	役務取引等収益	8,211	7,854
Other operating income	その他業務収益	413	615
Other income	その他経常収益	7,721	6,710
Ordinary expenses	経常費用	38,495	39,443
Interest expenses	資金調達費用	1,246	817
[Interest on deposits]	[うち預金利息]	[406]	[192]
Fees and commissions	役務取引等費用	3,615	3,686
Other operating expenses	その他業務費用	3,431	1,364
General and administrative expenses	営業経費	26,764	26,199
Other expenses	その他経常費用	3,436	7,375
Ordinary profits	経常利益	15,478	10,622
Extraordinary income	特別利益	—	—
Extraordinary loss	特別損失	24	146
Income before income taxes	税引前中間純利益	15,454	10,476
Income taxes - current	法人税、住民税 及び事業税	3,799	3,193
Income taxes - deferred	法人税等調整額	399	(128)
Total income taxes	法人税等合計	4,199	3,065
Net income	中間純利益	11,255	7,411

Note: The amounts are rounded down to the nearest million.

3. Interim Non-consolidated Statements of Changes in Net Assets (Parent Company)

For the six months ended Sep.30,2019 (from April 1, 2019 to September 30, 2019)

(Millions of Yen)

Item	(Japanese)	Stockholders' equity								
		Common stock	Capital surplus			Retained earnings				
			Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings			Total retained earnings
							Reserve for advanced depreciation of noncurrent assets	General reserve	Retained earnings brought forward	
		株主資本								
資本金	資本剰余金			利益剰余金						
	資本準備金	その他資本剰余金	資本剰余金合計	利益準備金	その他利益剰余金			利益剰余金合計		
		固定資産圧縮積立金	別途積立金	繰越利益剰余金						
Balance at the start of current period	当期首残高	24,658	7,835	1,102	8,937	24,658	731	298,305	20,114	343,810
Changes of items during the period	当中間期変動額									
Dividends from surplus	剰余金の配当								(1,868)	(1,868)
Reversal of reserve for advanced depreciation of	固定資産圧縮積立金の取崩						(13)		13	—
Provision of general reserve	別途積立金の積立							14,500	(14,500)	—
Interim net income	中間純利益								11,255	11,255
Purchase of treasury stock	自己株式の取得									
Disposal of treasury stock	自己株式の処分			(0)	(0)					
Net changes of items other than shareholders' equity	株主資本以外の項目の当中間期変動額(純額)									
Total changes of items during the period	当中間期変動額合計	—	—	(0)	(0)	—	(13)	14,500	(5,100)	9,386
Balance at the end of current period	当中間期末残高	24,658	7,835	1,102	8,937	24,658	718	312,805	15,014	353,196

Note: The amounts are rounded down to the nearest million.

(Millions of Yen)

Item	(Japanese)	Stockholders' equity		Valuation and translation adjustments			Total net assets
		Treasury stock	Total stockholders' equity	Unrealized gain on available-for-sale securities	Deferred gain on derivatives under hedge accounting	Total valuation and translation adjustments	
		株主資本		評価・換算差額等			
		自己株式	株主資本合計	その他有価証券評価差額金	繰延ヘッジ損益	評価・換算差額等合計	純資産合計
Balance at the start of current period	当期首残高	(5,551)	371,855	110,820	(1,451)	109,368	481,223
Changes of items during the period	当中間期変動額						
Dividends from surplus	剰余金の配当		(1,868)				(1,868)
Reversal of reserve for advanced depreciation of noncurrent assets	固定資産圧縮積立金の取崩		—				—
Provision of general reserve	別途積立金の積立		—				—
Interim net income	中間純利益		11,255				11,255
Purchase of treasury stock	自己株式の取得	(800)	(800)				(800)
Disposal of treasury stock	自己株式の処分	153	153				153
Net changes of items other than shareholders' equity	株主資本以外の項目の当中間期変動額(純額)			(1,217)	63	(1,154)	(1,154)
Total changes of items during the period	当中間期変動額合計	(646)	8,739	(1,217)	63	(1,154)	7,584
Balance at the end of current period	当中間期末残高	(6,198)	380,594	109,602	(1,387)	108,214	488,808

Note: The amounts are rounded down to the nearest million.

For the six months ended Sep.30,2020 (from April 1, 2020 to September 30, 2020)

(Millions of Yen)

Item	(Japanese)	Stockholders' equity								
		Common stock	Capital surplus			Retained earnings				
			Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings			Total retained earnings
							Reserve for advanced depreciation of noncurrent assets	General reserve	Retained earnings brought forward	
株主資本										
資本金	資本剰余金			利益剰余金						
	資本準備金	その他資本剰余金	資本剰余金合計	利益準備金	その他利益剰余金			利益剰余金合計		
					固定資産圧縮積立金	別途積立金	繰越利益剰余金			
Balance at the start of current period	当期首残高	24,658	7,835	1,102	8,937	24,658	708	312,805	19,230	357,402
Changes of items during the period	当中間期変動額									
Dividends from surplus	剰余金の配当								(1,856)	(1,856)
Reversal of reserve for advanced depreciation of	固定資産圧縮積立金の取崩						(10)		10	—
Provision of general reserve	別途積立金の積立							13,500	(13,500)	—
Interim net income	中間純利益								7,411	7,411
Purchase of treasury stock	自己株式の取得									
Disposal of treasury stock	自己株式の処分									
Net changes of items other than shareholders'equity	株主資本以外の項目の当中間期変動額(純額)									
Total changes of items during the period	当中間期変動額合計	—	—	—	—	—	(10)	13,500	(7,935)	5,554
Balance at the end of current period	当中間期末残高	24,658	7,835	1,102	8,937	24,658	697	326,305	11,295	362,957

Note: The amounts are rounded down to the nearest million.

(Millions of Yen)

Item	(Japanese)	Stockholders' equity		Valuation and translation adjustments			Total net assets
		Treasury stock	Total stockholders' equity	Unrealized gain on available-for-sale securities	Deferred gain on derivatives under hedge accounting	Total valuation and translation adjustments	
		株主資本		評価・換算差額等			
		自己株式	株主資本合計	その他有価証券評価差額金	繰延ヘッジ損益	評価・換算差額等合計	純資産合計
Balance at the start of current period	当期首残高	(6,200)	384,798	55,917	(826)	55,091	439,889
Changes of items during the period	当中間期変動額						
Dividends from surplus	剰余金の配当		(1,856)				(1,856)
Reversal of reserve for advanced depreciation of noncurrent assets	固定資産圧縮積立金の取崩		—				—
Provision of general reserve	別途積立金の積立		—				—
Interim net income	中間純利益		7,411				7,411
Purchase of treasury stock	自己株式の取得	(0)	(0)				(0)
Disposal of treasury stock	自己株式の処分	70	70				70
Net changes of items other than shareholders' equity	株主資本以外の項目の当中間期変動額(純額)			17,418	211	17,630	17,630
Total changes of items during the period	当中間期変動額合計	69	5,624	17,418	211	17,630	23,254
Balance at the end of current period	当中間期末残高	(6,130)	390,422	73,336	(615)	72,721	463,144

Note: The amounts are rounded down to the nearest million.

III.Explanatory Materials to Interim Financial Report

1.Interim Financial Data

A. Interest Margin

【Non-consolidated】

(%)

	(Japanese)	For the six months ended Sep.30,2020		For the six months ended Sep.30,2019 (B)	For FY 2019 ended Mar.31,2020
		(A)	(A)-(B)		
(1) Fund management yield (A)	資金運用利回	0.79	(0.14)	0.93	0.87
Loans and bills discounted interest rate	貸出金利回	0.83	(0.05)	0.88	0.88
Securities interest rate	有価証券利回	0.97	(0.21)	1.18	1.02
(2) Funding cost (B)	資金調達原価	0.61	(0.08)	0.69	0.70
Deposits and certificates of deposit interest rate	預金等利回	0.00	(0.01)	0.01	0.00
(3) Net interest margin (A)-(B)	総資金利鞘	0.18	(0.06)	0.24	0.17

(Ref.) Interest margin (Domestic operations) 【Non-consolidated】

(%)

	(Japanese)	For the six months ended Sep.30,2020		For the six months ended Sep.30,2019 (B)	For FY 2019 ended Mar.31,2020
		(A)	(A)-(B)		
(1) Fund management yield (A)	資金運用利回	0.77	(0.08)	0.85	0.80
Loans and bills discounted interest rate	貸出金利回	0.82	(0.03)	0.85	0.85
Securities interest rate	有価証券利回	0.94	(0.14)	1.08	0.94
(2) Funding cost (B)	資金調達原価	0.59	(0.07)	0.66	0.68
Deposits and certificates of deposit interest rate	預金等利回	0.00	0.00	0.00	0.00
(3) Net interest margin (A)-(B)	総資金利鞘	0.18	(0.01)	0.19	0.12

B. Gains or Losses of Securities

【Non-consolidated】

(Millions of Yen)

	(Japanese)	For the six months ended Sep.30,2020		For the six months ended Sep.30,2019 (B)	For FY 2019 ended Mar.31,2020
		(A)	(A)-(B)		
Gains (losses) on bonds	国債等債券損益	(457)	501	(958)	(2,445)
Gains on sales	売却益	234	124	110	110
Gains on maturity	償還益	—	—	—	—
Losses on sales	売却損	1	(63)	64	65
Losses on maturity	償還損	670	(334)	1,004	2,490
Write-off	償却	20	20	—	—
Gains (losses) on stocks	株式等関係損益	1,953	(1,048)	3,001	4,637
Gains on sales	売却益	2,799	(300)	3,099	4,967
Losses on sales	売却損	843	801	42	71
Write-off	償却	1	(53)	54	258

C. Capital Adequacy Ratio

【Consolidated】 (Domestic Standard)

(Millions of Yen)

	(Japanese)	As of SEP.30, 2020		MAR.31, 2020
		(A)	(A)-(B)	(B)
(1) Capital adequacy ratio	自己資本比率	10.35%	0.04%	10.31%
(2) Basic items related to core capital	コア資本に係る基礎項目	430,554	8,018	422,536
(3) Adjustments related to core capital	コア資本に係る調整項目	253	(14)	267
(4) Total capital (2)-(3)	自己資本	430,301	8,033	422,268
(5) Risk-adjusted assets	リスクアセット	4,153,622	58,264	4,095,358

【Non-consolidated】 (Domestic Standard)

(Millions of Yen)

	(Japanese)	As of SEP.30, 2020		MAR.31, 2020
		(A)	(A)-(B)	(B)
(1) Capital adequacy ratio	自己資本比率	10.18%	0.04%	10.14%
(2) Basic items related to core capital	コア資本に係る基礎項目	419,783	7,326	412,457
(3) Adjustments related to core capital	コア資本に係る調整項目	182	(3)	185
(4) Total capital (2)-(3)	自己資本	419,600	7,328	412,272
(5) Risk-adjusted assets	リスクアセット	4,120,916	58,529	4,062,387

2. Condition of Loans Portfolio

A. Risk-monitored Loans

Partly direct write-off : Not applicable

Standard for not appropriating accrued interest : All the accrued interest to borrowers in "Legal bankruptcy", "Virtual bankruptcy" and "Possible bankruptcy" based on self credit assessments is not appropriated.

Loans to borrowers belonging to the above classifications, regardless of the accrued interest, are classified as "Loans to borrowers under bankruptcy" or "Past due loans".

【Non-consolidated】

(Millions of Yen)

	(Japanese)	As of SEP.30, 2020			MAR.31, 2020 (B)	SEP.30, 2019 (C)
		(A)	(A)-(B)	(A)-(C)		
Loans to borrowers under bankruptcy	破綻先債権額	9,035	(663)	3,397	9,698	5,638
Past due loans	延滞債権額	71,611	6,726	6,433	64,885	65,178
Accruing loans contractually past due three months or more	3カ月以上延滞債権額	1,562	695	600	867	962
Restructured loans	貸出条件緩和債権額	32,435	3,908	7,528	28,527	24,907
Total	合計	114,644	10,666	17,958	103,978	96,686
Loans and bills discounted	貸出金残高(未残)	4,935,661	41,027	187,470	4,894,634	4,748,191

= Percentage of total loans and bills discounted =

(%)

Loans to borrowers under bankruptcy	破綻先債権額	0.18	(0.01)	0.07	0.19	0.11
Past due loans	延滞債権額	1.45	0.13	0.08	1.32	1.37
Accruing loans contractually past due three months or more	3カ月以上延滞債権額	0.03	0.02	0.01	0.01	0.02
Restructured loans	貸出条件緩和債権額	0.65	0.07	0.13	0.58	0.52
Total	合計	2.32	0.20	0.29	2.12	2.03

(Ref.) In case of applying partly direct write-off

(Million of Yen, %)

	(Japanese)	As of SEP.30, 2020			MAR.31, 2020 (B)	SEP.30, 2019 (C)
		(A)	(A)-(B)	(A)-(C)		
Amount of partly direct write-off	部分直接償却額	14,919	(510)	5,128	15,429	9,791
Total of risk-monitored loans	リスク管理債権額合計	99,725	11,176	12,830	88,549	86,895
Loans and bills discounted	貸出金残高(未残)	4,920,742	41,537	182,342	4,879,205	4,738,400
Percentage of total loans	貸出金残高比	2.02	0.21	0.19	1.81	1.83

【Consolidated】

(Millions of Yen)

	(Japanese)	As of SEP.30, 2020			MAR.31, 2020 (B)	SEP.30, 2019 (C)
		(A)	(A)-(B)	(A)-(C)		
Loans to borrowers under bankruptcy	破綻先債権額	9,326	(650)	3,500	9,976	5,826
Past due loans	延滞債権額	72,601	6,793	6,321	65,808	66,280
Accruing loans contractually past due three months or more	3カ月以上延滞債権額	1,562	695	600	867	962
Restructured loans	貸出条件緩和債権額	32,444	3,908	7,529	28,536	24,915
Total	合計	115,935	10,747	17,949	105,188	97,986
Loans and bills discounted	貸出金残高(未残)	4,927,630	41,409	185,896	4,886,221	4,741,734

= Percentage of total loans and bills discounted =

(%)

Loans to borrowers under bankruptcy	破綻先債権額	0.18	(0.02)	0.06	0.20	0.12
Past due loans	延滞債権額	1.47	0.13	0.08	1.34	1.39
Accruing loans contractually past due three months or more	3カ月以上延滞債権額	0.03	0.02	0.01	0.01	0.02
Restructured loans	貸出条件緩和債権額	0.65	0.07	0.13	0.58	0.52
Total	合計	2.35	0.20	0.29	2.15	2.06

B. Reserve for Possible Loan Losses

(1) Write-off and Reserve Standard

a. General Reserve

Classifications		(Japanese)	Reserve Standard
Claims on normal debtors		正常先債権	Amounts are booked in general loan loss reserves based on the actual loan-loss ratio for the last two years
Claims on debtors under caution	Claims on debtors under caution, other than special-mentioned	要管理先以外の要注意先債権	Amounts are booked in general loan loss reserves based on the actual loan-loss ratio for the last two years
	Claims on special-mentioned debtors under caution	要管理先債権	Amounts are booked in general loan loss reserves based on the actual loan-loss ratio for the last three years. In addition, for borrowers that exceed credit limits, amounts are booked in general loan loss reserves based on the discounted cash flow method.

b. Special Reserve

Classifications		(Japanese)	Write-off and Reserve Standard
Claims on debtors under possible bankruptcy		破綻懸念先債権	For loans not secured by collateral or guarantees, amounts are transferred to special loan loss reserves based on the actual loan-loss ratio for the last three years. In addition, for borrowers that exceed credit limits, amounts are transferred to special loan loss reserves based on the discounted cash flow method.
Claims on debtors under virtual bankruptcy		実質破綻先債権	All loans not secured by collateral or guarantees are transferred to the special loan loss reserve or written off.
Claims on debtors under legal bankruptcy		破綻先債権	

(2) Conditions of Reserve for Possible Loan Losses

【Non-consolidated】

(Millions of Yen)

	(Japanese)	As of SEP.30, 2020			MAR.31, 2020	SEP.30, 2019
		(A)	(A)-(B)	(A)-(C)	(B)	(C)
Reserve for possible Loan losses	貸倒引当金	62,662	4,436	5,497	58,226	57,165
General reserve	一般貸倒引当金	30,417	1,762	3,073	28,655	27,344
Special reserve	個別貸倒引当金	32,244	2,673	2,424	29,571	29,820
Special reserve for loans to certain countries	特定海外債権引当勘定	—	—	—	—	—

【Consolidated】

(Millions of Yen)

	(Japanese)	As of SEP.30, 2020			MAR.31, 2020	SEP.30, 2019
		(A)	(A)-(B)	(A)-(C)	(B)	(C)
Reserve for possible Loan losses	貸倒引当金	67,595	4,375	5,220	63,220	62,375
General reserve	一般貸倒引当金	33,301	1,825	3,126	31,476	30,175
Special reserve	個別貸倒引当金	34,293	2,549	2,093	31,744	32,200
Special reserve for loans to certain countries	特定海外債権引当勘定	—	—	—	—	—

C. Loans by Industry

【Non-consolidated】

(Millions of Yen)

	(Japanese)	As of SEP.30, 2020			MAR.31, 2020 (B)	SEP.30, 2019 (C)
		(A)	(A)-(B)	(A)-(C)		
Domestic offices (Excluding Japan offshore banking accounts)	国内店分 (除く特別国際 金融取引勘定分)	4,935,661	41,027	187,470	4,894,634	4,748,191
Manufacturing	製造業	468,769	22,857	44,699	445,912	424,070
Agriculture and Forestry	農業、林業	6,606	23	918	6,583	5,688
Fishery	漁業	4,933	(161)	(197)	5,094	5,130
Mining and quarrying of stone and gravel	鉱業、採石業、砂利採取業	3,098	(180)	(439)	3,278	3,537
Construction companies	建設業	154,831	8,599	12,631	146,232	142,200
Utilities	電気・ガス・熱供給・水道業	211,789	8,401	17,474	203,388	194,315
Information and communications	情報通信業	21,461	214	(8,189)	21,247	29,650
Transport and postal activities	運輸業、郵便業	112,956	(8,471)	(12,557)	121,427	125,513
Wholesale and retail	卸売業、小売業	404,729	6,202	14,499	398,527	390,230
Financial institutions	金融業、保険業	313,707	(46,464)	14,638	360,171	299,069
Real estate and goods rental and leasing	不動産業、物品賃貸業	1,060,883	18,892	53,516	1,041,991	1,007,367
Services,N.E.C.	その他サービス業	355,546	14,600	21,109	340,946	334,437
Municipalities	地方公共団体	629,818	6,673	(4,881)	623,145	634,699
Other	その他	1,186,530	9,845	34,250	1,176,685	1,152,280

D. Risk-monitored Loans by Industry

【Non-consolidated】

(Millions of Yen)

	(Japanese)	As of SEP.30, 2020			MAR.31, 2020 (B)	SEP.30, 2019 (C)
		(A)	(A)-(B)	(A)-(C)		
Domestic offices (Excluding Japan offshore banking accounts)	国内店分 (除く特別国際 金融取引勘定分)	114,644	10,666	17,958	103,978	96,686
Manufacturing	製造業	21,170	2,633	3,347	18,537	17,823
Agriculture and Forestry	農業、林業	715	209	179	506	536
Fishery	漁業	548	(2)	(15)	550	563
Mining and quarrying of stone and gravel	鉱業、採石業、砂利採取業	69	(16)	(27)	85	96
Construction companies	建設業	6,979	(44)	(83)	7,023	7,062
Utilities	電気・ガス・熱供給・水道業	697	(7)	427	704	270
Information and communications	情報通信業	1,512	6	(37)	1,506	1,549
Transport and postal activities	運輸業、郵便業	1,654	84	272	1,570	1,382
Wholesale and retail	卸売業、小売業	25,758	1,848	4,597	23,910	21,161
Financial institutions	金融業、保険業	403	0	(5)	403	408
Real estate and goods rental and leasing	不動産業、物品賃貸業	11,777	1,136	1,354	10,641	10,423
Services,N.E.C.	その他サービス業	32,715	4,534	7,584	28,181	25,131
Municipalities	地方公共団体	—	—	—	—	—
Other	その他	10,639	280	363	10,359	10,276

E. Loans to Consumers

【Non-consolidated】

(Millions of Yen)

	(Japanese)	As of SEP.30, 2020			MAR.31, 2020 (B)	SEP.30, 2019 (C)
		(A)	(A)-(B)	(A)-(C)		
Consumer loans	消費者ローン残高	1,192,906	11,316	35,021	1,181,590	1,157,885
Housing loans	うち住宅ローン残高	1,135,251	12,359	34,657	1,122,892	1,100,594
Other consumer loans	うちその他ローン残高	57,654	(1,043)	364	58,697	57,290

F. Loans to Small & Medium-sized Companies and to Consumers

【Non-consolidated】

(%)

	(Japanese)	As of SEP.30, 2020			MAR.31, 2020 (B)	SEP.30, 2019 (C)
		(A)	(A)-(B)	(A)-(C)		
Percentage of total loans	中小企業等貸出比率	62.87	(0.29)	0.16	63.16	62.71

3. Condition of Securities Portfolio

A. Appraisal Standard for Investment Securities

Available-for-sale securities	売買目的 有価証券	Market value method (unrealized gains/losses are recorded in profit and loss)	時価法(評価差額を 損益処理)
Held-to-maturity securities	満期保有目的 有価証券	Depreciation cost method	償却原価法
Other investment securities	その他有価証券	Market value method (unrealized gains/losses are included in stockholders' equity)	時価法(評価差額を 全部純資産直入)
Subsidiary and affiliate stocks	子会社株式及び 関連会社株式	Cost method	原価法

(Ref.) Securities in money held in trust

Money held in trust for investing	運用目的の 金銭の信託	Market value method (unrealized gains/losses are recorded in profit and loss)	時価法(評価差額を 損益処理)
Other money held in trust	その他の 金銭の信託	Market value method (unrealized gains/losses are included in stockholders' equity)	時価法(評価差額を 全部純資産直入)

B. Unrealized Gains or Losses of Investment Securities

【Consolidated】

(Millions of Yen)

	(Japanese)	As of SEP.30, 2020				As of MAR.31, 2020		
		Unrealized gains (losses)				Unrealized gains (losses)		
		(A)	(A)-(B)	Gains	Losses	(B)	Gains	Losses
		評価損益				評価損益		
		対比	評価益	評価損		評価益	評価損	
Held-to-maturity	満期保有目的	0	0	0	—	0	0	—
Other investment	その他有価証券	102,764	23,817	126,111	23,347	78,947	110,319	31,372
Stocks	株式	58,302	6,380	60,619	2,316	51,922	54,647	2,724
Bonds	債券	8,225	(1,340)	11,125	2,900	9,565	13,036	3,471
Other	その他	36,236	18,778	54,366	18,129	17,458	42,635	25,176
Total	合計	102,764	23,817	126,111	23,347	78,947	110,320	31,372
Stocks	株式	58,302	6,380	60,619	2,316	51,922	54,647	2,724
Bonds	債券	8,225	(1,341)	11,126	2,900	9,566	13,037	3,471
Other	その他	36,236	18,778	54,366	18,129	17,458	42,635	25,176

Note: 1. Since "Other investment" is valued using the market value method, the difference between the carrying amount in the Interim Consolidated Balance Sheets and the acquisition cost is recorded in the above table.

2. Valuation of "Other investment" is based on the market value at the end of the interim period.

【Non-consolidated】

(Millions of Yen)

	(Japanese)	As of SEP.30, 2020				As of MAR.31, 2020		
		Unrealized gains (losses)				Unrealized gains (losses)		
		(A)	(A)-(B)	Gains	Losses	(B)	Gains	Losses
		評価損益				評価損益		
		対比	評価益	評価損		評価益	評価損	
Held-to-maturity	満期保有目的	—	—	—	—	—	—	—
Other investment	その他有価証券	101,790	23,674	125,137	23,347	78,116	109,489	31,372
Stocks	株式	57,328	6,236	59,644	2,316	51,092	53,817	2,724
Bonds	債券	8,225	(1,340)	11,125	2,900	9,565	13,036	3,471
Other	その他	36,236	18,778	54,366	18,129	17,458	42,635	25,176
Total	合計	101,790	23,674	125,137	23,347	78,116	109,489	31,372
Stocks	株式	57,328	6,236	59,644	2,316	51,092	53,817	2,724
Bonds	債券	8,225	(1,340)	11,125	2,900	9,565	13,036	3,471
Other	その他	36,236	18,778	54,366	18,129	17,458	42,635	25,176

Note: 1. Since "Other investment" is valued using the market value method, the difference between the carrying amount in the Interim Non-consolidated Balance Sheets and the acquisition cost is recorded in the above table.

2. Valuation of "Other investment" is based on the market value at the end of the interim period.