

SURUGA bank, Ltd.

Consolidated financial results for the fiscal year ended March 31, 2020

<under Japanese GAAP>

Stock exchange listings: Tokyo (code: 8358)

URL: <https://www.surugabank.co.jp>

Representative: Michio Arikuni, President

Dividend payment date: June 12, 2020

(Amounts and percentages are rounded down to the nearest million yen and first decimal places, respectively.)

1. Consolidated financial results for the fiscal year ended March 31, 2020

(1) Consolidated operating results

(% represents the change from the previous fiscal year)

	Ordinary income		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2020	118,008	(15.4)	41,763	-	25,324	-
March 31, 2019	139,635	(10.6)	(74,342)	-	(97,146)	-

(Note) Comprehensive income: (a) Fiscal year ended March 31, 2020: ¥15,192 million [- %]

(b) Fiscal year ended March 31, 2019: ¥(99,947) million [- %]

	Earnings per share	Earnings per share (diluted)	Return on net assets	Ordinary profit on total assets	Ordinary profit on ordinary income
	yen	yen	%	%	%
Fiscal year ended March 31, 2020	109.32	-	10.1	1.2	35.3
March 31, 2019	(419.36)	-	(33.2)	(1.8)	(53.2)

(Reference) Equity in gains (losses) of affiliates: (a) Fiscal year ended March 31, 2020: ¥5 million

(b) Fiscal year ended March 31, 2019: ¥1 million

(Note1) Earnings per share for the fiscal year ended March 31, 2020 is not provided because there are no potentially shares.

(Note2) Earnings per share for the fiscal year ended March 31, 2019 is not provided although there was a potential share, a loss was recorded.

(2) Consolidated financial position

	Total assets	Total net assets	Net assets ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2020	3,481,579	256,892	7.3	1,108.48
March 31, 2019	3,428,327	242,308	7.0	1,040.42

(Reference) Shareholders' equity: (a) As of March 31, 2020: ¥256,781 million; (b) As of March 31, 2019: ¥241,015 million

(Note) Nets assets ratio = {(Total net assets - Subscription rights to shares - Non-controlling interests) / Total assets} × 100

This ratio is not calculated based on the "Capital Adequacy Ratio Notification".

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at year-end
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2020	460,788	(7,865)	(596)	870,004
March 31, 2019	(547,470)	(1,087)	(2,507)	417,679

2. Dividends on common stock

	Dividends per share					Total dividends	Dividend payout ratio (Consolidated)	Dividend on net assets ratio (Consolidated)
	1 st quarter -end	2 nd quarter -end	3 rd quarter -end	Fiscal year -end	Total			
Fiscal year ended March 31, 2019	yen	yen	yen	yen	yen	Millions of yen	%	%
ended March 31, 2020	-	0.00	-	0.00	0.00	-	-	-
ended March 31, 2021	-	0.00	-	5.00	5.00	1,158	4.5	0.4
ending March 31, 2021 (forecast)	-	0.00	-	5.00	5.00		19.3	

3. Consolidated earnings forecast for the fiscal year ending March 31, 2021

(% represents the change from the same period in the previous fiscal year)

	Ordinary income		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
1H, FY3/2021	48,500	(24.2)	500	(97.5)	(3,500)	-	(15.10)
FY3/2021	96,000	(18.6)	8,000	(80.8)	6,000	(76.3)	25.90

(Note) The earnings forecast for the fiscal year ending March 31, 2021 was calculated with thought to impacts of the coronavirus (COVID-19) pandemic foreseeable at the present time. However, if the impacts continue for a long time, the earnings forecast may be revised, for instance, due to further increase in net credit costs. If matters to be disclosed arise, such matters will be promptly disclosed.

(Notes)

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries that caused changes in the scope of consolidation): No
- (2) Changes in accounting policies, changes in accounting estimates and restatements
 (A) Changes in accounting policies due to revision of accounting standards: No
 (B) Changes in accounting policies due to reasons other than (A): No
 (C) Changes in accounting estimates: No
 (D) Restatements: No

(3) Number of issued shares (common stock)

(A) Number of issued shares (including treasury shares):	As of Mar. 31, 2020	232,139,248 shares	As of Mar. 31, 2019	232,139,248 shares
(B) Number of treasury shares:	As of Mar. 31, 2020	489,165 shares	As of Mar. 31, 2019	488,242 shares
(C) Average number of shares:	Fiscal year ended Mar. 31, 2020	231,650,564 shares	Fiscal year ended Mar. 31, 2019	231,648,714 shares

(Reference) Summary of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2020

(1) Non-consolidated operating results (% represents the change from the previous fiscal year)

	Ordinary income		Ordinary profit		Net income	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2020	104,464	(18.0)	39,991	-	24,474	-
March 31, 2019	127,407	(9.9)	(74,985)	-	(97,016)	-

	Earnings per share	Earnings per share (diluted)
Fiscal year ended	Yen	yen
March 31, 2020	105.65	-
March 31, 2019	(418.80)	-

(2) Non-consolidated financial position

	Total assets	Total net assets	Net assets ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	yen
March 31, 2020	3,469,060	245,218	7.0	1,058.57
March 31, 2019	3,412,017	227,947	6.6	983.95

(Reference) Shareholders' equity: (a) As of March 31, 2020: ¥245,218 million; (b) As of March 31, 2019: ¥227,935 million

(Note) Net assets ratio = {(Total net assets - Subscription rights to shares) / Total assets} × 100

This ratio is not calculated based on the "Capital Adequacy Ratio Notification".

2. Non-consolidated earnings forecast for the fiscal year ending March 31, 2021

(% represents the change from the same period in the previous fiscal year)

	Ordinary income		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
1H, FY3/2021	43,000	(24.7)	0	(100.0)	(4,000)	-	(17.26)
FY3/2021	85,000	(18.6)	7,000	(82.4)	5,000	(79.5)	21.58

(Note) The earnings forecast for the fiscal year ending March 31, 2021 was calculated with thought to impacts of the coronavirus (COVID-19) pandemic foreseeable at the present time. However, if the impacts continue for a long time, the earnings forecast may be revised, for instance, due to further increase in net credit costs. If matters to be disclosed arise, such matters will be promptly disclosed.

(Note) This report is outside the scope of audit procedures by certified public accountants or audit firms.

(Note) Explanation on appropriate use of forecast and other special items

The performance forecasts and other forward-looking statements in this report are based on information currently available to the company and on certain assumptions deemed to be reasonable, and are not intended to guarantee future performance. Actual performance may differ materially depending on various factors.

(Appendix)

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* Financial results for the fiscal year ended March 31, 2020 supplementary information

1. Overview of operating results, etc.

(1) Overview of operating results

In the fiscal year ended March 31, 2020, consolidated ordinary income decreased by ¥21.627 billion year-on-year to ¥118.008 billion. This was mainly due to the decline in interest income reflecting the drop in interest on loans and bills discounted. Meanwhile, ordinary expenses decreased by ¥137.733 billion year-on-year to ¥76.245 billion, mainly due to a decrease in credit costs. As a result, ordinary profit increased by ¥116.105 billion year-on-year to ¥41.763 billion, and profit attributable to owners of parent increased by ¥122.470 billion year-on-year to ¥25.324 billion.

Non-consolidated operating results were as follows:

(A) Gross operating profit

Gross operating profit decreased by ¥19.650 billion year-on-year to ¥80.345 billion on the back of the drop (¥18.951 billion) in net interest income.

(B) Expenses

Expenses decreased by ¥3.097 billion year-on-year to ¥43.780 billion.

(C) Net operating profit

Core net operating profit decreased by ¥16.282 billion year-on-year to ¥36.334 billion, mainly due to a drop in net interest income.

Net operating profit increased by ¥10.156 billion year-on-year to ¥36.564 billion, mainly due to a decrease in provision for general allowance for loan losses.

(Note) Core net operating profit = Net operating profit + Provision for general allowance for loan losses
- Gains (losses) on bonds

(D) Ordinary profit

Ordinary profit increased by ¥114.976 billion year-on-year to ¥39.991 billion, mainly due to a decrease in net credit costs.

(E) Net income

Net income increased by ¥121.490 billion year-on-year to ¥24.474 billion, mainly due to a decrease in net credit costs.

(F) Net credit costs

Provision for general allowance for loan losses decreased by ¥26.710 billion year-on-year. Disposal of non-performing loans decreased by ¥106.310 billion year-on-year to ¥4.039 billion. Reversal of allowance for loan losses increased by ¥0.229 billion year-on-year. As a result, net credit costs decreased by ¥133.251 billion year-on-year to ¥3.809 billion.

Actual credit costs decreased by ¥133.901 billion year-on-year to ¥2.457 billion.

(Note) Net credit costs = Provision for general allowance for loan losses

+ Disposal of non-performing loans - Reversal of allowance for loan losses

(Note) Actual credit costs = Net credit costs - Recoveries on written-off claims

(2) Overview of financial position

As for consolidated major account balances, loans and bills discounted came in at ¥2,502.838 billion, down by ¥401.549 billion year-on-year. This was primarily due to the decrease (¥357.838 billion) in consumer loans (non-consolidated). Securities amounted to ¥133.860 billion, up by ¥0.674 billion year-on-year. Deposits amounted to ¥3,204.791 billion, up by ¥45.187 billion year-on-year.

Non-consolidated major account balances were as follows:

(A) Loans and bills discounted

Loans and bills discounted came in at ¥2,496.157 billion, down by ¥402.707 billion year-on-year. Consumer loans amounted to ¥2,307.016 billion, down by ¥357.838 billion year-on-year. The average balance of loans and bills discounted in the fiscal year amounted to ¥2,664.764 billion, down by ¥389.996 billion year-on-year.

(B) Securities

Securities amounted to ¥137.729 billion, up by ¥1.563 billion year-on-year.

(C) Deferred tax assets (liabilities)

Deferred tax assets amounted to ¥14.831 billion, up by 1.057 billion year-on-year.

(D) Deposits

Deposits amounted to ¥3,210.823 billion, up by ¥45.143 billion year-on-year. Individual yen deposits amounted to ¥2,511.282 billion, up by ¥9.640 billion year-on-year. The average balance of deposits in the fiscal year amounted to ¥3,099.292 billion, down by ¥404.921 billion year-on-year.

As for consolidated cash flows, cash flow from operating activities was a net inflow of ¥460.788 billion (compared to a net outflow of ¥547.470 billion in the previous fiscal year), given that inflows mainly due to an increase in deposits and a decrease in loan and bills discounted. Cash flow from investing activities was a net outflow of ¥7.865 billion (compared to a net outflow of ¥1.087 billion in the previous fiscal year), mainly due to purchase of securities. Cash flow from financing activities was a net outflow of ¥0.596 billion (compared to a net outflow of ¥2.507 billion in the previous fiscal year), mainly due to payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation. As a result, cash and cash equivalents as of March 31, 2020 amounted to ¥870.004 billion, up by ¥452.324 billion year-on-year (compared to ¥417.679 billion as of March 31, 2019).

(3) Future outlook

Earnings forecast for the fiscal year ending March 31, 2021 is as follows:

Consolidated (Billions of yen)

	FY3/2021 (Forecast)	
	First half	Full year
Ordinary income	48.5	96.0
Ordinary profit	0.5	8.0
Profit attributable to owners of parent	(3.5)	6.0

Non-consolidated (Billions of yen)

	FY3/2021 (Forecast)	
	First half	Full year
Ordinary income	43.0	85.0
Core net operating profit	14.0	27.0
Net operating profit	14.0	27.0
Ordinary profit	0	7.0
Net income	(4.0)	5.0
Actual credit costs	14.0	20.0
ROE (Net income basis)	(3.33)%	2.09%

(Note) The earnings forecast for the fiscal year ending March 31, 2021 was calculated with thought to impacts of the coronavirus (COVID-19) pandemic foreseeable at the present time.

However, if the impacts continue for a long time, the earnings forecast may be revised, for instance, due to further increase in net credit costs.

If matters to be disclosed arise, such matters will be promptly disclosed.

(Note) The performance forecasts and other forward-looking statements in this report are based on information currently available to the company and on certain assumptions deemed to be reasonable, and are not intended to guarantee future performance. Actual performance may differ materially depending on various factors.

2. Basic approach to the selection of accounting standards

The Suruga Bank group intends to apply Japanese accounting standards for the foreseeable future, taking into consideration the comparability of consolidated financial statements across reporting periods and companies. As for the adoption of International Financial Reporting Standards (IFRS), we will respond appropriately to the various developments in Japan and overseas.

3. Consolidated financial statements and notes

(1) Consolidated balance sheets

	(Millions of yen)	
	As of March 31, 2019	As of March 31, 2020
Assets		
Cash and due from banks	424,073	876,301
Call loans and bills bought	561	65
Trading account securities	167	180
Money held in trust	515	978
Securities	133,186	133,860
Loans and bills discounted	2,904,387	2,502,838
Foreign exchanges	2,407	2,215
Lease receivables and investment assets	6,368	6,439
Other assets	62,493	52,980
Tangible fixed assets	48,311	37,507
Buildings, net	12,770	11,140
Land	23,934	21,562
Leased assets, net	16	28
Construction in progress	180	-
Other tangible fixed assets	11,410	4,776
Intangible fixed assets	24,601	21,569
Software	22,299	19,201
Goodwill	1,683	1,553
Leased assets	3	3
Software in progress	236	434
Other intangible fixed assets	378	375
Net defined benefit asset	15,376	12,660
Deferred tax assets	13,400	15,897
Customers' liabilities for acceptances and guarantees	2,551	2,062
Allowance for loan losses	(210,076)	(183,979)
Total assets	3,428,327	3,481,579
Liabilities		
Deposits	3,159,604	3,204,791
Borrowed money	740	-
Foreign exchanges	16	3
Other liabilities	20,999	15,663
Provision for bonuses	482	491
Provision for directors' bonuses	-	35
Net defined benefit liability	295	275
Provision for directors' retirement benefits	246	270
Provision for reimbursement of deposits	398	245
Provision for contingent losses	111	139
Deferred tax liabilities	572	707
Acceptances and guarantees	2,551	2,062
Total liabilities	3,186,019	3,224,686

	(Millions of yen)	
	As of March 31, 2019	As of March 31, 2020
Net assets		
Capital stock	30,043	30,043
Capital surplus	1,202	2,045
Retained earnings	193,263	218,587
Treasury shares	(560)	(561)
Total shareholders' equity	223,948	250,115
Net unrealized gains (losses) on available-for-sale securities	13,352	6,276
Deferred gains (losses) on hedges	(35)	(23)
Remeasurements of defined benefit plans	3,750	412
Total accumulated other comprehensive income	17,067	6,665
Subscription rights to shares	12	-
Non-controlling interests	1,280	111
Total net assets	242,308	256,892
Total liabilities and net assets	3,428,327	3,481,579

(2) Consolidated statements of income and Consolidated statements of comprehensive income
Consolidated statements of income

	(Millions of yen)	
	For the fiscal year ended March 31, 2019	For the fiscal year ended March 31, 2020
Ordinary income	139,635	118,008
Interest income	111,901	94,016
Interest on loans and bills discounted	109,933	92,607
Interest and dividends on securities	1,383	828
Interest on call loans and bills bought	21	8
Interest on deposits with banks	538	529
Other interest income	23	42
Fees and commissions	11,902	10,372
Other operating income	4,068	5,892
Gains on sales of bonds	5	6
Gains on redemption of bonds	594	375
Other	3,468	5,509
Other income	11,763	7,727
Recoveries on written-off claims	1,141	1,838
Gains on sales of stocks and other securities	9,801	5,440
Equity in gains of affiliates	1	5
Other	819	442
Ordinary expenses	213,978	76,245
Interest expenses	2,033	1,578
Interest on deposits	1,706	1,293
Interest on call money and bills sold	0	(0)
Interest on borrowings and rediscounts	8	4
Other interest expenses	317	280
Fees and commissions payments	13,992	15,094
Other operating expenses	3,062	3,143
Losses on sales of bonds	1	-
Losses on redemption of bonds	96	152
Other	2,964	2,991
General and administrative expenses	51,326	47,559
Other expenses	143,562	8,869
Provision for allowance for loan losses	134,216	759
Write-off of loans	4,649	2,727
Losses on sales of stocks and other securities	198	143
Losses on devaluation of stocks and other securities	16	6
Other	4,481	5,233
Ordinary profit	(74,342)	41,763

	(Millions of yen)	
	For the fiscal year ended March 31, 2019	For the fiscal year ended March 31, 2020
Extraordinary gains	2,469	47
Gains on disposal of non-current assets	157	35
Reversal provision for directors' retirement benefits	2,311	-
Gain on reversal of subscription rights to shares	-	12
Extraordinary losses	3,186	9,951
Losses on disposal of non-current assets	356	500
Impairment loss	2,829	9,451
Income before income taxes	(75,059)	31,858
Income taxes - current	17,474	4,124
Income taxes - deferred	4,647	2,161
Total income taxes	22,122	6,285
Profit	(97,181)	25,573
Profit attributable to non-controlling interests	(35)	248
Profit attributable to owners of parent	(97,146)	25,324

Consolidated statements of comprehensive income

	(Millions of yen)	
	For the fiscal year ended March 31, 2019	For the fiscal year ended March 31, 2020
Profit	(97,181)	25,573
Other comprehensive income		
Net unrealized gains (losses) on available-for-sale securities	(5,092)	(7,054)
Deferred gains (losses) on hedges	(20)	11
Remeasurements of defined benefit plans, net of tax	2,347	(3,337)
Total other comprehensive income	(2,765)	(10,380)
Comprehensive income	(99,947)	15,192
(Breakdown)		
Comprehensive income attributable to owners of parent	(99,955)	14,922
Comprehensive income attributable to non-controlling interests	7	270

(3) Consolidated statements of changes in net assets

For the fiscal year ended March 31, 2019

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	30,043	489	292,841	(582)	322,791
Changes of items during period					
Dividends of surplus			(2,432)		(2,432)
Change in ownership interest of parent due to transactions with non-controlling interests		714			714
Profit attributable to owners of parent			(97,146)		(97,146)
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(0)		23	22
Net changes of items other than shareholders' equity					
Total changes of items during period	-	713	(99,578)	22	(98,842)
Balance at end of current period	30,043	1,202	193,263	(560)	223,948

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Deferred gains (losses) on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	18,489	(15)	1,402	19,876	17	2,078	344,763
Changes of items during period							
Dividends of surplus							(2,432)
Change in ownership interest of parent due to transactions with non-controlling interests							714
Profit attributable to owners of parent							(97,146)
Purchase of treasury shares							(0)
Disposal of treasury shares							22
Net changes of items other than shareholders' equity	(5,136)	(20)	2,347	(2,809)	(5)	(798)	(3,613)
Total changes of items during period	(5,136)	(20)	2,347	(2,809)	(5)	(798)	(102,455)
Balance at end of current period	13,352	(35)	3,750	17,067	12	1,280	242,308

For the fiscal year ended March 31, 2020

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	30,043	1,202	193,263	(560)	223,948
Changes of items during period					
Dividends of surplus					
Change in ownership interest of parent due to transactions with non-controlling interests		843			843
Profit attributable to owners of parent			25,324		25,324
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(0)		0	0
Net changes of items other than shareholders' equity					
Total changes of items during period	-	843	25,324	(0)	26,167
Balance at end of current period	30,043	2,045	218,587	(561)	250,115

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Deferred gains (losses) on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	13,352	(35)	3,750	17,067	12	1,280	242,308
Changes of items during period							
Dividends of surplus							-
Change in ownership interest of parent due to transactions with non-controlling interests							843
Profit attributable to owners of parent							25,324
Purchase of treasury shares							(0)
Disposal of treasury shares							0
Net changes of items other than shareholders' equity	(7,076)	11	(3,337)	(10,401)	(12)	(1,169)	(11,583)
Total changes of items during period	(7,076)	11	(3,337)	(10,401)	(12)	(1,169)	14,584
Balance at end of current period	6,276	(23)	412	6,665	-	111	256,892

(4) Consolidated statements of cash flows

(Millions of yen)

	For the fiscal year ended March 31, 2019	For the fiscal year ended March 31, 2020
Cash flows from operating activities		
Income before income taxes	(75,059)	31,858
Depreciation	6,861	6,346
Impairment loss	2,829	9,451
Amortization of goodwill	129	129
Increase (decrease) in allowance for loan losses	131,857	(26,096)
Increase (decrease) in provision for bonuses	(216)	8
Increase (decrease) in provision for directors' bonuses	(182)	35
Increase (decrease) in net defined benefit liability	29	(19)
Increase (decrease) in net defined benefit asset	(4,866)	2,715
Increase (decrease) in provision for directors' retirement benefits	(2,260)	23
Increase (decrease) in provision for reimbursement of deposits	32	(152)
Increase (decrease) in provision for contingent losses	(26)	28
Interest income	(111,901)	(94,016)
Interest expenses	2,033	1,578
Losses (gains) on securities	(10,087)	(5,520)
Losses (gains) on money held in trust	24	32
Losses (gains) on disposal of non-current assets	198	465
Gain on reversal of subscription rights to shares	-	(12)
Net decrease (increase) in trading account securities	(81)	(13)
Net decrease (increase) in loans and bills discounted	343,772	401,548
Net increase (decrease) in deposit	(920,367)	45,187
Net increase (decrease) in borrowed money (excluding subordinated borrowings)	(345)	(740)
Net decrease (increase) in deposit (excluding deposit paid to Bank of Japan)	(1,737)	97
Net decrease (increase) in call loans	1,579	496
Net decrease (increase) in foreign exchanges - assets	106	192
Net increase (decrease) in foreign exchanges - liabilities	(6)	(13)
Net decrease (increase) in lease receivables and investment assets	(373)	(70)
Net decrease (increase) in cash collateral paid for financial instruments assets	(65)	10,005
Interest received	113,654	95,057
Interest paid	(5,572)	(1,502)
Other, net	4,357	(627)
Subtotal	(525,682)	476,472
Income taxes paid	(21,788)	(15,683)
Net cash provided by (used in) operating activities	(547,470)	460,788

(Millions of yen)

	For the fiscal year ended March 31, 2019	For the fiscal year ended March 31, 2020
Cash flows from investing activities		
Purchase of securities	(48,315)	(32,926)
Proceeds from sales of securities	26,696	23,019
Proceeds from redemption of securities	22,852	4,624
Increase in money held in trust	-	(430)
Decrease in money held in trust	1,030	-
Purchase of property, plant and equipment	(1,699)	(1,102)
Proceeds from sales of property, plant and equipment	190	182
Purchase of intangible assets	(1,842)	(1,234)
Net cash provided by (used in) investing activities	(1,087)	(7,865)
Cash flows from financing activities		
Cash dividends paid	(2,432)	-
Purchase of treasury shares	(0)	(0)
Proceeds from sales of treasury shares	16	0
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(91)	(596)
Net cash provided by (used in) financing activities	(2,507)	(596)
Effect of exchange rate change on cash and cash equivalents	3	(1)
Net increase (decrease) in cash and cash equivalents	(551,061)	452,324
Cash and cash equivalents at beginning of period	968,741	417,679
Cash and cash equivalents at year-end	417,679	870,004

(5) Notes to consolidated financial statements

(Notes on going-concern assumption)

Not applicable.

(Change in accounting policies, changes in accounting estimates and restatements)

Not applicable.

(Segment information)

1. Summary of reportable segment

The reportable segments of the Suruga Bank group are components for which discrete financial information is available, and that are subject to regular review to allocate management resources and to evaluate their results.

The group consists of Suruga Bank, which mainly engages in the banking business, and its consolidated subsidiaries that engage in businesses such as money lending, leasing, clerical agency services, credit card services and credit guarantee. Of the reportable segments, Suruga Bank represents the “banking” segment, which includes businesses such as deposits, loans, exchange and credit card services.

2. Method of calculating ordinary income, profit or loss, assets and other items by reportable segment

Segment profit is reported on an ordinary profit-basis.

Inter-segment internal ordinary income is based on arm's length prices.

3. Information on ordinary income, profit or loss, assets and other items by reportable segment

For the fiscal year ended March 31, 2020

(Millions of yen)

	Reportable segment	Others	Total	Adjustments	Amount recorded in the consolidated financial statements
	Banking				
Ordinary income					
Ordinary income to external customers	104,171	14,061	118,232	(224)	118,008
Inter-segment internal ordinary income	293	2,545	2,839	(2,839)	-
Total	104,464	16,607	121,071	(3,063)	118,008
Segment profit	39,991	2,314	42,306	(543)	41,763
Segment assets	3,469,060	45,035	3,514,096	(32,517)	3,481,579
Other items					
Depreciation	6,110	236	6,346	-	6,346
Impairment losses	9,451	-	9,451	-	9,451
Increase in tangible fixed assets and intangible fixed assets	2,203	133	2,336	-	2,336

(Note1) Ordinary income is equivalent to net sales reported by companies in other industries.

(Note2) “Others” consists of businesses operated by consolidated subsidiaries (such as money lending, leasing, clerical agency services, credit card services and credit guarantee) which are not included in the reportable segments.

(Note3) “Adjustments” are as follows:

- (1) The negative adjustment of ¥224 million in ordinary income to external customers consists of the following: reversal of allowance for loan losses (- ¥229 million) and equity in gains of affiliates (¥5 million).
- (2) The negative adjustment of ¥543 million in segment profit consists of the following: amortization of goodwill (- ¥129 million) and deduction of inter-segment transactions (- ¥361 million).
- (3) The negative adjustment of ¥32,517 million in segment assets consists of the following: deduction of inter-segment transactions (- ¥33,108 million) and adjustment of net defined benefit assets (¥591 million).

(Note4) Segment profit is adjusted to ordinary profit as reported in the consolidated statements of income.

(Per share data)

		For the fiscal year ended March 31, 2020
Net assets per share	yen	1,108.48
Earnings per share	yen	109.32
Earnings per share (diluted)	yen	-

(Note) The basis for calculation is as shown in the tables below.

1. Net assets per share

		As of March 31, 2020
Total net assets	Millions of yen	256,892
Amount deducted from total net assets	Millions of yen	111
of which, Subscription rights to shares	Millions of yen	-
of which, Non-controlling interests	Millions of yen	111
Net assets attributable to common stock at the fiscal year-end	Millions of yen	256,781
Number of common stock at the fiscal year-end used for the calculation of net assets per share	Thousands of shares	231,650

2. Earnings per share

		For the fiscal year ended March 31, 2020
Earnings per share		
Profit attributable to owners of parent	Millions of yen	25,324
Amount not attributable to common shareholders	Millions of yen	-
Profit attributable to common shareholders of parent	Millions of yen	25,324
Average number of common stock for the fiscal year	Thousands of shares	231,650

3. Earnings per share for the fiscal year ended March 31, 2020 is not provided because there are no potentially shares.

(Significant subsequent events)

Not applicable.

4. Non-consolidated financial statements

(1) Non-consolidated balance sheets

(Millions of yen)

	As of March 31, 2019	As of March 31, 2020
Assets		
Cash and due from banks	423,646	875,425
Cash	39,521	39,087
Due from banks	384,124	836,337
Call loans	561	65
Trading account securities	167	180
Trading government bonds	20	58
Trading municipal bonds	146	121
Money held in trust	515	978
Securities	136,166	137,729
Government bonds	-	2,518
Municipal bonds	81,196	95,820
Corporate bonds	5,537	4,808
Stocks	34,218	22,294
Other securities	15,213	12,288
Loans and bills discounted	2,898,864	2,496,157
Bills discounted	2,326	1,874
Loans on bills	17,995	14,771
Loans on deeds	2,608,942	2,255,077
Overdrafts	269,600	224,434
Foreign exchanges	2,407	2,215
Due from foreign banks (our accounts)	1,327	1,226
Foreign bills bought	0	0
Foreign bills receivable	1,080	988
Other assets	54,445	45,272
Prepaid expenses	2,210	1,170
Accrued income	8,127	7,071
Initial margins of futures markets	200	200
Derivatives other than for trading - assets	22	24
Other	43,884	36,806
Tangible fixed assets	47,082	36,466
Buildings, net	12,145	10,560
Land	23,408	21,181
Leased assets, net	410	325
Construction in progress	179	-
Other tangible fixed assets	10,938	4,398
Intangible fixed assets	22,546	19,752
Software	22,012	18,957
Software in progress	164	427
Other intangible fixed assets	370	367
Prepaid pension cost	9,995	12,069
Deferred tax assets	13,774	14,831
Customers' liabilities for acceptances and guarantees	2,551	2,062
Allowance for loan losses	(200,708)	(174,146)
Total assets	3,412,017	3,469,060

(Millions of yen)

	As of March 31, 2019	As of March 31, 2020
Liabilities		
Deposits	3,165,680	3,210,823
Current deposits	67,194	104,108
Ordinary deposits	1,287,567	1,252,287
Saving deposits	13,750	12,986
Deposits at notice	22,829	18,247
Time deposits	1,709,301	1,768,588
Other deposits	65,037	54,604
Foreign exchanges	16	3
Foreign bills sold	13	3
Foreign bills payable	3	0
Other liabilities	14,632	9,816
Income taxes payable	7,556	-
Accrued expenses	3,234	2,773
Unearned revenue	67	78
Deposits received from employees	691	682
Lease obligations	434	355
Derivatives other than for trading - liabilities	95	305
Other	2,553	5,620
Provision for bonuses	434	446
Provision for directors' bonuses	-	35
Provision for directors' retirement benefits	245	270
Provision for reimbursement of deposits	398	245
Provision for contingent losses	111	139
Acceptances and guarantees	2,551	2,062
Total liabilities	3,184,070	3,223,842
Net assets		
Capital stock	30,043	30,043
Capital surplus	18,589	18,589
Legal capital surplus	18,585	18,585
Other capital surplus	3	3
Retained earnings	167,641	192,116
Legal retained earnings	30,043	30,043
Other retained earnings	137,598	162,072
Reserve for advanced depreciation of non-current assets	59	59
General reserve	103,032	103,032
Retained earnings brought forward	34,506	58,981
Treasury shares	(560)	(561)
Total shareholders' equity	215,714	240,187
Net unrealized gains (losses) on available-for-sale securities	12,250	5,054
Deferred gains (losses) on hedges	(29)	(23)
Total valuation and translation adjustments	12,221	5,030
Subscription rights to shares	12	-
Total net assets	227,947	245,218
Total liabilities and net assets	3,412,017	3,469,060

(2) Non-consolidated statements of income

	(Millions of yen)	
	For the fiscal year ended March 31, 2019	For the fiscal year ended March 31, 2020
Ordinary income	127,407	104,464
Interest income	105,975	86,578
Interest on loans and bills discounted	101,500	85,213
Interest and dividends on securities	3,891	785
Interest on call loans	21	8
Interest on deposits with banks	538	529
Other interest income	23	42
Trust fees	0	0
Fees and commissions	9,510	8,118
Fees and commissions on domestic and foreign exchanges	2,181	2,026
Other fees and commissions	7,328	6,091
Other operating income	635	2,408
Gains on foreign exchange transactions	35	37
Gains on trading account securities transactions	0	-
Gains on sales of bonds	5	6
Gains on redemption of bonds	594	375
Other	-	1,988
Other income	11,284	7,358
Reversal of allowance for loan losses	-	229
Recoveries on written-off claims	702	1,351
Gains on sales of stocks and other securities	9,801	5,472
Gains on money held in trust	9	-
Other	771	304
Ordinary expenses	202,392	64,472
Interest expenses	2,059	1,613
Interest on deposits	1,707	1,293
Interest on call money	0	(0)
Interest on borrowings and rediscounts	0	-
Interest on interest swaps	3	3
Other interest expenses	348	315
Fees and commissions payments	13,969	14,994
Fees and commissions on domestic and foreign exchanges	932	864
Other fees and commissions	13,036	14,130
Other operating expenses	98	153
Losses on trading account securities transactions	-	1
Losses on sales of bonds	1	-
Losses on redemption of bonds	96	152
General and administrative expenses	46,420	42,974
Other expenses	139,844	4,737
Provision for allowance for loan losses	132,167	-
Write-off of loans	2,661	1,556
Losses on sales of stocks and other securities	198	117
Losses on devaluation of stocks and other securities	1,978	52
Losses on money held in trust	33	32
Other	2,804	2,979
Ordinary profit	(74,985)	39,991

	(Millions of yen)	
	For the fiscal year ended March 31, 2019	For the fiscal year ended March 31, 2020
Extraordinary gains	2,469	12
Gains on disposal of non-current assets	157	-
Reversal provision for directors' retirement benefits	2,311	-
Gain on reversal of subscription rights to shares	-	12
Extraordinary losses	3,172	9,920
Losses on disposal of non-current assets	342	469
Impairment loss	2,829	9,451
Income before income taxes	(75,688)	30,083
Income taxes - current	16,998	3,529
Income taxes - deferred	4,330	2,079
Total income taxes	21,328	5,609
Net income	(97,016)	24,474

(3) Non-consolidated statements of changes in net assets

For the fiscal year ended March 31, 2019

(Millions of yen)

(millions of yen)

	Shareholders' equity							
	Capital stock	Capital surplus			Retained earnings			
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		
						Reserve for advanced depreciation of non-current assets	General reserve	Retained earnings brought forward
Balance at beginning of current period	30,043	18,585	4	18,590	30,043	59	103,032	133,955
Changes of items during period								
Dividends of surplus								(2,432)
Net income								(97,016)
Purchase of treasury shares								
Disposal of treasury shares			(0)	(0)				
Net changes of items other than shareholders' equity								
Total changes of items during period	-	-	(0)	(0)	-	-	-	(99,448)
Balance at end of current period	30,043	18,585	3	18,589	30,043	59	103,032	34,506

	Shareholders' equity			Valuation and translation adjustments			Subscription rights to shares	Total net assets
	Retained earnings	Treasury shares	Total shareholders' equity	Net unrealized gains (losses) on available-for-sale securities	Deferred gains (losses) on hedges	Total valuation and translation adjustments		
	Total retained earnings							
Balance at beginning of current period	267,090	(582)	315,141	17,563	(10)	17,552	17	332,711
Changes of items during period								
Dividends of surplus	(2,432)		(2,432)					(2,432)
Net income	(97,016)		(97,016)					(97,016)
Purchase of treasury shares		(0)	(0)					(0)
Disposal of treasury shares		23	22					22
Net changes of items other than shareholders' equity				(5,312)	(19)	(5,331)	(5)	(5,337)
Total changes of items during period	(99,448)	22	(99,427)	(5,312)	(19)	(5,331)	(5)	(104,764)
Balance at end of current period	167,641	(560)	215,714	12,250	(29)	12,221	12	227,947

For the fiscal year ended March 31, 2020

(Millions of yen)

	Shareholders' equity							
	Capital stock	Capital surplus			Legal retained earnings	Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus		Other retained earnings		
						Reserve for advanced depreciation of non-current assets	General reserve	Retained earnings brought forward
Balance at beginning of current period	30,043	18,585	3	18,589	30,043	59	103,032	34,506
Changes of items during period								
Dividends of surplus								
Net income								24,474
Provision of reserve for reduction entry						0		(0)
Purchase of treasury shares								
Disposal of treasury shares			(0)	(0)				
Net changes of items other than shareholders' equity								
Total changes of items during period	-	-	(0)	(0)	-	0	-	24,474
Balance at end of current period	30,043	18,585	3	18,589	30,043	59	103,032	58,981

	Shareholders' equity			Valuation and translation adjustments			Subscription rights to shares	Total net assets
	Retained earnings	Treasury shares	Total shareholders' equity	Net unrealized gains (losses) on available-for-sale securities	Deferred gains (losses) on hedges	Total valuation and translation adjustments		
	Total retained earnings							
Balance at beginning of current period	167,641	(560)	215,714	12,250	(29)	12,221	12	227,947
Changes of items during period								
Dividends of surplus								-
Net income	24,474		24,474					24,474
Provision of reserve for reduction entry	-		-					-
Purchase of treasury shares		(0)	(0)					(0)
Disposal of treasury shares		0	0					0
Net changes of items other than shareholders' equity				(7,196)	6	(7,190)	(12)	(7,202)
Total changes of items during period	24,474	(0)	24,473	(7,196)	6	(7,190)	(12)	17,270
Balance at end of current period	192,116	(561)	240,187	5,054	(23)	5,030	-	245,218

Financial Results

For the fiscal year ended March 31, 2020

- Supplementary Information -

SURUGA bank, Ltd.

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I . Financial highlights for the fiscal year ended March 31, 2020

1. Financial results (Non-consolidated)

(Millions of yen)

	FY3/2020 (a)	(a) - (b)	FY3/2019 (b)
Gross operating profit	80,345	(19,650)	99,995
Net interest income	84,965	(18,951)	103,916
Net fees and commissions	(6,876)	(2,418)	(4,458)
Net other operating income (Note1)	2,025	1,990	35
Core gross operating profit	80,115	(19,379)	99,494
Expenses (-)	43,780	(3,097)	46,877
Core net operating profit (Note2)	36,334	(16,282)	52,616
Excluding gains (loss) on cancellation of investment trusts	36,334	(15,978)	52,312
Gains (losses) on bonds	230	(271)	501
Actual net operating profit (Note3)	36,564	(16,554)	53,118
Provision for general allowance for loan losses (-)	-	(26,710)	26,710
Net operating profit	36,564	10,156	26,408
Disposal of non-performing loans (-)	4,039	(106,310)	110,349
Reversal of allowance for loan losses	229	229	-
Recoveries on written-off claims	1,351	649	702
Gains (losses) on stocks	5,303	(2,320)	7,623
Ordinary profit	39,991	114,976	(74,985)
Reversal provision for directors' retirement benefits	-	(2,311)	2,311
Gains (losses) on disposal of non-current assets	(469)	(284)	(185)
Impairment loss	9,451	6,622	2,829
Net income	24,474	121,490	(97,016)
Net credit costs	3,809	(133,251)	137,060
Actual credit costs (Note4)	2,457	(133,901)	136,358

(Note1) Excludes Gains (losses) on bonds.

(Note2) Core net operating profit = Net operating profit + Provision for general allowance for loan losses
- Gains (losses) on bonds

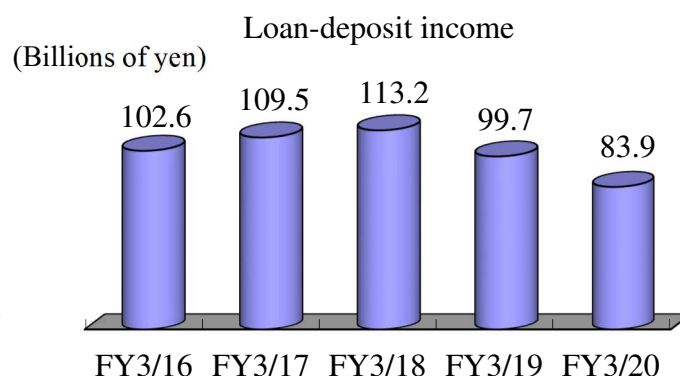
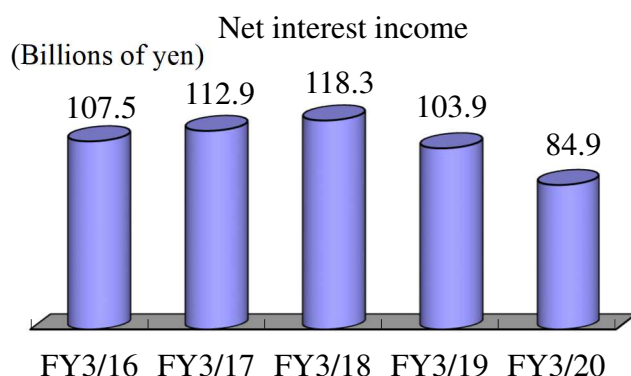
(Note3) Actual net operating profit = Net operating profit + Provision for general allowance for loan losses

(Note4) For the fiscal year ended March 31, 2020, the net amount of reversal of specific allowance for loan losses and provision for general allowance for loan losses is recorded in reversal of allowance for loan losses, given that the former exceeded the latter during period.

(Note5) Actual credit costs = Net credit costs (Provision for general allowance for loan losses + Disposal of non-performing loans
- Reversal of allowance for loan losses) - Recoveries on written-off claims

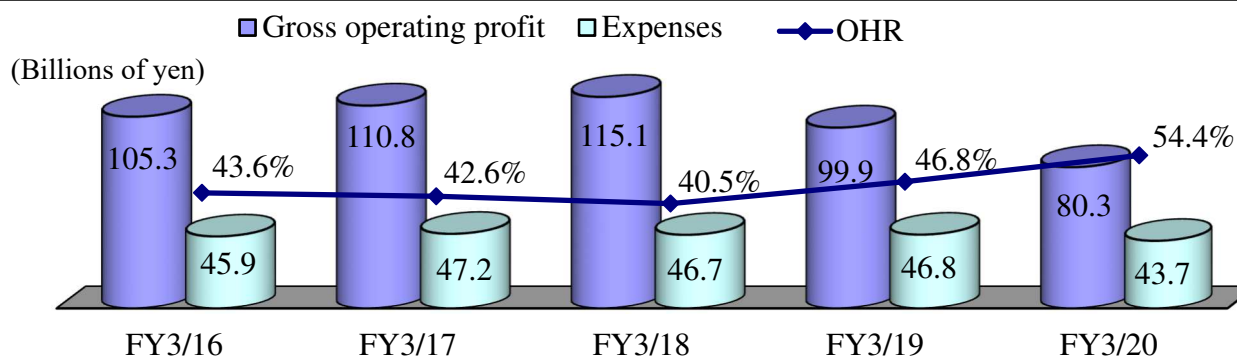
(1) Gross operating profit: ¥80.3billion

- Net interest income decreased by ¥18.9 billion year-on-year, mainly due to a decrease in interest on loans and bills discounted.
- Loan-deposit income decreased by ¥15.8 billion year-on-year.
- Core gross operating profit decreased by ¥19.3 billion year-on-year, mainly due to a decrease in net interest income.
- Gross operating profit decreased by ¥19.6 billion year-on-year.



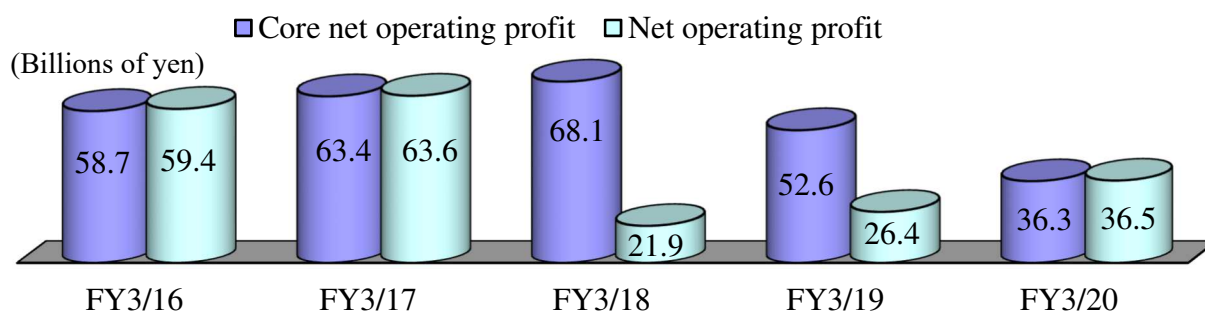
(2) Expenses; OHR: 54.4%

- Expenses decreased by ¥3.0 billion year-on-year in accordance with the policy to reduce expenses as stated in the mid-term management plan.
 - OHR rose year-on-year to 54.4%, mainly due to a decrease in a gross operating profit.
- (OHR(%) = Expenses / Gross operating profit × 100)



(3) Core net operating profit: ¥36.3 billion, Net operating profit: ¥36.5 billion

- Core net operating profit decreased by ¥16.2 billion year-on-year, mainly due to a decrease in net interest income.
- Net operating profit increased by ¥10.1 billion year-on-year, mainly due to a decrease in provision for general allowance for loan losses.



(4) Ordinary profit: ¥39.9 billion

- Ordinary profit increased by ¥114.9 billion year-on-year, mainly due to a decrease in net credit costs.

(5) Net income: ¥24.4 billion

- Net income increased by ¥121.4 billion year-on-year, primarily due to an increase in ordinary profit even as extraordinary losses such as impairment loss on real estate holdings were recorded as part of structural reform initiatives based on the mid-term management plan.

(6) Actual credit costs: ¥2.4 billion

- Net credit costs decreased by ¥133.2 billion year-on-year, primarily due to a decrease (¥106.3 billion) in disposal of non-performing loans and due to reversal of allowance for loan losses commensurate with the recovery of loans to founder-affiliated companies and the transfer of share house-related loan receivables.
- Actual credit costs, calculated as net credit costs (¥3.8 billion) minus the amount of recoveries on written-off claims (¥1.3 billion) amounted to ¥2.4 billion.

2. Major accounts (Non-consolidated)

(1) Loans and bills discounted

- Loans and bills discounted decreased by ¥402.7 billion, or 13.8% year-on-year.
- Consumer loans decreased by ¥357.8 billion, or 13.4% year-on-year.
- Yield on loans and bills discounted dropped by 13 basis point year-on-year to 3.19%.

(Billions of yen)

	Mar.31, 2020(a)	(a) - (b)	Dec.31, 2019(b)	(b) - (c)	Sep.30, 2019(c)	(c) - (d)	Jun.30, 2019(d)	(d) - (e)	Mar.31, 2019(e)
Loans and bills discounted (period-end balance)	2,496.1	(82.9)	2,579.0	(92.6)	2,671.6	(54.6)	2,726.2	(172.6)	2,898.8
Consumer loans	2,307.0	(94.9)	2,401.9	(53.5)	2,455.4	(53.3)	2,508.7	(156.1)	2,664.8
Secured loans	2,099.0	(87.9)	2,186.9	(44.6)	2,231.5	(45.3)	2,276.8	(147.6)	2,424.4
Unsecured loans	207.9	(7.0)	214.9	(8.9)	223.8	(8.0)	231.8	(8.5)	240.3

(Billions of yen)

	FY3/2020 (a)	(a) - (b)	FY3/2019 (b)
New consumer loans	6.2	(31.1)	37.3

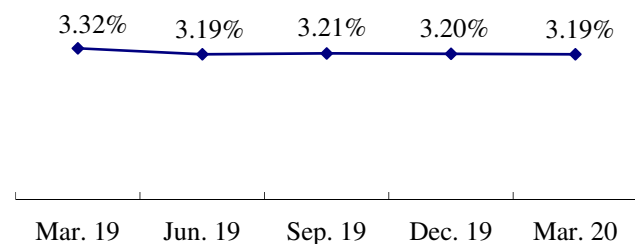
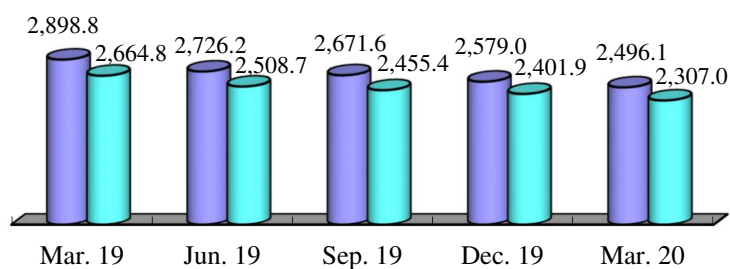
Corporate loans for property investment	6.6	6.6	-
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(Note) Corporate loans for property investment and asset finance that are defined as new business fields in the mid-term management plan.

- Loans and bills discounted (period-end balance)
- Consumer loans (period-end balance)

◆ Yield on loans and bills discounted

(Billions of yen)



(Note) Yield is based on cumulative period.

Consumer loans

Outstanding balance, yield, delinquency rate by loan category

(Billions of yen)

Loan category	Mar. 31, 2020			Dec. 31, 2019		
	Period-end balance	Yield	Delinquency rate	Period-end balance	Yield	Delinquency rate
Secured loans	2,099.0	3.12%	4.14%	2,186.9	3.14%	5.91%
Housing loans	551.3	2.87%	0.59%	567.0	2.87%	0.66%
Studio apartment loans	195.6	3.41%	1.65%	203.7	3.41%	1.50%
Single building apartment loans	1,156.1	3.33%	3.34%	1,175.2	3.38%	3.46%
Share house loans	154.6	1.47%	27.89%	198.3	1.80%	42.57%
Other secured loans	41.2	4.89%	1.05%	42.5	4.89%	0.99%
Unsecured loans	207.9	10.23%	1.76%	214.9	10.18%	2.00%
Card loans	138.4	11.52%	0.70%	142.0	11.47%	0.73%
Unsecured certificate loans	69.4	7.66%	3.88%	72.9	7.67%	4.49%
Consumer loans	2,307.0	3.74%	3.93%	2,401.9	3.76%	5.57%

Corporate loans for property investment	6.6	2.19%	-	4.2	2.06%	-
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(Note1) Delinquency rate = Loans past due 3 months or more / Loans

(Note2) Yield: Yield for customers (excluding guarantee fee, accrued interest), period-end balance basis

(Note3) Yield and delinquency rate of Studio apartment loans, secured loans and consumer loans are calculated based on originals claims before securitization.

(Note4) Corporate loans for property investment: Corporate loans for property investment and asset finance that are defined as new business fields in the mid-term management plan.

Share house loans (Non-performing loans based on the Financial Reconstruction Law)

(Billions of yen)

	Total	(Non-performing loans)			Subtotal	Normal assets
		Claims against bankrupt and substantially bankrupt obligors	Claims with collection risk	Claims for special attention		
Mar. 31, 2019	250.3	86.5	51.0	88.0	225.6	24.6
Jun. 30, 2019	248.0	88.3	45.0	93.4	226.8	21.2
Sep. 30, 2019	246.1	89.9	41.1	97.7	228.8	17.3
Dec. 31, 2019	244.4	91.3	36.2	99.8	227.4	17.0
Mar. 31, 2020	192.1	45.9	28.9	100.7	175.5	16.5

(Billions of yen)

	Total		Collateral or guarantees, etc.	Unsecured portion	Allowance	Coverage ratio
	A	Share house claims				
Mar. 31, 2019	250.3	201.9	91.4	158.8	139.3	92.20%
Jun. 30, 2019	248.0	200.6	91.0	157.0	137.3	92.05%
Sep. 30, 2019	246.1	199.3	90.6	155.5	135.1	91.74%
Dec. 31, 2019	244.4	198.4	91.1	153.2	133.1	91.79%
Mar. 31, 2020	192.1	154.7	72.7	119.3	102.5	91.29%

(Note1) Based on obligors of share house loans

(Note2) Covered amount: Estimated amount, calculated by multiplying the covered amount including collateral, etc. with a certain ratio.

(Note3) Total credit balance, share house loan receivables: Loans and bills discounted, suspense payments equivalent to loans and bills discounted, and accrued interest on loans and bills discounted.

Actual credit costs and Allowance for loan losses

(Billions of yen)

Item	Mar. 31, 2020	
	Actual credit costs	Allowance
Share house-related loans	(13.3)	102.5
Investment property loans	22.1	58.9
Housing loans	1.0	2.7
Unsecured loans	0.3	1.0
Loans to founder-affiliated companies	(13.4)	-
Business financing other than loans to founder-affiliated companies, etc.	5.7	8.8
Total	2.4	174.1

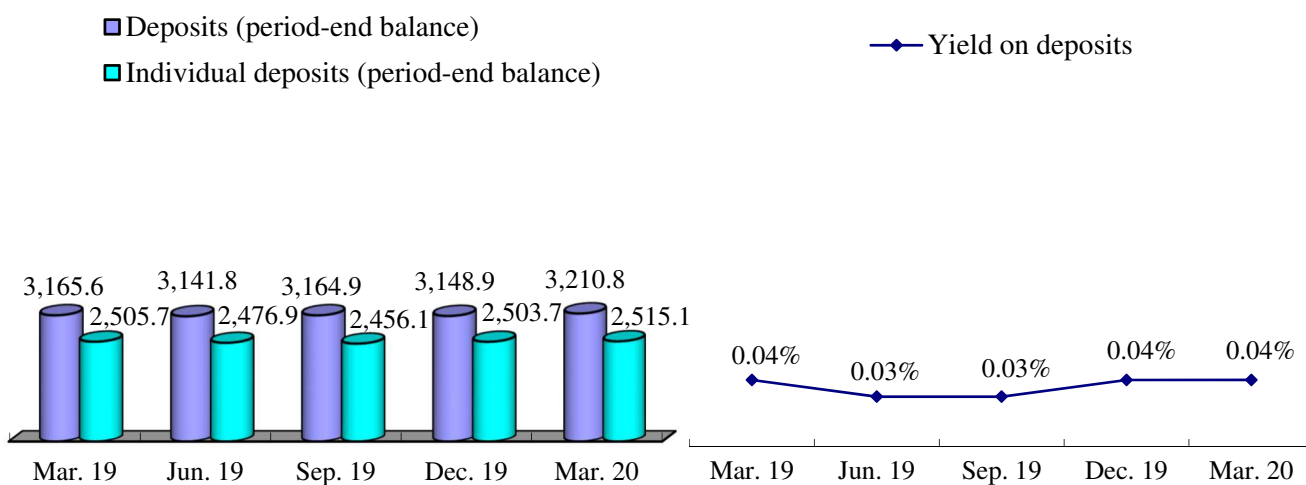
(Note) Investment property loans: Studio apartment loans, Single building apartment loans, Other secured loans

(2) Deposits

- Deposits increased by ¥45.1 billion, or 1.4% year-on-year.
- Individual deposits increased by ¥9.3 billion, or 0.3% year-on-year.
- Yield on deposits is 4 basis points.

(Billions of yen)

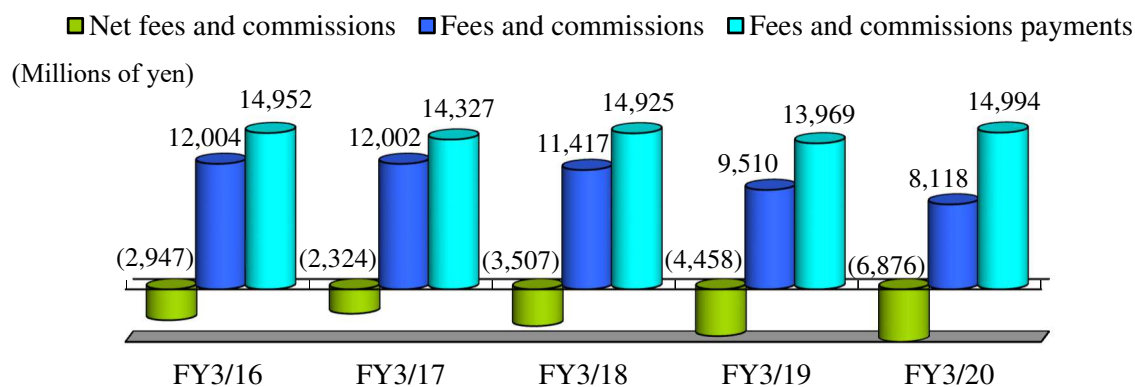
	Mar.31, 2020(a)	(a) - (b)	Dec.31, 2019(b)	(b) - (c)	Sep.30, 2019(c)	(c) - (d)	Jun.30, 2019(d)	(d) - (e)	Mar.31, 2019(e)
Deposits (period-end balance)	3,210.8	61.9	3,148.9	(16.0)	3,164.9	23.1	3,141.8	(23.8)	3,165.6
Individual deposits	2,515.1	11.4	2,503.7	47.6	2,456.1	(20.8)	2,476.9	(28.8)	2,505.7



(Note) Yield is based on cumulative period.

(3) Net fees and commissions

- Net fees and commissions decreased by ¥2.4 billion year-on-year, mainly due to a decrease (¥1.3 billion) in fees and commissions, an increase (¥1.0 billion) in fee and commissions payments.



(4) Individual deposit assets

- Individual deposit assets decreased by ¥17.0 billion year-on-year, mainly due to a decrease in investment products.
- The ratio of investment products to total individual deposit assets dropped by 100 basis points year-on-year to 4.0%.

(Millions of yen)

	Mar. 31, 2020 (a)	(a) - (b)	(a) - (c)	Sep. 30, 2019 (b)	Mar. 31, 2019 (c)
Individual deposit assets	2,618,226	38,871	(17,046)	2,579,355	2,635,272
Yen deposits	2,511,282	59,141	9,640	2,452,141	2,501,642
Investment products	106,943	(20,271)	(26,687)	127,214	133,630
Foreign currency deposits	3,857	(122)	(251)	3,979	4,108
Public bonds	7,195	(688)	(1,108)	7,883	8,303
Mutual funds	59,885	(16,878)	(20,552)	76,763	80,437
Personal pension plans	21,312	(2,083)	(4,090)	23,395	25,402
Single premium life insurance	14,693	(499)	(683)	15,192	15,376
The ratio of investment products to total individual deposit assets	4.0%	(0.9%)	(1.0%)	4.9%	5.0%

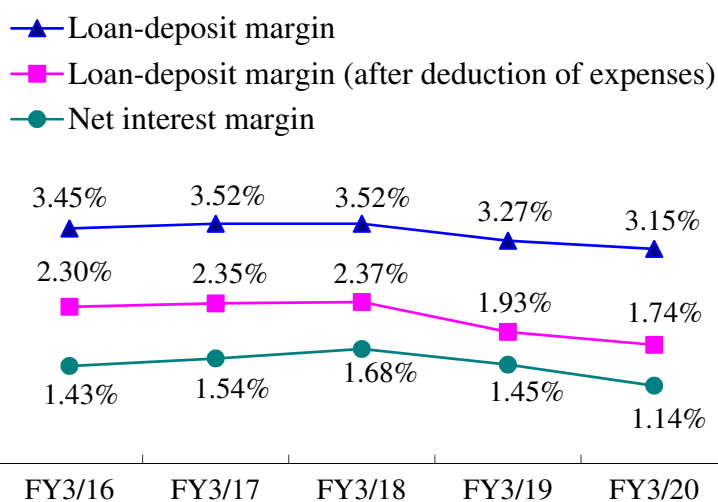
3. Management indices (Non-consolidated)

(1) Interest margins

- Loan-deposit margin (after deduction of expenses) shrunk by 19 basis points year-on-year to 1.74%.
- Net interest margin shrunk by 31 basis points year-on-year to 1.14%, mainly due to the decline in yield on interest earning assets.

(%)

	FY3/2020 (a)	(a) - (b)	FY3/2019 (b)
Loan-deposit margin	3.15	(0.12)	3.27
Loan-deposit margin (after deduction of expenses)	1.74	(0.19)	1.93
Net interest margin	1.14	(0.31)	1.45



4. Own capital

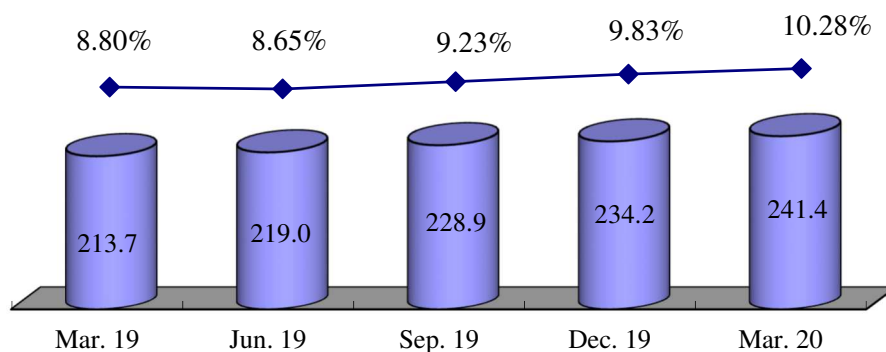
• Capital adequacy ratio (Non-consolidated) rose by 45 basis points from the end of December 2019 to 10.28%.

Non-consolidated		(Millions of yen)	
		Mar. 31, 2020	Dec. 31, 2019
Capital adequacy ratio		10.28%	9.83%
Own capital (Core capital)		241,438	234,256
Core capital: instruments and reserves		265,899	261,395
Core capital: regulatory adjustments (-)		24,461	27,139
Risk-weighted assets		2,347,582	2,380,704
Total required capital		90,574	91,797

Consolidated		(Millions of yen)	
		Mar. 31, 2020	Dec. 31, 2019
Capital adequacy ratio		10.42%	9.96%
Own capital (Core capital)		249,228	241,762
Core capital: instruments and reserves		276,418	274,680
Core capital: regulatory adjustments (-)		27,189	32,917
Risk-weighted assets		2,390,570	2,425,431
Total required capital		92,293	93,586

◆ Capital adequacy ratio (non-consolidated)
 ■ Own capital (non-consolidated)

(Billions of yen)



5. Unrealized gains (losses) on securities (Non-consolidated)

• Net unrealized gains on securities decreased by ¥10.4 billion year-on-year, mainly due to an elimination of cross shareholdings.

(Millions of yen)

	Mar. 31, 2020 (a)	(a) - (b)	(a) - (c)	Sep. 30, 2019 (b)	Mar. 31, 2019 (c)
Other securities	6,785	(3,947)	(10,469)	10,732	17,254
Stocks	5,850	(3,451)	(10,061)	9,301	15,911
Bonds	276	(427)	(382)	703	658
Others	659	(68)	(24)	727	683

6. Earnings forecast for the fiscal year ending March 31, 2021

Consolidated (Billions of yen)

	FY3/2021 (forecast)	
	First half	Full year
Ordinary income	48.5	96.0
Ordinary profit	0.5	8.0
Profit attributable to owners of parent	(3.5)	6.0

Non-consolidated (Billions of yen)

	FY3/2021 (forecast)	
	First half	Full year
Ordinary income	43.0	85.0
Core net operating profit	14.0	27.0
Net operating profit	14.0	27.0
Ordinary profit	0	7.0
Net income	(4.0)	5.0

Actual credit costs	14.0	20.0
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(Note) The earnings forecast for the fiscal year ending March 31, 2021 was calculated with thought to impacts of the coronavirus (COVID-19) pandemic foreseeable at the present time.

However, if the impacts continue for a long time, the earnings forecast may be revised, for instance, due to further increase in net credit costs.

If matters to be disclosed arise, such matters will be promptly disclosed.

(Note) The performance forecasts and other forward-looking statements in this report are based on information currently available to the company and on certain assumptions deemed to be reasonable, and are not intended to guarantee future performance. Actual performance may differ materially depending on various factors.

7. Asset quality (Non-consolidated)

(1) Non-performing loans based on the Financial Reconstruction Law

• Non-performing loans based on the Financial Reconstruction Law decreased by ¥20.7 billion year-on-year.
Non-performing loan ratio rose by 122 basis points year-on-year to 13.90%.

Outstanding balance

(Millions of yen, %)

	Mar. 31, 2020 (a)	Mar. 31, 2020		Sep. 30, 2019 (b)	Mar. 31, 2019 (c)
		(a) - (b)	(a) - (c)		
Claims against bankrupt and substantially bankrupt obligors	92,639	(49,698)	(15,752)	142,337	108,391
Claims with collection risk	80,676	(18,536)	(55,801)	99,212	136,477
Claims for special attention	175,923	18,429	50,824	157,494	125,099
Total (A)	349,238	(49,806)	(20,730)	399,044	369,968
Total claims (B)	2,512,079	(177,024)	(404,870)	2,689,103	2,916,949
Non-performing loan ratio (A/B)	13.90	(0.93)	1.22	14.83	12.68

Status of coverage

(Millions of yen, %)

		Claims against bankrupt and substantially bankrupt obligors	Claims with collection risk	Claims for special attention	Total	Change from Mar. 31, 2019
Non-performing loans (A)		92,639	80,676	175,923	349,238	(20,730)
Covered amount (C+D) (B)		92,639	60,387	112,173	265,201	(51,225)
Portion secured by collateral or guarantees, etc. (C)		35,694	31,249	51,663	118,608	(29,070)
Allowance for loan losses (D)		56,945	29,137	60,510	146,593	(22,154)
Coverage ratio (B/A)		100.00	74.85	63.76	75.93	(9.59)
Unsecured portion (A-C) (E)		56,945	49,427	124,260	230,630	8,341
Allowance ratio for unsecured portion (D/E)		100.00	58.94	48.69	63.56	(12.35)

(Reference) As of Mar. 31, 2019

Unsecured portion	67,862	67,018	87,408	222,289
Allowance ratio for unsecured portion	100.00	75.51	57.51	75.91

(2) Risk-monitored loans

(Millions of yen, %)

	Mar. 31, 2020 (a)	Mar. 31, 2020		Sep. 30, 2019 (b)	Mar. 31, 2019 (c)
		(a) - (b)	(a) - (c)		
Loans to bankrupt obligors	1,529	(1,428)	(3,203)	2,957	4,732
Non-accrual delinquent loans	169,981	(68,558)	(70,083)	238,539	240,064
Loans past due 3 months or more	6,522	(2,680)	1,452	9,202	5,070
Restructured loans	169,400	21,108	49,371	148,292	120,029
Total	347,433	(51,558)	(22,464)	398,991	369,897
Coverage ratio	76.31	(5.75)	(9.21)	82.06	85.52

8. Credit costs (Non-consolidated)

(Millions of yen, %)

	FY3/2020 (a)	(a) - (b)	FY3/2019 (b)
Provision for general allowance for loan losses (1)	-	(26,710)	26,710
Disposal of non-performing loans (2)	4,039	(106,310)	110,349
Write-off of loans	1,556	(1,105)	2,661
Provision for specific allowance for loan losses	-	(105,456)	105,456
Losses on sales of delinquent loans	2,410	203	2,207
Provision for allowance for contingent losses	72	49	23
Reversal of allowance for loan losses (3)	229	229	-
Recoveries on written-off claims A	1,351	649	702
Net credit costs (4) (= (1) + (2) - (3))	3,809	(133,251)	137,060
Actual credit costs (4) - A	2,457	(133,901)	136,358
Loans and bills discounted (average balance)	2,664,764	(389,996)	3,054,760
Net credit costs ratio	0.14	(4.34)	4.48
Actual credit costs ratio	0.09	(4.37)	4.46

(Note1) Net credit costs ratio = Net credit costs / Loans and bills discounted (average balance)

(Note2) Actual credit costs ratio = Actual credit costs / Loans and bills discounted (average balance)

9. Dividends

• As a result of comprehensively considering the performance trends for the current year, the earnings outlook in the mid-term management plan, and future financial conditions, the Company decided to begin paying dividends again, and the year-end dividend revised to 5 yen per share.

(yen)

	FY3/2020	FY3/2019 (result)
Annual dividend per share	5.00	0.00
Interim dividend	0.00	0.00
Year-end dividend	5.00	0.00

II . Financial data for the fiscal year ended March 31, 2020

1. Details of financial results (Non-consolidated)

(Millions of yen)

	FY3/2020 (a)	(a) - (b)	FY3/2019 (b)
Gross operating profit	80,345	(19,650)	99,995
(excluding gains (losses) on bonds)	(80,115	(19,379)	99,494)
Domestic gross operating profit	80,078	(19,608)	99,686
(excluding gains (losses) on bonds)	(79,847	(19,336)	99,183)
Net interest income	84,761	(18,903)	103,664
Net fees and commissions	(6,901)	(2,419)	(4,482)
Net other operating income	2,217	1,714	503
(of which, Gains (losses) on bonds)	(230	(273)	503)
International gross operating profit	267	(42)	309
(excluding gains (losses) on bonds)	(267	(44)	311)
Net interest income	204	(48)	252
Net fees and commissions	24	1	23
Net other operating income	37	4	33
(of which, Gains (losses) on bonds)	(-	1	(1))
Expenses (excluding non-recurring losses)	43,780	(3,097)	46,877
Personnel expenses	14,875	(1,070)	15,945
Non-personnel expenses	25,603	(1,559)	27,162
Taxes	3,302	(467)	3,769
Actual net operating profit	36,564	(16,554)	53,118
Core net operating profit	36,334	(16,282)	52,616
Excluding gains (loss) on cancellation of investment trust	36,334	(15,978)	52,312
Provision for general allowance for loan losses (Note)	-	(26,710)	26,710
Net operating profit	36,564	10,156	26,408
Gains (losses) on bonds	230	(271)	501
Non-recurring gains (losses)	3,427	104,820	(101,393)
Reversal of allowance for loan losses	229	229	-
Recoveries on written-off claims	1,351	649	702
Gains (losses) on stocks	5,303	(2,320)	7,623
Ordinary profit	39,991	114,976	(74,985)
Extraordinary gains (losses)	(9,908)	(9,205)	(703)
Gains (losses) on disposal of non-current assets	(469)	(284)	(185)
Impairment loss	9,451	6,622	2,829
Gains on revision of retirement benefit plan	-	(2,311)	2,311
Income before income taxes	30,083	105,771	(75,688)
Income taxes-current	3,529	(13,469)	16,998
Income taxes-deferred	2,079	(2,251)	4,330
Total income taxes	5,609	(15,719)	21,328
Net income	24,474	121,490	(97,016)

(1)Provision for general allowance for loan losses (Note)	-	(26,710)	26,710
(2)Disposal of non-performing loans	4,039	(106,310)	110,349
Write-off of loans	1,556	(1,105)	2,661
Provision for specific allowance for loan losses (Note)	-	(105,456)	105,456
Losses on sales of delinquent loans	2,410	203	2,207
Provision for allowance for contingent losses	72	49	23
Reversal of allowance for loan losses	229	229	-
(3)Net credit costs (1)+(2)	3,809	(133,251)	137,060
(4)Recoveries on written-off claims	1,351	649	702
(5)Actual credit costs (4)-(5)	2,457	(133,901)	136,358

(Note)For the fiscal year ended March 31, 2020, the net amount of reversal of specific allowance for loan losses and provision for general allowance for loan losses is recorded in reversal of allowance for loan losses, given that the former exceeded the latter during period.

Details of financial results (Consolidated)

(Millions of yen)

	FY3/2020		FY3/2019
	(a)	(a) - (b)	(b)
Consolidated gross profit	90,465	(18,318)	108,783
Net interest income	92,438	(17,430)	109,868
Net fees and commissions	(4,722)	(2,632)	(2,090)
Net other operating income	2,748	1,742	1,006
Expenses (excluding non-recurring losses)	48,365	(3,418)	51,783
Actual credit costs	6,304	(135,283)	141,587
Gains (losses) on stocks	5,290	(4,295)	9,585
Equity in gains (losses) of affiliates	5	4	1
Others	672	16	656
Ordinary profit	41,763	116,105	(74,342)
Extraordinary gains (losses)	(9,904)	(9,188)	716
Income before income taxes	31,858	106,917	(75,059)
Income taxes-current	4,124	(13,350)	17,474
Income taxes-deferred	2,161	(2,486)	4,647
Total income taxes	6,285	(15,837)	22,122
Profit attributable to non-controlling interests	248	283	(35)
Profit attributable to owners of parent	25,324	122,470	(97,146)

(1)Provision for general allowance for loan losses	6,084	(20,759)	26,843
(2)Disposal of non-performing loans	2,059	(113,825)	115,884
Write-off of loans	2,727	(1,922)	4,649
Provision for specific allowance for loan losses	(5,325)	(112,697)	107,372
Losses on sales of delinquent loans	4,585	747	3,838
Provision for allowance for contingent losses	72	49	23
(3)Net credit costs (1)+(2)	8,143	(134,585)	142,728
(4)Recoveries on written-off claims	1,838	697	1,141
(5)Actual credit costs (3)-(4)	6,304	(135,283)	141,587

(Note) Consolidated gross profit = (Interest income - Interest expenses) + (Fees and commissions - Fees and commissions payments) + (Other operating income - Other operating expenses)

(Reference)

(Millions of yen)

Consolidated net operating profit	36,015	5,859	30,156
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(Note) Consolidated net operating profit = Consolidated gross profit - Consolidated expenses - Consolidated provision for general allowance for loan losses

(Number of consolidated subsidiaries and affiliates)

(Companies)

Consolidated subsidiaries	9	-	9
Equity-method accounted affiliates	-	(1)	1

2. Net operating profit (Non-consolidated)

(Millions of yen)

	FY3/2020		FY3/2019
	(a)	(a) - (b)	(b)
Net operating profit	36,564	10,156	26,408
Per employee (Thousands of yen)	24,408	7,103	17,305

3. Interest margins (Non-consolidated)

Overall

(%)

	FY3/2020 (a)	(a) - (b)	FY3/2019 (b)
Return on investments (A)	2.60	(0.24)	2.84
Yield on loans and bills discounted	3.19	(0.13)	3.32
Yield on securities	0.62	(2.51)	3.13
Yield on interest bearing liabilities (B)	1.46	0.07	1.39
Yield on deposits	0.04	0.00	0.04
Loan-deposit margin (after deduction of expenses)	1.74	(0.19)	1.93
Net interest margin (A) - (B)	1.14	(0.31)	1.45

Domestic

(%)

	FY3/2020 (a)	(a) - (b)	FY3/2019 (b)
Return on investments (A)	2.59	(0.24)	2.83
Yield on loans and bills discounted	3.19	(0.13)	3.32
Yield on securities	0.62	(2.58)	3.20
Yield on interest bearing liabilities (B)	1.41	0.07	1.34
Yield on deposits	0.04	0.00	0.04
Loan-deposit margin (after deduction of expenses)	1.78	(0.19)	1.97
Net interest margin (A) - (B)	1.18	(0.31)	1.49

4. ROA and ROE (Non-consolidated)

(%)

	FY3/2020 (a)	(a) - (b)	FY3/2019 (b)
ROA	Net operating profit basis	1.09	0.41
	Net income basis	0.73	3.23
ROE	Net operating profit basis	16.94	8.61
	Net income basis	11.34	41.96

5. Gains (losses) on securities (Non-consolidated)

(Millions of yen)

	FY3/2020 (a)	(a) - (b)	FY3/2019 (b)
Gains (losses) on bonds	230	(271)	501
Gains on sales	6	1	5
Gains on redemptions	375	(219)	594
Losses on sales	-	(1)	1
Losses on redemptions	152	56	96
Losses on devaluation	-	-	-
Gains (losses) on stocks	5,303	(2,320)	7,623
Gains on sales	5,472	(4,329)	9,801
Losses on sales	117	(81)	198
Losses on devaluation	52	(1,926)	1,978

6. Capital adequacy ratio (domestic standard)

Non-consolidated

(Millions of yen)

	Mar. 31, 2020 (a)	(a) - (b)	Mar. 31, 2019 (b)
Capital adequacy ratio	10.28%	1.48%	8.80%
Own capital (Core capital)	241,438	27,642	213,796
Core capital: instruments and reserves	265,899	22,541	243,358
Core capital: regulatory adjustments (-)	24,461	(5,100)	29,561
Risk-weighted assets	2,347,582	(79,469)	2,427,051
Total required capital	90,574	(6,508)	97,082

Consolidated

(Millions of yen)

	Mar. 31, 2020 (a)	(a) - (b)	Mar. 31, 2019 (b)
Capital adequacy ratio	10.42%	1.52%	8.90%
Own capital (Core capital)	249,228	29,227	220,001
Core capital: instruments and reserves	276,418	20,288	256,130
Core capital: regulatory adjustments (-)	27,189	(8,940)	36,129
Risk-weighted assets	2,390,570	(80,310)	2,470,880
Total required capital	92,293	(6,542)	98,835

7. Composition of own capital (domestic standard)

(Millions of yen)

	Mar. 31, 2020	
	Consolidated	Non-consolidated
Core capital: instruments and reserves (1)		
Directly issued qualifying common stock or preferred stock mandatorily convertible into common stock capital plus related capital surplus and retained earnings	239,029	248,957
Capital and capital surplus	48,632	32,089
Retained earnings	192,116	218,587
Treasury shares (-)	561	561
Earnings to be distributed (-)	1,158	1,158
Accumulated other comprehensive income included in Core capital	-	412
Remeasurements of defined benefit plans	-	412
Subscription rights to acquire common stock or preferred stock mandatorily convertible into common stock	-	-
Adjusted non-controlling interests (amount allowed to be included in Core capital)	-	-
Reserves included in Core capital: instruments and reserves	26,870	27,003
General allowance for loan losses	26,870	27,003
Eligible non-cumulative perpetual preferred stock subject to transitional arrangement included in Core capital: instruments and reserves	-	-
Eligible capital instrument subject to transitional arrangement included in Core capital: instruments and reserves	-	-
Capital instrument issued through the measures for strengthening capital by public institutions included in Core capital: instruments and reserves	-	-
45% of revaluation reserve for land included in Core capital: instruments and reserves	-	-
Non-controlling interests included in Core capital subject to transitional arrangements	-	44
Core capital: instruments and reserves (A)	265,899	276,418
Core capital: regulatory adjustments (2)		
Total intangible fixed assets (net of related tax liability, excluding those relating to mortgage servicing rights)	13,787	15,524
Goodwill (including those equivalent)	-	1,553
Other intangible fixed assets other than goodwill and mortgage servicing rights	13,787	13,971
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	245
Shortfall of eligible provisions to expected losses	-	-
Gains on sale related to securitization transactions	-	-
Gains (losses) due to changes in own credit risk on fair valued liabilities	-	-
Prepaid pension cost	8,424	-
Net defined benefit asset	-	8,837
Investments in own shares (excluding those reported in the net assets)	-	-
Reciprocal cross-holdings in relevant capital instruments issued by other financial institutions	-	-
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation ("Other financial institutions"), net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above the 10% threshold)	-	-
Amount exceeding the 10% threshold on specified items	2,249	2,582
Significant investments in the common stock of Other financial institutions, net of eligible short positions	-	-
Mortgage servicing rights	-	-
Deferred tax assets arising from temporary differences (net of related tax liability)	2,249	2,582
Amount exceeding the 15% threshold on specified items	-	-
Core capital: regulatory adjustments (B)	24,461	27,189
Total capital		
Total capital (A-B) (C)	241,438	249,228
Risk-weighted assets (3)		
Credit risk-weighted assets	2,149,604	2,160,255
Total of items included in risk-weighted assets subject to transitional arrangements	-	-
Amount equivalent to market risk × 12.5	-	-
Amount equivalent to operational risk × 12.5	197,977	230,314
Credit risk-weighted assets adjustments	-	-
Amount equivalent to operational risk adjustments	-	-
Total amount of risk-weighted assets (D)	2,347,582	2,390,570
Capital adequacy ratio (non-consolidated)		
Capital adequacy ratio (non-consolidated) (C/D)	10.28%	-
Capital adequacy ratio (consolidated)		
Capital adequacy ratio (consolidated) (C/D)	-	10.42%

III. Status of loans, etc.

Comparison of asset disclosure by standard

Non-consolidated (As of March 31, 2020)

Classification and status of coverage by disclosure standard

Self-assessment result (by obligor classification)				
* Includes total claims.				
Category Credit balance	Classification			
	Non-classification	Classification II	Classification III	Classification IV
Bankrupt obligors 1,539 [313]	380	1,158	-	- [313]
Effectively bankrupt obligors 91,100 [56,631]	57,295	33,805	-	- [56,631]
Potentially bankrupt obligors 80,676 [29,137]	33,636	26,750	20,288 [29,137]	-
Obligors requiring caution	Sub-standard obligors 206,844	225	206,618	-
	Other obligors requiring caution 974,101	11,097	963,003	-
Normal obligors 1,157,817	1,157,817	-	-	-
Total 2,512,079 [86,082]	1,260,452	1,231,337	20,288 [29,137]	- [56,945]

Non-performing loans based on the Financial Reconstruction Law			
* Includes total claims ("Claims for special attention" includes only loans and bills discounted).			
Category Credit balance	Collateral or guarantees, etc.	Allowance	Coverage ratio
Claims against bankrupt and substantially bankrupt obligors 92,639	35,694	56,945	100%
Claims with collection risk 80,676	31,249	29,137	74.85%
Claims for special attention 175,923	51,663	60,510	63.76%
Subtotal 349,238	118,608	146,593	75.93%
Normal assets 2,162,840			
Total 2,512,079			

(Millions of yen)

Risk-monitored loans	
* Includes loans and bills discounted.	
Category	Out-standing balance
Loans to bankrupt obligors	1,529
Non-accrual delinquent loans	169,981
Loans past due 3 months or more	6,522
Restructured loans	169,400
Total	347,433

(Note1) "Total claims" includes "Loans and bills discounted", "Customers' liabilities for acceptances and guarantees", "Foreign exchanges", "Securities lent", "Suspense payment" and "Accrued interest".

(Note2) Numbers shown in brackets under "Self-assessment result" represent the reserved amount for each category.

1. Risk-monitored loans

The following table shows figures after deduction of partial direct write-off of loans.

The amounts of partial direct write-off of loans for the fiscal year ended March 31, 2020 were as follows:

(a) Non-consolidated: ¥6,364 million; (b) Consolidated: ¥7,188 million

Loans to “Potentially bankrupt obligors”, “Effectively bankrupt obligors” and “Bankrupt obligors” under self-assessment are placed on non-accrual status.

Non-consolidated

(Millions of yen, %)

		Mar. 31, 2020			Sep. 30, 2019	Mar. 31, 2019
		(a)	(a) - (b)	(a) - (c)	(b)	(c)
Risk-monitored loans	Loans to bankrupt obligors	1,529	(1,428)	(3,203)	2,957	4,732
	Non-accrual delinquent loans	169,981	(68,558)	(70,083)	238,539	240,064
	Loans past due 3 months or more	6,522	(2,680)	1,452	9,202	5,070
	Restructured loans	169,400	21,108	49,371	148,292	120,029
	Total	347,433	(51,558)	(22,464)	398,991	369,897
Loans and bills discounted (period-end balance)		2,496,157	(175,485)	(402,707)	2,671,642	2,898,864

% to loans and bills discounted	Loans to bankrupt obligors	0.06	(0.05)	(0.10)	0.11	0.16
	Non-accrual delinquent loans	6.80	(2.12)	(1.48)	8.92	8.28
	Loans past due 3 months or more	0.26	(0.08)	0.09	0.34	0.17
	Restructured loans	6.78	1.23	2.64	5.55	4.14
	Total	13.91	(1.02)	1.15	14.93	12.76

Consolidated

(Millions of yen, %)

		Mar. 31, 2020			Sep. 30, 2019	Mar. 31, 2019
		(a)	(a) - (b)	(a) - (c)	(b)	(c)
Risk-monitored loans	Loans to bankrupt obligors	4,159	394	(2,279)	3,765	6,438
	Non-accrual delinquent loans	176,054	(70,326)	(70,252)	246,380	246,306
	Loans past due 3 months or more	6,522	(2,680)	1,452	9,202	5,070
	Restructured loans	169,400	21,108	49,371	148,292	120,029
	Total	356,136	(51,504)	(21,708)	407,640	377,844
Loans and bills discounted (period-end balance)		2,502,838	(174,848)	(401,549)	2,677,686	2,904,387

% to loans and bills discounted	Loans to bankrupt obligors	0.16	0.02	(0.06)	0.14	0.22
	Non-accrual delinquent loans	7.03	(2.17)	(1.45)	9.20	8.48
	Loans past due 3 months or more	0.26	(0.08)	0.09	0.34	0.17
	Restructured loans	6.76	1.23	2.63	5.53	4.13
	Total	14.22	(1.00)	1.22	15.22	13.00

2. Allowance ratio for risk-monitored loans

Non-Consolidated

(Millions of yen, %)

	Mar. 31, 2020 (a)	(a) - (b)	(a) - (c)	Sep. 30, 2019 (b)	Mar. 31, 2019 (c)
Risk-monitored loans (A)	347,433	(51,558)	(22,464)	398,991	369,897
Collateral or guarantees, etc. (B)	118,588	(35,155)	(29,072)	153,743	147,660
Allowance for loan losses (C)	146,553	(27,153)	(22,141)	173,706	168,694
Allowance ratio (C/A)	42.18	(1.35)	(3.42)	43.53	45.60
Coverage ratio (B+C)/(A)	76.31	(5.75)	(9.21)	82.06	85.52

Consolidated

(Millions of yen, %)

	Mar. 31, 2020 (a)	(a) - (b)	(a) - (c)	Sep. 30, 2019 (b)	Mar. 31, 2019 (c)
Risk-monitored loans (A)	356,136	(51,504)	(21,708)	407,640	377,844
Collateral or guarantees, etc. (B)	120,588	(35,585)	(29,833)	156,173	150,421
Allowance for loan losses (C)	151,629	(26,776)	(20,816)	178,405	172,445
Allowance ratio (C/A)	42.57	(1.19)	(3.06)	43.76	45.63
Coverage ratio (B+C)/(A)	76.43	(5.64)	(9.01)	82.07	85.44

3. Allowance for loan losses

Non-consolidated

(Millions of yen)

	Mar. 31, 2020 (a)	(a) - (b)	(a) - (c)	Sep. 30, 2019 (b)	Mar. 31, 2019 (c)
Allowance for loan losses	174,146	(28,196)	(26,562)	202,342	200,708
General allowance for loan losses	88,063	4,310	5,950	83,753	82,113
Specific allowance for loan losses	86,083	(32,506)	(32,511)	118,589	118,594

Consolidated

(Millions of yen)

	Mar. 31, 2020 (a)	(a) - (b)	(a) - (c)	Sep. 30, 2019 (b)	Mar. 31, 2019 (c)
Allowance for loan losses	183,979	(28,159)	(26,097)	212,138	210,076
General allowance for loan losses	92,450	4,288	5,816	88,162	86,634
Specific allowance for loan losses	91,529	(32,446)	(31,912)	123,975	123,441

4. Non-performing loans based on the Financial Reconstruction Law

Non-consolidated

(Millions of yen)

	Mar. 31, 2020 (a)	(a) - (b)	(a) - (c)	Sep. 30, 2019 (b)	Mar. 31, 2019 (c)
Claims against bankrupt and substantially bankrupt obligors	92,639	(49,698)	(15,752)	142,337	108,391
Claims with collection risk	80,676	(18,536)	(55,801)	99,212	136,477
Claims for special attention	175,923	18,429	50,824	157,494	125,099
Total (A)	349,238	(49,806)	(20,730)	399,044	369,968

5. Status of coverage of non-performing loans based on the Financial Reconstruction Law

Non-consolidated

(Millions of yen, %)

	Mar. 31, 2020 (a)	(a) - (b)	(a) - (c)	Sep. 30, 2019 (b)	Mar. 31, 2019 (c)
Total coverage (B)	265,201	(62,302)	(51,225)	327,503	316,426
Allowance for loan losses	146,593	(27,147)	(22,154)	173,740	168,747
Collateral or guarantees, etc.	118,608	(35,155)	(29,070)	153,763	147,678
Coverage ratio (B/A)	75.93	(6.14)	(9.59)	82.07	85.52

6. Loan breakdown by industry, etc.

(1) Loan breakdown by industry (Non-consolidated)

(Millions of yen)

	Mar. 31, 2020			Sep. 30, 2019	Mar. 31, 2019
	(a)	(a) - (b)	(a) - (c)	(b)	(c)
Domestic offices (excluding Japan offshore banking accounts)	2,496,157	(175,485)	(402,707)	2,671,642	2,898,864
Manufacturing	37,985	649	(660)	37,336	38,645
Agriculture and forestry	4,416	(155)	(245)	4,571	4,661
Fishery	7	7	(28)	0	35
Mining, quarrying and gravel	249	(6)	(1)	255	250
Construction	12,287	3,539	(429)	8,748	12,716
Utilities	132	(924)	(948)	1,056	1,080
Information and communication	1,176	(49)	(140)	1,225	1,316
Transportation and postal service	13,915	4,086	3,921	9,829	9,994
Wholesale and retail trade	30,689	(914)	(372)	31,603	31,061
Finance and insurance	20,308	(6,954)	(7,507)	27,262	27,815
Real estate, goods rental and leasing	27,428	(26,307)	(36,654)	53,735	64,082
Services	27,197	(483)	(1,628)	27,680	28,825
Government and municipal government	4,170	544	(545)	3,626	4,715
Others	2,316,189	(148,516)	(357,471)	2,464,705	2,673,660

(2) Breakdown of risk-monitored loans by industry (Non-consolidated)

(Millions of yen)

	Mar. 31, 2020			Sep. 30, 2019	Mar. 31, 2019
	(a)	(a) - (b)	(a) - (c)	(b)	(c)
Domestic offices (excluding Japan offshore banking accounts)	347,433	(51,558)	(22,464)	398,991	369,897
Manufacturing	7,200	5,759	5,914	1,441	1,286
Agriculture and forestry	-	-	-	-	-
Fishery	-	-	(33)	-	33
Mining, quarrying and gravel	-	-	-	-	-
Construction	853	(266)	(353)	1,119	1,206
Utilities	4	0	(1)	4	5
Information and communication	123	(27)	(2)	150	125
Transportation and postal service	4	(76)	(77)	80	81
Wholesale and retail trade	6,305	4,222	4,303	2,083	2,002
Finance and insurance	470	(6,409)	(6,600)	6,879	7,070
Real estate, goods rental and leasing	139	(36,890)	(40,984)	37,029	41,123
Services	1,889	201	545	1,688	1,344
Government and municipal government	-	-	-	-	-
Others (Note)	330,442	(18,072)	14,826	348,514	315,616

(Note) "Others" includes real estate financing for rent to individuals.

(3) Consumer loans (Non-consolidated)

(Millions of yen)

	Mar. 31, 2020			Sep. 30, 2019 (b)	Mar. 31, 2019 (c)
	(a)	(a) - (b)	(a) - (c)		
Consumer loans	2,307,016	(148,467)	(357,838)	2,455,483	2,664,854
Secured loans	2,099,092	(132,505)	(325,386)	2,231,597	2,424,478
Unsecured loans	207,924	(15,961)	(32,451)	223,885	240,375

(4) The ratio of loans to small- and medium-sized enterprises, etc. (Non-consolidated)

(%)

	Mar. 31, 2020			Sep. 30, 2019 (b)	Mar. 31, 2019 (c)
	(a)	(a) - (b)	(a) - (c)		
The ratio of loans to small- and medium-sized enterprises, etc.	97.92	(0.54)	(0.48)	98.46	98.40

(Note) "Loans to small- and medium-sized enterprises" includes consumer loans which comprise 92.42% of this total.

7. Loan breakdown by country

(1) Loans to specific foreign countries (Non-consolidated)

Not applicable.

(2) Loans to Asian countries (Non-consolidated)

Not applicable.

8. Deposits and loans (Non-consolidated)

(Millions of yen)

		Mar. 31, 2020			Sep. 30, 2019 (b)	Mar. 31, 2019 (c)
		(a)	(a) - (b)	(a) - (c)		
Deposits	period-end balance	3,210,823	45,882	45,143	3,164,941	3,165,680
	average balance	3,099,292	20,293	(404,921)	3,078,999	3,504,213
Loans	period-end balance	2,496,157	(175,485)	(402,707)	2,671,642	2,898,864
	average balance	2,664,764	(74,605)	(389,996)	2,739,369	3,054,760

9. Number of branches (Non-consolidated)

(Branches)

	Mar. 31, 2020			Sep. 30, 2019 (b)	Mar. 31, 2019 (c)
	(a)	(a) - (b)	(a) - (c)		
Number of branches	130	-	(1)	130	131

IV. Unrealized gains (losses) on securities

1. Unrealized gains (losses)

Non-consolidated

(Millions of yen)

	Mar. 31, 2020				Sep. 30, 2019				Mar. 31, 2019			
	Fair value	Net unrealized gains (losses)			Fair value	Net unrealized gains (losses)			Fair value	Net unrealized gains (losses)		
			Gains	Losses			Gains	Losses			Gains	Losses
Other securities	118,691	6,785	7,386	600	113,579	10,732	11,167	435	117,364	17,254	17,625	371
Stocks	14,125	5,850	6,193	343	17,577	9,301	9,596	294	26,170	15,911	16,160	249
Bonds	103,146	276	368	92	94,509	703	705	2	86,734	658	662	3
Others	1,419	659	824	165	1,493	727	865	138	4,459	683	802	118

(Note1) Stocks of subsidiaries and affiliates are not included since they are not valued with fair value.

(Note2) Unrealized gains (losses) represent the difference between the fair value as of period-ends and acquisition costs.

Consolidated

(Millions of yen)

	Mar. 31, 2020				Sep. 30, 2019				Mar. 31, 2019			
	Fair value	Net unrealized gains (losses)			Fair value	Net unrealized gains (losses)			Fair value	Net unrealized gains (losses)		
			Gains	Losses			Gains	Losses			Gains	Losses
Other securities	121,297	9,171	9,772	600	116,261	13,192	13,627	435	119,768	19,436	19,808	371
Stocks	14,844	6,472	6,816	343	18,261	9,888	10,182	294	26,709	16,352	16,601	249
Bonds	103,146	276	368	92	94,509	703	705	2	86,734	658	662	3
Others	3,306	2,422	2,587	165	3,491	2,600	2,738	138	6,325	2,424	2,543	118

(Note1) Stocks of subsidiaries and affiliates are not included since they are not valued with fair value.

(Note2) Unrealized gains (losses) represent the difference between the fair value as of period-ends and acquisition costs.

V. Retirement benefits

1. Retirement benefit expenses

Non-consolidated

(Millions of yen)

	FY3/2020	FY3/2019
Service cost	504	529
Interest cost	105	109
Expected returns on plan assets	(879)	(772)
Amortization of unrecognized net actuarial gains (losses)	(877)	(328)
Others (non-recurring extra retirement payments, etc.) (Note1)	216	214
Retirement benefit expenses	(929)	(247)

(Note1) "Others" includes contribution to a defined contribution pension plan.

Consolidated

(Millions of yen)

	FY3/2020	FY3/2019
Service cost (Note1)	532	566
Interest cost	105	109
Expected returns on plan assets	(879)	(772)
Amortization of unrecognized net actuarial gains (losses)	(877)	(328)
Others (non-recurring extra retirement payments, etc.) (Note2)	228	226
Retirement benefit expenses	(889)	(198)

(Note1) Retirement benefit expenses of consolidated subsidiaries adopting a simplified method are included in "Service cost".

(Note2) "Others" includes contribution to a defined contribution pension plan.