

## Financial Data (Non-Consolidated)

Year Ended March 31, 2020

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## Trends in Principal Financial Indicators (Non-Consolidated)

Fiscal period ended	Billions of yen				
	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016
Total Operating Income	¥ 119.0	¥ 146.4	¥ 170.1	¥ 160.2	¥ 170.2
Income (Loss) before Income Taxes and Other	20.5	30.7	56.9	49.1	33.5
Net Income (Loss)	13.7	14.4	36.2	31.3	11.5
Capital	218.6	218.6	218.6	218.6	218.6
[Total Number of Shares Issued in Thousands of Units]	[2,186,531]	[2,186,531]	[2,186,531]	[2,186,531]	[2,186,531]
Total Capital Funds	956.6	962.3	971.5	937.7	909.1
Total Assets	11,149.3	11,749.8	11,890.2	12,778.8	12,507.4
Outstanding Deposits	5,082.0	5,057.9	4,892.2	5,109.0	5,164.8
Outstanding Debentures	3,990.1	4,238.3	4,459.5	4,744.1	4,816.8
Outstanding Loans	8,294.1	8,289.7	8,648.1	9,356.8	9,539.5
Balance of Investment Securities	1,283.3	1,383.9	1,514.6	1,543.1	1,703.5
Net Assets per Share (Yen)	195.91	195.97	193.32	177.79	164.61
Dividends per Share (Yen)	Common stock (non-government portion)				
	3.00	3.00	3.00	3.00	3.00
Net Income per Share (Yen)	(government portion)				
	1.00	1.00	1.00	1.00	1.00
Net Income per Share (Diluted) (Yen)	6.31	6.65	16.67	14.38	5.31
Capital Ratio (%)	8.58	8.18	8.17	7.33	7.26
Non-consolidated Tier 1 (Common Stock etc.) Ratio (%)	11.69	12.34	12.75	12.03	12.07
Non-consolidated Tier 1 Ratio (%)	11.69	12.34	12.75	12.03	12.07
Non-consolidated Total Capital Ratio (%)	12.38	13.02	13.57	13.16	13.41
Return on Equity (%)	1.43	1.49	3.80	3.39	1.28
Price Earnings Ratio	—	—	—	—	—
Dividend Payment Ratio (%)	32.73	31.04	12.39	14.36	38.88
Number of Employees (Persons)	3,703	3,798	3,765	3,753	3,773
[Average Number of Temporary Employees excluded from Above]	[879]	[895]	[917]	[908]	[884]

Notes: 1. National and local consumption taxes are accounted for with the tax exclusion method.

2. The figure for Net Income per Share (Diluted) is not disclosed because there were no shares with a dilutive effect.

3. Dividends per Share are classified and presented in two separate categories, namely, Cash Dividend per Common Stock (government portion) and Cash Dividend per Common Stock (non-government portion). This separate classification is pursuant to Article 50 of the Shoko Chukin Bank Limited Act, which stipulates that the dividend per share applicable to Common Stock held by the government shall not exceed the dividend per share applicable to Common Stock held by parties other than the government. Furthermore, pursuant to Article 15 of the Regulation Enforcing the Shoko Chukin Bank Limited Act, the dividend per share applicable to Common Stock held by the government is set at a ratio of one-third in relation to the dividend per share applicable to Common Stock held by parties other than the government.

4. The Capital Ratio is calculated as follows:

(Total Net Assets as of the fiscal period-end - Stock acquisition rights as of the fiscal period-end)/Total Assets as of the fiscal period-end × 100.

5. Figures for Price Earnings Ratio are not disclosed because the Shoko Chukin Bank is not publicly listed or registered.

6. The Non-consolidated Capital Ratio is calculated in accordance with Announcement No. 2 of 2008 from the Financial Services Agency, the Ministry of Finance and the Ministry of Economy, Trade and Industry pursuant to Article 23, Paragraph 1 of the Shoko Chukin Bank Limited Act. The Shoko Chukin Bank has adopted the BIS international capital adequacy guidelines.

7. Dividend Payment Ratio is calculated by dividing average dividends per share (as calculated by dividing dividends by the number of shares outstanding at the end of the period) by net income per share.

8. Number of employees refers to the number of persons employed (excluding seconded workers).

## Non-Consolidated Balance Sheets

The Shoko Chukin Bank, Ltd. As of March 31, 2020 and 2019

	Millions of yen		Millions of U.S. dollars	
	2020	2019	2020	2019
<b>ASSETS</b>				
<b>Cash and Due from Banks</b>	¥ 1,327,016	¥ 1,856,751	\$ 12,193	\$ 16,728
Cash	21,655	26,559	198	239
Due from Banks	1,305,360	1,830,192	11,994	16,489
<b>Call Loans</b>	37,719	45,347	346	408
<b>Monetary Claims Purchased</b>	22,355	26,573	205	239
<b>Trading Assets</b>	14,843	14,132	136	127
Trading-related Financial Derivatives	14,843	14,132	136	127
<b>Investment Securities</b>	1,283,350	1,383,976	11,792	12,469
Government Bonds	502,984	606,776	4,621	5,466
Local Government Bonds	466,498	442,781	4,286	3,989
Corporate Bonds	215,730	233,223	1,982	2,101
Stocks	34,409	38,358	316	345
Other Securities	63,727	62,836	585	566
<b>Loans</b>	8,294,116	8,289,724	76,211	74,688
Bills Discounted	144,160	192,881	1,324	1,737
Loans on Notes	392,095	341,666	3,602	3,078
Loans on Deeds	6,437,338	6,703,553	59,150	60,397
Overdrafts	1,320,522	1,051,622	12,133	9,474
<b>Foreign Exchange</b>	15,900	16,571	146	149
Due from Foreign Banks	8,365	7,932	76	71
Foreign Exchange Bills Purchased	598	686	5	6
Foreign Exchange Bills Receivable	6,936	7,952	63	71
<b>Other Assets</b>	100,627	89,254	924	804
Unsettled Account of Transfer on Receiving Bank	2	2	0	0
Prepaid Expenses	1,084	1,656	9	14
Accrued Income	4,227	4,918	38	44
Financial Derivatives	1,185	257	10	2
Cash Collateral Received for Financial Instruments	87,458	77,944	803	702
Other Assets	6,669	4,474	61	40
<b>Tangible Fixed Assets</b>	38,404	36,198	352	326
Buildings	16,794	15,762	154	142
Land	18,130	18,210	166	164
Construction in Progress	1,680	740	15	6
Other Tangible Fixed Assets	1,797	1,484	16	13
<b>Intangible Fixed Assets</b>	9,754	11,854	89	106
Software	7,661	6,317	70	56
Other Intangible Fixed Assets	2,093	5,536	19	49
<b>Prepaid Pension Cost</b>	32,228	28,697	296	258
<b>Deferred Income Taxes</b>	39,491	35,446	362	319
<b>Customers' Liabilities for Acceptances and Guarantees</b>	110,779	104,966	1,017	945
Customers' Liabilities for Acceptances and Guarantees	109,681	103,730	1,007	934
Customers' Liabilities for Guaranteeing Agency Loans	1,098	1,236	10	11
<b>Reserve for Possible Loan Losses</b>	(177,239)	(189,665)	(1,628)	(1,708)
<b>Total Assets</b>	¥ 11,149,348	¥ 11,749,830	\$ 102,447	\$ 105,863

## Non-Consolidated Balance Sheets

The Shoko Chukin Bank, Ltd. As of March 31, 2020 and 2019

Pursuant to Article 396-1 of the Companies Act, the material that the Shoko Chukin Bank makes public in accordance with Article 52-1 of the Shoko Chukin Bank Law has been audited by an audit and supervisory board member.

In addition, the Bank's financial statements — the balance sheets, statements of operations, and statements of changes in net assets — have been certified by an audit and supervisory board member pursuant to Article 193-2-1 of the Financial Instruments and Exchange Act.

	Millions of yen		Millions of U.S. dollars	
	2020	2019	2020	2019
<b>LIABILITIES</b>				
<b>Deposits</b>	¥ 5,082,048	¥ 5,057,977	\$ 46,697	\$ 45,571
Current Deposits	490,927	525,729	4,510	4,736
Ordinary Deposits	1,273,425	1,127,315	11,701	10,156
Deposits at Notice	35,759	35,239	328	317
Time Deposits	3,195,222	3,288,142	29,359	29,625
Other Deposits	86,713	81,550	796	734
Negotiable Certificates of Deposit	273,818	284,360	2,516	2,562
<b>Shoko Chukin Bank Debentures</b>	3,990,150	4,238,310	36,664	38,186
Shoko Chukin Bank Debentures Issued	3,990,150	4,238,310	36,664	38,186
<b>Payables under Securities Lending Transactions</b>	336,938	593,243	3,096	5,345
<b>Trading Liabilities</b>	8,367	8,404	76	75
Trading-related Financial Derivatives	8,367	8,404	76	75
<b>Borrowed Money</b>	251,106	341,129	2,307	3,073
Borrowings	251,106	341,129	2,307	3,073
<b>Foreign Exchange</b>	30	30	0	0
Due to Foreign Banks	—	13	—	0
Foreign Exchange Bills Sold	22	2	0	0
Foreign Exchange Bills Payable	8	14	0	0
<b>Other Liabilities</b>	73,530	84,490	675	761
Corporate Taxes Payable	669	6,066	6	54
Accrued Expenses	5,890	5,696	54	51
Unearned Income	6,254	4,747	57	42
Deposits by Employees	4,091	3,988	37	35
Financial Derivatives	696	823	6	7
Cash Collateral Received for Financial Instruments	14,943	16,083	137	144
Asset Retirement Obligations	2,684	196	24	1
Debenture Principal Payable	106	5,679	0	51
Other Liabilities	38,192	41,209	350	371
<b>Reserve for Bonuses</b>	4,380	4,390	40	39
<b>Reserve for Retirement Benefits</b>	9,582	19,812	88	178
<b>Reserve for Retirement Benefits for Directors</b>	44	17	0	0
<b>Reserve for Losses on Refund for Dormant Bonds</b>	51,776	50,243	475	452
<b>Reserve for Environmental Measures</b>	116	144	1	1
<b>Acceptances and Guarantees</b>	110,779	104,966	1,017	945
Acceptances and Guarantees	109,681	103,730	1,007	934
Guarantees for Agency Loans	1,098	1,236	10	11
<b>Total Liabilities</b>	¥ 10,192,669	¥ 10,787,521	\$ 93,656	\$ 97,193
<b>NET ASSETS</b>				
<b>Capital</b>	218,653	218,653	2,009	1,970
<b>Crisis Response Reserve</b>	129,500	135,000	1,189	1,216
<b>Special Reserve under the Shoko Chukin Bank Law</b>	400,811	400,811	3,682	3,611
<b>Capital Surplus</b>	0	0	0	0
Other Capital Surplus	0	0	0	0
<b>Retained Earnings</b>	196,822	187,583	1,808	1,690
Earnings Reserve	23,310	22,411	214	201
Other Retained Earnings	173,511	165,171	1,594	1,488
Reserve for Advanced Depreciation of Noncurrent Assets	404	433	3	3
Reserve for Particular Purposes	49,570	49,570	455	446
Retained Earnings Brought Forward	123,536	115,167	1,135	1,037
Treasury Stock	(1,072)	(1,061)	(9)	(9)
<b>Total Shareholders' Equity</b>	944,714	940,986	8,680	8,478
<b>Unrealized Gains on Other Securities</b>	11,879	21,317	109	192
<b>Deferred Hedge Gains</b>	85	5	0	0
<b>Total Valuation and Translation Adjustments</b>	11,964	21,323	109	192
<b>Total Net Assets</b>	956,679	962,309	8,790	8,670
<b>Total Liabilities and Net Assets</b>	¥ 11,149,348	¥ 11,749,830	\$ 102,447	\$ 105,863

## Non-Consolidated Statement of Operations

The Shoko Chukin Bank, Ltd. For the years ended March 31, 2020 and 2019

	Millions of yen		Millions of U.S. dollars	
	2020	2019	2020	2019
<b>Operating Income</b>	¥ 119,021	¥ 146,437	\$ 1,093	\$ 1,319
Interest Income	95,032	101,929	873	918
Interest on Loans	87,250	92,450	801	832
Interest and Dividends on Securities	4,397	5,603	40	50
Interest on Call Loans	1,022	1,264	9	11
Interest on Deposits	1,218	1,247	11	11
Interest on Interest Swaps	28	21	0	0
Other Interest Income	1,114	1,342	10	12
Fees and Commissions	9,741	9,668	89	87
Domestic and Foreign Exchange Commissions	1,384	1,450	12	13
Other Fees and Commissions	8,356	8,218	76	74
Trading Revenue	3,871	2,948	35	26
Income from Securities and Derivatives Related to Trading Transactions	—	1	—	0
Revenue from Trading-related Financial Derivatives	3,871	2,946	35	26
Other Operating Income	3,424	1,479	31	13
Revenue from Foreign Exchange Trading	1,163	943	10	8
Revenue from Sales of Government and Other Bonds	2,261	536	20	4
Other Income	6,951	30,411	63	273
Collection of Written-off Claims	10	46	0	0
Revenue from Sales of Stocks and Other Securities	127	454	1	4
Other Income	6,813	29,910	62	269
<b>Operating Expenses</b>	98,440	115,645	904	1,041
Interest Expenses	6,355	7,277	58	65
Interest on Deposits	3,109	2,971	28	26
Interest on Negotiable Certificates of Deposit	1,014	1,080	9	9
Interest on Debentures	1,006	1,555	9	14
Interest on Call Money	(2)	(1)	(0)	(0)
Interest on Payables under Repurchase Agreements	0	—	0	—
Interest on Debenture Rental Transactions	44	57	0	0
Interest on Borrowed Money	1,145	1,574	10	14
Other Interest Expenses	37	38	0	0
Fees and Commissions	1,522	2,016	13	18
Domestic and Foreign Exchange Commissions	382	405	3	3
Other Fees and Commissions	1,139	1,611	10	14
Trading Expenses	31	9	0	0
Expenses on Trading Securities and Derivatives	—	9	—	0
Expenses on Securities and Derivatives Related to Trading Transactions	31	—	0	—
Other Operating Expenses	3,384	611	31	5
Losses on Sales of Government and Other Bonds	2,955	77	27	0
Amortization of Government and Other Bonds	130	143	1	1
Amortization of Debenture Issue Expenses	16	17	0	0
Expenses on Financial Derivatives	281	373	2	3
Other Operating Expenses	0	—	0	—
General and Administrative Expenses	74,983	77,715	688	700
Other Expenses	12,163	28,014	111	252
Provision for Possible Loan Losses	6,040	1,419	55	12
Write-off of Loans	86	349	0	3
Losses on Sales of Stocks and Other Securities	16	30	0	0
Write-off of Stocks	220	152	2	1
Other Expenses	5,800	26,062	53	234
<b>Profit before Income Taxes and Other</b>	20,581	30,791	189	277

## Non-Consolidated Statement of Operations

The Shoko Chukin Bank, Ltd. For the years ended March 31, 2020 and 2019

	Millions of yen		Millions of U.S. dollars	
	2020	2019	2020	2019
<b>Other Gains</b>	—	686	—	6
Gains on Disposal of Fixed Assets	—	686	—	6
<b>Other Losses</b>	4,520	6,850	41	61
Losses on Disposal of Fixed Assets	19	89	0	0
Impairment Losses	4,501	6,760	41	60
<b>Profit before Income Taxes</b>	16,060	24,628	147	221
<b>Provision for Income Taxes</b>	2,265	11,342	20	102
<b>Adjustment for Income Taxes</b>	60	(1,200)	0	(10)
<b>Total Income Taxes</b>	2,325	10,142	21	91
<b>Profit</b>	¥ 13,735	¥ 14,485	\$ 126	\$ 130

**PRINCIPAL SHAREHOLDERS**
**Common Stock**

Shareholder Name	Number of Stocks Held (Thousand shares)	Percentage of Total Common Stock Issued and Outstanding (%)
The Minister of Finance	1,016,000	46.68
Chubu Automobile Insurance Cooperative for Truck Transport Companies	8,085	0.37
National Federation of Fire Insurance	7,000	0.32
Kantoh Automobile Insurance Cooperative for Truck Transport Companies	6,580	0.30
Koeisha Co., Ltd.	6,087	0.27
BOT LEASE CO., LTD.	5,300	0.24
Tokyo Mokuzai Tonya Kyoudou Kumiai	5,000	0.22
Kyodokumiai Koyama Kyoiku Sangyo Group	4,823	0.22
OSAKA SEMBA FASHION CO-OPERATIVE ASSOCIATION	4,810	0.22
Hokuoh Shinyo Kumiai	4,662	0.21
Total	1,068,347	48.86

Notes: 1. As of March 31, 2020.

2. In addition to the principal shareholder information presented in the preceding chart, the Shoko Chukin Bank holds 10,258 thousand shares of treasury stock, representing 0.46% of total common stock issued and outstanding.

**CAPITAL RATIO (Uniform International Standards)**

(¥100 million, %)

	(As of March 31, 2020)
1. Total Risk-weighted Capital Ratio (4/7)	12.38
2. Tier 1 Risk-weighted Capital Ratio (5/7)	11.69
3. Common Equity Tier 1 Risk-weighted Capital Ratio (6/7)	11.69
4. Total Capital	9,777
5. Tier 1 Capital	9,229
6. Common Equity Tier 1 Capital	9,229
7. Risk-weighted Assets	78,940
8. Total Required Capital	6,315

**LEVERAGE RATIO (Uniform International Standards)**

(%)

	(As of March 31, 2020)
Leverage Ratio	8.06

**The Bank's Capital Ratio, etc.:**

The Bank's capital ratio is calculated in accordance with the formula stipulated in "Standard for Assessment of Management Soundness under Announcement No. 2 of 2008 from the Financial Services Agency, the Ministry of Finance and the Ministry of Economy, Trade and Industry pursuant to Article 23, Paragraph 1 of the Shoko Chukin Bank Law." In addition to applying the uniform international standard, the Bank adopts the standard method for Credit Risk-weighted Assets calculation and the basic method for Operational Risk calculation. Market Risk is not calculated according to special provision for exclusion.

In addition, the Bank's leverage ratio, an indicator that supplements the capital ratio, is calculated in accordance with the formula stipulated in "Standard for Assessment of Soundness Concerning Leverage that is Stipulated as Indicator that Supplements Standard for Assessment of Management Soundness under Announcement No. 3 of 2019 from the Financial Services Agency, the Ministry of Finance and the Ministry of Economy, Trade and Industry pursuant to Article 23, Paragraph 1 of the Shoko Chukin Bank Law."

<b>SUMMARY OF INCOME</b>			(¥100 million)
Fiscal period ended	March 31, 2020	March 31, 2019	
Gross Operating Profit	1,007	1,061	
General and Administrative Expenses (Excluding Nonrecurring Items)	725	754	
Net operating profit	282	306	
Provision for the General Reserve for Possible Loan Losses	44	(73)	
Operating Profit	237	379	
Nonrecurring Loss (Including Nonrecurring Expenses)	(31)	(71)	
Income before Income Taxes and Other	205	307	
Other Gains and Losses	(45)	(61)	
Provision for Income Taxes — Corporate Tax, Inhabitant Tax and Enterprise Tax	22	113	
Adjustment of Income Taxes	0	(12)	
Net Income	137	144	

Note: Operating Profit is income generated by the Bank's primary businesses and is calculated using the following formula:

Operating Profit = Gross Operating Profit - (Provision for the General Reserve for Possible Loan Losses + General and Administrative Expenses (Excluding Nonrecurring Items))

Net operating profit = (Gross operating profit) - (General and administrative expenses (excluding nonrecurring items))

<b>GROSS OPERATING PROFIT</b>							(¥100 million, %)
Fiscal period ended	March 31, 2020			March 31, 2019			
	Domestic	International	Total	Domestic	International	Total	
Net Interest Income	858	28	886	914	32	946	
Fees and Commissions	75	7	82	69	6	76	
Trading Revenue	23	14	38	18	10	29	
Other Operating Income	(8)	9	0	2	5	8	
Gross Operating Profit	948	59	1,007	1,005	55	1,061	
Gross Operating Profit Ratio (%)	0.84	2.56	0.89	0.87	2.27	0.91	

Notes: 1. Domestic departments handle transactions in yen with Japanese residents through the domestic offices. International departments handle transactions with non-residents in Japan, foreign currency transactions and transactions made on special international financial accounts (transactions in the Tokyo Offshore Market) through the domestic offices and those operated through the New York branch.

2. Gross Operating Profit Ratio =  $\frac{\text{Gross Operating Profit}}{\text{Average Balance of Interest Earning Assets}} \times 100$

<b>Operating profit, etc.</b>			(¥100 million)
	March 31, 2020	March 31, 2019	
Operating profit	237	379	
Net operating profit	282	306	
Core operating profit	290	303	
Core operating profit (excluding gains (losses) on cancellation of investment trusts)	290	303	

(Note) Core operating profit = (Gross operating profit) - (General and administrative expenses (excluding nonrecurring items)) - (Net gains (losses) related to bonds, including Japanese government bonds)

**BALANCE OF LOANS**

(¥100 million)

Fiscal period ended	March 31, 2020			March 31, 2019		
	Domestic	International	Total	Domestic	International	Total
Loans on Deeds	63,084	1,289	64,373	65,698	1,336	67,035
Loans on Notes	3,537	383	3,920	3,078	338	3,416
Overdraft	13,205	—	13,205	10,516	—	10,516
Bills Discounted	1,441	—	1,441	1,928	—	1,928
<b>Total</b>	<b>81,268</b>	<b>1,672</b>	<b>82,941</b>	<b>81,222</b>	<b>1,674</b>	<b>82,897</b>
Average Balance						
Loans on Deeds	63,755	1,281	65,036	68,102	1,331	69,433
Loans on Notes	3,197	349	3,546	2,849	328	3,177
Overdraft	11,656	—	11,656	9,273	—	9,273
Bills Discounted	1,454	—	1,454	1,604	—	1,604
<b>Total</b>	<b>80,063</b>	<b>1,630</b>	<b>81,694</b>	<b>81,829</b>	<b>1,659</b>	<b>83,489</b>

Note: The average balance of foreign currency loans with domestic offices stated in the International column is calculated by the monthly current method.

**BREAKDOWN OF LOAN BALANCE BY INDUSTRY**

(¥100 million, %)

	As of March 31, 2020	As of March 31, 2019
Manufacturing	27,004 (32.6)	27,199 (32.8)
Machinery and Metal Product Manufacturing	14,088 (17.0)	14,133 (17.0)
Agriculture and Forestry	313 (0.4)	304 (0.4)
Fisheries	48 (0.1)	50 (0.1)
Mining and Quarrying of Stone and Gravel	114 (0.1)	125 (0.2)
Construction	2,457 (3.0)	2,359 (2.9)
Electricity, Gas, Heat Supply and Water	255 (0.3)	262 (0.3)
Information and Communications, Transport and Postal Activities	10,944 (13.2)	11,035 (13.3)
Wholesale and Retail	25,342 (30.6)	25,719 (31.0)
Finance and Insurance	443 (0.5)	437 (0.5)
Real Estate and Goods Rental and Leasing	6,831 (8.2)	6,563 (7.9)
Various Services	8,616 (10.4)	8,273 (10.0)
Local Governments	2 (0.0)	2 (0.0)
Others	115 (0.1)	118 (0.1)
Overseas and Special International Financial Accounts	451 (0.5)	444 (0.5)
<b>Total</b>	<b>82,941</b>	<b>82,897</b>

Note: The figures in parentheses represent percentages of the total.

<b>PROBLEM LOANS</b>		(¥100 million, %)	
		<b>As of March 31, 2020</b>	<b>As of March 31, 2019</b>
Loans to Bankrupt Companies	(A)	579	560
(Loans to Bankrupt Companies other than Loss Classification Loans)	(B)	(234)	(244)
Overdue Loans	(C)	2,545	2,839
(Overdue Loans other than Loss Classification Loans)	(D)	(2,131)	(2,365)
Loans Overdue for 3 Months or Longer	(E)	9	4
Rescheduled Loans	(F)	237	231
Total Problem Loans	(G) = (A) + (C) + (E) + (F)	3,371	3,635
Loss Classification Loans in Loans to Bankrupt Companies	(H)	345	316
Loss Classification Loans in Overdue Loans	(I)	413	473
Problem Loans other than Loss Classification Loans	(J) = (B) + (D) + (E) + (F)	2,612	2,846
Loans other than Loss Classification Loans	(K)	82,182	82,109
Percentage of Loans (%)	(J)/(K)	3.2	3.5

- Notes: 1. Loans to Bankrupt Companies are loans for which accrued interest is not shown in the accounts\* based on the assumption that principal or interest is likely to be unrecoverable (because interest or principal payments have been long overdue or for other reasons), where the loans in question are affected by the circumstances defined in Article 96, Clause 1, Numbers 3a-e or Number 4 of the Corporation Tax Law Enforcement Ordinance (Cabinet Ordinance No. 97 of 1965).
2. Overdue Loans are loans of which accrued interest is not shown in the accounts, excluding loans to bankrupt companies and loans of which the rescheduling of interest payments have been granted to support the financial restructuring of the borrowers.
3. Loans Overdue for 3 Months or Longer are defined as loans on which principal or interest payments are overdue by 3 months or longer reckoning from the payment date stipulated in the contract. The loans that are classified as loans to bankrupt companies and overdue loans are excluded.
4. Rescheduled Loans are loans other than in Loans to Bankrupt Companies, Overdue Loans or Loans Overdue for 3 Months or Longer for which the terms have been eased to support the financial restructuring of the borrower through measures agreed in favor of the borrower, such as reduction of interests payments, postponement of interest or principal repayments and abandonment of claims.
5. Loss Classification Loans are those that are classified as unrecoverable based on our self-assessment of assets. The full amount of these loans is included in the Reserve for Possible Loan Losses.
6. Problem loans other than loss classification loans equal the amount of problem loans minus the amount of the loans defined in Note 5. (The amount of loss classification loans deducted from problem loan balances at the end of March 2019 was ¥78.9 billion out of the provision for possible loan losses of ¥150.2 billion and at the end of March 2020 was ¥75.8 billion out of the provision for possible loan losses of ¥133.3 billion.)
- \* Loans for which accrued interest is not shown in the accounts: loans to bankrupt companies for which accrued interest is not shown in the accounts based on the assumption that principal or interest is likely to be unrecoverable because the interest or principal payments have been long overdue or for other reasons (excluding loans that have been written off.)