



Financial Section and Corporate Profile

I Financial Section

- 23 Consolidated Balance Sheet
- 24 Consolidated Statement of Income
- 24 Consolidated Statement of Comprehensive Income
- 25 Consolidated Statement of Changes in Equity
- 26 Consolidated Statement of Cash Flows
- 27 Notes to Consolidated Financial Statements
- 46 Independent Auditor's Report
- 50 Non-Consolidated Balance Sheet (Unaudited)
- 51 Non-Consolidated Statement of Income (Unaudited)

II Corporate Profile

- 52 The Bank's Organization
- 52 Board of Directors and Audit & Supervisory Board Members
- 53 Corporate Data

Consolidated Balance Sheet

The Bank of Kyoto, Ltd. and Consolidated Subsidiaries March 31, 2021

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2021	2020	2021
Assets:			
Cash and due from banks (Notes 5 and 27)	¥ 2,606,209	¥ 1,085,260	\$ 23,540,870
Call loans and bills bought (Note 27)	194,649	92,130	1,758,194
Monetary claims bought	13,233	13,231	119,535
Trading securities	175	196	1,584
Money held in trust (Note 7)	13,093	13,068	118,264
Securities (Notes 6, 12, 17 and 27)	3,230,019	2,867,102	29,175,499
Loans and bills discounted (Notes 9, 13 and 27)	6,059,467	5,818,355	54,732,790
Foreign exchanges (Note 10)	6,986	9,993	63,104
Lease receivables and investment assets (Note 24)	12,773	12,764	115,377
Other assets (Notes 12 and 27)	71,034	93,945	641,626
Tangible fixed assets (Note 11):	75,889	75,998	685,482
Buildings	26,517	27,389	239,518
Land (Note 14)	43,619	43,617	394,000
Construction in progress	2,440	1,066	22,043
Other tangible fixed assets	3,312	3,925	29,919
Intangible fixed assets:	2,850	3,017	25,747
Software	2,545	2,713	22,991
Other intangible fixed assets	305	304	2,755
Deferred tax assets (Note 26)	1,074	1,215	9,703
Deferred tax assets for land revaluation (Note 14)	58	58	526
Customers' liabilities for acceptances and guarantees (Note 17)	15,101	14,577	136,410
Allowance for loan losses	(28,709)	(22,455)	(259,323)
Total Assets	¥12,273,908	¥10,078,463	\$110,865,396
Liabilities and Equity			
Liabilities:			
Deposits (Notes 12, 15 and 27)	¥ 8,687,962	¥ 7,998,796	\$ 78,474,958
Call money and bills sold (Note 12)	459,000	447,618	4,145,966
Payables under securities lending transactions (Notes 12 and 27)	429,312	429,624	3,877,814
Borrowed money (Notes 12 and 16)	1,108,636	72,716	10,013,879
Foreign exchanges (Note 10)	162	232	1,465
Borrowed money from trust account	4,170	3,178	37,673
Other liabilities (Note 27)	82,750	94,843	747,453
Liability for employees' retirement benefits (Note 25)	28,647	30,641	258,762
Liability for reimbursement of deposit losses	412	564	3,721
Liability for contingent losses	919	949	8,303
Reserves under special laws	0	0	2
Deferred tax liabilities (Note 26)	288,678	149,734	2,607,517
Acceptances and guarantees (Note 17)	15,101	14,577	136,410
Total liabilities	11,105,754	9,243,476	100,313,928
Equity (Notes 18, 19 and 31):			
Common stock, authorized, 200,000 thousand shares; issued, 75,840 thousand shares in 2021 and 2020	42,103	42,103	380,306
Capital surplus	34,190	34,260	308,833
Stock acquisition rights	356	488	3,221
Retained earnings	388,575	376,249	3,509,847
Treasury stock — at cost, 234 thousand shares in 2021 and 283 thousand shares in 2020	(1,279)	(1,550)	(11,556)
Accumulated other comprehensive income:			
Unrealized gains on available-for-sale securities (Note 8)	711,922	407,222	6,430,513
Deferred losses on derivatives under hedge accounting	(7,747)	(22,168)	(69,980)
Land revaluation surplus (Note 14)	(132)	(132)	(1,194)
Defined retirement benefit plans	(2,261)	(3,735)	(20,424)
Total	1,165,728	832,737	10,529,567
Noncontrolling interests	2,424	2,249	21,900
Total equity	1,168,153	834,987	10,551,468
Total Liabilities and Equity	¥12,273,908	¥10,078,463	\$110,865,396

See notes to consolidated financial statements.

Consolidated Statement of Income

The Bank of Kyoto, Ltd. and Consolidated Subsidiaries Year Ended March 31, 2021

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2021	2020	2021
Income:			
Interest income:			
Interest on loans and discounts	¥ 44,814	¥ 45,723	\$404,788
Interest and dividends on securities	30,807	30,134	278,270
Other interest income	1,246	1,975	11,258
Trust fees	12	17	116
Fees and commissions	18,720	19,310	169,091
Other operating income (Note 20)	9,960	11,282	89,972
Other income (Note 21)	2,595	5,380	23,440
Total income	108,156	113,823	976,938
Expenses:			
Interest expenses:			
Interest on deposits	1,752	4,943	15,828
Interest on borrowed money	233	637	2,112
Other interest expenses	2,361	3,175	21,329
Fees and commissions	5,748	7,497	51,920
Other operating expenses (Note 22)	6,708	5,925	60,592
General and administrative expenses	56,905	58,363	514,007
Other expenses (Note 23)	11,403	4,593	103,006
Total expenses	85,113	85,137	768,797
Income Before Income Taxes	23,043	28,686	208,140
Income Taxes (Note 26):			
Current	8,126	7,321	73,399
Deferred	(2,053)	890	(18,546)
Net Income	16,970	20,474	153,288
Net Income Attributable to Noncontrolling Interests	110	90	995
Net Income Attributable to Owners of the Parent	¥ 16,860	¥ 20,383	\$152,292

	Yen		U.S. dollars
	2021	2020	2021
Per Share Information (Notes 2. r and 31):			
Basic net income	¥223.03	¥269.81	\$2.01
Diluted net income	222.78	269.41	2.01
Cash dividends applicable to the year	60.00	60.00	0.54

See notes to consolidated financial statements.

Consolidated Statement of Comprehensive Income

The Bank of Kyoto, Ltd. and Consolidated Subsidiaries Year Ended March 31, 2021

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2021	2020	2021
Net Income	¥ 16,970	¥ 20,474	\$ 153,288
Other Comprehensive Income (Losses) (Note 29):	320,663	(28,949)	2,896,425
Unrealized gains (losses) on available-for-sale securities	304,768	(11,413)	2,752,849
Deferred gains (losses) on derivatives under hedge accounting	14,420	(17,141)	130,258
Defined retirement benefit plans	1,474	(393)	13,317
Comprehensive Income (Losses)	¥337,633	¥ (8,475)	\$3,049,714
Total Comprehensive Income (Losses) Attributable to:			
Owners of the parent	¥337,455	¥ (8,512)	\$3,048,099
Noncontrolling interests	178	37	1,614

See notes to consolidated financial statements.

Consolidated Statement of Changes in Equity

The Bank of Kyoto, Ltd. and Consolidated Subsidiaries Year Ended March 31, 2021

	Thousands		Millions of yen											
	Outstanding number of shares of common stock*	Common stock	Capital surplus	Stock acquisition rights	Retained earnings	Treasury stock	Accumulated other comprehensive income					Total	Non-controlling interests	Total equity
							Unrealized gains on available-for-sale securities	Deferred losses on derivatives under hedge accounting	Land revaluation surplus	Defined retirement benefit plans				
Balance at April 1, 2019	75,508	¥42,103	¥34,331	¥ 598	¥363,391	¥(1,815)	¥418,582	¥ (5,026)	¥(105)	¥(3,341)	¥ 848,719	¥2,215	¥ 850,934	
Net income attributable to owners of the parent					20,383						20,383		20,383	
Cash dividends, ¥100.00 per share*					(7,552)						(7,552)		(7,552)	
Purchases of treasury stock	(0)					(3)					(3)		(3)	
Disposals of treasury stock	49		(71)			267					196		196	
Reversal of revaluation reserve for land					26						26		26	
Net change in the year				(110)			(11,360)	(17,141)	(26)	(393)	(29,033)	34	(28,999)	
Balance at March 31, 2020	75,556	42,103	34,260	488	376,249	(1,550)	407,222	(22,168)	(132)	(3,735)	832,737	2,249	834,987	
Net income attributable to owners of the parent					16,860						16,860		16,860	
Cash dividends, ¥60.00 per share					(4,534)						(4,534)		(4,534)	
Purchases of treasury stock	(1)					(7)					(7)		(7)	
Disposals of treasury stock	51		(69)			278					208		208	
Reversal of revaluation reserve for land														
Net change in the year				(131)			304,699	14,420		1,474	320,463	175	320,638	
Balance at March 31, 2021	75,606	¥42,103	¥34,190	¥ 356	¥388,575	¥(1,279)	¥711,922	¥ (7,747)	¥(132)	¥(2,261)	¥1,165,728	¥2,424	¥1,168,153	

	Thousands of U.S. dollars (Note 1)												
	Common stock	Capital surplus	Stock acquisition rights	Retained earnings	Treasury stock	Accumulated other comprehensive income					Total	Non-controlling interests	Total equity
						Unrealized gains on available-for-sale securities	Deferred losses on derivatives under hedge accounting	Land revaluation surplus	Defined retirement benefit plans				
Balance at March 31, 2020	\$380,306	\$309,464	\$ 4,407	\$3,398,516	\$(14,008)	\$3,678,282	\$(200,238)	\$(1,194)	\$(33,741)	\$ 7,521,794	\$20,316	\$ 7,542,110	
Net income attributable to owners of the parent				152,292						152,292		152,292	
Cash dividends, \$0.54 per share				(40,962)						(40,962)		(40,962)	
Purchases of treasury stock					(65)					(65)		(65)	
Disposals of treasury stock			(630)		2,517					1,887		1,887	
Reversal of revaluation reserve for land													
Net change in the year			(1,186)			2,752,231	130,258		13,317	2,894,621	1,584	2,896,205	
Balance at March 31, 2021	\$380,306	\$308,833	\$ 3,221	\$3,509,847	\$(11,556)	\$6,430,513	\$(69,980)	\$(1,194)	\$(20,424)	\$10,529,567	\$21,900	\$10,551,468	

* Cash dividends, ¥40.00 per share are special dividends.

See notes to consolidated financial statements.

Consolidated Statement of Cash Flows

The Bank of Kyoto, Ltd. and Consolidated Subsidiaries Year Ended March 31, 2021

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2021	2020	2021
Operating Activities:			
Income before income taxes	¥ 23,043	¥ 28,686	\$ 208,140
Depreciation	3,393	3,695	30,651
Losses on impairment of long-lived assets		131	
Equity in earning of an affiliated company	(22)	(15)	(201)
Increase (decrease) in allowance for loan losses	6,253	(561)	56,489
Increase (decrease) in liability for employees' retirement benefits	131	(255)	1,185
Decrease in liability for reimbursement of deposit losses	(152)	(189)	(1,372)
(Decrease) increase in liability for contingent losses	(29)	77	(269)
Interest income	(76,867)	(77,833)	(694,317)
Interest expense	4,347	8,757	39,270
Gains on securities	(2,165)	(4,949)	(19,559)
Gains on money held in trust	(25)	(69)	(226)
Foreign exchange (gains) losses	(5,970)	4,447	(53,928)
Losses on sales of fixed assets	722	414	6,522
Net decrease (increase) in trading securities	21	(51)	194
Net increase in loans	(241,111)	(338,965)	(2,177,868)
Net increase in deposits	872,568	30,599	7,881,572
Net decrease in negotiable certificates of deposit	(183,402)	(62,293)	(1,656,606)
Net increase in borrowed money (excluding subordinated loans)	1,035,920	14,772	9,357,063
Net increase in due from banks (excluding due from Bank of Japan)	(5,781)	(6,085)	(52,226)
Net (increase) decrease in call loans and bills bought	(102,521)	4,761	(926,034)
Net increase in call money	11,381	437,629	102,808
Net decrease in payables under securities lending transactions	(311)	(12,716)	(2,817)
Net decrease in foreign exchanges (assets)	3,007	32,536	27,165
Net (decrease) increase in foreign exchanges (liabilities)	(70)	18	(633)
Net increase in lease receivables and investment assets	(8)	(1,786)	(77)
Net increase in borrowed money from trust account	992	2,660	8,966
Interest and dividends received (cash basis)	77,864	80,130	703,319
Interest paid (cash basis)	(5,235)	(9,588)	(47,291)
Other, net	27,473	(2,270)	248,156
Subtotal	1,443,445	131,686	13,038,077
Income taxes — paid	(5,917)	(16,306)	(53,454)
Net cash provided by operating activities	1,437,527	115,379	12,984,623
Investing Activities:			
Purchases of securities	(358,514)	(687,310)	(3,238,322)
Proceeds from sales of securities	91,545	238,835	826,895
Proceeds from redemption of securities	352,969	474,652	3,188,239
Decrease in money held in trust		17,074	
Purchases of tangible fixed assets	(2,422)	(2,067)	(21,877)
Proceeds from sales of tangible fixed assets	0	0	1
Purchases of intangible fixed assets	(911)	(892)	(8,230)
Other, net	(490)	(118)	(4,434)
Net cash provided by investing activities	82,176	40,173	742,271
Financing Activities:			
Dividends paid by the Bank	(4,534)	(7,552)	(40,962)
Dividends paid by subsidiaries to noncontrolling shareholders	(3)	(3)	(29)
Net cash used in financing activities	(4,538)	(7,555)	(40,991)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	0	(1)	6
Net Increase in Cash and Cash Equivalents	1,515,166	147,996	13,685,908
Cash and Cash Equivalents at Beginning of Year	1,046,629	898,633	9,453,795
Cash and Cash Equivalents at End of Year (Note 5)	¥2,561,796	¥1,046,629	\$23,139,704

See notes to consolidated financial statements.

Notes to Consolidated Financial Statements

The Bank of Kyoto, Ltd. and Consolidated Subsidiaries Year Ended March 31, 2021

1. Basis of Presentation of Consolidated Financial Statements

The accompanying consolidated financial statements of The Bank of Kyoto, Ltd. (the "Bank") and consolidated subsidiaries have been prepared in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Act and its related accounting regulation and the Enforcement Regulation for the Banking Law and in accordance with accounting principles generally accepted in Japan ("Japanese GAAP"), which are different in certain respects as to the application and disclosure requirements of International Financial Reporting Standards.

In preparing these consolidated financial statements, certain reclassifications and rearrangements have been made to the consolidated financial statements issued domestically in order to present them in a form which is more familiar to readers outside Japan. In addition, certain reclassifications have been made in the 2020 consolidated financial statements to conform to the classifications used in 2021.

The consolidated financial statements are stated in Japanese yen, the currency of the country in which the Bank is incorporated and operates. All yen figures for 2021 and 2020 have been rounded down to millions of yen. Also, U.S. dollar amounts have been rounded down to thousands of dollars.

The translation of Japanese yen amounts into U.S. dollar amounts is included solely for the convenience of readers outside Japan and has been made at the rate of ¥110.71 to \$1, the approximate rate of exchange at March 31, 2021. Such translation should not be construed as a representation that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

2. Summary of Significant Accounting Policies

a. Consolidation — The consolidated financial statements as of March 31, 2021 include the accounts of the Bank and its 7 significant subsidiaries (together, the "Group").

Under the control and influence concepts, those companies in which the Bank, directly or indirectly, is able to exercise control over operations are fully consolidated, and those companies over which the Group has the ability to exercise significant influence are accounted for by the equity method.

Investments in 1 affiliated company is accounted for by the equity method.

Investments in the remaining unconsolidated subsidiaries and an affiliated company are stated at cost. The effect on the consolidated financial statements of not applying the equity method is immaterial.

All significant intercompany balances and transactions have been eliminated in consolidation. All material unrealized profit included in assets resulting from transactions within the Group is also eliminated.

b. Cash Equivalents — For purposes of the consolidated statement of cash flows, the Group considers deposits with Bank of Japan which are included in "Cash and due from banks" in the consolidated balance sheet, to be cash equivalents.

c. Trading Securities — Trading securities, which are held for the purpose of primarily earning capital gains in the short term, are reported at fair value and the related unrealized gains and losses are included in the consolidated statement of income.

d. Securities — Securities are classified and accounted for, depending on management's intent, as follows: (1) held-to-maturity debt securities,

which are expected to be held to maturity with the positive intent and ability to hold to maturity, are reported at amortized cost and (2) available-for-sale securities, which are not classified as held-to-maturity debt securities, are reported at fair value, with unrealized gains and losses, net of applicable taxes, reported in a separate component of equity. Securities whose fair value cannot be reliably determined are stated at cost determined by the moving-average method. For other-than-temporary declines in fair value, securities are reduced to net realizable value by a charge to income. Money held in trust classified as trading is reported at fair value and the related unrealized gains and losses are included in the consolidated statement of income.

e. Derivatives and Hedging Activities — Derivatives are classified and accounted for as follows: (a) all derivatives (other than those used for hedging purposes) are recognized as either assets or liabilities and measured at fair value at the end of the fiscal year and the related gains or losses are recognized in the accompanying consolidated statement of income and (b) for derivatives used for hedging purposes, if such derivatives qualify for hedge accounting because of high correlation and effectiveness between the hedging instruments and the hedged items, the gains or losses on the derivatives are deferred until maturity of the hedged transactions.

To manage interest rate risk associated with financial assets and liabilities, the Bank applies hedge accounting by matching specific items to be hedged with specific hedging instruments or applying deferral hedge accounting (cash flow hedge) based on the rules of the Japanese Institute of Certified Public Accountants (the "JICPA") Industry Committee Practical Guidelines No. 24.

The Bank applies deferral hedge accounting based on the rules of the JICPA Industry Committee Practical Guidelines No. 25, "Treatment of Accounting and Auditing Concerning Accounting for Foreign Currency Transactions in the Banking Industry," to manage its exposures to fluctuations in foreign exchange rates associated with assets and liabilities denominated in foreign currencies.

f. Tangible Fixed Assets — Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation of tangible fixed assets of the Bank is computed using the declining-balance method while the straight-line method is applied to buildings acquired on or after April 1, 1998, and building improvements and structures acquired on or after April 1, 2016, at rates based on the estimated useful lives of the assets. The range of useful lives is principally from 8 to 50 years for buildings and from 3 to 20 years for other tangible fixed assets. Depreciation of tangible fixed assets of the Bank's consolidated subsidiaries is computed substantially by the declining-balance method at rates based on the estimated useful lives of the assets.

g. Intangible Fixed Assets — Depreciation of intangible fixed assets is computed using the straight-line method. Software costs for internal use are capitalized and amortized by the straight-line method over the estimated useful life of 5 years.

h. Long-Lived Assets — The Group reviews its long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset or asset group may not be recoverable. An impairment loss is recognized if the carrying amount of an asset or asset group exceeds the sum of the undiscounted future cash flows expected

to result from the continued use and eventual disposition of the asset or asset group. The impairment loss would be measured as the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of the discounted cash flows from the continued use and eventual disposition of the asset or the net selling price at disposition.

Accumulated impairment losses are directly deducted from the respective fixed assets.

i. Allowance for Loan Losses — The amount of the allowance for loan losses is determined based on management's judgment and assessment of future losses based on the Bank's self-assessment system. This system reflects past experience of credit losses, possible future credit losses, business and economic conditions, the character, quality and performance of the portfolio, and other pertinent indicators.

The quality of all loans is assessed by branches and the Credit Examination Division with a subsequent audit by the Asset Review and Inspection Division in accordance with the Bank's policy and rules for self-assessment of asset quality.

The Bank has established a credit rating system under which its customers are classified into five categories. The credit rating system is used in the self-assessment of asset quality.

The five categories for self-assessment purposes are "normal," "caution," "possible bankruptcy," "virtual bankruptcy" and "legal bankruptcy."

For claims to debtors classified as "legal bankruptcy" or "virtual bankruptcy," a full reserve is provided after deducting amounts collectible through the disposal of collateral or execution of guarantees.

For claims to debtors classified as "possible bankruptcy," a specific reserve is provided to the necessary extent for the net amount of loans and estimated collectible amounts by collateral or guarantees.

For large debtors with a certain amount of credit or more who are classified as "possible bankruptcy" and debtors with restructured loans, if the cash flows from collection of the principal and interest can be reasonably estimated, the reserve is provided based on the difference between the present value of expected future cash flows discounted at the contracted interest rates and the carrying amounts of the loans (the "DCF method").

Debtors classified as "caution" are the ones that the Bank pays attention due to a certain level of concern about their operation and repayment of the loans. Among the debtors classified as "caution," for claims to debtors to whom the Bank pays more attention due to the higher level of concern, an allowance is provided for expected losses for the subsequent 3 years. Expected losses are estimated using the expected loss rate which is based on the average rate of historical loan loss experience for the past 3 years with the long-term perspective. For claims to debtors classified as "caution" excluding the above and as "normal" who do not have specific operational and financial problem, an allowance is provided for expected losses for the subsequent 1 year. Expected losses are estimated using the expected loss rate which is based on the rate of historical loan loss experience for the past 1 year with the long-term perspective.

Subsidiaries provide an allowance for general claims based on their historical loan loss experience and for specific claims at the amounts individually estimated to be uncollectible.

j. Reserve under Special Laws — The Reserve under special laws represents financial instruments transaction liability reserve recorded by a consolidated subsidiary as determined in accordance with the provisions

of Article 46-5 of the Financial Instruments and Exchange Act and Article 175 of the Cabinet Office Ordinance on Financial Instruments Business to provide for losses arising from security-related accidents.

k. Liability for Employees' Retirement Benefits — The Bank has a contributory funded pension plan, an unfunded lump-sum severance payment plan and a defined benefit corporate pension plan. Certain consolidated subsidiaries have unfunded lump-sum severance payment plans and defined contribution pension plans. They apply the simplified method to calculate the retirement benefit expenses and the liability for retirement benefits for employees.

The Bank accounts for the liability for retirement benefits based on the projected benefit obligations and plan assets at the balance sheet date. The projected benefit obligations are attributed to periods on a benefit formula basis. Actuarial gains and losses that are yet to be recognized in profit or loss are recognized within equity (accumulated other comprehensive income), after adjusting for tax effects and are recognized in profit or loss over 10 years no longer than the expected average remaining service period of the employees.

l. Liability for Reimbursement of Deposit Losses — A liability for reimbursement of deposits which was derecognized as a liability is provided for estimated losses on future claims of withdrawal from depositors of inactive accounts.

m. Liability for Contingent Losses — A liability for contingent losses is provided for possible losses from contingent events related to the enforcement of the "responsibility-sharing system" on October 1, 2007. The liability is calculated by estimation of future burden charges and other payments to the Credit Guarantee Corporation.

n. Foreign Currency Transactions — Foreign currency-denominated assets and liabilities are translated into Japanese yen at the exchange rates prevailing at the balance sheet date. The foreign exchange gains and losses from translation are recognized in the consolidated statement of income.

o. Stock Options — Compensation expense for employee stock options which were granted on and after May 1, 2006 are recognized based on the fair value at the date of grant and over the vesting period as consideration for receiving goods or services in accordance with Accounting Standards Board of Japan (the "ASBJ") Statement No. 8, "Accounting Standard for Stock Options." In the balance sheet, stock options are presented as stock acquisition rights as a separate component of equity until exercised.

p. Leases

Lessee

Finance lease transactions are capitalized to recognize lease assets and lease obligations in the balance sheet.

All other leases are accounted for as operating leases.

Lessor

Finance leases that are deemed to transfer ownership of the leased property to the lessee are recognized as lease receivables, and finance leases that are not deemed to transfer ownership of the leased property to the lessee are recognized as investments in lease.

q. **Income Taxes** — The provision for income taxes is computed based on the pretax income included in the consolidated statement of income. The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. Deferred taxes are measured by applying currently enacted income tax rates to the temporary differences.

r. **Per Share Information** — Basic net income per share is computed by dividing net income available to common stockholders by the weighted-average number of common shares outstanding for the period, retroactively adjusted for stock splits.

Diluted net income per share reflects the potential dilution that could occur if securities were exercised or converted into common stock. Diluted net income per share of common stock assumes full conversion of the outstanding convertible notes and bonds at the beginning of the year (or at the time of issuance) with an applicable adjustment for related interest expense, net of tax, and full exercise of outstanding warrants.

Cash dividends per share presented in the accompanying consolidated statement of income are dividends applicable to the respective fiscal years including dividends to be paid after the end of the year.

s. **New Accounting Pronouncements**

“Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30 issued in July 2019)

“Implementation Guidance on Accounting Standard for Fair Value Measurement” (ASBJ Guidance No. 31 issued in July 2019)

“Accounting Standard for Financial Instruments” (ASBJ Statement No. 10 issued in July 2019)

“Implementation Guidance on Disclosures about Fair Value of Financial Instruments” (ASBJ Guidance No. 19 issued in March 2020)

(1) Summary

ASBJ developed and issued “Accounting Standard for Fair Value Measurement” and “Implementation Guidance on Accounting Standard for Fair Value Measurement” (hereinafter, “Fair Value Measurement Standard etc.”) to enhance comparability of the requirements between the Japanese accounting standards and international accounting standards.

Fair Value Measurement Standard etc. is applied to the fair value of financial instruments as defined in the “Accounting Standard for Financial Instruments.”

(2) Effective date

The Group expects to apply the new standards and guidance effective from the beginning of the year ending March 31, 2022.

(3) Effects of application of the standards and guidance

The effects on consolidated financial statements are immaterial.

“Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29 issued in March 2020)

“Implementation Guidance on Accounting Standard for Revenue Recognition” (ASBJ Guidance No. 30 issued in March 2021)

(1) Summary

It is a comprehensive accounting standard for revenue recognition. The Group recognizes revenue based on the following five-step approach.

Step 1: Identify the contract with a customer

Step 2: Identify the performance obligation in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligation in the contract

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

(2) Effective date

The Group expects to apply the new standard and guidance effective from the beginning of the year ending March 31, 2022.

(3) Effects of application of the standards and guidance

The effects on consolidated financial statements are immaterial.

3. Significant Accounting Estimate

Allowance for Loan Losses

(1) Allowance for loan losses at March 31, 2021 was as follows:

	Millions of yen	Thousands of U.S. dollars
	2021	2021
Allowance for loan losses	¥28,709	\$259,323

(2) Information concerning important accounting estimates

Method of calculating allowance for loan losses is described in the Note 2.i.

The debtor classification is determined based on the financial information about the debtors. For the debtors with a poor financial results, rationality and feasibility of business improvement plans of debtors are also considered. Therefore, for classification of debtors, certain assumptions about debtors' business outlook and business environment have been used.

At the end of the previous fiscal year, the Bank expected the emergence of COVID-19 to have a significant impact on financial markets and assets globally, with broader economic and social disruption and anticipated the impact to continue in the near term. The Bank expects that the effect of COVID-19 will continue to some extent with a gradual recovery with the roll-out of vaccinations and that it will continue to affect some debtors' business in the near term. The impact of COVID-19 has affected credit risks and has factored into the determination of allowance for loan losses specifically regarding a more frequent modification of classification of debtors based on the most recent information about the debtors.

Allowance for loan losses is provided based on the debtor classification, after asset assessments for all loans based on the self-assessment standards. However, the assumption has uncertainty because debtors' business outlook and business environment change constantly and especially business improvement plans continue to be executed in subsequent years. As a result, losses are subject to increases or decreases depending on COVID-19's pandemic situations and its impacts on the economy.

4. Changes in Presentation

The Group applies “Accounting Standard for Disclosure of Accounting Estimates” (ASBJ Statement No. 31 issued in March 2020) to the consolidated financial statements for the end of the current fiscal year, and notes on significant accounting estimates are included in the consolidated financial statements.

However, in accordance with the transitional measures prescribed in the provision of ASBJ Statement No. 31-11, the details of the previous fiscal year are not included in the notes.

5. Cash and Cash Equivalents

The reconciliation of “Cash and cash equivalents” in the consolidated statement of cash flows and “Cash and due from banks” in the consolidated balance sheet as of March 31, 2021 and 2020, was as follows:

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Cash and due from banks	¥2,606,209	¥1,085,260	\$23,540,870
Due from banks, excluding due from Bank of Japan	(44,413)	(38,631)	(401,166)
Cash and cash equivalents	¥2,561,796	¥1,046,629	\$23,139,704

6. Securities

Securities at March 31, 2021 and 2020, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Japanese government bonds	¥ 376,091	¥ 383,285	\$ 3,397,091
Japanese local government bonds	658,813	695,463	5,950,802
Japanese corporate bonds	653,145	716,893	5,899,609
Japanese corporate stocks	1,166,497	735,328	10,536,516
Other securities	375,470	336,131	3,391,480
Total	¥3,230,019	¥2,867,102	\$29,175,499

Securities included investments in unconsolidated subsidiaries and an affiliated company, accounted for by the equity method or the cost method, of ¥2,677 million (\$24,181 thousand) and ¥2,515 million as of March 31, 2021 and 2020, respectively.

The securities placed under unsecured lending agreements are included in the above Japanese government bonds in the amount of ¥40,362 million (\$364,574 thousand) and ¥35,586 million for the years ended March 31, 2021 and 2020, respectively.

Held-to-maturity debt securities at March 31, 2021 and 2020 were as follows:

	Millions of yen				
	2021				
	Carrying amount	Fair value	Net unrealized gains (losses)	Unrealized gains	Unrealized losses
Japanese local government bonds	¥3,617	¥3,619	¥1	¥10	¥8
Japanese corporate bonds	2,003	2,008	4	4	
Japanese bonds — total	¥5,621	¥5,627	¥6	¥14	¥8

	Millions of yen				
	2020				
	Carrying amount	Fair value	Net unrealized gains (losses)	Unrealized gains	Unrealized losses
Japanese local government bonds	¥2,501	¥2,510	¥ 8	¥ 8	
Japanese corporate bonds	2,505	2,508	2	2	
Japanese bonds — total	¥5,006	¥5,018	¥11	¥11	

	Thousands of U.S. dollars				
	2021				
	Carrying amount	Fair value	Net unrealized gains (losses)	Unrealized gains	Unrealized losses
Japanese local government bonds	\$32,677	\$32,692	\$14	\$ 91	\$76
Japanese corporate bonds	18,100	18,141	41	41	
Japanese bonds — total	\$50,778	\$50,834	\$55	\$132	\$76

The cost and aggregate fair value of available-for-sale securities at March 31, 2021 and 2020 were as follows:

	Millions of yen				
	Cost	Carrying amount	Net unrealized gains (losses)	Unrealized gains	Unrealized losses
Japanese corporate stocks	¥ 160,846	¥1,163,108	¥1,002,262	¥1,003,883	¥1,620
Japanese government bonds	375,642	376,091	449	3,523	3,074
Japanese local government bonds	653,323	655,195	1,872	3,170	1,298
Japanese corporate bonds	650,035	651,141	1,106	1,934	828
Japanese bonds — total	1,679,001	1,682,429	3,427	8,628	5,201
Foreign bonds	175,701	184,103	8,401	9,548	1,146
Other	169,175	178,959	9,784	10,150	366
Other — total	344,876	363,063	18,186	19,699	1,513
Total	¥2,184,724	¥3,208,601	¥1,023,876	¥1,032,211	¥8,334

	Millions of yen				
	Cost	Carrying amount	Net unrealized gains (losses)	Unrealized gains	Unrealized losses
Japanese corporate stocks	¥ 163,653	¥ 731,971	¥568,318	¥573,356	¥ 5,037
Japanese government bonds	378,693	383,285	4,591	5,954	1,362
Japanese local government bonds	688,821	692,962	4,140	4,822	682
Japanese corporate bonds	712,614	714,388	1,773	2,733	959
Japanese bonds — total	1,780,130	1,790,635	10,505	13,510	3,004
Foreign bonds	173,412	196,566	23,153	24,210	1,056
Other	146,331	129,339	(16,992)	2,111	19,103
Other — total	319,744	325,906	6,161	26,321	20,159
Total	¥2,263,527	¥2,848,513	¥584,986	¥613,188	¥28,202

	Thousands of U.S. dollars				
	Cost	Carrying amount	Net unrealized gains (losses)	Unrealized gains	Unrealized losses
Japanese corporate stocks	\$ 1,452,860	\$10,505,905	\$9,053,044	\$9,067,683	\$14,638
Japanese government bonds	3,393,034	3,397,091	4,056	31,825	27,768
Japanese local government bonds	5,901,214	5,918,124	16,909	28,640	11,731
Japanese corporate bonds	5,871,512	5,881,508	9,995	17,475	7,479
Japanese bonds — total	15,165,761	15,196,724	30,962	77,941	46,979
Foreign bonds	1,587,046	1,662,935	75,888	86,248	10,359
Other	1,528,091	1,616,472	88,381	91,687	3,306
Other — total	3,115,138	3,279,407	164,269	177,935	13,666
Total	\$19,733,760	\$28,982,037	\$9,248,276	\$9,323,560	\$75,284

Bonds classified as held-to-maturity were not sold during the fiscal years ended March 31, 2021 and 2020.

Available-for-sale securities sold during the fiscal years were as follows:

	Millions of yen		
	2021		
	Sales amount	Gains on sales	Losses on sales
Available-for-sale securities:			
Equity securities	¥ 3,415	¥1,254	¥ 697
Debt securities	31,739	149	19
Other securities	52,038	2,906	1,406
Total	¥87,192	¥4,310	¥2,123

	Millions of yen		
	2020		
	Sales amount	Gains on sales	Losses on sales
Available-for-sale securities:			
Equity securities	¥ 8,228	¥2,693	¥ 754
Debt securities	124,387	1,037	16
Other securities	109,293	3,874	1,072
Total	¥241,909	¥7,605	¥1,843

	Thousands of U.S. dollars		
	2021		
	Sales amount	Gains on sales	Losses on sales
Available-for-sale securities:			
Equity securities	\$ 30,849	\$11,330	\$ 6,301
Debt securities	286,687	1,348	175
Other securities	470,040	26,252	12,705
Total	\$787,578	\$38,931	\$19,182

The classification of securities has not changed in the years ended March 31, 2021 and 2020.

Individual securities, except for trading securities, are written down when a decline in fair value below the cost of such securities is "deemed to be other than temporary." The amount written down is accounted for as losses on devaluation. The total losses on devaluation of available-for-sale securities (other than securities whose fair value cannot be reliably determined) amounted to ¥15 million (\$144 thousand) and ¥819 million, respectively, for the years ended March 31, 2021 and 2020.

To determine whether an other-than-temporary impairment has occurred, the Bank applies the following rules by the credit risk category for the security issuer based on the Bank's self-assessment guidelines.

- For securities issued by obligors classified as "legal bankruptcy," "virtual bankruptcy" and "possible bankruptcy": the fair value is lower than the amortized/acquisition cost.
- For securities issued by obligors classified as "caution": the fair value is 30% or more lower than the amortized/acquisition cost.
- For securities issued by obligors classified as "normal": the fair value is 50% or more lower than the amortized/acquisition cost, or fair value is more than 30% but less than 50% lower than amortized/acquisition cost and stayed below a certain level for a specified period of time.

7. Money Held in Trust

(1) Money held in trust classified as trading:

	Millions of yen	
	2021	
	Carrying amount	Unrealized gains (losses) included in earnings
Money held in trust classified as trading	¥13,093	

	Millions of yen	
	2020	
	Carrying amount	Unrealized gains (losses) included in earnings
Money held in trust classified as trading	¥13,068	

	Thousands of U.S. dollars	
	2021	
	Carrying amount	Unrealized gains (losses) included in earnings
Money held in trust classified as trading	\$118,264	

(2) No money held in trust was classified as held-to-maturity at March 31, 2021 and 2020.

(3) No money held in trust was classified as available-for-sale (money held in trust that is classified neither as trading nor as held-to-maturity) at March 31, 2021 and 2020.

8. Net Unrealized Gains/Losses on Available-for-Sale Securities

Available-for-sale securities were valued at market and net unrealized gains/losses on valuation were as follows:

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Net unrealized gains on available-for-sale securities	¥1,023,876	¥ 584,986	\$ 9,248,276
Deferred tax liabilities	(311,663)	(177,541)	(2,815,138)
Other	(54)	(54)	(495)
Net unrealized gains on valuation (before adjustment)	712,157	407,389	6,432,643
Noncontrolling interests	(235)	(167)	(2,129)
Net unrealized gains on valuation	¥ 711,922	¥ 407,222	\$ 6,430,513

9. Loans and Bills Discounted

Loans and bills discounted at March 31, 2021 and 2020, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Bills discounted	¥ 11,474	¥ 18,824	\$ 103,642
Loans on bills	71,044	93,352	641,721
Loans on deeds	5,495,168	5,109,138	49,635,703
Overdrafts	481,779	597,040	4,351,723
Total	¥6,059,467	¥5,818,355	\$54,732,790

Bills discounted are accounted for as financial transactions in accordance with "Treatment of Accounting and Auditing of Application of Accounting Standard for Financial Instruments in the Banking Industry" (the JICPA Industry Committee Practical Guidelines No. 24). The Bank has rights to sell or pledge these bills discounted. The total of the face value of bills discounted was ¥12,238 million (\$110,544 thousand) and ¥19,957 million at March 31, 2021 and 2020, respectively.

Loans and bills discounted at March 31, 2021 and 2020, included the following loans:

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Loans in legal bankruptcy	¥ 2,797	¥ 4,193	\$ 25,271
Nonaccrual loans	72,783	61,380	657,425
Restructured loans	8,298	1,274	74,959
Total	¥83,880	¥66,848	\$757,656

Loans in legal bankruptcy are nonaccrual loans to debtors who are legally bankrupt, as defined in the Enforcement Ordinance for the Corporation Tax Law and exclude the portion written off as bad debts. For those loans, the interest accrual is discontinued, based on management's judgment as to the collectability of principal or interest resulting from the delay in payments of interest or principal for a considerable period of time and other factors.

Nonaccrual loans are loans in which interest accrual is discontinued, other than loans in legal bankruptcy and loans granting deferral of interest payments to debtors in financial difficulty to assist them in their recovery.

Restructured loans are loans on which the Bank grants concessions (e.g., reductions of the stated interest rate, deferrals of interest payments, extensions of maturity dates, waivers of the face amount, or other measures) to the debtors to assist them in recovering from financial difficulties and eventually being able to pay creditors. Loans classified as loans in legal bankruptcy, nonaccrual loans, and accruing loans contractually past due by three months or more are excluded.

10. Foreign Exchanges

Foreign exchange assets and liabilities at March 31, 2021 and 2020 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Assets:			
Due from foreign correspondents	¥5,940	¥8,469	\$53,657
Foreign bills of exchange purchased	764	1,133	6,902
Foreign bills of exchange receivable	281	390	2,545
Total	¥6,986	¥9,993	\$63,104
Liabilities:			
Foreign bills of exchange sold	¥ 84	¥ 210	\$ 766
Accrued foreign bills of exchange	77	21	699
Total	¥ 162	¥ 232	\$ 1,465

11. Tangible Fixed Assets

Accumulated depreciation on tangible fixed assets at March 31, 2021 and 2020, amounted to ¥83,484 million (\$754,083 thousand) and ¥83,676 million, respectively.

12. Assets Pledged

Assets pledged as collateral and related liabilities at March 31, 2021 and 2020, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Securities	¥921,229	¥522,918	\$8,321,103
Loans and bills	628,996		5,681,481

Collateralized liabilities were as follows:

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Deposits	¥ 36,188	¥ 35,885	\$ 326,873
Payables under securities lending transactions	429,312	429,624	3,877,814
Borrowed money	1,108,409	72,386	10,011,830

In addition, securities totaling ¥368,165 million (\$3,325,498 thousand) and ¥380,457 million at March 31, 2021 and 2020, respectively, were pledged as collateral for the settlement of exchange and derivative transactions.

Cash collateral paid for financial instruments and surety deposits are included in "Other assets" in the consolidated balance sheet.

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Cash collateral paid for financial instruments	¥53,210	¥71,617	\$480,625
Surety deposits	1,587	1,728	14,336

13. Commitment Line

Commitment line contracts on overdrafts and loans are agreements to lend to customers when they apply for borrowing up to prescribed amounts as long as there is no violation of any condition established in the contracts. At March 31, 2021 and 2020, such commitments amounted to ¥1,736,796 million (\$15,687,801 thousand) and ¥1,528,976 million, respectively, of which ¥1,625,601 million (\$14,683,424 thousand) and ¥1,441,839 million, respectively, were those whose original contract maturity was within one year or unconditionally cancelable at any time. As many of these commitments are expected to expire without being drawn upon, the total amount of unutilized commitments does not necessarily represent actual future cash flow requirements. Many of these commitments have clauses where the Group can reject the application from customers or reduce the contract amounts where economic conditions change, such as when there is a deterioration in the customer's creditworthiness, or when such other events occur. In addition, the Group requests customers to pledge collateral, such as buildings, land, and securities, upon execution of the contracts, and takes necessary measures, such as understanding customers' financial positions, revising contracts when the need arises, and securing claims, after the execution of the contracts.

14. Land Revaluation

Under the "Law of Land Revaluation," promulgated on March 31, 1998 (final revised on May 30, 2003), the Bank elected a one-time revaluation of its own-use land to a value based on real estate appraisal information as of March 31, 2002.

The resulting land revaluation surplus represented unrealized appreciation of land and was stated, net of income taxes, as a component of equity. Continuous readjustment is not permitted unless the land value subsequently declines significantly such that the amount of the decline in value should be removed from the land revaluation surplus account and related deferred tax liabilities.

Method of Revaluation

The fair value was determined by applying appropriate adjustments for land shape and analysis on the appraisal specified in Article 2-4 of the Enforcement Ordinance of the Law of Land Revaluation effective March 31, 1998.

15. Deposits

Deposits at March 31, 2021 and 2020, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Current deposits	¥ 426,743	¥ 356,778	\$ 3,854,603
Ordinary deposits	5,043,639	4,216,424	45,557,213
Savings deposits	89,034	84,313	804,215
Deposits at notice	14,739	11,879	133,138
Time deposits	2,105,177	2,199,720	19,015,243
Other deposits	310,265	247,915	2,802,503
Subtotal	7,989,599	7,117,030	72,166,918
Negotiable certificates of deposit	698,363	881,765	6,308,039
Total	¥8,687,962	¥7,998,796	\$78,474,958

16. Borrowed Money

Borrowed money at March 31, 2021 and 2020, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Borrowing from banks and other	¥1,108,636	¥72,716	\$10,013,879
Total	¥1,108,636	¥72,716	\$10,013,879

At March 31, 2021 and 2020, the weighted average interest rates applicable to borrowed money were 0.0055% and 0.77%, respectively.

Annual maturities of borrowed money at March 31, 2021, were as follows:

Year ending March 31	Millions of yen	Thousands of U.S. dollars
	2021	2021
2022	¥1,108,606	\$10,013,608
2023	20	180
2024	10	90
2025		
2026		
2027 and thereafter		
Total	¥1,108,636	\$10,013,879

17. Acceptances and Guarantees

All contingent liabilities arising from acceptances and guarantees are reflected in "Acceptances and guarantees." As a contra account, "Customers' liabilities for acceptances and guarantees" are shown as an asset representing the Bank's right of indemnity from the applicants.

Among corporate bonds included in securities, guarantee liabilities on privately offered corporate bonds (Article 2-3 of the Financial Instruments and Exchange Act) amounted to ¥47,729 million (\$431,121 thousand) and ¥39,910 million as of March 31, 2021 and 2020, respectively.

18. Equity

Japanese banks are subject to the Companies Act of Japan (the "Companies Act") and the Banking Law. The significant provisions in the Companies Act and the Banking Law that affect financial and accounting matters are summarized below:

a. Dividends

Under the Companies Act, companies can pay dividends at any time during the fiscal year in addition to the year-end dividend upon resolution at the shareholders' meeting. Additionally, for companies that meet certain criteria including (1) having a Board of Directors, (2) having independent auditors, (3) having an Audit & Supervisory Board, and (4) the term of service of the directors being prescribed as one year rather than the normal two-year term by its articles of incorporation, the Board of Directors may declare dividends (except for dividends in kind) at any time during the fiscal year if the company has prescribed so in its articles of incorporation. The Bank, however, shall not pay such dividends by resolution of the Board of Directors, since it has not prescribed so in its articles of incorporation. On the other hand, semiannual interim dividends may also be paid once a year upon resolution by the Board of Directors if the articles of incorporation of the company so stipulate. The Companies Act and the Banking Law provides certain limitations on the amounts available for dividends or the purchase of treasury stock.

b. Increases/Decreases and Transfer of Common Stock, Reserve, and Surplus

The Banking Law requires that an amount equal to 20% of dividends must be appropriated as a legal reserve (a component of retained earnings) or as additional paid-in capital (a component of capital surplus) depending on the equity account charged upon the payment of such dividends until the total of the aggregate amount of the legal reserve and additional paid-in capital equals 100% of capital stock. Under the Companies Act, the total amount of additional paid-in capital and legal reserve may be reversed without limitation. The Companies Act also provides that capital stock, legal reserve, additional paid-in capital, other capital surplus, and retained earnings can be transferred among the accounts within equity under certain conditions upon resolution of the shareholders.

c. Treasury Stock and Treasury Stock Acquisition Rights

The Companies Act also provides for companies to purchase treasury stock and dispose of such treasury stock by resolution of the Board of Directors. The amount of treasury stock purchased cannot exceed the amount available for distribution to the shareholders which is determined by a specific formula. Under the Companies Act, stock acquisition rights are presented as a separate component of equity. The Companies Act also provides that companies can purchase both treasury stock acquisition rights and treasury stock. Such treasury stock acquisition rights are presented as a separate component of equity or deducted directly from stock acquisition rights.

On October 1, 2017, the Bank made the one-for-five reverse stock split for each outstanding share.

19. Stock Options

Stock-based compensation expenses were ¥77 million (\$700 thousand) and ¥86 million for the years ended March 31, 2021 and 2020, respectively.

The stock options outstanding as of March 31, 2021, were as follows:

Stock option	Persons granted	Number of options granted	Date of grant	Exercise price	Exercise period
2008 Stock Option	12 directors and 6 executive officers of the Bank	17,420 shares	July 29, 2008	¥1 (\$0.01)	From July 30, 2008, to July 29, 2038
2009 Stock Option	12 directors and 5 executive officers of the Bank	22,380 shares	July 29, 2009	¥1 (\$0.01)	From July 30, 2009, to July 29, 2039
2010 Stock Option	12 directors and 7 executive officers of the Bank	28,740 shares	July 29, 2010	¥1 (\$0.01)	From July 30, 2010, to July 29, 2040
2011 Stock Option	12 directors and 8 executive officers of the Bank	29,960 shares	August 1, 2011	¥1 (\$0.01)	From August 2, 2011, to August 1, 2041
2012 Stock Option	13 directors and 10 executive officers of the Bank	32,960 shares	July 30, 2012	¥1 (\$0.01)	From July 31, 2012, to July 30, 2042
2013 Stock Option	13 directors and 8 executive officers of the Bank	28,880 shares	July 30, 2013	¥1 (\$0.01)	From July 31, 2013, to July 30, 2043
2014 Stock Option	13 directors and 10 executive officers of the Bank	24,880 shares	July 30, 2014	¥1 (\$0.01)	From July 31, 2014, to July 30, 2044
2015 Stock Option	10 directors and 14 executive officers of the Bank	15,020 shares	July 30, 2015	¥1 (\$0.01)	From July 31, 2015, to July 30, 2045
2016 Stock Option	9 directors and 14 executive officers of the Bank	31,680 shares	July 28, 2016	¥1 (\$0.01)	From July 29, 2016, to July 28, 2046
2017 Stock Option	8 directors and 11 executive officers of the Bank	15,900 shares	July 30, 2017	¥1 (\$0.01)	From July 31, 2017, to July 30, 2047
2018 Stock Option	9 directors and 10 executive officers of the Bank	17,520 shares	July 30, 2018	¥1 (\$0.01)	From July 31, 2018, to July 30, 2048
2019 Stock Option	7 directors and 10 executive officers of the Bank	21,220 shares	July 30, 2019	¥1 (\$0.01)	From July 31, 2019, to July 30, 2049
2020 Stock Option	6 directors and 14 executive officers of the Bank	20,740 shares	July 30, 2020	¥1 (\$0.01)	From July 31, 2020, to July 30, 2050

The number of stock options has been converted to the number of shares after the one-for-five reverse stock split implemented on October 1, 2017.

The stock option activity was as follows:

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	Stock option	Stock option	Stock option	Stock option	Stock option	Stock option	Stock option	Stock option	Stock option	Stock option	Stock option	Stock option
Year ended March 31, 2020												
Non-vested												
March 31, 2019 — Outstanding											17,520	
Granted												21,220
Canceled												
Vested											17,520	
March 31, 2020 — Outstanding												21,220
Vested												
March 31, 2019 — Outstanding	6,420	8,340	11,440	11,720	15,640	14,780	13,100	9,840	22,540	15,580		
Vested											17,520	
Exercised	3,480	4,520	5,020	5,140	6,880	6,320	5,200	1,960	4,360	2,940	3,200	
Canceled												
March 31, 2020 — Outstanding	2,940	3,820	6,420	6,580	8,760	8,460	7,900	7,880	18,180	12,640	14,320	

The number of stock options has been converted to the number of shares after the one-for-five reverse stock split implemented on October 1, 2017.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
	Stock option	Stock option	Stock option	Stock option	Stock option	Stock option	Stock option	Stock option	Stock option	Stock option	Stock option	Stock option	Stock option
Year ended March 31, 2021													
Non-vested													
March 31, 2020 — Outstanding												21,220	
Granted													20,740
Canceled													
Vested												21,220	
March 31, 2021 — Outstanding													20,740
Vested													
March 31, 2020 — Outstanding	2,940	3,820	6,420	6,580	8,760	8,460	7,900	7,880	18,180	12,640	14,320		
Vested												21,220	
Exercised	1,920	2,500	4,860	4,980	5,300	5,240	4,640	2,820	5,960	3,740	3,920	5,160	
Canceled													
March 31, 2021 — Outstanding	1,020	1,320	1,560	1,600	3,460	3,220	3,260	5,060	12,220	8,900	10,400	16,060	
Exercise price	¥1 (\$0.01)	¥1 (\$0.01)	¥1 (\$0.01)	¥1 (\$0.01)	¥1 (\$0.01)	¥1 (\$0.01)	¥1 (\$0.01)	¥1 (\$0.01)	¥1 (\$0.01)	¥1 (\$0.01)	¥1 (\$0.01)	¥1 (\$0.01)	¥1 (\$0.01)
Average stock price at exercise	¥3,845 (\$34.73)	¥3,845 (\$34.73)	¥3,845 (\$34.73)	¥3,845 (\$34.73)	¥3,845 (\$34.73)	¥3,845 (\$34.73)	¥3,845 (\$34.73)	¥3,845 (\$34.73)	¥3,845 (\$34.73)	¥3,845 (\$34.73)	¥3,845 (\$34.73)	¥3,845 (\$34.73)	¥3,845 (\$34.73)
Fair value price at grant date	¥4,890 (\$44.17)	¥4,025 (\$36.36)	¥3,430 (\$30.98)	¥3,390 (\$30.62)	¥2,630 (\$23.76)	¥3,810 (\$34.41)	¥4,510 (\$40.74)	¥7,195 (\$64.99)	¥3,295 (\$29.76)	¥5,225 (\$47.20)	¥5,450 (\$49.23)	¥3,917 (\$35.38)	¥3,651 (\$32.98)

“Average stock price at exercise” and “Fair value price at grant date” has been converted to the price after the one-for-five reverse stock split implemented on October 1, 2017.

The fair value of stock options granted in 2021 was measured on the date of grant using the Black-Scholes option pricing-model with the following assumptions:

Volatility of stock price:	38.9%
Estimated remaining outstanding period:	Four years and eight months
Estimated dividend:	¥60 per share
Risk free interest rate:	(0.12)%

20. Other Operating Income

Other operating income for the years ended March 31, 2021 and 2020, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Gains on foreign exchange transactions — net	¥ 983	¥ 493	\$ 8,883
Gains on trading securities	1,296	1,020	11,714
Gains on sales of bonds	2,150	4,398	19,422
Lease receipts	4,751	4,625	42,915
Other	779	744	7,037
Total	¥9,960	¥11,282	\$89,972

21. Other Income

Other income for the years ended March 31, 2021 and 2020, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Recovery of loans previously charged off	¥ 0	¥ 1	\$ 1
Gains on sales of stocks and other securities	2,159	3,212	19,509
Gains on invests in money held in trust	32	120	292
Gains on sales of tangible fixed assets	0	0	1
Equity in earning of an affiliated company	22	15	201
Other	380	2,030	3,435
Total	¥2,595	¥5,380	\$23,440

22. Other Operating Expenses

Other operating expenses for the years ended March 31, 2021 and 2020, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Losses on sales of bonds	¥1,425	¥ 772	\$12,880
Lease costs	4,152	4,032	37,507
Other	1,129	1,120	10,205
Total	¥6,708	¥5,925	\$60,592

23. Other Expenses

Other expenses for the years ended March 31, 2021 and 2020, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Provision for allowance for loan losses	¥ 8,180	¥1,119	\$ 73,890
Charge-off claims	32	27	289
Losses on sales of stocks and other securities	697	1,071	6,301
Losses on devaluation of stocks and other securities	5	819	45
Losses on invests in money held in trust	7	50	65
Losses on sales of tangible fixed assets	722	414	6,523
Losses on impairment of long-lived assets		131	
Other	1,759	959	15,889
Total	¥11,403	¥4,593	\$103,006

24. Leases

Lessee

The Group leases certain equipment.

The minimum rental commitments under noncancelable operating leases at March 31, 2021 and 2020, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Due within one year	¥ 140	¥ 195	\$ 1,266
Due after one year	1,635	1,513	14,769
Total	¥1,775	¥1,708	\$16,035

Lessor

A consolidated subsidiary leases other assets.

The net leased investment assets were summarized as follows:

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Gross leased investment assets	¥13,272	¥13,717	\$119,888
Estimated residual values	2	5	26
Unearned interest income	(1,136)	(1,219)	(10,263)
Leased investment assets	¥12,139	¥12,503	\$109,652

Maturities of lease receivables and investment assets for finance leases that were deemed to transfer ownership of the leased property to the lessee were as follows:

	Lease receivables		Leased investment assets	
	Millions of yen	Thousands of U.S. dollars	Millions of yen	Thousands of U.S. dollars
	2021	2021	2021	2021
Year ending March 31				
2022	¥144	\$1,308	¥4,044	\$ 36,531
2023	104	946	3,392	30,647
2024	91	830	2,651	23,949
2025	73	667	1,756	15,861
2026	68	615	943	8,525
2027 and thereafter	170	1,544	484	4,373
Total	¥654	\$5,911	¥13,272	\$119,888

The minimum future rentals to be received under noncancelable operating leases at March 31, 2021 and 2020, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Due within one year	¥3	¥5	\$30
Due after one year	1	1	14
Total	¥5	¥6	\$45

25. Employees' Retirement Benefits

The Bank has a contributory funded pension plan, an unfunded lump-sum severance payment plan and a defined benefit corporate pension plan. Certain consolidated subsidiaries have unfunded lump-sum severance payment plans and defined contribution pension plans. They apply the simplified method to state the retirement benefit expenses and the liability for retirement benefits for employees.

(1) The changes in defined benefit obligation for the years ended March 31, 2021 and 2020, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Balance at beginning of year	¥56,646	¥56,062	\$511,665
Current service cost	2,191	2,189	19,796
Interest cost	282	279	2,554
Actuarial gains	672	30	6,070
Benefits paid	(2,156)	(1,917)	(19,481)
Others	1	1	13
Balance at end of year	¥57,637	¥56,646	\$520,619

(2) The changes in plan assets for the years ended March 31, 2021 and 2020, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Balance at beginning of year	¥26,005	¥25,733	\$234,894
Expected return on plan assets	520	514	4,697
Actuarial gains (losses)	1,909	(807)	17,243
Contributions from the employer	2,088	2,044	18,865
Benefits paid	(1,534)	(1,481)	(13,857)
Others	1	1	13
Balance at end of year	¥28,990	¥26,005	\$261,857

(3) Reconciliation between the liability recorded in the consolidated balance sheet and the balances of defined benefit obligation and plan assets as of March 31, 2021 and 2020, is as follows:

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Funded defined benefit obligation	¥ 46,282	¥ 45,517	\$ 418,049
Plan assets	(28,990)	(26,005)	(261,857)
	17,292	19,512	156,192
Unfunded defined benefit obligation	11,355	11,128	102,570
Net liability arising from defined benefit obligation	¥ 28,647	¥ 30,641	\$ 258,762

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Liability for retirement benefits	¥28,647	¥30,641	\$258,762
Asset for retirement benefits			
Net liability arising from defined benefit obligation	¥28,647	¥30,641	\$258,762

(4) The components of net periodic benefit costs for the years ended March 31, 2021 and 2020, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Service cost	¥2,191	¥2,189	\$19,796
Interest cost	282	279	2,554
Expected return on plan assets	(520)	(514)	(4,697)
Recognized actuarial gains	888	270	8,022
Net periodic benefit costs	¥2,842	¥2,224	\$25,675

(5) Amounts recognized in other comprehensive income (before income tax effect) in respect of defined retirement benefit plans for the years ended March 31, 2021 and 2020, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Actuarial gains (losses)	¥2,125	¥(567)	\$19,194

(6) Amounts recognized in accumulated other comprehensive income (before income tax effect) in respect of defined retirement benefit plans as of March 31, 2021 and 2020, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Unrecognized actuarial gains	¥3,259	¥5,384	\$29,437

(7) Plan assets

a. *Components of plan assets*

Plan assets consisted of the following:

	2021	2020
Debt investments	50%	51%
Equity investments	27	23
Cash and cash equivalents	7	11
Others	16	15
Total	100%	100%

b. *Method of determining the expected rate of return on plan assets*

The expected rate of return on plan assets was determined considering the long-term rates of return which were expected currently and in the future from the various components of the plan assets.

(8) Assumptions used for the years ended March 31, 2021 and 2020, were set forth as follows:

	2021	2020
Discount rate	0.5%	0.5%
Expected rate of return on plan assets	2.0	2.0
Expected salary increase rate	3.8	3.9

The amount to be paid to defined contribution pension plan was ¥340 million (\$3,077 thousand) and ¥340 million, respectively, for the years ended March 31, 2021 and 2020.

26. Income Taxes

The Group is subject to Japanese national and local income taxes which, in the aggregate, resulted in a normal effective statutory tax rate of approximately 30.6% for the years ended March 31, 2021 and 2020, respectively.

The tax effects of significant temporary differences which resulted in deferred tax assets and liabilities at March 31, 2021 and 2020, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Deferred tax assets:			
Allowance for loan losses	¥ 8,512	¥ 6,528	\$ 76,886
Liability for employees' retirement benefits	8,774	9,385	79,257
Devaluation of stocks and other securities	2,563	2,673	23,154
Deferred gains or losses on derivatives under hedge accounting	3,419	9,783	30,884
Other	3,692	3,714	33,356
Less valuation allowance	(2,845)	(3,004)	(25,698)
Total	¥ 24,117	¥ 29,082	\$ 217,841
Deferred tax liabilities:			
Net unrealized gains on available-for-sale securities	¥311,663	¥177,541	\$2,815,138
Other	57	59	517
Total	¥311,721	¥177,601	\$2,815,656
Net deferred tax assets	¥ 1,074	¥ 1,215	\$ 9,703
Net deferred tax liabilities	¥288,678	¥149,734	\$2,607,517

A reconciliation between the normal effective statutory tax rate and the actual effective tax rate reflected in the accompanying consolidated statement of income for the year ended March 31, 2021, with the corresponding figures for 2020, was as follows:

	2021	2020
Normal effective statutory tax rate	30.6%	30.6%
Expenses not deductible for income tax purposes	0.2	0.2
Income not taxable for income tax purposes	(4.6)	(3.1)
Per capita inhabitant tax	0.4	0.3
Increase in valuation allowance for deferred tax assets	(0.3)	0.2
Others	0.0	0.4
Actual effective tax rate	26.3%	28.6%

27. Financial Instruments and Related Disclosures

(1) Basic policy for financial instruments

The main business of the Group is banking, which consists of deposit-taking and lending services, trading of securities, securities investment, domestic exchange services, foreign exchange services, etc. Additionally, the Group provides other financial services, such as credit guarantee services, leasing, and credit card services.

The Group's fundamental mission is to contribute to the greater prosperity of the local community and the development of local industries. The Group maintains and improves the soundness of its management, providing small and medium-sized companies with various financial services such as deposits and loans, etc., and investing securities.

(2) Nature and extent of risks arising from financial instruments

Financial assets held by the Group are mainly composed of loans to local businesses and individual customers. Loans are subject to credit risk stemming from the inability to recover principal and interest on loans due to events such as the deterioration in the financial condition of the borrower.

Securities held by the Group primarily consist of bonds and stocks, which are subject to various risks, such as the credit risk of the issuer, interest rate fluctuation risk, and market price fluctuation risk.

The Group raises funds by deposits which have relatively shorter maturities than those of investments in loans and securities. Therefore, the Group is exposed to liquidity risks such as the risk of losses caused by the necessity to execute transactions at extremely high funding costs when unexpected outflows of funds occur, and by the inability to execute market transactions or by the necessity to execute transactions at extremely unfavorable prices as a result of market turbulence.

The Bank enters into derivative financial instruments, such as interest rate swaps, currency swaps, currency options and foreign exchange forward contracts. The Bank also enters into interest futures, bond futures, bond options and other derivatives; however, there is no derivative balance at March 31, 2021. Subsidiaries do not enter into any derivative transactions. Derivatives are subject to market risk, which is the risk that a loss may result from fluctuations in market conditions, and credit risk, which is the risk that a loss may result from a counterparty's failure to perform according to the terms and conditions of the contract.

Since most of the Bank's derivative transactions are conducted to hedge underlying business exposures, market gain or loss on the derivative instruments is expected to be offset by opposite movements in the value of the hedged assets or liabilities.

The Bank enters into derivatives principally as a means of managing its interest rate and foreign exchange rate exposures on certain assets. The Bank also uses derivatives within established trading limits as part of its short-term trading activities. In addition, the Bank uses derivatives actively to meet its customers' needs for new financial instruments.

Derivatives are classified and accounted for as follows:

- ① For derivatives used for hedging purposes, if derivatives qualify for hedge accounting because of high correlation and effectiveness between the hedging instruments and the hedged items, gains or losses on derivatives are deferred until maturity of the hedged transactions.
- ② The hedge items are the interest rate swaps and currency swaps. The hedged instruments are fixed-rate loans and currency-denominated available-for-sale securities.
- ③ The Bank assesses the hedge effectiveness of the interest rate swaps and currency swaps.

(3) Risk management for financial instruments

① Credit risk management

Having established a management compilation of a series of Credit Risk Management Guidelines, the Bank is working to strengthen its credit risk management. In addition to planning and managing credit risk through means such as credit ratings, a self-assessment system, write-offs of non-performing loans, and provisions for loan losses, the Risk Management Division's Credit Planning Office (the "Office") is responsible for quantitatively analyzing and assessing credit risk. Because the concentration of credit in particular business partners or industries can lead to significant losses in the event of environmental changes, the Office analyzes the Bank's portfolio from a variety of perspectives to avoid any excessive concentration of credit. Quantitative analyses of credit risk and credit concentration conditions are reported at the monthly credit risk management committee.

To maintain and improve the soundness of its assets, the Group subjects its assets to a self-assessment system in order to adequately write off non-performing loans and make provisions for loan losses. The Bank also established an Asset Audit Office as a specialized section within the Internal Audit Division to examine the validity of write-offs and allowances based on asset self-assessments. In managing credit for specific borrowers, the Bank has established a Credit Examination Division independent from business divisions, and the Bank is implementing strict credit screening. Obligor's ratings are determined based on information including the applicant's financial condition, technical capabilities, and future viability by the Credit Examination Division. Comprehensive judgments of repayment ability are provided considering the purpose of the loan and borrowers' repayment resources, when customers apply for borrowing. The Bank is also working to strengthen its credit screening capabilities by providing training for staff engaged in loan operations at all levels of the Bank.

Moreover, the Bank has established a Management Support Office within the Credit Examination Division and is working to keep the Bank's assets sound by helping customers radically transform slumping businesses via a variety of measures designed to support improvements in management. Other initiatives include strengthening risk management by formulating plans based on self-assessment results and taking measures in response to changes in business conditions through continuous monitoring.

② Market risk management

The Bank is taking steps to strengthen market risk management, based on the Market Risk Guidelines. The Risk Management Division, which is responsible for conducting market risk management, unifies the management of market risk (including risk for deposits, loans, stocks and other securities), credit risk, and other risks, and adequately controls risks within the scope of the Bank's capital to secure stable earnings.

To this end, the Risk Management Division manages and assesses risks by utilizing techniques such as the VaR method and analysis of fluctuations in the present value of assets and liabilities (interest risk level based on the outlier standard). The Bank also employs tools such as back testing and stress testing to verify the suitability and effectiveness of its metrics and management methods.

To effectively control market risk for stocks and other securities of instruments which has market risk, the Bank sets the limits on acceptable risk levels, as well as position ranges and loss limits, taking into account the Bank's economic capital and net operating profit to achieve a balance between capital and profitability. Regarding the Bank's investment in securities, the Bank regularly monitors the market value of securities and reports these to management.

For stocks, the Bank sets the limits on acceptable risk quantities based on the economic capital and profit, and a semiannual self-assessment provides an accurate understanding of the investments in stocks and similar securities, the results of which are subject to audit by the Bank's Internal Audit Division.

Moreover, the Bank conducts semiannual reviews of risk management policy in areas such as credit, interest, and liquidity by holding ALM meetings. The Bank also works to strategically address risk management based on risk appetite at monthly ALM meetings by reporting on market risk quantities of each instrument, examining the appropriate balance of assets and liabilities, and considering measures such as risk hedges, as needed.

(Quantitative information on market risk)

• Financial instruments other than those for trading purposes
The instruments that are affected by the typical risks, parameter interest rate risk, market price fluctuation risk and foreign currency risk are "Loans and bills discounted," "Securities," "Deposits (other than negotiable certificates of deposit)," "Negotiable certificates of deposit," "Cash and due from banks," "Call loans," "Call money" and interest rate swaps and currency swaps of "Derivatives." The Bank measures VaR and conducts a quantitative analysis of market risk in order to manage market risks for the financial assets and financial liabilities mentioned above.

In the current fiscal year, the Bank adopts the historical simulation method (at 1 month holding period and 99% confidence interval and 5 years observation period) in order to measure VaR for interest rate risk, foreign currency risk and market price fluctuation risk associated with stocks other than securities held for strategic equity. In order to measure VaR for market price fluctuation risk associated with securities held for strategic equity, the historical simulation method (at 6 months holding period, 99% confidence interval and 5 years observation period) is adopted.

The market risk exposure (the estimated amount of loss) of the Bank as of March 31, 2021 and 2020 was ¥52.9 billion (\$477 million) and ¥41.5 billion.

VaR by risk type at March 31, 2021 and 2020, was as follows:

	Billions of yen		Millions of U.S. dollars
	2021	2020	2021
Interest rate fluctuation risk	¥17.0	¥20.1	\$153
Market price fluctuation risk (*)	35.8	21.3	323
Foreign currency fluctuation risk	0.1	0.1	0
Total	¥52.9	¥41.5	\$477

(*) The risk exposure related to securities held for strategic equity is measured considering unrealized gains and losses.

The Bank performs backtesting, which reconciles VaR measured by the model with the actual gains and losses in order to verify the reliability of the risk measurement model. VaR represents the market risks arising with a certain probability using a statistical methodology based on historical market volatilities. It may not be able to capture the risks arising under drastic market movements beyond normal imagination.

③ Liquidity risk management

The Bank maintains an appropriate funding position through careful projections and verification of fund-raising and fund management balances. The Bank manages its liquidity risk by utilizing a system that continuously monitors the amount of funds available in the market.

(4) Supplementary explanation on fair value of financial instruments

The fair value of financial instruments includes market prices, as well as reasonably calculated prices in cases where there are no market prices available. Since the calculations of the latter prices are implemented under certain conditions and assumptions, the result of calculations could differ if calculations are made under different conditions and assumptions.

(5) Fair value of financial instruments

Accounts that had immaterial amounts on the consolidated balance sheet were not included in the following table. Instruments, such as non-listed stocks, whose fair value cannot be reliably determined were not included in the following table (see (b)).

March 31, 2021	Millions of yen		
	Carrying amount	Fair value	Unrealized gains (losses)
Cash and due from banks	¥ 2,606,209	¥2,606,209	
Call loans and bills bought	194,649	194,649	
Securities:			
Held-to-maturity bonds	5,621	5,627	¥ 6
Available-for-sale securities	3,208,601	3,208,601	
Loans and bills discounted	6,059,467		
Allowance for loan losses (*1)	(27,914)		
	6,031,553	6,051,655	20,102
Total	¥12,046,635	¥12,066,744	¥20,108
Deposits (other than negotiable certificates of deposit)	¥ 7,989,599	¥ 7,989,646	¥ 47
Negotiable certificates of deposit	698,363	698,361	(1)
Call money and bills sold	459,000	459,000	
Payables under securities lending transactions	429,312	429,312	
Borrowed money	1,108,636	1,108,659	23
Total	¥10,684,911	¥10,684,981	¥ 69
Derivatives (*2):			
Hedge accounting not applied	¥ (125)	¥ (125)	
Hedge accounting applied (*3)	(12,893)	(12,893)	
Total	¥ (13,018)	¥ (13,018)	

March 31, 2020	Millions of yen		
	Carrying amount	Fair value	Unrealized gains (losses)
Cash and due from banks	¥1,085,260	¥1,085,260	
Securities:			
Held-to-maturity bonds	5,006	5,018	¥ 11
Available-for-sale securities	2,848,513	2,848,513	
Loans and bills discounted	5,818,355		
Allowance for loan losses (*1)	(21,508)		
	5,796,846	5,813,339	16,492
Total	¥9,735,628	¥9,752,132	¥16,504
Deposits (other than negotiable certificates of deposit)	¥7,117,030	¥7,117,134	¥ 104
Negotiable certificates of deposit	881,765	881,761	(4)
Call money and bills sold	447,618	447,618	
Payables under securities lending transactions	429,624	429,624	
Total	¥8,876,039	¥8,876,139	¥ 99
Derivatives (*2):			
Hedge accounting not applied	¥ 232	¥ 232	
Hedge accounting applied	(32,126)	(32,126)	
Total	¥ (31,894)	¥ (31,894)	

March 31, 2021	Thousands of U.S. dollars		
	Carrying amount	Fair value	Unrealized gains (losses)
Cash and due from banks	\$ 23,540,870	\$23,540,870	
Call loans and bills bought	1,758,194	1,758,194	
Securities:			
Held-to-maturity bonds	50,778	50,834	\$ 55
Available-for-sale securities	28,982,037	28,982,037	
Loans and bills discounted	54,732,790		
Allowance for loan losses (*1)	(252,136)		
	54,480,653	54,662,232	181,578
Total	\$108,812,535	\$108,994,169	\$181,634
Deposits (other than negotiable certificates of deposit)	\$ 72,166,918	\$ 72,167,345	\$ 427
Negotiable certificates of deposit	6,308,039	6,308,029	(9)
Call money and bills sold	4,145,966	4,145,966	
Payables under securities lending transactions	3,877,814	3,877,814	
Borrowed money	10,013,879	10,014,087	208
Total	\$ 96,512,618	\$ 96,513,244	\$ 626
Derivatives (*2):			
Hedge accounting not applied	\$ (1,130)	\$ (1,130)	
Hedge accounting applied (*3)	(116,461)	(116,461)	
Total	\$ (117,592)	\$ (117,592)	

(*1) General and specific allowances for loan losses corresponding to "Loans and bills discounted" were deducted.

(*2) Derivative transactions recorded in "Other assets" and "Other liabilities" were included and shown in total. Assets or liabilities were presented on a net basis.

(*3) Hedge accounting was applied to the derivatives, including interest rate swaps, that are designated as hedging instruments to fix the cash flows of securities and other assets or liabilities. The Bank applies ASBJ Practical Issues Task Force (PITF) No. 40.

(a) Valuation method of financial instruments

Assets

Cash and due from banks

For deposits without maturity, the carrying amount is presented as the fair value. For deposits with maturity, the carrying amount is presented as the fair value, because of their short maturities (within one year).

Call loans and bills bought

The carrying amount approximates fair value because of their short maturities (within one year).

Securities

The fair value of stocks is determined based on the prices quoted by the exchange and the fair value of bonds is determined based on the prices quoted by the exchange or the financial institutions from which they are purchased. The fair value of investment trusts is determined based on the publicly available price.

The fair value of private placement bonds is calculated by discounting the total amount of principal and interest at the interest rates considered to be applicable to similar bonds by categories according to internal ratings, and terms of the bonds. Information on securities by classification is included in Note 6.

Loans and bills discounted

For floating rate loans, the carrying amount is presented as a fair value, unless the creditworthiness of the borrower has changed significantly since the loan origination.

The fair value of fixed-rate loans is calculated by discounting the total amount of principal and interest at the interest rates considered to be applicable to similar loans by categories according to the types, internal ratings, and terms of the loans.

As for loans in legal bankruptcy, virtual bankruptcy and possible bankruptcy, credit loss is estimated based on factors such as the present value of expected future cash flows or the expected amount to be collected from collateral and guarantees, net of the currently expected credit loss amount, such carrying amount is presented as the fair value.

For those without a fixed maturity due to loan characteristics such as limiting loans to within the value of collateral, the carrying amount is deemed to be the fair value based on the estimated loan periods, interest rates, and other conditions.

Liabilities**Deposits and negotiable certificates of deposit**

Fair value of deposits on demand is deemed as payment amount if demanded on the consolidated balance sheet date (i.e., carrying amount).

Time deposits are grouped by certain maturity lengths. The fair value of such deposits is the present value of expected future cash flows discounted. The discount rate used is the interest rate that would be applied to newly accepted deposits.

Call money and bills sold and payables under securities lending transactions

The terms of all liabilities whose terms are short (within one year) and therefore carrying value approximates fair values.

Borrowed money

Floating-rate borrowed money reflect market interest rates in short periods, and the credit standing of the Bank and its consolidated subsidiaries has not significantly changed from when the money was borrowed. The fair value of floating-rate borrowed money is, therefore considered to approximate the carrying value and is deemed equal to the carrying value. The fair value of fixed-rate borrowed money which is classified based on its contract term is estimated by discounting future cash flows, using rates that would be offered to similar borrowed money. The Bank uses the carrying value as fair value for short term borrowed money because discounted future cash flows approximates the carrying value.

Derivatives

Fair value information for derivatives is included in Note 28.

(b) Carrying amount of financial instruments whose fair value cannot be reliably determined

The following instruments were not included in "Securities: Available-for-sales securities" in the above table showing the fair value of financial instruments.

	Carrying amount		
	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Non-listed stocks (*1) (*2)	¥ 3,388	¥ 3,356	\$ 30,610
Investments in venture funds (*3)	12,407	10,225	112,072
Total	¥15,796	¥13,582	\$142,683

(*1) Non-listed stocks do not have a quoted market price in an active market and their fair values cannot be reliably determined, so they are not subject to fair value disclosure.

(*2) With respect to non-listed stocks, losses on devaluation of ¥5 million (\$45 thousand) and ¥0 million were recorded for the years ended March 31, 2021 and 2020, respectively.

(*3) The fair values of investments in venture funds cannot be reliably determined, so they are not subject to fair value disclosure.

(c) Maturity analysis for financial assets and securities with contractual maturities

March 31, 2021	Millions of yen					
	1 year or less	1 to 3 years	3 to 5 years	5 to 7 years	7 to 10 years	Over 10 years
Due from banks	¥2,524,194					
Call loans and bills bought	194,649					
Securities:						
Held-to-maturity bonds	1,000	¥ 1,500	¥ 1,000	¥ 1,000		¥ 1,000
Available-for-sale	235,493	444,517	298,253	152,094	¥ 256,052	458,686
Loans and bills discounted (*)	1,190,129	994,718	925,192	745,186	775,481	1,342,841
Total	¥4,145,467	¥1,440,735	¥1,224,445	¥898,280	¥1,031,534	¥1,802,528

March 31, 2020	Millions of yen					
	1 year or less	1 to 3 years	3 to 5 years	5 to 7 years	7 to 10 years	Over 10 years
Due from banks	¥1,006,660					
Securities:						
Held-to-maturity bonds	500	¥ 2,000	¥ 1,000	¥ 1,500		
Available-for-sale	248,087	462,849	409,887	198,777	¥271,146	¥ 359,038
Loans and bills discounted (*)	1,298,337	976,191	818,005	685,119	670,671	1,291,748
Total	¥2,553,586	¥1,441,041	¥1,228,893	¥885,396	¥941,818	¥1,650,787

March 31, 2021	Thousands of U.S. dollars					
	1 year or less	1 to 3 years	3 to 5 years	5 to 7 years	7 to 10 years	Over 10 years
Due from banks	\$22,800,061					
Call loans and bills bought	1,758,194					
Securities:						
Held-to-maturity bonds	9,032	\$ 13,548	\$ 9,032	\$ 9,032		\$ 9,032
Available-for-sale	2,127,120	4,015,148	2,694,004	1,373,812	\$2,312,823	4,143,136
Loans and bills discounted (*)	10,749,975	8,984,903	8,356,899	6,730,973	7,004,618	12,129,362
Total	\$37,444,384	\$13,013,600	\$11,059,937	\$8,113,818	\$9,317,442	\$16,281,531

(*) At March 31, 2021 and 2020, loans and bills discounted of ¥75,581 million (\$682,696 thousand) and ¥65,574 million, respectively, whose collection amount is not determinable, such as loans in legal bankruptcy, loans in virtual bankruptcy and loans in possible bankruptcy, were not included in the table. At March 31, 2021 and 2020, loans and bills discounted of ¥10,335 million (\$93,360 thousand) and ¥12,706 million, respectively, that did not have fixed maturities were not included as well.

(d) Maturity analysis for interest bearing liabilities

March 31, 2021	Millions of yen					
	1 year or less	1 to 3 years	3 to 5 years	5 to 7 years	7 to 10 years	Over 10 years
Deposits (other than negotiable certificates of deposit)	¥ 7,583,390	¥381,653	¥24,555			
Negotiable certificates of deposit	668,363	30,000				
Call money and bills sold	459,000					
Payables under securities lending transactions	429,312					
Borrowed money	1,108,606	30				
Total	¥10,248,672	¥411,683	¥24,555			

March 31, 2020	Millions of yen					
	1 year or less	1 to 3 years	3 to 5 years	5 to 7 years	7 to 10 years	Over 10 years
Deposits (other than negotiable certificates of deposit)	¥6,738,532	¥351,821	¥26,676			
Negotiable certificates of deposit	881,765					
Call money and bills sold	447,618					
Payables under securities lending transactions	429,624					
Total	¥8,497,541	¥351,821	¥26,676			

March 31, 2021	Thousands of U.S. dollars					
	1 year or less	1 to 3 years	3 to 5 years	5 to 7 years	7 to 10 years	Over 10 years
Deposits (other than negotiable certificates of deposit)	\$68,497,788	\$3,447,327	\$221,802			
Negotiable certificates of deposit	6,037,061	270,978				
Call money and bills sold	4,145,966					
Payables under securities lending transactions	3,877,814					
Borrowed money	10,013,608	270				
Total	\$92,572,239	\$3,718,576	\$221,802			

Deposits on demand (current deposits, ordinary deposits, and deposits at notice) are included in "1 year or less."

28. Derivatives

The contractual amounts of swap agreements, forward exchange contracts, option agreements, and other derivatives do not necessarily measure the Bank's exposure to credit or market risk.

Derivative transactions to which hedge accounting is not applied

(1) Interest-rate-related Transactions

	Millions of yen			
	2021			
	Contractual amount	Contractual amount due after one year	Fair value	Unrealized gains (losses)
Interest rate swaps:				
Receive fixed and pay floating	¥19,653	¥18,921	¥ 572	¥ 572
Receive floating and pay fixed	19,653	18,921	(341)	(341)
Total			¥ 230	¥ 230

	Millions of yen			
	2020			
	Contractual amount	Contractual amount due after one year	Fair value	Unrealized gains (losses)
Interest rate swaps:				
Receive fixed and pay floating	¥28,406	¥22,096	¥ 681	¥ 681
Receive floating and pay fixed	28,406	22,096	(385)	(385)
Total			¥ 295	¥ 295

	Thousands of U.S. dollars			
	2021			
	Contractual amount	Contractual amount due after one year	Fair value	Unrealized gains (losses)
Interest rate swaps:				
Receive fixed and pay floating	\$177,523	\$170,911	\$ 5,167	\$ 5,167
Receive floating and pay fixed	177,523	170,911	(3,085)	(3,085)
Total			\$ 2,081	\$ 2,081

Notes: 1. The above transactions were measured at fair value at the end of the fiscal year and the related gains or losses were recognized in the accompanying consolidated statement of income.

2. The fair values of the above derivatives were principally based on discounted values of future cash flows.

(2) Currency-related transactions

	Millions of yen			
	2021			
	Contractual amount	Contractual amount due after one year	Fair value	Unrealized gains (losses)
Currency swaps	¥ 5,535	¥ 5,535	¥ (177)	¥ (177)
Forward exchange contracts:				
Sold	¥71,520	¥ 749	¥(2,112)	¥(2,112)
Bought	51,475	586	1,933	1,933
Currency options:				
Sold	¥49,506	¥13,827	¥ (936)	¥ (48)
Bought	49,506	13,827	936	287
Total			¥ (355)	¥ (116)

	Millions of yen			
	2020			
	Contractual amount	Contractual amount due after one year	Fair value	Unrealized gains (losses)
Forward exchange contracts:				
Sold	¥70,738	¥ 1,596	¥(480)	¥(480)
Bought	74,083	1,159	435	435
Currency options:				
Sold	¥38,683	¥16,467	¥(647)	¥ 311
Bought	38,683	16,467	647	(63)
Total			¥ (45)	¥ 203

	Thousands of U.S. dollars			
	2021			
	Contractual amount	Contractual amount due after one year	Fair value	Unrealized gains (losses)
Currency swaps	\$ 50,000	\$ 50,000	\$ (1,599)	\$ (1,599)
Forward exchange contracts:				
Sold	\$646,013	\$ 6,770	\$(19,080)	\$(19,080)
Bought	464,956	5,300	17,468	17,468
Currency options:				
Sold	\$447,172	\$124,896	\$ (8,461)	\$ (442)
Bought	447,172	124,896	8,461	2,598
Total			\$ (3,212)	\$ (1,055)

Notes: 1. The above transactions were measured at the fair value at the end of the fiscal years and the related gains or losses were recognized in the accompanying consolidated statement of income.
2. The fair values of the above derivatives were principally based on discounted values of future cash flows.

(3) Stock-related transactions

	Millions of yen			
	2020			
	Contractual amount	Contractual amount due after one year	Fair value	Unrealized gains (losses)
Stock index options:				
Sold	¥1,008		¥(18)	¥0
Bought				
Total			¥(18)	¥0

Notes: 1. There were no stock-related transactions for the year ended March 31, 2021.
2. The above transactions were measured at the fair value at the end of the fiscal years and the related gains or losses were recognized in the accompanying consolidated statement of income.
3. The fair values of the above derivatives were principally based on closing prices in Osaka Exchange.

(4) Other

	Millions of yen			
	2021			
	Contractual amount	Contractual amount due after one year	Fair value	Unrealized gains (losses)
Earthquake derivatives:				
Sold	¥8,560		¥(95)	
Bought	8,560		95	
Weather derivatives:				
Sold	¥ 200		¥ (4)	
Bought	200		4	
Total			¥ 0	

	Millions of yen			
	2020			
	Contractual amount	Contractual amount due after one year	Fair value	Unrealized gains (losses)
Earthquake derivatives:				
Sold	¥7,930		¥(87)	
Bought	7,930		87	
Total			¥ 0	

	Thousands of U.S. dollars			
	2021			
	Contractual amount	Contractual amount due after one year	Fair value	Unrealized gains (losses)
Earthquake derivatives:				
Sold	\$77,319		\$(861)	
Bought	77,319		861	
Weather derivatives:				
Sold	\$ 1,806		\$ (36)	
Bought	1,806		36	
Total			\$ 0	

Notes: 1. The fair values of the above derivatives were principally based on carrying amount considered terms and other elements of derivatives.
2. There were no weather derivative transactions for the year ended March 31, 2020.

Derivative transactions to which hedge accounting is applied

(1) Interest-rate-related transactions

	Millions of yen		
	2021		
	Contractual amount	Contractual amount due after one year	Fair value
Interest rate swaps:			
Receive floating and pay fixed	¥113,312	¥93,312	¥(11,422)

	Millions of yen		
	2020		
	Contractual amount	Contractual amount due after one year	Fair value
Interest rate swaps:			
Receive floating and pay fixed	¥144,049	¥114,049	¥(32,076)

	Thousands of U.S. dollars		
	2021		
	Contractual amount	Contractual amount due after one year	Fair value
Interest rate swaps:			
Receive floating and pay fixed	\$1,023,510	\$842,858	\$(103,171)

Notes: 1. The Bank applies hedge accounting by matching specific items to be hedged with specific hedging instruments or applying deferral hedge accounting (cash flow hedge) based on the rules of the JICPA Industry Committee Practical Guidelines No. 24.
2. The fair values of the above derivatives were principally based on discounted values of future cash flows.
3. The hedged items for interest rate swaps were fixed-rate loans, available-for-sale securities which are not classified as held-to-maturity debt securities, and time deposits.

(2) Currency-related transactions

	Millions of yen		
	2021		
	Contractual amount	Contractual amount due after one year	Fair value
Currency swaps	¥31,955	¥15,348	¥(1,471)

	Millions of yen		
	2020		
	Contractual amount	Contractual amount due after one year	Fair value
Currency swaps	¥31,905	¥10,139	¥(49)

	Thousands of U.S. dollars		
	2021		
	Contractual amount	Contractual amount due after one year	Fair value
Currency swaps	\$288,640	\$138,640	\$(13,290)

Notes: 1. The Bank applies deferral hedge accounting principally based on the rules of the JICPA Industry Committee Practical Guidelines No. 25.
2. The fair values of the above derivatives were principally based on discounted values of future cash flows.
3. The hedged items for currency swaps were currency-denominated available-for-sale securities.

29. Other Comprehensive Income (Losses)

The components of other comprehensive income (losses) for the years ended March 31, 2021 and 2020, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Unrealized gains (losses) on available-for-sale securities:			
Gains (losses) arising during the year	¥441,061	¥(11,068)	\$3,983,931
Reclassification adjustments to profit or loss	(2,170)	(4,941)	(19,604)
Amount before income tax effect	438,890	(16,010)	3,964,326
Income tax effect	134,122	(4,596)	1,211,476
Total	¥304,768	¥(11,413)	\$2,752,849
Deferred gains (losses) on derivatives under hedge accounting:			
Gains (losses) arising during the year	¥ 18,644	¥(26,595)	\$ 168,410
Reclassification adjustments to profit or loss	2,140	1,888	19,336
Amount before income tax effect	20,785	(24,707)	187,746
Income tax effect	6,364	(7,565)	57,487
Total	¥ 14,420	¥(17,141)	\$ 130,258
Defined retirement benefit plans:			
Gains (losses) arising during the year	¥ 1,236	¥ (838)	\$ 11,172
Reclassification adjustments to profit or loss	888	270	8,022
Amount before income tax effect	2,125	(567)	19,194
Income tax effect	650	(173)	5,877
Total	¥ 1,474	¥ (393)	\$ 13,317
Total other comprehensive income (losses)	¥320,663	¥(28,949)	\$2,896,425

30. Segment Information

Under ASBJ Statement No. 17, "Accounting Standard for Segment Information Disclosures," and ASBJ Guidance No. 20, "Guidance on Accounting Standard for Segment Information Disclosures," an entity is required to report financial and descriptive information about its reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components of an entity about which separate financial information is available and such information is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. Generally, segment information is required to be reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments.

1. Description of reportable segments

The Group's reportable segments are those for which separate financial information is available and regular evaluation by the Bank's management is being performed in order to decide how resources are allocated among the Group.

The Group provides financial services, but engages mainly in the banking business. Since the business other than the banking business which the Group engages in is immaterial, banking is the only reportable segment of the Group.

The banking business consists of deposit-taking and lending services, trading of securities, securities investment, domestic exchange services, foreign exchange services, trust services, etc.

2. Methods of measurement of operating income, profit (loss), assets, liabilities, and other items for each reportable segment

The accounting policies of each reportable segment are consistent with those disclosed in Note 2, "Summary of Significant Accounting Policies."

The profit of the reportable segment is based on "net operating income." "Net operating income" does not include certain other income and expenses, income taxes, and noncontrolling interests.

3. Information about operating income, profit (loss), assets, liabilities, and other items was as follows.

	Millions of yen				
	2021				
	Reportable segment		Total	Reconciliations	Consolidated
Banking	Other (Note 2)				
Operating income (Note 1):					
Outside customers	¥ 97,194	¥10,962	¥ 108,156		¥ 108,156
Intersegment	892	1,409	2,302	¥ (2,302)	
Total	¥ 98,086	¥12,371	¥ 110,458	¥ (2,302)	¥ 108,156
Segment profit (Note 3)	¥ 20,625	¥ 3,152	¥ 23,777	¥ (12)	¥ 23,765
Segment assets (Note 4)	12,256,073	67,054	12,323,128	(49,220)	12,273,908
Segment liabilities (Note 5)	11,106,280	36,341	11,142,621	(36,866)	11,105,754
Other:					
Depreciation	3,281	111	3,393		3,393
Interest income (Note 3)	76,810	119	76,929	(61)	76,867
Interest expense (Note 3)	4,345	50	4,396	(48)	4,347
Equity in earning of an affiliated company		22	22		22
Investments in an affiliated company accounted by equity method		108	108		108
Increase in tangible and intangible fixed assets	3,258	74	3,333		3,333

	Millions of yen				
	2020				
	Reportable segment		Total	Reconciliations	Consolidated
Banking	Other (Note 2)				
Operating income (Note 1):					
Outside customers	¥ 102,949	¥10,874	¥ 113,823		¥ 113,823
Intersegment	964	1,589	2,554	¥ (2,554)	
Total	¥ 103,913	¥12,464	¥ 116,377	¥ (2,554)	¥ 113,823
Segment profit (Note 3)	¥ 26,634	¥ 2,613	¥ 29,247	¥ (15)	¥ 29,232
Segment assets (Note 4)	10,065,875	61,268	10,127,143	(48,680)	10,078,463
Segment liabilities (Note 5)	9,245,547	32,758	9,278,306	(34,830)	9,243,476
Other:					
Depreciation	3,579	115	3,695		3,695
Interest income (Note 3)	77,762	130	77,892	(58)	77,833
Interest expense (Note 3)	8,752	50	8,802	(45)	8,757
Equity in earning of an affiliated company		15	15		15
Investments in an affiliated company accounted by equity method		85	85		85
Increase in tangible and intangible fixed assets	2,872	87	2,960		2,960

	Thousands of U.S. dollars				
	2021				
	Reportable segment		Total	Reconciliations	Consolidated
Banking	Other (Note 2)				
Operating income (Note 1):					
Outside customers	\$ 877,917	\$ 99,019	\$ 976,936		\$ 976,936
Intersegment	8,062	12,731	20,794	\$ (20,794)	
Total	\$ 885,980	\$111,750	\$ 997,731	\$ (20,794)	\$ 976,936
Segment profit (Note 3)	\$ 186,300	\$ 28,474	\$ 214,774	\$ (110)	\$ 214,664
Segment assets (Note 4)	110,704,306	605,677	111,309,984	(444,587)	110,865,396
Segment liabilities (Note 5)	100,318,671	328,261	100,646,933	(333,004)	100,313,928
Other:					
Depreciation	29,641	1,010	30,651		30,651
Interest income (Note 3)	693,797	1,076	694,874	(557)	694,317
Interest expense (Note 3)	39,253	454	39,707	(436)	39,270
Equity in earning of an affiliated company		201	201		201
Investments in an affiliated company accounted by equity method		977	977		977
Increase in tangible and intangible fixed assets	29,432	674	30,107		30,107

Notes: 1. "Operating income" was presented as a substitute for sales in industries. "Operating income" did not include certain other income.

2. "Other" included business segments excluded from reportable segments including the credit guarantee business, leasing business, credit card business, security business, and several other businesses.

3. "Reconciliations" were eliminations of intersegment transactions.

4. "Reconciliations" were eliminations of intersegment assets.

5. "Reconciliations" were eliminations of intersegment liabilities (decrease by ¥39,128 million (\$353,428 thousand)), and adjustments of liabilities for retirement benefits (increase by ¥2,261 million (\$20,424 thousand)).

Related Information

1. Information about services

	Millions of yen			
	2021			
	Lending services	Securities investment	Other	Total
Operating income from outside customers	¥45,959	¥35,117	¥27,079	¥108,156

	Millions of yen			
	2020			
	Lending services	Securities investment	Other	Total
Operating income from outside customers	¥47,039	¥37,745	¥29,038	¥113,823

	Thousands of U.S. dollars			
	2021			
	Lending services	Securities investment	Other	Total
Operating income from outside customers	\$415,134	\$317,201	\$244,600	\$976,936

2. Information about geographical areas

(1) Operating income

Operating income from domestic customers exceeded 90% of total operating income on the consolidated statements of income for the fiscal years ended March 31, 2021 and 2020; therefore, geographical operating income information was not presented.

(2) Tangible fixed assets

The balance of domestic tangible fixed assets exceeded 90% of total balance of tangible fixed assets on the consolidated balance sheet as of March 31, 2021 and 2020; therefore, geographical tangible fixed assets information was not presented.

3. Information about major customers

Operating income from transactions with specific customers did not reach 10% of total operating income on the consolidated statement of income for the fiscal years ended March 31, 2021 and 2020; therefore, major customer information was not presented.

31. Net Income per Share

Reconciliation of the differences between basic and diluted net income per share ("EPS") for the years ended March 31, 2021 and 2020, was as follows:

	Millions of yen	Thousands of shares	Yen	U.S. dollars
	Net income	Weighted-average shares	EPS	EPS
For the year ended March 31, 2021				
Basic EPS — Net income available to common shareholders	¥16,860	75,594	¥223.03	\$2.01
Effect of dilutive securities — stock acquisition rights		84		
Diluted EPS — Net income for computation	¥16,860	75,679	¥222.78	\$2.01
For the year ended March 31, 2020				
Basic EPS — Net income available to common shareholders	¥20,383	75,545	¥269.81	
Effect of dilutive securities — stock acquisition rights		114		
Diluted EPS — Net income for computation	¥20,383	75,659	¥269.41	

32. Subsequent Events

Appropriations of retained earnings

The following appropriation of retained earnings at March 31, 2021, was approved at the Bank's general meeting of shareholders held on June 29, 2021:

	Millions of yen	Thousands of U.S. dollars
Year-end cash dividends, ¥30.00 (\$0.27) per share	¥2,268	\$20,487