

The Hyakugo Bank, Ltd.

First Section of TSE and First Section of NSE (8368)

INFORMATION MEETING

Presentation for FY2021 Interim Financial Results

November 30, 2021



Mie Is an Advanced Renewable Energy Prefecture

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KAI KAKU 150 1st STAGE — “Gateway to the Future”

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Mie Is an Advanced Renewable Energy Prefecture

**Towards the Effective Use of
Locally Produced Energy**

Map of renewable power plants in Mie Prefecture

Hydroelectric plants: 14
Small hydroelectric plants: 16



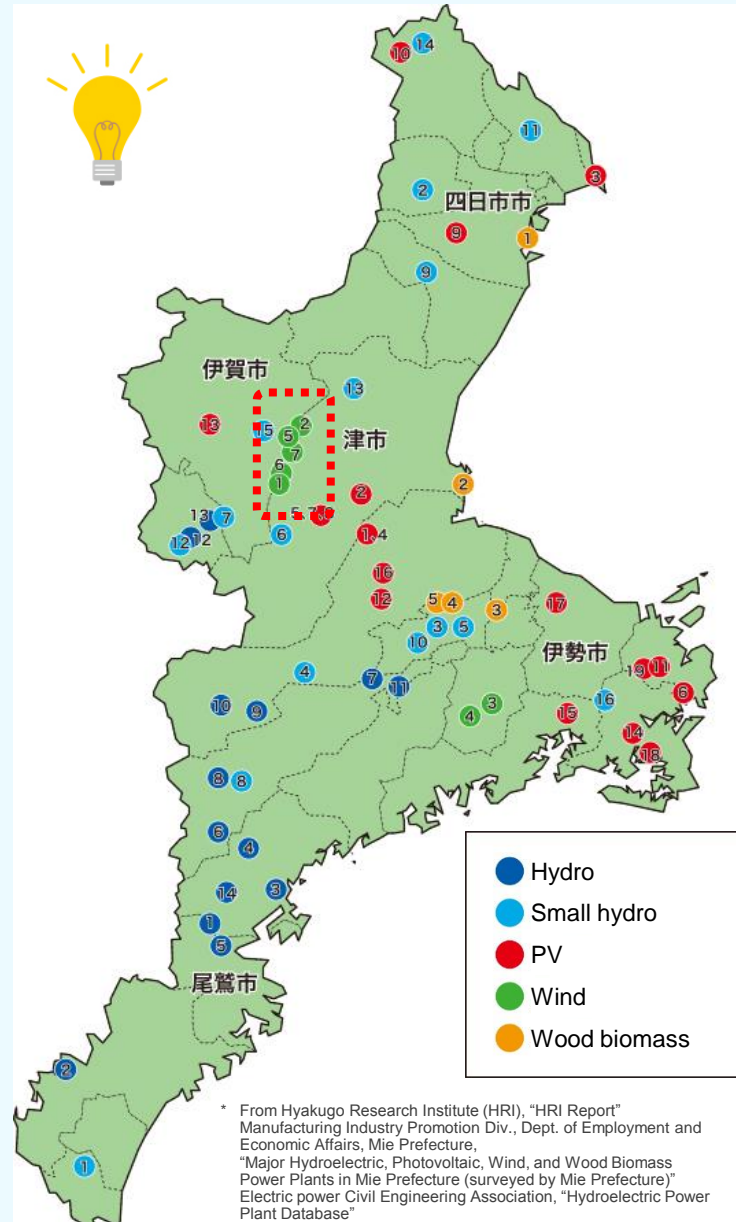
**Total maximum output:
199,000 kW**

Photovoltaic (PV) power plants: 19

* Only those listed in "Major Photovoltaic Power Plants in Mie Prefecture (surveyed by Mie Prefecture)"



**Total maximum output:
374,000 kW**



* From Hyakugo Research Institute (HRI), "HRI Report" Manufacturing Industry Promotion Div., Dept. of Employment and Economic Affairs, Mie Prefecture, "Major Hydroelectric, Photovoltaic, Wind, and Wood Biomass Power Plants in Mie Prefecture (surveyed by Mie Prefecture)" Electric power Civil Engineering Association, "Hydroelectric Power Plant Database"

Wood biomass power plants: 5



**Total maximum output:
83,000 kW**

Wind power plants: 7



**Total maximum output:
202,000 kW**

Renewable energy output in Mie Prefecture

1,912.27 million kWh



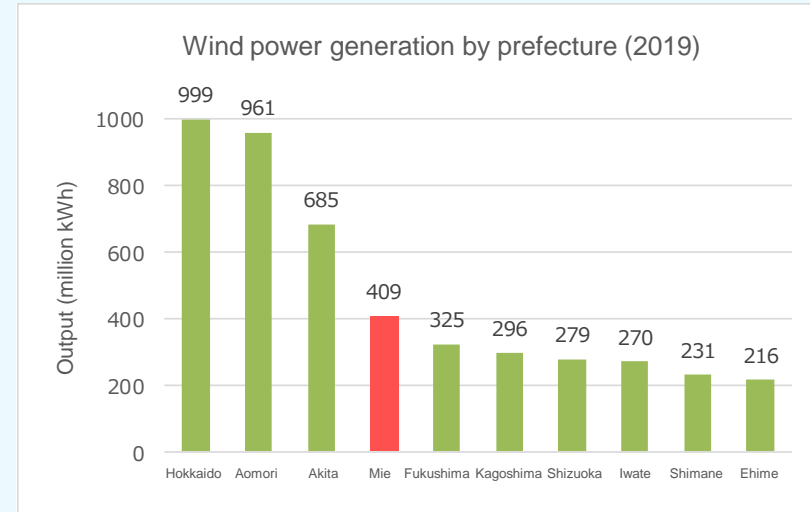
Covers approx. 86%

of the total annual electricity consumption of about 750,000 households in Mie Prefecture

* Calculated by HRI based on the Agency for Natural Resources and Energy, "Power Generation by Prefecture (FY2019)."
Not including self-consumed electricity and photovoltaic (PV) power flowing into the grid system. Assuming an average of 248 kWh/month per household

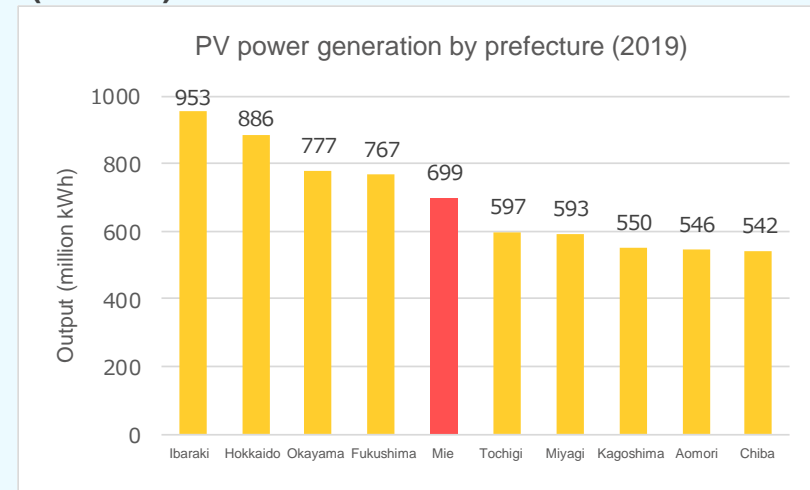


Top 10 prefectures in wind power generation (FY2019)



* Prepared by HRI based on the Agency for Natural Resources and Energy, "Power Generation by Prefecture (FY2019)."

Top 10 prefectures in photovoltaic power generation (FY2019)

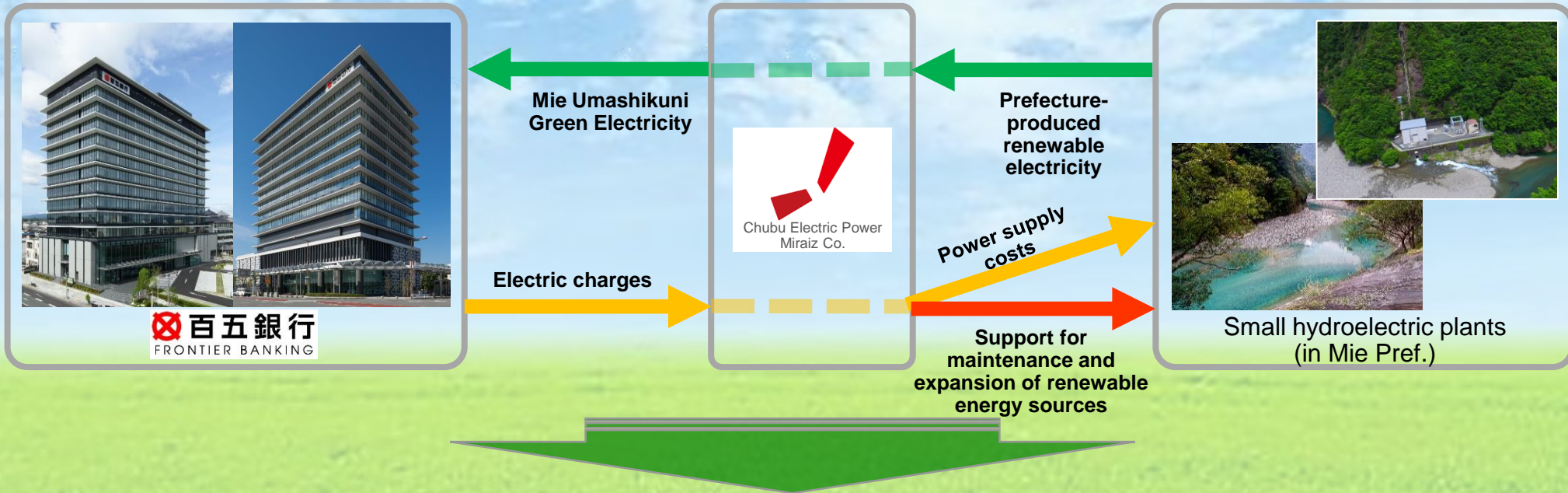


* Prepared by HRI based on the Agency for Natural Resources and Energy, "Power Generation by Prefecture (FY2019)."

The Hyakugo Bank has introduced CO₂-free electricity produced in Mie Prefecture for its head office building and headquarters building.



The Bank has decarbonized about 20% of its total electricity use.



Part of the electricity charges are used to support the renovation of hydropower plants.



The Bank makes itself a CO₂-free company and also contributes to the maintenance and expansion of renewable energy sources in Mie Prefecture.

Outline of Financial Position

- An increase in interest income and fees and commissions, and a decrease in expenses caused interim net income to increase 21.3% year-on-year.

	(Million yen)	FY 9/20	FY 9/21	YoY change
Gross operating income C	(1)	28,449	30,441	1,991
Interest income		23,992	24,515	522
Fees and commissions		4,599	5,922	1,323
Other operating income		(142)	4	146
Of which, gain and loss from government bonds and other bonds	(2)	235	104	(131)
Provision of general allowance for loan losses	(3)	(56)	531	588
Expenses	(4)	20,775	20,102	(673)
Net operating income	(1) - (3) - (4)	7,731	9,807	2,076
Core net operating income A	(1) - (2) - (4)	7,438	10,234	2,796
Core net operating income (excluding gain and loss from cancellation of investment trusts)		6,859	9,673	2,813
Non-recurring gain and loss		272	(82)	(355)
Of which, disposal of bad debts	(5)	985	1,749	764
Gain and loss from stocks and other securities		1,192	1,051	(141)
Ordinary income B		8,003	9,724	1,720
Extraordinary gain and loss		(167)	(214)	(46)
Interim net income before income taxes		7,835	9,509	1,673
Interim net income		5,759	6,984	1,224
Credit costs	(3) + (5)	928	2,281	1,353

<Year-on-year changes>

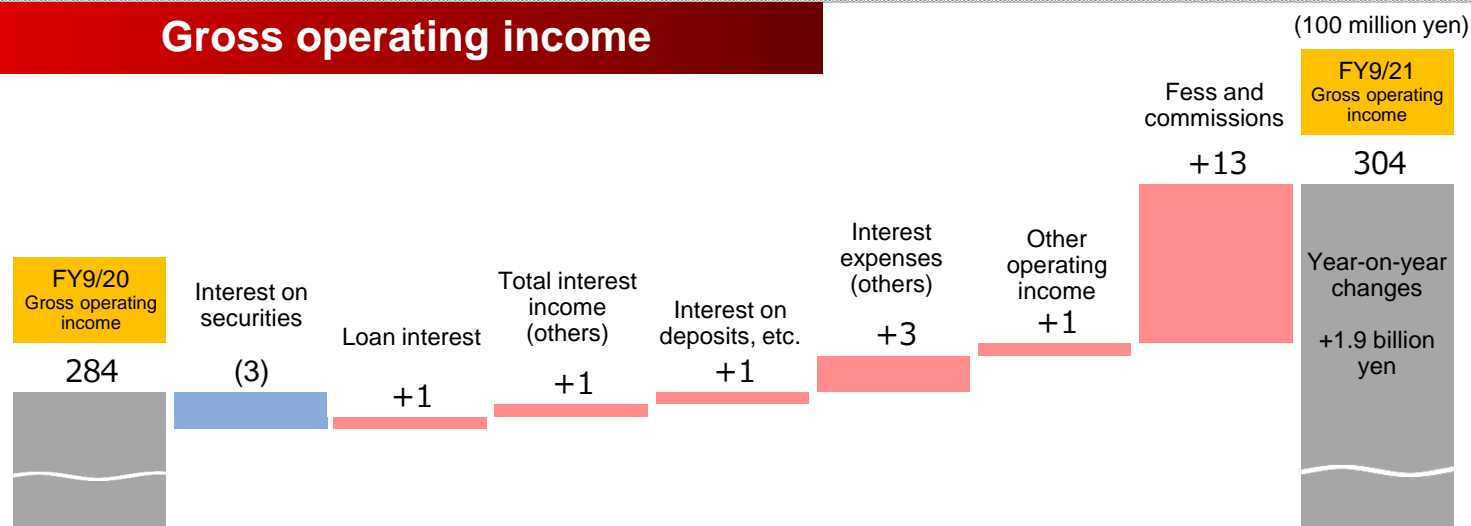
- An increase in interest income and fees and commissions, etc. caused gross operating income to increase.
- A decrease in expenses also helped net operating income increase substantially.
- An increase in disposal of bad debts and a decrease in gain and loss from stocks and other securities caused non-recurring gain and loss to decrease, but both ordinary income and interim net income increased year-on-year.

<Credit costs>

- Credit costs increased year-on-year due to cautious and conservative assessment of the debtor classification in anticipation of the impact of COVID-19, but were largely in line with the initial forecast of 2 billion yen for the first half and 4 billion yen for the full year.

- An increase in interest income and fees and commissions, etc. caused gross operating income to increase 7.0% year-on-year.

Gross operating income



Interest on securities decreased, but interest income increased due to an increase in loan interest and interest on deposits with banks, and a decrease in interest on Bank of Japan borrowings for foreign currency financing.

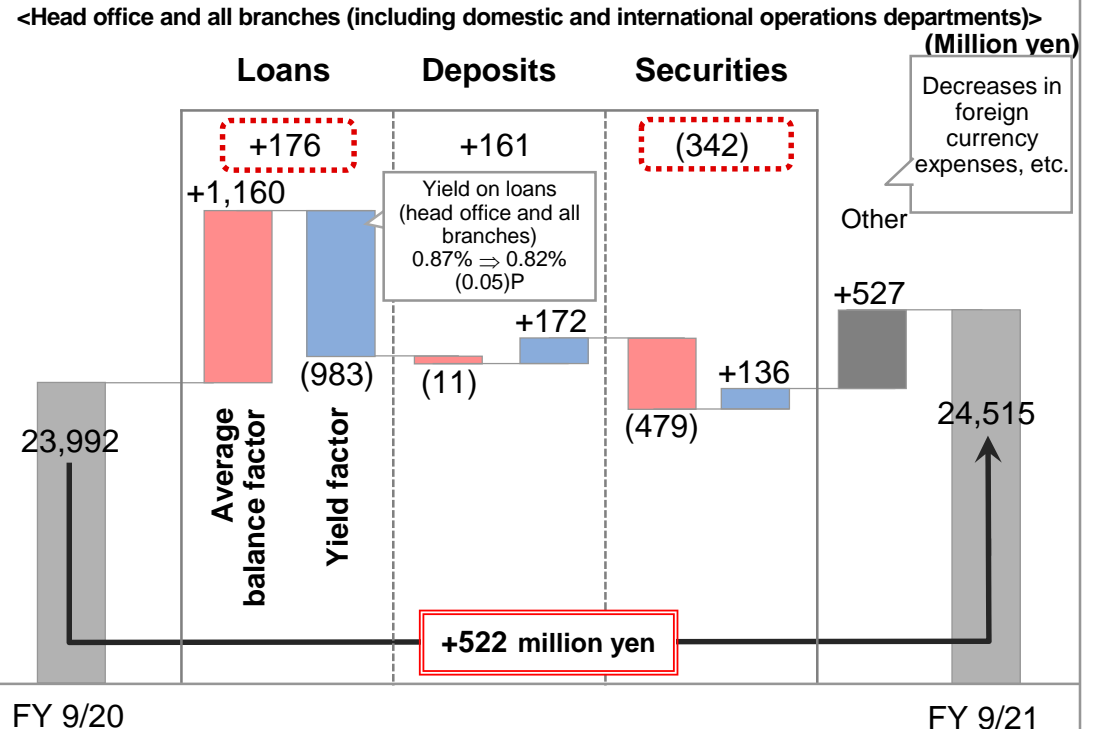
Shares	JPY-denominated loans	Interest on deposits with banks	Interest on yen deposits	Borrowed fund from Bank of Japan (foreign currency)	Foreign currency procurement (currency swaps, etc.)	Corporate solutions fees
+10	+7	+1	+1	+3	+1	+6
JPY-denominated bonds	Foreign currency-denominated loans				Gain and loss from government bonds and other bonds	Commissions related to depository assets
(7)	(5)				(1)	+4
Investment partnerships, etc.						Housing loan handling fees
(3)						+2
Investment trusts						
(2)						
Foreign currency-denominated bonds						
(1)						

Fees and commissions increased year-on-year due mainly to increases in corporate solution fees, commissions related to depository assets, and housing loan handling fees.

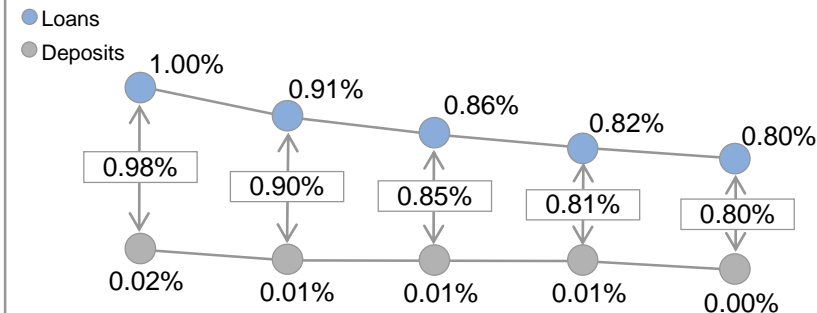
● An increase in loan interest contributes to an increase in interest income of 2.2% year-on-year.

(Million yen)	FY 9/20	FY 9/21	YoY change
Interest income	23,992	24,515	522
Total interest income	25,768	25,743	(25)
Loan interest	16,475	16,651	176
Interest and dividends on securities	9,095	8,753	(342)
Other	198	339	140
Interest expenses	1,776	1,228	(547)
Interest on deposits	351	189	(161)
Other	1,425	1,039	(386)

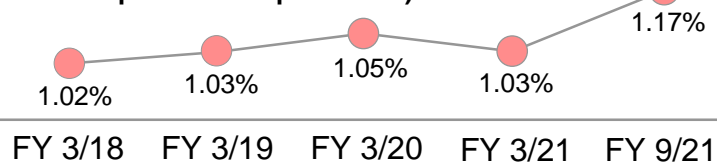
Factors behind increase/decrease in interest income



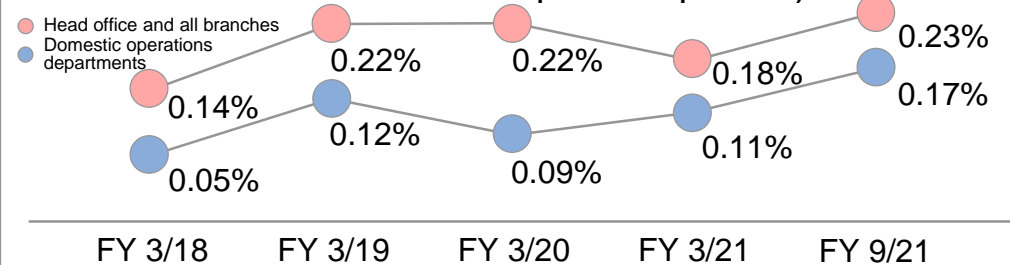
Deposit loan yield margin (domestic operations)



Returns on securities investments (domestic operations departments)



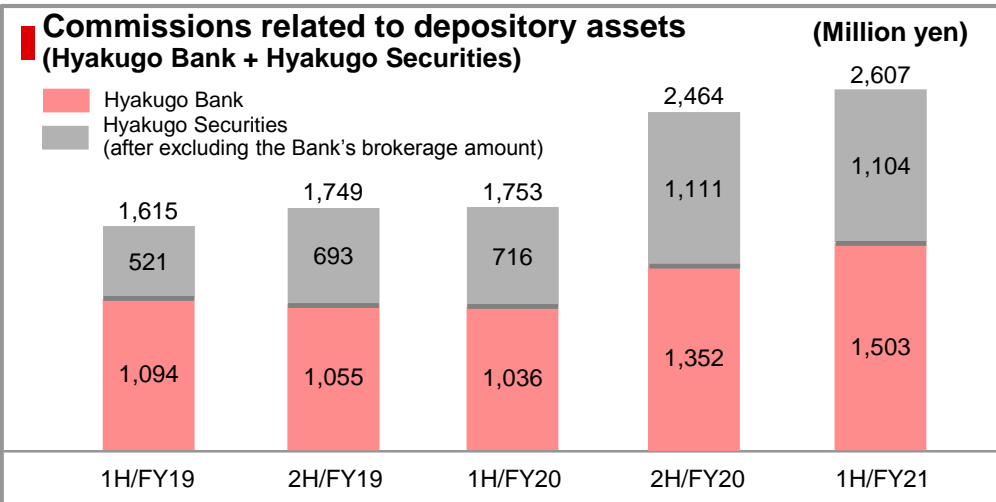
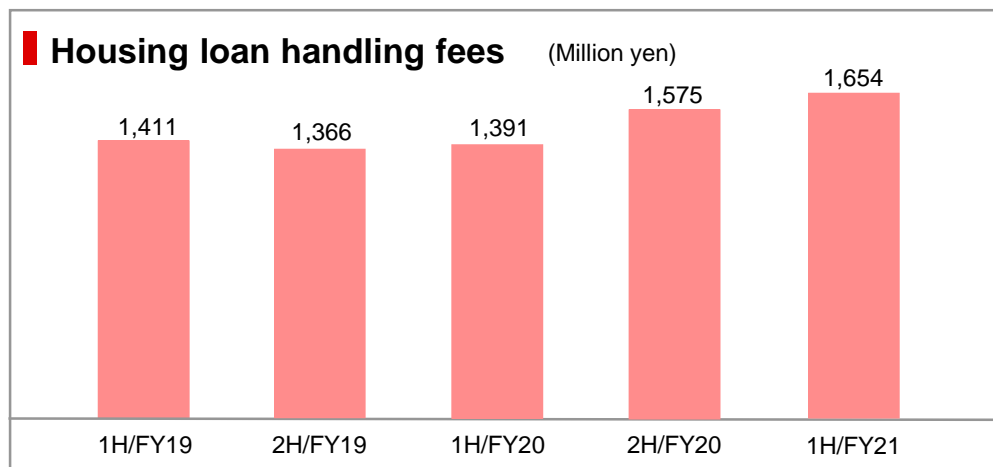
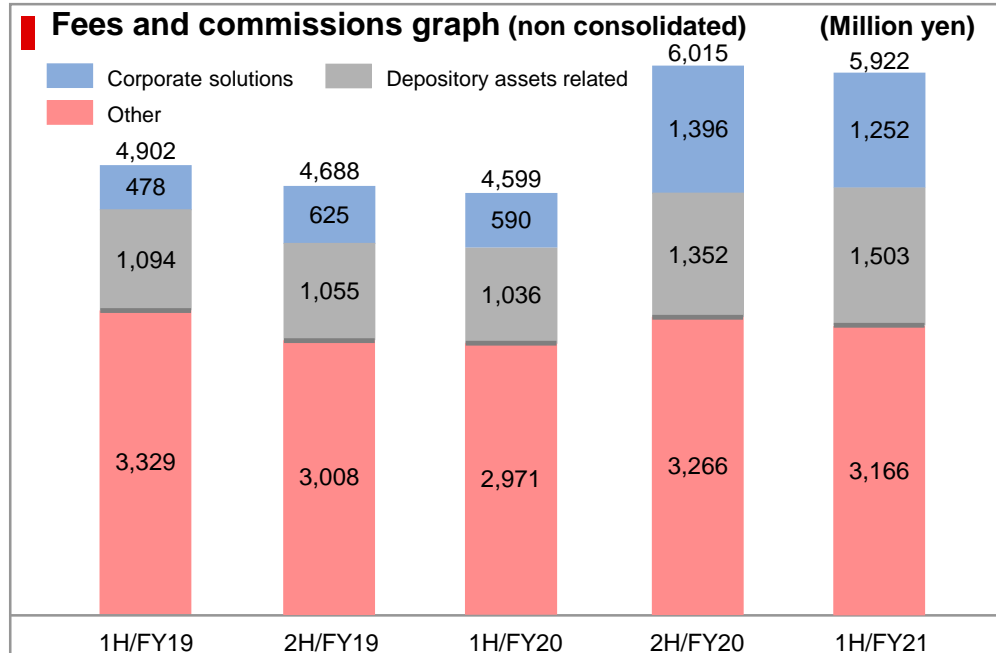
Historical overall profit margin <Head office and all branches (including domestic operations departments)>



- Fees and commissions increased 28.8% year-on-year due to an increase in corporate solution fees, commissions related to depository assets, etc.

	(Million yen)		
	FY 9/20	FY 9/21	YoY change
Fees and commissions	4,599	5,922	1,323
Fees and commissions	7,099	8,526	1,427
Commissions related to depository assets A	1,036	1,503	466
Investment trust commissions	452	786	333
Insurance sales commissions (*)	375	437	61
Financial instruments brokerage commissions	151	211	60
Defined contribution pension commissions	57	68	10
Corporate solutions fees (*) B	590	1,252	662
Housing loan handling fees C	1,391	1,654	262
Fees and commissions expenses (expenses)	2,500	2,603	103
Of which, payment of housing loan guarantee and insurance premium, etc. (expenses)	1,786	1,896	109

* A part of business insurance fees is included in corporate solutions fees, not in insurance sales commissions.



● Expenses decreased 3.2% year-on-year due to decreases in personnel and non-personnel expenses, etc.

	(Million yen)		
	FY 9/20	FY 9/21	YoY change
Expenses	20,775	20,102	(673)
Personnel expenses	11,081	10,671	(409)
Non-personnel expenses	8,608	8,377	(231)
Taxes	1,085	1,053	(32)

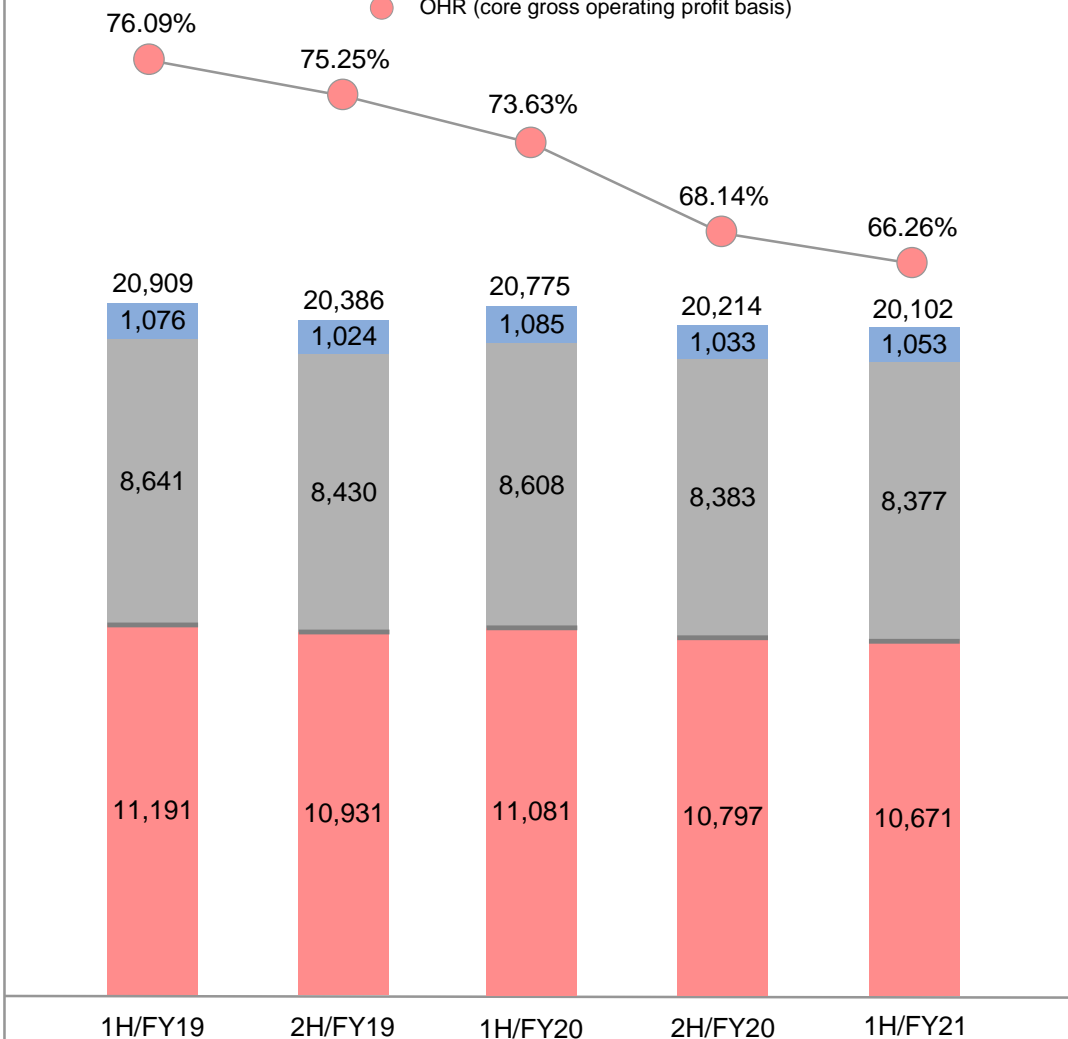
Major factors underlying changes in expenses

- **Personnel expenses**
Decreased 3.7%, mainly due to a decrease in retirement benefit expenses
- **Non-personnel expenses**
Decreased 2.7% as a result of efforts to cut expenses
- **Core OHR**
Core OHR increased 7.37 points year-on-year due to an increase in core gross operating profit and a decrease in expenses.
Efforts will be continuously made to reduce expenses

Expenses and core OHR

(Million yen)

■ Taxes ■ Non-personnel expenses ■ Personnel expenses
● OHR (core gross operating profit basis)



● The Bank fulfilled the OHR requirements for FY2020 (initial fiscal year). It is expected to do so again for FY2021.

(Million yen)

	FY2019 (base year)	FY2020 (actual)	FY 2021 (1H)
Expenses	39,455	38,879	19,085
Gross operating income	58,103	61,698	31,813
OHR (%)	67.90	63.01	59.99
Base year comparison OHR change rate	-	(7.20)	(11.64)

* OHR is on a consolidated base. Based on the calculation method set forth by the Bank of Japan.

[Expenses]

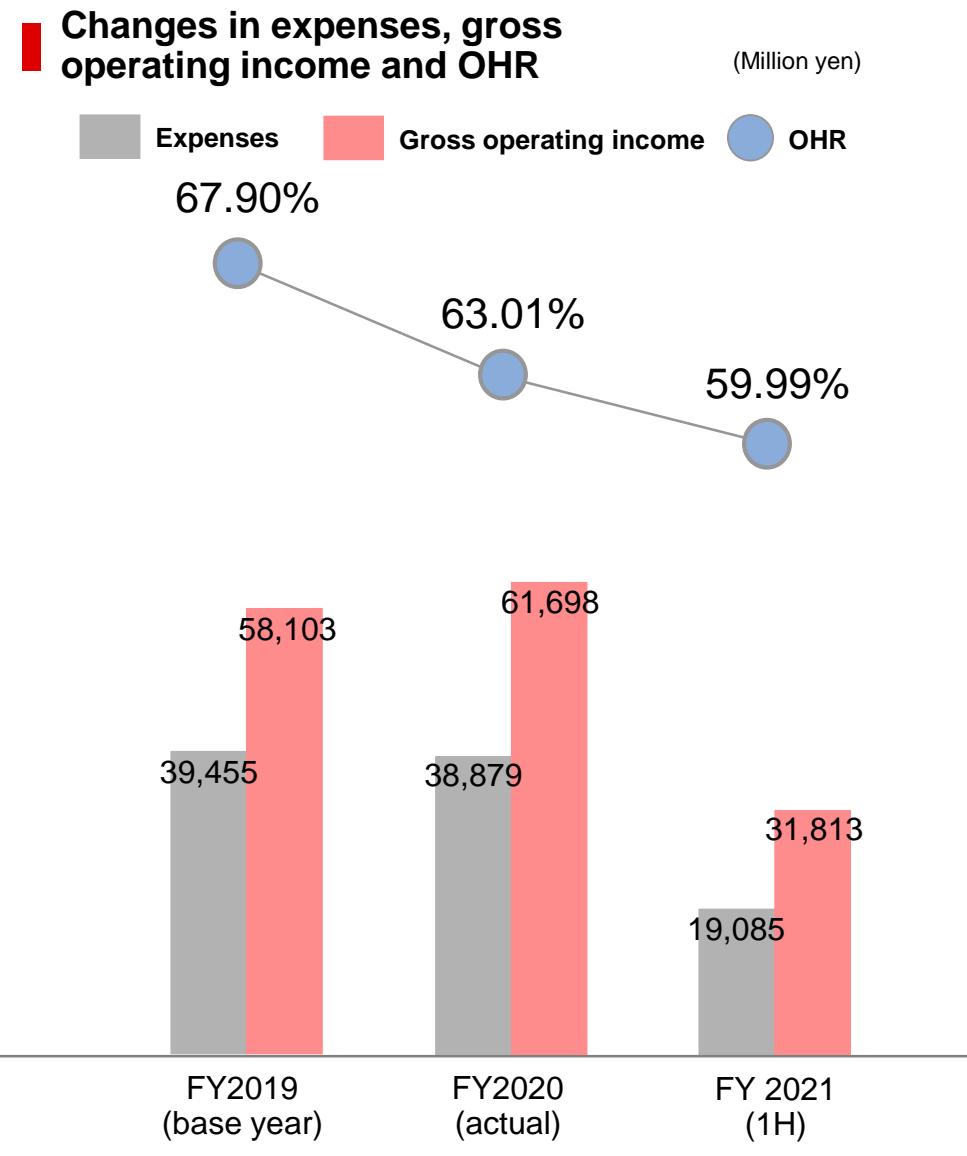
- Reduce personnel (natural reduction due to gap between hiring and retirement, consideration of increase in external transfers)
- Integrate and close branches (reduction in non-personnel expenses, optimization of personnel allocation)
- Improve operational efficiency across the entire Group, including affiliated companies

etc.

[Gross operating income]

- Strengthen loans (for housing, regional small and medium-sized companies, etc.)
- Strengthen fees and commissions, especially consulting income
- Strengthen securities investments

etc.

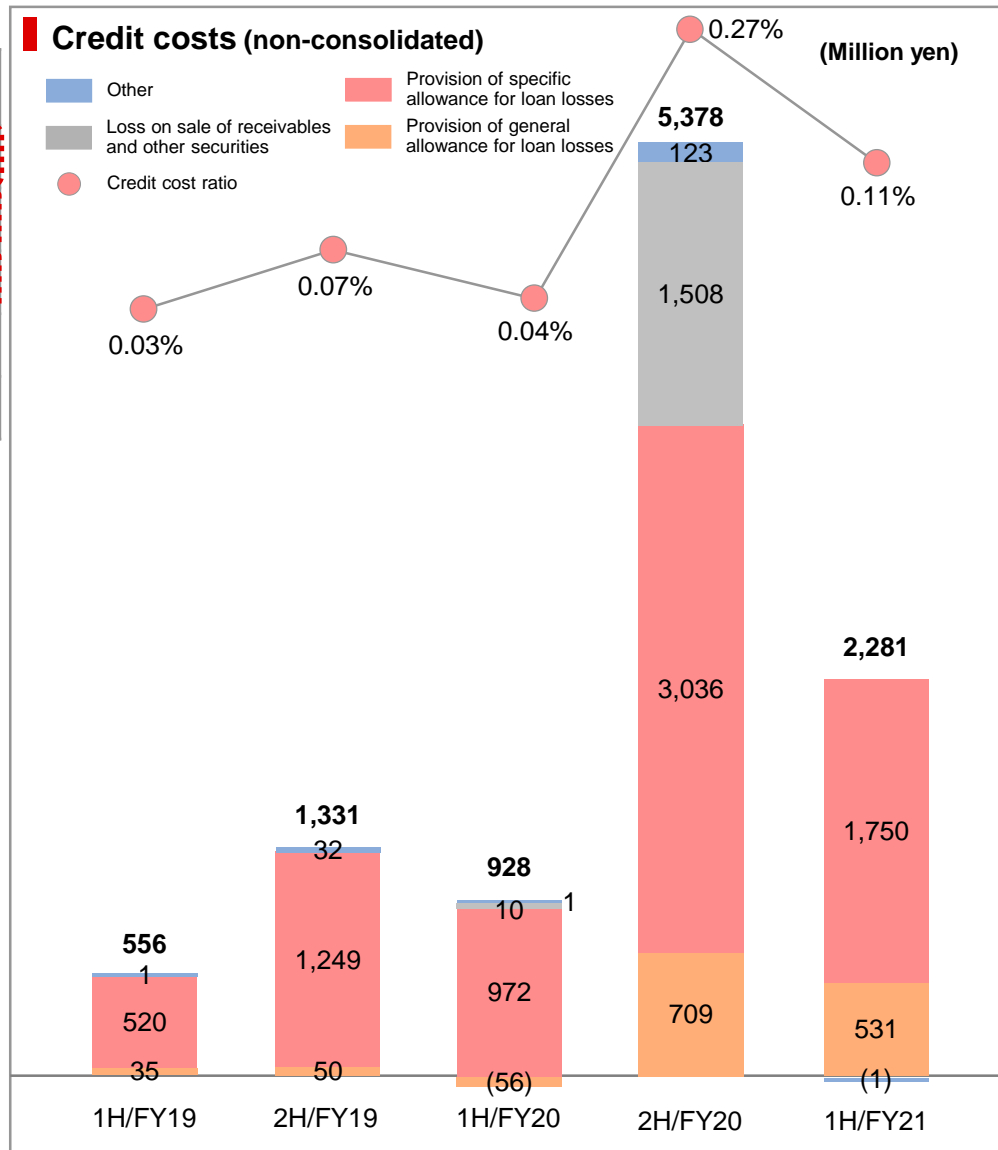
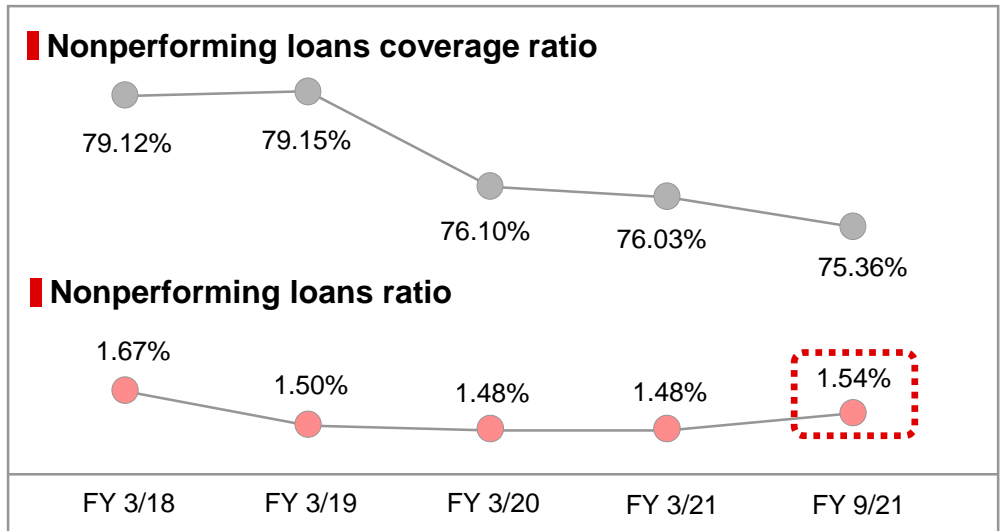


● An increase in the provision of allowance for loan losses caused a year-on-year increase in credit costs, but they were largely in line with initial forecasts.

(Million yen)

	FY 9/20	FY 9/21	YoY change
Credit costs	928	2,281	1,353
Of which, provision of general allowance for loan losses	(56)	531	588
Of which, provision of specific allowance for loan losses	972	1,750	778
Of which, loss on sale of receivables and other securities	10	-	(10)
Credit cost ratio	0.04%	0.11%	0.07P

	FY 3/21	FY 9/21	YoY change
Nonperforming loans	59,823	64,329	4,506



● Individual deposits and corporate deposits both remained strong, increasing total deposits 4.8% year-on-year

(100 million yen)

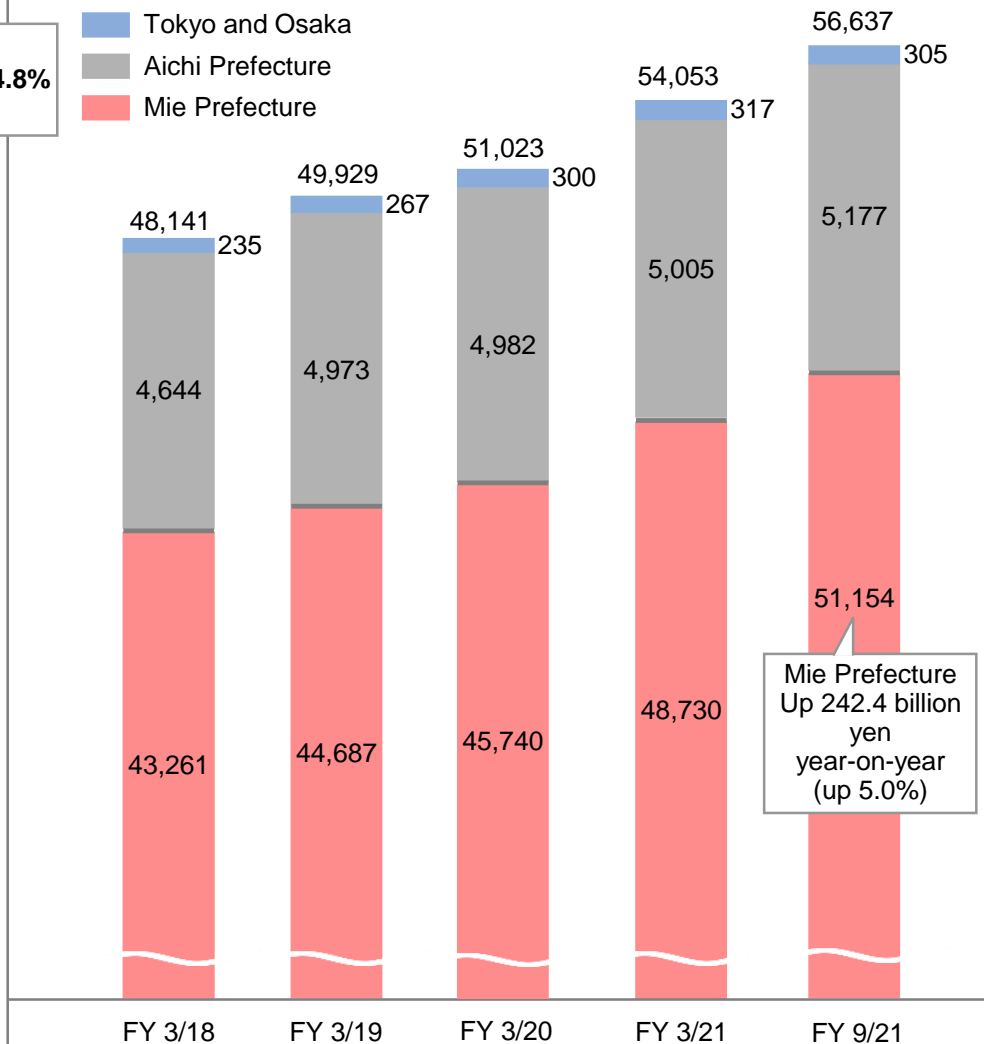
	FY 3/21	FY 9/21	YoY change
Total deposits (average balance)	54,053	56,637	2,584
Mie Prefecture	48,730	51,154	2,424
Aichi Prefecture	5,005	5,177	171
Tokyo and Osaka	317	305	(11)

Up 4.8%

Total deposits (average balance)

(100 million yen)

■ Tokyo and Osaka
■ Aichi Prefecture
■ Mie Prefecture



(100 million yen)

	FY 3/21	FY 9/21	YoY change
Individual deposits (average balance)	39,835	41,299	1,464
Mie Prefecture	36,797	38,115	1,317
Aichi Prefecture	3,015	3,161	146
Tokyo and Osaka	22	22	0

(100 million yen)

	FY 3/21	FY 9/21	YoY change
Corporate deposits (average balance)	11,649	12,402	753
Mie Prefecture	9,389	10,140	751
Aichi Prefecture	1,972	1,983	11
Tokyo and Osaka	288	278	(9)

* Mie Prefecture includes Shingu and Internet branches.

● Individual loans such as housing loans and loans to SMEs increased, resulting in a 5.5% increase year-on-year in total loans

(100 million yen)

	FY 3/21	FY 9/21	YoY change
Total loans (average balance)	38,240	40,345	2,104
Mie Prefecture	18,051	18,865	814
Aichi Prefecture	12,958	14,209	1,250
Tokyo and Osaka	7,231	7,270	39

Up
5.5%

Up
9.7%

(100 million yen)

	FY 3/21	FY 9/21	YoY change
Loans to SMEs (average balance)	13,219	13,724	504
Mie Prefecture	7,823	8,187	364
Aichi Prefecture	3,563	3,708	145
Tokyo and Osaka	1,833	1,828	(4)

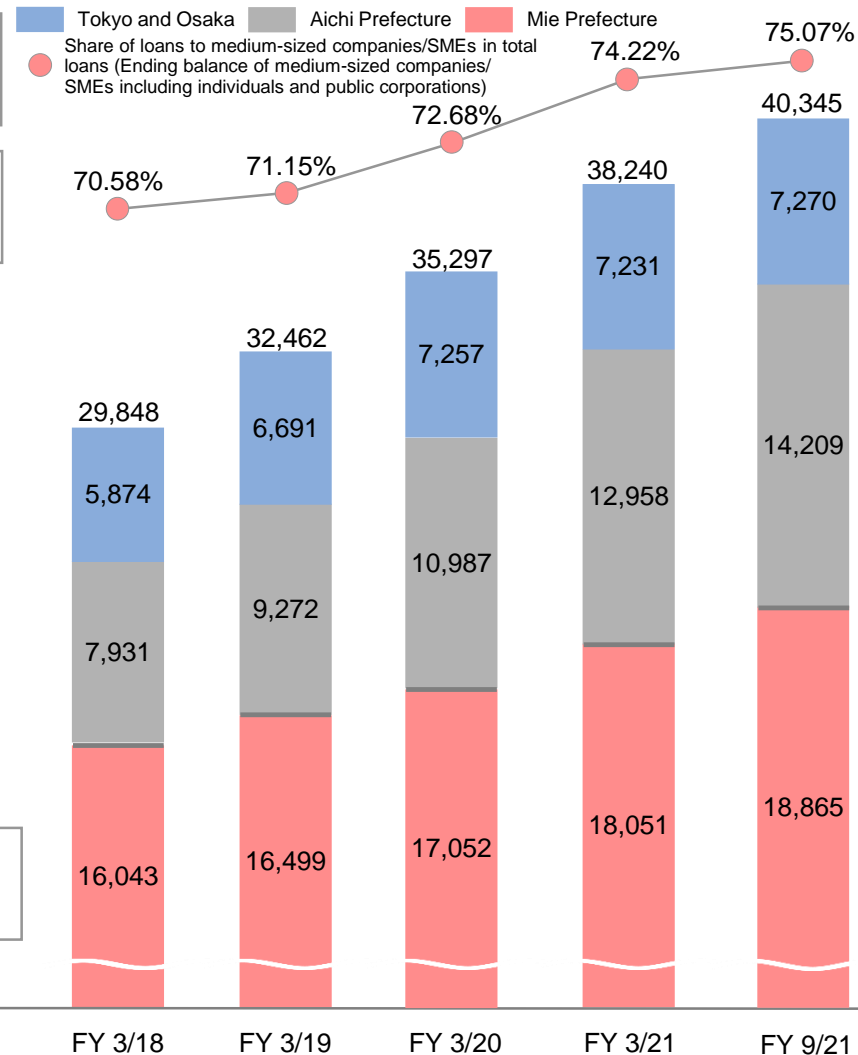
(100 million yen)

	FY 3/21	FY 9/21	YoY change
Housing loans (average balance)	14,069	15,689	1,619
Mie Prefecture	6,770	7,282	512
Aichi Prefecture	7,299	8,406	1,107

Up
11.5%

Total loans (average balance)

(100 million yen)



* Mie Prefecture includes Shingu and Internet branches.

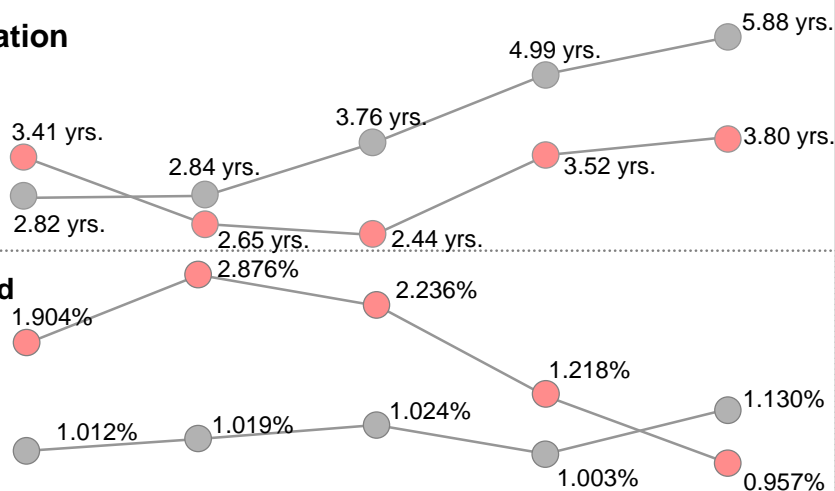
● Valuation gains (losses) on securities increased 7.2% from the end of the previous fiscal year due mainly to an increase in share prices.

(100 million yen)	FY 3/21	FY 9/21	YoY change
Securities balance	17,096	17,637	540
Government bonds	2,924	2,931	6
Municipal bonds	4,357	4,671	314
Corporate bonds	2,091	2,012	(78)
Shares	2,005	2,085	79
Investment trusts	1,256	1,362	106
Foreign securities A	4,384	4,495	111
Other	76	78	1

JPY-denominated average balance (*)	13,559	12,345	(1,213)
Foreign currency-denominated average balance (*)	3,282	3,694	412

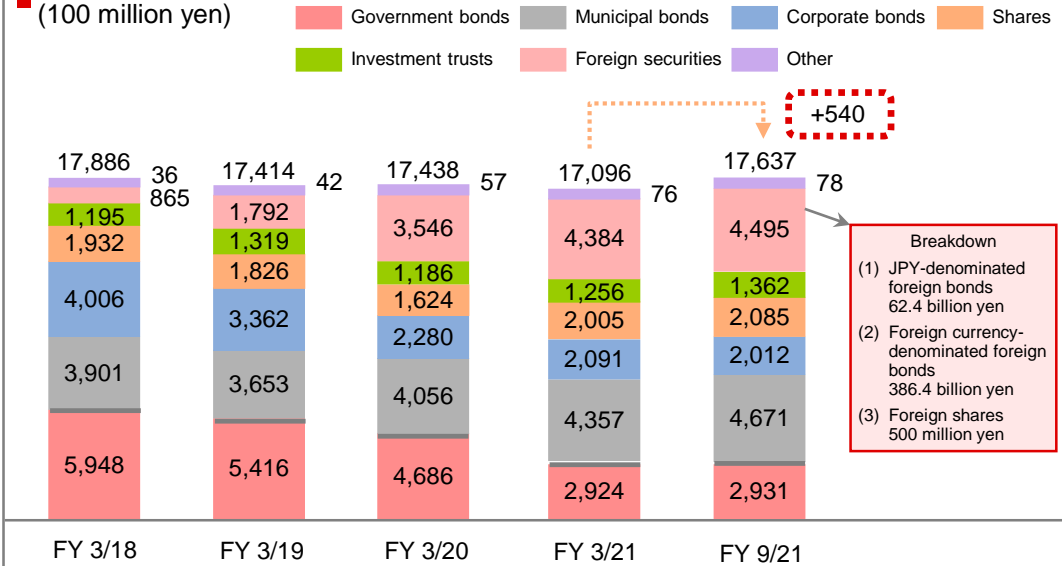
Duration, yield (*) ● JPY denominated ● Foreign currency-denominated

Duration

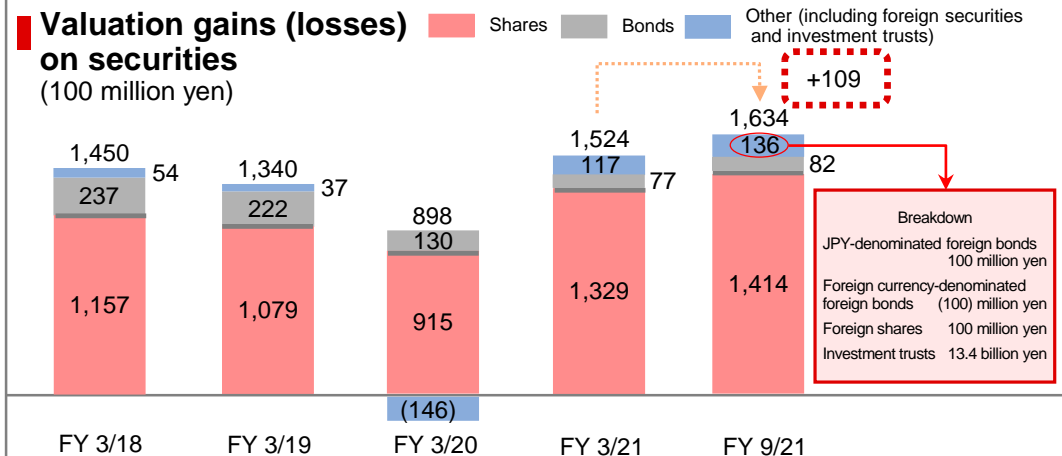


* Including trust beneficiary rights

Securities balance
(100 million yen)



Valuation gains (losses) on securities
(100 million yen)



- An increase in risk assets, resulting from increased loans, caused the equity ratio to decrease 0.07 percentage points year-on-year

(100 million yen)

	FY 3/20	FY 3/21	FY 9/21
Equity capital (For equity ratio calculation purposes)	2,338	2,412	2,455
Risk Assets	23,200	23,841	24,441
Equity Ratio	10.07%	10.11%	10.04%

(0.07)P

Shareholders' equity	2,621	2,720	2,776
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Method of computing value-at-credit-risk asset value:

Fundamental internal ratings based approach

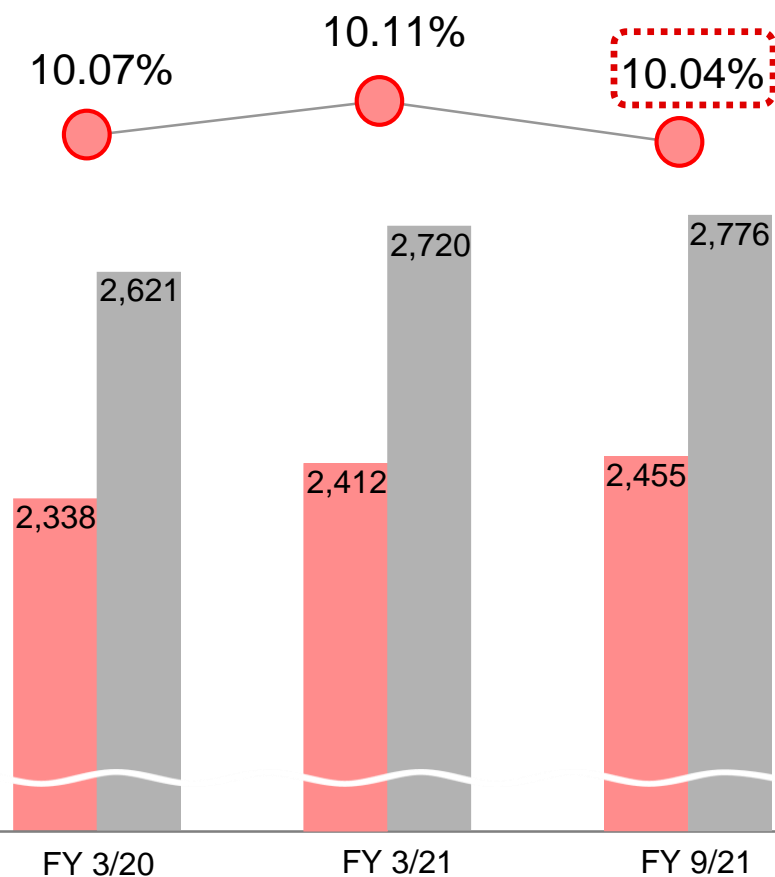
Method of computing value-at-operational risk:

The Standardized Approach (TSA)

Equity capital, shareholders' equity, and equity ratio (100 million yen)

Equity capital Shareholders' equity Equity Ratio

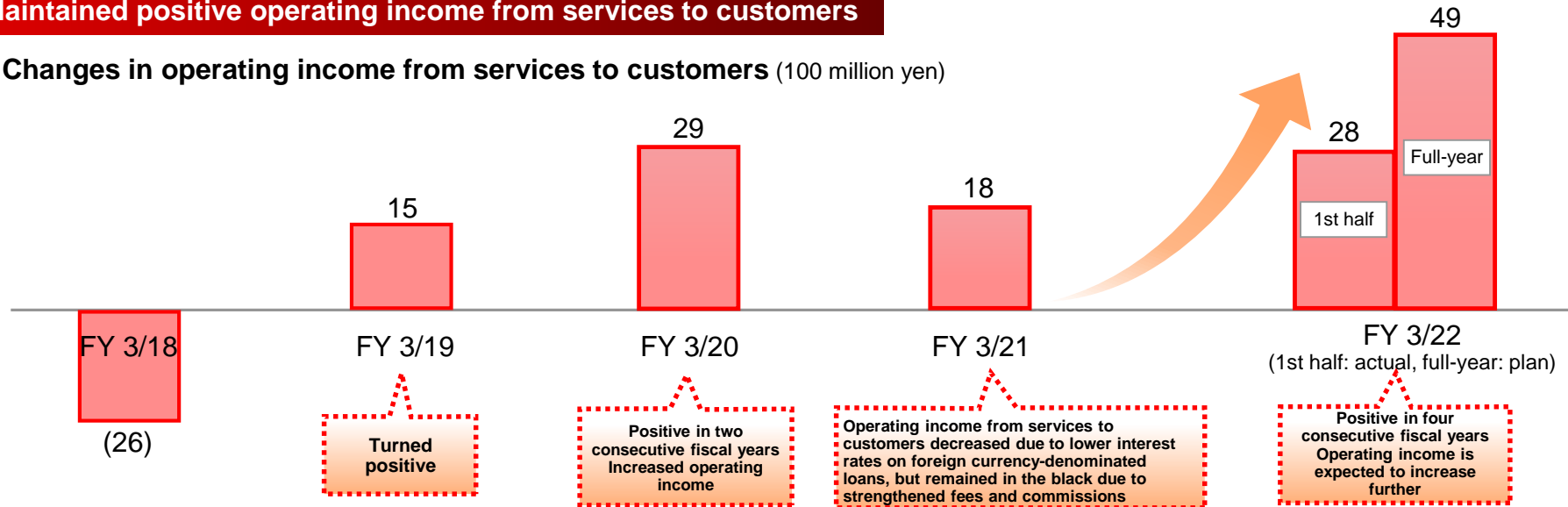
(JGAAP, Non-consolidated)



- Operating income from services to customers is expected to be positive for four consecutive terms due to an increase in fees and commissions

Maintained positive operating income from services to customers

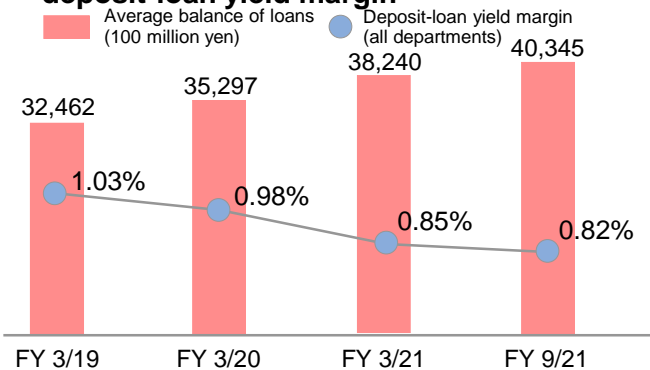
Changes in operating income from services to customers (100 million yen)



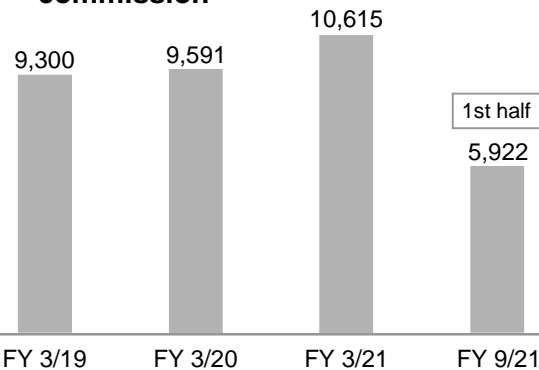
Operating income from services to customers

Average balance of loans x (interest rate on loans – interest on deposits, etc.) + fees and commissions – operating expenses (including retirement benefit expenses in extraordinary gain and loss, etc.)

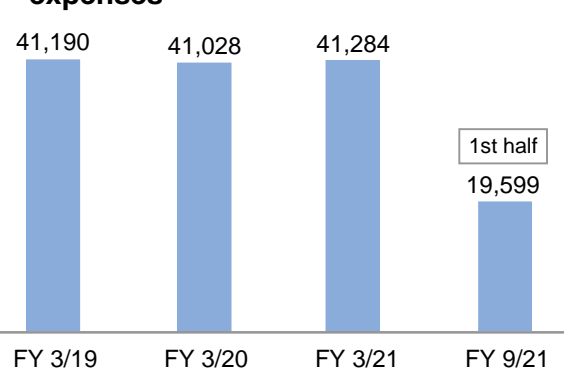
Change in average balance of loans and deposit-loan yield margin



Change in fees and commission



Change in operating expenses



- Full-year net income forecast for FY2021 was revised upward in light of the actual figure in the first half. Increased dividends to enhance the shareholder return

Forecast (non-consolidated)

(Million yen)

	FY3/22 (Initial announcement)	FY3/22 (Upward revision)
Gross operating income	56,700	59,500
Interest income	46,100	48,300
Fees and commissions	10,600	11,200
Other operating income	-	-
Net operating income	15,700	18,700
Ordinary income	15,800	17,700
Net income	11,000	12,500
Credit costs	4,000	4,300
Consolidated net income attributable to shareholders of the parent (consolidated)	11,300	13,000

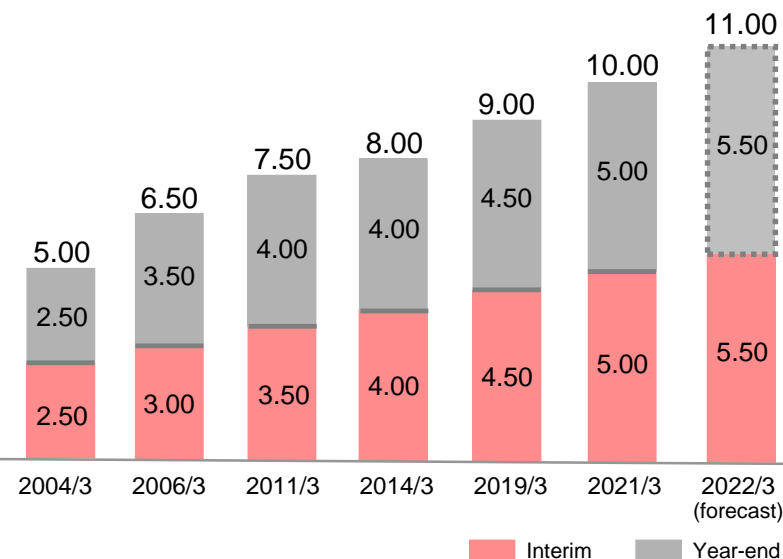
Compared with the initial announcement, an increase in interest income and fees and commissions, and a decrease in expenses are expected. Credit costs for the second half of the fiscal year remained at the initially announced level of 2 billion yen

Dividend forecast

Interim	Year-end	Full year
5.5 yen (Up 0.5 yen from the initial announcement)	5.5 yen (Up 0.5 yen from the initial announcement)	11.0 yen (Up 1.0 yen from the initial announcement)

Dividends

(Yen)



Medium-term Management Plan
“KAI KAKU 150 1st STAGE Gateway to the Future”
Aiming to Transform into a Digital & Consulting Bank
Progress Review

- In the final fiscal year of the Medium-term Management Plan, all the numerical targets are expected to be achieved

Numerical Targets of the Medium-term Management Plan

	Item	FY 3/21 (actual)	FY 9/21 (actual)	Progress in the Plan	FY 3/22 (Final goal of the Plan)
Profitability indicator	Net income	12.2 billion yen	6.9 billion yen	○	10.0 billion yen
Capital efficiency indicator	ROE (shareholders' equity basis)	4.56%	5.06%	○	3.7% or more
Efficiency indicator	OHR (core gross operating profit basis)	70.81%	66.26%	○	Less than 79%
Soundness indicator	Equity Ratio	10.11%	10.04%	○	9.5% or more
Growth indicators	Average balance of total deposits (including negotiable certificates of deposit)	5,405.3 billion yen	5,663.7 billion yen	◎	5,230.0 billion yen or more
	Average balance of total loans	3,824.0 billion yen	4,034.5 billion yen	◎	3,700.0 billion yen or more
	Loan-to-deposit ratio (average balance basis)	70.74%	71.23%	○	70.8% or more
Profit indicators	Operating income from services to customers	1.83 billion yen	2.84 billion yen	○	3.7 billion yen
	Corporate solutions fees	1,987 million yen	1,252 million yen	○	2,000 million yen
Human resources development indicator	Number of personnel with professional qualifications	282 persons	301 persons	○	300 persons

- An issue is “many redemptions of relatively high-yield JPY-denominated bonds.” A solution is to increase the volume of loans to local companies and housing loans

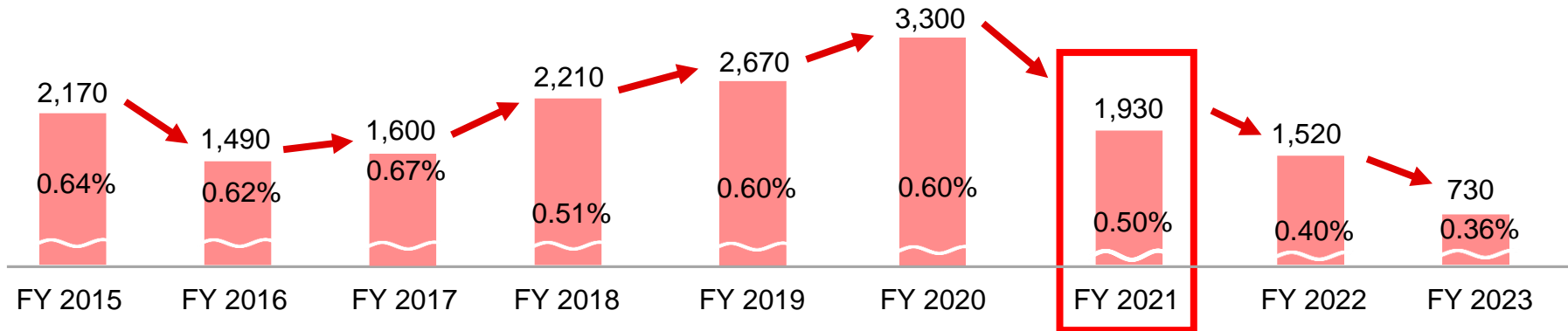
Maturity of many JPY-denominated bonds peaked in FY2020

As fewer JPY-denominated bonds mature in FY2021 onward, but **large redemptions are expected to continue**

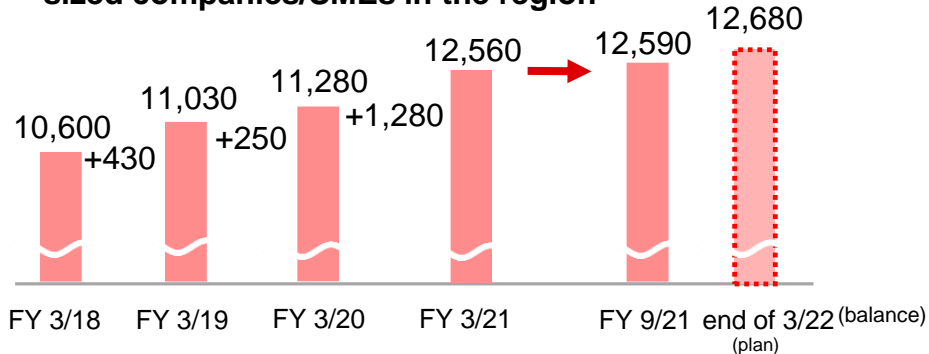
Solution

Focus on increasing the volume of loans to medium-sized companies/ SMEs in the region, and housing loans

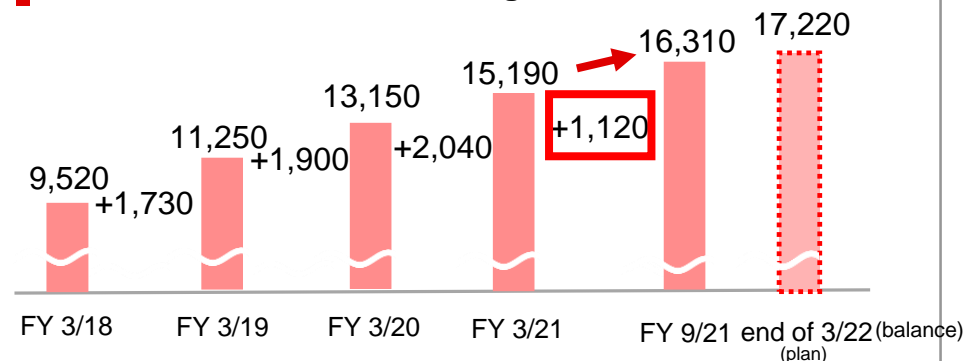
Trends in redemption amount of JPY-denominated bonds and average yield (100 million yen)



Increase the volume of loans to medium-sized companies/SMEs in the region (100 million yen)



Increase the volume of housing loans (100 million yen)

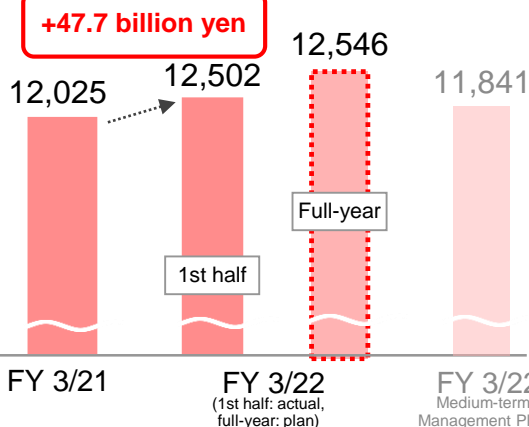


● Increase JPY-denominated loans such as loans to medium-sized companies/SMEs and consumer loans

JPY-denominated loans Average balance plan

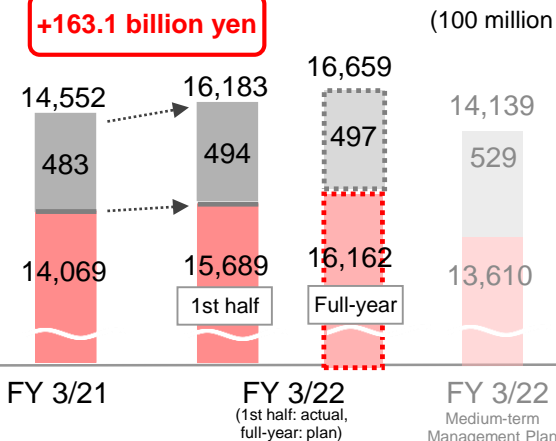
Loans to medium-sized companies and SMEs in the region

(100 million yen)



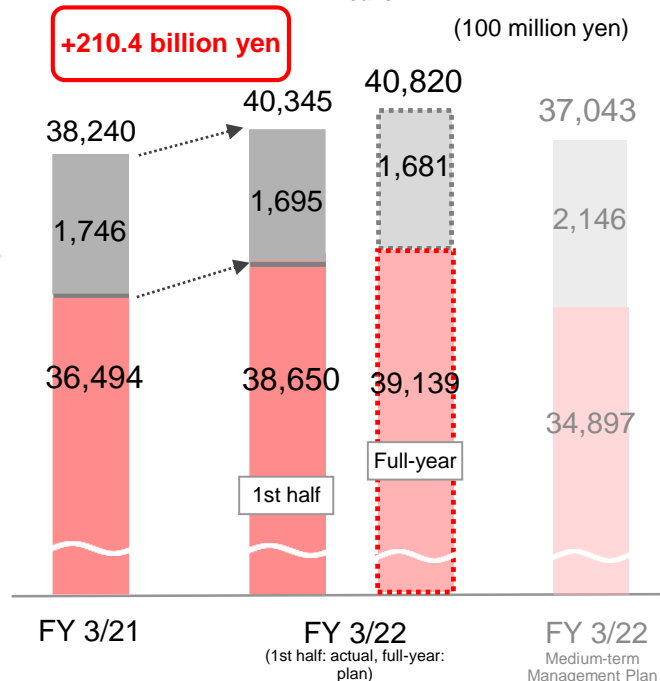
Consumer loans

(100 million yen)
 Housing loans (Red)
 Unsecured loans, etc. (Grey)



Total loans Average balance plan

(100 million yen)
 JPY-denominated loans (Red)
 Foreign currency-denominated loans (Grey)



Foreign currency-denominated loans Average balance plan

During the term of the Medium-term Management Plan
50.0 billion yen up
 Initial plan

Control

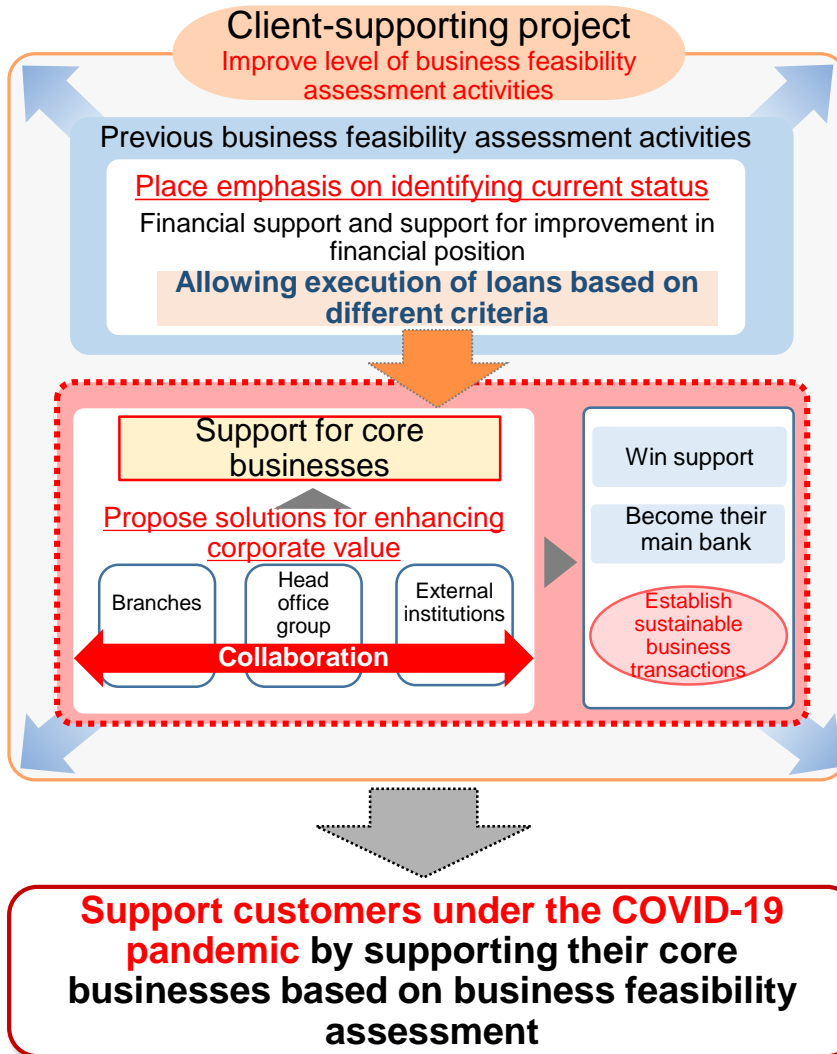
- Strengthen JPY-denominated loans
- Plan to achieve an average balance of 168.1 billion yen in FY3/22

Loan-to-deposit ratio

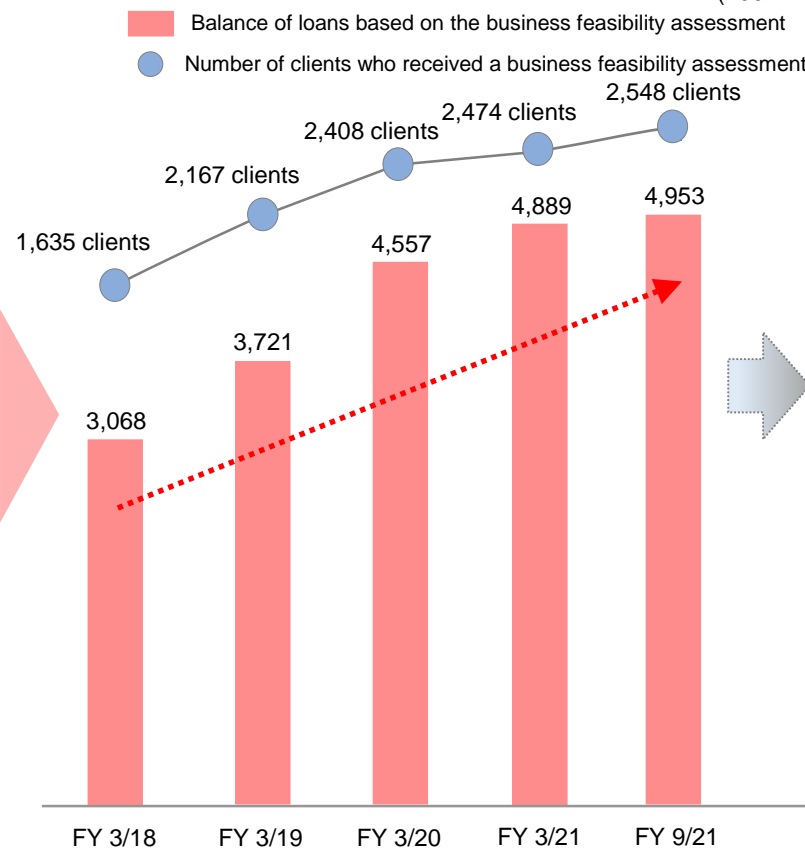
	FY 3/21 (actual)	FY 9/21 (actual)	FY 3/22 (Medium-term Management Plan)
Loan-to-deposit ratio	70.7%	+0.5P → 71.2%	70.8% or more

- **Sophisticate business feasibility assessment to support core businesses and customers under the COVID-19 pandemic.**

Toward More Sophisticated Business Feasibility Assessments



Change in the loan balance based on business feasibility assessment and the number of clients who received a business feasibility assessment
(100 million yen)



FY 9/2021
Average yield on loans based on business feasibility assessment
0.86%
JPY-denominated loans (average yield) 0.79%

● Attract more borrowers of housing loans in Aichi Prefecture

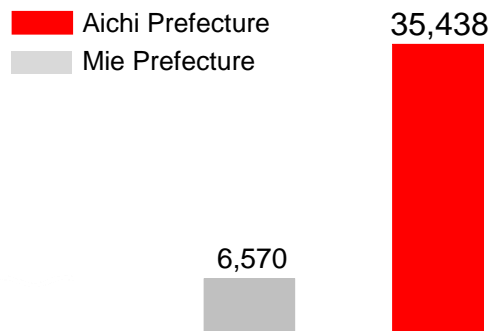
Housing loan promotion measures

Enhanced the sales power of housing loans mainly in Aichi Prefecture



New housing starts in FY2020

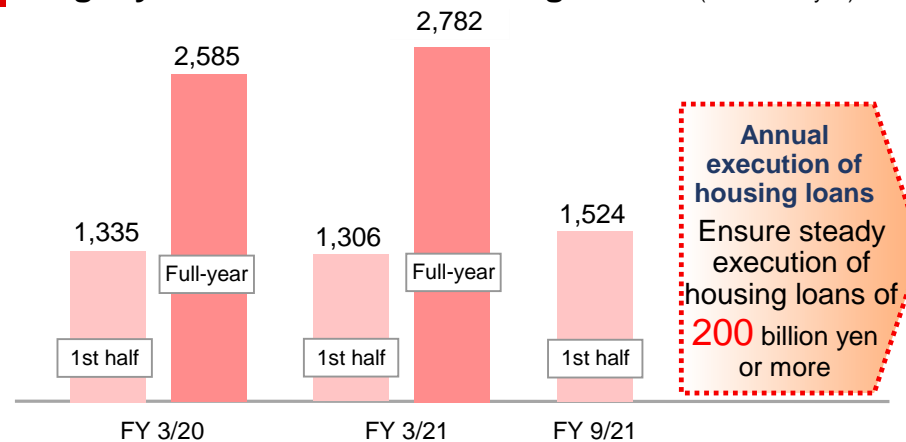
(Unit: contracts)



* (Source) MLIT, "Survey of Building Construction Work Started" Of new construction starts, rented and issued houses are excluded

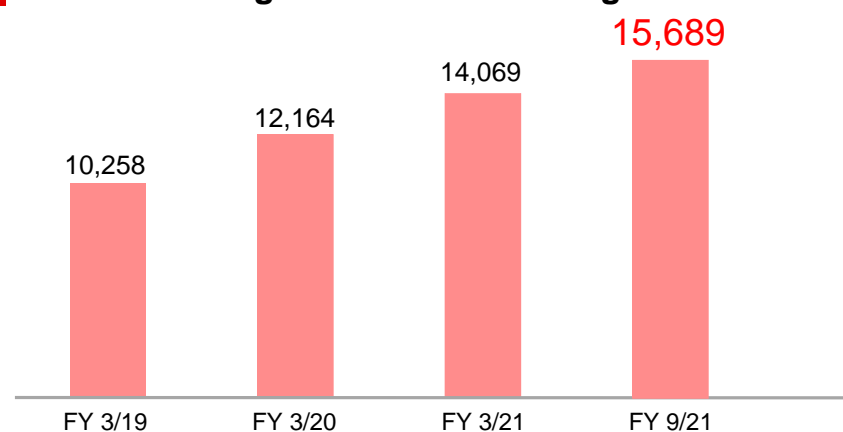
Single-year execution of housing loans

(100 million yen)



Trend in average balance of housing loans

(100 million yen)



Amount and rate of increase in housing loans

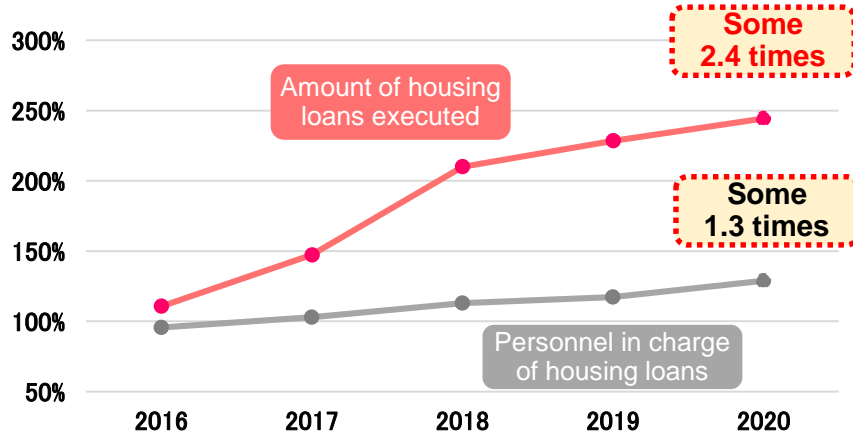
No. 1 among regional banks in Japan for three consecutive terms

* From Nikkin Reports FY2018, FY2019, FY2020.

- Further streamline housing loan operations. Financial health is maintained.

Streamline housing loan operations

Growth of amount of housing loans executed and personnel in charge of housing loan (compared to 2015)



Achievements for FY2017-2020

Centralized office work at the head office	12,000 hours
Systematized management of loan conditions	6,000 hours
Simplified loan management	3,000 hours etc.

Measures for FY2021

Introducing videos to explain housing loans	7,400 hours, etc.
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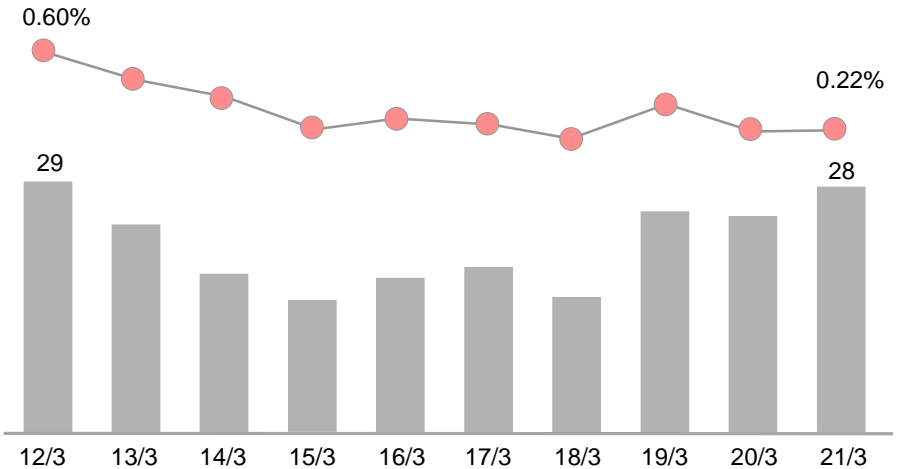
Reduced office workload by 50,000 hours or more

In terms of personnel, the effect equivalent to about 35 persons

Housing loan delinquency and default status

Delinquent loan balance and rate

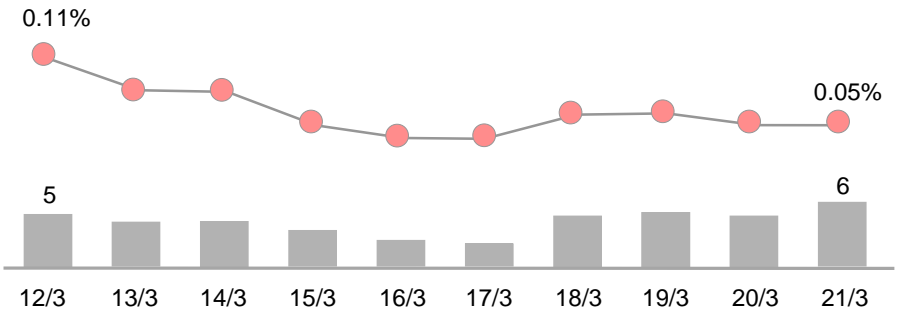
(Balance: 100 million yen)



Amount and rate of defaults, etc.

* including guaranteed loans (payment under guarantee)

(Amount: 100 million yen)



- Capture potential fund needs for housing loans, and promote unsecured loans

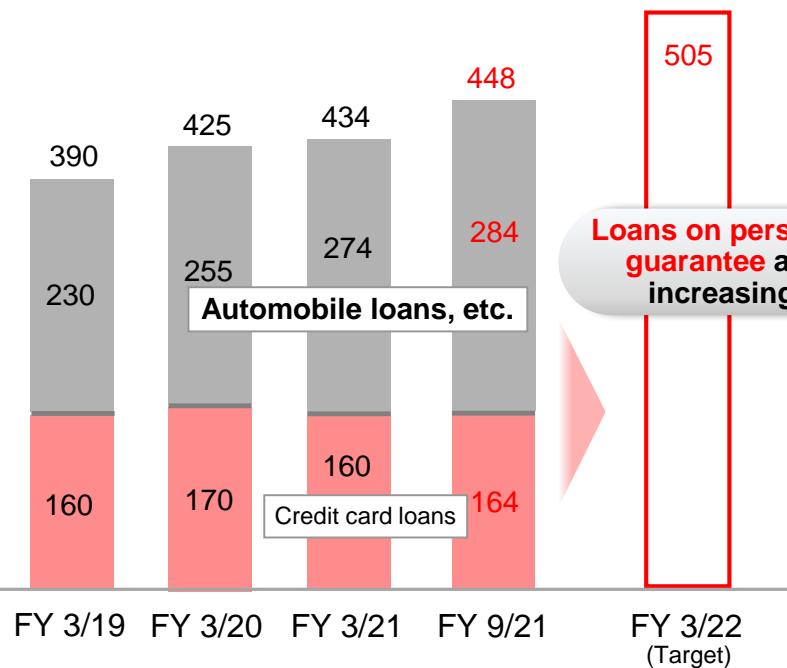
Trend in balance of unsecured loans, and promotion measures

Balance of unsecured loans (100 million yen)

4 years in a row

No. 1 among regional banks in three prefectures in Tokai Region

* Nikkin prompt reports
In terms of actual balance from FY 3/2018 to FY 3/2021.



Enhance customer loyalty of those with a housing loan

Approaches to new housing loan applicants

- Propose refinancing when customers are applying for a housing loan

➤ One Writing

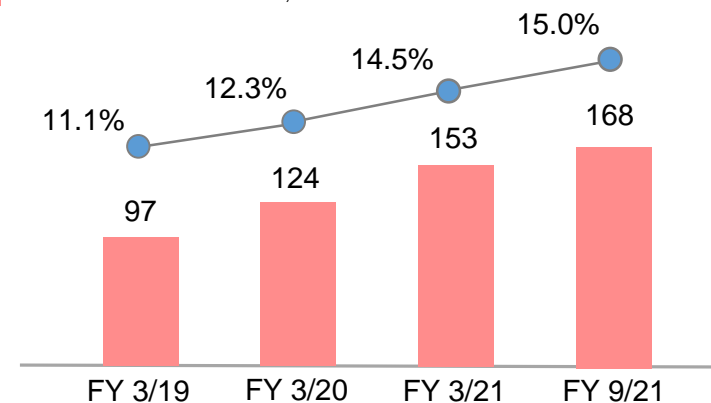


Approaches to existing housing loan users

- Periodic direct mailing to housing loan users

Trends in usage rate of automobile loans, etc. among housing loan users and loan balance

● Usage rate of automobile loans, etc. (100 million yen)
■ Balance of automobile loans, etc.

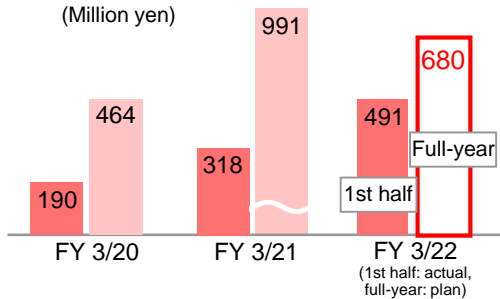


- Enhance offerings of solutions and support system to address customers' management issues and strengthen non-interest income

Strengthening corporate solutions fees

Structured finance-related fees

(Million yen)



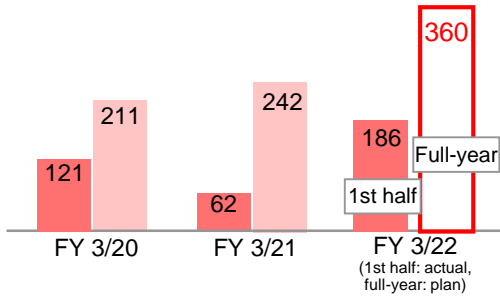
491 million yen

(Results as of end of September 2021)

◇ Offer loan methods satisfying customer needs and financing for PPP/PFI operations

M&A, etc.

(Million yen)



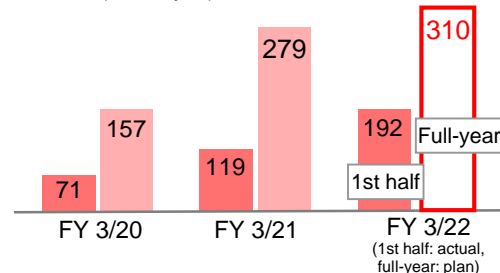
186 million yen

(Results as of end of September 2021)

◇ Provide solutions to business succession issues and support further corporate growth strategies with M&A services

Business matching fees

(Million yen)



192 million yen

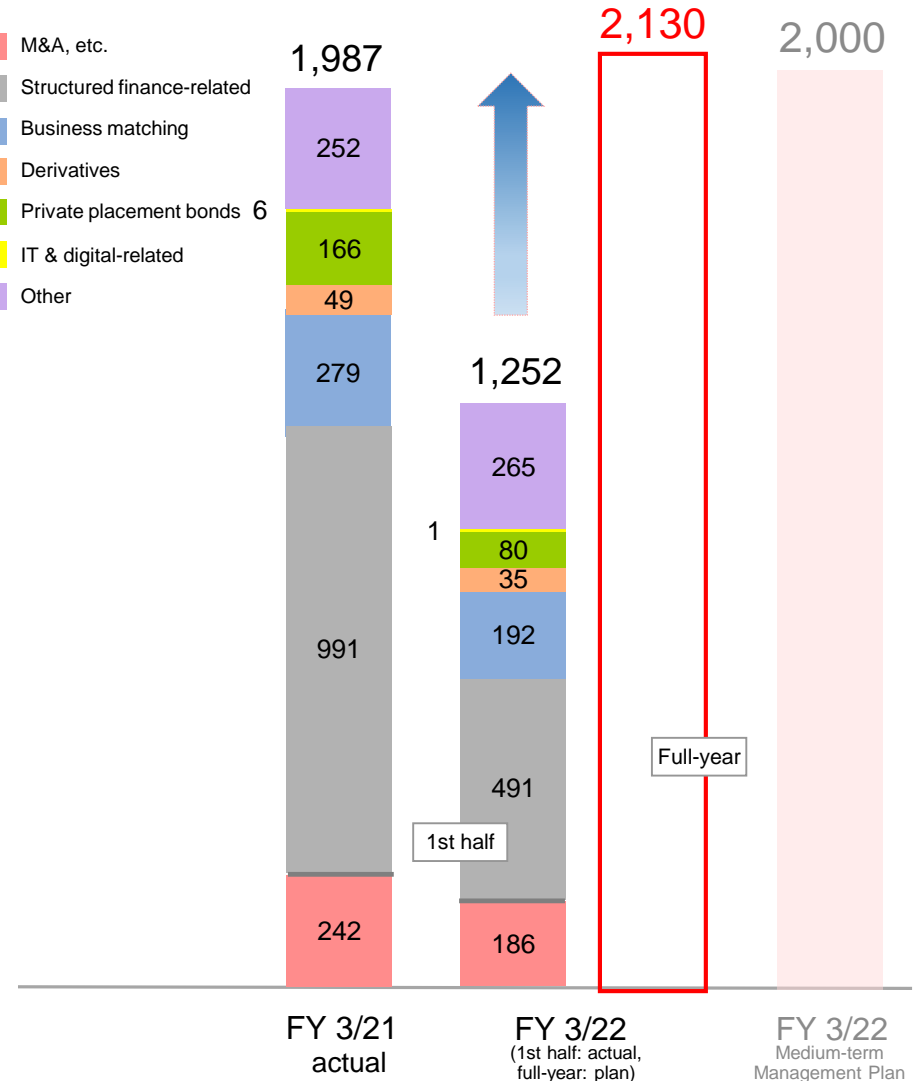
(Results as of end of September 2021)

◇ Start full-scale operations of real estate business matching by enhancing partnership with constructors, and newly start environment-related business matching in line with current trends

Corporate solutions fees: actual and plan

(Million yen)

- M&A, etc.
- Structured finance-related
- Business matching
- Derivatives
- Private placement bonds
- IT & digital-related
- Other



● Case where the Bank demonstrates its consulting function: promotion of structured finance

Promoting project finance for PPP/PFI

Project finance for PPP/PFI

* Recent commitments to PPP/PFI

Project size: approx. 5.8 billion yen



(provisional name) PFI project for development and operation of food service center for junior high schools in Kawanishi city

Project size: approx. 11.0 billion yen



(provisional name) Project for development of food service community kitchen for new schools in Toyohashi city

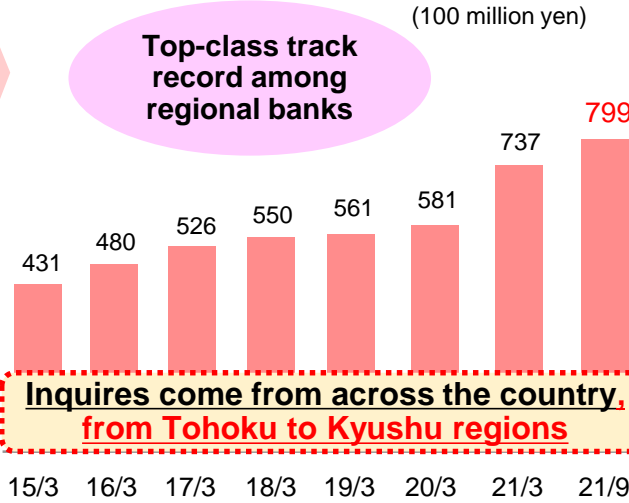
Project size: approx. 10.9 billion yen



(provisional name) Project for development and operation of food service center for schools in Yokkaichi city

Cumulative amount of PFI loan undertaking

(100 million yen)



Projects participated in in 1st half of 2021: 6 projects of which, projects where the Bank served as the arranger: 4 projects

Participating in PPP/PFI projects nationwide

Location	No. of projects	Cumulative number of projects
Aichi	19 projects	58 projects
Tokyo	8 projects	
Osaka	9 projects	79.9 billion yen
Mie	6 projects	
Kanagawa	4 projects	of which, Projects where the Bank served as arranger 29 projects Approx. 36.8 billion yen
Shizuoka and elsewhere	12 projects	

Promoting PPP projects in Mie Prefecture

First in Mie Prefecture

Financing a PPP project using the Park-PFI* system

*A new approach to maintenance and management of urban parks with private funds



"Central Greenery Kokoyoka" in Comprehensive Athletic Park, Central Green Park

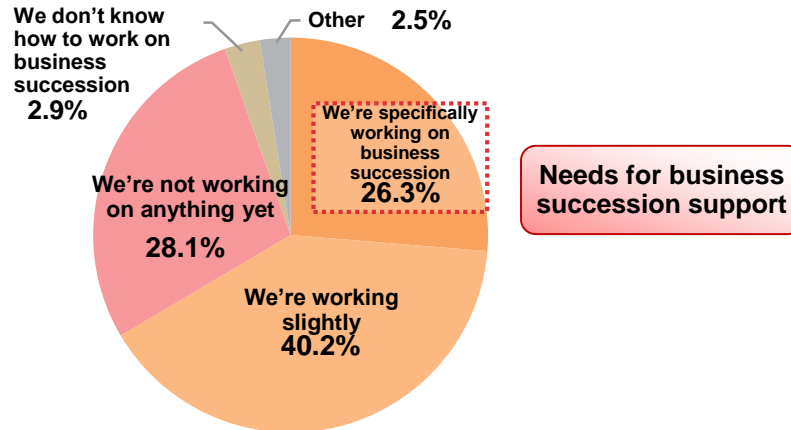
Project name: Park-PFI project for the Central Green Park
 Implementing local government: Yokkaichi city
 Project operator: Funatani Holdings, Co.
 Description: Project to make the Central Green Park more convenient and attractive

Financing support for PPP projects of local governments

- Enhance the scheme to support business succession as part of the Bank's commitment to sustainable community development, and increase earnings also

Support for business succession

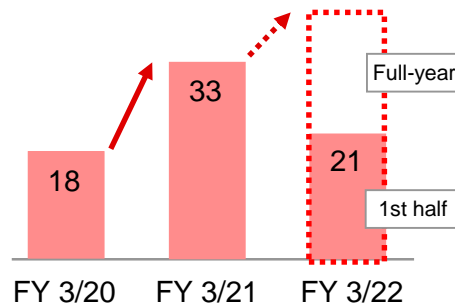
Business succession by companies in Mie Prefecture



(Source) The results of a questionnaire survey on business succession in SMEs in Mie Prefecture (January 2018)

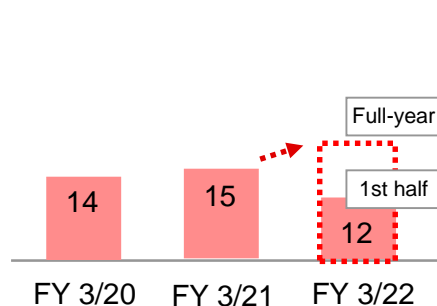
Number of consultations on business succession

(Consultations)
* Including partner companies



Number of client companies for M&A

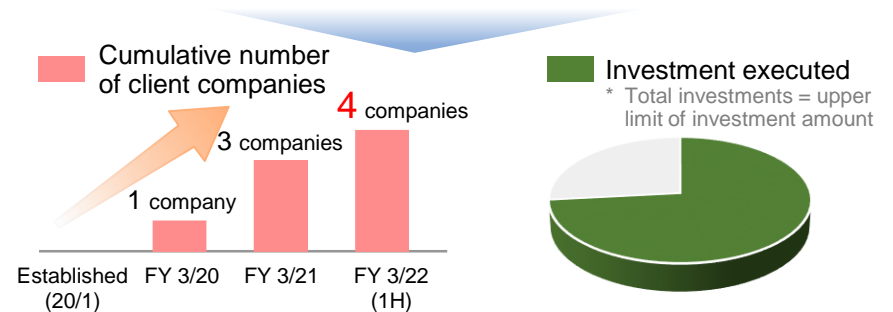
(Client companies)



Enhance support through Hyakugo Mirai Investment Co.

Management of business succession funds (AIDMA No. 1, total fund of 3 billion yen)

Investment in a new excellent company in June 2021



Launch of No. 2 Fund

Name	Limited liability partnership for investment project AIDMA No. 2
Established	July 2021
Operating company	Hyakugo Mirai Investment Co., Ltd.
Total capital contribution	3 billion yen
LP investor	The Hyakugo Bank, Ltd.
Investment target	Companies that need assistance with business succession

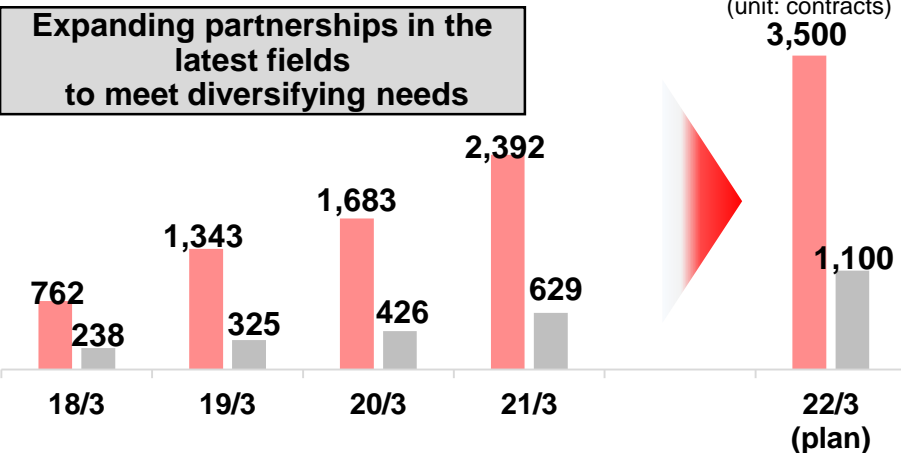
- The fund is in high demand, and the Bank has **steadily made investments**, and No. 1 Fund has completed most of its available investment capacity.
- The Bank has **launched No. 2 Fund** to meet further needs.
- The Bank will continue its investment activities with the aim of **resolving business succession issues** and providing **active management support** to client companies.

● Enhance its partnerships and support system to meet management issues and diversifying needs, and implement solutions to customers' issues.

Changes in the number of paid business matching arrangements and promotion measures

Changes in paid business matching arrangements

No. of arrangements
No. of contracts concluded (unit: contracts)



Expanding partnerships in the latest fields to meet diversifying needs

Strengthening support for sustainable management

Strengthen support measures and proposals to achieve sustainable management of client companies by particularly focusing on three priority areas

GX and decarbonization

- Hold seminars and conduct surveys on decarbonization to deepen clients' understanding of the significance of working on decarbonization
- Support for the implementation of decarbonized management, including the use of renewable energy (PPA scheme, etc.) and proposals for energy-saving initiatives
- Suggest effective use of subsidies

ICT and DX

- Strengthen partnerships with ventures and startups in the latest fields
- Propose DX products to help client companies gain higher business efficiency and more sales channels

Human resources

- Survey and analyze client companies' business challenges and human resource needs
- Introduce high-level human resources with high expertise and diverse experience to client companies having business challenges to address

Organize seminars according to corporate needs

脱炭素経営セミナー

2050年までCO2の排出量を半減させる目標を掲げられた後、社会の脱炭素への意識は急激に高まっています。今後、脱炭素を目指す企業には難関であると考えられています。本セミナーでは、脱炭素経営を実現するための最新の知見、事例、ノウハウを脱炭素経営推進担当者および関係者の方々に共有いたします。ご参加をお待ちしています。

日時 2021年10月7日(木) 14:00~15:00

開催形式 WEB会議システム「Zoom」にて開催

定員 80名 (事前予約制/先着順) 参加費 無料

- Seminar on utilization of foreign human resources
- Seminar on introduction of teleworking
- Seminar on ESG business management
- Seminar on real estate utilization
- Seminar on government subsidy for business restructuring
- Seminar on DX utilization
- Seminar on decarbonized business management

ITを経営の力にするためのDX活用セミナー

最新では、デジタルトランスフォーメーションが、ビジネスの競争力において重要な役割を果たしています。DXがもたらしている人々の業務効率化に対する期待は高まっています。本セミナーでは、DXの活用に関する最新の知見、事例、ノウハウをDX推進担当者および関係者の方々に共有いたします。ご参加をお待ちしています。

日時 2021年7月5日(月) 14:00~15:20

開催形式 WEB会議システム「Zoom」にて開催

定員 80名 (事前予約制/先着順) 参加費 無料

- Make customer-oriented proposals for depository assets according to their needs in order to increase the penetration ratio of depository assets and strengthen depository assets-related fees

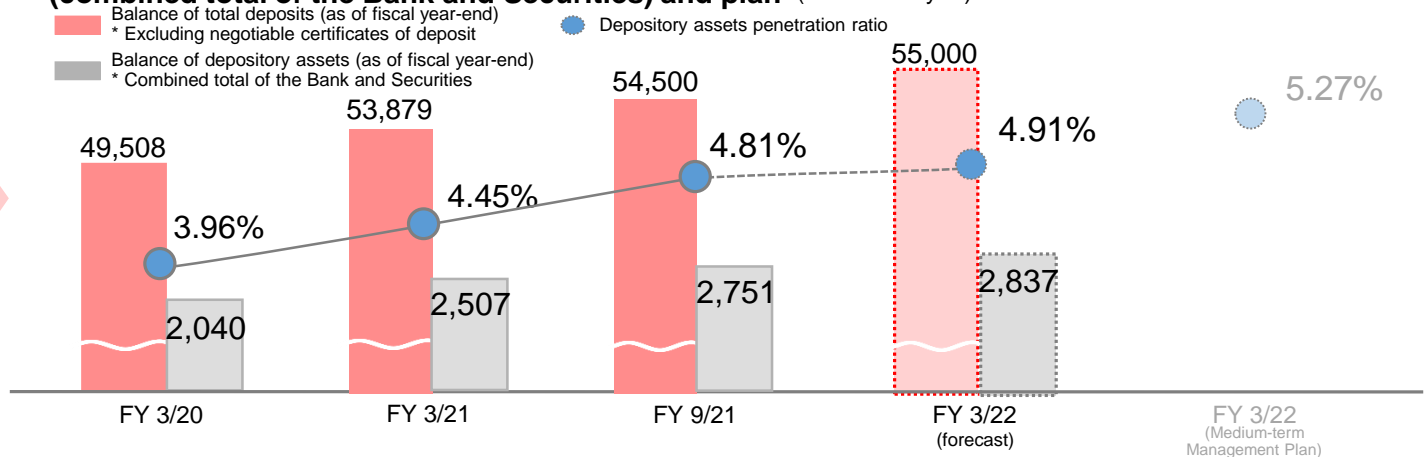
Depository assets sales strategy to increase penetration ratio

Depository assets penetration ratio

$$\frac{\text{Depository assets penetration ratio (\%)}}{\text{Balance of depository assets}} = \frac{\text{Total deposits + Balance of depository assets}}{\text{Total deposits + Balance of depository assets}}$$

Integrated management of deposits and depository assets with Hyakugo Securities

Trend of depository assets penetration ratio (combined total of the Bank and Securities) and plan (100 million yen)



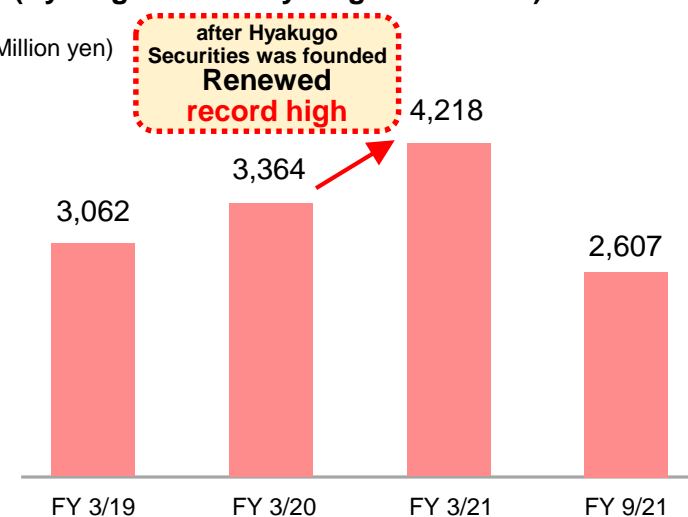
Commissions related to depository assets (Bank)

(Million yen)

	FY 3/21 (actual)	FY 9/21 (actual)	FY 3/22 (plan)	FY 3/22 (Medium-term Management Plan)
Investment trusts	1,134	786	1,241	1,176
Insurance	761	437	892	1,396
Financial instruments brokerage	387	211	344	225
Defined contribution pension	106	68	120	100
Total	2,389	1,503	2,597	2,897

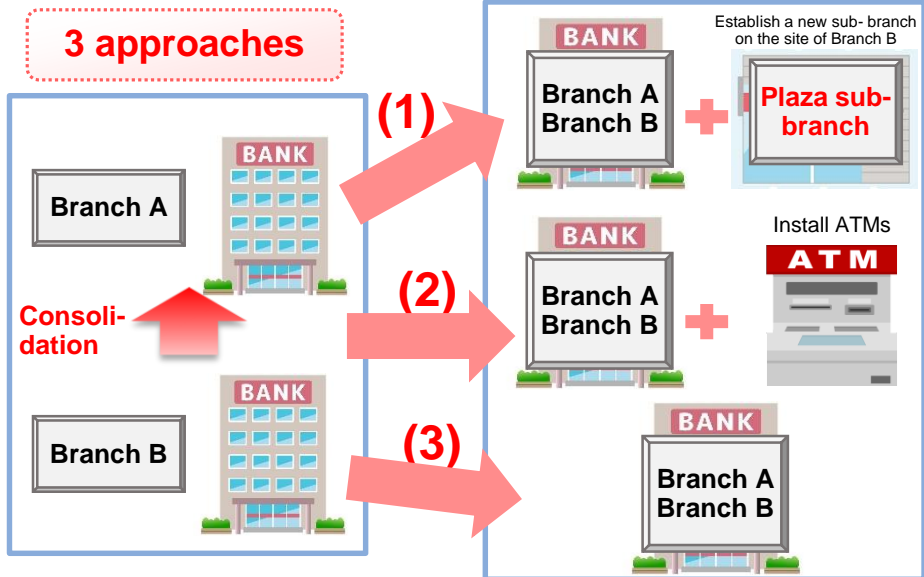
Commissions related to depository assets (Hyakugo Bank + Hyakugo Securities)

(Million yen)

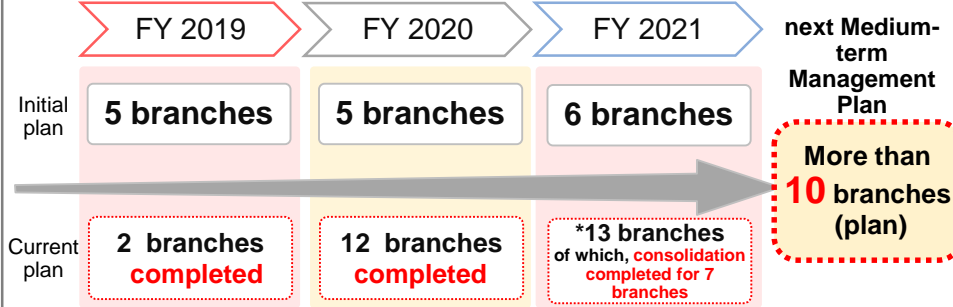


- Accelerate improved efficiency of branch network by eliminating inefficient overlapping of sales areas, while maintaining branch network and convenience for customers

Consolidate functions by adopting branch-in-branch method



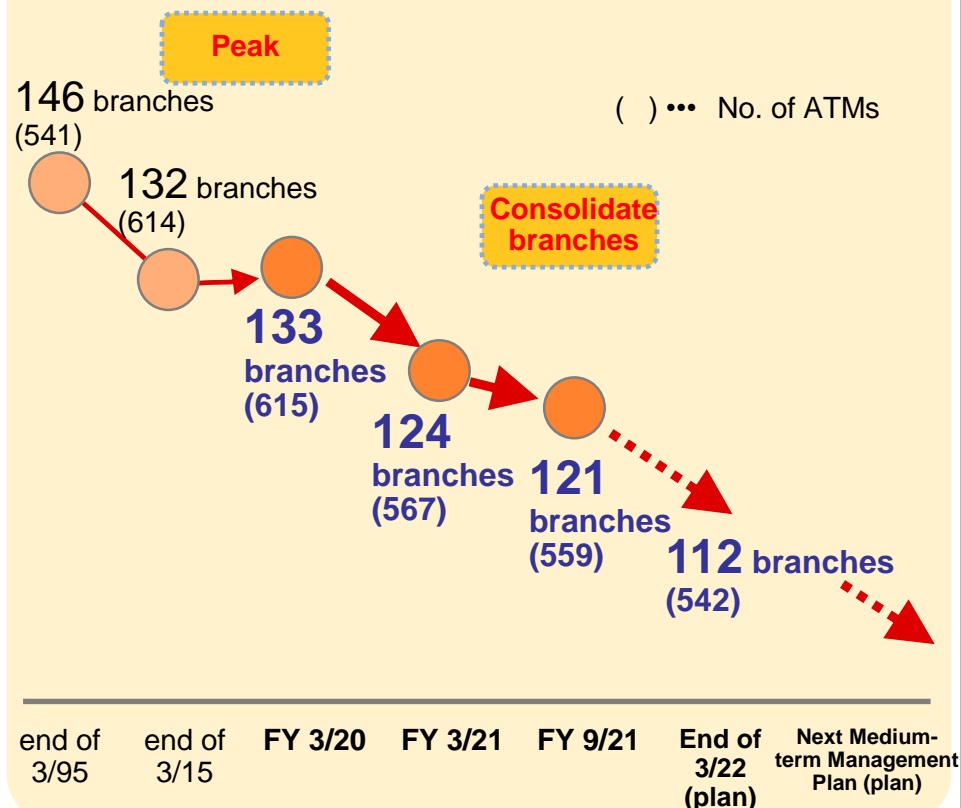
Plan 16 branches over three years, and another 11 branches during the Medium-term Management Plan



* 1 branch remains in operation as a plaza sub-branch

Change in the number of branches

Steadily enhance efficiency by reducing branches



Reallocate surplus employees to strategic areas for higher profitability

● Customers now “choose a bank with a good app”

From branch to app. A “new style of banks” begins with smartphone banking

From mobile banking app to super app

Enhanced the functionality of the banking app

Leverage the app as a platform



Family bank account inquiry screen



By March 2024 to 300,000 accounts

Plan for FY2023
Leverage the app as an advertising and payment platform

Plan for FY2022
Embed the functions of inquiries about investment trust, transactions, cash card verification, and payment app

Plan for FY2021
Services for opening an account for foreign currency deposits, prepayment of housing loans, application and contracts for unsecured loans

By March 2023 to 200,000 accounts

2021/10
Foreign currency deposit and withdrawal

By January 2022 to 100,000 accounts

2020/10
Registration of accounts at other branches
Function to lock credit card
Credit card loan contract
Inquiry about loan
PDF output
Surrender of deposit account

March to May, 2021
Notification of change of address
Request for reissuance of bank card
Family bank account inquiry

June to July 2020
Regular receipt of money in deposit account
Account opening
Transfer

2019/11
Passbook functions

Speed up the pace of increase

Expanded incentives
Launch of campaigns
Enhanced functions and higher convenience

- Satisfy customer needs quickly with the banking app developed on its own

Aiming to create services that can compete with online (smartphone) specialized banks

Function lineup to meet customers' needs

Function to lock credit card



I want to keep my cash card active only when I use it, in case it gets lost or stolen.

Push notification (deposit/withdrawal)

I want to know as soon as my account is credited
I'm worried that my account might be misused by a third party.



Push notification (scheduled direct debit)

I have a credit card debit tomorrow, so I need to deposit some funds if the balance is not enough.

Family bank account inquiry



I want to manage my own bank account with my spouse.

PDF output



I want to have a printed bank account statement
I need to submit my account information to my employer

Partnership with Finbee



I want to check my balance and transaction details of my smartphone automatic savings app "Finbee" via smartphone banking.

- Improve the digital literacy (understanding, recognition, and utilization) of all the bank employees

Raising awareness of DX throughout the bank (strategic measures such as training for all the bank employees)

Develop and produce digital professionals

Developing digital professionals to respond to financial DX, such as customer ICT transformation, digitalization of business operations, and support for app development

- Digital consultants
- System developers
- App development supporters

Promote DX

About 350 bank employees, over 15% of all, experience app development.

Literacy enhancement for all 2,200 bank employees

STEP 3



[Self-development support]
The Bank encourages employees to acquire digital knowledge through correspondence courses and certification exams. In particular, an IT passport is recommended to acquire basic digital knowledge.

STEP 1



[e-learning]
All employees have watched two videos to learn about the Bank's DX strategy and the digital trends of the world.

STEP 4



[Hands-on app development course]

Watching YouTube videos and using Microsoft's cloud service, employees actually experience the development of an app to manage sales performance.

STEP 2



[ICT training]

The Bank organizes training using a TV conference system, ZOOM home study system, etc.

Initiatives for ESG/SDGs

- The Bank expressed its support for the TCFD recommendations in June 2021. It now contributes to resolving climate change issues.



The Hyakugo Bank Group SDGs Policy



(Hyakugo Bank Group Sustainability Policy)

The Hyakugo Bank Group will contribute to the achievement of a sustainable society by setting the SDGs as important indicators for both the resolution of regional social challenges and achievement of economic development, and linking these SDGs to the Group's corporate activities.

























Expresses its support for TCFD recommendations in June 2021

- To scenario analysis on risks and opportunities of climate change
- Consider setting indicators and targets in both risks and opportunities of climate change

Accelerate discussions at the SDGs Promotion Committee



Relationship between five factors of materiality, Action Policy and SDG targets

Materiality	Action policy	SDGs
Protecting global and regional environments	<ul style="list-style-type: none"> Contribute to realization of a sustainable global environment by supporting businesses leading to environmental preservation and a reduction in environmental burdens Undertake forest preservation and energy saving activities to help preserve the regional environment and raise awareness 	     
Creating regional economy	<ul style="list-style-type: none"> Offer financial services meeting varied challenges and issues of customers, and contribute to creating regional economy Offer advanced financial services, support local companies to enhance value-added and help customers to accumulate quality wealth 	    
Sustainably developing regional societies	<ul style="list-style-type: none"> Sensitively clarify issues and needs of regional societies, and contribute to their sustainable development through business and community activities Actively committed to education of children that will be responsible for the next generation, and contribute to the achievement of vital regional societies 	      
Promoting Diversity	<ul style="list-style-type: none"> Maximize personnel potential based on a work environment having diversity and inclusion, and seek to improve employment satisfaction Contribute to creating a society allowing diversified career formations 	  
Strengthening business management systems	<ul style="list-style-type: none"> Constantly review and enhance the risk management and compliance systems for higher transparency of corporate management 	



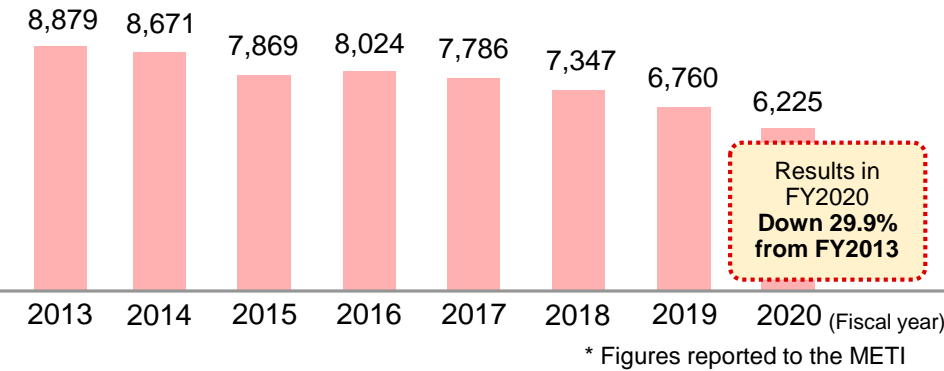
● Environment: Initiatives with higher environmental awareness



The Bank's initiatives for environment preservation

Trend in CO₂ emissions

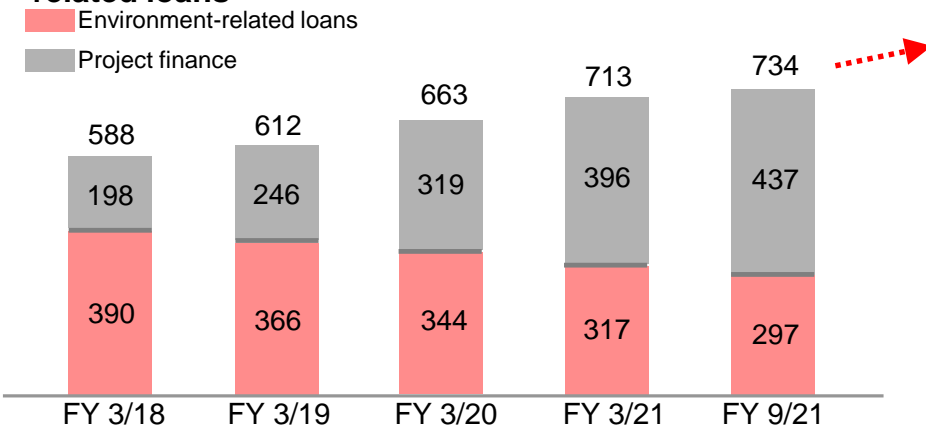
(t-CO₂)



Efforts through its main, financial services

Trends in balance of renewable energy-related loans

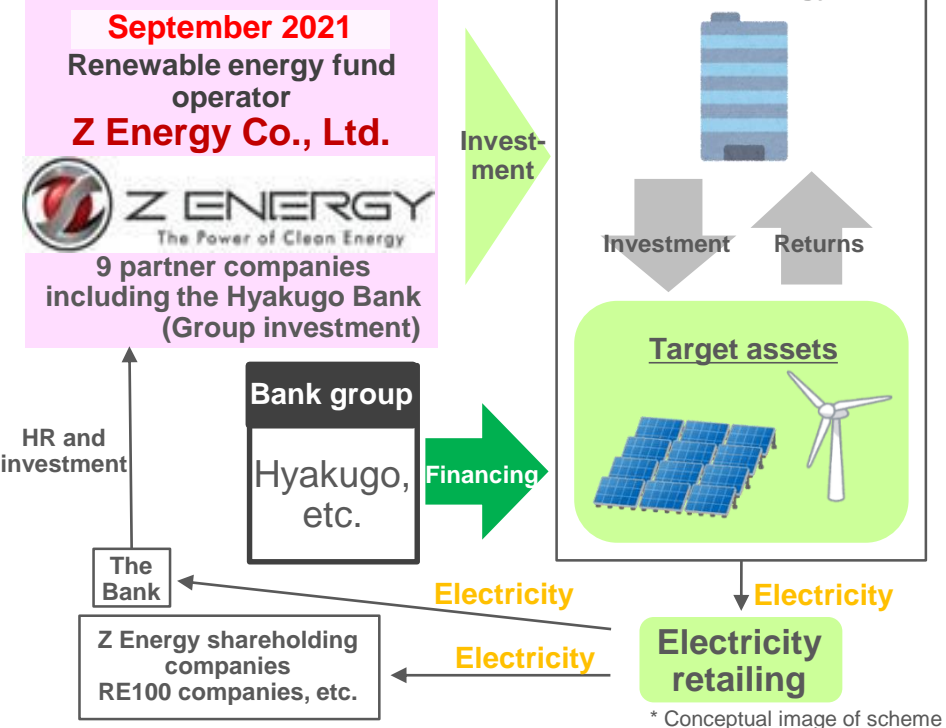
(100 million yen)



* Renewable energy-related loans are a sum of those for solar power, biomass, and wind power generation

Participation in renewable energy fund

Efforts in the renewable energy power generation business

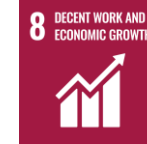


This scheme covers the entire process from the production of renewable electricity to consumption by partner companies and related parties

Active contribution to climate change issues



● **Social: Initiatives for sustainable development of regional societies**



Promoting Diversity

Creating workplaces of diversity and building an organization where workers are motivated and feel a sense of unity

The Bank is awarded highest 3-star “Eruboshi” certification



— The Bank provides active career support for women

- Appoints women as branch managers at a pace faster than the average for regional banks. (Ratio of women in posts equivalent to or higher than branch head as of the end of March 2021: average for 62 regional banks: 7.5%, the Bank: 10.0%)
- Expands the range of positions available to female employees and effectively utilizes its human resources.
- Has established a Diversity Promotion Department to provide proactive career support to female employees.

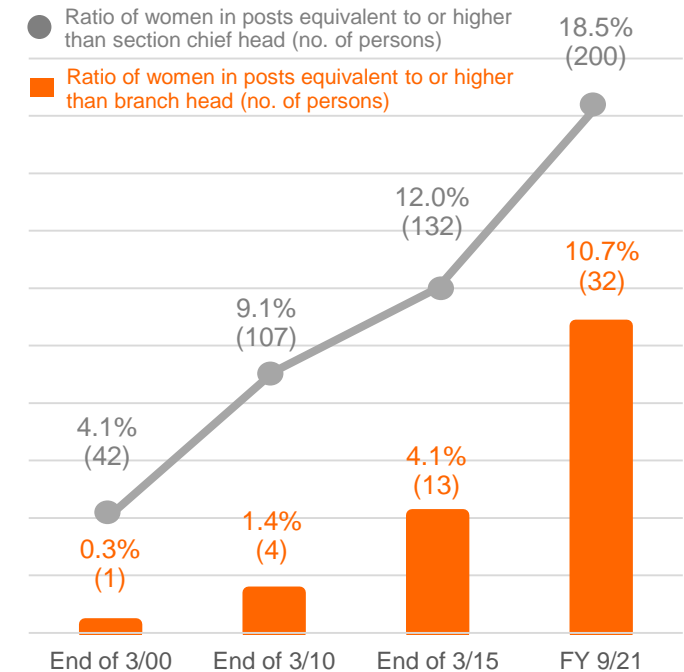
The Bank is awarded “Platinum Kurumin” certification



— The Bank has established an environment for a good work and family life balance, which exceeds legal requirements

- The period of childcare leave is extended until the child is 3 years old.
- The period of shorter working hours is extended to the beginning of the 4th year of elementary school.
- Partnerships with company-led daycare centers
- Encouraging male employees to take childcare leave

Trend in the ratio of female managers

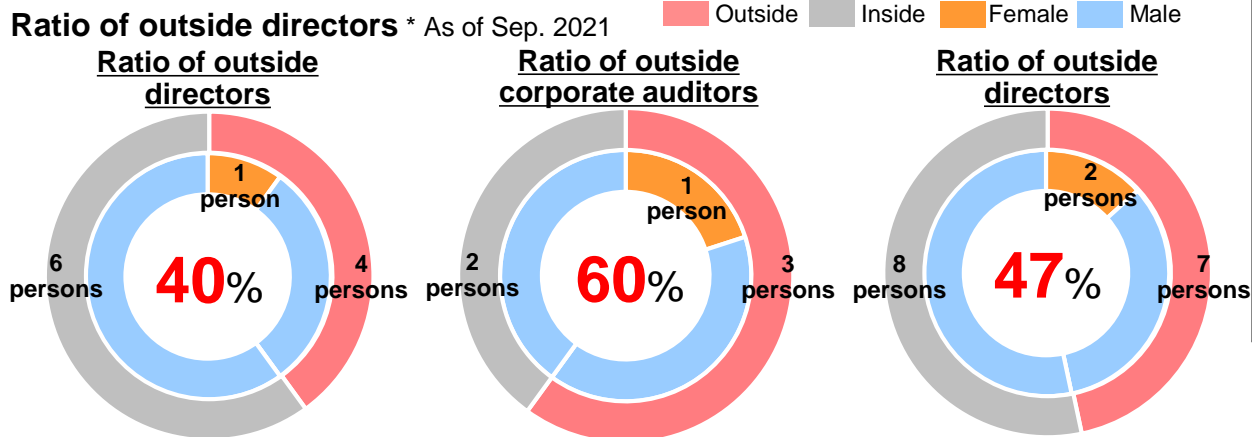


The Hyakugo Bank is the FIRST among financial institutions in the three Tokai prefectures to be awarded both the “3-star Eruboshi” and “Platinum Kurumin” certifications by the Ministry of Health, Labour and Welfare.



● Governance: Strengthening corporate governance

Strengthen corporate governance with selective and diversified outside directors and corporate auditors



[Future policy]

A female outside director joined in June 2020. Seek further selection and diversification of outside directors and corporate auditors

* Seven outside directors and corporate auditors are all independent.

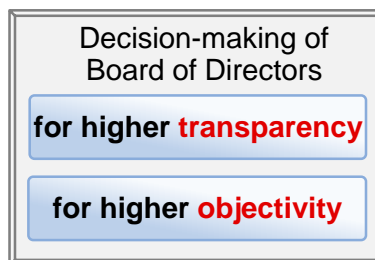
Strengthen governance with appropriate commitment and advice of outside directors and corporate auditors

Corporate governance meeting (non mandatory nomination/remuneration committee)

Chairperson is elected from among **outside directors**

Title	No. of persons
Outside directors	4
Inside directors (representative director)	2
Total	6

* The figures are as of September 2021.



[Functions]

Providing advice on the following matters to Board of Directors

- **Matters concerning candidates for directors and auditors**
- **Matters concerning remunerations, etc. to directors**
- **Other significant matters concerning management**

Appendix

Deposits (ending balance)

(Million yen)

	FY 3/18	FY 3/19	FY 3/20	FY 3/21	FY9/21
Corporate deposits	897,550	940,577	957,260	1,140,057	1,135,097
JPY liquid	607,132	637,719	652,847	812,544	810,898
JPY time	284,375	296,595	296,535	321,973	318,017
Foreign currency	6,043	6,261	7,877	5,539	6,182
Individual deposits	3,647,772	3,741,707	3,821,661	4,086,211	4,162,862
JPY liquid	1,900,053	2,000,289	2,122,226	2,424,830	2,520,244
JPY time	1,728,979	1,720,154	1,680,890	1,643,569	1,627,065
Foreign currency	18,739	21,263	18,544	17,811	15,552
Public funds deposits	145,611	165,245	129,009	117,530	128,365
JPY liquid	110,241	126,707	104,235	85,817	87,920
JPY time	35,370	38,537	24,774	31,713	40,445
Foreign currency	0	0	0	0	0
Other	31,961	35,456	42,955	44,176	23,745
Total deposits	4,722,896	4,882,986	4,950,887	5,387,976	5,450,072
Deposits in Mie Prefecture^(*)	4,298,018	4,427,746	4,485,538	4,875,772	4,934,333
Deposits outside Mie Prefecture	424,877	455,239	465,348	512,203	515,738
Tokyo and Osaka	9,518	11,169	18,396	12,881	11,036
Aichi	415,358	444,069	446,952	499,321	504,701
Negotiable certificates of deposit	187,500	182,115	160,490	154,505	193,904

Loans (ending balance)

(Million yen)

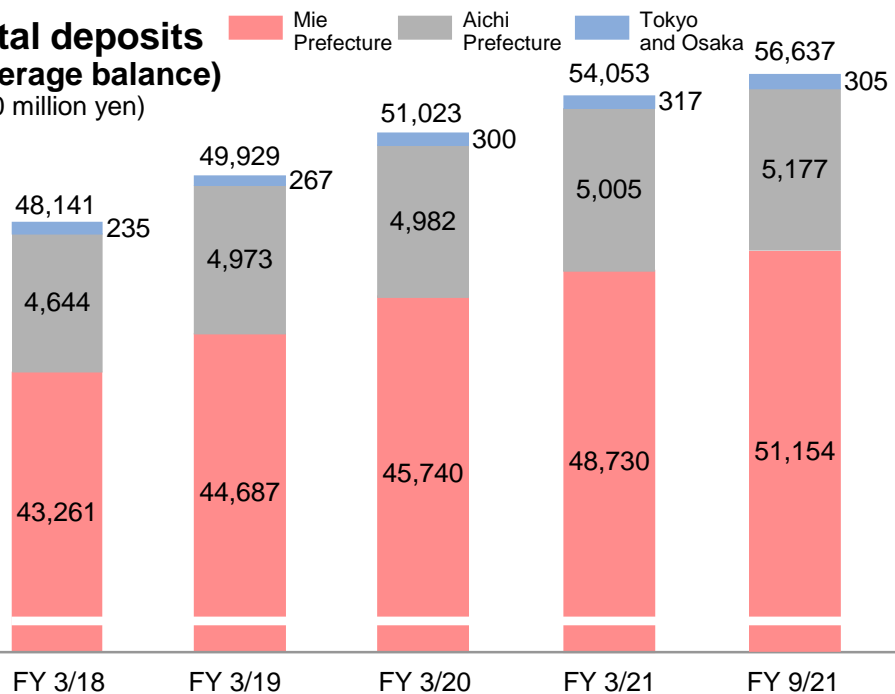
	FY 3/18	FY 3/19	FY 3/20	FY 3/21	FY9/21
Corporate sector	1,837,194	2,023,492	2,038,320	2,211,389	2,216,377
Large companies	597,913	701,520	706,445	764,085	759,647
Medium-sized companies	70,576	68,607	76,523	72,632	68,448
Small and medium-sized companies	1,168,705	1,253,364	1,255,350	1,374,671	1,388,281
Individual sector	1,014,861	1,188,146	1,378,725	1,581,166	1,693,843
Public corporations	249,991	230,114	214,004	195,812	199,052
Governments	120	0	0	0	0
Other	249,870	230,114	214,004	195,812	199,052
Total loans	3,102,047	3,441,753	3,631,051	3,988,368	4,109,273
(except those for governments)	3,101,926	3,441,753	3,631,051	3,988,368	4,109,273
(Offshore account)	0	0	0	0	0
Consumer loans	997,845	1,172,255	1,363,812	1,568,347	1,681,246
Housing loans	952,761	1,125,634	1,315,068	1,519,349	1,631,899
Other loans	45,084	46,621	48,744	48,997	49,347
Loans in Mie Prefecture^(*)	1,647,928	1,688,946	1,732,337	1,869,352	1,909,481
Loans outside Mie Prefecture	1,454,118	1,752,807	1,898,713	2,119,016	2,199,791
Tokyo and Osaka	606,232	733,660	710,896	730,803	723,785
Aichi	847,885	1,019,146	1,187,816	1,388,213	1,476,006

* Deposits in Mie Prefecture and Loans in Mie Prefecture include Shingu

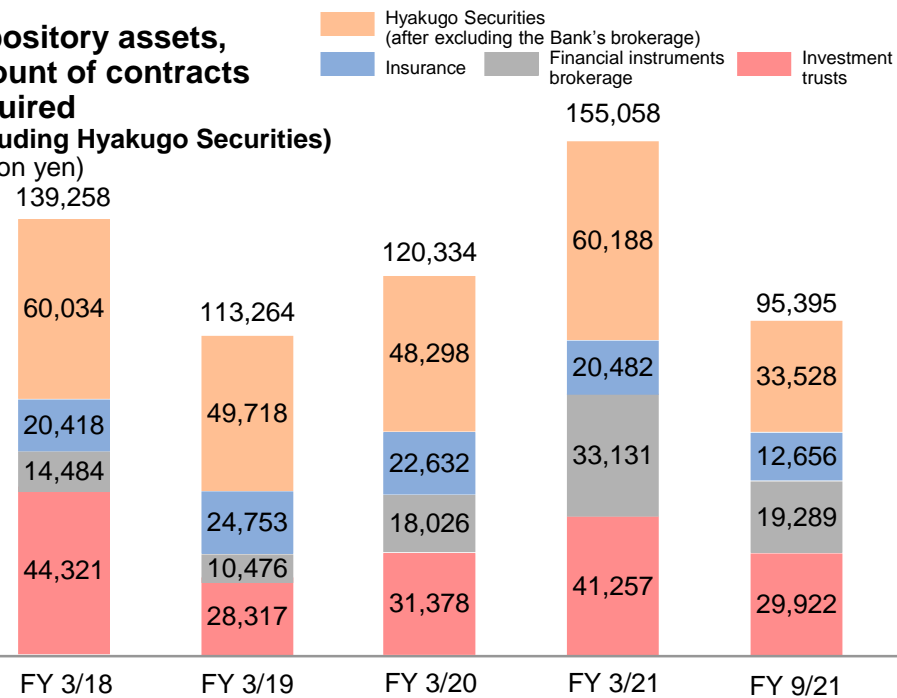
Deposits (including negotiable certificates of deposit), Depository Assets

Total deposits (average balance)

(100 million yen)

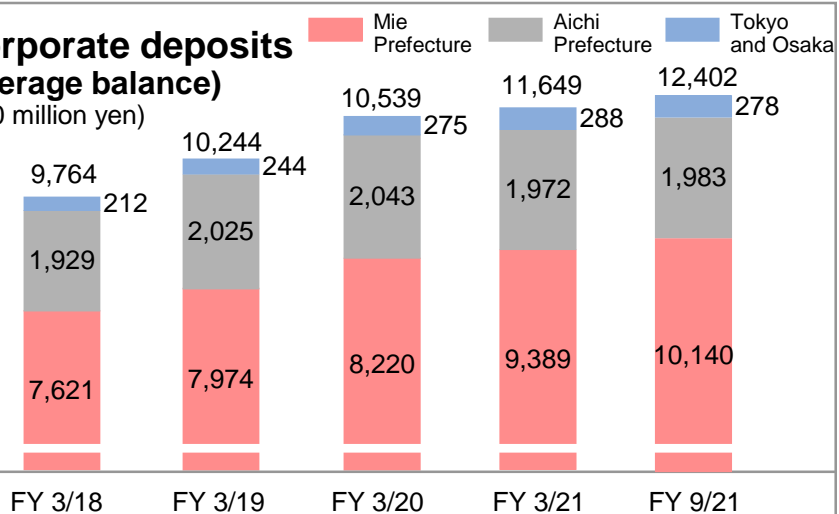


Depository assets, amount of contracts acquired

(including Hyakugo Securities)
(Million yen)

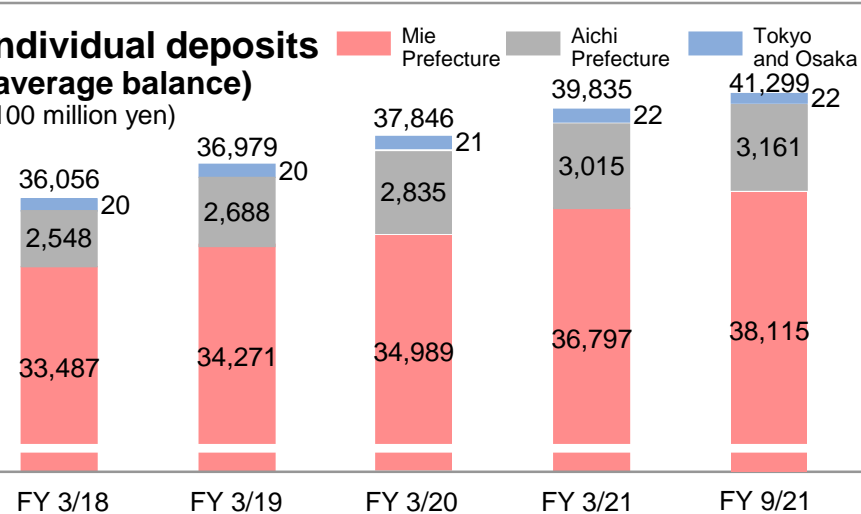
Corporate deposits (average balance)

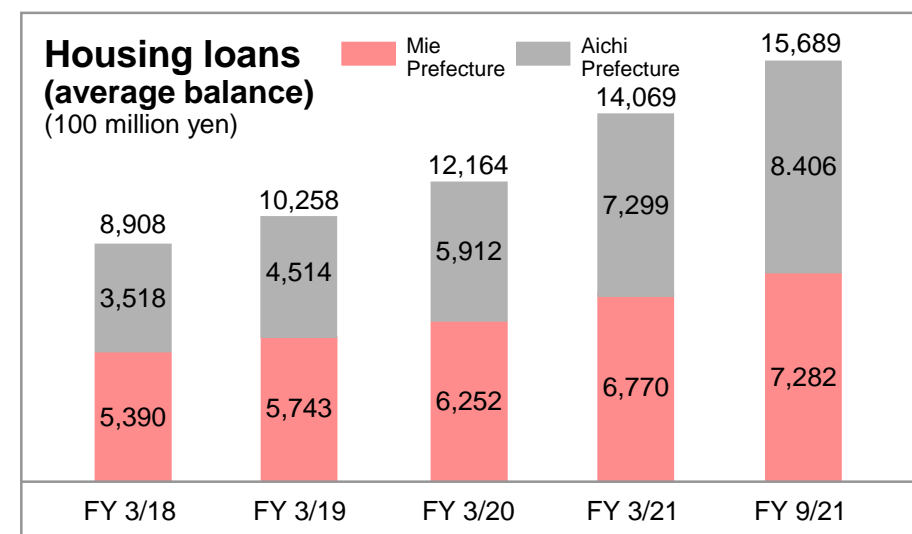
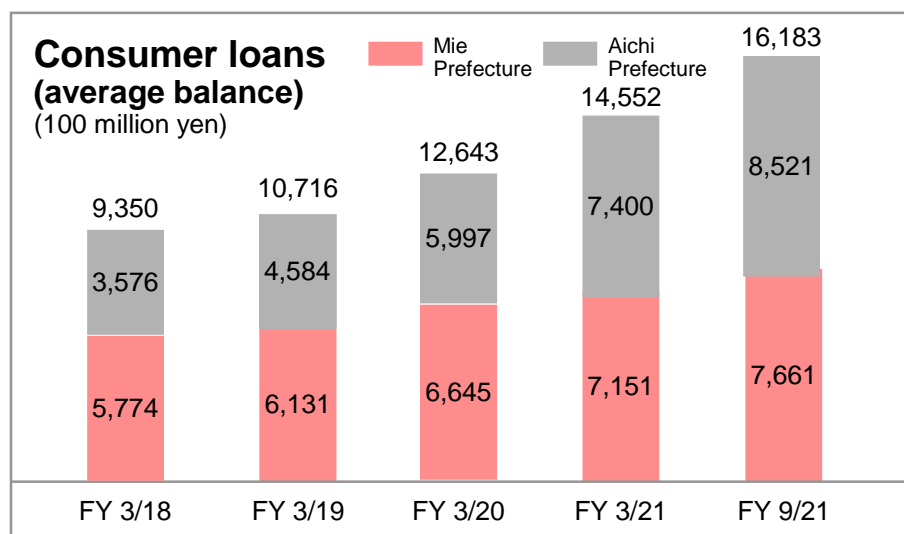
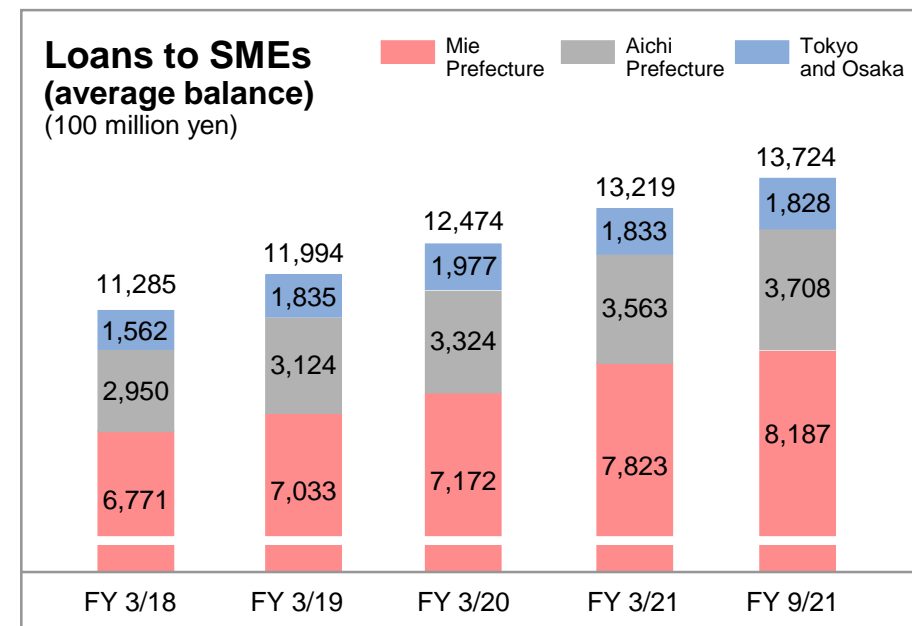
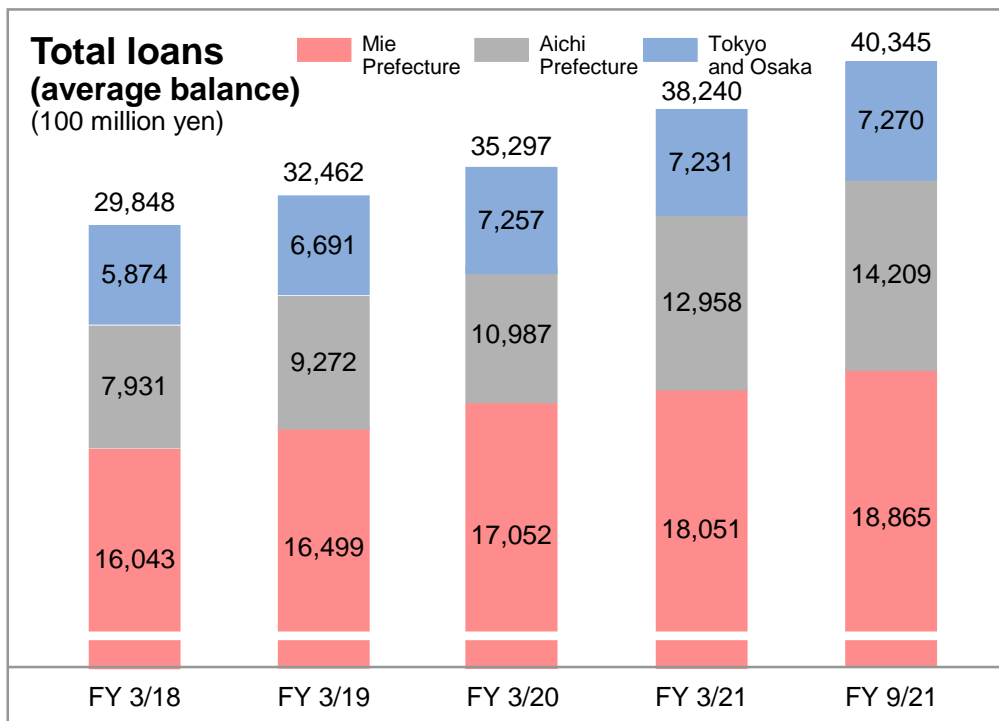
(100 million yen)



Individual deposits (average balance)

(100 million yen)





Change in risk-monitored loans

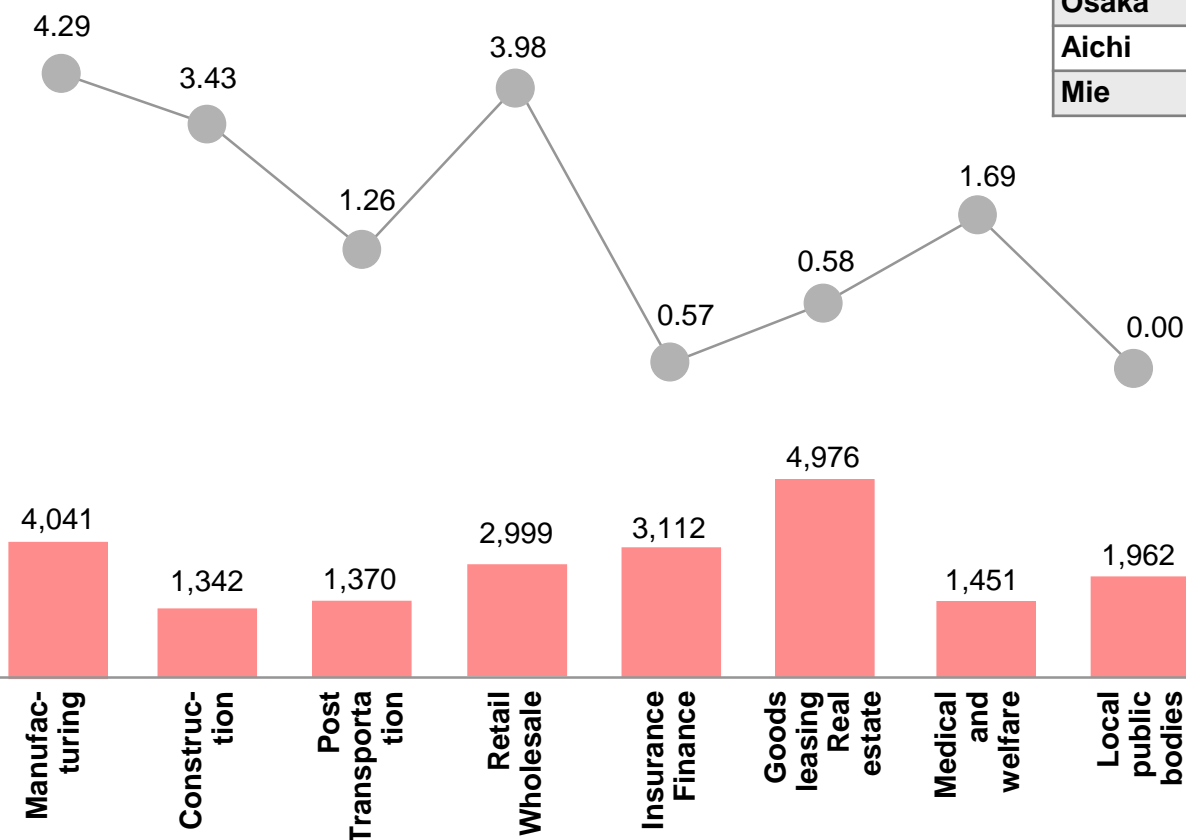
(100 million yen)

	FY 3/18	FY 3/19	FY 3/20	FY 3/21	FY9/21	Year-on-year
Risk-monitored loans balance (total)	518	517	541	592	635	42
Risk-monitored loan ratio	1.67%	1.50%	1.49%	1.48%	1.54%	0.06P

Reference
 End of September 2021
 Nonperforming loan
 ratio: 1.54%

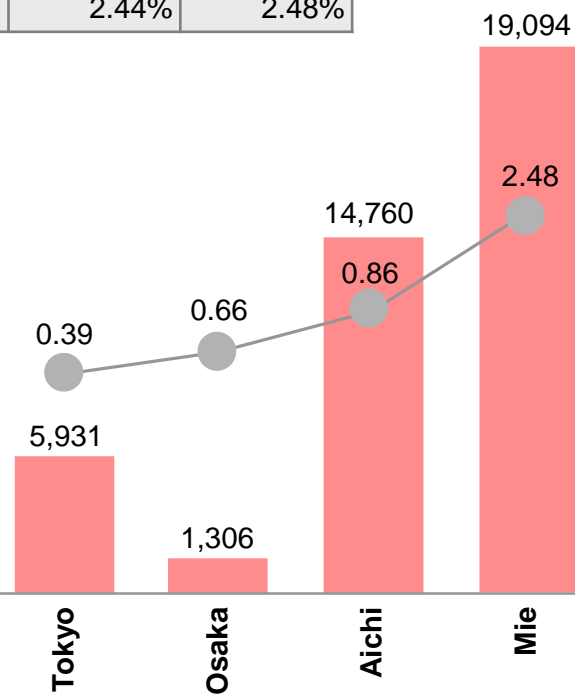
Loan balance and risk-monitored loan ratio by major industry

Line graph: Risk monitored loan ratio (%)
 Bar graph: Loan balance (100 million yen)

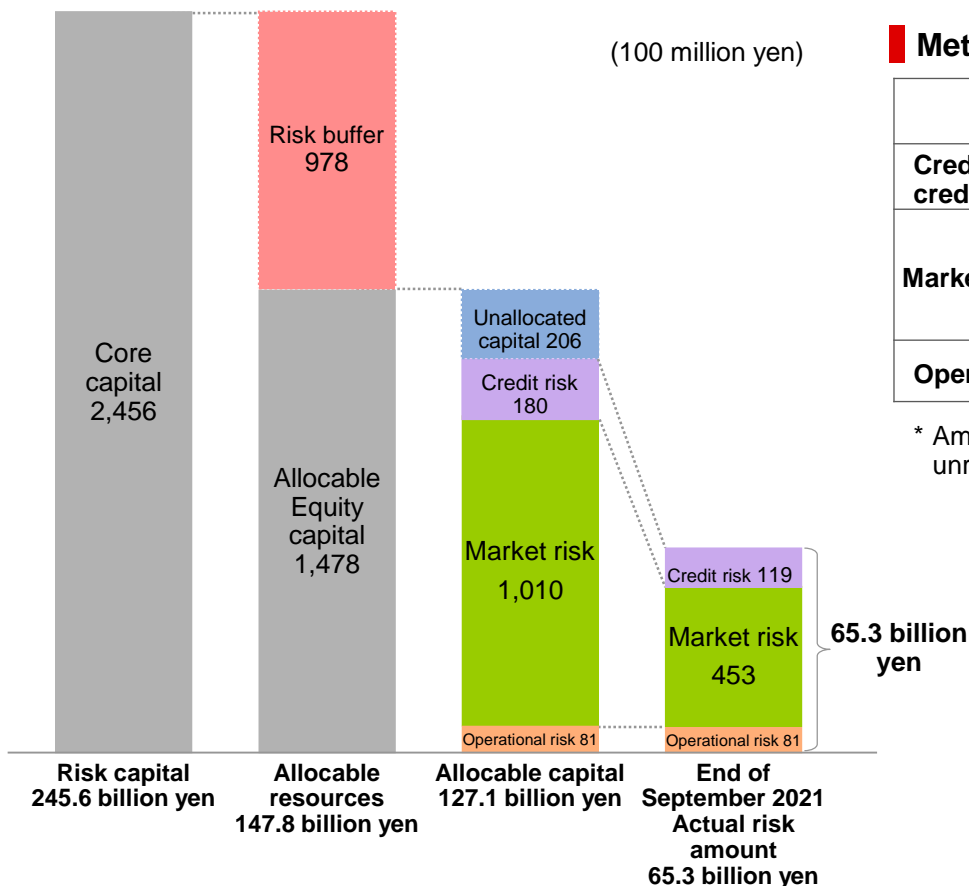


Risk-monitored loan ratio by region

	FY 3/20	FY 3/21	FY9/21
Tokyo	0.00%	0.42%	0.39%
Osaka	0.00%	0.00%	0.66%
Aichi	0.81%	0.78%	0.86%
Mie	2.56%	2.44%	2.48%



- Risk is kept within an appropriate range according to the Bank's operating capabilities based on integrated risk management.
- Compared with core capital of 245.6 billion yen and allocable capital of 147.8 billion yen, actual amount of risk is 65.3 billion yen.



Method of measuring risk

	Method of measurement	Confidence interval	Holding period
Credit risk (including market-related credit exposure)	VaR	99%	One year
Market risk	Cross-shareholdings	VaR*	99%
	Investment rates, portfolio investment, investment trusts	VaR	99%
Operational risk	The Standardized Approach (TSA)		

* Amount of risk of cross shareholdings is measured after taking into consideration unrealized gains or losses (valuation gains (losses) minus the VaR equivalent value)

* Risk buffer: Capital not allocated to risk limits in the case of emergencies (equivalent to 4% of equity ratio)

* Unallocated capital: Unused portion of allocable capital

Outstanding Nonperforming Loans by Disclosure Standard and Coverage

Nonperforming Loans under Internal Assessment Standard (target: total credit exposure)						Loans disclosed under the Financial Reconstruction Act (target: total credit exposure) * For substandard loans, only loans are included.					Risk-monitored Loans (target: loans)	
Classification	Credit outstanding	Category				Classification	Credit outstanding	Amount covered by collateral and guarantee	Reserve for possible loan losses	Coverage ratio	Classification	Balance
		Non-categorized	Category II	Category III	Category IV							
Failure	19 <4>	18	1	— (0)	— (15)	Bankrupt and quasi-bankrupt assets	93 <50>	44	48	100.00%	Loans to borrowers in legal bankruptcy	15 <3>
Substantial failure	73 <45>	56	16	— (4)	— (27)						Doubtful assets	435
Possible failure	435	269	68	97 (98)	Substandard loans	114	43	9	46.45%	Debts past due by three months or more		
Watch list	Under control	181	42	139							Sub-total	643 <600>
	Others	864	371	492	Normal assets	40,949	Ratio of loans disclosed under the Financial Reconstruction Act (sub total) over total credit exposure: 1.54%		Ratio of risk-monitored loans over total loans: 1.54%			
Normal	40,017	40,017					Total	41,592 <41,549>	Reference Ratio of loans disclosed under the Financial Reconstruction Act over total credit exposure if partial direct write offs were carried out: 1.44%		Reference Ratio of risk-monitored loans over total loans if partial direct write offs were carried out: 1.45%	
Total	41,592 <41,549>	40,775	719	97 (104)	— (43)							

(100 million yen)

* Amounts less than stated units are rounded down.

* Total credit exposure: Loans, customers' liabilities for acceptances and guarantees, the Bank's guaranteed private placements, foreign exchange, and suspense payments and accrued interest, which are equivalent to loans

* Values shown in the section "Nonperforming Loans" under "Internal Assessment Standard" are after loan losses reserves, with the value indicated in parentheses representing amounts of reserves corresponding to the respective sections.

* The Bank does not carry out partial direct write offs, but the amounts that would be derived if a partial direct write-off were carried out is shown in angled brackets

Trends of Loans disclosed under the Financial Reconstruction Act

(100 million yen)

	FY3/18	FY3/19	FY3/20	FY3/21	FY9/21	Year-on-year
Bankrupt and quasi-bankrupt assets	64	73	66	87	93	5
Doubtful assets	393	379	387	419	435	16
Substandard loans	67	68	92	90	114	23
Total	524	522	547	598	643	45
Nonperforming loans ratio	1.67%	1.50%	1.48%	1.48%	1.54%	0.06

Upper: Number of debtors / Lower: credit exposure

(Million yen)

			Debtor Classification as of the end of September 2021								Ratio of downgrading to possible failure or lower	Upgrade	Downgrade
			Normal	Other under close observation	Under control	Possible failure	Substantial failure	Failure	Other	Bulk, etc.			
as of 3/31/2021 Credit exposure by debtor classification	Normal	188,924	171,748	440	30	38	79	3	16,586	—	0.06%	—	590
		3,864,534	3,640,560	19,715	4,033	803	582	605	198,232	—	0.05%	—	25,740
	Other under close observation	1,940	268	1,443	10	47	6	—	166	1	2.73%	268	63
		79,926	7,153	62,376	1,612	3,575	156	—	5,053	4	4.67%	7,153	5,343
	Under control	190	4	12	158	8	1	—	7	—	4.74%	16	9
		14,469	216	703	11,610	812	8	—	1,117	—	5.67%	920	820
	Possible failure	1,149	10	27	4	1,017	16	1	74	6		41	17
		41,853	35	940	87	37,832	267	24	2,665	1,289		1,062	292
	Substantial failure	476	3	1	—	—	360	7	105	10		4	7
		7,084	12	2	—	—	6,136	170	761	103		15	170
	Failure	37	—	2	—	—	7	19	9	4		9	—
		1,701	—	58	—	—	166	1,189	287	110		225	—
	Total	192,716	172,033	1,925	202	1,110	469	30	16,947	21		338	686
		4,009,569	3,647,978	83,798	17,343	43,024	7,316	1,990	208,117	1,508		9,377	32,368

Number of debtors

	1st Half of 2016	2nd Half of 2016	1st Half of 2017	2nd Half of 2017	1st Half of 2018	2nd Half of 2018	1st Half of 2019	2nd Half of 2019	1st Half of 2020	2nd Half of 2020	1st Half of 2021
Subject to Head Office support	45	44	40	46	48	53	62	58	64	64	60
Subject to branch support	361	343	308	293	271	259	202	217	212	205	196
Number of instances of upgrading	21	21	28	25	32	25	22	18	15	10	20
Number of instances of downgrading	28	19	11	12	14	15	14	15	7	15	12
Change in nonperforming loans of branches subject to support	1,200 million yen	(4) million yen	(2,400) million yen	80 million yen	(800) million yen	100 million yen	300 million yen	2,100 million yen	60 million yen	900 million yen	1,300 million yen

Compliance with Hyakugo Bank's credit policies (as of end of September 2021)

(100 million yen)

Classification	Content	Limit	Compliance	
Loans for individuals engaging in housing leasing business	7% or less of total loans	2,876	1,884	4.59%
Loans for other real estate industry	7% or less of total loans	2,876	2,125	5.17%
Loans for non-banks	10% or less of total loans	4,109	1,844	4.49%
Loans for large companies	Total loans for large companies by Tokyo and Osaka sales departments should be 20% or less of the Bank's total loans	8,218	4,544	11.06%
Loan balance per borrower	Credit for a borrower should be 10% or less of the Bank's equity capital	245	220	8.96%
Loan balance per corporate group	Credit per corporate group should be 25% or less of the Bank's equity capital	613	421	17.15%

Changes in loans by industry

(100 million yen)

Industry	FY 3/18	FY 3/19	FY 3/20	FY 3/21	FY9/21	Share by industry
Manufacturing	3,349	3,627	3,758	4,035	4,041	9.83%
of which, transportation equipment manufacturing	676	795	865	849	854	2.07%
Agriculture, Forestry, Fishery, Mining, Quarrying and Gravel quarrying	209	241	239	241	214	0.52%
Construction	1,034	1,057	1,099	1,388	1,342	3.26%
Utilities	761	900	977	1,047	1,094	2.66%
Telecommunication	106	123	123	149	137	0.33%
Transport and Post	1,170	1,231	1,237	1,374	1,370	3.33%
Wholesale and Retail	2,508	2,678	2,718	3,028	2,999	7.29%
Finance and Insurance	2,560	3,440	3,049	3,138	3,112	7.57%
Real estate and Rental	4,377	4,619	4,780	4,913	4,976	12.11%
of which, Real estate	3,307	3,399	3,524	3,524	3,588	8.73%
Academic research, Specialist and Technical services	137	136	147	183	203	0.49%
Accommodation and Food and beverage	294	315	316	397	392	0.95%
Lifestyle-related services and Entertainment	242	245	263	308	299	0.72%
Education and Learning support	74	76	76	83	93	0.22%
Medical and Social welfare	1,196	1,216	1,239	1,406	1,451	3.53%
Other services	407	399	407	463	461	1.12%
National and local governments	2,440	2,227	2,088	1,911	1,962	4.77%
Other	10,148	11,881	13,787	15,811	16,938	41.22%
Total by industry	31,020	34,417	36,310	39,883	41,092	100.00%

Deposits

Loans

Including megabanks

Mega	Other	Shinkin	Bank B	Bank A	Hyakugo Bank	Mie Prefecture	Hyakugo Bank	Bank A	Bank B	Shinkin	Other	Mega
8.9	9.5	11.8	12.2	12.7	44.9		38.6	14.4	14.0	11.3	16.8	4.9

* Excludes Agricultural Cooperative, Fisheries Cooperative, JP Bank, and Hyakugo Bank's Shingu Branch

(% (as of end of March, 2021))

Excluding megabanks

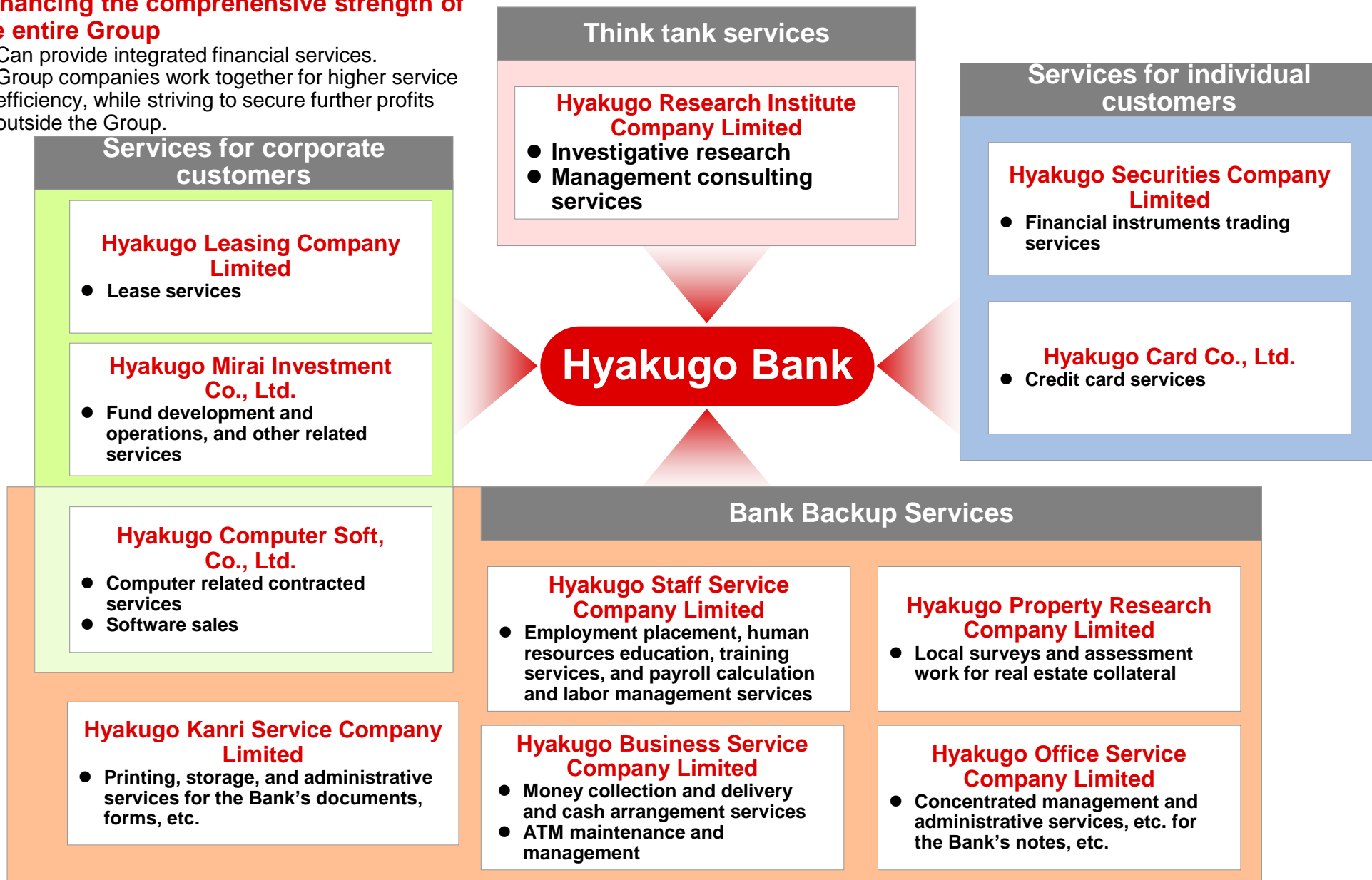
Mega	Shinkin	Bank B	Bank A	Hyakugo Bank	Mie Prefecture	Hyakugo Bank	Bank A	Bank B	Shinkin	Mega
10.4	13.0	13.4	13.9	49.3		40.6	15.2	14.7	11.9	17.6
20.2	23.3	6.9	9.5	40.1	Kuwana District	31.1	9.7	9.4	18.4	31.4
8.4	12.1	7.2	33.0	39.3	Yokkaichi District	31.6	27.7	9.4	13.5	17.8
8.0	6.3	14.1	24.7	46.9	Suzuka District	34.3	23.5	18.4	7.6	16.2
21.1	23.1	9.4	7.0	39.4	Iga District	34.7	5.2	10.4	24.2	25.5
7.5	7.1	11.5	7.1	66.8	Tsu district	60.3	12.6	12.4	4.4	10.3
5.6	15.6	27.9	2.3	48.6	Matsusaka District	37.3	4.8	31.7	13.7	12.5
10.4	6.4	16.6	3.0	63.6	Ise District	53.8	6.3	17.1	5.2	17.6
2.7	1.7	25.9	5.0	64.7	Toba Shima District	61.2	2.5	28.8	2.0	5.5
5.7	33.6	28.3	32.4		Kishu District	29.9	28.8	29.6	11.7	

* Excludes megabanks, Agricultural Cooperative, Fisheries Cooperative, JP Bank, and Hyakugo Bank's Shingu Branch

(% (as of end of March, 2021))

Enhancing the comprehensive strength of the entire Group

Can provide integrated financial services. Group companies work together for higher service efficiency, while striving to secure further profits outside the Group.



Please direct inquiries concerning this document to:

The Hyakugo Bank, Ltd. Corporate Planning Division,
Nishiura/Iwasaki at Public Relations CSR Section

TEL (059) 223-2326

FAX (059) 223-2384

<https://www.hyakugo.co.jp/>

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