



Consolidated Summary Report(Under Japanese GAAP) for the Six Months Ended September 30, 2022

November 14, 2022

Company name: The Bank of Kyoto, Ltd.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 8369
 URL: <https://www.kyotobank.co.jp/>
 Representative: Nobuhiro Doi President
 Inquiries: Etsuji Motomasa Executive Officer, General Manager, Corporate Planning Division
 Scheduled date of filing quarterly securities report: November 29, 2022
 Scheduled date of commencing dividend payments: December 01, 2022
 Trading Accounts: None
 Supplement information for quarterly financial statements: Yes
 Quarterly investor meeting presentation: Yes

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Six Months Ended September 30, 2022 (April 01, 2022 to September 30, 2022)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Ordinary income		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2022	65,771	11.6	22,218	15.2	15,959	15.9
September 30, 2021	58,909	6.9	19,285	25.4	13,762	25.9

(Note) Comprehensive income: Six months ended September 30, 2022: ¥ (69,500) million [-%]
 Six months ended September 30, 2021: ¥ 6,207 million [(96.7) %]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2022	212.26	212.08
September 30, 2021	182.00	181.82

(2) Consolidated Financial Position

	Total assets	Total net assets	Equity-to-asset ratio
	Million yen	Million yen	%
As of September 30, 2022	10,640,807	1,015,987	9.5
March 31, 2022	12,210,967	1,090,316	8.9

(Reference) Equity: As of September 30, 2022: ¥ 1,013,084 million
 As of March 31, 2022: ¥ 1,087,494 million

(Note) The Equity-to-asset ratio is computed by the formula shown below.

(Total net assets - Subscription rights to shares - Non-controlling interests) / Total assets

The figures for the equity-to-asset ratio in the above table were not based on the regulations on the equity-to-asset ratio.

2. Dividends on Common Stock

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
For the fiscal year Ended March 31, 2022	-	35.00	-	65.00	100.00
Ending March 31, 2023	-	60.00			
Ending March 31, 2023(Forecast)			-	60.00	120.00

(Note) Revision of forecasts for dividends on the presentation date of this Consolidated Summary Report: Yes

*For more details, please refer to "Notice Regarding Dividends of Surplus (Interim Dividends), Revision of the Year-end Dividend Forecast and a Decision to Repurchase Shares" published today(November 14, 2022).

(Note) Breakdown of the 2nd quarter (interim) dividend for the fiscal year ending March 31, 2022 :

An 80-year anniversary dividend 5.00 yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023(April 01, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Ordinary income		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	116,400	(8.6)	34,200	17.2	24,000	16.3	321.50

(Note) Revision to the financial results forecast announced most recently: Yes

* For more details, please refer to "1. Explanation of Revisions of the Consolidated Financial Results Forecast" on page 2 of the attached materials.

* Notes:

(1) Changes in significant subsidiaries during the six months ended September 30, 2022

(changes in specified subsidiaries resulting in changes in scope of consolidation): None

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

(A) Changes in accounting policies due to the revision of accounting standards: Yes

(B) Changes in accounting policies other than (A) above: None

(C) Changes in accounting estimates: None

(D) Retrospective restatement: None

(3) Total number of issued shares (common shares)

(A) Total number of issued shares at the end of the period (including treasury shares):

September 30, 2022: 75,840,688 shares

March 31, 2022: 75,840,688 shares

(B) Total number of treasury shares at the end of the period:

September 30, 2022: 641,422 shares

March 31, 2022: 664,384 shares

(C) Average number of shares during the period:

Six months ended September 30, 2022: 75,186,292 shares

Six months ended September 30, 2021: 75,617,299 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Six Months Ended September 30, 2022 (April 01, 2022 to September 30, 2022)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Ordinary income		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2022	60,570	12.4	20,758	16.7	15,073	17.6
September 30, 2021	53,865	7.0	17,780	26.7	12,811	26.2

	Basic earnings per share
	Yen
Six months ended September 30, 2022	200.48
September 30, 2021	169.41

(2) Non-consolidated Financial Position

	Total assets	Total Net assets	Equity-to-asset ratio
	Million yen	Million yen	%
As of September 30, 2022	10,623,688	994,323	9.3
March 31, 2022	12,196,727	1,069,959	8.7

(Reference) Equity: As of September 30, 2022: ¥ 994,059 million

As of March 31, 2022: ¥ 1,069,643 million

(Note) The Equity-to-asset ratio is computed by the formula shown below.

(Total net assets - Subscription rights to shares - Non-controlling interests) / Total assets

The figures for the equity-to-asset ratio in the above table were not based on the regulations on the equity-to-asset ratio.

2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023(April 01, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Ordinary revenues		Ordinary profit		Net income		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	106,400	(9.0)	31,200	19.6	22,200	18.5	297.50

* This Consolidated Summary Report is outside the scope of the external auditor's quarterly review procedure.

* Notes to using forecasted information, etc.

The Bank of Kyoto, Ltd. falls under the category of "Specified Business Corporation" under Article 17-15-2 of the Cabinet Office Ordinance Concerning Disclosure of Public Companies; accordingly, it has prepared its interim consolidated financial statements and interim non-consolidated financial statements for the six months ended September 30, 2022.

The description of future performance of this report is based on information which is presently available and certain assumptions which are considered to be reasonable, and it does not guarantee future performance.

Please take note that future performance may differ from forecasts depending on various future factors.

○Contents of Appendix

1.Explanation on Revision of the Consolidated Financial Results Forecast	2
2.Interim Consolidated Financial Statements and Primary Notes	3
(1) Interim Consolidated Balance Sheet	3
(2) Interim Consolidated Statements of Income and Comprehensive Income	4
(3) Interim Consolidated Statement of Changes in Net Assets	6
(4) Notes to Interim Consolidated Financial Statements	8
(Notes on Going Concern Assumption)	8
(Changes in Accounting Policies)	8
3.Interim Non-consolidated Financial Statements	9
(1) Interim Non-consolidated Balance Sheet	9
(2) Interim Non-consolidated Statements of Income	11
(3) Interim Non-consolidated Statement of Changes in Net Assets	12

(Appendix) Supplement Information for the Six Months Ended September 30, 2022

1.Explanation on Revision of the Consolidated Financial Results Forecast

The consolidated financial results forecast for the fiscal year ending March 31, 2023 has been revised from the forecast announced on May 13, 2022 as follows. While ordinary income is expected to exceed the previous forecast, primarily due to larger interest income and other ordinary income, ordinary expenses are also expected to increase, primarily due to larger interest expenses and other ordinary expenses. As a result, the forecast figures for ordinary profit and profit attributable to owners of parent remain unchanged from the previous forecast figures.

Revision of the Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023

	Ordinary income (Million yen)	Ordinary profit (Million yen)	Profit attributable to owners of parent (Million yen)	Basic earnings per share (Yen)
Previous forecast (A)	107,100	34,200	24,000	319.25
Revised forecast (B)	116,400	34,200	24,000	321.50
Change (B - A)	9,300	-	-	
Change (%)	8.6	-	-	
(Reference) Results for Fiscal year ended March 31, 2022	127,422	29,176	20,621	272.82

<Reference>

Revision of the Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023

	Ordinary income (Million yen)	Ordinary profit (Million yen)	Profit (Million yen)	Basic earnings per share (Yen)
Previous forecast (A)	97,100	31,200	22,200	295.30
Revised forecast (B)	106,400	31,200	22,200	297.50
Change (B - A)	9,300	-	-	
Change (%)	9.5	-	-	
(Reference) Results for Fiscal year ended March 31, 2022	117,039	26,084	18,718	247.65

2. Interim Consolidated Financial Statements and Primary Notes

(1) Interim Consolidated Balance Sheets

(Million yen)

	As of March 31, 2022	As of September 30, 2022
Assets		
Cash and due from banks	2,703,179	846,974
Call loans and bills bought	146,020	409,511
Monetary claims bought	14,059	13,947
Trading securities	252	155
Money held in trust	13,087	13,268
Securities	3,038,030	2,983,887
Loans and bills discounted	6,140,120	6,213,868
Foreign exchanges	9,998	8,738
Lease receivables and investments in leases	12,585	12,459
Other assets	72,420	73,660
Tangible fixed assets	77,083	76,572
Intangible fixed assets	2,774	2,704
Deferred tax assets	1,025	1,028
Customers' liabilities for acceptances and guarantees	16,574	20,691
Allowance for loan losses	(36,245)	(36,659)
Total assets	12,210,967	10,640,807
Liabilities		
Deposits	8,310,788	8,191,654
Negotiable certificates of deposit	645,582	614,980
Call money and bills sold	105,273	-
Payable under securities lending transactions	474,585	282,562
Borrowed money	1,212,046	190,639
Foreign exchanges	143	430
Borrowed money from trust account	4,533	4,497
Other liabilities	75,887	82,392
Retirement benefit liability	27,870	27,248
Provision for reimbursement of deposits	302	302
Provision for contingent loss	700	582
Reserves under special laws	0	0
Deferred tax liabilities	246,316	208,718
Deferred tax liabilities for land revaluation	46	120
Acceptances and guarantees	16,574	20,691
Total liabilities	11,120,650	9,624,820
Net assets		
Capital stock	42,103	42,103
Capital surplus	34,171	34,158
Retained earnings	404,044	414,948
Treasury shares	(3,645)	(3,519)
Total shareholders' equity	476,674	487,691
Valuation difference on available-for-sale securities	613,274	526,960
Deferred gains or losses on hedges	(367)	126
Revaluation reserve for land	104	272
Remeasurements of defined benefit plans	(2,191)	(1,967)
Total accumulated other comprehensive income	610,819	525,392
Subscription right to share	316	264
Non-controlling interests	2,506	2,638
Total net assets	1,090,316	1,015,987
Total liabilities and net assets	12,210,967	10,640,807

(2) Interim Consolidated Statements of Income and Comprehensive Income
Interim Consolidated Statements of Income (For the six months)

(Million yen)

	For the six months ended September 30,2021	For the six months ended September 30,2022
Ordinary income	58,909	65,771
Interest income	42,884	44,285
Interest on loans and discounts	22,161	22,928
Interest and dividends on securities	19,563	19,627
Trust fees	5	3
Fees and commissions	10,541	10,719
Other ordinary income	4,808	8,348
Other income	669	2,413
Ordinary expenses	39,624	43,552
Interest expenses	1,688	2,138
Interest on deposits	572	1,596
Fees and commissions payments	3,273	3,011
Other ordinary expenses	2,855	8,802
General and administrative expenses	28,382	28,230
Other expenses	3,423	1,370
Ordinary profit	19,285	22,218
Extraordinary income	-	146
Gain on disposal of non-current assets	-	146
Extraordinary losses	306	256
Loss on disposal of non-current assets	306	179
Impairment losses	-	76
Provision of reserve for financial instruments transaction liabilities	0	0
Profit before income taxes	18,978	22,108
Income taxes - current	4,881	5,846
Income taxes - deferred	272	231
Total income taxes	5,154	6,078
Profit	13,824	16,030
Profit attributable to non-controlling interests	61	70
Profit attributable to owners of parent	13,762	15,959

Interim Consolidated Statements of Comprehensive Income (For the six months)

(Million yen)

	For the six months ended September 30,2021	For the six months ended September 30,2022
Profit	13,824	16,030
Other comprehensive income	(7,616)	(85,530)
Valuation difference on available-for-sale securities	(4,782)	(86,249)
Deferred gains or losses on hedges	(3,052)	493
Remeasurements of defined benefit plans, net of tax	218	224
Comprehensive income	6,207	(69,500)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,165	(69,635)
Comprehensive income attributable to non-controlling interests	42	135

(3) Interim Consolidated Statements of Changes in Net Assets

For the six months ended September 30, 2021

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	42,103	34,190	388,575	(1,279)	463,590
Changes during period					
Dividends of surplus			(2,268)		(2,268)
Profit attributable to owners of parent			13,762		13,762
Purchase of treasury shares				(2)	(2)
Disposal of treasury shares		(19)		140	120
Reversal of revaluation reserve for land			0		0
Net changes in items other than shareholders' equity					
Total changes during period	-	(19)	11,494	137	11,612
Balance at end of period	42,103	34,171	400,070	(1,142)	475,202

	Accumulated other comprehensive income					Subscription right to share	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	711,922	(7,747)	(132)	(2,261)	701,781	356	2,424	1,168,153
Changes during period								
Dividends of surplus								(2,268)
Profit attributable to owners of parent								13,762
Purchase of treasury shares								(2)
Disposal of treasury shares								120
Reversal of revaluation reserve for land								0
Net changes in items other than shareholders' equity	(4,764)	(3,052)	(0)	218	(7,597)	(40)	39	(7,598)
Total changes during period	(4,764)	(3,052)	(0)	218	(7,597)	(40)	39	4,013
Balance at end of period	707,158	(10,800)	(132)	(2,042)	694,183	316	2,463	1,172,166

For the six months ended September 30,2022

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	42,103	34,171	404,044	(3,645)	476,674
Changes during period					
Dividends of surplus			(4,886)		(4,886)
Profit attributable to owners of parent			15,959		15,959
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		(12)		127	114
Reversal of revaluation reserve for land			(168)		(168)
Net changes in items other than shareholders' equity					
Total changes during period	-	(12)	10,904	125	11,017
Balance at end of period	42,103	34,158	414,948	(3,519)	487,691

	Accumulated other comprehensive income					Subscription right to share	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	613,274	(367)	104	(2,191)	610,819	316	2,506	1,090,316
Changes during period								
Dividends of surplus								(4,886)
Profit attributable to owners of parent								15,959
Purchase of treasury shares								(1)
Disposal of treasury shares								114
Reversal of revaluation reserve for land								(168)
Net changes in items other than shareholders' equity	(86,313)	493	168	224	(85,426)	(52)	132	(85,347)
Total changes during period	(86,313)	493	168	224	(85,426)	(52)	132	(74,329)
Balance at end of period	526,960	126	272	(1,967)	525,392	264	2,638	1,015,987

(4) Notes to Interim Consolidated Financial Statements

(Notes on Going Concern Assumption)

None

(Changes in Accounting Principles)

(Application of the Implementation Guidance on Accounting Standard for Fair Value Measurement)

The Bank of Kyoto, Ltd. ("The Bank") has applied the "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No.31, June 17, 2021) from the beginning of the first quarter of the current fiscal year. In accordance with Article 27-2 of the "Implementation Guidance on Accounting Standard for Fair Value Measurement," The Bank decided to apply the new accounting policy stipulated in the "Implementation Guidance on Accounting Standard for Fair Value Measurement" prospectively. There is a minor impact on the consolidated financial statements for the current period.

3. Interim Non-consolidated Financial Statements

(1) Interim Non-consolidated Balance Sheets

(Million yen)

	As of March 31, 2022	As of September 30, 2022
Assets		
Cash and due from banks	2,698,011	841,447
Call loans	146,020	409,511
Monetary claims bought	8,554	7,977
Trading securities	252	155
Money held in trust	13,087	13,268
Securities	3,042,173	2,987,399
Loans and bills discounted	6,148,969	6,222,317
Foreign exchanges	9,998	8,738
Other assets	67,696	67,750
Other	67,696	67,750
Tangible fixed assets	76,448	75,943
Intangible fixed assets	2,638	2,585
Customers' liabilities for acceptances and guarantees	16,574	20,691
Allowance for loan losses	(33,698)	(34,099)
Total assets	12,196,727	10,623,688
Liabilities		
Deposits	8,319,783	8,201,144
Negotiable certificates of deposit	668,082	637,480
Call money	105,273	-
Payable under securities lending transactions	474,585	282,562
Borrowed money	1,211,816	190,429
Foreign exchanges	143	430
Borrowed money from trust account	4,533	4,497
Other liabilities	53,097	57,388
Income taxes payable	3,113	3,290
Asset retirement obligations	1,125	1,104
Other	48,859	52,993
Provision for retirement benefits	24,642	24,340
Provision for reimbursement of deposits	302	302
Provision for contingent loss	700	582
Deferred tax liabilities	247,186	209,395
Deferred tax liabilities for land revaluation	46	120
Acceptances and guarantees	16,574	20,691
Total liabilities	11,126,767	9,629,364

(Million yen)

	As of March 31,2022	As of September 30,2022
Net assets		
Capital stock	42,103	42,103
Capital surplus	30,455	30,442
Legal capital surplus	30,301	30,301
Other capital surplus	153	140
Retained earnings	387,804	397,822
Legal retained earnings	17,456	17,456
Other retained earnings	370,347	380,366
General reserve	349,375	355,375
Retained earnings brought forward	20,972	24,991
Treasury shares	(3,645)	(3,519)
Total shareholders' equity	456,718	466,850
Valuation difference on available-for-sale securities	613,187	526,809
Deferred gains or losses on hedges	(367)	126
Revaluation reserve for land	104	272
Total valuation and translation adjustments	612,925	527,209
Subscription right to share	316	264
Total net assets	1,069,959	994,323
Total liabilities and net assets	12,196,727	10,623,688

(2) Interim Non-consolidated Statements of Income

(Million yen)

	For the six months ended September 30,2021	For the six months ended September 30,2022
Ordinary income	53,865	60,570
Interest income	42,851	44,261
Interest on loans and discounts	22,157	22,924
Interest and dividends on securities	19,554	19,620
Trust fees	5	3
Fees and commissions	8,876	8,844
Other ordinary income	1,441	5,067
Other income	690	2,393
Ordinary expenses	36,084	39,812
Interest expenses	1,687	2,135
Interest on deposits	572	1,596
Fees and commissions payments	3,279	2,882
Other ordinary expenses	371	6,440
General and administrative expenses	27,303	27,058
Other expenses	3,443	1,294
Ordinary profit	17,780	20,758
Extraordinary income	-	146
Extraordinary losses	306	255
Profit before income taxes	17,474	20,648
Income taxes - current	4,428	5,366
Income taxes - deferred	234	208
Total income taxes	4,663	5,575
Profit	12,811	15,073

Purchase of treasury shares

For the six months ended September 30, 2021

(Million yen)

	Shareholders' equity							
	Share capital	Capital surplus			Legal retained earnings	Retained earnings		Total retained earnings
		Legal capital surplus	Other capital surplus	Total capital surplus		General reserve	Retained earnings brought forward	
Balance at beginning of period	42,103	30,301	173	30,475	17,456	339,375	17,406	374,237
Changes during period								
Dividends of surplus							(2,268)	(2,268)
Provision of general reserve						10,000	(10,000)	-
Profit							12,811	12,811
Purchase of treasury shares								
Disposal of treasury shares			(19)	(19)				
Reversal of revaluation reserve for land							0	0
Net changes in items other than shareholders' equity								
Total changes during period	-	-	(19)	(19)	-	10,000	542	10,542
Balance at end of period	42,103	30,301	153	30,455	17,456	349,375	17,949	384,780

	Shareholders' equity		Valuation and translation adjustments				Subscription right to share	Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Total valuation and translation adjustments		
Balance at beginning of period	(1,279)	445,536	711,779	(7,747)	(132)	703,900	356	1,149,793
Changes during period								
Dividends of surplus		(2,268)						(2,268)
Provision of general reserve		-						-
Profit		12,811						12,811
Purchase of treasury shares	(2)	(2)						(2)
Disposal of treasury shares	140	120						120
Reversal of revaluation reserve for land		0						0
Net changes in items other than shareholders' equity			(4,745)	(3,052)	(0)	(7,798)	(40)	(7,838)
Total changes during period	137	10,660	(4,745)	(3,052)	(0)	(7,798)	(40)	2,822
Balance at end of period	(1,142)	456,197	707,034	(10,800)	(132)	696,102	316	1,152,615

For the six months ended September 30,2022

(Million yen)

	Shareholders' equity							
	Share capital	Capital surplus			Legal retained earnings	Retained earnings		Total retained earnings
		Legal capital surplus	Other capital surplus	Total capital surplus		General reserve	Retained earnings brought forward	
Balance at beginning of period	42,103	30,301	153	30,455	17,456	349,375	20,972	387,804
Changes during period								
Dividends of surplus							(4,886)	(4,886)
Provision of general reserve						6,000	(6,000)	-
Profit							15,073	15,073
Purchase of treasury shares								
Disposal of treasury shares			(12)	(12)				
Reversal of revaluation reserve for land							(168)	(168)
Net changes in items other than shareholders' equity								
Total changes during period	-	-	(12)	(12)	-	6,000	4,018	10,018
Balance at end of period	42,103	30,301	140	30,442	17,456	355,375	24,991	397,822

	Shareholders' equity		Valuation and translation adjustments				Subscription right to share	Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Total valuation and translation adjustments		
Balance at beginning of period	(3,645)	456,718	613,187	(367)	104	612,925	316	1,069,959
Changes during period								
Dividends of surplus		(4,886)						(4,886)
Provision of general reserve		-						-
Profit		15,073						15,073
Purchase of treasury shares	(1)	(1)						(1)
Disposal of treasury shares	127	114						114
Reversal of revaluation reserve for land		(168)						(168)
Net changes in items other than shareholders' equity			(86,378)	493	168	(85,716)	(52)	(85,768)
Total changes during period	125	10,132	(86,378)	493	168	(85,716)	(52)	(75,636)
Balance at end of period	(3,519)	466,850	526,809	126	272	527,209	264	994,323

Supplement Information for the
Six Months Ended
September 30, 2022

The Bank of Kyoto, Ltd.

(Note)

This document is a translation of a part of the original Japanese version and provided for reference purposes only. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.

[Table of Contents]

I Key points in the financial results for the six months ended September 30, 2022		
1. Summary	Non-consolidated & Consolidated	1
2. Overview of profit and loss	Non-Consolidated	2
3. Main accounts	Non-Consolidated	3
4. Financial soundness	Non-consolidated & Consolidated	5
5. Financial results forecast	Non-consolidated & Consolidated	7
6. Interim and year-end dividends		
7. Income structure	Non-Consolidated	8
II Financial results for the six months ended September 30, 2022		
1. Profit and loss	Non-consolidated & Consolidated	9
2. Banking profit	Non-Consolidated	11
3. Interest rate spread	Non-Consolidated	
4. Gains and losses on securities	Non-Consolidated	
5. Valuation difference on securities	Non-consolidated & Consolidated	12
6. ROE	Non-consolidated & Consolidated	13
7. Number of branches	Non-Consolidated	
III Loans, etc.		
1. Non-performing Loans based on the Financial Reconstruction Law(risk management loans)	Non-consolidated & Consolidated	14
2. Results of self-assessment and Allowance for loan losses	Non-Consolidated	15
3. Loans by industry	Non-Consolidated	16
4. Loans by country	Non-Consolidated	17

I Key points in the financial results for the six months ended September 30, 2022

1. Summary

(1) Profit and loss

Ordinary profit and Profit(Consolidated and Non-consolidated) are both hitting a record high.

Profit (consolidated) grew in the six months ended September 30, 2022; ordinary profit increased ¥2.9 billion year on year to ¥22.2 billion, and profit attributable to owners of parent increased ¥2.1 billion year on year to ¥15.9 billion, both hitting a record high.

[Consolidated (A)]

(Million yen)

	Six months ended September 30, 2022	Year-on-year change	Six months ended September 30, 2021
Gross banking profit	49,405	(1,016)	50,422
Ordinary profit	22,218	2,933	19,285
Profit attributable to owners of parent	15,959	2,196	13,762

[Non-consolidated (B)]

(Million yen)

	Six months ended September 30, 2022	Year-on-year change	Six months ended September 30, 2021
Gross banking profit	46,717	(1,119)	47,837
Ordinary profit	20,758	2,977	17,780
Profit	15,073	2,262	12,811

[Difference (A-B) (Contributions by subsidiaries)]

(Million yen)

	Six months ended September 30, 2022	Year-on-year change	Six months ended September 30, 2021
Gross banking profit	2,688	102	2,585
Ordinary profit	1,459	(44)	1,504
Profit	885	(66)	951

(2) Deposits, negotiable certificates of deposit, and loans and bills discounted [Non-consolidated]

Deposits and negotiable certificates of deposit amounted to ¥8,838.6 billion, and loans and bills discounted stood at ¥6,222.3 billion.

(Billion yen)

		September 30, 2022	Change from September 30, 2021	September 30, 2021
Term-end	Deposits and negotiable certificates of deposit	8,838.6	181.3	8,657.2
	Loans and bills discounted	6,222.3	191.2	6,031.0
Term-average	Deposits and negotiable certificates of deposit	8,910.4	122.6	8,787.7
	Loans and bills discounted	6,165.9	82.4	6,083.5

2. Overview of profit and loss

Core banking profit, which indicates profit from core business of the bank, increased ¥3.0 billion year on year to ¥22.9 billion as net interest income grew and net fees and commissions reached an all-time high.

In addition, while gains on bonds declined significantly as we recognized losses on sales of bonds to improve our foreign bond portfolio, income related to shares increased and credit-related costs decreased. As a result, ordinary profit increased ¥2.9 billion year on year to ¥20.7 billion, and profit increased ¥2.2 billion year on year to ¥15.0 billion, both marking a record high.

[Non-consolidated]

(Million yen)

		Six months ended September 30, 2022	Year-on-year change	Six months ended September 30, 2021
Gross banking profit	A	46,717	(1,119)	47,837
	Net interest income	42,125	961	41,164
	Net fees and commissions	5,964	362	5,602
	Net other ordinary income	(1,372)	(2,442)	1,070
	Gains (losses) on bonds	(3,299)	(3,947)	647
Expenses	B	27,058	(244)	27,303
Overhead ratio (OHR)	(B / A)	57.91 %	0.84 %	57.07 %
Net banking profit		19,658	(875)	20,533
	Core banking profit	22,957	3,071	19,886
	Excluding gains (losses) on cancellation of investment trusts	22,139	2,810	19,329
Provision for allowance for general loan losses	(1)	(919)	(3,796)	2,877
Banking profit		20,577	2,920	17,656
Non-recurring income (losses)		180	57	123
	Losses related to non-performing loans (2)	1,590	1,647	(57)
	Income (losses) related to shares	1,591	1,294	297
	Other non-recurring income (losses)	179	410	(230)
Ordinary profit		20,758	2,977	17,780
Extraordinary income (losses)		(109)	196	(306)
Profit before income taxes		20,648	3,174	17,474
Total income taxes		5,575	911	4,663
Profit		15,073	2,262	12,811
Credit-related costs	((1) + (2))	671	(2,148)	2,819

(Notes) Net banking profit is calculated by deducting expenses from gross banking profit.

Core banking profit is calculated by deducting gains (losses) on bonds from net banking profit.

3. Main accounts [Non-consolidated]

(1) Deposits and negotiable certificates of deposit

Deposits and negotiable certificates of deposit increased for both individuals and corporations. As of September 30, 2022, they amounted to ¥8,838.6 billion, presenting an increase of ¥181.3 billion from September 30, 2021.

		September 30, 2022	Change from September 30, 2021		September 30, 2021	(Billion yen, %)
			Billion yen	%		
	Deposits (Term-end)	8,201.1	126.7	1.5	8,074.4	8,319.7
	Negotiable certificates of deposit (Term-end)	637.4	54.6	9.3	582.8	668.0
Deposits and negotiable certificates of deposit (Term-end)		8,838.6	181.3	2.0	8,657.2	8,987.8
	Individuals	5,585.3	208.3	3.8	5,376.9	5,491.7
	Corporations	2,696.7	75.9	2.8	2,620.7	2,724.8
	Financial institutions	556.5	(102.9)	(15.6)	659.4	771.2
	Deposits (Term-average)	8,302.0	186.2	2.2	8,115.7	
	Negotiable certificates of deposit (Term-average)	608.3	(63.5)	(9.4)	671.9	
Deposits and negotiable certificates of deposit (Term-average)		8,910.4	122.6	1.3	8,787.7	

(2) Loans and bills discounted

Loans and bills discounted increased ¥191.2 billion from September 30, 2021 to ¥6,222.3 billion, primarily due to a growth in loans for corporations.

Loans to small and medium enterprises (SMEs), etc. increased ¥88.0 billion from September 30, 2021 to ¥4,097.7 billion, as we responded to a wide range of financing needs.

(Billion yen, %)					
	September 30, 2022	Change from September 30, 2021		September 30, 2021	March 31, 2022
		Billion yen	%		
Loans and bills discounted (Term-end)	6,222.3	191.2	3.1	6,031.0	6,148.9
Loans for SMEs, etc.	4,097.7	88.0	2.1	4,009.6	4,071.3
Loans for SMEs	2,445.4	81.8	3.4	2,363.5	2,421.9
Housing loans	1,723.7	(1.3)	(0.0)	1,725.0	1,724.5
Loans and bills discounted (Term-average)	6,165.9	82.4	1.3	6,083.5	

(3) Securities

We strived to appropriately manage our investments in securities while carefully monitoring market trends. As a result, securities with valuation difference excluded totaled ¥2,230.7 billion as of September 30, 2022.

		September 30, 2022		September 30, 2021	(Billion yen, %)
		Change from September 30, 2021			
		Billion yen	%		March 31, 2022
Securities (Term-end)		2,987.3	(225.1)	(7.0)	3,212.5
Bonds		2,023.4	(29.7)	(1.4)	2,053.1
Shares		963.9	(195.4)	(16.8)	1,159.4
(Valuation difference)		756.6	(259.7)	(25.5)	1,016.4
Securities with valuation difference excluded (Term-end)		2,230.7	34.5	1.5	2,196.1
Securities (Term-average)		2,185.2	(39.9)	(1.7)	2,225.1

(4) Group's client assets

Group's client assets increased ¥37.1 billion from September 30, 2021 to ¥717.7 billion.

As for sales during the six months ended September 30, 2022, sales of insurance and financial product intermediary services increased year on year, while sales of investment trusts declined.

<Balance>				(Billion yen)		
			September 30, 2022	Change from September 30, 2021	September 30, 2021	March 31, 2022
The Bank of Kyoto	Investment trusts		218.7	8.5	210.2	227.6
	Insurance		280.3	19.4	260.9	273.8
	Foreign currency deposits		15.6	(5.5)	21.2	19.1
	Public bonds		56.3	(10.8)	67.1	62.4
	Kyogin Securities		146.6	25.7	120.9	128.7
Group total			717.7	37.1	680.5	711.9

(Note) Figures presented above for foreign currency deposits are those for foreign currency deposits made by individuals.

<Sales during the six months ended September 30, 2022>

	Six months ended September 30, 2022		Six months ended September 30, 2021
		Year-on-year change	
Investment trusts	29.5	(9.9)	39.4
Financial product intermediary services	32.7	1.6	31.1
Insurance	16.6	6.1	10.4

(Note) Figures presented above for insurance are total sales of single-premium personal annuities and whole life insurance.

4. Financial soundness

(1) Equity-to-asset ratio (Domestic standard)

Equity-to-asset ratio (non-consolidated) (domestic standard) was 11.96%.

The composition of Net Assets is presented on the Bank's website (<https://www.kyotobank.co.jp/>) (available only in Japanese).

[Non-consolidated]

(Billion yen)

	September 30, 2022 (Preliminary)	Change from September 30, 2021	September 30, 2021	March 31, 2022
Equity-to-asset ratio	11.96 %	0.46 %	11.50 %	11.59 %
Net assets	452.6	18.2	434.4	440.0
Risk-weighted assets, etc.	3,782.9	5.8	3,777.1	3,794.4

[Consolidated]

(Billion yen)

	September 30, 2022 (Preliminary)	Change from September 30, 2021	September 30, 2021	March 31, 2022
Equity-to-asset ratio	12.50 %	0.50 %	12.00 %	12.11 %
Net assets	474.0	19.9	454.0	460.3
Risk-weighted assets, etc.	3,792.4	11.4	3,780.9	3,799.1

(Note) To calculate credit risk-weighted assets, the Bank uses the foundation internal ratings-based approach (FIRB).

(2) Non-performing loans [Non-consolidated]

We maintained the ratio of Non-performing loans based on the Financial Reconstruction Law at a low level; the ratio was 1.53%, and if partial direct write-offs had been made, the ratio would have been 1.45%.

Trend in Non-performing loans based on the Financial Reconstruction Law

(Billion yen)

	Self-assessment category	September 30, 2022	Change from September 30, 2021	September 30, 2021	March 31, 2022
Unrecoverable or valueless	Borrowers in legal or de facto bankruptcy	10.0	3.9	6.0	5.8
Risk	Borrowers in danger of bankruptcy	80.2	6.9	73.3	80.6
Special attention		6.2	(0.6)	6.8	6.2
Total Non-performing loans		96.5	10.2	86.2	92.8
Non-performing loan ratio		1.53%	0.12%	1.41%	1.49%
<If partial direct write-offs had been made>					
Total Non-performing loans		91.9	8.5	83.3	90.3
Non-performing loan ratio		1.45%	0.09%	1.36%	1.45%

(3) Valuation difference on securities [Non-consolidated]

We maintained valuation difference on securities at a high level; they totaled ¥756.6 billion.

(Billion yen)

		September 30, 2022	Change from September 30, 2021	September 30, 2021	March 31, 2022
Valuation difference on securities		756.6	(259.7)	1,016.4	881.1
	Shares	793.1	(192.8)	986.0	888.7
	Bonds	(23.3)	(27.9)	4.5	(10.2)
	Others	(13.1)	(38.9)	25.8	2.6

5. Financial results forecast

Financial results forecast for the fiscal year ending March 31, 2023 (April 1, 2022 to March 31, 2023)

As the social and economic outlook remains uncertain, we will continue to offer high-quality and comprehensive financial solutions so that we will be able to grow together with our community and customers.

We expect profit attributable to owners of parent (consolidated) to be ¥24.0 billion and profit (non-consolidated) to be ¥22.2 billion for the fiscal year ending March 31, 2023 (FY2022), exceeding the results for the fiscal year ended March 31, 2022 (FY2021).

[Consolidated]

(Million yen)

	FY2022 (Current forecast)		FY2021 (Actual)
		Change from FY2021	
Ordinary profit	34,200	5,024	29,176
Profit attributable to owners of parent	24,000	3,379	20,621

[Non-consolidated]

(Million yen)

	FY2022 (Current forecast)		FY2021 (Actual)
		Change from FY2021	
Banking profit	32,100	3,179	28,921
Ordinary profit	31,200	5,116	26,084
Profit	22,200	3,482	18,718
Credit-related costs	3,000	(7,984)	10,984

6. Interim and year-end dividends

As for dividends for the fiscal year ending March 31, 2023 (FY2022), we plan to pay the interim dividend and the year-end dividend of ¥60, an increase of ¥10 from the originally announced amount of ¥50. The annual dividend will thus be ¥120, an increase of ¥20 from the original forecast.

Additionally, we have decided on matters regarding stock buybacks of up to ¥3.0 billion (up to 700 thousand shares), which, together with the dividend payouts, will make the total return ratio 50%.

	FY2022 (Current forecast)			FY2022 (Original forecast)	FY2021 (Actual)
		Change from original forecast	Change from FY2021		
Interim dividends	¥60	¥10	¥25	¥50	¥35
Year-end dividends	¥60	¥10	(¥5)	¥50	¥65
Annual dividends	¥120	¥20	¥20	¥100	¥100

(Note) The commemorative dividend (¥5) at the FY2021 interim dividend payment is an 80-year anniversary dividend.

7. Income structure [Non-consolidated]

Income for the six months ended September 30, 2022 is calculated based on the structure presented below.

<Expenses>		<Income>	
Interest expenses	2.1 bn yen	Interest income	44.2 bn yen
Interest paid on various deposits, etc.		Interest income from business loans, housing loans, securities, etc.	
(1) Net interest income	42.1 bn yen		
Fees and commissions payment	2.8 bn yen	Fees and commissions	8.8 bn yen
Fees paid by the Bank such as fees and commissions on exchanges		Fees received from various services, such as investment trust sales and money transfers	
(2) Net fees and commissions	5.9 bn yen		
Other ordinary expenses	6.4 bn yen	Other ordinary income	5.0 bn yen
Losses on sales of bonds		Gains on foreign exchange transactions, gains on sales of bonds, etc.	
(3) Net other ordinary income	(1.3) bn yen		
Gains (losses) on bonds	(3.2) bn yen (A)		
Provision for allowance for general loan losses	(0.9) bn yen (C)	Gross banking profit	46.7 bn yen (B)
Expenses	27.0 bn yen (D)	(1) Net interest income	42.1 bn yen
Banking profit	20.5 bn yen	(2) Net fees and commissions	5.9 bn yen
(E) = (B) - (C) - (D)		(3) Net other ordinary income	(1.3) bn yen
Non-recurring expenses	2.2 bn yen	Banking profit	20.5 bn yen
Expenses related to write-offs of non-performing loans, shares, etc.		Non-recurring income	2.3 bn yen
Ordinary profit	20.7 bn yen	Gains on sales of shares, etc.	
Extraordinary losses	0.2 bn yen	Ordinary profit	20.7 bn yen
Income taxes - current	5.3 bn yen	Extraordinary income	0.1 bn yen
Income taxes - deferred	0.2 bn yen		
Profit	15.0 bn yen		

Net banking profit and core banking profit are indices that show profitability after deducting gains (losses) on sales of bonds and provision for allowance for general loan losses, etc. from banking profit.

◎ Net banking profit (¥19.6 bn) = Banking profit (E) (¥20.5 bn) + Provision for allowance for general loan losses (C) (¥(0.9) bn)

◎ Core banking profit (¥22.9 bn) = Net banking profit (¥19.6 bn) - Gains (losses) on bonds (A) ¥(3.2) bn

* Gains (losses) on bonds = Gains on sales of bonds + gains on redemption of bonds
- losses on sales of bonds - losses on redemption of bonds - write-offs of bonds

II Financial results for the six months ended September 30, 2022

1. Profit and loss

[Non-consolidated]

(Million yen)

	Six months ended September 30, 2022	Year-on-year change	Six months ended September 30, 2021
Gross banking profit	46,717	(1,119)	47,837
(Excluding gains (losses) on bonds)	(50,016)	(2,827)	(47,189)
Net interest income	42,125	961	41,164
Net fees and commissions	5,964	362	5,602
Net other ordinary income	(1,372)	(2,442)	1,070
(Gains (losses) on bonds)	((3,299))	((3,947))	(647)
Gross banking profit from domestic operations	49,680	3,084	46,596
(Excluding gains (losses) on bonds)	(46,564)	(710)	(45,854)
Net interest income	40,943	475	40,467
Net fees and commissions	5,858	362	5,495
Net other ordinary income	2,879	2,246	632
(Gains (losses) on bonds)	(3,115)	(2,374)	(741)
Gross banking profit from international operations	(2,963)	(4,204)	1,240
(Excluding gains (losses) on bonds)	(3,451)	(2,117)	(1,334)
Net interest income	1,181	485	696
Net fees and commissions	106	0	106
Net other ordinary income	(4,251)	(4,689)	437
(Gains (losses) on bonds)	((6,415))	((6,321))	(93)
Expenses	27,058	(244)	27,303
Personnel expenses	15,232	(73)	15,306
Non-personnel expenses	9,376	(312)	9,689
Taxes	2,450	142	2,307
Net banking profit	19,658	(875)	20,533
Core banking profit	22,957	3,071	19,886
Excluding gains (losses) on cancellation of investment trusts	22,139	2,810	19,329
(1) Provision for allowance for general loan losses	(919)	(3,796)	2,877
Banking profit	20,577	2,920	17,656
Gains (losses) on bonds	(3,299)	(3,947)	647
Non-recurring income (losses)	180	57	123
(2) Losses related to non-performing loans	1,590	1,647	(57)
Write-offs of loans and bills discounted	0	0	0
Net provision for allowance for specific loan losses	1,575	1,579	(3)
Losses on sales of loans	—	(5)	5
Others	14	74	(59)
Income (losses) related to shares	1,591	1,294	297
Other non-recurring income (losses)	179	410	(230)
Ordinary profit	20,758	2,977	17,780
Extraordinary income (losses)	(109)	196	(306)
Gains (losses) on disposal of non-current assets	(33)	272	(306)
Impairment losses	76	76	—
Profit before income taxes	20,648	3,174	17,474
Income taxes - current	5,366	938	4,428
Income taxes - deferred	208	(26)	234
Total income taxes	5,575	911	4,663
Profit	15,073	2,262	12,811
Credit-related costs ((1) + (2))	671	(2,148)	2,819

(Note) Amounts of less than one million yen are rounded down.

[Consolidated]

<Based on the consolidated statements of income for the six months ended September 30, 2022>

(Million yen)

	Six months ended September 30, 2022	Year-on-year change	Six months ended September 30, 2021
Gross banking profit (consolidated)	49,405	(1,016)	50,422
Net interest income	42,147	951	41,196
Net fees and commissions	7,711	437	7,273
Net other ordinary income	(453)	(2,405)	1,952
General and administrative expenses	28,230	(152)	28,382
Write-offs and provision for allowance for loan losses	734	(2,053)	2,787
Write-offs of loans and bills discounted	2	2	0
Provision for allowance for general loan losses	(943)	(3,763)	2,819
Provision for allowance for specific loan losses	1,652	1,641	10
Losses on sales of loans	7	(9)	17
Others	14	74	(59)
Income (losses) related to shares	1,591	1,294	297
Share of loss (profit) of entities accounted for using equity method	1	(8)	9
Others	184	457	(273)
Ordinary profit	22,218	2,933	19,285
Extraordinary income (losses)	(109)	196	(306)
Profit before income taxes	22,108	3,129	18,978
Income taxes - current	5,846	964	4,881
Income taxes - deferred	231	(41)	272
Total income taxes	6,078	923	5,154
Profit	16,030	2,206	13,824
Profit attributable to non-controlling interests	70	9	61
Profit attributable to owners of parent	15,959	2,196	13,762

(Note) Gross banking profit (consolidated)

= net interest income (interest income - (interest expenses - expenses equivalent to gains (losses) on money held in trust))

+ net fees and commissions (fees and commissions - fees and commissions payments)

+ net other ordinary income (other ordinary income - other ordinary expenses)

(Reference)

(Million yen)

	Six months ended September 30, 2022	Year-on-year change	Six months ended September 30, 2021
Net banking profit (consolidated)	21,174	(864)	22,039
Banking profit (consolidated)	22,118	2,898	19,219

(Note) Banking profit (consolidated) = Gross banking profit (consolidated) - general and administrative expenses
- provision for allowance for general loan losses

(Comprehensive income (consolidated))

(Million yen)

	Six months ended September 30, 2022	Year-on-year change	Six months ended September 30, 2021
Comprehensive income	(69,500)	(75,708)	6,207
Profit	16,030	2,206	13,824
Other comprehensive income	(85,530)	(77,914)	(7,616)
(Valuation difference on available-for-sale securities) (Fluctuation)	(86,249)	(81,466)	(4,782)

(Number of entities within the scope of consolidation)

(Entities)

	September 30, 2022	Change from September 30, 2021	September 30, 2021
Number of consolidated subsidiaries	7	—	7
Number of entities accounted for by the equity method	1	—	1

2. Banking profit [Non-consolidated]

(Million yen)

	Six months ended		Six months ended
	September 30, 2022	Year-on-year change	September 30, 2021
(1) Net banking profit	19,658	(875)	20,533
Per employee (thousand yen)	5,681	(165)	5,846
(2) Banking profit	20,577	2,920	17,656
Per employee (thousand yen)	5,947	919	5,027

(Note) The term-average number of employees (excluding seconded employees) is used for calculation.

3. Interest rate spread [Non-consolidated]

(1) Overall

(%)

	Six months ended		Six months ended
	September 30, 2022	Year-on-year change	September 30, 2021
Interest rate earned on loans and bills discounted (A)	0.74	0.02	0.72
Interest rate earned on securities	1.79	0.04	1.75
Interest rate earned on interest-earning assets (a)	1.01	0.02	0.99
Costs incurred on deposits, etc. (B)	0.64	0.01	0.63
Interest rate paid on deposits, etc.	0.03	0.02	0.01
Overhead ratio	0.60	(0.01)	0.61
Costs of funding (b)	0.56	0.03	0.53
Interest rate spread (A) - (B)	0.10	0.01	0.09
Gross interest rate spread (a) - (b)	0.45	(0.01)	0.46

(2) Domestic operations

(%)

	Six months ended		Six months ended
	September 30, 2022	Year-on-year change	September 30, 2021
Interest rate earned on interest-earning assets (A)	0.98	(0.01)	0.99
Interest rate earned on loans and bills discounted	0.70	(0.02)	0.72
Interest rate earned on securities	1.80	0.03	1.77
Costs of funding (B)	0.53	0.02	0.51
Interest rate paid on deposits, etc.	0.00	0.00	0.00
Interest rate paid on external liabilities	(0.00)	0.00	(0.00)
Gross interest rate spread (A) - (B)	0.45	(0.03)	0.48

4. Gains and losses on securities [Non-consolidated]

(Million yen)

	Six months ended		Six months ended
	September 30, 2022	Year-on-year change	September 30, 2021
Gains (losses) related to bonds	(3,299)	(3,947)	647
Gains on sales	3,140	2,294	846
Gains on redemption	—	—	—
Losses on sales	6,439	6,240	198
Losses on redemption	—	—	—
Write-offs	0	0	—
Gains (losses) related to shares	1,591	1,294	297
Gains on sales	1,756	1,327	429
Losses on sales	10	2	7
Write-offs	155	30	124

○ Impairment criteria

Our standards for asset self-assessment dictate following impairment criteria by issuer category:

Issuer category	Impairment criteria
In legal bankruptcy, in de facto bankruptcy, or in danger of bankruptcy	The fair value falls below the acquisition cost.
Requiring vigilance	The fair value declines 30% or more from the acquisition cost.
In good standing	The fair value declines 50% or more from the acquisition cost, or the fair value declines 30% or more and less than 50% from the acquisition cost and the market value remains at or below a certain level.

5. Valuation difference on securities

(1) Valuation methods for securities

Trading securities	Fair value method (valuation difference recognized in profit or loss)
Held-to-maturity securities	Amortized cost method
Available-for-sale securities	Fair value method (valuation difference recognized entirely in net assets)
Shares of subsidiaries and affiliated companies	Cost method

(Reference) Securities in the money held in trust

Money held in trust for investment purposes	Fair value method (valuation difference recognized in profit or loss)
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(2) Valuation difference

[Non-consolidated]

(Million yen)

		September 30, 2022			March 31, 2022		
		Valuation difference			Valuation difference		
		Change from March 31, 2022	Gain on valuation	Loss on valuation		Gain on valuation	Loss on valuation
Held-to-maturity securities		—	—	—	—	—	—
Shares of subsidiaries and affiliated companies		—	—	—	—	—	—
Available-for-sale securities		756,673	(124,521)	798,472	881,194	902,420	21,225
Shares		793,189	(95,557)	794,425	888,746	890,303	1,556
Bonds		(23,384)	(13,134)	2,125	(10,250)	3,780	14,030
Others		(13,131)	(15,829)	1,922	2,697	8,336	5,638
Total		756,673	(124,521)	798,472	881,194	902,420	21,225
Shares		793,189	(95,557)	794,425	888,746	890,303	1,556
Bonds		(23,384)	(13,134)	2,125	(10,250)	3,780	14,030
Others		(13,131)	(15,829)	1,922	2,697	8,336	5,638

(Notes) 1. Available-for-sale securities are valued at fair value. Presented in the table above are the differences between the figures in the non-consolidated balance sheets and the acquisition prices.

2. Valuation difference on available-for-sale securities as of September 30, 2022 is ¥526,809 million.

[Consolidated]

(Million yen)

		September 30, 2022			March 31, 2022		
		Valuation difference			Valuation difference		
		Change from March 31, 2022	Gain on valuation	Loss on valuation		Gain on valuation	Loss on valuation
Held-to-maturity securities		(36)	(24)	5	(11)	7	19
Available-for-sale securities		757,298	(124,324)	799,098	881,622	902,848	21,225
Shares		793,815	(95,360)	795,050	889,175	890,731	1,556
Bonds		(23,384)	(13,134)	2,125	(10,250)	3,780	14,030
Others		(13,131)	(15,829)	1,922	2,697	8,336	5,638
Total		757,262	(124,348)	799,104	881,611	902,856	21,245
Shares		793,815	(95,360)	795,050	889,175	890,731	1,556
Bonds		(23,420)	(13,158)	2,130	(10,261)	3,788	14,050
Others		(13,131)	(15,829)	1,922	2,697	8,336	5,638

(Notes) 1. Available-for-sale securities are valued at fair value. Presented in the table above are the differences between the figures in the consolidated balance sheets and the acquisition prices.

2. Valuation difference on available-for-sale securities as of September 30, 2022 is ¥526,960 million.

6. ROE

[Consolidated]

(%)

	Six months ended September 30, 2022	Year-on-year change	Six months ended September 30, 2021
Based on shareholders' equity	6.60	0.76	5.84
Based on net assets	3.03	0.68	2.35

- (Notes) 1. The average balance of shareholders' equity and the average balance of net assets, which serve as the denominators of the calculation formulae, are computed by dividing the sum of the balance at the beginning of the term and the balance at the end
2. Shareholders' equity = total net assets - subscription right to share - non-controlling interests
- total accumulated other comprehensive income
3. Net assets = total net assets - subscription right to share - non-controlling interests

<Reference>

[Non-consolidated]

(%)

	Six months ended September 30, 2022	Year-on-year change	Six months ended September 30, 2021
Based on shareholders' equity	6.51	0.85	5.66
Based on net assets	2.91	0.69	2.22

- (Notes) 1. The average balance of shareholders' equity and the average balance of net assets, which serve as the denominators of the calculation formulae, are computed by dividing the sum of the balance at the beginning of the term and the balance at the end
2. Shareholders' equity = total net assets - subscription right to share - total valuation and translation adjustments
3. Net assets = total net assets - subscription right to share

7. Number of branches [Non-consolidated]

(Branches)

	September 30, 2022	Change from March 31, 2021	March 31, 2022
Kyoto Prefecture	111	—	111
Osaka Prefecture	31	—	31
Shiga Prefecture	14	—	14
Nara Prefecture	7	—	7
Hyogo Prefecture	8	—	8
Aichi Prefecture	2	—	2
Tokyo Prefecture	1	—	1
Total	174	—	174

III Loans, etc.

We do not make partial direct write-offs.

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

* As the Regulation for Enforcement of the Banking Act was revised, we started on March 31, 2022 to categorize and present risk management loans using the categories, etc. for Non-performing loans based on the Financial Reconstruction Law. Past data are also categorized and presented in the new categories, etc.

[Non-consolidated]

(Million yen)

	September 30, 2022	Change from March 31, 2022	Change from September 30, 2021	March 31, 2022	September 30, 2021
Unrecoverable or valueless	10,057	4,158	3,999	5,898	6,057
Risk	80,254	(401)	6,947	80,655	73,307
Special attention	6,201	(82)	(661)	6,284	6,862
Accruing loans (three months or more)	0	0	0	—	—
Restructured loans	6,201	(82)	(661)	6,284	6,862
Total Non-performing loans a	96,513	3,674	10,285	92,839	86,227
Normal	6,207,780	76,150	188,474	6,131,629	6,019,306
Total b	6,304,294	79,825	198,760	6,224,468	6,105,533
Non-performing loan ratio (a/b)	1.53 %	0.04 %	0.12 %	1.49 %	1.41 %

(Note) Assets include: Credit-related receivables, such as loans and bills discounted, customers' liabilities for acceptances and guarantees, foreign exchanges, suspense payments equivalent to loans, accrued interest, etc., and private placement bonds guaranteed by banks

Coverage c	89,429	4,614	12,476	84,814	76,952
Allowance for loan losses	18,580	1,405	4,511	17,175	14,069
Collateral, guarantees, etc.	70,848	3,209	7,964	67,639	62,883
Coverage ratio (c/a)	92.6 %	1.3 %	3.4 %	91.3 %	89.2 %

<Reference> If partial direct write-offs had been made

	September 30, 2022	Change from March 31, 2022	Change from September 30, 2021	March 31, 2022	September 30, 2021
Total Non-performing loans	91,905	1,585	8,516	90,319	83,388
Non-performing loan ratio	1.45 %	0.00 %	0.09 %	1.45 %	1.36 %

[Consolidated]

(Million yen)

	September 30, 2022	Change from March 31, 2022	Change from September 30, 2021	March 31, 2022	September 30, 2021
Unrecoverable or valueless	10,645	4,172	3,948	6,472	6,696
Risk	80,263	(401)	6,947	80,664	73,316
Special attention	6,201	(82)	(661)	6,284	6,863
Accruing loans (three months or more)	0	0	0	—	—
Restructured loans	6,201	(83)	(662)	6,284	6,863
Total Non-performing loans a	97,110	3,688	10,233	93,421	86,876
Normal	6,207,047	77,213	191,152	6,129,833	6,015,894
Total b	6,304,157	80,901	201,386	6,223,255	6,102,771
Non-performing loan ratio (a/b)	1.54 %	0.04 %	0.12 %	1.50 %	1.42 %

<Reference> If partial direct write-offs had been made

	September 30, 2022	Change from March 31, 2022	Change from September 30, 2021	March 31, 2022	September 30, 2021
Total Non-performing loans	92,059	1,571	8,498	90,487	83,560
Non-performing loan ratio	1.46 %	0.01 %	0.10 %	1.45 %	1.36 %

2. Results of self-assessment and Allowance for loan losses

Results of self-assessment[Non-consolidated]

(Million yen)

	September 30, 2022	Change from March 31, 2022	Change from September 30, 2021	March 31, 2022	September 30, 2021
In legal bankruptcy	2,031	669	254	1,361	1,777
In de facto bankruptcy	8,025	3,488	3,745	4,537	4,280
In danger of bankruptcy	80,093	(405)	6,930	80,499	73,163
Requiring vigilance	553,302	(34,424)	(52,697)	587,726	606,000
Requiring management	15,349	(1,071)	(2,469)	16,420	17,819
Special attention (Loans and bills discounted only)	6,201	(82)	(661)	6,284	6,862
Others requiring vigilance	537,952	(33,353)	(50,228)	571,306	588,180
Normal	5,603,431	108,156	234,482	5,495,275	5,368,948
Total	6,246,884	77,484	192,715	6,169,400	6,054,169

(Note) Assets include: Credit-related receivables, such as loans and bills discounted, customers' liabilities for acceptances and guarantees, foreign exchanges, suspense payments equivalent to loans, accrued interest, etc.

Allowance for loan losses[Non-consolidated]

	September 30, 2022	Change from March 31, 2022	Change from September 30, 2021	March 31, 2022	September 30, 2021
Allowance for loan losses	34,099	400	7,906	33,698	26,193
Allowance for general loan losses	18,065	(919)	4,207	18,984	13,858
Allowance for specific loan losses	16,034	1,319	3,699	14,714	12,335

○ Policy for write-offs and allowances for loan losses

Borrower category	Policy for write-offs and allowances for loan losses
In good standing	On a loan, an allowance is provided for expected losses in the following year using the historical loss rate
Requiring vigilance (Except for those requiring management)	
Requiring management	On a loan, an allowance is provided for expected losses in the following three years using the historical loss rate. For some loans, allowances are provided using the discounted cash flow method.
In danger of bankruptcy	On the portion of a loan that is not covered by collateral or a guarantee, an allowance is provided for expected losses in the following three years using the historical loss rate. For some loans, allowances are provided using the discounted cash flow method.
In de facto or legal bankruptcy	A write-off is made or an allowance is provided for the entire portion of a loan that is not covered by collateral or a guarantee.

(Notes) 1. When a loan receivable by the Bank is converted to a capital subordinated loan, and the Bank treats it as capital, the Bank provides an allowance not exceeding the amount of the said loan but for the entire amount of the uncovered portion of the loan as if it were not capital. For some loans, allowances are provided using the discounted cash flow method.

2. Of the loans to the borrowers categorized as borrowers requiring vigilance or borrowers requiring management according to the policy presented above, on loans to specific borrowers for whom it is considered difficult to determine the prospect of formulating plans due to the impact of COVID-19, allowances for loan losses are provided based on the expected loss rate on the uncovered amount of the loans to borrowers in danger of bankruptcy.

3. Loans by industry

(1) Loans by industry [Non-consolidated]

(Million yen)

	September 30, 2022	Change from		March 31, 2022	September 30, 2021
		March 31, 2022	September 30, 2021		
Domestic (Excluding special international financial transactions accounts)	6,222,317	73,347	191,237	6,148,969	6,031,079
Manufacture	1,139,171	38,860	63,658	1,100,310	1,075,512
Agriculture and forestry	3,190	268	45	2,922	3,145
Fisheries	37	(3)	(7)	41	44
Mining, stone quarrying, and gravel quarrying	15,802	(2,483)	(2,912)	18,285	18,714
Construction	195,025	145	3,602	194,880	191,423
Electricity, gas, heat supply and water	114,027	8,935	16,422	105,092	97,605
Information and communications	27,688	1,563	(8,995)	26,125	36,684
Transport and postal services	226,228	(5,870)	(1,447)	232,098	227,675
Wholesale and retail trade	678,181	11,868	28,055	666,312	650,125
Finance and insurance	256,438	9,272	25,856	247,165	230,581
Real estate and goods rental and leasing	816,926	22,240	55,100	794,685	761,826
Services	481,510	(2,743)	(1,946)	484,253	483,456
Local governments	600,810	(11,619)	7,916	612,430	592,893
Others	1,667,278	2,913	5,888	1,664,364	1,661,390

(2) Risk management loans by industry [Non-consolidated]

(Million yen)

	September 30, 2022	Change from		March 31, 2022	September 30, 2021
		March 31, 2022	September 30, 2021		
Domestic (Excluding special international financial transactions accounts)	96,513	3,674	10,285	92,839	86,227
Manufacture	19,161	(489)	2,208	19,651	16,953
Agriculture and forestry	213	(1)	16	215	197
Fisheries	27	(1)	(2)	28	30
Mining, stone quarrying, and gravel quarrying	4	(2)	(3)	6	7
Construction	8,074	782	996	7,291	7,077
Electricity, gas, heat supply and water	14	(0)	(1)	15	15
Information and communications	1,502	(16)	632	1,519	869
Transport and postal services	3,274	604	1,045	2,670	2,229
Wholesale and retail trade	21,606	2,348	4,458	19,258	17,148
Finance and insurance	462	(11)	356	473	106
Real estate and goods rental and leasing	4,764	1	82	4,762	4,682
Services	24,470	591	639	23,879	23,831
Local governments	—	—	—	—	—
Others	12,936	(130)	(143)	13,067	13,080

(3) Loans to SMEs, etc. [Non-consolidated]

(Million yen)

	September 30, 2022	Change from		March 31, 2022	September 30, 2021
		March 31, 2022	September 30, 2021		
Loans to SMEs, etc.	4,097,716	26,378	88,043	4,071,338	4,009,673
Ratio of loans to SMEs, etc. (%)	65.85	(0.36)	(0.63)	66.21	66.48

(4) Consumer loans [Non-consolidated]

(Million yen)

	September 30, 2022	Change from		March 31, 2022	September 30, 2021
		March 31, 2022	September 30, 2021		
Consumer loans	1,754,449	(820)	(588)	1,755,269	1,755,037
Housing loans	1,723,728	(870)	(1,335)	1,724,599	1,725,064
Other consumer loans	30,720	50	746	30,670	29,973

4. Loans by country

(1) Specified overseas receivables [Non-consolidated]

None

(2) Loans to Asia [Non-consolidated]

(Million yen)

	September 30, 2022			March 31, 2022	September 30, 2021
		Change from March 31, 2022	Change from September 30, 2021		
Singapore	3,000	—	—	3,000	3,000
China	511	42	191	469	319
Indonesia	187	(101)	(229)	289	417
UAE	2,721	250	308	2,470	2,412
Qatar	724	112	164	611	559
Total	7,144	303	434	6,841	6,709

(3) Loans to major countries in Latin America [Non-consolidated]

(Million yen)

	September 30, 2022			March 31, 2022	September 30, 2021
		Change from March 31, 2022	Change from September 30, 2021		
Chile	724	112	164	611	559
Mexico	381	59	320	322	61
Total	1,105	171	484	934	621

(4) Loans to Russia [Non-consolidated]

None