



Kansai Mirai Financial Group, Inc.

Consolidated Financial Results for Fiscal Year 2019

(April 1, 2019 – March 31, 2020/ Unaudited)
<under Japanese GAAP>



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URL: <https://www.kmfg.co.jp/english/index.html>

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General Meeting of Stockholders: June 25, 2020

Annual securities report issuing date: June 26, 2020

Supplemental information for the financial results: Available

Investor relations meeting: Scheduled (for institutional investors and analysts)

Stock exchange listings: Tokyo

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Dividends payment date: June 26, 2020

Trading accounts: Not Established

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

1. Consolidated Financial Results for Fiscal Year 2019 (April 1, 2019- March 31, 2020)

(1) Consolidated Operating Results

(% represents the change from the previous fiscal year)

	Ordinary Income		Ordinary Profits		Net Income Attributable to Owners of the Parent	
	Million yen	%	Million yen	%	Million yen	%
Fiscal Year 2019	189,725	(-1.6)	8,575	(-48.6)	3,925	(-94.3)
Fiscal Year 2018	192,866	(—)	16,679	(680.8)	68,422	(-5.0)

Notes: 1. Comprehensive Income: FY2019: - 8,851million yen (-113.4 %) FY2018: 66,262 million yen (-8.9%).

2. For FY2018, the change from the previous fiscal year in Ordinary Income is shown as "-" since it was over 1,000%.

	Net Income per Share of Common Stock	Diluted Net Income per Share of Common Stock	Net Income to Net Assets Attributable to Stockholders Ratio	Ordinary Profits to Total Assets Ratio	Ordinary Profits to Ordinary Income Ratio
	Yen	Yen	%	%	%
Fiscal Year 2019	10.53	10.52	0.9	0.1	4.5
Fiscal Year 2018	183.70	183.50	22.7	0.2	8.6

(2) Consolidated Financial Conditions

	Total Assets	Net Assets	Net Assets Attributable to Stockholders to Total Assets Ratio	Net Assets per Share of Common Stock
	Million yen	Million yen	%	Yen
March 31, 2020	11,225,125	455,350	4.0	1,214.33
March 31, 2019	11,630,112	473,520	4.0	1,263.56

(Reference) Net Assets Attributable to Stockholders: March 31, 2020: 452,314million yen March 31, 2019: 470,629 million yen

Note: Net Assets Attributable to Stockholders to Total Assets Ratio is calculated at (Net assets at fiscal year-end minus Stock acquisition rights at fiscal year-end minus Noncontrolling interests at fiscal year-end) divided by Total assets at fiscal year-end. This ratio is not capital adequacy ratio defined in the "Notification on Consolidated Capital Adequacy".

(3) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at Fiscal Year-end
	Million yen	Million yen	Million yen	Million yen
Fiscal Year 2019	(348,869)	149,144	(13,315)	921,863
Fiscal Year 2018	(355,929)	258,829	(6,909)	1,134,904

2. Dividends on Common Stock

	Dividends per Share					Total Dividends (Annual)	Dividend Payout Ratio (Consolidated)	Dividends to Net Assets Ratio (Consolidated)
	1 st Quarter-end	2 nd Quarter-end	3 rd Quarter-end	Fiscal Year-end	Total			
	<i>Yen</i>	<i>Yen</i>	<i>Yen</i>	<i>Yen</i>	<i>Yen</i>	<i>Million yen</i>	<i>%</i>	<i>%</i>
Fiscal Year 2018	—	0.00	—	25.00	25.00	9,311	13.6	1.5
Fiscal Year 2019	—	0.00	—	10.00	10.00	3,724	94.9	0.8
Fiscal Year 2020 (Forecast)	—	0.00	—	10.00	10.00		62.1	

3. Earnings Targets for Fiscal Year 2020 (April 1, 2020 - March 31, 2021)

(% represents the change from the previous fiscal year)

	Net Income Attributable to Owners of the Parent		Net Income per Share of Common Stock
	<i>Million yen</i>	<i>%</i>	<i>Yen</i>
Fiscal Year 2020 (Full year)	6,000	(52.8)	16.11

※ Other Notes

- (1) Changes in Significant Subsidiaries during the Fiscal Year: Yes
 New : Not applicable
 Excluded : Kansai Urban Banking Corporation
- (2) Changes in Accounting Policies, Changes in Accounting Estimates and Restatements
 - A) Changes due to revision of accounting standards : No
 - B) Changes due to other reasons : No
 - C) Changes in accounting estimates : No
 - D) Restatements : No
- (3) Number of Shares of Common Stock Outstanding
 - A) Total outstanding shares including treasury stock at the fiscal year-end
 March 31, 2020: 372,876,219 shares March 31, 2019: 372,876,219 shares
 - B) Treasury stock at the fiscal year-end
 March 31, 2020: 396,567 shares March 31, 2019: 414,624 shares
 - C) Average outstanding shares during the fiscal year
 FY2019: 372,462,454 shares FY2018: 372,456,464 shares

Note: This Consolidated Financial Results is not subject to audit by Certified Public Accountants or Audit Firm.

Note: Disclaimer regarding Forward-looking Statements and Other notes

This report contains forward-looking statements, which are based on the information currently available and certain assumptions the company considers to be reasonable. Risks, uncertainties and other factors may cause actual results, performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements. Please refer to attachment "1. Overview of Operating Results (2) Future Outlook" for the assumptions used for the earnings targets.

Note: How to get supplemental information for the financial results

Supplemental information for the financial results is disclosed through TD net. Investor relations meeting for institutional investor or analyst is scheduled on May 18, 2020. Materials for the meeting will be available on the web site after the meeting.

○ Formula for Targeted Net Income per Share of Common Stock

Targeted net income attributable to owners of parent
Forecasted average number of shares of common stock (excluding treasury stock)

* Forecasted average number of shares of common stock (excluding treasury stock): 372,479,652 shares

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1. Overview of Operating Results

(1) Overview of Operating Results and Financial Conditions

Kansai Mirai Financial Group, Inc. completed the merger between Kansai Urban Banking Corp. and The Kinki Osaka Bank, Ltd. to create Kansai Mirai Bank, Ltd. ("Kansai Mirai") in April 2019 and Kansai Mirai integrated the clerical processes and IT systems in October 2019 without causing delays and major troubles.

Operating results and financial conditions for the fiscal year 2019 became as follows.

Consolidated gross ordinary profit for this fiscal year decreased by ¥5.5 billion from the previous fiscal year and amounted to ¥142.8 billion. Net interest income decreased by ¥3.5 billion and amounted to ¥109.2 billion mainly due to the decline in loan rates. Fees and commission income decreased by ¥3.0 billion and amounted to ¥28.2 billion mainly because fees relating to financial instruments decreased under the unstable market environment. Other operating income increased by ¥1.0 billion and amounted to ¥5.4 billion along with the improvement of bond related income for this fiscal year mainly because realization of loss on foreign bonds recognized for the previous fiscal year was not occurred.

Operating expenses (except for the bank's non-recurring expenses) decreased by ¥2.8 billion from the previous fiscal year and amounted to ¥113.6 billion.

As a result of above, actual net operating profit decreased by ¥2.7 billion from the previous fiscal year and amounted to ¥29.2 billion.

Credit costs (net) increased by ¥1.1 billion from the previous fiscal year and amounted to ¥6.2 billion mainly due to additional costs incurred by the partial amendment of evaluation method. Net gains or losses on stocks decreased by ¥4.0 billion and were losses of ¥4.0 billion mainly because it improved the soundness of securities portfolio and recognized impairment losses on securities due to the turmoil in the financial markets following the spread of COVID-19. In addition, integration costs increased due to the merger resulting in Kansai Mirai in April, 2019 and the operation and system integration completed in October, 2019.

As a result of above, ordinary profits decreased by ¥8.1 billion from the previous fiscal year and amounted to ¥8.5 billion.

Other than above, Kansai Mirai recognized impairment losses on fixed assets because it resolved further promotion of channel reform after the merger.

Based on these results, net income attributable to owners of parent decreased by ¥64.4 billion from the previous fiscal year and amounted to ¥3.9 billion. Excluding the effect of gain on negative goodwill recognized in the previous fiscal year, it decreased by ¥7.8 billion from the previous fiscal year.

Total assets on a consolidated basis decreased by ¥404.9 billion from the previous fiscal year-end and amounted to ¥11,225.1 billion.

With regards to assets, securities decreased by ¥158.4 billion and amounted to ¥866.8 billion. Loan and bills discounted decreased by ¥6.5 billion and amounted to ¥9,085.8 billion.

With regards to liabilities, deposits decreased by ¥308.7 billion and amounted to ¥10,377.0 billion. Negotiable certificates of deposit decreased by ¥73.8 billion and amounted to ¥133.1 billion.

With regards to net assets, it decreased by ¥18.1 billion and amounted to ¥455.3 billion. Total stockholders' equity decreased by ¥5.3 billion and amounted to ¥466.8 billion.

With regards to cash flows on a consolidated basis, cash flow from operating activities was used in ¥348.8 billion mainly due to decrease in deposits and negotiable certificates of deposit. Cash flow from investing activities was provided by ¥149.1 billion mainly because proceeds from sales and redemption of securities exceeded purchase of securities. Cash flow from financing activities was used in ¥13.3 billion mainly due to dividends paid and repayment of subordinated borrowings.

From these results, cash and cash equivalents decreased by ¥213.0 billion during this fiscal year and amounted to ¥921.8 billion at the end of this fiscal year.

(2) Future Outlook

For consolidated earnings outlook for the fiscal year 2020, ¥6.0 billion of net income attributable to owners of parent is set as target. For total of the group banks, ¥21.0 billion of actual net operating profit and ¥5.0 billion of net income are set as target.

The Group provides financial services such as leasing and credit card administration in addition to its main banking business. Surrounding the business and services, there exist various uncertainties caused by the economic environment, such as long term low interest rate environment due to the continuation of Negative Interest Rate Policy by the Bank of Japan and stagnation of economic activities caused by the spread of COVID-19. Therefore, the Company discloses consolidated earnings targets instead of consolidated earnings forecasts.

With regards to dividends, in view of its public nature as a regional financial institution group, the Company will maintain stable dividends while paying attention to the challenges relating to the Company's capital and financial policies and securing the required capital adequacy ratio.

For the fiscal year 2020, the Company plans annual dividends per share of common stock at ¥10 (year-end dividend ¥10) since it is determined necessary that the Company maintains certain level of capital in order to support the customers by exercising the finance intermediary function as a regional financial institution, while increasing unpredictability about the future caused by the impact of COVID-19 spread.

2. Basic Stance on Selection of Accounting Standards

The Company applies accounting principles generally accepted in Japan. The Group responds appropriately to the application of the International Financial Reporting Standards (IFRS) in the future by considering the situation prevailing in Japan and abroad.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Millions of yen)

	March 31, 2019	March 31, 2020
Assets		
Cash and due from banks	¥ 1,160,157	¥ 934,624
Call loans and bills bought	5,918	5,026
Monetary claims bought	4,537	1,797
Trading account securities	83	14
Securities	1,025,327	866,840
Loans and bills discounted	9,092,337	9,085,813
Foreign exchange assets	23,563	20,317
Lease receivables and investment assets	37,021	36,766
Other assets	155,219	139,192
Tangible fixed assets	110,139	103,934
Buildings	38,669	35,317
Land	62,502	60,953
Leased assets	1,214	1,168
Construction in progress	8	28
Other tangible fixed assets	7,744	6,465
Intangible fixed assets	8,837	4,859
Software	7,231	3,428
Leased assets	162	129
Other intangible fixed assets	1,442	1,302
Net defined benefit asset	6,149	18,711
Deferred tax assets	27,610	33,543
Customers' liabilities for acceptances and guarantees	25,086	23,209
Reserve for possible loan losses	(51,877)	(49,528)
Total Assets	11,630,112	11,225,125
Liabilities and Net Assets		
Liabilities		
Deposits	10,685,792	10,377,012
Negotiable certificates of deposit	206,950	133,140
Call money and bills sold	124	2,548
Payables under securities lending transactions	23,014	—
Borrowed money	101,851	110,510
Foreign exchange liabilities	277	965
Other liabilities	87,048	97,034
Reserve for employees' bonuses	5,346	5,078
Net defined benefit liability	12,219	12,602
Other reserves	8,420	7,225
Deferred tax liabilities	460	447
Acceptances and guarantees	25,086	23,209
Total Liabilities	11,156,591	10,769,774
Net Assets		
Capital stock	29,589	29,589
Capital surplus	309,357	309,351
Retained earnings	133,654	128,268
Treasury stock	(375)	(359)
Total stockholders' equity	472,225	466,851
Net unrealized gains on available-for-sale securities	6,904	(6,159)
Net deferred gains on hedges	(39)	(25)
Remeasurements of defined benefit plans	(8,461)	(8,350)
Total accumulated other comprehensive income	(1,596)	(14,536)
Stock acquisition rights	309	297
Noncontrolling interests	2,581	2,738
Total Net Assets	473,520	455,350
Total Liabilities and Net Assets	¥ 11,630,112	¥ 11,225,125

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income
[Consolidated Statement of Income]

(Millions of yen)

	FY 2018	FY 2019
	From April 1, 2018 to March 31, 2019	From April 1, 2019 to March 31, 2020
Ordinary income	¥ 192,866	¥ 189,725
Interest income	118,927	114,059
Interest on loans and bills discounted	106,484	102,808
Interest and dividends on securities	9,614	8,561
Interest on call loans and bills bought	128	213
Interest on receivables under resale agreements	(7)	(3)
Interest on due from banks	845	827
Other interest income	1,862	1,653
Fees and commissions	46,605	43,912
Other operating income	23,406	27,347
Other ordinary income	3,927	4,405
Recoveries of written-off loans	574	1,370
Other	3,352	3,035
Ordinary expenses	176,186	181,150
Interest expenses	6,145	4,853
Interest on deposits	5,165	4,392
Interest on negotiable certificates of deposit	23	16
Interest on call money and bills sold	(80)	(63)
Interest on payables under securities lending transactions	442	3
Interest on borrowed money	545	344
Other interest expenses	48	159
Fees and commissions	15,331	15,677
Other operating expenses	19,051	21,943
General and administrative expenses	119,294	115,320
Other ordinary expenses	16,362	23,355
Provision to reserve for possible loan losses	2,926	2,904
Other	13,436	20,451
Ordinary profits	16,679	8,575
Extraordinary gains	56,837	9,121
Gains on disposal of fixed assets	209	0
Gain on negative goodwill	56,628	—
Gain on contribution of securities to retirement benefit trust	—	4,930
Gain on revision of retirement benefit plan	—	4,191
Extraordinary losses	745	10,862
Losses on disposal of fixed assets	448	1,029
Impairment losses on fixed assets	297	6,902
Other extraordinary losses	—	2,930
Income before income taxes	72,771	6,833
Income taxes – current	3,803	3,842
Income taxes – deferred	443	(1,080)
Total income taxes	4,247	2,762
Net income	68,524	4,071
Net income attributable to noncontrolling interests	101	145
Net income attributable to owners of parent	¥ 68,422	¥ 3,925

[Consolidated Statement of Comprehensive Income]

(Millions of yen)

	FY 2018		FY 2019	
	From April 1, 2018 to March 31, 2019		From April 1, 2019 to March 31, 2020	
Net income	¥	68,524	¥	4,071
Other comprehensive income		(2,261)		(12,923)
Net unrealized gains (losses) on available-for-sale securities		(335)		(13,046)
Net deferred gains (losses) on hedges		(39)		13
Remeasurements of defined benefit plans		(1,887)		110
Total comprehensive income	¥	66,262	¥	(8,851)
Total comprehensive income attributable to:				
Owners of parent	¥	66,123	¥	(9,014)
Noncontrolling interests	¥	139	¥	162

(3) Consolidated Statement of Changes in Net Assets
For the fiscal year ended March 31, 2019

(Millions of yen)

	Stockholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total stockholders' equity
Balance at the beginning of the fiscal year	¥ 29,589	¥ 29,589	¥ 72,054	¥ —	¥ 131,233
Changes during the fiscal year					
Increase by share exchanges		280,108			280,108
Dividends paid			(6,823)		(6,823)
Net income attributable to owners of parent			68,422		68,422
Purchase of treasury stock				(739)	(739)
Disposal of treasury stock		(2)		11	8
Cancellation of treasury stock		(353)		353	—
Changes in shareholders' interest due to transaction with noncontrolling interests		14			14
Net changes except for stockholders' equity during the fiscal year					
Total changes during the fiscal year	—	279,767	61,599	(375)	340,992
Balance at the end of the fiscal year	¥ 29,589	¥ 309,357	¥ 133,654	¥ (375)	¥ 472,225

	Accumulated other comprehensive income				Stock acquisition rights	Noncontrolling interests	Total net assets
	Net unrealized gains on available-for-sale securities	Net deferred gains on hedges	Remeasure-ments of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the fiscal year	¥ 7,277	¥ —	¥ (6,573)	¥ 703	¥ —	¥ —	¥ 131,937
Changes during the fiscal year							
Increase by share exchanges							280,108
Dividends paid							(6,823)
Net income attributable to owners of parent							68,422
Purchase of treasury stock							(739)
Disposal of treasury stock							8
Cancellation of treasury stock							—
Changes in shareholders' interest due to transaction with noncontrolling interests							14
Net changes except for stockholders' equity during the fiscal year	(373)	(39)	(1,887)	(2,299)	309	2,581	591
Total changes during the fiscal year	(373)	(39)	(1,887)	(2,299)	309	2,581	341,583
Balance at the end of the fiscal year	¥ 6,904	¥ (39)	¥ (8,461)	¥ (1,596)	¥ 309	¥ 2,581	¥ 473,520

(3) Consolidated Statement of Changes in Net Assets - Continued
For the fiscal year ended March 31, 2020

(Millions of yen)

	Stockholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total stockholders' equity
Balance at the beginning of the fiscal year	¥ 29,589	¥ 309,357	¥ 133,654	¥ (375)	¥ 472,225
Changes during the fiscal year					
Dividends paid			(9,311)		(9,311)
Net income attributable to owners of parent			3,925		3,925
Purchase of treasury stock				(1)	(1)
Disposal of treasury stock		(5)		18	12
Net changes except for stockholders' equity during the fiscal year					
Total changes during the fiscal year	—	(5)	(5,385)	16	(5,374)
Balance at the end of the fiscal year	¥ 29,589	¥ 309,351	¥ 128,268	¥ (359)	¥ 466,851

	Accumulated other comprehensive income				Stock acquisition rights	Noncontrolling interests	Total net assets
	Net unrealized gains on available-for-sale securities	Net deferred gains on hedges	Remeasure-ments of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the fiscal year	¥ 6,904	¥ (39)	¥ (8,461)	¥ (1,596)	¥ 309	¥ 2,581	¥ 473,520
Changes during the fiscal year							
Dividends paid							(9,311)
Net income attributable to owners of parent							3,925
Purchase of treasury stock							(1)
Disposal of treasury stock							12
Net changes except for stockholders' equity during the fiscal year	(13,063)	13	110	(12,940)	(12)	157	(12,795)
Total changes during the fiscal year	(13,063)	13	110	(12,940)	(12)	157	(18,169)
Balance at the end of the fiscal year	¥ (6,159)	¥ (25)	¥ (8,350)	¥ (14,536)	¥ 297	¥ 2,738	¥ 455,350

(4) Consolidated Statement of Cash Flows

	(Millions of yen)	
	For the fiscal year ended March 31, 2019	For the fiscal year ended March 31, 2020
Cash flows from operating activities		
Income before income taxes	¥ 72,771	¥ 6,833
Adjustment for:		
Depreciation and amortization	8,817	8,064
Impairment losses on fixed assets	297	6,902
Gain on negative goodwill	(56,628)	—
Increase/(decrease) in reserve for possible loan losses	(5,002)	(2,280)
Increase/(decrease) in other reserves	285	(1,134)
Increase/(decrease) in reserve for employees' bonuses	245	(252)
(Increase)/decrease in net defined benefit asset	1,170	(12,562)
Increase/(decrease) in net defined benefit liability	932	383
Interest income (accrual basis)	(118,927)	(114,059)
Interest expenses (accrual basis)	6,145	4,853
Net (gains)/losses on securities	(1,790)	2,083
Net foreign exchange (gains)/losses	(668)	416
Net (gains)/losses on disposal of fixed assets	239	1,029
Net (increase)/decrease in loans and bills discounted	(224,065)	9,126
Net increase/(decrease) in deposits	140,729	(308,838)
Net increase/(decrease) in negotiable certificates of deposit	7,038	(73,810)
Net increase/(decrease) in borrowed money (excluding subordinated borrowed money)	(106,113)	12,659
Net (increase)/decrease in due from banks (excluding those deposited at Bank of Japan)	(2,468)	12,421
Net (increase)/decrease in call loans and other	1,807	3,632
Net increase/(decrease) in call money and other	(129,875)	2,424
Net increase/(decrease) in payables under securities lending transactions	(51,942)	(23,014)
Net (increase)/decrease in foreign exchange assets	(4,655)	3,245
Net increase/(decrease) in foreign exchange liabilities	(60)	687
Net (increase)/decrease in lease receivables and investment assets	1,684	257
Interest receipts (cash basis)	119,902	116,669
Interest payments (cash basis)	(7,009)	(5,311)
Other, net	(2,755)	3,899
Subtotal	(349,896)	(345,673)
Income taxes paid or tax refund	(6,032)	(3,195)
Net cash provided by/(used in) operating activities	¥ (355,929)	¥ (348,869)

(4) Consolidated Statement of Cash Flows - Continued

	(Millions of yen)	
	For the fiscal year ended March 31, 2019	For the fiscal year ended March 31, 2020
Cash flows from investing activities		
Purchases of securities	¥ (388,821)	¥ (362,621)
Proceeds from sales of securities	391,563	361,958
Proceeds from redemption of securities	263,373	153,066
Purchases of tangible fixed assets	(4,674)	(2,287)
Proceeds from sales of tangible fixed assets	577	2
Purchases of intangible fixed assets	(3,090)	(2,171)
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	—	1,098
Other, net	(98)	98
Net cash provided by/(used in) investing activities	258,829	149,144
Cash flows from financing activities		
Repayments of subordinated borrowings	—	(4,000)
Dividends paid	(6,818)	(9,308)
Dividends paid to noncontrolling interests of consolidated subsidiaries	(2)	(4)
Purchases of treasury stock	(8)	(1)
Proceeds from sales of treasury stock	11	0
Purchases of subsidiaries' shares that do not result in change in scope of consolidation	(90)	—
Net cash provided by/(used in) financing activities	(6,909)	(13,315)
Effect of exchange rate changes on cash and cash equivalents	10	(0)
Net increase/(decrease) in cash and cash equivalents	(103,997)	(213,041)
Cash and cash equivalents at the beginning of the fiscal year	302,636	1,134,904
Increase in cash and cash equivalents resulting from share exchanges	936,265	—
Cash and cash equivalents at the end of the fiscal year	¥ 1,134,904	¥ 921,863

(5) Note on Going-Concern Assumption

Not applicable

(6) Other Notes

【Change in Scope of Consolidation or Application of the Equity Method of Accounting】

For the fiscal year 2019

Significant changes in scope of consolidation

On April 1, 2019, Kansai Urban Banking Corporation and The Kinki Osaka Bank, Ltd. effected an absorption-type merger under which The Kinki Osaka Bank, Ltd. was the surviving company and Kansai Urban Banking Corporation was the dissolving company. The name of the merged company was changed to Kansai Mirai Bank, Ltd. on the same day.

In addition, on April 1, 2019, Kansai Credit Service Co., Ltd. and Resona Card Co., Ltd. which is a consolidated subsidiary of Resona Holdings, Inc. effected an absorption-type merger under which Resona Card Co., Ltd. was the surviving company. As a result, Kansai Credit Service Co., Ltd. was absorbed and excluded from the scope of consolidation from the fiscal year 2019.

【Additional information】

Effective October 1, 2019, a consolidated subsidiary of the Group have integrated retirement benefit plans succeeded from former Kansai Urban Banking Corporation and former Kinki Osaka Bank, revised the benefit level, and transferred a part of defined benefit corporate pension plan to a defined contribution retirement plan.

As a result of these revisions, the Group recognized JPY4,191 million of extraordinary gain for the fiscal year 2019.

【Consolidated statement of income】

JPY2,930 millions of other extraordinary loss represents settlement money for the pensioners of former Kinki Osaka Bank as a result of withdrawal from the Resona corporate pension fund along with the revisions of the retirement benefit plan implemented by a consolidated subsidiary.

【Segment Information】

For the fiscal year 2019

1. Segment information

Principal operating activities of the segments are as follows:

Segment	Principal operating activity
Banking	Kansai Mirai Bank, Ltd. and The Minato Bank, Ltd. conduct deposit business, loan business, domestic exchange business, foreign exchange business, and securities business. Other than these, in order to supplement banking, consolidated subsidiaries conduct credit guarantee business
Leasing	Leasing business
Others	Credit card business, investment business / management consultation, consulting service

2. Profit and loss by segment

(Millions of yen)

	Banking	Leasing	Others	Total
Gross operating profit (1)	¥ 139,676	¥ 1,990	¥ 3,357	¥ 145,025
General and administrative expenses (2)	(111,169)	(1,406)	(3,171)	(115,747)
Credit cost (3)	(6,206)	36	(45)	(6,214)
Segment profit (1)+(2)+(3)	22,301	620	140	23,062
Segment assets	11,185,043	71,911	9,544	11,266,500
Depreciation	¥ 7,593	¥ 273	¥ 26	¥ 7,893

3. Reconciliation between the segment information and the consolidated financial statement for the fiscal year ended March 31, 2020 was as follows:

(1) Reconciliation between segment profit and ordinary profits of the consolidated statement of income

(Millions of yen)	
Profit	Amount
Total amounts of segments	¥ 23,062
Elimination of inter-segment transactions	(54)
Gains (losses) on equity and other securities	(4,093)
Others	(10,339)
Ordinary profits of the consolidated statement of income	¥ 8,575

Notes: Gains (losses) on equity and other securities = Gains on sales of equity and other securities
– Losses on sales equity and other securities – Amortization of equity and other securities

(2) Reconciliation between segment assets and total assets of the consolidated balance sheet

(Millions of yen)	
Assets	Amount
Total amounts of segments	¥ 11,266,500
Elimination of inter-segment transactions	(41,374)
Total assets of the consolidated balance sheet	¥ 11,225,125

【Per Share Information】

1. Net assets per share of common stock and its calculation base

(Millions of yen, except "Net assets per share of common stock" and number of shares)

	Fiscal year 2018 (March 31, 2019)	Fiscal year 2019 (March 31, 2020)
Net assets per share of common stock	1,263.56 yen	1,214.33 yen
(Calculation base)		
Total net assets	¥ 473,520	¥ 455,350
Deductions from total net assets	2,890	3,036
Stock acquisition rights	309	297
Noncontrolling interests	2,581	2,738
Net assets attributable to common stock at the end of the fiscal year	¥ 470,629	¥ 452,314
Number of shares of common stock at the end of the fiscal year used for the calculation of net assets per share of common stock (shares in thousands)	372,461	372,479

2. Net income per share of common stock, diluted net income per share of common stock and its calculation base

(Millions of yen, except "Net income per share of common stock",
"Diluted net income per share of common stock" and number of shares)

	Fiscal year 2018 (From April 1, 2018 To March 31, 2019)	Fiscal year 2019 (From April 1, 2019 To March 31, 2020)
Net income per share of common stock	183.70 yen	10.53 yen
(Calculation base)		
Net income attributable to owners of parent	¥ 68,422	¥ 3,925
Amounts not attributable to common stock	—	—
Net income attributable to common stock	¥ 68,422	¥ 3,925
Weighted-average number of common shares during the fiscal year (shares in thousands)	372,456	372,462
Diluted net income per share of common stock	183.50 yen	10.52 yen
(Calculation base)		
Adjustments for net income attributable to owners of parent	—	—
Number of increased shares of common stock (shares in thousands)	410	400
Stock acquisition rights (shares in thousands)	410	400
Dilutive common shares which are not included in the calculation of "Diluted net income per share of common stock" because they do not have dilutive effect. (shares in thousands)	—	—

【Business Combination】

FY2019 (April 1, 2019 to March 31, 2020)

Transaction under common control

(Merger between consolidated subsidiaries)

At the Board of Directors' meeting held on July 27, 2018, the Company resolved merger between Kansai Urban Banking Corporation ("Kansai Urban") and The Kinki Osaka Bank, Ltd. ("Kinki Osaka"), both consolidated subsidiaries, in order to maximize synergies of business integration as Kansai Mirai Financial Group, subject to the approval and permission of the relevant authorities. Kansai Urban and Kinki Osaka concluded the merger agreement on December 19, 2018.

Following the official permission obtained for the merger (Article 30, paragraph 1 of the Banking Act) on March 29, 2019, Kansai Urban and Kinki Osaka merged and changed the name of surviving company on April 1, 2019.

1. Overview of the business combination

(1) Name and business of combining companies

- (i) Name of the combining company: Kinki Osaka Bank, Ltd.
Business of the combining company: Banking
- (ii) Name of the combined company: Kansai Urban Banking Corporation
Business of the combined company: Banking

(2) Date of the business combination

April 1, 2019

(3) Legal form of the business combination

Absorption-Type Merger with Kinki Osaka as the surviving company and Kansai Urban as the absorbed company

(4) Company name after the combination

Kansai Mirai Bank, Limited

Note: Kinki Osaka changed its name to above on April 1, 2019.

2. Summary of accounting treatments

This merger is treated as a transaction under common control in accordance with "Accounting Standard for Business Combinations" (ASBJ Statement No.21 issued on January 16, 2019) and "Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No.10 issued on January 16, 2019).

Financial Results Report for FY2019

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Notes: 1. [Total of two banks] Sum of non-consolidated figures for Kansai Mirai Bank and Minato Bank.
2. Kansai Urban Banking Corporation and Kinki Osaka Bank merged and became Kansai Mirai Bank on April 1, 2019.
Figures of Kansai Mirai Bank before the merger are simple sum of non-consolidated results of two banks above.

I. Highlights of Financial Results for Fiscal Year 2019

1. Statements of income

<Kansai Mirai Financial Group Consolidated>

(Millions of yen)

		FY2019 (A)	(A)-(B)	FY2018(B)
Ordinary income	1	189,725	(3,140)	192,866
Gross operating profit	2	142,845	(5,564)	148,409
Interest income	3	109,206	(3,575)	112,782
Fees and commissions	4	28,235	(3,037)	31,273
Other operating income	5	5,403	1,049	4,354
Expenses(excluding non-recurring items,Amortization of goodwill)	6	(113,612)	2,822	(116,435)
Personnel expenses	7	(62,320)	2,241	(64,561)
Non-personnel expenses	8	(43,173)	1,047	(44,220)
Taxes	9	(8,119)	(466)	(7,653)
Actual net operating profit (2+6)	10	29,232	(2,741)	31,973
Amortization of goodwill	11	—	—	—
Provision to general reserve for possible loan losses	12	1,805	1,803	2
Other gains/(losses), net	13	(22,463)	(7,166)	(15,296)
Net gains/(losses) on stocks	14	(4,093)	(4,095)	1
Disposal of problem loans	15	(9,400)	(3,779)	(5,621)
Reversal of credit expenses	16	1,370	795	574
Ordinary profit	17	8,575	(8,104)	16,679
Extraordinary gains	18	9,121	(47,715)	56,837
Gain on negative goodwill	19	—	(56,628)	56,628
Extraordinary losses	20	(10,862)	(10,116)	(745)
Income before income taxes	21	6,833	(65,937)	72,771
Income taxes-current	22	(3,842)	(39)	(3,803)
Income taxes-deferred	23	1,080	1,524	(443)
Net income	24	4,071	(64,452)	68,524
Net income attributable to non-controlling interests	25	(145)	(44)	(101)
Net income attributable to owners of the parent	26	3,925	(64,497)	68,422

Credit expense	(12+15+16)	27	(6,224)	(1,180)	(5,043)
Provision to general reserve for possible loan losses		28	1,805	1,803	2
Write-off of loans		29	(3,815)	(2,463)	(1,352)
Provision to specific reserve for possible loan losses		30	(4,709)	(1,780)	(2,928)
Other disposal of problem loans		31	(874)	465	(1,339)
Gains on recoveries of written-off loans		32	1,370	795	574

<Reference> Number of consolidated subsidiaries

(Companies)

		FY2019 (A)	(A)-(B)	FY2018(B)
Number of consolidated subsidiaries	33	16	(2)	18

<Total of two banks, Non-consolidated figures of each bank>

(Millions of yen)

		Total of two banks		
		FY2019(A)	(A)-(B)	FY2018 (B)
Gross operating profit	(7+12) 1	135,584	(3,982)	139,567
Interest income	2	110,151	(5,582)	115,734
Gains/(losses) on cancellation of investment trust	3	2,836	2,032	803
Fees and commissions	4	20,448	(1,564)	22,013
Other operating income	5	4,985	3,165	1,820
Net gains/(losses) on bonds	6	2,424	2,603	(179)
Gross operating profit from domestic operations	(8+9+10) 7	131,247	(8,755)	140,002
Interest income	8	108,613	(5,135)	113,749
Fees and commissions	9	19,991	(1,597)	21,588
Other operating income	10	2,642	(2,022)	4,664
Net gains/(losses) on bonds	11	1,045	(2,209)	3,255
Gross operating profit from international operations	(13+14+15) 12	4,337	4,772	(435)
Interest income	13	1,537	(447)	1,984
Fees and commissions	14	456	32	424
Other operating income	15	2,342	5,187	(2,844)
Net gains/(losses) on bonds	16	1,379	4,813	(3,434)
Expenses (excluding non-recurring items, Amortization of goodwill)	17	(109,864)	2,194	(112,058)
Personnel expenses	18	(57,113)	1,730	(58,843)
Non-personnel expenses	19	(44,833)	965	(45,798)
Taxes	20	(7,917)	(501)	(7,415)
Actual net operating profit	(1+17) 21	25,720	(1,788)	27,509
Core net operating profit	(21-6) 22	23,296	(4,392)	27,688
Core net operating profit (excluding gains/(losses) on cancellation of investment trust)	(22-3) 23	20,459	(6,424)	26,884
Amortization of goodwill	24	(736)	-	(736)
Provision to general reserve for possible loan losses	25	1,652	3,558	(1,906)
Net operating profit	(21+24+25) 26	26,635	1,769	24,866
Other gains/(losses), net	27	(11,757)	(2,946)	(8,810)
Net gains/(losses) on stocks	28	5,296	1,412	3,884
Disposal of problem loans	29	(7,760)	(3,125)	(4,634)
Reversal of credit expenses	30	1,364	(1,048)	2,412
Other	31	(10,658)	(184)	(10,473)
Ordinary profit	(26+27) 32	14,878	(1,176)	16,055
Extraordinary gains/(losses), net	33	(2,567)	(2,462)	(104)
Gains/(losses) on disposal of fixed assets	34	(948)	(800)	(148)
Impairment losses on fixed assets	35	(7,531)	(7,257)	(274)
Gain on revision of retirement benefit plan, Other	36	5,913	5,594	318
Net income before income taxes	(32+33) 37	12,311	(3,639)	15,950
Income taxes-current	38	(2,628)	(356)	(2,271)
Income taxes-deferred	39	(1,365)	(784)	(581)
Net income	(37+38+39) 40	8,316	(4,780)	13,097
Credit expense	(25+29+30) 41	(4,743)	(615)	(4,128)
Provision to general reserve for possible loan losses	42	1,652	3,092	(1,440)
Write-off of loans	43	(3,655)	(2,335)	(1,319)
Provision to specific reserve for possible loan losses	44	(3,347)	(2,659)	(688)
Other disposal of problem loans	45	(757)	491	(1,249)
Gains on recoveries of written-off loans	46	1,364	795	569

(Millions of yen)

		Kansai Mirai Bank			Minato Bank		
		FY2019 (A)	(A)-(B)	FY2018 (B)	FY2019 (A)	(A)-(B)	FY2018 (B)
Gross operating profit	(7+12) 1	94,669	(5,295)	99,965	40,914	1,313	39,601
Interest income	2	79,538	(1,606)	81,144	30,613	(3,976)	34,589
Gains/(losses) on cancellation of investment trust	3	2,419	923	1,495	416	1,108	(691)
Fees and commissions	4	12,746	(1,463)	14,209	7,701	(101)	7,803
Other operating income	5	2,385	(2,226)	4,611	2,599	5,391	(2,791)
Net gains/(losses) on bonds	6	368	(2,781)	3,150	2,056	5,385	(3,329)
Gross operating profit from domestic operations	(8+9+10) 7	93,257	(5,454)	98,712	37,990	(3,300)	41,290
Interest income	8	79,240	(1,420)	80,660	29,373	(3,714)	33,088
Fees and commissions	9	12,481	(1,511)	13,993	7,510	(85)	7,595
Other operating income	10	1,535	(2,522)	4,058	1,106	500	606
Net gains/(losses) on bonds	11	362	(2,825)	3,188	682	615	66
Gross operating profit from international operations	(13+14+15) 12	1,412	158	1,253	2,924	4,613	(1,688)
Interest income	13	298	(185)	483	1,239	(261)	1,501
Fees and commissions	14	264	48	216	191	(16)	207
Other operating income	15	849	296	553	1,493	4,891	(3,397)
Net gains/(losses) on bonds	16	5	44	(38)	1,373	4,769	(3,395)
Expenses (excluding non-recurring items, Amortization of goodwill)	17	(76,999)	1,337	(78,337)	(32,864)	856	(33,721)
Personnel expenses	18	(40,067)	1,299	(41,366)	(17,045)	431	(17,477)
Non-personnel expenses	19	(31,193)	371	(31,564)	(13,640)	593	(14,234)
Taxes	20	(5,738)	(332)	(5,406)	(2,179)	(169)	(2,009)
Actual net operating profit	(1+17) 21	17,670	(3,958)	21,628	8,050	2,169	5,880
Core net operating profit	(21-6) 22	17,301	(1,176)	18,478	5,994	(3,215)	9,209
Core net operating profit (excluding gains/(losses) on cancellation of investment trust)	(22-3) 23	14,882	(2,100)	16,982	5,577	(4,324)	9,901
Amortization of goodwill	24	(736)	-	(736)	-	-	-
Provision to general reserve for possible loan losses	25	1,337	3,958	(2,621)	315	(400)	715
Net operating profit	(21+24+25) 26	18,270	0	18,270	8,365	1,769	6,596
Other gains/(losses), net	27	(9,115)	(2,470)	(6,644)	(2,641)	(475)	(2,166)
Net gains/(losses) on stocks	28	5,754	2,430	3,324	(457)	(1,018)	560
Disposal of problem loans	29	(5,584)	(3,832)	(1,752)	(2,175)	706	(2,882)
Reversal of credit expenses	30	1,215	(1,071)	2,286	149	23	126
Other	31	(10,500)	2	(10,503)	(157)	(187)	29
Ordinary profit	(26+27) 32	9,155	(2,470)	11,625	5,723	1,293	4,429
Extraordinary gains/(losses), net	33	(2,366)	(2,355)	(11)	(201)	(107)	(93)
Gains/(losses) on disposal of fixed assets	34	(896)	(954)	58	(52)	154	(206)
Impairment losses on fixed assets	35	(7,383)	(7,313)	(69)	(148)	56	(205)
Gain on revision of retirement benefit plan, Other	36	5,913	5,913	-	-	(318)	318
Net income before income taxes	(32+33) 37	6,788	(4,825)	11,614	5,522	1,185	4,336
Income taxes-current	38	(1,420)	818	(2,238)	(1,208)	(1,175)	(32)
Income taxes-deferred	39	(862)	(112)	(750)	(503)	(672)	168
Net income	(37+38+39) 40	4,506	(4,119)	8,625	3,810	(661)	4,472
Credit expense	(25+29+30) 41	(3,032)	(945)	(2,087)	(1,711)	329	(2,040)
Provision to general reserve for possible loan losses	42	1,337	3,492	(2,155)	315	(400)	715
Write-off of loans	43	(3,649)	(2,333)	(1,315)	(5)	(2)	(3)
Provision to specific reserve for possible loan losses	44	(1,843)	(3,470)	1,626	(1,503)	811	(2,314)
Other disposal of problem loans	45	(91)	594	(685)	(666)	(102)	(564)
Gains on recoveries of written-off loans	46	1,215	772	442	149	23	126

2. Net operating profit per employee

<Total of two banks, Non-consolidated figures of each bank>

(Millions of yen)

	Total of two banks		
	FY2019 (A)	(A)-(B)	FY2018 (B)
Actual net operating profit	25,720	(1,788)	27,509
Actual net operating profit per employee (thousands of yen)	3,741	(138)	3,879
Net operating profit	26,635	1,769	24,866
Net operating profit per employee (thousands of yen)	3,874	367	3,506

	Kansai Mirai Bank			Minato Bank		
	FY2019 (A)	(A)-(B)	FY2018 (B)	FY2019 (A)	(A)-(B)	FY2018 (B)
Actual net operating profit	17,670	(3,958)	21,628	8,050	2,169	5,880
Actual net operating profit per employee (thousands of yen)	3,842	(696)	4,539	3,524	996	2,528
Net operating profit	18,270	0	18,270	8,365	1,769	6,596
Net operating profit per employee (thousands of yen)	3,972	138	3,834	3,662	826	2,835

Note: Number of employees includes executive officers and employees seconded to other companies.

3. R O E

<Kansai Mirai Financial Group Consolidated>

(%)

	FY2019 (A)	(A)-(B)	FY2018 (B)
Net income ROE	0.83	(13.73)	14.56

Net income attributable to owners of the parent

Note: ROE= $\frac{\text{Net income attributable to owners of the parent}}{(\text{Shareholders' equity at beginning of period} + \text{total shareholders' equity at end of period}) / 2}$

4. Interest rate spreads

<Total of two banks, Non-consolidated figures of each bank>

1. Total operations

(%)

	Total of two banks		
	FY2019 (A)	(A)-(B)	FY2018 (B)
Average interest rate on funds invested (a)	1.06	(0.04)	1.10
Average interest rate of loans and bills discounted (c)	1.13	(0.05)	1.19
Average interest rate on securities	1.17	(0.00)	1.18
Average interest rate on procured funds (b)	1.03	(0.01)	1.04
Average interest rate of deposits and negotiable CDs (d)	0.04	(0.00)	0.04
Average interest rate on external debt	0.03	(0.03)	0.07
Gross interest margin (a) - (b)	0.02	(0.02)	0.05
Loan-to-deposit spread (c) - (d)	1.09	(0.04)	1.14

	Kansai Mirai Bank			Minato Bank		
	FY2019 (A)	(A)-(B)	FY2018 (B)	FY2019 (A)	(A)-(B)	FY2018 (B)
Average interest rate on funds invested (a)	1.10	0.00	1.10	0.96	(0.13)	1.09
Average interest rate of loans and bills discounted (c)	1.17	(0.05)	1.23	1.03	(0.05)	1.08
Average interest rate on securities	1.05	0.32	0.73	1.64	(1.01)	2.65
Average interest rate on procured funds (b)	1.05	(0.00)	1.05	0.99	(0.03)	1.03
Average interest rate of deposits and negotiable CDs (d)	0.04	(0.00)	0.05	0.02	(0.00)	0.02
Average interest rate on external debt	0.01	(0.03)	0.04	0.67	0.38	0.28
Gross interest margin (a) - (b)	0.05	0.00	0.05	(0.03)	(0.09)	0.06
Loan-to-deposit spread (c) - (d)	1.13	(0.04)	1.17	1.00	(0.04)	1.05

2. Domestic operations

(%)

	Total of two banks		
	FY2019 (A)	(A)-(B)	FY2018 (B)
Average interest rate on funds invested (a)	1.04	(0.03)	1.08
Average interest rate of loans and bills discounted (c)	1.13	(0.05)	1.18
Average interest rate on securities	1.17	0.00	1.16
Average interest rate on procured funds (b)	1.02	(0.01)	1.03
Average interest rate of deposits and negotiable CDs (d)	0.03	(0.00)	0.04
Average interest rate on external debt	0.02	0.00	0.01
Gross interest margin (a) - (b)	0.02	(0.02)	0.05
Loan-to-deposit spread (c) - (d)	1.09	(0.04)	1.14

	Kansai Mirai Bank			Minato Bank		
	FY2019 (A)	(A)-(B)	FY2018 (B)	FY2019 (A)	(A)-(B)	FY2018 (B)
Average interest rate on funds invested (a)	1.09	0.00	1.09	0.93	(0.12)	1.06
Average interest rate of loans and bills discounted (c)	1.17	(0.05)	1.23	1.01	(0.04)	1.06
Average interest rate on securities	1.05	0.33	0.71	1.69	(1.36)	3.05
Average interest rate on procured funds (b)	1.03	0.00	1.03	0.98	(0.03)	1.02
Average interest rate of deposits and negotiable CDs (d)	0.04	(0.00)	0.05	0.02	(0.00)	0.02
Average interest rate on external debt	(0.00)	0.00	(0.00)	0.66	0.46	0.20
Gross interest margin (a) - (b)	0.06	0.00	0.06	(0.05)	(0.08)	0.03
Loan-to-deposit spread (c) - (d)	1.13	(0.04)	1.18	0.99	(0.04)	1.03

5. Use and source of funds

<Total of two banks>

(Millions of yen, %)

	FY2019 (A)			(A)-(B)			FY2018 (B)		
	Average Balance	Interest	Rate	Average Balance	Interest	Rate	Average Balance	Interest	Rate
1. Total operations									
Use of Funds	10,843,074	115,023	1.06	(235,291)	(6,976)	(0.04)	11,078,366	122,000	1.10
Loans and bills discounted	9,064,935	102,934	1.13	115,234	(3,729)	(0.05)	8,949,701	106,664	1.19
Securities	915,680	10,768	1.17	(275,975)	(3,319)	(0.00)	1,191,655	14,088	1.18
Source of Funds	11,098,156	4,872	0.04	(205,930)	(1,393)	(0.01)	11,304,087	6,265	0.05
Deposits	10,608,018	4,393	0.04	(165,011)	(773)	(0.00)	10,773,030	5,166	0.04
Negotiable certificates of deposit	172,071	36	0.02	(417)	(7)	(0.00)	172,489	43	0.02
Call money	202,491	(63)	(0.03)	53,179	24	0.02	149,311	(87)	(0.05)
Borrowed money	78,775	163	0.20	(56,056)	(138)	(0.01)	134,832	301	0.22

2. Domestic operations

Use of Funds	10,779,646	113,078	1.04	(188,660)	(5,957)	(0.03)	10,968,306	119,035	1.08
Loans and bills discounted	8,986,946	101,559	1.13	118,129	(3,490)	(0.05)	8,868,817	105,050	1.18
Securities	894,488	10,536	1.17	(221,746)	(2,504)	0.00	1,116,235	13,041	1.16
Source of Funds	11,033,623	4,464	0.04	(159,956)	(822)	(0.00)	11,193,580	5,286	0.04
Deposits	10,559,019	4,028	0.03	(167,230)	(762)	(0.00)	10,726,250	4,790	0.04
Negotiable certificates of deposit	172,071	36	0.02	(417)	(7)	(0.00)	172,489	43	0.02
Call money	201,434	(89)	(0.04)	52,779	11	0.02	148,655	(100)	(0.06)
Borrowed money	78,473	147	0.18	(49,912)	(2)	0.07	128,385	150	0.11

3. International operations

Use of Funds	138,109	1,999	1.44	(44,669)	(1,021)	(0.20)	182,778	3,020	1.65
Loans and bills discounted	77,989	1,374	1.76	(2,895)	(239)	(0.23)	80,884	1,614	1.99
Securities	21,191	231	1.09	(54,228)	(814)	(0.29)	75,420	1,046	1.38
Source of Funds	139,214	462	0.33	(44,012)	(573)	(0.23)	183,226	1,035	0.56
Deposits	48,998	365	0.74	2,219	(10)	(0.05)	46,779	376	0.80
Negotiable certificates of deposit	-	-	-	-	-	-	-	-	-
Call money	1,056	25	2.44	399	12	0.48	656	12	1.96
Borrowed money	302	15	5.06	(6,144)	(135)	2.71	6,446	151	2.34

<Non-consolidated figures of each bank>

<Kansai Mirai Bank>

(Millions of yen, %)

	FY2019 (A)			(A)-(B)			FY2018 (B)		
	Average Balance	Interest	Rate	Average Balance	Interest	Rate	Average Balance	Interest	Rate
1. Total operations									
Use of Funds	7,560,248	83,369	1.10	(228,745)	(2,478)	0.00	7,788,993	85,847	1.10
Loans and bills discounted	6,375,535	75,107	1.17	20,885	(3,388)	(0.05)	6,354,650	78,496	1.23
Securities	728,476	7,688	1.05	(185,454)	983	0.32	913,931	6,705	0.73
Source of Funds	7,697,485	3,831	0.04	(200,272)	(871)	(0.00)	7,897,757	4,703	0.05
Deposits	7,258,310	3,480	0.04	(222,303)	(716)	(0.00)	7,480,614	4,196	0.05
Negotiable certificates of deposit	165,187	35	0.02	5,561	(6)	(0.00)	159,625	42	0.02
Call money	200,759	(65)	(0.03)	52,407	34	0.03	148,352	(99)	(0.06)
Borrowed money	69,928	92	0.13	(30,298)	(117)	(0.07)	100,226	210	0.20

2. Domestic operations

Use of Funds	7,535,872	82,858	1.09	(222,077)	(2,145)	0.00	7,757,950	85,003	1.09
Loans and bills discounted	6,352,143	74,778	1.17	26,559	(3,220)	(0.05)	6,325,583	77,999	1.23
Securities	720,139	7,584	1.05	(182,015)	1,090	0.33	902,154	6,494	0.71
Source of Funds	7,673,157	3,618	0.04	(193,836)	(724)	(0.00)	7,866,994	4,342	0.05
Deposits	7,235,472	3,306	0.04	(220,196)	(661)	(0.00)	7,455,668	3,967	0.05
Negotiable certificates of deposit	165,187	35	0.02	5,561	(6)	(0.00)	159,625	42	0.02
Call money	199,795	(89)	(0.04)	51,592	11	0.02	148,203	(100)	(0.06)
Borrowed money	69,626	77	0.11	(25,047)	(2)	0.02	94,673	79	0.08

3. International operations

Use of Funds	52,331	534	1.02	(3,461)	(331)	(0.53)	55,793	866	1.55
Loans and bills discounted	23,391	328	1.40	(5,674)	(168)	(0.30)	29,066	496	1.70
Securities	8,337	103	1.24	(3,438)	(107)	(0.54)	11,776	210	1.79
Source of Funds	52,284	236	0.45	(3,229)	(146)	(0.23)	55,513	382	0.68
Deposits	22,837	173	0.76	(2,107)	(55)	(0.15)	24,945	229	0.91
Negotiable certificates of deposit	-	-	-	-	-	-	-	-	-
Call money	964	24	2.49	815	23	1.84	149	0	0.64
Borrowed money	302	15	5.06	(5,251)	(115)	2.71	5,553	130	2.34

<Minato Bank>

(Millions of yen, %)

	FY2019 (A)			(A)-(B)			FY2018 (B)		
	Average Balance	Interest	Rate	Average Balance	Interest	Rate	Average Balance	Interest	Rate
1. Total operations									
Use of Funds	3,282,826	31,653	0.96	(6,545)	(4,498)	(0.13)	3,289,372	36,152	1.09
Loans and bills discounted	2,689,400	27,827	1.03	94,348	(341)	(0.05)	2,595,051	28,168	1.08
Securities	187,203	3,080	1.64	(90,521)	(4,302)	(1.01)	277,724	7,383	2.65
Source of Funds	3,400,671	1,040	0.03	(5,658)	(521)	(0.01)	3,406,329	1,562	0.04
Deposits	3,349,707	913	0.02	57,291	(56)	(0.00)	3,292,416	969	0.02
Negotiable certificates of deposit	6,883	0	0.01	(5,979)	(0)	0.00	12,863	1	0.00
Call money	1,731	1	0.07	771	(10)	(1.13)	959	11	1.21
Borrowed money	8,847	70	0.79	(25,758)	(20)	0.53	34,605	91	0.26

2. Domestic operations

Use of Funds	3,243,773	30,219	0.93	33,416	(3,812)	(0.12)	3,210,356	34,032	1.06
Loans and bills discounted	2,634,802	26,781	1.01	91,569	(269)	(0.04)	2,543,233	27,051	1.06
Securities	174,349	2,952	1.69	(39,731)	(3,595)	(1.36)	214,081	6,547	3.05
Source of Funds	3,360,465	846	0.02	33,879	(97)	(0.00)	3,326,586	944	0.02
Deposits	3,323,547	721	0.02	52,965	(101)	(0.00)	3,270,582	822	0.02
Negotiable certificates of deposit	6,883	0	0.01	(5,979)	(0)	0.00	12,863	1	0.00
Call money	1,639	(0)	(0.02)	1,187	(0)	0.03	452	(0)	(0.06)
Borrowed money	8,847	70	0.79	(24,865)	0	0.58	33,712	70	0.20

3. International operations

Use of Funds	85,777	1,465	1.70	(41,207)	(689)	0.01	126,984	2,154	1.69
Loans and bills discounted	54,597	1,045	1.91	2,779	(71)	(0.24)	51,818	1,117	2.15
Securities	12,853	128	0.99	(50,789)	(707)	(0.31)	63,643	835	1.31
Source of Funds	86,929	225	0.25	(40,782)	(427)	(0.25)	127,712	653	0.51
Deposits	26,160	191	0.73	4,326	44	0.05	21,833	146	0.67
Negotiable certificates of deposit	-	-	-	-	-	-	-	-	-
Call money	91	1	1.91	(415)	(10)	(0.43)	507	11	2.34
Borrowed money	-	-	-	(893)	(20)	(2.32)	893	20	2.32

6. Retirement benefit obligation and expenses

<Total of two banks, Non-consolidated figures of each bank>

(1) Retirement benefit obligation (Millions of yen)

	Total of two banks		
	End of Mar. 2020 (A)	(A)-(B)	End of Mar. 2019 (B)
Retirement benefit obligation	62,506	(31,863)	94,370
Discount rate (%)	0.21~0.75	-	0.29~0.75
Pension plan assets at fair value	68,826	(19,665)	88,492
Prepaid pension cost	28,366	13,190	15,175
Provision for retirement benefits	8,380	1,917	6,462
Amount to be amortized	13,666	(924)	14,591

	Kansai Mirai Bank			Minato Bank		
	End of Mar. 2020 (A)	(A)-(B)	End of Mar. 2019 (B)	End of Mar. 2020 (A)	(A)-(B)	End of Mar. 2019 (B)
Retirement benefit obligation	46,445	(31,120)	77,565	16,061	(743)	16,805
Discount rate (%)	0.21	-	0.29~0.35	0.75	-	0.75
Pension plan assets at fair value	51,658	(17,044)	68,703	17,167	(2,620)	19,788
Prepaid pension cost	25,137	13,238	11,899	3,228	(48)	3,276
Provision for retirement benefits	8,267	2,308	5,959	112	(391)	503
Amount to be amortized	11,656	(3,144)	14,801	2,009	2,220	(210)

Note: Kansai Mirai Bank revised the retirement benefit plan on October 1, 2019.

(2) Retirement benefit expenses for defined benefit plan (Millions of yen)

	Total of two banks		
	End of Mar. 2020 (A)	(A)-(B)	End of Mar. 2019 (B)
Retirement benefit expenses	(3,102)	683	(3,786)
Service cost	(2,508)	430	(2,938)
Interest cost	(323)	171	(495)
Expected return on pension plan assets	1,572	(368)	1,940
Unrecognized actuarial loss	(1,851)	450	(2,301)
Other	8	-	8

	Kansai Mirai Bank			Minato Bank		
	End of Mar. 2020 (A)	(A)-(B)	End of Mar. 2019 (B)	End of Mar. 2020 (A)	(A)-(B)	End of Mar. 2019 (B)
Retirement benefit expenses	(2,778)	888	(3,667)	(323)	(205)	(118)
Service cost	(2,067)	423	(2,491)	(440)	7	(447)
Interest cost	(197)	165	(363)	(126)	5	(131)
Expected return on pension plan assets	1,398	(361)	1,760	173	(6)	179
Unrecognized actuarial loss	(1,911)	661	(2,573)	60	(211)	272
Other	-	-	-	8	-	8

7. Gains /(losses) on bonds and stocks

<Total of two banks, Non-consolidated figures of each bank>

(Millions of yen)

	Total of two banks		
	FY2019 (A)	(A)-(B)	FY2018 (B)
Net gains/(losses) on bonds	2,424	2,603	(179)
Gains on sale	5,086	996	4,090
Gains on redemption	-	-	-
Losses on sale	(2,662)	1,421	(4,083)
Losses on redemption	-	-	-
Losses on devaluation	-	186	(186)
Net gains/(losses) on stocks	5,296	1,412	3,884
Gains on sale	6,839	355	6,484
Losses on sale	(1,148)	1,323	(2,471)
Losses on devaluation	(393)	(266)	(127)

	Kansai Mirai Bank			Minato Bank		
	FY2019 (A)	(A)-(B)	FY2018 (B)	FY2019 (A)	(A)-(B)	FY2018 (B)
Net gains/(losses) on bonds	368	(2,781)	3,150	2,056	5,385	(3,329)
Gains on sale	2,914	(620)	3,534	2,172	1,617	555
Gains on redemption	-	-	-	-	-	-
Losses on sale	(2,545)	(2,346)	(198)	(116)	3,768	(3,884)
Losses on redemption	-	-	-	-	-	-
Losses on devaluation	-	186	(186)	-	-	-
Net gains/(losses) on stocks	5,754	2,430	3,324	(457)	(1,018)	560
Gains on sale	6,285	2,743	3,541	554	(2,388)	2,942
Losses on sale	(511)	(418)	(93)	(636)	1,741	(2,378)
Losses on devaluation	(18)	105	(124)	(375)	(372)	(3)

8. Unrealized gains/(losses) on marketable securities (Bonds held to maturity, stocks of subsidiaries and affiliates and available-for-sale securities)

(Millions of yen)

<Kansai Mirai Financial Group Consolidated>	B/S Amount (End of Mar. 2020)	Change from End of Mar.2019	Unrealized gains/(losses)			Change from End of Mar.2019
			(End of Mar. 2020)	Gain	Loss	
Bonds held to maturity	217,179	9,573	2,696	2,865	(169)	(1,994)
Available-for-sale securities	642,025	(172,526)	(8,293)	6,400	(14,693)	(17,966)
Stocks	25,795	(23,543)	(3,136)	2,314	(5,450)	(8,507)
Bonds	513,276	(92,465)	(466)	538	(1,004)	(1,776)
JGB	35,794	(578)	(489)	18	(508)	(636)
Other	102,953	(56,518)	(4,691)	3,547	(8,238)	(7,683)

Notes: 1.The figures presented in the table above include securities, negotiable certificates of deposit (NCDs) included in "cash and due from banks" and a portion of "monetary claims bought."

2.The presented figures only include marketable securities.

(Millions of yen)

<Total of two banks>	B/S Amount (End of Mar. 2020)	Change from End of Mar.2019	Unrealized gains/(losses)			Change from End of Mar.2019
			(End of Mar. 2020)	Gain	Loss	
Bonds held to maturity	217,178	9,573	2,696	2,866	(169)	(1,995)
Stock of subsidiaries and affiliates	-	-	-	-	-	-
Available-for-sale securities	639,310	(173,571)	2,959	13,093	(10,133)	(28,047)
Stocks	25,733	(23,465)	9,505	10,218	(713)	(17,838)
Bonds	513,276	(92,465)	(242)	768	(1,010)	(2,243)
Other	100,300	(57,640)	(6,303)	2,106	(8,409)	(7,966)

<Kansai Mirai Bank>

Bonds held to maturity	179,463	(23,722)	2,809	2,865	(56)	(1,880)
Stock of subsidiaries and affiliates	-	-	-	-	-	-
Available-for-sale securities	470,661	(164,627)	380	7,801	(7,420)	(21,983)
Stocks	11,837	(19,677)	5,013	5,406	(392)	(14,584)
Bonds	380,091	(105,359)	57	391	(334)	(1,132)
Other	78,732	(39,590)	(4,689)	2,004	(6,693)	(6,266)

<Minato Bank>

Bonds held to maturity	37,715	33,296	(112)	0	(113)	(115)
Stock of subsidiaries and affiliates	-	-	-	-	-	-
Available-for-sale securities	168,648	(8,944)	2,578	5,291	(2,712)	(6,064)
Stocks	13,895	(3,788)	4,491	4,812	(320)	(3,254)
Bonds	133,185	12,893	(299)	377	(676)	(1,110)
Other	21,567	(18,049)	(1,613)	101	(1,715)	(1,699)

Notes: 1.The figures presented in the table above include securities, negotiable certificates of deposit (NCDs) included in "cash and due from banks" and a portion of "monetary claims bought."

2.The presented figures only include marketable securities.

9. Breakdown of securities by remaining period to maturity (Bonds held to maturity and available-for-sale securities with maturities)

(Billions of yen)

	End of Mar.2020							End of Mar.2019						
	One year or less	One to three years	Three to five years	Five to seven years	Seven to ten years	Over ten years	Total	One year or less	One to three years	Three to five years	Five to seven years	Seven to ten years	Over ten years	Total
<Total of two banks>														
Bonds held to maturity	93.6	17.2	5.4	0.1	0.0	100.9	217.6	30.6	102.2	13.8	0.6	0.0	61.4	208.9
Japanese government bonds	78.5	-	-	-	-	27.1	105.6	18.5	78.5	-	-	-	16.1	113.1
Floating-rate JGBs	78.5	-	-	-	-	-	78.5	18.5	78.5	-	-	-	-	97.0
Japanese local government bonds	3.9	-	-	-	-	4.3	8.2	0.5	3.9	-	-	-	4.5	8.9
Japanese corporate bonds	11.2	17.2	5.4	0.1	0.0	69.5	103.8	11.6	19.7	13.8	0.6	0.0	40.8	86.8
Available-for-sale securities	91.0	246.2	71.8	55.7	57.0	58.4	580.3	88.6	288.2	165.7	35.0	79.8	47.2	704.9
Bonds	82.5	241.2	54.8	35.2	39.6	57.4	510.9	79.5	271.1	147.6	26.4	23.5	44.5	592.8
Japanese government bonds	-	-	-	-	23.0	12.5	35.5	-	30.0	-	-	3.5	2.0	35.5
Floating-rate JGBs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Japanese local government bonds	1.7	37.3	1.7	16.7	7.3	-	64.9	3.7	17.3	41.4	7.1	9.4	-	79.1
Japanese corporate bonds	80.8	203.9	53.0	18.4	9.3	44.9	410.5	75.8	223.7	106.1	19.3	10.6	42.5	478.2
Other	8.4	4.9	17.0	20.5	17.3	1.0	69.3	9.1	17.1	18.0	8.5	56.3	2.7	112.0
Total	184.6	263.5	77.3	55.9	57.0	159.3	798.0	119.2	390.5	179.6	35.7	79.9	108.7	913.8
<Kansai Mirai Bank>														
Bonds held to maturity	89.7	17.2	5.4	0.1	0.0	67.2	179.9	30.1	98.2	13.8	0.6	0.0	61.4	204.5
Japanese government bonds	78.5	-	-	-	-	22.1	100.6	18.5	78.5	-	-	-	16.1	113.1
Floating-rate JGBs	78.5	-	-	-	-	-	78.5	18.5	78.5	-	-	-	-	97.0
Japanese local government bonds	-	-	-	-	-	4.3	4.3	-	-	-	-	-	4.5	4.5
Japanese corporate bonds	11.2	17.2	5.4	0.1	0.0	40.8	75.0	11.6	19.7	13.8	0.6	0.0	40.8	86.8
Available-for-sale securities	71.4	224.8	46.6	23.6	20.8	45.9	433.4	72.6	225.7	143.0	21.1	40.7	45.2	548.5
Bonds	69.9	220.9	30.1	6.4	6.1	44.9	378.4	64.4	215.2	127.5	14.7	9.5	42.5	474.0
Japanese government bonds	-	-	-	-	3.0	-	3.0	-	-	-	-	3.5	-	3.5
Floating-rate JGBs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Japanese local government bonds	1.2	36.5	1.7	-	-	-	39.5	1.9	16.0	41.4	-	-	-	59.5
Japanese corporate bonds	68.6	184.3	28.4	6.4	3.1	44.9	335.9	62.4	199.1	86.0	14.7	6.0	42.5	410.9
Other	1.5	3.9	16.4	17.2	14.7	1.0	54.9	8.2	10.4	15.5	6.3	31.1	2.7	74.5
Total	161.2	242.1	52.1	23.8	20.9	113.1	613.4	102.7	324.0	156.9	21.8	40.8	106.7	753.0
<Minato Bank>														
Bonds held to maturity	3.9	-	-	-	-	33.7	37.6	0.5	3.9	-	-	-	-	4.4
Japanese government bonds	-	-	-	-	-	5.0	5.0	-	-	-	-	-	-	-
Floating-rate JGBs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Japanese local government bonds	3.9	-	-	-	-	-	3.9	0.5	3.9	-	-	-	-	4.4
Japanese corporate bonds	-	-	-	-	-	28.7	28.7	-	-	-	-	-	-	-
Available-for-sale securities	19.5	21.3	25.1	32.1	36.1	12.5	146.9	16.0	62.5	22.7	13.9	39.1	2.0	156.3
Bonds	12.6	20.3	24.6	28.7	33.5	12.5	132.4	15.1	55.8	20.1	11.7	13.9	2.0	118.8
Japanese government bonds	-	-	-	-	20.0	12.5	32.5	-	30.0	-	-	-	2.0	32.0
Floating-rate JGBs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Japanese local government bonds	0.4	0.7	-	16.7	7.3	-	25.3	1.7	1.2	-	7.1	9.4	-	19.5
Japanese corporate bonds	12.1	19.5	24.6	12.0	6.2	-	74.6	13.3	24.6	20.1	4.6	4.5	-	67.2
Other	6.9	1.0	0.5	3.3	2.6	0.0	14.4	0.8	6.7	2.5	2.2	25.1	0.0	37.5
Total	23.4	21.3	25.1	32.1	36.1	46.2	184.6	16.5	66.4	22.7	13.9	39.1	2.0	160.7

10. Capital adequacy ratio

(1) Consolidated capital adequacy ratio (Japanese Domestic Standard)

(Billions of yen, %)

<Kansai Mirai Financial Group>	End of Mar. 2020 (A)	(A)-(B)	End of Mar. 2019 (B)
Capital adequacy ratio	8.05	1.19	6.86
Total qualifying capital	447.5	(14.4)	462.0
Core Capital: instruments and reserves	465.1	(16.4)	481.6
Core Capital: regulatory adjustments	17.6	(1.9)	19.6
Risk weighted assets	5,557.4	(1,170.0)	6,727.4
Credit risk weighted assets	5,312.5	(1,163.1)	6,475.6
Amount equivalent to market risk / 8%	5.0	(0.1)	5.2
Amount equivalent to operational risk / 8%	239.8	(6.7)	246.6
Credit risk weighted assets adjustments	-	-	-
Total required capital	444.5	(93.6)	538.1

Note: Since Kansai Mirai Financial Group adopts the Internal Ratings-Based Approach to calculate the credit risk weighted assets, total required capital is calculated as 8% of total risk weighted assets.

(2) Capital adequacy ratios of group banks (Japanese domestic standard)

(Billions of yen, %)

<Kansai Mirai Bank>	Consolidated			Non-consolidated		
	End of Mar. 2020	End of Mar.2019		End of Mar. 2020	End of Mar.2019	
		Kansai Urban Banking Corporation	Kinki Osaka Bank		Kansai Urban Banking Corporation	Kinki Osaka Bank
Capital adequacy ratio	8.37	6.20	11.01	7.81	6.04	10.17
Total qualifying capital	318.9	194.7	146.4	294.3	188.2	134.8
Core Capital: instruments and reserves	340.7	212.2	154.0	322.1	207.1	147.9
Core Capital: regulatory adjustments	21.8	17.5	7.5	27.7	18.8	13.1
Risk weighted assets	3,808.9	3,137.3	1,329.7	3,768.3	3,112.4	1,324.5
Credit risk weighted assets	3,590.4	3,035.4	1,256.4	3,605.7	3,019.3	1,252.3
Amount equivalent to market risk / 8%	1.7	-	0.9	1.7	-	0.9
Amount equivalent to operational risk / 8%	168.8	101.9	72.3	160.9	93.0	71.1
Credit risk weighted assets adjustments	47.9	-	-	-	-	-
Total required capital	304.7	125.4	106.3	301.4	124.4	105.9

Note: Total required capital of Kansai Urban Banking Corporation as of the end of Mar. 2019 is calculated as 4% of total risk weighted assets.

(Billions of yen, %)

<Minato Bank>	Consolidated			Non-consolidated		
	End of Mar. 2020 (A)	(A)-(B)	End of Mar. 2019 (B)	End of Mar. 2020 (A)	(A)-(B)	End of Mar. 2019 (B)
Capital adequacy ratio	7.77	1.03	6.74	7.67	1.09	6.58
Total qualifying capital	160.0	24.1	135.9	157.1	24.9	132.2
Core Capital: instruments and reserves	164.2	23.1	141.0	161.2	24.1	137.1
Core Capital: regulatory adjustments	4.1	(1.0)	5.1	4.0	(0.8)	4.8
Risk weighted assets	2,058.0	42.2	2,015.8	2,046.7	40.1	2,006.6
Credit risk weighted assets	1,987.0	43.6	1,943.4	1,977.8	41.2	1,936.6
Amount equivalent to operational risk / 8%	70.9	(1.3)	72.3	68.8	(1.1)	69.9
Total required capital	82.3	1.6	80.6	81.8	1.6	80.2

Note: Total required capital is calculated as 4% of total risk weighted assets.

(Reference) Risk weighted assets are calculated by using the methods shown in the box below.

	Amount of credit risk weighted assets		Amount equivalent to operational risk	Amount equivalent to market risk
	End of Mar.2020	End of Mar.2019		
<Kansai Mirai Financial Group>	Fundamental Internal Ratings- Based Approach	Fundamental Internal Ratings- Based Approach	The Standardized Approach	The Standardised Approach
<Kansai Mirai Bank>	Fundamental Internal Ratings- Based Approach	-		
<Kinki Osaka Bank>	-	Fundamental Internal Ratings- Based Approach		
<Kansai Urban Banking Corporation>	-	Standardized Approach		
<Minato Bank>	Standardized Approach *1	Standardized Approach		- *2

Notes: 1. In calculating consolidated capital adequacy ratio of Kansai Mirai Financial Group, amount of credit risk weighted assets of Minato Bank are calculated according to the Fundamental Internal Ratings-Based Approach.

2. According to Public Notice Article 29 and 39, amount equivalent to market risk is not counted.

11. Stock holdings

<Total of two banks>

(Billions of yen)

	End of Mar. 2020	Change	End of Mar. 2019
Acquisition cost	16.2	(5.6)	21.8
Market value	25.7	(23.4)	49.1
Book value of stocks sold outright	3.2	(0.2)	3.4

<Non-consolidated figures of each bank>

(Billions of yen)

	Kansai Mirai Bank	Minato Bank
	End of Mar. 2020	End of Mar. 2020
Acquisition cost	6.8	9.4
Market value	11.8	13.8
Book value of stocks sold outright	3.0	0.2

Note: These figures exclude stocks which are not subject to capital regulation (those of subsidiaries, affiliated companies, and unlisted stocks)

12. Number of employees and offices

<Kansai Mirai Financial Group, Non-consolidated>

(People)

	End of Mar. 2020	Change	End of Mar. 2019
Directors	9	-	9
Non-board executive officers	16	1	15

Notes: 1. Above figures include 18 directors and Non-board executive officers who concurrently serve as directors and executive officers for group banks.

2. Non-board executive officers do not include those officers who concurrently serve as directors.

3. The above figures do not include these directors and Non-board executive officers who retired at the end of respective fiscal periods. The above figures as of end of the fiscal periods include these directors and executive officers who are installed at the beginning of the next fiscal periods.

<Total of two banks>

(People/ branch offices)

	End of Mar. 2020	Change	End of Mar. 2019
Directors	20	—	20
Non-board executive officers	48	(16)	64
Employees	6,827	(200)	7,027
Manned domestic offices	378	(1)	379
Non-manned domestic offices	156	(2)	158
Total domestic offices	534	(3)	537

<Non-consolidated figures of each bank>

(People/ branch offices)

	Kansai Mirai Bank	Minato Bank
	End of Mar. 2020	End of Mar. 2020
Directors	10	10
Non-board executive officers	32	24
Employees	4,567	2,260
Manned domestic offices	272	106
Non-manned domestic offices	79	77
Total domestic offices	351	183

Notes: 1. Directors who concurrently serve as directors for other group banks are counted multiple times. However, multiple entries are adjusted in totals.

2. Non-board executive officers do not include those officers who concurrently serve as directors.

3. The above figures do not include these directors and Non-board executive officers who retired at the end of respective fiscal periods. The above figures as of end of the fiscal periods include these directors and executive officers who are installed at the beginning of the next fiscal periods.

4. The number of employees is based on registered employees (including the seconded employees).

5. The number of employees do not include those who retired at the end of respective fiscal periods.

6. The number of manned offices is the sum of head/branch offices and representative offices.

II. Loans and Bills Discounted and Other

1. Risk-managed loans

(1) Risk-managed loans

(Millions of yen)

<Total of two banks>		End of Mar. 2020 (A)	(A)-(B)	(A)-(C)	End of Sep. 2019 (B)	End of Mar. 2019 (C)
Loans to borrowers in legal bankruptcy		4,018	505	912	3,513	3,106
Past due loans		130,258	(1,718)	(8,066)	131,976	138,324
Loans past due 3 months or more		2,623	1,275	1,798	1,347	824
Restructured loans		22,392	721	(1,307)	21,671	23,699
Risk-managed loans, total		159,293	784	(6,662)	158,508	165,955
Partial direct write-offs		73,708	(3,552)	(2,156)	77,260	75,865
Balance of loans (Term-end)		9,138,642	31,226	(13,235)	9,107,415	9,151,877

<Kansai Mirai Bank>

Loans to borrowers in legal bankruptcy	2,054	248	483	1,806	1,570
Past due loans	86,483	(2,715)	(6,719)	89,198	93,202
Loans past due 3 months or more	1,910	887	1,329	1,023	581
Restructured loans	19,311	2,153	(110)	17,158	19,422
Risk-managed loans, total	109,760	573	(5,017)	109,187	114,778
Partial direct write-offs	69,033	(3,312)	(2,385)	72,345	71,418
Balance of loans (Term-end)	6,425,398	30,140	(44,378)	6,395,258	6,469,776

<Minato Bank>

Loans to borrowers in legal bankruptcy	1,963	256	428	1,706	1,535
Past due loans	43,775	997	(1,346)	42,777	45,121
Loans past due 3 months or more	712	388	469	323	243
Restructured loans	3,080	(1,431)	(1,196)	4,512	4,277
Risk-managed loans, total	49,532	211	(1,645)	49,321	51,177
Partial direct write-offs	4,675	(240)	228	4,915	4,446
Balance of loans (Term-end)	2,713,243	1,086	31,142	2,712,157	2,682,100

Note: The figures of Kansai Mirai Bank do not reflect the current price valuation of "loans and bills discounted" which was calculated at the business combination of Kansai Urban Banking Corporation on March 1, 2010.

(2) Ratio to total balance of loans

(%)

<Total of two banks>		End of Mar. 2020 (A)	(A)-(B)	(A)-(C)	End of Sep. 2019 (B)	End of Mar. 2019 (C)
Loans to borrowers in legal bankruptcy		0.04	0.00	0.01	0.03	0.03
Past due loans		1.42	(0.02)	(0.08)	1.44	1.51
Loans past due 3 months or more		0.02	0.01	0.01	0.01	0.00
Restructured loans		0.24	0.00	(0.01)	0.23	0.25
Risk-managed loans, total		1.74	0.00	(0.07)	1.74	1.81

<Kansai Mirai Bank>

Loans to borrowers in legal bankruptcy	0.03	0.00	0.00	0.02	0.02
Past due loans	1.34	(0.04)	(0.09)	1.39	1.44
Loans past due 3 months or more	0.02	0.01	0.02	0.01	0.00
Restructured loans	0.30	0.03	0.00	0.26	0.30
Risk-managed loans, total	1.70	0.00	(0.06)	1.70	1.77

<Minato Bank>

Loans to borrowers in legal bankruptcy	0.07	0.00	0.01	0.06	0.05
Past due loans	1.61	0.03	(0.06)	1.57	1.68
Loans past due 3 months or more	0.02	0.01	0.01	0.01	0.00
Restructured loans	0.11	(0.05)	(0.04)	0.16	0.15
Risk-managed loans, total	1.82	0.00	(0.08)	1.81	1.90

2. Percentage of loan loss reserves to total risk-managed loans

				(%)	
	End of Mar. 2020 (A)	(A)-(B)	(A)-(C)	End of Sep. 2019 (B)	End of Mar. 2019 (C)
<Total of two banks>					
Before partial direct write-off	49.87	(0.04)	0.22	49.91	49.64
After partial direct write-off	26.67	1.17	0.05	25.50	26.62
<Kansai Mirai Bank>					
Before partial direct write-off	54.11	0.12	0.71	53.99	53.39
After partial direct write-off	25.24	1.74	0.85	23.50	24.39
<Minato Bank>					
Before partial direct write-off	35.89	(0.39)	(1.18)	36.29	37.08
After partial direct write-off	29.84	(0.09)	(1.77)	29.94	31.61

Note: Percentage of reserves = Total reserve for possible loan losses / Total risk-managed loans

3. Reserve for possible loan losses

				(Millions of yen)	
	End of Mar. 2020 (A)	(A)-(B)	(A)-(C)	End of Sep. 2019 (B)	End of Mar. 2019 (C)
<Kansai Mirai Financial Group Consolidated>					
General reserve for possible loan losses	21,773	(571)	(1,822)	22,345	23,596
Specific reserve for possible loan losses	27,754	2,215	(526)	25,538	28,281
Total reserve for possible loan losses	49,528	1,644	(2,349)	47,883	51,877
<Total of two banks>					
General reserve for possible loan losses	16,514	(368)	(1,652)	16,882	18,166
Specific reserve for possible loan losses	25,982	2,432	(35)	23,549	26,018
Total reserve for possible loan losses	42,496	2,064	(1,687)	40,431	44,184
<Kansai Mirai Bank>					
General reserve for possible loan losses	11,441	221	(1,337)	11,220	12,778
Specific reserve for possible loan losses	16,272	1,828	1,047	14,444	15,224
Total reserve for possible loan losses	27,713	2,049	(289)	25,664	28,002
<Minato Bank>					
General reserve for possible loan losses	5,073	(589)	(315)	5,662	5,388
Specific reserve for possible loan losses	9,709	604	(1,083)	9,105	10,793
Total reserve for possible loan losses	14,782	15	(1,398)	14,767	16,181

4. Claims disclosure according to the Financial Reconstruction Act

(Millions of yen, %)

<Total of two banks>		End of Mar. 2020 (A)	(A)-(B)	(A)-(C)	End of Sep. 2019 (B)	End of Mar. 2019 (C)
	Unrecoverable or valueless claims	32,373	(1,580)	(1,693)	33,953	34,066
	Risk claims	102,320	251	(5,656)	102,068	107,976
	Special attention loans	25,015	1,996	491	23,019	24,524
	Financial Reconstruction Act subtotal [A]	159,709	667	(6,858)	159,041	166,568
	Normal claims	9,099,425	19,572	(25,315)	9,079,852	9,124,740
	Financial Reconstruction Act total [B]	9,259,134	20,240	(32,174)	9,238,894	9,291,308
	Partial direct write-offs	74,063	(3,611)	(2,069)	77,675	76,133
	NPL Ratio [A] / [B]	1.72	0.00	(0.06)	1.72	1.79

<Kansai Mirai Bank>

	Unrecoverable or valueless claims	17,148	(3,183)	(1,980)	20,332	19,129
	Risk claims	71,552	559	(4,395)	70,992	75,947
	Special attention loans	21,222	3,040	1,218	18,182	20,004
	Financial Reconstruction Act subtotal [A]	109,923	416	(5,157)	109,507	115,081
	Normal claims	6,383,815	19,959	(54,943)	6,363,856	6,438,759
	Financial Reconstruction Act total [B]	6,493,739	20,375	(60,101)	6,473,363	6,553,840
	Partial direct write-offs	69,358	(3,341)	(2,268)	72,699	71,626
	NPL Ratio [A] / [B]	1.69	0.00	(0.06)	1.69	1.75

<Minato Bank>

	Unrecoverable or valueless claims	15,224	1,602	287	13,621	14,937
	Risk claims	30,767	(307)	(1,261)	31,075	32,029
	Special attention loans	3,793	(1,043)	(727)	4,836	4,520
	Financial Reconstruction Act subtotal [A]	49,785	251	(1,701)	49,534	51,486
	Normal claims	2,715,609	(387)	29,627	2,715,996	2,685,981
	Financial Reconstruction Act total [B]	2,765,395	(135)	27,926	2,765,530	2,737,468
	Partial direct write-offs	4,705	(270)	198	4,975	4,506
	NPL Ratio [A] / [B]	1.80	0.00	(0.08)	1.79	1.88

5. Coverage ratios by type of borrower

<Total of two banks, Non-consolidated figures of each bank>

(%)

	Total of two banks		
	End of Mar. 2020 (A)	(A) - (B)	End of Mar. 2019 (B)
Unrecoverable or valueless claims	100.00	-	100.00
Covered by collateral, guarantees, etc.	81.59	1.24	80.34
Covered by reserves	18.40	(1.24)	19.65
Reserve ratio against the portion not covered by collateral, guarantees, etc.	100.00	-	100.00
Risk claims	91.66	(1.03)	92.70
Covered by collateral, guarantees, etc.	72.36	(2.69)	75.06
Covered by reserves	19.30	1.66	17.63
Reserve ratio against the portion not covered by collateral, guarantees, etc.	69.85	(0.87)	70.72
Special Attention Obligors	59.36	(6.81)	66.17
Covered by collateral, guarantees, etc.	43.03	(7.09)	50.13
Covered by reserves	16.32	0.28	16.04
Reserve ratio against the portion not covered by collateral, guarantees, etc.	28.66	(3.51)	32.17
Other Watch Obligors	74.54	(4.06)	78.61
Covered by collateral, guarantees, etc.	73.03	(3.67)	76.70
Covered by reserves	1.51	(0.39)	1.90
Reserve ratio against the portion not covered by collateral, guarantees, etc.	5.61	(2.57)	8.18
Normal Obligors	0.04	(0.00)	0.04

	Kansai Mirai Bank			Minato Bank		
	End of Mar. 2020 (A)	(A) - (B)	End of Mar. 2019 (B)	End of Mar. 2020 (A)	(A) - (B)	End of Mar. 2019 (B)
Unrecoverable or valueless claims	100.00	-	100.00	100.00	-	100.00
Covered by collateral, guarantees, etc.	95.01	(1.47)	96.48	66.47	6.80	59.67
Covered by reserves	4.98	1.47	3.51	33.52	(6.80)	40.32
Reserve ratio against the portion not covered by collateral, guarantees, etc.	100.00	-	100.00	100.00	-	100.00
Risk claims	91.97	(1.22)	93.20	90.94	(0.55)	91.49
Covered by collateral, guarantees, etc.	70.54	(3.59)	74.14	76.58	(0.65)	77.23
Covered by reserves	21.42	2.36	19.06	14.36	0.09	14.26
Reserve ratio against the portion not covered by collateral, guarantees, etc.	72.76	(0.96)	73.72	61.33	(1.31)	62.65
Special Attention Obligors	56.94	(6.08)	63.03	72.73	(5.44)	78.17
Covered by collateral, guarantees, etc.	40.22	(6.53)	46.75	58.62	(4.39)	63.02
Covered by reserves	16.72	0.44	16.27	14.10	(1.04)	15.15
Reserve ratio against the portion not covered by collateral, guarantees, etc.	27.98	(2.59)	30.57	34.10	(6.87)	40.97
Other Watch Obligors	75.98	(4.93)	80.91	72.16	(3.03)	75.20
Covered by collateral, guarantees, etc.	74.52	(4.28)	78.81	70.56	(3.02)	73.58
Covered by reserves	1.45	(0.64)	2.09	1.60	(0.01)	1.62
Reserve ratio against the portion not covered by collateral, guarantees, etc.	5.71	(4.18)	9.89	5.46	(0.68)	6.14
Normal Obligors	0.03	(0.00)	0.04	0.04	(0.00)	0.04

6. Results of self-assessment of asset quality

(1) Total of two banks

Exposure Categories Obligor Classification		Disclosure Categories under FRA	Self-Assessment of Asset Quality				Coverage	Coverage Ratio under FRA Criteria
			Normal Exposures	Category II Exposures	Category III Exposures	Category IV Exposures		
Bankrupt and Effectively Bankrupt Obligors 32.3		Unrecoverable or Valueless Claims 32.3	14.4	17.9	Reserve Ratio 100.00%	Direct Write-offs	Reserves 5.9 Collateral /Guarantee 26.4	Unrecoverable or Valueless Claims 100.00%
Doubtful Obligors 102.3		Risk Claims 102.3	59.2	34.5	8.5 Reserve Ratio 69.85%		Reserves 19.7 Collateral /Guarantee 74.0	Risk Claims 91.66%
Watch Obligors	Special Attention Obligors 29.4	Special Attention Loans 25.0	5.2	24.1			Reserves 3.9 Collateral /Guarantee 10.5	Special Attention Loans 58.06%
		Subtotal 159.7						
	Other Watch Obligors 536.4	Normal Claims 9,099.4	127.0	409.3				
Normal Obligors 8,558.5			8,558.5					
Total Exposures 9,259.1		Total 9,259.1	Normal 8,764.5	Category II 486.0	Category III 8.5	Category IV -		Total Coverage Ratio 88.10%

Note: Amounts of claim and collateral/guarantee reported above include privately-placed bonds underwritten and guaranteed by the bank to which loan loss reserves are not provided.

(2) Kansai Mirai Bank (Non-consolidated)

Self-Assessment of Asset Quality								(Billions of yen)
Exposure Obligor Classification	Exposure Categories	Disclosure Categories under FRA	Normal Exposures	Category II Exposures	Category III Exposures	Category IV Exposures	Coverage	Coverage Ratio under FRA Criteria
Bankrupt and Effectively Bankrupt Obligor		Unrecoverable or Valueless Claims	4.5	12.6	Reserve Ratio 100.00%	Direct Write-offs	Reserves 0.8 Collateral /Guarantee 16.2	Unrecoverable or Valueless Claims 100.00%
17.1		17.1						
Doubtful Obligor		Risk Claims	39.1	26.6	5.7		Reserves 15.3 Collateral /Guarantee 50.4	Risk Claims 91.97%
71.5		71.5			Reserve Ratio 72.76%			
Watch Obligor	Special Attention Obligor	Special Attention Loans	3.7	21.2			Reserves 3.4 Collateral /Guarantee 8.5	Special Attention Loans 56.62%
		21.2						
		Subtotal 109.9						
Watch Obligor	Other Watch Obligor	Normal Claims	69.5	264.8				
		6,383.8						
334.4								
Normal Obligor			6,045.6					
6,045.6								
								Total Coverage Ratio 86.41%
Total Exposures		Total	Normal	Category II	Category III	Category IV		
6,493.7		6,493.7	6,162.6	325.3	5.7	-		

Note: Amounts of claim and collateral/guarantee reported above include privately-placed bonds underwritten and guaranteed by the bank to which loan loss reserves are not provided.

(3) Minato Bank (Non-consolidated)

Self-Assessment of Asset Quality								(Billions of yen)
Exposure Obligor Classification	Exposure Categories	Disclosure Categories under FRA	Normal Exposures	Category II Exposures	Category III Exposures	Category IV Exposures	Coverage	Coverage Ratio under FRA Criteria
Bankrupt and Effectively Bankrupt Obligor		Unrecoverable or Valueless Claims	9.9	5.3	Reserve Ratio 100.00%	Direct Write-offs	Reserves 5.1 Collateral /Guarantee 10.1	Unrecoverable or Valueless Claims 100.00%
15.2		15.2						
Doubtful Obligor		Risk Claims	20.1	7.8	2.7		Reserves 4.4 Collateral /Guarantee 23.5	Risk Claims 90.94%
30.7		30.7			Reserve Ratio 61.33%			
Watch Obligor	Special Attention Obligor	Special Attention Loans	1.5	2.9			Reserves 0.5 Collateral /Guarantee 1.9	Special Attention Loans 68.12%
		3.7						
		Subtotal 49.7						
Watch Obligor	Other Watch Obligor	Normal Claims	57.5	144.5				
		2,715.6						
202.0								
Normal Obligor			2,512.8					
2,512.8								
								Total Coverage Ratio 91.82%
Total Exposures		Total	Normal	Category II	Category III	Category IV		
2,765.3		2,765.3	2,601.9	160.6	2.7	-		

Note: Amounts of claim and collateral/guarantee reported above include privately-placed bonds underwritten and guaranteed by the bank to which loan loss reserves are not provided.

7. Loans and bills discounted by industry

<Total of two banks, Non-consolidated figures of each bank>

(1) Industry breakdown of total loans and bills discounted

(Billions of yen)

	Total of two banks		
	End of Mar. 2020 (A)	(A) - (B)	End of Mar. 2019 (B)
Manufacturing	544.4	22.9	521.4
Agriculture, forestry	4.6	(0.2)	4.8
Fishery	0.8	0.0	0.8
Mining, quarrying of stone, gravel extraction	1.7	(0.4)	2.1
Construction	293.7	4.2	289.5
Electricity, gas, heating, water	49.3	2.7	46.6
Information and communication	45.8	1.5	44.2
Transportation, postal service	233.3	7.7	225.6
Wholesale and retail trade	650.2	3.1	647.0
Finance and insurance	165.1	(35.1)	200.2
Real estate	2,608.5	(16.6)	2,625.2
Apartment loans	717.9	3.1	714.8
Real estate brokerage	1,298.6	29.3	1,269.3
Goods rental and leasing	132.0	2.4	129.5
Services	697.6	(28.5)	726.1
Government, local government	226.3	(72.8)	299.1
Others	3,484.6	95.7	3,388.9
Residential housing loans	3,297.6	101.4	3,196.2
Domestic total	9,138.6	(13.2)	9,151.8
Japan offshore banking account	-	-	-
Total	9,138.6	(13.2)	9,151.8

	Kansai Mirai Bank			Minato Bank		
	End of Mar. 2020 (A)	(A) - (B)	End of Mar. 2019 (B)	End of Mar. 2020 (A)	(A) - (B)	End of Mar. 2019 (B)
Manufacturing	316.2	6.1	310.1	228.1	16.7	211.3
Agriculture, forestry	2.7	0.0	2.6	1.8	(0.3)	2.2
Fishery	0.7	0.0	0.7	0.1	0.0	0.1
Mining, quarrying of stone, gravel extraction	0.9	(0.4)	1.3	0.8	0.0	0.7
Construction	199.8	5.8	194.0	93.8	(1.5)	95.4
Electricity, gas, heating, water	29.5	0.6	28.9	19.8	2.1	17.7
Information and communication	19.8	1.2	18.5	25.9	0.3	25.6
Transportation, postal service	114.2	4.3	109.8	119.1	3.3	115.7
Wholesale and retail trade	396.3	5.4	390.8	253.9	(2.3)	256.2
Finance and insurance	46.6	1.2	45.4	118.4	(36.3)	154.8
Real estate	1,972.5	(8.3)	1,980.9	635.9	(8.3)	644.2
Apartment loans	506.9	4.8	502.0	211.0	(1.7)	212.7
Real estate brokerage	1,030.1	28.5	1,001.6	268.4	0.7	267.7
Goods rental and leasing	59.2	1.1	58.1	72.7	1.3	71.4
Services	463.5	(27.6)	491.1	234.0	(0.9)	234.9
Government, local government	62.5	(79.9)	142.5	163.7	7.1	156.6
Others	2,740.2	45.9	2,694.3	744.4	49.7	694.6
Residential housing loans	2,599.6	51.0	2,548.5	698.0	50.3	647.6
Domestic total	6,425.3	(44.3)	6,469.7	2,713.2	31.1	2,682.1
Japan offshore banking account	-	-	-	-	-	-
Total	6,425.3	(44.3)	6,469.7	2,713.2	31.1	2,682.1

Note: The figures of Kansai Mirai Bank do not reflect the current price valuation of "loans and bills discounted" which was calculated at the business combination of Kansai Urban Banking Corporation on March 1, 2010.

(2) Risk-managed loans by industry (Billions of yen)

	Total of two banks		
	End of Mar. 2020 (A)	(A) - (B)	End of Mar. 2019 (B)
Manufacturing	27.2	1.8	25.4
Agriculture, forestry	0.0	0.0	0.0
Fishery	-	-	-
Mining, quarrying of stone, gravel extraction	1.0	(0.3)	1.4
Construction	8.7	(1.9)	10.6
Electricity, gas, heating, water	-	(0.2)	0.2
Information and communication	2.1	(0.1)	2.2
Transportation, postal service	8.3	0.1	8.2
Wholesale and retail trade	29.7	(0.7)	30.5
Finance and insurance	0.4	0.0	0.4
Real estate	20.5	0.6	19.9
Apartment loans	2.9	(0.5)	3.5
Real estate brokerage	11.5	(0.2)	11.8
Goods rental and leasing	0.2	0.1	0.1
Services	25.5	(0.8)	26.4
Government, local government	-	-	-
Others	35.0	(5.1)	40.1
Residential housing loans	31.9	(4.9)	36.9
Domestic total	159.2	(6.6)	165.9
Japan offshore banking account	-	-	-
Total	159.2	(6.6)	165.9

	Kansai Mirai Bank			Minato Bank		
	End of Mar. 2020 (A)	(A) - (B)	End of Mar. 2019 (B)	End of Mar. 2020 (A)	(A) - (B)	End of Mar. 2019 (B)
Manufacturing	17.9	1.6	16.3	9.3	0.2	9.1
Agriculture, forestry	0.0	0.0	0.0	0.0	0.0	0.0
Fishery	-	-	-	-	-	-
Mining, quarrying of stone, gravel extraction	0.4	(0.3)	0.7	0.6	(0.0)	0.6
Construction	5.8	(1.5)	7.4	2.8	(0.3)	3.2
Electricity, gas, heating, water	-	-	-	-	(0.2)	0.2
Information and communication	1.7	(0.1)	1.8	0.4	0.0	0.3
Transportation, postal service	6.7	0.3	6.4	1.5	(0.2)	1.7
Wholesale and retail trade	15.4	(1.5)	16.9	14.3	0.7	13.5
Finance and insurance	0.4	0.0	0.3	0.0	(0.0)	0.0
Real estate	16.9	2.3	14.5	3.6	(1.7)	5.3
Apartment loans	2.4	(0.4)	2.8	0.5	(0.1)	0.6
Real estate brokerage	11.1	2.9	8.2	0.3	(3.2)	3.5
Goods rental and leasing	0.1	0.0	0.0	0.1	0.1	0.0
Services	15.4	(2.0)	17.5	10.1	1.2	8.9
Government, local government	-	-	-	-	-	-
Others	28.6	(3.7)	32.3	6.3	(1.3)	7.7
Residential housing loans	26.3	(3.6)	30.0	5.6	(1.2)	6.8
Domestic total	109.7	(5.0)	114.7	49.5	(1.6)	51.1
Japan offshore banking account	-	-	-	-	-	-
Total	109.7	(5.0)	114.7	49.5	(1.6)	51.1

Note: The figures of Kansai Mirai Bank do not reflect the current price valuation of "loans and bills discounted" which was calculated at the business combination of Kansai Urban Banking Corporation on March 1, 2010.

(3) Loans to consumers

(Millions of yen)

<Total of two banks>		End of Mar. 2020 (A)	(A) - (B)	(A) - (C)	End of Sep. 2019 (B)	End of Mar. 2019 (C)
	Housing loans	4,015,606	50,769	104,567	3,964,837	3,911,039
	Residential housing loans	3,297,634	51,102	101,422	3,246,532	3,196,212
	Other consumer loans	128,934	123	1	128,811	128,933
Total loans to consumers		4,144,541	50,892	104,568	4,093,648	4,039,972

<Kansai Mirai Bank>

	Housing loans	3,106,554	23,758	55,944	3,082,796	3,050,610
	Residential housing loans	2,599,627	22,689	51,082	2,576,938	2,548,545
	Other consumer loans	89,926	1,069	1,031	88,856	88,894
Total loans to consumers		3,196,481	24,827	56,975	3,171,653	3,139,505

<Minato Bank>

	Housing loans	909,051	27,010	48,622	882,041	860,428
	Residential housing loans	698,007	28,413	50,340	669,593	647,666
	Other consumer loans	39,008	(946)	(1,029)	39,954	40,038
Total loans to consumers		948,060	26,064	47,592	921,995	900,467

Notes: 1. The figures of Kansai Mirai Bank do not reflect the current price valuation of "loans and bills discounted" which was calculated at the business combination of Kansai Urban Banking Corporation on March 1, 2010.
2. The figures of "Housing loans" include the figures of "Apartment loans"

(4) Loans to small and medium-sized enterprises and consumers

(Millions of yen, %)

<Total of two banks>		End of Mar. 2020 (A)	(A) - (B)	(A) - (C)	End of Sep. 2019 (B)	End of Mar. 2019 (C)
	Loans to SMEs and consumers	8,245,585	16,428	46,070	8,229,157	8,199,514
	Ratio of loans to SMEs and consumers	90.22	(0.12)	0.63	90.35	89.59

<Kansai Mirai Bank>

	Loans to SMEs and consumers	6,037,008	7,961	(7,852)	6,029,047	6,044,861
	Ratio of loans to SMEs and consumers	93.95	(0.31)	0.52	94.27	93.43

<Minato Bank>

	Loans to SMEs and consumers	2,208,576	8,466	53,923	2,200,109	2,154,653
	Ratio of loans to SMEs and consumers	81.39	0.27	1.06	81.12	80.33

Notes: 1. Figures are based on the reports submitted to Bank of Japan(excluding loans in Japan offshore banking account)
2. The figures of Kansai Mirai Bank do not reflect the current price valuation of "loans and bills discounted" which was calculated at the business combination of Kansai Urban Banking Corporation on March 1, 2010.

8. Balance of deposits and loans

(Millions of yen)

	End of Mar. 2020 (A)	(A) - (B)	(A) - (C)	End of Sep. 2019 (B)	End of Mar. 2019 (C)
<Total of two banks>					
Deposits (Term-end)	10,406,101	(229,341)	(309,505)	10,635,442	10,715,607
Deposits (Average balance)	10,608,018	(94,315)	(165,011)	10,702,333	10,773,030
Loans and bills discounted (Term-end)	9,140,281	31,087	(13,552)	9,109,193	9,153,833
Loans and bills discounted (Average balance)	9,064,935	3,076	115,234	9,061,858	8,949,701

<Kansai Mirai Bank>

Deposits (Term-end)	7,029,087	(262,900)	(372,497)	7,291,988	7,401,585
Deposits (Average balance)	7,258,310	(103,287)	(222,303)	7,361,597	7,480,614
Loans and bills discounted (Term-end)	6,427,037	30,000	(44,694)	6,397,036	6,471,732
Loans and bills discounted (Average balance)	6,375,535	(6,565)	20,885	6,382,101	6,354,650

<Minato Bank>

Deposits (Term-end)	3,377,013	33,559	62,991	3,343,454	3,314,021
Deposits (Average balance)	3,349,707	8,971	57,291	3,340,736	3,292,416
Loans and bills discounted (Term-end)	2,713,243	1,086	31,142	2,712,157	2,682,100
Loans and bills discounted (Average balance)	2,689,400	9,642	94,348	2,679,757	2,595,051

<Reference> Domestic breakdown of individual, corporate and other deposits (Millions of yen)

	End of Mar. 2020 (A)	(A) - (B)	(A) - (C)	End of Sep. 2019 (B)	End of Mar. 2019 (C)
<Total of two banks>					
Domestic individual deposits (Term-end)	7,902,280	22,945	(30,505)	7,879,335	7,932,785
Liquid deposits	4,374,919	151,268	210,949	4,223,650	4,163,969
Time deposits	3,502,942	(127,337)	(240,997)	3,630,279	3,743,940
Domestic corporate deposits (Term-end)	2,388,772	(97,407)	(128,935)	2,486,179	2,517,707
Liquid deposits	1,620,180	(13,833)	(18,105)	1,634,013	1,638,285
Time deposits	695,806	(69,233)	(149,027)	765,039	844,834

<Kansai Mirai Bank>

Domestic individual deposits (Term-end)	5,279,063	(18,080)	(85,618)	5,297,144	5,364,682
Liquid deposits	2,613,423	91,001	121,729	2,522,421	2,491,693
Time deposits	2,656,183	(108,737)	(207,080)	2,764,920	2,863,264
Domestic corporate deposits (Term-end)	1,689,057	(91,800)	(148,809)	1,780,858	1,837,867
Liquid deposits	1,103,322	(7,113)	(20,515)	1,110,436	1,123,837
Time deposits	538,242	(71,271)	(153,550)	609,514	691,793

<Minato Bank>

Domestic individual deposits (Term-end)	2,623,216	41,026	55,113	2,582,190	2,568,103
Liquid deposits	1,761,496	60,267	89,220	1,701,229	1,672,276
Time deposits	846,758	(18,599)	(33,916)	865,358	880,675
Domestic corporate deposits (Term-end)	699,714	(5,606)	19,874	705,321	679,840
Liquid deposits	516,858	(6,719)	2,409	523,577	514,448
Time deposits	157,564	2,038	4,522	155,525	153,041

Notes: 1. Figures are based on the reports submitted to Bank of Japan. (excluding loans in Japan offshore banking account)

2. Liquid deposits = current deposits + ordinary deposits + saving deposits + deposits at notice

Time deposits = time deposits + installment savings

<Reference> Investment trust and other investment products for individual customers (Millions of yen)

	End of Mar. 2020 (A)	(A) - (B)	(A) - (C)	End of Sep. 2019 (B)	End of Mar. 2019 (C)
<Total of two banks>					
Investment trust (Including fund wrap)	589,946	(95,408)	(73,562)	685,355	663,508
Public bond	9,892	(881)	(2,253)	10,773	12,145
Insurance	837,842	13,040	30,964	824,801	806,878

<Kansai Mirai Bank>

Investment trust (Including fund wrap)	416,530	(68,284)	(47,386)	484,814	463,916
Public bond	3,945	(246)	(766)	4,192	4,712
Insurance	630,392	5,643	18,806	624,748	611,585

<Minato Bank>

Investment trust (Including fund wrap)	173,416	(27,124)	(26,176)	200,540	199,592
Public bond	5,946	(634)	(1,486)	6,580	7,432
Insurance	207,449	7,396	12,157	200,053	195,292

Notes: 1. Investment trust: based on market prices at each period-end

2. Public bond: Government bonds, local government bonds, and government-guaranteed bonds in custody accounts (amounts in par value and on a delivery date basis)

3. Insurance: based on insurance premiums paid (yen equivalent)

III. Reference Materials (Group Banks' Financial Statements)

<Consolidated Balance Sheet>

(Millions of yen)

	March 31, 2019 Kansai Urban Banking Corporation	March 31, 2019 Kinki Osaka Bank	March 31, 2020
Assets			
Cash and due from banks	¥ 243,723	¥ 384,156	¥ 386,895
Monetary claims bought	—	2,529	790
Securities	191,359	643,492	653,246
Loans and bills discounted	3,993,871	2,458,411	6,412,566
Foreign exchange assets	10,336	5,967	11,833
Lease receivables and investment assets	29,400	—	29,236
Other assets	49,568	29,202	78,900
Tangible fixed assets	54,018	29,290	77,488
Buildings	12,886	9,882	20,025
Land	36,301	17,784	52,226
Leased assets	19	645	529
Construction in progress	1	3	27
Other tangible fixed assets	4,809	974	4,678
Intangible fixed assets	13,556	337	9,943
Software	4,701	63	1,616
Goodwill	8,042	—	7,305
Leased assets	162	—	129
Other intangible fixed assets	649	274	891
Net defined benefit asset	2,446	76	15,441
Deferred tax assets	16,999	7,415	28,366
Customers' liabilities for acceptances and guarantees	5,183	9,855	13,331
Reserve for possible loan losses	(22,937)	(11,657)	(33,987)
Total Assets	4,587,526	3,559,077	7,684,053
Liabilities and Net Assets			
Liabilities			
Deposits	4,074,874	3,307,695	7,016,505
Negotiable certificates of deposit	169,050	35,500	131,240
Call money and bills sold	124	—	372
Borrowed money	82,716	8,400	106,076
Foreign exchange liabilities	24	56	802
Other liabilities	37,606	26,810	69,771
Reserve for employees' bonuses	2,398	1,697	3,871
Net defined benefit liability	7,022	4,406	10,284
Reserve for losses on reimbursement of dormant deposits	1,118	—	—
Reserve for contingent loss	680	—	—
Other reserves	—	4,922	5,548
Deferred tax liabilities	5	—	—
Deferred tax liabilities for land revaluation	355	—	217
Acceptances and guarantees	5,183	9,855	13,331
Total Liabilities	4,381,160	3,399,343	7,358,022
Net Assets			
Capital stock	47,039	38,971	38,971
Capital surplus	93,566	55,439	171,012
Retained earnings	57,668	66,141	122,683
Total stockholders' equity	198,274	160,552	332,667
Net unrealized gains on available-for-sale securities	10,202	5,753	111
Net deferred gains on hedges	(280)	—	(241)
Revaluation reserve for land	763	—	464
Remeasurements of defined benefit plans	(3,746)	(6,571)	(8,139)
Total accumulated other comprehensive income	6,938	(818)	(7,805)
Noncontrolling interests	1,152	—	1,167
Total Net Assets	206,365	159,734	326,030
Total Liabilities and Net Assets	¥ 4,587,526	¥ 3,559,077	¥ 7,684,053

<Consolidated Statement of Income>

(Millions of yen)

	For the fiscal year ended March 31, 2019 Kansai Urban Banking Corporation	For the fiscal year ended March 31, 2019 Kinki Osaka Bank	For the fiscal year ended March 31, 2020
Ordinary income	¥ 89,404	¥ 54,207	¥ 140,173
Interest income	56,600	30,387	82,873
Interest on loans and bills discounted	52,489	25,879	75,086
Interest and dividends on securities	2,538	4,166	6,155
Interest on call loans and bills bought	51	(2)	13
Interest on due from banks	204	270	454
Other interest income	1,316	73	1,164
Fees and commissions	14,404	17,681	29,033
Other operating income	15,172	1,779	19,780
Other ordinary income	3,227	4,358	8,486
Reversal of reserve for possible loan losses	—	2,882	—
Recoveries of written-off loans	5	440	1,219
Other	3,221	1,034	7,267
Ordinary expenses	79,716	47,648	129,831
Interest expenses	3,767	909	3,848
Interest on deposits	3,281	915	3,479
Interest on negotiable certificates of deposit	22	1	16
Interest on call money and bills sold	(65)	(33)	(65)
Interest on payables under securities lending transactions	—	2	0
Interest on borrowed money	404	—	280
Other interest expenses	125	24	136
Fees and commissions	6,206	4,993	11,062
Other operating expenses	11,895	220	17,046
General and administrative expenses	47,341	38,146	82,080
Other ordinary expenses	10,505	3,377	15,793
Provision to reserve for possible loan losses	3,770	—	1,930
Other	6,735	3,377	13,863
Ordinary profits	9,688	6,559	10,341
Extraordinary gains	20	187	8,843
Gains on disposal of fixed assets	20	187	—
Gain on contribution of securities to retirement benefit trust	—	—	4,954
Gain on revision of retirement benefit plan	—	—	3,889
Extraordinary losses	159	98	11,301
Losses on disposal of fixed assets	64	90	974
Impairment losses on fixed assets	95	7	7,396
Other	—	—	2,930
Income before income taxes	9,548	6,648	7,883
Income taxes – current	2,462	815	2,195
Income taxes – deferred	(336)	1,416	1,064
Total income taxes	2,126	2,231	3,259
Net income	7,421	4,416	4,624
Net income attributable to noncontrolling interests	19	—	20
Net income attributable to owners of parent	¥ 7,402	¥ 4,416	¥ 4,604

<Consolidated Statement of Comprehensive Income>

(Millions of yen)

	For the fiscal year ended March 31, 2019 Kansai Urban Banking Corporation		For the fiscal year ended March 31, 2019 Kinki Osaka Bank		For the fiscal year ended March 31, 2020
Net income	¥	7,421	¥	4,416	¥ 4,624
Other comprehensive income		(1,907)		(1,521)	(7,451)
Net unrealized gains (losses) on available-for-sale securities		(886)		(1,523)	(5,642)
Net deferred gains (losses) on hedges		(146)		—	(241)
Remeasurements of defined benefit plans		(873)		2	(1,567)
Total comprehensive income	¥	5,514	¥	2,895	¥ (2,826)
Total comprehensive income attributable to:					
Owners of parent	¥	5,493	¥	2,895	¥ (2,847)
Noncontrolling interests	¥	21	¥	—	¥ 20

<Consolidated Statement of Changes in Net Assets>

For the fiscal year ended March 31, 2019

(Millions of yen)

	Stockholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total stockholders' equity
Balance at the beginning of the fiscal year	¥ 47,039	¥ 94,163	¥ 60,013	¥ (611)	¥ 200,604
Changes during the fiscal year					
Dividends paid			(9,771)		(9,771)
Net income attributable to owners of the parent			7,402		7,402
Cancellation of treasury stock		(611)		611	
Reversal of revaluation reserve for land			23		23
Changes in shareholder's interest due to transaction with noncontrolling interests		14			14
Net changes except for stockholders' equity during the fiscal year					
Total changes during the fiscal year	—	(597)	(2,344)	611	(2,330)
Balance at the end of the fiscal year	¥ 47,039	¥ 93,566	¥ 57,668	—	¥ 198,274

	Accumulated other comprehensive income					Noncontrolling interests	Total net assets
	Net unrealized gains on available-for-sale securities	Net deferred gains on hedges	Revaluation reserve for land	Remeasure-ments of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of the fiscal year	¥ 11,089	¥ (134)	¥ 787	¥ (2,871)	¥ 8,871	¥ 1,239	¥ 210,715
Changes during the fiscal year							
Dividends paid							(9,771)
Net income attributable to owners of the parent							7,402
Cancellation of treasury stock							—
Reversal of revaluation reserve for land							23
Changes in shareholder's interest due to transaction with noncontrolling interests							14
Net changes except for stockholders' equity during the fiscal year	(886)	(146)	(23)	(875)	(1,932)	(87)	(2,019)
Total changes during the fiscal year	(886)	(146)	(23)	(875)	(1,932)	(87)	(4,350)
Balance at the end of the fiscal year	¥ 10,202	¥ (280)	¥ 763	¥ (3,746)	¥ 6,938	¥ 1,152	¥ 206,365

<Consolidated Statement of Changes in Net Assets>
For the fiscal year ended March 31, 2019

(Millions of yen)

	Stockholders' equity			
	Capital stock	Capital surplus	Retained earnings	Total stockholders' equity
Balance at the beginning of the fiscal year	¥ 38,971	¥ 55,439	¥ 63,862	¥ 158,273
Changes during the fiscal year				
Dividends paid			(2,137)	(2,137)
Net income attributable to owners of the parent			4,416	4,416
Net changes except for stockholders' equity during the fiscal year				
Total changes during the fiscal year	—	—	2,278	2,278
Balance at the end of the fiscal year	¥ 38,971	¥ 55,439	¥ 66,141	¥ 160,552

	Accumulated other comprehensive income			Total net assets
	Net unrealized gains on available-for-sale securities	Remeasure-ments of defined benefit plans	Total accumulated other com-prehensive income	
Balance at the beginning of the fiscal year	¥ 7,277	¥ (6,573)	¥ 703	¥ 158,976
Changes during the fiscal year				
Dividends paid				(2,137)
Net income attributable to owners of the parent				4,416
Net changes except for stockholders' equity during the fiscal year	(1,523)	2	(1,521)	(1,521)
Total changes during the fiscal year	(1,523)	2	(1,521)	757
Balance at the end of the fiscal year	¥ 5,753	¥ (6,571)	¥ (818)	¥ 159,734

<Consolidated Statement of Changes in Net Assets - Continued>

For the fiscal year ended March 31, 2020

(Millions of yen)

	Stockholders' equity			
	Capital stock	Capital surplus	Retained earnings	Total stockholders' equity
Balance at the beginning of the fiscal year	¥ 38,971	¥ 55,439	¥ 66,141	¥ 160,552
Changes during the fiscal year				
Increase by merger		140,606	57,668	198,274
Dividends paid		(25,032)	(6,029)	(31,062)
Net income attributable to owners of the parent			4,604	4,604
Reversal of revaluation reserve for land			299	299
Net changes except for stockholders' equity during the fiscal year				
Total changes during the fiscal year	—	115,573	56,541	172,115
Balance at the end of the fiscal year	¥ 38,971	¥ 171,012	¥ 122,683	¥ 332,667

	Accumulated other comprehensive income					Noncontrolling interests	Total net assets
	Net unrealized gains on available-for-sale securities	Net deferred gains on hedges	Revaluation reserve for land	Remeasure-ments of defined benefit plans	Total accumulated other com-prehensive income		
Balance at the beginning of the fiscal year	¥ 5,753	¥ —	¥ —	¥ (6,571)	¥ (818)	¥ —	¥ 159,734
Changes during the fiscal year							
Increase by merger							198,274
Dividends paid							(31,062)
Net income attributable to owners of the parent							4,604
Reversal of revaluation reserve for land							299
Net changes except for stockholders' equity during the fiscal year	(5,642)	(241)	464	(1,567)	(6,987)	1,167	(5,819)
Total changes during the fiscal year	(5,642)	(241)	464	(1,567)	(6,987)	1,167	166,296
Balance at the end of the fiscal year	¥ 111	¥ (241)	¥ 464	¥ (8,139)	¥ (7,805)	¥ 1,167	¥ 326,030

<Non-Consolidated Balance Sheet>

(Millions of yen)

	March 31, 2019 Kansai Urban Banking Corporation		March 31, 2019 Kinki Osaka Bank		March 31, 2020	
Assets						
Cash and due from banks	¥	241,985	¥	384,125	¥	386,849
Cash		26,939		32,995		61,754
Due from banks		215,045		351,130		325,094
Monetary claims bought		—		2,529		790
Securities		213,179		645,709		676,184
Japanese government bonds		3,580		111,919		103,262
Local government bonds		10,956		53,371		44,022
Corporate bonds		97,610		411,198		412,270
Stocks		42,951		15,037		37,192
Other securities		58,080		54,182		79,438
Loans and bills discounted		4,014,774		2,456,957		6,427,037
Bills discounted		4,838		19,581		17,235
Loans on notes		77,995		36,912		105,016
Loans on deeds		3,851,543		2,243,632		6,059,421
Overdrafts		80,397		156,830		245,363
Foreign exchange assets		10,336		5,967		11,833
Due from foreign banks		8,965		4,831		9,193
Foreign bills of exchange bought		870		463		1,455
Foreign bills of exchange receivable		500		672		1,183
Other assets		23,104		29,106		56,003
Unsettled exchange receivable		3		—		1
Prepaid expenses		160		306		605
Accrued income		3,018		2,439		4,284
Initial margins for future transactions		—		—		500
Financial derivatives, principally including option premiums and contracts under hedge accounting		10,301		122		10,698
Cash collateral paid for financial instruments		6,237		—		8,630
Other		3,382		26,237		31,283
Tangible fixed assets		52,540		29,287		75,926
Buildings		12,869		9,882		19,993
Land		36,301		17,784		52,226
Leased assets		2,537		645		1,827
Construction in progress		1		3		27
Other tangible fixed assets		831		970		1,851
Intangible fixed assets		13,276		326		9,708
Software		4,252		56		1,475
Goodwill		8,042		—		7,305
Leased assets		334		—		42
Other intangible fixed assets		646		270		885
Prepaid pension cost		6,729		5,169		25,137
Deferred tax assets		13,650		3,640		22,408
Customers' liabilities for acceptances and guarantees		5,016		9,562		12,968
Reserve for possible loan losses		(18,868)		(9,134)		(27,713)
Total Assets	¥	4,575,725	¥	3,563,248	¥	7,677,135

<Non-Consolidated Balance Sheet>

(Millions of yen)

	March 31, 2019 Kansai Urban Banking Corporation	March 31, 2019 Kinki Osaka Bank	March 31, 2020
Liabilities and Net Assets			
Liabilities			
Deposits	4,091,627	3,309,958	7,029,087
Current deposits	108,113	187,123	289,083
Ordinary deposits	1,370,289	1,918,836	3,400,140
Savings deposits	14,977	19,013	32,136
Notice deposits	10,761	3,107	12,946
Time deposits	2,568,003	1,159,122	3,235,557
Other deposits	19,481	22,754	59,223
Negotiable certificates of deposit	187,550	55,500	173,640
Call money	124	—	372
Borrowed money	56,766	8,400	82,156
Borrowed money	56,766	8,400	82,156
Foreign exchange liabilities	24	56	802
Foreign bills of exchange sold	24	7	60
Foreign bills of exchange payables	—	48	742
Other liabilities	20,571	19,441	45,307
Unsettled exchange payables	—	0	39
Accrued income taxes	1,738	473	652
Accrued expenses	3,346	3,987	10,988
Unearned income	913	1,025	2,475
Financial derivatives, principally including option premiums and contracts under hedge accounting	6,373	46	6,549
Lease obligation	3,115	673	2,128
Asset retirement obligations	306	263	1,451
Other	4,778	12,970	21,022
Reserve for employees' bonuses	2,330	1,674	3,786
Reserve for employees' retirement benefits	5,959	—	8,267
Reserve for losses on reimbursement of dormant deposits	1,118	—	—
Reserve for contingent loss	680	—	—
Other reserves	—	4,922	5,548
Deferred tax liabilities for land revaluation	355	—	217
Acceptances and guarantees	5,016	9,562	12,968
Total Liabilities	4,372,125	3,409,515	7,362,156
Net Assets			
Capital stock	47,039	38,971	38,971
Capital surplus	93,551	55,439	170,998
Capital reserve	18,937	38,971	38,971
Other capital surplus	74,613	16,467	132,026
Retained earnings	52,338	53,568	104,682
Legal reserve	5,722	—	—
Other retained earnings	46,615	53,568	104,682
Retained earnings carried forward	46,615	53,568	104,682
Total stockholders' equity	192,929	147,979	314,652
Net unrealized gains on available-for-sale securities	10,202	5,753	111
Net deferred gains on hedges	(295)	—	(249)
Revaluation reserve for land	763	—	464
Total valuation and translation differences	10,670	5,753	326
Total Net Assets	203,600	153,733	314,978
Total Liabilities and Net Assets	¥ 4,575,725	¥ 3,563,248	¥ 7,677,135

<Non-Consolidated Statement of Income>

(Millions of yen)

	For the fiscal year ended March 31, 2019 Kansai Urban Banking Corporation	For the fiscal year ended March 31, 2019 Kinki Osaka Bank	For the fiscal year ended March 31, 2020
Ordinary income	¥ 73,699	¥ 52,072	¥ 123,012
Interest income	55,488	30,359	83,369
Interest on loans and bills discounted	52,645	25,850	75,107
Interest and dividends on securities	2,538	4,166	7,688
Interest on call loans	51	(2)	13
Interest on due from banks	204	270	454
Interest on interest rate-swaps	0	—	—
Other interest income	48	73	106
Fees and commissions	11,662	16,672	26,168
Exchange fees received	1,832	2,981	4,806
Other fees and commissions	9,829	13,691	21,361
Other operating income	3,217	1,779	4,931
Gains on foreign exchange transactions	85	404	800
Gains on trading account securities transactions	0	—	—
Gains on sale of Japanese government bonds and other	2,159	1,375	2,914
Income from derivatives other than for trading or hedging	874	—	1,216
Other	97	—	—
Other ordinary income	3,331	3,260	8,543
Reversal of reserve for possible loan losses	—	1,843	—
Recoveries of written-off loans	2	440	1,215
Gains on sales of stocks and other securities	3,129	412	6,285
Other	199	563	1,043
Ordinary expenses	65,876	48,268	113,857
Interest expenses	3,780	922	3,831
Interest on deposits	3,281	915	3,480
Interest on negotiable certificates of deposit	28	14	35
Interest on call money	(65)	(33)	(65)
Interest on payables under securities lending transactions	—	2	0
Interest on borrowed money	210	—	92
Interest expenses on interest rate-swaps	139	—	121
Other interest expenses	186	24	166
Fees and commissions	7,934	6,190	13,422
Commissions paid on exchange transactions	442	664	996
Other	7,492	5,526	12,425
Other operating expenses	164	220	2,545
Losses on sale of Japanese government bonds and other	164	34	2,545
Impairment losses on Japanese government bonds and other	—	186	—
General and administrative expenses	44,930	37,575	79,914
Other ordinary expenses	9,065	3,360	14,143
Provision to reserve for possible loan losses	2,372	—	506
Write-off of loans	—	1,315	3,649
Losses on sales of stocks and other securities	27	66	511
Losses on devaluation of stocks and other securities	124	0	18
Other	6,541	1,977	9,456
Ordinary profits	7,822	3,803	9,155
Extraordinary gains	20	187	8,843
Gains on disposal of fixed assets	20	187	—
Gain on contribution of securities to retirement benefit trust	—	—	4,954
Gain on revision of retirement benefit plan	—	—	3,889
Extraordinary losses	121	97	11,210
Losses on disposal of fixed assets	59	89	896
Impairment losses on fixed assets	61	7	7,383
Other	—	—	2,930
Income before income taxes	7,721	3,892	6,788
Income taxes – current	1,872	366	1,420
Income taxes – deferred	(377)	1,128	862
Total income taxes	1,494	1,494	2,282
Net income	¥ 6,227	¥ 2,398	¥ 4,506

<Non-Consolidated Statement of Changes in Net Assets>
For the fiscal year ended March 31, 2019

(Millions of yen)

	Stockholders' equity								
	Capital stock	Capital surplus			Retained earnings			Treasury stock	Total stockholders' equity
		Capital reserve	Other capital surplus	Total capital surplus	Legal reserve	Other retained earnings Retained earnings carried forward	Total retained earnings		
Balance at the beginning of the fiscal year	¥ 47,039	¥ 18,937	¥ 75,225	¥ 94,163	¥ 3,768	¥ 52,090	¥ 55,858	¥ (611)	¥ 196,450
Changes during the fiscal year									
Dividends paid					1,954	(11,725)	(9,771)		(9,771)
Net income						6,227	6,227		6,227
Cancellation of treasury stock			(611)	(611)				611	—
Reversal of revaluation reserve for land						23	23		23
Net changes except for stockholders' equity during the fiscal year									
Total changes during the fiscal year	—	—	(611)	(611)	1,954	(5,474)	(3,520)	611	(3,520)
Balance at the end of the fiscal year	¥ 47,039	¥ 18,937	¥ 74,613	¥ 93,551	¥ 5,722	¥ 46,615	¥ 52,338	—	¥ 192,929

	Valuation and translation differences				Total net assets
	Net unrealized gains on available-for-sale securities	Net deferred gains on hedges	Revaluation reserve for land	Total valuation and translation differences	
Balance at the beginning of the fiscal year	¥ 11,089	¥ (146)	¥ 787	¥ 11,730	¥ 208,180
Changes during the fiscal year					
Dividends paid					(9,771)
Net income					6,227
Cancellation of treasury stock					—
Reversal of revaluation reserve for land					23
Net changes except for stockholders' equity during the fiscal year	(886)	(148)	(23)	(1,059)	(1,059)
Total changes during the fiscal year	(886)	(148)	(23)	(1,059)	(4,579)
Balance at the end of the fiscal year	¥ 10,202	¥ (295)	¥ 763	¥ 10,670	¥ 203,600

<Non-Consolidated Statement of Changes in Net Assets>

For the fiscal year ended March 31, 2019

(Millions of yen)

	Stockholders' equity					
	Capital stock	Capital surplus			Retained earnings	Total stockholders' equity
		Capital reserve	Other capital surplus	Total capital surplus	Other retained earnings	
					Retained earnings carried forward	
Balance at the beginning of the fiscal year	¥ 38,971	¥ 38,971	¥ 16,467	¥ 55,439	¥ 53,308	¥ 147,718
Changes during the fiscal year						
Dividends paid					(2,137)	(2,137)
Net income					2,398	2,398
Net changes except for stockholders' equity during the fiscal year						
Total changes during the fiscal year	—	—	—	—	260	260
Balance at the end of the fiscal year	¥ 38,971	¥ 38,971	¥ 16,467	¥ 55,439	¥ 53,568	¥ 147,979

	Valuation and translation differences	Total net assets
	Net unrealized gains on available-for-sale securities	
Balance at the beginning of the fiscal year	¥ 7,277	¥ 154,996
Changes during the fiscal year		
Dividends paid		(2,137)
Net income		2,398
Net changes except for stockholders' equity during the fiscal year	(1,523)	(1,523)
Total changes during the fiscal year	(1,523)	(1,263)
Balance at the end of the fiscal year	¥ 5,753	¥ 153,733

<Non-Consolidated Statement of Changes in Net Assets - Continued>

For the fiscal year ended March 31, 2020

(Millions of yen)

	Stockholders' equity					
	Capital stock	Capital surplus			Retained earnings	Total stockholders' equity
		Capital reserve	Other capital surplus	Total capital surplus	Other retained earnings	
					Retained earnings carried forward	
Balance at the beginning of the fiscal year	¥ 38,971	¥ 38,971	¥ 16,467	¥ 55,439	¥ 53,568	¥ 147,979
Changes during the fiscal year						
Increase by merger			140,591	140,591	52,338	192,929
Dividends paid			(25,032)	(25,032)	(6,029)	(31,062)
Net income					4,506	4,506
Reversal of revaluation reserve for land					299	299
Net changes except for stockholders' equity during the fiscal year						
Total changes during the fiscal year	—	—	115,559	115,559	51,113	166,672
Balance at the end of the fiscal year	¥ 38,971	¥ 38,971	¥ 132,026	¥ 170,998	¥ 104,682	¥ 314,652

	Valuation and translation differences				Total net assets
	Net unrealized gains on available-for-sale securities	Net deferred gains on hedges	Revaluation reserve for land	Total valuation and translation differences	
Balance at the beginning of the fiscal year	¥ 5,753	¥ —	¥ —	¥ 5,753	¥ 153,733
Changes during the fiscal year					
Increase by merger					192,929
Dividends paid					(31,062)
Net income					4,506
Reversal of revaluation reserve for land					299
Net changes except for stockholders' equity during the fiscal year	(5,642)	(249)	464	(5,427)	(5,427)
Total changes during the fiscal year	(5,642)	(249)	464	(5,427)	161,245
Balance at the end of the fiscal year	¥ 111	¥ (249)	¥ 464	¥ 326	¥ 314,978

<Consolidated Balance Sheet>

(Millions of yen)

	March 31, 2019	March 31, 2020
Assets		
Cash and due from banks	¥ 531,491	¥ 547,087
Call loans and bills bought	5,918	5,026
Monetary claims bought	2,008	1,007
Trading account securities	83	14
Securities	190,474	213,593
Loans and bills discounted	2,669,067	2,702,260
Foreign exchange assets	7,259	8,484
Lease receivables and investment assets	7,621	7,529
Other assets	74,538	58,336
Tangible fixed assets	32,961	31,933
Buildings	15,900	15,291
Land	14,562	14,473
Leased assets	548	639
Construction in progress	3	1
Other tangible fixed assets	1,945	1,527
Intangible fixed assets	3,403	2,647
Software	2,452	1,792
Other intangible fixed assets	950	855
Net defined benefit asset	3,626	3,270
Deferred tax assets	3,871	5,848
Customers' liabilities for acceptances and guarantees	10,120	9,926
Reserve for possible loan losses	(17,295)	(15,553)
Total Assets	3,525,149	3,581,414
Liabilities and Net Assets		
Liabilities		
Deposits	3,310,827	3,368,344
Negotiable certificates of deposit	2,400	1,900
Call money and bills sold	—	2,176
Payables under securities lending transactions	23,014	—
Borrowed money	11,635	5,333
Foreign exchange liabilities	196	162
Other liabilities	22,510	27,101
Reserve for employees' bonuses	1,068	1,020
Net defined benefit liability	789	2,318
Reserve for directors' retirement benefits	62	50
Other reserves	1,505	1,626
Deferred tax liabilities	455	489
Acceptances and guarantees	10,120	9,926
Total Liabilities	3,384,585	3,420,450
Net Assets		
Capital stock	27,484	39,984
Capital surplus	49,609	62,109
Retained earnings	54,947	55,904
Total stockholders' equity	132,041	157,998
Net unrealized gains on available-for-sale securities	6,947	2,789
Remeasurements of defined benefit plans	145	(1,395)
Total accumulated other comprehensive income	7,093	1,393
Noncontrolling interests	1,428	1,571
Total Net Assets	140,564	160,963
Total Liabilities and Net Assets	¥ 3,525,149	¥ 3,581,414

<Consolidated Statement of Income>

(Millions of yen)

	For the fiscal year ended March 31, 2019	For the fiscal year ended March 31, 2020
Ordinary income	¥ 58,239	¥ 55,359
Interest income	31,970	31,382
Interest on loans and bills discounted	28,182	27,845
Interest and dividends on securities	2,881	2,477
Interest on call loans and bills bought	71	199
Interest on receivables under resale agreements	(7)	(3)
Interest on due from banks	370	373
Other interest income	472	489
Fees and commissions	14,561	14,899
Other operating income	7,921	7,995
Other ordinary income	3,786	1,081
Recoveries of written-off loans	128	150
Other	3,657	930
Ordinary expenses	56,935	48,357
Interest expenses	1,531	1,011
Interest on deposits	969	912
Interest on negotiable certificates of deposit	0	0
Interest on call money and bills sold	11	1
Interest on payables under securities lending transactions	439	3
Interest on borrowed money	91	70
Other interest expenses	18	23
Fees and commissions	4,174	4,634
Other operating expenses	10,096	4,948
General and administrative expenses	35,338	34,570
Other ordinary expenses	5,795	3,192
Provision to reserve for possible loan losses	2,052	973
Other	3,743	2,219
Ordinary profits	1,304	7,001
Extraordinary gains	318	—
Other	318	—
Extraordinary losses	415	204
Losses on disposal of fixed assets	210	55
Impairment losses on fixed assets	205	148
Income before income taxes	1,207	6,797
Income taxes – current	466	1,642
Income taxes – deferred	(167)	539
Total income taxes	299	2,181
Net income	907	4,615
Net income attributable to noncontrolling interests	83	129
Net income attributable to owners of parent	¥ 824	¥ 4,486

<Consolidated Statement of Comprehensive Income>

(Millions of yen)

	For the fiscal year ended March 31, 2019	For the fiscal year ended March 31, 2020
Net income	¥ 907	¥ 4,615
Other comprehensive income	131	(5,686)
Net unrealized gains (losses) on available-for-sale securities	800	(4,145)
Remeasurements of defined benefit plans	(668)	(1,541)
Total comprehensive income	<u>¥ 1,038</u>	<u>¥ (1,070)</u>
Total comprehensive income attributable to:		
Owners of parent	¥ 921	¥ (1,213)
Noncontrolling interests	¥ 117	¥ 142

<Consolidated Statement of Changes in Net Assets>

For the fiscal year ended March 31, 2019

(Millions of yen)

	Stockholders' equity			
	Capital stock	Capital surplus	Retained earnings	Total stockholders' equity
Balance at the beginning of the fiscal year	¥ 27,484	¥ 49,609	¥ 58,655	¥ 135,749
Changes during the fiscal year				
Dividends paid			(4,473)	(4,473)
Net income attributable to owners of parent			824	824
Change in scope of consolidation			(58)	(58)
Net changes except for stockholders' equity during the fiscal year				
Total changes during the fiscal year	—	—	(3,707)	(3,707)
Balance at the end of the fiscal year	¥ 27,484	¥ 49,609	¥ 54,947	¥ 132,041

	Accumulated other comprehensive income			Stock acquisition rights	Noncontrolling interests	Total net assets
	Net unrealized gains on available-for-sale securities	Remeasure-ments of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the fiscal year	¥ 6,181	¥ 814	¥ 6,995	¥ 318	¥ 1,343	¥ 144,407
Changes during the fiscal year						
Dividends paid						(4,473)
Net income attributable to owners of parent						824
Change in scope of consolidation						(58)
Net changes except for stockholders' equity during the fiscal year	765	(668)	97	(318)	85	(135)
Total changes during the fiscal year	765	(668)	97	(318)	85	(3,843)
Balance at the end of the fiscal year	¥ 6,947	¥ 145	¥ 7,093	¥ —	¥ 1,428	¥ 140,564

<Consolidated Statement of Changes in Net Assets - Continued>

For the fiscal year ended March 31, 2020

(Millions of yen)

	Stockholders' equity			
	Capital stock	Capital surplus	Retained earnings	Total stockholders' equity
Balance at the beginning of the fiscal year	¥ 27,484	¥ 49,609	¥ 54,947	¥ 132,041
Changes during the fiscal year				
Issuance of new stocks	12,500	12,500		25,000
Dividends paid			(3,529)	(3,529)
Net income attributable to owners of parent			4,486	4,486
Net changes except for stockholders' equity during the fiscal year				
Total changes during the fiscal year	12,500	12,500	956	25,956
Balance at the end of the fiscal year	¥ 39,984	¥ 62,109	¥ 55,904	¥ 157,998

	Accumulated other comprehensive income			Noncontrolling interests	Total net assets
	Net unrealized gains on available-for-sale securities	Remeasure-ments of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of the fiscal year	¥ 6,947	¥ 145	¥ 7,093	¥ 1,428	¥ 140,564
Changes during the fiscal year					
Issuance of new stocks					25,000
Dividends paid					(3,529)
Net income attributable to owners of parent					4,486
Net changes except for stockholders' equity during the fiscal year	(4,157)	(1,541)	(5,699)	142	(5,556)
Total changes during the fiscal year	(4,157)	(1,541)	(5,699)	142	20,399
Balance at the end of the fiscal year	¥ 2,789	¥ (1,395)	¥ 1,393	¥ 1,571	¥ 160,963

<Non-Consolidated Balance Sheet>

(Millions of yen)

	March 31, 2019	March 31, 2020
Assets		
Cash and due from banks	¥ 531,458	¥ 547,073
Cash	27,555	28,194
Due from banks	503,902	518,879
Call loans	5,918	5,026
Trading account securities	83	14
Trading Japanese government bonds	—	10
Trading local government bonds	83	4
Securities	192,479	215,637
Japanese government bonds	32,793	37,764
Local government bonds	24,285	29,521
Corporate bonds	67,631	103,615
Stocks	23,488	19,551
Other securities	44,280	25,184
Loans and bills discounted	2,682,100	2,713,243
Bills discounted	15,522	12,586
Loans on notes	48,785	45,125
Loans on deeds	2,397,524	2,423,159
Overdrafts	220,268	232,372
Foreign exchange assets	7,259	8,484
Due from foreign banks	4,678	5,842
Foreign bills of exchange bought	780	1,122
Foreign bills of exchange receivable	1,799	1,519
Other assets	59,249	44,859
Unsettled exchange receivable	723	496
Prepaid expenses	4	63
Accrued income	2,070	1,676
Initial margins for future transactions	—	200
Financial derivatives, principally including option premiums and contracts under hedge accounting	3,926	4,095
Cash collateral paid for financial instruments	2,690	2,136
Other	49,833	36,190
Tangible fixed assets	32,765	31,769
Buildings	15,893	15,297
Land	14,562	14,473
Leased assets	1,296	1,162
Construction in progress	8	1
Other tangible fixed assets	1,004	835
Intangible fixed assets	3,360	2,606
Software	2,416	1,763
Other intangible fixed assets	944	843
Prepaid pension cost	3,276	3,228
Deferred tax assets	3,681	5,017
Customers' liabilities for acceptances and guarantees	10,046	9,878
Reserve for possible loan losses	(16,181)	(14,782)
Total Assets	¥ 3,515,499	¥ 3,572,058

<Non-Consolidated Balance Sheet - Continued>

(Millions of yen)

	March 31, 2019	March 31, 2020
Liabilities and Net Assets		
Liabilities		
Deposits	¥ 3,314,021	¥ 3,377,013
Current deposits	162,880	160,684
Ordinary deposits	2,053,266	2,137,672
Savings deposits	17,925	17,503
Notice deposits	6,267	5,423
Time deposits	1,036,354	1,006,736
Installment savings	19	18
Other deposits	37,306	48,974
Negotiable certificates of deposit	9,400	3,900
Call money and bills sold	—	2,176
Payables under securities lending transactions	23,014	—
Borrowed money	11,635	5,333
Borrowed money	11,635	5,333
Foreign exchange liabilities	196	162
Due to foreign banks	1	—
Foreign bills of exchange sold	163	155
Foreign bills of exchange payables	31	7
Other liabilities	9,324	14,989
Unsettled exchange payables	1,320	650
Accrued income taxes	262	1,394
Accrued expenses	1,435	1,541
Unearned income	549	1,101
Reserve for interest on installment savings	0	0
Financial derivatives, principally including option premiums and contracts under hedge accounting	2,496	2,266
Cash collateral received for financial instruments	49	271
Lease obligation	1,341	1,214
Asset retirement obligations	365	375
Other	1,504	6,174
Reserve for employees' bonuses	980	942
Reserve for employees' retirement benefits	503	112
Other reserves	1,363	1,480
Acceptances and guarantees	10,046	9,878
Total Liabilities	3,380,485	3,415,988
Net Assets		
Capital stock	27,484	39,984
Capital surplus	49,609	62,109
Capital reserve	27,431	39,931
Other capital surplus	22,177	22,177
Retained earnings	51,867	52,149
Legal reserve	53	53
Other retained earnings	51,814	52,095
General reserve	2,325	2,325
Retained earnings carried forward	49,489	49,770
Total stockholders' equity	128,961	154,243
Net unrealized gains on available-for-sale securities	6,051	1,826
Total valuation and translation differences	6,051	1,826
Total Net Assets	135,013	156,069
Total Liabilities and Net Assets	¥ 3,515,499	¥ 3,572,058

<Non-Consolidated Statement of Income>

(Millions of yen)

	For the fiscal year ended March 31, 2019	For the fiscal year ended March 31, 2020
Ordinary income	¥ 53,671	¥ 48,304
Interest income	36,152	31,653
Interest on loans and bills discounted	28,168	27,827
Interest and dividends on securities	7,383	3,080
Interest on call loans	71	199
Interest on receivables under resale agreements	(7)	(3)
Interest on due from banks	370	373
Other interest income	165	176
Fees and commissions	12,568	12,840
Exchange fees received	2,796	2,764
Other fees and commissions	9,772	10,075
Other operating income	1,180	2,805
Gains on trading account securities transactions	0	—
Gains on sale of Japanese government bonds and other	555	2,172
Income from derivatives other than for trading or hedging	622	627
Other	2	5
Other ordinary income	3,770	1,004
Recoveries of written-off loans	126	149
Gains on sales of stocks and other securities	2,942	554
Other	702	300
Ordinary expenses	49,241	42,580
Interest expenses	1,562	1,040
Interest on deposits	969	913
Interest on negotiable certificates of deposit	1	0
Interest on call money	11	1
Interest on payables under securities lending transactions	439	3
Interest on borrowed money	91	70
Other interest expenses	49	51
Fees and commissions	4,765	5,138
Commissions paid on exchange transactions	622	614
Other	4,142	4,524
Other operating expenses	3,971	205
Losses on foreign exchange transactions	87	89
Losses on trading account securities transactions	—	0
Losses on sale of Japanese government bonds and other	3,884	116
General and administrative expenses	33,632	32,842
Other ordinary expenses	5,310	3,353
Provision to reserve for possible loan losses	1,599	1,188
Write-off of loans	3	5
Losses on sales of stocks and other securities	2,378	636
Losses on devaluation of stocks and other securities	3	375
Other	1,326	1,147
Ordinary profits	<u>4,429</u>	<u>5,723</u>
Extraordinary gains	318	—
Other	318	—
Extraordinary losses	412	201
Losses on disposal of fixed assets	206	52
Impairment losses on fixed assets	205	148
Income before income taxes	<u>4,336</u>	<u>5,522</u>
Income taxes – current	32	1,208
Income taxes – deferred	(168)	503
Total income taxes	<u>(135)</u>	<u>1,711</u>
Net income	<u>¥ 4,472</u>	<u>¥ 3,810</u>

<Non-Consolidated Statement of Changes in Net Assets>
For the fiscal year ended March 31, 2019

(Millions of yen)

(Millions of yen)									
	Stockholders' equity								
	Capital stock	Capital surplus			Legal reserve	Retained earnings			Total stockholders' equity
		Capital reserve	Other capital surplus	Total capital surplus		Other retained earnings		Total retained earnings	
						General reserve	Retained earnings carried forward		
Balance at the beginning of the fiscal year	¥ 27,484	¥ 27,431	¥ 22,177	¥ 49,609	¥ 53	¥ 2,325	¥ 49,490	¥ 51,869	¥ 128,962
Changes during the fiscal year									
Dividends paid							(4,473)	(4,473)	(4,473)
Net income							4,472	4,472	4,472
Net changes except for stockholders' equity during the fiscal year									
Total changes during the fiscal year	—	—	—	—	—	—	(1)	(1)	(1)
Balance at the end of the fiscal year	¥ 27,484	¥ 27,431	¥ 22,177	¥ 49,609	¥ 53	¥ 2,325	¥ 49,489	¥ 51,867	¥ 128,961

	Valuation and translation differences		Stock acquisition rights	Total net assets
	Net unrealized gains on available-for-sale securities	Total valuation and translation differences		
Balance at the beginning of the fiscal year	¥ 5,445	¥ 5,445	¥ 318	¥ 134,726
Changes during the fiscal year				
Dividends paid				(4,473)
Net income				4,472
Net changes except for stockholders' equity during the fiscal year	606	606	(318)	288
Total changes during the fiscal year	606	606	(318)	286
Balance at the end of the fiscal year	¥ 6,051	¥ 6,051	¥ —	¥ 135,013

<Non-Consolidated Statement of Changes in Net Assets - Continued>

For the fiscal year ended March 31, 2020

(Millions of yen)

(Millions of yen)

	Stockholders' equity								
	Capital stock	Capital surplus			Retained earnings				Total stockholders' equity
		Capital reserve	Other capital surplus	Total capital surplus	Legal reserve	Other retained earnings		Total retained earnings	
						General reserve	Retained earnings carried forward		
Balance at the beginning of the fiscal year	¥ 27,484	¥ 27,431	¥ 22,177	¥ 49,609	¥ 53	¥ 2,325	¥ 49,489	¥ 51,867	¥ 128,961
Changes during the fiscal year									
Issuance of new stocks	12,500	12,500		12,500					25,000
Dividends paid							(3,529)	(3,529)	(3,529)
Net income							3,810	3,810	3,810
Net changes except for stockholders' equity during the fiscal year									
Total changes during the fiscal year	12,500	12,500	—	12,500	—	—	281	281	25,281
Balance at the end of the fiscal year	¥ 39,984	¥ 39,931	¥ 22,177	¥ 62,109	¥ 53	¥ 2,325	¥ 49,770	¥ 52,149	¥ 154,243

	Valuation and translation differences		Total net assets
	Net unrealized gains on available-for-sale securities	Total valuation and translation differences	
Balance at the beginning of the fiscal year	¥ 6,051	¥ 6,051	¥ 135,013
Changes during the fiscal year			
Issuance of new stocks			25,000
Dividends paid			(3,529)
Net income			3,810
Net changes except for stockholders' equity during the fiscal year	(4,225)	(4,225)	(4,225)
Total changes during the fiscal year	(4,225)	(4,225)	21,055
Balance at the end of the fiscal year	¥ 1,826	¥ 1,826	¥ 156,069