

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2020 (Based on Japanese GAAP)

May 13, 2020

Company name: The Chiba Kogyo Bank, Ltd.
 Stock exchange listing: Tokyo
 Stock code: 8337 URL <https://www.chibakogyo-bank.co.jp/>
 Representative: President (CEO) Hitoshi Umeda
 Managing Executive Officer
 Inquiries: General Manager of Management Planning Hiroshi Tanaka TEL 043-243-2111
 Division
 Scheduled date of ordinary general meeting of shareholders: June 25, 2020
 Scheduled date to file Securities Report: June 25, 2020
 Scheduled date to commence dividend payments: June 26, 2020
 Trading accounts: No
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2020 (from April 1, 2019 to March 31, 2020)

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Ordinary income		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2020	50,391	(0.8)	6,725	(19.3)	4,530	(12.6)
Year ended March 31, 2019	50,831	0.6	8,335	(12.1)	5,183	(23.4)
Year ended March 31, 2018	50,525	(3.3)	9,489	1.7	6,771	6.0

(Note) Comprehensive income Fiscal Year 2019: ¥(1,717)million[(-%)] Fiscal Year 2018: ¥9,592million[(20.8%)]

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Ordinary profit/ordinary income
	Yen	Yen	%	%	%
Year ended March 31, 2020	51.75	20.27	3.0	0.2	13.3
Year ended March 31, 2019	53.36	33.61	4.2	0.3	16.3

(Reference) Share of loss (profit) of entities accounted for using equity method Fiscal Year 2019: ¥— Fiscal Year 2018: ¥—

(Note) "Profit attributable to owners of parent/equity" is calculated by dividing "(Profit attributable to owners of parent - Total dividends paid to preferred shareholders)" by "{(Equity at beginning of period - Number of issued shares of preferred stock at beginning of period x Issue value) + (Equity at end of period - Number of issued shares of preferred stock at end of period x Issue value)} ÷ 2."

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2020	2,851,390	166,892	5.7	1,687.69
As of March 31, 2019	2,814,394	172,583	6.0	1,674.88

(Reference) Capital assets Fiscal Year 2019: ¥163,486million Fiscal Year 2018: ¥169,232million

(Note) "Equity ratio" is calculated by dividing "(Total net assets at end of period - Share acquisition rights at end of period - Non-controlling interests at end of period)" by "Total assets at end of period." Note that this "Equity ratio" is not the equity ratio provided for in the notice of equity ratio.

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2020	(17,954)	6,526	(3,998)	132,233
Year ended March 31, 2019	30,659	(4,367)	1,184	147,441

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2019	–	0.00	–	3.00	3.00	186	5.6	0.1
Year ended March 31, 2020	–	0.00	–	3.00	3.00	177	5.7	0.1
Year ending March 31, 2021 (Forecast)	–	0.00	–	3.00	3.00		5.7	

(Note) The above-mentioned “Cash dividends” refers to the status of dividends on common shares. For information on the status of dividends on class shares (unlisted) issued by the Bank with different relationship of interest from the common shares, see “Cash dividends on class shares” on page 3.

3. Forecast of consolidated financial results for the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

Percentages indicate year-on-year changes

	Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2020	2,800	(41.1)	1,800	(44.3)	30.40
Full year	6,800	1.1	4,500	(0.6)	52.60

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2020

(changes in specified subsidiaries resulting in the change in scope of consolidation):

No

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations:

No

Changes in accounting policies due to other reasons:

No

Changes in accounting estimates:

No

Restatement of prior period financial statements:

No

(3) Number of issued shares (common shares)

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

As of March 31, 2020	62,222,045 shares	As of March 31, 2019	62,222,045 shares
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Number of treasury shares at the end of the period

As of March 31, 2020	3,010,604 shares	As of March 31, 2019	14,931 shares
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Average number of shares during the period

Year ended March 31, 2020	60,761,850 shares	Year ended March 31, 2019	62,202,141 shares
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※This financial results report is not subject to auditing by certified public accountants or an audit corporation.

※Explanation of appropriate use of earnings forecasts and other items warranting special mention

Forward-looking statements in this document, including the earnings forecasts, are based on the information currently available to the Bank and on certain assumptions deemed to be reasonable by the Bank. These statements do not purport that the Bank pledges to achieve such results. Actual results, etc. may differ materially from the forecasts depending on various factors. Some important factors that may have an effect on business performance pertain to domestic and international economic conditions and stock market fluctuations, but factors influencing business performance are not limited to those.

※Information on the Financial Results Meeting

The Financial Results Meeting for the fiscal year ended March 31, 2020 will be streamed online on an on-demand basis. You will be able to watch the Financial Results Meeting from our website any time after Wednesday, June 10, 2020.

URL <https://www.chibakogyo-bank.co.jp/toushi/ir/setsumeikai.html>

「Cash dividends on class shares」

The following provides a breakdown of the dividends per share related to class shares with different relationship of interest from the common shares.

Class 2 Preferred Stock	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2019	–	–	–	104.00	104.00
Year ended March 31, 2020	–	–	–	104.00	104.00
Year ending March 31, 2021 (Forecast)				104.00	104.00

First Series of Class 6 Preferred Stock	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2019	–	–	–	550.00	550.00
Year ended March 31, 2020	–	–	–	550.00	550.00
Year ending March 31, 2021 (Forecast)				550.00	550.00

First Series of Class 7 Preferred Stock	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2019	–	–	–	34.53	34.53
Year ended March 31, 2020	–	–	–	900.00	900.00
Year ending March 31, 2021 (Forecast)				900.00	900.00

Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	科目 (Japanese)	As of March 31, 2019	As of March 31, 2020
Assets	(資産の部)		
Cash and due from banks	現金預け金	148,100	132,574
Monetary claims bought	買入金銭債権	97	97
Trading account securities	商品有価証券	102	110
Securities	有価証券	506,188	487,853
Loans and bills discounted	貸出金	2,084,516	2,156,861
Foreign exchanges	外国為替	2,981	5,288
Other assets	その他資産	44,090	41,997
Tangible fixed assets	有形固定資産	20,906	20,628
Buildings, net	建物	6,897	6,712
Land	土地	12,144	12,144
Leased assets, net	リース資産	60	62
Other tangible fixed assets	その他の有形固定資産	1,803	1,707
Intangible fixed assets	無形固定資産	2,575	2,920
Software	ソフトウェア	2,075	2,471
Leased assets	リース資産	111	59
Other intangible fixed assets	その他の無形固定資産	388	388
Deferred tax assets	繰延税金資産	2,860	3,978
Customers' liabilities for acceptances and guarantees	支払承諾見返	11,439	7,127
Allowance for loan losses	貸倒引当金	(9,463)	(8,046)
Total assets	資産の部合計	2,814,394	2,851,390
Liabilities	(負債の部)		
Deposits	預金	2,499,075	2,547,017
Negotiable certificates of deposit	譲渡性預金	72,500	68,000
Call money and bills sold	コールマネー及び売渡手形	4,440	4,353
Payables under securities lending transactions	債券貸借取引受入担保金	11,026	4,589
Borrowed money	借入金	18,589	21,490
Foreign exchanges	外国為替	65	56
Other liabilities	その他負債	15,848	22,823
Retirement benefit liability	退職給付に係る負債	7,941	8,356
Provision for retirement benefits for directors (and other officers)	役員退職慰労引当金	62	63
Provision for reimbursement of deposits	睡眠預金払戻損失引当金	740	483
Deferred tax liabilities	繰延税金負債	81	134
Acceptances and guarantees	支払承諾	11,439	7,127
Total liabilities	負債の部合計	2,641,811	2,684,497
Net assets	(純資産の部)		
Share capital	資本金	62,120	62,120
Capital surplus	資本剰余金	17,798	15,802
Retained earnings	利益剰余金	76,942	80,413
Treasury shares	自己株式	(15)	(947)
Total shareholders' equity	株主資本合計	156,845	157,388
Valuation difference on available-for-sale securities	その他有価証券評価差額金	14,277	8,661
Remeasurements of defined benefit plans	退職給付に係る調整累計額	(1,891)	(2,563)
Total accumulated other comprehensive income	その他の包括利益累計額合計	12,386	6,097
Share acquisition rights	新株予約権	69	83
Non-controlling interests	非支配株主持分	3,281	3,323
Total net assets	純資産の部合計	172,583	166,892
Total liabilities and net assets	負債及び純資産の部合計	2,814,394	2,851,390

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	科目 (Japanese)	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Ordinary income	経常収益	50,831	50,391
Interest income	資金運用収益	27,883	28,641
Interest on loans and discounts	貸出金利息	22,061	21,504
Interest and dividends on securities	有価証券利息配当金	5,444	6,778
Interest on call loans and bills bought	コールローン利息及び 買入手形利息	7	1
Interest on deposits with banks	預け金利息	113	98
Other interest income	その他の受入利息	255	258
Fees and commissions	役務取引等収益	10,070	9,819
Other ordinary income	その他業務収益	1,414	1,001
Other income	その他経常収益	11,463	10,929
Reversal of allowance for loan losses	貸倒引当金戻入益	1,346	545
Recoveries of written off receivables	償却債権取立益	269	1,216
Other	その他の経常収益	9,846	9,167
Ordinary expenses	経常費用	42,496	43,666
Interest expenses	資金調達費用	1,006	715
Interest on deposits	預金利息	376	312
Interest on negotiable certificates of deposit	譲渡性預金利息	6	7
Interest on call money and bills sold	コールマネー利息及び 売渡手形利息	46	80
Interest on payables under securities lending transactions	債券貸借取引支払利息	369	127
Interest on borrowings and rediscounts	借入金利息	200	184
Other interest expenses	その他の支払利息	6	2
Fees and commissions payments	役務取引等費用	3,746	4,032
Other ordinary expenses	その他業務費用	1,584	1,211
General and administrative expenses	営業経費	25,627	26,020
Other expenses	その他経常費用	10,531	11,686
Other	その他の経常費用	10,531	11,686
Ordinary profit	経常利益	8,335	6,725
Extraordinary losses	特別損失	117	52
Loss on disposal of non-current assets	固定資産処分益	60	49
Impairment loss	減損損失	56	3
Profit before income taxes	税金等調整前当期純利益	8,217	6,672
Income taxes - current	法人税、住民税及び事業税	1,436	502
Income taxes - deferred	法人税等調整額	1,419	1,598
Total income taxes	法人税等合計	2,855	2,101
Profit	当期純利益	5,361	4,571
Profit attributable to non-controlling interests	非支配株主に帰属する 当期純利益	178	41
Profit attributable to owners of parent	親会社株主に帰属する 当期純利益	5,183	4,530

Consolidated statements of comprehensive income

(Millions of yen)

	科目 (Japanese)	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Profit	当期純利益	5,361	4,571
Other comprehensive income	その他の包括利益	4,230	(6,289)
Valuation difference on available-for-sale securities	その他有価証券評価差額金	4,147	(5,616)
Remeasurements of defined benefit plans, net of tax	退職給付に係る調整額	83	(672)
Comprehensive income	包括利益	9,592	(1,717)
Comprehensive income attributable to	(内訳)		
Comprehensive income attributable to owners of parent	親会社株主に係る包括利益	9,547	(1,759)
Comprehensive income attributable to non-controlling interests	非支配株主に係る包括利益	44	41

Consolidated statements of changes in equity

Fiscal year ended March 31, 2019

(Millions of yen)

	(Japanese)	Shareholders' equity				
		株主資本				
		Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
		資本金	資本剰余金	利益剰余金	自己株式	株主資本合計
Balance at beginning of period	当期首残高	62,120	9,402	73,818	(39)	145,301
Changes during period	当期変動額					
Issuance of new shares	新株の発行	16,325	16,325			32,650
Transfer from share capital to other capital surplus	資本金から剰余金への振替	(16,325)	16,325			-
Dividends of surplus	剰余金の配当			(2,059)		(2,059)
Profit attributable to owners of parent	親会社株主に帰属する当期純利益			5,183		5,183
Purchase of treasury shares	自己株式の取得				(24,242)	(24,242)
Disposal of treasury shares	自己株式の処分		(12)		24	12
Cancellation of treasury shares	自己株式の消却		(24,242)		24,242	-
Net changes in items other than shareholders' equity	株主資本以外の項目の当期変動額 (純額)					
Total changes during period	当期変動額合計	-	8,395	3,124	24	11,543
Balance at end of period	当期末残高	62,120	17,798	76,942	(15)	156,845

	(Japanese)	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
		その他の包括利益累計額					
		Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
		その他有価証券評価差額金	退職給付に係る調整累計額	その他の包括利益累計額合計			
Balance at beginning of period	当期首残高	9,996	(1,974)	8,022	59	3,237	156,621
Changes during period	当期変動額						
Issuance of new shares	新株の発行						32,650
Transfer from share capital to other capital surplus	資本金から剰余金への振替						-
Dividends of surplus	剰余金の配当						(2,059)
Profit attributable to owners of parent	親会社株主に帰属する当期純利益						5,183
Purchase of treasury shares	自己株式の取得						(24,242)
Disposal of treasury shares	自己株式の処分						12
Cancellation of treasury shares	自己株式の消却						-
Net changes in items other than shareholders' equity	株主資本以外の項目の当期変動額 (純額)	4,281	83	4,364	9	44	4,418
Total changes during period	当期変動額合計	4,281	83	4,364	9	44	15,962
Balance at end of period	当期末残高	14,277	(1,891)	12,386	69	3,281	172,583

	(Japanese)	Shareholders' equity				
		株主資本				
		Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
		資本金	資本剰余金	利益剰余金	自己株式	株主資本合計
Balance at beginning of period	当期首残高	62,120	17,798	76,942	(15)	156,845
Changes during period	当期変動額					
Dividends of surplus	剰余金の配当			(1,059)		(1,059)
Profit attributable to owners of parent	親会社株主に帰属する当期純利益			4,530		4,530
Purchase of treasury shares	自己株式の取得				(2,939)	(2,939)
Disposal of treasury shares	自己株式の処分		4		6	11
Cancellation of treasury shares	自己株式の消却		(2,000)		2,000	-
Net changes in items other than shareholders' equity	株主資本以外の項目の当期変動額 (純額)					
Total changes during period	当期変動額合計	-	(1,995)	3,470	(932)	543
Balance at end of period	当期末残高	62,120	15,802	80,413	(947)	157,388

	(Japanese)	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
		その他の包括利益累計額					
		Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
		その他有価証券評価差額金	退職給付に係る調整累計額	その他の包括利益累計額合計			
Balance at beginning of period	当期首残高	14,277	(1,891)	12,386	69	3,281	172,583
Changes during period	当期変動額						
Dividends of surplus	剰余金の配当						(1,059)
Profit attributable to owners of parent	親会社株主に帰属する当期純利益						4,530
Purchase of treasury shares	自己株式の取得						(2,939)
Disposal of treasury shares	自己株式の処分						11
Cancellation of treasury shares	自己株式の消却						-
Net changes in items other than shareholders' equity	株主資本以外の項目の当期変動額 (純額)	(5,616)	(672)	(6,289)	13	41	(6,234)
Total changes during period	当期変動額合計	(5,616)	(672)	(6,289)	13	41	(5,690)
Balance at end of period	当期末残高	8,661	(2,563)	6,097	83	3,323	166,892

Consolidated statements of cash flows

(Millions of yen)

	科目 (Japanese)	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Cash flows from operating activities	営業活動によるキャッシュ・フロー		
Profit before income taxes	税金等調整前当期純利益	8,217	6,672
Depreciation	減価償却費	1,949	1,947
Impairment loss	減損損失	56	3
Increase (decrease) in allowance for loan losses	貸倒引当金の増減 (Δ)	(1,729)	(1,417)
Increase (decrease) in retirement benefit liability	退職給付に係る負債の増減額 (Δは減少)	(582)	414
Increase (decrease) in provision for retirement benefits for directors (and other officers)	役員退職慰労引当金の増減額 (Δは減少)	4	0
Increase (decrease) in provision for reimbursement of deposits	睡眠預金払戻損失引当金の増減 (Δ)	(352)	(256)
Interest income	資金運用収益	(27,883)	(28,641)
Interest expenses	資金調達費用	1,006	715
Loss (gain) related to securities	有価証券関係損益 (Δ)	(21)	2,505
Foreign exchange losses (gains)	為替差損益 (Δは益)	(192)	(218)
Loss (gain) on disposal of non-current assets	固定資産処分損益 (Δは益)	60	49
Net decrease (increase) in trading account securities	商品有価証券の純増 (Δ) 減	(32)	(7)
Net decrease (increase) in loans and bills discounted	貸出金の純増 (Δ) 減	(31,058)	(72,345)
Net increase (decrease) in deposits	預金の純増減 (Δ)	61,171	47,942
Net increase (decrease) in negotiable certificates of deposit	譲渡性預金の純増減 (Δ)	7,500	(4,500)
Net increase (decrease) in borrowed money (excluding subordinated borrowings)	借入金 (劣後特約付借入金を除く) の純増減 (Δ)	(765)	2,901
Net decrease (increase) in due from banks (excluding due from Bank of Japan)	預け金 (日銀預け金を除く) の純増 (Δ) 減	87	317
Net decrease (increase) in call loans	コールローン等の純増 (Δ) 減	6	—
Net increase (decrease) in call money	コールマネー等の純増減 (Δ)	4,440	(87)
Net increase (decrease) in payables under securities lending transactions	債券貸借取引受入担保金の純増減 (Δ)	(7,319)	(6,437)
Net decrease (increase) in foreign exchanges - assets	外国為替 (資産) の純増 (Δ) 減	126	(2,307)
Net increase (decrease) in foreign exchanges - liabilities	外国為替 (負債) の純増減 (Δ)	(14)	(8)
Interest received	資金運用による収入	28,198	28,988
Interest paid	資金調達による支出	(1,030)	(720)
Other, net	その他	(10,240)	7,038
Subtotal	小計	31,603	(17,450)
Income taxes paid	法人税等の支払額	(943)	(604)
Income taxes refund	法人税等の還付額	—	100
Net cash provided by (used in) operating activities	営業活動によるキャッシュ・フロー	30,659	(17,954)
Cash flows from investing activities	投資活動によるキャッシュ・フロー		
Purchase of securities	有価証券の取得による支出	(194,740)	(129,776)
Proceeds from sales of securities	有価証券の売却による収入	115,065	65,625
Proceeds from redemption of securities	有価証券の償還による収入	76,754	72,670
Purchase of tangible fixed assets	有形固定資産の取得による支出	(729)	(809)
Proceeds from sales of property, plant and equipment	有形固定資産の売却による収入	4	—
Purchase of intangible assets	無形固定資産の取得による支出	(722)	(1,183)
Net cash provided by (used in) investing activities	投資活動によるキャッシュ・フロー	(4,367)	6,526

		(Millions of yen)	
	科目 (Japanese)	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Cash flows from financing activities	財務活動によるキャッシュ・フロー		
Decrease in subordinated borrowings	劣後特約付借入金の返済による 支出	(5,000)	-
Proceeds from issuance of shares	株式の発行による収入	32,486	-
Purchase of treasury shares	自己株式の取得による支出	(24,242)	(2,939)
Proceeds from sales of treasury shares	自己株式の売却による収入	0	0
Dividends paid	配当金の支払額	(2,059)	(1,059)
Net cash provided by (used in) financing activities	財務活動によるキャッシュ・フロー	1,184	(3,998)
Effect of exchange rate change on cash and cash equivalents	現金及び現金同等物に係る 換算差額	192	218
Net increase (decrease) in cash and cash equivalents	現金及び現金同等物の増減額 (△は減少)	27,669	(15,208)
Cash and cash equivalents at beginning of period	現金及び現金同等物の期首残高	119,772	147,441
Cash and cash equivalents at end of period	現金及び現金同等物の期末残高	147,441	132,233