

Financial Highlights for the Second Quarter (First Half) of FY2021 ending March 2022

**November 8, 2021
THE CHIBA BANK, LTD.**

Summary of Financial Results

NEXT STEP 2023

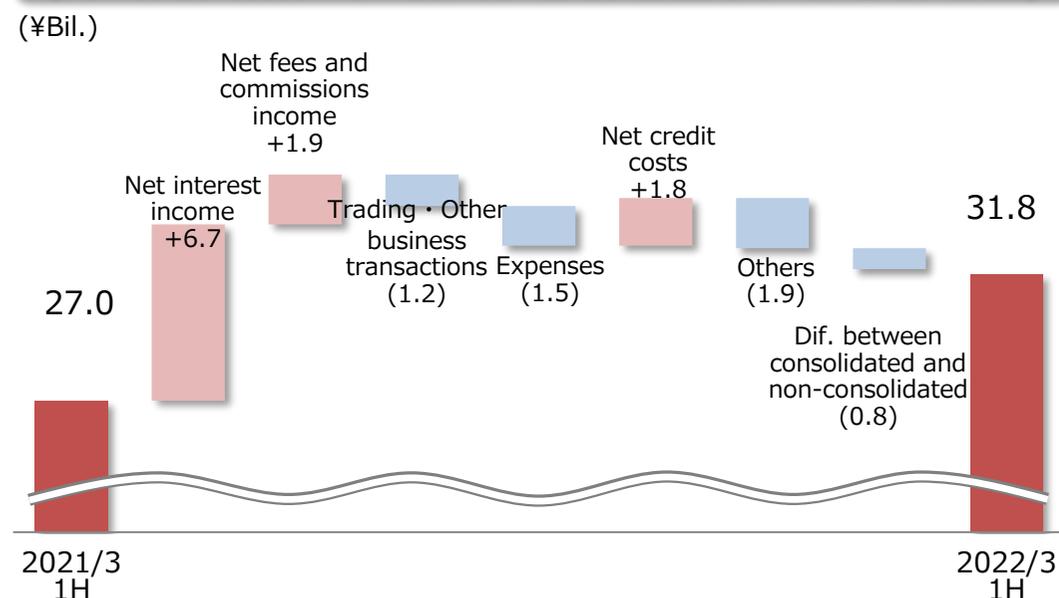
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Non-consolidated	(¥Bil.)	2021/3 1H	2022/3 1H	Change
Gross business profits		79.0	86.4	7.3
Net interest income		62.9	69.7	6.7
Net fees and commissions income		12.7	14.7	1.9
Trading income		0.8	0.5	(0.2)
Profit from other business transactions		2.4	1.4	(1.0)
Gains (losses) related to bonds (Government bonds, etc.)		0.9	0.7	(0.2)
Expenses (-)		41.4	42.9	1.5
Real net business income		37.6	43.5	5.8
Core net business income		36.7	42.7	6.0
Excluding gains (losses) on cancellation of investment trusts		34.4	39.6	5.2
Net transfer to general allowance for loan losses (-)		1.1	0.5	(0.6)
Net business income		36.5	42.9	6.4
Non-recurrent income and losses		0.9	2.2	1.3
Disposal of non-performing loans (-)		2.5	1.2	(1.2)
Gains (losses) related to stocks, etc.		3.3	2.7	(0.6)
Ordinary profit		37.4	45.2	7.7
Extraordinary income (loss)		(0.0)	0.0	0.0
Profit		27.4	33.1	5.6
Net credit costs (-)		3.6	1.8	(1.8)

Consolidated	(¥Bil.)	2021/3 1H	2022/3 1H	Change
Ordinary profit		38.6	45.4	6.8
Profit attributable to owners of parent		27.0	31.8	4.8

- ◆ Net interest income increased by ¥6.7 billion YoY and net fees and commissions income increased by ¥1.9 billion YoY, which were strong. As a result, Gross business profits increased significantly by ¥7.3 billion YoY.
- ◆ Core net business income excluding gains (losses) on cancellation of investment trusts increased by ¥5.2 billion YoY, and core business were remained strong, while expenses increased due to expenses related to the new head office building.
- ◆ Net credit costs decreased by ¥1.8 billion YoY. New downgrades decreased by ¥0.8 billion YoY to ¥2.0 billion.
- ◆ Non-consolidated net income of 1H increased by ¥5.6 billion to a record high.
- ◆ Profit were progressing steadily against the projection, with 67% of non-consolidated profit and 61% of consolidated profit.

Breakdown of changes in profit attributable to owners of parent (Non-consolidated + Dif. between consolidated and non-consolidated)



Summary of Financial Results (Consolidated)

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Consolidated	(¥Bil.)	2021/3	2022/3	Change
		1H	1H	
Gross business profits		82.5	89.6	7.1
Net interest income		59.6	65.7	6.0
Net fees and commissions income		17.8	20.1	2.3
Trading income		2.5	2.3	(0.2)
Profit from other business transactions		2.4	1.4	(1.0)
General and administrative expenses (-)		45.2	46.1	0.9
Net credit costs (-)		4.0	2.4	(1.6)
Net transfer to general allowance for loan losses (-)		1.4	0.7	(0.7)
Disposal of non-performing loans (-)		2.6	1.7	(0.9)
Gains (losses) related to stocks, etc.		3.3	2.6	(0.7)
Others		1.8	1.6	(0.2)
Ordinary profit		38.6	45.4	6.8
Extraordinary income (loss)		(0.0)	(0.0)	(0.0)
Pre-Tax Profit		38.6	45.4	6.8
Total income taxes (-)		11.5	13.5	2.0
Profit		27.0	31.8	4.8
Profit attributable to non-controlling interests		-	-	-
Profit attributable to owners of parent (reference)		27.0	31.8	4.8
Consolidated net business income		39.7	45.7	6.0

Status of Subsidiaries

【Consolidated subsidiaries】

(¥Bil.)

Company name	Investment ratio (Including indirect)	Profit items (After deduction of inter-subsidiary dividends)	2021/3	2022/3	Change
			1H	1H	
Chibagin Securities Co.,Ltd.	100%	Ordinary profit	0.4	0.7	0.3
		Profit	0.3	0.5	0.2
Chibagin Leasing Co.,Ltd.	100%	Ordinary profit	0.7	0.4	(0.2)
		Profit	0.4	0.3	(0.1)
Chibagin Guarantee Co.,Ltd	100%	Ordinary profit	2.5	2.3	(0.2)
		Profit	1.7	1.5	(0.1)
Chibagin JCB Card Co.,Ltd	100%	Ordinary profit	0.3	0.4	0.0
		Profit	0.2	0.3	0.0
Total of 5 other companies	100%	Ordinary profit	0.3	0.3	(0.0)
		Profit	0.2	0.2	(0.0)
Total		Ordinary profit	4.5	4.4	(0.0)
		Profit	3.0	2.9	(0.0)

【Equity method subsidiaries】

Total of 6 companies	Profit according to equity method	0.1	0.0	(0.0)
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Dividends to parent company(-)	3.5	4.2	0.7
Difference between consolidated and non-consolidated ※	(0.3)	(1.2)	(0.8)

※After adjustment for unrealized gains, etc.

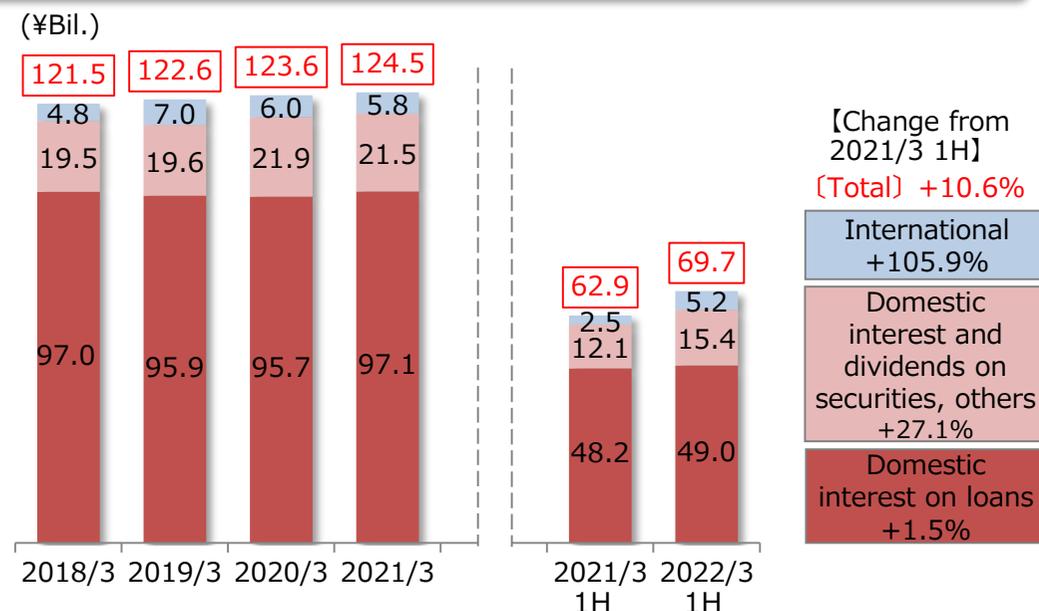
Net Interest Income

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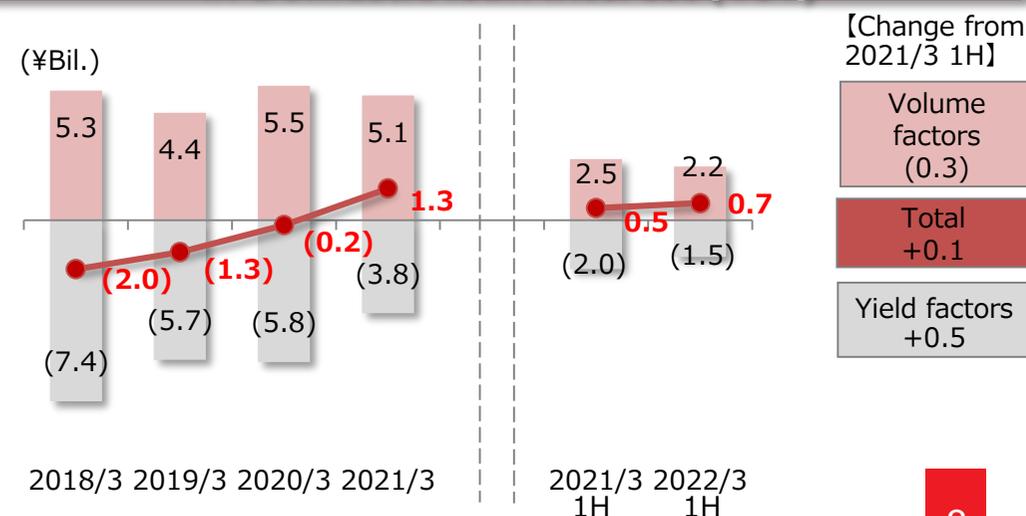
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(¥Bil.)	2021/3 1H	2022/3 1H	Change
Net interest income	62.9	69.7	6.7
Domestic	60.4	64.4	4.0
Interest on Loans	48.2	49.0	0.7
Loans and bills discounted	48.6	49.3	0.7
Deposit (incl. NCD)	0.3	0.3	(0.0)
Interest and dividends on securities	11.7	14.8	3.0
Bonds	1.2	1.2	0.0
Stock dividends	6.3	7.2	0.9
Investment funds	0.0	0.5	0.5
investment trusts	4.1	5.7	1.5
Gains (losses) on cancellation	1.9	2.3	0.4
Others (Market operation, etc.)	0.4	0.6	0.2
International	2.5	5.2	2.6
Loans and bills discounted	3.2	2.0	(1.2)
Foreign Securities	5.4	7.1	1.6
Foreign Securities	4.5	4.1	(0.4)
Foreign currency funds	0.4	2.2	1.7
Investment trusts	0.4	0.8	0.3
Gains (losses) on cancellation	0.3	0.7	0.3
Others (Funding and market operation, etc.)	(6.2)	(4.0)	2.2
Net interest income (Excluding gains (losses) on cancellation of investment trusts)	60.7	66.5	5.8
Gains (losses) on cancellation of investment trusts	2.2	3.1	0.8

Net interest income



Factors behind Changes in Domestic loan interest (YoY)



Yield · Interest on Loans

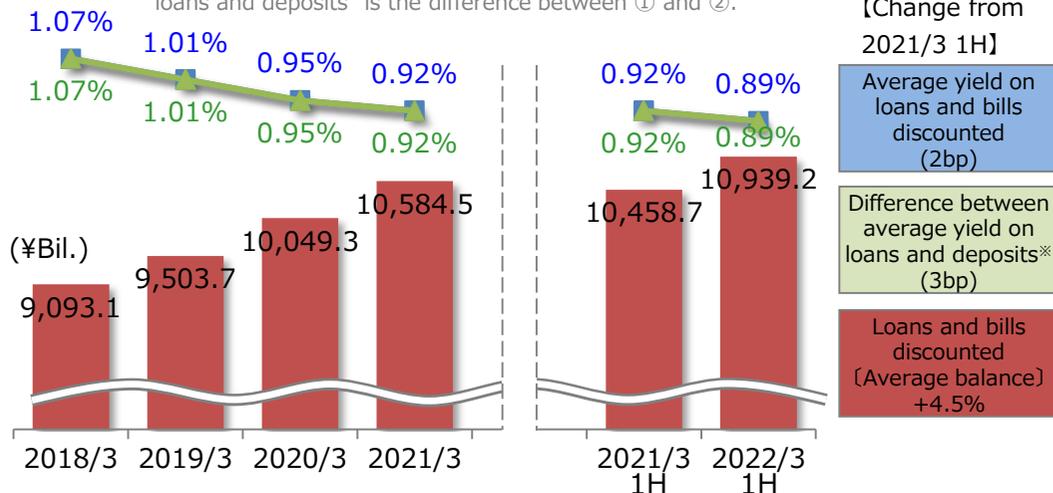
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Domestic operations

Loans and bills discounted (average balance) · Yield, Difference between average yield on loans and deposits

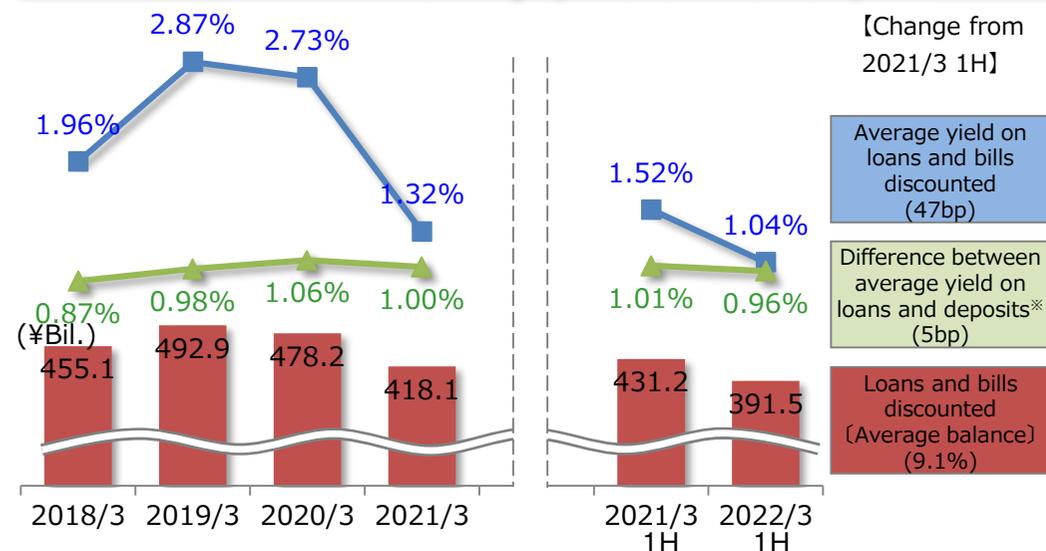
※① "Yield on loans and bills discounted" and ② "Yield on deposits" (including NCDs) are rounded down to second decimal places, and "Difference between average yield on loans and deposits" is the difference between ① and ②.



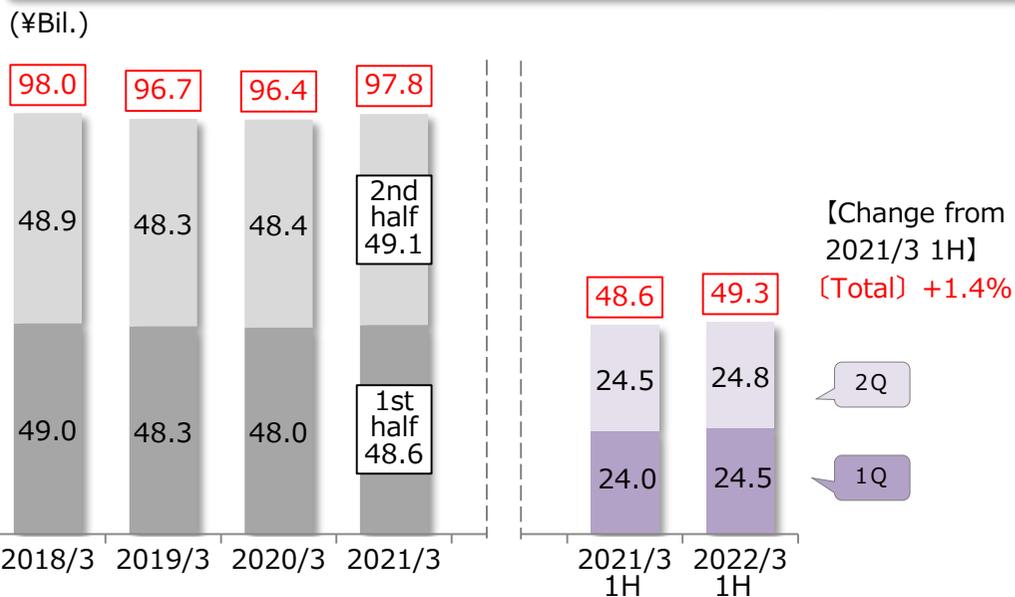
International operations

Loans and bills discounted (average balance) · Yield, Difference between average yield on loans and deposits

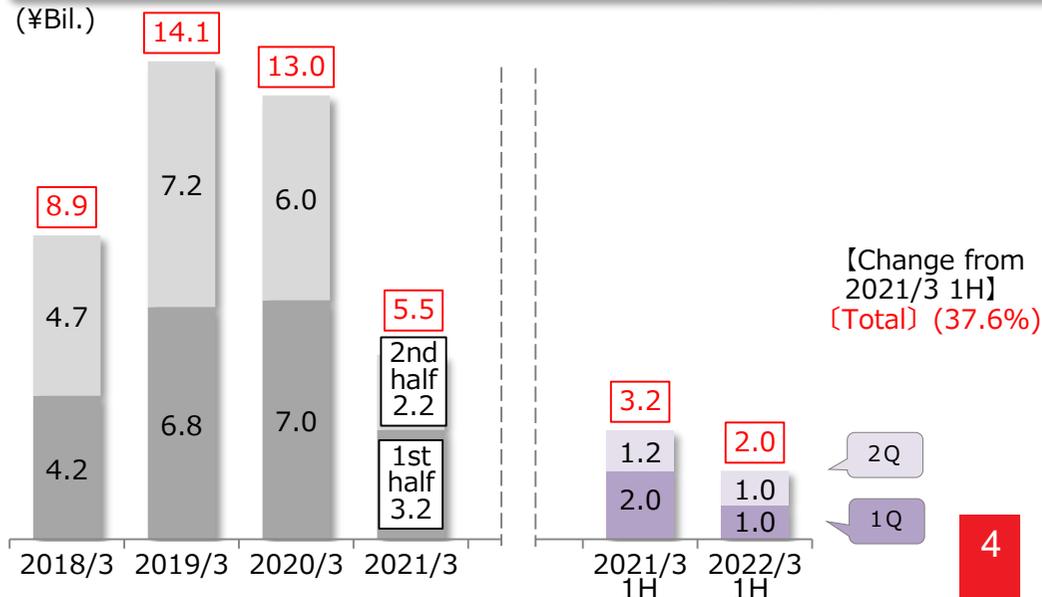
【Change from 2021/3 1H】



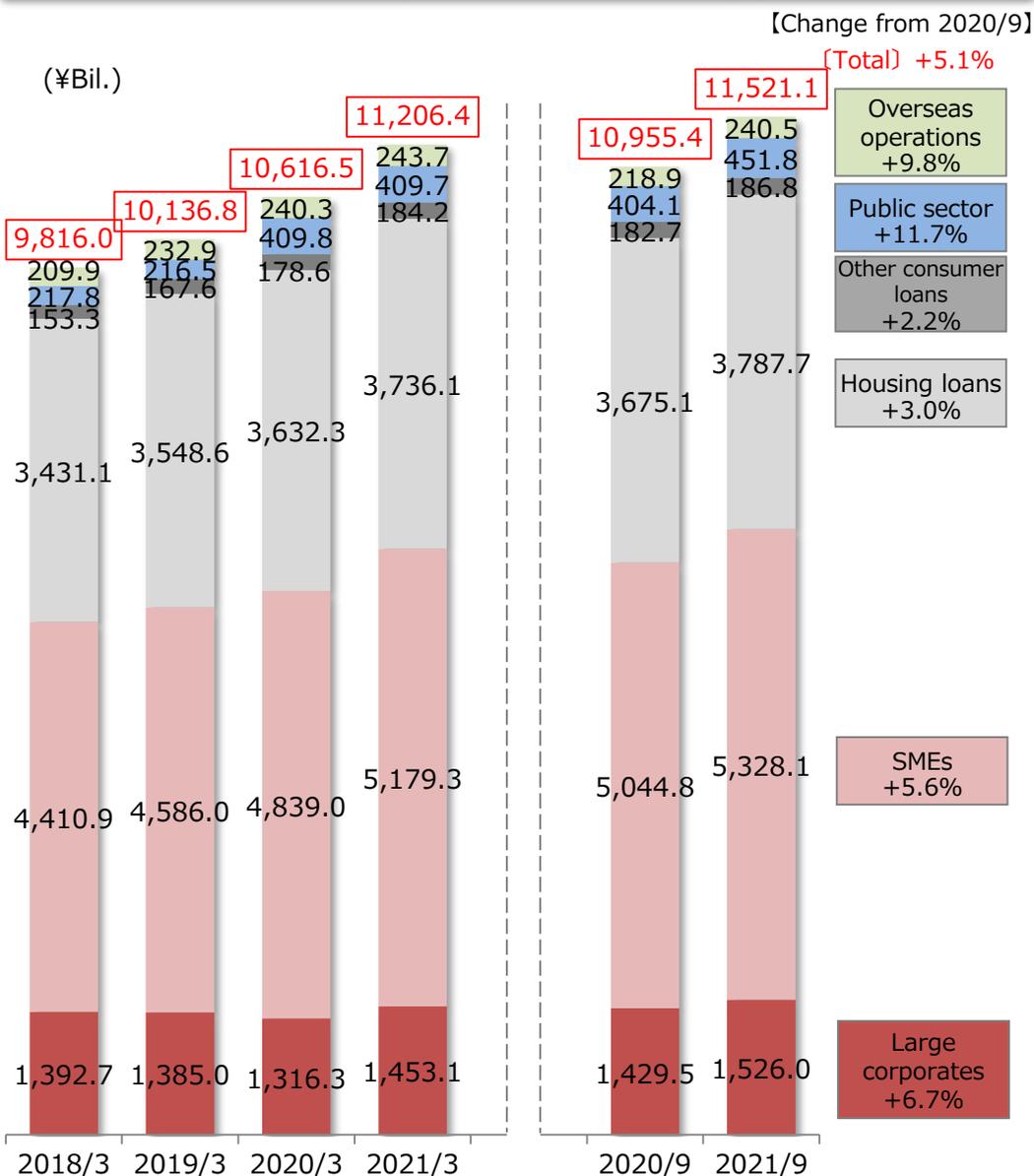
Interest on loans and bills discounted



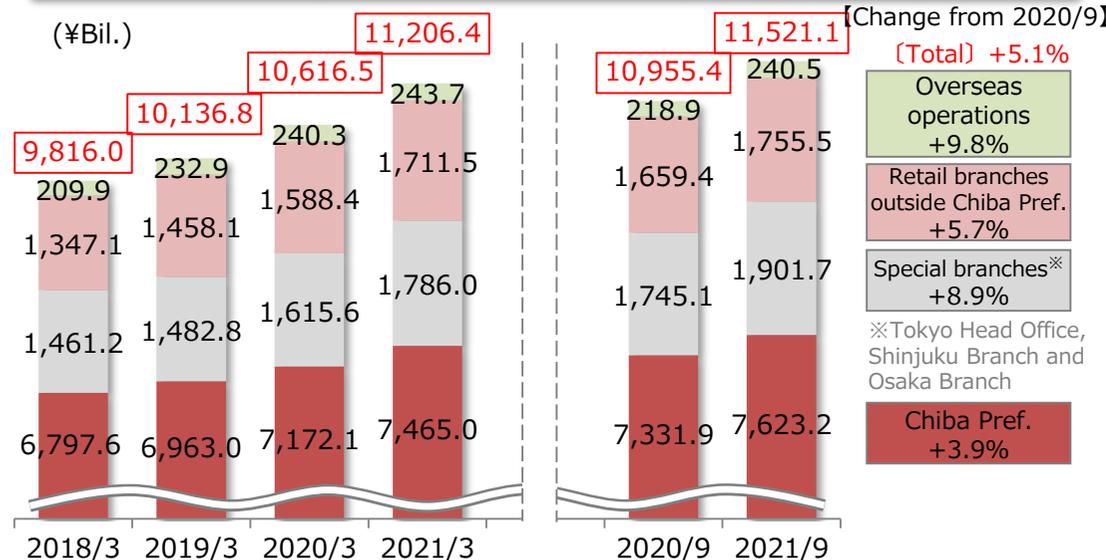
Interest on loans and bills discounted



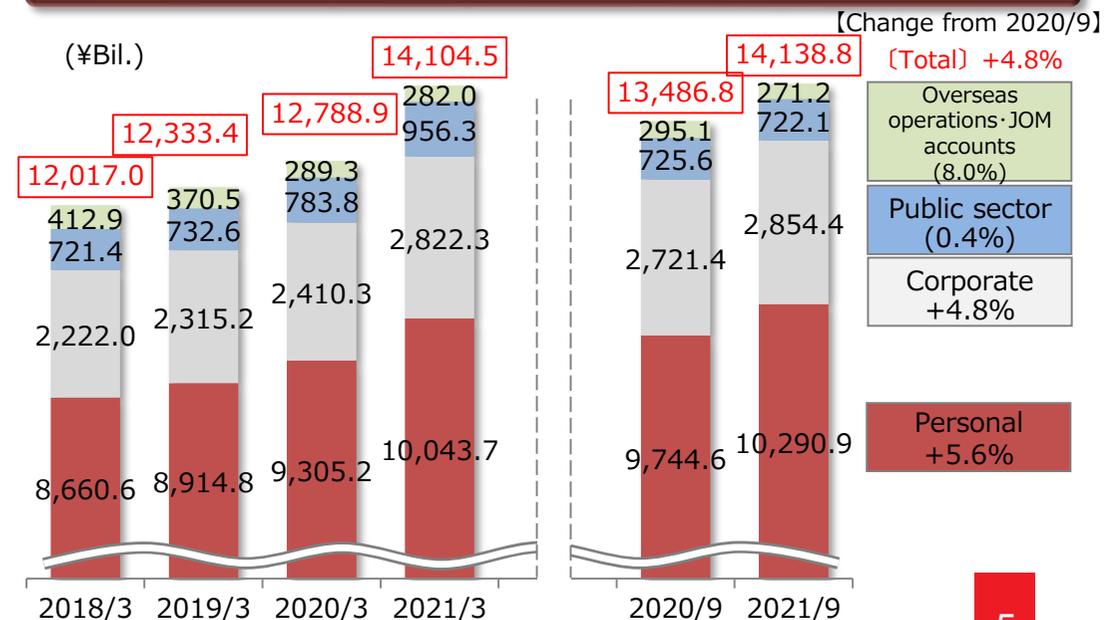
Loans (term-end balance)



Loans (term-end balance) [by region]



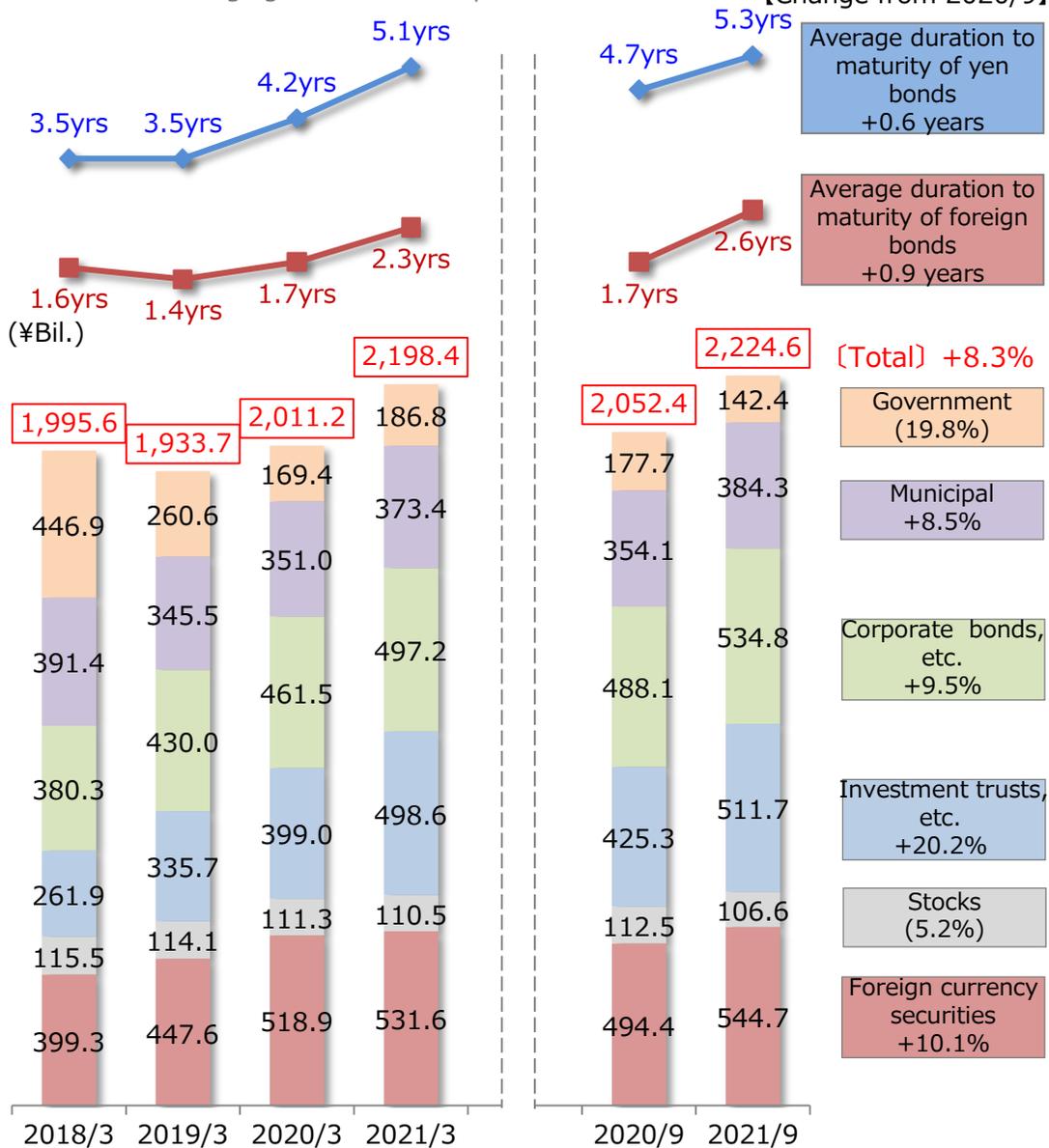
Deposits (term-end balance)



Securities

Balance of securities*1 · Duration of securities*2

*2 after hedging with asset swap

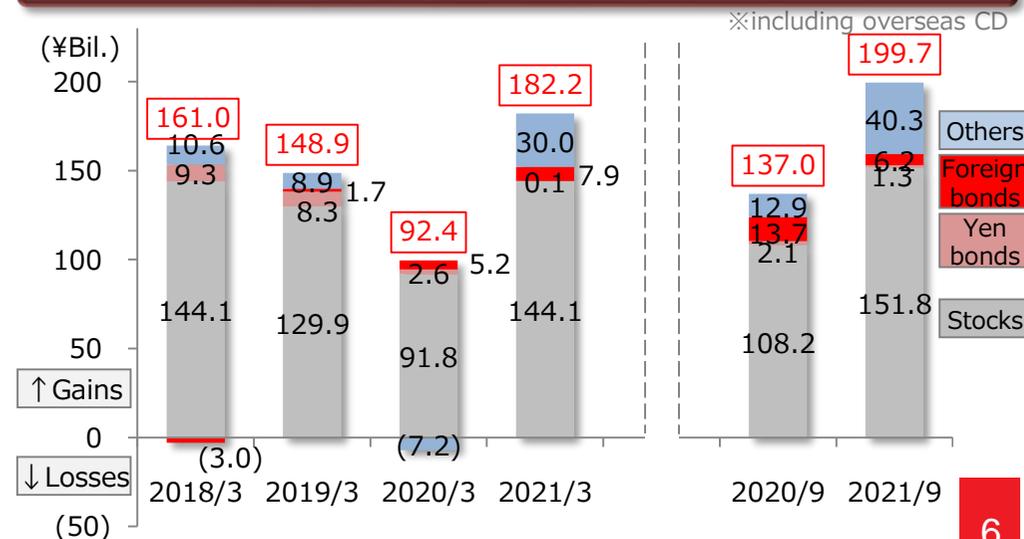


*1 excluding unrealized gains (losses)

Gain (loss) on securities

(¥Bil.)	2021/3 1H	2022/3 1H	Change
Interest income on securities	17.2	21.9	4.7
Bonds	5.8	5.4	(0.4)
Domestic	1.2	1.2	0.0
International	4.5	4.1	(0.4)
Stocks	6.3	7.2	0.9
Investments trusts etc.	5.0	9.3	4.2
Gains(losses) from investment trust cancellations	2.2	3.1	0.8
Gains(losses) related to bonds(Government bonds, etc.)	0.9	0.7	(0.2)
Gains on sales	1.1	1.1	(0.0)
Gains(losses) related to stocks, etc.	3.3	2.7	(0.6)
Gains on sales	3.5	4.5	1.0

Unrealized gains (losses) on other securities



Net Fees and Commissions Income

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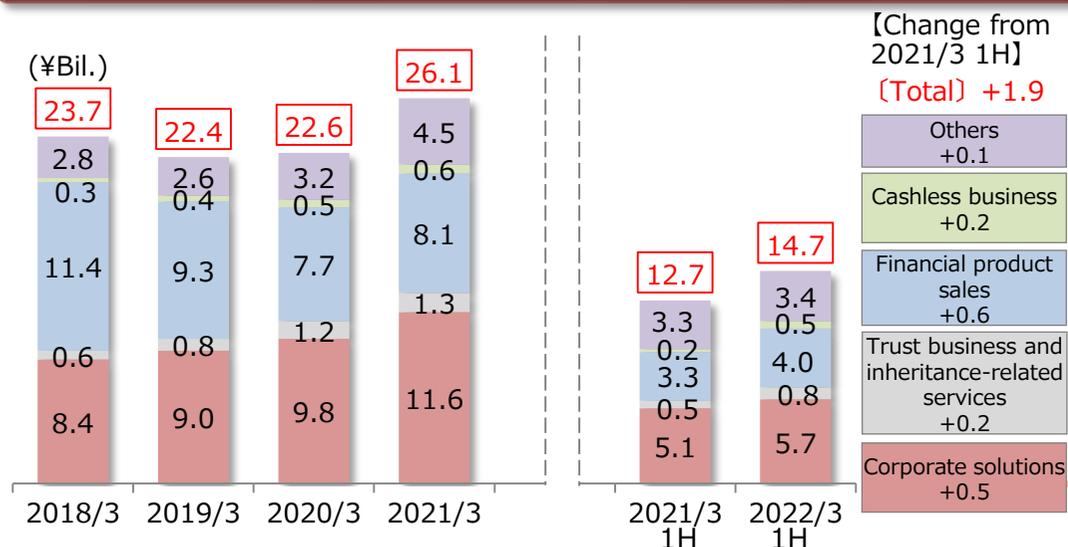
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	(¥Bil.)	2021/3	2022/3	Change
		1H	1H	
Net fees and commissions income		12.7	14.7	1.9
Net fees and commissions revenue		21.1	23.0	1.9
Net fees and commissions payments (-)		8.3	8.3	(0.0)

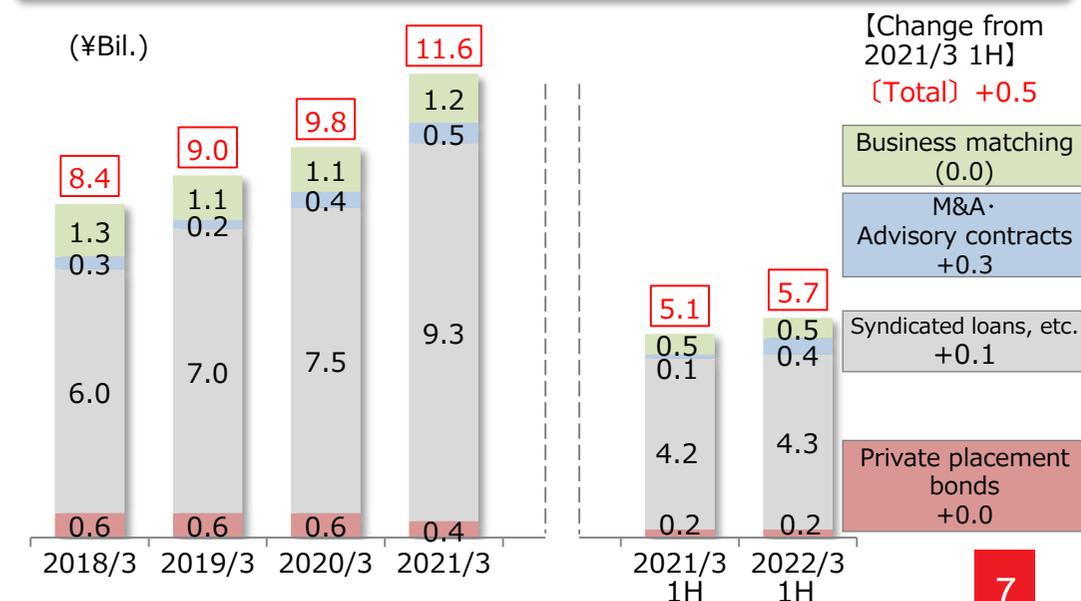
<Main breakdown>

Investment trusts and personal annuities	3.3	4.0	0.6
Investment trusts	1.3	2.2	0.9
Annuities and whole life insurance	0.6	0.6	(0.0)
Level paying life insurance	1.0	0.7	(0.2)
Financial instrument intermediary	0.2	0.3	0.0
Corporate solutions	5.1	5.7	0.5
Private placement bonds	0.2	0.2	0.0
Syndicated loans	4.2	4.3	0.1
M&A and advisory contracts	0.1	0.4	0.3
Business matching	0.5	0.5	(0.0)
Trust business and inheritance-related services	0.5	0.8	0.2
Cashless payment and card business	0.2	0.5	0.2
Payment and settlement transactions	6.6	6.4	(0.1)
Guarantee charges and group insurance costs (-)	5.0	4.7	(0.2)

Net fees and commissions income

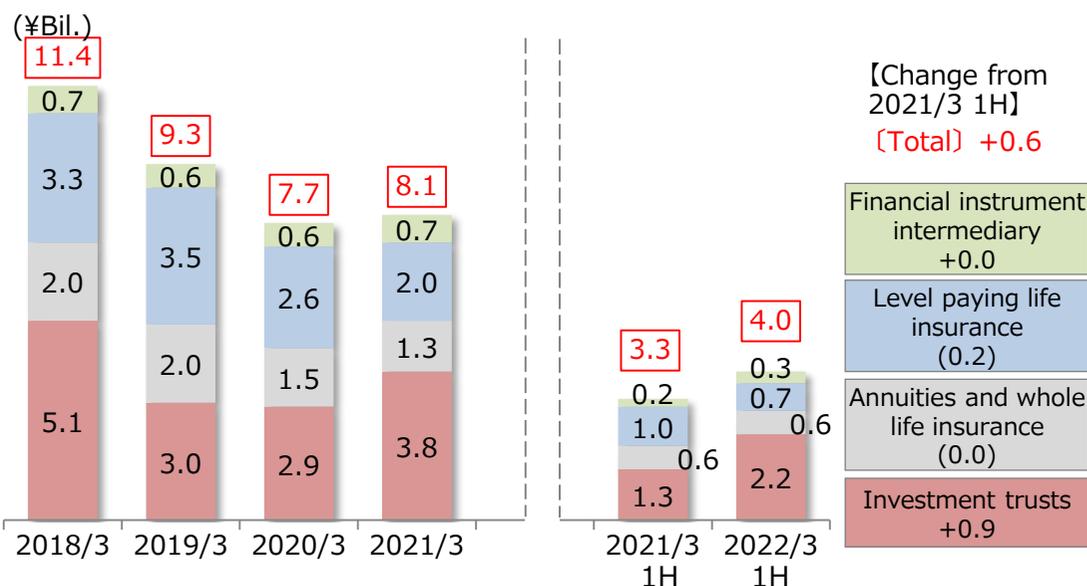


Fees and commissions income of corporate solutions

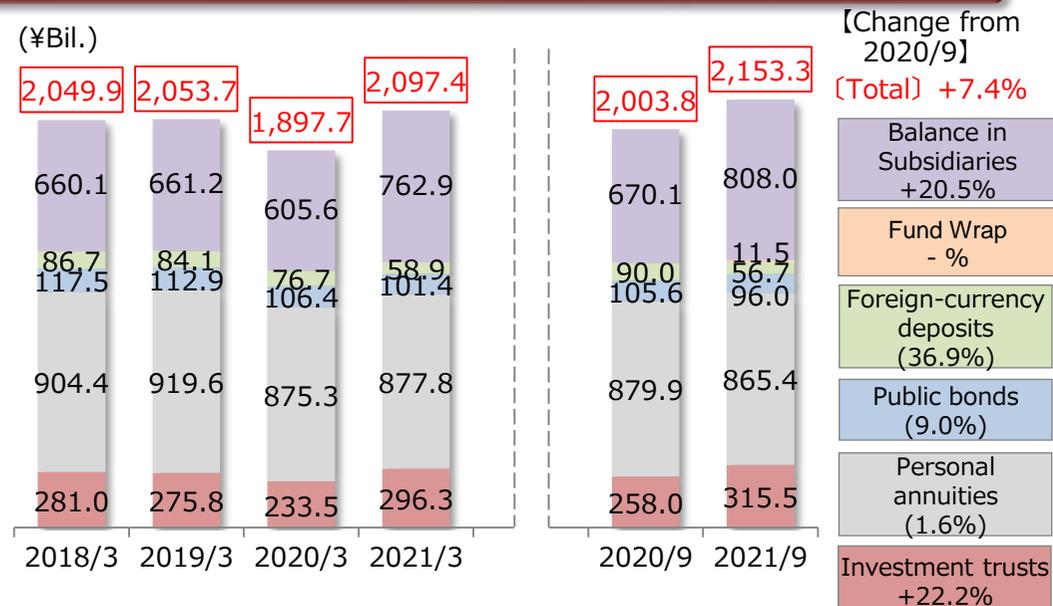


Financial Products

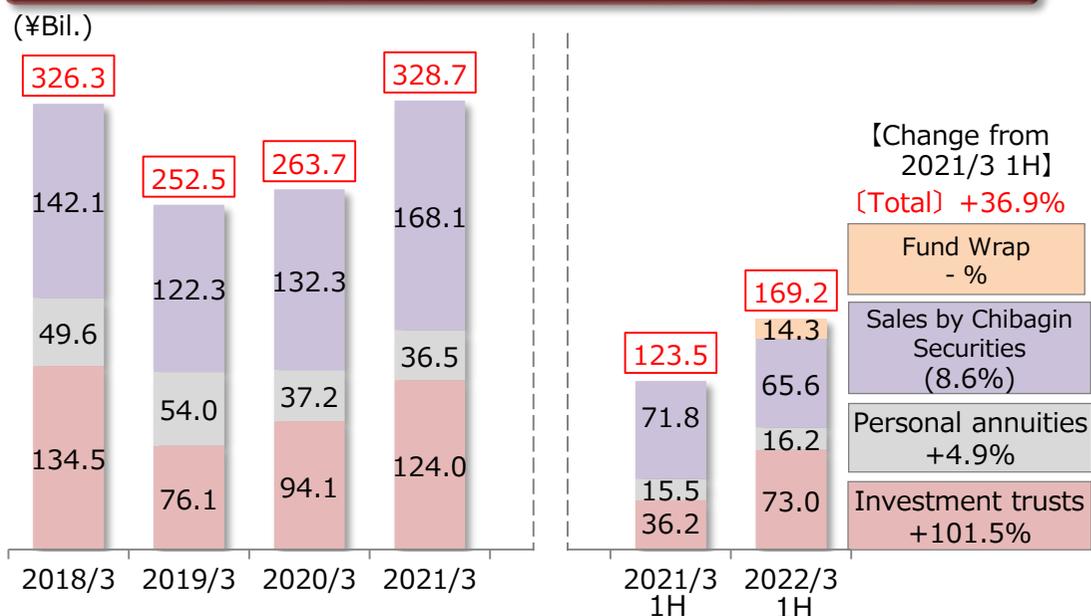
Fees and commissions income of financial products



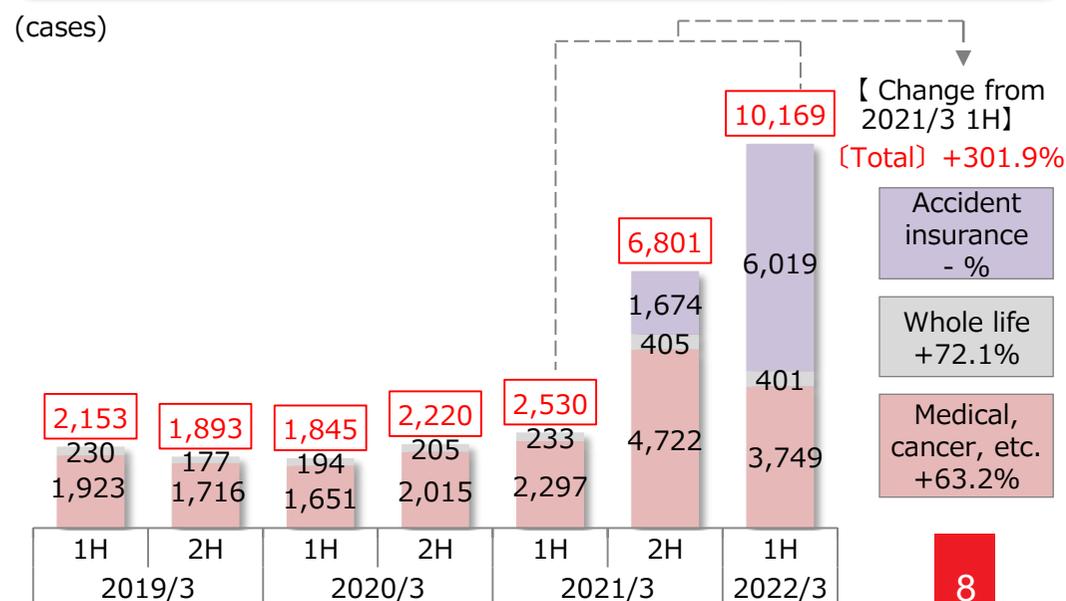
Balance of financial products (group total)



Financial products sales (group total)



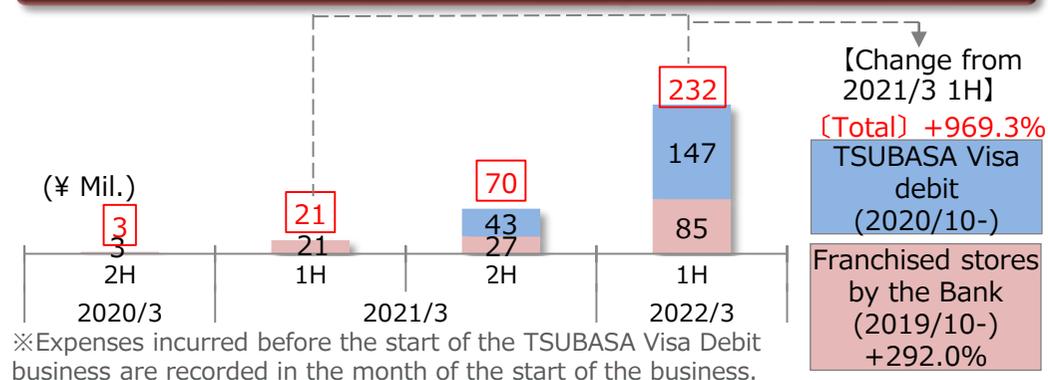
Number of protection-type insurance contracts



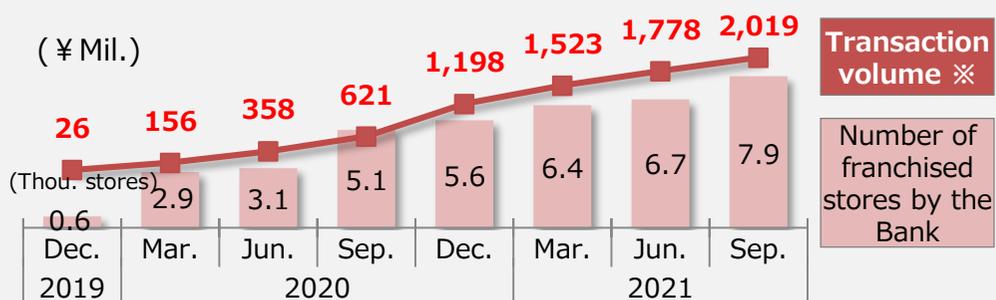
Cashless business income and expenditure

		2021/3		2022/3		Change	
		(¥Mil.)		1H		1H	
Total of new and existing business by the Bank	Profit	287	552	264			
	Revenue	1,075	1,498	422			
	Expenses(-)	787	945	158			
Total of new business by the Bank	Profit	21	232	210			
	Revenue	69	467	397			
	Expenses(-)	47	234	187			
Franchised stores by the Bank	Profit	21	85	63			
	Revenue	69	285	215			
	Expenses(-)	47	200	152			
TSUBASA Visa debit	Profit	-	147	147			
	Revenue	-	182	182			
	Expenses(-)	-	34	34			
Existing business by the Bank	Profit	266	319	53			
	Revenue	1,005	1,030	24			
	Expenses(-)	739	710	(28)			
Subsidiaries (Chibagin JCB Card Chibagin DC Card)	Profit	516	555	39			
	Revenue	2,321	2,343	22			
	Expenses(-)	1,804	1,788	(16)			
(reference)							
Total of group	Profit	804	1,108	303			
	Revenue	3,396	3,842	445			
	Expenses(-)	2,592	2,733	141			

New business profit



"Franchised stores by the Bank business" Number of franchised stores and transaction volume



"TSUBASA Visa debit" Number of cardholders and transaction volume



※Expenses of subsidiaries include personnel expenses and other operating expenses.

※Transaction volume : settlement amount for one month in the relevant month

Credit Costs · Disclosed Claims

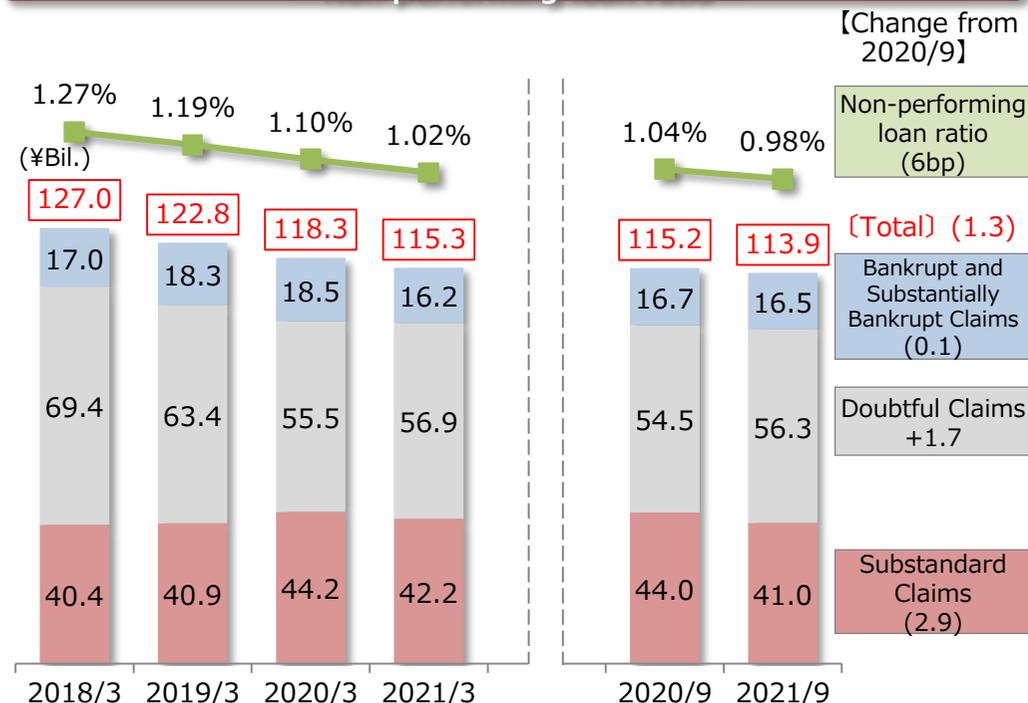
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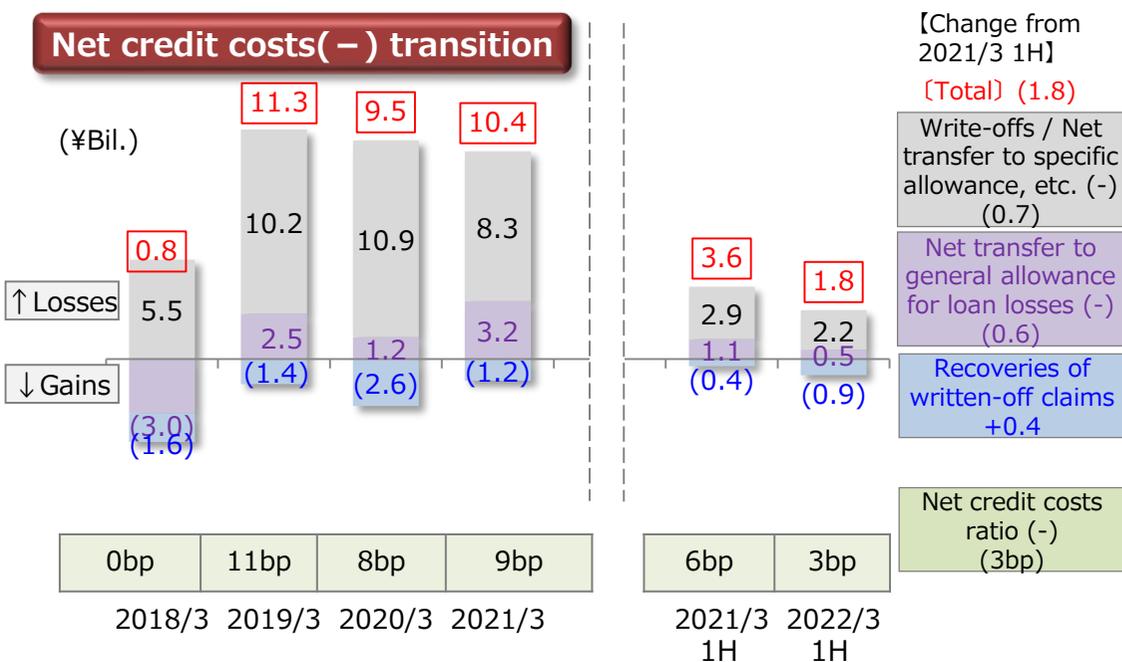
Net credit costs

	2021/3		2022/3	
	1H	1H	1H	Change
Net credit costs (-)	3.6	1.8	(1.8)	
Net transfer to general allowance for loan losses (-)	1.1	0.5	(0.6)	
Disposal of non-performing loans (-)	2.5	1.2	(1.2)	
Write-offs / Net transfer to specific allowance, etc. (-)	2.9	2.2	(0.7)	
New downgrades (-)	2.8	2.0	(0.8)	
Existing non-performing loans (-)	0.3	0.4	0.0	
Collections etc.	0.2	0.2	(0.0)	
Recoveries of written-off claims	0.4	0.9	0.4	
Net credit costs ratio (-)	6bp	3bp	(3bp)	

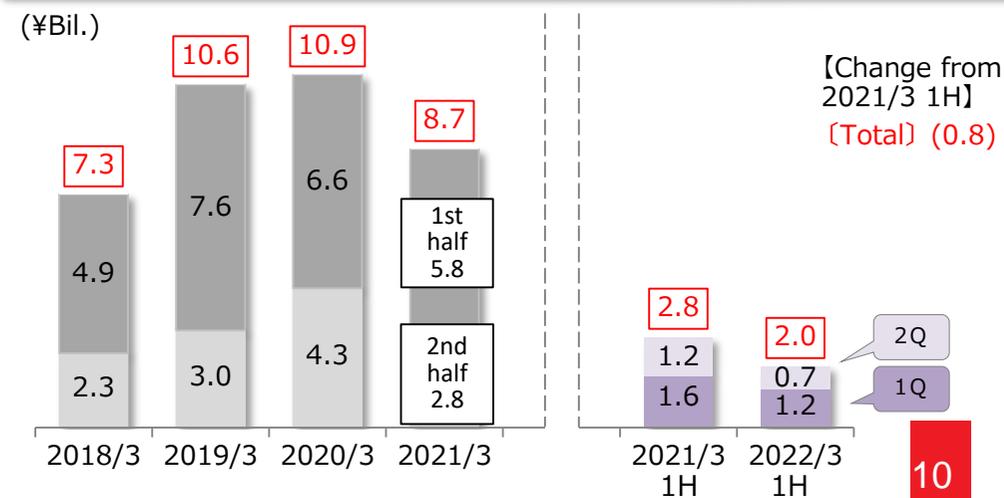
Disclosed claims under the Financial Reconstruction Law · Non-performing loan ratio



Net credit costs(-) transition



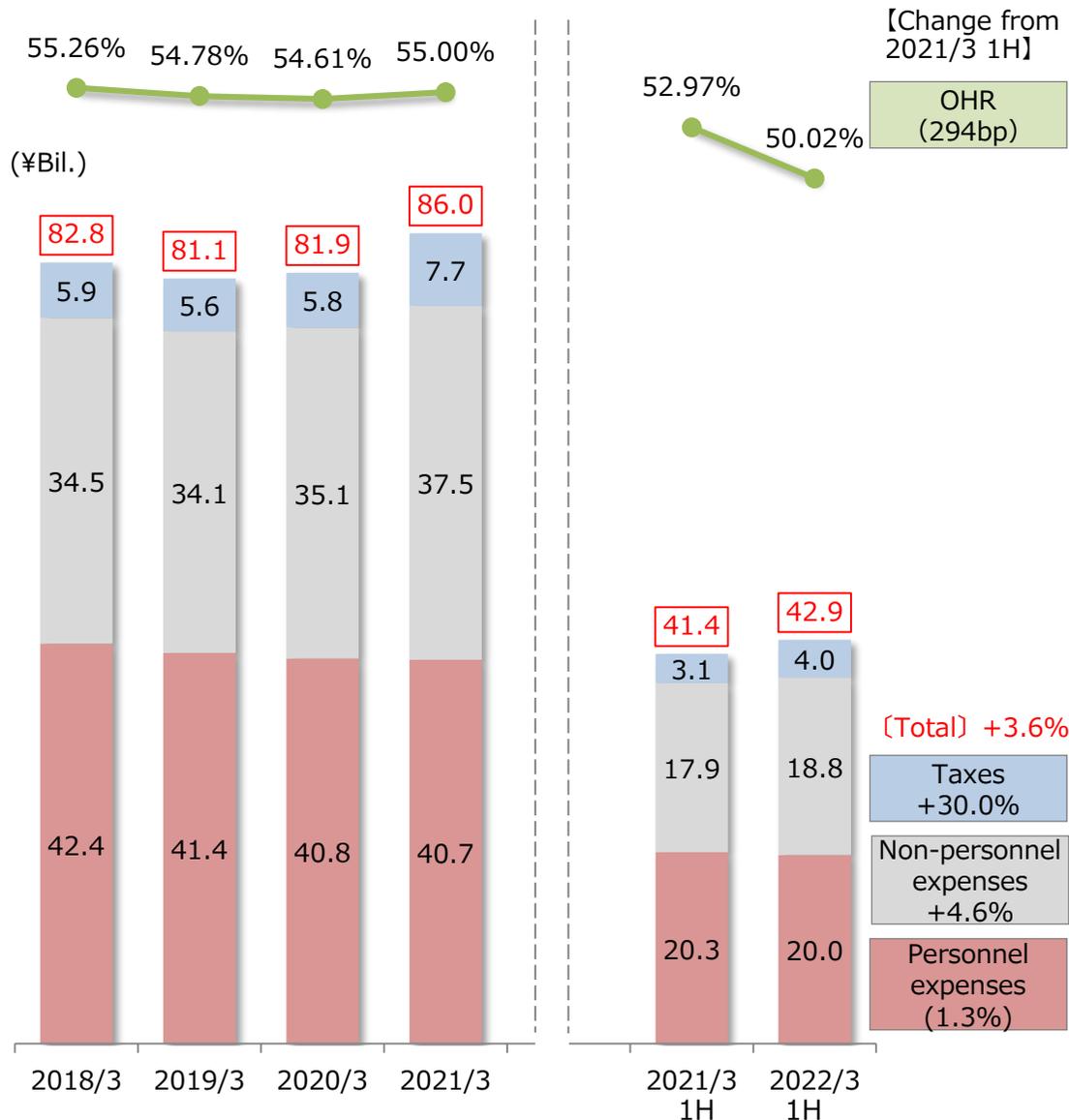
New downgrades



Expenses · Capital Ratios

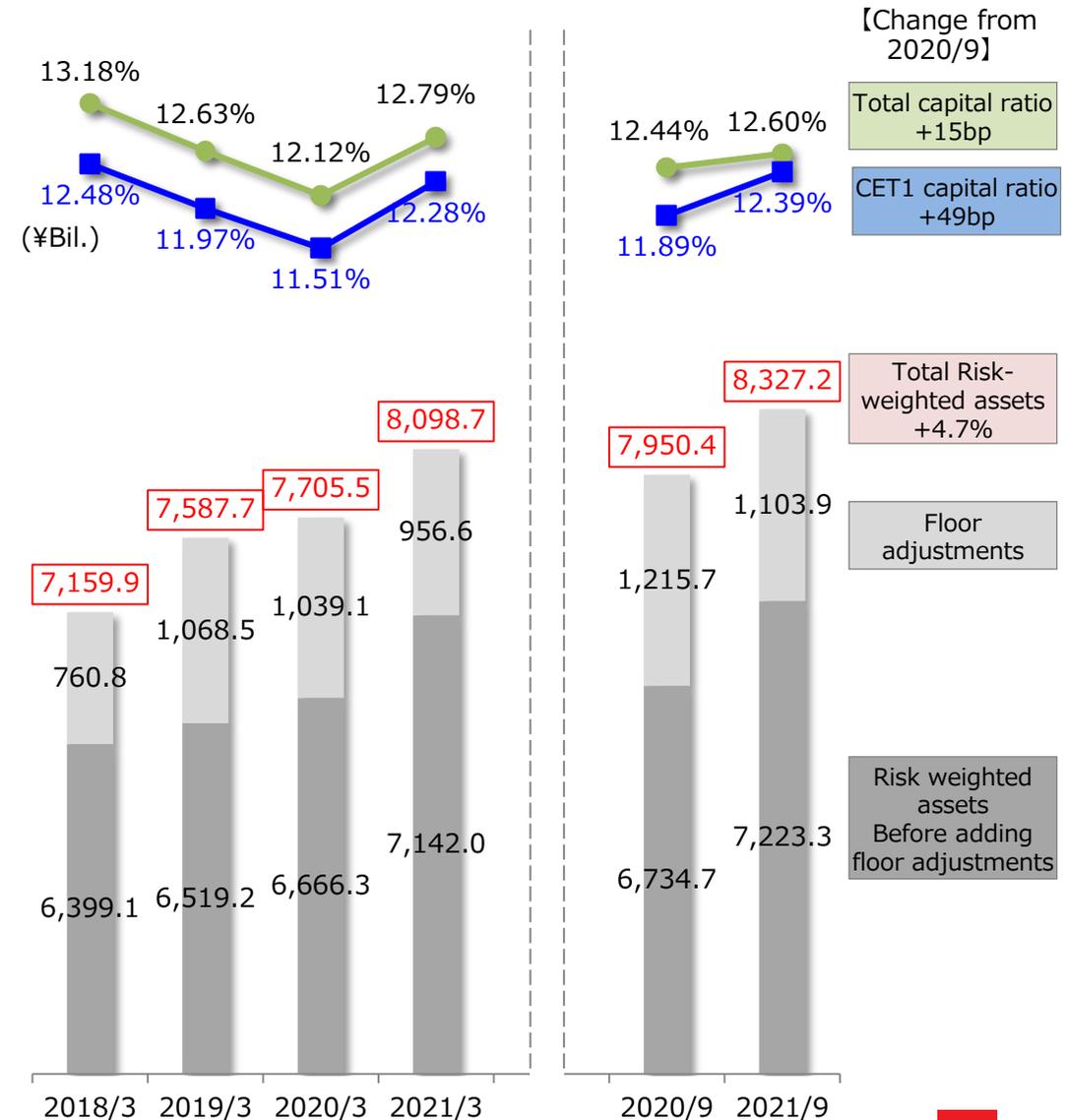
Expenses · OHR

※ OHR : Expenses / (Net business income – Gains (Losses) related to bonds, etc. + Net transfer to general allowance for loan losses + Expenses)



Capital ratios · Risk-weighted assets (Consolidated)

※ Preliminary figures



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