

Financial Highlights for the Third Quarter of FY2020 ending March 2021

**February 5, 2021
THE CHIBA BANK, LTD.**

Summary of Financial Results

NEXT STEP 2023

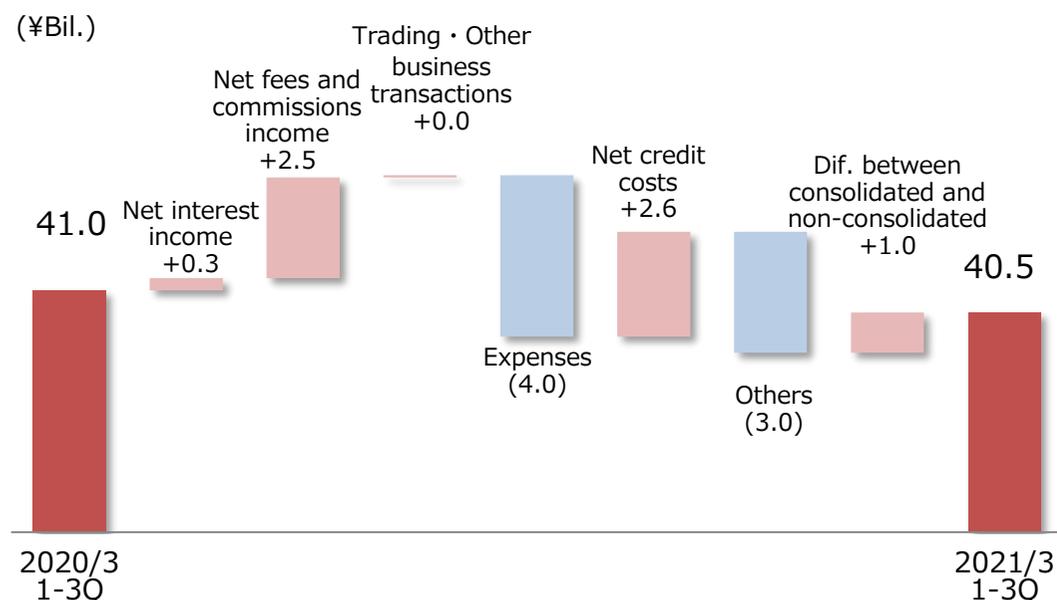
~ connect and go beyond, for the future ~

Non-consolidated	(¥Bil.)	2020/3 1-3Q	2021/3 1-3Q	Change
Gross business profits		115.4	118.4	2.9
Net interest income		94.8	95.1	0.3
Net fees and commissions income		15.7	18.2	2.5
Trading income		1.6	1.2	(0.4)
Profit from other business transactions		3.3	3.7	0.4
Gains (losses) related to bonds (Government bonds, etc.)		2.0	0.1	(1.9)
Expenses (-)		60.6	64.7	4.0
Real net business income		54.8	53.6	(1.1)
Core net business income		52.8	53.5	0.7
Excluding gains (losses) on cancellation of investment trusts		49.1	49.7	0.5
Net transfer to general allowance for loan losses (-)		2.3	1.3	(0.9)
Net business income		52.5	52.3	(0.1)
Non-recurrent income and losses		3.1	0.9	(2.1)
Disposal of non-performing loans (-)		4.9	3.3	(1.6)
Gains (losses) related to stocks, etc.		4.4	4.4	(0.0)
Ordinary profit		55.6	53.3	(2.3)
Extraordinary income (loss)		(0.0)	(0.0)	(0.0)
Profit		40.0	38.4	(1.5)
Net credit costs (-)		7.3	4.6	(2.6)

Consolidated	(¥Bil.)	2020/3 1-3Q	2021/3 1-3Q	Change
Ordinary profit		58.8	58.1	(0.7)
Profit attributable to owners of parent		41.0	40.5	(0.5)

- ◆ Net interest income increased by ¥0.3 billion compared with the corresponding period of previous fiscal year due to an increase in interest on domestic loans, and net fees and commissions income increased by ¥2.5 billion. As a result, Gross business profits increased by ¥2.9 billion.
- ◆ Expenses were within the plan, while increased by ¥4.0 billion due to expenses related to the new headquarter building, etc. Core net business income excluding gains (losses) on cancellation of investment trusts increased by ¥0.5 billion compared with the corresponding period of previous fiscal year and profits in core business were remained strong.
- ◆ Net credit costs were limited and decreased by ¥2.6 billion compared with the corresponding period of previous fiscal year.
- ◆ Profit progressed steadily and achieved 83% of the projection for the year ending March 2021 on a non-consolidated basis and a consolidated basis.

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

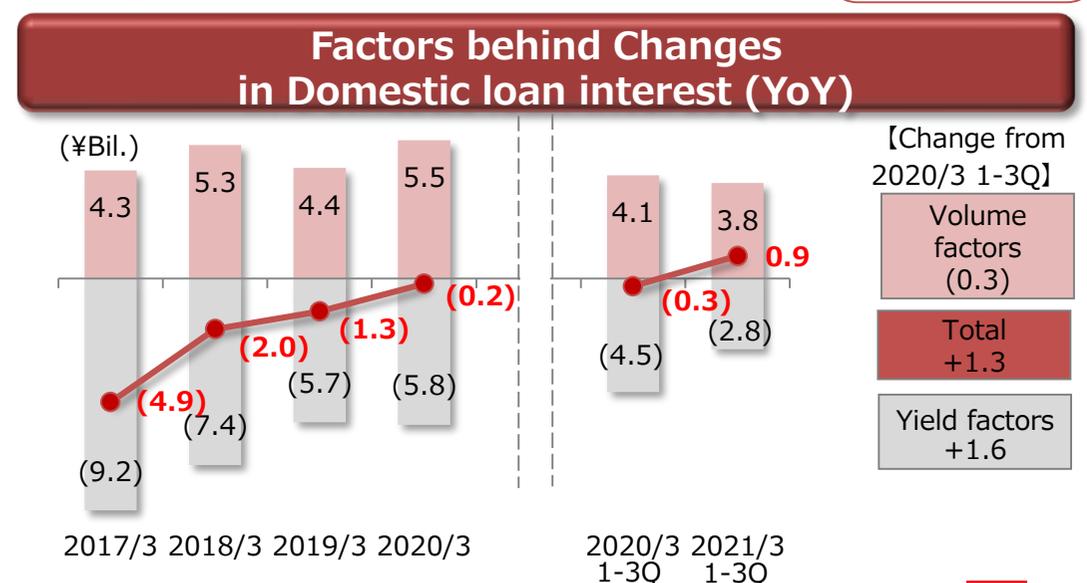
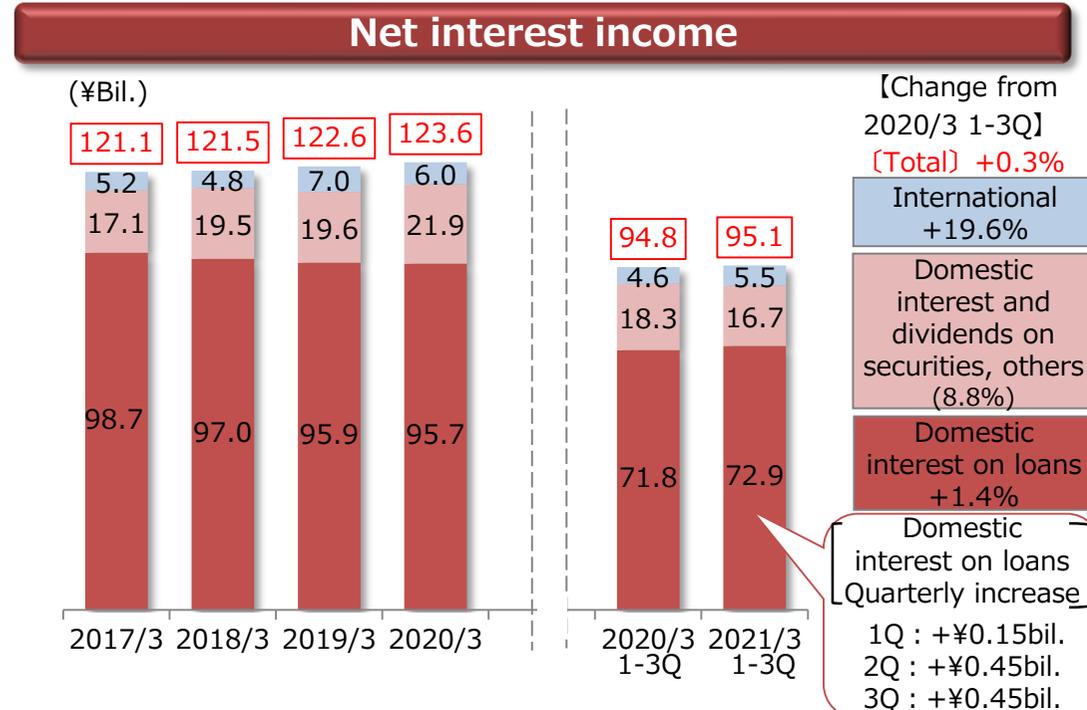


Net Interest Income

NEXT STEP 2023

~ connect and go beyond, for the future ~

(¥Bil.)	2020/3 1-3Q	2021/3 1-3Q	Change
Net interest income	94.8	95.1	0.3
Domestic	90.1	89.6	(0.5)
Interest on Loans	71.8	72.9	1.0
Loans and bills discounted	72.4	73.3	0.9
Deposit (incl. NCD)	0.5	0.4	(0.0)
Interest and dividends on securities	17.8	16.0	(1.8)
Bonds	2.0	1.9	(0.0)
Stock dividends	8.6	8.1	(0.4)
Investment funds	0.8	(0.0)	(0.8)
investment trusts	6.3	5.8	(0.4)
Gains (losses) on cancellation	3.4	2.4	(0.9)
Others (Market operation, etc.)	0.4	0.6	0.2
International	4.6	5.5	0.9
Loans and bills discounted	10.2	4.3	(5.9)
Foreign Securities	9.9	9.5	(0.4)
Foreign Securities	8.7	6.7	(2.0)
Foreign currency funds	0.9	1.3	0.3
Investment trusts	0.2	1.5	1.2
Gains (losses) on cancellation	0.1	1.3	1.1
Others (Funding and market operation, etc.)	(15.6)	(8.3)	7.2
Net interest income (Excluding gains (losses) on cancellation of investment trusts)	91.1	91.3	0.1
Gains (losses) on cancellation of investment trusts	3.6	3.8	0.2

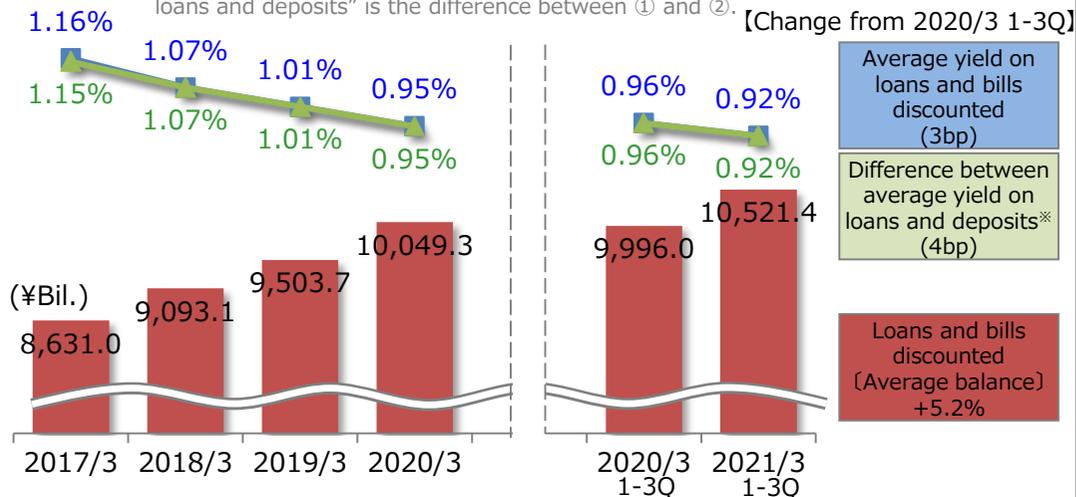


Yield · Interest on Loans

Domestic operations

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

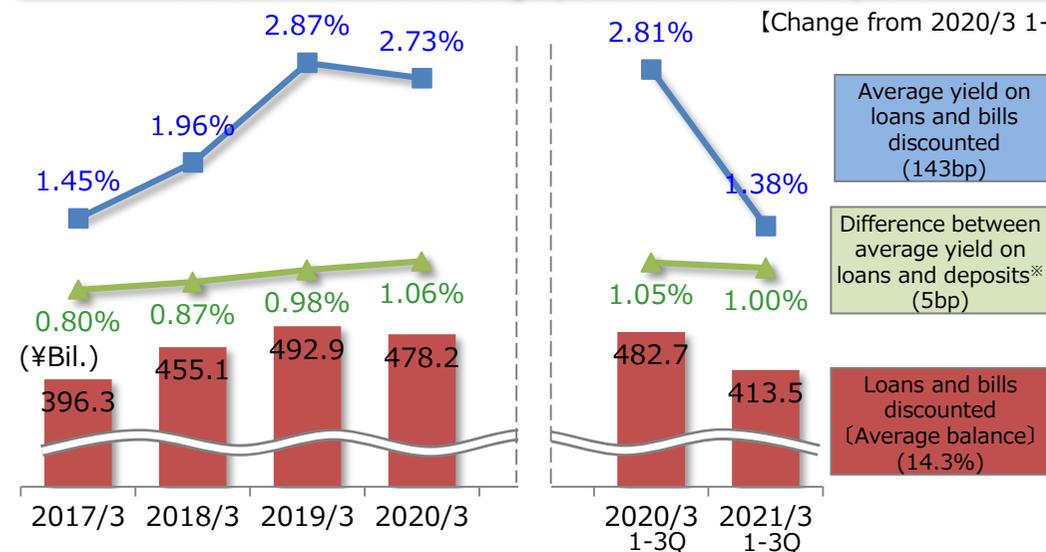
※① "Yield on loans and bills discounted" and ② "Yield on deposits" (including NCDs) are rounded down to second decimal places, and "Difference between average yield on loans and deposits" is the difference between ① and ②.



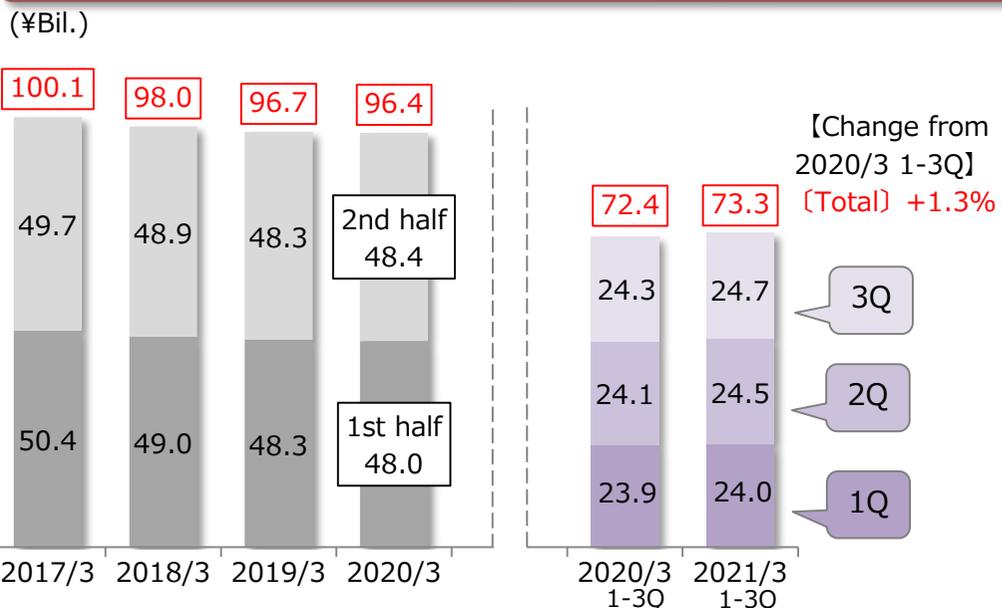
International operations

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

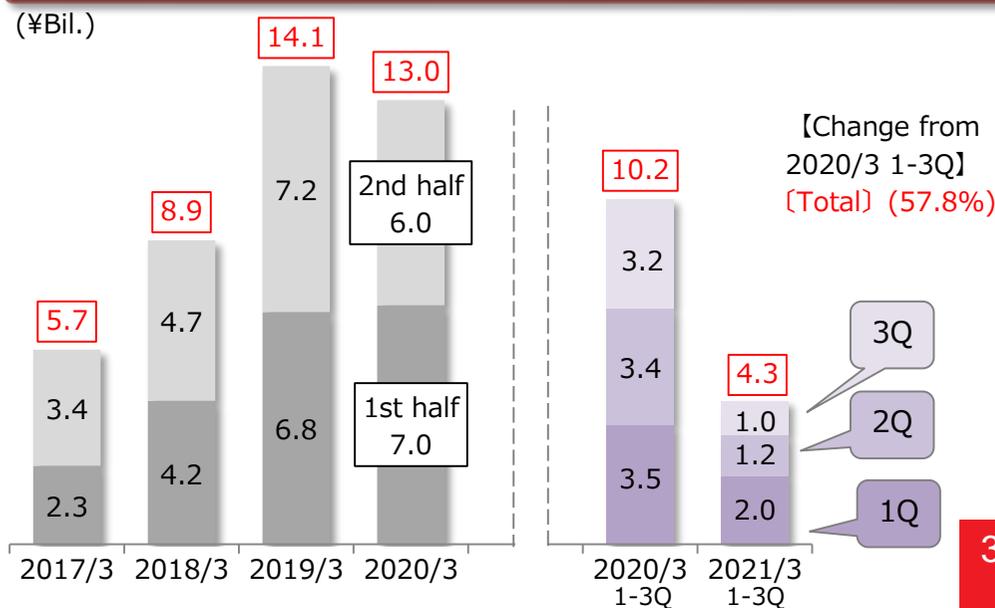
【Change from 2020/3 1-3Q】



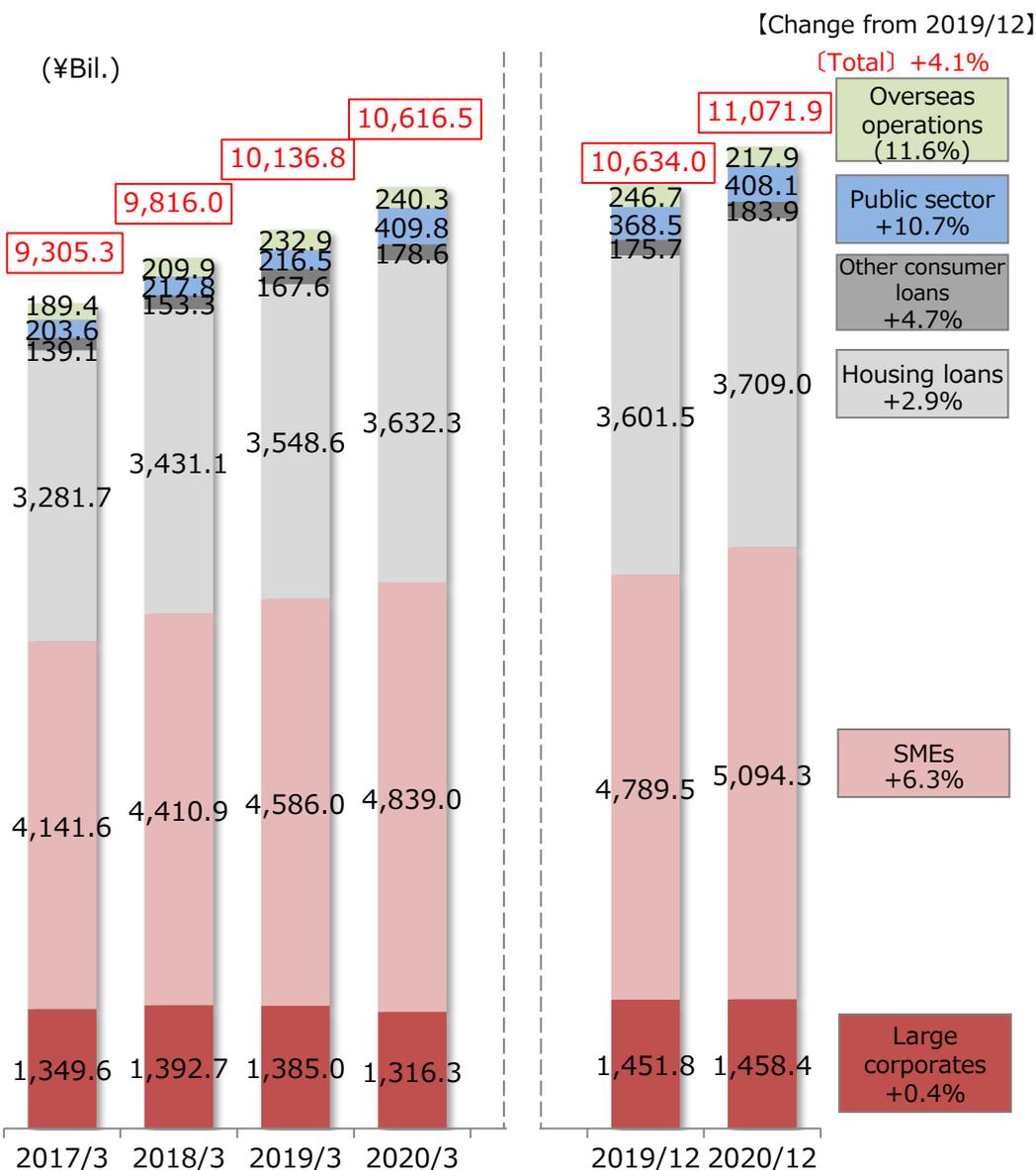
Interest on loans and bills discounted



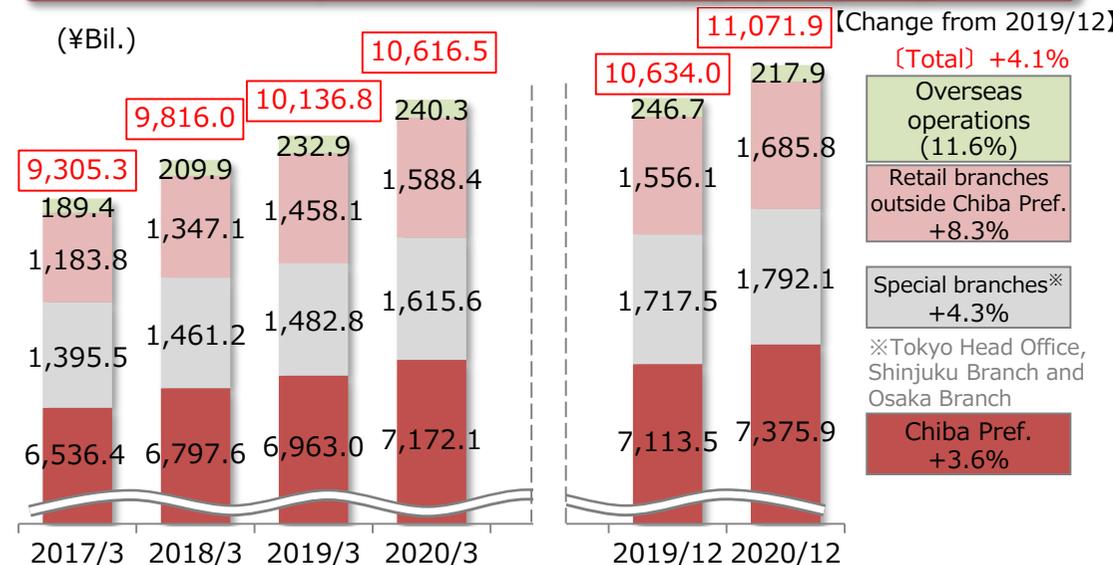
Interest on loans and bills discounted



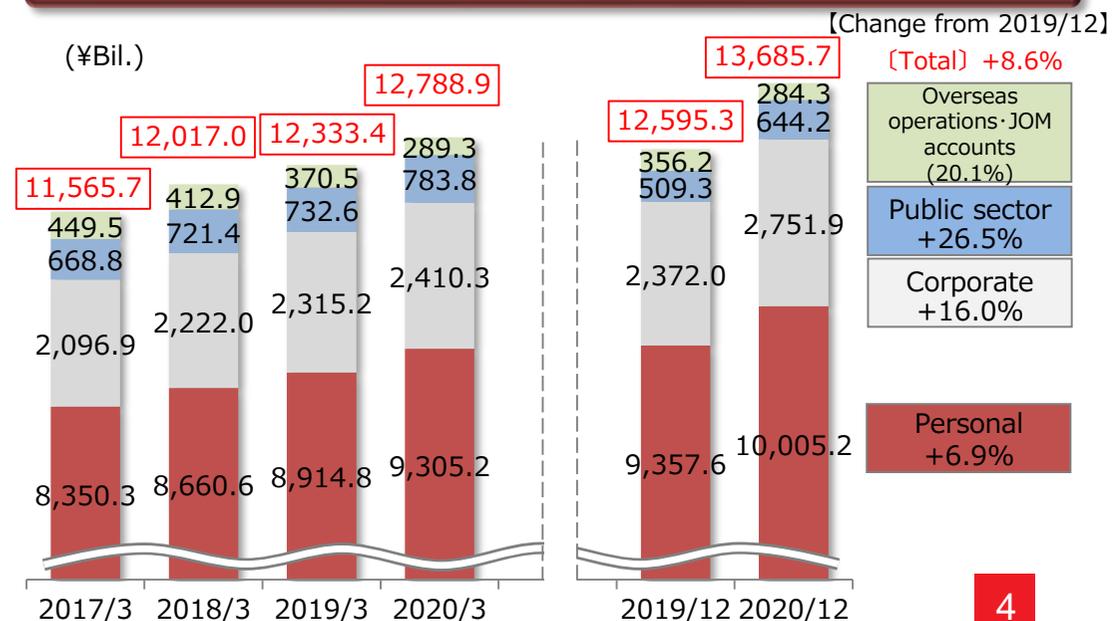
Loans (term-end balance)



Loans (term-end balance) [by region]

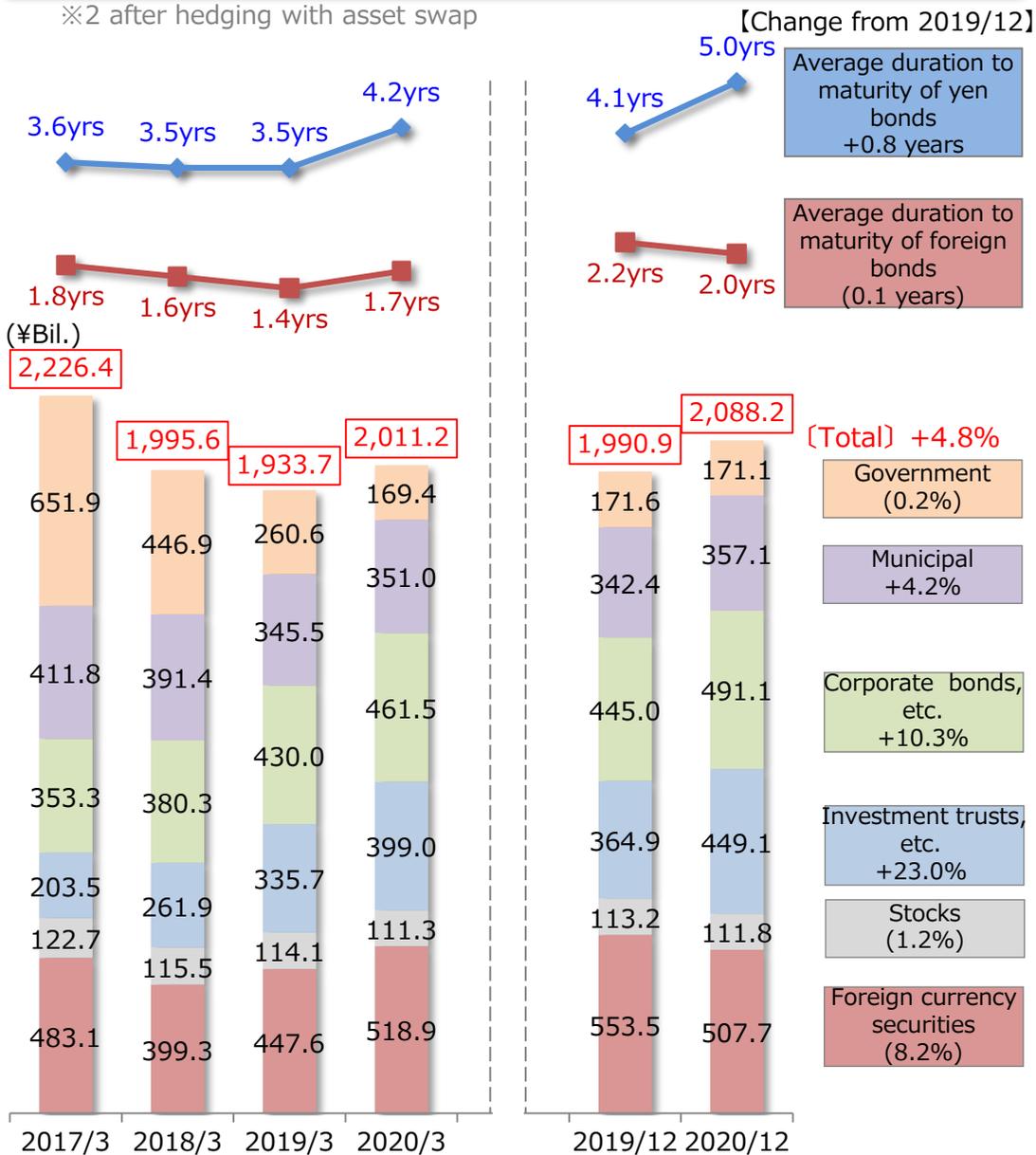


Deposits (term-end balance)



Balance of securities※1 · Duration of securities※2

※2 after hedging with asset swap

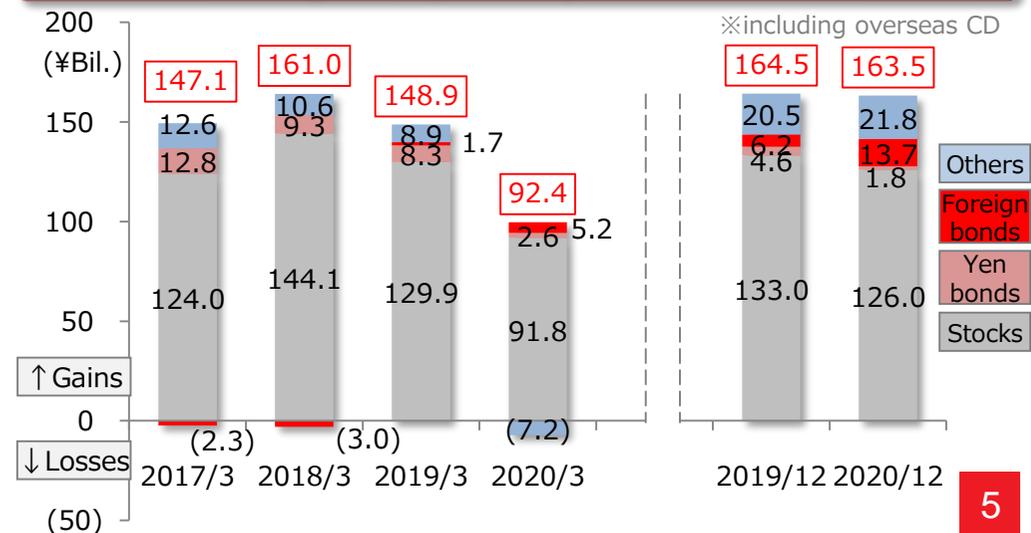


※1 excluding unrealized gains (losses)

Gain (loss) on securities

(¥Bil.)	2020/3 1-3Q	2021/3 1-3Q	Change
Interest income on securities	27.8	25.6	(2.2)
Bonds	10.7	8.6	(2.0)
Domestic	2.0	1.9	(0.0)
International	8.7	6.7	(2.0)
Stocks	8.6	8.1	(0.4)
Investments trusts etc.	8.4	8.7	0.2
Gains(losses) from investment trust cancellations	3.6	3.8	0.2
Gains(losses) related to bonds(Government bonds, etc.)	2.0	0.1	(1.9)
Gains on sales	2.7	1.5	(1.2)
Gains(losses) related to stocks, etc.	4.4	4.4	(0.0)
Gains on sales	4.5	4.6	0.1

Unrealized gains (losses) on other securities



Net Fees and Commissions Income

NEXT STEP 2023

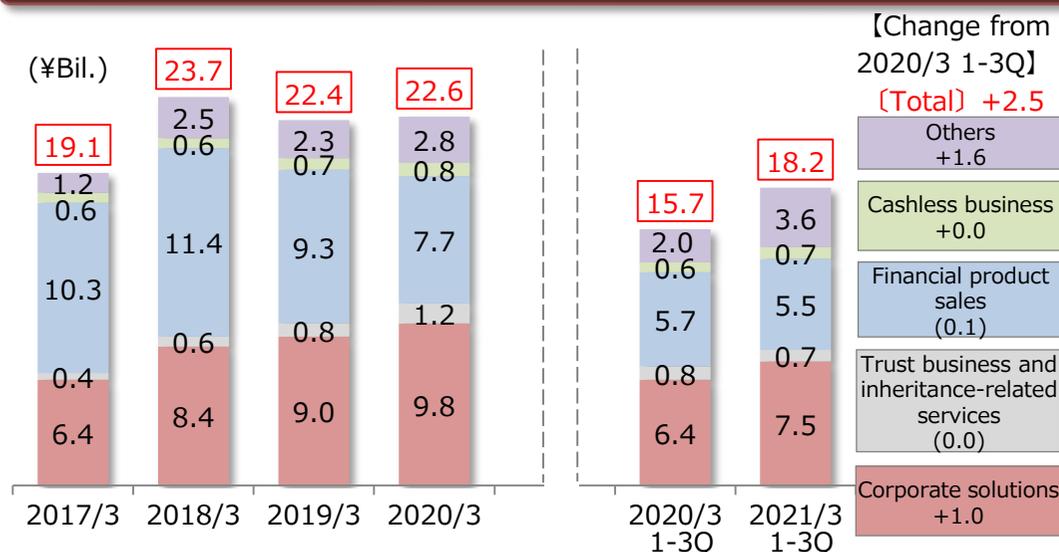
~ connect and go beyond, for the future ~

	(¥Bil.)	2020/3	2021/3	Change
		1-3Q	1-3Q	
Net fees and commissions income		15.7	18.2	2.5
Net fees and commissions revenue		31.3	31.9	0.5
Net fees and commissions payments (-)		15.6	13.6	(1.9)

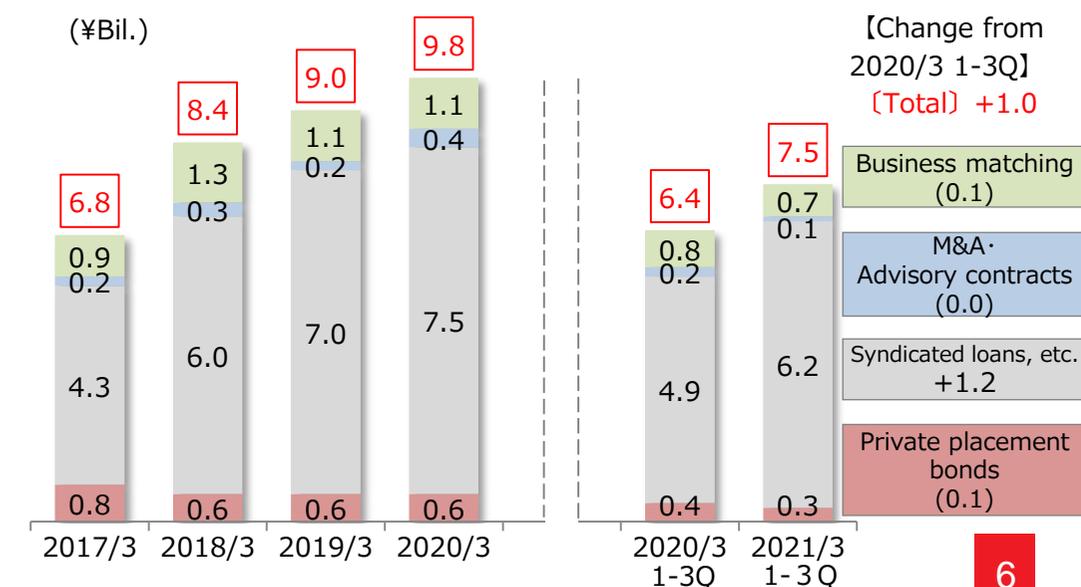
<Main breakdown>

Investment trusts and personal annuities	5.7	5.5	(0.1)
Investment trusts	2.0	2.5	0.4
Annuities and whole life insurance	1.1	0.9	(0.1)
Level paying life insurance	1.9	1.5	(0.4)
Financial instrument intermediary	0.4	0.5	0.0
Corporate solutions	6.4	7.5	1.0
Private placement bonds	0.4	0.3	(0.1)
Syndicated loans	4.9	6.2	1.2
M&A and advisory contracts	0.2	0.1	(0.0)
Business matching	0.8	0.7	(0.1)
Trust business and inheritance-related services	0.8	0.7	(0.0)
Cashless payment and card business	0.6	0.7	0.0
Payment and settlement transactions	9.6	9.9	0.3
Guarantee charges and group insurance costs (-)	10.7	8.8	(1.9)

Net fees and commissions income

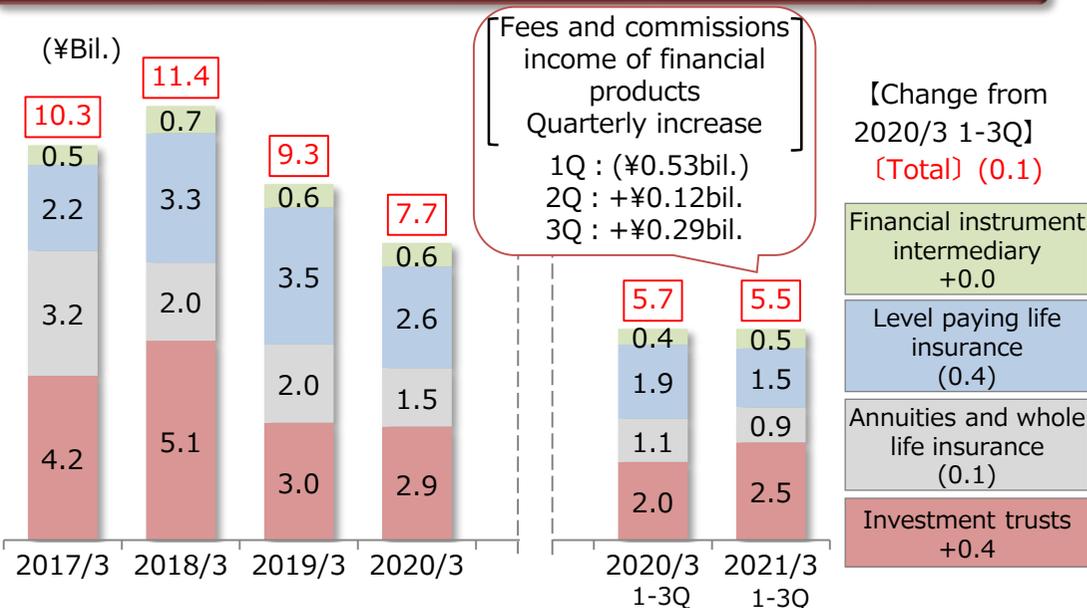


Fees and commissions income of corporate solutions

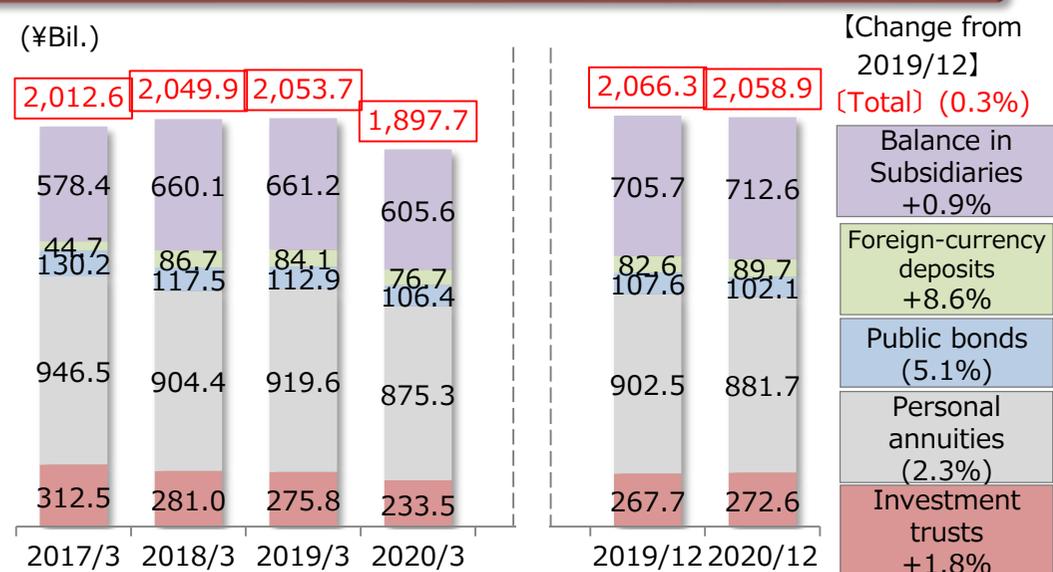


Financial Products

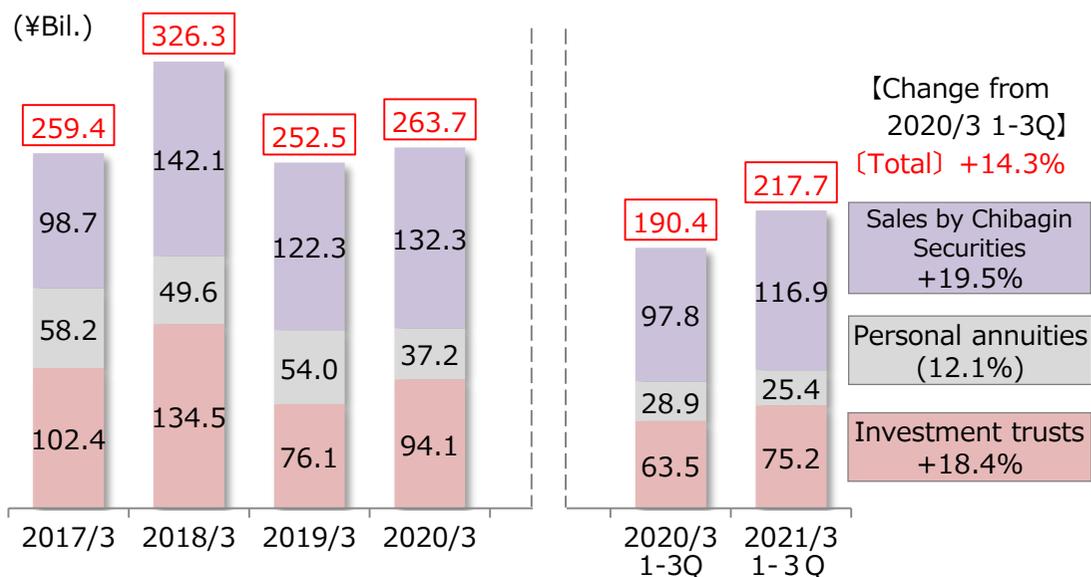
Fees and commissions income of financial products



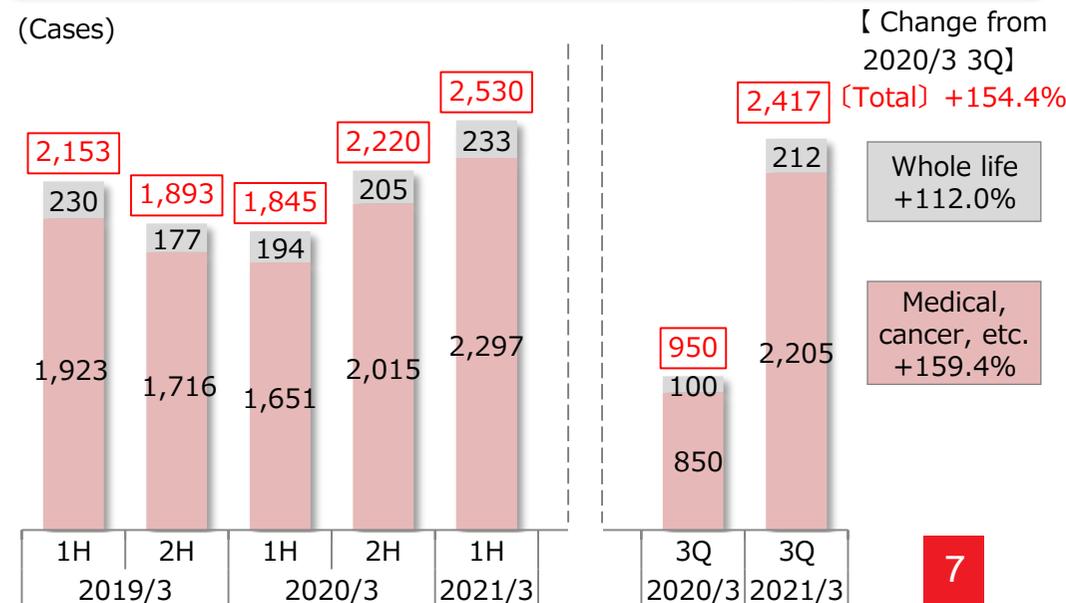
Balance of financial products (group total)



Financial products sales (group total)



Number of protection-type insurance contracts



Credit Costs · Disclosed Claims

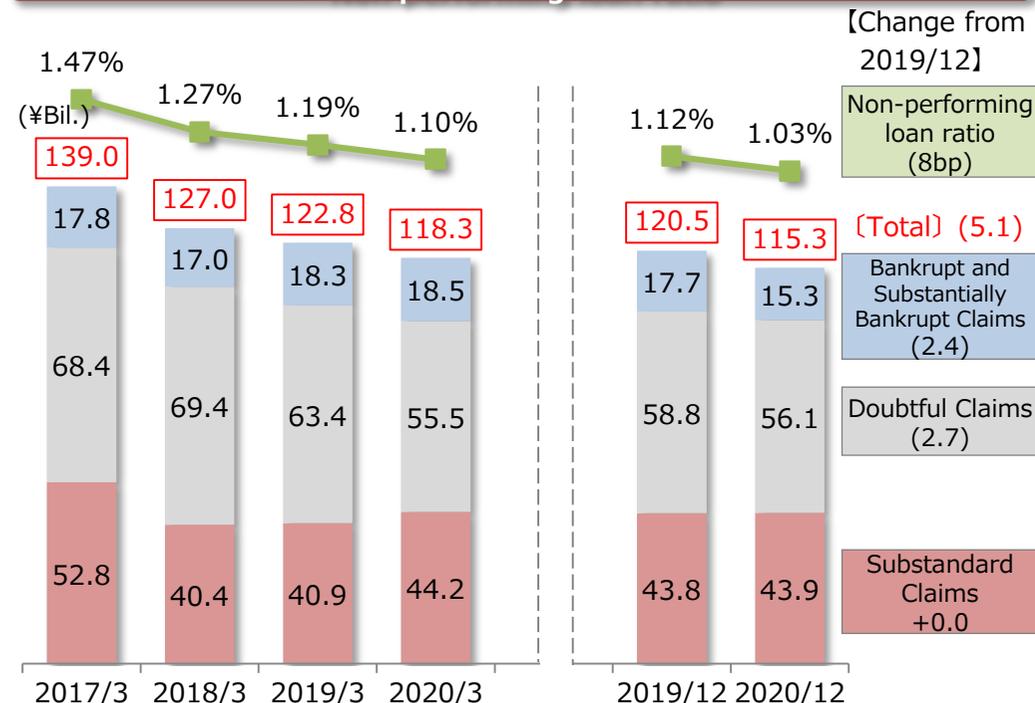
NEXT STEP 2023

~ connect and go beyond, for the future ~

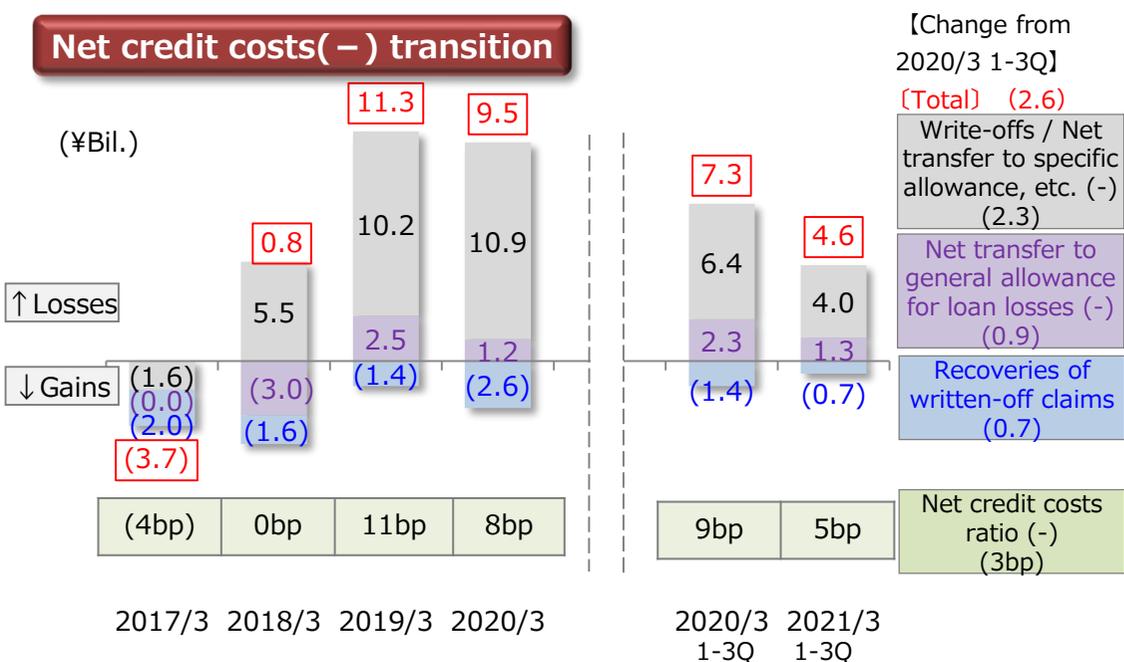
Net credit costs

	2020/3		2021/3	
	(¥Bil.)	1-3Q	1-3Q	Change
Net credit costs (-)		7.3	4.6	(2.6)
Net transfer to general allowance for loan losses (-)		2.3	1.3	(0.9)
Disposal of non-performing loans (-)		4.9	3.3	(1.6)
Write-offs / Net transfer to specific allowance, etc. (-)		6.4	4.0	(2.3)
New downgrades (-)		6.8	4.4	(2.3)
Existing non-performing loans (-)		0.5	0.3	(0.1)
Collections etc.		0.8	0.7	(0.0)
Recoveries of written-off claims		1.4	0.7	(0.7)
Net credit costs ratio (-)		9bp	5bp	(3bp)

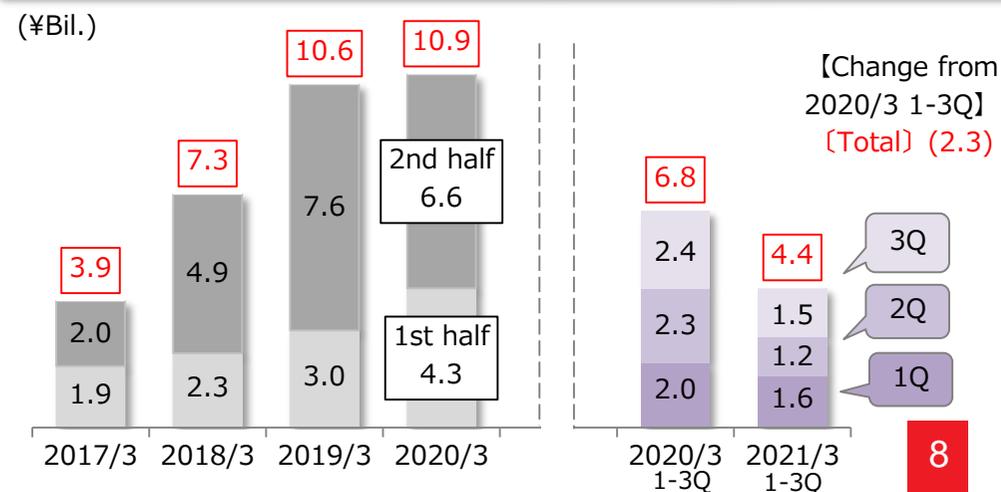
Disclosed claims under the Financial Reconstruction Law · Non-performing loan ratio



Net credit costs(-) transition



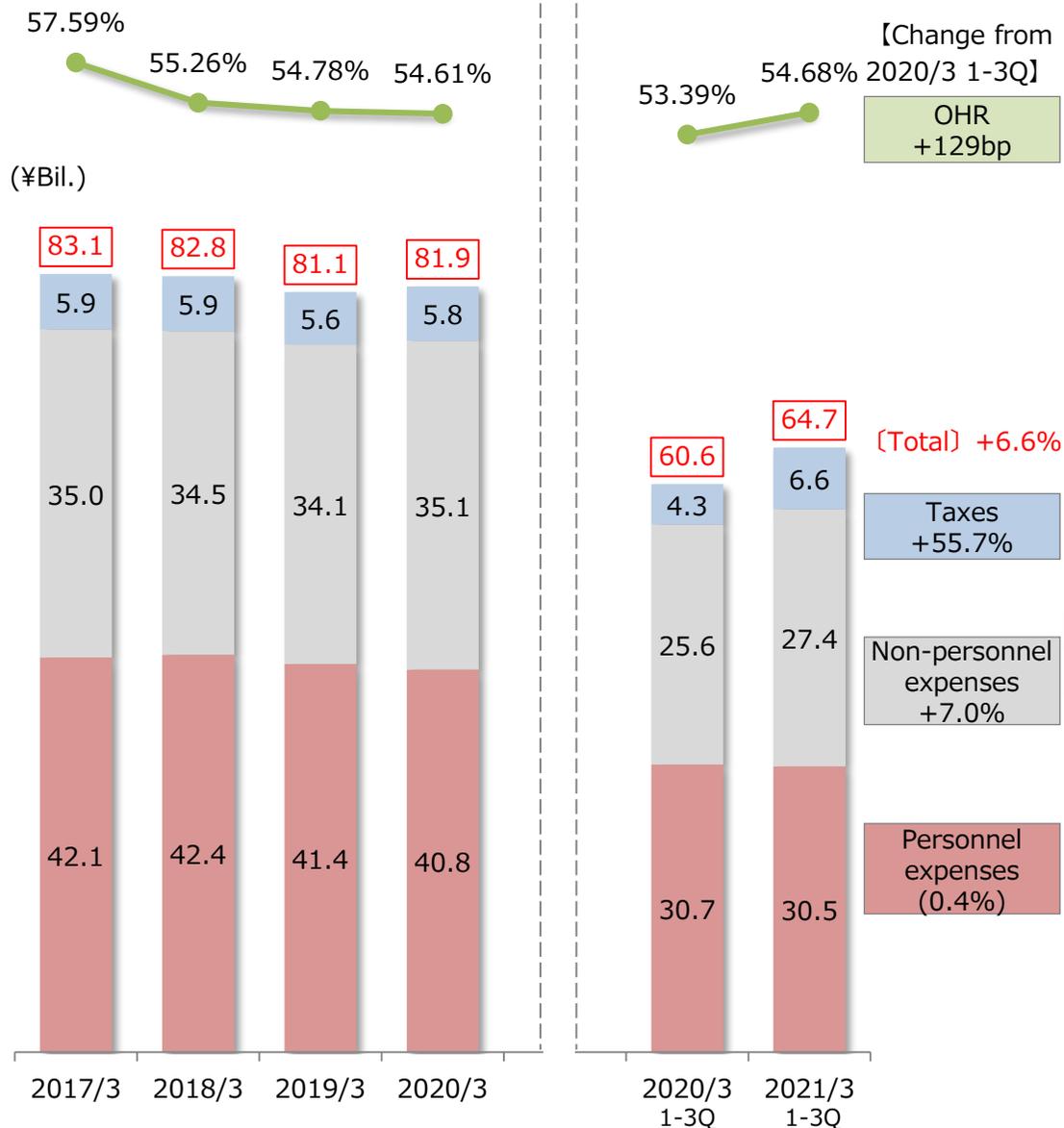
New downgrades



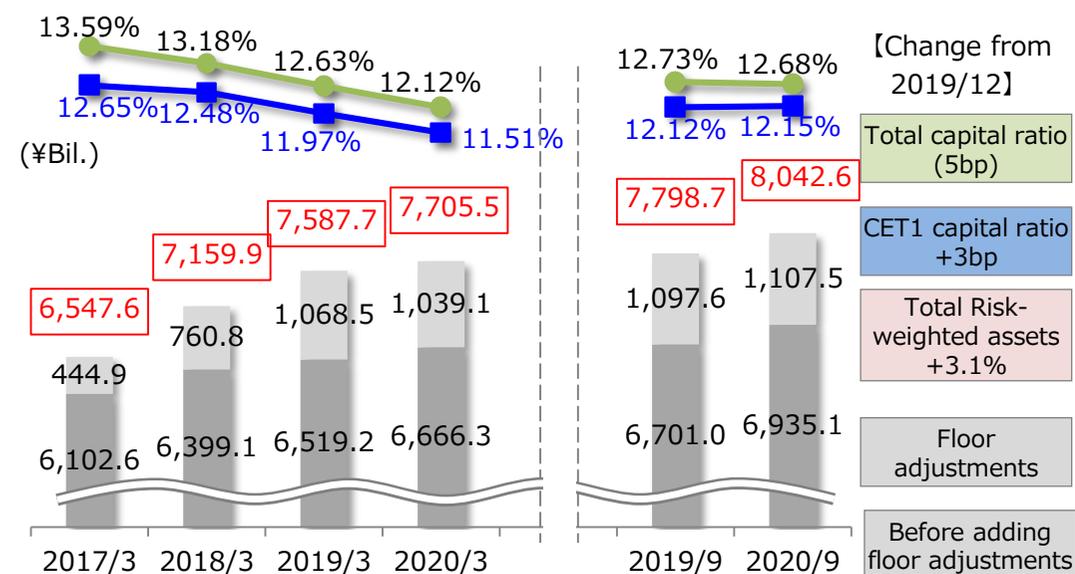
Expenses · Capital Ratios

Expenses · OHR

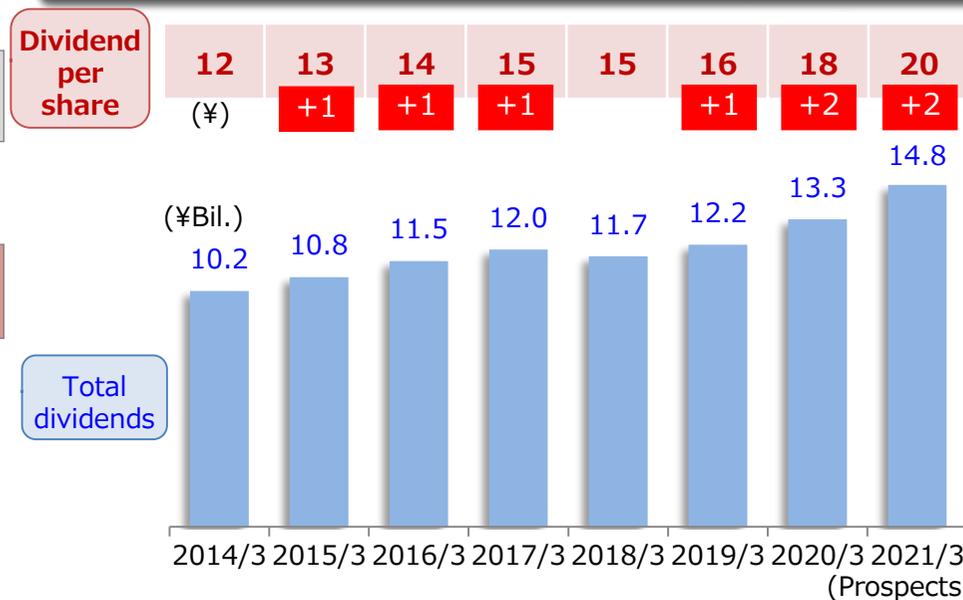
※ OHR : Expenses / (Net business income – Gains (Losses) related to bonds, etc. + Net transfer to general allowance for loan losses + Expenses)



Capital ratios · Risk-weighted assets (Consolidated)



Shareholder dividends



Status of Subsidiaries

NEXT STEP 2023

~ connect and go beyond, for the future ~

【Consolidated subsidiaries】

(¥Bil.)

Company name	Business Description	Investment ratio (Including indirect)	Profit items (After deduction of inter-sub subsidiary dividends)	2020/3	2021/3	
				1-3Q	1-3Q	Change
Chibagin Securities Co.,Ltd.	Securities business dealing in stocks, bonds, investment trusts and other financial products	100%	Ordinary profit	0.7	1.2	0.4
			Profit	0.5	0.8	0.3
Chibagin Leasing Co.,Ltd.	Leasing business of OA equipment, carriages, industrial machinery, store equipment, medical equipment, recycling equipment, etc.	100%	Ordinary profit	0.5	1.1	0.5
			Profit	0.3	0.7	0.3
Chibagin Guarantee Co.,Ltd	Guaranteeing business of mortgage loans and card loans, etc and collection agency business of sales charges, various fees, membership fees, etc.	100%	Ordinary profit	4.0	4.6	0.5
			Profit	2.6	2.9	0.3
Chibagin JCB Card Co.,Ltd	JCB brand's credit card and credit guarantee business	100%	Ordinary profit	0.6	0.7	0.0
			Profit	0.4	0.4	0.0
Total of 5 other companies	—	100%	Ordinary profit	0.4	0.5	0.0
			Profit	0.3	0.3	0.0
Total			Ordinary profit	6.5	8.2	1.6
			Profit	4.3	5.4	1.1

【Equity method subsidiaries】

Total of 5 companies	Profit according to equity method	0.2	0.1	(0.1)
----------------------	-----------------------------------	-----	-----	-------

Dividends to parent company(-)	3.6	3.5	(0.1)
Difference between consolidated and non-consolidated ※	0.9	2.0	1.0

※After adjustment for unrealized gains, etc.

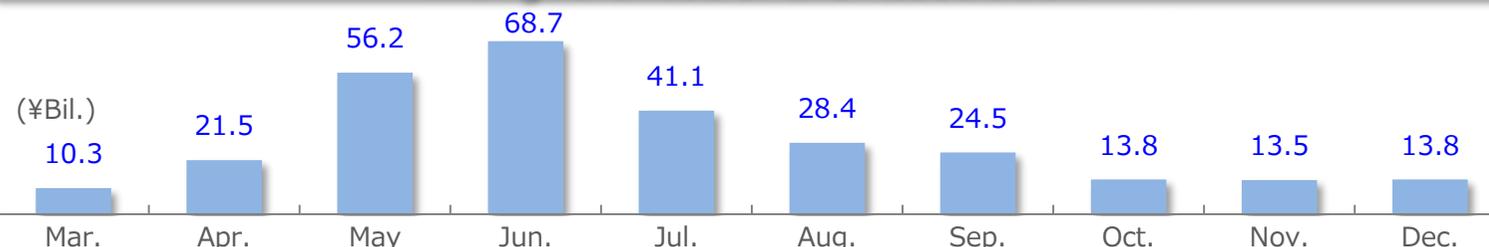
(Reference) Impact of COVID-19 ①

Status of loans related to COVID-19

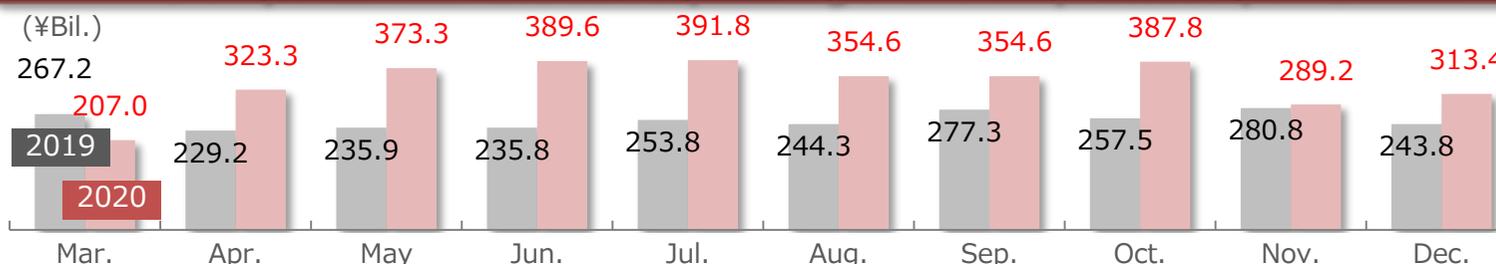
[As of December 2020]

(cases/amounts)	Execution	
New loans	12,774	¥599.8 billion
Without guarantee of the Association	758	¥307.1 billion
With guarantee of the Association	12,016	¥292.7 billion
Restructuring loans	975	—
Without guarantee of the Association	368	—
With guarantee of the Association	607	—

Transition of loans executions related to COVID-19 with guarantee of the Association



Increase amount of loans average balance (compared with the corresponding month of previous year)



COVID-19-related loans balance

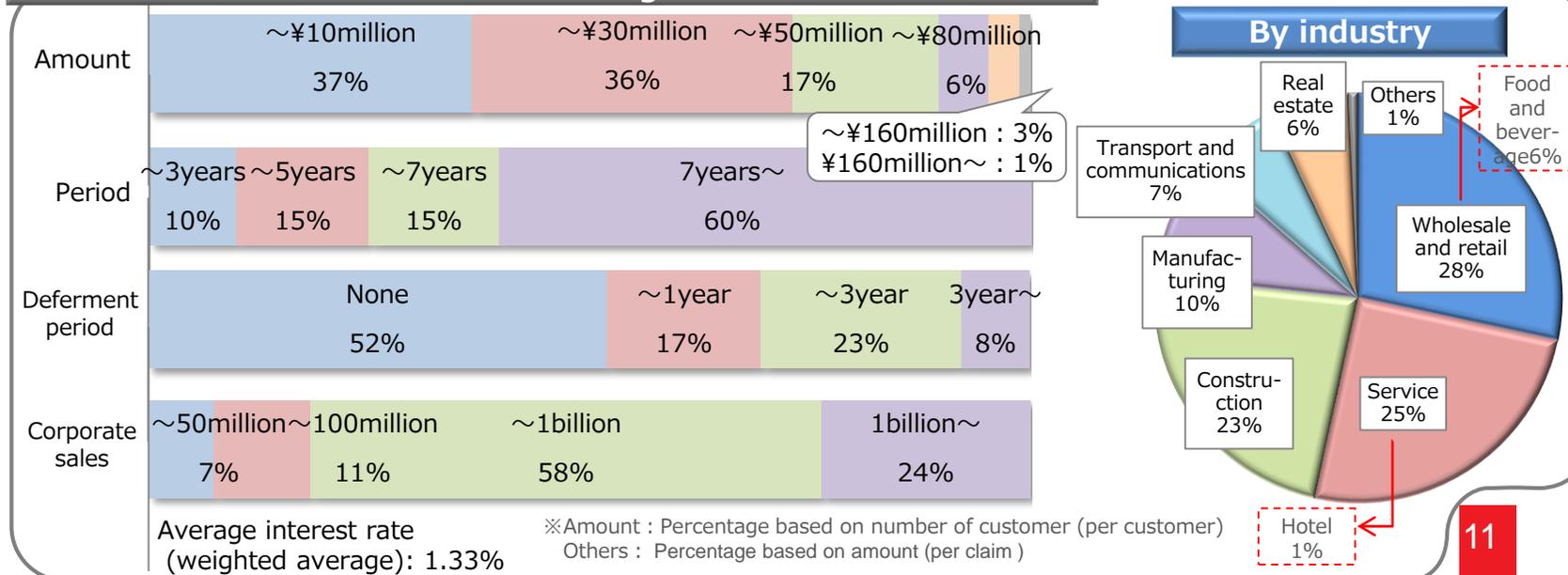
[As of December 2020]

※ Excluding spot lending, overdrafts, commitment lines, etc.



85% of loans without guarantee of the Association are for corporations with sales of greater than or equal to ¥1 billion

Details of COVID-19-related loans with guarantee of the Association



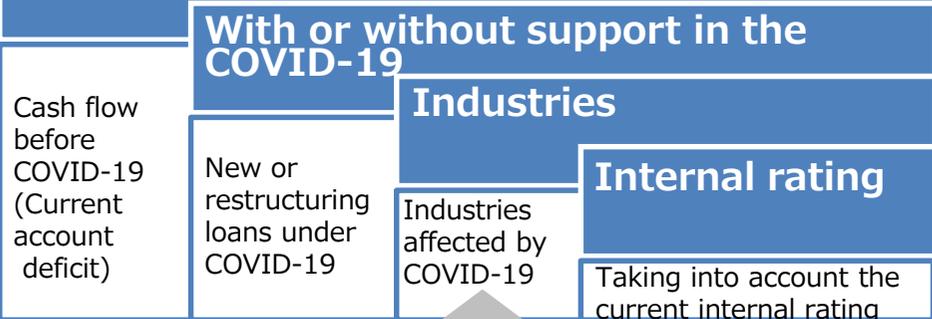
(Reference) Impact of COVID-19 ②

Estimation of net credit costs taking into account COVID-19

(Update materials of financial results meeting in November 2020)

Identify the target by comprehensively considering each element for each company

Cash flow position



Impact of COVID-19 by industry	Impact	
	1st year (FY2020)	2nd year (FY2021)
Large	High	High
Medium	High	Certain effects
Small	Certain effects	None

“BOJ Tankan” Sales forecasts for FY2020 by industry (YoY)

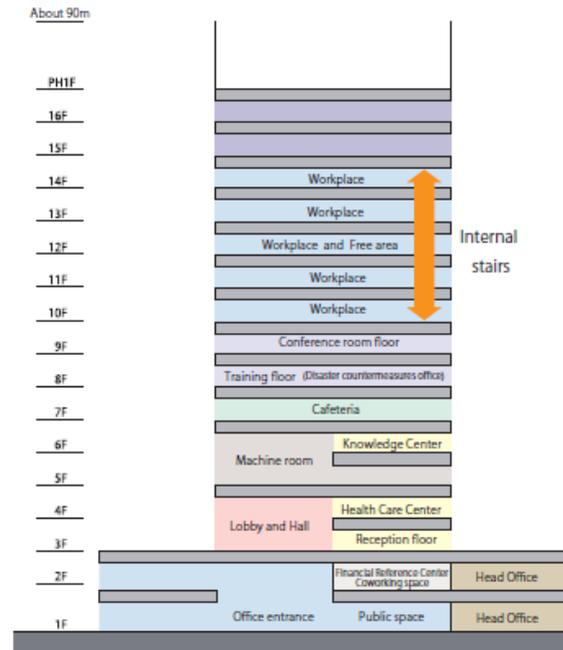
Using BOJ Tankan data, Refinement of impact by industry

Impact of COVID-19 by industry		Percentage of the Bank Loans
Large	Hotels, Food and beverage	1%
Medium	Industries for which sales forecasts is lower than the all industries average	11%
Small	Industries for which sales forecasts is higher than the all industries	88%

(¥Bil.)

	Result forecast	Estimation result	
1~3Q (result)	5.7	—	
4Q (forecast)	4.2	4.1	About same as 4Q forecast
2021/3 (forecast)	10.0	—	
2022/3 (forecast)	—	9.4	About same as 2021/3 full year forecast of ¥10billion

(Reference) New Headquarter Building ①



Chiba Bank Headquarter Building / Architectural outline

Site area	24,992.98㎡
Building area	6,595.80㎡
Total floor area	46,878.25㎡
Structure	steel construction (Vibration-free construction)
Scale	16th floor Penthouse 2nd Floor
Completion of construction	September 2020
Design supervision	Nikken Sekkei Ltd
Construction	Shimizu, Taisei, Shinnihon, Asahi joint venture



**“Chiba Bank Headquarter Building”
has been reborn,
raising a sail with exhilaration into a new era**

“Chiba Bank Headquarter Building”
with the motif of sailing ship on the ocean.
It express our “Chiba Bank” strong feelings
“to move forward into the future as a new financial group
beyond the framework of existing bank” .



Together with you,
a new step forward

September 30, 2020

Chiba Bank Headquarter Building
Completed



The Chiba Bank, Ltd.

1-2 Chiba-minato, Chuo-ku, Chiba city, Chiba 260-8720
<https://chibabank.co.jp/english/>

(Reference) New Headquarter Building ②

The Chiba Bank Headquarter Building uses the latest technology and equipment to realize comfortable work, the highest level of safety and environmental performance. See the Chiba Bank Headquarter Building open to the region.

Coexistence with regional community

We have set up facilities such as financial reference center to be as a new hub for interaction with regional customers.



Chiba Bank financial reference center ~FinTERRACE~

Financial reference center has been reborn as FinTERRACE. It introduces our bank and financial history, as well as Chiba Prefecture, which has achieved remarkable development.



Chiba Bank coworking space ~ PORT ~

We provide support for regional start-up companies, co-creation communities among companies and business matching opportunities.



Main hall

We have set up the main hall which can be used for concerts. In case of emergency, the main entrance on the first floor and the lobby in front of the Main Hall are provided as temporary accommodation facilities.

Strengthening BCP

We have achieved an earthquake-resistant S-grade, which is equivalent to that of disaster bases or disaster base hospitals.



Base vibration-free isolation structure
We have adopted a base isolation structure that reduces seismic intensity 7 to about seismic intensity 3.



Liquefaction countermeasures
We have taken all possible measures to prevent liquefaction by improving the ground.



Disaster countermeasures office
We have installed 18 multi-display screens to strengthen our business continuity system in the case of a large-scale disaster.



Cogeneration generator
In addition to the emergency generator, a gas-powered cogeneration generator has been installed to multiplex power sources.

Improve productivity by innovate work style

We have designed the office to be functional and to encourage communication.



Set up free area that can be used by anyone on the 12th floor

The 12th floor, which is the central floor of the workplace, has a free area that can be used freely by anyone. Employees can choose where to work according to their projects and moods.



Workplace

On the office floor, free addresses are adopted for each group. The desk layout is a "hexagon grid" that allows for interaction within the floor. We have set up an internal stairs that connects each floor in the center of building.

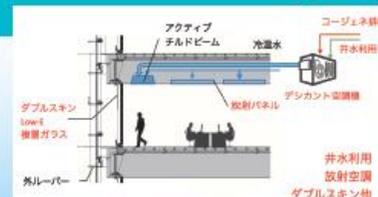


Knowledge center

A knowledge center with a collection of about 10,000 books has been established to enable employees to deepen their knowledge. The service counter attached to knowledge center provides lending of collected stationery and equipment.

Environmental considerations

The building is designed to utilize natural energy and promote energy saving. Performance equivalent to S rank in the Comprehensive Assessment System for Built Environment Efficiency (CASBEE).



Complex air conditioning system with enhanced environmental performance Low-e double glass



Inquiries related to this presentation should be addressed to:

The Chiba Bank, Ltd.
Corporate Planning Division
Investor Relations

Tel: 043-301-8459

Fax: 043-242-9121

E-Mail: ir@chibabank.co.jp

This material was prepared only for the purpose of providing information and does not solicit the purchase or sale of any specific securities.

All or part of the matters described in this material may be revised or changed without prior notice. This material contains forward-looking statements. These statements are not represented as providing a guarantee of the Bank's future performance, and actual results may be subject to risks and uncertainties. Please note that future performance may differ due to change in business environment, etc.