

# Financial Highlights for the First Quarter of FY2022 ending March 2023



# Summary of Financial Results

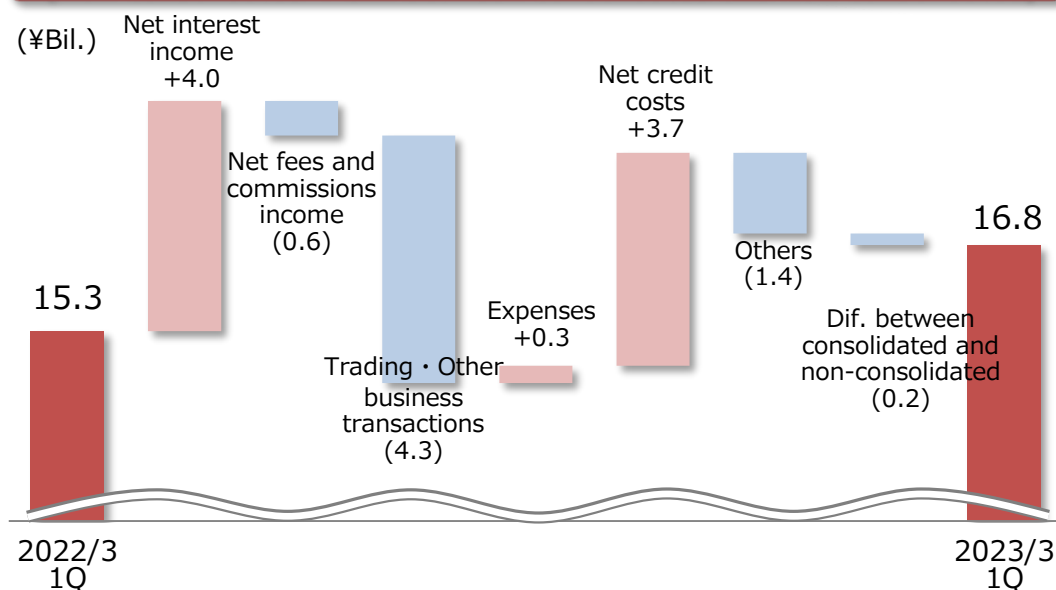
**NEXT STEP 2023**

~ connect and go beyond, for the future ~

| Non-consolidated   | (¥Bil.) | 2022/3 | 2023/3 | YoY   |
|--|---------|--------|--------|-------|
|  |         | 1Q     | 1Q     |       |
| Gross business profits   |         | 45.2   | 44.2   | (0.9) |
| Net interest income  |         | 37.4   | 41.4   | 4.0   |
| Net fees and commissions income                                  |         | 6.7    | 6.1    | (0.6) |
| Trading income   |         | 0.2    | 0.3    | 0.1   |
| Profit from other business transactions                          |         | 0.7    | (3.7)  | (4.4) |
| Gains (losses) related to bonds<br>(Government bonds, etc.)      |         | 0.2    | (5.4)  | (5.7) |
| Expenses (-)   |         | 20.8   | 20.4   | (0.3) |
| Real net business income   |         | 24.3   | 23.7   | (0.5) |
| Core net business income   |         | 24.0   | 29.2   | 5.2   |
| Excluding gains (losses) on<br>cancellation of investment trusts |         | 22.4   | 26.5   | 4.1   |
| Net transfer to general allowance for loan losses (-)            |         | 1.6    | -      | (1.6) |
| Net business income  |         | 22.6   | 23.7   | 1.1   |
| Non-recurrent income and losses                                  |         | 0.7    | 2.2    | 1.5   |
| Disposal of non-performing loans (-)                             |         | 1.0    | (1.0)  | (2.1) |
| Reversal of allowance for loan losses                            |         | -      | 1.0    | 1.0   |
| Gains (losses) related to stocks, etc.                           |         | 1.1    | 1.0    | (0.0) |
| Ordinary profit  |         | 23.4   | 26.0   | 2.6   |
| Extraordinary income (loss)                                      |         | 0.0    | (0.0)  | (0.0) |
| Profit   |         | 17.9   | 19.7   | 1.8   |
| Net credit costs (-)   |         | 2.6    | (1.0)  | (3.7) |
| Consolidated   | (¥Bil.) | 2022/3 | 2023/3 | YoY   |
| Ordinary profit  |         | 21.4   | 23.9   | 2.4   |
| Profit attributable to owners of parent                          |         | 15.3   | 16.8   | 1.5   |

- ◆ Net interest income increased by ¥4.0 billion YoY to a record high, while net fees and commissions income decreased by ¥0.6 billion YoY, and gains (losses) related to bonds decreased ¥5.7 billion YoY due to the replacement of the foreign bond portfolio. As a result, gross business profits decreased by ¥0.9.
- ◆ Core net business increased by ¥5.2 billion YoY, record high as a first quarter for the second consecutive period.
- ◆ Credit costs decreased significantly by ¥3.7 billion YoY.
- ◆ Non-consolidated profit reached a record high for the first time in six years, and progress toward the full-year plan was steady at 34.6%.
- ◆ Consolidated profit also remained strong, increasing for the second consecutive quarter, with progress at 28.1%.

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



# Summary of Financial Results (Consolidated)

NEXT STEP 2023

~ connect and go beyond, for the future ~

| Consolidated  | (¥Bil.) | 2022/3 | 2023/3 | YoY   |
|---|---------|--------|--------|-------|
|   |         | 1Q     | 1Q     |       |
| Gross business profits                                |         | 44.7   | 43.4   | (1.3) |
| Net interest income                                   |         | 33.4   | 37.3   | 3.9   |
| Net fees and commissions income                       |         | 9.5    | 9.0    | (0.4) |
| Trading income  |         | 1.0    | 0.7    | (0.3) |
| Profit from other business transactions               |         | 0.7    | (3.7)  | (4.4) |
| General and administrative expenses (-)               |         | 22.4   | 22.0   | (0.3) |
| Net credit costs (-)                                  |         | 3.0    | (1.0)  | (4.0) |
| Net transfer to general allowance for loan losses (-) |         | 1.8    | -      | (1.8) |
| Disposal of non-performing loans (-)                  |         | 1.1    | (1.0)  | (2.1) |
| Gains (losses) related to stocks, etc.                |         | 1.0    | 1.0    | (0.0) |
| Equity gains (losses) of affiliated companies         |         | 0.0    | 0.0    | (0.0) |
| Others  |         | 1.0    | 0.5    | (0.5) |
| Ordinary profit                                       |         | 21.4   | 23.9   | 2.4   |
| Extraordinary income (loss)                           |         | 0.0    | (0.0)  | (0.0) |
| Pre-Tax Profit  |         | 21.4   | 23.9   | 2.4   |
| Total income taxes (-)                                |         | 6.1    | 7.0    | 0.8   |
| Profit  |         | 15.3   | 16.8   | 1.5   |
| Profit attributable to non-controlling interests      |         | -      | -      | -     |
| Profit attributable to owners of parent               |         | 15.3   | 16.8   | 1.5   |
| (reference)   |         |        |        |       |
| Consolidated net business income                      |         | 21.8   | 22.9   | 1.1   |

## Status of Subsidiaries

【Consolidated subsidiaries】

(¥Bil.)

| Company name                 | Investment ratio<br>(Including indirect) | Profit items<br>(After deduction of inter-subsidiary dividends) | 2022/3 | 2023/3 | YoY   |
|------------------------------|--|---|--------|--------|-------|
|                              |  |   | 1Q     | 1Q     |       |
| Chibagin Securities Co.,Ltd. | 100%                                     | Ordinary profit   | 0.4    | 0.1    | (0.3) |
|                              |  | Profit  | 0.4    | 0.1    | (0.2) |
| Chibagin Leasing Co.,Ltd.    | 100%                                     | Ordinary profit   | 0.2    | 0.2    | 0.0   |
|                              |  | Profit  | 0.1    | 0.1    | 0.0   |
| Chibagin Guarantee Co.,Ltd   | 100%                                     | Ordinary profit   | 1.1    | 1.4    | 0.2   |
|                              |  | Profit  | 0.7    | 0.9    | 0.1   |
| Chibagin JCB Card Co.,Ltd    | 100%                                     | Ordinary profit   | 0.2    | 0.2    | 0.0   |
|                              |  | Profit  | 0.1    | 0.1    | 0.0   |
| Total of 5 other companies   | 100%                                     | Ordinary profit   | 0.1    | 0.1    | (0.0) |
|                              |  | Profit  | 0.1    | 0.1    | (0.0) |
| Total                        |  | Ordinary profit   | 2.3    | 2.3    | 0.0   |
|                              |  | Profit  | 1.6    | 1.5    | (0.0) |

【Equity method subsidiaries】

|                      |                                   |     |     |       |
|----------------------|-----------------------------------|-----|-----|-------|
| Total of 6 companies | Profit according to equity method | 0.0 | 0.0 | (0.0) |
|----------------------|-----------------------------------|-----|-----|-------|

|  |       |       |       |
|--|-------|-------|-------|
| Dividends to parent company(-)                         | 4.2   | 4.4   | 0.1   |
| Difference between consolidated and non-consolidated ※ | (2.6) | (2.8) | (0.2) |

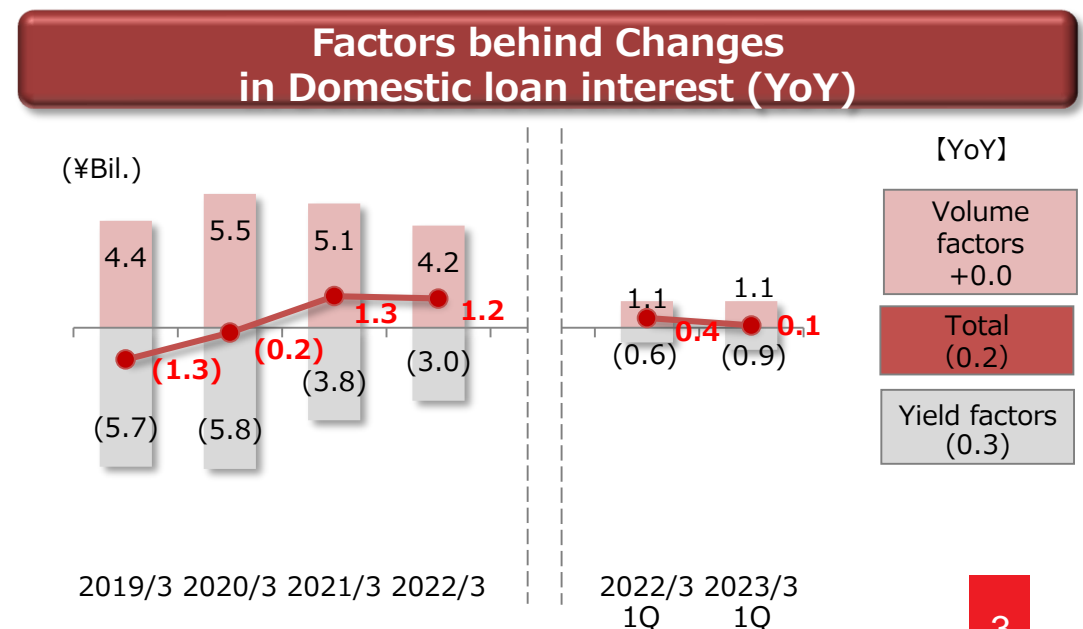
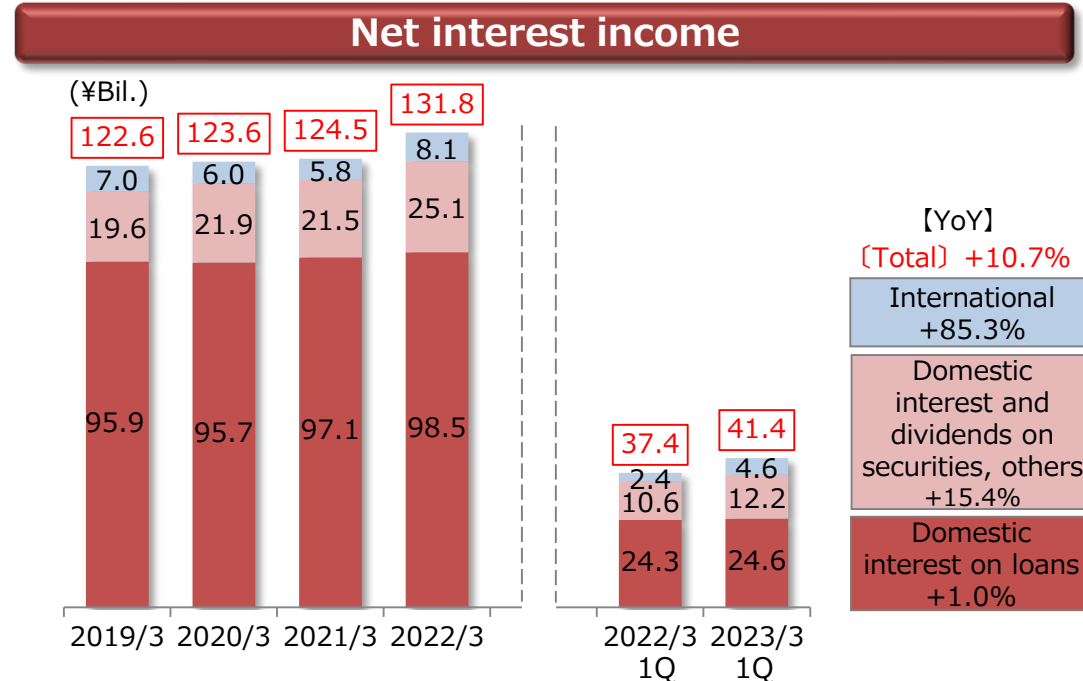
※After adjustment for unrealized gains, etc.

# Net Interest Income

NEXT STEP 2023

~ connect and go beyond, for the future ~

| (¥Bil.)   | 2022/3<br>1Q | 2023/3<br>1Q | YoY   |
|---|--------------|--------------|-------|
| Net interest income   | 37.4         | 41.4         | 4.0   |
| Domestic  | 34.9         | 36.8         | 1.8   |
| Interest on Loans   | 24.3         | 24.6         | 0.2   |
| Loans and bills discounted  | 24.5         | 24.6         | 0.1   |
| Deposit (incl. NCD)   | 0.1          | 0.0          | (0.0) |
| Interest and dividends on securities  | 10.3         | 11.3         | 0.9   |
| Bonds   | 0.6          | 0.6          | 0.0   |
| Stock dividends   | 6.9          | 7.8          | 0.8   |
| Investment funds  | (0.0)        | 0.0          | 0.0   |
| investment trusts   | 2.7          | 2.8          | 0.0   |
| Gains (losses) on cancellation  | 1.1          | 1.3          | 0.1   |
| Others<br>(Market operation, etc.)  | 0.2          | 0.9          | 0.6   |
| International   | 2.4          | 4.6          | 2.1   |
| Loans and bills discounted  | 1.0          | 1.7          | 0.7   |
| Foreign Securities  | 3.5          | 6.2          | 2.6   |
| Foreign Securities  | 2.1          | 2.9          | 0.8   |
| Foreign currency funds  | 0.9          | 1.8          | 0.8   |
| Investment trusts   | 0.5          | 1.4          | 0.9   |
| Gains (losses) on cancellation  | 0.4          | 1.4          | 0.9   |
| Others<br>(Funding and market operation, etc.)  | (2.0)        | (3.3)        | (1.2) |
| Net interest income (Excluding gains<br>(losses) on cancellation of investment<br>trusts) | 35.8         | 38.7         | 2.8   |
| Gains (losses) on cancellation of<br>investment trusts                                    | 1.6          | 2.7          | 1.1   |

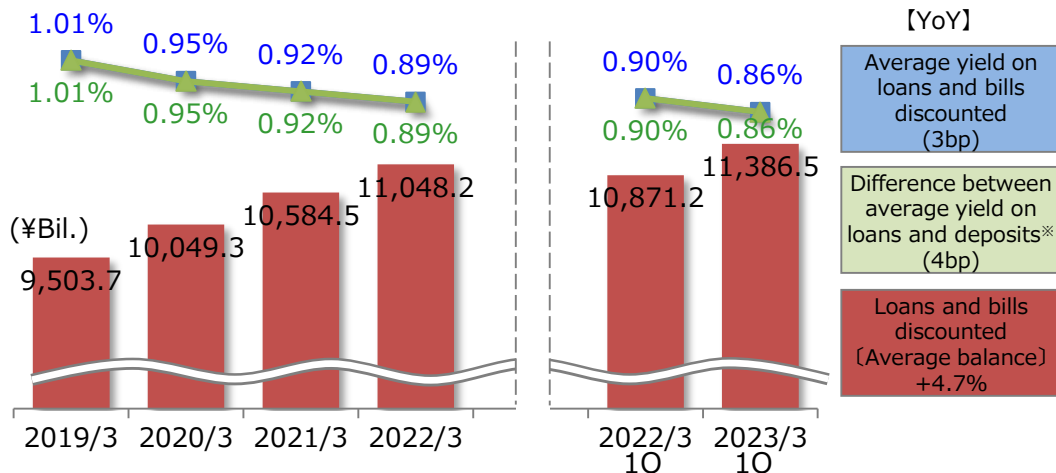


# Yield · Interest on Loans

## Domestic operations

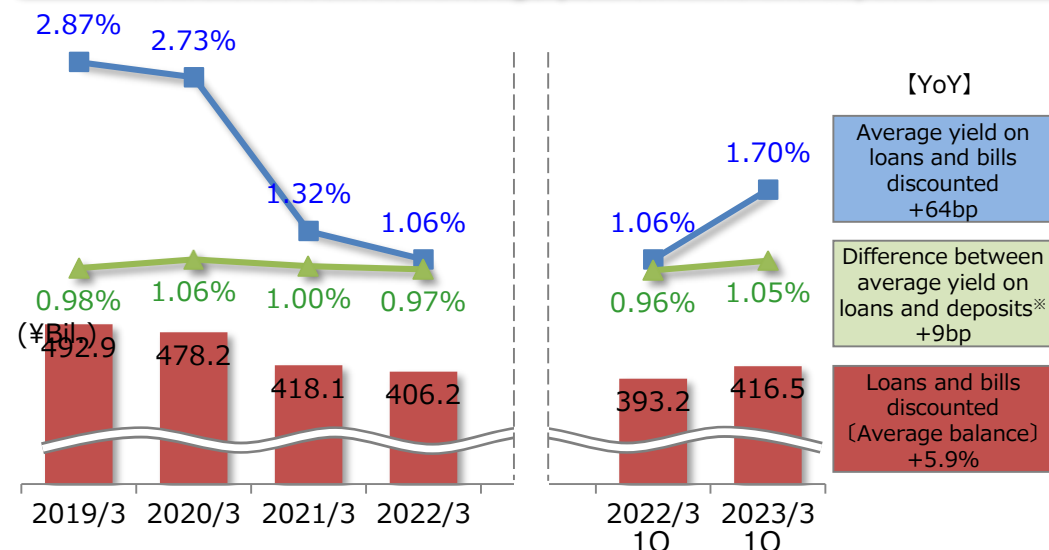
### Loans and bills discounted (average balance) · Yield, Difference between average yield on loans and deposits

※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.

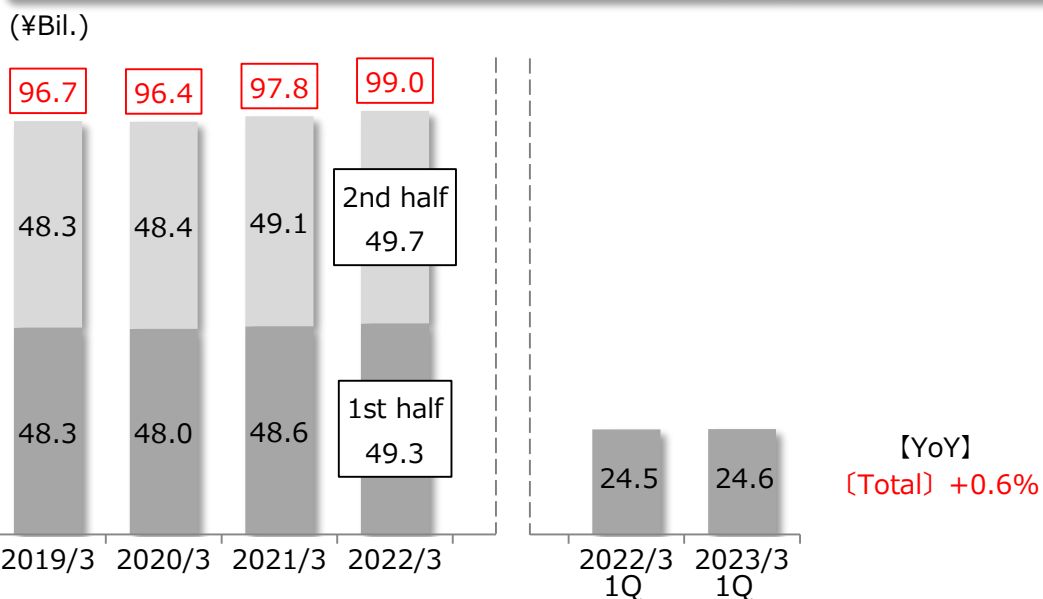


## International operations

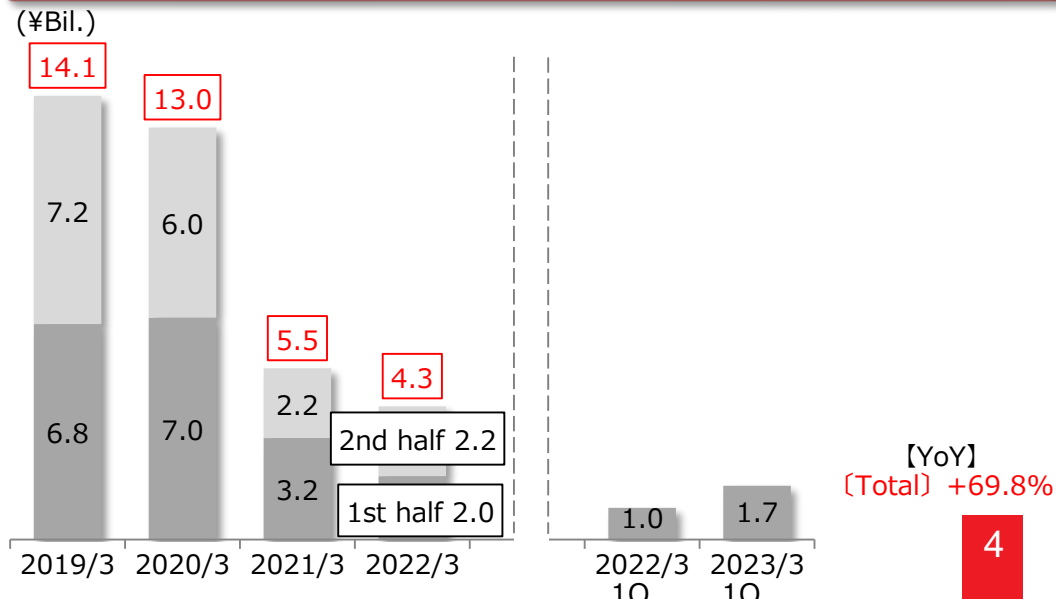
### Loans and bills discounted (average balance) · Yield, Difference between average yield on loans and deposits



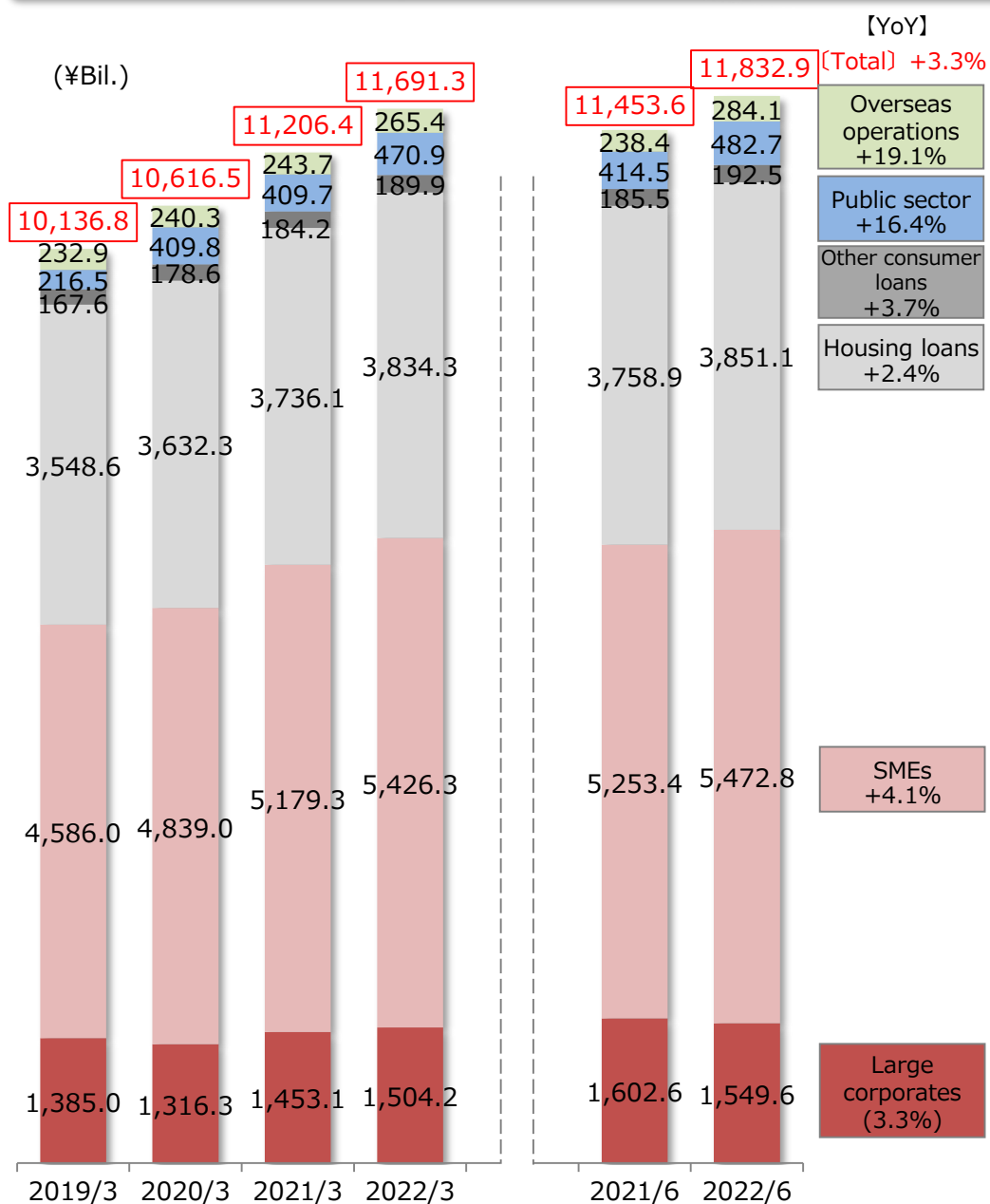
### Interest on loans and bills discounted



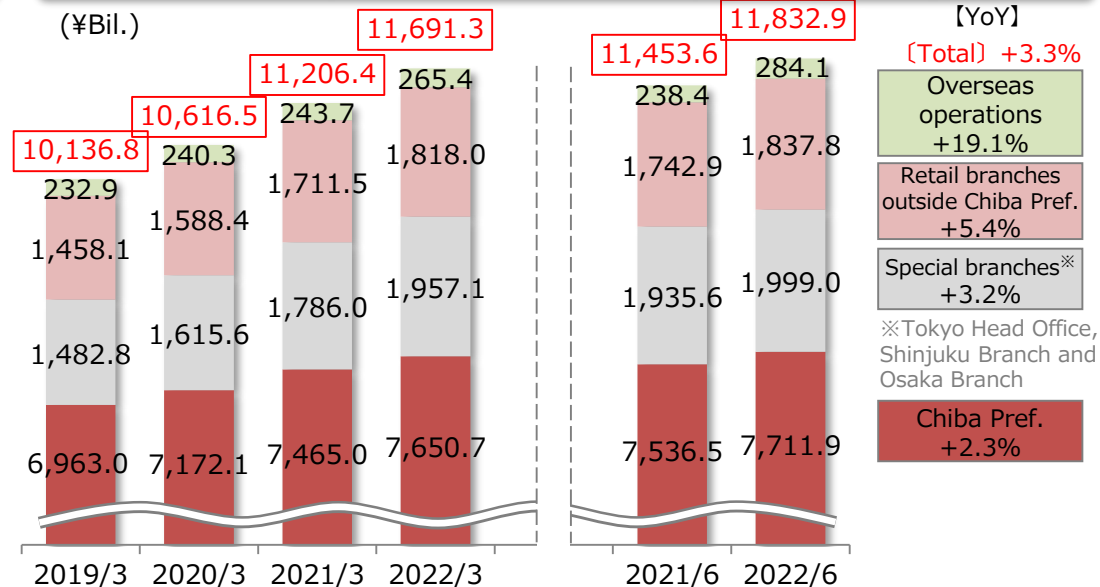
### Interest on loans and bills discounted



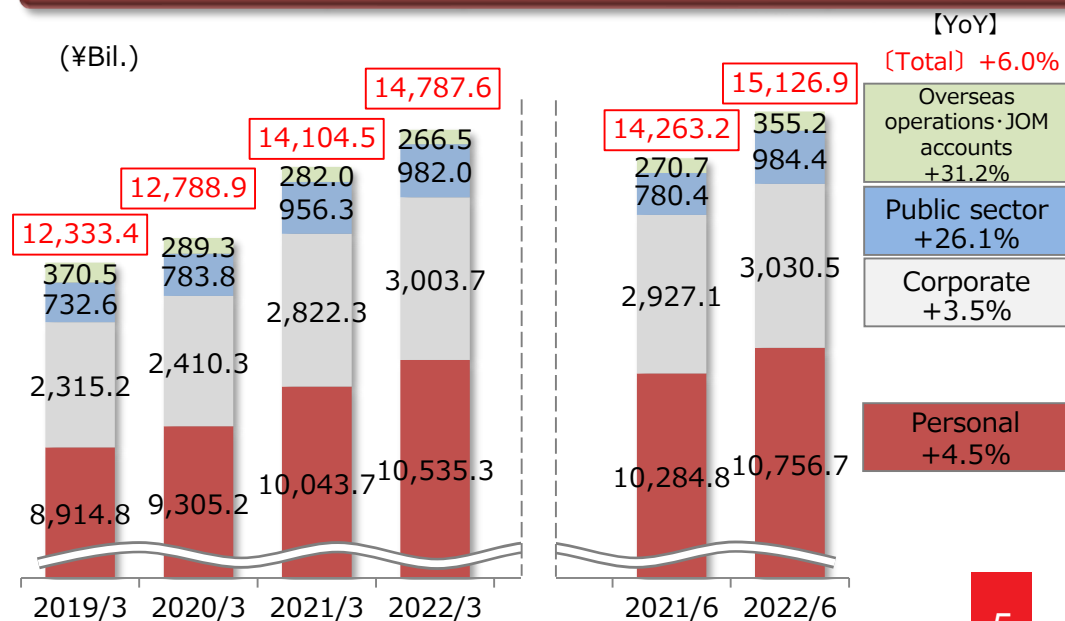
### Loans (term-end balance)



### Loans (term-end balance) [by region]



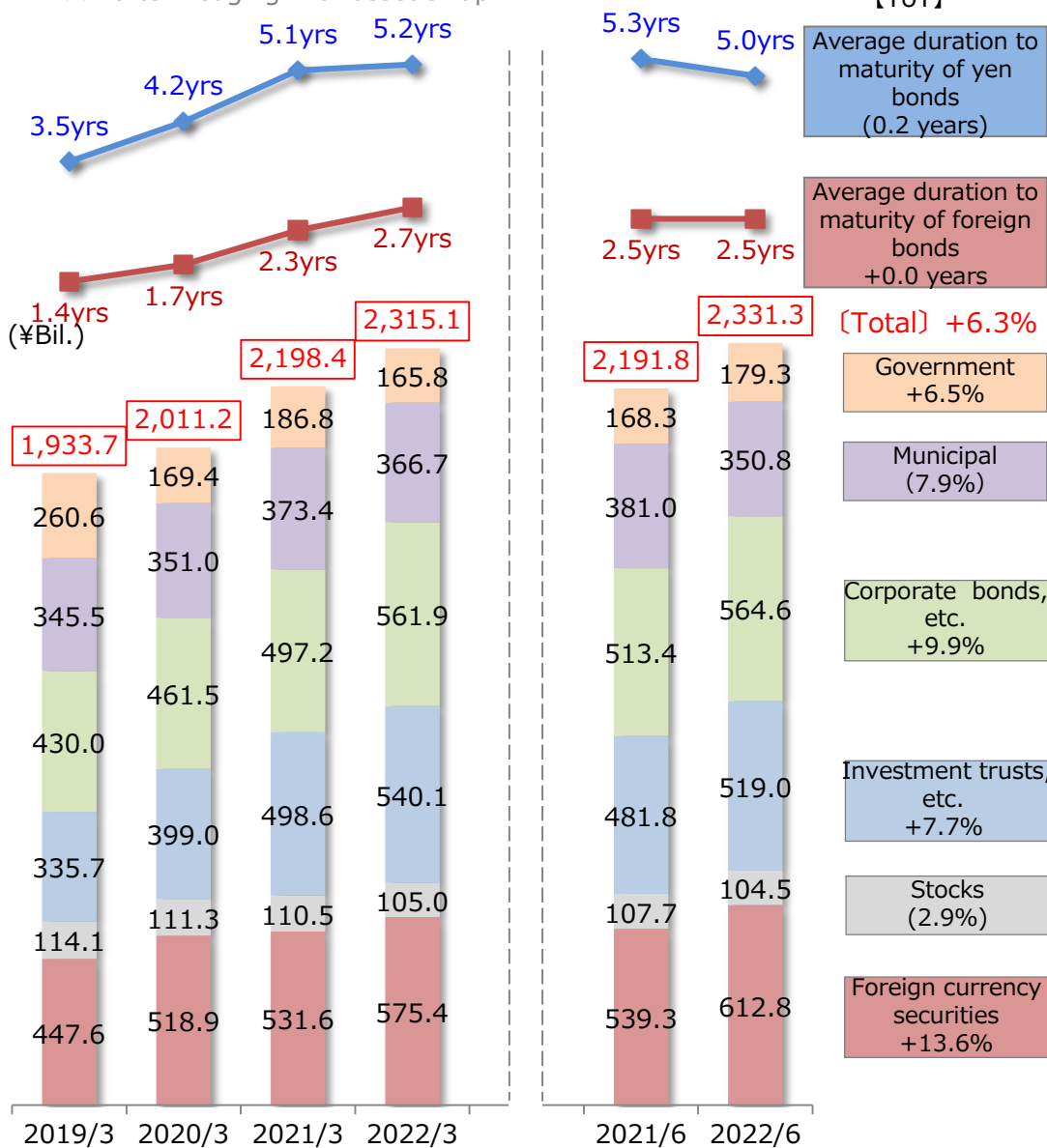
### Deposits (term-end balance)



# Securities

## Balance of securities\*1 · Duration of securities\*2

\*2 after hedging with asset swap

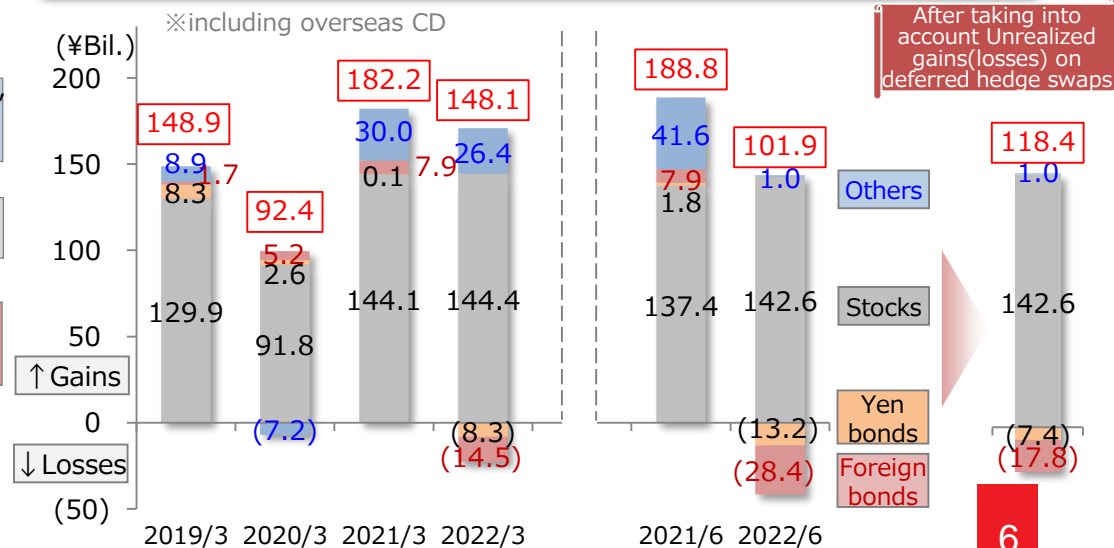


\*1 excluding unrealized gains (losses)

## Gain (loss) on securities

| (¥Bil.)   | 2022/3 1Q | 2023/3 1Q | YoY   |
|---|-----------|-----------|-------|
| Interest income on securities                           | 13.8      | 17.5      | 3.6   |
| Bonds   | 2.7       | 3.6       | 0.8   |
| Domestic  | 0.6       | 0.6       | 0.0   |
| International   | 2.1       | 2.9       | 0.8   |
| Stocks  | 6.9       | 7.8       | 0.8   |
| Investments trusts etc.                                 | 4.1       | 6.0       | 1.9   |
| Gains(losses) from investment trust cancellations       | 1.6       | 2.7       | 1.1   |
| Gains(losses) related to bonds (Government bonds, etc.) | 0.2       | (5.4)     | (5.7) |
| Gains on sales  | 0.6       | 0.2       | (0.4) |
| Gains(losses) related to stocks, etc.                   | 1.1       | 1.0       | (0.0) |
| Gains on sales  | 2.9       | 1.1       | (1.8) |

## Unrealized gains (losses) on other securities



# Net Fees and Commissions Income

NEXT STEP 2023

~ connect and go beyond, for the future ~

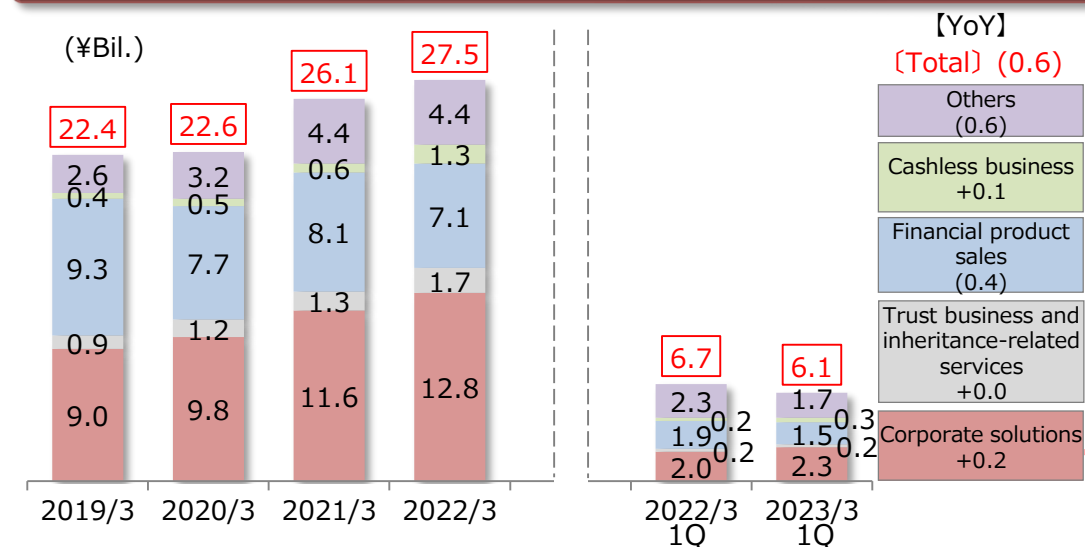
|                                       | (¥Bil.) | 2022/3 | 2023/3 | YoY   |
|---------------------------------------|---------|--------|--------|-------|
|                                       |         | 1Q     | 1Q     |       |
| Net fees and commissions income       |         | 6.7    | 6.1    | (0.6) |
| Net fees and commissions revenue      |         | 10.4   | 10.2   | (0.1) |
| Net fees and commissions payments (-) |         | 3.6    | 4.1    | 0.5   |

## <Main breakdown>

|   |  |     |     |       |
|---|--|-----|-----|-------|
| Investment trusts and personal annuities        |  | 1.9 | 1.5 | (0.4) |
| Investment trusts                               |  | 1.0 | 0.6 | (0.3) |
| Annuities and whole life insurance              |  | 0.2 | 0.3 | 0.0   |
| Level paying life insurance                     |  | 0.3 | 0.2 | (0.1) |
| Financial instrument intermediary               |  | 0.1 | 0.1 | (0.0) |
| Corporate solutions                             |  | 2.0 | 2.3 | 0.2   |
| Private placement bonds                         |  | 0.0 | 0.0 | (0.0) |
| Syndicated loans                                |  | 1.5 | 1.7 | 0.2   |
| M&A and advisory contracts                      |  | 0.1 | 0.2 | 0.0   |
| Business matching                               |  | 0.2 | 0.2 | 0.0   |
| Trust business and inheritance-related services |  | 0.2 | 0.2 | 0.0   |
| Cashless payment and card business              |  | 0.2 | 0.3 | 0.1   |
| Payment and settlement transactions             |  | 3.2 | 3.1 | (0.1) |
| Guarantee charges and group insurance costs (-) |  | 1.8 | 2.3 | 0.5   |

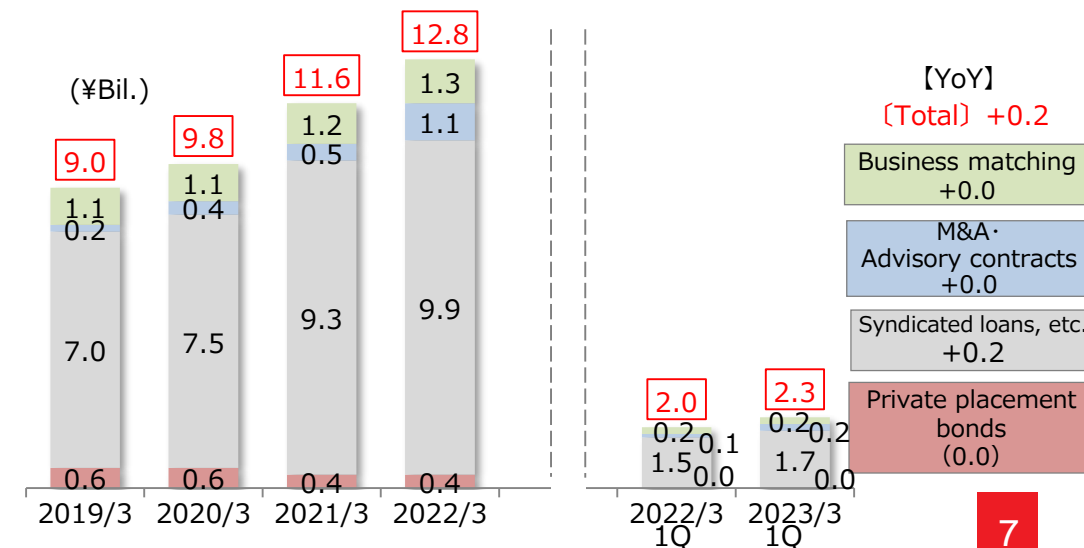
※ Trust business and inheritance-related services include trust fees from full year results for FY2022/3 (retroactively changed).

## Net fees and commissions income



## Fees and commissions income of corporate solutions

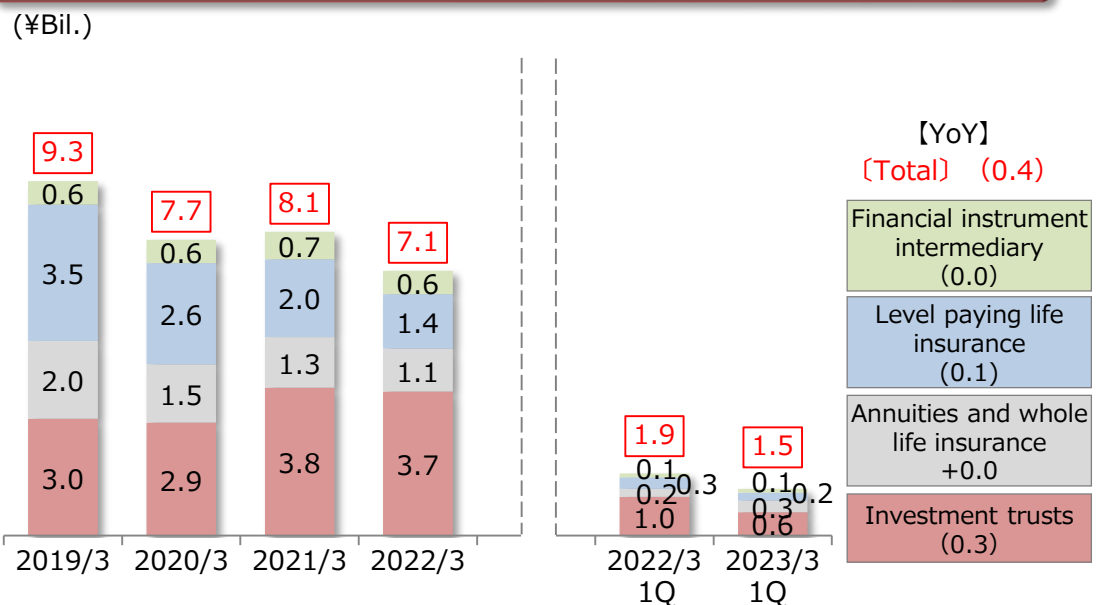
※ Corporate Portal revenue is not included in net fees and commissions income from from full year results for FY2022/3 (retroactively changed).



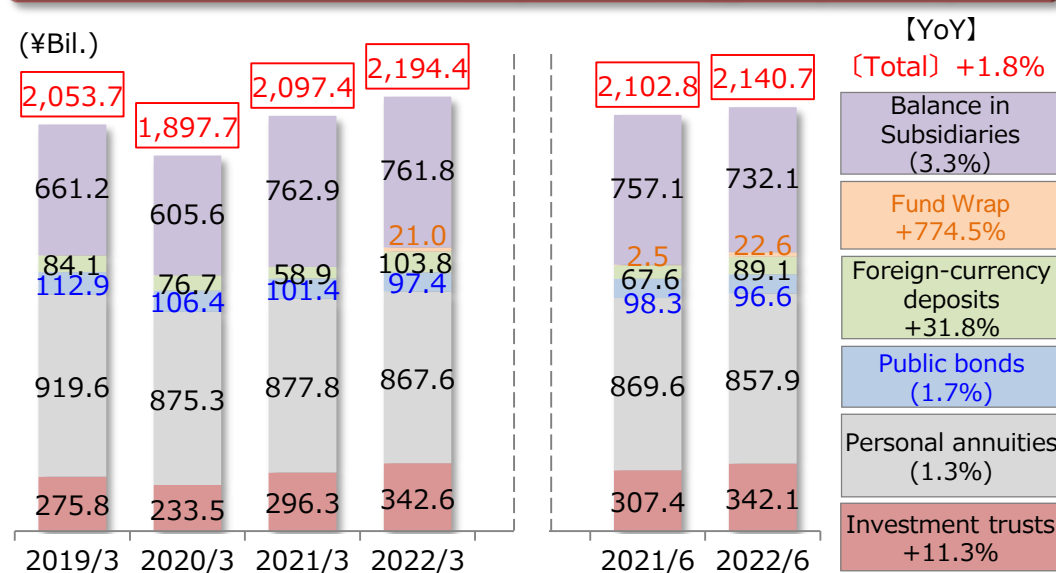


# Financial Products

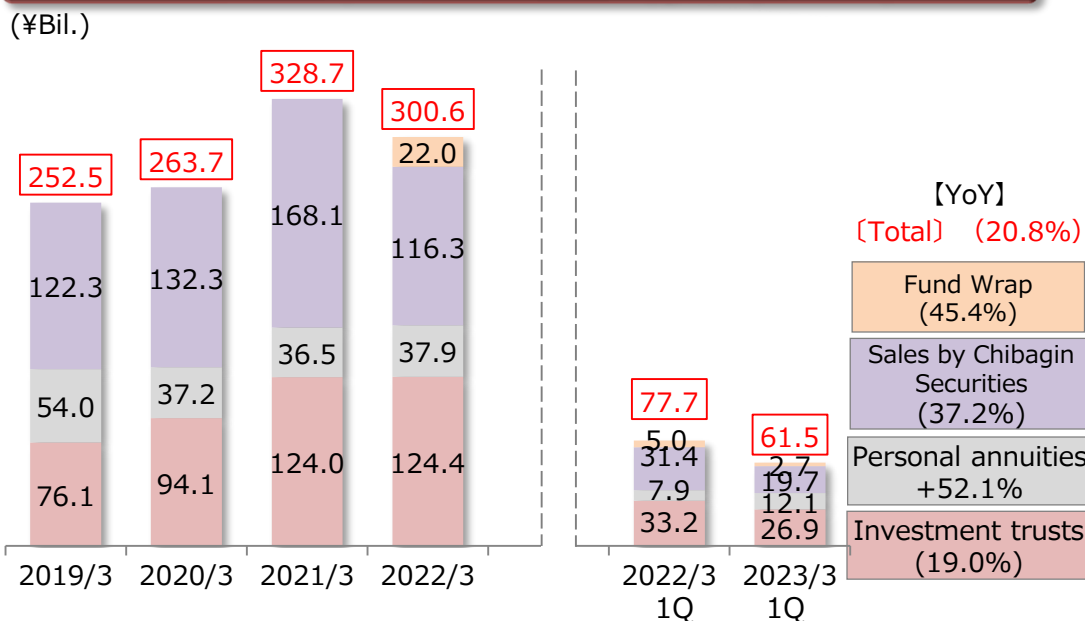
## Fees and commissions income of financial products



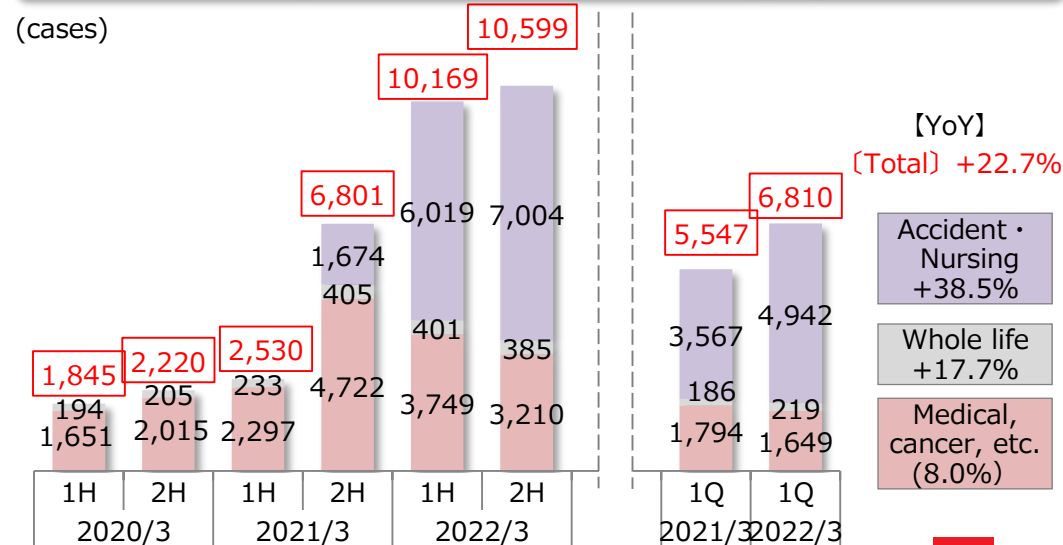
## Balance of financial products (group total)



## Financial products sales (group total)



## Number of protection-type insurance contracts



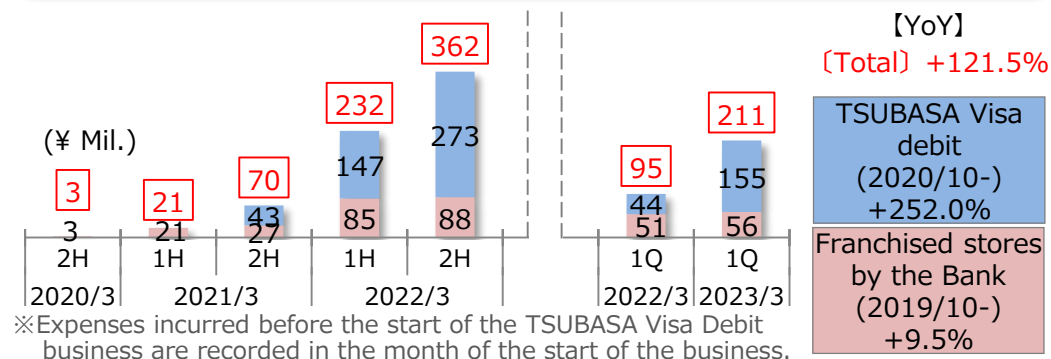
\* The number of contracts based on application acceptance

### Cashless business income and expenditure

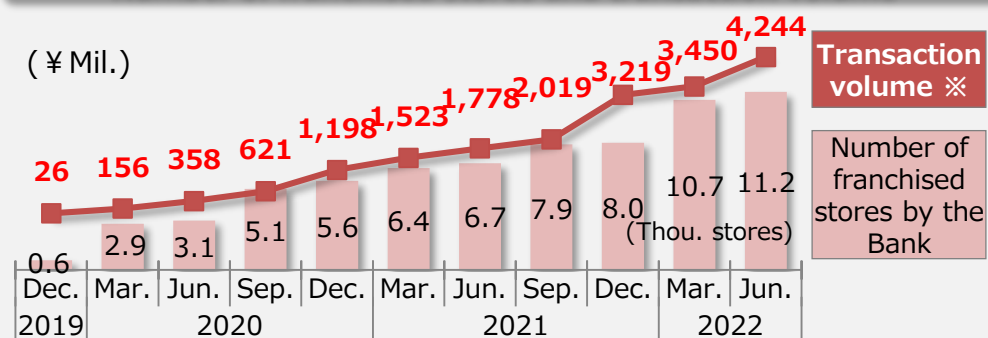
|   |             | 2022/3  | 2023/3 |     |
|---|-------------|---------|--------|-----|
|   |             | 1Q      | 1Q     | YoY |
|   |             | (¥Mil.) |        |     |
| Total of new and existing business by the Bank            | Profit      | 252     | 384    | 132 |
|   | Revenue     | 706     | 1,026  | 320 |
|   | Expenses(-) | 454     | 642    | 188 |
| Total of <b>new</b> business by the Bank                  | Profit      | 95      | 211    | 116 |
|   | Revenue     | 193     | 496    | 302 |
|   | Expenses(-) | 97      | 284    | 186 |
| Franchised stores by the Bank                             | Profit      | 51      | 56     | 4   |
|   | Revenue     | 134     | 309    | 174 |
|   | Expenses(-) | 83      | 252    | 169 |
| TSUBASA Visa debit  | Profit      | 44      | 155    | 111 |
|   | Revenue     | 58      | 186    | 128 |
|   | Expenses(-) | 14      | 31     | 16  |
| Existing business by the Bank                             | Profit      | 156     | 172    | 15  |
|   | Revenue     | 512     | 530    | 17  |
|   | Expenses(-) | 356     | 358    | 1   |
| Subsidiaries<br>(Chibagin JCB Card)<br>(Chibagin DC Card) | Profit      | 228     | 277    | 49  |
|   | Revenue     | 1,150   | 1,250  | 99  |
|   | Expenses(-) | 922     | 972    | 50  |
| (reference)   |             |         |        |     |
| Total of group  | Profit      | 480     | 662    | 181 |
|   | Revenue     | 1,857   | 2,277  | 419 |
|   | Expenses(-) | 1,376   | 1,615  | 238 |

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

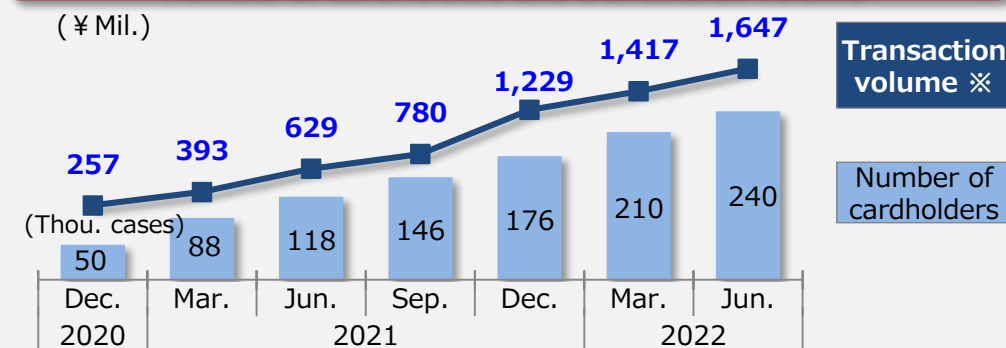
### New business profit



### “Franchised stores by the Bank business” Number of franchised stores and transaction volume



### “TSUBASA Visa debit” Number of cardholders and transaction volume



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

# Credit Costs · Disclosed Claims

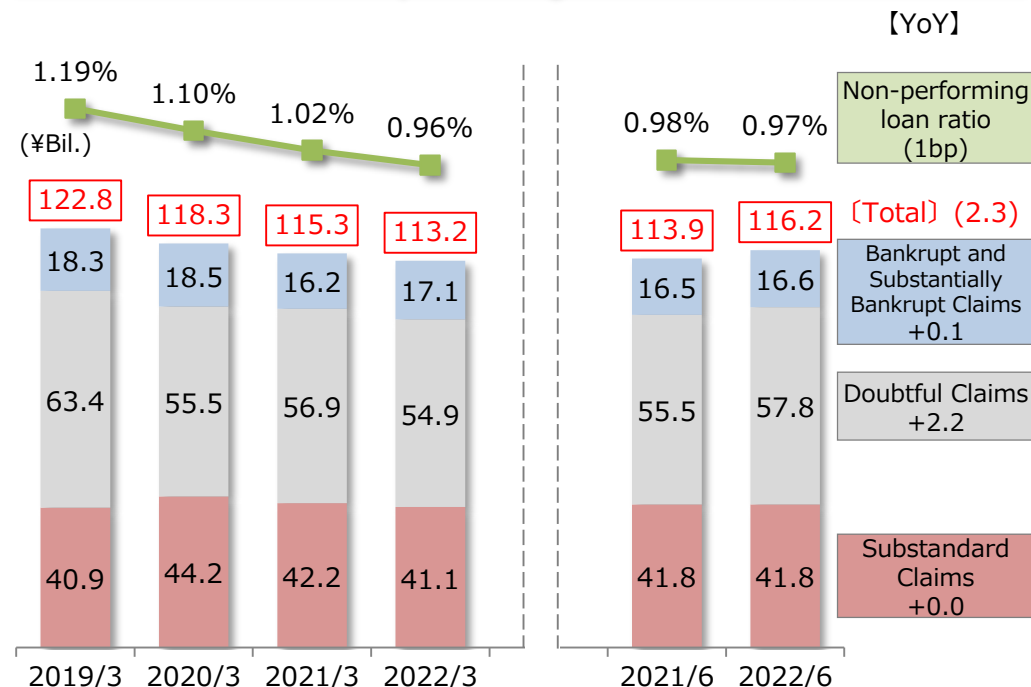
**NEXT STEP 2023**

~ connect and go beyond, for the future ~

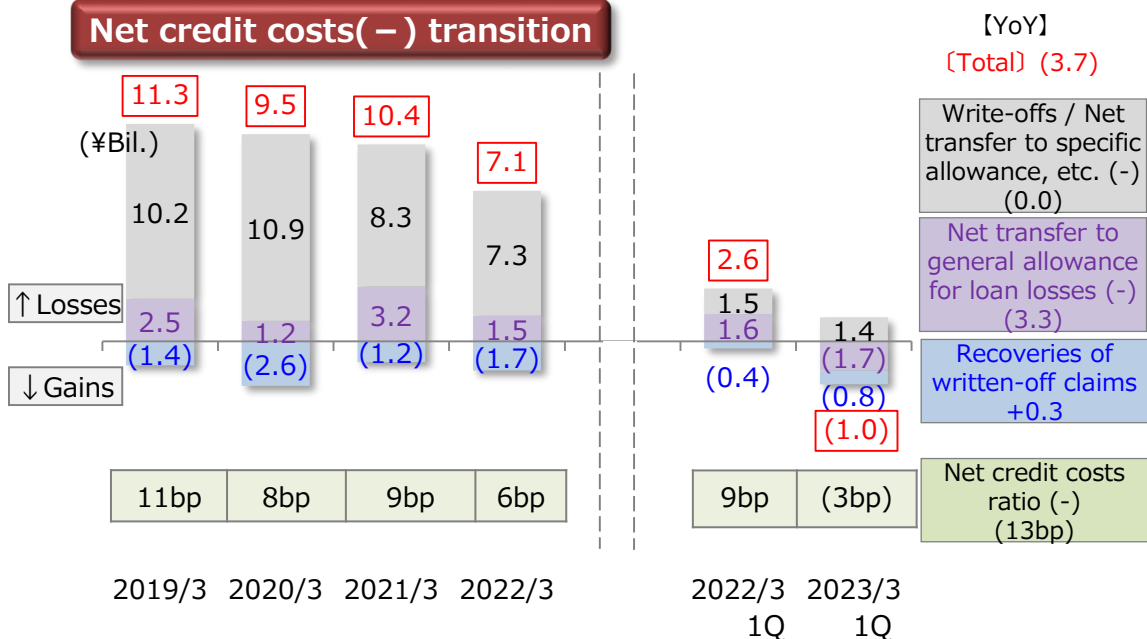
## Net credit costs

|   | 2022/3  |     | 2023/3 |        |
|---|---------|-----|--------|--------|
|   | (¥Bil.) | 1Q  | 1Q     | YoY    |
| Net credit costs (-)                                      |         | 2.6 | △ 1.0  | (3.7)  |
| Net transfer to general allowance for loan losses (-)     |         | 1.6 | △ 1.7  | (3.3)  |
| Disposal of non-performing loans (-)                      |         | 1.0 | 0.6    | (0.4)  |
| Write-offs / Net transfer to specific allowance, etc. (-) |         | 1.5 | 1.4    | (0.0)  |
| New downgrades (-)  |         | 1.2 | 1.8    | 0.5    |
| Existing non-performing loans (-)                         |         | 0.4 | 0.1    | (0.3)  |
| Collections etc.  |         | 0.1 | 0.4    | 0.2    |
| Recoveries of written-off claims                          |         | 0.4 | 0.8    | 0.3    |
| Net credit costs ratio (-)                                |         | 9bp | (3bp)  | (13bp) |

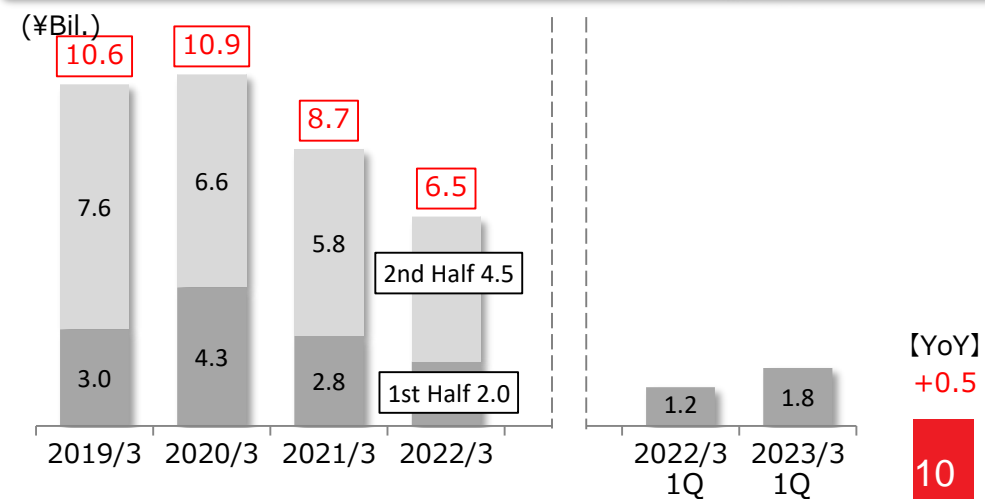
## Disclosed claims under the Financial Reconstruction Law · Non-performing loan ratio



## Net credit costs(-) transition



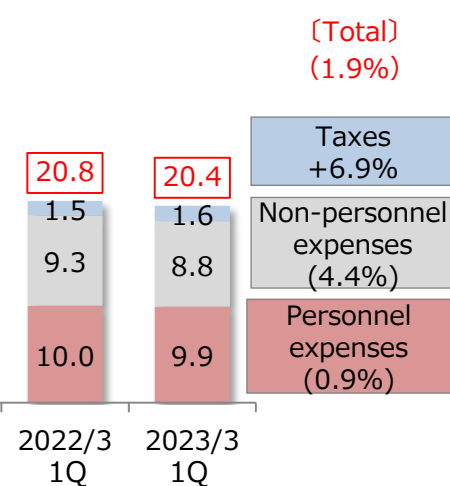
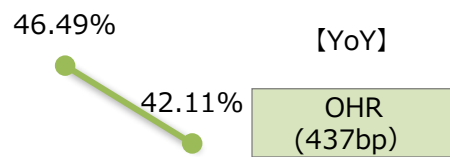
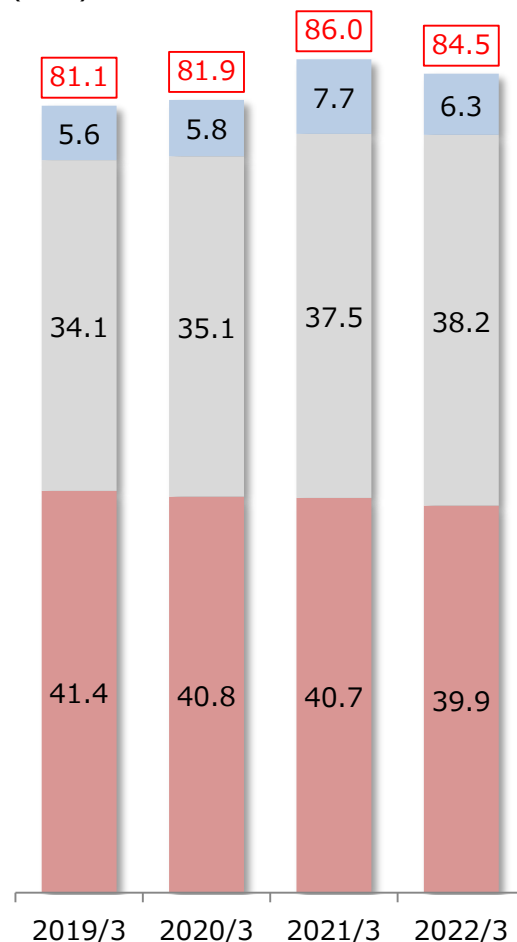
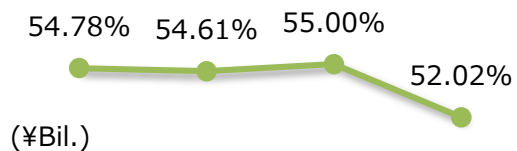
## New downgrades



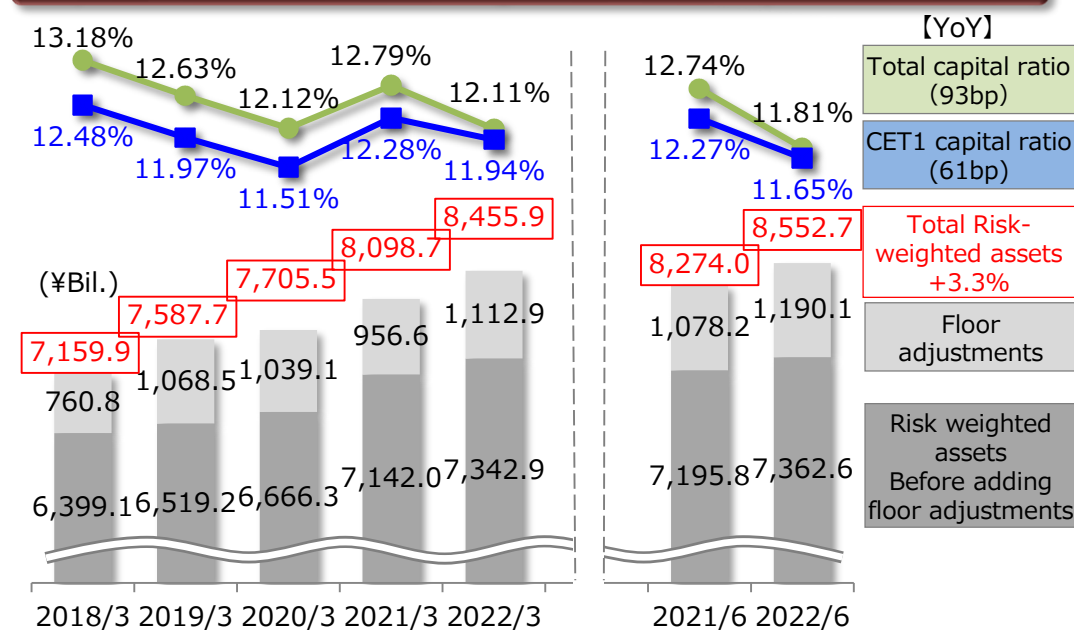
# Expenses · Capital Ratios

## Expenses · OHR

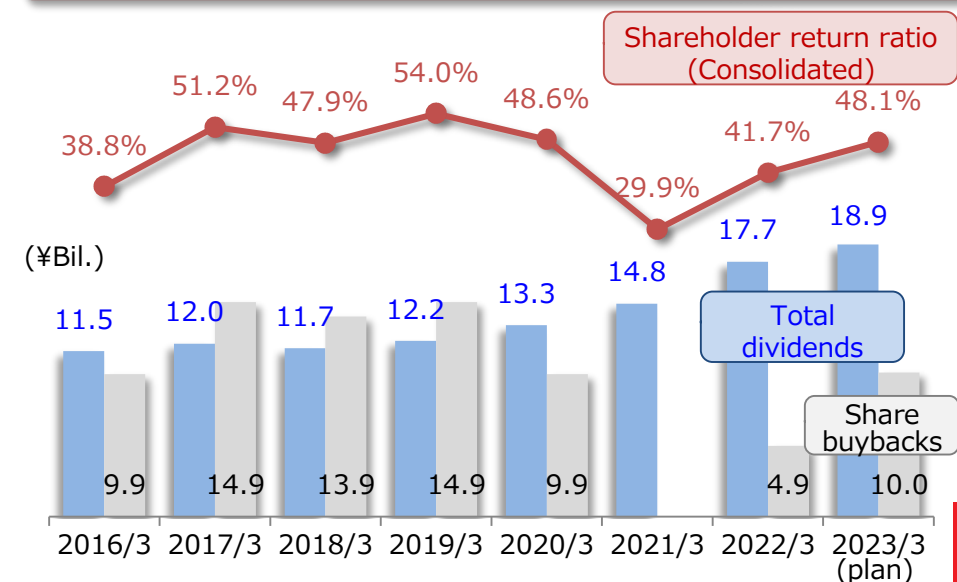
※ OHR : Expenses / (Net business income – Gains (Losses) related to bonds, etc. + Net transfer to general allowance for loan losses + Expenses)



## Capital ratios · Risk-weighted assets (Consolidated)



## Shareholder returns



## Supplementary Information

# Impact of Foreign Currency Interest Rates Increase

Decrease fixed-interest rates investments through the sale of fixed bonds, thereby curbing the impact of rising interest rates

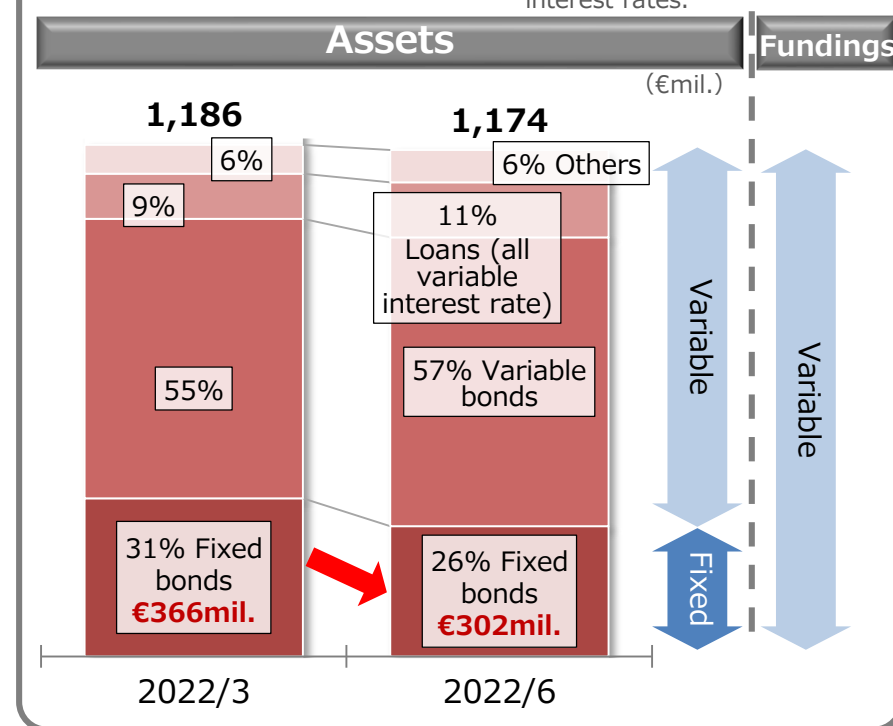
## USD assets and fundings

※Short-term funding and loans with a maturity of one year or less are classified as variable interest rates.



## Euro assets and fundings

※Short-term funding and loans with a maturity of one year or less are classified as variable interest rates.



### Impact on existing loans and securities by increase in foreign currency interest rates (Approximate)

[Impact of a parallel 10 basis point increase in interest rates]

※Impact on outstanding balance as of 2022/6.

※As most of the bonds held by overseas branches are floating bonds, the impact on foreign bonds held by overseas branches is not included.

※Impact of increasing interest rates on credit risk is not factored in.

|                              | (¥Bil.) | USD    | Euro   |
|------------------------------|---------|--------|--------|
| Net interest income          |         | (0.03) | (0.04) |
| Appraisal profit/loss        |         | (1.36) | (0.44) |
| Foreign bonds                |         | (0.81) | (0.26) |
| Stocks and investment trusts |         | (0.55) | (0.17) |

※Assets under management in foreign currencies other than U.S. dollars and euros are equivalent to USD \$265 mil.

# Amount of Alliance Effect

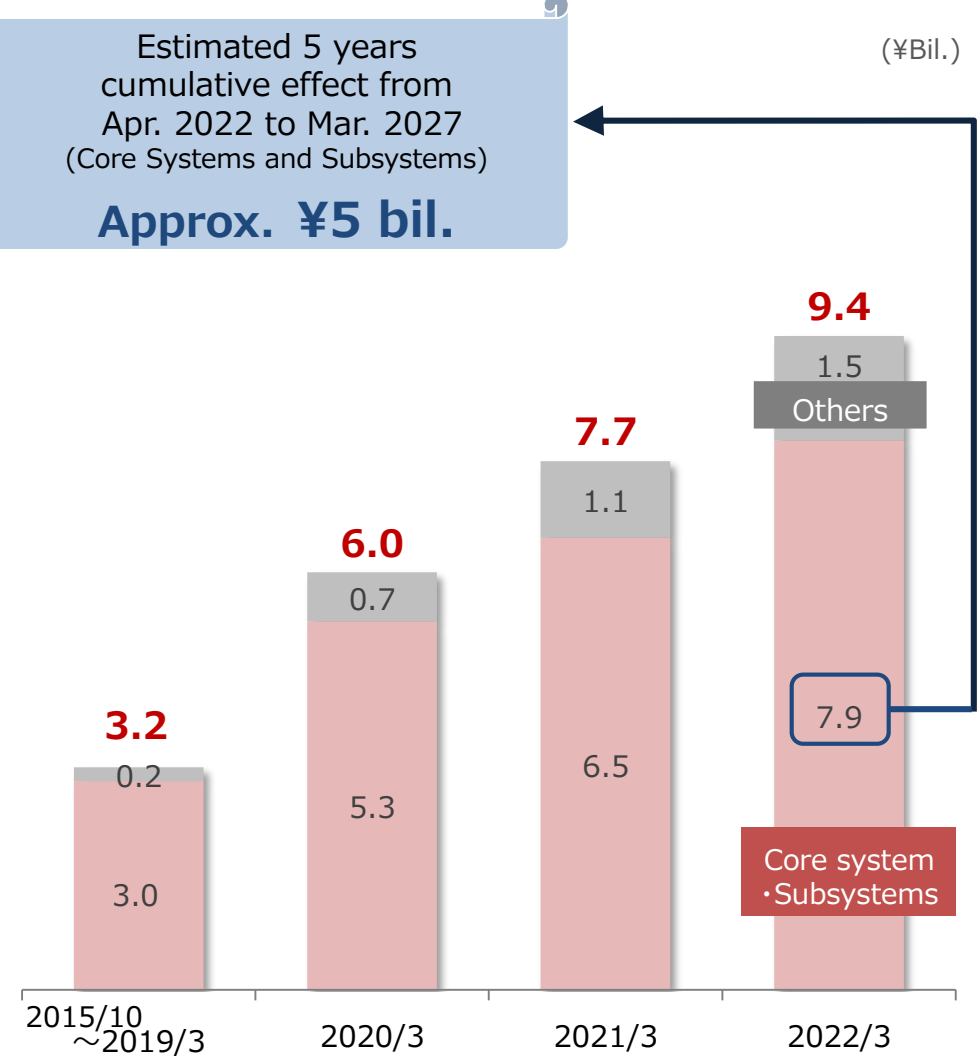
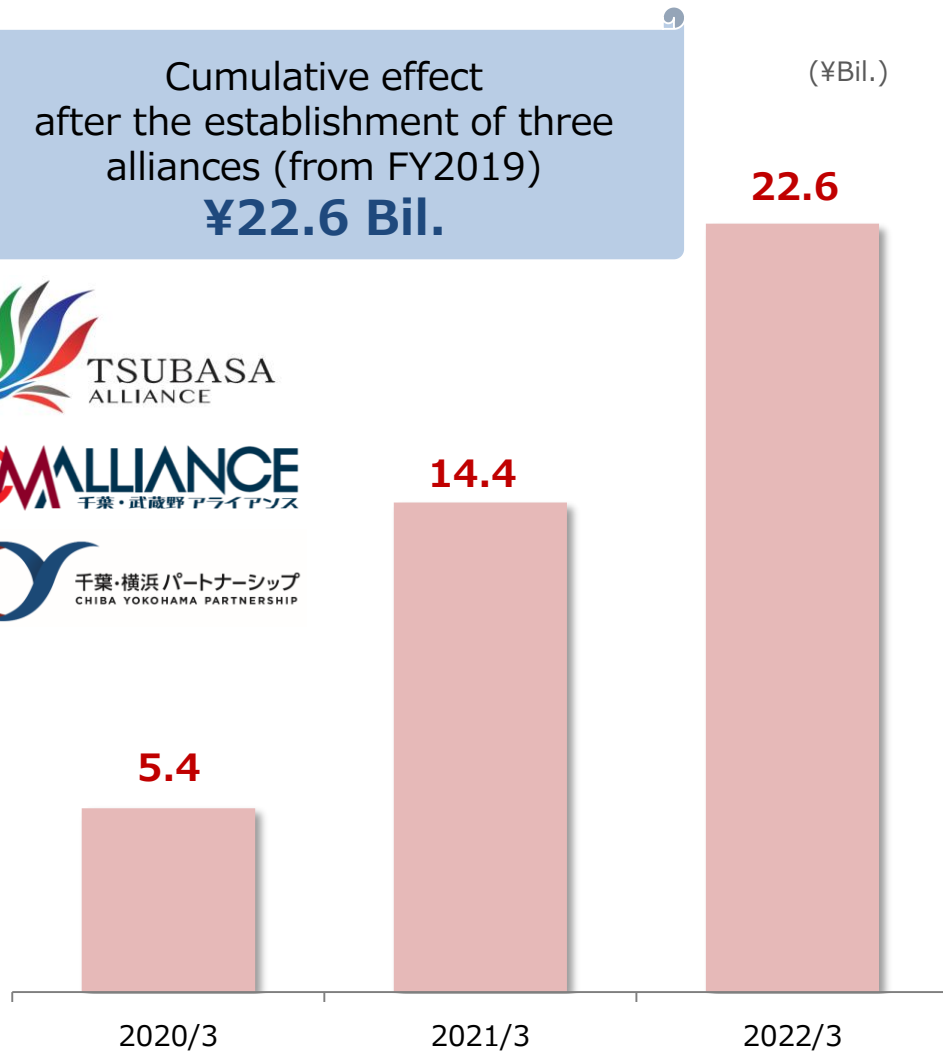
Accumulated alliance effects of over 20 billion yen in three years

**Total cumulative effect of three alliances**  
(only the Bank)

**Of which, TSUBASA Alliance cumulative cost reduction effect** (only the Bank)

Cumulative effect after the establishment of three alliances (from FY2019)  
**¥22.6 Bil.**

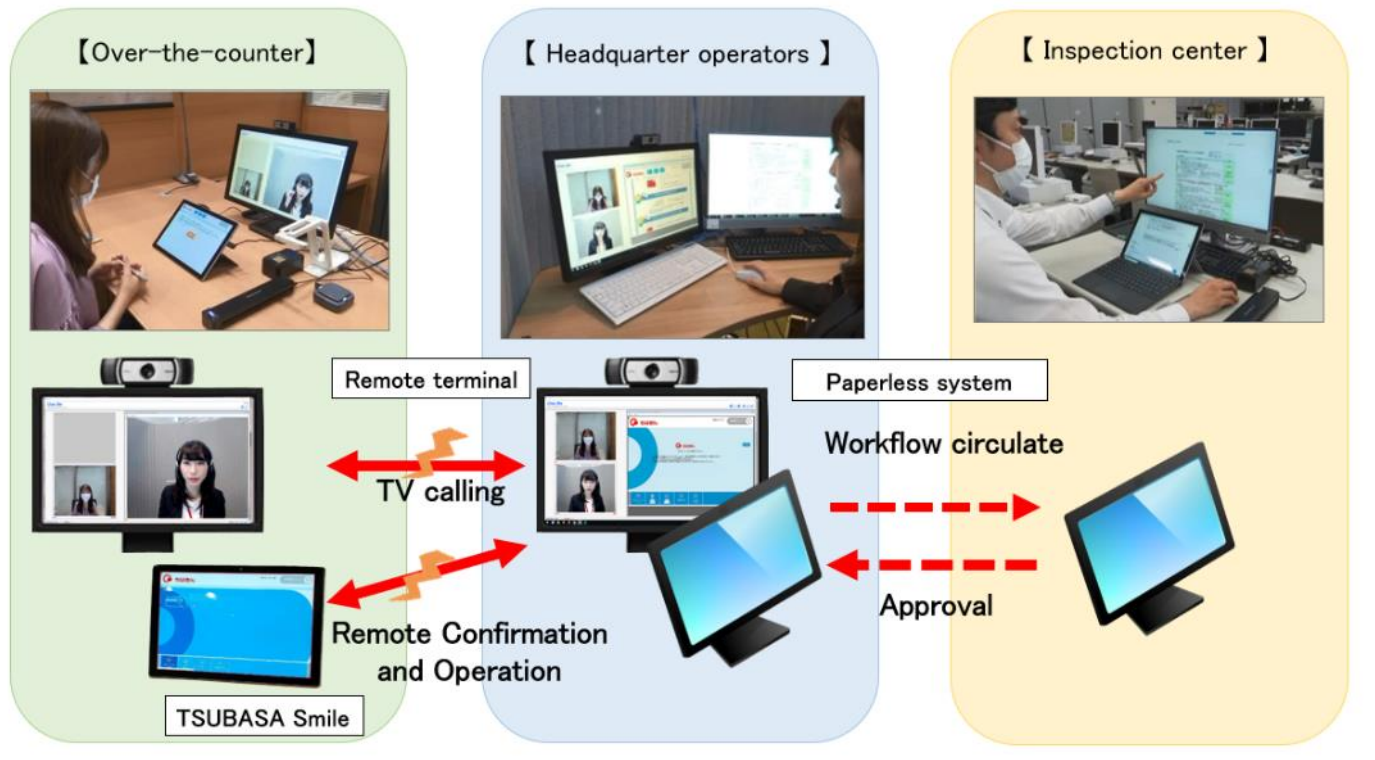
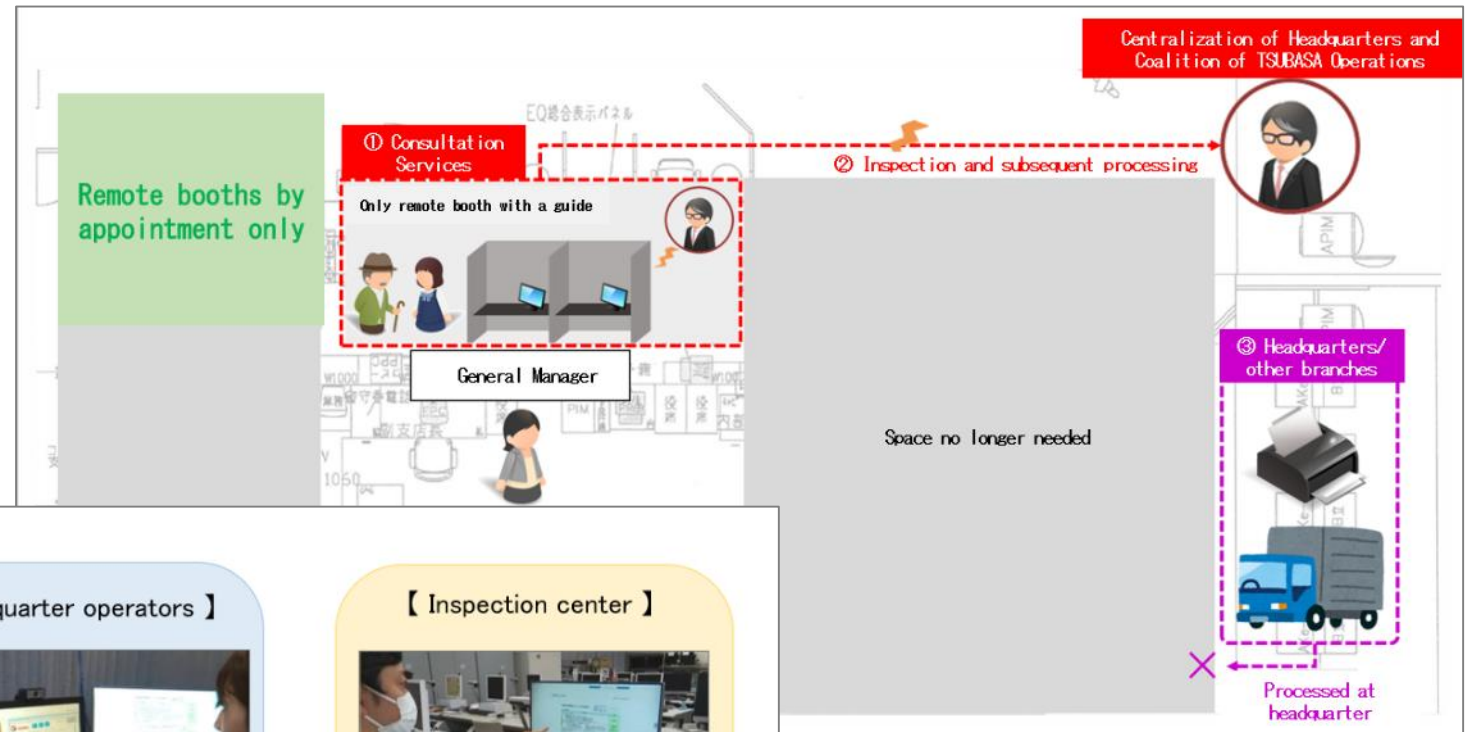
Estimated 5 years cumulative effect from Apr. 2022 to Mar. 2027 (Core Systems and Subsystems)  
**Approx. ¥5 bil.**





# Video viewing

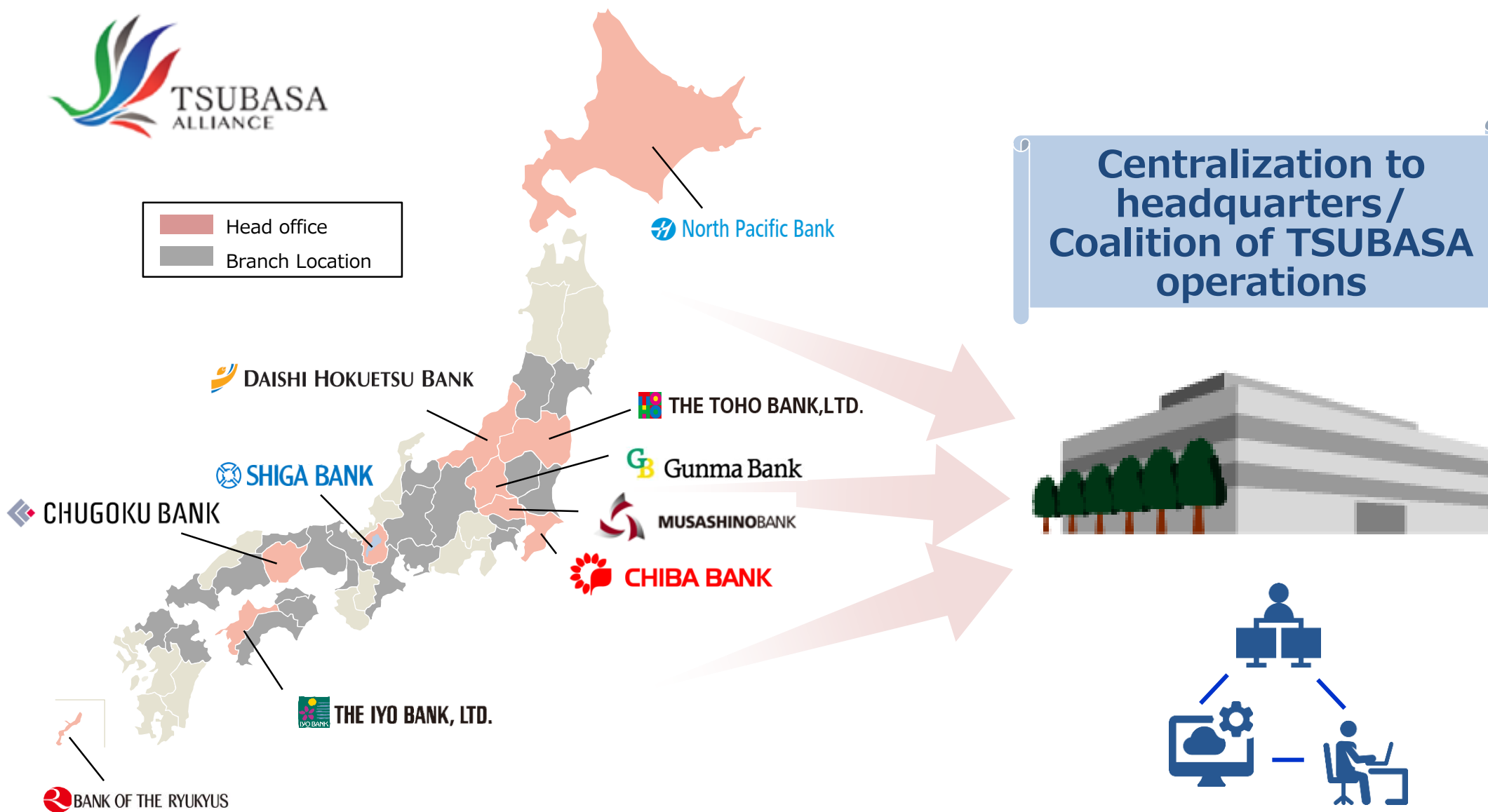
Watch the video



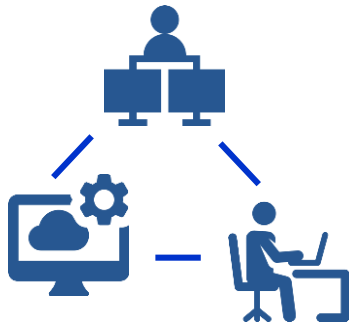
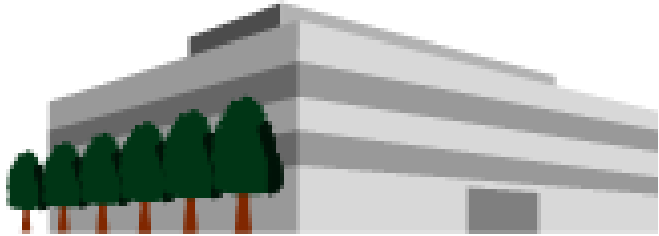


# Centralization of Headquarters and Coalition of TSUBASA Operations

## Building a more efficient business processing system



**Centralization to headquarters / Coalition of TSUBASA operations**



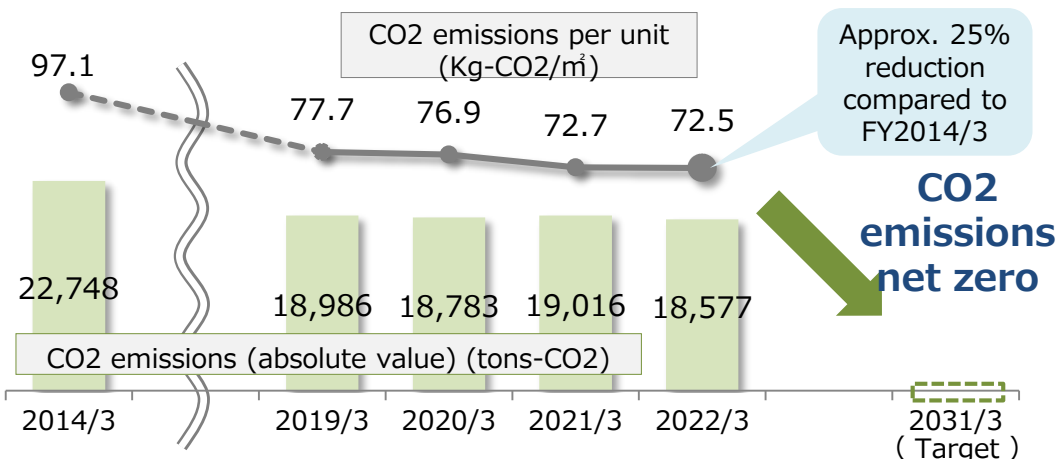
# Responding to Climate Change

## Expanding disclosure on climate change

### Change in CO2 emissions

**CO2 emissions net zero by March 2031** New  
(Achieve carbon neutral<sup>※</sup>)

※Subject to SCOPE1+SCOPE2 associated with own emissions



| (tons-CO2)             | 2019/3        | 2020/3        | 2021/3        | 2022/3        |
|------------------------|---------------|---------------|---------------|---------------|
| SCOPE1                 | 2,591         | 2,493         | 2,425         | 2,776         |
| SCOPE2                 | 16,395        | 16,290        | 16,591        | 15,801        |
| <b>SCOPE 1·2 Total</b> | <b>18,986</b> | <b>18,783</b> | <b>19,016</b> | <b>18,577</b> |

(Reference)

| SCOPE3                                      |  | 2019/3 | 2020/3 | 2021/3 | 2022/3    |
|---|--|--------|--------|--------|-----------|
| of which, business trip                     |  | 540    | 540    | 540    | 575       |
| of which, commuting                         |  | 1,640  | 1,660  | 1,590  | 1,391     |
| of which, loans and investment <sup>※</sup> |  | —      | —      | —      | 6,315,148 |

※ Assets subject to the analysis are loans, mainly business loans, and investments and loans to listed companies that have already disclosed or measured their greenhouse gas emissions.

Attribution Factor is calculated based on the Bank's share of total loans of the analyzed borrowers.

The amount of loans for this analysis is equivalent to 30.8% of the total amount of loans to general corporations (excluding corporations in the real estate leasing industry).

### Information disclosure

■ Proactive disclosure of climate-change information (Dec. 2019 endorsement of TCFD Recommendations)

**Physical risks**

To 2050

Large-scale storm and flood disasters, etc.

**2021/7 disclosure**

Damage to real estate collateral due to typhoons, torrential rains and other windstorms in Chiba Prefecture, **the impact of collateral value on credit costs (in Chiba Prefecture)**

**¥3~4 bil.**

Sea level rise <sup>※1</sup>

**2022/7 disclosure** New

Damage to real estate collateral by typhoons, torrential rains and other windstorms, and business stagnation of customers to whom we provide loans, **increased credit costs (Domestic)**

**¥6~7 bil.**

**Transition risks**

To 2050

Transition to a decarbonized society <sup>※2</sup>

**2021/7 disclosure**

Target : Oil, Gas, Coal Power, Utilities ( Domestic only )

Increase in credit costs **Maximum of ¥14 bil.**

**2022/7 disclosure** New

- **Steel sector** added
- **Foreign** credits added

Increase in credit costs **Maximum of ¥27 bil.**

Ratio of carbon-related assets to total loans and other assets of the Bank **1.2%** <sup>※3</sup>

※1 Calculated based on data on building damage in Chiba Prefecture caused by the "Typhoon Faxai" and "Typhoon Hagibis" and subsequent heavy rains in autumn 2019, and IPCC's RCP2.6 scenario (2°C scenario) and RCP8.5 scenario (4°C scenario).

※2 Calculated based on the IEA SDS scenario.

※3 Total loans, Acceptances and guarantees, foreign exchange, and private placed bond to the energy and utility sectors as of March 31, 2022. However, water supply and renewable energy generation projects are excluded.

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](mailto: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.