

The Yamanashi Chuo Bank, Ltd. The 39th Analyst Meeting

Supplementary Materials

December 9, 2020 (Wed)

Supplementary Materials

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The reader is advised that these materials contain forward-looking statements. These statements do not constitute guarantees of future business performance, and they involve various risks and unforeseeable future circumstances. The Bank's future business performance may be affected by changes in the business environment that are beyond the prediction or control of the Bank, and actual results may therefore differ substantially from the figures contained in the said forward-looking statements.

Profile (as of September 30 , 2020)

- Predecessor founded: April 1877
- Established: December 1941
- Head office: 20-8, Marunouchi 1-Chome, Kofu, Yamanashi
- Common stock: ¥15.4 billion
- Employees: 1,693
- Branches (including sub-branches):
 - 92 (75* in Yamanashi Pref., 16 in Tokyo, 1 in Kanagawa Pref.)
 - Corporate Sales Office: 1 (Nerima)
 - Representative Office: 1 (Hong Kong)
 - (*) Includes 1 Internet branch
- Designated Financial Institution Contracts with Local Government Bodies :Yamanashi Prefecture and 23 of its 27 municipalities



Head office

Our Mission

Region-based operations and sound management

Maintaining a close relationship with the communities in the region where we operate, we will contribute to the prosperity of the region and the development of its economy, with a commitment to sound management that enjoys the trust of our customers, while bolstering our business operations.

FY20 1st Half Business Results (1)

(¥ billion, %)

		FY18 1H	FY19 1H	FY20 1H	YoY change (FY19 1H)		YoY change (FY20 1H)	
					Amount	Percentage	Amount	Percentage
Average balance	Fund operations	2,921.4	2,906.5	3,188.8	(14.8)	(0.50)	282.3	9.71
	Loans	1,608.9	1,686.4	1,846.8	77.4	4.81	160.4	9.51
	Securities	1,203.5	1,130.1	1,213.9	(73.3)	(6.09)	83.7	7.41
	Call loan	21.6	4.4	3.3	(17.2)	(79.44)	(1.1)	(25.57)
	Due from banks (interest-bearing)	73.9	72.2	109.0	(1.7)	(2.34)	36.7	50.95
	Fund procurement	3,095.8	3,257.0	3,513.5	161.1	5.20	256.4	7.87
	Deposits	2,960.7	3,021.4	3,187.6	60.7	2.05	166.1	5.50
	Call money	0.0	5.7	62.4	5.7	48,183.33	56.6	977.51
	(Reference) Money held in trust	-	1.1	9.9	1.1	-	8.8	771.75
Yields/Interest margin	Fund operations	1.03	1.03	0.92	0.00		(0.11)	
	Loans	0.98	0.92	0.88	(0.06)		(0.04)	
	Securities	1.19	1.24	1.07	0.05		(0.17)	
	Call loan	0.45	1.60	0.11	1.15		(1.49)	
	Due from banks	0.09	0.09	0.09	0.00		0.00	
	Fund procurement	0.02	0.02	0.01	0.00		(0.01)	
	Deposits	0.01	0.01	0.01	0.00		0.00	
	Call money	2.18	(0.04)	(0.03)	(2.22)		0.01	
	Borrowings	0.03	0.01	0.00	(0.02)		(0.01)	
	Cost ratio	0.90	0.84	0.80	(0.06)		(0.04)	
	Fund procurement cost	0.89	0.81	0.74	(0.08)		(0.07)	
	Loans/deposits interest margin	0.97	0.91	0.87	(0.06)		(0.04)	
	Fund operations/procurement interest margin	1.01	1.01	0.91	0.00		(0.10)	
	Loans/deposits margin	0.07	0.06	0.07	(0.01)		0.01	
	Gross interest margin on funds under management	0.14	0.22	0.18	0.08		(0.04)	

FY20 1st Half Business Results (2)

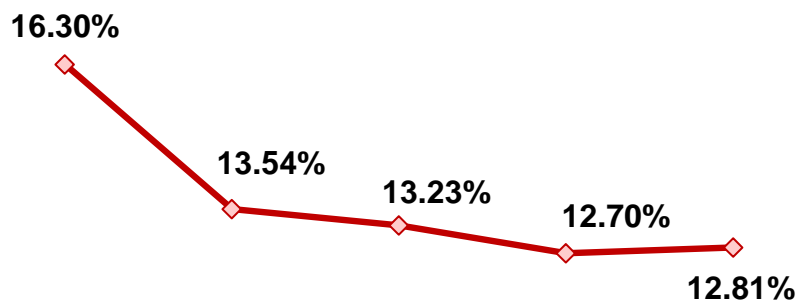
(¥ billion, %)

		FY18 1H	FY19 1H	FY20 1H	YoY change (FY19 1H)		YoY change (FY20 1H)	
					Amount	Percentage	Amount	Percentage
Profits and losses	Interest income	14.7	13.2	14.5	(1.4)	(10.06)	1.2	9.55
	Loans	7.9	7.8	8.1	(0.0)	(0.63)	0.2	3.79
	Securities	7.1	5.7	6.5	(1.4)	(20.62)	0.8	14.55
	Call loan	0.0	0.0	0.0	(0.0)	(28.57)	(0.0)	(97.14)
	Due from banks	0.0	0.0	0.0	0.0	0.00	0.0	50.00
	Fees and commissions	2.2	2.3	2.4	0.1	4.37	0.0	1.50
	Other operating income	0.9	(0.2)	(0.6)	(1.2)	(124.67)	(0.4)	(170.37)
	JGBs and other bond transactions	1.2	(0.0)	(0.5)	(1.2)	(100.66)	(0.5)	(7,325.00)
	General provision to loan loss reserve	-	(0.1)	-	(0.1)	-	0.1	100.00
	Expenses	13.3	12.8	12.8	(0.4)	(3.66)	(0.0)	(0.21)
	Net business profit	4.6	2.7	3.4	(1.9)	(41.60)	0.7	27.11
	Modified banking profit	4.6	2.5	3.4	(2.1)	(45.40)	0.9	35.96
	Net business profit on core operations	3.4	2.5	4.0	(0.9)	(26.17)	1.5	58.65
	(Excluding gain on cancellation of investment trusts)	1.8	2.5	4.0	0.7	37.62	1.5	58.65
	Non-operating income (losses)	(1.0)	0.7	(1.2)	1.7	171.30	(1.9)	(264.46)
	Gains on reversal of provision to loan loss reserve	0.0	-	0.0	(0.0)	(100.00)	0.0	-
	Equity share and similar transactions	1.7	1.2	(1.2)	(0.5)	(28.87)	(2.5)	(196.31)
	Loss on dissolution of investment trusts	2.7	-	-	(2.7)	(100.00)	-	-
	Reversal of loan loss reserve	0.0	0.5	0.0	0.5	1,637.50	(0.5)	(95.86)
	Ordinary profits	3.6	3.4	2.2	(0.1)	(4.42)	(1.2)	(35.23)
	Extraordinary income (losses)	(0.0)	(0.1)	(0.1)	(0.1)	(365.62)	(0.0)	(28.85)
	Income taxes - basic	0.7	0.8	0.5	0.0	3.19	(0.2)	(26.64)
	Income taxes - deferred	0.1	0.3	0.3	0.1	128.94	(0.0)	(3.44)
	Net income	2.6	2.1	1.1	(0.4)	(18.68)	(1.0)	(47.95)

(Note) The Bank has altered the presentation method concerning gain or loss on cancellation of investment trusts since the term ended September 2020. Numbers for the term ended September 2019 are presented accordingly.

Capital Ratio (Non-Consolidated Basis)

Changes in Capital Ratio



The capital ratio of 12.81% ranks first among 54 domestic banks to which the standard is applied.

(Source: Internal research)

Breakdown of Regulatory Capital

(¥ billion)

	FY16	FY17	FY18	FY19	FY20 1H
Regulatory capital	175.6	172.9	177.5	178.1	178.6
Risk-weighted assets, etc.	1,076.8	1,276.6	1,341.5	1,402.3	1,393.8

Risk-weighted assets, etc. methods employed

Credit risk	Standardized Approach
Operational risk	Basel II Standardized Approach

(Reference)

Interest rate risk of bank account (end of Sep. 2020)

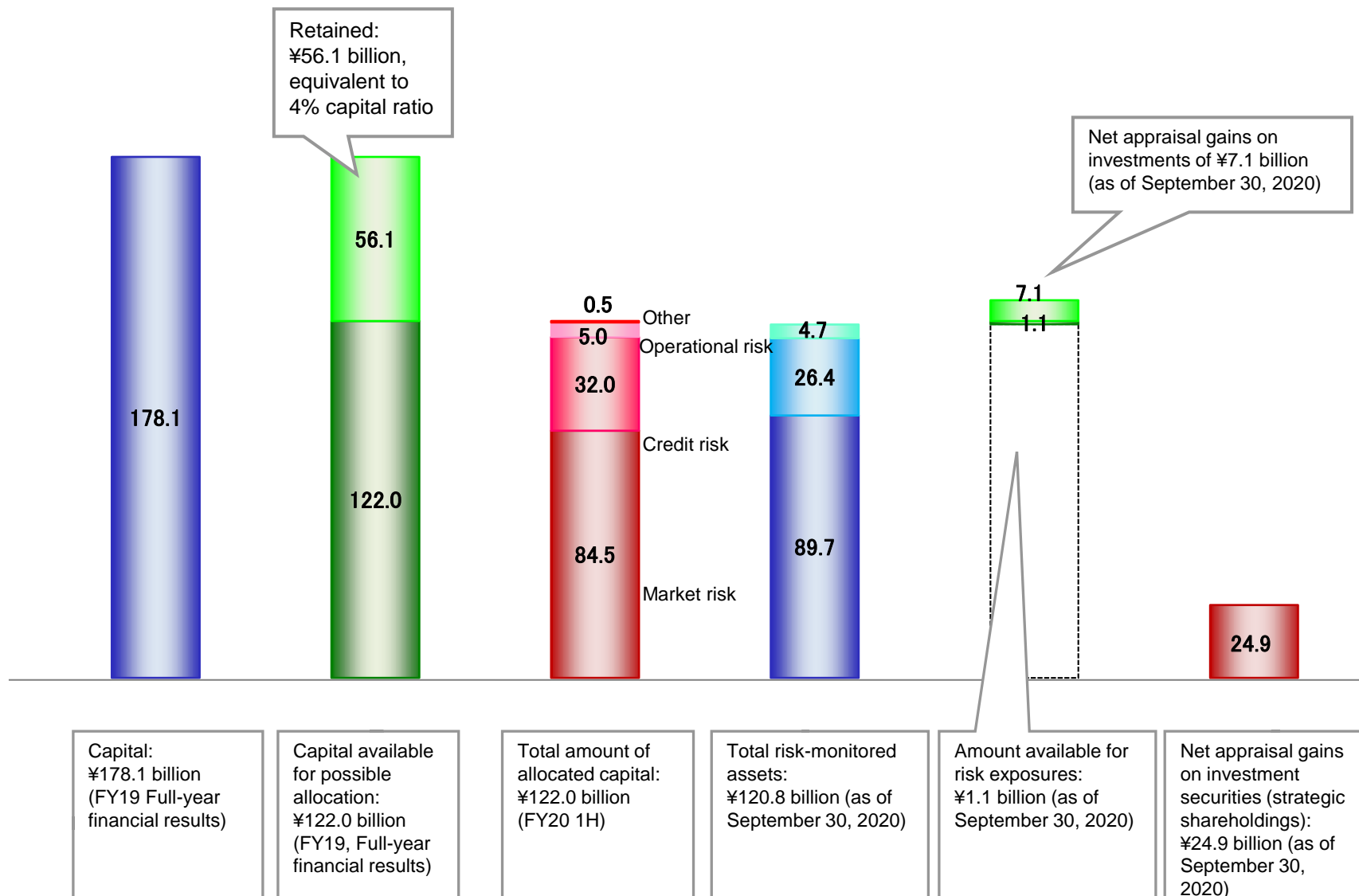
Interest rate risk amount	¥15.6 billion
Regulatory capital	¥178.6 billion
Interest Rate Risk in the Banking Book (IRRBB)	8.7%

(*) We use internal model to calculate core deposits.

FY16 FY17 FY18 FY19 FY20 1H

Capital Allocation

(¥ billion)



Employees and Branches

	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20 1H	Comparison with FY09
Regular employees	1,659	1,705	1,704	1,708	1,699	1,675	1,677	1,685	1,737	1,726	1,681	1,693	34
Fixed-term contract workers	789	776	736	714	691	672	678	711	714	686	689	686	(103)
Branches (including sub-branches)	91	91	91	90	90	90	91	91	92	92	92	^{*2} 92	1
Ordinary type	42	42	42	43	41	41	42	42	41	41	35	31	(11)
Covering wide area/full-range services	22	22	21	21	21	21	21	21	21	21	22	24	2
Covering wide area/designated for special functions, Internet branches ^{*1}	27	27	28	26	28	28	28	28	30	30	35	^{*2} 37	10
Substantial number of sales bases (Branch within a branch is counted as one.)	91	91	90	89	89	89	90	90	87	86	82	81	(10)
Corporate Sales Office	0	1	2	1	1	1	0	0	0	1	1	1	1
Life Squares/Loan Squares	5	5	5	6	7	7	8	8	8	8	8	8	3
Off-branch ATMs	132	130	129	126	129	130	133	135	141	142	144	137	5

(*1) Branches designated for special functions are the total of branches specialized in retailing and branches specializes in loans to individuals, and a special-designation branch (Life Square Kofu Branch) and an Internet branch (Fujisan Internet Branch).

(*2) The Chuo Ichiba branch operates at the Kokubo Branch, the Sumiyoshi Branch at the Minami Branch, the Chizuka Branch at the Yumura Branch, the Art Gallery Branch at the Life Square Kofu branch, the Kasugai Branch at the Isawa Branch, the Kasei Branch at the Tsuru Branch, the Higashi Yamanashi Branch at the Kusakabe Branch, the Nakamichi Branch at the Jonan Branch, the Kitashin Branch at the Takedadori Branch and the Tatsugaoka Branch at the Yoshida Branch.

Deposits (1)

1. Average

(1) By Area

(¥ billion, %)

	FY17	FY18	FY19 1H (1H Results)	FY19	FY20 1H (1H Results)	YoY change (Amount)	YoY change (Percent)	FY20 (Plan)	YoY change (Amount)	YoY change (Percent)
Yamanashi Prefecture	2,567.5	2,604.8	2,674.9	2,663.8	2,818.8	143.9	5.3	2,810.9	147.1	5.5
Tokyo (Shinjuku)	66.5	67.7	67.3	68.1	71.8	4.5	6.6	72.2	4.1	6.0
Western Tokyo	283.2	282.0	279.1	280.1	297.0	17.9	6.4	294.6	14.5	5.1
Total	2,917.3	2,954.6	3,021.4	3,012.0	3,187.6	166.2	5.5	3,177.8	165.8	5.5

(2) By Market

(¥ billion, %)

	FY17	FY18	FY19 1H (1H Results)	FY19	FY20 1H (1H Results)	YoY change (Amount)	YoY change (Percent)	FY20 (Plan)	YoY change (Amount)	YoY change (Percent)
Financial institutions	12.7	13.3	13.9	14.7	15.7	1.8	12.9	15.5	0.8	5.4
Local government bodies	197.0	200.1	230.7	207.6	228.2	(2.5)	(1.0)	207.2	(0.4)	(0.1)
Corporate customers	614.6	628.6	645.2	648.7	723.2	78.0	12.0	716.8	68.1	10.4
Individuals	2,092.8	2,112.5	2,131.5	2,140.9	2,220.3	88.8	4.1	2,238.1	97.2	4.5
Total	2,917.3	2,954.6	3,021.4	3,012.0	3,187.6	166.2	5.5	3,177.8	165.8	5.5

Deposits (2)

2. Term-end

(1) By Area

(¥ billion, %)

	FY17	FY18	FY19 1H (1H Results)	FY19	FY20 1H (1H Results)	YoY change (Amount)	YoY change (Percent)	FY20 (Plan)	YoY change (Amount)	YoY change (Percent)
Yamanashi Prefecture	2,604.1	2,649.6	2,644.5	2,685.9	2,847.4	202.9	7.6	2,856.3	170.4	6.3
Tokyo (Shinjuku)	65.3	64.2	65.6	69.5	73.8	8.2	12.5	72.6	3.1	4.4
Western Tokyo	280.6	280.1	281.9	287.2	308.6	26.7	9.4	290.6	3.4	1.1
Total	2,950.1	2,994.0	2,992.1	3,042.7	3,229.8	237.7	7.9	3,219.6	176.9	5.8

(2) By Market

(¥ billion, %)

	FY17	FY18	FY19 1H (1H Results)	FY19	FY20 1H (1H Results)	YoY change (Amount)	YoY change (Percent)	FY20 (Plan)	YoY change (Amount)	YoY change (Percent)
Financial institutions	24.2	27.8	17.6	29.7	18.5	0.9	5.1	31.2	1.5	5.0
Local government bodies	201.8	211.1	200.8	193.4	177.9	(22.9)	(11.4)	199.2	5.8	2.9
Corporate customers	628.0	639.0	647.2	663.0	775.1	127.9	19.7	720.0	57.0	8.5
Individuals	2,096.0	2,115.8	2,126.3	2,156.4	2,258.3	132.0	6.2	2,269.0	112.6	5.2
Total	2,950.1	2,994.0	2,992.1	3,042.7	3,229.8	237.7	7.9	3,219.6	176.9	5.8

Loans (1)

1. Average

(1) By Area

(¥ billion, %)

	FY17	FY18	FY19 1H (1H Results)	FY19	FY20 1H (1H Results)	YoY change (Amount)	YoY change (Percent)	FY20 (Plan)	YoY change (Amount)	YoY change (Percent)
Yamanashi Prefecture	791.8	829.3	860.8	864.7	910.2	49.3	5.7	923.8	59.1	6.8
Tokyo (Shinjuku)	335.1	365.8	385.5	401.9	463.1	77.6	20.1	479.1	77.2	19.2
Western Tokyo	222.2	255.1	265.2	271.8	302.3	37.1	13.9	313.4	41.6	15.3
Loan assets under the control of head office departments	176.6	180.1	174.6	167.8	171.0	(3.6)	(2.0)	159.8	(8.0)	(4.7)
Total	1,525.8	1,630.4	1,686.4	1,706.5	1,846.8	160.4	9.5	1,876.2	169.7	9.9

Note: Loan assets under the control of head office departments refer to loans to the Ministry of Finance, financial receivables transferred from other industries, and overdraft facilities for Yamanashi Prefecture, among other items.

(2) By Market

(¥ billion, %)

	FY17	FY18	FY19 1H (1H Results)	FY19	FY20 1H (1H Results)	YoY change (Amount)	YoY change (Percent)	FY20 (Plan)	YoY change (Amount)	YoY change (Percent)
Financial institutions	20.3	26.2	27.9	31.0	32.1	4.2	15.0	32.4	1.4	4.5
Local government bodies	264.6	276.3	279.8	273.0	306.7	26.8	9.5	297.1	24.1	8.8
Corporate customers	884.4	959.9	998.6	1,018.1	1,115.6	117.0	11.7	1,152.0	133.9	13.1
Individuals	356.3	367.8	379.9	384.1	392.3	12.4	3.2	394.6	10.5	2.7
Total	1,525.8	1,630.4	1,686.4	1,706.5	1,846.8	160.4	9.5	1,876.2	169.7	9.9

Loans (2)

2. Term-end

(1) By Area

(¥ billion, %)

	FY17	FY18	FY19 1H (1H Results)	FY19	FY20 1H (1H Results)	YoY change (Amount)	YoY change (Percent)	FY20 (Plan)	YoY change (Amount)	YoY change (Percent)
Yamanashi Prefecture	848.1	882.4	872.1	917.2	933.3	61.2	7.0	969.2	52.0	5.6
Tokyo (Shinjuku)	349.1	382.3	401.6	434.6	471.1	69.5	17.3	504.3	69.7	16.0
Western Tokyo	244.4	268.6	272.8	291.6	314.1	41.3	15.1	328.7	37.1	12.7
Loan assets under the control of head office departments	184.7	177.3	163.0	164.7	165.4	2.4	1.4	110.7	(54.0)	(32.7)
Total	1,626.5	1,710.8	1,709.7	1,808.2	1,884.0	174.3	10.1	1,913.1	104.9	5.8

Note: Loan assets under the control of head office departments refer to loans to the Ministry of Finance, financial receivables transferred from other industries, and overdraft facilities for Yamanashi Prefecture, among other items.

(2) By Market

(¥ billion, %)

	FY17	FY18	FY19 1H (1H Results)	FY19	FY20 1H (1H Results)	YoY change (Amount)	YoY change (Percent)	FY20 (Plan)	YoY change (Amount)	YoY change (Percent)
Financial institutions	24.8	27.9	29.2	31.9	31.7	2.5	8.5	33.1	1.2	3.7
Local government bodies	275.2	281.1	264.6	297.7	300.6	36.0	13.6	250.0	(47.7)	(16.0)
Corporate customers	963.4	1,025.5	1,029.9	1,086.8	1,157.6	127.7	12.3	1,231.3	144.5	13.2
Individuals	362.9	376.2	385.8	391.6	394.0	8.2	2.1	398.5	6.9	1.7
Total	1,626.5	1,710.8	1,709.7	1,808.2	1,884.0	174.3	10.1	1,913.1	104.9	5.8

Loan Portfolio by Customer Industry

(¥ billion)

	FY19		FY20 1H		YoY change	
	Balance	Ratio to total	Balance	Ratio to total	Balance	Ratio to total
Manufacturing	203.4	11.3%	225.4	12.0%	21.9	0.7P
Agriculture, forestry	3.6	0.2%	3.3	0.2%	(0.2)	0.0P
Fishery	0.0	0.0%	0.0	0.0%	0.0	0.0P
Mining, quarrying and gravel digging	4.4	0.2%	4.1	0.2%	(0.2)	0.0P
Construction	43.1	2.4%	45.4	2.4%	2.3	0.0P
Utilities, heat provision	30.4	1.7%	34.2	1.8%	3.8	0.1P
Telecommunications	17.1	0.9%	18.1	1.0%	1.0	0.1P
Transportation, postal services	93.3	5.2%	104.4	5.5%	11.1	0.3P
Wholesaling, retailing	125.5	6.9%	149.1	7.9%	23.6	1.0P
Financing, insurance	77.3	4.3%	75.5	4.0%	(1.8)	(0.3)P
Real estate, equipment rental and leasing	328.0	18.1%	333.5	17.7%	5.5	(0.4)P
Real estate	246.4	13.6%	261.5	13.9%	15.0	0.3P
Local public corporations	18.9	1.0%	5.2	0.3%	(13.7)	(0.7)P
Equipment rental and leasing	62.5	3.5%	66.7	3.5%	4.2	0.0P
Other services	166.3	9.2%	170.3	9.0%	4.0	(0.2)P
National and local government bodies	297.7	16.5%	300.6	16.0%	2.9	(0.5)P
Individuals and others	417.6	23.1%	419.4	22.3%	1.7	(0.8)P
Total	1,808.2	100.0%	1,884.0	100.0%	75.8	-

Balance of Loans by Customer Business Scale and Area (Term-end)

(¥ billion, %, P)

		Overall			Yamanashi Prefecture			Western Tokyo Bloc			Tokyo Bloc			Headquarters			
		FY19	FY20 1H		FY19	FY20 1H		FY19	FY20 1H		FY19	FY20 1H		FY19	FY20 1H		
				YoY change			YoY change			YoY change			YoY change			YoY change	
National and local government bodies	Balance	297.7	300.6	2.9	226.0	225.6	(0.4)	0.9	5.4	4.5	1.1	0.9	(0.2)	69.5	68.6	(0.9)	
	Ratio to total	16.5%	16.0%	(0.5)	24.6%	24.2%	(0.5)	0.3%	1.8%	1.5	0.3%	0.2%	(0.1)	42.2%	41.5%	(0.7)	
Commercial (corporations)	Balance	1,092.7	1,164.0	71.3	375.8	391.4	15.6	190.7	208.1	17.4	430.7	467.5	36.8	95.1	96.8	1.7	
	Ratio to total	60.4%	61.8%	1.4	41.0%	41.9%	1.0	65.4%	66.3%	0.9	99.1%	99.2%	0.1	57.7%	58.5%	0.8	
	Large companies	Balance	404.1	447.0	42.9	30.4	33.6	3.2	12.4	12.1	(0.3)	319.9	348.1	28.2	41.3	53.0	11.7
		Ratio to total	22.3%	23.7%	1.4	3.3%	3.6%	0.3	4.3%	3.9%	(0.4)	73.6%	73.9%	0.3	25.1%	32.0%	7.0
	Second-tier companies	Balance	22.5	19.5	(3.0)	9.1	1.1	(8.0)	6.1	5.3	(0.8)	7.2	7.8	0.6	0.0	5.2	5.2
		Ratio to total	1.2%	1.0%	(0.2)	1.0%	0.1%	(0.9)	2.1%	1.7%	(0.4)	1.7%	1.7%	(0.0)	0.0%	3.1%	3.1
	SMEs	Balance	666.0	697.4	31.4	336.3	356.6	20.3	172.2	190.6	18.4	103.6	111.5	7.9	53.8	38.5	(15.3)
		Ratio to total	36.8%	37.0%	0.2	36.7%	38.2%	1.5	59.1%	60.7%	1.6	23.8%	23.7%	(0.2)	32.7%	23.3%	(9.4)
Other individuals	Balance	417.6	419.4	1.8	315.3	316.3	1.0	99.7	100.4	0.7	2.5	2.6	0.1	-	-	-	
	Ratio to total	23.1%	22.3%	(0.8)	34.4%	33.9%	(0.5)	34.2%	32.0%	(2.2)	0.6%	0.6%	(0.0)	-	-	-	
Total	Balance	1,808.2	1,884.0	75.8	917.2	933.3	16.1	291.6	314.1	22.5	434.6	471.1	36.5	164.7	165.4	0.7	
	Ratio to total	100.0%	100.0%	-	100.0%	100.0%	-	100.0%	100.0%	-	100.0%	100.0%	-	100.0%	100.0%	-	

Risk-Monitored Loans

<Risk-Monitored Loans under the Banking Law>

The Bank has never implemented partial charge-offs

(¥ billion)

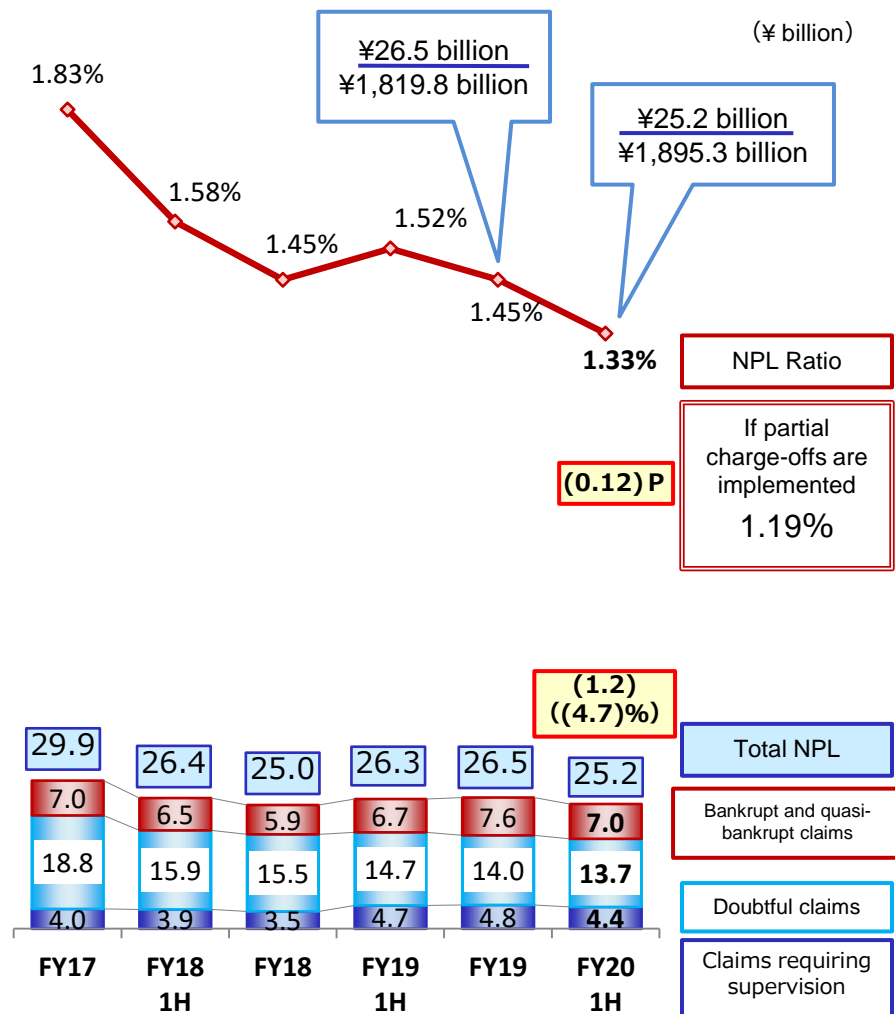
	FY19	FY20 1H	YoY change	FY20 1H (consolidated basis)
Loans to customers in bankruptcy	2.5	2.8	0.3	2.9
Past due loans	19.0	17.8	(1.1)	18.2
Accruing loans contractually past due three months or more	0.0	0.0	(0.0)	0.0
Restructured loans	4.8	4.4	(0.3)	4.4
Total risk-monitored loans (A) (as a percentage of total loans)	26.4 (1.46%)	25.2 (1.33%)	(1.2) ((0.13)P)	25.6 (1.36%)
Portions covered by collateral and guarantees (B) (including specific reserves)	22.1	21.2	(0.9)	21.6
Coverage ratio B / A	83.75%	84.15%	0.40P	84.35%
Reserve for possible loan losses (non-specific) (C)	4.6	4.6	(0.0)	6.4
Coverage ratio (including loan loss reserve) (B + C) / A	101.47%	102.46%	0.99P	109.43%

(*) The following figures in the yellow column represent risk-monitored loan amounts (non-consolidated basis) on the assumption of implementation of partial charge-offs.
(¥ billion)

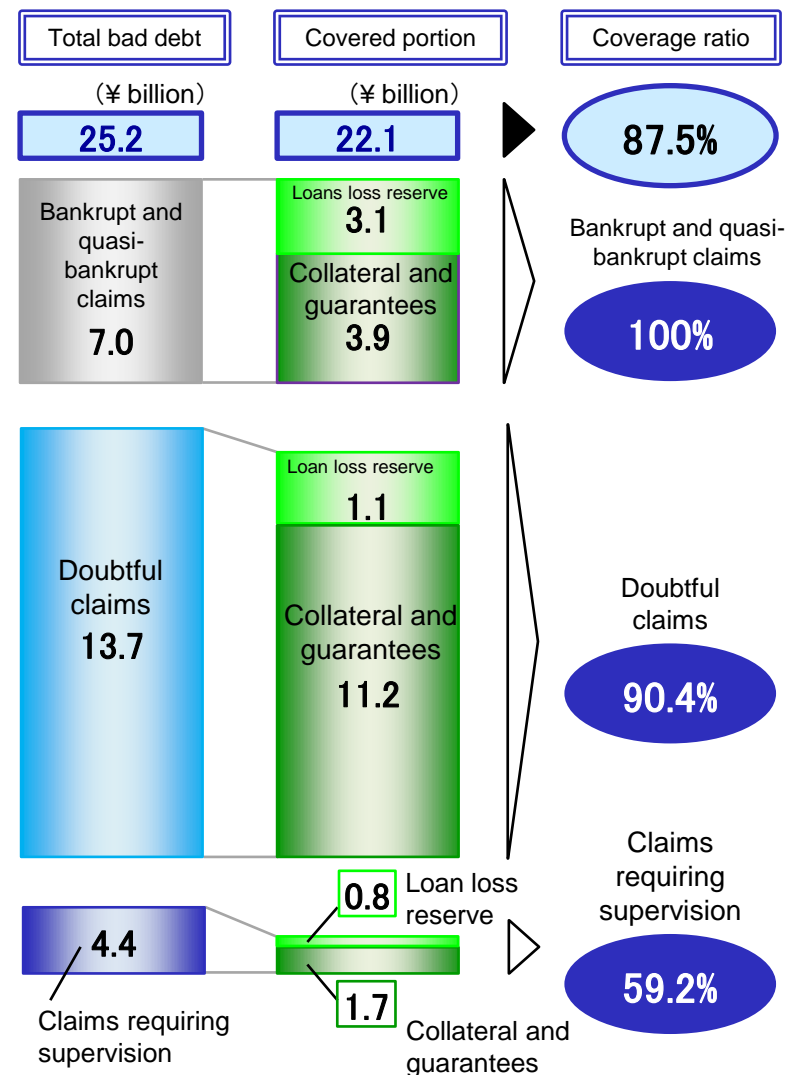
	FY20 1H Prior to partial charge-offs(1)	FY20 1H Prior to partial charge-offs(2)	Decrease (2)–(1)
Loans to customers in bankruptcy	2.8	1.5	(1.3)
Past due loans	17.8	16.5	(1.2)
Accruing loans contractually due three months or more	0.0	0.0	0.0
Restructured loans	4.4	4.4	0.0
Total risk-monitored loans (As a percentage of total loans)	25.2 (1.33%)	22.6 (1.20%)	(2.6) ((0.13)P)

Mandatory Disclosure of Bad Debt under the Financial Reconstruction Law

Bad Debt Under the Financial Reconstruction Law





Coverage of Bad Debt Under the Financial Reconstruction Law



Changes in Borrower Categories

(¥ billion)

Total claim basis* (under the Financial Reconstruction Law) From FY19 to FY20 1H		FY20 1H						Deterioration to potentially bankrupt or worse
		Normal borrower	Other requiring caution	Requiring supervision	Potentially bankrupt	Effectively bankrupt	Legally bankrupt	
FY19	Amount of newly occurred	-	27.7	1.8	-	0.0	-	-
	Normal borrower	1,679.1	1,728.2	9.8	0.0	0.2	0.0	0.01%
	Other requiring caution	107.4	2.5	91.5	0.7	0.2	0.0	0.24%
	Requiring supervision	6.1	0.1	0.4	5.5	-	-	1.90%
	Potentially bankrupt	14.0	0.0	0.2	-	13.2	0.0	
	Effectively bankrupt	5.0	-	0.0	-	3.9	0.6	
	Legally bankrupt	2.5	-	-	-	-	2.2	
	Total	1,814.3	1,758.7	104.0	6.3	13.7	4.1	2.8

 Deterioration
 Improvement

(*) Including loans, customers' liabilities for acceptances and guarantees, foreign exchanges, suspense payments and accrued interest.

Loans to national and local government bodies and claims outside scope of asset under self-assessment are included in "Normal borrower".

Share of Deposits and Loans (in Yamanashi Prefecture)

1. Deposit Shares

(% , P)

	FY15	FY16 1H	FY16	FY17 1H	FY17	FY18 1H	FY18	FY19 1H	FY19	FY20 1H	YoY change
Yamanashi Chuo Bank	50.4	49.1	49.6	49.4	49.9	49.0	49.7	49.3	49.8	49.6	0.3
Major banks	7.1	6.9	7.0	7.0	7.0	7.0	7.1	7.0	7.0	6.8	(0.2)
Shinkin banks/ Credit unions	27.7	28.7	28.6	28.1	28.1	28.1	27.9	27.8	27.6	28.1	0.3
Agricultural cooperatives	13.0	13.7	13.1	13.8	13.4	14.1	13.5	14.1	13.8	13.7	(0.4)
Semi-government institutions	1.8	1.6	1.7	1.7	1.6	1.8	1.8	1.8	1.9	1.8	(0.0)

(*) Excluding Japan Post Bank

2. Loan Shares

(% , P)

	FY15	FY16 1H	FY16	FY17 1H	FY17	FY18 1H	FY18	FY19 1H	FY19	FY20 1H	YoY change
Yamanashi Chuo Bank	41.8	40.6	41.1	40.4	41.8	41.4	43.4	43.6	44.9	43.6	(0.0)
Major banks	9.5	9.2	8.8	8.8	8.6	8.5	8.2	8.2	8.0	7.5	(0.7)
Shinkin banks/ Credit unions	32.3	34.0	34.2	34.7	34.0	33.6	32.4	32.0	30.4	29.8	(2.2)
Agricultural cooperatives	7.1	6.9	6.7	6.9	6.4	6.5	6.1	6.2	5.9	5.7	(0.5)
Semi-government institutions	9.3	9.3	9.2	9.2	9.3	10.0	9.9	10.1	10.8	13.5	3.4

Securities Portfolio (1)

< Prior to Mark-to-Market Adjustment >

(¥ billion, %, P)

	FY17		FY18 1H		FY18		FY19 1H		FY19		FY20 1H		YoY change	
	Balance	Ratio to total	Balance	Ratio to total	Balance	Ratio to total	Balance	Ratio to total	Balance	Ratio to total	Balance	Ratio to total	Balance	Ratio to total
JGBs	376.3	31.1	414.5	34.1	338.7	31.2	338.8	29.0	303.9	25.2	318.3	25.8	(20.5)	(3.2)
Municipal bonds	168.9	14.0	189.2	15.6	182.7	16.8	227.0	19.4	267.9	22.2	342.5	27.8	115.5	8.4
Corporate bonds	57.4	4.8	56.7	4.6	59.4	5.5	85.4	7.3	107.4	8.9	120.1	9.8	34.7	2.5
Equity shares	40.5	3.3	40.5	3.3	34.1	3.1	32.1	2.8	32.5	2.7	30.0	2.4	(2.1)	(0.4)
Strategic holdings	25.5	2.1	25.5	2.1	24.5	2.2	24.0	2.0	21.9	1.8	20.9	1.7	(3.1)	(0.3)
Portfolio investments	15.0	1.2	15.0	1.2	9.5	0.9	8.1	0.7	10.6	0.9	9.1	0.7	1.0	0.0
Investment trusts, etc.	525.1	43.5	482.9	39.7	437.4	40.3	439.9	37.6	438.2	36.3	394.8	32.0	(45.1)	(5.6)
Foreign securities	39.4	3.3	32.3	2.7	33.0	3.0	45.5	3.9	56.1	4.7	26.5	2.2	(19.0)	(1.7)
Total	1,207.8	100.0	1,216.4	100.0	1,085.5	100.0	1,169.1	100.0	1,206.3	100.0	1,232.5	100.0	63.4	

< Changes in Interest on Securities >

(¥ million, %, P)

	FY17		FY18 1H		FY18		FY19 1H		FY19		FY20 1H		YoY Change	
	Balance	Ratio to total	Balance	Ratio to total	Balance	Ratio to total	Balance	Ratio to total	Balance	Ratio to total	Balance	Ratio to total	Balance	Ratio to total
Yen-denominated bonds	4,822	39.4	2,212	39.7	4,632	41.7	1,681	29.5	3,841	32.4	1,720	26.3	39	(3.2)
Equity shares	1,169	9.6	734	13.2	1,369	12.3	658	11.5	1,207	10.2	622	9.5	(36)	(2.0)
Investment trusts, etc.	3,714	30.3	2,169	38.9	4,307	38.7	2,976	52.2	5,905	49.8	3,914	59.9	938	7.7
Foreign-currency-denominated bonds	2,537	20.7	459	8.2	810	7.3	387	6.8	903	7.6	275	4.3	(112)	(2.5)
Total	12,242	100.0	5,576	100.0	11,119	100.0	5,703	100.0	11,857	100.0	6,533	100.0	830	

(*) From FY2020, net reporting is applied to gain or loss on cancellation of investment trusts. The method to settle accounts was changed to recording gain surplus under interest on securities, and recording loss surplus under loss on redemption of JGB, etc. (Surpluses in the past were reprocessed and are presented accordingly.)

Securities Portfolio (2)

<Yields>

(%)

	FY17	FY18 1H	FY18	FY19 1H	FY19	FY20 1H	YoY change (P)
Yen-denominated bonds	0.84	0.69	0.73	0.53	0.59	0.46	(0.07)
Equity shares	3.39	3.60	3.56	3.97	3.67	3.82	(0.15)
Investment trusts, etc.	0.92	0.88	0.90	1.40	1.35	1.88	0.48
Total of yen-denominated bonds	0.96	0.87	0.90	0.97	0.98	1.05	0.08
Foreign-currency-denominated bonds	2.06	2.48	2.39	1.78	1.86	1.89	0.11
Total	1.08	0.92	0.94	1.00	1.01	1.07	0.07

<Valuation Gains (Losses)>

(¥ million)

	FY17	FY18 1H	FY18	FY19 1H	FY19	FY20 1H	YoY change
JGBs and other bond transactions	(3,256)	71	3,126	(8)	(150)	(594)	(586)
On bond gain on sale	2,164	1,483	5,242	528	1,542	4,548	4,020
On bond sale loss	1,471	275	322	-	-	622	622
On bond amortization	-	-	-	50	102	-	(50)
Loss on redemption of JGB, etc.	3,949	1,136	1,793	486	1,591	4,520	4,034
Stock and other related income	6,457	1,794	66	1,276	1,309	(1,229)	(2,505)
Gains on sales of stocks and other securities	6,457	1,858	3,414	1,552	2,006	395	(1,157)
Shares loss on sale	-	63	3,348	188	537	374	186
Shares amortization	-	-	-	88	158	1,251	1,163
Total	3,201	1,866	3,192	1,267	1,158	(1,824)	(3,091)

(*) From FY2020, net reporting is applied to gain or loss on cancellation of investment trusts. The method to settle accounts was changed to recording gain surplus under interest on securities, and recording loss surplus under loss on redemption of JGB, etc. (Surpluses in the past were reprocessed and are presented accordingly.)

<Changes in Appraisal Gains (Losses)>

(¥ billion)

	FY17	FY18 1H	FY18	FY19 1H	FY19	FY20 1H	YoY change(P)
Yen-denominated bonds	21.2	16.1	18.5	20.0	11.2	10.7	(9.3)
Equity shares	31.9	35.6	32.1	29.1	18.8	25.2	(3.9)
Strategic shareholdings	29.4	34.6	31.0	28.7	19.4	24.9	(3.8)
Investment trusts, etc.	(2.6)	1.3	1.8	11.0	(14.2)	(5.1)	(16.1)
Foreign-currency-denominated bonds	(0.8)	(1.2)	0.0	1.7	3.5	1.2	(0.5)
Total	49.6	51.9	52.5	61.9	19.4	32.0	(29.9)

<Changes in Gain and Loss on Cancellation of Investment Trusts> (¥ million)

	FY17	FY18 1H	FY18	FY19 1H	FY19	FY20 1H	YoY change
Gain on cancellation of investment trusts (Recorded in interest and dividends income)	3,607	1,609	3,417	1,373	2,423	282	(1,091)
Loss on cancellation of investment trusts (Recorded in non-operating income (losses))	7,556	2,745	5,210	1,860	4,014	4,802	2,942
Total	(3,949)	(1,136)	(1,793)	(486)	(1,591)	(4,520)	(4,034)

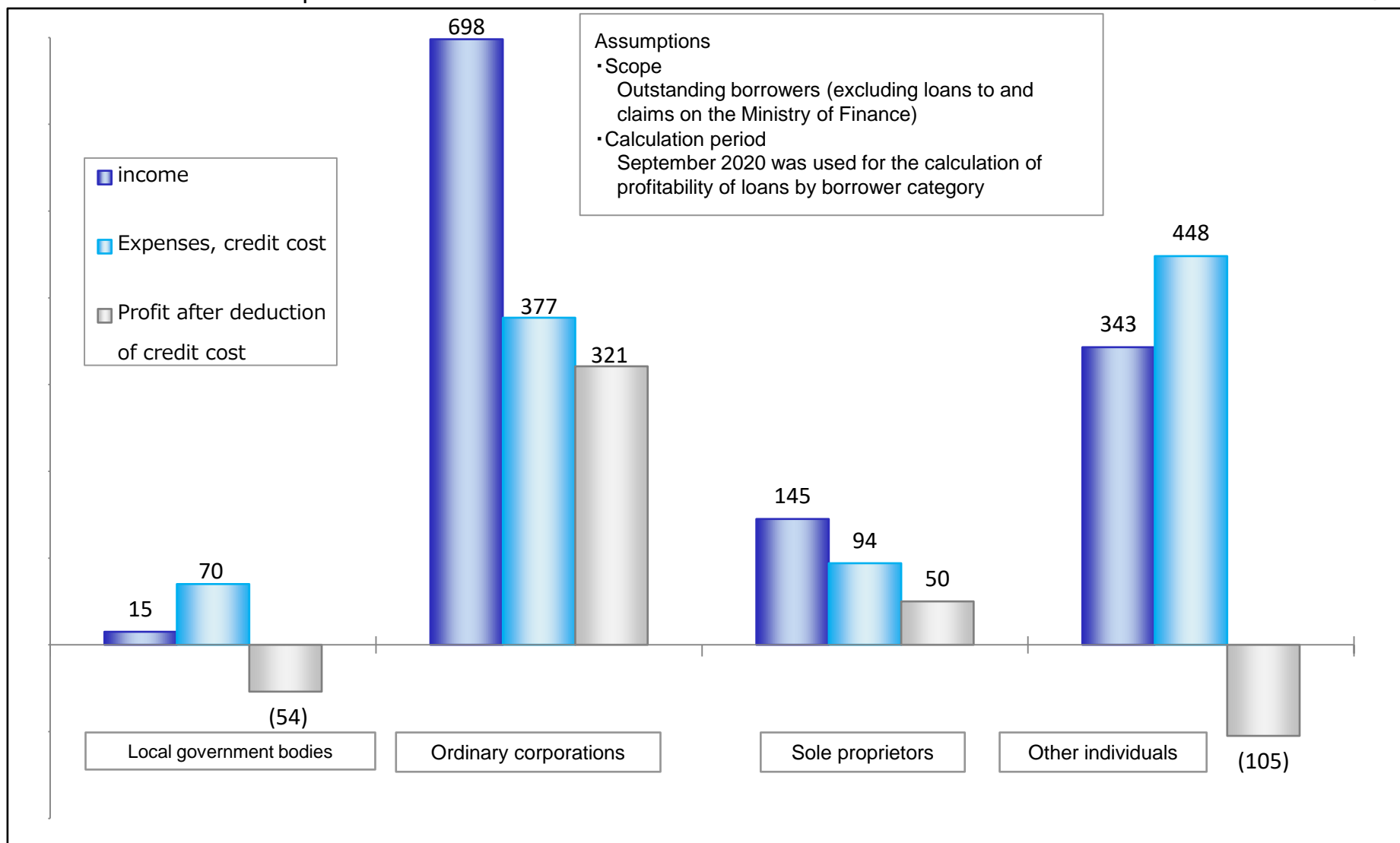
<Changes in Bond Modified Duration>

	FY17	FY18 1H	FY18	FY19 1H	FY19	FY20 1H	YoY change
Yen-denominated bonds	5.7	5.6	5.4	5.6	5.6	5.9	0.3
Foreign-currency-denominated bonds	5.5	5.6	5.3	6.3	6.1	5.3	(1.0)

Earnings Structure by Borrower Segment

<One-Month Results September 2020>

(¥ million)



Subsidiaries of the Bank

(¥ million, as of September 30 , 2020)

Trade name	Yamanashi Chuo Guarantee Co., Ltd.	Yamanashi Chugin Lease Co., Ltd.	Yamanashi Chugin DC Card Co., Ltd.	Yamanashi Chugin Management Consulting Co., Ltd.
Established	July 1, 1986	April 6, 1987	July 2, 1991	August 2, 1996
Paid-in capital (The Bank's equity stake) (Consolidated basis)	20 (99.65%) (99.81%)	20 (35.25%) (66.00%)	20 (30.25%) (67.50%)	200 (45.00%) (87.50%)
Business lines	Loan guarantees/ creditworthiness appraisal	Leasing	Credit Card	Consulting for corporate management/economic research
Operating revenue	230	2,462	441	87
Operating income (loss)	159	199	(34)	15
Ordinary profits	206	200	8	16
Net income	161	137	4	11
Total assets	9,120	11,210	3,420	1,724
Net assets	5,954	3,513	1,366	1,318
Borrowings (Borrowed from the Bank)	- (-)	7,187 (6,271)	840 (840)	- (-)

Economic Trends in Yamanashi Prefecture

Local Industries in Yamanashi Prefecture

Wine

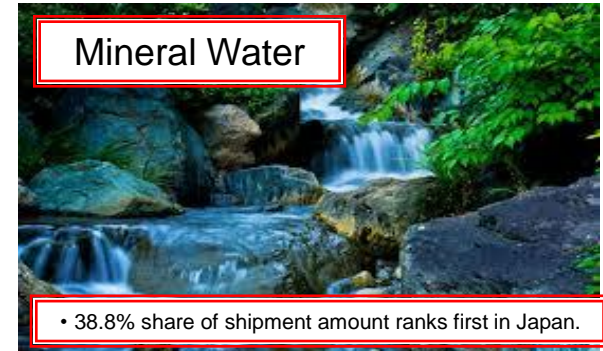


- 22.8% share of shipment amount ranks second in Japan.
- "Yamanashi" wine designated as an indication (National Tax Agency).

Sake



Mineral Water



- 38.8% share of shipment amount ranks first in Japan.

Fruits



- Harvest of grapes, peaches and Japanese plums ranks first in Japan.

Jewelry



- Shipment amount of jewelry ranks second in Japan

Silk Fabric



- Shipment amount of down quilts ranks third in Japan.

Knit Products



Inden leather



Traditional Japanese Paper



- Shipment amount of Shoji paper and Calligraphy paper ranks third in Japan.

(*) Source: 2019 Census of Manufacturer (2018 Results and Confirmed Data), 2019 Census of Crops

Preparations for High-Speed Transportation Network

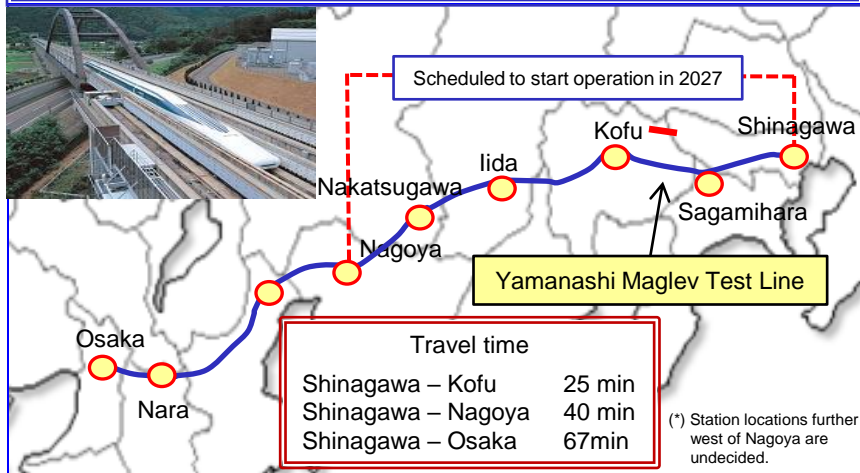
Expected Effects

Increase in tourists from Kansai and Tokai regions, increase in opportunities for receiving orders, expansion of logistic facilities, and increase in residents due to expanded commuting radius to Greater Tokyo, etc.

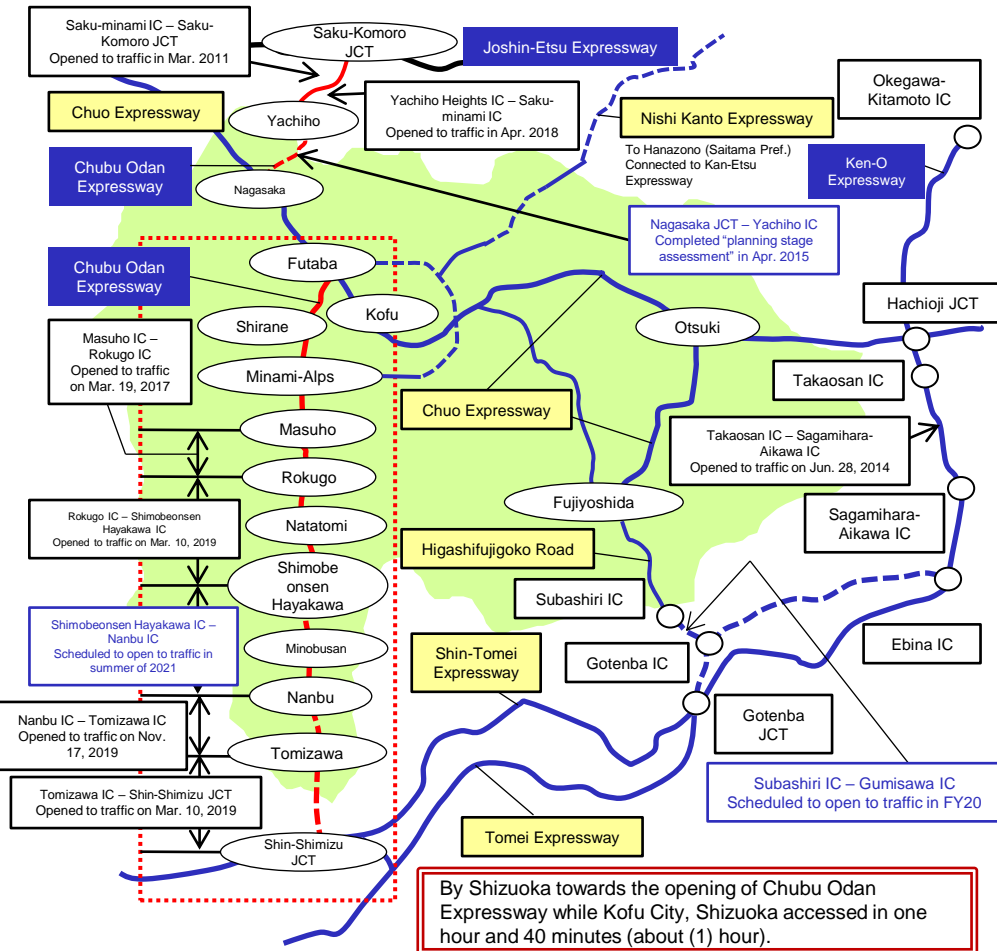
Shinkansen Maglev Train

- Oct. 2014: Minister of Land, Infrastructure, Transport and Tourism approved the start of construction, with opening planned for 2027.
⇒ Request for certain segments to enter service by the start of the 2020 Tokyo Olympic Games.
- Dec. 2015: Construction began on the Yamanashi side section of the Southern Alps Tunnel (communication route).
- Jan. 2016: Shinagawa Station construction
- Nov. 2016: Nagano section started construction of the Southern Alps tunnel.
- Mar. 2017: Yamanashi Prefecture creates “Linear Environmental Future City Improvement Policy”.
- Apr. 2018: Construction began on the Yamanashi section of the Southern Alps Tunnel (mail line).
- Nov. 2019: Construction of Kanagawa Prefecture Station (provisionally named) started

Map of Shinkansen Maglev Train Route



Chubu Odan Expressway



Major Economic Indicators in Yamanashi Prefecture

General				Business				Household			
	As of		Pref. rank		As of		Pref. rank		As of		Pref. rank
Total area	2020	4,465km ²	32	Private businesses	2016	43,173	41	Real household income (average per month per salaried household)	2019	¥615,009	11
Habitable area	2018	21.4%	44	Value of manufacturing shipments	2018	¥2,588.1 billion	34				
Wilderness and parkland, etc.	2018	27.1%	8	Value of per capita manufacturing shipments	2018	¥35,930,000	24	Household spending (average per month per salaried household)	2019	¥328,322	14
Population	2019	811,000	42	Annual sales of goods	2016	¥1,882.7 billion	42				
Number of households	2020	363,000	41	Annual per capita sales of goods	2016	¥31,868,000	33	Average consumption propensity (worker's household)	2019	66.9%	27
Children under 15 years	2019	11.7%	33	Total agricultural output	2018	¥95.3 billion	34	Number of personal vehicles (per 1,000 people)	2019	668	4
Working age population	2019	57.5%	20	Ratio of agricultural income to output	2018	44.7%	4	Number of public libraries (per 10,000 people)	2019	0.64	1
Persons over 65 years	2019	30.8%	24	Housing starts	2019	4,841	42	Number of convenience stores (per 100,000 people)	2019	56.6	2
Population growth	2019	(0.80)%	33	Floor area per housing start	2019	102.9m ²	3	Average price of residential land (per m ² , reference price)	2019	¥24,300	39
Prefectural GDP (real-term)	FY16	¥3,345.8 billion	40	Value of public works contracts	2019	¥134.0 billion	43	Home ownership	2018	70.2%	15
Economic growth (real-term)	FY16	3.9%	4	Total site area of construction starts	2019	937,078m ²	38	Cost education (worker's household expenditure)	2019	2.9%	46
Per capita income	FY16	¥2,973,000	20	Jobs-to-applications ratio	2019	1.42 times	33	Proportion of people in higher education	2019	55.5%	11

Placing 42nd in Japan in total population and 40st in total production, Yamanashi is one of Japan's lower-ranked prefectures. However, in value of shipments of manufacturers and other items, it is middle-ranking. In terms of economic activity and living standards, it is relatively well-positioned.