

# Overview of the Japanese regional banks' financial results for the fiscal year ended March 31, 2021

## 1. Profitability

- Net income for the fiscal year ended March 31, 2021 increased by 2.6% year on year, mainly due to the increase in net gains on equity securities, despite the increased credit costs and the decreased net gains on debt securities.

(Unit: 100 million yen)

	Fiscal Year ended Mar 31, 2019	Fiscal Year ended Mar 31, 2020	Fiscal Year ended Mar 31, 2021	YoY change
Gross operating profits	42,233	42,480	41,692	▲ 788
Net interest income	37,201	36,172	36,473	301
Net fees and commissions	5,281	5,233	5,458	225
Net other business profits		1,032	▲ 283	▲ 1,315
Net gains on debt securities	▲ 332	832	▲ 854	▲ 1,686
Operating expenses	▲ 30,011	▲ 29,728	▲ 29,361	367
Pre-provision operating profit	12,221	12,751	12,330	▲ 421
Core net business profits		11,919	13,184	1,265
Core net business profits(excluding gains and losses from cancellation of investment trusts)		11,113	12,167	1,054
Credit costs*	▲ 3,473	▲ 3,583	▲ 4,472	▲ 889
Net gains on equity securities	2,485	749	2,378	1,629
Net income	7,686	6,901	7,082	181

\* Positive figures on credit costs indicate gains such as a reversal of loan loss reserves.

	Mar 31, 2019	Mar 31, 2020	Mar 31, 2021
Loans (¥ trillion)	269.3	277.7	291.9

## 2. Non-Performing Loans

- The amount of NPLs and the NPL ratio increased from March 31, 2020.

	Mar 31, 2019	Mar 31, 2020	Mar 31, 2021
Volume of NPL (¥ trillion)	4.8	4.8	5.3
NPL ratio (%)	1.74	1.70	1.78

### 3. Capital adequacy ratio

- The total capital adequacy ratio of internationally active banks and the capital ratio of domestically active banks increased from March 31, 2020.

(Internationally active banks: 11 banks)

	Mar 31, 2020	Mar 31, 2021
Total capital ratio (%)	13.28	14.07
Tier I capital ratio (%)	12.73	13.48
Common Equity Tier I capital ratio (%)	12.73	13.48

(Domestically active banks: March 31, 2020 92 banks, Mar 31, 2021 90 banks)

	Mar 31, 2020	Mar 31, 2021
Capital ratio (%)	9.52	9.70

1. Figures are rounded off.
2. Non-consolidated basis in general, but the NPL-related data partially incorporate the information of a bank's subsidiary company established for restructuring its corporate clients.