



# THE SHIMIZU BANK,LTD.

## Annual Report 2019

### Profile

The Shimizu Bank, Ltd. was established in 1928 with the merger of six banks and has always been a valuable partner of the local community. The Bank has its headquarters in Shizuoka City, which has the Shimizu Port, the largest in the prefecture.

Shimizu Port, located halfway between Tokyo and Osaka, plays a significant role in international trade and economic development.

We will provide customers with a wide range of financial services, seek further business expansion as a customer-friendly bank and contribute to the development of the local community.



### Bank Data

As of March 31, 2019

Head Office 2-1 Fujimicho, Shimizu-ku, Shizuoka-shi,  
Shizuoka 424-0941 Japan

Date of Incorporation: July 1, 1928  
Paid-up Capital: ¥10,816,260,000  
Number of Branches: 78  
Number of Sub-branches: 1  
Number of Employees: 914  
Consolidated Capital Adequacy Ratio  
(based on domestic standards): 9.41%  
Non-Consolidated Capital Adequacy Ratio  
(based on domestic standards): 9.14%



### Consolidated Subsidiaries

As of June 30, 2019

Name of Company	Capital (Millions of Yen)	Ratio of Voting Right	Ratio of Voting Right [ Other Group Companies ]	Established	Line of Business
The Shimizu Business Service Co., Ltd.	10	100.00%	–	December 10, 1981	Calculating cash
The Shimizugin Career Up Co., Ltd.	30	100.00%	–	October 22, 1990	Delegation of personnel
The Shimizu General Maintenance Co., Ltd.	30	100.00%	–	December 24, 1991	Management of real estate
The Shimizu Regional Economy Research Center, INC	12	100.00%	–	October 28, 1965	Financial and economic research services, Training
The Shimizu Credit Guarantee Co., Ltd.	50	100.00%	–	November 1, 1978	Credit guaranteeing
The Shimizu Lease and Card Co., Ltd.	60	15.13%	48.32%	April 14, 1999	Leasing, Credit card
The Shimizu General Computer Service Co., Ltd.	30	5.00%	50.00%	July 1, 1989	Calculation operations

# Message

We want to thank all of our customers for your continued patronage at the Shimizu Bank and our group partners. We have put together a packet of Disclosure Materials the 2019 fiscal year to share the financial highlights and our efforts of the 2018 fiscal year. We invite you to read these materials to further your understanding of the Shimizu Bank and our group partners.

During the fiscal year under review, the Japanese economy largely maintained a modest recovery trend. This was driven by such factors as robust consumer spending and corporate capital investment. However, weakness was seen in a part of manufacturing and export toward the end of the fiscal year due partly to the deceleration of Chinese economy and US-China trade war. Consumer spending experienced a modest recovery, in the context of improvements in employment and income conditions. The outlook remains uncertain exacerbated primarily by a rise in personnel expenses caused by the shortage of manpower and impact of US-China trade war.

The economy of Shizuoka Prefecture, which is the primary business base of the Bank, maintained its modest recovery trend, driven by increases in capital expenditures aimed at streamlining and energy-saving, primarily at large and medium-sized manufacturers, and investments related to research and development. In addition, exports were on a rising trend, driven by exports of motors, automobile components, and others to the United States. With employment and income conditions improving moderately, consumer spending continued to recover solidly, such as household electricals and commercial vehicle sales.

Looking at the financial environment, the Nikkei Stock Average temporarily increased to the ¥24,000 level backed partly by the robust US economy and expectations for structural reforms through Abenomics. While the Nikkei Stock Average was on a weak note and fell below ¥20,000 due partly to the rise of interest rates in the United States and the impact of US-China trade war toward the end of the year, it recovered to the lower half of the ¥21,000 level following a pick-up in overseas stock markets by the end of the period. Long-term interest rates hovered around 0% under the Bank of Japan's "Quantitative and Qualitative Monetary Easing (QQE) with Yield Curve Control."

It was in this context that the Bank worked on a variety of measures to demonstrate the significance of our existence, one of the goals expressed in the "Advance As One – Toward the realization of sustainable growth together with our community and customers" The 26th medium-term Management plan.

The Bank has striven to secure stable revenue and increase soundness.

In terms of initiatives aimed at corporate customers, the Bank started providing standby credit, a credit guarantee system, in cooperation with the Bangkok Bank with which alliance was formed in February 2018. In addition, in order to address issues facing many small- and mid-sized enterprises, the Bank enhanced its support system by facilitating collaboration with external partners in business succession and M&A.

As part of initiatives for individual customers, we added 13 new investment trust products to support stable asset formation by customers and started handling new personal pension insurance products to respond to the needs of customers in an aging society. In the area of digitalization,

the Bank increased the convenience of non-face-to-face channels by launching "Shimizu Bank Application" in October 2018 and adding asset management application "Issho Tsucho by Moneytree" in cooperation with Moneytree KK in December 2018.

As part of efforts toward community formation, the Bank enhanced external collaboration aimed at responding to various human resources-related needs of customers in communities amid a deteriorating labor shortage. With regards to Shimizu Regional Revitalization Private Placement Bond, which the Bank started offering to provide stable financing options and facilitating the growth of local communities, the cumulative number of bonds issued as of the end of June 2019 reached 107, with the cumulative amount issued at ¥8.2 billion.

In September 2018, we transitioned the Umedamachi branch to a newly built office, and moved the Midorigaoka and Yabe branches inside the new Umedamachi branch. At new branches, in order to meet the diversifying needs of customers, we have strengthened the consulting functions, such as by increasing the number of advice booths and meeting rooms.

In addition, the Bank developed and released the "Shimizu Bank SDGs Declaration," a guiding principle in the Reiwa era, in April 2019. We support the concept of SDGs that aim for sustainable society and will accelerate our ongoing activities.

Under this effort, we will provide service and solution meeting customer's demands.

Also, we will maintain a keen awareness of compliance and work to further strengthen governance to increase corporate value.

In order to continue to grow up with the community and our customers, we will bring all members of the Shimizu Bank Group together and demonstrate the significance of our existence.

We humbly and sincerely request your continued support and warm patronage.

July 2019



K. Toyoshima

Katsuichiro Toyoshima  
President

## ADVANCE AS ONE

**Toward the realization of sustainable growth together  
with our community and customers**

- Amid the many changes taking place around us, we will achieve our vision of demonstrate the significance of our existence and remain a bank that is needed by the community, by honing our close relationships with the community and our customers and bringing all members of the Shimizu Bank Group together to Advance As One.
- This 26th medium-term business plan covers an important four-year period ahead of the 90th and 100th anniversaries of our foundation, during which time we will implement priority measures based on our basic policies of "improving financial intermediary functionality," "increasing productivity," "securing our business base," and "creating more dynamic human resources" in order to realize a benevolent cycle toward a future that gives each and every employee a sense of satisfaction.

Vision	Demonstrate the significance of our existence			
Period of plan	April 1, 2016 to March 31, 2020 (4 years)			
Basic policies	Improving financial intermediary functionality	Increasing productivity	Securing our business base	Creating more dynamic human resources
Target figures	① Core operational net profit ¥ <b>4</b> billion or more ② Core OHR <b>70%</b> level Cost as a proportion of core operational gross profit			
	③ Total loans to small to medium-sized companies ¥ <b>880</b> billion or more ④ Total personal deposits ¥ <b>1</b> trillion or more			





## Strengthening support for overseas expansion

In July 2017, the Bank opened its first-ever overseas branch, the Bangkok Representative Office, in Thailand. In addition, in February 2018, we concluded a business cooperation agreement with the Bangkok Bank, one of Thailand's major commercial private-sector banks, strengthening our structure for supporting customers in their expansion overseas.

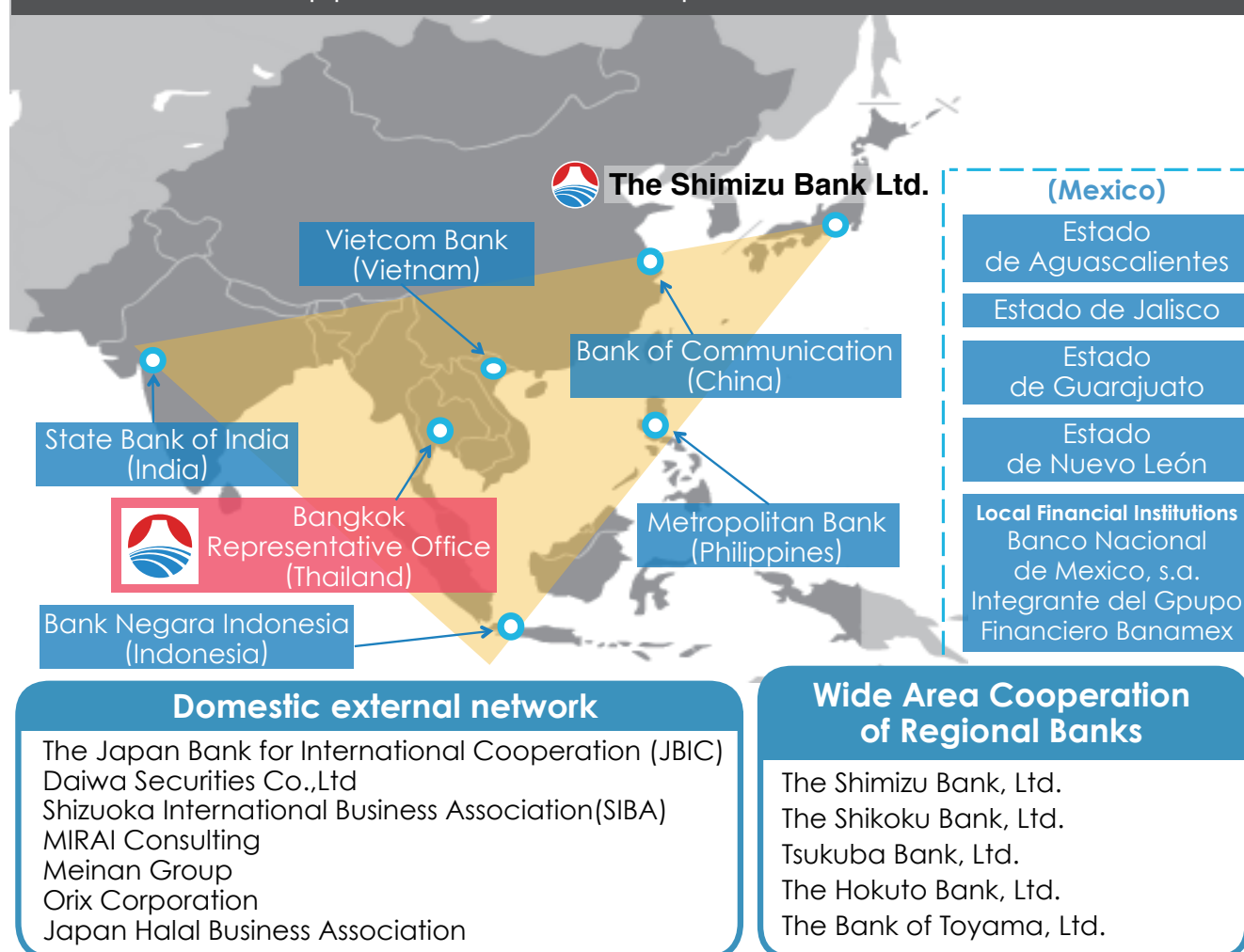
In May 2018, we held a Thailand-Japan business matching forum for customers operating in Thailand, in partnership with 18 local banks maintaining bases in Thailand. In addition to holding seminars, the forum hosted information sharing and business matching sessions where approximately 600 customers of financial institutions participated.

In October, the Bank issued its first standby L/C (Letter of Credit) after alliance with the Bangkok Bank, supporting our customers for local-currency denominated financing.

We will continue to support the growth of customers expanding overseas through such measures as expanding our overseas network.



### Network of support for overseas expansion







## Mt. Fuji and The Shimizu Bank

Mt. Fuji is the highest mountain in Japan, located on the border of Shizuoka prefecture, and is widely known as a symbol of Japan, at home and abroad, for its elegant appearance.

We have published a calendar about Mt. Fuji every year since 1969 and have been using a corporate logo since 1974 whose design includes images of Mt. Fuji and Gulf of Suruga.

In June of 2013, Mt. Fuji was registered as a World Heritage Site.

In line with the growing recognition of Mt. Fuji across the world, we intend to further strengthen "demonstrate the significance of our existence" for individual customers.



All Photos of Mt. Fuji by Shizuoka Prefecture Tourism Association

# Summary of Business

## Consolidated Results

Ordinary revenue increased by ¥1,037 million year on year to ¥28.675 billion, attributed primarily to an increase in trading income. Operating expenses increased by ¥762 million year on year due chiefly to an increase in credit expenses, to ¥25.054 billion. As a result, ordinary profit increased by ¥275 million year on year to ¥3.620 billion.

In terms of deposits, we worked to expand our business base, which has close ties to the region, and as a result, total deposits increased by ¥39.7 billion from the end of the previous fiscal year, to ¥1,386.3 billion.

In personal deposit assets, we strove to meet diversifying customer needs, as a result of which personal deposits and personal pension insurance rose by ¥38.7 billion over the end of the previous fiscal year, to ¥1,154.5 billion.

Loans rose by ¥30.3 billion from the end of the previous fiscal year to ¥1,122.4 billion, as a result of responding proactively, as a regional financial institution, to demand from customers for funding.

Securities decreased by ¥7.6 billion over the end of the previous fiscal year, to ¥300.1 billion, the result of focusing on market fluctuations while taking a flexible approach to management.

(Millions of Yen)

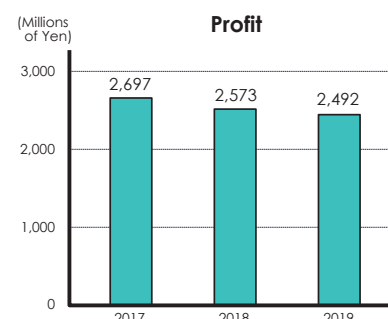
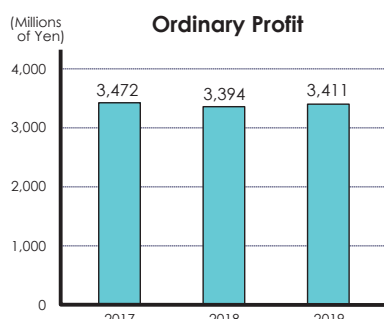
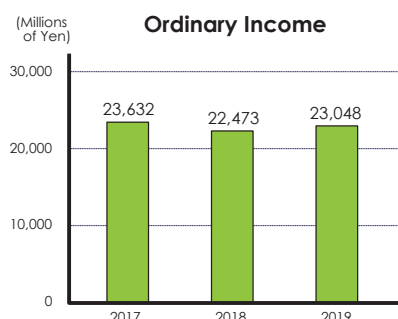
Consolidated Five-years Summary	2015	2016	2017	2018	2019
Ordinary Income	¥29,070	¥29,539	¥28,760	¥27,637	<b>¥28,675</b>
Ordinary Profit	4,615	4,989	3,948	3,345	<b>3,620</b>
Profit Attributable to Owners of The Parent	3,400	3,299	2,978	2,332	<b>2,521</b>
Comprehensive Income	7,463	372	1,684	2,509	<b>1,958</b>
Total Net Assets	80,717	80,528	81,659	83,602	<b>89,173</b>
Total Assets	1,591,910	1,483,918	1,590,062	1,510,013	<b>1,656,759</b>
Net Assets per Share in Yen	8,329.77	8,302.98	8,408.00	8,629.71	<b>7,584.31</b>
Net Income per Share in Yen	356.45	345.92	312.29	244.52	<b>225.83</b>
Consolidated Capital Adequacy Ratio (based on domestic standards)	10.82%	10.75%	10.60%	10.30%	<b>9.41%</b>
Number of Employees	1,103	1,071	1,044	1,027	<b>1,006</b>

## Non-Consolidated Results

Ordinary revenue increased by ¥574 million year on year to ¥23.048 billion, due primarily to an increase in trading income. Operating expenses increased by ¥557 million year on year due chiefly to an increase in credit expenses, to ¥19.636 billion. As a result, ordinary profit increased by ¥17 million year on year to ¥3.411 billion.

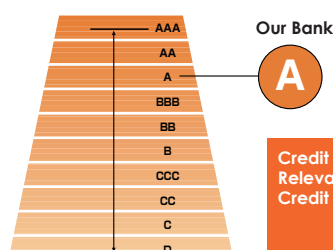
(Millions of Yen)

Non-Consolidated Five-years Summary	2015	2016	2017	2018	2019
Ordinary Income	¥24,459	¥24,650	¥23,632	¥22,473	<b>¥23,048</b>
Ordinary Profit	4,464	4,662	3,472	3,394	<b>3,411</b>
Profit	2,527	3,210	2,697	2,573	<b>2,492</b>
Capital Stock	8,670	8,670	8,670	8,670	<b>10,816</b>
Number of Shares Issued in Thousand Yen	9,600	9,600	9,600	9,600	<b>11,641</b>
Total Net Assets	77,161	77,857	78,289	80,159	<b>85,524</b>
Total Assets	1,584,920	1,477,336	1,581,427	1,499,276	<b>1,646,792</b>
Deposits	1,404,405	1,353,887	1,373,814	1,350,623	<b>1,390,359</b>
Loans and Bills Discounted	1,050,470	1,070,463	1,073,777	1,097,004	<b>1,129,123</b>
Securities	318,442	254,296	253,973	308,102	<b>300,501</b>
Net Assets Per Share in Yen	8,089.85	8,161.97	8,205.68	8,398.51	<b>7,380.63</b>
Dividends per Share in Yen	60	60	60	60	<b>65</b>
Dividends per Share at mid-term in Yen	30	30	30	30	<b>35</b>
Net Income per Share in Yen	264.99	336.65	282.87	269.79	<b>223.23</b>
Dividends Payment ratio	22.64%	17.82%	21.21%	22.23%	<b>29.11%</b>
Non-Consolidated Capital Adequacy Ratio (based on domestic standards)	10.49%	10.43%	10.30%	10.06%	<b>9.14%</b>
Number of Employees	999	974	951	942	<b>914</b>



## Credit Rating

Credit rating is assigned to debts as follows: Concerning the relevant debt, a credit rating agency, which is a fair and disinterested third party, rates the certainty of payment of its principals and interest on a contractual basis, and such rating is represented using a simple code.



Credit Rating : A  
 Relevant Debt : long-term Preferred Debt  
 Credit Rating Agency :  
 Japan Credit Rating Agency, Ltd.  
 (As of March, 2019)



# Corporate Governance Structure

## Fundamental approach to corporate governance

At a time when companies are required to enhance corporate governance, the Shimizu Bank believes its mission is to perform business management fairly through delivering increased transparency to shareholders and customers.

To this end, it is necessary for us to bolster the functions of the Board of Directors, realize swift decision-making and develop a framework to strictly monitor the business management execution.

### 1) Outline of our corporate governance system

The Shimizu Bank, using the corporate auditor system, has in place the Board of Auditors comprising four Corporate Auditors (including two Outside Corporate Auditors). The Board of Auditors appropriately audits the business execution by Directors and provides an enhanced function to check our business administration.

The Board of Directors, being composed of 11 Directors including three Outside Directors (part-time), determines significant operational strategies in light of our business philosophy. We elected Outside Directors in order to fully utilize the function for external professionals to supervise business execution by Directors.

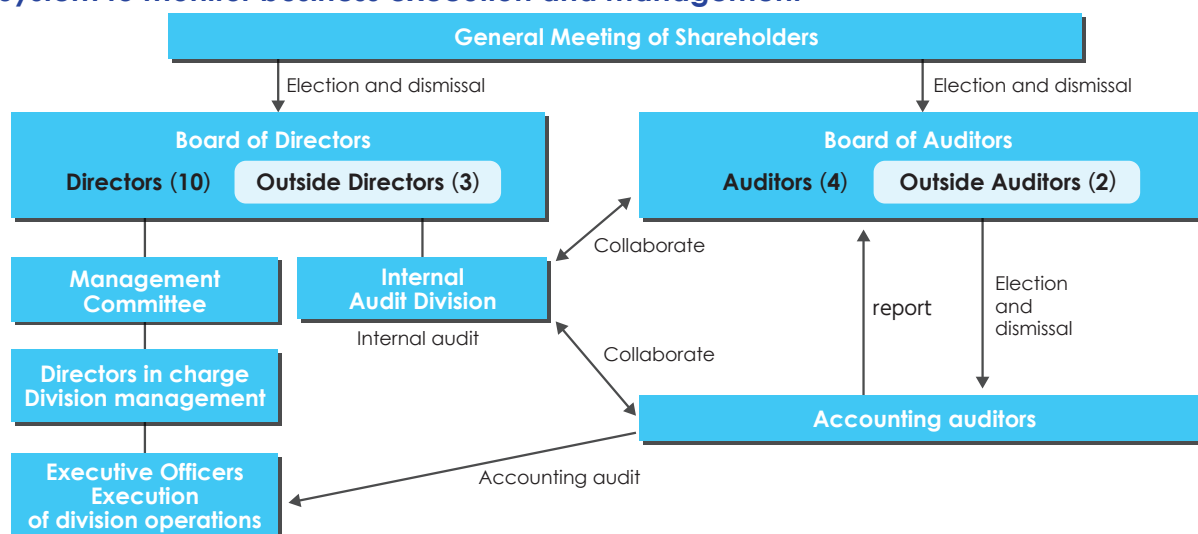
The Board of Auditors consists of four Corporate Auditors, including two Outside Corporate Auditors (part-time). To enhance the functions of Corporate Auditors, we elected fair and highly specialized Outside Corporate Auditors.

We designated three Outside Directors (part-time) and two Outside Corporate Auditors (part-time) as "Independent Directors" under the Securities Listing Regulations of the Tokyo Stock Exchange (Outside Directors and Outside Corporate Auditors who are unlikely to experience any conflict of interest with ordinary shareholders).

The Shimizu Bank has in place three categories of management meeting, namely, Ordinary Management Meeting, Expanded Management Meeting and Project Meeting. These serve as consultation bodies designed to have operations executed nimbly and with a mutual restraint function. An Ordinary Management Meeting is held daily, in principle, to bolster governance and expedite decision-making. To deliberate and resolve more rigorously, an Expanded Management Meeting is held twice-monthly, in principle, under specified themes such as: 1) loan screening aimed at reinforcing credit risk control; 2) revenue management for controlling revenue and examining revenue improvement measures; 3) risk management intended to oversee various risks comprehensively; 4) compliance control designed to ensure strict compliance with laws and regulations and check and give guidance on such compliance; 5) system strategies to deliberate on system strategies for operations; 6) financial reporting to determine a financial closing policy; and 7) financial facilitation in which to identify, analyze, assess and verify the status of financial facilitation control targeting small- to medium-sized enterprises. A Project Meeting is allowed to be held any time as a meeting to resolve (deliberate) on a specific subject continuously for a limited period of time, and an Ordinary Management Meeting is supposed to resolve on the subjects and operation for such meeting each time. An Ordinary Management Meeting is chaired by the President and its other members are determined by the Board of Directors, based on a proposal by the Chair. The Chairman attends such meeting as an observer according to the agenda. An Expanded Management Meeting is attended by officers comprising members of an Ordinary Management Meeting as well as employees who are designated separately in subsidiary rules on a subject-by-subject basis. Such meeting is attended by full-time Corporate Auditors as observers. A Project Meeting is attended by officers more or less identical to attendees of an Ordinary Management Meeting. Each Management Meeting is regarded as a body designed to resolve and deliberate at the commission of the Board of Directors, so minutes are created on the resolutions before being reported to the Board.

The ALM Earnings Management Committee, established as a body to comprehensively manage assets and liabilities and be involved in the formulation of strategic goals, seeks to bolster the framework for earnings management and asset liability management (ALM).

### System to monitor business execution and management





## 2) State of development of internal control system

In addition to prescribing the following Basic Policy on Internal Control System, the Bank strives to develop its internal control system.

- a. System to ensure that duty execution by Directors and employees adheres to laws and regulations as well as the Articles of Incorporation
  - Establish the Compliance Manual to specify laws, regulations and rules that directors and employees must observe
  - Install a business unit charged with supervising compliance and strive to develop the compliance framework of the Bank and the Shimizu Bank Group as a whole and ascertain compliance issues. Hold an Expanded Management Meeting monthly on the theme of compliance as a meeting chaired by the President and attended by our corporate lawyer
  - Install compliance managers and administrators at the headquarters and branches; they are to verify the conformity of routine operations to laws. Establish the Compliance Reporting Scheme to prevent any violation from occurring with respect to the user of this reporting scheme, management will not take any action detrimental to the reporting officer such as a disciplinary action and employee evaluation downgrade on account of the reporting.
  - The Awards and Discipline Committee takes a penalty action against an employee for a violation of laws, regulations or the Articles of Incorporation. As for a violation by a Director of laws, regulations or the Articles of Incorporation, the Management Committee investigates the violation pursuant to the Director Compliance Rules, following which a Board of Directors meeting resolves to take specific action.
  - The Bank will battle determinedly against what are generally referred to in Japan as "anti-social forces" and anti-community groups that threaten order and security in local communities, and will not provide any benefit to such entities.
- b. System for the storage and management of information on duty execution by Directors
  - We store and manage information on duty execution by Directors such as minutes of Board of Directors meetings and ringi approval letters in an appropriate manner pursuant to internal rules
- c. Regulations and other systems for management of risk of loss
  - To perform risk management appropriately, we establish the Integrated Risk Management Provisions before designating departments in charge on a category-by-category basis, thereby building a system to manage various types of risks.
  - We also install a department charged with performing risk supervision for the entire Bank. This department is to report on the state of various risks to the Board of Directors and the Management Committee, as required.
  - In addition to establishing the Business Continuity Regulations for us to continue operations appropriately in an emergency, we will respond swiftly and adequately, thus developing a system capable of minimizing effects on our business activities.
- d. System to ensure that Directors execute their duties efficiently
  - Directors are to execute their duties according to the Organization Regulations and the Job Authority Regulations. The Bank has the Management Committee in place as a body to deliberate and resolve within the scope assigned to it by the Board of Directors, and this committee is to expedite decision-making for business execution.
  - The personnel are to report to the Board of Directors on the state of progress for any matter resolved by the Board of Directors every three months, thereby managing and ascertaining the progress until completion.
- e. System to secure the appropriateness of operations at the corporate group comprising the Bank and its subsidiaries
  - We strive to secure the appropriateness of our operations with respect to compliance at the Shimizu Bank Group companies and adequate reporting to the Bank, as well as the efficiency of our risk management and duty execution. To this end, we install a supervision department to be charged with operating and managing the Shimizu Bank Group companies. Moreover, we establish the Shimizu Bank Group Operation and Management Regulations. Our group companies are to submit reports to the Bank and consult with it according to the List of Matters for Consultation and Reporting by Group Companies.
  - The Bank's personnel are to visit our group companies and audit them, as required.
  - The Bank and its group companies are to comply with accounting standards and other relevant laws and regulations, and develop a system to secure the trustworthiness of their financial reporting.
- f. Matters on the employees required by Corporate Auditors to be installed as assistant for the Corporate Auditors' duties
  - The Bank installs at least one employee in the charge of the Board of Auditors as an assistant for their duties.
- g. Matters on the independence of the employees set forth in the preceding item from Directors and on the securement of effectiveness of Corporate Auditor's instructions to the employees
  - The opinion of the Board of Auditors is to be respected for a personnel change and evaluation involving an employee in the charge of the Board of Auditors.
- h. System for Directors and employees to report to Corporate Auditors and other system for reporting to Corporate Auditors
  - The Directors of the Bank and its group companies are to report without delay to Corporate Auditors on any significant matter that affects, or may affect, the Bank's operations or financial results. The employees of the Bank and its group companies are to report on such matter through a control department and by way of a Director in charge and a group company Director. The Directors and employees of the Bank and its group companies must provide cooperation if asked by a Corporate Auditor to report on operations.
  - Management must not take any action detrimental to the reporting officer such as a disciplinary action and employee evaluation downgrade on account of the above-mentioned reporting.
- i. Other system to ensure that Corporate Auditors' audit is conducted effectively
  - The President strives to foster mutual awareness by exchanging opinions regularly on challenges the Bank must address and the state of environmental development for audits by Corporate Auditors as well as significant audit-related issues.
- j. Matters on the policy to process expenses or liabilities to be incurred due to the execution of Corporate Auditor duties such as the procedure to make an advance payment for, or refund of, expenses to be incurred due to the performance of Corporate Auditor duties, among others
  - If requested by a Corporate Auditor for an advance payment or a refund of expenses required due to the execution of his/her duties, the Bank will promptly process such expenses or liability.

# Compliance System

At the Shimizu Bank group, our awareness of our social responsibility and public duties has led us to make compliance a top priority, building an effective compliance system that will help us earn the trust of our customers and the local communities we share.

Our management in particular is actively engaged in compliance issues and is working with executives and employees of all of the companies in our group to foster awareness on these issue and create a corporate culture in which "compliance is the foundation for everything."

## Establishing a framework for compliance

For through compliance, the Shimizu Bank has created a "Legal and Regulatory Compliance Policy" as our basic policy for compliance in keeping with our management policy. This Compliance Policy is widely disseminated across the Shimizu Bank group.

At monthly expanded management meetings, members of bank management including the president meet with outside corporate lawyers to discuss matters concerning compliance.

In addition, we have established the Legal Office within the Corporate Administration Division to supervise compliance and entrusted that office with centralized control of information pertaining to compliance issues and providing guidance on the laws and regulations officers and employees must observe.

Furthermore, we have assigned individuals to be in charge of compliance at each division and branch to facilitate coordination with the office that oversees compliance (the Legal Office) and exhaustively enforce observance of laws and regulations. The Shimizu Bank also assigns regional compliance supervisor and the like in order to properly address compliance issues in relevant divisions.

## Corporate culture attaching importance to compliance

The Bank formulated the Compliance Manual which illustrates the Ethics Charter and laws and regulations required to be observed and which specifically outlines how to deal with any illegal act discovered. Each time laws or regulations are amended, the provisions of the Compliance Manual are revised with the approval of the Board of Directors. We ensure that the Compliance Manual is adhered to in the Bank by organizing training and in-branch learning programs.

This manual, in electronic format, is allowed to be viewed by any employee via a PC at all times. Thus, we seek to foster compliance awareness in the organization while striving to cause specific actions to be taken.

Each fiscal year, we formulate the Compliance Program, a specific action plan aimed at securing the state of compliance in the Bank. Thus, we engage in effective monitoring activities while developing a compliance framework.

Specifically, based on our training programs, all Shimizu Bank employees take e-learning-based compliance study and testing courses, among other efforts to grasp rules including various laws and regulations.

The results of such courses are analyzed by the Compliance Supervisory Department before being reported to the Expanded Management Meeting. Then, the personnel discuss measures such as those for preventing any violation of laws and regulations and stopping their recurrence before reflecting such measures in our business execution, in a move to further bolster our compliance system.

The Shimizu Bank Group has in place the Compliance Reporting Scheme, a system in which to report any issue or problem detected. We secured neutrality for the system by arranging for the General Manager of the Legal Office at the Corporate Administration Division and our corporate lawyers to serve as reporting desks. Moreover, we built a platform to prevent any user of this reporting scheme from being subjected to detrimental treatment on account of the reporting, thereby striving to avert misconduct and fraud.

## Charter of Ethics

### 1. Establishing trust

In order to maintain the structure of credit and to smooth financial processes in the regions, while remaining aware of the social responsibility of banks and the gravity of their public mission, we will conduct business in a sound and appropriate manner, with the goal of establishing unshakable trust.

### 2. Contributing to the economy and to society by providing high-quality services

In addition to the function of providing infrastructure to support economic activity that we have fulfilled from the beginning, we contribute to the economy and to society, both in Japan and overseas, by providing high-quality financial services that respond to the needs of users.

### 3. Compliance with laws, regulations and rules

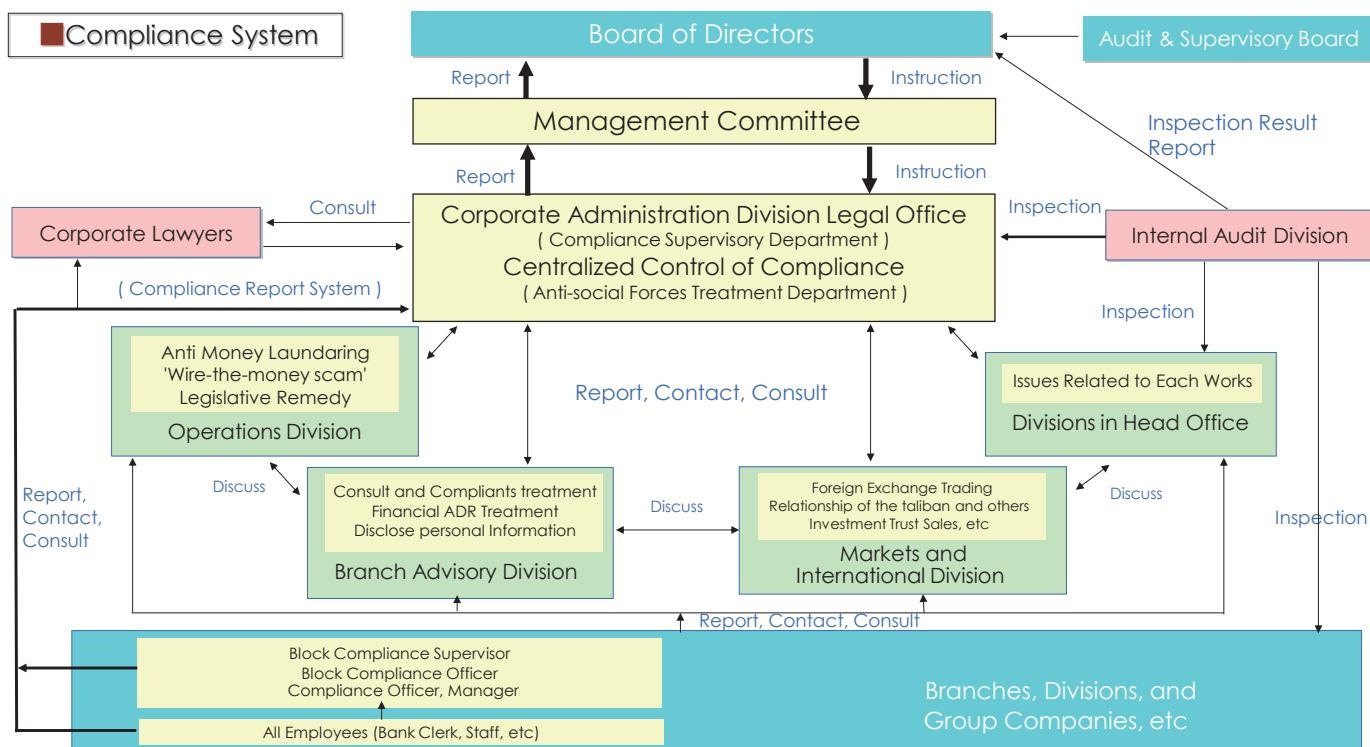
We comply with laws and regulations as well as with internal rules in the course of executing our business. We respect social rules, perform corporate activities with conscientiousness, integrity and fairness.

### 4. Blocking all relationships with anti-social forces

We resolutely reject illegal demands made by antisocial forces of the kind that threaten the safety and order of society, and will eliminate any and all relationships with them.

### 5. Proactive communication

In order to obtain wide-ranging understanding and trust from society at large, we will proactively and fairly disclose business information, make every effort to ensure the soundness of business, and strive to establish broad communications between the Bank and society.



#### ● Legal and Regulatory Compliance Policy

##### **Bolster Readiness for Legal and Regulatory Compliance**

Regarding the observance of laws and regulations, which the Shimizu Bank and its group companies have already recognized as a top priority, we will continue to foster awareness of compliance and instill it in all executives and employees at all of our group companies to make sure that they all understand it and get into the habit of applying it.

##### **Preventing Legal and Regulatory Violations**

We have taken action to prevent legal and regulatory violations by forming a corporate culture which allows us to detect weaknesses and problem areas in our efforts toward legal and regulatory compliance, reflect on past conduct, and make improvements in those areas promptly.

#### **Systems Targeting Anti-social Forces**

Due to their public nature and critical economic function, banks are required to exclude anti-social forces from financial transactions. For this reason, the Shimizu Bank has created a basic policy that we will stand firmly against anti-social forces which pose a threat to the order and safety of civic life, and will not provide any favors to such forces. In addition, at the Shimizu Bank we have given the Corporate Administration Division the task of collecting, analyzing, and centrally managing information pertaining to anti-social forces, and have established a system whereby the bank systematically addresses such issues and excludes anti-social forces from business transactions in cooperation with external special agencies including law enforcement and the national and prefectural centers for the elimination of boryokudan (violent crime syndicates).

Furthermore, in order to make it clear that we exclude anti-social forces from our business, we have also introduced clauses regarding the exclusion of "boryokudan" crime syndicates in basic loan agreements and in our rules concerning deposits and other services. We require all customers to comply with an agreement by which they express and affirm that they are not associated with any anti-social forces.



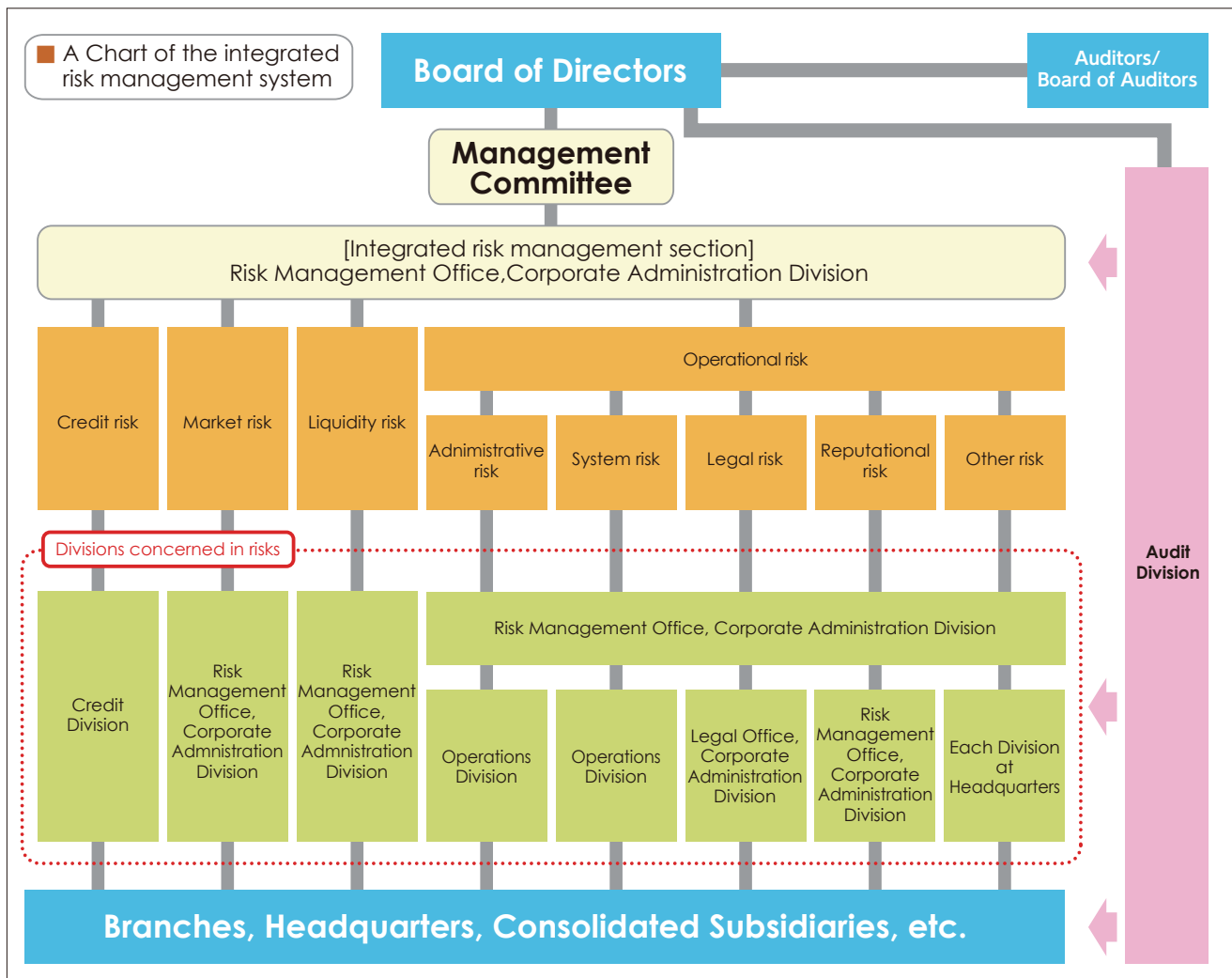
# Risk Management System

Because of changes in the surrounding environment of the financial institutions, the risks banks face are increasingly diverse and have become complex. As financial institutions have the responsibility to safely and effectively manage the deposits they receive from customers, it is increasingly important to upgrade the risk control system, which is used to properly control various risks according to their characteristics.

The Shimizu Bank is fully aware of the significance of risk management and endeavors to strengthen our risk management system.

## Risk Management System

The Shimizu Bank stipulated the "Integrated risk management provisions" as basic provisions on risk management, and established a risk management system, in which the Board of Directors plays the central role. Based on the provisions, the Shimizu Bank draws up "Risk Management Regulations" and "Risk Management Procedures" according to various risk categories which prescribe the specific management methods, etc., as well as reporting to the Board of Directors and the Management Committee. The Shimizu Bank formulates its risk management plan every fiscal year to control risks effectively, and identifies, analyzes and assesses risks based on these plans.



## Integrated Risk Management

From the perspective of enhancing soundness in management, the Shimizu Bank comprehensively identifies major risks that the bank faces, compares them with our corporate strength (equity capital), then establishes a self-controlling type risk management environment, as well as addressing the tasks of enhancing risk management so as to maintain a proper risk management environment.

### Credit risk management

The Shimizu Bank collectively administers loans and bills discounted, assets with a credit risk, and off-balance sheet assets, managing credit risk of the Bank itself and its consolidated subsidiaries.

Our screening system is composed of two sections, Sales Promotion and Screening, in order to maintain and improve the soundness of loan assets. In addition, the Bank strictly manages credits above a certain level by screening and passing a resolution for financing policy at the Management Meeting, which consists of the Executives.

Moreover, the Bank defined its credit policy (the basic code of conduct for financing) to clarify the bank's basic action guidance in the loan business, and thoroughly enforces it among our bank clerks, so as to maintain and improve the level of our bank clerks' observation of the financing rules.

A credit rating system was introduced to measure the credit risk of borrowers with a unified standard, and it is utilized to set lending rate guidelines according to creditworthiness. Furthermore, in terms of credit management, the Bank endeavors to manage appropriate portfolios, to disperse risks, and to ensure stable profits by measuring risk quantities with the credit rating system, etc. and acknowledging the status of loan concentration in specific business types, etc.

### Market risk management

The Shimizu Bank manages market risk to securely earn stable profits through market transactions. The Bank has installed both a front office and back office in the Markets and International Division, as well as a middle office in the Risk Management Office of the Corporate Administration Division, which is the Department concerned with risk, thus establishing a system of mutual checks and balances.

The status of measured risks is reported at the Board of Directors and Management Meeting so that the Executives can accurately acknowledge and appropriately make decisions on the market risks.

### Liquidity risk management

The Shimizu Bank manages funds daily, weekly, and monthly at the Markets and International Division, which is a fund raising management section, while the Risk Management Office of the Corporate Administration Division, which is the department concerned with risk, manages the risks.

In addition, as a preparation for contingencies, the Bank set two phases of emergencies and prepares to secure financing methods according to respective situations.

### Operational risk management

The Shimizu Bank recognizes administrative risk, system risk, legal risk, reputational risk, and other risks as operational risk; endeavors to prevent such risks from becoming tangible; and minimizes the impacts caused by such risks when they become apparent.

Regarding administrative risk, for the purpose of establishing a routine of impartial and swift office work, the Bank has been improving the quality of office work through the creation of various rules on office work, implementation of training programs, and centralization at the headquarters of the branch office work.

In relation to system risk management, the Bank uses as its core banking system "PROBANK-R2" created by Fujitsu Ltd. We established a backup center for "PROBANK-R2", reinforcing security against disasters (like the Tokai earthquake), whose occurrence is a concern. Moreover, the Internal Audit Division audits the computing systems and programs regularly, auditing system development and the administrative status of system operations, and verifying the effectiveness of risk management.

The legal risk is the risk in which the Bank suffers losses by violating laws and regulations, etc. The Shimizu Bank places the observance of laws and regulations, etc. as its priority issue in management to avoid the occurrence of the legal risk, and vigorously addresses actions to strengthen our preparedness to further observe laws and regulations.

Reputational risk is the risk suffered from unexpected damages by media coverage, etc. about the entire financial industry and our bank. The Bank takes measures, such as establishing rules and manuals which prescribe our actions, to prevent circulation of unfounded rumors and to respond to them.

The Bank has also established internal control systems to appropriately manage other operational risk, respectively.

In order to be ready for emergency events such as natural disasters, and to continue or swiftly restore our essential business in order to provide stable financial function to our customers, the Shimizu Bank established an action plan that assumes the outbreak of a state of emergency, and has built a business continuity management based on this plan.

### ALM System

The Shimizu Bank regularly holds Management Meetings, which mainly consist of Executives, and the ALM Earnings Management Committee which in turn consists of General Managers, to examine proper assets and liability structures, etc. based on the financial and economic environment and forecasts of future interest rates, etc., so that the bank can fully exert the functions of ALM, with the goal to maximize profits while managing assets and liabilities in an integral manner balanced with adequate risks.

# Corporate Data

## Consolidated Balance Sheet

	(Millions of Yen)	(Millions of Yen)	(Thousands of U.S.Dollars)
	March 31,2018	March 31,2019	March 31,2019
<b>Assets</b>			
Cash and Due from Banks	¥60,662	¥180,742	US\$1,628,459
Trading Account Securities	457	636	5,734
Money Held in Trust	1,200	1,100	9,910
Securities	307,776	300,142	2,704,227
Loans and Bills Discounted	1,092,046	1,122,404	10,112,662
Foreign Exchanges	833	1,910	17,216
Lease Receivables and Investment Assets	11,074	11,876	107,005
Other Assets	18,348	19,503	175,724
Tangible Fixed Assets	19,061	18,372	165,529
Buildings, Net	8,344	8,001	72,088
Land	9,267	9,113	82,114
Leased Assets, Net	15	9	89
Construction in Progress	67	31	282
Other Tangible Fixed Assets	1,365	1,215	10,953
Intangible Fixed Assets	960	751	6,773
Software	688	542	4,886
Lease Assets	80	59	537
Other Intangible Fixed Assets	191	149	1,350
Deferred Tax Assets	1,803	1,513	13,634
Customers' Liabilities for Acceptances and Guarantees	2,671	3,051	27,493
Allowance for Loan Losses	(6,885)	(5,246)	(47,268)
<b>Total Assets</b>	¥1,510,013	¥1,656,759	US\$14,927,104

	(Millions of Yen)	(Millions of Yen)	(Thousands of U.S.Dollars)
	March 31,2018	March 31,2019	March 31,2019
<b>Liabilities</b>			
Deposits	¥1,346,641	¥1,386,348	US\$12,490,748
Negotiable Certificates of Deposit	-	65,220	587,620
Payables under-Securities Lending transactions	-	37,453	337,451
Borrowed Money	58,471	67,630	609,337
Foreign Exchanges	42	2	25
Bonds Payable	10,000	-	-
Other Liabilities	7,088	6,501	58,574
Provision for Bonuses	490	475	4,281
Net Defined Benefit Liability	869	765	6,893
Provision for Directors' Retirement Benefits	63	63	568
Provision for Reimbursement of Deposits	36	43	389
Deferred Tax Liabilities	35	31	283
Acceptances and Guarantees	2,671	3,051	27,493
<b>Total Liabilities</b>	1,426,410	1,567,585	14,123,668
<b>Net Assets</b>			
Capital Stock	8,670	10,816	97,452
Capital Surplus	5,514	7,659	69,011
Retained Earnings	65,368	67,198	605,445
Treasury Shares	(283)	(284)	(2,562)
Total Shareholders' Equity	79,270	85,389	769,347
Valuation Difference on Available-for-Sale Securities	3,352	2,605	23,477
Deferred Gains or Losses on Hedges	18	6	60
Remeasurements of Defined Benefit Plans	(319)	(177)	(1,594)
Total Accumulated Other Comprehensive Income	3,052	2,435	21,943
Subscription Rights to Shares	42	58	523
Non-Controlling Interests	1,237	1,289	11,621
<b>Total Net Assets</b>	83,602	89,173	803,435
<b>Total Liabilities and Net Assets</b>	¥1,510,013	¥1,656,759	US\$14,927,104

## Notes

1. The Japanese yen figures are rounded down to the nearest one million yen in this financial report.
2. Figures stated in U.S.dollars are translated solely for convenience at the rate of ¥110.99 per U.S.\$1, the approximate rate of exchange prevailing on March 29,2019.



## Consolidated Statement of Income

	(Millions of Yen)	(Millions of Yen)	(Thousands of U.S.Dollars)
	Years ended March 31, 2018	Years ended March 31, 2019	Years ended March 31, 2019
<b>Ordinary Income</b>	<b>¥27,637</b>	<b>¥28,675</b>	<b>US\$258,356</b>
Interest Income	15,959	15,477	139,452
Interest on Loans and Discounts	11,843	11,777	106,114
Interest and Dividends on Securities	4,018	3,602	32,459
Interest on Call Loans	1	1	14
Interest on Deposits with Banks	83	83	753
Other Interest Income	11	12	109
Fees and Commissions	9,233	9,719	87,567
Other Ordinary Income	1,093	1,155	10,411
Other Income	1,350	2,322	20,925
Allowance for Loan Losses	-	416	3,753
Other Income	1,350	1,905	17,172
<b>Ordinary Expenses</b>	<b>24,291</b>	<b>25,054</b>	<b>225,734</b>
Interest Expenses	612	658	5,929
Interest on Deposits	388	394	3,558
Interest on Negotiable Certificates of Deposit	0	3	29
Interest on Call Money	37	(15)	(143)
Interest on Payables Under Securities Lending Transactions	49	192	1,736
Interest on Borrowings and Rediscounts	38	36	325
Interest on Bonds	88	37	338
Other Interest Expenses	10	9	85
Fees and Commissions Payments	5,365	5,739	51,713
Other Operating Expenses	1,465	1,472	13,269
General and Administrative Expenses	16,194	16,108	145,138
Other Expenses	654	1,074	9,683
Provision of Allowance for Loan Losses	406	-	-
Others	247	1,074	9,683
<b>Ordinary Profit</b>	<b>3,345</b>	<b>3,620</b>	<b>32,622</b>
<b>Extraordinary Income</b>	<b>5</b>	<b>23</b>	<b>212</b>
Gain on Disposal of Non-Current Assets	5	23	212
<b>Extraordinary Losses</b>	<b>55</b>	<b>4</b>	<b>36</b>
Loss on Disposal of Non-Current Assets	1	4	36
Impairment Loss	54	-	-
Income Before Income Taxes	3,294	3,640	32,798
Income Taxes - Current	973	625	5,636
Income Taxes - Deferred	(65)	435	3,925
Total Income Taxes	908	1,061	9,562
Profit	2,386	2,579	23,236
Profit Attributable to Non-Controlling Interests	54	58	522
<b>Profit Attributable to Owners of The Parent</b>	<b>¥2,332</b>	<b>¥2,521</b>	<b>US\$22,713</b>

## Consolidated Statement of Comprehensive Income

	(Millions of Yen)	(Millions of Yen)	(Thousands of U.S.Dollars)
	Years ended March 31, 2018	Years ended March 31, 2019	Years ended March 31, 2019
<b>Profit</b>	<b>¥2,386</b>	<b>¥2,579</b>	<b>US\$23,236</b>
<b>Other Comprehensive Income</b>	<b>123</b>	<b>(620)</b>	<b>(5,591)</b>
Valuation Difference on Available-for-Sale Securities	(146)	(750)	(6,765)
Deferred Gains or Losses on Hedges	(9)	(12)	(109)
Remeasurements of Defined Benefit Plans	279	142	1,283
<b>Comprehensive Income</b>	<b>2,509</b>	<b>1,958</b>	<b>17,645</b>
Comprehensive Income Attributable to Owners of The Parent	¥2,458	¥1,904	US\$17,158
Comprehensive Income Attributable to Non-Controlling Interests	51	54	487

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# Consolidated Statement of Changes in Net Assets

Years ended March 31, 2018

(Millions of Yen)

	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Shares	Total Shareholders' Equity
Balance at April 1, 2017	¥8,670	¥5,272	¥63,608	(¥300)	¥77,250
Changes of Items During The Period					
Issuance of New Shares	-	-			-
Dividends of Surplus			(572)		(572)
Profit Attributable to Owners of The Parent			2,332		2,332
Purchase of Treasury Shares				(2)	(2)
Disposal of Treasury Shares		(7)		20	13
Purchase of Shares of Consolidated Subsidiaries		248			248
Net Changes of Items Other Than Shareholders' Equity					
Total Changes of Items During The Period	-	241	1,760	17	2,019
Balance at March 31, 2018	¥8,670	¥5,514	¥65,368	(¥283)	¥79,270

	Accumulated Other Comprehensive Income				Subscription Rights to Shares	Non-Controlling Interests	Total Net Assets
	Valuation Difference on Available-for-Sale Securities	Deferred Gains Or Losses on Hedges	Remeasurements of Defined Benefit Plans	Total Accumulated Other Comprehensive Income			
Balance at April 1, 2017	¥3,496	¥28	(¥598)	¥2,926	¥41	¥1,440	¥81,659
Changes of Items During The Period							
Issuance of New Shares							-
Dividends of Surplus							(572)
Profit Attributable to Owners of The Parent							2,332
Purchase of Treasury Shares							(2)
Disposal of Treasury Shares							13
Purchase of Shares of Consolidated Subsidiaries							248
Net Changes of Items Other Than Shareholders' Equity	(143)	(9)	279	125	1	(202)	(75)
Total Changes of Items During The Period	(143)	(9)	279	125	1	(202)	1,943
Balance at March 31, 2018	¥3,352	¥18	(¥319)	¥3,052	¥42	¥1,237	¥83,602

Years ended March 31, 2019

(Millions of Yen)

	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Shares	Total Shareholders' Equity
Balance at April 1, 2018	¥8,670	¥5,514	¥65,368	(¥283)	¥79,270
Changes of Items During The Period					
Issuance of New Shares	2,145	2,145			4,291
Dividends of Surplus			(691)		(691)
Profit Attributable to Owners of The Parent			2,521		2,521
Purchase of Treasury Shares				(1)	(1)
Disposal of Treasury Shares		(0)		0	0
Purchase of Shares of Consolidated Subsidiaries		-			-
Net Changes of Items Other Than Shareholders' Equity					
Total Changes of Items During The Period	2,145	2,145	1,829	(1)	6,119
Balance at March 31, 2019	¥10,816	¥7,659	¥67,198	(¥284)	¥85,389

	Accumulated Other Comprehensive Income				Subscription Rights to Shares	Non-Controlling Interests	Total Net Assets
	Valuation Difference on Available-for-Sale Securities	Deferred Gains Or Losses on Hedges	Remeasurements of Defined Benefit Plans	Total Accumulated Other Comprehensive Income			
Balance at April 1, 2018	¥3,352	¥18	(¥319)	¥3,052	¥42	¥1,237	¥83,602
Changes of Items During The Period							
Issuance of New Shares							4,291
Dividends of Surplus							(691)
Profit Attributable to Owners of The Parent							2,521
Purchase of Treasury Shares							(1)
Disposal of Treasury Shares							0
Purchase of Shares of Consolidated Subsidiaries							-
Net Changes of Items Other Than Shareholders' Equity	(746)	(12)	142	(616)	15	52	(549)
Total Changes of Items During The Period	(746)	(12)	142	(616)	15	52	5,570
Balance at March 31, 2019	¥2,605	¥6	(¥177)	¥2,435	¥58	¥1,289	¥89,173

## Notes

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# Consolidated Statement of Changes in Net Assets

Years ended March 31, 2019

(Thousands of U.S.Dollars)

	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Shares	Total Shareholders' Equity
Balance at April 1, 2018	US\$78,119	US\$49,680	US\$588,961	(US\$2,551)	US\$714,209
Changes of Items During The Period					
Issuance of New Shares	19,332	19,332			38,665
Dividends of Surplus			(6,230)		(6,230)
Profit Attributable to Owners of The Parent			22,713		22,713
Purchase of Treasury Shares				(13)	(13)
Disposal of Treasury Shares		(1)		2	1
Purchase of Shares of Consolidated Subsidiaries		-			-
Net Changes of Items Other Than Shareholders' Equity					
Total Changes of Items During The Period	19,332	19,331	16,483	(10)	55,137
Balance at March 31, 2019	US\$97,452	US\$69,011	US\$605,445	(US\$2,562)	US\$769,347

	Accumulated Other Comprehensive Income				Subscription Rights to Shares	Non-Controlling Interests	Total Net Assets
	Valuation Difference on Available-for-Sale Securities	Deferred Gains Or Losses on Hedges	Remeasurements of Defined Benefit Plans	Total Accumulated Other Comprehensive Income			
Balance at April 1, 2018	US\$30,207	US\$170	(US\$2,878)	US\$27,498	US\$386	US\$11,152	US\$753,247
Changes of Items During The Period							
Issuance of New Shares							38,665
Dividends of Surplus							(6,230)
Profit Attributable to Owners of The Parent							22,713
Purchase of Treasury Shares							(13)
Disposal of Treasury Shares							1
Purchase of Shares of Consolidated Subsidiaries							-
Net Changes of Items Other Than Shareholders' Equity	(6,729)	(109)	1,283	(5,555)	137	469	(4,948)
Total Changes of Items During The Period	(6,729)	(109)	1,283	(5,555)	137	469	50,188
Balance at March 31, 2019	US\$23,477	US\$60	(US\$1,594)	US\$21,943	US\$523	US\$11,621	US\$803,435

## Notes

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# Consolidated Statement of Cash Flows

	(Millions of Yen)	(Millions of Yen)	(Thousands of U.S.Dollars)
	Years ended March 31,2018	Years ended March 31,2019	Years ended March 31,2019
<b>Cash Flows from Operating Activities</b>			
Income Before Income Taxes	¥3,294	¥3,640	US\$32,798
Depreciation	1,281	1,272	11,461
Impairment Loss	54	-	-
Increase (Decrease) in Allowance for Loan Losses	(873)	(1,639)	(14,769)
Increase (Decrease) in Reserve for Employees' Bonuses	(6)	(15)	(137)
Increase (Decrease) in Net Defined Benefit Liability	(202)	(104)	(937)
Increase (Decrease) in Reserve for Directors' Retirement Benefits	(22)	(0)	(0)
Increase(Decrease) in Provision for Reimbursement of Deposits	(4)	6	62
Gain on Fund Management	(15,959)	(15,477)	(139,452)
Financing Expenses	612	658	5,929
Loss (Gain) Related to Securities	(1,296)	(1,594)	(14,369)
Loss (Gain) on Money Held in Trust	(10)	(11)	(100)
Exchange gain and Loss	2,115	359	3,243
Loss (Gain) on Disposal of Non-Current Assets	(4)	(19)	(176)
Net Decrease (Increase) in Trading Account Securities	(8)	(179)	(1,612)
Net Decrease (Increase) in Loans and Bills Discounted	(24,330)	(30,357)	(273,516)
Net Increase (Decrease) in Deposit	(22,541)	39,707	357,753
Net Increase (Decrease) in Negotiable Certificates of Deposit	(59,710)	65,220	587,620
Net Increase (Decrease) in Borrowed Money (Excluding Subordinated Borrowings)	10,941	9,158	82,520
Net Decrease (Increase) in Deposit (Excluding Deposit Paid to Bank of Japan)	(103)	(48)	(434)
Net Decrease (Increase) in Call Money	(11,219)	-	-
Net Increase (Decrease) in Payables under Securities Lending Transactions	-	37,453	337,451
Net Decrease (Increase) in Foreign Exchanges Assets	(214)	(1,077)	(9,705)
Net Increase (Decrease) in Foreign Exchanges Liabilities	41	(39)	(358)
Net Decrease (Increase) in Lease Receivables and Investment Assets	(1,514)	(1,182)	(10,652)
Proceeds from Fund Management	16,210	15,679	141,270
Payments for Finance	(565)	(628)	(5,664)
Other, net	5,692	(2,183)	(19,668)
<b>Subtotal</b>	(98,343)	118,598	1,068,554
<b>Income Taxes Paid</b>	(520)	(983)	(8,856)
<b>Net Cash Provided by (Used in) Operating Activities</b>	(98,863)	117,615	1,059,697
<b>Cash Flows from Investing Activities</b>			
Purchase of Securities	(247,694)	(171,283)	(1,543,230)
Proceeds from Sales of Securities	156,397	140,754	1,268,171
Proceeds from Redemption of Securities	34,662	39,340	354,448
Increase in Money Held in Trust	-	(100)	(900)
Decrease in Money Held in Trust	11	211	1,902
Purchase of Tangible Fixed Assets	(404)	(353)	(3,188)
Purchase of Intangible Fixed Assets	(171)	(108)	(974)
Proceeds from Sales of Tangible Fixed Assets	426	399	3,597
Fulfill of Asset Retirement Obligations	-	(19)	(171)
<b>Net Cash Provided by (Used in) Investing Activities</b>	(56,773)	8,840	79,653
<b>Cash Flows from Financing Activities</b>			
Proceeds from Issuance of Shares	-	4,291	38,665
Repayments of Lease Liabilities	(27)	(26)	(242)
Purchase of Treasury Shares	(2)	(1)	(13)
Proceeds from Sales of Treasury Shares	0	0	1
Cash Dividends Paid	(569)	(687)	(6,193)
Dividends Paid to Non-Controlling Interests	(2)	(1)	(17)
Payments from Changes in Ownership Interests in Subsidiaries That do not Result in Change in Scope of Consolidation Fin CF	(3)	-	-
Redemption of Subordinated Bonds	-	(10,000)	(90,098)
<b>Net Cash Provided by (Used in) Financing Activities</b>	(605)	(6,426)	(57,898)
<b>Effect of Exchange Rate Changes on Cash and Cash Equivalents</b>	(1)	1	10
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(156,243)	120,031	1,081,463
<b>Cash and Cash Equivalents at Beginning of The Period</b>	214,968	58,725	529,104
<b>Cash and Cash Equivalents at End of The Period</b>	¥58,725	¥178,756	US\$1,610,568

## Notes

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# Board of Directors, Corporate Auditors and Executive Officers

As of June 30, 2019

● **President**  
(Representative Director)  
Katsuichiro Toyoshima

● **Senior Managing Director**  
(Representative Director)  
Yasuhiro Iwayama

● **Senior Managing Director**  
Ayato Mochizuki

● **Managing Director**  
Fumitoshi Yabuzaki

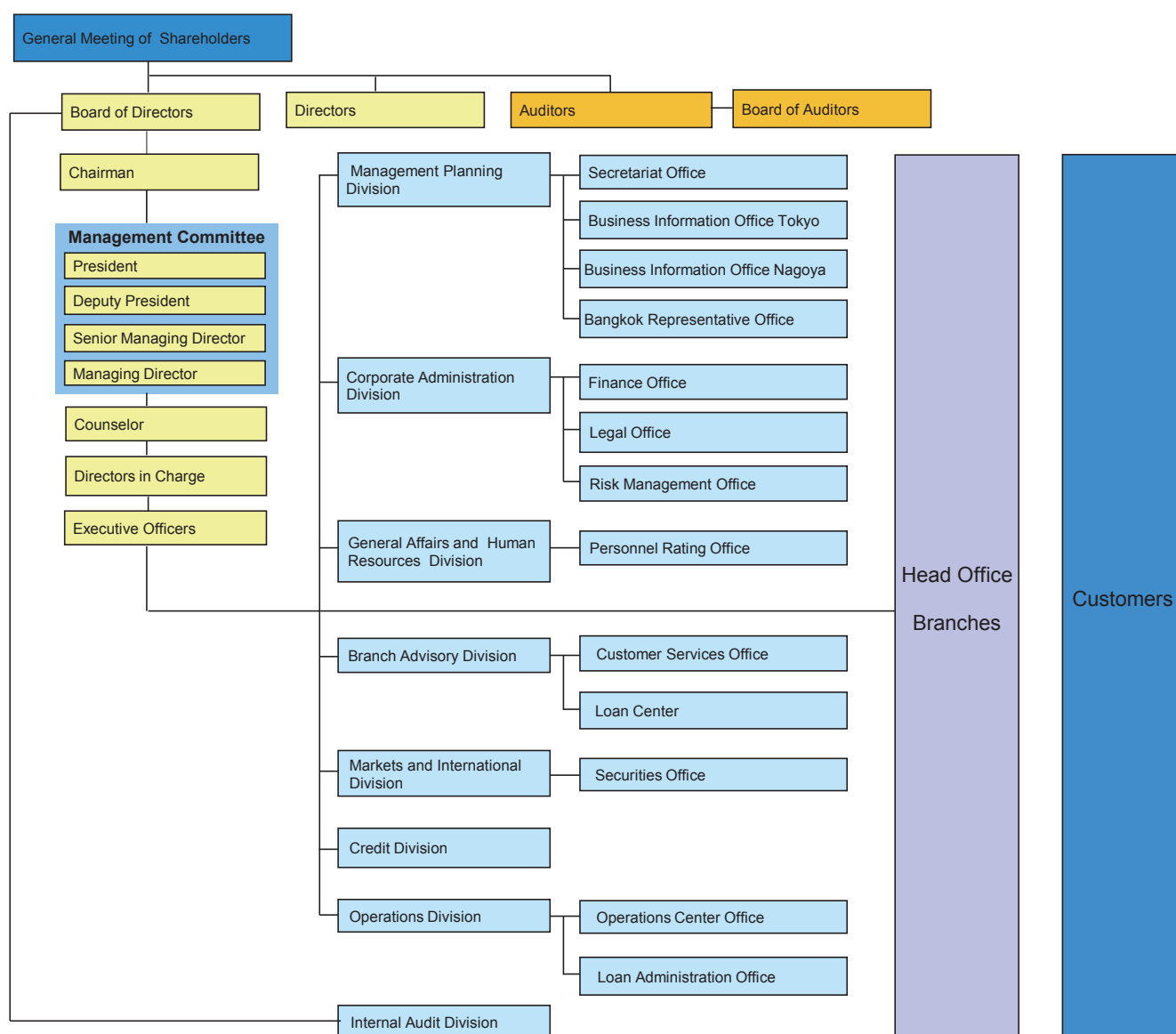
● **Directors**  
Fujio Kaneda  
Keiko Higashi  
Takashi Aizawa  
Syunji Usami  
Yosuke Wakabayashi  
Naoyuki Tamura

● **Corporate Auditors**  
Akihiro Mochizuki  
Naoki Tobayama  
Youichiro Ito  
Kazuaki Isobe

● **Executive Officers**  
Tetsuya Sugiyama  
Masahiro Koyanagi  
Satoshi Kobayashi  
Yasunobu Sugimoto  
Hiroshi Nonomura  
Yasuyoshi Ohta

## Organization Chart

As of March 31, 2019



**THE SHIMIZU BANK, LTD.**

MARKETS AND INTERNATIONAL DIVISION

TEL 81-54-353-5164 SWIFT: SMZGJPJT

<http://www.shimizubank.co.jp/>

