



THE SHIMIZU BANK,LTD.

Annual Report 2020

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, 2020

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

Date of Incorporation: July 1, 1928
Paid-up Capital: JP¥10,816,260,000
Number of Branches: 78
Number of Sub-branches: 1
Number of Employees: 901
Consolidated Capital Adequacy Ratio
(based on domestic standards): 8.63%
Non-Consolidated Capital Adequacy Ratio
(based on domestic standards): 8.42%



Consolidated Subsidiaries

As of June 30, 2020

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 2020 fiscal year to share the financial highlights and our efforts of the 2019 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 impact of the slowing Chinese economy and trade friction between the United States and China resulted in some weakness in the Japanese economy, primarily in certain areas of production and in exports, but corporate profits proved resilient and consumer spending was also robust, allowing a modest recovery trend to continue. However, following the worldwide spread of novel coronavirus disease (COVID-19) from the beginning of 2020, the various effects of declining exports caused by the slowdown in the global economy, falling production resulting from difficulties in procuring materials, lower demand for inbound tourism caused by restrictions on international travel for individuals, and the promotion of self-restraint in going out in order to prevent the disease spreading further, led to demand falling sharply both in Japan and overseas and put downward pressure on business confidence in many industries. Due to the global spread of COVID-19, the environment for corporate earnings is becoming increasingly difficult, and business conditions are becoming more challenging.

In general, the economy of Shizuoka Prefecture, which is the primary business base of the Bank, had also been maintaining a moderate recovery, but corporate profits, mainly in manufacturing industry, are trending downwards and non-manufacturing industries are also experiencing a significant decline in net sales in such areas as tourism and eating out, resulting in a shift towards overall weakness.

Looking at the financial environment, the Nikkei Stock Average temporarily reached the ¥23,000 level towards the end of 2019, helped by such tailwinds as policy interest rate cuts in the major developed countries, but market volatility caused by the spread of COVID-19 and the lack of visibility in relation to the timing of any resolution of the crisis resulted in a sharp decline in stock exchanges both in Japan and overseas, with the Nikkei Stock Average hitting the ¥18,000 level at the end of the fiscal year. 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 26th medium-term Management plan, "Advance As One – Toward the realization of sustainable growth together with our community and customers," thereby striving for secure revenue and greater soundness.

In terms of initiatives aimed at corporate customers, in addition to expanding loans denominated in local currencies by using "standby credit," a credit guarantee system created through our alliance with the "Bangkok Bank," the biggest bank in Thailand, we held business networking events for customers with bases in Thailand and took other steps to strengthen support for the overseas expansion of our business partners. In addition, in order to address successor issues facing many small- and mid-sized enterprises, the Bank enhanced its support system by facilitating collaboration with external partners in the area of business succession and M&A. Moreover, in order to actively provide advice in relation to cash flow and loan repayments for small- and mid-sized enterprises and small business owners affected by COVID-19, in February 2020 we began offering "Shimizu Emergency Support Loans" and taking other measures aimed at improving financial intermediary functions.

As part of our initiatives for individual customers, we added eight new investment trust products to support stable asset formation by customers, and started handling four new personal pension insurance products to respond to our customers' need to provide for the future. In August 2019, by deploying a financial product sales support system to all branches and enabling the use of tablet terminals for operations related to taking assets under management, we reduced the form-filling burden on the customer, and shortened the time required for procedures. In response to the rapid diffusion of cashless settlements, we began an accounts collaboration with four payments companies. In March 2020, we opened our second branch jointly operated with SBI MONEY PLAZA Co., Ltd., in Shizuoka City, and expanded the area in which we provide high value-added financial services.

With regard to initiatives for regional revitalization, the "Shimizu Regional Revitalization Private Placement Bond" that we began offering with the aim of promoting diversification of funding sources and the development of local communities had reached a cumulative total of 160 issuances as of the end of June 2020.

In February 2020, as part of our alliance strategy to actively engage in regional revitalization through the provision of new products and services, we concluded a capital and business alliance with SBI Holdings, Inc.

By means of such initiatives we have worked to provide a more substantial lineup of services to satisfy customers. Going forward, we will continue to maintain a keen awareness of our social responsibility as a finance institution, and in addition to building a robust structure for compliance, we will work to strengthen governance in order to increase corporate value. We humbly and sincerely request your continued support and warm patronage.



Katsuichiro Toyoshima
Chairman

Yasuhiro Iwayama
President

K. Toyoshima

Y. Iwayama

The 27th Medium-term Management Plan

From April 1, 2020 to March 31, 2023 (Three Years)

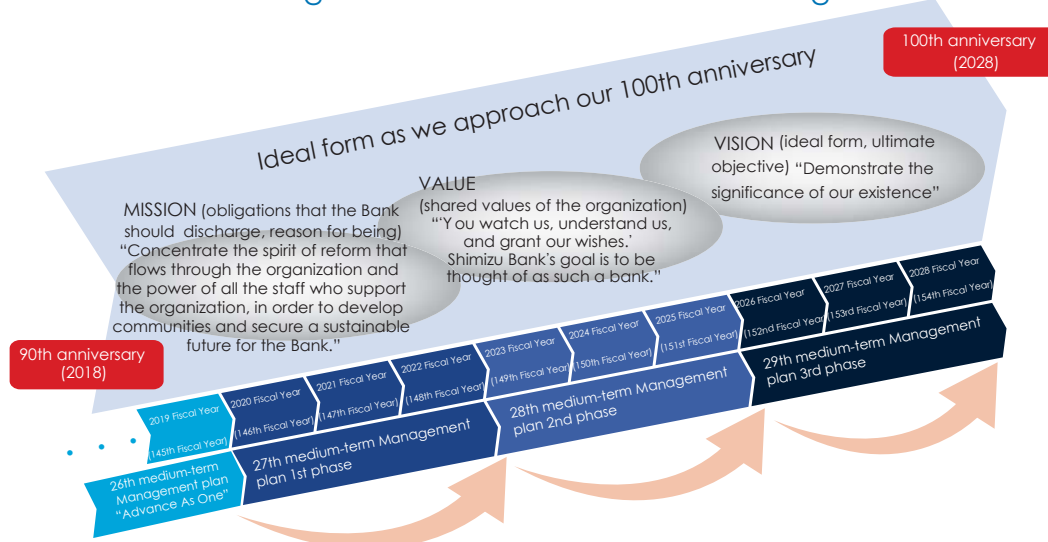
Z E N S H I N

～ Building Bridges ～

The 27th Medium-term Management Plan is the first phase of the three phases of three years each, totaling nine years from the start year and ending in the 100th anniversary of the founding of the Company. During the first three-year phase, which has been positioned as an important period for raising the base level of profitability, we will work on the three basic policies of “pursuing customer-oriented business,” “maximizing the power of human resources,” and “strengthening our business base.”

The “Z E N S H I N” label we have used for this plan incorporates the three Japanese meanings of “conscience,” “whole body,” and “forward movement,” and is intended to convey the sense of “Using every last bit of effort to move forward unstoppably, one step at a time, with a pure heart.” The subtitle “～ Building Bridges ～” reflects both our determination to build bridges to customers, and our intent to build a bridge to the leap forward represented by our 100th anniversary.

Positioning for the 27th Medium-term Management Plan



Outline of the 27th Medium-term Management Plan

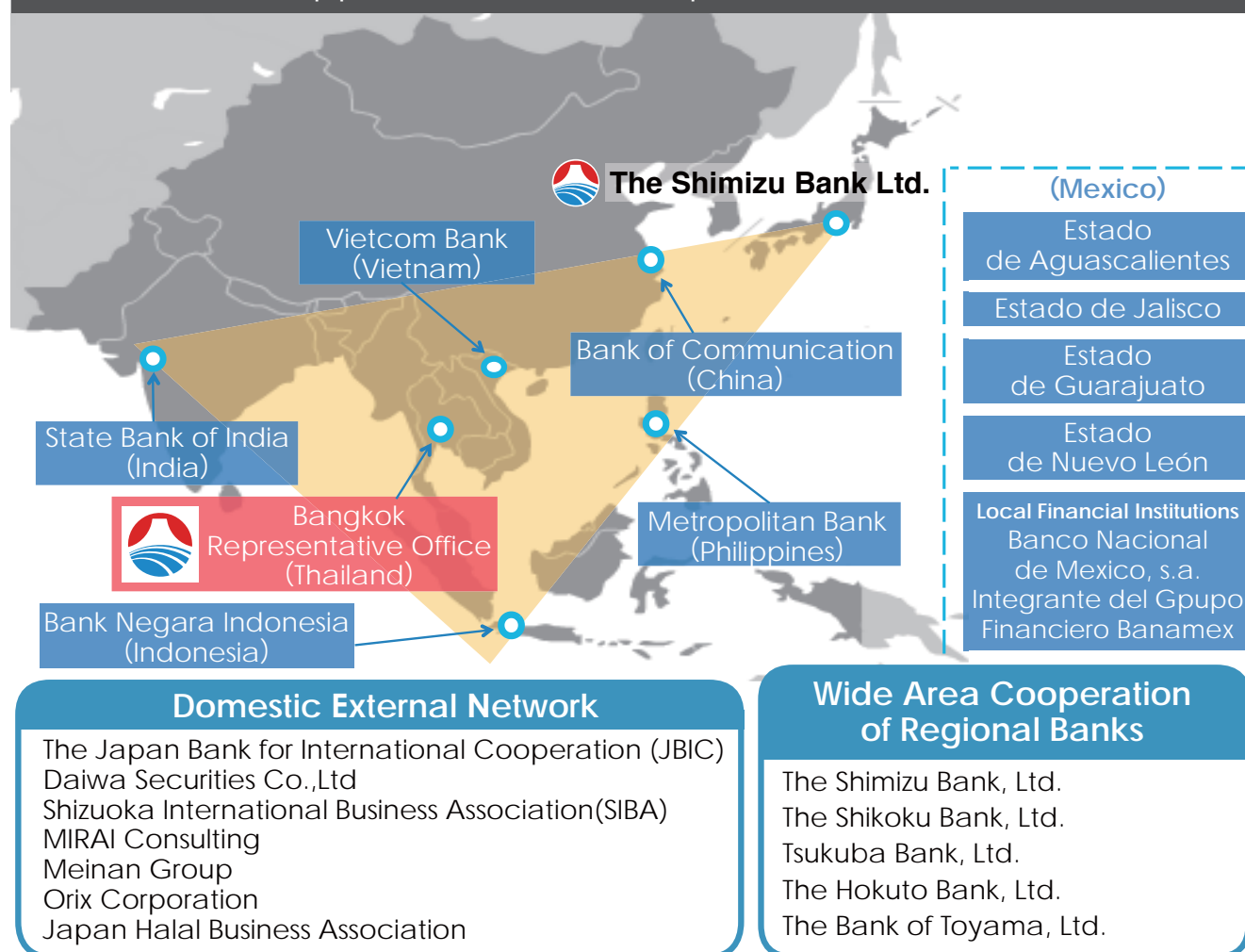
Period of plan	April 1, 2020 to March 31, 2023 (Three Years)		
Basic policies	Pursuing customer-oriented business	Maximizing the power of human resources	Strengthening the business base
	Increasing the number of personnel for consulting operations Enhancement of consulting functions Address the advancing digitalization	Increasing job satisfaction Maximizing motivation Supporting employee growth	Stable market operations Pursuing operational efficiency Alliance strategy Contribute to the local community Thorough management of business
Target figures	① Core operational net profit		¥ 3 billion or more
	② Total loans to small to medium-sized companies		¥ 1 trillion or more
	③ Consolidated capital adequacy ratio		8% 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 2020, we held a "Thailand-Japan Business Matching Forum" for customers operating in Thailand, in partnership with 19 regional banks maintaining bases in the country. In September of the same year, we worked with eight regional banks, the Japan Finance Corporation, and the Bangkok Bank to provide a "Networking Event for Japanese Companies" for customers operating in Thailand. In preparation for the "Japan-Thailand Business Matching Event" held by the Japan Finance Corporation in January 2020, we recruited companies to attend and made various arrangements for business discussions in accordance with the prior wishes of attendees. Going forward, we will continue to serve the needs of the overseas businesses of our customers through our Bangkok representative office and through cooperation with external parties, to develop a variety of support measures.



Network of Support for Overseas Expansion



Mt. Fuji -Our Symbol-



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.



Summary of Business

Consolidated Results

Ordinary income increased by ¥299 million year on year to ¥28,974 billion. Due to the global spread of COVID-19 and the subsequent disruption in financial markets, there was an increase in loss on valuation of securities held that caused a recording of securities-related loss, in addition to which credit-related expenses increased, resulting in ordinary expenses rising by ¥8,150 million to ¥33,205 billion. As a result, an ordinary loss of ¥4,230 billion was posted.

In terms of deposits, we strove to expand our business base, which has close ties to the region, and as a result of prioritizing the profitability of funding, total deposits declined by ¥3.2 billion from the end of the previous fiscal year, to ¥1,383.1 billion.

In personal deposit assets, by responding to increasing diverse customer needs, we succeeded in growing personal deposits and personal pension insurance, leading to an increase of ¥24.0 billion over the end of the previous fiscal year, to ¥1,178.6 billion.

Loans and bills discounted rose by ¥27.5 billion from the end of the previous fiscal year to ¥1,149.9 billion, as a result of responding proactively, as a regional financial institution, to demand from customers for funding.

Securities declined by ¥13.4 billion over the end of the previous fiscal year, to ¥286.7 billion, the result of keeping a close eye on market fluctuations while taking a flexible approach to management.

(Millions of Yen)

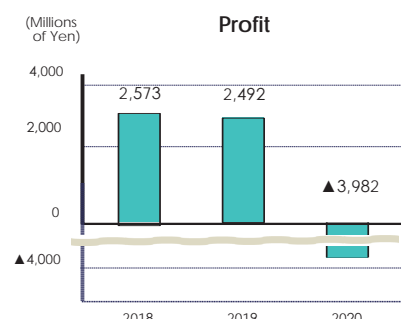
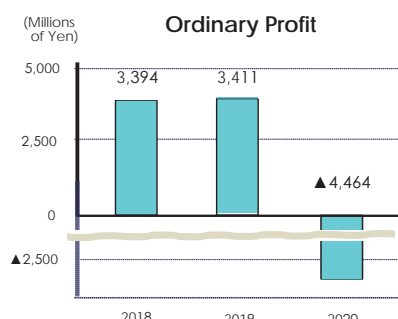
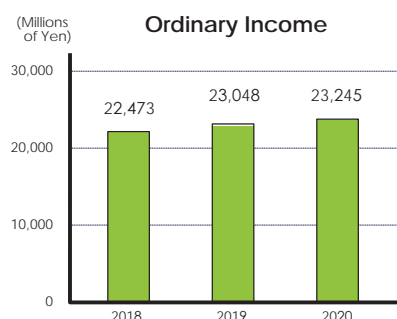
Consolidated Five-years Summary	2016	2017	2018	2019	2020
Ordinary Income	¥29,539	¥28,760	¥27,637	¥28,675	¥28,974
Ordinary Profit	4,989	3,948	3,345	3,620	▲4,230
Profit Attributable to Owners of The Parent	3,299	2,978	2,332	2,521	▲3,968
Comprehensive Income	372	1,684	2,509	1,958	▲5,980
Total Net Assets	80,528	81,659	83,602	89,173	82,512
Total Assets	1,483,918	1,590,062	1,510,013	1,656,759	1,596,871
Net Assets per Share in Yen	8,302.98	8,408.00	8,629.71	7,584.31	7,001.06
Net Income per Share in Yen	345.92	312.29	244.52	225.83	▲342.58
Consolidated Capital Adequacy Ratio (based on domestic standards)	10.75%	10.60%	10.30%	9.41%	8.63%
Number of Employees	1,071	1,044	1,027	1,006	993

Non-Consolidated Results

Ordinary income increased by ¥197 million year on year to ¥23,245 billion. Ordinary expenses rose by ¥8,072 million year on year, to ¥27,709 billion. As a result, an ordinary loss of ¥4,464 billion was posted.

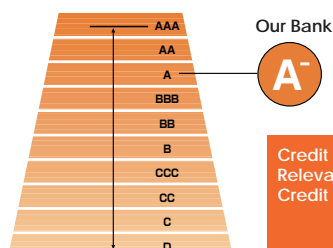
(Millions of Yen)

Non-Consolidated Five-years Summary	2016	2017	2018	2019	2020
Ordinary Income	¥24,650	¥23,632	¥22,473	¥23,048	¥23,245
Ordinary Profit	4,662	3,472	3,394	3,411	▲4,464
Profit	3,210	2,697	2,573	2,492	▲3,982
Capital Stock	8,670	8,670	8,670	10,816	10,816
Number of Shares Issued in Thousand Yen	9,600	9,600	9,600	11,641	11,641
Total Net Assets	77,857	78,289	80,159	85,524	78,956
Total Assets	1,477,336	1,581,427	1,499,276	1,646,792	1,585,837
Deposits	1,353,887	1,373,814	1,350,623	1,390,359	1,386,907
Loans and Bills Discounted	1,070,463	1,073,777	1,097,004	1,129,123	1,156,716
Securities	254,296	253,973	308,102	300,501	287,130
Net Assets Per Share in Yen	8,161.97	8,205.68	8,398.51	7,380.63	6,810.11
Dividends per Share in Yen	60	60	60	65	55
Dividends per Share at mid-term in Yen	30	30	30	35	30
Net Income per Share in Yen	336.65	282.87	269.79	223.23	▲343.75
Dividends Payment ratio	17.82%	21.21%	22.23%	29.11%	- %
Non-Consolidated Capital Adequacy Ratio (based on domestic standards)	10.43%	10.30%	10.06%	9.14%	8.42%
Number of Employees	974	951	942	914	901



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 31, 2020)

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

In accordance with the resolution to change the Articles of Incorporation passed at the Annual General Meeting of Shareholders held on June 25, 2020, the Bank switched to a Company with an Audit & Supervisory Committee system. The Audit & Supervisory Committee composed of four Directors serving as Audit & Supervisory Committee Members has been established, which conducts appropriate audits of the business execution by Directors, leading to more substantial checks on management. The Board of Directors consists of ten Directors (excluding Directors serving as Audit & Supervisory Committee Members), of which two are Outside Directors, and four Directors serving as Audit & Supervisory Committee Members, of which three are Outside Directors, for a total of 14. The Chairman of the Bank serves as the Chair, and the Board supervises the execution of business, such as by taking decisions on important management strategies, etc., based on our business philosophy. Ordinary meetings of the Board of Directors are held once a month as a rule, in addition to which extraordinary meetings of the Board of Directors are held as required.

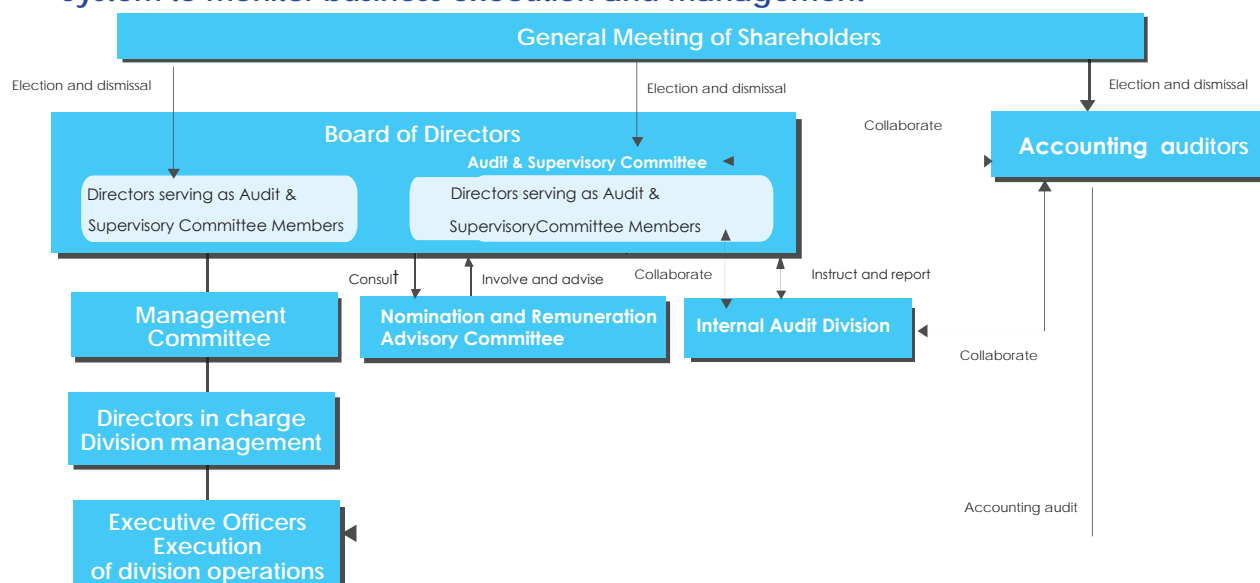
The Audit & Supervisory Committee deliberates and reports on the status of audits, with a particular focus on the duties of Directors. Ordinary meetings of the Audit & Supervisory Committee are held once a month as a rule, in addition to which extraordinary meetings are held as required.

The Nomination and Remuneration Advisory Committee has been established with the aim of strengthening the independence, objectivity, and explanatory functions of the Board of Directors through the appropriate involvement and council of the Independent Outside Directors when considering particularly important matters such as the nomination and remuneration of Directors (excluding Directors serving as Audit & Supervisory Committee Members). A majority of the Committee members are Independent Outside Directors, and the Committee is composed entirely of Directors with representative rights or Independent Outside Directors (excluding Directors serving as Audit & Supervisory Committee Members).

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 and regulations or the Articles of Incorporation. As for a violation of laws and regulations or the Articles of Incorporation by a Director, the Management Committee investigates the violation pursuant to the "Director Compliance Rules," following which the Board of Directors 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 (excluding Directors serving as Audit & Supervisory Committee Members) 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 related to employees who are obliged to assist with the duties of the Audit & Supervisory Committee
 - At least one person is assigned to assist the Audit & Supervisory Committee in its duties.
- g. Matters related to ensuring the independence of the employees mentioned in the previous item from Directors (excluding Directors serving as Audit & Supervisory Committee Members) and the effectiveness of instructions to said employees
 - In cases where the employees are also obliged to assist in audit operations, for the purposes of assisting in such duties, said employees are detached from the instructions of the operating departments, such as Directors (excluding Directors serving as Audit & Supervisory Committee Members), and obey the instructions and orders of the Audit & Supervisory Committee.
 - With regard to internal transfers and evaluations for employees obliged to assist in such matters, the opinion of the Audit & Supervisory Committee is respected.
- h. Systems for Directors (excluding Directors serving as Audit & Supervisory Committee Members) and employees to report to the Audit & Supervisory Committee, and other systems for reporting to the Audit & Supervisory Committee.
 - The Directors (excluding Directors serving as Audit & Supervisory Committee Members) of the Bank and its group companies are to report without delay to the Audit & Supervisory Committee on any significant matter that affects 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 (excluding Directors serving as Audit & Supervisory Committee Members) and employees of the Bank and its group companies must provide cooperation if asked by the Audit & Supervisory Committee 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 systems to ensure that audits of the Audit & Supervisory Committee are conducted effectively
 - The Audit & Supervisory Committee cooperates with the internal audit department, etc., and regularly exchanges opinions in relation to issues facing the Bank, issues with internal management structures, and so on. In addition, the Audit & Supervisory Committee works to achieve appropriate audits, such as by listening to the opinions of the Accounting Auditor and external specialists.
- j. Matters related to policies for the processing of expenses and obligations arising from the execution of duties by the Audit & Supervisory Committee, such as procedures for prepayment of expenses or for reimbursement arising from the execution of said duties
 - When an Audit & Supervisory Committee Member requests prepayment of expenses required for the execution of duties, or reimbursement, etc., the expense or obligation in question shall be processed promptly.

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

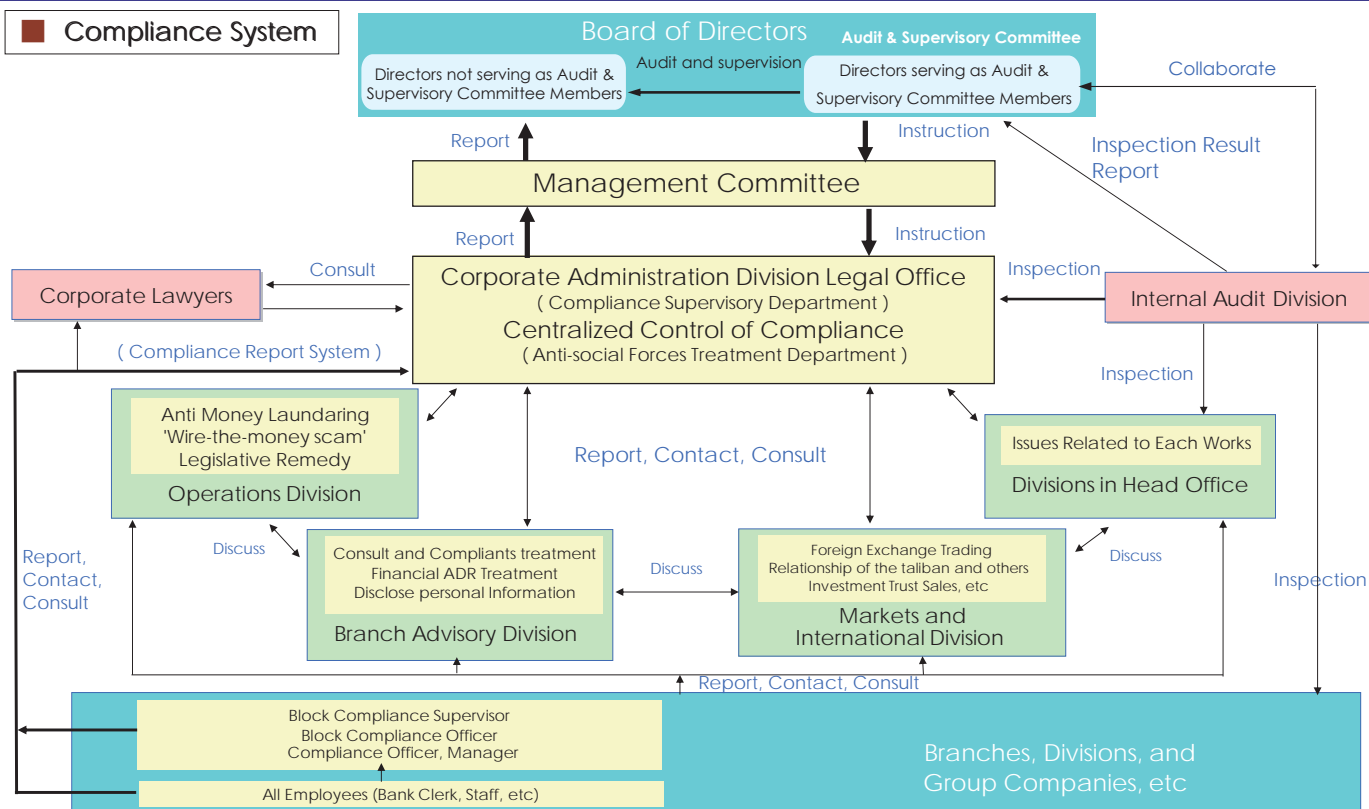
We comply with laws and regulations as well as with internal rules in the course of executing our business. We respect social rules, perform corporate activities with conscientiousness, integrity and fairness.

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.

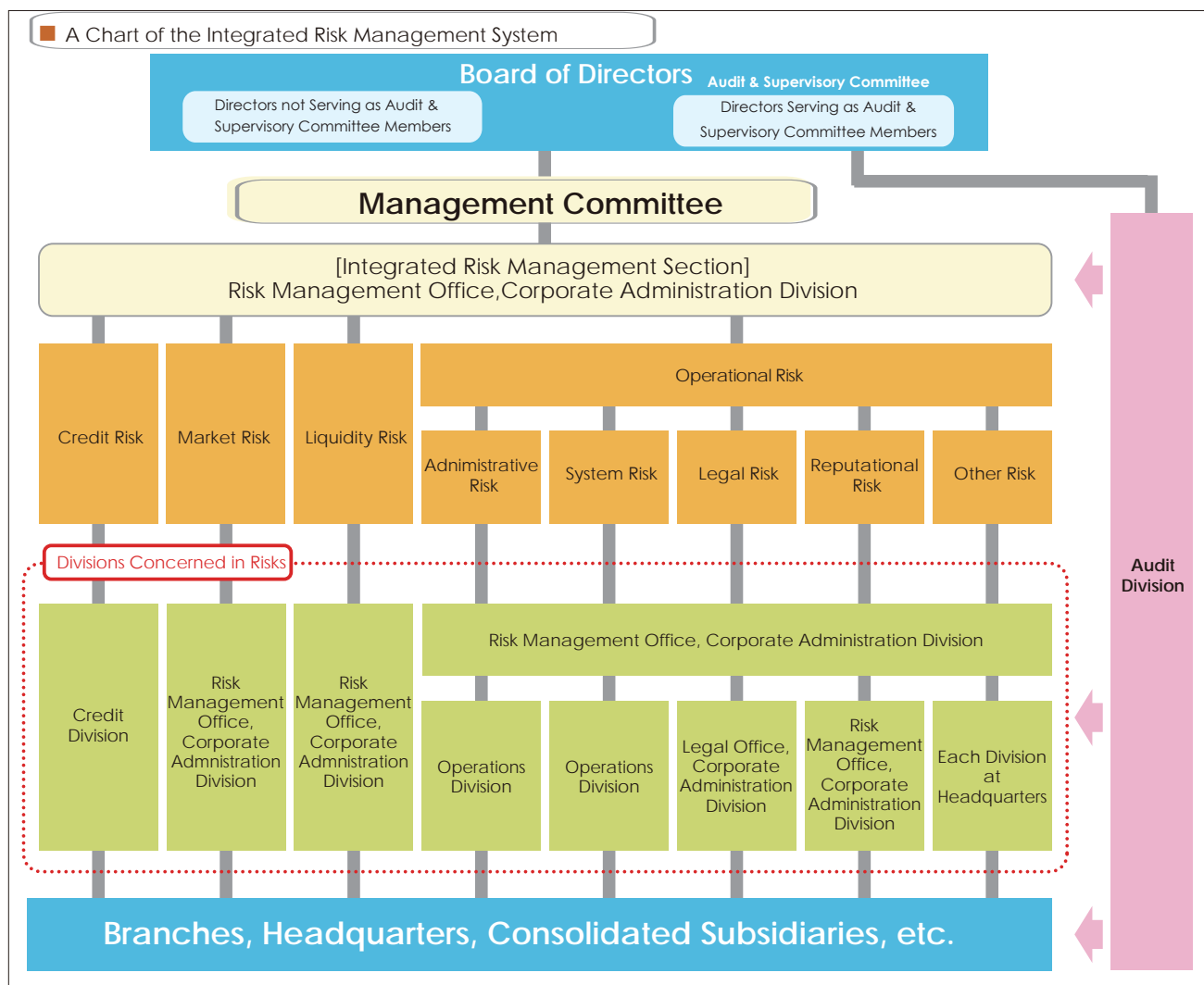
Risk Management System

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 31,2019	March 31,2020	March 31,2020
Assets			
Cash and Due from Banks	¥180,742	¥96,769	US\$889,177
Trading Account Securities	636	575	5,291
Money Held in Trust	1,100	1,200	11,035
Securities	300,142	286,740	2,634,759
Loans and Bills Discounted	1,122,404	1,149,987	10,566,821
Foreign Exchanges	1,910	1,922	17,662
Lease Receivables and Investments in Leases	11,876	13,419	123,306
Other Assets	19,503	27,228	250,188
Property, Plant and Equipment	18,372	17,817	163,718
Buildings, Net	8,001	7,524	69,139
Land	9,113	9,113	83,744
Leased Assets, Net	9	6	58
Construction in Progress	31	-	-
Other Tangible Fixed Assets	1,215	1,172	10,775
Intangible Assets	751	682	6,273
Software	542	527	4,845
Leased Assets	59	39	363
Other Intangible Fixed Assets	149	115	1,064
Deferred Tax Assets	1,513	2,934	26,964
Customers' Liabilities for Acceptances and Guarantees	3,051	4,634	42,583
Allowance for Loan Losses	(5,246)	(7,041)	(64,705)
Total Assets	¥1,656,759	¥1,596,871	US\$14,673,079

	(Millions of Yen)	(Millions of Yen)	(Thousands of U.S.Dollars)
	March 31,2019	March 31,2020	March 31,2020
Liabilities			
Deposits	¥1,386,348	¥1,383,133	US\$12,709,121
Negotiable Certificates of Deposit	65,220	-	-
Call Money	-	2,176	20,000
Payables under Securities Lending Transactions	37,453	48,473	445,403
Borrowed Money	67,630	67,472	619,977
Foreign Exchanges	2	1	16
Other Liabilities	6,501	6,961	63,966
Provision for Bonuses	475	468	4,302
Retirement Benefit Liability	765	933	8,575
Provision for Retirement Benefits for Directors(and Other Officers)	63	57	525
Provision for Reimbursement of Deposits	43	5	49
Deferred Tax Liabilities	31	41	381
Acceptances and Guarantees	3,051	4,634	42,583
Total Liabilities	1,567,585	1,514,358	13,914,902
Net Assets			
Share Capital	10,816	10,816	99,386
Capital Surplus	7,659	7,648	70,279
Retained Earnings	67,198	62,534	574,610
Treasury Shares	(284)	(257)	(2,369)
Total Shareholders' Equity	85,389	80,741	741,906
Valuation Difference on Available-for-Sale Securities	2,605	660	6,066
Deferred Gains or Losses on Hedges	6	27	255
Remeasurements of Defined Benefit Plans	(177)	(320)	(2,947)
Total Accumulated Other Comprehensive Income	2,435	367	3,374
Share Acquisition Rights	58	59	546
Non-Controlling Interests	1,289	1,343	12,349
Total Net Assets	89,173	82,512	758,177
Total Liabilities and Net Assets	¥1,656,759	¥1,596,871	US\$14,673,079

Notes

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2.Figures stated in U.S.dollars are translated solely for convenience at the rate of ¥108.83per U.S.\$1, the approximate rate of exchange prevailing on March 31,2020.

Consolidated Statement of Income

	(Millions of Yen) Years ended March 31,2019	(Millions of Yen) Years ended March 31,2020	(Thousands of U.S.Dollars) Years ended March 31,2020
Ordinary Income	¥28,675	¥28,974	US\$266,234
Interest Income	15,477	15,359	141,136
Interest on Loans and Discounts	11,777	11,843	108,829
Interest and Dividends on Securities	3,602	3,414	31,374
Interest on Call Loans	1	1	17
Interest on Deposits with Banks	83	83	769
Other Interest Income	12	15	144
Fees and Commissions	9,719	9,767	89,745
Other Ordinary Income	1,155	3,051	28,040
Other Income	2,322	795	7,312
Reversal of Allowance for Loan Losses	416	-	-
Other	1,905	795	7,312
Ordinary Expenses	25,054	33,205	305,110
Interest Expenses	658	946	8,696
Interest on Deposits	394	409	3,761
Interest on Negotiable Certificates of Deposit	3	0	0
Interest on Call Money	(15)	(21)	(201)
Interest on Payables Under Securities Lending Transactions	192	507	4,667
Interest on Borrowings and Rediscounts	36	36	333
Interest on Bonds	37	-	-
Other Interest Expenses	9	14	134
Fees and Commissions Payments	5,739	5,755	52,888
Other Operating Expenses	1,472	3,091	28,405
General and Administrative Expenses	16,108	15,673	144,017
Other Expenses	1,074	7,738	71,102
Provision of Allowance for Loan Losses	-	2,190	20,130
Other	1,074	5,547	50,971
Ordinary Profit (Loss)	3,620	(4,230)	(38,875)
Extraordinary Income	23	-	-
Gain on Disposal of Non-Current Assets	23	-	-
Extraordinary Losses	4	45	415
Loss on Disposal of Non-Current Assets	4	0	0
Impairment Loss	-	45	415
Profit(Loss) Before Income Taxes	3,640	(4,276)	(39,291)
Income Taxes - Current	625	208	1,911
Income Taxes - Deferred	435	(575)	(5,284)
Total Income Taxes	1,061	(367)	(3,373)
Profit(Loss)	2,579	(3,908)	(35,917)
Profit Attributable to Non-Controlling Interests	58	59	547
Profit(Loss) Attributable to Owners of Parent	¥2,521	(¥3,968)	(US\$36,465)

Consolidated Statement of Comprehensive Income

	(Millions of Yen) Years ended March 31,2019	(Millions of Yen) Years ended March 31,2020	(Thousands of U.S.Dollars) Years ended March 31,2020
Profit(Loss)	¥2,579	(¥3,908)	(US\$35,917)
Other Comprehensive Income	(620)	(2,071)	(19,037)
Valuation Difference on Available-for-Sale Securities	(750)	(1,949)	(17,910)
Deferred Gains or Losses on Hedges	(12)	21	193
Remeasurements of Defined Benefit Plans, Net of Tax	142	(143)	(1,320)
Comprehensive Income	1,958	(5,980)	(54,955)
Comprehensive Income Attributable to Owners of Parent	¥1,904	(¥6,036)	(US\$55,470)
Comprehensive Income Attributable to Non-Controlling Interests	54	56	514

Notes

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Consolidated Statement of Changes in Net Assets

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 During Period					
Issuance of New Shares	2,145	2,145			4,291
Dividends of Surplus			(691)		(691)
Profit Attributable to Owners of Parent			2,521		2,521
Purchase of Treasury Shares				(1)	(1)
Disposal of Treasury Shares		(0)		0	0
Net Changes in Items Other Than Shareholders' Equity					
Total Changes During 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 During Period							
Issuance of New Shares							4,291
Dividends of Surplus							(691)
Profit Attributable to Owners of Parent							2,521
Purchase of Treasury Shares							(1)
Disposal of Treasury Shares							0
Net Changes in Items Other Than Shareholders' Equity	(746)	(12)	142	(616)	15	52	(549)
Total Changes During 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

Years ended March 31, 2020

(Millions of Yen)

	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Shares	Total Shareholders' Equity
Balance at April 1, 2019	¥10,816	¥7,659	¥67,198	(¥284)	¥85,389
Changes During Period					
Issuance of New Shares	-	-			-
Dividends of Surplus			(694)		(694)
Profit Attributable to Owners of Parent			(3,968)		(3,968)
Purchase of Treasury Shares				(1)	(1)
Disposal of Treasury Shares		(11)		27	16
Net Changes in Items Other Than Shareholders' Equity	-	(11)	(4,663)	26	(4,648)
Total Changes During Period	-	(11)	(4,663)	26	(4,648)
Balance at March 31, 2020	¥10,816	¥7,648	¥62,534	(¥257)	¥80,741

	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, 2019	¥2,605	¥6	(¥177)	¥2,435	¥58	¥1,289	¥89,173
Changes During Period							
Issuance of New Shares							-
Dividends of Surplus							(694)
Profit Attributable to Owners of Parent							(3,968)
Purchase of Treasury Shares							(1)
Disposal of Treasury Shares							16
Net Changes in Items Other Than Shareholders' Equity	(1,945)	21	(143)	(2,068)	1	54	(2,012)
Total Changes During Period	(1,945)	21	(143)	(2,068)	1	54	(6,660)
Balance at March 31, 2020	¥660	¥27	(¥320)	¥367	¥59	¥1,343	¥82,512

Notes

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Consolidated Statements of Changes in Net Assets

Years ended March 31, 2020

(Thousands of U.S. Dollars)

	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Shares	Total Shareholders' Equity
Balance at April 1, 2019	US\$99,386	US\$70,381	US\$617,461	(US\$2,613)	US\$784,616
Changes During Period					
Issuance of New Shares	-	-			-
Dividends of Surplus			(6,385)		(6,385)
Profit Attributable to Owners of Parent			(36,465)		(36,465)
Purchase of Treasury Shares				(11)	(11)
Disposal of Treasury Shares		(101)		255	153
Net Changes in Items Other Than Shareholders' Equity					
Total Changes During Period	-	(101)	(42,851)	243	(42,709)
Balance at March 31, 2020	US\$99,386	US\$70,279	US\$574,610	(US\$2,369)	US\$741,906

	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, 2019	US\$23,943	US\$62	(US\$1,626)	US\$22,378	US\$534	US\$11,852	US\$819,382
Changes During Period							
Issuance of New Shares							-
Dividends of Surplus							(6,385)
Profit Attributable to Owners of Parent							(36,465)
Purchase of Treasury Shares							(11)
Disposal of Treasury Shares							153
Net Changes in Items Other Than Shareholders' Equity	(17,877)	193	(1,320)	(19,004)	12	496	(18,494)
Total Changes During Period	(17,877)	193	(1,320)	(19,004)	12	496	(61,204)
Balance at March 31, 2020	US\$6,066	US\$255	(US\$2,947)	US\$3,374	US\$546	US\$12,349	US\$758,177

Notes

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Consolidated Statement of Cash Flows

	(Millions of Yen)	(Millions of Yen)	(Thousands of U.S.Dollars)
	Years ended March.31,2019	Years ended March.31,2020	Years ended March.31,2020
Cash Flows from Operating Activities			
Profit(Loss) Before Income Taxes	¥3,640	(¥4,276)	(US\$39,291)
Depreciation	1,272	1,237	11,366
Impairment Loss	-	45	415
Increase (Decrease) in Allowance for Loan Losses	(1,639)	1,795	16,498
Increase (Decrease) in Provision for Bonuses	(15)	(6)	(63)
Increase (Decrease) in Retirement Benefit Liability	(104)	168	1,545
Increase (Decrease) in Provision for Retirement Benefits for Directors(and Other Officers)	(0)	(5)	(54)
Increase(Decrease) in Provision for Reimbursement of Deposits	6	(37)	(348)
Interest Income	(15,477)	(15,359)	(141,136)
Interest Expenses	658	946	8,696
Loss(Gain) Related to Securities	(1,594)	4,853	44,592
Loss (Gain) on Money Held in Trust	(11)	(13)	(124)
Exchange Gain and Loss(Gain)	359	2,085	19,165
Loss(Gain) on Disposal of Non-Current Assets	(19)	0	0
Net Decrease (Increase) in Trading Account Securities	(179)	60	556
Net Decrease (Increase) in Loans and Bills Discounted	(30,357)	(27,582)	(253,448)
Net Increase (Decrease) in Deposits	39,707	(3,214)	(29,536)
Net Increase (Decrease) in Negotiable Certificates of Deposit	65,220	(65,220)	(599,283)
Net Increase (Decrease) in Borrowed Money (Excluding Subordinated Borrowings)	9,158	(158)	(1,454)
Net Decrease (Increase) in Due from Banks (Excluding Due from Bank of Japan)	(48)	94	868
Net Decrease (Increase) in Call Money	-	2,176	20,000
Net Increase (Decrease) in Payables under Securities Lending Transactions	37,453	11,019	101,253
Net Decrease (Increase) in Foreign Exchanges-Assets	(1,077)	(11)	(104)
Net Increase (Decrease) in Foreign Exchanges-Liabilities	(39)	(1)	(10)
Net Decrease (Increase) in Lease Receivables and Investments in Leases	(1,182)	(1,511)	(13,884)
Interest Received	15,679	15,839	145,544
Interest Paid	(628)	(876)	(8,051)
Other, Net	(2,183)	(8,034)	(73,827)
Subtotal	118,598	(85,988)	(790,113)
Income Taxes Paid	(983)	(246)	(2,263)
Net Cash Provided by (Used in) Operating Activities	117,615	(86,234)	(792,377)
Cash Flows from Investing Activities			
Purchase of Securities	(171,283)	(141,632)	(1,301,411)
Proceeds from Sales of Securities	140,754	121,723	1,118,471
Proceeds from Redemption of Securities	39,340	23,345	214,509
Increase in Money Held in Trust	(100)	(100)	(918)
Decrease in Money Held in Trust	211	12	114
Purchase of Property, Plant and Equipment	(353)	(297)	(2,732)
Purchase of Intangible Assets	(108)	(266)	(2,446)
Proceeds from Sales of Property, Plant and Equipment	399	292	2,685
Payment for Asset Retirement Obligations	(19)	-	-
Net Cash Provided by (Used in) Investing Activities	8,840	3,076	28,273
Cash Flows from Financing Activities			
Proceeds from Issuance of Shares	4,291	-	-
Repayments of Lease Obligations	(26)	(25)	(233)
Purchase of Treasury Shares	(1)	(1)	(11)
Proceeds from Sales of Treasury Shares	0	0	0
Dividends Paid	(687)	(692)	(6,364)
Dividends Paid to Non-Controlling Interests	(1)	(1)	(18)
Redemption of Subordinated Bonds	(10,000)	-	-
Net Cash Provided by (Used in) Financing Activities	(6,426)	(721)	(6,627)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	1	(0)	(1)
Net Increase (Decrease) in Cash and Cash Equivalents	120,031	(83,878)	(770,733)
Cash and Cash Equivalents at Beginning of Period	58,725	178,756	1,642,533
Cash and Cash Equivalents at End of Period	¥178,756	¥94,878	US\$871,800

Notes

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Board of Directors and Executive Officers

As of June 30, 2020

- **Chairman**
(Representative Director)
Katsuichiro Toyoshima
- **President**
(Representative Director)
Yasuhiro Iwayama
- **Senior Managing Director**
Ayato Mochizuki
- **Managing Director**
Fumitoshi Yabuzaki

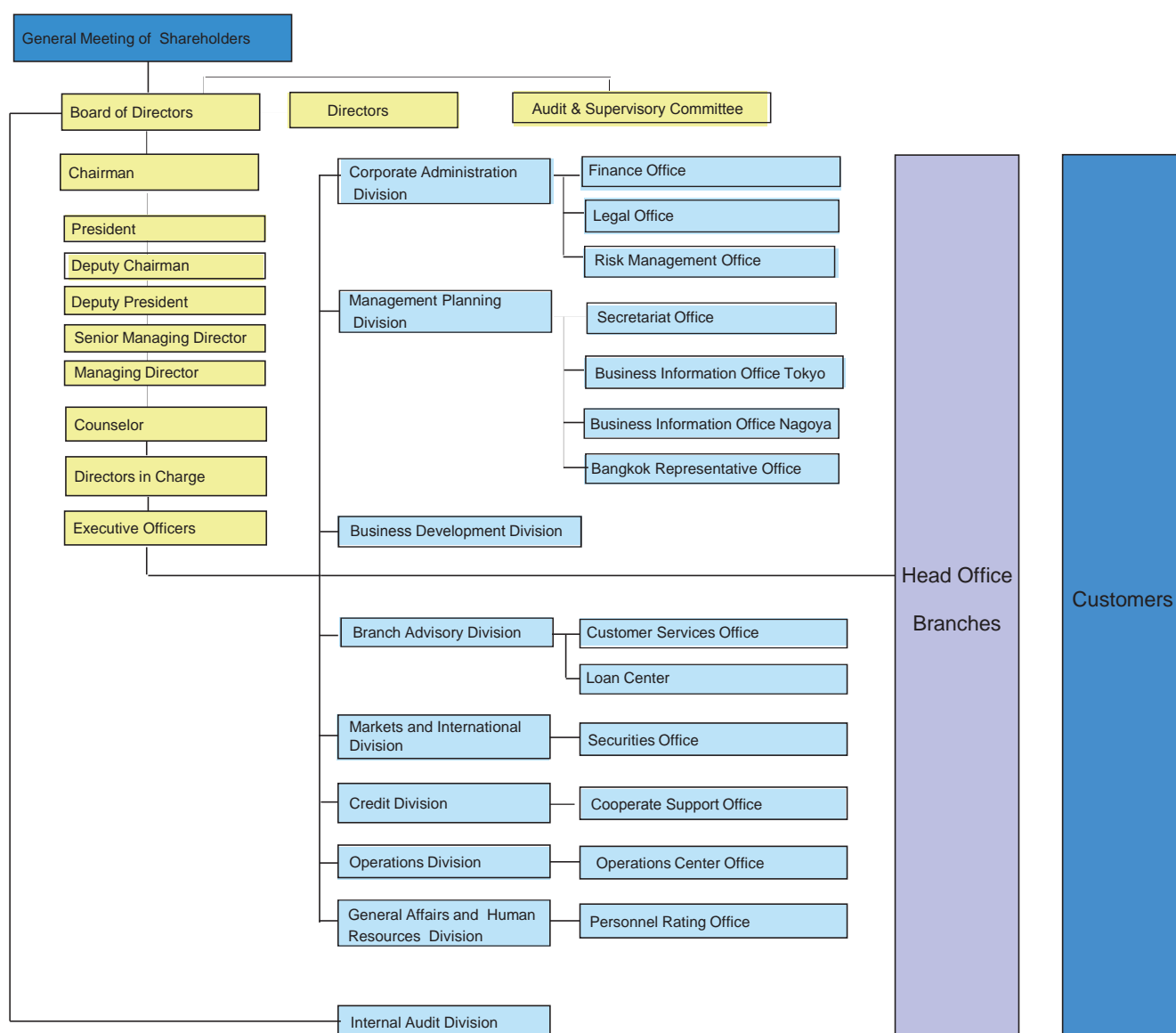
- **Directors**
Keiko Higashi
Takashi Aizawa
Yosuke Wakabayashi
Naoyuki Tamura
Naoki Tobayama
Masashi Hiraiwa
Akihiro Mochizuki*
Youichiro Ito*
Kazuaki Isobe*
Makoto Kono*

*Audit & Supervisory Committee Members

- **Managing Executive Officer**
Satoshi Kobayashi
- **Executive Officers**
Tetsuya Sugiyama
Masahiro Koyanagi
Yasunobu Sugimoto
Hiroshi Nonomura
Yasuyoshi Ohata
Nobuhide Fukazawa
Masaki Suzuki

Organization Chart

As of June 30, 2020



THE SHIMIZU BANK, LTD.

MARKETS AND INTERNATIONAL DIVISION

TEL 81-54-353-5164 SWIFT : SMZGJPJT
<https://www.shimizubank.co.jp/>

