



THE SHIMIZU BANK,LTD.

Annual Report 2025

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, 2025

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

Date of Incorporation: July 1, 1928
 Paid-up Capital: ¥10,816million
 Number of Branches: 78
 Number of Sub-branches: 1
 Number of Employees: 867
 Consolidated Capital Adequacy Ratio
 (based on domestic standards): 8.53%
 Non-Consolidated Capital Adequacy Ratio
 (based on domestic standards): 8.35%



Consolidated Subsidiaries

As of March 31, 2025

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 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



Amid rapidly changing economic circumstances

The Japanese economy in the current fiscal year recovered gradually, with the support of private consumption and increased corporate capital investment, driven by the improvement in employment and personal income, as well as rising inbound demand, despite signs of economic standstill in some areas due to the effect of continued rising prices and a slowdown in overseas economies. As for the economy of Shizuoka Prefecture, which is the Bank's main business base, despite some weaknesses in areas such as exports and production due to rising prices and uncertainty in overseas economies, we saw a gradual recovery overall. This recovery was driven by a rebound in private consumption and increased corporate capital investment, particularly in the manufacturing industry.

As for the financial environment, policy rates have been gradually raised to 0.5% by the Bank of Japan, giving way to the arrival of a full-fledged "world with interest rates."

Additionally, the disturbance of the world economy triggered by the announcement of U.S. tariff policies is significant, and the economic outlook continues to face conditions that are difficult to predict.

Amidst daily changing economic conditions, it is necessary to calmly assess and appropriately address how the world economy will transition in the future and what impact that transition will have on the Japanese economy and our customers.

Top Message / Medium-term Management Plan

At the conclusion of the second year of our 28th Medium-term Management Plan

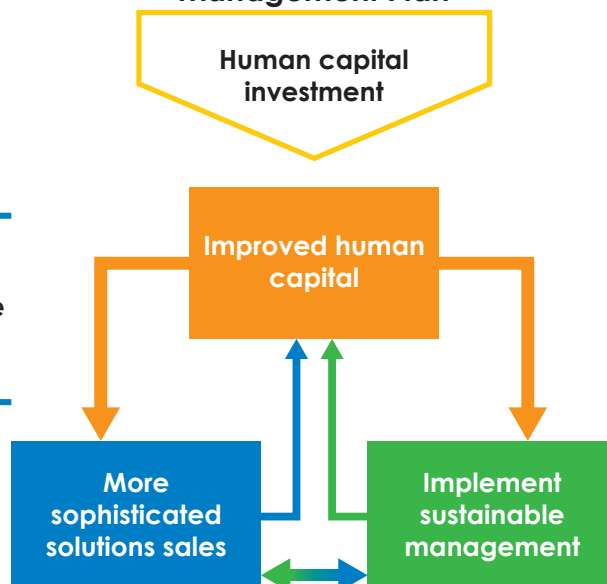
Name	SHINKA — Creating Connections —																	
Plan period	April 1, 2023 - March 31, 2026 (three years)																	
Basic policy	More sophisticated solutions sales	Improved human capital	Implement sustainable management															
Target figures (final year)	<table><tr><td></td><td>Results for FYE March 31, 2025</td><td>Targets for final year (FYE March 31, 2026)</td></tr><tr><td>(i) Core operational net profit</td><td>¥1.8 billion</td><td>¥4 billion or more</td></tr><tr><td>(ii) Profit</td><td>¥1.8 billion</td><td>¥2.5 billion or more</td></tr><tr><td>(iii) Total loans to small to medium-sized companies in the prefecture</td><td>¥944.3 billion</td><td>¥1 trillion or more</td></tr><tr><td>(iv) Consolidated capital adequacy ratio</td><td>8.53%</td><td>8% or more</td></tr></table>				Results for FYE March 31, 2025	Targets for final year (FYE March 31, 2026)	(i) Core operational net profit	¥1.8 billion	¥4 billion or more	(ii) Profit	¥1.8 billion	¥2.5 billion or more	(iii) Total loans to small to medium-sized companies in the prefecture	¥944.3 billion	¥1 trillion or more	(iv) Consolidated capital adequacy ratio	8.53%	8% or more
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As the second phase for the Bank's coming 100th anniversary, the 28th Medium-term Management Plan "SHINKA — Creating Connections —," which started in April 2023, has passed the second year of its three-year plan period. In past developments, we actively worked on the new measures set out in our basic policy of "Improved human capital," "More sophisticated solutions sales," and "Implement sustainable management."

Positioning of our purpose



Basic policy of the Medium-term Management Plan



Initiatives toward “improved human capital”

To improve human capital, in October 2023, we revised the human resources system, reviewed the salary system and promotion requirements, raised the base-pay increase, and improved the leave system. By starting mid-career hiring and referral-based hiring, we aim to be an organization where diverse human resources flourish. Additionally, in October 2024, we introduced a board benefit trust plan, improved welfare benefits, and enhanced employees' awareness of the Bank's share price as well as their motivation to work. Doing so will lead to improved employee engagement as well as employees coming together to enhance the Bank's corporate value.

In April 2025, we introduced a system for business casual attire with the aim of allowing for diversity and inclusion as well as to improve employees' working environment. Through this system, I hope that employees will develop the habit of choosing circumstance appropriate attire and proactively considering not only themselves but our customers as well.



Initiatives toward “more sophisticated solutions sales”

We established the Solution Sales Division four years ago, and have enhanced our solutions menu. Through strengthening cooperation with the SBI Group, with whom we have a capital and business alliance, this division provides a variety of financial services to customers in the region by actively utilizing all the technologies and networks the SBI Group possesses. In order to venture into new domains, we have implemented dispatch training and accumulated knowledge for specialized fields such as structured finance and equity finance. In January 2025, we invested in the Shimizu Minato SBI Regional Co-creation Fund, a fund aimed at business succession and M&A support, growth support, and startup support. With this new menu added, we will enhance solution sales. We have strengthened our promotion of business matching to create customer transaction opportunities and solve management issues. By assigning new specialist personnel to our headquarters and further enhancing partner expansion, we have established a system capable of addressing various projects.

For individual customers, we have expanded our external partners in order to respond to a variety of needs, and promoted individual consulting sales with an awareness of pursuing customers' best interests. Additionally, as one of our inheritance-related operations in a modern society that is progressively aging, we have concluded an agreement regarding legacy with the University of Shizuoka, Shizuoka Prefecture, and other similar entities. In order to improve the convenience of non-face-to-face transactions, we have strengthened our Internet banking features and begun handling COTRA money transfer services, Japanese domestic money transfer services, and seal-less account transfers.

Initiatives toward “implement sustainable management”

With regard to our core banking system, the most important system for supporting core banking business, we adopted STELLA CUBE®, a shared infrastructure center for regional banks provided by NTT DATA Japan Corporation, and it began operating from May 2024. Even after the transition, it has been operating stably without any major issues. By enjoying the shared infrastructure center's economies of scale, we expect to reduce system costs. Furthermore, in addition to having reallocated personnel consolidated at the headquarters over the span of approximately three years for the system transition to sales branches, we will prioritize and address system investments that were suspended in the system transition.

Following the development of the Shimizu Bank Sustainability Policy in December 2021, the Bank makes efforts to reduce its environmental burden through measures such as energy and resource conservation, and endeavors to realize a sustainable society. Initially, it made efforts toward reducing its greenhouse gas emissions by 46% compared with FY2013 by FY2030. However, as it has already reduced emissions by more than 70%, it revised its goal to achieving carbon neutrality by FY2030. We shall strengthen our efforts in order to promote the realization of a decarbonized society.

Initiatives toward improving corporate value

In regard to the market capitalization of tradable shares, the Bank has entered the improvement period without meeting the continued-listing criteria for the Prime Market as of March 31, 2025. While this has caused concerns among our stakeholders, we will work towards “improved profitability,” “maintained and improved shareholder returns,” “reduced cross-shareholdings,” and “improved IR activities,” and aim to meet the continued-listing criteria for the Prime Market.

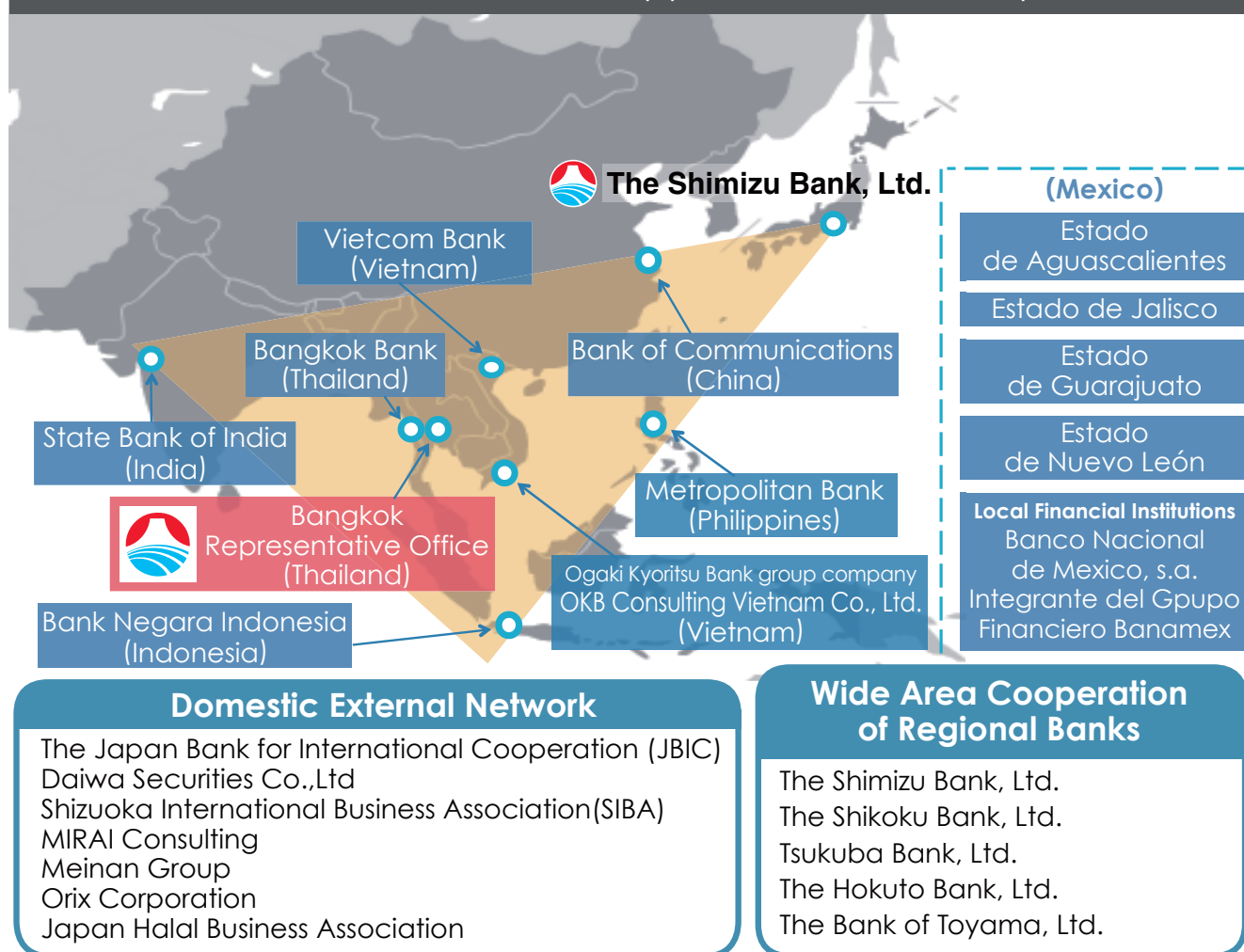
In conclusion

This year is the final year of the 28th Medium-term Management Plan, and at the same time, it is an important year for formulating the next medium-term management plan. Furthermore, the three years for the next medium-term management plan will be the final phase for celebrating the Bank's 100th anniversary. In order to have personnel who consider the Bank's future as their own concern participate in the formulation of the plan, we are developing a project to select formulation project members in which potential members will submit an essay with their own thoughts and feelings on the Bank's ideal state for its 100th anniversary and its long-term vision. Using the Bank's purpose of “With love for the local community, we consider and co-create the future together with our customers” as our starting point, we will always accompany our customers in their steps forward. As the Bank approaches its 100th anniversary and the future beyond that, rather than remaining “quietly still” we will take “dynamic action” to improve that which needs improving, change that which needs changing, and focus on strength and speed to produce results with considerable commitment.

We appreciate our stakeholders' continued support and patronage.

Support for Overseas Business Development

The Shimizu Bank's 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 decreased by ¥761 million year on year to ¥29,143 million mainly due to a decrease in securities-related income, despite increases in interest on loans and discounts and fees and commissions. Ordinary expenses decreased by ¥7,193 million year on year to ¥26,842 million mainly due to decreases in interest expenses and credit expenses. As a result, an ordinary profit of ¥2,300 million was posted.

In terms of deposits, as a result of striving to expand our business base, which has close ties to the region, total deposits increased by ¥53.0 billion from the end of the previous fiscal year to ¥1,595.0 billion.

In personal deposit assets, by responding to increasing diverse customer needs, we succeeded in growing investment trusts and personal pension insurance, leading to an increase of ¥31.1 billion from the end of the previous fiscal year to ¥1,411.4 billion.

Loans and bills discounted increased by ¥8.1 billion from the end of the previous fiscal year to ¥1,253.2 billion, as a result of responding proactively, as a regional financial institution, to demand from customers for funding.

Securities decreased by ¥13.4 billion from the end of the previous fiscal year to ¥263.3 billion, as a result of keeping a close eye on market fluctuations while taking a flexible approach to management.

(Millions of Yen)

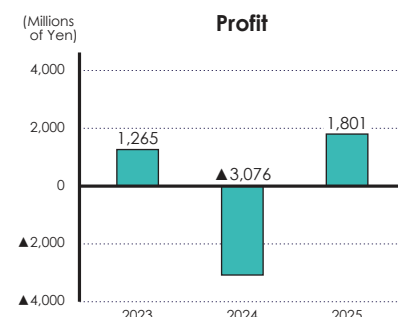
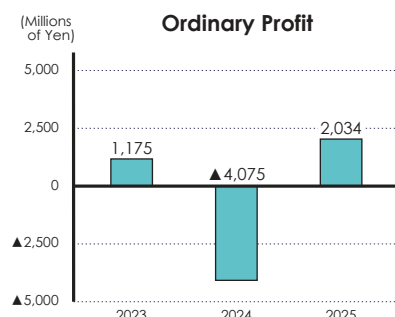
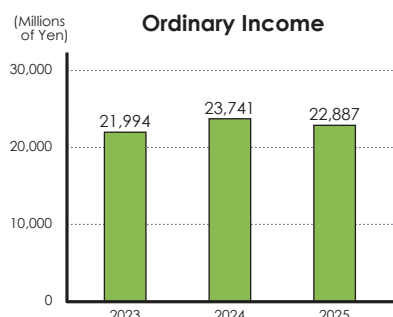
Consolidated Five-years Summary	2021	2022	2023	2024	2025
Ordinary Income	¥27,782	¥27,421	¥28,403	¥29,904	¥29,143
Ordinary Profit	3,475	3,984	1,596	▲4,131	2,300
Profit Attributable to Owners of Parent	2,163	2,580	1,474	▲3,301	1,861
Comprehensive Income	5,179	▲3,788	▲6,642	5,435	▲5,594
Total Net Assets	87,071	82,569	75,158	79,930	73,250
Total Assets	1,795,397	1,808,806	1,889,075	1,755,862	1,807,263
Net Assets per Share in Yen	7,388.40	6,993.66	6,384.27	6,780.19	6,364.65
Net Income per Share in Yen	186.69	222.69	127.55	▲286.14	163.24
Consolidated Capital Adequacy Ratio (based on domestic standards)	9.03%	8.95%	8.69%	8.06%	8.53%
Number of Employees	996	999	985	982	964

Non-Consolidated Results

Ordinary income decreased by ¥853 million year on year to ¥22,887 million mainly due to a decrease in securities-related income, despite increases in interest on loans and discounts and fees and commissions. Ordinary expenses decreased by ¥6,964 million year on year to ¥20,852 million. As a result, an ordinary profit of ¥2,034 million was posted.

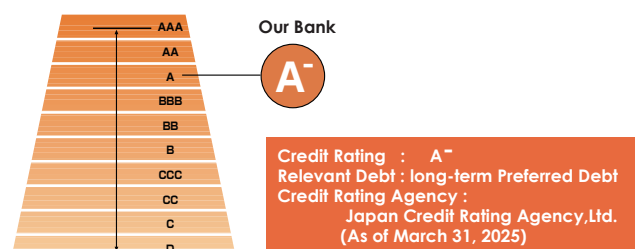
(Millions of Yen)

Non-Consolidated Five-years Summary	2021	2022	2023	2024	2025
Ordinary Income	¥21,874	¥21,229	¥21,994	¥23,741	¥22,887
Ordinary Profit	3,370	3,445	1,175	▲4,075	2,034
Profit	2,208	2,239	1,265	▲3,076	1,801
Capital Stock	10,816	10,816	10,816	10,816	10,816
Number of Shares Issued in Thousand Shares	11,641	11,641	11,641	11,641	11,641
Total Net Assets	82,912	77,904	70,383	73,752	67,112
Total Assets	1,784,805	1,797,996	1,876,516	1,743,818	1,797,098
Deposits	1,494,257	1,519,359	1,546,805	1,545,433	1,598,411
Loans and Bills Discounted	1,211,117	1,225,136	1,251,148	1,252,886	1,261,726
Securities	310,524	335,725	329,005	277,120	263,671
Net Assets Per Share in Yen	7,149.32	6,715.05	6,098.80	6,377.94	5,960.68
Dividends per Share in Yen	60	60	60	55	60
Dividends per Share at mid-term in Yen	30	30	30	30	30
Net Income per Share in Yen	190.65	193.24	109.40	▲266.59	158.03
Dividends Payment ratio	31.47%	31.04%	54.84%	-%	37.96%
Non-Consolidated Capital Adequacy Ratio (based on domestic standards)	8.79%	8.71%	8.47%	7.89%	8.35%
Number of Employees	904	906	892	893	867



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.



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 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 eleven Directors (excluding Directors serving as Audit & Supervisory Committee Members), of which three are Outside Directors, and four Directors serving as Audit & Supervisory Committee Members, of which three are Outside Directors, for a total of 15. 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.

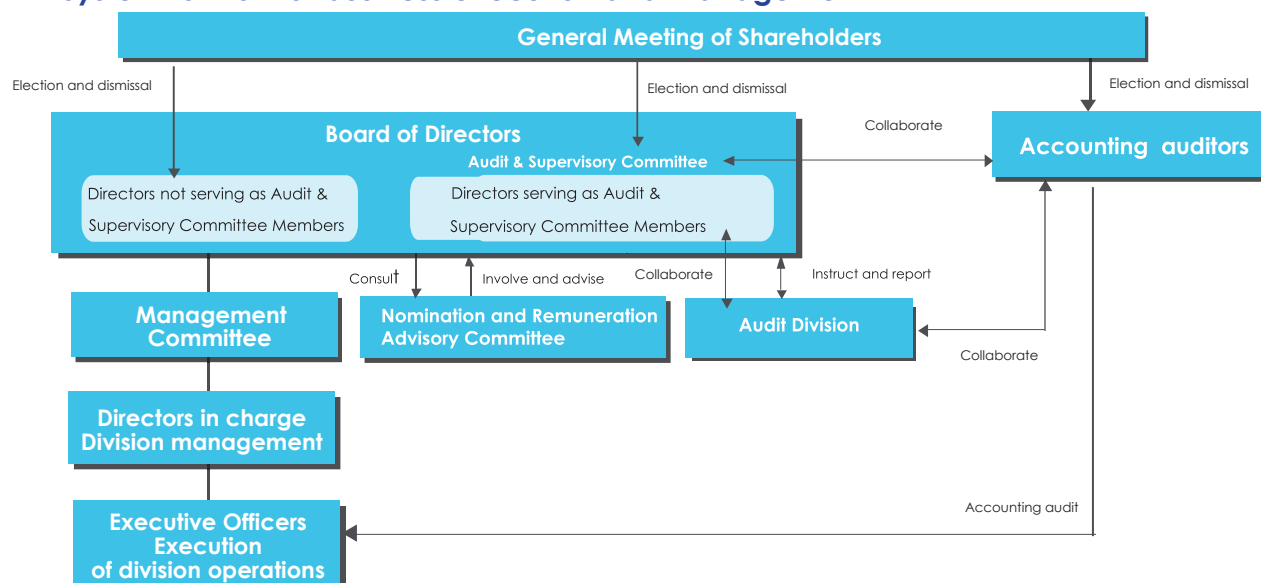
The Audit & Supervisory Committee deliberates and reports on the status of audits, with a particular focus on the duties of Directors. Ordinary meetings of the Audit & Supervisory Committee are held once a month as a rule, in addition to which extraordinary meetings are held as required.

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) the Sustainability Department to deliberate on key initiatives and disclosure content related to sustainability. 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. 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. 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.

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.

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

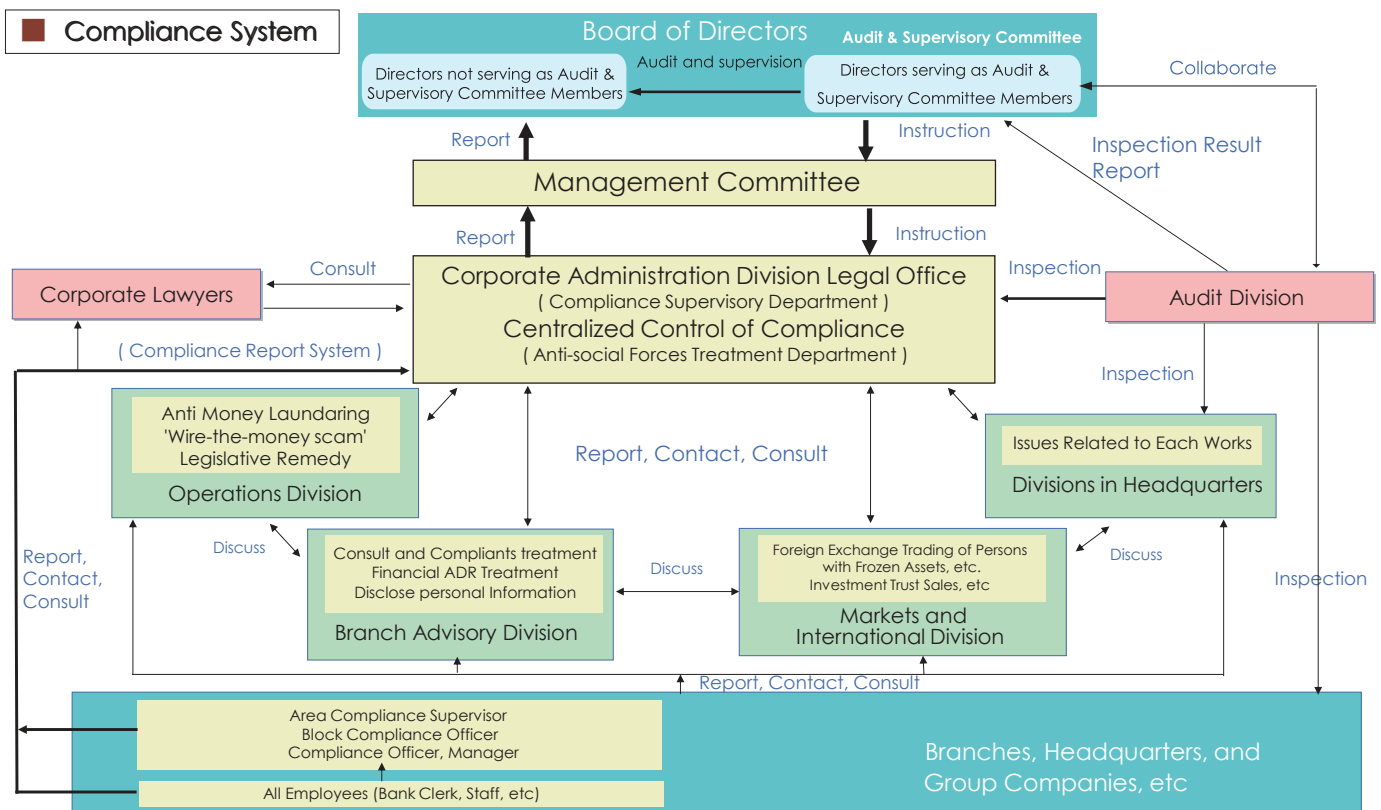
We comply with laws and regulations as well as with internal rules in the course of executing our business. We respect social rules, perform corporate activities with conscientiousness, integrity and fairness.

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.

● Basic Policy on Preventing Money Laundering and Countering the Financing of Terrorism

Basic Policy on Preventing Money Laundering and Countering the Financing of Terrorism

With the diversification of payment methods and the globalization of transactions, the proceeds of crime are being transferred across national borders and becoming a source of activity for criminal organizations and terrorists, making preventing money laundering and countering the financing of terrorism international challenges. The Bank considers preventing money laundering and countering the financing of terrorism to be important management issues. We have established an effective control system and are working to maintain and improve the healthiness and appropriateness of our business operations through the establishment of various regulations and ongoing customer management.

The details of our basic policy are posted on our website.

<https://www.shimizubank.co.jp/footer/maneron/english.html>



● Solicitation Policy

The Bank observes various laws, regulations and rules, as well as the following matters when soliciting the sale of financial instruments.

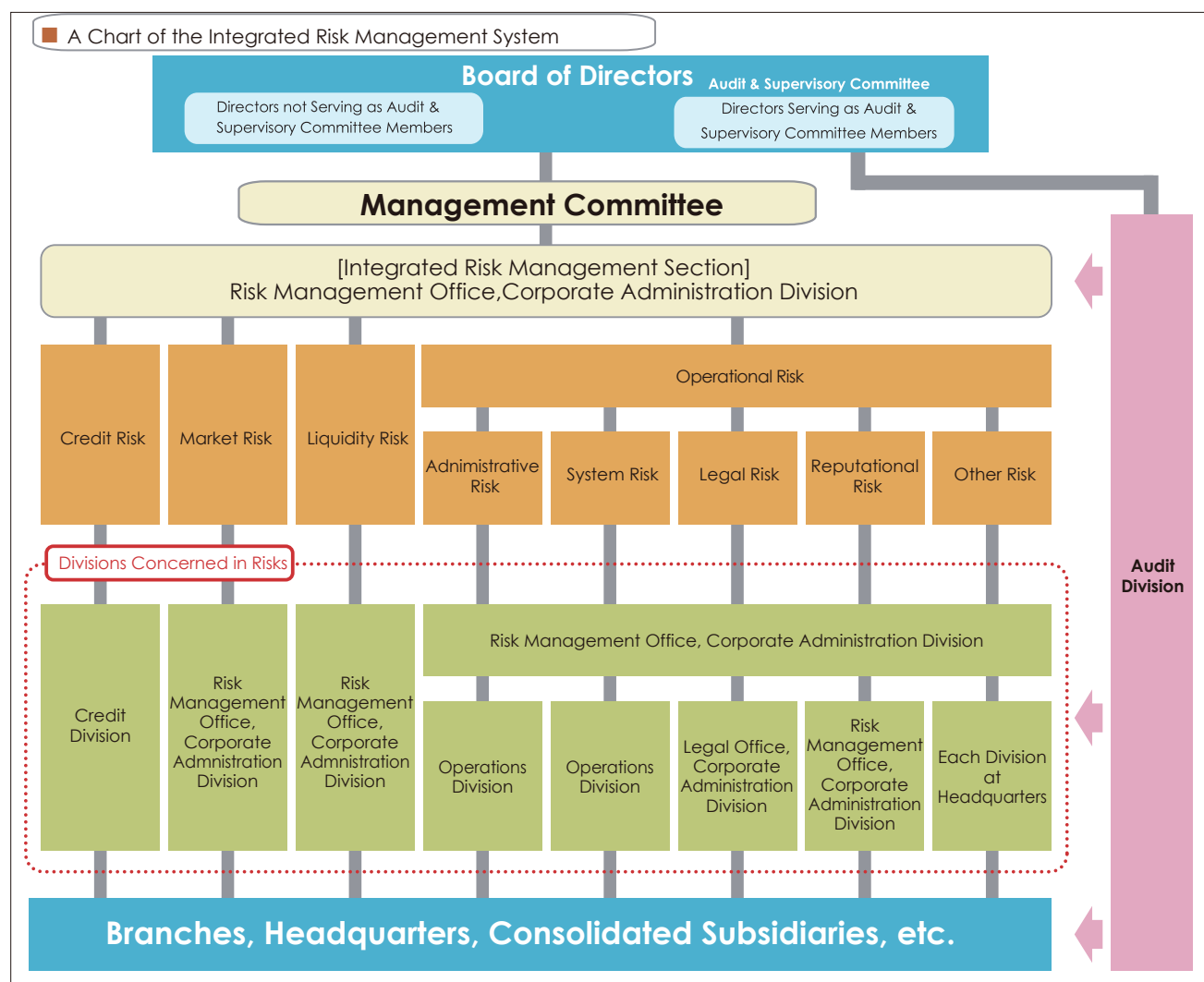
- ① The Bank works to make appropriate solicitations by referring to customers' knowledge, experience, asset status and purpose for concluding the agreement.
- ② The Bank sufficiently explains significant matters, such as the details and risks of financial instruments.
- ③ The Bank will not make solicitations that invite misunderstandings through declarative conclusions and the provision of factually incorrect information.
- ④ The Bank will not make solicitations during times and in places that are inconvenient.
- ⑤ The Bank will work to acquire knowledge of financial instruments so that it may make appropriate solicitations

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 "STELLA CUBE" created by NTT DATA Japan Corporation.

We established a backup center for "STELLA CUBE", 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.

Cyber Security

The risk of cyber-attacks is continuing to increase due to the advancement of digital technology and changes in the international situation. As attack methods become more diverse and sophisticated, the difficulty of managing system vulnerabilities and other issues is also increasing. The Bank recognizes cybersecurity management as one of its most important management issues. We have established "Cybersecurity Management Regulations" to clarify our basic policies, management structure, and roles during normal operations and in the event of an incident, and have also established a Computer Security Incident Response Team (CSIRT) to conduct cyber attack-related training, exercises, and education to improve the effectiveness of our countermeasures.

In addition, through membership in the corporate association Financials ISAC Japan, which conducts cooperative activities related to cybersecurity of financial institutions in Japan, and participation in the Shizuoka Prefectural Council on Countermeasures for Cyberterrorism, which aims to take action to combat cyberterrorism using public-private collaboration in Shizuoka Prefecture, the Bank is engaged in efforts to collect information regarding the latest threat trends and to enhance the system for collaboration with external organizations.

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 31,2024	March 31,2025	March 31,2025
Assets			
Cash and Due from Banks	¥165,704	¥243,103	US\$1,625,785
Trading Securities	598	458	3,067
Money Held in Trust	1,000	1,000	6,692
Securities	276,814	263,344	1,761,147
Loans and Bills Discounted	1,245,101	1,253,228	8,381,116
Foreign Exchanges	502	1,064	7,118
Lease Receivables and Investments in Leases	14,532	13,680	91,488
Other Assets	27,468	6,782	45,358
Property, Plant and Equipment	16,579	16,972	113,503
Buildings, Net	6,505	6,305	42,168
Land	8,834	8,834	59,083
Leased Assets, Net	10	16	107
Construction in Progress	31	15	104
Other Tangible Fixed Assets	1,197	1,800	12,040
Intangible Assets	1,552	2,138	14,301
Software	1,441	1,881	12,579
Leased Assets	3	2	15
Other Intangible Fixed Assets	107	255	1,706
Retirement Benefit Asset	2,300	2,476	16,561
Deferred Tax Assets	4,408	4,510	30,165
Customers' Liabilities for Acceptances and Guarantees	6,036	6,120	40,934
Allowance for Loan Losses	(6,736)	(7,618)	(50,947)
Total Assets	¥1,755,862	¥1,807,263	US\$12,086,294

	(Millions of Yen)	(Millions of Yen)	(Thousands of U.S.Dollars)
	March 31,2024	March 31,2025	March 31,2025
Liabilities			
Deposits	¥1,541,974	¥1,595,017	US\$10,666,875
Borrowed Money	119,019	118,034	789,371
Foreign Exchanges	53	23	154
Other Liabilities	7,855	14,154	94,661
Provision for Bonuses	460	449	3,006
Retirement Benefit Liability	117	110	738
Provision for Retirement Benefits for Directors(and Other Officers)	54	38	260
Provision for Loss on Cancellation of System Contracts	283	-	0
Deferred Tax Liabilities	77	62	420
Acceptances and Guarantees	6,036	6,120	40,934
Total Liabilities	1,675,932	1,734,013	11,596,424
Net Assets			
Share Capital	10,816	10,816	72,335
Capital Surplus	7,606	7,584	50,723
Retained Earnings	62,708	63,934	427,567
Treasury Shares	(274)	(700)	(4,683)
Total Shareholders' Equity	80,856	81,634	545,942
Valuation Difference on Available-for-Sale Securities	(4,687)	(12,252)	(81,942)
Deferred Gains or Losses on Hedges	290	486	3,250
Remeasurements of Defined Benefit Plans	1,819	1,667	11,151
Total Accumulated Other Comprehensive Income	(2,577)	(10,099)	(67,540)
Share Acquisition Rights	117	117	784
Non-Controlling Interests	1,534	1,597	10,683
Total Net Assets	79,930	73,250	489,870
Total Liabilities and Net Assets	¥1,755,862	¥1,807,263	US\$12,086,294

Notes

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Consolidated Statement of Income

	(Millions of Yen)	(Millions of Yen)	(Thousands of U.S.Dollars)
	Years ended March 31, 2024	Years ended March 31, 2025	Years ended March 31, 2025
Ordinary Income	¥29,904	¥29,143	US\$194,900
Interest Income	15,997	15,843	105,954
Interest on Loans and Discounts	12,737	13,114	87,701
Interest and Dividends on Securities	3,005	2,079	13,906
Interest on call loans	-	64	433
Interest on Deposits with Banks	207	486	3,250
Other Interest Income	47	98	662
Fees and Commissions	11,440	11,473	76,730
Other Ordinary Income	119	54	365
Other Income	2,347	1,771	11,850
Other	2,347	1,771	11,850
Ordinary Expenses	34,035	26,842	179,513
Interest Expenses	2,350	1,483	9,918
Interest on Deposits	231	1,280	8,566
Interest on Negotiable Certificates of Deposit	0	19	133
Interest on Call Money	(33)	-	-
Interest Expenses on Cash Collateral Received for Securities Lent	2,102	91	609
Interest on Borrowings and Rediscounts	49	88	594
Other Interest Expenses	0	2	13
Fees and Commissions Payments	6,639	6,471	43,277
Other Ordinary Expenses	8,140	2,164	14,478
General and Administrative Expenses	15,107	15,565	104,099
Other Expenses	1,798	1,157	7,740
Provision of Allowance for Loan Losses	1,527	990	6,622
Other	270	167	1,117
Ordinary Profit (Loss)	(4,131)	2,300	15,387
Extraordinary Income	-	2	-
Other	-	2	0
Extraordinary Losses	170	1	9
Loss on Disposal of Non-Current Assets	0	1	9
Impairment Losses	170	-	-
Profit (Loss) Before Income Taxes	(4,302)	2,301	15,393
Income Taxes - Current	172	434	2,903
Income Taxes - Deferred	(1,218)	(61)	(414)
Total Income Taxes	(1,046)	372	2,489
Profit (Loss)	(3,255)	1,929	12,904
Profit Attributable to Non-Controlling Interests	46	68	455
Profit (Loss) Attributable to Owners of Parent	(¥3,301)	1,861	12,448

Consolidated Statement of Comprehensive Income

	(Millions of Yen)	(Millions of Yen)	(Thousands of U.S.Dollars)
	Years ended March 31, 2024	Years ended March 31, 2025	Years ended March 31, 2025
Profit (Loss)	(¥3,255)	¥1,929	US\$12,904
Other Comprehensive Income	8,691	(7,524)	(50,320)
Valuation Difference on Available-for-Sale Securities	7,136	(7,568)	(50,613)
Deferred Gains or Losses on Hedges	(6)	195	1,306
Remeasurements of Defined Benefit Plans, Net of Tax	1,561	(151)	(1,013)
Comprehensive Income	5,435	(5,594)	(37,416)
Comprehensive Income Attributable to Owners of Parent	¥5,385	(¥5,660)	(US\$37,853)
Comprehensive Income Attributable to Non-Controlling Interests	50	65	437

Notes

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Consolidated Statement of Changes in Net Assets

Years ended March 31, 2024

(Millions of Yen)

	Shareholders' Equity				
	Share Capital	Capital Surplus	Retained Earnings	Treasury Shares	Total Shareholders' Equity
Balance at April 1, 2023	¥10,816	¥7,642	¥66,701	(¥346)	¥84,813
Changes During Period					
Dividends of Surplus			(691)		(691)
Profit (Loss) Attributable to Owners of Parent			(3,301)		(3,301)
Purchase of Treasury Shares				(1)	(1)
Disposal of Treasury Shares		(35)		73	37
Net Changes in Items Other Than Shareholders' Equity					
Total Changes During Period	-	(35)	(3,993)	72	(3,956)
Balance at March 31, 2024	¥10,816	¥7,606	¥62,708	(¥274)	¥80,856

	Accumulated Other Comprehensive Income				Share Acquisition Rights	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, 2023	(¥11,819)	¥297	¥257	(¥11,264)	¥123	¥1,485	¥75,158
Changes During Period							
Dividends of Surplus							(691)
Profit (Loss) Attributable to Owners of Parent							(3,301)
Purchase of Treasury Shares							(1)
Disposal of Treasury Shares							37
Net Changes in Items Other Than Shareholders' Equity	7,132	(6)	1,561	8,687	(6)	48	8,729
Total Changes During Period	7,132	(6)	1,561	8,687	(6)	48	4,772
Balance at March 31, 2024	(¥4,687)	¥290	¥1,819	(¥2,577)	¥117	¥1,534	¥79,930

Years ended March 31, 2025

(Millions of Yen)

	Shareholders' Equity				
	Share Capital	Capital Surplus	Retained Earnings	Treasury Shares	Total Shareholders' Equity
Balance at April 1, 2024	¥10,816	¥7,606	¥62,708	(¥274)	¥80,856
Changes During Period					
Dividends of Surplus			(635)		(635)
Profit (Loss) Attributable to Owners of Parent			1,861		1,861
Purchase of Treasury Shares				(529)	(529)
Disposal of Treasury Shares		(21)		103	81
Net Changes in Items Other Than Shareholders' Equity					
Total Changes During Period	-	(21)	1,225	(426)	778
Balance at March 31, 2025	¥10,816	¥7,584	¥63,934	(¥700)	¥81,634

	Accumulated Other Comprehensive Income				Share Acquisition Rights	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, 2024	(¥4,687)	¥290	¥1,819	(¥2,577)	¥117	¥1,534	¥79,930
Changes During Period							
Dividends of Surplus							(635)
Profit (Loss) Attributable to Owners of Parent							1,861
Purchase of Treasury Shares							(529)
Disposal of Treasury Shares							81
Net Changes in Items Other Than Shareholders' Equity	(7,565)	195	(151)	(7,521)		63	(7,458)
Total Changes During Period	(7,565)	195	(151)	(7,521)	-	63	(6,680)
Balance at March 31, 2025	(¥12,252)	¥486	¥1,667	(¥10,099)	¥117	¥1,597	¥73,250

Notes

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Consolidated Statement of Changes in Net Assets

Years ended March 31, 2025

(Thousands of U.S.Dollars)

	Shareholders' Equity				
	Share Capital	Capital Surplus	Retained Earnings	Treasury Shares	Total Shareholders' Equity
Balance at April 1, 2024	US\$72,335.00	US\$50,867.00	US\$419,369.00	(US\$1,832.00)	US\$540,739.00
Changes During Period					
Dividends of Surplus			(4,250)		(4,250)
Profit (Loss) Attributable to Owners of Parent			12,448		12,448
Purchase of Treasury Shares				(3,540)	(3,540)
Disposal of Treasury Shares		(144)		690	546
Net Changes in Items Other Than Shareholders' Equity					
Total Changes During Period	-	(144)	8,198	(2,850)	5,203
Balance at March 31, 2025	US\$72,335.00	US\$50,723.00	US\$427,567.00	(US\$4,683.00)	US\$545,942.00

	Accumulated Other Comprehensive Income				Share Acquisition Rights	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, 2024	(US\$31,347.00)	US\$1,944.00	US\$12,165.00	(US\$17,238.00)	US\$784	US\$10,259	US\$534,545
Changes During Period							
Dividends of Surplus							(4,250)
Profit (Loss) Attributable to Owners of Parent							12,448
Purchase of Treasury Shares							(3,540)
Disposal of Treasury Shares							546
Net Changes in Items Other Than Shareholders' Equity	(50,595)	1,306	(1,013)	(50,302)	(42)	323	(49,877)
Total Changes During Period	(50,595)	1,306	(1,013)	(50,302)	(42)	323	(44,674)
Balance at March 31, 2025	(US\$81,942.00)	US\$3,250.00	US\$11,151.00	(US\$67,540.00)	US\$784.00	US\$10,259.00	US\$489,870

Notes

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Consolidated Statement of Cash Flows

	(Millions of Yen)	(Millions of Yen)	(Thousands of U.S.Dollars)
	Years ended March.31,2024	Years ended March.31,2025	Years ended March.31,2025
Cash Flows from Operating Activities			
Profit (Loss) Before Income Taxes	(¥4,302)	¥2,301	US\$15,393
Depreciation	931	1,457	9,744
Impairment Losses	170	-	-
Increase (Decrease) in Allowance for Loan Losses	(1,050)	881	5,893
Increase (Decrease) in Provision for Bonuses	(1)	(10)	(73)
Decrease (Increase) in Retirement Benefit Asset	(2,035)	(175)	(1,175)
Increase (Decrease) in Retirement Benefit Liability	(321)	(7)	(47)
Increase (Decrease) in Provision for Retirement Benefits for Directors (and Other Officers)	2	(15)	(100)
Increase (Decrease) in Provision for Loss on Cancellation of system contracts	-	(283)	(1,893)
Interest Income	(15,997)	(15,843)	(105,954)
Interest Expenses	2,350	1,483	9,918
Loss (Gain) Related to Securities	3,898	(561)	(3,754)
Loss (Gain) on Money Held in Trust	(11)	(10)	(68)
Foreign Exchange Losses (Gains)	(6,175)	1	10
Loss (Gain) on Disposal of Non-Current Assets	0	1	9
Net Decrease (Increase) in Trading Securities	(20)	139	932
Net Decrease (Increase) in Loans and Bills Discounted	241	(8,126)	(54,349)
Net Increase (Decrease) in Deposits	(962)	53,043	354,736
Net Increase (Decrease) in Negotiable Certificates of Deposit	(79,550)	-	-
Net Increase (Decrease) in Borrowed Money (Excluding Subordinated Borrowings)	(7,666)	(985)	(6,589)
Net Decrease (Increase) in Due from Banks (Excluding Due from Bank of Japan)	58	75	505
Net Increase (Decrease) in Cash Collateral Received for Securities Lent	(50,235)	-	-
Net Decrease (Increase) in Foreign Exchanges-Assets	1,098	(561)	(3,755)
Net Increase (Decrease) in Foreign Exchanges-Liabilities	(1)	(30)	(203)
Net Decrease (Increase) in Lease Receivables and Investments in Leases	(803)	(259)	(1,735)
Interest Received	16,651	16,277	108,855
Interest Paid	(2,414)	(1,120)	(7,493)
Other, Net	2,986	26,245	175,523
Subtotal	(143,160)	73,916	494,328
Income Taxes Paid	(135)	(310)	(2,078)
Income Taxes Refund	-	245	1,644
Net Cash Provided by (Used in) Operating Activities	(143,296)	73,852	493,894
Cash Flows from Investing Activities			
Purchase of Securities	(38,572)	(77,906)	(521,008)
Proceeds from Sale of Securities	79,594	38,099	254,796
Proceeds from Redemption of Securities	20,617	46,170	308,772
Decrease in Money Held in Trust	11	9	63
Purchase of Property, Plant and Equipment	(436)	(1,045)	(6,992)
Purchase of Intangible Assets	(748)	(1,061)	(7,100)
Proceeds from Sale of Property, Plant and Equipment	543	476	3,187
Payments for Asset Retirement Obligations	(4)	-	-
Net Cash Provided by (Used in) Investing Activities	61,004	4,742	31,716
Cash Flows from Financing Activities			
Repayments of Lease Obligations	(3)	(4)	(33)
Purchase of Treasury Shares	(1)	(529)	(3,540)
Proceeds from Sale of Treasury Shares	0	51	342
Dividends Paid	(689)	(633)	(4,234)
Dividends Paid to Non-Controlling Interests	(1)	(1)	(13)
Net Cash Provided by (Used in) Financing Activities	(695)	(1,118)	(7,478)
Effect of Exchange Rate Change on Cash and Cash Equivalents	0	(1)	(9)
Net Increase (Decrease) in Cash and Cash Equivalents	(82,986)	77,474	518,122
Cash and Cash Equivalents at Beginning of Period	247,993	165,007	1,103,506
Cash and Cash Equivalents at End of Period	¥165,007	¥242,482	US\$1,621,629

Notes

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Board of Directors and Executive Officers

As of June 30, 2025

● President

Yasuhiro Iwayama*¹

● Senior Managing Director

Ayato Mochizuki*¹

● Chairman

Katsuichiro Toyoshima

● Managing Directors

Masashi Hiraiwa

Nobuhide Fukazawa

● Directors

Keiko Higashi*²

Makoto Kono*²

Takahiro Sugiyama*²

Masaki Yagi

Yasumasa Oki

Kunihiko Maeda

Fumitoshi Yabuzaki*³

Kazuaki Isobe*^{2,*3}

Shigeyuki Konagaya*^{2,*3}

Kanako Ito*^{2,*3}

*¹Representative Director

*²Outside Director

*³Audit & Supervisory Committee Members

● Executive Officers

Takafumi Okada

Akinori Iwama

Aki Matsumoto

Yasuko Imura

Hisashi Yui

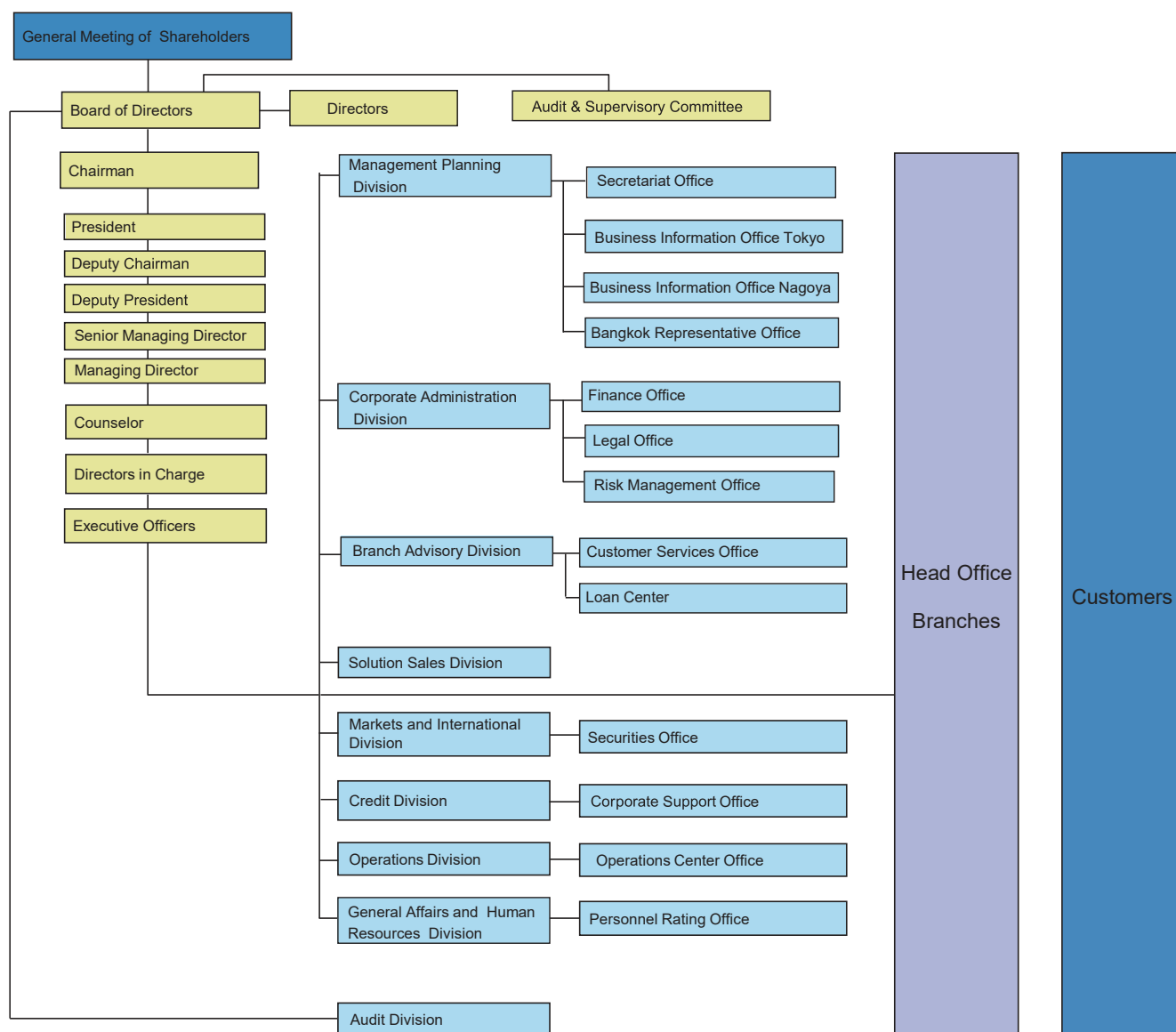
Yukio Morota

Hiroshi Katsumata

Yasuhiro Shimizu

Organization Chart

As of June 30, 2025



THE SHIMIZU BANK, LTD.

MARKETS AND INTERNATIONAL DIVISION

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