

The Bank of Okinawa  
Financial Statements  
for the First Half  
Ended September 30, 2021

## Table of Contents

I. Summary of Business Results for the First Half Ended September 30, 2021		
1. Business performance	Non-consolidated/consolidated .....	1
2. Net business profit	Non-consolidated .....	3
3. Interest margins	Non-consolidated .....	3
4. Gains and losses on securities	Non-consolidated .....	4
5. Capital ratio (domestic standards)	Non-consolidated/consolidated .....	4
6. ROE	Non-consolidated .....	5
II. Loans and Bills Discounted		
1. Risk-monitored loans (under the Banking Law)	Non-consolidated/consolidated .....	6
2. Allowance for loan losses	Non-consolidated/consolidated .....	8
3. Coverage of risk monitored loans	Non-consolidated/consolidated .....	8
4. Mandatory disclosure of bad debt under the Financial Reconstruction Law	Non-consolidated/consolidated .....	10
5. Coverage of assets subject to mandatory disclosure under the Financial Reconstruction Law	Non-consolidated/consolidated .....	10
6. Allowance ratio and coverage ratio of assets subject to mandatory disclosure under the Financial Reconstruction Law by asset category and borrower category	Non-consolidated/consolidated .....	11
7. Asset self-assessment and classification of assets	Non-consolidated .....	12
8. Asset self-assessment and mandatory disclosure of assets under the Financial Reconstruction Law	Non-consolidated .....	14
9. Loans and bills discounted by industrial segment	Non-consolidated .....	15
(1) Loans made by industrial segment	Non-consolidated .....	15
(2) Risk-monitored loans by industrial segment	Non-consolidated .....	15
(3) Loan and bad debt balances – wholesaling & retailing, construction, real estate, finance (excluding banking)	Non-consolidated .....	16
(4) Consumer loan balance	Non-consolidated .....	17
(5) Loans to SMEs and ratio of loans to SMEs to total loans	Non-consolidated .....	17
10. Loans guaranteed by credit guarantee associations	Non-consolidated .....	17
11. Loan balance to affiliate non-bank financial institutions	Non-consolidated .....	17
12. Deposits and loan balances	Non-consolidated .....	17
13. Deposit made by individuals and corporations by deposit category (average balance)	Non-consolidated .....	18
III. Performance Forecasts		
1. Full-year performance forecasts and dividend forecasts for the year ending March 31, 2022	Non-consolidated .....	19
2. Employees and branches	Non-consolidated .....	19
3. Shareholdings	Non-consolidated .....	20
4. Bad debt	Non-consolidated .....	20
(1) Credit cost	Non-consolidated .....	20
(2) Bad debt balance	Non-consolidated .....	20
(3) Bad debt final disposal and new occurrence	Non-consolidated .....	21
(4) Reserves for possible loan losses by borrower category and reserve ratios	Non-consolidated .....	21
(5) Bad debt ratios (under the Financial Reconstruction Law)	Non-consolidated/consolidated .....	22

# I. Summary of Business Results for the First Half Ended September 30, 2021

## 1. Business performance

### Non-consolidated

(¥ million)

		(Japanese)	1HFY21	YoY increase (decrease)	1HFY20
Gross business profit		業 務 粗 利 益	15,265	836	14,429
Net interest income		資 金 利 益	14,164	373	13,790
Gains (losses) on cancellation of investment trusts		うち投資信託解約損益	99	108	(8)
Net fees and commissions		役 務 取 引 等 利 益	952	219	733
Trust fees		う ち 信 託 報 酬	44	(9)	53
Expenses for the disposal of bad debt included in trust account (1)		信 託 勘 定 不 良 債 権 処 理 額	-	-	-
Other business profit		そ の 他 業 務 利 益	149	243	(93)
Expenses (excluding non-recurrent items)		経 費 (除 く 臨 時 処 理 分)	10,932	(84)	11,016
Personnel expenses		人 件 費	5,005	20	4,984
Non-personnel expenses		物 件 費	4,912	(142)	5,054
Taxes		税 金	1,014	37	977
Net business profit (prior to provision of general allowance for possible loan losses)		業 務 純 益 (一 般 貸 引 繰 入 前)	4,333	920	3,413
Excluding gains (losses) on bond trading		除 く 国 債 等 債 券 関 係 損 益 ( 5 勘 定 戻 )	4,304	702	3,602
Excluding gains (losses) on cancellation of investment trusts		除 く 投 資 信 託 解 約 損 益	4,205	594	3,611
Provision of general allowance for possible loan losses (2)		一 般 貸 倒 引 当 金 繰 入 額	994	852	142
Net business profit		業 務 純 益	3,338	67	3,271
Gains (losses) on bond trading		う ち 国 債 等 債 券 関 係 損 益 ( 5 勘 定 戻 )	28	217	(188)
Non-recurrent items		臨 時 損 益	(613)	(463)	(150)
Recoveries of written-off claims		う ち 償 却 債 権 取 立 益	222	212	10
Net gains (losses) on equity trading		う ち 株 式 等 関 係 損 益 ( 3 勘 定 戻 )	75	129	(53)
Losses on bad debt disposal (3)		う ち 不 良 債 権 処 理 損 失	1,181	860	320
Provision of specific allowance for loan losses		個 別 貸 倒 引 当 金 繰 入 額	1,145	880	265
Written-off of loans		貸 出 金 償 却	35	(20)	55
Provision of reserve for compensation for trust principal losses (4)		信 託 元 本 補 填 引 当 金 繰 入 額	0	0	-
Reversal of reserve for compensation for trust principal losses (5)		う ち 信 託 元 本 補 填 引 当 金 戻 入 益	-	(12)	12
Ordinary profit		経 常 利 益	2,724	(396)	3,121
Extraordinary gains (losses)		特 別 損 益	(22)	13	(36)
Losses on disposal of noncurrent assets		う ち 固 定 資 産 処 分 損 益	(22)	13	(36)
Income before income taxes		税 引 前 中 間 純 利 益	2,702	(382)	3,085
Income taxes-current		法 人 税 、 住 民 税 及 び 事 業 税	1,290	319	971
Income taxes-deferred		法 人 税 等 調 整 額	64	57	6
Total income taxes		法 人 税 等 合 計	1,355	377	977
Net income		中 間 純 利 益	1,347	(760)	2,107
Bad debt disposal ((1) + (3) + (4) - (5))		不 良 債 権 処 理 額	1,181	873	307
Credit cost ((1) + (2) + (3) + (4) - (5))		与 信 費 用	2,175	1,725	450

Consolidated

(¥ million)

	(Japanese)	1H FY21	YoY increase (decrease)	1H FY20
		Gross business profit	連結業務粗利益	16,631
Interest income	資金利益	13,916	155	13,760
Trust fees	信託報酬	44	(9)	53
Fees and commissions	役務取引等利益	1,230	175	1,054
Other business profit	その他業務利益	1,440	418	1,021
Operating expenses	営業経費	12,203	37	12,166
Loan-loss provisions	貸倒償却引当費用	2,349	1,779	569
Provision of general allowance for possible loan losses	一般貸倒引当金繰入額	980	842	138
Provision of specific allowance for loan losses	個別貸倒引当金繰入額	1,164	974	189
Provision of reserve for compensation for trust principal losses	信託元本補填引当金繰入額	0	0	-
Written-off of loans	貸出金償却	203	(37)	241
Net gains (losses) on equity securities	株式等関係損益	75	129	(53)
Other	その他	704	251	452
Ordinary profit	経常利益	2,859	(694)	3,553
Extraordinary gains (losses)	特別損益	(23)	11	(35)
Losses on disposal of noncurrent assets	うち固定資産処分損益	(23)	11	(35)
Income before income taxes	税金等調整前中間純利益	2,836	(682)	3,518
Income taxes-current	法人税、住民税及び事業税	1,499	276	1,222
Income taxes-deferred	法人税等調整額	77	26	51
Total income taxes	法人税等合計	1,577	302	1,274
Net income	中間純利益	1,259	(985)	2,244
Net income attributable to non-controlling interests	非支配株主に帰属する中間純利益	62	10	52
Net income attributable to owners of the parent	親会社株主に帰属する中間純利益	1,196	(995)	2,191

(Note) Gross business profit = interest income + fund procurement cost for the acquisition of money held in trust + trust fees + fees and commissions + other business profit

(Reference)

(¥ million)

Net business profit (on a consolidated basis)*	連結業務純益	3,583	(157)	3,741
--	--------	-------	-------	-------

(Note) Gross business profit - operating expenses (excluding non-recurrent items) - provision of general allowance for possible loan losses

(Consolidated)

(Number of companies)

Number of consolidated subsidiaries	連結子会社数	9	1	8
-------------------------------------	--------	---	---	---

## 2. Net business profit (non-consolidated)

(¥ million)

	(Japanese)	1H FY21	YoY	1H FY20
			increase (decrease)	
Net business profit (prior to provision of general allowance for possible loan losses)	業 務 純 益 (一般貸倒繰入前)	4,333	920	3,413
Per staff (¥ thousand)	職員一人当たり (千円)	3,684	784	2,899
Net business profit	業 務 純 益	3,338	67	3,271
Per staff (¥ thousand)	職員一人当たり (千円)	2,839	59	2,779

(Note) The average number of employees during the term (excluding those seconded to other organizations) is employed.

## 3. Interest margins (non-consolidated)

### (1) Aggregate

(%)

	(Japanese)	1H FY21	YoY	1H FY20
			increase (decrease)	
Yield on fund operation (A)	資 金 運 用 利 回	1.16	(0.09)	1.25
Yield on loans	貸 出 金 利 回	1.40	(0.07)	1.47
Yield on securities	有 価 証 券 利 回	0.99	0.05	0.94
Fund procurement cost (B)	資 金 調 達 原 価	0.84	(0.14)	0.98
Yield on deposits	預 金 等 利 回	0.00	(0.01)	0.01
Yield on external debt*	外 部 負 債 利 回	-	-	-
Gross interest margin (A)-(B)	総 資 金 利 鞘	0.32	0.05	0.27

(Note) External debt\* = call money + bills sold + borrowed money

### (2) Domestic

(%)

	(Japanese)	1H FY21	YoY	1H FY20
			increase (decrease)	
Yield on fund operation (A)	資 金 運 用 利 回	1.16	(0.09)	1.25
Yield on loans	貸 出 金 利 回	1.40	(0.07)	1.47
Yield on securities	有 価 証 券 利 回	0.97	0.05	0.92
Fund procurement cost (B)	資 金 調 達 原 価	0.81	(0.13)	0.94
Yield on deposits	預 金 等 利 回	0.00	(0.01)	0.01
Yield on external debt*	外 部 負 債 利 回	-	-	-
Gross interest margin (A)-(B)	総 資 金 利 鞘	0.35	0.04	0.31

(Note) External debt\* = call money + bills sold + borrowed money

#### 4. Gains and losses on securities (non-consolidated)

(¥ million)

	(Japanese)	1H FY21	YoY	1H FY20
			increase (decrease)	
Gains (losses) on securities	有価証券関係損益	104	346	(242)
Gains (losses) on bond trading	国債等債券関係損益 (5勘定尻)	28	217	(188)
Gains on sale of bonds	売却益	124	(194)	318
Gains on redemption of bonds	償還益	-	-	-
Losses on sale of bonds	売却損	95	(411)	507
Losses on redemption of bonds	償還損	-	-	-
Write-off	償却	-	-	-
Net gains (losses) on equity securities	株式等関係損益 (3勘定尻)	75	129	(53)
Gains on sale of equity shares	売却益	297	(22)	320
Losses on sale of equity shares	売却損	167	(137)	305
Write-off	償却	54	(14)	68

#### 5. Capital ratio (domestic standards)

##### (1) Capital ratio (domestic standards) (non-consolidated)

(¥ million, %)

	(Japanese)	As of September 30, 2021	Comparison	Comparison	As of March 31, 2021	As of September 30, 2020
			with the previous balance-sheet date (March 31, 2021)	with the previous interim balance-sheet date (September 30, 2020)		
(1) Capital ratio	自己資本比率	10.14	(0.16)	(0.01)	10.30	10.15
(2) Basic elements of core capital	コア資本に係る 基礎項目	142,823	(1,892)	697	144,715	142,126
45% of the difference between the revalued land and the book value	うち土地の再評価 差額の45%	319	-	(123)	319	443
General allowance for possible loan losses	うち一般貸倒 引当金	5,588	994	2,063	4,594	3,525
Qualifying subordinated debt	うち負債性資本 調達手段等	-	-	-	-	-
(3) Adjustments to core capital	コア資本に係る 調整項目	2,032	176	540	1,856	1,492
(4) Capital (2)-(3)	自己資本	140,790	(2,068)	156	142,859	140,633
(5) Risk-weighted assets	リスクアセット	1,387,970	1,836	2,563	1,386,134	1,385,407

## (2) Capital ratio (domestic standards) (consolidated)

(¥ million, %)

	(Japanese)	As of September 30, 2021	Comparison		As of March 31, 2021	As of September 30, 2020
			with the previous balance-sheet date (March 31, 2021)	with the previous interim balance-sheet date (September 30, 2020)		
(1) Capital ratio	自己資本比率	10.82	(0.13)	0.07	10.95	10.75
(2) Basic elements of core capital	コア資本に係る基礎項目	155,380	(1,710)	1,273	157,091	154,106
45% of the difference between the revalued land and the book value	うち土地の再評価差額の45%	319	-	(123)	319	443
General allowance for possible loan losses	うち一般貸倒引当金	6,328	980	2,040	5,347	4,287
Qualifying subordinated debt	うち負債性資本調達手段等	-	-	-	-	-
(3) Adjustments to core capital	コア資本に係る調整項目	2,349	147	367	2,201	1,981
(4) Capital ratio (2)-(3)	自己資本	153,030	(1,858)	906	154,889	152,124
(5) Risk-weighted assets	リスクアセット	1,413,186	(915)	(1,208)	1,414,102	1,414,394

## 6. ROE (non-consolidated)

(%)

	(Japanese)	1H FY21	YoY		1H FY20
			increase (decrease)		
Net business profit basis	業務純益ベース	4.43	(0.02)		4.45
Business profit on core banking operations basis	コア業務純益ベース	5.71	0.81		4.90
Net income basis	中間純利益ベース	1.78	(1.08)		2.86

(Calculation formula) 
$$\frac{\text{Net business profit (business profit on core banking operations, net income)}}{(\text{Net assets at the beginning of period} + \text{net assets at the end of period}) \div 2} \times 365 \div 183 \times 100$$

- \* Business profit on core banking operations = Net business profit – gains (losses) on bond trading + provision of general allowance for possible loan losses + written-off claims under trust accounts
- \* Subscription rights to shares are excluded from net assets.

## (Reference)

## ROE (shareholders' equity basis; non-consolidated)

(%)

	(Japanese)	1H FY21	YoY		1H FY20
			increase (decrease)		
Net business profit basis	業務純益ベース	4.73	0.01		4.72
Business profit on core banking operations basis	コア業務純益ベース	6.10	0.91		5.19
Net income basis	中間純利益ベース	1.90	(1.14)		3.04

(Calculation formula) 
$$\frac{\text{Net business profit (business profit on core banking operations, net income)}}{(\text{Shareholders' equity at the beginning of period} + \text{shareholders' equity at the end of period}) \div 2} \times 365 \div 183 \times 100$$

## II. Loans and Bills Discounted

### 1. Risk-monitored loans (under the Banking Law)

\* Partial charge-offs are recorded.

\*\* Accrued interests are not recorded (on the self-assessment basis).

#### Non-consolidated

(¥ million)

		(Japanese)	As of	Comparison	Comparison	As of March	As of	
			September	with the	with the			31, 2021
			30, 2021	previous	previous interim		30, 2020	
				balance-sheet	balance-sheet			
				date	date			
				(March 31,	(September 30,			
				2021)	2020)			
Risk-monitored assets	リスク管理債権	Loans to bankrupt borrowers	破綻先債権額	1,175	(54)	100	1,229	1,074
		Delinquent loans	延滞債権額	13,159	126	499	13,033	12,660
		Past due loans (3 months or more)	3ヶ月以上延滞債権額	161	29	3	132	158
		Restructured loans	貸出条件緩和債権額	8,508	1,369	1,646	7,139	6,861
		Total	合計	23,004	1,470	2,249	21,534	20,754

(Note) Including trust accounts.

(¥ million)

Loans (term-end balance)	貸出金残高(未残)	1,731,068	10,655	44,101	1,720,412	1,686,967
--------------------------	-----------	-----------	--------	--------	-----------	-----------

(Note) Including trust accounts.

(%)

		(Japanese)	As of	Comparison	Comparison	As of March	As of	
			September	with the	with the			31, 2021
			30, 2021	previous	previous interim		30, 2020	
				balance-sheet	balance-sheet			
				date	date			
				(March 31,	(September 30,			
				2021)	2020)			
As a percentage of total loans	貸出金残高比	Loans to bankrupt borrowers	破綻先債権	0.06	(0.01)	0.00	0.07	0.06
		Delinquent loans	延滞債権	0.76	0.01	0.01	0.75	0.75
		Past due loans (3 months or more)	3ヶ月以上延滞債権	0.00	0.00	0.00	0.00	0.00
		Restructured loans	貸出条件緩和債権	0.49	0.08	0.09	0.41	0.40
		Total	合計	1.32	0.07	0.09	1.25	1.23

(Note) Including trust accounts.

#### Consolidated

(¥ million)

		(Japanese)	As of	Comparison	Comparison	As of March	As of	
			September	with the	with the			31, 2021
			30, 2021	previous	previous interim		30, 2020	
				balance-sheet	balance-sheet			
				date	date			
				(March 31,	(September 30,			
				2021)	2020)			
Risk-monitored assets	リスク管理債権	Loans to bankrupt borrowers	破綻先債権額	1,191	(40)	101	1,231	1,089
		Delinquent loans	延滞債権額	13,525	27	341	13,498	13,184
		Past due loans (3 months or more)	3ヶ月以上延滞債権額	161	29	3	132	158
		Restructured loans	貸出条件緩和債権額	8,508	1,369	1,646	7,139	6,861
		Total	合計	23,387	1,385	2,093	22,001	21,294

(Note) Including trust accounts.

(¥ million)

Loans (term-end balance)	貸出金残高(未残)	1,717,270	10,087	42,831	1,707,182	1,674,439
--------------------------	-----------	-----------	--------	--------	-----------	-----------

(Note) Including trust accounts.



		(%)						
As a percentage of total loans	貸出金残高比	Loans to bankrupt borrowers	破綻先債権	0.06	(0.01)	0.00	0.07	0.06
		Delinquent loans	延滞債権	0.78	(0.01)	0.00	0.79	0.78
		Past due loans (3 months or more)	3ヶ月以上延滞債権	0.00	0.00	0.00	0.00	0.00
		Restructured loans	貸出条件緩和債権	0.49	0.08	0.09	0.41	0.40
		Total	合計	1.36	0.08	0.09	1.28	1.27

(Note) Including trust accounts.

## 2. Allowance for loan losses

### Non-consolidated

(¥ million)

	(Japanese)	As of September 30, 2021	Comparison with the previous interim balance-sheet date (March 31, 2021)		As of March 31, 2021	As of September 30, 2020
			Comparison with the previous interim balance-sheet date (September 30, 2020)			
Allowance for possible loan losses	貸倒引当金	9,951	2,050	3,545	7,901	6,406
General allowance	一般貸倒引当金	5,588	994	2,063	4,594	3,525
Specific allowance	個別貸倒引当金	4,363	1,055	1,481	3,307	2,881
Reserve for compensation for trust principal losses	信託元本補填引当金	39	0	30	39	9

### Consolidated

(¥ million)

	(Japanese)	As of September 30, 2021	Comparison with the previous balance-sheet date (March 31, 2021)		As of March 31, 2021	As of September 30, 2020
			Comparison with the previous interim balance-sheet date (September 30, 2020)			
Allowance for possible loan losses	貸倒引当金	11,854	2,007	3,364	9,846	8,490
General allowance	一般貸倒引当金	6,328	980	2,040	5,347	4,287
Specific allowance	個別貸倒引当金	5,526	1,026	1,323	4,499	4,202
Reserve for compensation for trust principal losses	信託元本補填引当金	39	0	30	39	9

## 3. Coverage of risk monitored loans

### Non-consolidated

(¥ million, %)

	(Japanese)	As of September 30, 2021	Comparison with the previous balance-sheet date (March 31, 2021)		As of March 31, 2021	As of September 30, 2020
			Comparison with the previous interim balance-sheet date (September 30, 2020)			
Risk-monitored loans (A)	リスク管理債権額	23,004	1,470	2,249	21,534	20,754
Coverage	保 全 額	18,044	532	1,024	17,512	17,020
Allowance for possible loan losses (B)	貸倒引当金	5,187	1,019	1,446	4,167	3,741
Collateral and guarantees (C)	担保・保証等	12,857	(487)	(421)	13,344	13,278
Coverage ratio (B+C)/(A)	保 全 率	78.43	(2.89)	(3.57)	81.32	82.00
Allowance for possible loan losses (B/A)	貸倒引当金	22.54	3.19	4.52	19.35	18.02
Collateral and guarantees (C/A)	担保・保証等	55.88	(6.09)	(8.09)	61.97	63.97

(Note) Including trust accounts.

**Consolidated**

(¥ million, %)

	<i>(Japanese)</i>	As of September 30, 2021	Comparison with		As of March 31, 2021	As of September 30, 2020
			Comparison with the previous balance-sheet date (March 31, 2021)	Comparison with the previous interim balance- sheet date (September 30, 2020)		
Risk-monitored loans (A)	リスク管理債権額	23,387	1,385	2,093	22,001	21,294
Coverage	保 全 額	18,425	449	870	17,976	17,554
Allowance for possible loan losses (B)	貸 倒 引 当 金	5,251	1,021	1,405	4,229	3,846
Collateral and guarantees (C)	担 保 ・ 保 証 等	13,173	(572)	(534)	13,746	13,707
Coverage ratio (B+C)/(A)	保 全 率	78.78	(2.92)	(3.65)	81.70	82.43
Allowance for possible loan losses (B/A)	貸 倒 引 当 金	22.45	3.23	4.39	19.22	18.06
Collateral and guarantees (C/A)	担 保 ・ 保 証 等	56.32	(6.15)	(8.05)	62.47	64.37

(Note) Including trust accounts.

#### 4. Mandatory disclosure of bad debt under the Financial Reconstruction Law

\* Partial charge-offs are recorded.

##### Non-consolidated

(¥ million, %)

	(Japanese)	As of September 30, 2021	Comparison		As of March 31, 2021	As of September 30, 2020
			with the previous balance-sheet date (March 31, 2021)	with the previous interim balance-sheet date (September 30, 2020)		
Bankrupt and quasi-bankrupt assets	破産更生債権及びこれらに準ずる債権	6,499	1,284	1,784	5,215	4,714
Doubtful assets	危険債権	7,846	(1,209)	(1,191)	9,055	9,037
Substandard loans	要管理債権	8,670	1,398	1,649	7,271	7,020
Total (A)	合計	23,016	1,473	2,243	21,542	20,772
Normal assets	正常債権	1,715,957	8,405	40,217	1,707,551	1,675,739
Total credit balance (B)	総与信残高	1,738,973	9,879	42,461	1,729,094	1,696,512
As a percentage of total credit balance (A)/(B)	総与信残高に占める割合	1.32	0.08	0.10	1.24	1.22
Partial charge-offs	部分直接償却額	1,329	3	(1,153)	1,325	2,482

(Note) Including trust accounts.

##### Consolidated

(¥ million, %)

	(Japanese)	As of September 30, 2021	Comparison		As of March 31, 2021	As of September 30, 2020
			with the previous balance-sheet date (March 31, 2021)	with the previous interim balance-sheet date (September 30, 2020)		
Bankrupt and quasi-bankrupt assets	破産更生債権及びこれらに準ずる債権	6,878	1,202	1,634	5,675	5,244
Doubtful assets	危険債権	7,850	(1,211)	(1,197)	9,062	9,047
Substandard loans	要管理債権	8,670	1,398	1,649	7,271	7,020
Total (A)	合計	23,398	1,389	2,086	22,009	21,312
Normal assets	正常債権	1,701,791	7,922	39,105	1,693,869	1,662,686
Total credit balance (B)	総与信残高	1,725,190	9,311	41,191	1,715,878	1,683,998
As a percentage of total credit balance (A)/(B)	総与信残高に占める割合	1.35	0.07	0.09	1.28	1.26
Partial charge-offs	部分直接償却額	8,417	90	(1,486)	8,326	9,903

(Note) Including trust accounts.

#### 5. Coverage of assets subject to mandatory disclosure under the Financial Reconstruction Law

##### Non-consolidated

(¥ million)

	(Japanese)	As of September 30, 2021	Comparison		As of March 31, 2021	As of September 30, 2020
			with the previous balance-sheet date (March 31, 2021)	with the previous interim balance-sheet date (September 30, 2020)		
Coverage (C)	保全額	18,056	535	1,018	17,520	17,037
	貸倒引当金	5,194	1,024	1,440	4,169	3,753
	担保・保証等	12,862	(488)	(422)	13,350	13,284

(Note) Including trust accounts.

							(%)
Coverage ratio (C)/(A)	保全率	78.44	(2.89)	(3.58)	81.33	82.02	

**Consolidated**

(¥ million)

	<i>(Japanese)</i>	As of September 30, 2021	Comparison with the previous balance-sheet date (March 31, 2021)	Comparison with the previous interim balance- sheet date (September 30, 2020)	As of March 31, 2021	As of September 30, 2020
Coverage (C)	保 全 額	18,436	452	864	17,984	17,571
Allowance for loan losses	貸 倒 引 当 金	5,257	1,026	1,400	4,231	3,857
Collateral and guaranteed	担 保 ・ 保 証 等	13,178	(573)	(535)	13,752	13,713

(Note) Including trust accounts.

							(%)
Coverage ratio (C)/(A)	保 全 率	78.79	(2.92)	(3.66)	81.71	82.45	

**6. Allowance ratio and coverage ratio of assets subject to mandatory disclosure under the Financial Reconstruction Law by asset category and borrower category**

Allowance ratios and coverage ratios of assets subject to mandatory disclosure under the Financial Reconstruction Law

**(non-consolidated)**

(¥ million, %)

	<i>(Japanese)</i>	As of September 30, 2021			
		Bankrupt and quasi- bankrupt assets	Doubtful assets	Substandard loans	Total
Total credit balance (A)	総 与 信 額	6,499	7,846	8,670	23,016
Covered portion (B)	担 保 等 の 保 全 額	4,140	3,891	4,829	12,862
Uncovered portion (C)=(A)-(B)	未 保 全 額	2,358	3,954	3,840	10,154
Allowance for loan losses (D)	引 当 額	2,358	2,009	825	5,194
Allowance ratio (D)/(C)	引 当 率	100.00	50.81	21.49	51.15
Coverage ratio [(B)+(D)]/(A)	保 全 率	100.00	75.21	65.22	78.44

(Note) Including trust accounts.

**Allowance ratio and coverage ratio of assets by borrower category (non-consolidated)**

(¥ million, %)

	<i>(Japanese)</i>	As of September 30, 2021			
		Bankrupt assets	Effectively bankrupt assets	Potentially bankrupt assets	Total
Total credit balance (A)	総 与 信 額	1,179	5,320	7,846	14,346
Covered portion (B)	担 保 等 の 保 全 額	1,028	3,111	3,891	8,032
Uncovered portion (C)=(A)-(B)	未 保 全 額	150	2,208	3,954	6,313
Allowance for loan losses (D)	引 当 額	150	2,208	2,009	4,368
Allowance ratio (D)/(C)	引 当 率	100.00	100.00	50.81	69.19
Coverage ratio [(B)+(D)]/(A)	保 全 率	100.00	100.00	75.21	86.44

(Note) Including trust accounts.

Allowance ratios and coverage ratios of assets subject to mandatory disclosure under the Financial Reconstruction Law (**consolidated**)  
(¥ million, %)

	(Japanese)	As of September 30, 2021			
		Bankrupt and quasi-bankrupt assets	Doubtful assets	Substandard loans	Total
Total credit balance (A)	総 与 信 額	6,878	7,850	8,670	23,398
Covered portion (B)	担 保 等 の 保 全 額	4,457	3,891	4,829	13,178
Uncovered portion (C)=(A)-(B)	未 保 全 額	2,420	3,958	3,840	10,220
Allowance for loan losses (D)	引 当 額	2,420	2,011	825	5,257
Allowance ratio (D)/(C)	引 当 率	100.00	50.81	21.49	51.44
Coverage ratio [(B)+(D)]/(A)	保 全 率	100.00	75.19	65.22	78.79

(Note) Including trust accounts.

Allowance ratio and coverage ratio of assets by borrower category (**consolidated**) (¥ million, %)

	(Japanese)	As of September 30, 2021			
		Bankrupt assets	Effectively bankrupt assets	Potentially bankrupt assets	Total
Total credit balance (A)	総 与 信 額	1,195	5,682	7,850	14,728
Covered portion (B)	担 保 等 の 保 全 額	1,043	3,413	3,891	8,348
Uncovered portion (C)=(A)-(B)	未 保 全 額	152	2,268	3,958	6,379
Allowance for loan losses (D)	引 当 額	152	2,268	2,011	4,432
Allowance ratio (D)/(C)	引 当 率	100.00	100.00	50.81	69.47
Coverage ratio [(B)+(D)]/(A)	保 全 率	100.00	100.00	75.19	86.77

(Note) Including trust accounts.

7. Asset self-assessment and classification of assets (**non-consolidated**)

(¥ million, %)

	(Japanese)	As of September 30, 2021		As of March 31, 2021		As of September 30, 2020	
		Amounts	As a percentage of total credit (%)	Amount	As a percentage of total credit (%)	Amount	As a percentage of total credit (%)
Total credit balance	総 与 信 残 高	1,738,973	100.00	1,729,094	100.00	1,696,512	100.00
Classification I	非 分 類 額	1,462,199	84.08	1,485,360	85.90	1,488,525	87.74
Total classified amount	分 類 額 合 計	276,773	15.91	243,733	14.09	207,987	12.25
Classification II	Ⅱ 分 類	274,937	15.81	242,235	14.00	206,630	12.17
Classification III	Ⅲ 分 類	1,835	0.10	1,498	0.08	1,356	0.07
Classification IV	Ⅳ 分 類	-	-	-	-	-	-

(Notes)

- Total credit balance: total balance of securities loaned, loans and bills discounted, foreign exchanges, accrued interest, suspense payments and customers' liabilities for acceptances and guarantees. The provision of specific allowance for loan losses is deducted from figures of each classification.
- Classification I: Assets not classified under Classifications II, III, or IV assets, with no risks of noncollectability or impairment of asset value  
 Classification II: Assets perceived to have an above-average risk of noncollectability  
 Classification III: Assets for which final collection or asset value is very doubtful and which pose a high risk of incurring loss for which reasonable estimation is difficult  
 Classification IV: Assets assessed as uncollectible or worthless

Self-assessment borrower categories 自己査定区分	Standards for write-offs and reserves 償却・引当基準
Bankrupt assets 破綻先債権	Provision of specific allowance for possible loan losses in an amount equal to the entire portion not covered by collateral and guarantees, or direct charge-offs 担保・保証等で保全されていない債権額の100%を個別貸倒引当金として計上するか、又は直接償却する。
Effectively bankrupt assets 実質破綻先債権	
Potentially bankrupt assets 破綻懸念先債権	Provision of specific allowance for possible loan losses in an amount of estimated losses calculated by multiplying the estimated loss rate based on the historical default rate 貸倒実績率に基づく予想損失率を乗じて算定した予想損失額に相当する額を個別貸倒引当金として計上する。
Assets requiring monitoring 要管理先債権	Provision of general allowance for possible loan losses in an amount of estimated losses calculated by multiplying the estimated loss rate for three years based on the historical default rate to the asset balance 対象債権残高に対し、貸倒実績率に基づく今後3年間の予想損失率を乗じて算定した予想損失額を一般貸倒引当金として計上する。
Other assets requiring caution その他要注意先債権	Provision of general allowance for possible loan losses in an amount of estimated losses calculated by multiplying the asset balance by the estimated loss rate for one year based on the historical default rate 対象債権残高に対し、貸倒実績率に基づく今後1年間の予想損失率を乗じて算定した予想損失額を一般貸倒引当金として計上する。
Normal assets 正常先債権	

However, the following standards for write-offs and reserves have been adopted for the DCFs and DDSs.

DCF DCF先	Provision of general allowances for possible loan losses in an amount equal to the asset balance after deducting the discounted present value of future cash flows 対象先の将来キャッシュ・フローの割引現在価値を見積り、当該額を対象債権残高から控除した金額を一般貸倒引当金として計上する。
DDS DDS先	Estimated loan losses on total monetary claims in an amount calculated by using the estimated loss rate without regard to preference or subordination, or in an amount equivalent to acquisition cost or write-off cost estimating that the collectible amount of subordinated loans is zero 当該債務者に対する金銭債権全体について、優先・劣後の関係を考慮せずに予想損失率を用いて計上する。又は、資本的劣後ローンの回収可能見込額をゼロと算定し、取得原価又は償却原価と同額を貸倒見込額として計上する。





## 9. Loans and bills discounted by industrial segment (non-consolidated)

### (1) Loans made by industrial segment (non-consolidated)

(¥ million)

	(Japanese)	As of September 30, 2021			As of March 31, 2021	As of September 30, 2020
			Comparison with the previous balance- sheet date (March 31, 2021)	Comparison with the previous interim balance-sheet date (September 30, 2020)		
Domestic branches (excl. the special account for international financial transactions)	国内店分(除く特別国際金融取引勘定)	1,731,068	10,655	44,101	1,720,412	1,686,967
Manufacturing	製造業	36,675	(647)	(142)	37,323	36,818
Agriculture and forestry	農業, 林業	2,863	246	250	2,616	2,612
Fishery	漁業	938	(11)	(16)	949	955
Mining and quarrying of stone and gravel	鉱業, 採石業, 砂利採取業	2,341	(408)	(228)	2,749	2,570
Construction	建設業	61,284	(867)	7,243	62,151	54,040
Electricity, gas, heat and water supply	電気・ガス・熱供給・水道業	16,817	2,984	3,623	13,833	13,194
Telecommunications	情報通信業	10,966	(212)	(375)	11,178	11,341
Transport and postal activities	運輸業, 郵便業	11,791	(47)	956	11,838	10,834
Wholesaling and retailing	卸売業, 小売業	97,201	(2,640)	2,359	99,842	94,842
Finance and insurance	金融業, 保険業	22,160	359	176	21,800	21,983
Real estate, and goods rental and leasing	不動産業, 物品賃貸業	522,889	(4,463)	(4,425)	527,353	527,314
Miscellaneous services	各種サービス業	211,487	(309)	11,092	211,797	200,395
Local government bodies	地方公共団体	146,084	14,249	18,992	131,834	127,091
Others	その他	587,566	2,423	4,593	585,142	582,972

(Note) Including trust accounts.

### (2) Risk-monitored loans by industrial segment (non-consolidated)

(¥ million)

	(Japanese)	As of September 30, 2021			As of March 31, 2021	As of September 30, 2020
			Comparison with the previous balance- sheet date (March 31, 2021)	Comparison with the previous interim balance-sheet date (September 30, 2020)		
Domestic branches (excl. the special account for international financial transactions)	国内店分(除く特別国際金融取引勘定)	23,004	1,470	2,249	21,534	20,754
Manufacturing	製造業	1,604	297	308	1,307	1,295
Agriculture and forestry	農業, 林業	404	-	12	404	392
Fishery	漁業	423	-	-	423	423
Mining and quarrying of stone and gravel	鉱業, 採石業, 砂利採取業	-	-	(4)	-	4
Construction	建設業	788	(35)	(148)	824	937
Electricity, gas, heat and water supply	電気・ガス・熱供給・水道業	104	77	75	27	28
Telecommunications	情報通信業	167	70	65	97	102
Transport and postal activities	運輸業, 郵便業	117	(42)	(87)	160	205
Wholesaling and retailing	卸売業, 小売業	1,965	290	278	1,675	1,687
Finance and insurance	金融業, 保険業	-	-	-	-	-
Real estate, and goods rental and leasing	不動産業, 物品賃貸業	4,227	(833)	(714)	5,060	4,941
Miscellaneous services	各種サービス業	8,782	1,509	2,602	7,273	6,179
Local government bodies	地方公共団体	-	-	-	-	-
Others	その他	4,418	137	(138)	4,280	4,556

(Note) Including trust accounts.

## (3) Loan and bad debt balances – wholesaling &amp; retailing, construction, real estate, finance (excluding banking)

(¥ million)

			Risk-monitored loans (Banking Law)				
			Total loans	Past due loans (3 months or more)	Restructured loans	Delinquent loans	Bankrupt loans
Wholesaling/ retailing	卸売・小売業	September 30, 2020	94,842	16	1,310	351	9
		March 31, 2021	99,842	-	1,321	352	1
		September 30, 2021	97,201	-	1,661	304	-
Construction	建設業	September 30, 2020	54,040	-	147	684	105
		March 31, 2021	62,151	-	139	649	34
		September 30, 2021	61,284	-	132	637	18
Real estate	不動産業	September 30, 2020	499,602	43	894	2,073	112
		March 31, 2021	499,456	41	1,111	1,398	340
		September 30, 2021	495,800	-	1,104	2,398	323
Finance (excl. banking)	その他金融	September 30, 2020	13,061	-	-	-	-
		March 31, 2021	12,481	-	-	-	-
		September 30, 2021	13,092	-	-	-	-

(Note) Including trust accounts.

(¥ million)

			Mandatory disclosure under the Financial Reconstruction Law			
			Total credit balance	Substandard loans	Doubtful assets	Bankrupt and quasi-bankrupt assets
Wholesaling/ retailing	卸売・小売業	September 30, 2020	98,900	1,326	204	158
		March 31, 2021	103,798	1,321	249	103
		September 30, 2021	101,023	1,661	222	81
Construction	建設業	September 30, 2020	55,651	147	331	458
		March 31, 2021	63,076	139	571	112
		September 30, 2021	61,817	132	319	339
Real estate	不動産業	September 30, 2020	501,228	937	1,149	1,044
		March 31, 2021	501,015	1,153	992	750
		September 30, 2021	497,206	1,104	1,733	992
Finance (excl. banking)	その他金融	September 30, 2020	13,063	-	-	-
		March 31, 2021	12,484	-	-	-
		September 30, 2021	13,095	-	-	-

(Note) Including trust accounts.

## (4) Consumer loan balance (non-consolidated)

(¥ million)

	(Japanese)	As of September 30, 2021	Comparison with the previous balance-sheet date (March 31, 2021)		As of March 31, 2021	As of September 30, 2020
			Comparison with the previous interim balance-sheet date (September 30, 2020)			
Loans to consumers	生活密着型ローン 残 高	704,902 [705,034]	2,950 [2,940]	5,158 [4,972]	701,952 [702,094]	699,744 [700,062]
Housing loans (incl. mortgage loans)	うち住宅ローン 残 高	633,947 [634,063]	3,755 [3,748]	6,794 [6,778]	630,192 [630,315]	627,153 [627,285]
Other than housing loans	うちその他ローン 残 高	70,954 [70,970]	(804) [(807)]	(1,635) [(1,806)]	71,759 [71,778]	72,590 [72,777]

(Note) Amounts posted under trust accounts are included in the figures recorded on the lower rows.

## (5) Loans to SMEs and ratio of loans to SMEs to total loans (non-consolidated)

(¥ million, %)

	(Japanese)	As of September 30, 2021	Comparison with the previous balance-sheet date (March 31, 2021)		As of March 31, 2021	As of September 30, 2020
			Comparison with the previous interim balance-sheet date (September 30, 2020)			
Loans to SMEs	中小企業等貸出残高	1,517,195 [1,518,199]	70 [106]	25,301 [25,308]	1,517,125 [1,518,092]	1,491,894 [1,492,890]
As a percentage of total loans	中小企業等貸出比率	87.69 [87.70]	(0.54) [(0.54)]	(0.79) [(0.79)]	88.23 [88.24]	88.48 [88.49]

(Note) Amounts posted under trust accounts are included in the figures recorded on the lower rows.

## 10. Loans guaranteed by credit guarantee associations (non-consolidated)

(¥ million)

	(Japanese)	As of September 30, 2021	As of March 31, 2021	As of September 30, 2020
Loans guaranteed by credit guarantee associations	信用保証協会保証付の 融 資 残 高	117,240	114,009	93,218

## 11. Loan balance to affiliate non-bank financial institutions (non-consolidated)

(¥ million)

As of September 30, 2021	As of March 31, 2021	As of September 30, 2020
15,605	15,063	14,370

## 12. Deposits and loan balances (non-consolidated)

(¥ million)

			As of September 30, 2021	Comparison with the previous balance-sheet date (March 31, 2021)		As of March 31, 2021	As of September 30, 2020
				Comparison with the previous interim balance-sheet date (September 30, 2020)			
Deposits	預 金	(term-end balance)	2,420,374 [2,435,458]	89,082 [87,964]	135,550 [133,606]	2,331,292 [2,347,493]	2,284,824 [2,301,851]
		(average balance)	2,403,749 [2,418,997]	142,555 [140,329]	184,814 [181,974]	2,261,194 [2,278,668]	2,218,935 [2,237,023]
Loans	貸 出 金	(term-end balance)	1,730,065 [1,731,068]	10,619 [10,655]	44,094 [44,101]	1,719,445 [1,720,412]	1,685,970 [1,686,967]
		(average balance)	1,709,787 [1,710,733]	34,807 [34,773]	47,511 [47,436]	1,674,979 [1,675,959]	1,662,275 [1,663,296]

(Note) Amounts posted under trust accounts are included in the figures recorded on the lower rows.

**13. Deposit made by individuals and corporations by deposit category (average balance; non-consolidated)**

(¥ million)

	<i>(Japanese)</i>	As of September 30, 2021			As of March 31, 2021	As of September 30, 2020	
			Comparison with the previous balance-sheet date (March 31, 2021)	Comparison with the previous interim balance-sheet date (September 30, 2020)			
Individuals	個人預金	1,490,400	69,972	99,808	1,420,427	1,390,591	
	Liquid deposits	流動性預金	1,045,548	79,494	110,245	966,053	935,303
	Time deposits	定期性預金	444,851	(9,521)	(10,436)	454,373	455,288
Corporations	法人預金	770,596	59,024	78,111	711,572	692,485	
	Liquid deposits	流動性預金	595,571	73,830	96,754	521,740	498,816
	Time deposits	定期性預金	175,025	(14,806)	(18,643)	189,832	193,669

(Notes) 1. Including trust accounts.

2. Deposits from corporations exclude deposits made by local governments and other public bodies and financial institutions.

### III. Performance Forecasts

#### 1. Full-year performance forecasts and dividend forecasts for the year ending March 31, 2022

Regarding the Okinawa Financial Group, Inc.'s operating performance forecasts and dividend payment forecasts for the year ending March 31, 2022, please refer to the "Notice of Full-Year Operating Performance Forecasts and Dividend Forecasts for the Year Ending March 31, 2022" announced on November 12, 2021 by Okinawa Financial Group, Inc.

#### 2. Employees and branches (non-consolidated)

##### (1) Employees

	<i>(Japanese)</i>	As of September 30, 2021	Comparison with the previous balance-sheet date (March 31, 2021)	Comparison with the previous interim balance-sheet date (September 30, 2020)	As of March 31, 2021	As of September 30, 2020
Regular employees	在籍行員数	1,199	32	10	1,167	1,189

##### (2) Branches

	<i>(Japanese)</i>	As of September 30, 2021	Comparison with the previous balance-sheet date (March 31, 2021)	Comparison with the previous interim balance-sheet date (September 30, 2020)	As of March 31, 2021	As of September 30, 2020
Number of branches	店舗数	65 (4)	0 (0)	0 (0)	65 (4)	65 (4)

(Note) Branches include sub-branches. Figures in parenthesis are the number of sub-branches.

### 3. Shareholdings (non-consolidated)

#### (1) Value of shares held by the Bank

(¥ million)

	Acquisition cost	Fair market value
	取得原価ベース	時価ベース
As of September 30, 2020	16,006	21,881
As of March 31, 2021	17,230	24,519
As of September 30, 2021	18,304	25,781

#### (2) Impairment accounting

(¥ million)

	Net gains (losses) on equity securities	Impairment loss
	株式等関係損益	うち減損処理額
1H ended September 30, 2020	(53)	(68)
Year ended March 31, 2021	72	(52)
1H ended September 30, 2021	75	(54)

### 4. Bad debt (non-consolidated)

#### (1) Credit cost

(¥ million)

	1) Net provision (reversal) of general allowance	2) Bad debt disposal (bank account)	3) Bad debt disposal (trust account)	Total credit cost 1) + 2) + 3)
	一般貸倒引当金 純繰入額	不良債権処理額 (銀行勘定)	不良債権処理額 (信託勘定)	総与信費用
1H ended September 30, 2020	142	307	-	450
Year ended March 31, 2021	1,211	1,232	-	2,443
1H ended September 30, 2021	994	1,181	-	2,175
Year ending March 31, 2022 forecasts	400	1,800	-	2,200

(Note) 2) = specific allowance for loan losses + written-off of loans + losses on sale of credit

#### (2) Bad debt balance

(¥ million)

	Asset self-assessment				
	自己査定				
	Bankrupt assets	Potentially bankrupt assets	Potentially bankrupt assets or below	Assets requiring caution	Total
	1)	2)	1) + 2)	3)	1) + 2) + 3)
	破綻・実質破綻先	破綻懸念先	破綻懸念先以下	要注意先	計
As of September 30, 2020	4,714	9,037	13,752	241,259	255,011
As of March 31, 2021	5,215	9,055	14,271	287,893	302,164
As of September 30, 2021	6,499	7,846	14,346	330,357	344,703

	Under the Financial Reconstruction Law	
	金融再生法基準	
	Substandard loans	Total
	4)	1) + 2) + 4)
	要管理債権	計
As of September 30, 2020	7,020	20,772
As of March 31, 2021	7,271	21,542
As of September 30, 2021	8,670	23,016

(Note) Including trust accounts.

## (3) Bad debt final disposal and new occurrence

## a. Bad debt balance (under the Financial Reconstruction Law)

(¥ million)

	Bankrupt and quasi-bankrupt assets	Doubtful assets	Total
	破産更生債権	危険債権	合計
As of September 30, 2020	4,714	9,037	13,752
As of March 31, 2021	5,215	9,055	14,271
As of September 30, 2021	6,499	7,846	14,346
New occurrence during 1H FY21	574	3,523	4,097
Removed from balance sheet during 1H FY21	577	3,446	4,023
Net increase (decrease) during 1H FY21	1,284	(1,209)	74

(Note) Including trust accounts.

## b. Removal from balance sheet by type of disposal measure

(¥ million)

	(Japanese)	1H FY21 results	FY20 results	1H FY20 results
Liquidation and similar measures	清算型処理	-	-	-
Corporate rehabilitation	再建型処理	-	-	-
Improved performance by corporate rehabilitation	再建型処理に伴う業況改善	-	-	-
Securitization	債権流動化	-	-	-
Sale to RCC	RCC向け売却	-	-	-
Direct charge-offs	直接償却	125	905	463
Other	その他	3,897	3,365	1,969
Collection/repayment	回収・返済	452	2,766	1,578
Improved performance	業況改善	3,445	598	391
Total	合計	4,023	4,270	2,433

## (4) Reserves for possible loan losses by borrower category and reserve ratios

				As of September 30, 2021		As of March 31, 2021		As of September 30, 2020	
Bankrupt and effectively bankrupt assets	実質破綻・破綻先債権	As a percentage of portion not secured by collateral	無担保部分の	100.00 %	¥2.3 billion	100.00 %	¥1.5 billion	100.00 %	¥1.2 billion
Potentially bankrupt assets	破綻懸念先債権	As a percentage of portion not secured by collateral	無担保部分の	50.81 %	¥2.0 billion	52.96 %	¥1.8 billion	52.06 %	¥1.5 billion
Assets requiring monitoring (substandard loans)	要管理先債権	As a percentage of debt amount	債権額の	8.13 %	¥0.8 billion	9.74 %	¥0.9 billion	10.65 %	¥0.9 billion
Assets requiring caution (excl. substandard loans)	その他要注意先債権	As a percentage of debt amount	債権額の	0.84 %	¥2.6 billion	0.73 %	¥2.0 billion	0.90 %	¥2.0 billion
Normal assets	正常先債権	As a percentage of debt amount	債権額の	0.04 %	¥0.5 billion	0.05 %	¥0.7 billion	0.03 %	¥0.4 billion

(Note) The Bank recorded provisions for possible losses on assets requiring caution (excl. substandard loans), assets requiring monitoring (substandard loans) and potentially bankrupt assets in the amount of ¥1.2 billion, ¥0.6 billion and ¥0.0 billion respectively, as of September 30, 2021, with regard to the portion which has been converted to Debt Debt Swap (DDS).

## (5) Bad debt ratios (under the Financial Reconstruction Law)

(%)

	<i>(Japanese)</i>	1H FY19	FY19	1H FY20	FY20	1H FY21	FY21 (forecasts)
Non-consolidated	単体ベース	1.18	1.22	1.22	1.24	1.32	1% to 1.99%
Consolidated	連結ベース	1.22	1.26	1.26	1.28	1.35	1% to 1.99%