

# Financial Section

The Shiga Bank, Ltd. and Consolidated Subsidiaries

## Consolidated Five-year Summary

	Millions of yen				
	2018	2017	2016	2015	2014
As of March 31					
Total assets	¥5,875,040	¥5,539,561	¥5,025,426	¥4,996,976	¥4,777,483
Investment securities	1,346,672	1,467,592	1,428,917	1,542,013	1,422,210
Loans and bills discounted	3,618,866	3,461,905	3,257,723	3,051,704	2,916,953
Deposits	4,685,466	4,516,648	4,331,151	4,281,984	4,163,311
Total equity	407,905	374,246	346,714	349,851	292,466
Years ended March 31					
Total income	90,537	90,162	95,940	88,499	88,519
Total expenses	70,644	69,412	73,621	64,439	69,072
Income before income taxes	19,892	20,749	22,319	24,060	19,447
Net income attributable to owners of the parent	13,884	14,895	15,508	13,675	11,027
Per share data (in yen)					
Cash dividends	¥ 8.00	¥ 8.00	¥ 8.00	¥ 6.00	¥ 7.00
Net income	53.33	57.21	59.57	51.87	41.79
Net equity	1,566.43	1,425.41	1,310.98	1,324.63	1,091.45
Ratio					
Capital ratio	16.98%	16.67%	16.45%	15.94%	14.80%
ROE	3.56%	4.18%	4.52%	4.32%	3.99%

### Financial review (Consolidated basis)

During the fiscal year under review, the Japanese economy expanded moderately as corporate earnings, business sentiment, employment, and income conditions improved as a result of the government's economic policies and monetary easing policies by the Bank of Japan. However, there remain concerns toward full-fledged economic recovery mainly driven by increasing uncertainty about U.S. economic policies.

Within Shiga Prefecture, despite signs of slowing growth in certain areas of corporate production, demand conditions have been experiencing positive developments and the overall economy of the prefecture appears to be in a moderate recovery trend.

In the financial sector, the Bank announced measures to realize customer-oriented business conduct and strengthened initiatives to demonstrate financial intermediary roles with focus on business assessments.

### Balance sheets

Total assets at fiscal year-end stood at ¥5,875,040 million, a year-on-year increase of ¥335,478 million.

With regards to the main account balance of assets, securities stood at ¥1,346,672 million (a decrease of ¥120,919 million from the end of the previous fiscal year), while loans and bills discounted totaled ¥3,618,866 million (an increase of ¥156,960 million from the end of the previous fiscal year).

In liabilities, total liabilities increased by ¥301,820 million from the end of the previous fiscal year to ¥5,467,135 million.

With regards to the main account balance of liabilities, deposits totaled ¥4,685,466 million (an increase of ¥168,818 million from the end of the previous fiscal year), negotiable certificates of deposit ¥81,685 million (a decrease of ¥4,792 million from the end of the previous fiscal year), call money ¥134,634 million (an increase of ¥44,358 million from the end of the previous fiscal year), payables under securities lending transactions ¥105,853 million (a decrease of ¥32,093 million from the end of the previous fiscal year),

borrowed money ¥316,872 million (an increase of ¥110,041 million from the end of the previous fiscal year), and bonds with stock acquisition rights ¥21,248 million (a decrease of ¥1,190 million from the end of the previous fiscal year).

Total equity amounted to ¥407,905 million, an increase of ¥33,658 million from the end of the previous fiscal year.

This is mainly due to a year-on-year increase of ¥11,973 million in total shareholders' equity to ¥251,339 million primarily resulting from an increase in retained earnings (an increase of ¥12,000 million from the end of the previous fiscal year), and a year-on-year increase of ¥24,761 million in total accumulated other comprehensive income to ¥156,440 million primarily resulting from an increase in net unrealized gains on available-for-sale securities (an increase of ¥24,768 million from the end of the previous fiscal year).

## Statements of operations

Regarding income, total income posted a year-on-year decrease of ¥417 million to ¥89,733 million. Meanwhile, total expenses increased by ¥1,173 million from the previous fiscal year to ¥70,093 million, mainly due to an increase in interest expenses primarily resulting from foreign currency procurement. As a result, the Bank posted income before income taxes for the fiscal year under review of ¥19,640 million, down ¥1,591 million year-on-year, and net income attributable to owners of parent of ¥13,884 million, down ¥1,010 million year-on-year.

Furthermore, comprehensive income posted a year-on-year increase of ¥7,365 million to ¥38,850 million.

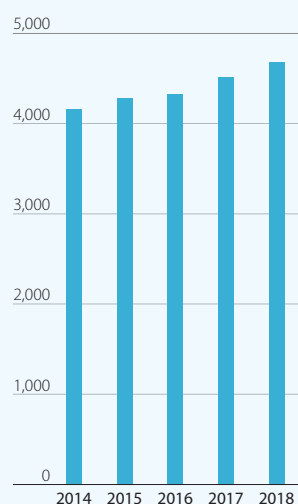
Additionally, as the Group consists of a single segment in the banking business, business results by segment are not provided.

## Cash flows

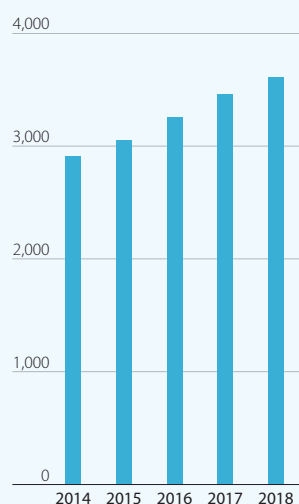
Regarding the Group's cash flows, net cash provided by operating activities during the fiscal year under review posted a decrease of ¥159,391 million year-on-year, mainly due to increases in deposits which are the source of fund procurement, and loans and bills discounted which are essential to fund management. Net cash provided by investing activities posted an increase of ¥150,035 million year-on-year, mainly due to a decrease in purchases of securities as a result of initiatives for effective fund management. Net cash used in financing activities posted an increase of ¥1,235 million year-on-year. This was mainly due to increased payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation, as a result of converting some subsidiaries into wholly-owned subsidiaries for the purpose of speeding up groupwide decision-making and enhancing corporate governance.

As a result, cash and cash equivalents as of the end of the fiscal year under review amounted to ¥740,555 million, an increase of ¥271,304 million year-on-year.

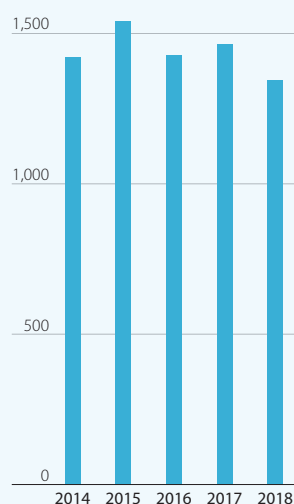
**Deposits**  
(Billions of yen)



**Loans and bills discounted**  
(Billions of yen)



**Investment securities**  
(Billions of yen)



**Total income and expenses**  
(Billions of yen)

