



HAMAMATSU IWATA SHINKIN BANK

# Annual Report 2023

Fiscal year ended March 31, 2023



# About Hamamatsu Iwata Shinkin Bank



Established in 1950, Hamamatsu Iwata Shinkin Bank is a *shinkin* bank headquartered in Naka-ku of Hamamatsu City in Shizuoka Prefecture. With western Shizuoka Prefecture, centering on Hamamatsu, as its business area, Hamamatsu Iwata Shinkin Bank ranks number one in terms of the volume of deposits and loans among the nine *shinkin* banks within Shizuoka Prefecture. Western Shizuoka Prefecture is situated in the geographic center of Japan and is noted for its mild climate, attributes that have helped spur the development of a diverse range of industries in the region over many years. Renowned as

the birthplace of such leading companies as Suzuki Motor Corporation, Yamaha Corporation and Honda Motor Co., Ltd., this region has witnessed the development of such industries as the automobile, musical instruments and machinery and metals industries, and has supported Japan's economy as a manufacturing hub. Hamamatsu, the location of our Head Office, is also home to numerous manufacturing plants and has attracted a large number of expat workers from overseas countries, which gives the city a rich international flavor.

## Outline of Hamamatsu Iwata Shinkin Bank (As of March 31, 2023)

**Head Office:** 114-1 Motoshiro-cho, Naka-ku, Hamamatsu, Shizuoka 430-0946, Japan

**Established:** April 10, 1950

**Deposits:** ¥2,752 billion  
(including certificates of deposit)

**Loans and Bills Discounted:** ¥1,316 billion

**Share Capital:** ¥2.28 billion (120,665 members)

### Number of Employees:

Hamamatsu Iwata Shinkin Bank (non-consolidated): 1,677

Hamamatsu Iwata Shinkin Bank Group (total): 1,757

### Number of Branches:

87 branches and 56 external ATM corners

### Principal Business Operations:

Deposits, loans, investments in marketable securities, domestic exchange, foreign exchange, corporate bonds underwriting and registration, incidental services

### Business Region:

#### Shizuoka Prefecture

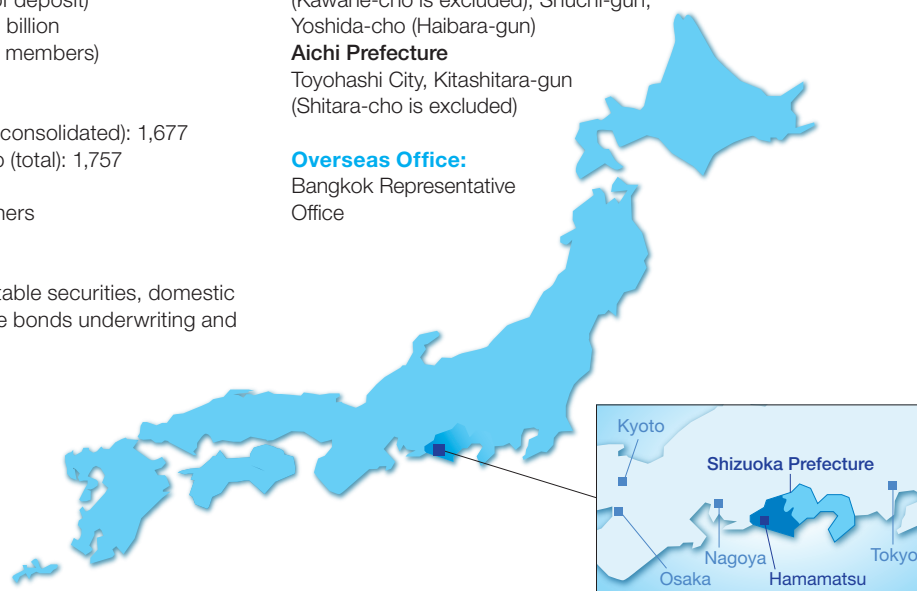
Hamamatsu City, Iwata City, Fukuroi City, Kosai City, Kakegawa City, Omaezaki City, Kikugawa City, Makinohara City, Shimada City (Kawane-cho is excluded), Shuchi-gun, Yoshida-cho (Haibara-gun)

#### Aichi Prefecture

Toyohashi City, Kitashitara-gun (Shitara-cho is excluded)

### Overseas Office:

Bangkok Representative Office



## Management Philosophy

The Management Philosophy clearly states the core values of Hamamatsu Iwata Shinkin Bank. The philosophy, declared both internally and externally, represents the Bank's missions and business objectives and serves as action guidelines for our employees and directors. We have formulated the Management Philosophy so that all employees and directors fully understand its intent and act toward its realization.

### For local communities

We create new value and contribute to community vitalization.

### For customers

We walk side by side with customers toward a bright future, regarding their happiness as our own happiness.

### Management Philosophy

### For employees and directors

We continue to spur change and take on challenges in seeking to become a vibrant organization.

### Social responsibilities (CSR, the SDGs and ESG)

We undertake fair and sound management and help to create a sustainable society.

## What Is the Shinkin Bank?

The *shinkin* bank is a financial institution that operates within a limited area and serves local residents and small- and medium-sized enterprises in the area. Unlike a commercial bank, which is a joint stock company, it is a cooperative financial institution operating with capital contributions from its members and

under the fundamental principle of being not-for-profit and providing mutual cooperation and solidarity.

Working closely with local communities and acting first and foremost for the promotion of regional development is what the *shinkin* bank does and our *raison d'être*.

## About Shinkin Central Bank

Shinkin Central Bank (SCB), established in 1950, is a cooperative financial institution serving as the central bank for shinkin banks in Japan. Its name was changed from the Zenshinren Bank to Shinkin Central Bank on October 1, 2000, and its preferred shares were listed on the Tokyo Stock Exchange on December 22 of the same year.

SCB is one of the largest and healthiest financial institutions in Japan, with total assets amounting to ¥45.9 trillion, the capital adequacy ratio (non-consolidated, domestic standard) standing at 22.40% and the ratio of bad loans standing at 0.22%. It is also one of the few financial institutions to issue debentures. SCB works closely together with its member shinkin banks while assuming three roles, specifically as the central bank of shinkin banks, as an institutional investor and as a regional financial institution.

\* Total assets, the capital adequacy ratio (non-consolidated) and the ratio of bad loans are as of March 31, 2023.

### ■ Corporate Data of Shinkin Central Bank

Name	Shinkin Central Bank
Established	June 1, 1950
Number of Employees and Full-Time Directors	1,200 (including 13 full-time directors)
Network	Domestic: 12; Overseas: 6*
Total Assets	¥45,924.7 billion
Paid-in Capital	¥690.9 billion
Capital Adequacy Ratio	22.40% (non-consolidated, domestic standard)
Number of Member <i>Shinkin</i> Banks	254

\* Including Shinkin International Ltd.

(As of March 31, 2023)

## Overseas Business Support Services

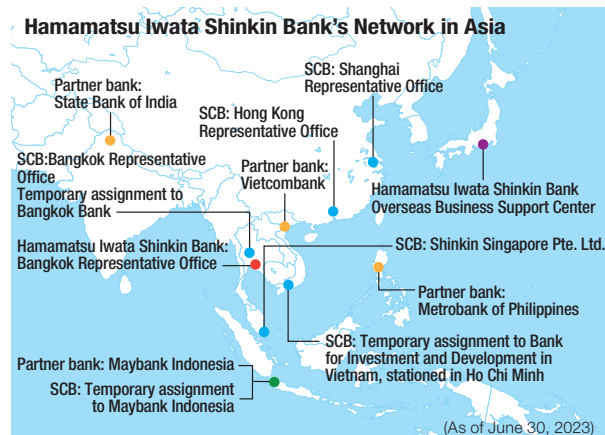
### Overseas Business Support Center

The Overseas Business Support Center collaborates with such external support organizations as the Japan External Trade Organization (JETRO), local governments and Shinkin Central Bank (SCB) to offer overseas business support services matched to customer needs. Our service lineup includes providing information on local business and other conditions and assisting in the formulation of plans for setting up operations overseas.



With the COVID-19 pandemic subsiding, overseas business trips of employees have been resumed.

Number of support cases for overseas business advancement and trade: 231



### Bangkok Representative Office

In January 2014, Hamamatsu Iwata Shinkin Bank opened a representative office in Bangkok, Thailand, a city expected to serve as a business hub in Asia. The office provides various support services, including providing information on Thailand and neighboring countries, assisting with site visits and providing referrals to local experts and supporting organizations.



### Bangkok Representative Office

Address: 19th Floor, 1901, Athenee Tower, 63 Wireless Road, Lumpini, Pathumwan, Bangkok 10330, Thailand

TEL: +66-(0)2-168-8303 FAX: +66-(0)2-168-8305

### Bangkok Representative Office Location



# Hamamatsu Iwata Shinkin Bank Corporate History

## The Hamamatsu Shinkin Bank (Hamashin) Corporate History

<b>April 1950</b>	Hamamatsu Credit Association established in accordance with the Small- and Medium-Sized Enterprise Cooperatives Act
<b>May 1950</b>	Head Office opened in Renjaku-cho (near the present Renjaku post office) and business commenced
<b>November 1951</b>	Reorganized as a <i>shinkin</i> bank and became Hamamatsu Shinkin Bank along with the enforcement of the Shinkin Bank Act
<b>December 1952</b>	Head Office moved to Tenma-cho (location of the current Tenma-cho Branch)
<b>March 1962</b>	Established the Hamamatsu Shinkin Bank Basic Policies
<b>October 1968</b>	Computers introduced and offline processing begins
<b>October 1969</b>	Head Office moved to newly constructed building in Motoshiro-cho
<b>December 1974</b>	Deposits reach ¥100.0 billion
<b>October 1977</b>	Operation Center moved to newly constructed building
<b>October 1981</b>	Third online system goes into operation and installation of automated teller machines (ATMs) commenced
<b>June 1987</b>	Hamashin Recreation Center completed
<b>October 1989</b>	Deposits reach ¥500.0 billion
<b>April 1992</b>	Hamashin Consultation Plaza opened in Nakazawa-cho as a specialized consultation counter
<b>May 1997</b>	Hamashin website established
<b>August 1998</b>	Internet banking (home banking/firm banking) transactions commenced
<b>December 1999</b>	Deposits reach ¥1,000.0 billion
<b>April 2000</b>	Marked the 50th anniversary of our establishment
<b>April 2006</b>	Established the Hamamatsu Shinkin Bank Basic Principles (revised version of the Basic Policies established in 1962)
<b>July 2007</b>	Held the 1st Hamashin Business Matching Fair
<b>October 2007</b>	Established the Shizuoka Prefecture Western Region Shinkin Economic Research Institute jointly with Enshu Shinkin Bank
<b>November 2008</b>	Held the 1st Sanen-nanshin Shinkin Summit and the Sanen-nanshin Shinkin Product Exhibition
<b>January 2009</b>	Became a member of the Tokai Region Shinkin Joint Business Center and online system modified
<b>April 2010</b>	Marked the 60th anniversary of our establishment
<b>January 2014</b>	Opened Bangkok Representative Office, the first overseas office
<b>September 2017</b>	Basic merger agreement concluded
<b>October 2018</b>	Logo mark and corporate message announced

## The Iwata Shinkin Bank (Iwashin) Corporate History

<b>April 1950</b>	Iwata Credit Association established in accordance with the Small- and Medium-Sized Enterprise Cooperatives Act
<b>May 1950</b>	Head Office and Mitsuke Branch opened in Nakaizumi and Mitsuke, respectively, in Iwata City
<b>November 1951</b>	Reorganized as a <i>shinkin</i> bank and became Iwata Shinkin Bank along with the enforcement of the Shinkin Bank Act
<b>May 1955</b>	Head Office newly constructed in front of Iwata Station
<b>February 1963</b>	Business region expanded to Toei-cho, Toyone-mura, Tomiyama-mura and Tsugu-mura in Kitashitara-gun, Aichi Prefecture
<b>August 1966</b>	Business region expanded to Hamamatsu City and Kami-mura in Hamana-gun
<b>May 1968</b>	Computers introduced and a centralized business processing system established
<b>November 1971</b>	Computer Center newly constructed
<b>April 1975</b>	Online deposit processing started among all branches
<b>August 1979</b>	Deposits reach ¥100.0 billion
<b>November 1986</b>	Operation Center moved to newly constructed building
<b>June 1995</b>	Iwashin Consultation Center opened
<b>January 1997</b>	Held a corporate image (CI) presentation meeting / logo mark established
<b>September 1997</b>	Young Business Managers' Association Success 21 established
<b>January 1999</b>	Handling of fund transfers over the Internet started
<b>December 2001</b>	Deposits reach ¥500.0 billion
<b>May 2003</b>	Became a member of the Tokai Region Shinkin Joint Business Center
<b>April 2004</b>	Operations using a mobile banking vehicle launched for the first time among <i>shinkin</i> banks
<b>May 2005</b>	Held the First Iwashin Ai Ai Concert
<b>June 2010</b>	Held the First Seminar on Brazil's Economy
<b>December 2010</b>	Publication of <i>i Zoom</i> , Iwashin's magazine to discover regional attractiveness, started
<b>May 2014</b>	Iwashin's intellectual property study group called i Cube established
<b>May 2015</b>	Regional Revitalization Strategy Promotion Desk established
<b>April 2016</b>	Iwashin Business Start-up Support Desk established
<b>December 2016</b>	Deposits reach ¥700.0 billion

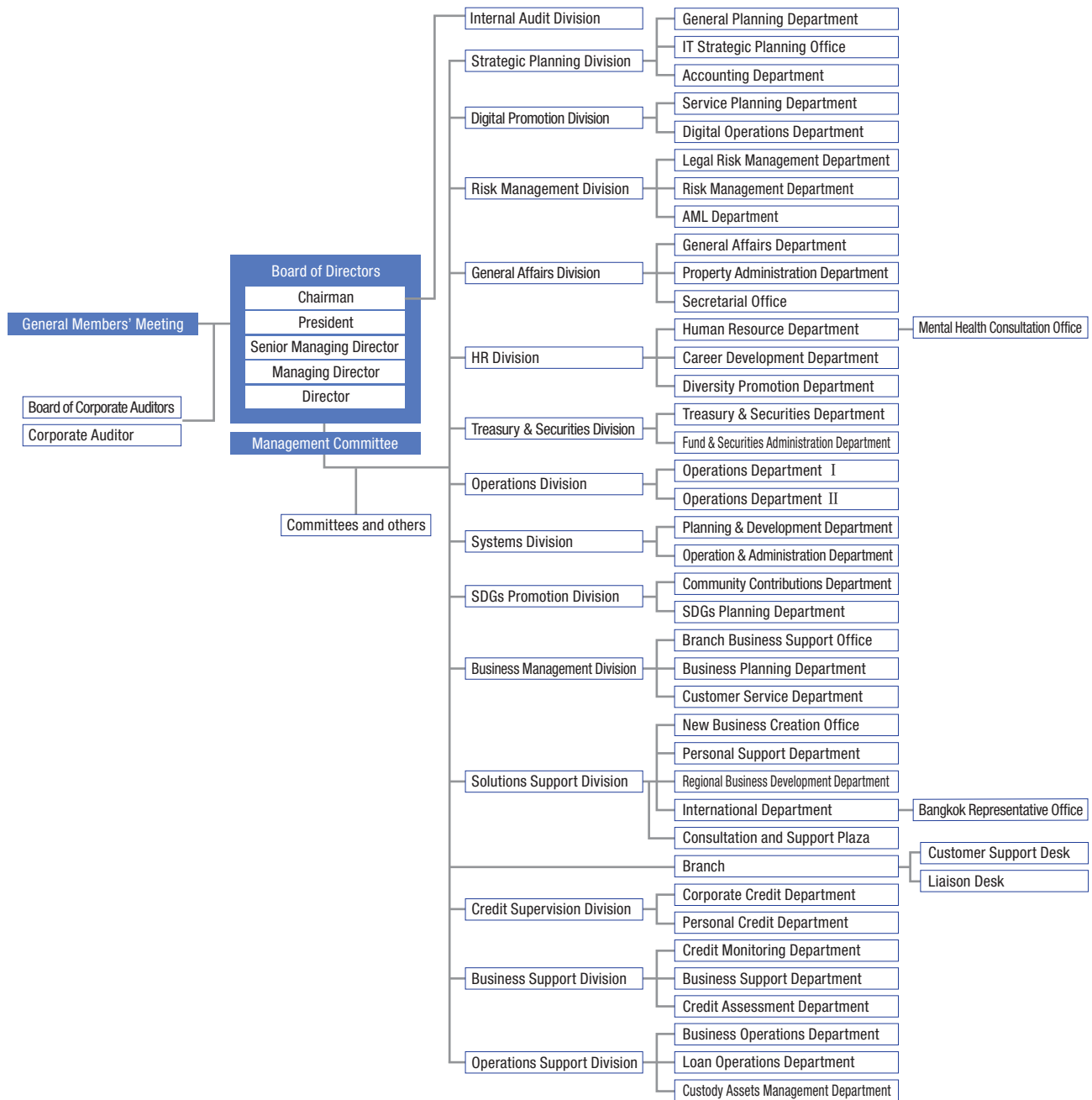
## Hamamatsu Iwata Shinkin Bank Corporate History

<b>January 2019</b>	Hamamatsu Shinkin Bank get merged with Iwata Shinkin Bank and formed "Hamamatsu Iwata Shinkin Bank."
<b>April 2020</b>	Celebrated its 70th anniversary
<b>June 2020</b>	Innovation Hub / Co-working Space "FUSE" has started its business
<b>October 2022</b>	New head office building has started its business



# Organization Chart

As of August 1, 2023



## Board of Directors and Corporate Auditors

As of August 1, 2023

Chairman **Kenichiro Mimuro**  
 President **Hirohisa Takayanagi**  
 Senior Managing Director **Seidai Hirai**  
 Senior Managing Director **Hisao Miwa**  
 Managing Director **Kazuhiro Hashishita**  
 Managing Director **Hiroyasu Hanba**  
 Managing Director **Takahiko Shimizu**  
 Managing Director **Shoji Sato**

Director **Hiroaki Matsushima**  
 Director **Shinichi Horisaki<sup>1</sup>**  
 Director **Takayasu Hashimoto**  
 Director **Shinji Takahashi**  
 Director **Mototaka Ikeno**  
 Director **Shinya Sawaki**  
 Director **Hideto Tago<sup>1</sup>**

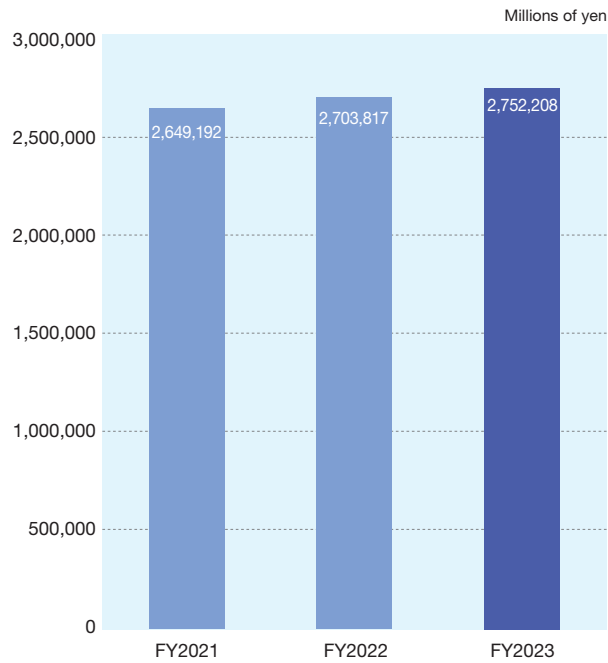
Standing Corporate Auditor **Michio Inagaki**  
 Standing Corporate Auditor **Masayuki Sano**  
 Corporate Auditor **Kenichi Suzuki**  
 Corporate Auditor **Naojiro Suzuki**  
 Corporate Auditor **Naoko Tatsumi<sup>2</sup>**

<sup>1</sup> Shinichi Horisaki and Hideto Tago are outside directors appointed as provided for in the Industrial Agreement on Measures to Improve the Functionality of General Members' Meeting adopted within the *shinkin* bank industry.

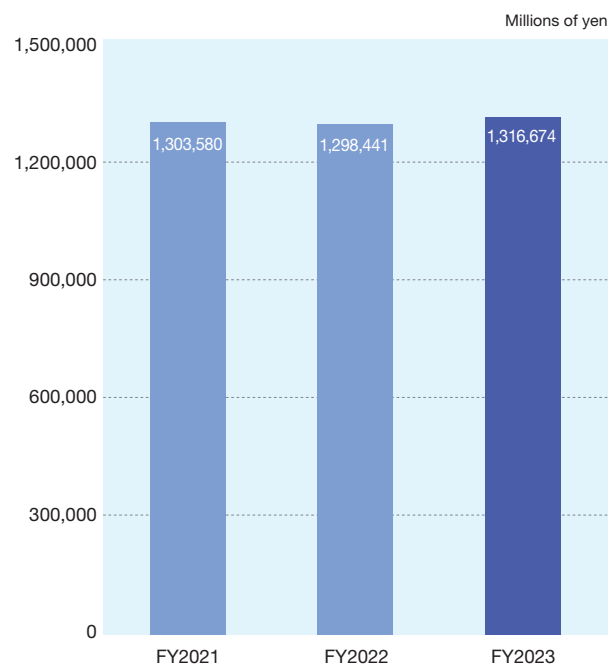
<sup>2</sup> Naoko Tatsumi is an outside corporate auditor appointed as provided for in Article 32-5 of the Shinkin Bank Act.

# Business Results

## Balance of deposits (including certificates of deposit)



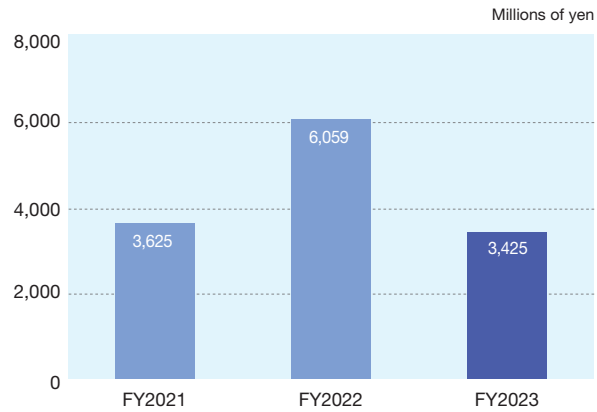
## Balance of loans and bills discounted



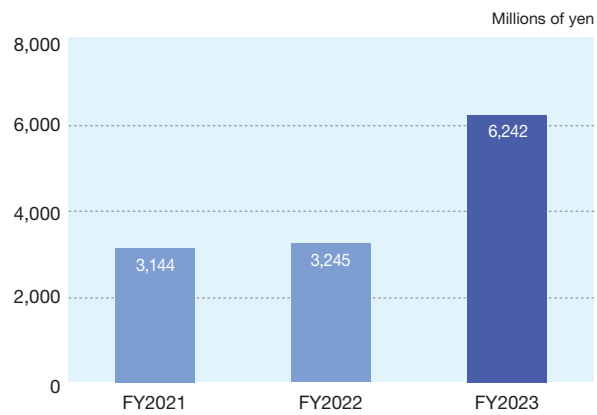
## Growth in profits

We posted net income of ¥3.3 billion, and net business profit, which is obtained through our main business, amounted to ¥3.4 billion.

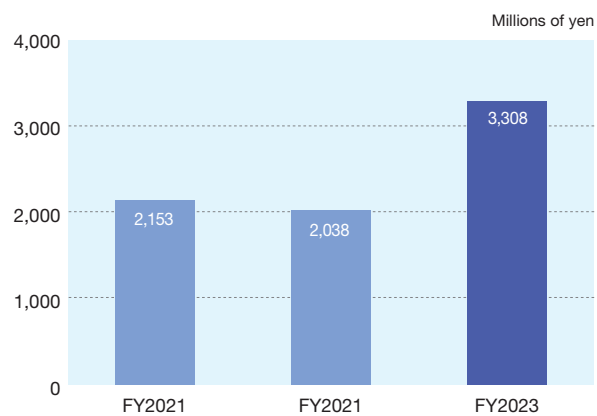
### Net business profit



### Ordinary profit



### Net income



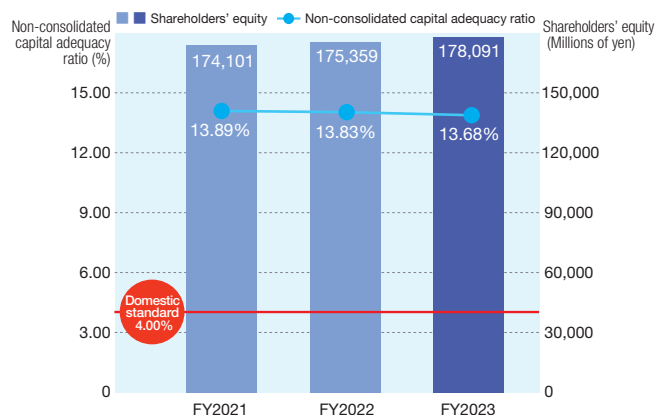


## Non-Consolidated Capital Adequacy Ratio

Our non-consolidated capital adequacy ratio was 13.68% as of the end of March 2023, which markedly surpassed 4.00% of the domestic standard of financial institutions operating in Japan and signifies sound management. Soundness is also evidenced by the majority of shareholders' equity comprised of a reserve for retained earnings from profits.

### Capital adequacy ratio

The capital adequacy ratio indicates the percentage of capital among total credit risk assets and is a representative indicator of factors that include the security and soundness of management as well as corporate vitality (resistance to risk). The capital adequacy ratio serves as the benchmark for the Financial Services Agency (FSA) to make official announcements including orders to undertake business improvement initiatives or suspend business.



## Hamamatsu Iwata Shinkin Bank's Ratings

We also acquired an upper rank "A" in issuer ratings for fiscal 2023 from Rating and Investment Information, Inc. (R&I), which is a rating institution. The current rank was received in recognition of our enhanced shareholders' equity, financial stability, finely tuned customer response capabilities and other relevant aspects.

### Ratings

Ratings are carried out by rating institutions as a means of ranking whether or not the payment of principal and interest of bonds and deposits are made to investors and/or depositors according to respective agreements or to rank the level of security and credit rating of a company from a fair standpoint.

### R&I Rating Symbols and Definitions (Issuer Rating)

<b>AAA</b>	Highest creditworthiness supported by many excellent factors.
<b>AA</b>	Very high creditworthiness supported by some excellent factors.
<b>A</b>	High creditworthiness supported by a few excellent factors.
<b>BBB</b>	Creditworthiness is sufficient, though some factors require attention in times of major environmental changes.
<b>BB</b>	Creditworthiness is sufficient for the time being, though some factors require due attention in times of environmental changes.
<b>B</b>	Creditworthiness is questionable and some factors require constant attention.
<b>CCC</b>	An obligation is in default or likely to default. The obligation in default may not be recovered in full.
<b>CC</b>	An obligation is in default or highly likely to default. The obligation in default may only be partially recovered.
<b>D</b>	An obligation is in default and may hardly be recovered.

## Risk-Monitored Loans for Fiscal 2023

In the fiscal year ended March 31, 2023, loans subject to mandatory disclosure based on the Shinkin Bank Act and the Financial Reconstruction Act decreased 7,128 million yen compared to the previous fiscal year, to 79,630 million yen, and its ratio to total credit balance came to 5.91%.

The coverage ratio for the said loans based on guarantees, collateral, etc. was 85.4%.

Going forward, we will ensure the soundness of assets by reinforcing risk management systems and contribute to wide-area regional development mainly by proactively providing management consultation to client companies and supporting the borrowers' recovery from financial difficulties, as part of our responsibilities as a regional financial institution.

### Status of coverage and provision for loans subject to mandatory disclosure based on the Shinkin Bank Act (risk-monitored loan) and the Financial Reconstruction Act

Unit: Millions of yen

Category		Balance of loans subject to mandatory disclosure (a)	Amount of coverage (b)	Estimated collectible accounts receivable amount based on collateral, guarantee, etc. (c)	Bad debt reserves (d)	Coverage ratio (b)/(a)	Provision ratio (d)/(a-c)
Bankrupt and quasi-bankrupt loans	FY2021	3,782	3,782	1,444	2,337	100.0%	100.0%
	FY2022	2,241	2,241	1,138	1,103	100.0%	100.0%
Delinquent loans	FY2021	76,921	69,206	55,344	13,861	90.0%	64.2%
	FY2022	69,790	62,542	50,801	11,740	89.6%	61.8%
Substandard loans	FY2021	6,055	2,512	1,722	789	41.5%	18.2%
	FY2022	7,598	3,201	2,340	861	42.1%	16.4%
Loans past due three months or more	FY2021	—	—	—	—	—	—
	FY2022	5	5	5	—	100.0%	100.0%
Restructured loans	FY2021	6,055	2,512	1,722	789	41.5%	18.2%
	FY2022	7,593	3,196	2,335	861	42.1%	16.4%
Subtotal (A)	FY2021	86,759	75,500	58,512	16,988	87.0%	60.1%
	FY2022	79,630	67,985	54,280	13,704	85.4%	54.1%
Normal loans (B)	FY2021	1,243,170					
	FY2022	1,266,774					
Total credit balance (A)+(B)	FY2021	1,329,930					
	FY2022	1,346,405					

# Non-Consolidated Balance Sheets

	Millions of yen (Note 1)		Thousands of U.S. dollars (Note 2)
As of March 31, 2023 and 2022	2023	2022	2023
<b>Assets</b>			
Cash and Due from Banks	¥ 552,159	¥ 617,512	\$ 4,134,783
Call Loans	—	122	—
Monetary Claims Bought	255	324	1,909
Money Held in Trusts	—	—	—
Securities	1,044,142	1,054,759	7,818,945
Loans and Bills Discounted	1,316,674	1,298,441	9,859,772
Foreign Exchanges	481	453	3,601
Other Assets	16,390	15,332	122,734
Fixed Assets	27,369	24,135	204,949
Prepaid Pension Cost	2,292	2,035	17,163
Deferred Tax Assets	8,489	8,413	63,568
Customer's Liabilities for Acceptances and Guarantees	26,610	28,719	199,266
Reserve for Possible Loan Losses	(16,681)	(20,318)	(124,913)
<b>Total Assets</b>	<b>¥ 2,978,185</b>	<b>¥ 3,029,930</b>	<b>\$ 22,301,819</b>
<b>Liabilities and Net Assets</b>			
<b>Liabilities</b>			
Deposits	¥ 2,749,788	¥ 2,700,737	\$ 20,591,493
Certificates of Deposit	2,420	3,079	18,121
Foreign Exchanges	3	14	22
Other Liabilities	56,726	129,519	424,786
Reserve for Employee Bonuses	1,635	1,622	12,243
Reserve for Employee Retirement Benefits	287	270	2,149
Other Reserves	1,126	1,167	8,431
Deferred Tax Liabilities	—	—	—
Acceptances and Guarantees	26,610	28,719	199,266
<b>Total Liabilities</b>	<b>¥ 2,838,597</b>	<b>¥ 2,865,131</b>	<b>\$ 21,256,529</b>
<b>Net Assets</b>			
Share Capital	¥ 2,286	¥ 2,315	\$ 17,118
Legal Reserve	2,315	2,330	17,335
Special Reserve	166,973	164,974	1,250,359
Unappropriated Retained Earnings	4,597	3,387	34,424
Total Members' Equity	176,172	173,008	1,319,245
Net Unrealized Gains on Available-for-Sale Securities	(36,584)	(8,209)	(273,955)
<b>Total Net Assets</b>	<b>¥ 139,588</b>	<b>¥ 164,799</b>	<b>\$ 1,045,289</b>
<b>Total Liabilities and Net Assets</b>	<b>¥ 2,978,185</b>	<b>¥ 3,029,930</b>	<b>\$ 22,301,819</b>

Notes 1. Amounts of less than one million yen have been omitted.

2. U.S. dollars amounts are converted for convenience only at ¥133.54 per U.S.\$1.00, the rate prevailing on March 31, 2023.



## Non-Consolidated Statements of Income

	Millions of yen (Note 1)		Thousands of U.S. dollars (Note 2)
As of March 31, 2023 and 2022	2023	2022	2023
<b>Income</b>			
Interest on:	¥ 22,461	¥ 24,438	\$ 168,197
Loans and Bills Discounted	16,042	16,326	120,130
Securities	5,424	7,116	40,618
Others	994	995	7,447
Fees and Commissions	4,148	3,852	31,063
Other Income	5,171	2,486	38,723
<b>Total Income</b>	¥ 31,780	¥ 30,777	\$ 237,984
<b>Expenses</b>			
Interest on:	¥ 188	¥ 194	\$ 1,408
Deposits	164	172	1,232
Other	23	22	176
Fees and Commissions	2,566	2,536	19,218
General and Administrative Expenses	21,141	21,800	158,313
Other Expenses	2,930	3,195	21,942
<b>Total Expenses</b>	¥ 26,825	¥ 27,726	\$ 200,883
<b>Income Before Income Taxes</b>	4,954	3,051	37,101
Income Taxes			
Current	131	1,279	983
Deferred	1,514	(266)	11,339
<b>Net Income</b>	¥ 3,308	¥ 2,038	\$ 24,778

## Unappropriated Retained Earnings

	Millions of yen (Note 1)		Thousands of U.S. dollars (Note 2)
As of March 31, 2023 and 2022	2023	2022	2023
At Beginning of the Year	¥ 4,597	¥ 3,387	\$ 34,425
Reversal of Reserve	28	15	215
Appropriation	3,614	2,115	27,064
Transfer to Legal Reserve	0	0	0
Cash Dividends for Member Common Share	114	115	854
Special Reserve	3,500	2,000	26,209
At End of the Year	¥ 1,011	¥ 1,287	\$ 7,577

Notes 1. Amounts of less than one million yen have been omitted.

2. U.S. dollars amounts are converted for convenience only at ¥133.54 per U.S.\$1.00, the rate prevailing on March 31, 2023.

# Consolidated Balance Sheets

	Millions of yen (Note 1)		Thousands of U.S. dollars (Note 2)
As of March 31, 2023 and 2022	2023	2022	2023
<b>Assets</b>			
Cash and Due from Banks	¥ 552,766	¥ 618,114	\$ 4,139,329
Call Loans	—	122	—
Monetary Claims Bought	255	324	1,909
Monetary Held in Trusts	—	—	—
Securities	1,043,837	1,054,453	7,816,661
Loans and Bills Discounted	1,314,706	1,296,512	9,845,035
Foreign Exchanges	481	453	3,601
Other Assets	30,447	28,581	227,999
Fixed Assets	27,228	24,037	203,893
Prepaid Pension Cost	2,292	2,035	17,163
Deferred Tax Assets	8,649	8,589	64,767
Customers' Liabilities for Acceptances and Guarantees	26,610	28,714	199,266
Reserve for Possible Loan Losses	(17,040)	(20,712)	(127,602)
<b>Total Assets</b>	<b>¥ 2,990,233</b>	<b>¥ 3,041,229</b>	<b>\$ 22,392,039</b>
<b>Liabilities and Net Assets</b>			
<b>Liabilities</b>			
Deposits	¥ 2,745,880	¥ 2,696,993	\$ 20,562,228
Certificates of Deposit	2,420	3,079	18,121
Other Liabilities	67,732	139,835	507,203
Foreign Exchanges	3	14	22
Reserve for Employee Bonuses	1,673	1,660	12,528
Reserve for Employee Retirement Benefits	363	348	2,718
Other Reserves	1,142	1,182	8,551
Deferred Tax Liabilities	—	—	—
Acceptances and Guarantees	26,610	28,714	199,266
<b>Total Liabilities</b>	<b>¥ 2,845,826</b>	<b>¥ 2,871,830</b>	<b>\$ 21,310,663</b>
<b>Net Assets</b>			
Share Capital	¥ 2,286	¥ 2,315	\$ 17,118
Retained Earnings	178,704	175,292	1,338,205
Total Members' Equity	180,991	177,607	1,355,331
Net Unrealized Gains on Available-for-Sale Securities	(36,584)	(8,209)	(273,955)
Minority Interests	—	—	—
<b>Total Net Assets</b>	<b>¥ 144,407</b>	<b>¥ 169,398</b>	<b>\$ 1,081,376</b>
<b>Total Liabilities and Net Assets</b>	<b>¥ 2,990,233</b>	<b>¥ 3,041,229</b>	<b>\$ 22,392,039</b>

Notes 1. Amounts of less than one million yen have been omitted.

2. U.S. dollars amounts are converted for convenience only at ¥133.54 per U.S.\$1.00, the rate prevailing on March 31, 2023.



## Consolidated Statements of Income

	Millions of yen (Note 1)		Thousands of U.S. dollars (Note 2)
As of March 31, 2023 and 2022	2023	2022	2023
<b>Income</b>			
Operating Income	¥ 22,241	¥ 24,277	\$ 166,556
Loans and Bills Discounted	16,035	16,318	120,077
Securities	5,212	6,962	39,031
Others	994	995	7,447
Fees and Commissions	4,274	3,985	32,007
Other Income	11,326	7,437	84,818
<b>Total Income</b>	<b>¥ 37,842</b>	<b>¥ 35,700</b>	<b>\$ 283,382</b>
<b>Expenses</b>			
Operating Expenses	¥ 188	¥ 194	\$ 1,408
Deposits	164	172	1,232
Others	23	22	176
Fees and Commissions	2,323	2,307	17,397
General and Administrative Expenses	20,956	21,567	156,931
Other Expenses	8,970	8,305	67,176
<b>Total Expenses</b>	<b>¥ 32,438</b>	<b>¥ 32,374</b>	<b>\$ 242,914</b>
<b>Income Before Income Taxes</b>	<b>¥ 5,404</b>	<b>¥ 3,325</b>	<b>\$ 40,467</b>
Income Taxes			
Current	344	1,477	2,582
Deferred	1,530	(294)	11,464
Minority Interests in Income	0	0	0
<b>Net Income</b>	<b>¥ 3,528</b>	<b>¥ 2,143</b>	<b>\$ 26,420</b>

## Retained Earnings

	Millions of yen (Note 1)		Thousands of U.S. dollars (Note 2)
As of March 31, 2023 and 2022	2023	2022	2023
At Beginning of the Year	¥ 174,857	¥ 172,830	\$ 1,309,400
Changes During the Year	0	0	0
Net Income	3,528	2,143	26,420
Cash Dividends for Member Common Share	115	116	866
Increase by Merger	0	0	—
At End of the Year	<b>¥ 178,269</b>	<b>¥ 174,857</b>	<b>\$ 1,334,955</b>

Notes 1. Amounts of less than one million yen have been omitted.

2. U.S. dollars amounts are converted for convenience only at ¥133.54 per U.S.\$1.00, the rate prevailing on March 31, 2023.

# HAMAMATSU IWATA SHINKIN BANK

114-1 Motoshiro-cho, Naka-ku, Hamamatsu, Shizuoka 430-0946, Japan

TEL:+81-53-450-3250

