

TOTTORI BANK REPORT
ANNUAL REPORT

2023

CONSOLIDATED BALANCE SHEETS

March 31, 2023 and 2022

Note:

The Japanese yen amounts are rounded down to the nearest million yen. Solely for the convenience of the reader, US dollar amounts represent a translation of Japanese yen at ¥133.53 to US\$1.00, the exchange rate prevailing on March 31, 2023.

	Millions of yen		Thousands of U.S. dollars
	2023	2022	2023
Assets			
Cash and due from banks	¥ 72,579	¥ 99,519	\$ 543,541
Securities	114,601	128,362	858,242
Loans and bills discounted	878,380	848,917	6,578,147
Foreign exchange	1,313	803	9,833
Other assets	14,081	13,653	105,452
Tangible fixed assets	9,929	10,076	74,358
Intangible fixed assets	924	1,201	6,920
Net defined benefit asset	3,218	3,303	24,099
Deferred tax assets	1,256	948	9,406
Customers' liabilities for acceptances and guarantees	3,921	4,433	29,364
Reserve for possible loan losses	(3,125)	(2,859)	(23,403)
Reserve for possible losses on investment securities	(9)	(10)	(67)
Total assets	¥1,097,072	¥1,108,350	\$8,215,922
Liabilities			
Deposits	¥ 992,544	¥ 980,973	\$7,433,116
Call money and bills sold	60	63	449
Borrowed money	42,000	63,700	314,536
Foreign exchange	21	12	157
Other liabilities	7,547	7,404	56,519
Reserve for bonuses	481	451	3,602
Net defined benefit liability	1,684	1,650	12,611
Reserve for contingent losses	376	332	2,816
Reserve for reimbursement of dormant deposits	—	5	—
Deferred tax liabilities for land revaluation	555	555	4,156
Acceptance and guarantees	3,921	4,433	29,364
Total liabilities	1,049,192	1,059,582	7,857,350
Net assets			
Common stock	¥ 9,061	¥ 9,061	\$ 67,857
Capital surplus	6,452	6,452	48,319
Retained earnings	32,212	31,635	241,234
Treasury stock	(678)	(677)	(5,078)
Total shareholders' equity	47,047	46,472	352,333
Valuation difference on available-for-sale securities	(239)	967	(1,790)
Deferred gains or losses on hedges	0	0	0
Revaluation reserve for land	894	894	6,695
Remeasurements of defined benefit plans	65	336	487
Total accumulated other comprehensive income	719	2,198	5,385
Non-controlling interests	112	98	839
Total net assets	47,879	48,768	358,564
Total liabilities and net assets	¥1,097,072	¥1,108,350	\$8,215,922

CONSOLIDATED STATEMENTS OF INCOME

Years ended March 31, 2023 and 2022

	Millions of yen		Thousands of U.S. dollars
	2023	2022	2023
Ordinary income			
Interest and dividends on securities:			
Loans and discounts	¥ 9,057	¥ 8,993	\$ 67,827
Securities	823	639	6,163
Others	183	99	1,370
Fees and commissions	3,079	3,043	23,058
Other operating income	217	157	1,625
Other income	551	366	4,126
Total ordinary income	13,912	13,301	104,186
Ordinary expenses			
Interest on:			
Deposits	203	287	1,520
Borrowings and rediscounts	(1)	(0)	(7)
Others	23	20	172
Fees and commissions	1,452	1,471	10,874
Other operating expenses	375	5	2,808
General and administrative expenses	9,547	9,240	71,497
Other expenses	599	1,811	4,486
Total ordinary expenses	12,200	12,837	91,365
Ordinary profit	1,711	463	12,814
Extraordinary income	4	925	30
Extraordinary losses	47	170	352
Profit before income taxes	1,667	1,219	12,484
Income taxes			
Current	245	217	1,835
Deferred	363	346	2,718
Refund	—	(246)	—
Total income taxes	609	317	4,561
Profit	1,058	901	7,923
Profit attributable to non-controlling interests	14	10	105
Profit attributable to owners of parent	¥ 1,044	¥ 891	\$ 7,818

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Years ended March 31, 2023 and 2022

	Millions of yen		Thousands of U.S. dollars
	2023	2022	2023
Profit	¥ 1,058	¥ 901	\$ 7,923
Other comprehensive income:	(1,478)	(1,064)	(11,069)
Valuation difference on available-for-sale securities	(1,261)	(123)	(9,444)
Deferred gains or losses on hedges	(0)	0	(0)
Remeasurements of defined benefit plans	(271)	(925)	(2,030)
Share of other comprehensive income of associates accounted for using equity method	54	(15)	404
Comprehensive income	¥ (419)	¥ (163)	\$ (3,138)
Comprehensive income attributable to owners of parent	¥ (434)	¥ (173)	\$ (3,250)
Comprehensive income attributable to non-controlling interests	14	10	105

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

Years ended March 31, 2023 and 2022

	Millions of yen											
	Shareholders' equity					Accumulated other comprehensive income						
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Non-controlling interests	Total net assets
Balance as of April 1, 2021	¥9,061	¥6,452	¥31,184	¥(677)	¥46,022	¥ 1,106	¥(0)	¥950	¥1,261	¥ 3,319	¥103	¥49,444
Cumulative effects of changes in accounting policies			(28)		(28)						(15)	(43)
Restated balance as of April 1, 2021	9,061	6,452	31,156	(677)	45,993	1,106	(0)	950	1,261	3,319	88	49,400
Changes during the year:												
Cash dividends			(468)		(468)							(468)
Profit attributable to owners of parent			891		891							891
Purchase of treasury stock				(0)	(0)							(0)
Reversal of revaluation reserve for land			56		56							56
Net changes in items other than shareholders' equity						(139)	0	(56)	(925)	(1,121)	10	(1,110)
Total changes during the year	—	—	479	(0)	478	(139)	0	(56)	(925)	(1,121)	10	(632)
Balance as of March 31, 2022	¥9,061	¥6,452	¥31,635	¥(677)	¥46,472	¥ 967	¥ 0	¥894	¥ 336	¥ 2,198	¥ 98	¥48,768
Changes during the year:												
Cash dividends			(468)		(468)							(468)
Profit attributable to owners of parent			1,044		1,044							1,044
Purchase of treasury stock				(0)	(0)							(0)
Net changes in items other than shareholders' equity						(1,207)	(0)	—	(271)	(1,478)	14	(1,464)
Total changes during the year	—	—	576	(0)	575	(1,207)	(0)	—	(271)	(1,478)	14	(888)
Balance as of March 31, 2023	¥9,061	¥6,452	¥32,212	¥(678)	¥47,047	¥ (239)	¥ 0	¥894	¥ 65	¥ 719	¥112	¥47,879

	Thousands of U.S. dollars											
	Shareholders' equity					Accumulated other comprehensive income						
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Non-controlling interests	Total net assets
Balance as of March 31, 2022	\$67,857	\$48,319	\$236,913	\$(5,070)	\$348,027	\$ 7,242	\$ 0	\$6,695	\$ 2,516	\$ 16,461	\$734	\$365,221
Changes during the year:												
Cash dividends			(3,505)		(3,505)							(3,505)
Profit attributable to owners of parent			7,818		7,818							7,818
Purchase of treasury stock				(0)	(0)							(0)
Net changes in items other than shareholders' equity						(9,039)	(0)	—	(2,030)	(11,069)	105	(10,964)
Total changes during the year	—	—	4,314	(0)	4,306	(9,039)	(0)	—	(2,030)	(11,069)	105	(6,650)
Balance as of March 31, 2023	\$67,857	\$48,319	\$241,234	\$(5,078)	\$352,333	\$(1,790)	\$ 0	\$6,695	\$ 487	\$ 5,385	\$839	\$358,564

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended March 31, 2023 and 2022

	Millions of yen		Thousands of U.S. dollars
	2023	2022	2023
Cash flows from operating activities			
Profit before income taxes	¥ 1,667	¥ 1,219	\$ 12,484
Depreciation	812	821	6,081
Increase (decrease) in reserve for possible loan losses	266	(887)	1,992
Equity in losses (earnings) of affiliates	(16)	(4)	(120)
Increase (decrease) in reserve for possible losses on investment securities	(0)	(1)	(0)
Increase (decrease) in reserve for bonuses	30	(7)	225
Decrease (increase) in net defined benefit asset	(324)	4,341	(2,426)
Increase (decrease) in net defined benefit liability	53	59	397
Increase (decrease) in reserve for reimbursement of dormant deposits	(5)	(6)	(37)
Increase (decrease) in reserve for contingent losses	43	(6)	322
Interest income	(10,064)	(9,732)	(75,369)
Interest expenses	226	308	1,693
Losses (gains) on securities	(147)	981	(1,101)
Foreign exchange losses (gains)	—	(0)	—
Losses (gains) on return of securities from defined benefit trust	—	(895)	—
Losses (gains) on disposal of fixed assets	10	(20)	75
Net decrease (increase) in loans and bills discounted	(29,463)	(20,209)	(220,647)
Net increase (decrease) in deposits	11,571	25,604	86,655
Net increase (decrease) in call money and others	(2)	(1)	(15)
Net increase (decrease) in borrowed money (excluding subordinated borrowings)	(21,700)	—	(162,510)
Net decrease (increase) in foreign exchange, assets	(509)	(48)	(3,812)
Net increase (decrease) in foreign exchange, liabilities	8	5	60
Interest received	10,051	9,753	75,271
Interest paid	(286)	(396)	(2,142)
Other, net	(590)	1,592	(4,418)
Subtotal	(38,369)	12,470	(287,344)
Income taxes paid	(78)	(470)	(584)
Income taxes refund	246	—	1,842
Net cash provided by (used in) operating activities	(38,201)	12,000	(286,086)
Cash flows from investing activities			
Purchases of securities	(30,582)	(44,421)	(229,027)
Proceeds from sale of securities	31,886	13,618	238,793
Proceeds from maturity of securities	10,860	23,243	81,330
Purchases of tangible fixed assets	(386)	(571)	(2,891)
Proceeds from sale of tangible fixed assets	11	172	82
Purchases of other assets	(56)	(688)	(419)
Net cash provided by (used in) investing activities	11,732	(8,647)	87,860
Cash flows from financing activities			
Purchases of treasury stock	(0)	(0)	(0)
Cash dividends paid	(470)	(466)	(3,520)
Net cash provided by (used in) financing activities	(471)	(467)	(3,527)
Effect of exchange rate changes on cash and cash equivalents	—	0	—
Net increase (decrease) in cash and cash equivalents	(26,940)	2,885	(201,752)
Cash and cash equivalents at beginning of year	99,519	96,634	745,293
Cash and cash equivalents at end of year	¥ 72,579	¥ 99,519	\$ 543,541

CORPORATE DATA

Corporate Data (as of March 31, 2023)

Founded: December 1921

Head Office:

171, Eirakuonsen-cho,
Tottori 680-8686, Japan

Paid-in Capital:

¥9,061 million

Total Assets:

¥1,095,607 million

Total Deposits:

¥992,585 million

Number of Branches: 65

Number of Employees: 629

Major Shareholders

	Thousands of shares	Percentage of total shares
The Master Trust Bank of Japan, Ltd. (Trust Account)	388	4.14
Sompo Japan Insurance Inc.	305	3.26
The Tottori Bank Employees' Shareholding Association	302	3.22
Custody Bank of Japan, Ltd. (Trust Account)	239	2.56
Custody Bank of Japan, Ltd. (Trust Account 4)	232	2.48
Meiji Yasuda Life Insurance Company	205	2.19
Taiju Life Insurance Company Limited	168	1.79
The Chugoku Electric Power Co., Inc.	154	1.64
SMBC Nikko Securities Inc.	138	1.47
Sanyo Shoji Co., Ltd.	113	1.21

Note: The Bank conducted a 10-to-1 share consolidation of its common stock on October 1, 2016.

Board of Directors, Corporate Auditors and Executive Officers (as of July 1, 2023)

Representative Director and Chairman

Kouji Hirai

Representative Director and President

Itaru Irie

Director and Managing Executive Officers

Nobuhiko Maene

Toshihide Yagi

Toru Ikeuchi

Directors

Chitose Yabuta *

Shinya Nishio *

Kazuhiko Fukui *

* Outside Director

Corporate Auditors

Masahiro Taguchi (standing)

Keiichi Takahashi *

Hiroo Nakayama *

Masanori Yamasaki *

* Outside Auditor

Managing Executive Officers

Shunichirou Miki

Executive Officers

Naoshi Uchida

Hitoshi Umezane

Kazuhiro Kodani

Susumu Morita

Hiroyuki Kuramitsu

Tetsuya Takemoto

Hiroki Urabayashi

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