

Bank of The Ryukyus, Limited and consolidated subsidiaries

Consolidated Balance Sheets

As of March 31, 2024 and 2023

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2024	2023	2024
Assets			
Cash and due from banks (Note 2)	¥ 341,755	¥ 598,662	\$ 2,257,155
Call loans and bills bought.....	246	1,649	1,628
Money held in trust (Note 5)	522	514	3,453
Securities (Notes 5, 6 and 8)	692,245	477,175	4,571,993
Loans and bills discounted (Notes 5, 7 and 8)	1,881,946	1,828,059	12,429,471
Foreign exchanges	4,493	8,995	29,680
Lease receivables and lease investment assets (Note 8)	26,192	22,879	172,991
Other assets (Note 8)	69,448	71,155	458,677
Property, plant and equipment (Note 9)	36,110	25,006	238,492
Intangible fixed assets	3,307	3,976	21,843
Net defined benefit asset	1,705	1,138	11,263
Deferred tax assets	4,569	5,157	30,183
Customers' liabilities for acceptances and guarantees (Note 10)	12,280	7,547	81,105
Allowance for loan losses (Note 4)	(7,806)	(9,395)	(51,558)
Total assets	¥3,067,017	¥3,042,523	\$20,256,376
Liabilities			
Deposits (Notes 5)	¥2,793,883	¥2,707,158	\$18,452,435
Negotiable certificate of deposits (Note 5)	42,365	21,621	279,804
Payables under repurchase agreements	27,676	36,805	182,795
Borrowed money (Notes 5 and 8)	19,271	104,865	127,278
Foreign exchanges	64	60	428
Other liabilities	25,123	22,572	165,930
Reserve for bonuses	820	761	5,417
Reserve for directors' bonuses	10	12	72
Net defined benefit liability	565	534	3,737
Reserve for retirement benefits for directors and corporate auditors	24	28	162
Reserve for contingent losses	76	85	503
Reserve for point service program	173	170	1,143
Reserve for losses on interest payment	176	191	1,169
Deferred tax liabilities for land revaluation	1,940	1,944	12,818
Acceptances and guarantees (Note 10)	12,280	7,547	81,105
Total liabilities	2,924,453	2,904,361	19,314,796
Net assets (Note 12)			
Capital stock	56,967	56,967	376,246
Capital surplus	14,244	14,225	94,076
Retained earnings	72,797	68,634	480,794
Treasury stock	(1,417)	(1,534)	(9,365)
Total shareholders' equity	142,590	138,292	941,751
Valuation difference on available-for-sale securities	(1,223)	(1,148)	(8,081)
Revaluation reserve for land (Note 11)	796	804	5,257
Remeasurements of defined benefit plans	337	52	2,228
Total accumulated other comprehensive income	(90)	(290)	(596)
Stock acquisition rights	64	160	425
Total net assets	142,564	138,162	941,580
Total liabilities and net assets	¥3,067,017	¥3,042,523	\$20,256,376

See accompanying notes to consolidated financial statements.

Bank of The Ryukyus, Limited and consolidated subsidiaries
Consolidated Statements of Income
For the years ended March 31, 2024 and 2023

	Millions of yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2024	2023	2024
Income			
Interest income:			
Interest on loans and discounts.....	¥26,126	¥25,994	\$172,556
Interest and dividends on securities.....	3,019	1,985	19,942
Other interest income.....	151	268	1,003
Fees and commissions.....	12,587	11,249	83,135
Other operating income.....	20,752	17,291	137,059
Other income.....	3,316	3,306	21,901
Total income.....	65,953	60,096	435,596
Expenses			
Interest expenses:			
Interest on deposits.....	102	83	678
Other interest expenses.....	1,914	887	12,646
Fees and commissions.....	5,614	4,926	37,079
Other operating expenses.....	20,296	17,854	134,051
General and administrative expenses.....	28,244	26,674	186,541
Other expenses (Note 13).....	1,417	1,239	9,362
Total expenses.....	57,589	51,665	380,357
Income before income taxes.....	8,363	8,430	55,239
Income taxes:			
Current.....	2,156	1,816	14,245
Deferred.....	555	717	3,668
Total income taxes.....	2,712	2,533	17,913
Profit.....	5,651	5,896	37,326
Profit attributable to owners of parent.....	¥ 5,651	¥ 5,896	\$ 37,326
		Yen	U.S. Dollars (Note 1)
Per share of common stock :			
Net income — basic.....	¥135.71	¥139.39	\$0.90
Net income — diluted.....	135.50	138.98	0.89
Cash dividends applicable to the year (Note 14).....	37.00	35.00	0.30

See accompanying notes to consolidated financial statements.

Bank of The Ryukyus, Limited and consolidated subsidiaries

Consolidated Statements of Comprehensive Income

For the years ended March 31, 2024 and 2023

	Millions of yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2024	2023	2024
Profit	¥5,651	¥5,896	\$37,326
Other comprehensive income:			
Net unrealized gains on available-for-sale securities	(75)	(373)	(498)
Remeasurements of defined benefit plans	284	78	1,881
Total other comprehensive income	209	(294)	1,383
Comprehensive income	¥5,861	¥5,601	\$38,709
Attributable to owners of the parent	¥5,861	¥5,601	\$38,709

See accompanying notes to consolidated financial statements.

Bank of The Ryukyus, Limited and consolidated subsidiaries

Consolidated Statements of Changes in Net Assets

For the years ended March 31, 2024 and 2023

	Millions of Yen (Note 1)		Thousands of
	2024	2023	U.S. Dollars (Note 1)
Shareholders' equity			2024
Capital stock:			
Balance at end of the previous year	¥ 56,967	¥ 56,967	\$ 376,246
Changes during the period:			
Total changes during the year	—	—	—
Balance at end of the period	¥ 56,967	¥ 56,967	\$ 376,246
Capital surplus:			
Balance at end of the previous year	¥ 14,225	¥ 14,220	\$ 93,953
Changes during the period:			
Sale of treasury stock	18	5	123
Total changes during the year	18	5	123
Balance at end of the year	¥ 14,244	¥ 14,225	\$ 94,076
Retained earnings:			
Balance at end of the previous period	¥ 68,634	¥ 64,252	\$ 453,304
Changes during the period:			
Cash dividends	(1,497)	(1,485)	(9,894)
Profit attributable to parent of the owner	5,651	5,896	37,326
Reversal of revaluation reserve for land	8	(28)	58
Total changes during the period	4,162	4,382	27,490
Balance at end of the period	¥ 72,797	¥ 68,634	\$ 480,794
Treasury stock:			
Balance at end of the previous period	¥ (1,534)	¥ (575)	\$ (10,135)
Changes during the period:			
Purchase of treasury stock	(1)	(1,000)	(7)
Sales of treasury stock	117	41	777
Total changes during the period	116	(959)	770
Balance at end of the period	¥ (1,417)	¥ (1,534)	\$ (9,365)
Total shareholders' equity:			
Balance at end of the previous period	¥138,292	¥134,864	\$ 913,368
Changes during the period:			
Cash dividends	(1,497)	(1,485)	(9,894)
Profit attributable to parent of the owner	5,651	5,896	37,326
Reversal of revaluation reserve for land	8	(28)	58
Purchase of treasury stock	(1)	(1,000)	(7)
Sales of treasury stock	136	46	900
Total changes during the period	4,297	3,428	28,383
Balance at end of the period	¥142,590	¥138,292	\$ 941,751
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities:			
Balance at end of the previous period	¥ (1,148)	¥ (775)	\$ (7,584)
Changes during the period:			
Net changes in items other than shareholders' equity	(75)	(373)	(497)
Total changes during the period	(75)	(373)	(497)
Balance at end of the period	¥ (1,223)	¥ (1,148)	\$ (8,081)

Bank of The Ryukyus, Limited and consolidated subsidiaries

Consolidated Statements of Changes in Net Assets

For the years ended March 31, 2024 and 2023

	Millions of Yen (Note 1)		Thousands of
	2024	2023	U.S. Dollars (Note 1)
Revaluation reserve for land:			2024
Balance at end of the previous period	¥ 804	¥ 776	\$ 5,315
Changes during the period:			
Net changes in items other than shareholders' equity	(8)	28	(57)
Total changes during the period	(8)	28	(57)
Balance at end of the period	¥ 796	¥ 804	\$ 5,258
Remeasurements of defined benefit plans:			
Balance at end of the previous period	¥ 52	¥ (25)	\$ 347
Changes during the period:			
Net changes in items other than shareholders' equity	284	78	1,881
Total changes during the period	284	78	1,881
Balance at end of the period	¥ 337	¥ 52	\$ 2,228
Total accumulated other comprehensive income:			
Balance at end of the previous period	¥ (290)	¥ (24)	\$ (1,922)
Changes during the period:			
Net changes in items other than shareholders' equity	200	(266)	1,326
Total changes during the period	200	(266)	1,326
Balance at end of the year	¥ (90)	¥ (290)	\$ (596)
Stock acquisition rights			
Balance at end of the previous period	¥ 160	¥ 179	\$ 1,062
Changes during the period:			
Net changes in items other than shareholders' equity	(96)	(18)	(637)
Total changes during the period	(96)	(18)	(637)
Balance at end of the period	¥ 64	¥ 160	\$ 425
Total net assets			
Balance at end of the previous period	¥138,162	¥135,018	\$ 912,507
Changes during the period:			
Cash dividends	(1,497)	(1,485)	(9,894)
Profit attributable to parent of the owner	5,651	5,896	37,326
Reversal of revaluation reserve for land	8	(28)	58
Purchase of treasury stock	(1)	(1,000)	(7)
Sales of treasury stock	136	46	900
Net changes in items other than shareholders' equity	104	(284)	690
Total changes during the period	4,401	3,143	29,073
Balance at end of the period	¥142,564	¥138,162	\$ 941,580

See accompanying notes to consolidated financial statements.

Bank of The Ryukyus, Limited and consolidated subsidiaries
Consolidated Statements of Cash Flows
For the years ended March 31, 2024 and 2023

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2024	2023	2024
Cash flows from operating activities			
Income before income taxes	¥ 8,363	¥ 8,430	\$ 55,239
Depreciation	3,136	2,977	20,714
Impairment loss on fixed assets	20	4	132
Amortization of goodwill	31	10	210
Increase (decrease) in allowance for loan losses	(1,588)	(2,078)	(10,493)
Increase (decrease) in reserve for bonuses	58	67	387
Increase (decrease) in reserve for directors' bonuses	(1)	—	(8)
(Increase) decrease in net defined benefit asset	56	57	370
Decrease (increase) in net defined benefit liability	(184)	(84)	(1,220)
Increase (decrease) in reserve for retirement benefits for directors and corporate auditors	(4)	6	(28)
Increase (decrease) in reserve for reimbursement of dormant deposits	—	(22)	—
Decrease (increase) in reserve for contingent losses	(9)	(13)	(63)
Increase (decrease) in reserve for point service program	2	(4)	15
Increase (decrease) in reserve for losses on interest payment	(14)	(23)	(97)
Interest income	(29,297)	(28,248)	(193,500)
Interest expenses	2,017	970	13,323
Other gains (losses), net	1,101	3,307	7,275
Increase in loans and bills discounted	(53,886)	(23,645)	(355,897)
Increase in deposits	86,724	124,058	572,779
Increase in negotiable certificate of deposits	20,743	10,408	137,003
Increase (decrease) in borrowed money (excepting subordinated borrowings)	(85,594)	(193,006)	(565,315)
Decrease (increase) in due from banks (excluding due from central bank)	83	29	550
Decrease (increase) in call loans	1,402	(1,649)	9,264
Increase (decrease) in payables under repurchase agreements	(9,128)	36,805	(60,290)
Net change in foreign exchange accounts (assets)	4,501	(2,786)	29,728
Net change in foreign exchange accounts (liabilities)	4	(18)	32
Decrease (increase) in lease receivables and lease investment assets	(3,268)	(1,369)	(21,587)
Interest and dividends received	29,101	28,726	192,203
Interest paid	(2,035)	(920)	(13,442)
Other, net	(7,817)	(12,439)	(51,632)
Subtotal	(35,482)	(50,453)	(234,348)
Income taxes paid	(1,777)	(1,813)	(11,737)
Net cash used in operating activities	(37,259)	(52,266)	(246,085)
Cash flows from investment activities			
Purchases of securities	(354,596)	(280,526)	(2,341,963)
Proceeds from sales of securities	89,714	85,871	592,527
Proceeds from redemptions of securities	60,880	83,931	402,091
Increase in money held in trust	(20,000)	(15,900)	(132,092)
Decrease in money held in trust	20,000	15,890	132,092
Purchases of property, plant and equipment	(13,086)	(3,438)	(86,429)
Purchases of intangible fixed assets	(861)	(846)	(5,688)
Proceeds from sales of property, plant and equipment	182	286	1,207
Payments for disposal of property, plant and equipment	(56)	(44)	(370)
Purchase of shares of subsidiaries resulting in change in scope of consolidation ...	—	(1,959)	—
Net cash used in investment activities	(217,822)	(116,735)	(1,438,625)
Cash flows from financing activities			
Cash dividends paid	(1,497)	(1,486)	(9,888)
Payments of lease obligations	(315)	(417)	(2,084)
Purchases of treasury stock	(1)	(1,000)	(7)
Proceeds from sales of treasury stock	0	0	0
Net cash used in financing activities	(1,813)	(2,905)	(11,979)
Effect of exchange rate changes on cash and cash equivalents	72	46	476
Increase (decrease) in cash and cash equivalents	(256,823)	(171,861)	(1,696,213)
Cash and cash equivalents at beginning of the period	598,102	769,963	3,950,215
Cash and cash equivalents at end of the period (Note 2)	¥341,278	¥598,102	\$2,254,002

See accompanying notes to consolidated financial statements.

Bank of The Ryukyus, Limited and consolidated subsidiaries

Notes to Consolidated Financial Statements

For the years ended March 31, 2024 and 2023

1. Basis of Presenting Financial Statements

The accompanying consolidated financial statements of Bank of The Ryukyus, Limited (the “Bank”) and consolidated subsidiaries have been prepared in accordance with the Japanese Financial Instruments and Exchange Act, the Company Act of Japan, the Japanese Banking Law, and in conformity with accounting principles generally accepted in Japan and, where applicable, with the accounting and reporting guidelines prescribed by banking regulatory authorities, which may differ in some material respects from accounting principles and practices generally accepted in countries and jurisdictions other than Japan.

In the preparation of these financial statements, certain items on the domestically issued financial statements have been reclassified and rearranged considering the convenience of readers outside Japan. Also, some of the notes to the domestically issued financial statements have been omitted in case such omissions do not affect the financial statements materially.

The Japanese yen figures in the financial statements are in millions with fractions omitted.

The U.S. dollar figures are computed solely for convenience, at the exchange rate of ¥151.41 per US\$1.00, the rate prevailing on March 31, 2024.

2. Significant Accounting Policies

(a) Consolidation

The consolidated financial statements include the accounts of the Bank and its seven subsidiaries.

Assets and liabilities of consolidated subsidiaries at the time of initial investment are valued at market. Amortization of consolidation adjustment is charged to income as incurred.

(b) Statement of Cash Flows

Cash and cash equivalents in the statement of cash flows represents cash, due from the Bank of Japan, deposits with other banks repayable on demand and time deposits with term of three months or less among “cash and due from banks” in the balance sheets.

(c) Foreign Currency Translation

Assets and liabilities in foreign currencies are translated into Japanese yen at the rates prevailing at the balance sheet dates.

(d) Trading Account Securities

Under the Accounting Standards for Financial Instruments, trading account securities are stated at fair value.

(e) Securities

Under the Accounting Standards for Financial Instruments, held-to-maturity debt securities are stated at amortized cost and the securities which are defined as available-for-sale securities by the standards, are stated at fair value, whenever such value is available, otherwise are stated at moving average cost or amortized cost.

Valuation difference on available-for-sale securities are reported, net of applicable income taxes as a separate component of net assets.

The assessment of securities operated as trust property in money held in trust for isolated operation, mainly for the purpose of securities operation, are stated at fair value.

(f) Derivatives

Derivatives are stated at the fair value.

(g) Hedge Accounting

i. Hedging against Interest Rate Changes

The hedge accounting method applied to hedging transactions for interest rate risk related to financial assets and liabilities is deferred hedge accounting, as stipulated in the “Treatment for Accounting and Auditing of Application of Accounting Standards for Financial Instruments in the Banking Industry” (JICPA Industry Audit Committee Guideline No. 24).

The Bank assesses the effectiveness of such hedging transactions in offsetting movements of the fair value accompanying changes in interest rates by classifying the hedged items (deposits, loans) and the hedging instruments (interest swaps) by their maturity. For cash flow hedges, the Bank assesses the effectiveness of such hedging transactions in fixing cash flows by verifying the correlation between the hedged items and the hedging instruments.

Notes to Consolidated Financial Statements

For the years ended March 31, 2024 and 2023

ii. Hedging against Currency Fluctuations

The Bank applies the deferred hedge accounting stipulated in “Accounting and Auditing Concerning Accounting for Foreign Currency Transactions in Banking Industry” (JICPA Industry Audit Committee Guideline No. 25) to hedging transactions against foreign exchange risk arising from assets and liabilities in foreign currencies. Pursuant to the above mentioned report, the Bank assesses the effectiveness of foreign exchange swap transactions executed for the purpose of offsetting the risk of changes in currency exchange rates by confirming the existence of foreign currency positions, which correspond to the foreign currency monetary claims and debts.

Consolidated subsidiaries do not apply deferred hedge accounting to hedging transactions.

(h) Depreciation and Amortization**i. Depreciation of Property, Plant and Equipment (excluding lease assets)**

Depreciation of property, plant and equipment is computed on the straight-line method by the applying service life of each and every asset ranging as follows:

Buildings 5 to 50 years

Equipment 3 to 20 years

Depreciation of property, plant and equipment of consolidated subsidiaries is computed mainly on the fixed percentage on declining balance method applying the estimated service life of each and every asset.

ii. Amortization of Intangible Fixed Assets (excluding lease assets)

Intangible fixed assets are amortized on a straight-line basis. The costs of development of computer software for internal use are amortized over a useful life of five years.

iii. Amortization of Lease Assets

Lease assets in “Property, plant and equipment” of the finance leases other than those that transfer the ownership of leased property to the lessees is computed under the straight-line method over the lease term with zero residual value unless residual value is guaranteed by the corresponding lease contracts.

(i) Allowance for Loan Losses

Claims to borrowers who are legally bankrupt such as by bankruptcy or special liquidation (“bankrupt borrowers”) and claims to borrowers who are in a similar situation (“substantially bankrupt borrowers”), the amount remaining after deducting the amount expected to be collected through disposal of collateral and execution of guarantees from the book value after direct write-offs as described in the notes below is recognized as allowance for loan losses. For loans to borrowers who are not currently legally bankrupt but are likely to become bankrupt in the future (“potentially bankrupt borrowers”), the amount of the allowance for loan losses is calculated by deducting the estimated amount collectible through disposal of collateral and guarantees from the book value after direct write-offs as described in the notes below, and the remaining amount, which is deemed necessary based on a comprehensive assessment of the borrowers’ solvency, is recorded as allowance for loan losses.

For claims other than the above, the allowance for loan losses is provided based on the amount of expected losses for the next three years for “borrowers in need of caution” (borrowers for whom all or part of their claims are in need of caution, such as borrowers with problematic loan terms, borrowers with performance problems, borrowers with weak or unstable business conditions, or borrowers with problematic financial conditions), the expected losses for the next three years are recorded in the allowance for loan losses. For claims to borrowers other than “substandard borrowers” and borrowers whose business conditions are favorable and whose financial conditions are considered normal (“normal borrowers”), the expected losses for the next one year are included in the allowance for doubtful accounts. The expected loss amount is calculated by determining the expected loss ratio based on the expected macroeconomic indicators for the future and adding necessary adjustments such as future projections. Borrowers requiring caution other than normal borrowers and borrowers requiring supervision are grouped by industry, credit rating, and other categories based on the risk characteristics of the credit portfolio.

All claims are assessed by the business-related division based on the self-assessment standards for assets, and the results of the assessments are audited by the asset auditing division, which is independent from the relevant divisions.

For loans with collateral or guarantees to bankrupt borrowers, substantially bankrupt borrowers, and potentially bankrupt borrowers, the amount of collateral value and the amount collectible through the execution of guarantees are

Notes to Consolidated Financial Statements

For the years ended March 31, 2024 and 2023

deducted directly from the balance of loans receivable as estimated uncollectible amounts, which amounted to ¥2,162 million (US\$14,279 thousand) as of March 31, 2024.

The allowance for loan losses of consolidated subsidiaries is provided for general receivables in an amount deemed necessary by taking into consideration the historical write-off ratio and other factors, and for specific doubtful accounts in an amount deemed uncollectible by individually considering the possibility of collection.

(j) Reserve for Bonuses

Reserve for bonuses are provided for the payment of employees' bonuses in the amount deemed necessary for the estimated bonus payment in the future attributable to the reporting period.

(k) Reserve for directors' bonuses

Reserve for directors' bonuses is provided for payment of bonuses to directors and corporate auditors based on the estimated amount of bonus payments to directors and corporate auditors attributable to the fiscal year.

(l) Reserve for Retirement Benefits for Directors and Corporate Auditors

Reserve for retirement benefits for directors and corporate auditors are provided at the amount that would be paid in accordance with the internally established rule at the end of reporting period if they were retired on that date.

(m) Reserve for Retirement Benefits

In calculating the projected benefit obligation, the benefit formula basis is used to attribute the expected benefit to each service period.

Actuarial differences of the plans are amortized from the following fiscal year over the set period (12 years) within the average remaining service period of the employees at the time of occurrence.

Prior service costs are amortized over the set period (12 years) within the average remaining service period of the employees at the time of occurrence.

Consolidated subsidiaries adopt simplified method for the calculation of liability for retirement benefits and pension expenses using necessary payment of voluntary retirement as the projected benefit obligation.

(n) Reserve for Contingent Losses

Reserve for contingent losses is provided at the amount deemed necessary to cover possible future losses from default of loans under the responsibility-sharing system on guarantees of loans with the Credit Guarantee.

(o) Reserve for Point Service Program

Reserve for point service program is provided to cover the costs of credit card point at the amount deemed necessary based on an estimate of the future use of points.

(p) Reserve for Losses on Interest Payment

Reserve for losses on interest payment is provided to cover possible losses on the repayment of interest to be received from customers that exceeds the upper limit of interest rates prescribed under the Interest Rate Restriction Act.

(q) Amortization Method and Period of Goodwill

Goodwill is amortized by the straight-line method over 5 years.

(r) Profit and Losses on the Cancellation and Redemption of Investment Trusts

Regarding the profit and loss on the cancellation and redemption of investment trusts (except for ETF), it is indicated as "Interest and dividends on securities" if the aggregation of all issues made profit, while it is shown as "Other operating expenses" if such aggregation turned out as loss.

3. Unapplied Accounting Standards

-Accounting Standard for Income Taxes (ASBJ Statement No. 27, October 28, 2022)

-Accounting Standard for Presentation of Comprehensive Income" (ASBJ Statement No. 25, October 28, 2022)

-Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022)

(a) Overview

The classification of income taxes in the case of taxation on other comprehensive income and the classification of tax effects on sales of subsidiaries' stocks, etc. in the case where the group corporate taxation system is applied are as follows.

(b) Scheduled Effective Date

The accounting standard is scheduled to be applied from the beginning of the fiscal year ending March 31, 2025.

Notes to Consolidated Financial Statements

For the years ended March 31, 2024 and 2023

(c) Effect of adoption of this accounting standard

The Bank is currently evaluating the impact of the application of this accounting standard.

4. Significant Accounting Estimates
(Estimate of Allowance for Loan Losses)
(a) Amount Recorded in Consolidated Financial Statements for the Fiscal Year Ended March 31, 2024.

	Millions of Yen	Thousands of U.S. Dollars
Allowance for loan losses.....	¥7,806	\$51,558
General allowance for loan losses.....	2,856	18,863

(b) Other Information Facilitating the Users' Understanding of the Consolidated Financial Statements
i. Calculation Method

The calculation method of the allowance for loan losses is shown in the notes to consolidated financial statements, 2. Significant Accounting Policies, (i) Allowance for loan losses.

ii. Core Assumptions

- The core assumption in determining Debtor Category is the financial outlook. The Bank individually evaluates each business' earning capability based on materials, such as the management improvement plans the debtor prepares.
- The core assumption used for the calculation of general allowance for loan losses includes future macroeconomic indicators, occurrence rate of the scenario based on the present status and outlook in the economic cycle, and the presence of significant changes in the external environment, etc.

The future macroeconomic indicator is set up based on the business forecast and share price transition. The occurrence rate of the scenario based on the present status and outlook in the economic cycle is determined by the presence of the signs of economic downturn, which is used as risk factors. For the outlook, a mild recovery scenario in economic activities throughout 2024 is anticipated in view of factors like the impact of novel coronavirus infection (pandemic). The presence of significant changes in the external environment, etc. is determined based on the presence of occurrence of events with a possibility to gravely affect our bank group's performance.

iii. Impact on the Consolidated Financial Statements for the Fiscal Year Ending March 31, 2025

If the assumption used for the initial estimate changes due to changes in borrowers' business performance or situations surrounding the pandemic, etc., the allowance for loan losses in the consolidated financial statements for the next fiscal year, may be gravely affected.

Notes to Consolidated Financial Statements

For the years ended March 31, 2024 and 2023

5. Financial Instruments
(1) Fair Values of Financial Instruments

A table below shows book values, fair values and difference of financial instruments as of March 31, 2024. A part of financial instruments, for which no fair values are obtainable such as unlisted stocks, are excluded from the table. (Please see (Note).)

The financial instruments immaterial in terms of consolidated balance sheet amounts are omitted.

	Millions of Yen			Thousands of U.S. Dollars		
	Consolidated balance sheet amount	Fair value	Difference	Consolidated balance sheet amount	Fair value	Difference
(1) Money held in trust	¥ 522	¥ 522	¥ —	\$ 3,448	\$ 3,448	\$ —
(2) Securities						
Held-to-maturities debt securities	76,465	76,314	(150)	505,019	504,022	(991)
Available-for-sale securities	611,939	611,939	—	4,041,602	4,041,602	—
(3) Loans and bills discounted	1,881,946			12,429,470		
Allowance for loan losses (*1)	(4,904)			(32,389)		
Total loans and bills discounted	1,877,041	1,882,955	5,913	12,397,074	12,436,134	39,053
Total assets	2,565,969	2,571,731	5,762	16,947,157	16,985,212	38,056
(1) Deposits	2,793,883	2,793,886	(3)	18,452,434	18,452,454	(20)
(2) Negotiable certificate of deposit	42,365	42,365	—	279,803	279,803	—
(3) Borrowed money	19,271	19,194	76	127,277	126,768	502
Total liabilities	2,855,519	2,855,446	73	18,859,514	18,859,032	482
Derivative transactions (*2)						
Transactions not accounted for as hedge transactions	[110]	[110]	—	[727]	[727]	—
Transactions accounted for as hedge transactions	—	—	—	—	—	—
Total derivative transactions	(110)	(110)	—	(727)	(727)	—

(*1) General allowance for loan losses and specific allowance for loan losses provided to “Loans and bills discounted” are separately presented in the above table.

(*2) Derivative transactions recorded in other assets and other liabilities are presented as a lump sum. Net receivables and payables arising from derivative transactions are presented on a net basis. A net payable is presented in parentheses.

(Note 1) The following table lists financial instruments, the fair value of which is extremely difficult to determine:

Fair Values of Financial Instruments exclude these instruments.

	Consolidated balance sheet amount	
	Millions of Yen	Thousands of U.S. Dollars
Securities		
(1) Unlisted stocks (*1)	¥2,279	\$15,052
(2) Investments in associations (*2)	1,561	10,310
Total	¥3,840	\$25,362

(*1) Unlisted stocks are not subject to fair value disclosure in accordance with the “Guidance on Disclosures about Fair Value of Financial Instruments” (ASBJ Guidance No. 19 In accordance with Paragraph 5 of the “Guidance on Disclosure of Fair Value of Financial Instruments” (ASBJ Guidance No. 19, March 31, 2020), unlisted stocks are not subject to disclosure of fair value. For the fiscal year ended March 31, 2024, unlisted stocks amounted of ¥4 million (US\$26 thousand) are written off.

(*2) Investments in partnerships are not subject to fair value disclosure in accordance with the “Guidance on Accounting Standard for Measurement of Fair Value” (ASBJ Guidance No. 31 In accordance with paragraph 24-16 of the “Guidance on Accounting Standard for Measurement of Fair Value” (ASBJ Guidance No. 31, June 17, 2021), investments in partnerships are not subject to disclosure of fair value.

Notes to Consolidated Financial Statements

For the years ended March 31, 2024 and 2023

(Note 2) Maturity analysis for money claims and securities with contractual maturities

	Millions of yen					
	Within 1 year	Over 1 year less 3 years	Over 3 years less 5 years	Over 5 years less 7 years	Over 7 years less 10 years	Over 10 years
Money held in trust	¥ 522	¥ —	¥ —	¥ —	¥ —	¥ —
Securities:						
Held-to-maturities:	61,519	1,700	200	100	5,981	6,964
Japanese government bond	59,989	—	—	—	5,981	6,964
Corporate bonds	1,530	1,700	200	100	—	—
Available-for-sale securities that have maturities	29,541	222,083	197,786	98,895	33,679	1,797
Japanese government bond	2,003	115,015	114,198	76,632	18,985	1,797
Local government bonds	19,409	76,589	70,662	5,238	749	—
Corporate bonds	1,992	6,059	309	299	99	—
Other	6,135	24,418	12,615	16,724	13,844	—
Loans and bills discounted (*)	257,496	248,102	198,630	149,004	172,870	680,162
Total	¥349,080	¥471,885	¥396,617	¥247,999	¥212,530	¥688,923

	Thousands of U.S. Dollars					
	Within 1 year	Over 1 year less 3 years	Over 3 years less 5 years	Over 5 years less 7 years	Over 7 years less 10 years	Over 10 years
Money held in trust	\$ 3,448	\$ —	\$ —	\$ —	\$ —	\$ —
Securities:						
Held-to-maturities:	406,307	11,228	1,321	660	39,502	45,994
Japanese government bond	396,202	—	—	—	39,502	45,994
Corporate bonds	10,105	11,228	1,321	660	—	—
Available-for-sale securities that have maturities	195,106	1,466,766	1,306,294	653,160	222,436	11,868
Japanese government bond	13,229	759,626	754,230	506,122	125,388	11,868
Local government bonds	128,188	505,838	466,693	34,595	4,947	—
Corporate bonds	13,156	40,017	2,041	1,975	654	—
Other	40,519	161,271	83,317	110,455	91,434	—
Loans and bills discounted (*)	1,700,654	1,638,610	1,311,868	984,109	1,141,734	4,492,187
Total	\$2,305,528	\$3,116,604	\$2,619,490	\$1,637,930	\$1,403,672	\$4,550,050

(*) The amount of loans and bills discounted for “possible bankruptcy” and “legal bankruptcy,” excluding those without due dates, were ¥35,983 million (US\$237,653 thousand) and ¥139,695million (US\$922,627 thousand), respectively.

Notes to Consolidated Financial Statements

For the years ended March 31, 2024 and 2023

(Note 3) Maturity analysis for corporate bonds, borrowed money and other interest-bearing debt

	Millions of yen					
	Within 1 year	Over 1 year less 3 years	Over 3 years less 5 years	Over 5 years less 7 years	Over 7 years less 10 years	Over 10 years
Deposits (*)	¥2,679,323	¥104,515	¥10,044	¥—	¥—	¥—
Negotiable certificate of deposits	42,365	—	—	—	—	—
Borrowed money	8,107	8,297	2,829	8	12	15
Total	¥2,729,796	¥112,812	¥12,874	¥8	¥12	¥15

	Thousands of U.S. Dollars					
	Within 1 year	Over 1 year less 3 years	Over 3 years less 5 years	Over 5 years less 7 years	Over 7 years less 10 years	Over 10 years
Deposits (*)	\$17,695,813	\$690,278	\$66,336	\$—	\$—	\$—
Negotiable certificate of deposits	279,803	—	—	—	—	—
Borrowed money	53,543	54,798	18,684	53	79	99
Total	\$18,029,166	\$745,076	\$85,027	\$53	\$79	\$99

(*) The amount of demand deposits, were ¥2,148,036 million (US\$14,186,883 thousand) were included in "Within 1 year."

(2) Breakdown of Financial Instruments by Fair Value Level

The fair value of financial instruments is categorized into the following three levels according to the observability and materiality of the inputs used to calculate the fair value.

Level 1: Fair value calculated based on quoted market prices for the asset or liability for which the fair value is calculated that are quoted in an active market among the inputs used to calculate the observable fair value.

Level 2: Fair value calculated using inputs to observable fair value other than Level 1 inputs.

Level 3: Fair value calculated using inputs related to the calculation of unobservable fair value

When more than one input that has a significant effect on the calculation of fair value is used, the fair value is classified as the level that has the lowest priority in the calculation of fair value among the levels to which each of those inputs belongs.

i. Financial Instruments Recorded in the Consolidated Balance Sheets at Fair Value

	Millions of Yen			
	Level 1	Level 2	Level 3	Toal
Money held in trust	¥ —	¥ 522	¥ —	¥ 522
Available-for-sale securities				
Japanese government bond	327,363	—	—	327,363
Local government bonds	—	171,531	—	171,531
Corporate bonds	—	8,723	—	8,723
Stocks	2,401	—	—	2,401
Other	53,886	47,785	—	101,672
Derivative transactions				
Currency transactions	—	8	—	8
Total	¥383,651	¥228,572	¥ —	¥612,223
Derivative transactions				
Currency transactions	¥ —	¥ 119	¥ —	¥ 119
Total	¥ —	¥ 119	¥159	¥ 119

Bank of The Ryukyus, Limited and consolidated subsidiaries

Notes to Consolidated Financial Statements

For the years ended March 31, 2024 and 2023

	Thousands of U.S. Dollars			
	Level 1	Level 2	Level 3	Toal
Money held in trust	\$ —	\$ 3,448	\$—	\$ 3,448
Available-for-sale securities				
Japanese government bond	2,162,096	—	—	2,162,096
Local government bonds	—	1,132,891	—	1,132,891
Corporate bonds	—	57,612	—	57,612
Stocks	15,858	—	—	15,858
Other	355,895	315,600	—	671,501
Derivative transactions				
Currency transactions	—	53	—	53
Total	\$2,533,855	\$1,509,623	\$—	\$4,043,478
Derivative transactions				
Currency transactions	\$ —	\$ 786	\$—	\$ 786
Total	\$ —	\$ 786	\$—	\$ 786

(Notes) 1. Available-for-sale securities do not include investment trusts, etc., to which the treatment in Paragraph 24-9 of the "Guidance on Accounting Standard for Measurement of Fair Value (ASBJ Guidance No. 31, June 17, 2021)" is applied. The amount of investment trusts, etc. to which the treatment in Paragraph 24-9 is applied is ¥247 million (US\$1,631 thousand).

2. The reconciliation of the beginning balance to the ending balance for investment trusts, etc., to which Paragraph 24-9 is applied, is omitted because the amounts shown in the consolidated balance sheets are immaterial.

ii. Financial Instruments Other Than Those Recorded in the Consolidated Balance Sheets at Fair Value

	Millions of Yen			
	Level 1	Level 2	Level 3	Toal
Securities				
Held-to-maturities debt securities				
Japanese government bond	¥72,748	¥ —	¥ —	¥ 72,748
Local government bonds	—	—	—	—
Corporate bonds	—	—	3,565	3,565
Loans and bills discounted	—	—	1,882,955	1,882,955
Total	¥72,748	¥ —	¥1,886,520	¥1,959,269
Deposits	¥ —	¥2,793,886	¥ —	¥2,793,886
Negotiable certificate of deposit	—	42,365	—	42,365
Borrowed money	—	19,194	—	19,194
Total	¥ —	¥2,855,446	¥ —	¥2,855,446

	Thousands of U.S. Dollars			
	Level 1	Level 2	Level 3	Toal
Securities				
Held-to-maturities debt securities				
Japanese government bond	\$480,470	\$ —	\$ —	\$ 480,470
Local government bonds	—	—	—	—
Corporate bonds	—	—	23,545	23,545
Loans and bills discounted	—	—	12,436,134	12,436,134
Total	\$480,470	\$ —	\$12,459,679	\$12,940,156
Deposits	\$ —	\$18,452,454	\$ —	\$18,452,454
Negotiable certificate of deposit	—	279,803	—	279,803
Borrowed money	—	126,768	—	126,768
Total	\$ —	\$18,859,032	\$ —	\$18,859,032

Notes to Consolidated Financial Statements

For the years ended March 31, 2024 and 2023

6. Market Value Information for Securities

Market values and valuation difference on securities with fair value as of March 31, 2024 were as follows:

i. Held-to-Maturity Debt Securities

	Millions of Yen			Thousands of U.S. Dollars		
	Consolidated balance sheet amount	Fair value	Deference	Consolidated balance sheet amount	Fair value	Deference
Fair value exceeded consolidated balance sheet amount:						
Japanese government bond	¥ 4,014	¥ 4,067	¥ 52	\$ 26,511	\$ 26,861	\$ 343
Corporate bonds	1,450	1,491	41	9,577	9,847	271
Sub-total	5,464	5,559	94	36,087	36,715	621
Fair value not exceeded consolidated balance sheet amount:						
Japanese government bond	68,920	68,681	(239)	455,188	453,609	(1,578)
Corporate bonds	2,080	2,073	(6)	13,738	13,691	(40)
Sub-total	71,000	70,755	(245)	468,925	467,307	(1,618)
Total	¥76,465	¥76,314	¥(150)	\$505,019	\$504,022	\$ (991)

ii. Available-for-Sale Securities

	Millions of Yen			Thousands of U.S. Dollars		
	Consolidated balance sheet amount	Acquisition costs	Difference	Consolidated balance sheet amount	Acquisition costs	Difference
Fair value exceeded consolidated balance sheet amount:						
Equity stocks	¥ 2,401	¥ 1,034	¥ 1,366	\$ 15,858	\$ 6,829	\$ 9,022
Bonds:	60,481	60,422	59	399,452	399,062	390
Japanese government bond	57,475	57,421	53	379,598	379,242	350
Local government bonds	1,403	1,400	2	9,266	9,246	13
Corporate bonds	1,602	1,599	2	10,581	10,561	13
Other	18,421	17,047	1,373	121,663	112,588	9,068
Sub-total	¥ 81,304	¥78,504	¥ 2,799	\$ 536,979	\$518,486	\$ 18,486
Fair value not exceeded consolidated balance sheet amount:						
Bonds:	¥447,136	¥449,621	¥(2,484)	\$2,953,147	\$2,969,559	\$(16,406)
Japanese government bond	269,887	271,211	(1,323)	1,782,491	1,791,236	(8,738)
Local government bonds	170,127	171,248	(1,120)	1,123,618	1,131,022	(7,397)
Corporate bonds	7,120	7,161	(40)	47,025	47,295	(264)
Other	83,498	85,717	(2,219)	551,470	566,125	(14,656)
Sub-total	530,635	535,339	(4,703)	3,504,623	3,535,691	(31,061)
Total	¥611,939	¥613,843	¥(1,904)	\$4,041,602	\$4,054,177	\$(12,575)

iii. Available-for-Sale Securities Sold during the Fiscal Year

	Millions of Yen			Thousands of U.S. Dollars		
	Sales amount	Gain on sales	Loss on sales	Sales amount	Gain on sales	Loss on sales
Equity stocks	¥ 79	¥ 70	¥ —	\$ 522	\$ 462	\$ —
Bonds:	43,207	209	10	285,364	1,380	66
Japanese government bond	41,642	145	10	275,028	958	66
Local government bonds	1,564	64	—	10,330	423	—
Other	42,523	919	900	280,847	6,070	5,944
Total	¥85,810	¥1,199	¥910	\$566,739	\$7,919	\$6,010

Notes to Consolidated Financial Statements

For the years ended March 31, 2024 and 2023

7. Loans and Bills Discounted

Of loans on which accrual of interest is suspended due to delayed or unpaid state of repayment of principal and interest or to other reasons, loans to borrowers regarded as being bankrupt by the Bank amount to ¥10,831 million (US\$71,537 thousand) as of March 31, 2024.

Loans on which accrual of interest is suspended but the borrowers of which are not regarded as being bankrupt or the bank intends to assist for restructuring or to support amount to ¥27,414 million (US\$181,058 thousand) as of March 31, 2024.

Loans, repayment of which is delinquent for three months or more but which do not come under the aforementioned categories, amount to ¥875 million (US\$5,779 thousand) as of March 31, 2024.

Besides these loans, there are loans, conditions of which have been moderated like exemption of interest, lowering of interest rate, deferment of repayment of principal etc., in order to assist the borrowers in restructuring or for other purposes, totaling ¥8,867 million (US\$58,563 thousand) as of March 31, 2024.

8. Pledged Assets

Assets pledged as collateral as of March 31, 2024 were as follows:

	Millions of Yen	Thousands of U.S. Dollars
Securities	¥41,416	\$273,535
Lease receivables and lease investment assets	16,362	108,064
Other assets	8,844	58,411
Due from banks	10	66

Liabilities secured by assets pledged as collateral were as follows:

	Millions of Yen	Thousands of U.S. Dollars
Borrowed money	¥19,215	\$126,907
Collateral received for bond lending transactions	27,676	182,788
Deposits	7,352	48,557

In addition, marketable securities, other assets and due from banks amounting to ¥1,114 million (US\$7,358 thousand), ¥37 million (US\$244 thousand) and ¥15 million (US\$99 thousand), respectively, were pledged as collateral relating to exchange settlements, guarantee deposits for future transactions, etc., as of March 31, 2024. No securities are pledged as collateral for loans payable by affiliates. Other assets included initial clearing margin for CCP of ¥20,000 million (US\$132,092 thousand), initial margins of futures markets of ¥2,214 million (US\$14,623 thousand) and guarantee money of ¥880 million (US\$5,812 thousand) as of March 31, 2024.

9. Property, Plant and Equipment

The accumulated depreciation amounted to ¥20,670 million (US\$136,517 thousand) as of March 31, 2024.

Write-off permitted by the Japanese Tax Law on the property, plant and equipment amount to ¥253 million (US\$1,671 thousand) as of March 31, 2024.

10. Customers' Liabilities for Acceptances and Guarantees

The Bank provides guarantees for liabilities of its customers for payment of loans from other financial institutions and for letters of credit. As a contra account, "customers' liabilities for acceptances and guarantees" is shown on the assets side, indicating the Bank's right of indemnity from the applicants.

Notes to Consolidated Financial Statements

For the years ended March 31, 2024 and 2023

11. Revaluation Reserve for Land

In accordance with the Law concerning the Revaluation of Land, which took effect March 31, 1998, the Bank revalued land held for its operations on that date.

Unrealized gain is shown in shareholders' equity net of applicable income taxes as "revaluation reserve for land."

As of March 31, 2024, the market value of the revalued land exceeded the book value of the revalued land after revaluation, so the difference is not shown.

12. Net Assets
(a) Common Stock

The Bank has 65,000 thousand authorized shares of common stock, of which 43,108 thousand shares were issued and outstanding as of March 31, 2024.

(b) Legal Reserve

The Japanese Banking Law provides that an amount equivalent to at least 20 percent of cash payments, which are made as an appropriation of retained earnings, be appropriated as a legal reserve until a total of such reserve and capital surplus equals 100 percent of stated capital. The reserve is, in principle, not available for dividends but may be used to reduce a deficit or may be transferred to stated capital. The reserve is included in retained earnings on the balance sheets.

(c) Cash Dividends

Year-end dividends are authorized after the close of each period to which they relate and are reflected in the statements of income when declared and paid.

13. Other Expenses

"Other expenses" for the fiscal year ended March 31, 2024, includes the following:

	Millions of Yen	Thousands of U.S. Dollars
Direct charge-off of loans	¥694	\$4,584
Loss on sales of claims	227	1,499
Loss on sales of securities.....	28	185

14. Subsequent Events
Appropriation of Retained Earnings

The general shareholders' meeting of the Bank, held on June 25, 2024, duly approved the following appropriation of the retained earnings existing as of March 31, 2024.

	Millions of Yen	Thousands of U.S. Dollars
Cash dividends:		
Common stock (¥18.50 per share) ..	¥770	\$5,086

Bank of The Ryukyus, Limited

Non-Consolidated Balance Sheets

As of March 31, 2024 and 2023

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 2)
	2024	2023	2024
Assets			
Cash and due from banks	¥ 341,129	¥ 598,309	\$ 2,253,019
Call loans and bills bought	246	1,649	1,628
Money held in trust	522	514	3,453
Securities	697,222	482,170	4,604,862
Loans and bills discounted	1,903,134	1,847,029	12,569,414
Foreign exchanges	4,493	8,995	29,680
Other assets	32,123	33,527	212,163
Property, plant and equipment	32,944	22,028	217,586
Intangible fixed assets	3,106	3,738	20,518
Prepaid pension cost	1,359	1,415	8,981
Deferred tax assets	3,620	4,183	23,914
Customers' liabilities for acceptances and guarantees	12,043	7,224	79,542
Allowance for loan losses	(4,637)	(6,421)	(30,626)
Total assets	¥3,027,311	¥3,004,366	\$19,994,134
Liabilities			
Deposits	¥2,801,171	¥2,712,401	\$18,500,572
Negotiable certificate of deposits	49,365	28,621	326,036
Payables under repurchase agreements	27,676	36,805	182,795
Borrowed money	55	86,659	369
Foreign exchanges	64	60	428
Other liabilities	9,911	8,461	65,459
Reserve for bonuses	667	607	4,411
Reserve for directors' bonuses	10	12	72
Reserve for retirement benefits	139	361	920
Reserve for contingent losses	76	85	503
Deferred tax liabilities for land revaluation	1,940	1,944	12,818
Acceptances and guarantees	12,043	7,224	79,542
Total liabilities	2,903,123	2,883,244	19,173,925
Net assets			
Capital stock	56,967	56,967	376,246
Capital surplus	12,840	12,840	84,804
Other capital surplus	66	47	437
Retained earnings:			
Legal retained earnings	4,059	3,759	26,812
Other retained earnings	52,051	49,226	343,781
Treasury stock	(1,417)	(1,534)	(9,365)
Total shareholders' equity	124,567	121,307	822,715
Valuation difference on available-for-sale securities	(1,239)	(1,151)	(8,188)
Revaluation reserve for land	796	804	5,257
Total valuation and translation adjustments	(443)	(346)	(2,931)
Stock acquisition rights	64	160	425
Total net assets	124,187	121,121	820,209
Total liabilities and net assets	¥3,027,311	¥3,004,366	\$19,994,134

Notes: 1. The Japanese yen amounts stated in non-consolidated financial statements have been rounded down to the nearest million yen.

2. The conversion of Japanese yen amounts into U.S. dollars has been made at the exchange rate of ¥151.41 per US\$1.00, the rate prevailing on March 31, 2024.

Bank of The Ryukyus, Limited

Non-Consolidated Statements of Income

For the years ended March 31, 2024 and 2023

	Millions of yen (Note 1)		Thousands of
	2024	2023	U.S. Dollars (Note 2)
			2024
Income			
Interest income:			
Interest on loans and discounts	¥25,978	¥25,846	\$171,579
Interest and dividends on securities	3,024	2,392	19,978
Other interest income	151	268	997
Fees and commissions	10,298	8,959	68,016
Other operating income	327	270	2,165
Other income	3,372	3,020	22,274
Total income	43,153	40,758	285,009
Expenses			
Interest expenses:			
Interest on deposits	102	83	677
Other interest expenses	1,833	820	12,110
Fees and commissions	5,615	4,942	37,087
General and administrative expenses	25,676	24,090	169,585
Other expenses	3,117	3,624	20,589
Total expenses	36,345	33,560	240,048
Income before income taxes	6,807	7,197	44,961
Income taxes:			
Current	1,535	1,283	10,140
Deferred	657	718	4,345
Total income taxes	2,193	2,001	14,485
Net income	¥ 4,614	¥ 5,195	\$ 30,476

	Yen		U.S. Dollars (Note 2)
Net income — basic	¥110.80	¥122.82	\$0.73
Net income — diluted	110.62	122.46	0.73
Cash dividends applicable to the year	37.00	35.00	0.24

Notes: 1. The Japanese yen amounts stated in non-consolidated financial statements have been rounded down to the nearest million yen.

2. The conversion of Japanese yen amounts into U.S. dollars has been made at the exchange rate of ¥151.41 per US\$1.00, the rate prevailing on March 31, 2024.

Bank of The Ryukyus, Limited

Non-Consolidated Statements of Changes in Net Assets

For the years ended March 31, 2024 and 2023

	Millions of Yen (Note 1)		Thousands of
	2024	2023	U.S. Dollars (Note 2)
Shareholders' equity			2024
Capital stock:			
Balance at end of the previous period.....	¥ 56,967	¥ 56,967	\$376,246
Changes during the period:			
Total changes during the period.....	—	—	—
Balance at end of the period.....	¥ 56,967	¥ 56,967	\$376,246
Capital surplus:			
Balance at end of the previous period.....	¥ 12,840	¥ 12,840	\$ 84,804
Changes during the period:			
Total changes during the period.....	—	—	—
Balance at end of the period.....	¥ 12,840	¥ 12,840	\$ 84,804
Other capital surplus:			
Balance at end of the previous period.....	¥ 47	¥ 42	\$ 314
Changes during the period:			
Sales of treasury stock.....	18	5	123
Total changes during the period.....	18	5	123
Balance at end of the period.....	¥ 66	¥ 47	\$ 437
Total capital surplus:			
Balance at end of the previous period.....	¥ 12,887	¥ 12,882	\$ 85,119
Changes during the period:			
Sales of treasury stock.....	18	5	123
Total changes during the period.....	18	5	123
Balance at end of the period.....	¥ 12,906	¥ 12,887	\$ 85,242
Retained earnings:			
Legal retained earnings:			
Balance at end of the previous period.....	¥ 3,759	¥ 3,462	\$ 24,833
Changes during the period:			
Cash dividends.....	299	297	1,979
Total changes during the period.....	299	297	1,979
Balance at end of the period.....	¥ 4,059	¥ 3,759	\$ 26,812
Retained earnings brought forward:			
Balance at end of the previous period.....	¥ 49,226	¥ 45,841	\$325,120
Changes during the period:			
Cash dividends.....	(1,797)	(1,782)	(11,872)
Net income.....	4,614	5,195	30,476
Reversal of revaluation reserve for land.....	8	(28)	57
Total changes during the period.....	2,825	3,384	18,661
Balance at end of the period.....	¥ 52,051	¥ 49,226	\$343,781
Total retained earnings:			
Balance at end of the previous period.....	¥ 52,986	¥ 49,304	\$349,954
Changes during the period:			
Cash dividends.....	(1,497)	(1,485)	(9,894)
Net income.....	4,614	5,195	30,476
Reversal of revaluation reserve for land.....	8	(28)	57
Total changes during the period.....	3,125	3,681	20,639
Balance at end of the period.....	¥ 56,111	¥ 52,986	\$370,593
Treasury stock:			
Balance at end of the previous period.....	¥ (1,534)	¥ (575)	\$ (10,135)
Changes during the period:			
Purchase of treasury stock.....	(1)	(1,000)	(7)
Sales of treasury stock.....	117	41	777
Total changes during the period.....	116	(959)	770
Balance at end of the period.....	¥ (1,417)	¥ (1,534)	\$ (9,365)

Bank of The Ryukyus, Limited

Non-Consolidated Statements of Changes in Net Assets

For the years ended March 31, 2024 and 2023

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 2)
	2024	2023	2024
Total shareholders' equity:			
Balance at end of the previous period	¥121,307	¥118,579	\$801,183
Changes during the period:			
Cash dividends	(1,497)	(1,485)	(9,894)
Net income	4,614	5,195	30,476
Purchase of treasury stock	(1)	(1,000)	(7)
Sales of treasury stock	136	46	900
Reversal of revaluation reserve for land	8	(28)	57
Total changes during the period	3,260	2,727	21,532
Balance at end of the period	¥124,567	¥121,307	\$822,715
Valuation and translation adjustments:			
Valuation difference on available-for-sale securities:			
Balance at end of the previous period	¥ (1,151)	¥ (777)	\$ (7,604)
Changes during the period:			
Net changes in items other than shareholders' equity	(88)	(373)	(584)
Total changes during the period	(88)	(373)	(584)
Balance at end of the period	¥ (1,239)	¥ (1,151)	\$ (8,188)
Revaluation reserve for land:			
Balance at end of the previous period	¥ 804	¥ 776	\$ 5,314
Changes during the period:			
Net changes in items other than shareholders' equity	(8)	28	(57)
Total changes during the period	(8)	28	(57)
Balance at end of the period	¥ 796	¥ 804	\$ 5,257
Total valuation and translation adjustments:			
Balance at end of the previous period	¥ (346)	¥ (1)	\$ (2,289)
Changes during the period:			
Net changes in items other than shareholders' equity	(97)	(345)	(642)
Total changes during the period	(97)	(345)	(642)
Balance at end of the period	¥ (443)	¥ (346)	\$ (2,931)
Stock acquisition rights:			
Balance at end of the previous period	¥ 160	¥ 179	\$ 1,062
Changes during the period:			
Net changes in items other than shareholders' equity	(96)	(18)	(637)
Total changes during the period	(96)	(18)	(637)
Balance at end of the period	¥ 64	¥ 160	\$ 425
Total net assets			
Balance at end of the previous period	¥121,121	¥118,757	\$799,954
Changes during the period:			
Cash dividends	(1,497)	(1,485)	(9,894)
Net income	4,614	5,195	30,476
Purchase of treasury stock	(1)	(1,000)	(7)
Sales of treasury stock	136	46	900
Reversal of revaluation reserve for land	8	(28)	57
Net changes in items other than shareholders' equity	(193)	(364)	(1,277)
Total changes during the period	3,066	2,363	20,255
Balance at end of the period	¥124,187	¥121,121	\$820,209

Notes: 1. The Japanese yen amounts stated in non-consolidated financial statements have been rounded down to the nearest million yen.

2. The conversion of Japanese yen amounts into U.S. dollars has been made at the exchange rate of ¥151.41 per US\$1.00, the rate prevailing on March 31, 2024.