

Financial Results for the First Half of FY2023 / Initiatives for Enhancing Corporate Value

November 10, 2023

1. Financial Results for 1H23

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2. Initiatives for Enhancing Corporate Value

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* Unless otherwise mentioned, figures are based on banking subsidiaries (non consolidated-basis).

* The number used for the year is based on western calendar.



1. Financial Results for 1H23

Highlights (1)

(1) Results for 1H23

		Results for 1H23	YoY Change	Progress
Net income attributable to owners of the parent	(Consolidated)	¥23.5bn	-¥3.4bn	58.8%
Profit from customer services ^{*1}		¥23.8bn	+¥3.2bn	-
Securities Income	(Banks' total)	¥12.3bn	-¥11.2bn	-
Credit related costs		-¥0.2bn	-¥4.4bn	-

- Although net income attributable to owners of the parent decreased by ¥3.4bn YoY to ¥23.5bn, due to the decrease of securities income (interest margin), etc., by an increase in foreign currencies funding cost, the progress toward the forecast for FY2023 is well underway at 58.8%.
- Even though net income attributable to owners of the parent declined, profit from customer services^{*1}, the core business, increased by ¥3.2 bn YoY and maintained an increasing trend.

*1 Difference of interests between loans and deposits + Fees from Customers + Expenses (-)

(2) Forecast for FY23 (announced on May 12, 2023)

		Forecast for FY23	YoY Change
Net income attributable to owners of the parent	(Consolidated)	¥40.0bn	+¥7.8bn

Highlights (2)

(3) Shareholders Return

- We revised our shareholder return policy, changing the target of total return ratio from "30% or more" to "40% or more."
- Based on the above policy, and considering the progress of financial results of this fiscal year, we decided the increase in dividends and share acquisition.
- In FY23, total amount of shareholders return (scheduled) will be ¥32.2bn, and total return ratio is expected to be over 80%.

Revision of Shareholder Return Policy

Dividend and Shareholder Return Policy	<p>We will target a <u>Total Return Ratio of 40% or more(*)</u> while taking into account both the maintenance of solid capital levels for future growth and the appropriate distribution of profits to our shareholders. We will continue to consider the dividend level.</p> <p style="text-align: right;">(*) formerly 30% or more</p>		
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Increase in Dividends

	Announced in May 2023	Announced in Nov. 2023 (New)	Change
Annual Dividends	¥11.0	¥12.0	+ ¥ 1.0
(Interim)	(¥5.5)	(¥6.0)	(+ ¥ 0.5)
(Year-end)	(¥5.5)	(¥6.0)	(+ ¥ 0.5)

Share Acquisition

	Announced in May 2023	Announced in Nov. 2023 (New)	Annual total
Amount of purchase*1	¥ 10.0bn	maximum ¥ 10.0bn	¥ 20.0bn
Number of shares	26 million shares	maximum 30million shares	-
Period of purchase	From May 15, 2023 to Aug. 28, 2023	From Nov. 13, 2023 to Mar. 22, 2024	-

*1 Figures are rounded to the nearest 100 million yen.

Shareholder Return in FY2023 (scheduled)

Payout ratio	30.7%	Total amount of dividends ¥ 12.2bn
Total return ratio	80.7%	Total amount ¥ 32.2bn = Dividends ¥ 12.2bn + Share acquisition ¥ 20.0bn

Main Points of 1 H23 Financial Results

【Mebuki FG (Consolidated)】	(¥bn)		
	1H23 Results	YoY Chg	Progress
Gross Business profit	78.4	6.4	-
Net interest income	69.9	-7.5	-
(o/w Deference of interests between loans and deposits)	(56.5)	(+3.7)	-
Net fees and commissions	23.1	+1.9	-
Net trading income	0.2	-1.2	-
Net other business income	-14.9	13.1	-
Expenses	53.8	0.0	-
Credit related cost	0.6	-4.4	-
Gains/losses related to stocks	8.7	-15.6	-
Ordinary profit	33.5	-5.1	58.3%
Extraordinary income/losses	-0.0	+0.0	-
Net income attributable to owners of the parent	23.5	-3.4	58.8%

	1H23	
	Results	YoY
Bank Total Net income (a)	21.9	-4.3
Group Companies Net income (b)	2.7	+0.1
Mebuki Lease	0.5	+0.1
Mebuki Securities	0.3	-0.1
Mebuki Credit Guarantee/Joyo Credit Guarantee	1.4	+0.1
Mebuki Card	0.2	-0.0
Total of banking subsidiaries	0.1	+0.0
Consolidation Adjustment ^{*1} (c)	-1.1	+0.8
Net income attributable to owners of the parent (a) + (b) + (c)	23.5	-3.4

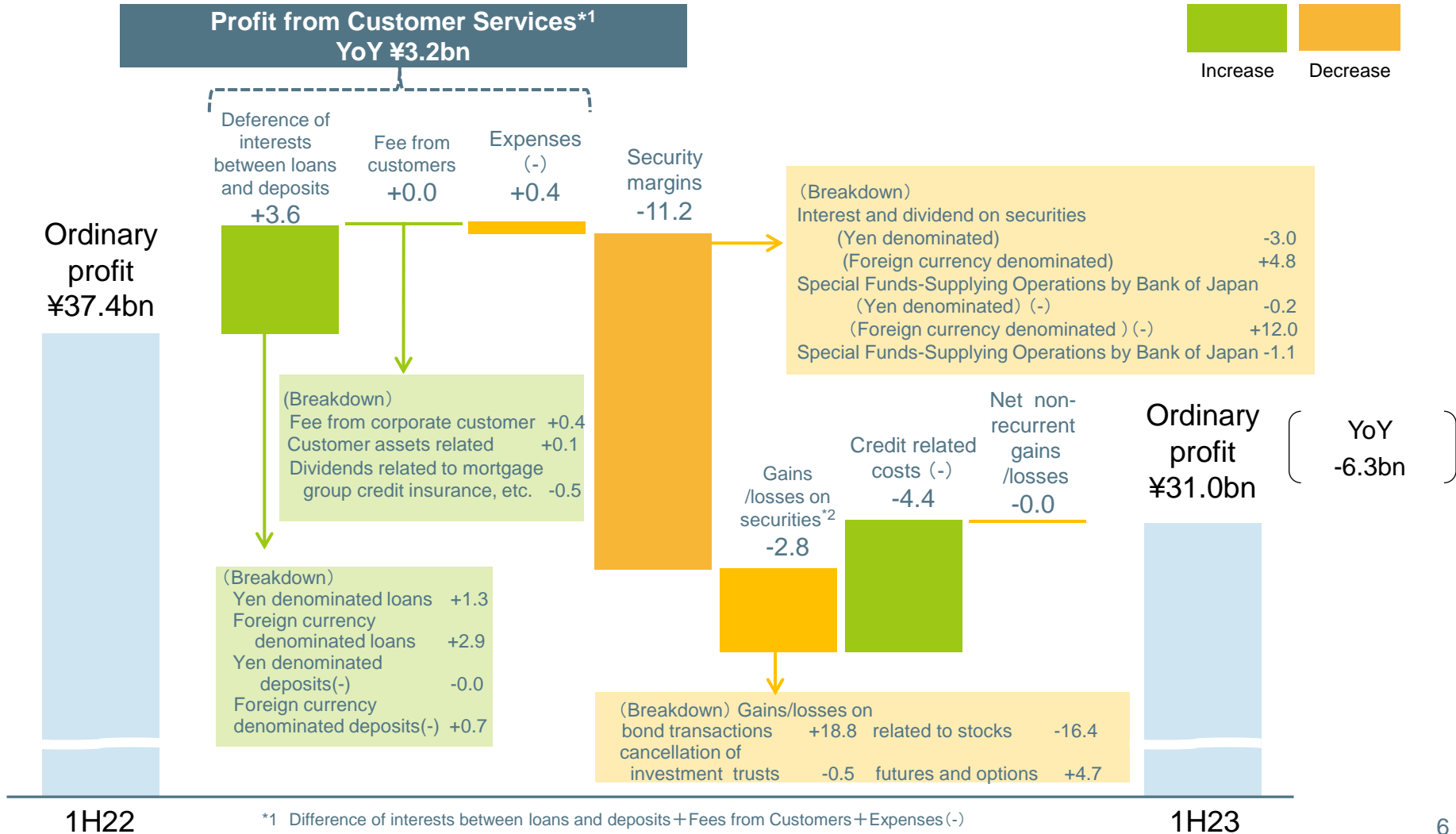
*1 Adjustments related to securities, etc.

【Joyo + Ashikaga (Non-consolidated)】	(¥bn)		
	1H23 Results	YoY chg	Progress
Gross business profit	74.6	+6.0	-
Net interest income	70.6	-8.1	-
(o/w Gains/losses on cancellation of investment trusts)(1)	(2.3)	(-0.5)	-
Net interest income (excl. Gains/losses on cancellation of investment trusts)	68.2	-7.5	-
(o/w Deference of interests between loans and deposits(2))	(55.9)	(+3.6)	-
(o/w Securities Income)	(12.3)	(-11.2)	-
Net fees and commissions(3)	18.6	+0.8	-
Net other business income	-14.6	+13.3	-
(o/w gains/losses on bond transactions) (4)	(-20.4)	(+18.8)	-
(o/w gains/losses on futures and options) (5)	(3.8)	(-4.7)	-
(o/w other income related to customers) (6)	(1.9)	(-0.8)	-
Expenses(7)	52.6	+0.4	-
Net business income (before general allowance for loan losses)	21.9	+5.6	-
Core net business income (excl. gains/losses on cancellation of investment trusts)	42.4	-13.1	-
Core net business income (excl. gains/losses on cancellation of investment trusts and futures and options)	36.1	-7.9	-
Net transfer to general allowance for loan losses (8)	-	+0.9	-
Net business income	21.9	+4.6	-
Net non-recurrent gains/losses	9.1	-11.0	-
(o/w Disposal of non-performing loans (9))	(-0.2)	(-5.4)	-
(o/w Gains/losses related to stocks, etc. (10))	(8.5)	(-16.4)	-
Ordinary profit	31.0	-6.3	56.5%
Extraordinary income/losses	-0.0	+0.0	-
Net income	21.9	-4.3	57.0%
Profit from customer services (2)+(3)+(6)-(7)	23.8	+3.2	-
Credit related cost (8)+(9)	-0.2	-4.4	-
Gains/losses on securities (1)+(4)+(5)+(10)	-5.6	-2.8	-

Change of Ordinary Profit (Bank Total non-consolidated)

Profit from customer services, the core business, increased driven by the increase of deference of interests between loans and deposits and credit related costs decreasing by ¥4.4bn YoY. On the other hand, ordinary profit (bank total) decreased by ¥6.3bn due to the decrease of securities income (interest margin) and losses on sales of securities.

Year -on-Year Changes of Ordinary Profit (Bank total) (¥bn)



*1 Difference of interests between loans and deposits + Fees from Customers + Expenses (-)

*2 Gains/losses on "Bond transactions + Related to stocks + Cancellation of investment trusts + Futures and options

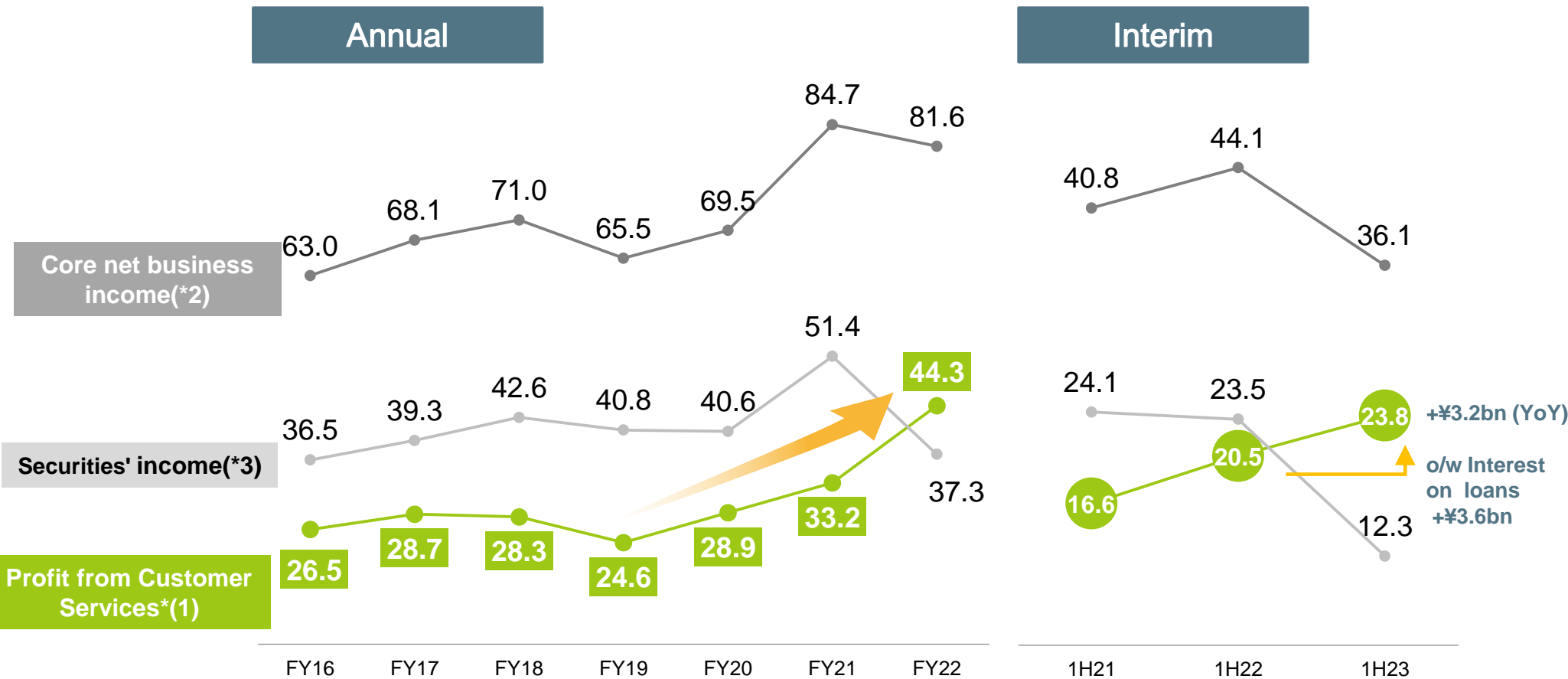
Growth of Profit from Customer Services

Profit from customer services maintained an increasing trend after bottoming out in FY 2019. In the first half of FY23, it increased by ¥3.2bn YoY, driven by the increase of deference of interests between yen and foreign currency denominated loans and deposits.

Changes of Profit from customer services, Core net business income and Securities income (¥bn)

Annual

Interim



*1 Difference of interests between loans and deposits + Fees from Customers + Expenses (-)
 *2 Excluding gains/losses on cancellation of investment trusts and futures and options
 *3 Excluding gains/losses on cancellation of investment trusts

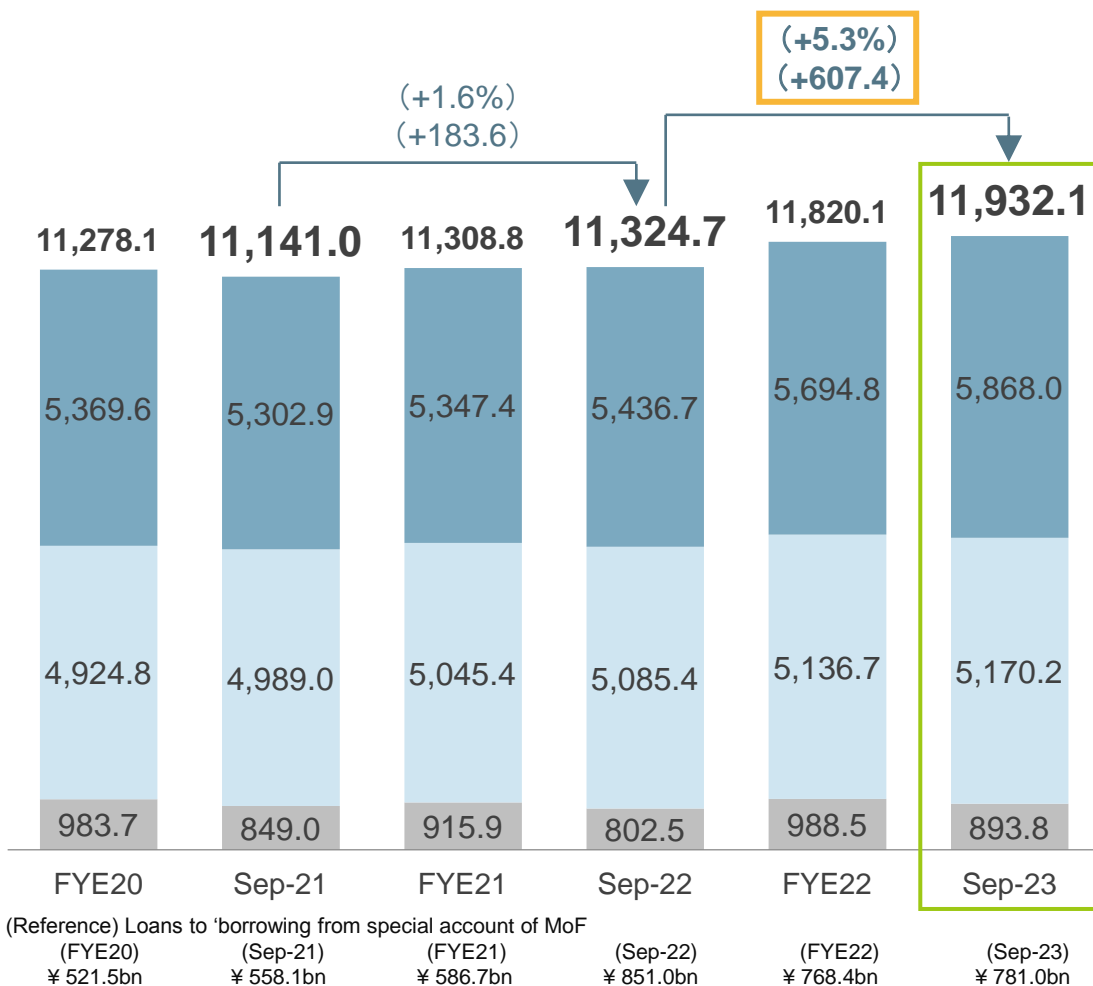
Loans (1) Term-end Balance

Amount of loans increased by ¥607.4bn YoY.

The growth rate of loans was +5.3%, up from +1.6% in the previous year. It was led by loans to corporate and public sectors (excluding for MOF). Deference of interests between domestic loans and deposits in interim period turned to increase for the first time since our business integration.

Term-end Balance (Joyo+Ashikaga) (¥bn)

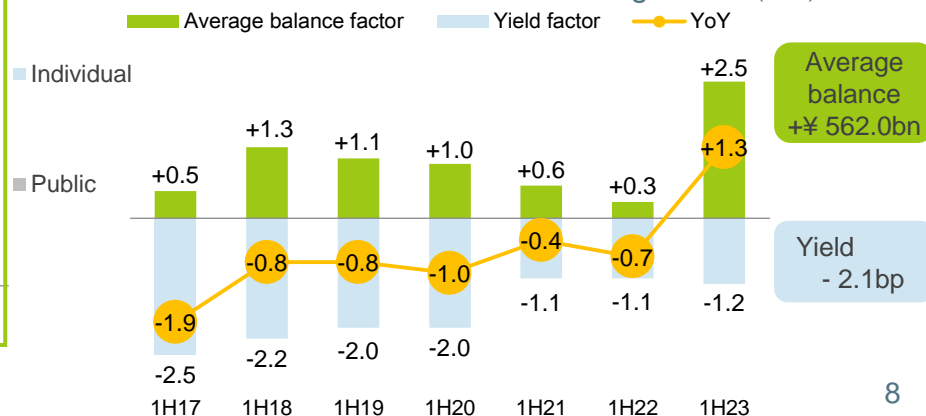
* Not including borrowing from special account of MoF



Year on Year Changes (¥bn)

	Sep-21	Sep-22	Sep-23
Total	+71.0 +0.6%	+183.6 +1.6%	+607.4 +5.3%
Corporate	-21.0 -0.3%	+133.8 +2.5%	+431.2 +7.9%
Individual	+141.2 +2.9%	+96.3 +1.9%	+84.8 +1.6%
Public	-49.0 -5.4%	-46.5 -5.4%	+91.3 +11.3%

(Reference) YoY changes of interests of domestic loans since the business integration (¥bn)



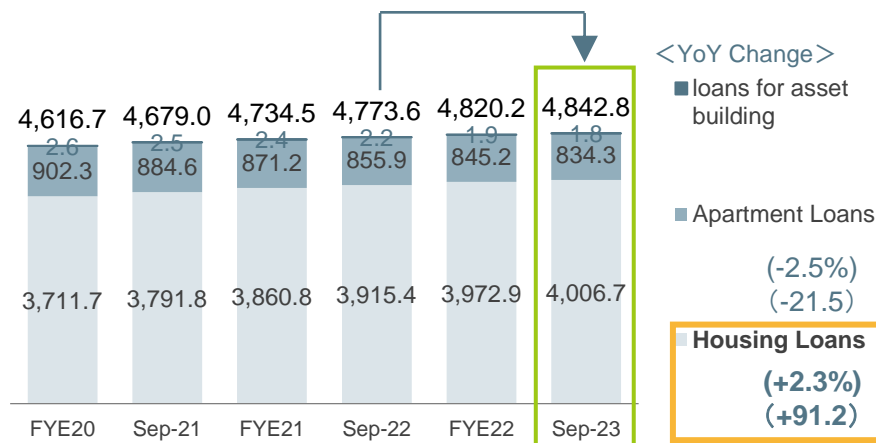
Loans (2) Corporate / Individual

Loans to individual customers maintained increase trend both in housing related loans and in unsecured loans.

In particular, the growth rate of unsecured loans has doubled (1H22 +6.4% ⇒ 1H23 +11.9%, YoY).

Loans to corporate customers also grew significantly and the growth rate has tripled (1H22 +2.5% ⇒ 1H23 +7.9%, YoY).

【Individual】Housing Related Loans (¥bn)

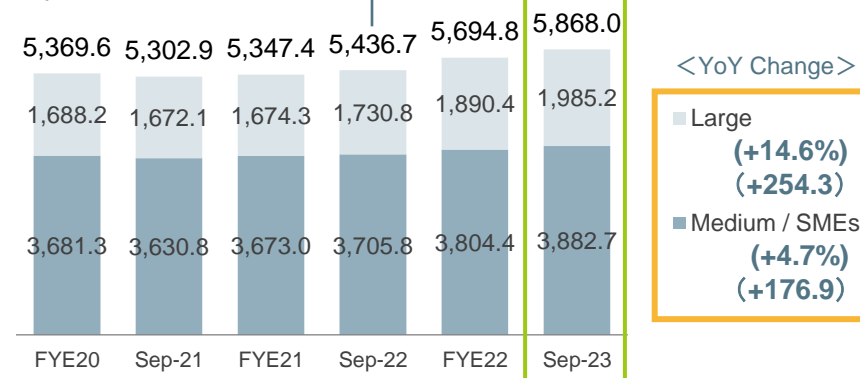


【Corporate】Term-end Balance by Company Size (¥bn)

Growth rate of Corporate Loans (YoY)

As of Sep.30, 2023 +7.9%

As of Sep.30, 2022 +2.5%

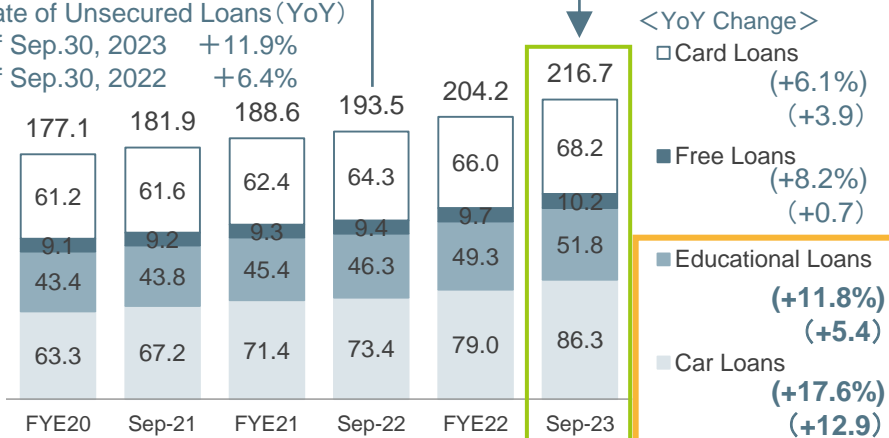


【Individual】Unsecured Loans (¥bn)

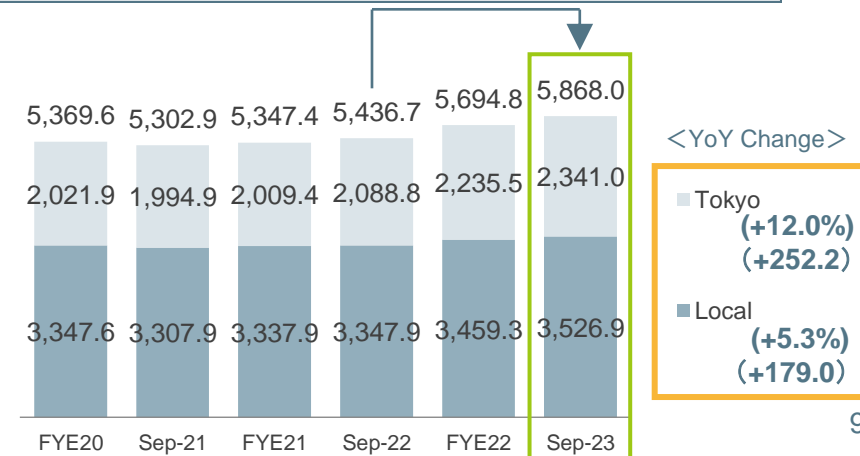
Growth rate of Unsecured Loans (YoY)

As of Sep.30, 2023 +11.9%

As of Sep.30, 2022 +6.4%



【Corporate】Term-end Balance by Area (¥bn)



Average Yield of Loans / Net Interest Income

Difference of interests between loans and deposits increased significantly in both yen and foreign currency denominated loans by 3.6bn YoY.

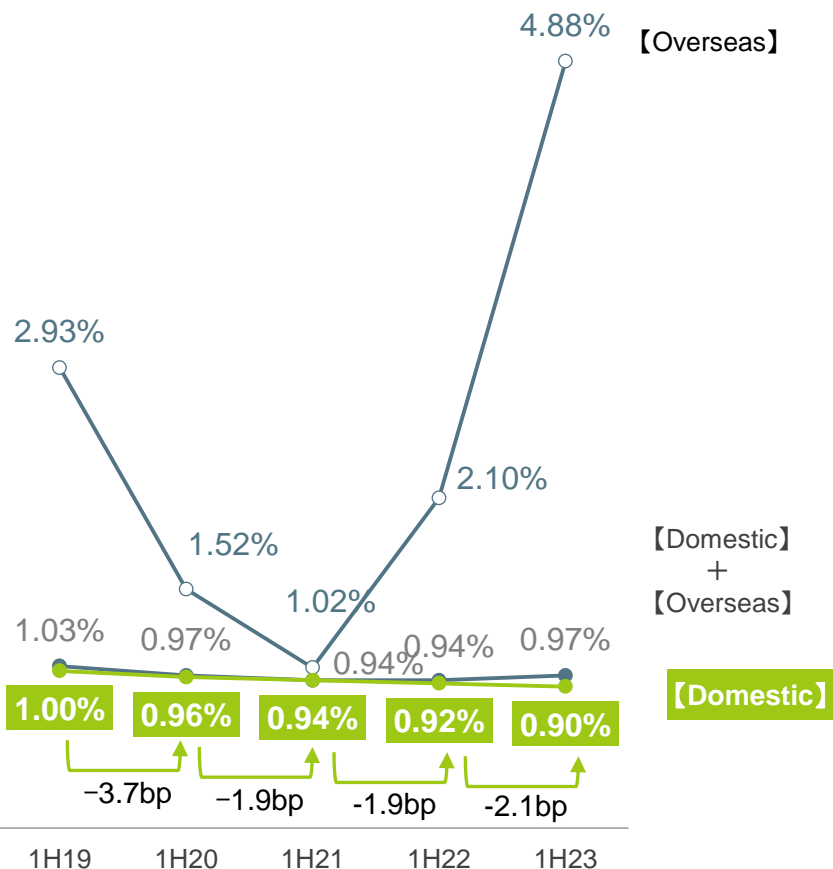
Securities' income (excluding gain on cancellation of investment trusts) decreased by ¥10.0bn YoY due to the increase of costs such as market borrowings.

We will continuously enhance net interest income by increasing the balance of loans and restructuring our securities portfolio.

Average Yield on Loans(Joyo+Ashikaga) (¥bn)

(Domestic and Overseas)

* Not including borrowing from special account of MoF



Change of Interest Income(Joyo+Ashikaga) (¥ bn)

* Not including borrowing from special account of MoF

* Figures in parentheses are changes on a year on year basis

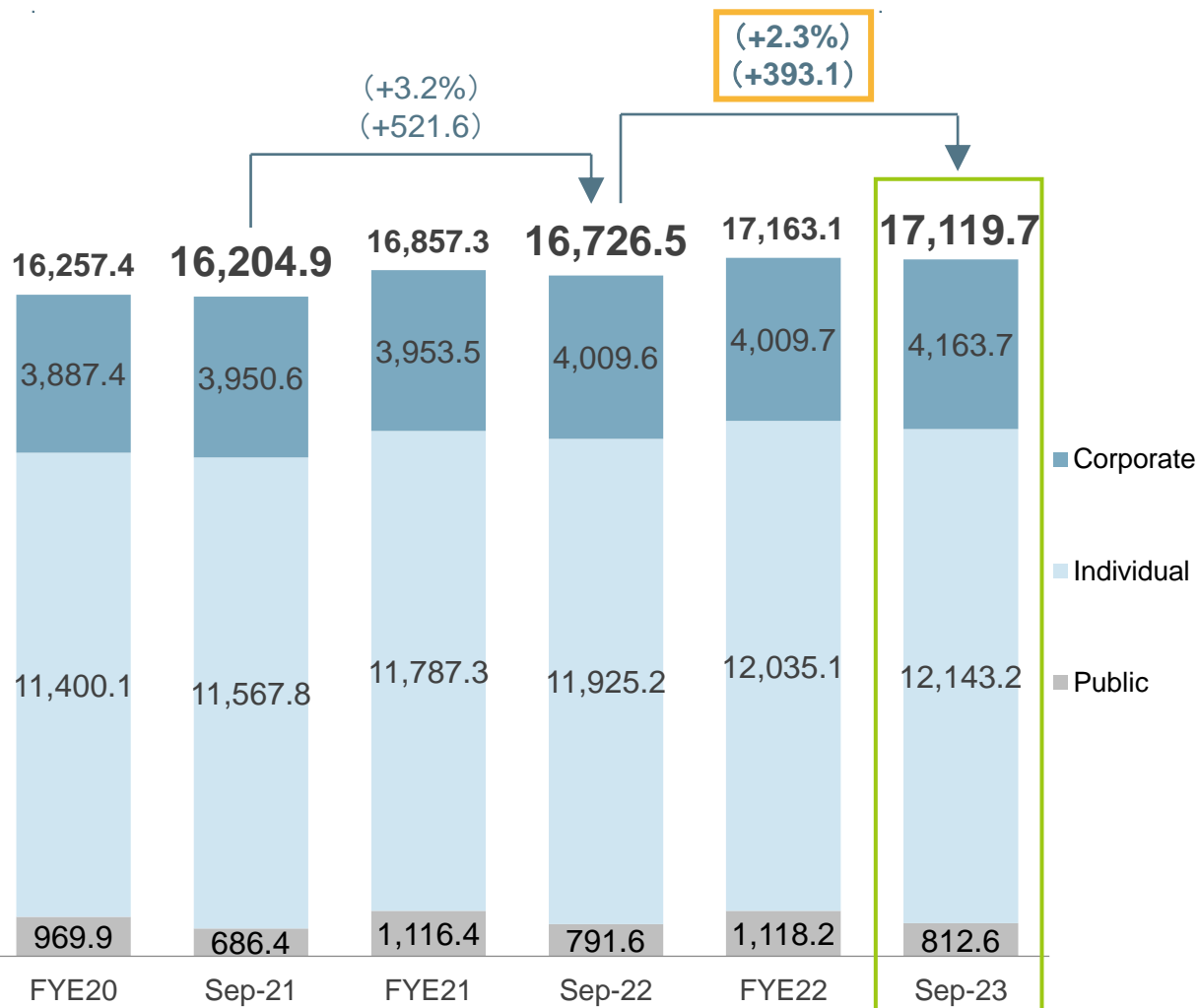
	Results	YoY Change (Factor)			
		Domestic	Chg. in Factors	Overseas	Chg. in Factors
Interest on loans and bills discounted					
	Avg Balance	+2.5	+2.5 (+562.0)	+0.0	(-0.1)
	Yield	+1.7	-1.2 (-2.1bp)	+2.9	(+278.1bp)
	57.6	+4.3	+1.3	-	+2.9
Interest on deposits (-)	1.6	+0.6	+0.0	-	+0.7
Difference of interests between loans and deposits ①	55.9	+3.6	+1.3	-	+2.2
Interest and dividend on securities					
	Avg Balance	-6.6	-3.3 (-667.1)	-3.3	(-200.5)
	Yield	+7.8	-0.2 (-1.0bp)	+8.1	(+193.1bp)
	30.1	+1.2	-3.5	-	+4.8
(o/w gains on cancellation of Investment Trusts)	2.3	-0.5	-0.5	-	±0
(excluding gains on cancellation of Investment Trusts)	27.7	+1.7	-3.0	-	+4.8
Market borrowings, etc. (-)	16.8	+11.8	-0.2	-	+12.0
Securities' Income (excluding gains on cancellation of Investment Trusts) ②	10.8	-10.0	-2.8	-	-7.2
Special Funds-Supplying Operations by Bank of Japan ③	1.5	-1.1	-1.1	-	±0
Net Interest Income (excluding gains on cancellation of Investment Trusts) ①+②+③	68.2	-7.5	-2.6	-	-4.9

Deposits Term-end Balance

Balance of deposits from all sectors increased by ¥393.1bn YoY (+2.3% annualized).

The impact of the COVID-19 pandemic has calmed down and the growth rate of deposits is decreasing.

Term-end Balance (Joyo+Ashikaga) (¥bn)



Year on Year Changes (¥bn)

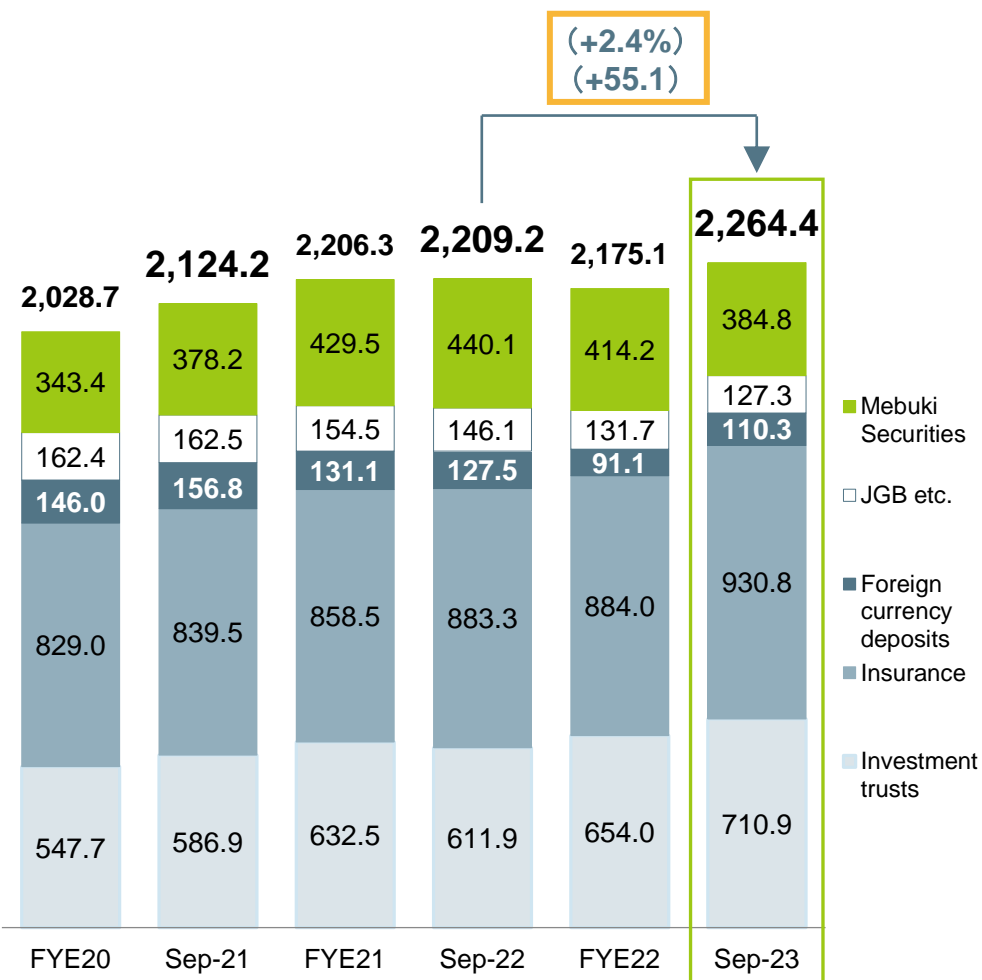
	21-Sep	22-Sep	23-Sep
Total	+613.7	+521.6	+393.1
	+3.9%	+3.2%	+2.3%
Corporate	+134.5	+59.0	+154.1
	+3.5%	+1.4%	+3.8%
Individual	+451.4	+357.3	+218.0
	+4.0%	+3.0%	+1.8%
Public	+27.6	+105.1	+21.0
	+4.2%	+15.3%	+2.6%

Customer Assets under Custody

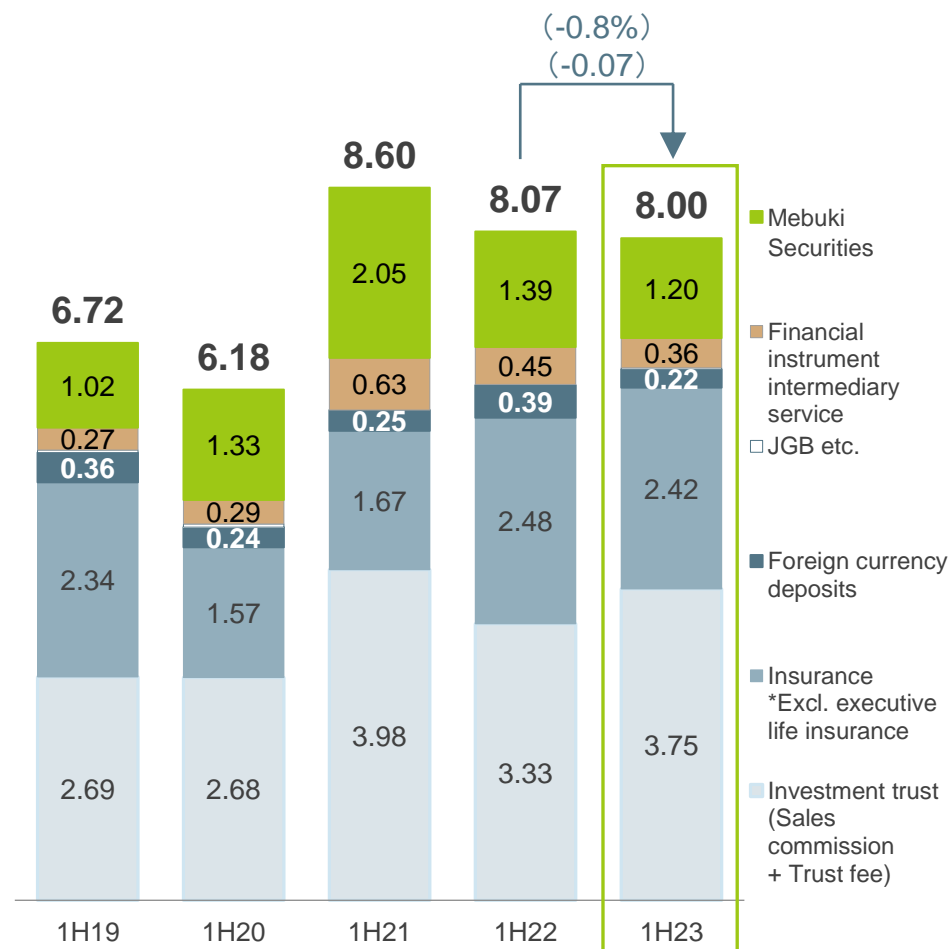
Balance of customer assets under custody increased by ¥55.1bn YoY (+2.4% annualized) due to the increase mainly in investment trusts and insurance.

Related commissions remained at the same level of the previous year (¥ 8.0bn range for the half year).

Balance (Bank Total + Mebuki Securities) (¥bn)



Commissions (Bank Total + Mebuki Securities) (¥bn)

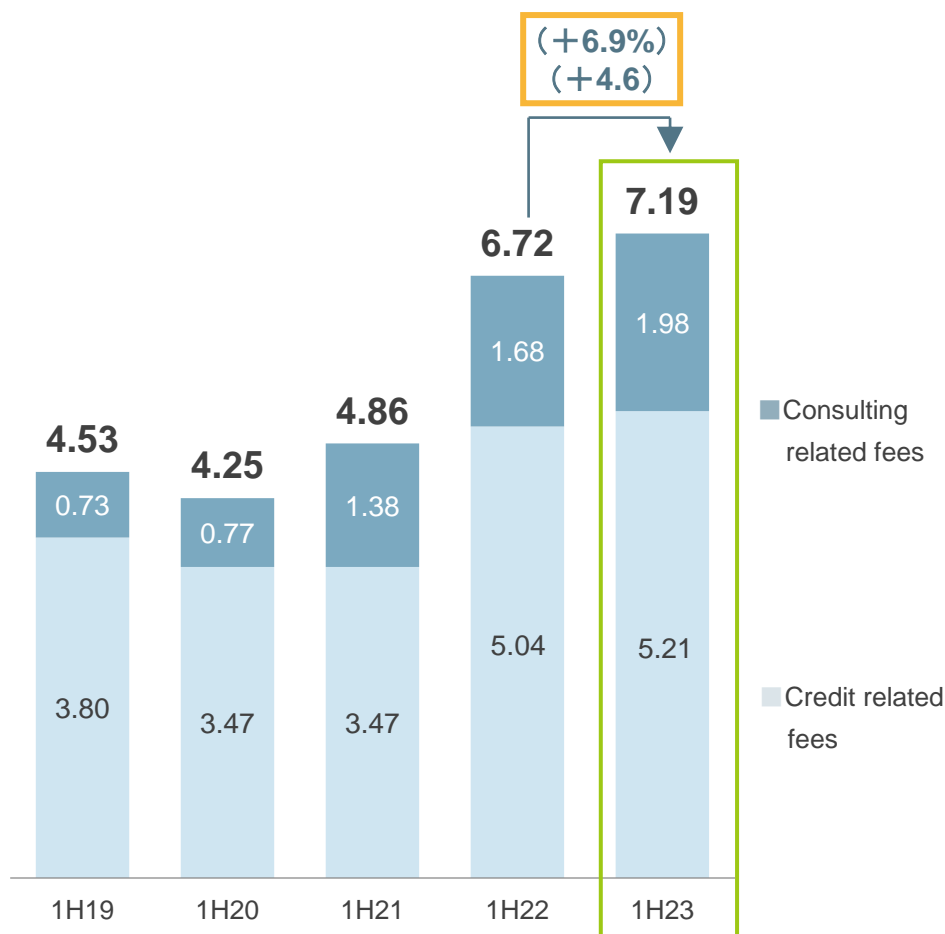


Fees from Corporate Customers

Fees from corporate customers increased by ¥0.4bn YoY to ¥7.1bn, due to the increase of origination fees of syndicated loans and business planning support fees.

We will continue to provide business support services through consulting proposals.

Joyo Bank + Ashikaga Bank (¥bn)



< Breakdown of Fees from Corporate Customers >

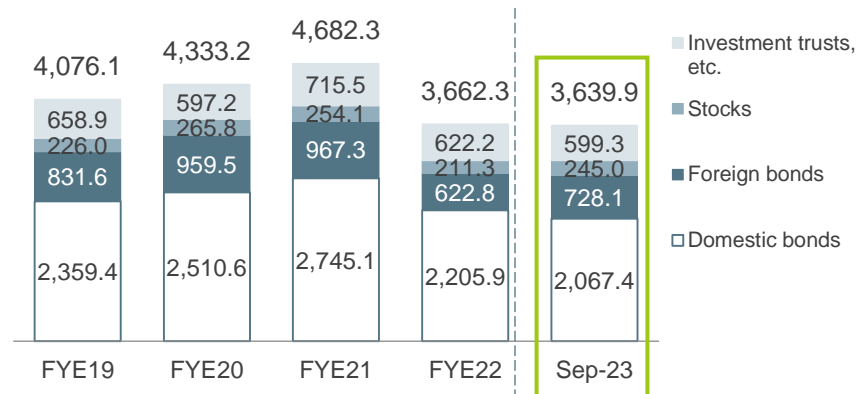
	1H21	1H22	1H23	YoY
Credit related (1)	3.47	5.04	5.21	+0.16
Derivatives	0.46	1.86	1.23	-0.62
Syndicate loans	2.27	2.50	3.35	+0.84
Private placement bonds	0.73	0.67	0.62	-0.05
Consulting related (2)	1.38	1.68	1.98	+0.29
Business Matching	0.42	0.53	0.64	+0.11
Support for business planning	0.36	0.54	0.88	+0.34
M&A	0.24	0.28	0.15	-0.12
Executive Insurance	0.27	0.25	0.22	-0.03
Trust · 401K	0.07	0.06	0.06	+0.00
Total ((1)+(2))	4.86	6.72	7.19	+0.46

*1 Including CVA. CVA is an abbreviation for Credit Valuation Adjustment, which reflects the credit risk of counterparties in derivative transactions in the market value.

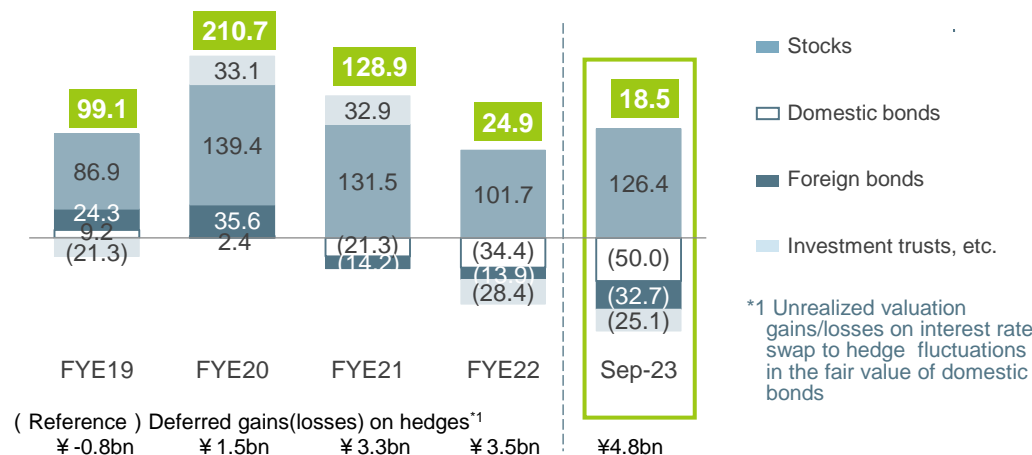
Securities / Strategic Shareholdings (1)

Taking into consideration domestic and foreign monetary policy and stock markets' conditions, we have continued to restructure our portfolio. In 1H23, we sold yen and foreign currency denominated fixed bonds, domestic stocks and other securities, resulting in -¥5.6bn loss on securities.

Balance(Carrying amount) (Mebuki FG) (¥bn)

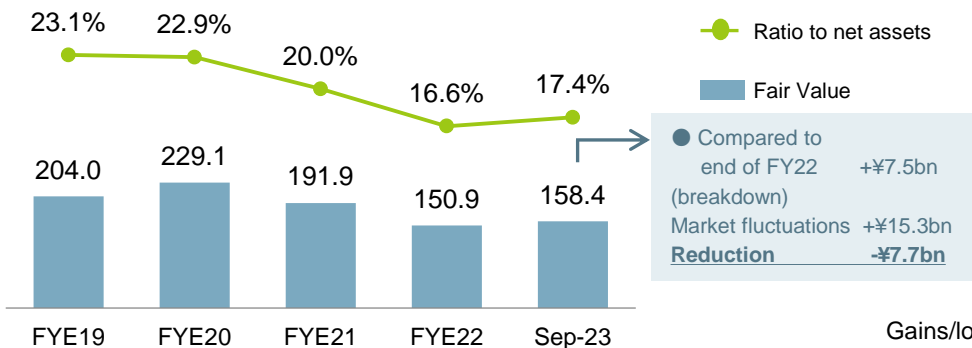


Unrealized valuation gains/losses on available for sales securities (Mebuki FG) (¥bn)



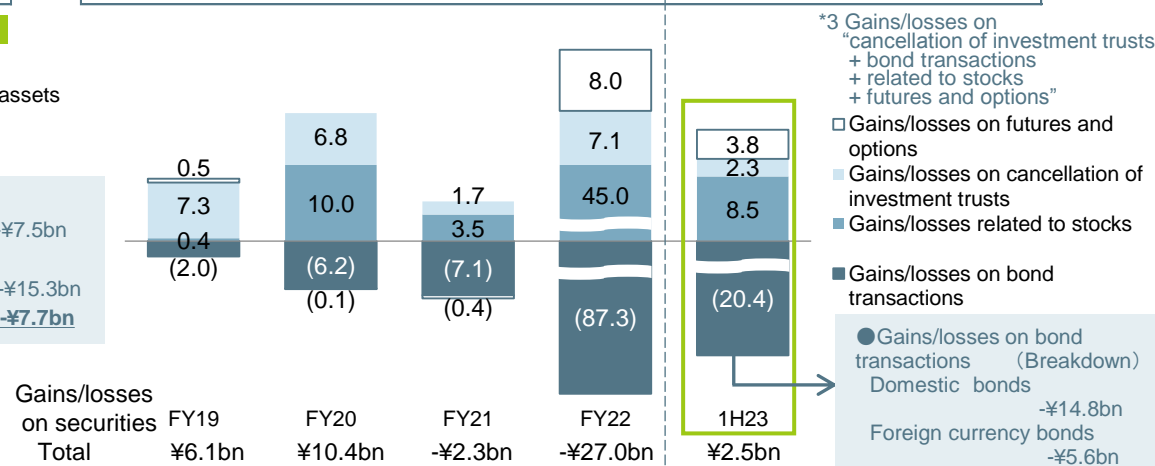
Strategic Shareholdings (Fair Value)^{*2} (¥bn)

[Target] Reduction of ¥30.0bn in 5 years from end of FY22 until end of FY27



*2 Figures are fair value of strategic shareholdings (including listed or non-listed stocks) held by Joyo Bank, which owns more than two-thirds stocks owned by Mebuki FG and subsidiaries.

Gains and losses on securities^{*3} (bank total) (¥bn)



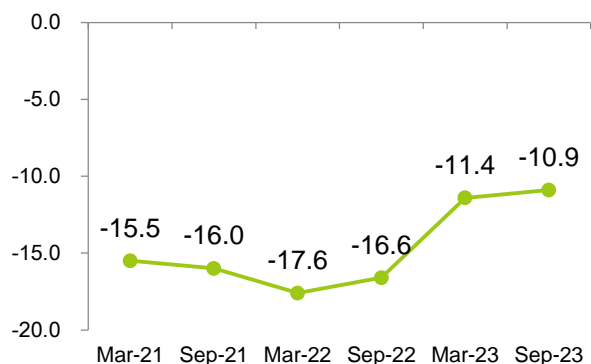
Securities / Strategic Shareholdings (2)

Regarding yen denominated bonds, we have controlled interest rate risk considering a possibility of change in monetary policy. In the future, we will make a full-scale investment when the interest rate rises.

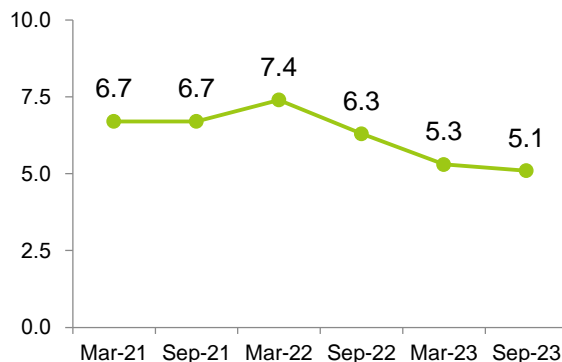
For foreign bonds, while paying attention to U.S. monetary policy and controlling interest rates risk, we have resumed investment in stages (raise Yields).

Yen-denominated Bonds*¹ (banks' total)

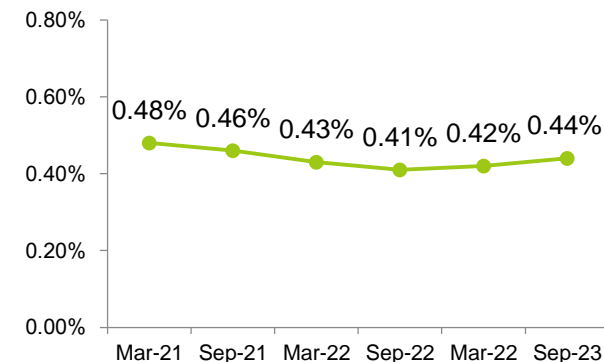
10bpv*² (¥bn)



Duration*³ (year)

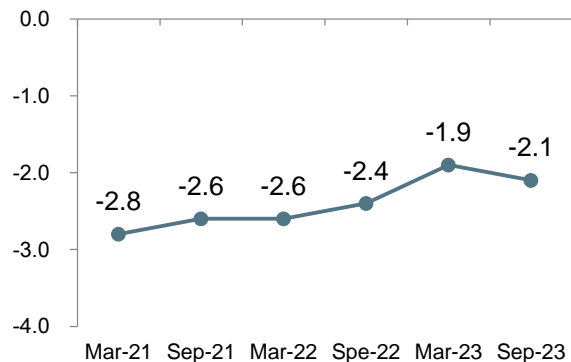


Yield (%)

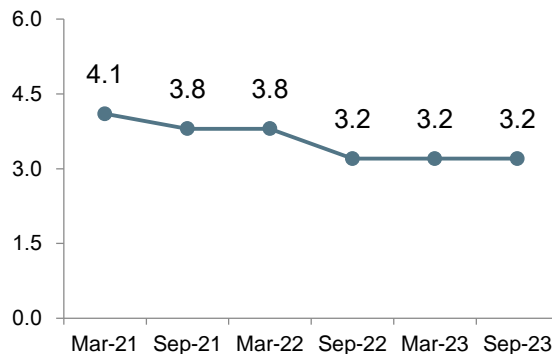


Foreign Bonds*¹ (banks' total / USD-denominated)

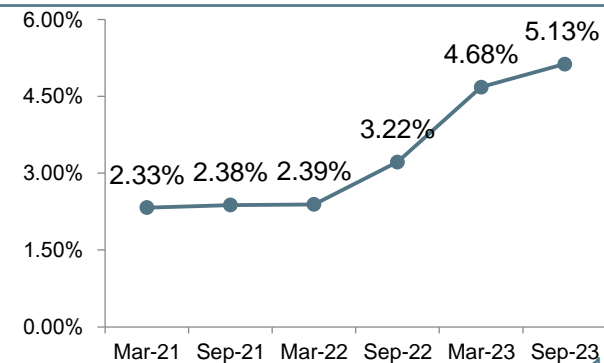
10bpv*² (¥bn)



Duration*³ (year)



Yield (Total of fixed and floating bonds: %)



*1 After considering hedging by bear funds and swaps

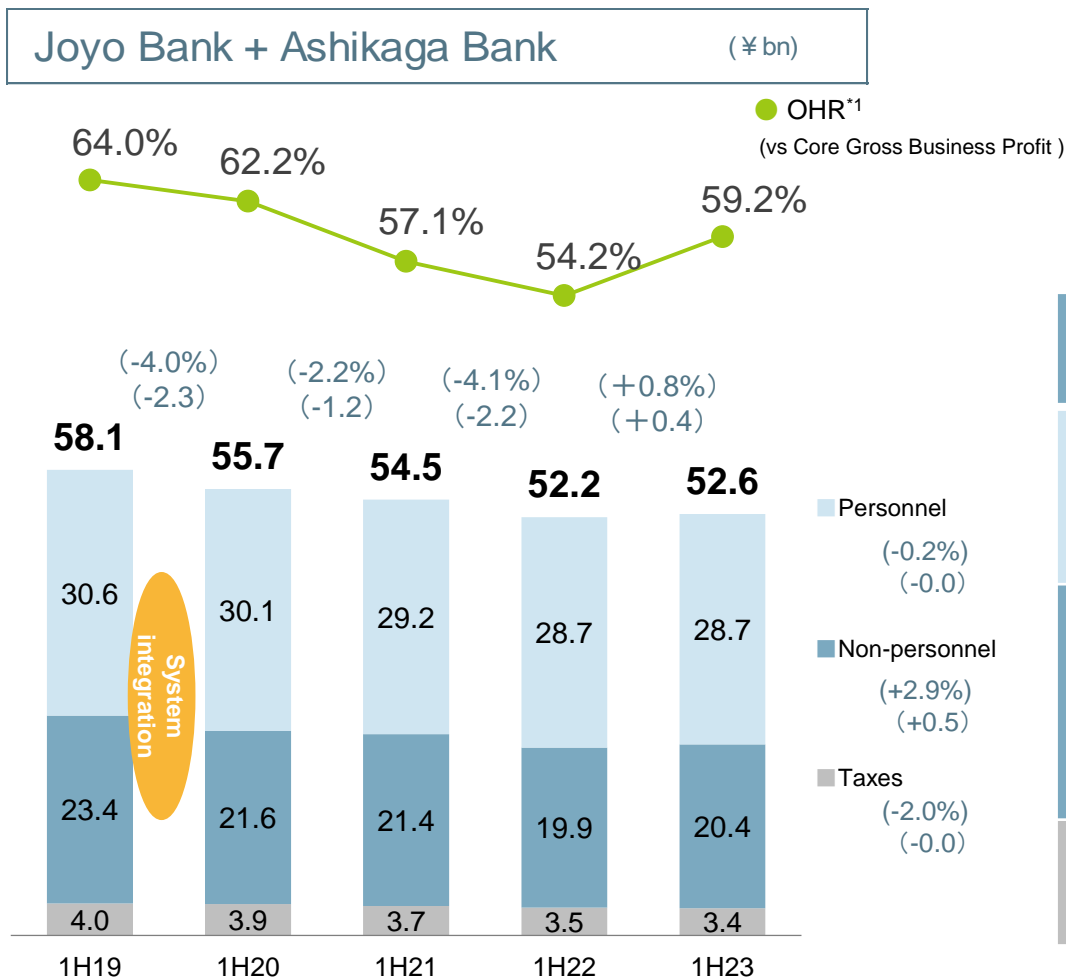
*2 Decrease in the present value when assuming interest rates rise by 10bp (0.10%) for all periods

*3 Average remaining period for principal in bonds investment

Expenses / OHR

We strengthened positive investments such as human capital- and DX-related investments, while at the same time continuing to reduce existing costs (natural decrease in number of employees and efficiency improvement costs for branches, etc.) and controlling total expenses.

OHR, indicator of efficiency, remains in 50.0% range.



*1 Based on Core Gross Business Profit
(Excluding gains/losses on cancellation of investment trusts and futures and options)

【Factors of Change (¥bn)】

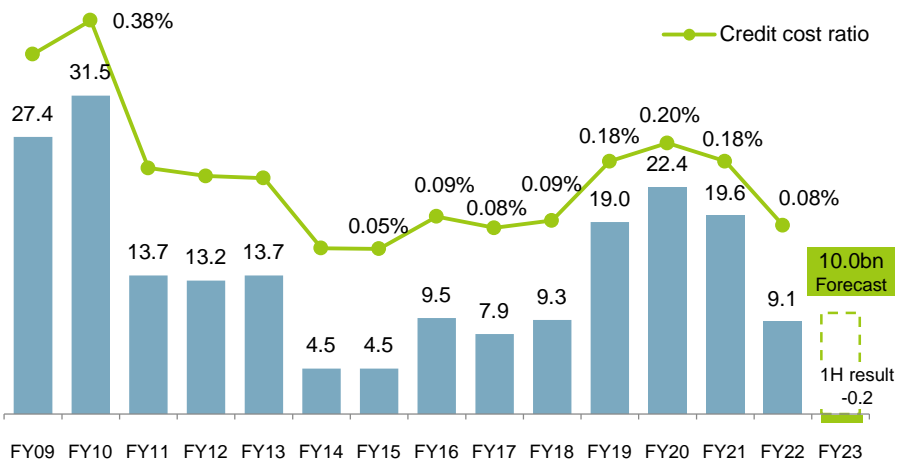
	1H23	YoY	Main factors
Personnel expenses	28.7	-0.0	<ul style="list-style-type: none"> ● Increase in salary and starting salary +0.2 ● Personnel reduction -0.2
Non-personnel expenses	20.4	+0.5	<ul style="list-style-type: none"> ● DX related investments +0.2 (Investment trusts management system, marketing tool usage fees, etc.) ● Responding to new banknote +0.2
Taxes	3.4	-0.0	—

Credit Related Costs

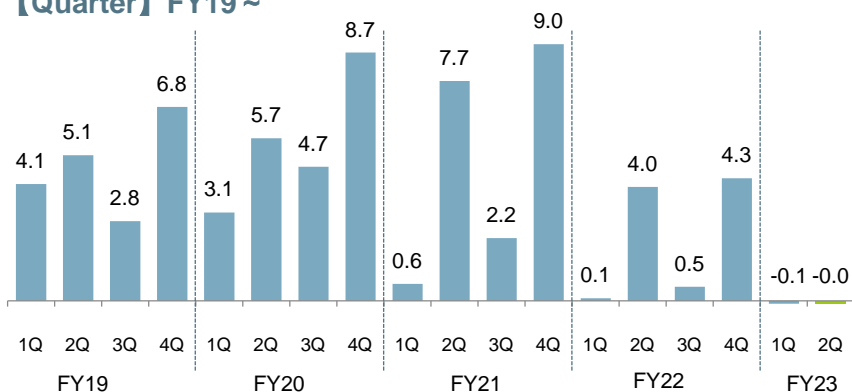
Credit related costs improved by ¥4.4bn (YoY) to - ¥0.2bn, due to a reversal of - ¥3.9bn in general allowance for loan losses. Repayments from loan borrowers based on the COVID-19 Special Loan Program have been made in accordance with their initial terms, and there are no circumstances under which credit costs would increase.

Change of Credit Related Costs (¥bn)

【Annual】FY09 ~



【Quarter】FY19 ~



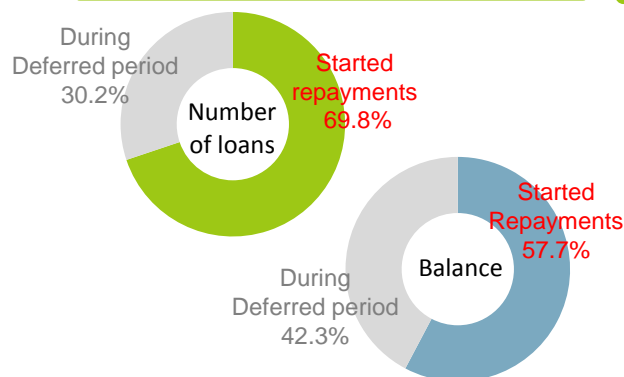
Breakdown on Credit Related Costs (¥bn)

	1H22	1H23	YoY
Credit Related Costs	4.1	-0.2	-4.4
Net transfer to general allowance for loan losses	-0.9	(-3.9)	+0.9
Disposal of non-performing loans	5.1	-0.2	-5.4
Write off of loans	1.7	1.4	-0.3
Transfer to specific allowance for loan losses	4.0	(3.0)	-4.0
Transfer to provision for contingent losses	-0.0	-0.1	-0.1
Reversal of allowance for loan losses(-)	-	0.8	+0.8
Recoveries of written-off claims(-)	0.8	0.9	+0.1
Other	0.2	0.2	+0.0

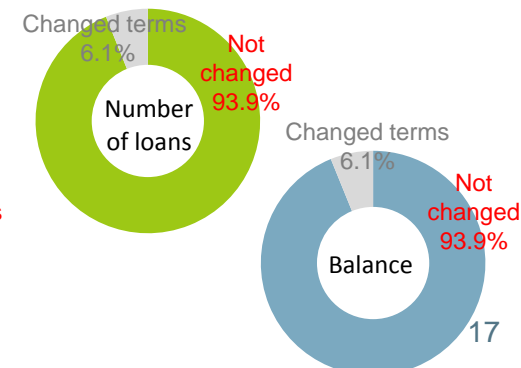
Status of Repayments of Loans based on the COVID-19 Special Loan Program (as of September 30, 2023)

Balance of Loans by the Program (Bank total) 10,961 loans / ¥179.7bn

Status of Contractual Repayments



Status of Changes of Terms

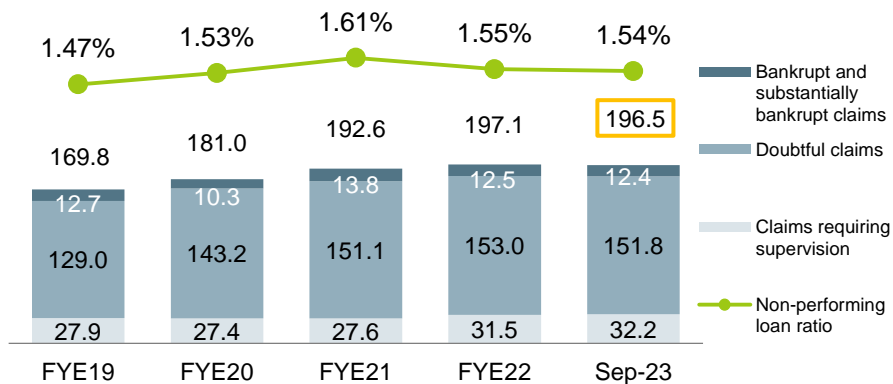


Status of Non-performing Loans and Delinquent Loans

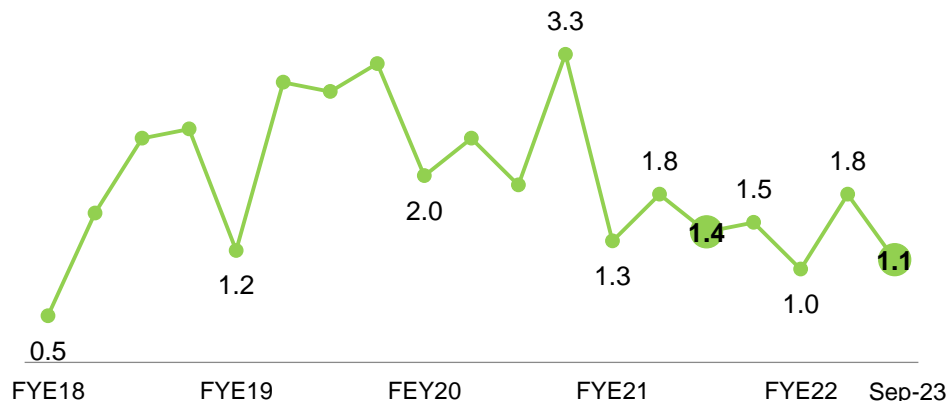
Non-performing loans based on financial revitalization law ratio to total amount of loans declined by 0.01% point from the end of previous fiscal year.

As of end of Sep., 2023, amount of delinquent loans to businesses was ¥1.1bn and remained stable.

Non-performing Loans (Financial Revitalization Law) (¥bn)
(FG consolidated)

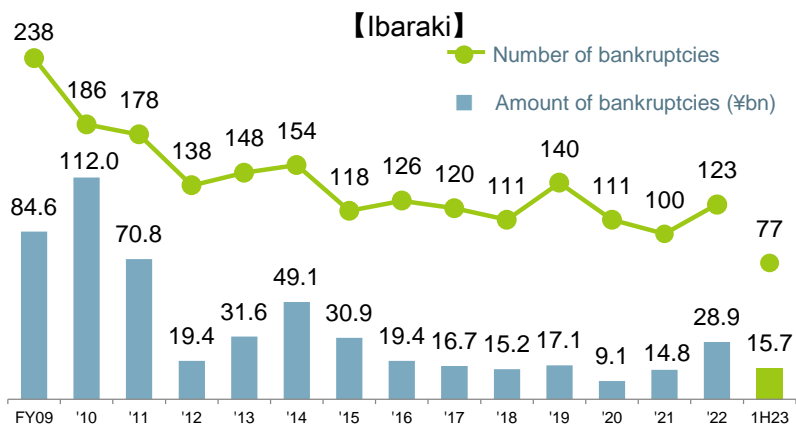


Status of Delinquent Loans to Businesses (¥bn)

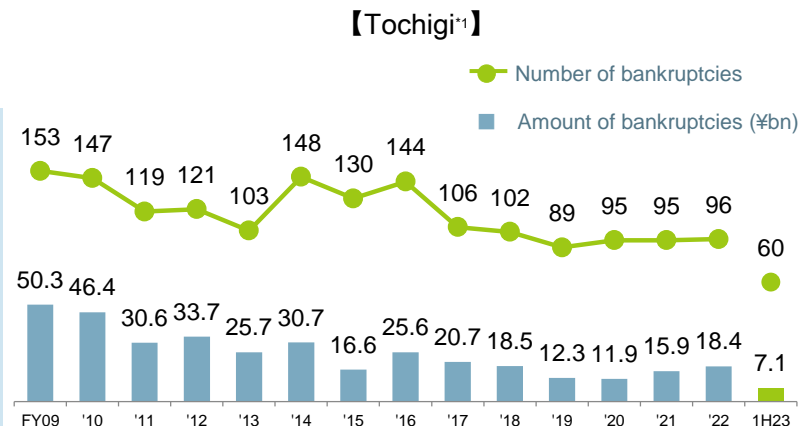


【Reference】Status of Bankruptcy

Number of bankruptcies (Total liabilities amounting to 10 million yen or more) ~by Tokyo Chamber of Commerce



(Number/
Amount)
1H21 (Apr.-Sep.)
47 / ¥5.5bn
1H22 (Apr.-Sep.)
64 / ¥10.2bn
1H23 (4-9月)
77 / ¥15.7bn



(Number/
Amount)
1H21 (Apr.-Sep.)
40 / ¥7.5bn
1H22 (Apr.-Sep.)
45 / ¥12.0bn
1H23 (4-9月)
60 / ¥7.1bn

*1 Specific major borrower's bankruptcy of ¥433.0bn in FY11 is excluded from figures below.

Shareholder Return / Capital Adequacy Ratio

We revised shareholder return policy, changing the target of total return ratio from “30% or more” to “40% or more.” Based on the above policy, and considering the progress of financial results of this fiscal year, we decided the increase in dividends and share acquisition.

Revision of Shareholder Return Policy

We will **target a Total Return Ratio^(*) of 40% or more** while taking into account both the maintenance of solid capital levels for future growth and the appropriate distribution of profits to our shareholders. We will continue to consider the dividend level.

<Target level>

Total return ratio
30% or more



Total return ratio
40% or more

Growth investments

Shareholder returns

Soundness

Share Acquisition (Decided in Nov. 2023)

【Purpose】

In order to enhance shareholder returns and improve capital efficiency

【Amount of purchase】

maximum ¥10 billion

【Number of shares】

maximum 30 million shares

(2.88% of number of issued shares excluding treasury stock)

【Period of purchase】

From Nov. 13, 2023 to Mar. 22, 2024

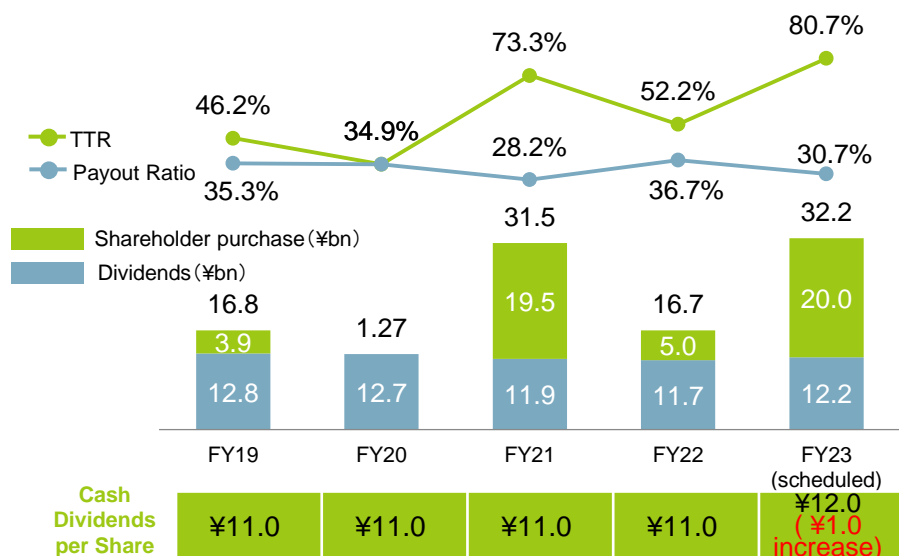
<Reference : 1st share acquisition (decided in May 2023)>

¥10.0 billion^(*) / 26.3 million shares (From May 15, 2023 to Aug. 28, 2023)

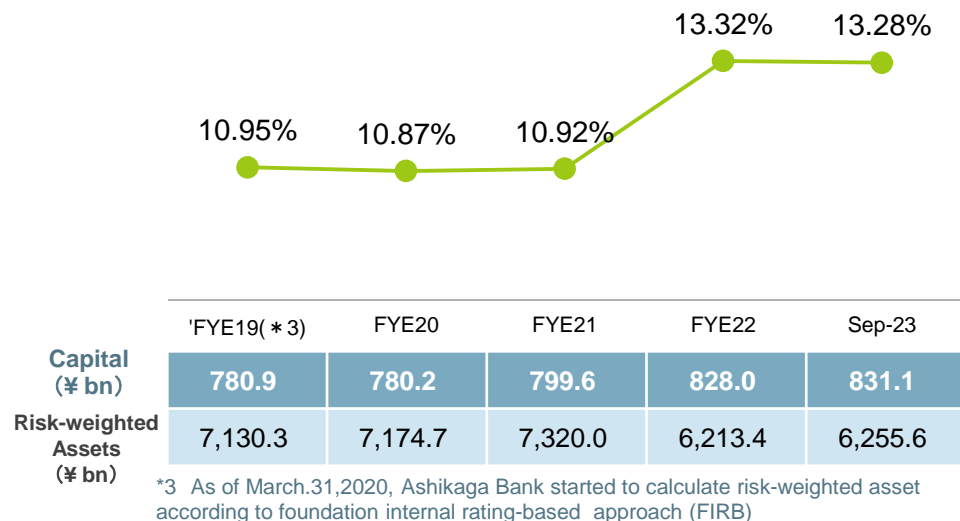
*1 Total Return Ratio
= (Total amount of dividends + Total amount of acquisition of own shares) / Net income

*2 Figures are rounded to the nearest 100 million yen.

Dividends, Shareholder Returns



Capital Adequacy Ratio (Mebuki FG consolidated)



Forecast for FY2023 (1)

Mebuki FG (consolidated)				(¥bn)
	Forecast for FY2023	1H23 Results	Progress	
Ordinary Profit	57.5	33.5	58.3%	
Net Income <small>(Attributable to owners of the parent)</small>	40.0	23.5	58.8%	

Total of Two Banking Subsidiaries				(¥bn)
	Forecast for FY2023	1H23 Results	Progress	
Ordinary Profit	55.0	31.0	56.5%	
Net Income	38.5	21.9	57.0%	

Subsidiary Banks (Joyo)				(¥bn)
	Forecast for FY2023	1H23 Results	Progress	
Ordinary Profit	36.0	19.2	53.4%	
Net Income	25.0	13.7	54.9%	

(Ashikaga)				(¥bn)
	Forecast for FY2023	1H23 Results	Progress	
Ordinary Profit	19.0	11.8	62.3%	
Net Income	13.5	8.2	61.0%	

Forecast for FY2023 (2)

The forecast of net consolidated income (attributable to owners of the parent) for FY2023 is ¥ 40.0bn (+ ¥ 7.8bn YoY) . The result for 1H23 was ¥ 23.5bn, and the progress toward the forecast for FY2023 is well underway at 58.8%. We will continue to increase profit from customer services over the medium- to long-term and progress in restructuring our securities portfolio, leading to build a sustainable profit base.

Breakdown of Forecast for FY2023

	Forecast for FY23		1H23	
	YoY	Results	Progress	
【Joyo+Ashikaga】				
Core gross business profit	170.5	-29.7	95.1	55.7%
Net interest income (Excluding gains/losses on cancellation of investment trusts)	132.5	-11.2	68.2	51.5%
Difference of interests between loans and deposit	107.5	+1.0	55.9	52.0%
Securities' income (Excluding gains/losses on cancellation of investment trusts)	25.0	-12.3	12.3	49.4%
Fees from customers ^{*1}	37.5	-3.7	20.5	54.9%
(excl. Income related to derivatives)	36.5	+0.4	19.6	53.7%
Expenses	105.5	+2.1	52.6	49.9%
Core net business income ^{*2}	65.0	-16.6	36.1	55.6%
Gains/losses on securities ^{*3}	0.0	+27.0	-5.6	-
Credit Related Cost	10.0	+0.8	-0.2	-2.8%
Ordinary profit	55.0	+9.7	31.0	56.5%
Net income ^{*4}	38.5	+6.9	21.9	57.0%
【Mebuki FG Consolidated】				
Profits of Group Companies	4.0	-0.8	2.7	68.9%
Consolidation adjustment (Adjustments related to securities, etc.)	-2.5	+1.7	-1.1	47.8%
Net income attributable to owner of the parent	40.0	+7.8	23.5	58.8%

*1 Net fees and commissions + Income related to derivatives for customers + foreign exchange

*2 Excluding gains/losses on cancellation of investment trusts and futures and options

*3 Gains/losses on "cancellation of investment trusts + bond transactions + related to stocks + futures and options"

*4 Not including dividends receivable of ¥12.0bn from The Joyo Credit Guarantee Co., Ltd. in FY22

【Main Reasons of Year-on-Year Changes】

(1) Profit from Customers -¥4.8bn

① Difference of interests between loans and deposits +¥1.0bn

- Accumulation of interest due to an increase in the balance of yen-denominated loans, etc.

② Fees from Customers -¥3.7bn

- Drop in income related to FY2022 derivative transactions
- Continued upward trend in consulting-related fees including core business support

③ Expenses (-) +¥2.1bn

- Execution of investments for future growth such as DX and human resources
(Unification of investment trust systems, establishment of data utilization infrastructure, addition of Banking App functions, etc.)

(2) Securities Management +¥14.7bn

① Securities' income (margins) -¥12.3bn

- Decrease of balance (-¥500.0bn YoY of average balance)
- Shrinking interest margin of foreign bonds (-0.7%p YoY)

② Gains/losses on securities +¥27.7bn

- Gains/losses on sales of securities were not budgeted.

【Market Scenario (Assumption for FY23 Forecast)】

	Policy rate (End of fiscal year)	10 year government bond yield (Annual average)
Japan	- 0.10%	0.60%
U.S.A.	5.00%	3.75%

2. Initiatives for Enhancing Corporate Value

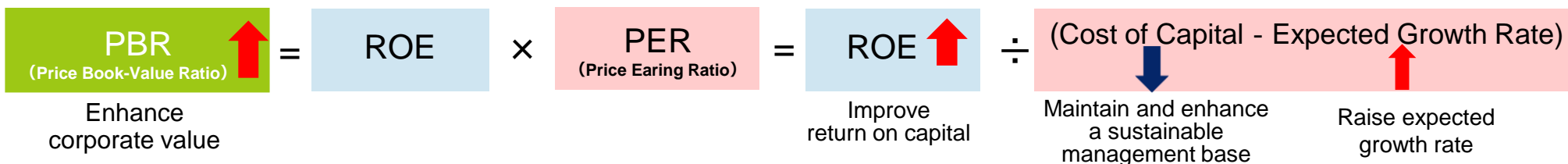
Approach to Enhance Corporate Value

Under the Long-Term Vision 2030, we have set forth three basic strategies “Pursue a business model to support local communities”, “Build a sustainable management base”, and “Develop human resources and promote active participation” in the current Medium-Term Group Business Plan (FY2022-FY2024) to contribute to realize a sustainable local community through new value creation.

The two core subsidiary banks of the group, Joyo Bank and Ashikaga Bank, are both leading banks in each region. We believe that working and growing together with local communities will lead to **“enhance corporate value”**.

● Basic Approach

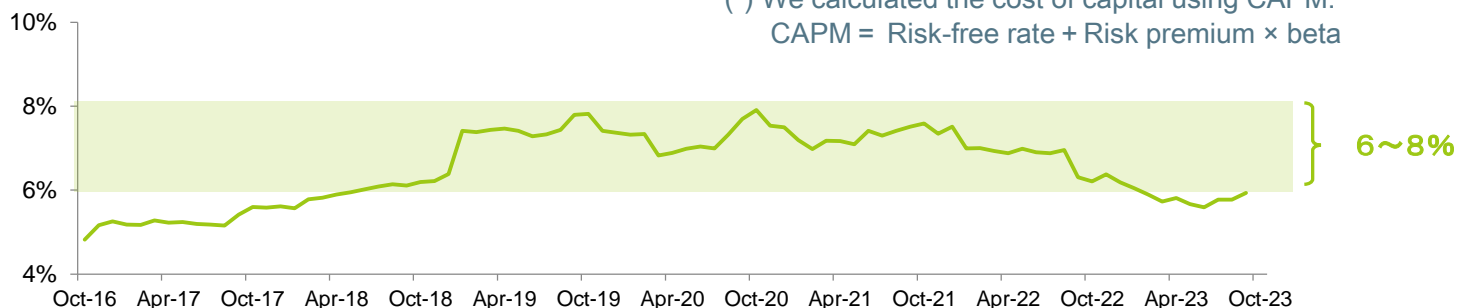
While promoting to improve return on capital and contributing to sustainable local communities through pursuing a business model to support local communities, we aim to maintain / enhance our sustainable management base, raise expected growth rate and **“enhance corporate value”** (improve PBR).



● Definition of Cost of Capital

We recognize our current cost of capital level as 6-8% (*).

<Trend of Cost of Capital>

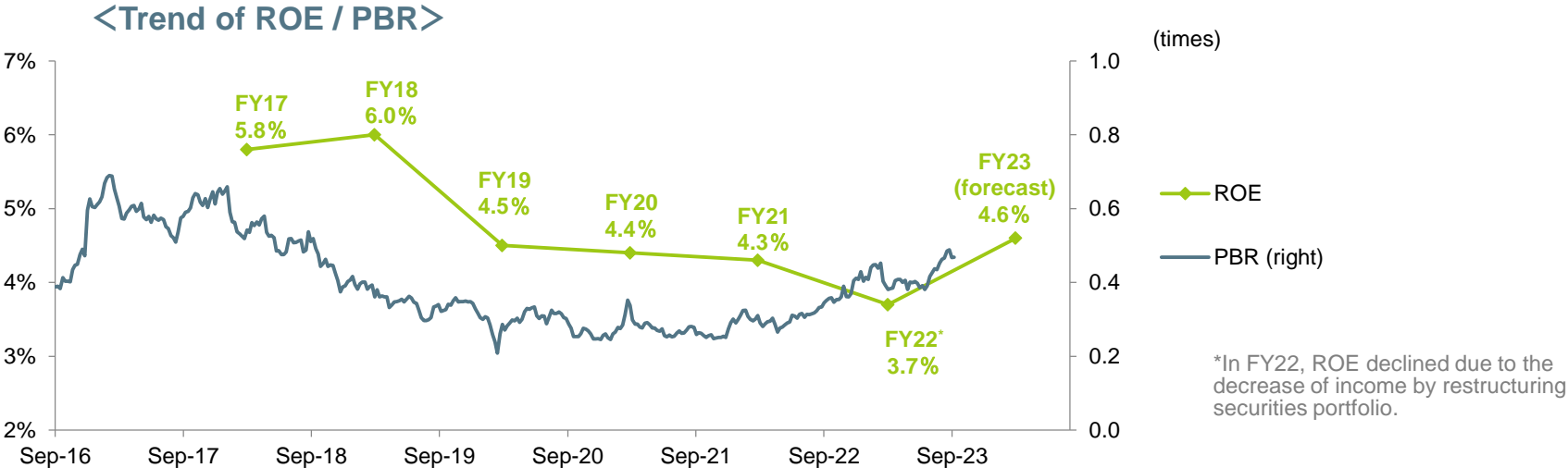


(*) We calculated the cost of capital using CAPM.
CAPM = Risk-free rate + Risk premium × beta

Analysis of Current Situation / Targeted Level of ROE

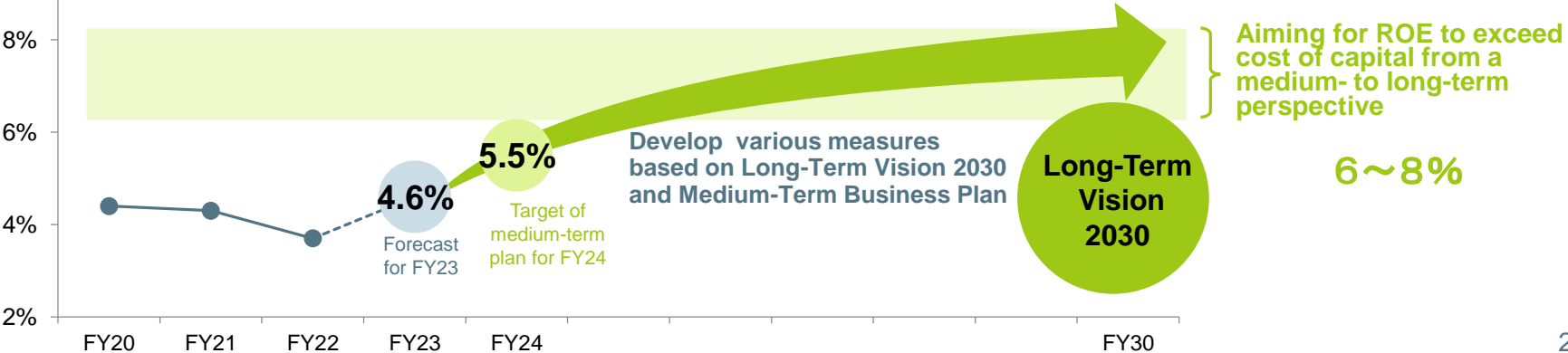
● Analysis of Current Situation

Our ROE (on shareholders equity basis) is expected to be 4.6% in FY2023, and the final year (FY2024) target of the medium-term business plan is 5.5%. The current PBR is 0.47 (stock price : ¥413.7, as of end of Sept., 2023) .



● Medium- to Long-Term Targeted Level of ROE

For PBR to be improved, we will aim for ROE to exceed the level of cost of capital (6-8%) from a medium- to long-term perspective.



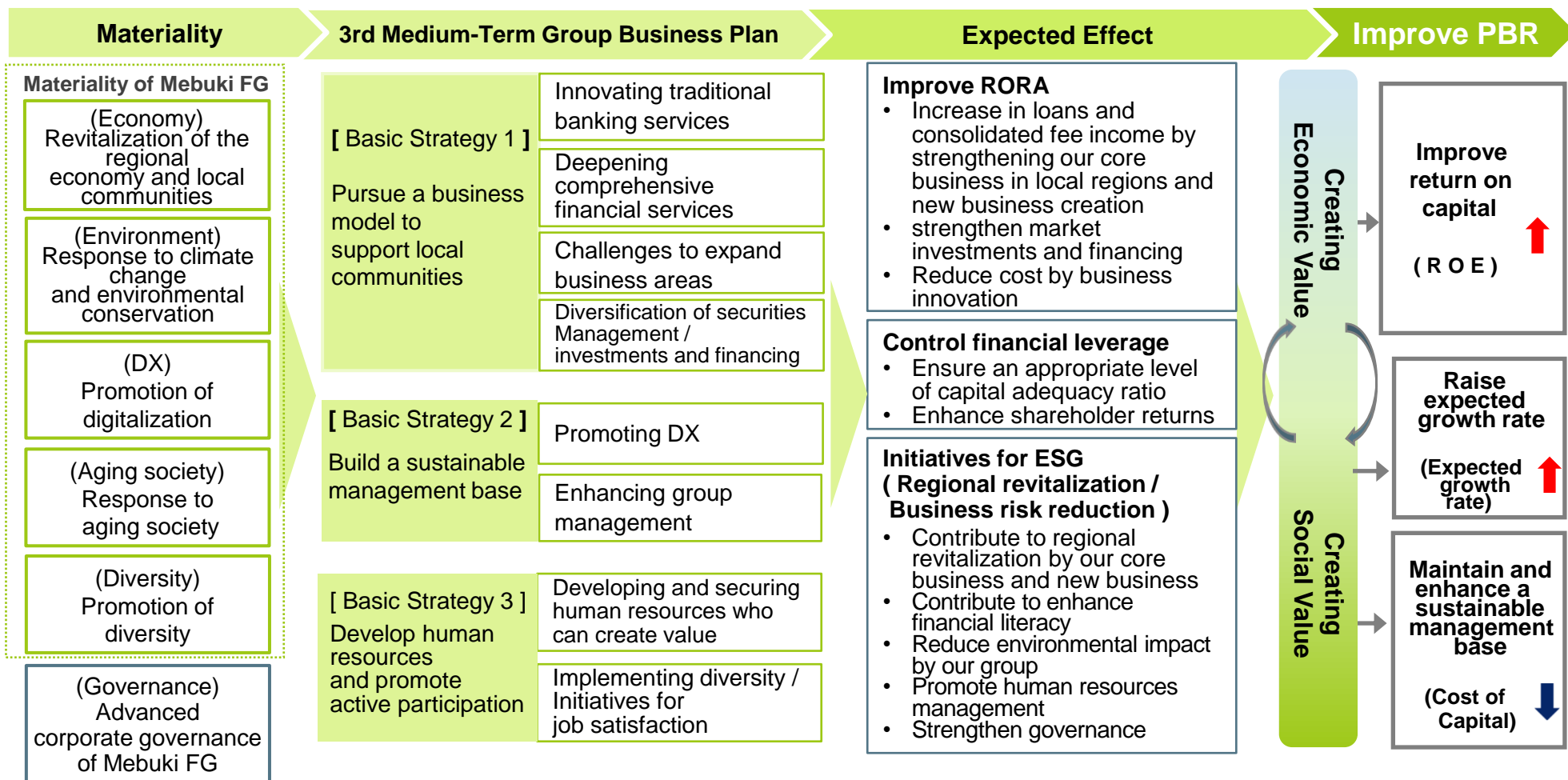
Initiatives for Enhancing Corporate Value

Based on “Long-Term Vision 2030”, “Third Medium-Term Group Business Plan” and “Group Sustainability Policy”, we will enhance to “raise ROE”, “lower the cost of capital” and “raise expected growth rate” through taking initiatives such as **strengthening our core business in local regions, strengthening market investments / financing and enhancing for ESG**, and aim to “**improve PBR = enhance corporate value**”.

Long-Term Vision 2030

[Vision] A Value Creation Group Working Together with Local Communities

[Targeted Level] Consolidated Fee Income Ratio : 50% or more Consolidated Ordinary Profit: ¥100 bn or more



【Data】 Breakdown of Banking subsidiaries

【Data】 Breakdown of Banking subsidiaries

(1) P/L for 1H23

(¥ b n)

	J+A	YoY	Joyo	YoY	Ashikaga	YoY
Gross business profit	74.6	+6.0	39.2	+9.4	35.4	-3.3
(Core Gross business profit)	95.1	-12.7	53.4	-12.7	41.6	-0.0
Net interest income	70.6	-8.1	41.8	-3.2	28.8	-4.8
o/w Gains/losses on Cancellation of Investment trusts	2.3	-0.5	1.5	+0.1	0.8	-0.6
Net fees and commissions	18.6	+0.8	10.2	-0.2	8.3	+1.1
Net other business income and Net trading income	-14.6	+13.3	-12.8	+12.9	-1.7	+0.3
(o/w gains/losses on bond transactions)	-20.4	+18.8	-14.2	+22.1	-6.2	-3.3
Expenses	52.6	+0.4	29.5	+0.3	23.1	+0.0
o/w Personnel expenses	28.7	-0.0	16.2	-0.0	12.4	-0.0
o/w Non-personnel expenses	20.4	+0.5	11.3	+0.4	9.1	+0.1
Net business income (before general allowance for loan losses)	21.9	+5.6	9.6	+9.0	12.2	-3.3
Core net business income	42.4	-13.1	23.9	-13.0	18.5	-0.0
Core net Business Income						
(exclu. Gains/losses on Cancellation of Investment trusts)	40.0	-12.6	22.3	-13.2	17.6	+0.5
(exclu. Gains/losses on "Cancellation of investment trusts", "Futures" and "Options")	36.1	-7.9	22.5	-4.4	13.6	-3.5
Net transfer to general allowance for loan losses (a)	—	+0.9	—	+0.5	-0.5	-0.1
Net business income	21.9	+5.6	9.6	+8.4	12.8	-3.2
Net non-recurrent gains/losses	9.1	-11.0	9.5	-12.2	-1.0	+0.6
o/w Disposal of non-performing loans (b)	-0.2	-5.4	-1.5	-4.3	1.8	-0.5
o/w Gains/losses related to stocks, etc.	8.5	-16.4	7.5	-16.7	1.0	+0.2
Ordinary profit	31.0	-6.3	19.2	-3.7	11.8	-2.5
Extraordinary income/losses	(0.0)	+0.0	(0.1)	-0.0	0.0	+0.0
Net income	21.9	-4.3	13.7	-2.5	8.2	-1.8
Profit from customer services * 1	23.8	+3.2	14.6	+2.2	9.1	+0.9
Credit related costs (a)+(b)	-0.2	-4.4	-1.5	-3.7	1.3	-0.6

*1 Difference of interests between loans and deposits + Fees from Customers + Expenses (-)

(2) Average Yield on Loans(excluding borrowing from special account of MoF)

	FY19	FY20	FY21	FY22	1H23	YoY	1H22
J+A	Domestics	0.99%	0.96%	0.93%	0.91%	0.90%	0.92%
	Overseas	2.67%	1.29%	1.04%	3.02%	4.88%	2.10%
	Total	1.02%	0.96%	0.94%	0.95%	0.97%	0.94%
Joyo	Domestics	0.97%	0.93%	0.91%	0.90%	0.88%	0.90%
	Overseas	2.69%	1.30%	1.05%	3.11%	5.07%	2.15%
	Total	1.01%	0.94%	0.92%	0.96%	1.00%	0.94%
Ashikaga	Domestics	1.02%	0.99%	0.96%	0.93%	0.91%	0.94%
	Overseas	2.48%	1.19%	0.98%	2.23%	3.16%	1.66%
	Total	1.03%	0.99%	0.96%	0.94%	0.92%	0.94%

【Data】 Breakdown of Banking subsidiaries

(3) Loans Term-end Balance

(¥ b n)

		FYE19	FYE20	FYE21	FYE22	Sep-23	YoY	Sep-22
J+A	Individual	4,795.9	4,924.8	5,045.4	5,136.7	5,170.2	+84.8	5,085.4
	Corporate	5,181.3	5,369.6	5,347.4	5,694.8	5,868.0	+431.2	5,436.7
	Public	980.2	983.7	915.9	988.5	893.8	+91.3	802.5
	Total	10,957.5	11,278.1	11,308.8	11,820.1	11,932.1	+607.4	11,324.7
Joyo	Individual	2,624.6	2,687.7	2,740.2	2,786.4	2,798.1	+38.7	2,759.4
	Corporate	3,002.6	3,103.0	3,091.3	3,313.1	3,442.8	+291.3	3,151.4
	Public	612.8	562.7	498.1	548.8	556.4	+88.8	467.6
	Total	6,240.1	6,353.6	6,329.7	6,648.4	6,797.4	+418.9	6,378.5
Ashikaga	Individual	2,171.3	2,237.0	2,305.1	2,350.3	2,372.0	+46.0	2,325.9
	Corporate	2,178.6	2,266.5	2,256.0	2,381.6	2,425.2	+139.9	2,285.3
	Public	367.4	420.9	417.8	439.6	337.3	+2.4	334.9
	Total	4,717.3	4,924.5	4,979.0	5,171.6	5,134.6	+188.4	4,946.2

*Excluding borrowing from special account of MoF

Foreign Currency Denominated Loans

(¥ b n)

		FYE19	FYE20	FYE21	FYE22	Sep-23	YoY	Sep-22
J+A		164.2	162.6	150.6	151.0	155.7	-15.9	171.7
Joyo		146.8	150.0	139.5	140.4	145.4	-12.8	158.3
Ashikaga		17.3	12.6	11.0	10.5	10.2	-3.0	13.3

(4) Loans Individual Housing Related Loans Term-end Balance

(¥ b n)

		FYE19	FYE20	FYE21	FYE22	Sep-23	YoY	Sep-22
J+A	Housing Loans	3,546.5	3,711.7	3,860.8	3,972.9	4,006.7	+91.2	3,915.4
	Apartment Loans	933.6	902.3	871.2	845.2	834.3	-21.5	855.9
	Asset building loans	2.8	2.6	2.4	1.9	1.8	-0.4	2.2
	Total	4,483.0	4,616.7	4,734.5	4,820.2	4,842.8	+69.2	4,773.6
Joyo	Housing Loans	1,719.5	1,809.7	1,889.9	1,955.2	1,971.4	+50.5	1,920.9
	Apartment Loans	748.6	722.8	694.2	672.8	662.9	-18.3	681.2
	Asset building loans	2.8	2.6	2.4	1.9	1.8	-0.4	2.2
	Total	2,471.1	2,535.1	2,586.5	2,630.0	2,636.2	+31.7	2,604.5
Ashikaga	Housing Loans	1,826.9	1,902.0	1,970.9	2,017.6	2,035.2	+40.7	1,994.5
	Apartment Loans	185.0	179.5	177.0	172.4	171.3	-3.2	174.6
	Asset building loans	-	-	-	-	-	-	-
	Total	2,011.9	2,081.5	2,147.9	2,190.1	2,206.6	+37.4	2,169.1

(5) Unsecured Loans Term-end Balance

(¥ b n)

		FYE19	FYE20	FYE21	FYE22	Sep-23	YoY	Sep-22
J+A	Car Loans	52.0	63.3	71.4	79.0	86.3	+12.9	73.4
	Educational Loans	42.5	43.4	45.4	49.3	51.8	+5.4	46.3
	Free Loans	9.8	9.1	9.3	9.7	10.2	+0.7	9.4
	Card Loans	65.4	61.2	62.4	66.0	68.2	+3.9	64.3
	Total	169.9	177.1	188.6	204.2	216.7	+23.1	193.5
Joyo	Car Loans	35.2	45.4	50.6	53.2	55.6	+4.0	51.5
	Educational Loans	34.0	34.3	35.5	38.1	39.7	+3.5	36.1
	Free Loans	3.5	3.6	3.8	4.1	4.2	+0.3	3.9
	Card Loans	26.0	23.7	24.8	26.7	27.7	+1.9	25.8
Total	98.8	107.1	114.8	122.2	127.4	+9.8	117.5	
Ashikaga	Car Loans	16.8	17.8	20.8	25.8	30.7	+8.8	21.8
	Educational Loans	8.5	9.1	9.9	11.2	12.1	+1.9	10.1
	Free Loans	6.2	5.4	5.5	5.6	5.9	+0.4	5.5
	Card Loans	39.4	37.5	37.5	39.2	40.5	+2.0	38.4
Total	71.0	70.0	73.8	82.0	89.3	+13.3	76.0	

(6) Loans Corporate Term-end Balance by Company Size

(¥ b n)

		FYE19	FYE20	FYE21	FYE22	Sep-23	YoY	Sep-22
J+A	Large	1,635.4	1,688.2	1,674.3	1,890.4	1,985.2	+254.3	1,730.8
	Medium/SMEs	3,545.9	3,681.3	3,673.0	3,804.4	3,882.7	+176.9	3,705.8
	Total	5,181.3	5,369.6	5,347.4	5,694.8	5,868.0	+431.2	5,436.7
Joyo	Large	1,165.1	1,220.6	1,206.9	1,338.7	1,397.7	+151.3	1,246.3
	Medium/SMEs	1,837.4	1,882.3	1,884.3	1,974.3	2,045.0	+139.9	1,905.0
	Total	3,002.6	3,103.0	3,091.3	3,313.1	3,442.8	+291.3	3,151.4
Ashikaga	Large	470.2	467.6	467.3	551.6	587.4	+102.9	484.5
	Medium/SMEs	1,708.4	1,798.9	1,788.7	1,830.0	1,837.7	+36.9	1,800.8
	Total	2,178.6	2,266.5	2,256.0	2,381.6	2,425.2	+139.9	2,285.3

(7) Loans Corporate Term-end Balance by Area

(¥ b n)

		FYE19	FYE20	FYE21	FYE22	Sep-23	YoY	Sep-22
J+A	Tokyo	1,967.5	2,021.9	2,009.4	2,235.5	2,341.0	+252.2	2,088.8
	Local	3,213.8	3,347.6	3,337.9	3,459.3	3,526.9	+179.0	3,347.9
	Total	5,181.3	5,369.6	5,347.4	5,694.8	5,868.0	+431.2	5,436.7
Joyo	Tokyo	1,422.6	1,484.1	1,468.9	1,603.1	1,675.5	+155.2	1,520.2
	Local	1,579.9	1,618.9	1,622.4	1,709.9	1,767.2	+136.1	1,631.1
	Total	3,002.6	3,103.0	3,091.3	3,313.1	3,442.8	+291.3	3,151.4
Ashikaga	Tokyo	544.8	537.8	540.5	632.3	665.5	+97.0	568.5
	Local	1,633.8	1,728.7	1,715.5	1,749.3	1,759.6	+42.8	1,716.7
	Total	2,178.6	2,266.5	2,256.0	2,381.6	2,425.2	+139.9	2,285.3

【Data】 Breakdown of Banking subsidiaries

(8) Deposits Term-end Balance

		(¥ b n)						
		FYE19	FYE20	FYE21	FYE22	Sep-23	YoY	Sep-22
J+A	Individual	10,685.0	11,400.1	11,787.3	12,035.1	12,143.2	+218.0	11,925.2
	Corporate	3,364.1	3,887.4	3,953.5	4,009.7	4,163.7	+154.1	4,009.6
	Public	737.3	969.9	1,116.4	1,118.2	812.6	+21.0	791.6
	Total	14,786.5	16,257.4	16,857.3	17,163.1	17,119.7	+393.1	16,726.5
Joyo	Individual	6,633.6	7,053.1	7,272.7	7,412.6	7,473.7	+126.7	7,347.0
	Corporate	1,880.3	2,136.5	2,180.4	2,226.1	2,301.4	+94.8	2,206.6
	Public	459.2	515.8	600.7	612.5	517.8	+9.0	508.8
	Total	8,973.1	9,705.5	10,053.9	10,251.2	10,293.0	+230.5	10,062.5
Ashikaga	Individual	4,051.4	4,346.9	4,514.5	4,622.5	4,669.5	+91.2	4,578.2
	Corporate	1,483.8	1,750.8	1,773.1	1,783.5	1,862.2	+59.2	1,803.0
	Public	278.1	454.1	515.7	505.7	294.7	+12.0	282.7
	Total	5,813.4	6,551.9	6,803.3	6,911.8	6,826.6	+162.6	6,664.0

Foreign Currency Deposit

		(¥ b n)						
		FYE19	FYE20	FYE21	FYE22	Sep-23	YoY	Sep-22
J+A		219.7	180.0	168.2	96.5	117.5	-42.9	160.4
Joyo		176.4	151.9	139.6	76.1	100.2	-38.9	139.2
Ashikaga		43.2	28.0	28.5	20.3	17.2	-3.9	21.2

(9) Customer Assets under Custody Balance

		(¥ b n)						
		FYE19	FYE20	FYE21	FYE22	Sep-23	YoY	Sep-22
Group total	Investment trusts	463.7	547.7	632.5	654.0	710.9	+99.0	611.9
	Insurance	812.6	829.0	858.5	884.0	930.8	+47.4	883.3
	Foreign currency deposits	166.1	146.0	131.1	91.1	110.3	-17.1	127.5
	JGB etc.	156.2	162.4	154.5	131.7	127.3	-18.8	146.1
	Mebuki Securities	282.0	343.4	429.5	414.2	384.8	-55.2	440.1
	Total	1,880.9	2,028.7	2,206.3	2,175.1	2,264.4	+55.1	2,209.2
Joyo	Investment trusts	214.7	249.8	302.6	318.7	333.7	+39.7	293.9
	Insurance	471.9	488.5	511.5	519.7	539.1	+19.9	519.2
	Foreign currency deposits	122.9	117.9	102.6	70.7	93.0	-13.2	106.3
	JGB etc.	104.1	108.2	102.7	88.4	82.7	-14.7	97.4
	Total	913.8	964.6	1,019.4	997.7	1,048.7	+31.6	1,017.0
Ashikaga	Investment trusts	249.0	297.8	329.8	335.2	377.2	+59.2	317.9
	Insurance	340.6	340.5	347.0	364.3	391.6	+27.5	364.1
	Foreign currency deposits	43.2	28.0	28.5	20.3	17.2	-3.9	21.2
	JGB etc.	52.1	54.2	51.7	43.2	44.6	-4.0	48.7
	Total	685.0	720.6	757.3	763.1	830.8	+78.8	752.0

(10) Customer Assets under Custody Commissions

		(¥ b n)						
		FY19	FY20	FY21	FY22	1H23	YoY	1H22
Group Total	Investment trusts(*1)	5.91	6.22	7.93	6.52	3.75	+0.42	3.33
	Insurance(*2)	4.26	3.25	3.25	5.59	2.42	-0.05	2.48
	Foreign currency deposits	0.68	0.55	0.61	0.68	0.22	-0.16	0.39
	JGB etc.	0.08	0.06	0.01	0.04	0.02	+0.01	0.01
	Financial instrument intermediary service	0.72	1.13	1.19	0.57	0.36	-0.09	0.45
Joyo	Mebuki Securities	2.98	3.70	3.87	1.98	1.20	-0.18	1.39
	Total	14.66	14.93	16.90	15.41	8.00	-0.07	8.07
	Investment trusts(*1)	2.83	2.93	4.10	3.32	1.77	+0.14	1.62
	Insurance(*2)	2.61	2.06	2.00	3.53	1.40	-0.14	1.54
	Foreign currency deposits	0.50	0.39	0.39	0.39	0.15	-0.05	0.20
Ashikaga	JGB etc.	0.05	0.05	0.01	0.02	0.01	+0.00	0.01
	Financial instrument intermediary service	0.43	0.75	0.89	0.46	0.34	-0.03	0.37
	Total	6.44	6.20	7.41	7.74	3.69	-0.07	3.76
	Investment trusts(*1)	3.08	3.29	3.83	3.20	1.98	+0.27	1.70
	Insurance(*2)	1.64	1.18	1.25	2.06	1.02	+0.08	0.94
Ashikaga	Foreign currency deposits	0.18	0.15	0.22	0.28	0.07	-0.11	0.18
	JGB etc.	0.02	0.01	0.00	0.01	0.00	+0.00	0.00
	Financial instrument intermediary service	0.29	0.38	0.29	0.10	0.02	-0.05	0.08
	Total	5.22	5.02	5.61	5.68	3.10	+0.19	2.91

* 1 : Sales commission+ Trust fee

* 2 : Excl. executive life insurance

(11) Fees from Corporate Customers

		(¥ b n)						
		FY19	FY20	FY21	FY22	1H23	YoY	1H22
J+A	Credit Related	8.20	7.55	8.15	10.87	5.21	+0.16	5.04
	Consulting Related	1.44	1.88	3.29	3.72	1.98	+0.29	1.68
	total	9.65	9.44	11.44	14.59	7.19	+0.46	6.72
Joyo	Credit Related	4.24	4.03	4.71	6.70	3.02	-0.02	3.05
	Consulting Related	0.80	1.18	2.14	2.02	1.04	+0.06	0.98
	total	5.05	5.21	6.86	8.73	4.07	+0.04	4.03
Ashikaga	Credit Related	3.95	3.52	3.43	4.17	2.18	+0.19	1.99
	Consulting Related	0.64	0.70	1.14	1.69	0.93	+0.23	0.70
	total	4.60	4.22	4.57	5.86	3.12	+0.42	2.69

*1 Including Delivative CVA

【Data】 Breakdown of Banking subsidiaries

(12) Securities Balance(Balance Sheet Amount) (¥ b n)

		FYE19	FYE20	FYE21	FYE22	Sep-23	YoY
Mebuki FG (Consolidated)	Domestic bonds	2,359.4	2,510.6	2,745.1	2,205.9	2,067.4	-138.4
	Foreign bonds	831.6	959.5	967.3	622.8	728.1	+105.3
	Stocks	226.0	265.8	254.1	211.3	245.0	+33.7
	Investment trusts, etc.	658.9	597.2	715.5	622.2	599.3	-22.9
	Total	4,076.1	4,333.2	4,682.3	3,662.3	3,639.9	-22.3
Joyo	Domestic bonds	1,746.7	1,822.0	2,002.5	1,438.8	1,375.7	-63.0
	Foreign bonds	505.3	595.5	597.9	319.1	383.9	+64.8
	Stocks	197.2	233.1	226.8	183.8	210.9	+27.0
	Investment trusts, etc.	388.1	373.9	439.9	401.3	386.0	-15.3
	Total	2,837.4	3,024.6	3,267.3	2,343.1	2,356.6	+13.5
Ashikaga	Domestic bonds	600.3	679.1	734.1	758.0	683.1	-74.9
	Foreign bonds	326.3	364.0	369.3	303.7	344.2	+40.4
	Stocks	64.2	39.1	33.6	34.4	39.9	+5.5
	Investment trusts, etc.	266.7	219.1	271.5	216.5	209.0	-7.5
	Total	1,257.5	1,301.5	1,408.8	1,312.7	1,276.3	-36.3

(13) Securities Unrealized Valuation Gains/Losses on Available for Sale Securities (¥ b n)

		FYE19	FYE20	FYE21	FYE22	Sep-23	YoY
Mebuki FG (Consolidated)	Stocks	9.2	2.4	-21.3	-34.4	-50.0	-15.6
	Domestic bonds	24.3	35.6	-14.2	-13.9	-32.7	-18.8
	Investment trusts, etc.	86.9	139.4	131.5	101.7	126.4	+24.7
	Foreign bonds	-21.3	33.1	32.9	-28.4	-25.1	+3.2
	Total	99.1	210.7	128.9	24.9	18.5	-6.4
Joyo	Stocks	9.0	3.0	-16.3	-19.2	-30.2	-11.0
	Domestic bonds	12.8	15.0	-12.8	-5.7	-12.1	-6.4
	Investment trusts, etc.	85.1	127.5	123.6	91.5	109.8	+18.2
	Foreign bonds	-8.3	26.0	27.4	-15.2	-14.4	+0.8
	Total	98.7	171.7	122.0	51.2	52.9	+1.7
Ashikaga	Stocks	11.5	8.5	1.9	-10.1	-15.6	-5.4
	Domestic bonds	13.8	22.4	-0.1	-8.0	-20.5	-12.5
	Investment trusts, etc.	20.8	25.0	21.0	22.1	28.7	+6.5
	Foreign bonds	-10.6	8.5	6.7	-11.8	-9.3	+2.4
	Total	35.6	64.5	29.7	-7.8	-16.8	-8.9

(14) Gains/Losses on Securities (¥ b n)

		FY19	FY20	FY21	FY22	1H23	YoY	1H22
J+A	Domestic bonds	-2.0	-6.2	-7.1	-87.3	-20.4	+18.8	-39.2
	Stocks	0.4	10.0	3.5	45.0	8.5	-16.4	25.0
	Investment trusts, etc.	7.3	6.8	1.7	7.1	2.3	-0.5	2.9
	Total	5.6	10.6	-1.8	-35.1	-9.5	+1.8	-11.3
	Joyo	Domestic bonds	-0.9	-3.9	-4.8	-72.6	-14.2	+22.1
Stocks		0.6	9.1	3.5	43.9	7.5	-16.7	24.2
Investment trusts, etc.		5.2	4.9	1.7	5.0	1.5	+0.1	1.4
Total		4.8	10.1	0.4	-23.6	-5.1	+5.5	-10.6
Ashikaga		Domestic bonds	-1.1	-2.3	-2.2	-14.7	-6.2	-3.3
	Stocks	-0.1	0.9	0.0	1.1	1.0	+0.2	0.7
	Investment trusts, etc.	2.0	1.9	0.0	2.1	0.8	-0.6	1.4
	Total	0.8	0.4	-2.3	-11.4	-4.3	-3.6	-0.7

(15) Foreign Bonds (\$million, €million, million of Australia dollars, ¥bn)

Currency	Interest rate type	Securities type	FYE21	FYE22	Sep-23	YoY	1H23 gains/losses	
U.S. dollar	Fixed	Government, Government-guaranteed bonds, etc	1,844	750	983	+232	(32)	
		Corporate bonds, etc	2,691	2,392	2,035	-356		
	Floating	CLO/Government-guaranteed bonds, etc	1,095	1,386	1,846	+460		
		Sub Total	5,631	4,529	4,865	+336		
Euro	Fixed	Government, Government-guaranteed bonds, etc	1,815	0	0	±0	0	
		Corporate bonds, etc	161	96	49	-46		
	Yen ^(*)	Fixed	Corporate bonds, etc	28.1	24.0	28.2		+4.1
			Sub Total	3,050	2,197	2,433		+235
U.S. dollar	Fixed	Government, Government-guaranteed bonds, etc	1,389	544	726	+181	(17)	
		Corporate bonds, etc	564	266	219	-47		
	Floating	CLO/Government-guaranteed bonds, etc	1,095	1,386	1,487	+100		
		Sub Total	3,050	2,197	2,433	+235		
Euro	Fixed	Government, Government-guaranteed bonds, etc	1,429	0	0	±0	0	
		Corporate bonds, etc	161	96	49	-46		
	Yen ^(*)	Fixed	Corporate bonds, etc	27.2	23.1	27.3		+4.1
			Sub Total	2,581	2,331	2,432		+101
U.S. dollar	Fixed	Government, Government-guaranteed bonds, etc	454	205	256	+51	(15)	
		Corporate bonds, etc	2,126	2,125	1,816	-309		
	Floating	CLO/Government-guaranteed bonds, etc	0	0	359	+359		
		Sub Total	2,581	2,331	2,432	+101		
Euro	Fixed	Government, Government-guaranteed bonds, etc	385	0	0	±0	0	
		Corporate bonds, etc	0	0	0	±0		
	Yen ^(*)	Fixed	Corporate bonds, etc	0.9	0.9	0.9		±0.0
			Sub Total	0.9	0.9	0.9		±0.0

(*1)All Yen denominated foreign bonds are regarded as fixed bonds.

【Data】 Breakdown of Banking subsidiaries

		FYE19	FYE20	FYE21	FYE22	Sep-23	YoY	
J+A	Balance	239.1	268.4	225.2	184.8	197.9	13.0	
Joyo	Balance	204.0	229.1	191.9	150.9	158.4	7.5	
Ashikaga	Balance	35.1	39.3	33.3	33.9	39.4	5.5	

		FY19	FY20	FY21	FY22	1H23	YoY	1H22
J+A	Personnel	61.2	59.9	58.2	57.2	28.7	-0.0	28.7
	Non-Personnel	46.7	43.4	43.4	40.0	20.4	+0.5	19.9
	Taxes	7.0	6.8	6.5	6.0	3.4	-0.0	3.5
	Total	115.0	110.1	108.1	103.3	52.6	+0.4	52.2
Joyo	Personnel	33.5	33.2	32.7	32.2	16.2	-0.0	16.2
	Non-Personnel	26.8	24.7	24.1	22.0	11.3	+0.4	10.9
	Taxes	3.8	3.7	3.6	3.3	1.9	-0.0	2.0
	Total	64.2	61.7	60.5	57.6	29.5	+0.3	29.1
Ashikaga	Personnel	27.6	26.6	25.4	24.9	12.4	-0.0	12.5
	Non-Personnel	19.9	18.6	19.2	18.0	9.1	+0.1	8.9
	Taxes	3.1	3.0	2.9	2.6	1.5	-0.0	1.5
	Total	50.7	48.4	47.6	45.6	23.1	+0.0	23.0

		FY19	FY20	FY21	FY22	1H23	YoY	1H22
J+A		19.0	22.4	19.6	9.1	-0.2	-4.4	4.1
Joyo		10.1	12.0	9.8	5.0	-1.5	-3.7	2.1
Ashikaga		8.8	10.3	9.7	4.0	1.3	-0.6	1.9

		FYE19	FYE20	FYE21	FYE22	Sep-23	YoY	
J+A	Bankrupt claims	12.7	10.3	13.8	12.5	12.4	-0.1	
	Doubtful claims	129.0	143.2	151.1	153.0	151.8	-1.1	
	Claims requiring monitoring	27.9	27.4	27.6	31.5	32.2	+0.7	
	(Loans past due 3 month or more)	-	0.1	0.0	0.2	0.1	-0.0	
	(Restructured loans)	-	27.3	27.5	31.3	32.1	+0.8	
	Total	169.8	181.0	192.6	197.1	196.5	-0.5	
Joyo	Bankrupt claims	5.7	5.5	5.4	5.1	4.2	-0.9	
	Doubtful claims	69.9	78.0	86.5	84.8	83.7	-1.0	
	Claims requiring monitoring	12.5	13.0	13.3	12.1	11.2	-0.8	
	(Loans past due 3 month or more)	-	0.0	0.0	0.0	0.0	+0.0	
	(Restructured loans)	-	13.0	13.2	12.0	11.1	-0.8	
	Total	88.2	96.7	105.2	102.1	99.3	-2.8	
Ashikaga	Bankrupt claims	5.8	4.0	7.7	6.7	7.6	+0.9	
	Doubtful claims	59.0	65.0	64.6	68.1	68.0	-0.0	
	Claims requiring monitoring	15.4	14.4	14.2	19.4	20.9	+1.5	
	(Loans past due 3 month or more)	-	0.0	0.0	0.1	0.0	-0.1	
	(Restructured loans)	-	14.3	14.2	19.2	20.9	+1.6	
	Total	80.2	83.5	86.7	94.2	96.6	+2.4	

		FYE19	FYE20	FYE21	FYE22	Sep-23	YoY	Sep-22
J+A		1.2	2.0	1.3	1.0	1.1	-0.2	1.4
Joyo		0.3	0.0	0.8	0.7	0.9	-0.1	1.0
Ashikaga		0.9	2.0	0.5	0.2	0.2	-0.0	0.3

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