

Mebuki Financial Group, Inc.

# Financial Results for the First Quarter of FY2023 (IR Presentation Material)



## 1 Financial Results for 1Q23 / Forecast for FY23

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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 the First Quarter of FY 2023 Forecast for FY 2023

## Results for 1Q23

		Results for 1Q23	YoY Change	Progress
Profit from customer services <sup>*1</sup>		¥11.0bn	+¥1.3bn	-
Securities Income		¥7.1bn	-¥6.2bn	-
Core net business income <sup>*2</sup>	(Banks' total)	¥18.2bn	-¥4.8bn	-
Credit related costs		-¥0.1bn	-¥0.3bn	-
Gains/losses on securities <sup>*3</sup>		¥2.5bn	+¥4.9bn	-
Net income attributable to owners of the parent	(Consolidated )	¥15.6bn	+¥0.2bn	39.0%

- Profit from customer services<sup>\*1</sup>, the core business, maintained increasing trend mainly due to the increase of deference of interests between loans and deposits.
- Credit related costs remained stable and net income attributable to owners of the parent increased from the previous year.
- As for investments in securities, although securities income (interest margin) decreased due to an increase in foreign currencies funding cost, we reduced a portion of our securities portfolio and recorded a gain on the sale of securities based on rising domestic stock market conditions, etc.

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

## 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

# Main Points of 1Q23 Financial Results

Financial Results / Forecast

Details

Medium-term Plan / Sustainability

(¥bn)

【Mebuki FG (Consolidated)】	1Q23 Results		
	1Q23 Results	YoY Chg	Progress
Gross Business profit	44.5	6.8	-
Net interest income	35.9	-5.3	-
(o/w Deference of interests between loans and deposits)	(28.1)	(+1.9)	-
Net fees and commissions	11.2	+0.3	-
Net trading income	0.1	-0.6	-
Net other business income	-2.8	12.5	-
Expenses	27.1	-0.0	-
Credit related cost	0.4	-0.1	-
Gains/losses related to stocks	4.6	-6.5	-
Ordinary profit	22.0	+0.3	38.4%
Extraordinary income/losses	0.0	-0.0	-
<b>Net income attributable to owners of the parent</b>	<b>15.6</b>	<b>+0.2</b>	<b>39.0%</b>

	1Q23 Results	
	1Q23 Results	YoY
Bank Total Net income (a)	14.9	+0.2
Group Companies Net income (b)	1.1	-0.2
Mebuki Lease	0.2	-0.0
Mebuki Securities	0.1	-0.1
Mebuki Credit Guarantee	0.5	-0.0
Mebuki Card	0.1	-0.0
Total of banking subsidiaries	0.0	+0.0
Consolidation Adjustment*1 (c)	-0.4	+0.2
<b>Net income attributable to owners of the parent (a)+(b)+(c)</b>	<b>15.6</b>	<b>+0.2</b>

\*1 Adjustments related to securities, etc.

## 【Joyo + Ashikaga (Non-consolidated)】

(¥bn)

	1Q23 Results	YoY chg	Progress
Gross business profit	42.6	+6.7	-
Net interest income	36.3	-5.6	-
(o/w Gains/losses on cancellation of investment trusts)(1)	(1.2)	(-1.3)	-
Net interest income (excl. Gains/losses on cancellation of investment trusts)	35.0	-4.2	-
(o/w Deference of interests between loans and deposits)(2)	(27.8)	(+1.9)	-
(o/w Securities Income)	(7.1)	(-6.2)	-
Net fees and commissions(3)	9.0	-0.1	-
Net other business income	-2.7	+12.5	-
(o/w gains/losses on bond transactions) (4)	(-7.5)	(+8.3)	-
(o/w gains/losses on futures and options) (5)	(4.0)	(+4.5)	-
(o/w other income related to customers) (6)	(0.7)	(-0.3)	-
Expenses(7)	26.6	+0.1	-
Net business income (before general allowance for loan losses)	16.0	+6.6	-
Core net business income (excl. gains/losses on cancellation of investment trusts)	23.6	-1.7	-
(excl. gains/losses on cancellation of investment trusts)	22.3	-0.3	-
<b>Core net business income (excl. gains/losses on cancellation of investment trusts and futures and options)</b>	<b>18.2</b>	<b>-4.8</b>	<b>-</b>
Net transfer to general allowance for loan losses (8)	-	-	-
Net business income	16.0	+6.6	-
Net non-recurrent gains/losses	4.9	-6.3	-
(o/w Disposal of non-performing loans (9))	(-0.1)	(-0.3)	-
(o/w Gains/losses related to stocks, etc. (10))	(4.6)	(-6.5)	-
Ordinary profit	21.0	+0.3	38.2%
Extraordinary income/losses	0.0	-0.0	-
<b>Net income</b>	<b>14.9</b>	<b>+0.2</b>	<b>38.8%</b>
Profit from customer services (2)+(3)+(6)-(7)	11.0	+1.3	-
Credit related cost (8)+(9)	-0.1	-0.3	-
Gains/losses on securities (1)+(4)+(5)+(10)	2.5	+4.9	-

# Change of Ordinary Profit (Bank Total)

Ordinary profit (bank total) increased by ¥0.3bn.

Profit from customer services, the core business, increased by ¥1.3bn driven by the increase of deference of interests between yen and foreign currency denominated loans and deposits.

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

## Profit from customer services\*1

**+¥1.3 bn YoY**



1Q22

1Q23

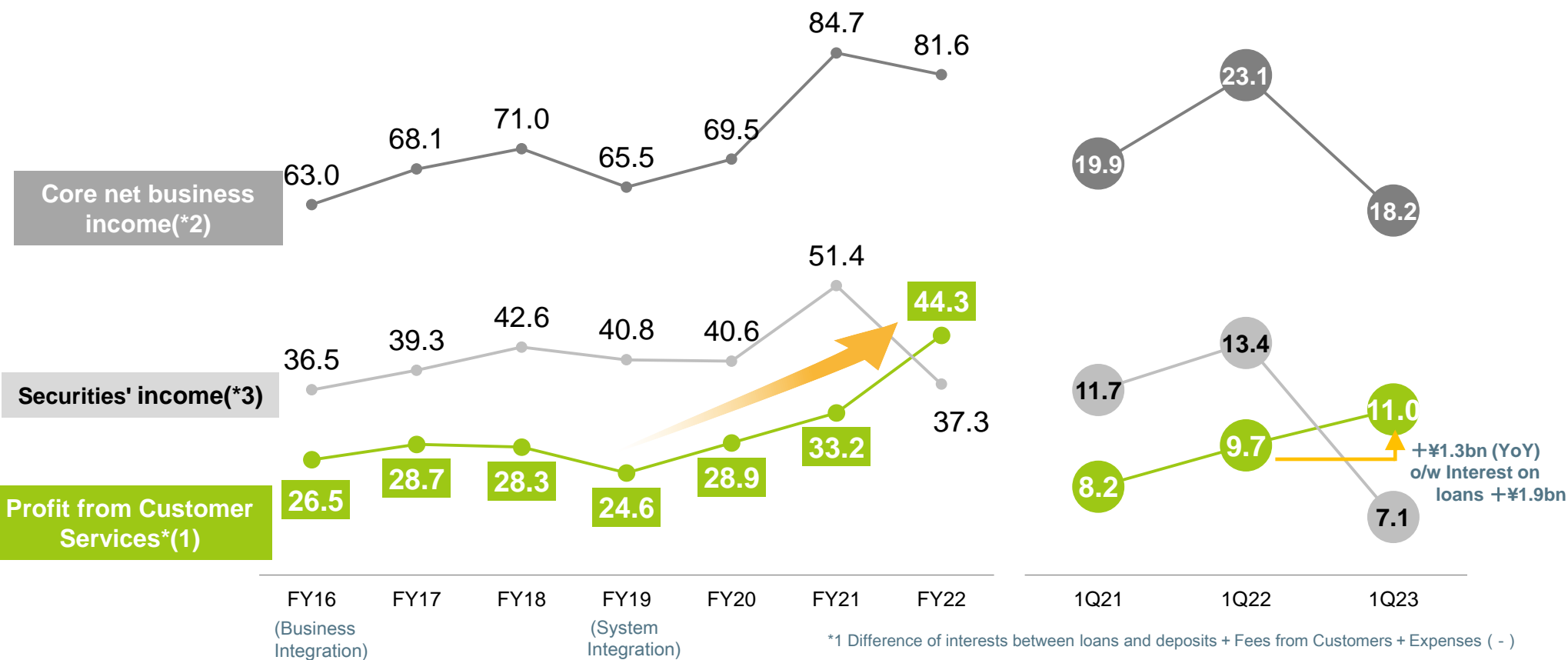
\*1 Difference of interests between loans and deposits + Fees from Customers + Expenses (-)

\*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 quarter of FY23, it increased + ¥ 1.3bn 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)



\*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

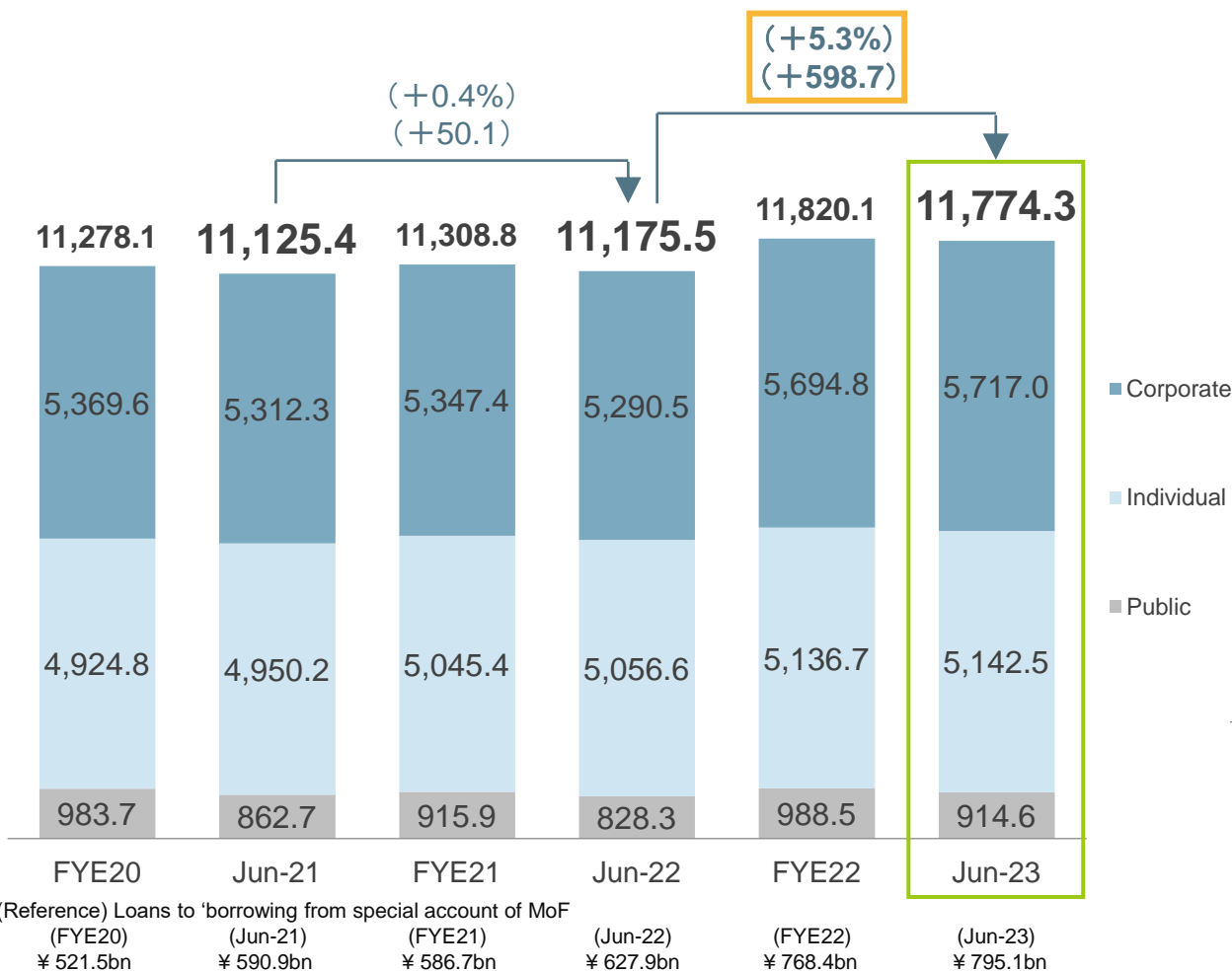
# Loans Term-end Balance

Amount of loans increased by ¥598.7bn YoY.

The growth rate of loans was +5.3%, up from +0.4% in the previous year. It was led by loans to corporate and public sectors (excluding for MOF).

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

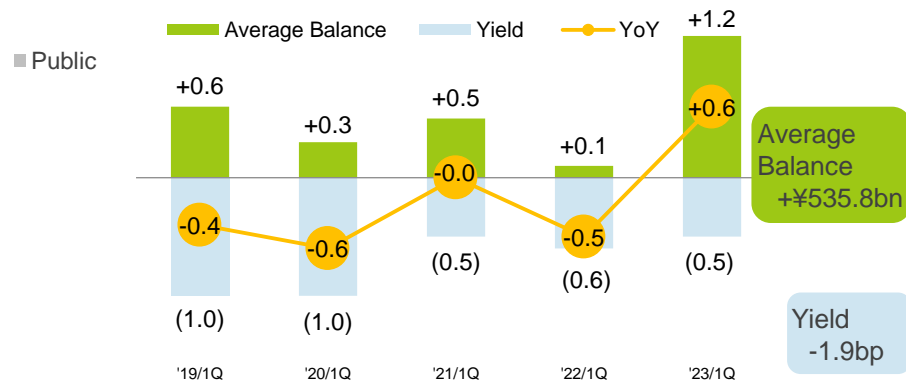
\* Not including borrowing from special account of MoF



## Year on Year Changes (¥bn)

	Jun-21	Jun-22	Jun-23
<b>Total</b>	+74.0 +0.6%	+50.1 +0.4%	+598.7 +5.3%
<b>Corporate</b>	-13.0 -0.2%	-21.8 -0.4%	+426.5 +8.0%
<b>Individual</b>	+146.2 +3.0%	+106.4 +2.1%	+85.9 +1.6%
<b>Public</b>	-59.1 -6.4%	-34.4 -3.9%	+86.3 +10.4%

## (Reference) Change in Factors of Domestic Loans

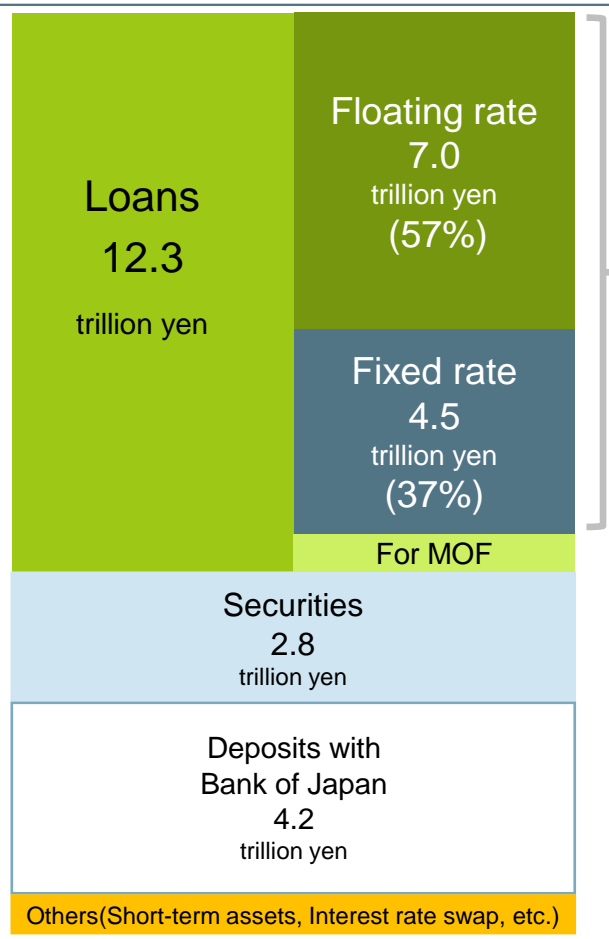




# Impact of Rising Yen Interest Rates on Interests on Loans

Floating rate yen-denominated loans account for about 60% of total yen-denominated loans. Changes in BOJ monetary policy, such as the revision of YCC and the termination of negative interest rates, are expected to have a positive impact on our net interest income in the domestic sector.

## Status of Yen-denominated Assets (as of end of Jun.2023)



Total Assets 19.5 trillion yen

### Floating Rate Loans

Base rate	Balance (composition)
Short-term Prime-linked rate (General loans / Housing loans, etc.)	5.3 trillion yen (76%)
Market-linked rate (TIBOR, etc.)	1.7 trillion yen (24%)

### Fixed Rate Loans

Maturity	Balance (composition)
Less than 1 year	0.7 trillion yen (17%)
Over 1-3 years	1.2 trillion yen (27%)
Over 3-5 years	1.0 trillion yen (24%)
Over 5 years	1.4 trillion yen (32%)

### Simulation of Interest on loans

(¥bn)

Assumed Interest Rate Scenario	Revision / Releases of YCC	Termination of Negative Interest Rate	Lifting of Zero Interest Rate
Impact on interest	+0.5	+2.5	+6.0
Floating rate loans *1	—	+1.5	+3.5
Fixed rate loans *2	+0.5	+1.0	+2.5

\*1 Interest income will increase due to the renewal of applicable interest rate linked to market.

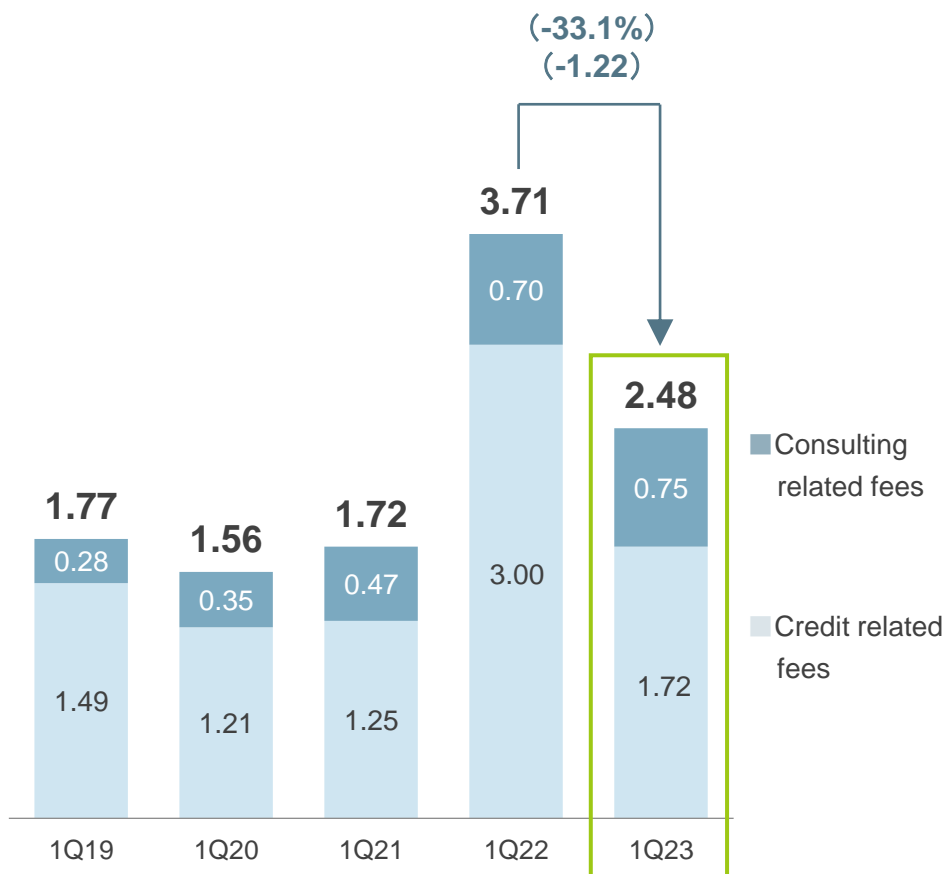
\*2 Interest income will increase due to the interest rate renewal at the time of re-disbursements (returning) of loans.

# Fees from Corporate Customers (1)

Fees from corporate customers decreased by - ¥1.2bn YoY (-33.1% annualized), but remained at the previous year's level after considering CVA (Credit Valuation Adjustment).

Although there was a reactionary decline in derivative transactions to hedge risks in response to fluctuations in the financial markets such as foreign exchange and interest rates, we have increased syndicated loans and enhanced support for business matching and business planning for expanding supply chain and digitalization for customers.

Joyo Bank + Ashikaga Bank (¥bn)



## < Breakdown of Fees from Corporate customers >

	1Q21	1Q22	1Q23	YoY
<b>Credit related (1)</b>	<b>1.25</b>	<b>3.00</b>	<b>1.72</b>	<b>-1.28</b>
Derivatives	0.24	1.76	0.45	-1.31
Syndicate loans	0.74	0.97	1.06	+0.09
Private placement bonds	0.25	0.26	0.20	-0.06
<b>Consulting related (2)</b>	<b>0.47</b>	<b>0.70</b>	<b>0.75</b>	<b>+0.05</b>
Business Matching	0.15	0.24	0.26	+0.01
Support for business planning	0.10	0.19	0.34	+0.15
M&A	0.07	0.12	0.02	-0.10
Executive Insurance	0.10	0.10	0.08	-0.01
Trust · 401K	0.04	0.03	0.03	+0.00
<b>Total ( (1)+(2) )</b>	<b>1.72</b>	<b>3.71</b>	<b>2.48</b>	<b>-1.22</b>
<b>Total (including derivative CVA*1)</b>	<b>1.72</b>	<b>2.52</b>	<b>2.47</b>	<b>-0.05</b>

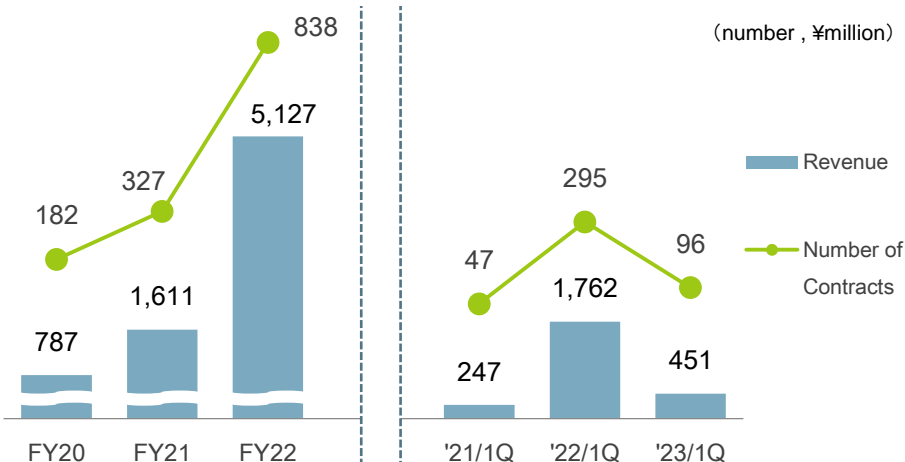
\*1 CVA is an abbreviation for Credit Valuation Adjustment, which reflects the credit risk of counterparties in derivative transactions in the market value.

# Fees from Corporate Customers (2)

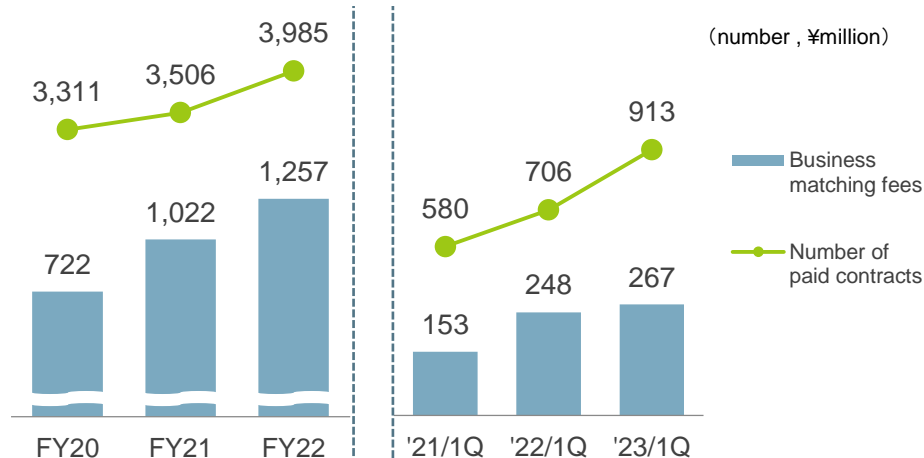
We share management issues with our customers through escorted support in corporation with head office and branches.

We support customer's sustainable growth to provide various solutions including non-financial services.

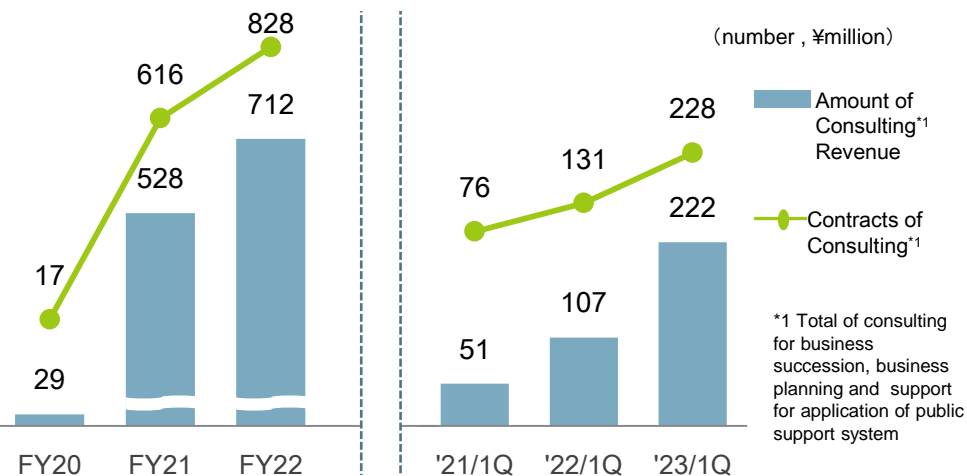
## Derivatives



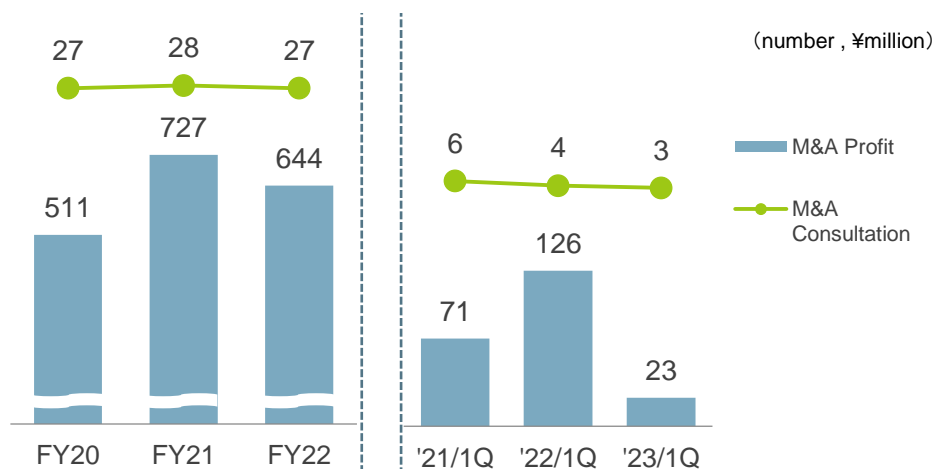
## Business Matching



## Support for Business Planning / Consulting for Business Succession



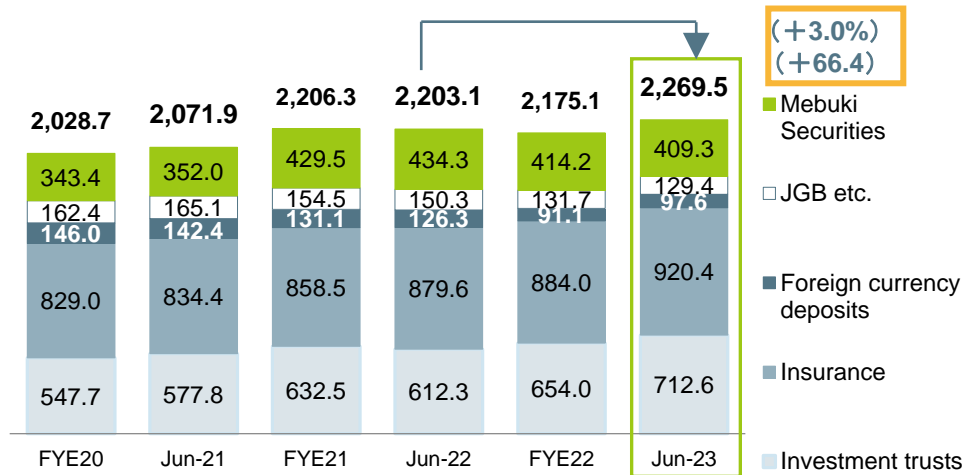
## M&A Consultations



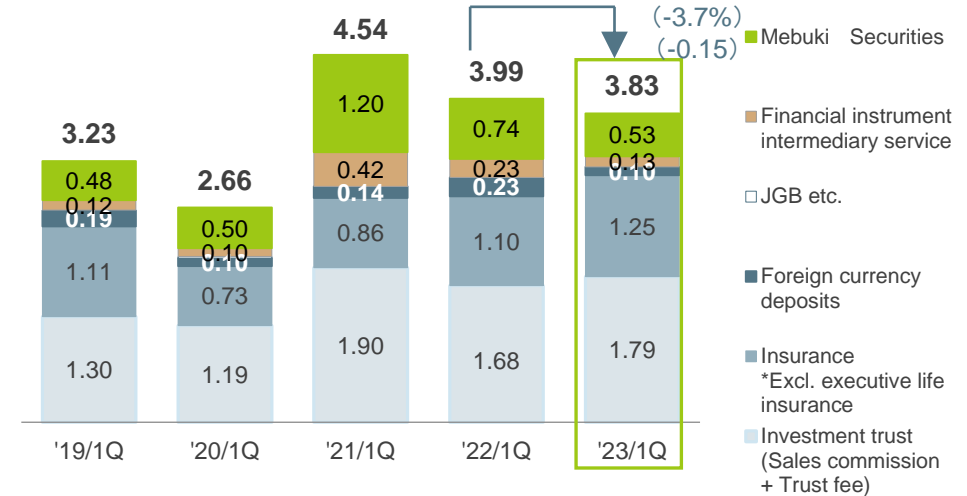
# Customer Assets under Custody

Balance of customer assets under custody increased by ¥66.4bn YoY (+3.0% annualized) due to the increase mainly in investment trusts and insurance. We aim to expand our customer base by promoting the acquisition of current NISA and strengthening investment proposals to working-age customers.

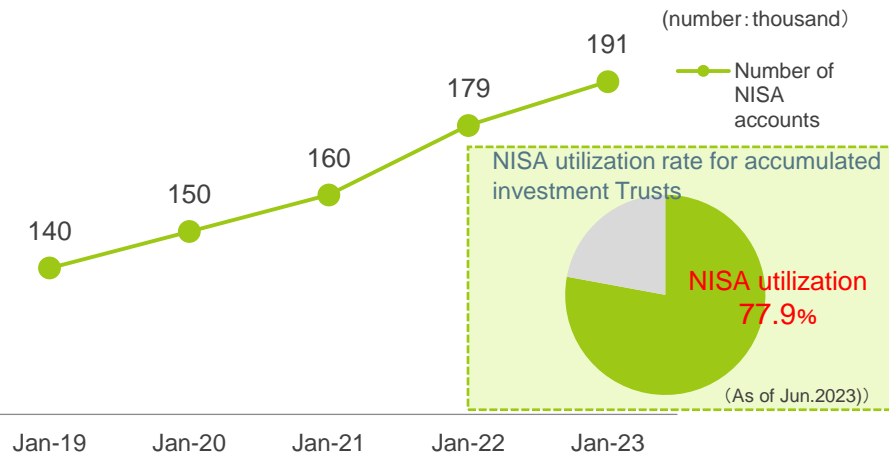
Balance (Bank Total + Mebuki Securities) (¥bn)



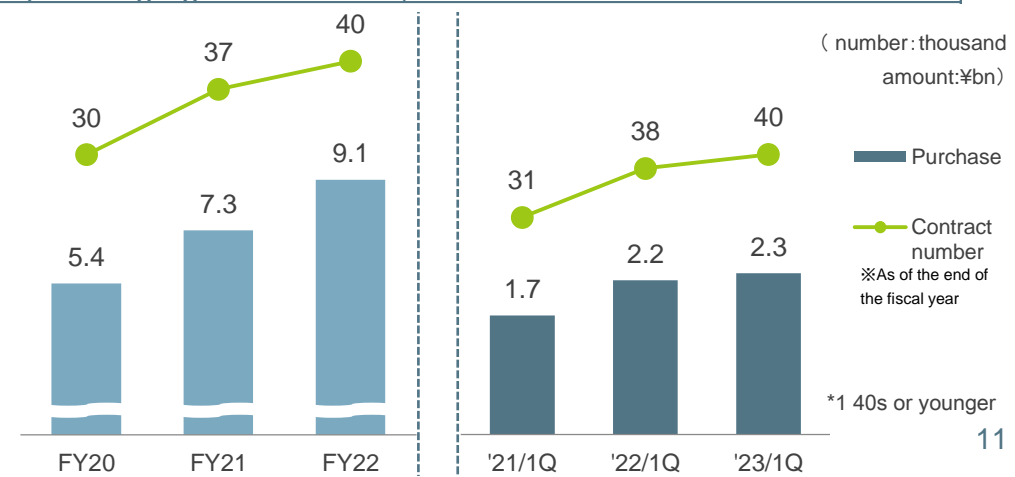
Commissions (Bank Total + Mebuki Securities) (¥bn)



Number of NISA accounts (Bank Total) (¥bn)



Purchase of Accumulated Investment Trusts by working-age customers\*1 (Bank Total) (¥bn)



\*1 40s or younger

In 1Q23, we continued to take a cautious approach to securities investment, judging that monetary policy and other factors needed to be assessed and preceded to sell domestic bonds, stocks and other securities. In response to the operational flexibility of YCC in July 2023, we will restart to purchase domestic bonds in stages, while increasing investments in foreign bonds (fixed / floating bonds) and investment trusts, etc. to aim to expand overall securities income from a medium- to long-term perspective.

## Securities Portfolio (Bank Total, Book Value)

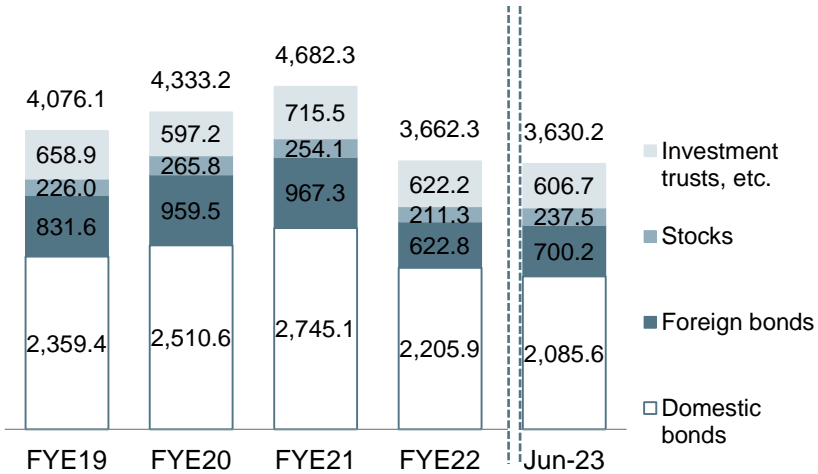
					( ¥ bn)	
	As of Mar.31, 2023 ①	As of Jun.30, 2023 ②	Change ②-①	1Q23 Gains/losses on securities	1Q23 Average balance	FY2023 Average balance (plan)
Yen-denominated bonds	2,250.4	2,122.5	127.8	-3.5	2,192.4	2,250.0
Foreign currency-denominated bonds	612.5	696.8	+84.2	±0.0	655.9	600.0
Investment trusts	610.8	581.1	-29.6	+1.2	735.4	850.0
Stocks	102.0	100.7	-1.3	+4.6		
<b>Total of securities (Including Future/ Options)*</b>	<b>3,575.9 (29.6)</b>	<b>3,501.3 (66.7)</b>	<b>-74.5 (+37.1)</b>	<b>+2.5</b>	<b>3,583.7</b>	<b>3,700.0</b>

\* Available-for-sale securities + Future / Options

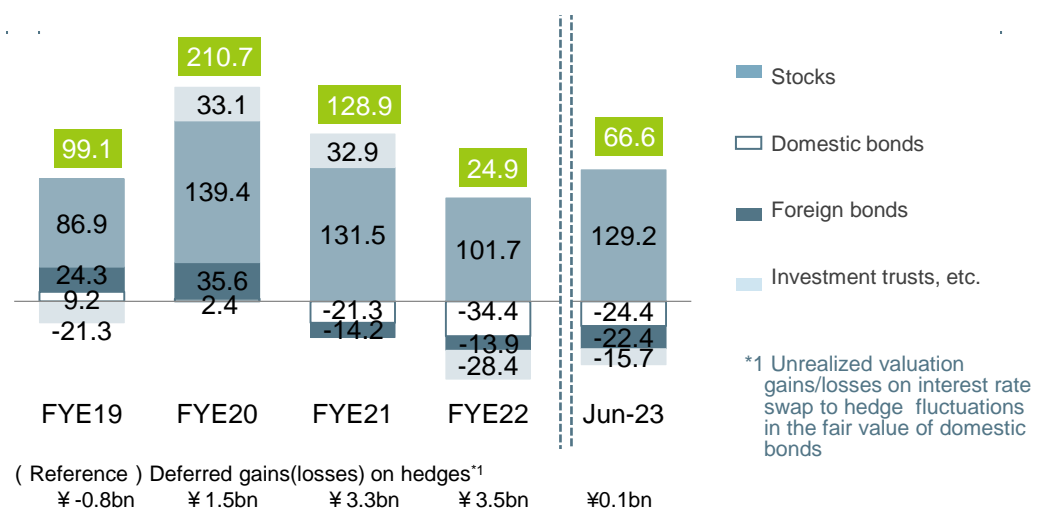
## 【Outlook / Investment Stance on Domestic and Foreign Bonds (as of Aug. 2023)】

	Outlook	Current Investment Stance
Domestic bonds	<ul style="list-style-type: none"> <li>● Interest rates rise due to operational flexibility of yield curve control (YCC). Long-term interest rates are expected to explore levels within 1 %.</li> <li>● Negative interest rates are not expected to be lifted until FY2024 or later.</li> </ul>	<ul style="list-style-type: none"> <li>● In response to the operational flexibility of YCC, we will purchase JGBs to rebalance our portfolio in stages.</li> </ul>
Foreign bonds	<ul style="list-style-type: none"> <li>● Long-term interest rates will be kept at the current level, while monitoring inflation and policy.</li> <li>● Policy rates remain high, assuming continued yield curve inversion. Interest rates are expected to enter a phase of rate cuts in March 2024 at the earliest.</li> </ul>	<ul style="list-style-type: none"> <li>● While securing interest margin by investment in floating bonds, we will purchase fixed bonds in stages from a medium- to long-term perspective.</li> </ul>

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

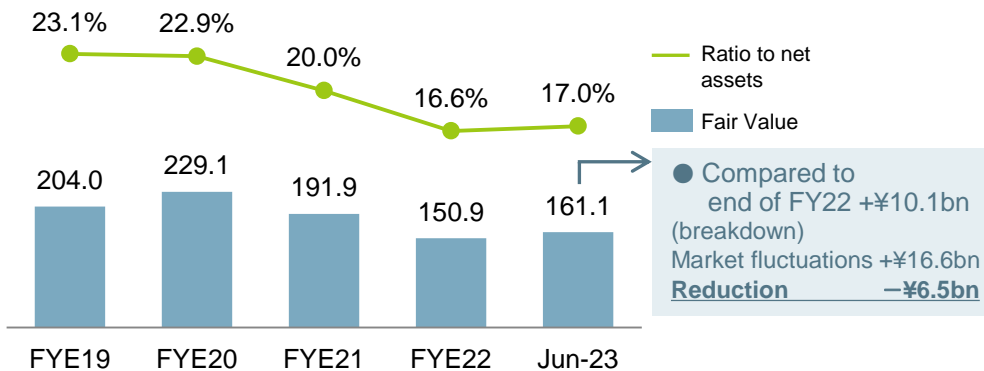


## Unrealized valuation gains/losses on available for sales securities(Mebuki FG) (¥bn)

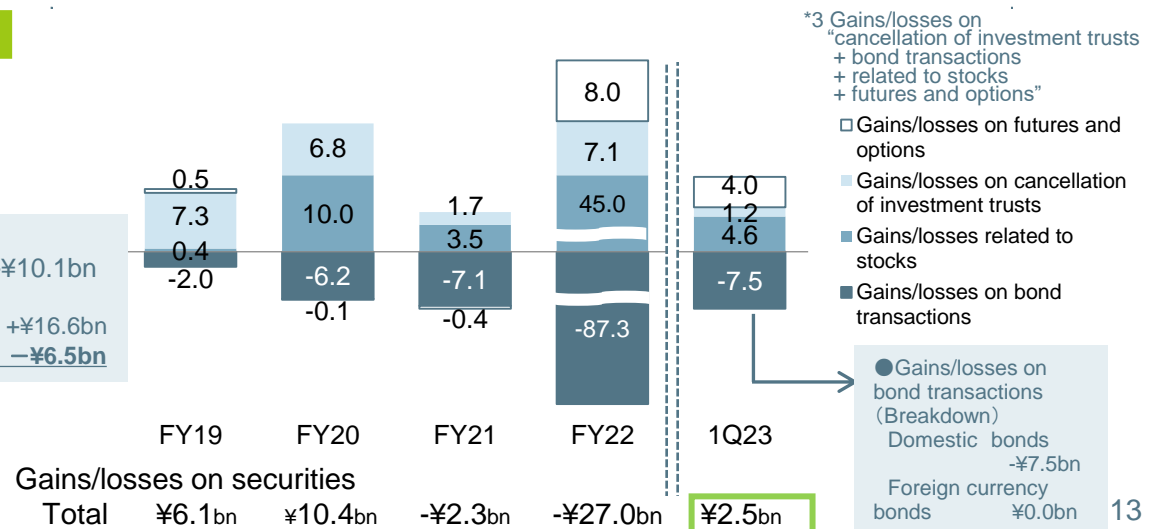


## Strategic Shareholdings (Fair Value)<sup>\*2</sup> (¥bn)

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



## Gains and losses on securities<sup>\*3</sup> (bank total) (¥bn)



\*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.

In 1Q23, we preceded to sell super-long term JGBs (combined positions with swap / bear funds) and managed to secure sufficient capacity for investment in the event of rising interest rates. We have restarted to purchase domestic bonds in stages, capturing rising yields in response to the operational flexibility of YCC in July 2023.

## Overview of Domestic Bonds (Bank Total)

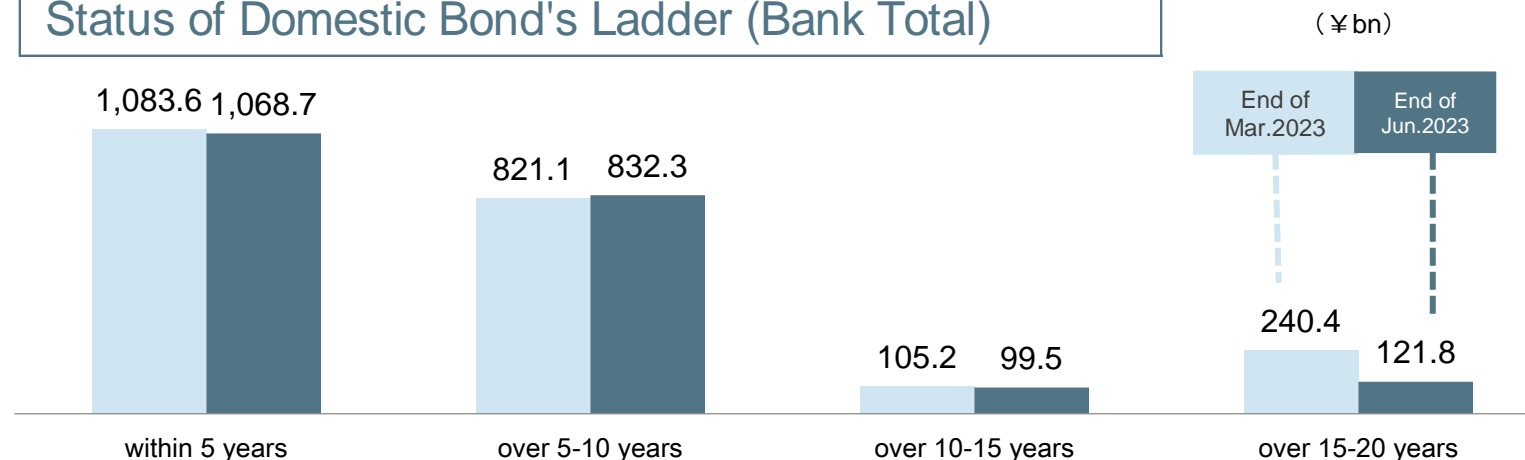
( ¥ bn)

		As of Mar.31, 2023 <sup>①</sup>	As of Jun.30, 2023 <sup>②</sup>	Change ②-①
Total of Domestic Bonds  * Including bear funds and hedged swaps, etc.	Balance	2,250.4	2,122.5	-127.8
	Valuation gains/losses	-24.9	-14.2	+10.6
	Yield	0.44%	0.44%	-0.00%p
	10bpv*	-¥11.8bn	-¥11.6bn	+0.2bn
	Duration	6.2 years	5.3 years	-0.8 years

### 【From July 2023】

- ◆ Preceded to sell additional super-long term JGBs.
- ◆ Restarted to purchase JGBs with terms within 10 years capturing rising yields by the operational flexibility of YCC in July 2023.

## Status of Domestic Bond's Ladder (Bank Total)



### 【From July 2023】

- ◆ We will rebalance our portfolio in stages, mainly purchasing JGBs with terms within 10 years

While keeping a close watch on policy interest rates' trend in U.S., we have executed rebalance of U.S. dollar denominated bonds in stages. Ratio of floating bonds to total U.S.dollar denominated bonds is around 40%. In addition, ratio of bearing floating interest rate assets including loan assets to total U.S.dollar denominated assets rose to over 50%. We will strengthen resistance to rising interest rates, while securing a reasonable interest margin.

## Overview of Foreign Currency Bonds (Bank Total)

(¥bn)

		As of Mar.31, 2023 <sup>①</sup>	As of Jun.30, 2023 <sup>②</sup>	Change ②-①
USD-denominated	Balance	603.9	687.6	+83.7
	Valuation gains/losses	-12.7	-21.2	-8.5
Fixed bonds* <sup>1</sup>	Balance	379.1	417.2	+38.1
	Valuation gains/losses	-10.9	-19.5	-8.6
Floating bonds* <sup>1</sup>	Balance	224.8	270.3	+45.6
	Valuation gains/losses	-1.8	-1.7	+0.0
Euro denominated (Fixed bonds)	Balance	—	—	—
	Valuation gains/losses	—	—	—
Other currency (Fixed bonds)	Balance	8.6	9.1	+0.5
	Valuation gains/losses	-0.7	-0.9	-0.2
Total of foreign currency bonds	Balance	612.5	696.8	+84.2
	Valuation gains/losses	-13.4	-22.2	-8.7
USD-denominated foreign currency bonds	Ratio of floating bonds	37.2%	39.3%	+2.1%p
	10bpv	-1.7 bn	-2.0 bn	0.3 bn
	Duration	3.0 years	3.1 years	+0.0 years
	Yield	4.64%	4.79%	+0.14%p
	Procurement Costs	4.26%	4.57%	+0.30%p
	Interest margin	0.37%	0.21%	-0.16%p
USD-denominated loans (Floating)	Balance	148.9	163.0	+14.0
	Yield	5.77%	6.14%	+0.36%p
Total of USD Assets* <sup>2</sup> (Bonds+Loans)	Balance	752.8	850.6	+97.7
	Yield	4.87%	5.05%	+0.18%p
	Ratio of floating rate	49.6%	50.9%	+1.3%p

## 【Status of US Dollar Funding】

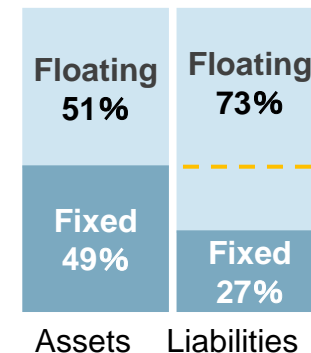
(¥bn)

		As of Jun.30, 2023 ( Ratio )	
Deposit	Balance	95.3	(10%)
	Yield	3.48%	
Market Procurement (Floating)	Balance	540.0	(61%)
	Yield	5.44%	
Market Procurement (Fixed)	Balance	239.9	(27%)
	Yield	2.85%	
Total of Procurement* <sup>3</sup>	Balance	875.3	(100%)
	Yield	4.51%	

## 【Composition of Interests on US Dollar

Balance Sheets】

(As of Jun.30, 2023)



\*1 Balance of fixed and floating bonds are after taking into account asset swaps (real variable bonds).

\*2 Excluding short-term assets and interest rate swaps

\*3 Excluding interest rate swaps



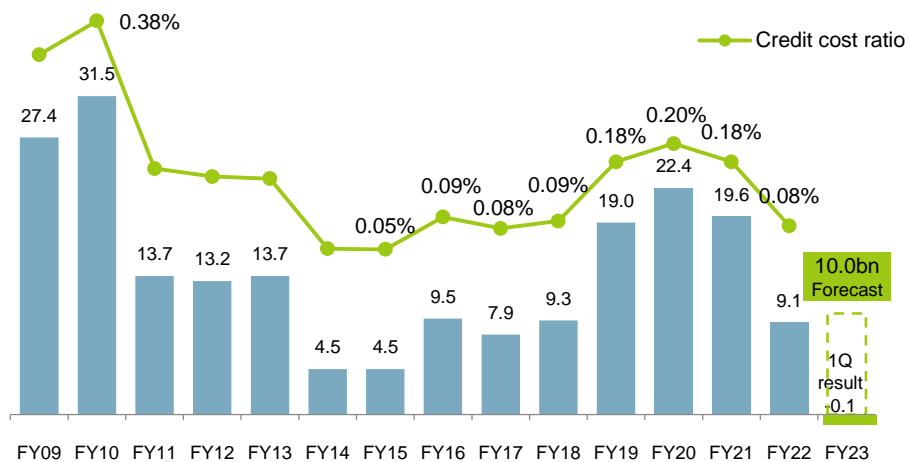
# Credit Related Costs

Credit related costs remained stable and the amount in 1Q23 was a reversal of - ¥0.1bn (- ¥0.3bn YoY).

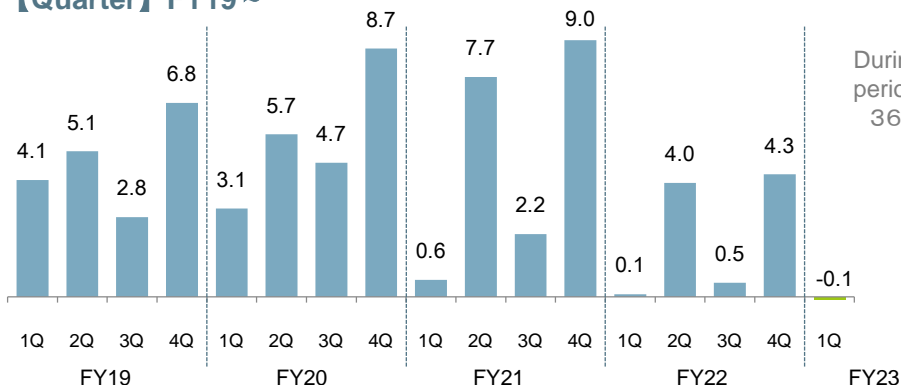
There has been no notable movement in repayments from loan borrowers based on the COVID-19 Special Loan Program.

Change of Credit Related Costs (¥bn)

**【Annual】 FY09 ~**



**【Quarter】 FY19 ~**



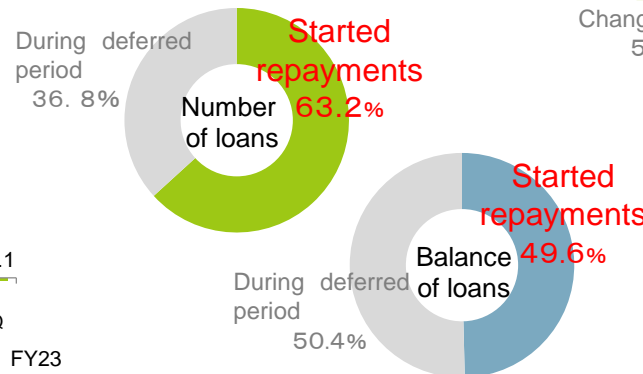
Breakdown on Credit Related Costs (¥bn)

	1Q22	1Q23	YoY
<b>Credit Related Costs</b>	<b>0.1</b>	<b>-0.1</b>	<b>-0.3</b>
Net transfer to general allowance for loan losses	-	-	-
Disposal of non-performing loans	0.1	-0.1	-0.3
Write off of loans	0.6	0.8	+0.2
Transfer to specific allowance for loan losses	-	-	-
Transfer to provision for contingent losses	-0.0	-0.2	-0.1
Reversal of allowance for loan losses(-)	0.2	0.5	+0.3
Recoveries of written-off claims(-)	0.3	0.5	+0.1
Other	0.1	0.2	+0.0

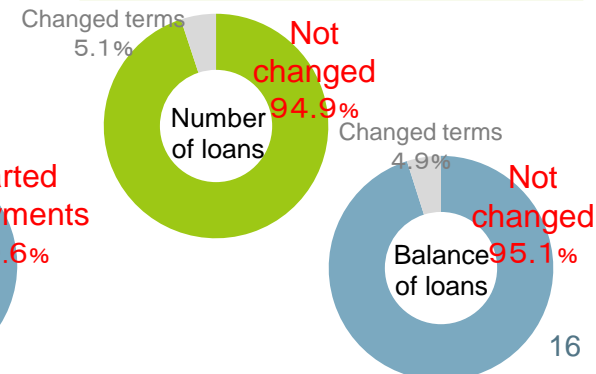
Status of Repayments of Loans based on the COVID-19 Special Loan Program ( as of Jun.30, 2023)

**Balance of Loans by the Program (Banks Total) ¥198.5bn (number 11,834 )**

Status of Contractual Repayments



Status of Changes of Terms

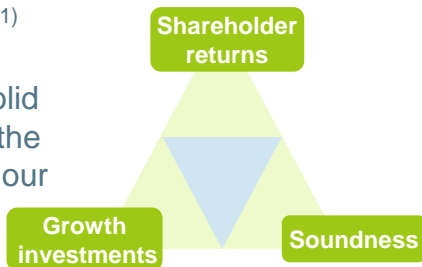


In FY23, total return ratio including repurchase of own shares (repurchased amount of ¥ 9.99bn and 26.3 million shares) will be 53.5% (scheduled).

We will continue to consider our shareholders return policy, responding to “Achieve cost of capital and stock price conscious management” requested by the Tokyo Stock Exchange.

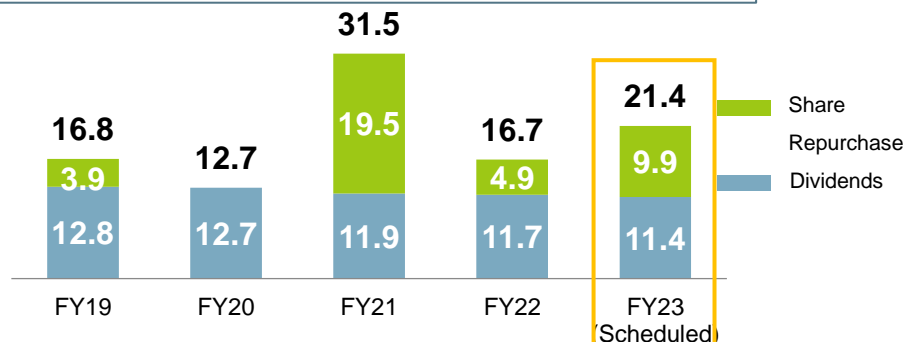
## Shareholder Returns Policy

We will target a Total Return Ratio<sup>(\*1)</sup> of 30% 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.



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

## Dividends, Shareholder Returns



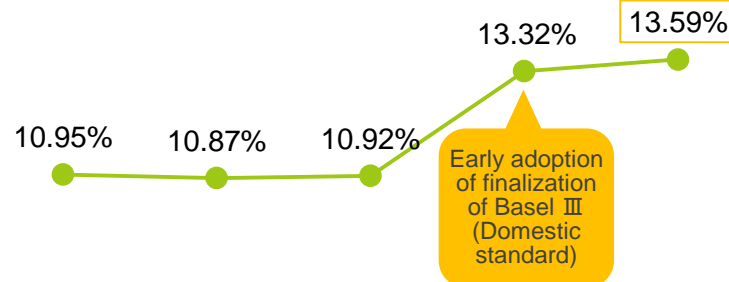
	FY19	FY20	FY21	FY22	FY23 (Scheduled)
Annual Dividends	¥11.0	¥11.0	¥11.0	¥11.0	¥11.0 (scheduled)
Payout Ratio	35.3%	34.9%	28.2%	36.7%	28.5%
Total Return Ratio	46.2%	34.9%	73.3%	52.2%	53.5%

## Share Acquisition

We completed the share acquisition announced on May 13, 2023. (up to ¥ 10.0bn (maximum amount) and 35 million shares (maximum number))

- 【Purpose】** In order to enhance shareholder returns and improve capital efficiency
- 【Amount of purchase】** 9.99 billion yen
- 【Number of shares】** 26.3 million shares
- 【Period of purchase】** From May 15, 2023 to Aug. 28, 2023

## Capital Adequacy Ratio (MebukiFG consolidated)



	FYE19 (*2)	FYE20	FYE21	FYE22	Jun-23
Capital (¥ bn)	780.9	780.2	799.6	828.0	842.8
Risk-weighted assets (¥ bn)	7,130.3	7,174.7	7,320.0	6,213.4	6,198.5

\*2 As of March.31,2020, Ashikaga Bank started to calculate risk-weighted asset according to foundation internal rating-based approach (FIRB)

**【Main factors for decrease】**

- Decrease in securities balance
- Finalization of Basel III

# Forecast for FY2023 (1)

Financial Results /  
Forecast

Details

Medium-term Plan /  
Sustainability

Mebuki FG (consolidated)	(¥bn)		
	Forecast for FY2023	1Q23 Results	Progress
Ordinary Profit	57.5	22.0	38.4%
Net Income (Attributable to owners of the parent)	40.0	15.6	39.0%

Total of Two Banking Subsidiaries	(¥bn)		
	Forecast for FY2023	1Q23 Results	Progress
Ordinary Profit	55.0	21.0	38.2%
Net Income	38.5	14.9	38.8%

Subsidiary Banks (Joyo)	(¥bn)		
	Forecast for FY2023	1Q23 Results	Progress
Ordinary Profit	36.0	13.1	36.5%
Net Income	25.0	9.3	37.5%

(Ashikaga)	(¥bn)		
	Forecast for FY2023	1Q23 Results	Progress
Ordinary Profit	19.0	7.8	41.4%
Net Income	13.5	5.5	41.1%

# 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 1Q23 was ¥ 15.6bn, and the progress toward the forecast for FY2023 is well underway at 39.0%. We will continue to build a highly sustainable business base mainly in the core business of profit from customer services.

## Breakdown of Forecast for FY2023

			(¥bn)	
	Forecast for FY23	YoY	1Q23 Results	Progress
<b>【Joyo+Ashikaga】</b>				
Core gross business profit	170.5	-29.7	50.2	29.4%
Net interest income (Excluding gains/losses on cancellation of investment trusts)	132.5	-11.2	35.0	26.4%
Difference of interests between loans and deposits	107.5	+1.0	27.8	25.9%
Securities' income (Excluding gains/losses on cancellation of investment trusts)	25.0	-12.3	7.1	28.7%
Fees from customers <sup>*1</sup>	37.5	-3.7	9.8	26.1%
(excl. Income related to derivatives)	36.5	+0.4	9.3	25.6%
Expenses	105.5	+2.1	26.6	25.2%
Core net business income <sup>*2</sup>	65.0	-16.6	18.2	28.1%
Gains/losses on securities <sup>*3</sup>	0.0	+27.0	2.5	-
Credit Related Cost	10.0	+0.8	-0.1	-1.9%
Ordinary profit	55.0	+9.7	21.0	38.2%
<b>Net income<sup>*4</sup></b>	<b>38.5</b>	<b>+6.9</b>	<b>14.9</b>	<b>38.8%</b>

## 【Mebuki FG Consolidated】

Profits of Group Companies	4.0	-0.8	1.1	28.5%
Consolidation adjustment (Adjustments related to securities, etc.)	-2.5	+1.7	-0.4	18.9%
<b>Net income attributable to owner of the parent</b>	<b>40.0</b>	<b>+7.8</b>	<b>15.6</b>	<b>39.0%</b>

\*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 +¥27.0bn

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

## 【Market Scenario (Assumption for FY23 Forecast)】

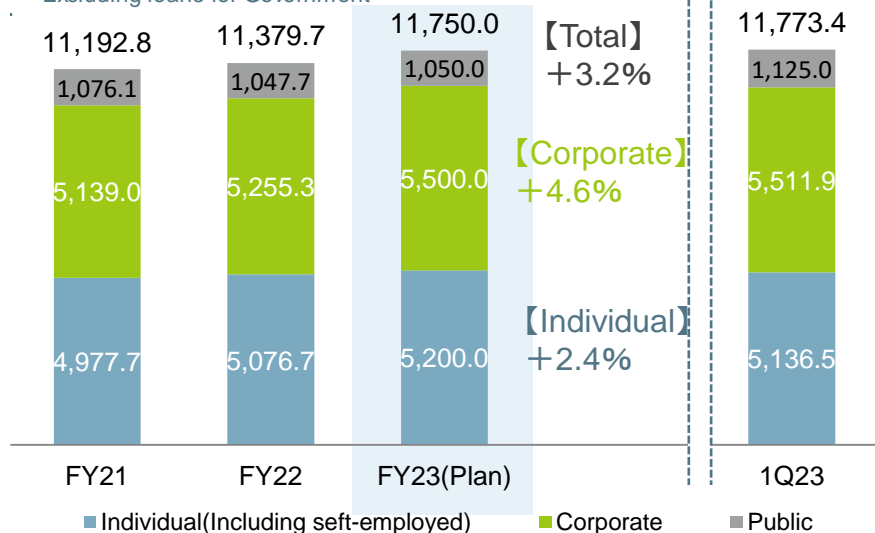
	Policy rate (End of fiscal year)	10 year government bond yield (Annual average)
Japan	- 0.10%	0.60%
U.S.A.	5.00%	3.75%

# Forecast for FY2023 (3)

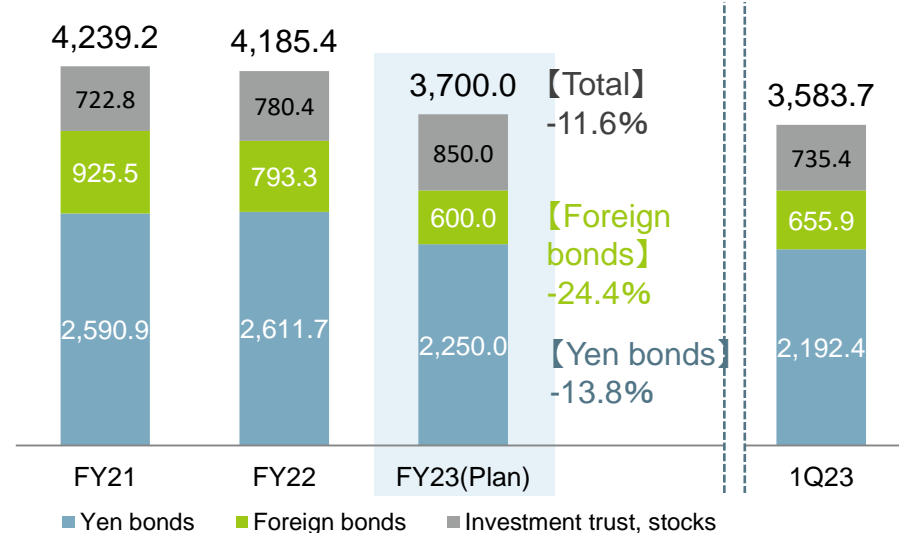
We plan to expand range of average balance of both corporate loans and individual loans, and to turn around interest on Yen-dominated loans. We plan to decrease average balance of securities by ¥500.0bn. Based on a medium- to long-term perspective of domestic and foreign monetary policies and market trends, we promote restructuring a sustainable securities portfolio.

## Plan for Average Balance of Loans (¥bn)

\*Excluding loans for Government



## Plan for Average Balance of Securities (¥bn)



	FY21	FY22	FY23 (Plan)	YoY	1Q23
Interest on loans	105.3	108.9	111.5	+2.6	28.6
Yen-denominated loans	103.2	102.5	103.5	+1.0	26.0
o/w Corporate	41.0	40.8	41.5	+0.7	10.5
o/w Individual	61.4	61.4	61.5	+0.1	15.4
Interest on deposits (-)	0.7	2.5	4.0	+1.5	0.7
Net interests between loans and deposits	104.5	106.4	107.5	+1.0	27.8

	FY21	FY22	FY23 (Plan)	YoY	1Q23
Interest and dividends on securities *1	46.9	51.3	50.0	-1.3	14.2
o/w Foreign currency-denominated Bonds	17.6	24.3	27.0	+2.7	7.3
o/w Yen-denominated bonds	10.3	10.1	8.5	-1.6	2.1
Market borrowings, etc. (-)	1.8	18.3	28.0	+9.7	7.8
Special Funds-Supplying Operations by Bank of Japan	6.2	4.2	3.0	-1.2	0.7
Securities' Income *2	51.4	37.3	25.0	-12.3	7.1

\*1 Excluding gains on cancellation of Investment Trusts

\*2 Excluding gains on cancellation of Investment Trusts, including Special Funds-Supplying Operations by BOJ

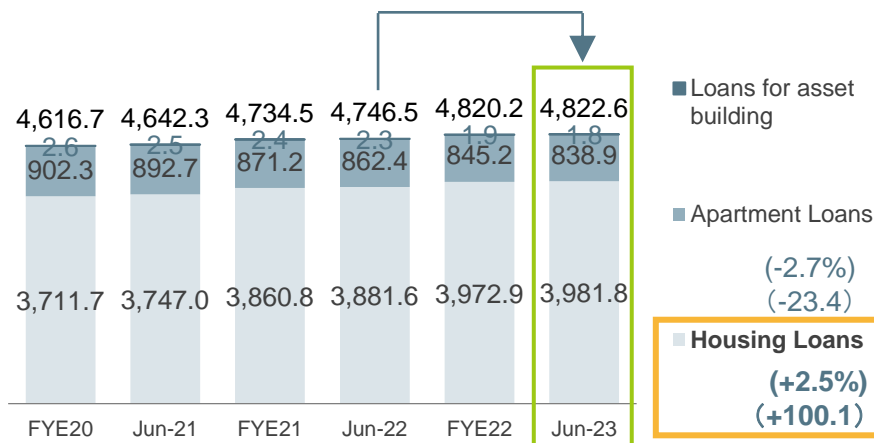
## 2. Details of Financial Results for the First Quarter of FY 2023

# Loans (1) Individual / Corporate

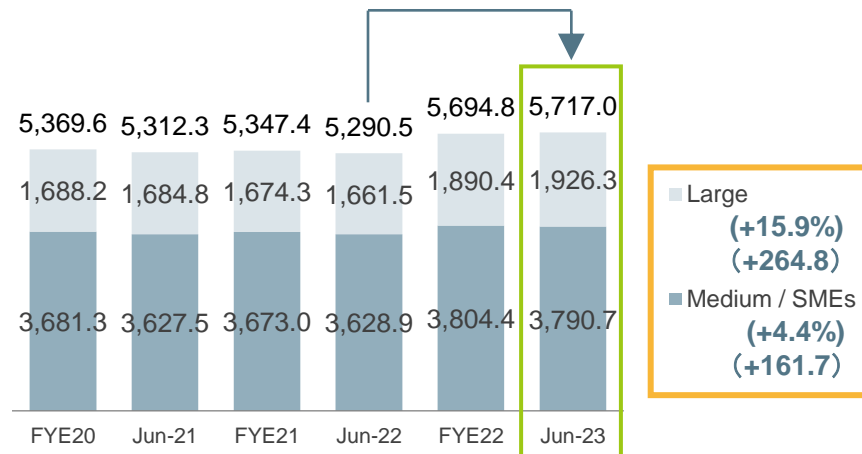
Loans to individual and corporate customers maintained an increasing trend.

Loans to individual customers continued to grow in unsecured loans through the use of the WEB, and loans to corporate customers also continued to grow both in Tokyo and in the local areas through enhanced consulting services.

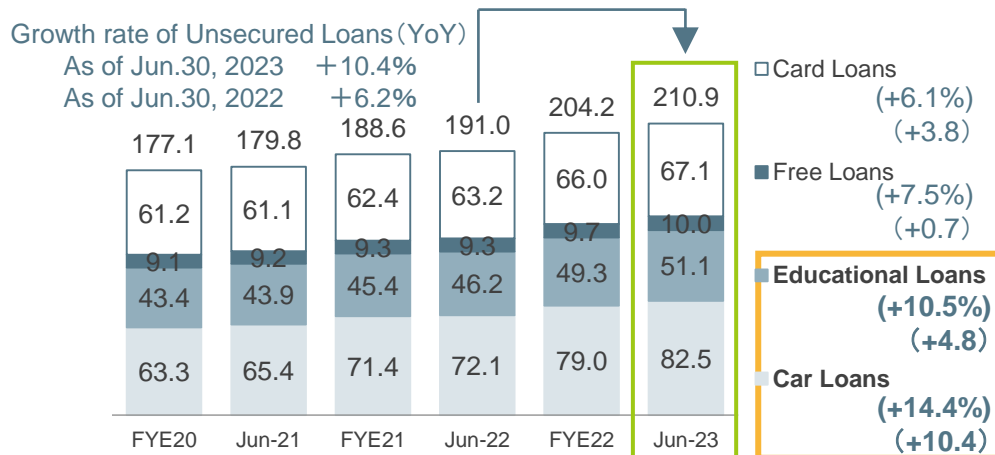
【Individual】Housing Related Loans (¥bn)



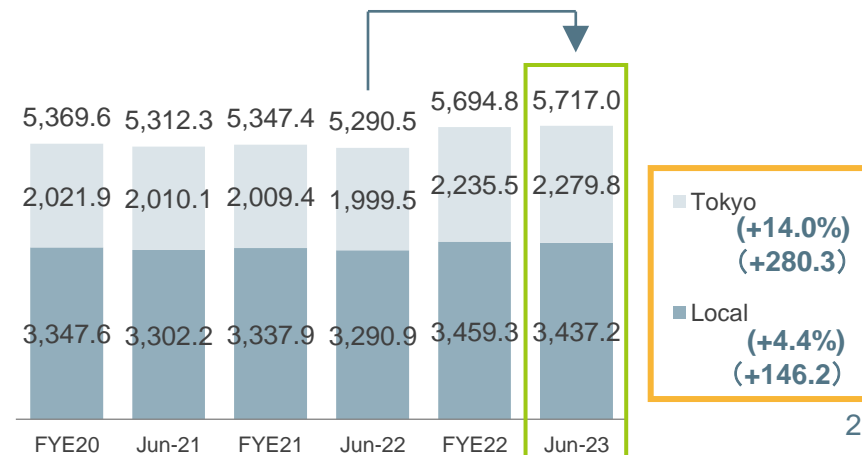
【Corporate】Term-end Balance by Company Size (¥bn)



【Individual】Unsecured Loans (¥bn)

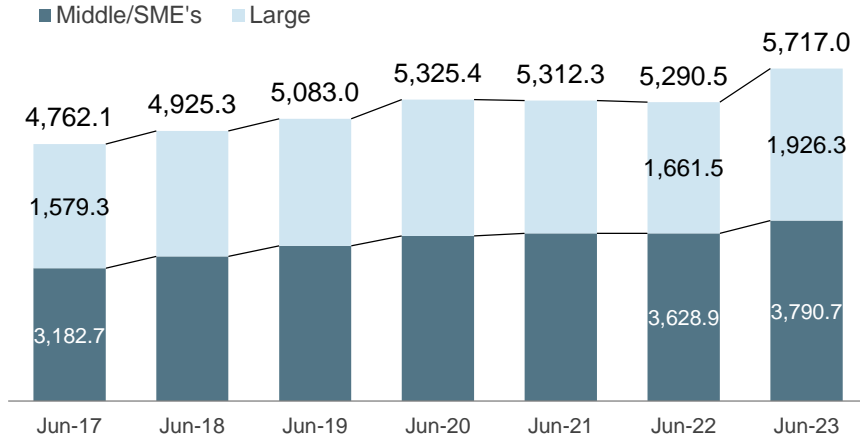


【Corporate】Term-end Balance by Area (¥bn)

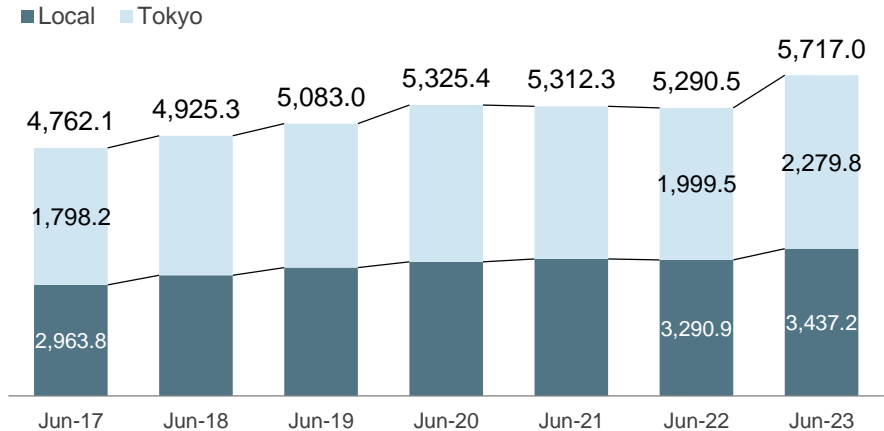


Since business integration in 2016, corporate loans continue to increase regardless of corporate size or area. Recently, we acquired demand for operating capital due to a recovering demand for equipment financing and high resource prices.

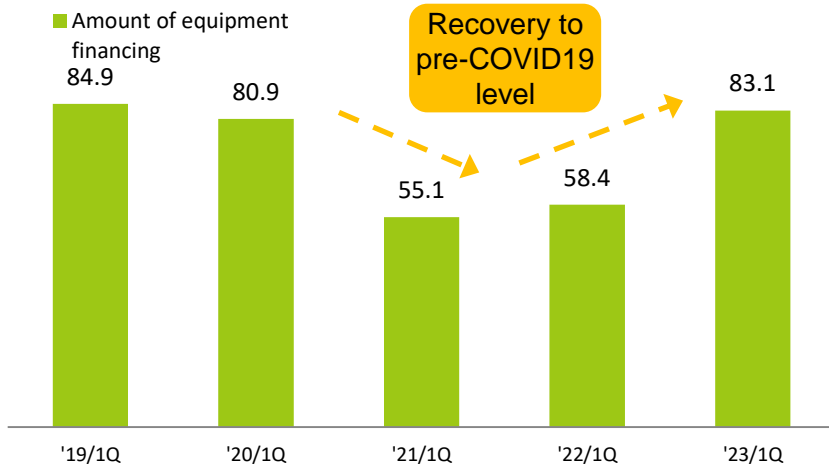
### Change of Balance by Corporate Size (¥bn)



### Change of Balance by Geographic Area (¥bn)



### Amount of Equipment Financing\*1 (¥bn)



### Top 5 industries by Increase in loans (¥bn)

	Amount of increase/decrease (YoY) (Annual change ratio)			Balance
	Jun-23	Jun-22	Jun-21	Jun-23
Financial and insurance	+106.2 (+26.6%)	-1.0 (-0.2%)	-4.8 (-1.2%)	505.6
Manufacturing	+85.6 (+7.3%)	-40.7 (-3.3%)	-26.5 (-2.1%)	1,263.8
Electricity, gas and water	+55.7 (+20.5%)	-2.7 (-1.0%)	+34.6 (+14.5%)	327.0
Wholesale / Retail services	+54.3 (+5.4%)	+3.4 (+0.3%)	-45.6 (-4.4%)	1,051.1
Real estate	+52.8 (+3.6%)	+4.3 (+0.3%)	-46.6 (-3.1%)	1,536.7

\*1 Excluding housing loans and apartment loans



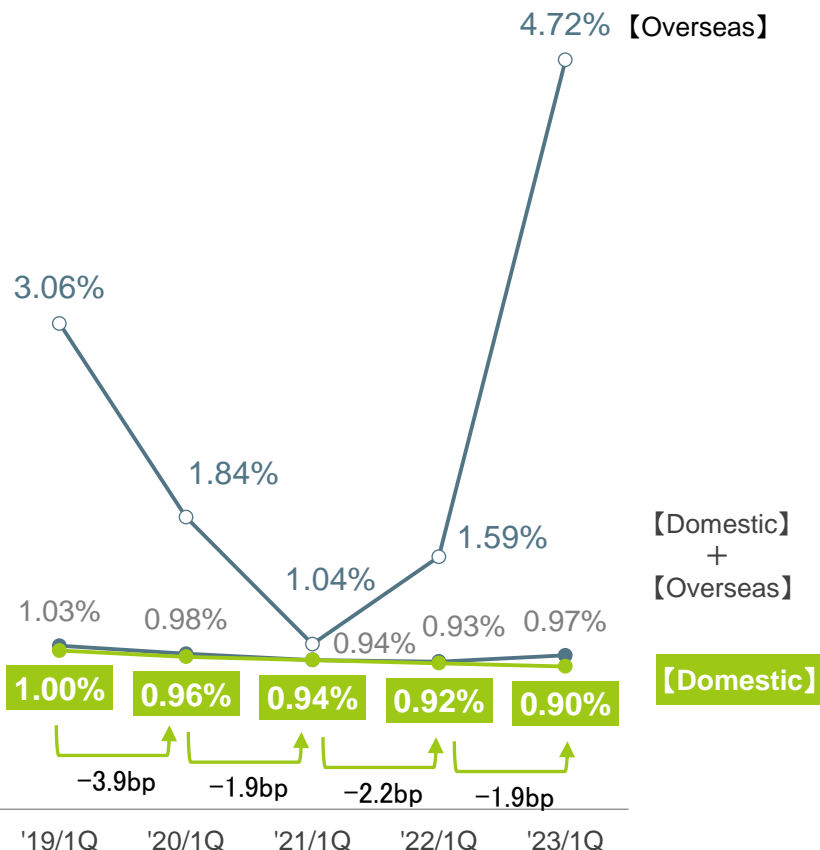
Difference of interests between loans and deposits increased significantly in both yen denominated and foreign currency denominated loans (by ¥0.6bn YoY in yen denominated, ¥1.6bn YoY in foreign currency denominated).

Securities' income (excluding gain on cancellation of investment trusts) decreased by ¥5.5bn YoY due to increase of foreign currencies funding cost. As a result, net interest income decreased by ¥4.2bn YoY, but we aim to improve it by increasing the balance of loans and restructuring our securities portfolio.

## Average Yield on Loans(Joyo+Ashikaga)

(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

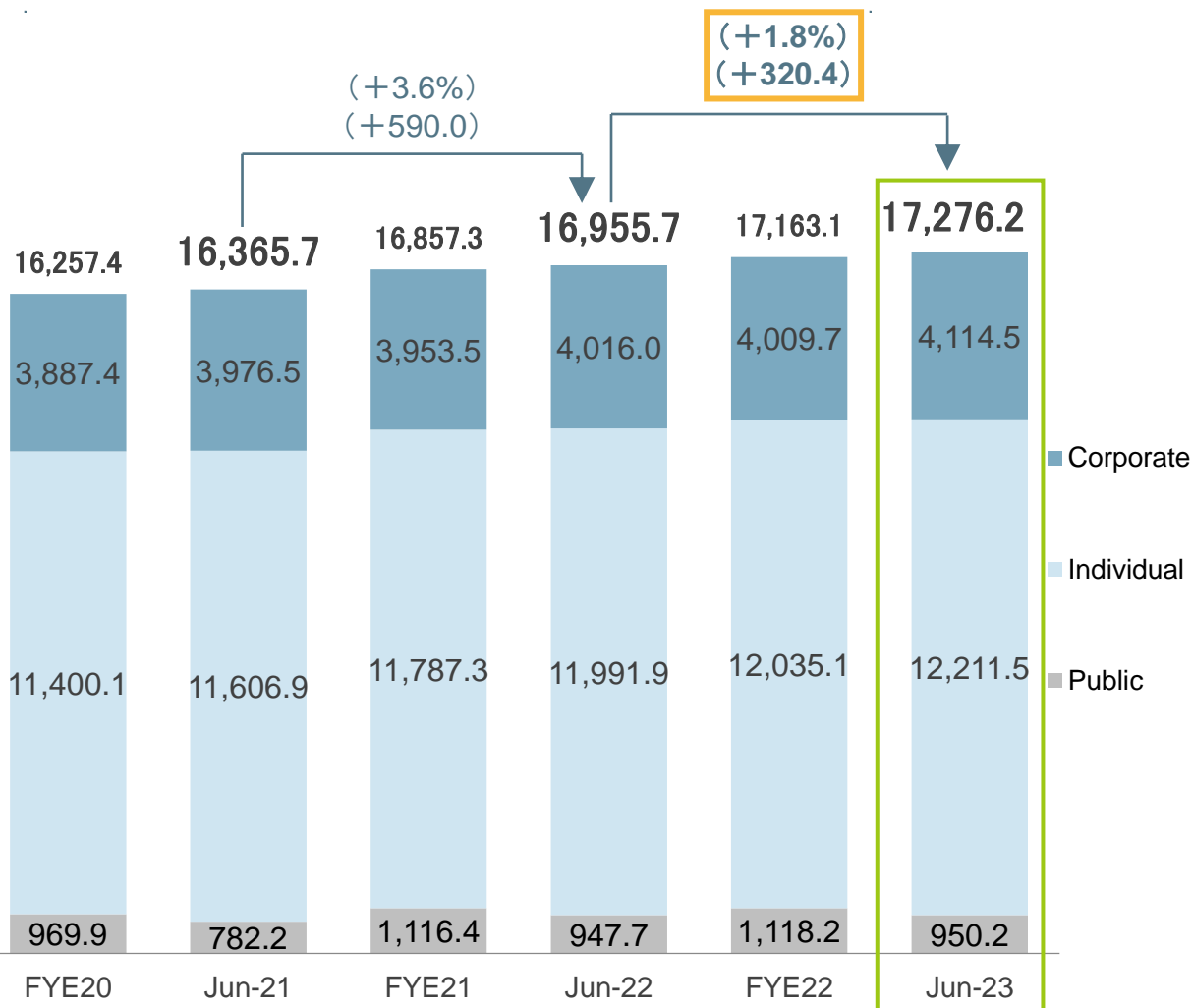
\* Figures in parentheses are changes on a year on year basis

	Results	YoY Change (Factor)				
		Domestic	Chg. in Factors	Overseas	Chg. in Factors	
Interest on loans and bills discounted	Avg Balance	+1.2	+1.2	(+535.8)	+0.0	(+4.5)
	Yield	+1.0	-0.5	(-1.9bp)	+1.6	(+313.0bp)
	<b>28.6</b>	<b>+2.3</b>	<b>+0.6</b>	<b>-</b>	<b>+1.6</b>	<b>-</b>
Interest on deposits (-)	<b>0.7</b>	<b>+0.3</b>	<b>+0.0</b>	<b>-</b>	<b>+0.3</b>	<b>-</b>
<b>Difference of interests between loans and deposits</b> ①	<b>27.8</b>	<b>+1.9</b>	<b>+0.6</b>	<b>-</b>	<b>+1.2</b>	<b>-</b>
Interest and dividend on securities	Avg Balance	-4.3	-2.0	(-719.2)	-2.2	(-296.7)
	Yield	+3.7	-0.8	(-8.7bp)	+4.5	(+214.5bp)
	<b>15.5</b>	<b>-0.5</b>	<b>-2.8</b>	<b>-</b>	<b>+2.2</b>	<b>-</b>
(o/w gains on cancellation of Investment Trusts)	<b>1.2</b>	<b>-1.3</b>	<b>-1.3</b>	<b>-</b>	<b>±0.0</b>	<b>-</b>
(excluding gains on cancellation of Investment Trusts)	<b>14.2</b>	<b>+0.8</b>	<b>-1.4</b>	<b>-</b>	<b>+2.2</b>	<b>-</b>
Market borrowings, etc. (-)	<b>7.8</b>	<b>+6.3</b>	<b>-0.0</b>	<b>-</b>	<b>+6.4</b>	<b>-</b>
<b>Securities' Income</b> (excluding gains on cancellation of Investment Trusts) ②	<b>6.4</b>	<b>-5.5</b>	<b>-1.3</b>	<b>-</b>	<b>-4.1</b>	<b>-</b>
Special Funds-Supplying Operations by Bank of Japan ③	<b>0.7</b>	<b>-0.6</b>	<b>-0.6</b>	<b>-</b>	<b>±0.0</b>	<b>-</b>
<b>Net Interest Income</b> (excluding gains on cancellation of Investment Trusts) ①+②+③	<b>35.0</b>	<b>-4.2</b>	<b>-1.3</b>	<b>-</b>	<b>-2.8</b>	<b>-</b>

Balance of deposits from all sectors increased by ¥320.4bn YoY (+1.8% annualized).

The impact of the COVID-19 pandemic has calmed down and the growth rate of deposits has returned to pre-COVID levels (as of end of Jun., 2019 : +2.1%).

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



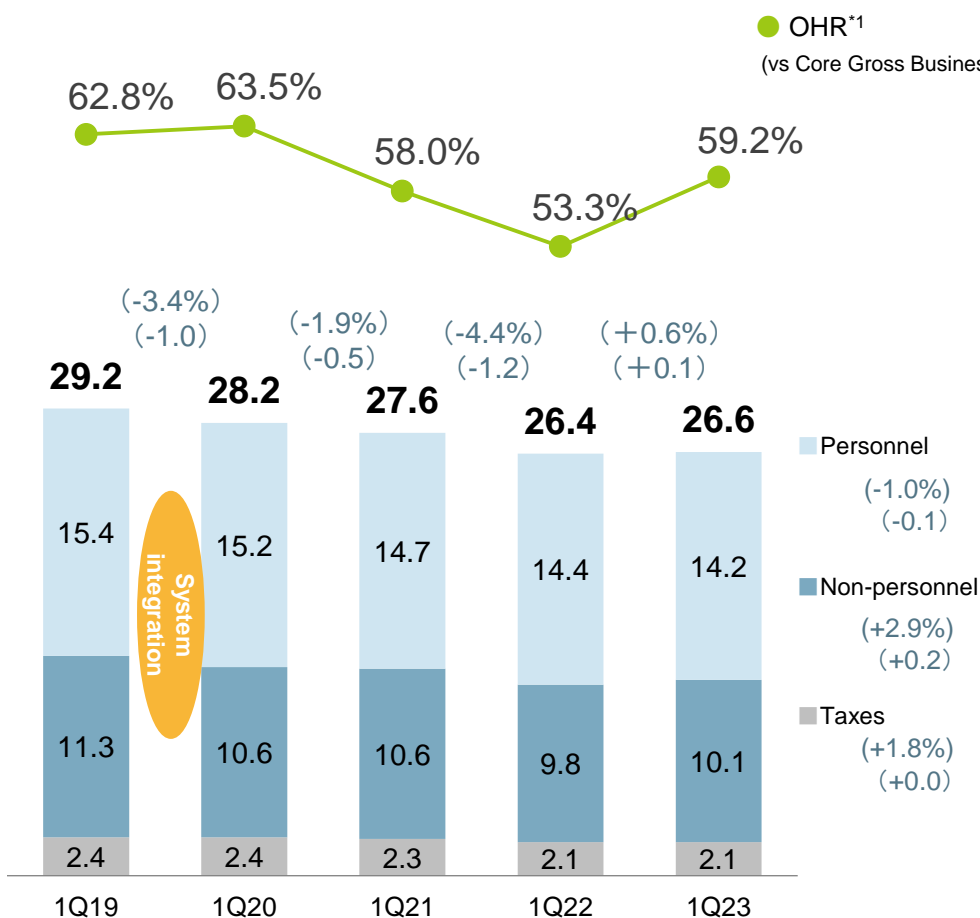
Year on Year Changes (¥bn)

	21-Jun	22-Jun	23-Jun
<b>Total</b>	+841.2	+590.0	+320.4
	+5.4%	+3.6%	+1.8%
<b>Corporate</b>	+306.9	+39.5	+98.4
	+8.3%	+0.9%	+2.4%
<b>Individual</b>	+453.3	+384.9	+219.5
	+4.0%	+3.3%	+1.8%
<b>Public</b>	+80.9	+165.5	+2.4
	+11.5%	+21.1%	+0.2%

In accordance with the 3rd medium-term business plan, we strengthened DX-related investments, while at the same time reducing existing costs and controlling the total expenses at the same level as the same period of previous year.

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

Joyo Bank + Ashikaga Bank (¥bn)



\*1 Based on Core Gross Business Profit

(Excluding gains/losses on cancellation of investment trusts and futures and options)

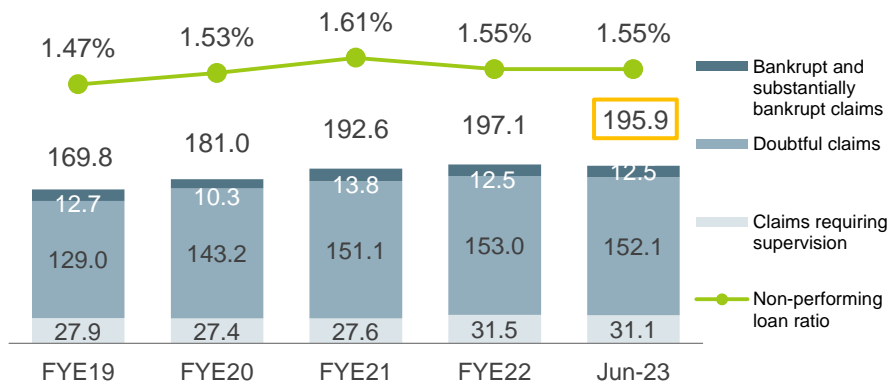
## 【Factors of Change (¥bn)】

	1Q23	YoY	Main factors
Personnel expenses	14.2	-0.1	● Personnel reduction -0.1
Non-personnel expenses	10.1	+0.2	● DX related investments +0.1 (Investment trusts management system, marketing tool usage fees, etc.) ● Reduction of depreciation and rental expense by reviewing branch networks -0.0
Taxes	2.1	+0.0	—

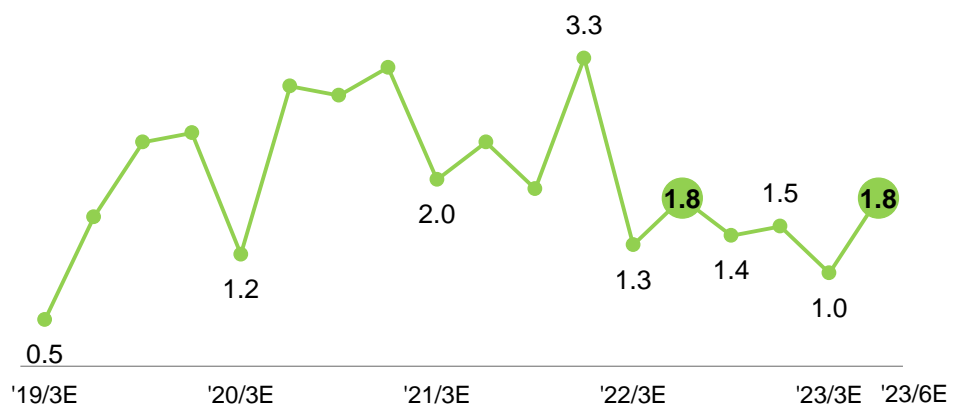
Non-performing loans based on financial revitalization law ratio to total amount of loans remained stable.

As of end of Jun., 2023, amount of delinquent loans to businesses remained at the same level of previous year.

## Non-performing Loans (Financial Revitalization Law) (¥bn)

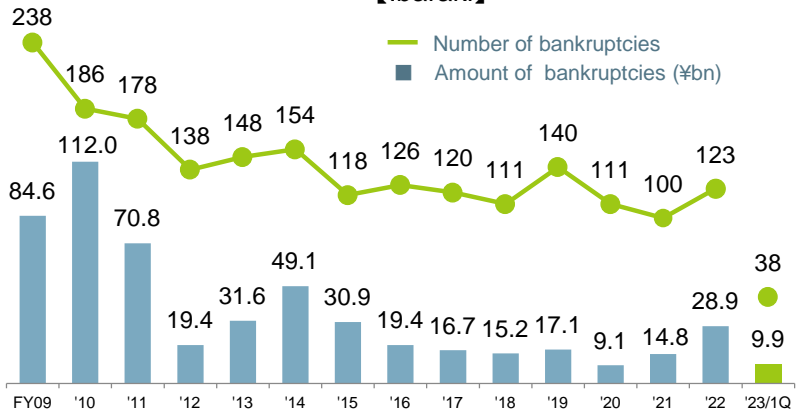


## Status of Delinquent Loans to Businesses (¥bn)



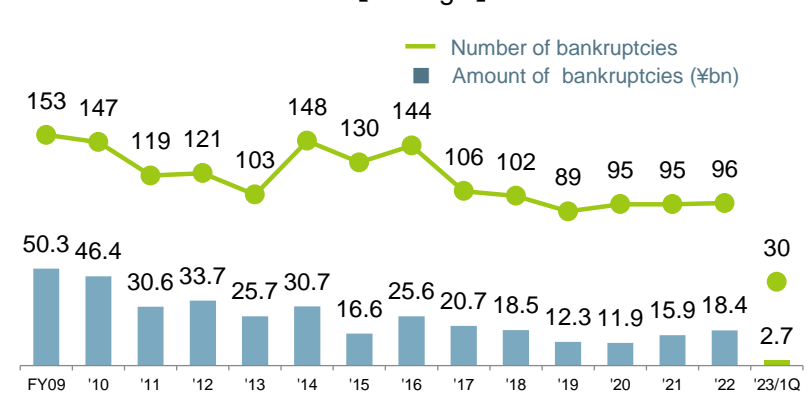
## 【Reference】Status of Bankruptcy Number of bankruptcies (Total liabilities amounting to 10 million yen or more) ~by Tokyo Chamber of Commerce

### 【Ibaraki】



(Number/Amount)  
 1Q21 (Apr-Jun) 25/¥3.6bn  
 1Q22 (Apr-Jun) 23/¥4.7bn  
 1Q23 (Apr-Jun) 38/¥9.9bn

### 【Tochigi<sup>\*1</sup>】



(Number/Amount)  
 1Q21 (Apr-Jun) 19/¥4.3bn  
 1Q22 (Apr-Jun) 24/¥3.2bn  
 1Q23 (Apr-Jun) 30/¥2.7bn

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

# 3. The Third Medium-Term Business Plan Progress Topics

## Developing New Business Areas / Customers Leveraging Our Group's Strength

Joyo Green Energy Co., Ltd. : We continue to expand electric power acquisition business and start new businesses such as PPA, etc.

Colletochi, Ltd. : We will promote to disseminate and monetize attractive local content and lead to resolve local social issues as our “core business”.

### Joyo Green Energy Co., Ltd.

#### < Renewable energy generation / supply business >

- We have promoted to acquire solar power generation facilities to expand generation and supply capacity.

Acquired **6MW** of solar power generation (as of Aug. 2023)



※Image of investment



- PPA projects to promote renewable energy with additionality.

Started to supply power to Yachiyo Town in Ibaraki Pref. by PPA\*



(\*) Power Purchase Agreement. An agreement to supply electricity generated by a specific power generation facility to a customer who wishes to purchase electricity.

#### < Sale of J-Credits >

- Subscriptions for all 630 tons of planned J-credit sales in Ibaraki Prefecture have been completed.

#### < Initiation of Public-Private Partnership >

- Joyo Bank and Joyo Green Energy have signed a public-private partnership agreement with Kasama City in Ibaraki Pref., which has announced its “Zero Carbon City Declaration”\*1, with the aim of achieving early regional decarbonization.

(\*1) Declaration of continuous efforts to reduce CO2 emissions to effectively zero by 2050

### Colletochi, Ltd.

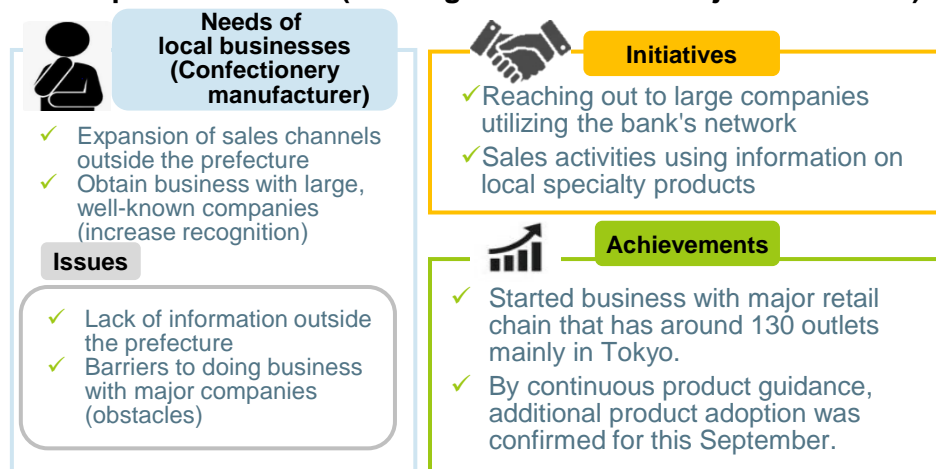
- Ashikaga Bank established a local trading company “Colletochi, Ltd.” through joint investment with three local companies, as a company to contribute to the advancement of banking business, to engage in dissemination and monetization of attractive local content as its “core business”.

#### ○ Combining the management resources of four companies



- #### Businesses
- Sales of Local Products
  - New product development support
  - Managing EC Site, etc.

#### ○ Example of Initiatives (Starting business with major retail chain)



**Needs of local businesses (Confectionery manufacturer)**

- ✓ Expansion of sales channels outside the prefecture
- ✓ Obtain business with large, well-known companies (increase recognition)

**Issues**

- ✓ Lack of information outside the prefecture
- ✓ Barriers to doing business with major companies (obstacles)

**Initiatives**

- ✓ Reaching out to large companies utilizing the bank's network
- ✓ Sales activities using information on local specialty products

**Achievements**

- ✓ Started business with major retail chain that has around 130 outlets mainly in Tokyo.
- ✓ By continuous product guidance, additional product adoption was confirmed for this September.

## Business Expansion Utilizing Strategic Investments and Collaboration ( with startup companies )


Through various measures, we have strengthened the collaboration with startup companies. We are considering to provide collaborative services through demonstration tests, etc.

### Startup Co-creation Program


- Under the “Startup Co-creation Program” which is an open innovation initiative for startup companies, we solicited new business ideas and collaborative partners, and selected 3 business ideas (companies) to advance to business collaborations. ( 4/12/2023)
- We have started to verify their business models through the demonstration tests and to provide collaborative services by business matching.



“Visualization service for electric power applications using AI current meter”  
~ Considering collaboration on energy conservation consulting services starting from visualization of power usage.



“Inheritance digital support services”  
~ Considering collaboration on providing a broad menu of inheritance procedures for customers and on improving the efficiency and sophistication of inheritance procedures at banks.



“Integrated monitoring application service for elderly family members”  
~ Considering collaboration on joint development of an integrated monitoring app for the elderly and services for the app users.

“ Award ceremony ”



- This program received the “First Challenge Award(\*1)” of Innovation Award 2023 at the “Global Innovation Conference 2023” organized by Creww, Inc.(\*2) ( 8/3/2023)

※(release date)

### Collaboration with Startup Companies

- We started to provide on-line inheritance proceeding services, “Souzoku.com property” “Souzoku.com deposits” in cooperation with AGE technologies, selected by co-creation program. (4/12/2023)

- GIRASOL ENERGY INC. which is involved in the performance evaluation of solar power generation facilities, regeneration projects, etc., provides performance evaluation services to customers in collaboration with Joyo Bank. (6/1/2023)

Digital Securities Preparatory Co., Ltd.

- Digital Securities Preparatory Co., Ltd. is CVC fund investees and preparing a real estate STO business(\*3). It was the first in Japan(\*4) to obtain certification for a new business activity plan. (8/1/2023)

(\*1) Companies that have held their first open innovation program in the last 2 to 3 years, co-created with startup companies, and are promoting the creation of new businesses are eligible.

(\*2) Operator of one of the largest open innovation platforms in Japan with approximately 6500 registered startup companies

(\*3) Real estate STO are digital securities whose underlying assets are real estate and related rights, and are attracting attention as a next-generation financial product that differs from conventional real estate securitized products.

(\*4) First in Japan with a new business activity plan for a special exception for the transfer of receivables using blockchain technology.

## Business Expansion with Business Collaboration

### Penetration of Initiatives within the Organization / Human Resource Development

Major Business Collaboration : We have expanded the scope of collaboration with regional financial institutions.

(Automotive industry support, etc)

Initiatives for HR Development : In the new business creation training program, employees have learned how to commercialize new business ideas.

#### Business Collaboration

##### Memorandum of Understanding (MOU) for upgrading support for the automotive industry by 7 banks

In Aug. 2023, seven regional banks that focus on supporting automotive industry signed a MOU in order to enhance their efforts to support the industry. By sharing their knowledge and expertise, the seven banks will contribute to the revitalization of local economies and the strengthening of local supply chains.

##### Participating banks

Ashikaga BK Gunma BK  
Shizuoka BK Nagoya BK  
Hiroshima BK Yamagata BK  
Yokohama BK

##### Ryomo Area Revitalization Partnership (business collaboration with The Gunma Bank, Ltd.(\*))

##### Effect of Collaboration

- Loan execution of ¥65.2bn to 121 companies (two banks total) maintaining appropriate competitive relationships.
- 2 Investment executions of ¥3.5bn through their investment subsidiaries (two banks total).



(\*) A framework for the purpose of industrial revitalization, problem solution and improving services in overlapping service areas of Ashikaga BK and Gunma BK, mainly in Ryomo area.

##### Tochimaruru Cooperation Agreement (collaboration with credit unions and credit associations in Tochigi Pref.)

Details of Collaboration	HR introduction	Business planning support	Testamentary trusts/ Estate planning
	M&A/Business succession	Subsidy application support	

- Ashikaga Bank signed cooperation agreement with 6 credit unions and 2 credit associations in Nov.2021.

#### New Business Creation Training Program



Sony Startup Acceleration Program



Program utilizing Sony Group's expertise(\*)

< Outline > Schedule of FY2023 : September to November 2023

##### Purpose :

- Fostering human resource development for new business creation
- Fostering organizational culture of new business creation
- Providing employees with opportunities for voluntary activities
- New business development initiative

< Training scene in FY22 >



##### Participants :

- Employees of Jojo Bank and Ashikaga Bank

##### Details of Program :

- First session : Conducted training to turn ideas into business for 50 participants in FY2022
- Second session : A new training program is planned for 60 new participants to experience building a business model for a new business idea from Sep. 2023.

(\*) This program is implemented with the support "Sony Startup Acceleration program"("SSAP") provided by Sony Group, which supports startup creation and business operations.

(\*) "Sony Startup Acceleration Program" : <https://sony-startup-acceleration-program.com/>



## Our Vision

### Strengthening DX Infrastructure

- ▶ Develop a digitally connected environment
- ▶ Utilize / transform digital skills and mindsets

### Support customers' and local DX

- ▶ Return knowledge and open networks

## Our Vision

The “DX” will free customers, employees and staff from hassles (business innovation / digital channel) and provide easy access to information that will inspire them to take a next action (data utilization), so that people can continue to provide new value to the local communities through activities that are unique to them.

## Roadmap for DX

	Main Initiatives	What we aim for (To-Be)
<b>Digitalization / Innovation in Traditional Banking Business</b>	<ul style="list-style-type: none"> <li>○Development of paperless, seal-less, fax-less measures</li> <li>○Group-wide BPR, efficiency improvement of loan operation</li> <li>○Renovation of branch office system</li> </ul>	<p>Most operations will be digitized, freeing from complicated paperwork. Bank staff can focus on productive tasks that only humans can perform and AI and other technologies are being used to enhance and personalize business operations.</p>
<b>Improvement of Digital Channels / Expansion of Contact Points with Customers</b>	<ul style="list-style-type: none"> <li>○Promoting Banking app, portal for corporate customers and digital contracts</li> <li>○Increased digitization penetration (percentage of digital channel usage)</li> <li>○Digitization of identity authentication using eKYC</li> </ul>	<p>Customers can securely access various transactions and procedures anytime, anywhere through a high UX digital channel. These channels are in daily use by many customers and have broad penetration among various segments of customers.</p>
<b>Strengthening Data Utilization</b>	<ul style="list-style-type: none"> <li>○Rebuilding database infrastructure</li> <li>○Cloud computing of main business channels</li> <li>○Implementation / Utilization of MA (Market Automation)</li> </ul>	<p>Various data is collected, aggregated, and accumulated in the DB, and data necessary for business management, planning, sales promotion, etc. can be utilized universally. This provides users with new insights and values.</p>
<b>Enhanced DX Infrastructure</b>	<ul style="list-style-type: none"> <li>○Developing DX personnel</li> <li>○Loosely coupled configuration of main system infrastructure, shift to cloud computing</li> <li>○Expansion of mobile PC and smartphone users for business use</li> </ul>	<p>A large number of DX personnel have been trained, and their skills are regularly brushed up on. A main system infrastructure flexible enough to cope with changes in the external environment and highly secure enough to support the diversification of working environment.</p>
<b>DX Support / Collaboration with Customers and Local Regions</b>	<ul style="list-style-type: none"> <li>○Practice of DX consulting sales for customers</li> <li>○Expanding collaboration / alliances with DX service providers</li> <li>○Information gathering and providing financial function for regional DX</li> </ul>	<p>To enhance DX support, we are ready to promote DX consulting in collaboration with group companies, business matching partners and external advanced companies. We also provide appropriate financial functions for regional DX projects.</p>

## DX Certified Business Operator

- In November, 2022, we were certified as “DX Certified Business Operators \*1”.



\*1 The DX Certification System is a national certification system for businesses that meet the basic requirements of “the Digital Governance Code(\*2)” established by the Ministry of Economy, Trade and Industry.

\*2 The Digital Governance Code is a document that summarizes what action business managers are required to take to accommodate how society is being transformed by digital technology.

## Digital Channel for Individual Customers

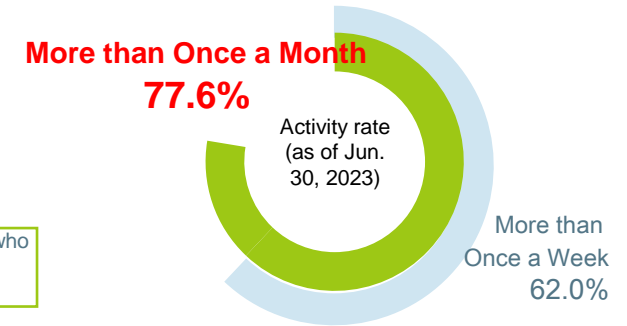
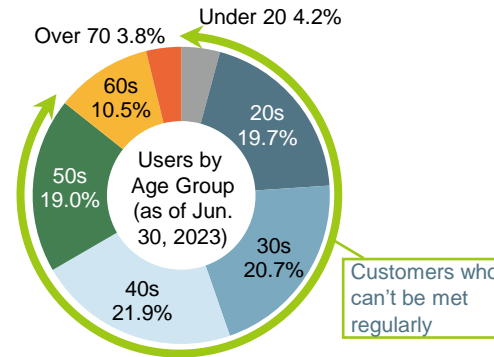
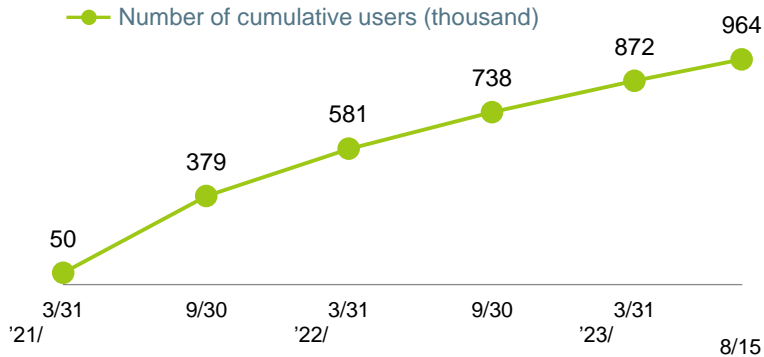
We will increase the value of the customer experience by enhancing the convenience of digital channels, including the Banking App, and the expertise of real channels.

### Banking App

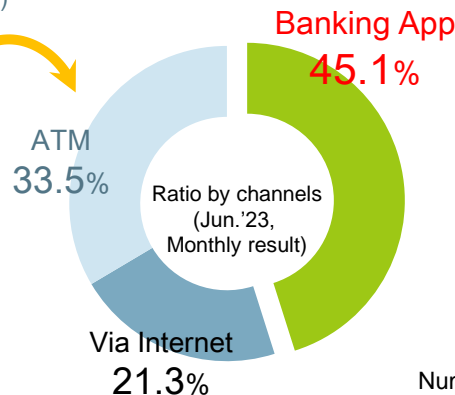
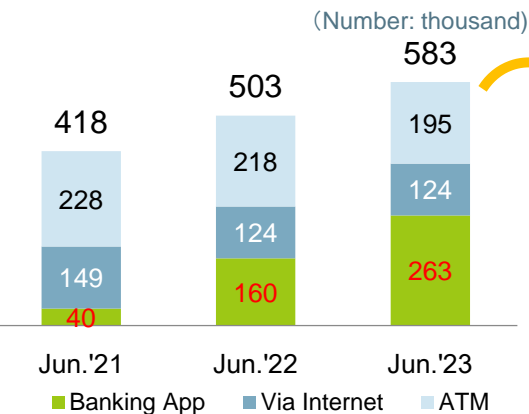
- The number of cumulative App users ( "Joyo Banking App" and "Ashikaga Bank App") exceeded 960 thousand.

- The objective of the introduction, "Ensuring points of contact with customers", is being achieved steadily even for generations who can't be met regularly.

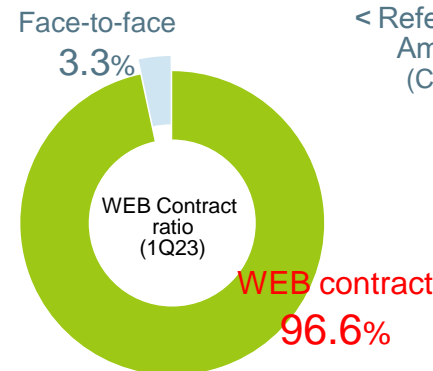
- Used by about 80% of customers more than once a month.
- It is permeating as a main banking channel.



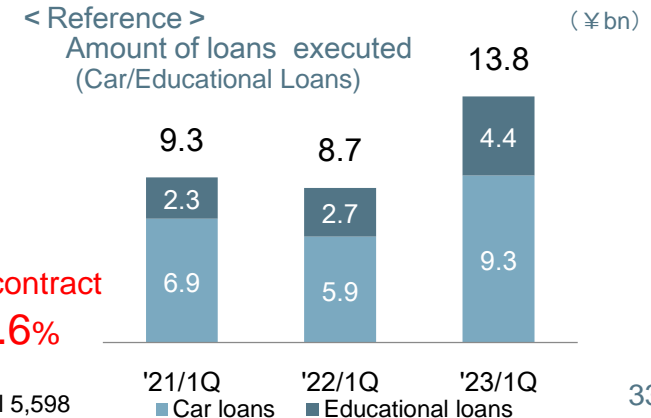
### Number of transfers by non-face-to-face channel



### Online(WEB) Contract of Car/Educational Loans (Banks total)



Number of WEB contracts 5,409 / Total 5,598



## Digital Channel for Corporate Customers

We provide a corporate portal site as a tool to assist local businesses in improving operational efficiency.

Through the provision of services that enable the digitization of internal business operations, we will lead to the DX in the entire region.

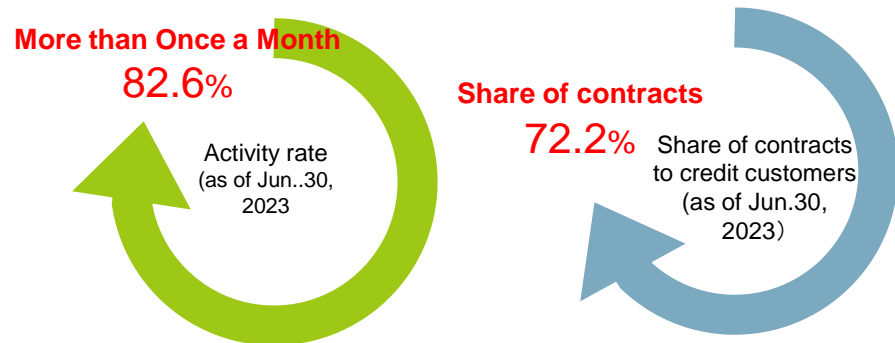
### Corporate Internet Banking Services

- Number of service users (as of Jun.30, '23) : **65,646** companies

### Corporate Portal Site

- Joyo Bank provides DX support services for SME's "Mikatano Series".
- Ashikaga Bank provides portal site services for businesses "Ashigin BizLink".

	Main functions	Number of Users (accumulated)
"Joyo Bank Mikatano Cash Management"	Centralized managing multiple accounts and their deposit and withdrawal details	1,297 companies
"Joyo Bank Mikatano Works"	Managing work time and attendance, business communication, etc.	411 companies
"Ashigin BizLink"	Checking account balances and deposits/withdrawals, other service for various applications to support businesses	8,507 companies



### Digital Contract Services (Business, Housing, Apartment Loans)

- Effect of digital contract

#### <Customers>

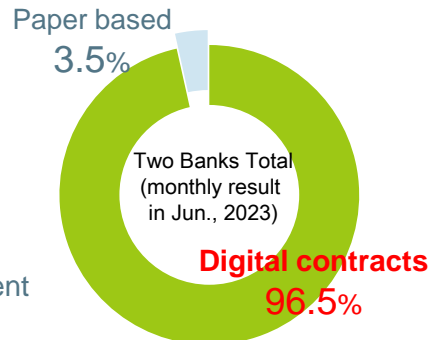
- ✓ No need to sign or stamp the contract
- ✓ No revenue stamps required
- ✓ Possible to contract via the internet by PC, tablet and Smartphone

#### <Banks>

- ✓ Reduce stamp discrepancy
- ✓ Burden reduction related to document delivery
- ✓ Improving efficiency of document checking, No document storage



- Digital Contracts Ratio (Business and Housing Loans)

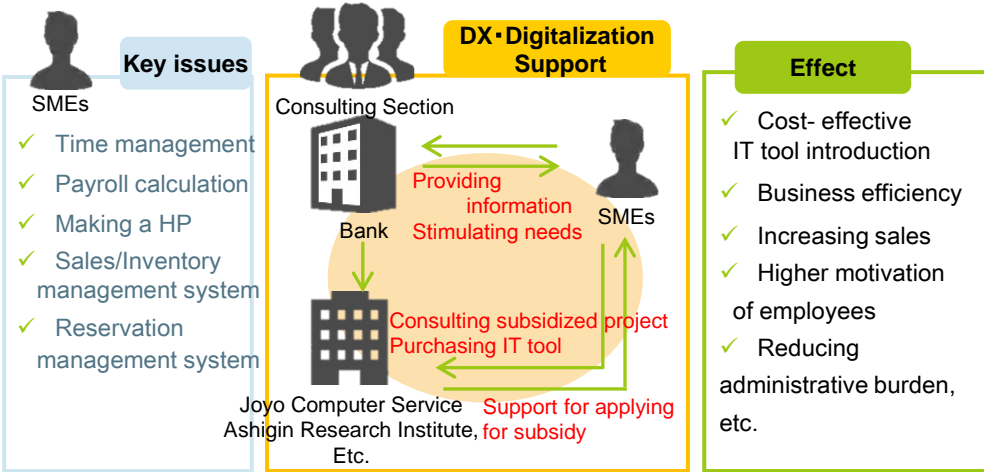


※Screen image of contract completion

## Support for Customers' DX

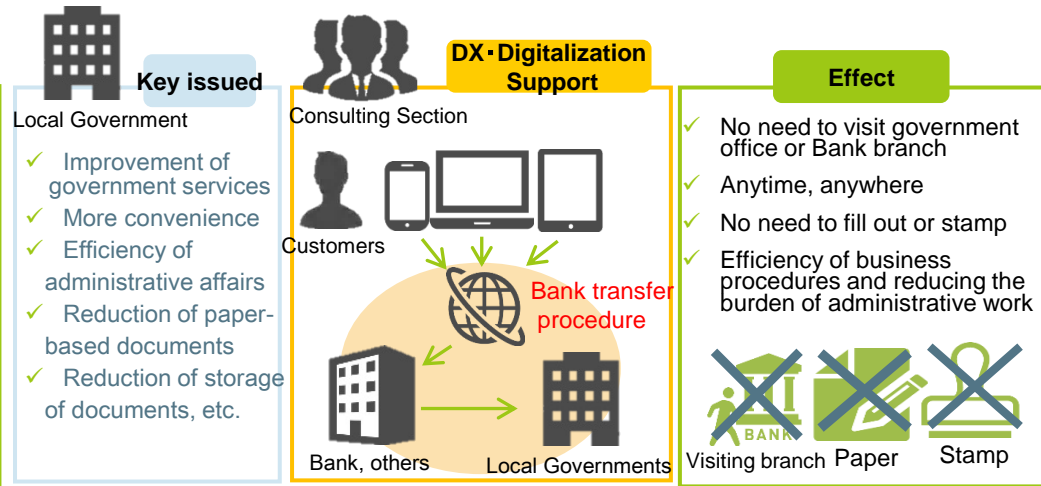
### Support for SMEs' Digitalization (Utilizing IT Introduction Subsidy)

● We are supporting SMEs' digitalization by utilizing "IT Introduction Subsidy" in collaboration with group companies.



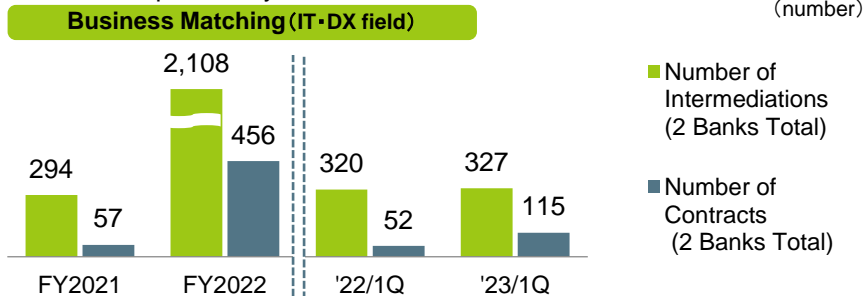
### Support for Digitalization of Local Governments

● We are providing service via the internet for payment of tax and public utilities.



### Digitalization Support through Business Matching

● Demand for core systems such as sales management and production management, as well as back-office efficiency improvement systems, is high and both the number of intermediations and the number of contracts significantly exceeded the previous year's results.



### Consulting support tools to elicit customers issues and needs

● Consulting support tool "Bisikul" was introduced at both banks to efficiently propose IT vendors and other commercial products to meet customer needs.

問題解決プラットフォーム



Problem solution platform "Bisikul"

DX businesses listed for business matching :  
176 companies (two banks total)

● Both banks are currently developing web-based service "Big Advance" that allows for nationwide business matching, creation of company websites, and employee benefit services



Number of users : 3,328 companies  
(two banks total)

## Digitalization / Innovation in Traditional Banking Business

We have accelerated the development of various applications through a business partnership with a local IT company, "Digital Serve Co., Ltd."

We have sold the developed applications to other financial institutions (regional banks), too.

### Applications for OTC bank employees

Digitalization of over-the-counter operations  
~ Simplify procedures/ Streamline paperwork ~

① Local taxes QR App\*1

② My Number Acceptance App

③ Account transfer Request App

- \*1 Local taxes App (started in April 2023)
  - The data of collection information in the QR code, a unified local tax code, is read by a smartphone for business use, and subsequent paperwork is digitized.

~ Developed 10 Apps ~



### Applications for customers

Development of Apps for Customers  
~ Combining gerontology knowledge with digital technology ~

④ Information succession service "Anshin(safe) Note"\*2

⑤ Smile Navigation



- \*2 Information succession service "Anshin(safe) Note" (introduced Mar. 2022)
  - Services to manage and succeed financial information for end-of-life planning, etc.
  - First regional financial institution to handle similar services.

### Applications for sales staff

Digitalization of sales staffs operations / Strengthening sales function ~ Ensure customer contact and meeting time by using digital means ~

⑥ App for digital receipts\*3

⑦ App for management of sales staff visits to customers\*4

⑧ Business support App (Camera App)

⑨ App for management of company cars

⑩ Asset under custody sales support App



- \*3 App for digital receipts (introduced in Nov. 2019)
  - Utilize image data and customer electric signatures to keep evidence of entrusted documents.
  - Other regional banks have adopted this app, too.

**特許取得** 2020年  
ビジネスモデル特許  
(特願2019-094482)

(Obtained business model patent in 2020)



- \*4 App for management of sales staff visits to customers (introduced in Nov. 2019)
  - Visualize sales staff visits to customers using GPS function of the business smartphone (display a map of sales staff's daily activity trajectory).
  - Automatically generate some daily reports by linking the location information of the visited place with the address information of the customer and the visiting time.

## Developing DX Personnel

We have developed human resources to meet the potential IT and digital needs of our customers.

We will introduce practical training programs incorporating group work and hands-on session to move DX systematically forward.

### DX Personnel

- We have established three levels of standards (DX Leaders, Core Personnel, and DX Basis Personnel) according to DX literacy. The number of both "DX Personnel (Target: 400 people)" and "DX Basis Personnel (Target : 3,000 people)" was achieved in the first year ahead of target in the 3rd medium-term business plan.
- Going forward, we will further strengthen its training and update its knowledge to respond to the rapidly changing and evolving digital external environment.



### Initiatives for DX Personnel Development

#### Outline of initiatives for personnel development

- Dispatch of trainees to digital companies to absorb cutting-edge know-how
- Open recruitment to digital-related departments for the purpose of finding internal talent
- Various training programs such as IT coordinators, data science and low code development
- Recommendation to obtain digital-related qualifications and provision of continuous learning environment.

#### < Training Scene >



#### Main Theme of Training programs

- Statistics for acquiring basic data analysis skills
- Data preprocessing and visualization processes as a basis for data science
- Low code application development, etc.

Developing personnel	End of 1Q23	Target	Compared to the target
DX Personnel	553 people	400 people (~ FYE24)	+ 153 people
DX Basis Personnel	3,716 people	3,000 people (~ FYE23)	+716 people

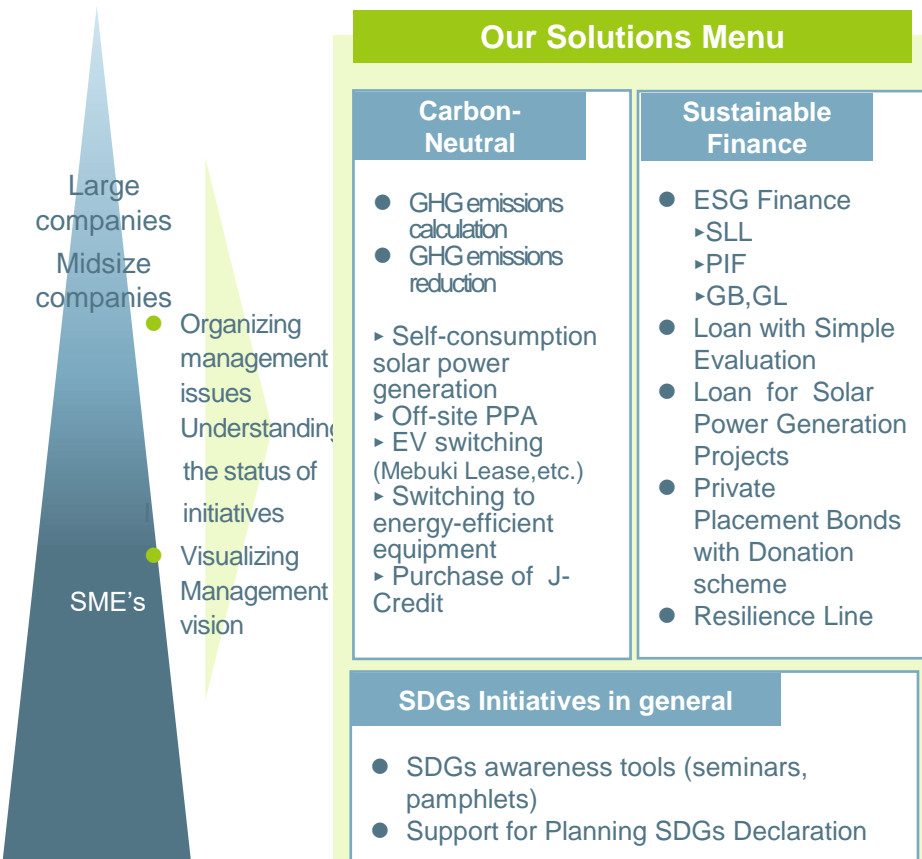
Theme creation workshop for the use of AI and machine learning

# Initiatives for Sustainability / Decarbonization

As a partner to our customers, we will expand various products and services which promote customers' proactive participation in SDGs' initiatives. Also, as a bank, we aim to make a leading and active contribution.



## Support for Corporate Customers' Initiatives



## Sustainable Finance

### Definition of "Sustainable Finance"

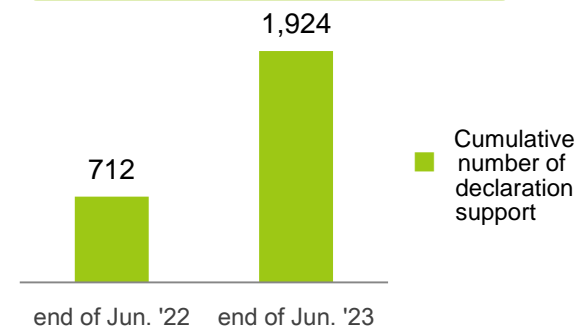
"Finance to support customers' activities aiming to realize a sustainable society through solving environmental and social issues", as referenced in related external standards (the Green Loan Principles, the Green Bond Principles, the Social Bond Principles, etc.)

	FY2030 Target	Results through 1Q23	( Reference )	
			Compared to end of FY22	Progress
Sustainable Finance	¥3 trillion	¥704.5 bn	+¥89.1bn	23.4%
O/W Environmental field	¥2 trillion	¥412.4 bn	+¥64.5bn	20.6%

## Support for Planning SDGs Declaration (Nov. 2021 ~)



Supporting customers' external PR by setting up dedicated pages on the websites of two subsidiary banks



Climate change Resources problem, etc.

Human rights issues, Labor issues, etc.

Corporate governance, etc.

Prioritize the approach

# Initiatives for Sustainability / Decarbonization

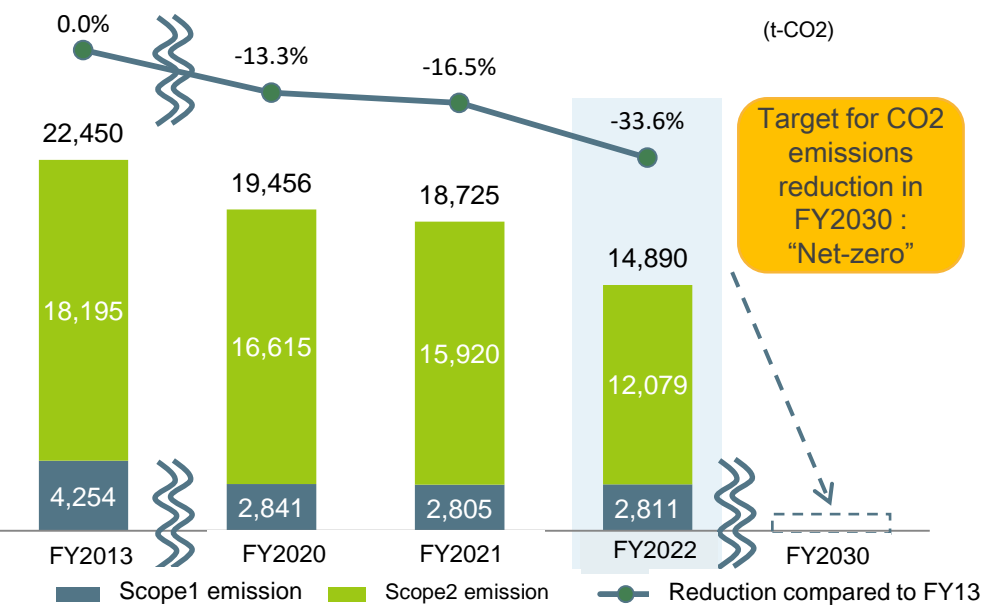
To achieve the target for CO2 emissions reduction in FY2030 to "Net-zero", we steadily promote energy-saving and resource-saving initiatives for decarbonization, such as switching to renewable energy sources at 7 business locations, including head offices of two subsidiary banks.

## Endorsement / Participation in Initiatives

- We actively participate in initiatives to accelerate efforts related to sustainability, including response to climate change.



## CO2 Emissions Reduction (Scope 1, 2)\*1



\* 1 From this fiscal year, total CO2 emissions of Scope 1 + Scope 2 for the entire company, including all group companies in addition to two subsidiary banks are counted and calculated using adjusted emission factor.

## Efforts for CO2 Emissions Reduction

### Introduction of Substantially Renewable Energy

Introduction period	Buildings introduced		Reduction effect (estimated)
	Joyo Bank	Ashikaga Bank	
July 2022	<ul style="list-style-type: none"> <li>● Head Office</li> <li>● Tsukuba building</li> <li>● Hitachinaka building</li> <li>● Business administration center</li> </ul>	<ul style="list-style-type: none"> <li>● Head Office</li> </ul>	annual 4,293 t-CO2*2
April 2023	—	<ul style="list-style-type: none"> <li>● Utsunomiya-chuo Br.</li> <li>● Training center (in Utsunomiya-chuo Br.)</li> <li>● Computer center</li> </ul>	annual 1,710 t-CO2*3
Total	4 locations	3 locations	annual 6,003 t-CO2*4

\*2 Calculated based on the adjusted emission factors for FY2020 by TEPCO Energy Partner, Incorporated.  
 \*3 Calculated based on the adjusted emission factors for FY2021 by TEPCO Energy Partner, Incorporated.  
 \*4 Equivalent to approximately 32% of the Group's CO2 emissions (adjusted) in FY2021.

### Introduction of Fuel-efficient Cars, etc.

- In addition to gradually switching sales cars to fuel-efficient cars, promote the introduction of electric cars, fuel cell cars, etc.

### Establishment of Environment-friendly Branches\*5

Introduction	FY20	FY21	FY22
Number of branches (cumulative total)	165	183	227



\* 5 Branches with solar power generation systems installed and / or interior light switched to LED.



# Initiatives for Sustainability / Decarbonization

The scope of disclosure for Scope 3 was expanded in FY2022. We will utilize the results of calculation for the engagement with our customers and contribute to realize a decarbonized society.

Further, we will continue to work on refining the calculation and expanding the scope of coverage.

## Measuring CO2 Emission (Scope3)

- Total Scope 3 CO2 emissions of two subsidiary banks are as follows. The scope of disclosure was expanded in FY2022 with the start of measurement of categories 1 through 5 and 15.

Category		CO2 emissions ( t-CO2 )	
		FY2021	FY2022
Category 1	Purchased goods and services	(not measured)	6,267
Category 2	Capital goods	(not measured)	8,146
Category 3	Fuel- and energy-related activities not included in Scope1 or 2	(not measured)	2,237
Category 4	Upstream transportation and distribution	(not measured)	534
Category 5	Waste generated in operations	(not measured)	29
Category 6	Business trips	776	1,128
Category 7	Employee commuting	2,665	3,398
Category 15	Investments and loans	(not measured)	20,498,197
Scope 3 (category 1-15) ※Categories 8-15 have zero emissions from the calculation.		3,441	20,519,939

## Category 15 (Investments and Loans)

Industry	Carbon intensity *1 (t-CO2/ ¥mil)	CO2 emissions *2 (t-CO2)
Agriculture	5.89	1,458,252
Paper / Forest products	8.70	695,192
Beverages / Foods	2.75	17,463
Metal / Mining	9.96	1,743,079
Chemicals	9.19	1,046,476
Oil / Gas	12.89	813,025
Construction / Materials	3.50	5,047,827
Automotive	4.64	596,757
Electricity	34.15	991,046
Real estate	0.71	284,740
Land trans.	3.80	930,120
Maritime trans.	20.03	130,289
Air trans.	9.73	12,430
Others	2.72	6,731,495
<b>Total</b>	—	<b>20,498,197</b>

Scope of calculation  
[ All business loan customers of both subsidiary banks ]

Customers for which disclosure information can be obtained  
[Bottom up method]

※Calculated based on disclosed CO2 emissions results.

Other customers  
[Top down method]  
※Estimated CO2 emissions using carbon intensity by industry

\*1 Formula for calculating carbon intensity by industry

Carbon intensity =  $\Sigma$  ( CO2 emissions by loan customers / Sales ) / Number of loan customers

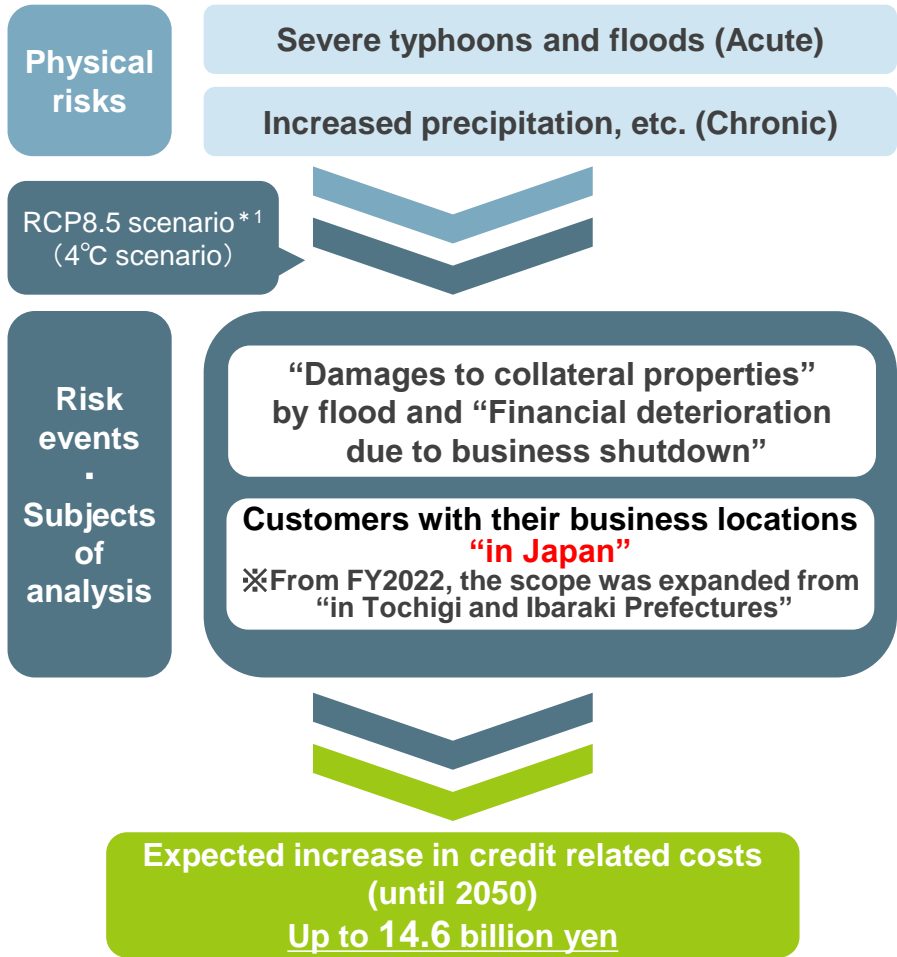
\*2 Formula for CO2 emissions (top down method)

CO2 emissions =  $\Sigma$  (Carbon intensity by customer × Sales ) / Loan contribution by subsidiary banks

※Loan balance as of Mar.31, 2023 and banks' most recent financial information are used in the calculation.

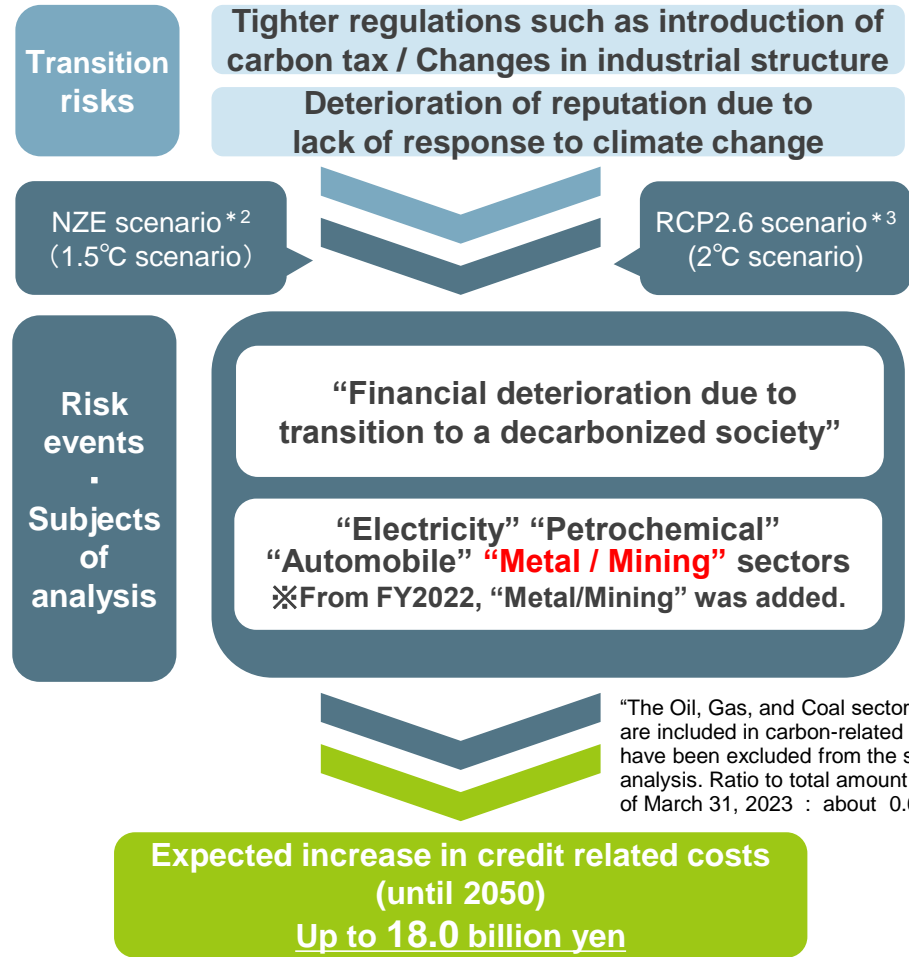
The amount of impact on the Group calculated by the scenario analysis remains limited. We will continue to support our customers' efforts to address climate change, maximizing opportunities and minimizing risks for the Group and our customers.

## Scenario Analysis (Physical risks)



\*1 A scenario developed by International Panel on Climate Change (IPCC)

## Scenario Analysis (Transition risks)

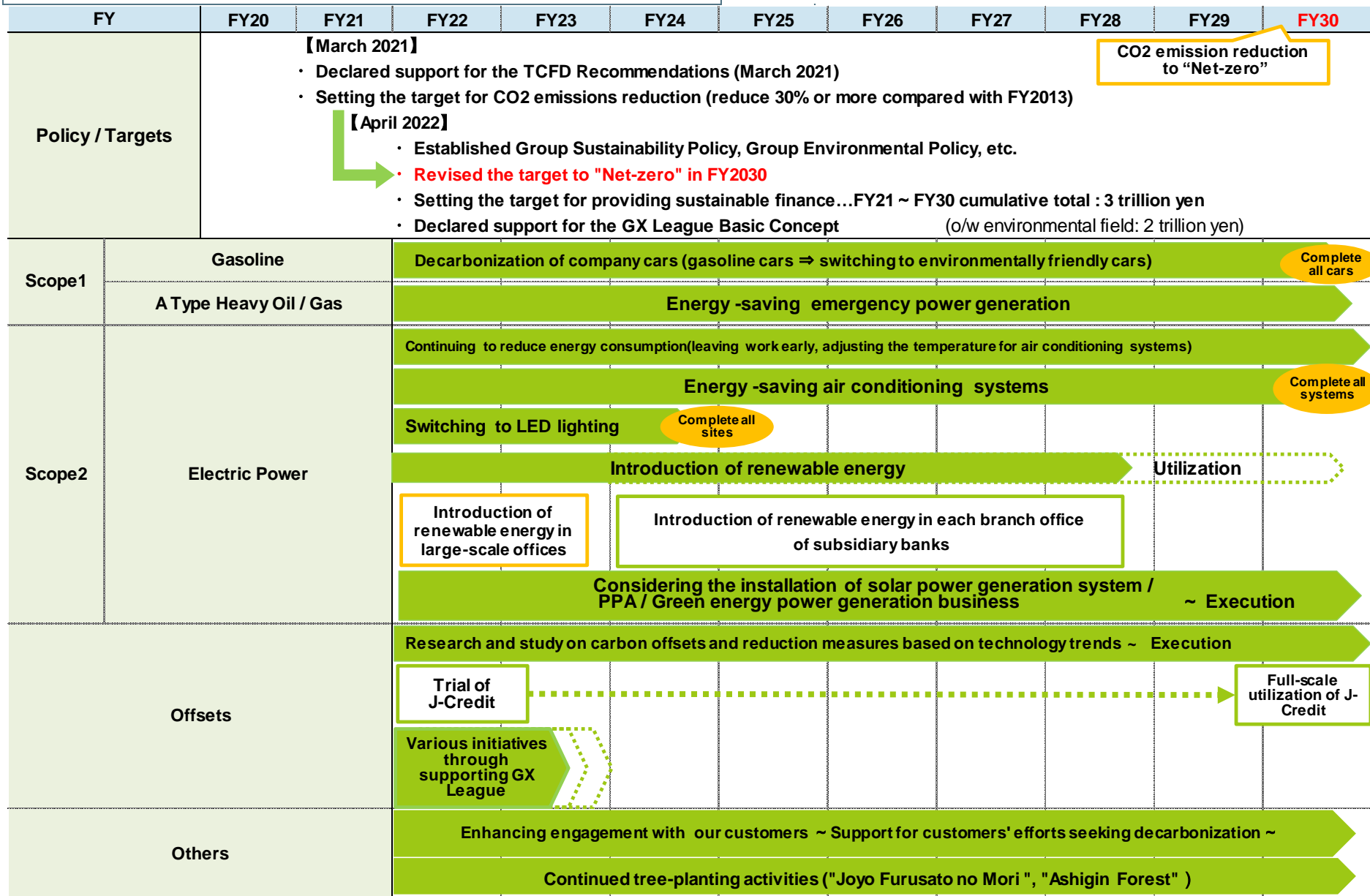


\*2 A scenario developed by International Energy Agency (IEA)

\*3 1 A scenario developed by International Panel on Climate Change (IPCC)

“The Oil, Gas, and Coal sectors”, which are included in carbon-related assets, have been excluded from the scope of this analysis. Ratio to total amount of credit as of March 31, 2023 : about 0.6%

## The Group Roadmap for "Net-zero" CO2 emission



## Initiatives for Human Resources Management

Based on the idea that “human resources” are the greatest management resource for embodying the group philosophy of “providing high-quality comprehensive financial services to continue building a more prosperous future by together with local communities,” and increasing our corporate value, we are taking initiatives to develop human resources and improve our internal environment.

### Human Capital to Achieve the Long-Term Vision 2030

We will enhance our human capital by developing and strengthening human resources with the following skills and by creating an internal environment in which diverse people with these skills can maximize their potential and play an active role, thereby realizing our Long-Term Vision.

#### Examples of human skills required to achieve our goal

- Communication skills to elicit customers’ needs and issues
- Analytical skill and imagination, including digital and design thinking, to solve customers’ needs and issues
- Coordination and professional skills in providing various consulting services
- Creativity and planning skills for change
- Motivation to take on new challenges and leadership



#### Providing opportunities to demonstrate skills and play an active role

- Growth opportunities
- Opportunities for diverse talent
- Utilization and demonstration of experience
- Mental and physical health, etc.

## Long-Term Vision and Human Capital

**Long-Term Vision**

**A Value Creation Group Working Together with Local Communities**

**Approach to Realization of Long-Term Vision**

We will strengthen our core business areas such as traditional banking and comprehensive financial services and take effort to expand our business areas by leveraging our strengths.

We will create new value by taking on challenges to solve regional issues beyond the framework of conventional financial services and returning the expertise obtained through these initiatives to our core business.

**Human Resources Requirements**

Communication skills	Coordination skills	Planning skills
Analytical skills	Professional skills	Spirit to take on challenges
Conceptual ability including digital and design thinking	Imagination	Leadership

**Human Resource Development Policy**

Human resources with professional skills      Human resources who create new value      Human resources who can continue to adapt to changes in business environment

**Internal Environmental Improvement Policy**

Organizational culture that encourages autonomous growth      Diversity and Inclusion      Health Management

## Status of Efforts for Human Resources Development

### 1. Human Resources Development

#### ■ 【Targets】 Number of “DX Personnel” and “DX Basis Personnel” (IT Passport acquirers)

Target		Period	End of Mar., 2021		End of Mar., 2022		End of Mar., 2023		
			Number	Ratio of employees	Number	Ratio of employees	Number	Ratio of employees	Progress
DX Personnel	400 <sub>people</sub>	End of Mar.2025	—	—	—	—	551	9.9%	137.8%
DX Basis Personnel	3,000 <sub>people</sub>	End of Mar.2024	225	3.8%	1,268	21.7%	3,538	63.3%	117.9%

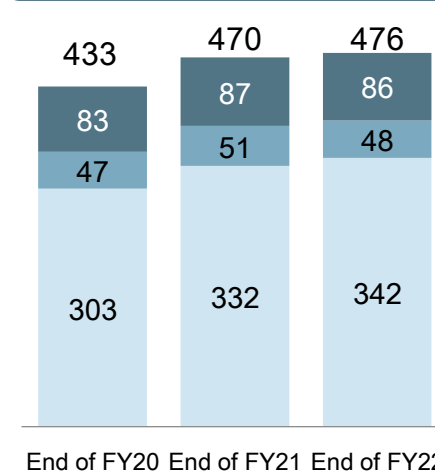
(\*) “DX Personnel” is defined as head office staff who plan and drive new business creation and business innovation using digital technology, and personnel who can provide DX support to customers (based on the requirements set by both subsidiary banks).

#### ■ 【Indicators】 Highly qualified staff / FP(Financial Planner) Level 2

	End of Mar., 2021		End of Mar., 2022		End of Mar., 2023	
	Number	Ratio of employees	Number	Ratio of employees	Number	Ratio of employees
Highly qualified staff	433	7.3%	470	8.1%	476	8.5%
FP Level 2 holders	3,359	56.3%	3,511	60.2%	3,638	65.1%

(\*) Highly qualified staff... Total number of FP Level 1 holders, SMEs Management Consultants and Securities Analysts

#### Breakdown of highly qualified staff (people)



### 2. Securing Human Resources

#### ■ 【Indicator】 Number of Midcareer Recruitments

	End of Mar., 2021		End of Mar., 2022		End of Mar., 2023	
	Number	Ratio	Number	Ratio	Number	Ratio
Number of midcareer recruitments	32	11.1%	23	8.8%	30	14.4%

(\*) Ratio... Number of midcareer recruitments ÷ Total number of annual recruitments

## Status of Efforts for Internal Environmental Improvement

### 1. Organizational culture that encourages autonomous growth

#### ■ 【Target】 Number of Trainees Dispatched Inside and Outside the Group

Target		Period	End of Mar., 2021		End of Mar., 2022		End of Mar., 2023		
			Number	Ratio of employees	Number	Ratio of employees	Number	Ratio of employees	Progress
Number of trainees dispatched inside and outside the Group	120 people	FY2022 ~ FY2024	20	0.3%	34	0.6%	60	1.1%	50.0%

#### ■ 【Indicators】 Number of Applicants and Number of Dispatches / Placements for the post-challenge program through public invitation and Number of Trainees attending multiple field training programs

	End of Mar., 2021		End of Mar., 2022		End of Mar., 2023	
	Number	Ratio of employees	Number	Ratio of employees	Number	Ratio of employees
Number of Applicants for the post-challenge program through public invitation(*1)	26	0.4%	49	0.8%	74	1.3%
Number of Dispatches / Placements by the post-challenge program through public invitation(*1)	6	0.1%	10	0.2%	32	0.6%
Number of Trainees attending multiple field training programs(*2)	720	12.1%	1,491	25.6%	1,593	28.5%

(\*1) The number and percentage of employees who voluntarily raised their hand and applied for, were sent, or were placed in trainee or specific positions.

(\*2) The number and percentage of employees who participated in various categories of training (excluding part-time employees and holiday training programs)

## Status of Efforts for Internal Environmental Improvement

### 2. Diversity and Inclusion

#### ■ 【Target】 Female employee ratio in positions equivalent to assistant manager or higher

Target		Period	End of Mar., 2021		End of Mar., 2022		End of Mar., 2023		
			Number	Female ratio	Number	Female ratio	Number	Female ratio	Progress
Female employee ratio in positions equivalent to assistant manager or higher	35% or more	End of FY2024	1,132	30.0%	1,174	31.4%	1,238	33.3%	95.1%

#### ■ 【Indicators】 Female employee ratio in positions equivalent to manager or higher / Returning to work after childcare leave

	End of Mar., 2021		End of Mar., 2022		End of Mar., 2023	
	Number	Ratio	Number	Ratio	Number	Ratio
Female employee ratio in positions equivalent to manager or higher	390	15.2%	428	16.9%	492	19.3%
Number of employees returned to work after childcare leave*1 / Ratio of returning to work*2	134	95.0%	151	95.5%	132	95.7%

\*1 The number of employees who returned to work after maternity leave, childcare leave, etc.

\*2 The number employees who returned to work after childcare leave, etc.) ÷ (The number of employees who scheduled to return to work after childcare leave, etc.) × 100

### 3. Health Management

#### ■ 【Indicators】 Average days paid leave taken / Ratio of health checkups / Ratio of employees regarding specific health guidance

	FY2020	FY2021	FY2022
Average number of paid leave days taken	11.4 days	11.9 days	13.0 days
Ratio of employees who had health checkups	99.6%	99.9%	99.6%
Ratio of employees regarding specific health guidance	8.9%	8.6%	8.7%



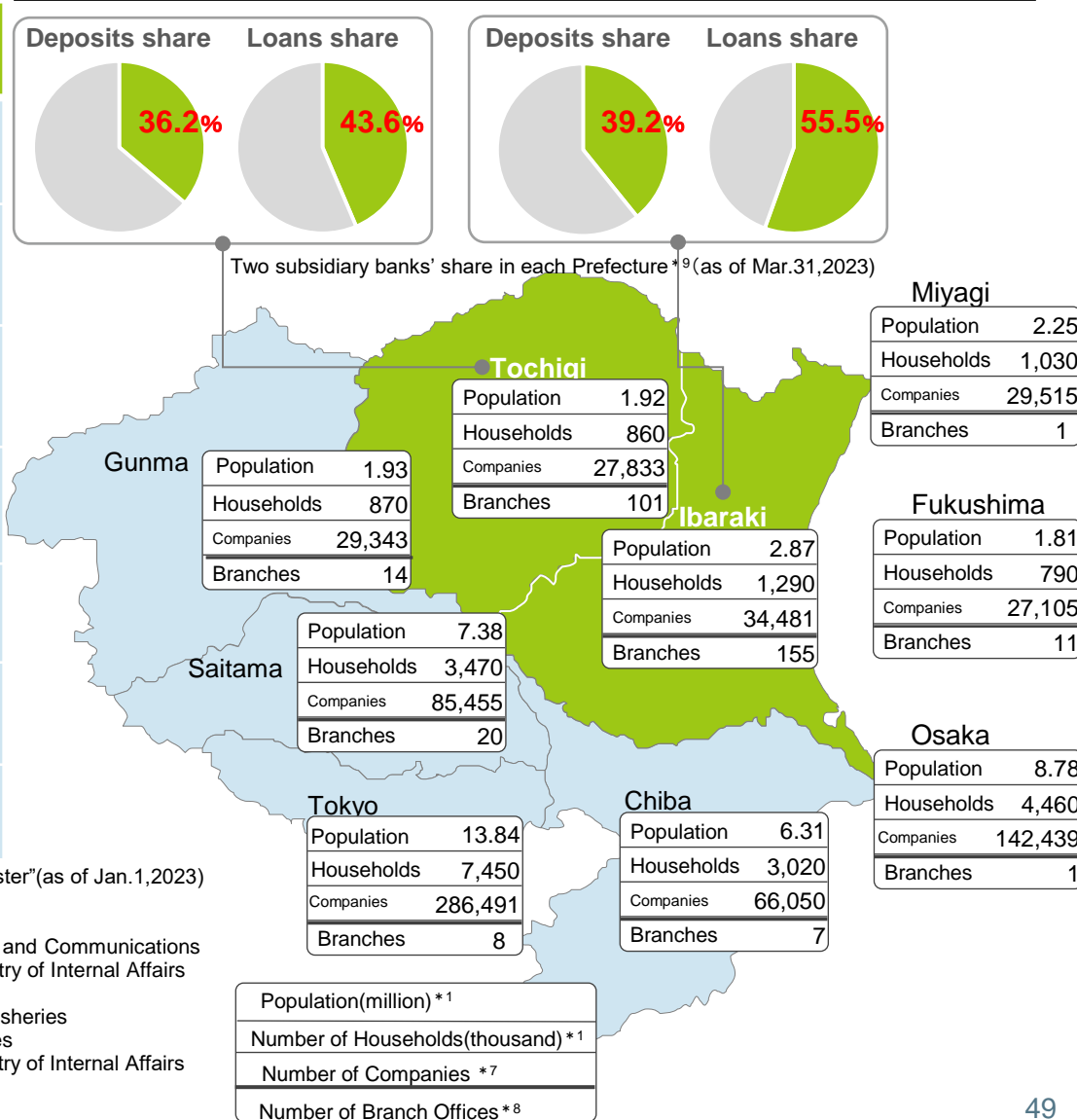
# 【Reference】 Basic Data of Ibaraki and Tochigi Prefectures

# 【Data】 Main Business Areas of Mebuki FG

## Economic Data of Ibaraki and Tochigi Prefectures

Dominant share in Ibaraki and Tochigi Prefectures, our core market, with the metropolitan area nearby

	Ibaraki Prefecture		Tochigi Prefecture	
Population *1	2.87 million people	11th In the nation	1.92 million people	19th In the nation
Nominal prefectural gross product *2	14.0 trillion yen	11th	9.2 trillion yen	16th
Prefectural income per capita *2	3.24 million yen	10th	3.35 million yen	4th
Number of business establishments *3	128 thousand establishments	13th	93 thousand establishments	21th
Manufactured goods shipped *4	12.1 trillion yen	7th	8.2 trillion yen	12th
Agricultural output *5	426.3 billion yen	3rd	269.3 billion yen	9th
Catch *6	299 thousand tons	2nd	-	-



\*1 "Statics of population, demographics and number of and households based on the basic register"(as of Jan.1,2023) by Statistics Bureau, Ministry of Internal Affairs and Communications

\*2 "Prefectural Accounts" by the Cabinet Office(2019)"

\*3 "2019 Economic Census for Business Frame" by Statistics Bureau, Ministry of Internal Affairs and Communications

\*4 "2021 Economic Census for Business Frame" (business activities) by Statistics Bureau, Ministry of Internal Affairs and Communications

\*5 "2021 Agricultural Production Income Statistics" by the Ministry of Agriculture, Forestry and Fisheries

\*6 "2021 Fisheries Production Income Statistics" by Ministry of Agriculture, Forestry and Fisheries

\*7 "2021 Economic Census for Business Frame" (business activities) by Statistics Bureau, Ministry of Internal Affairs and Communications

\*8 As of March 31, 2023

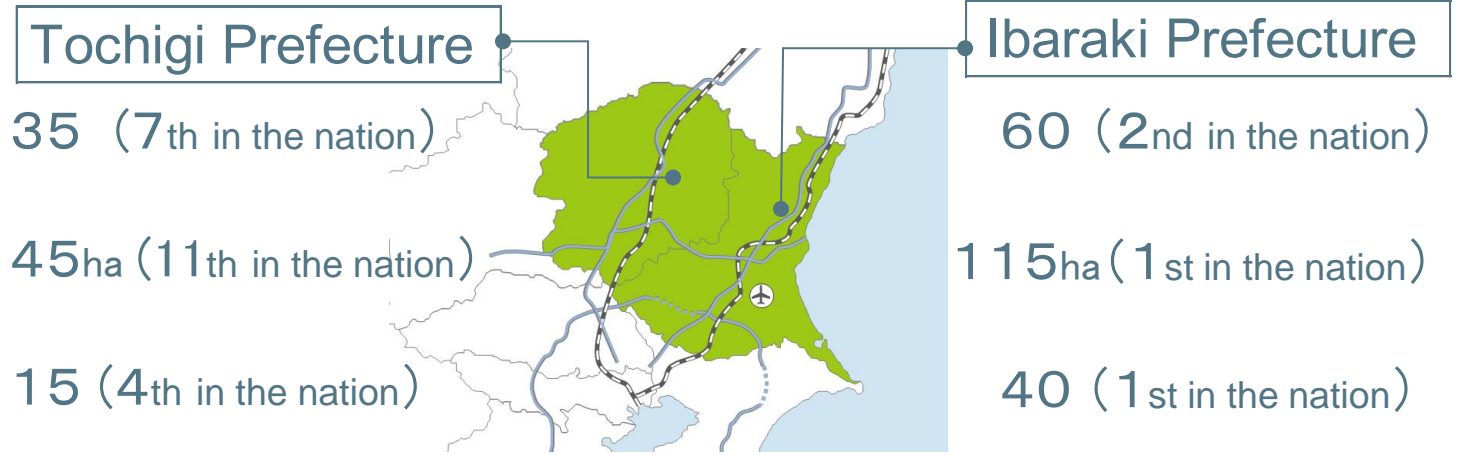
\*9 Partially processed from "Financial Journal Dec.2022."

# 【Data】 New Factory Locations in Ibaraki and Tochigi Prefectures

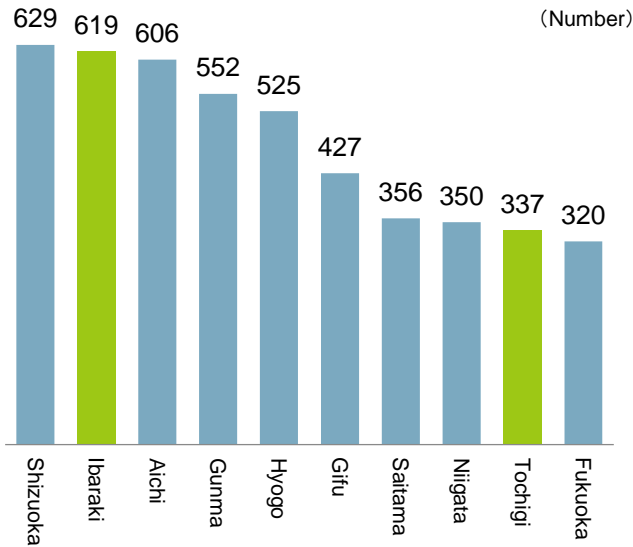
Number of new factory locations (2022)

Area of new factory locations (2022)

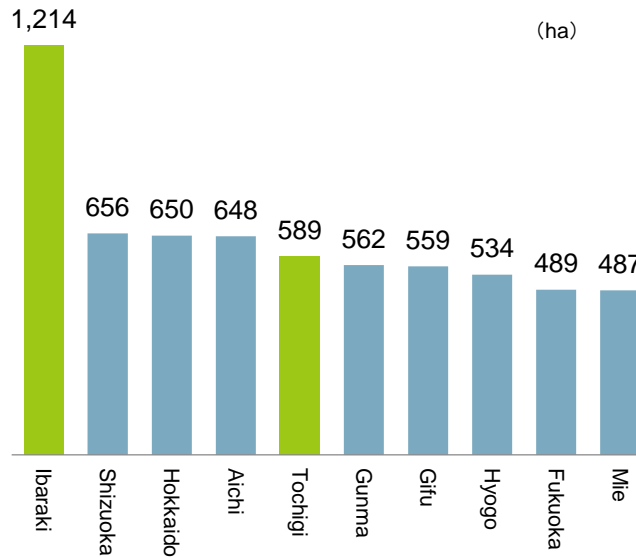
Number of new factory locations by companies outside the Prefecture (2022)



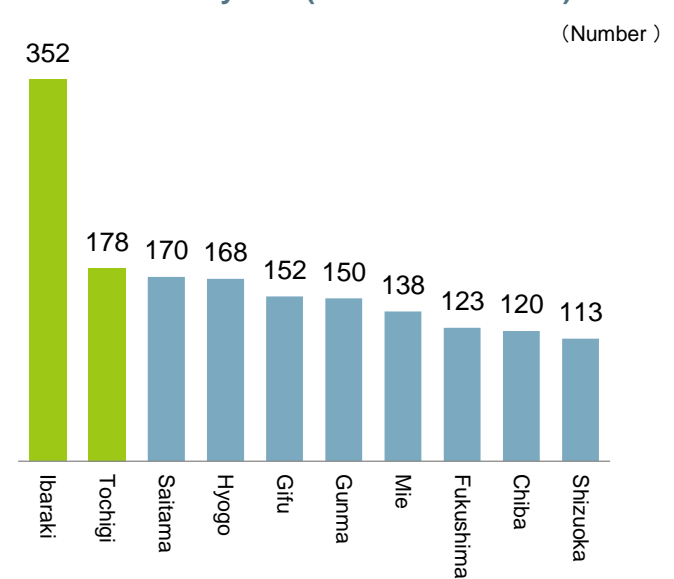
Number of new factory locations in last 10 years (from 2013 to 2022)



Area of new factory locations in last 10 years (from 2013 to 2022)



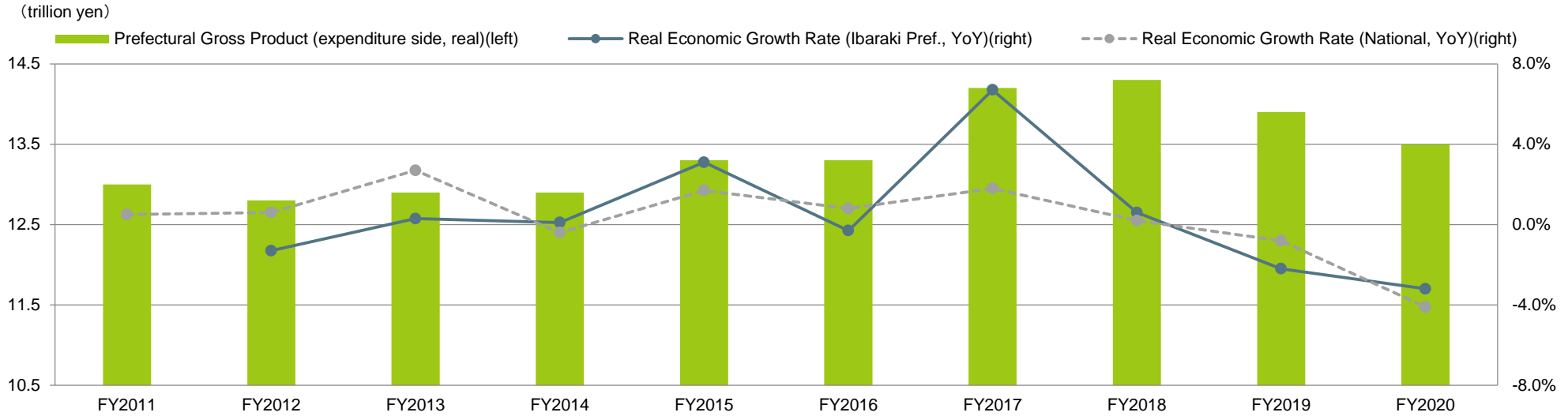
Number of new factory locations by companies outside the Prefecture in last 10 years (from 2013 to 2022)



( Source ) "Survey of Factory Location Trends (2022)" by Ministry of Economy, Trade and Industry

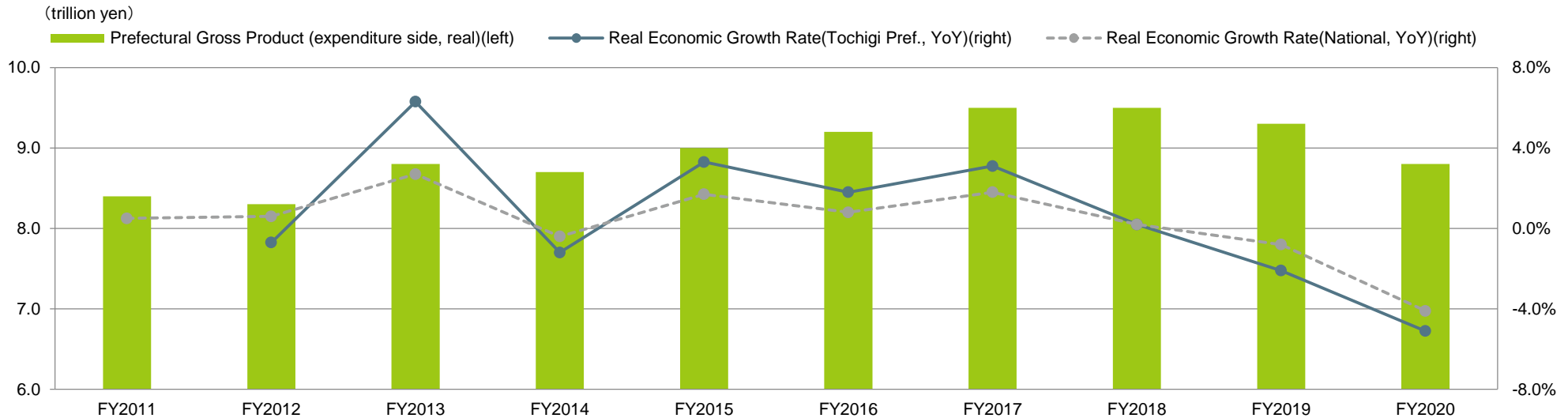
# 【Data】 Gross Prefectural Product and Economic Growth Rate

## Ibaraki Prefectural Gross Product and Real Economic Growth Rate



(Source) "Prefectural Accounts of Ibaraki in FY2020" by Statistics Division of Ibaraki Prefecture, "National Accounts of Japan (GDP)" by Economic and Social Research Institute of Cabinet Office

## Tochigi Prefectural Gross Product and Real Economic Growth Rate

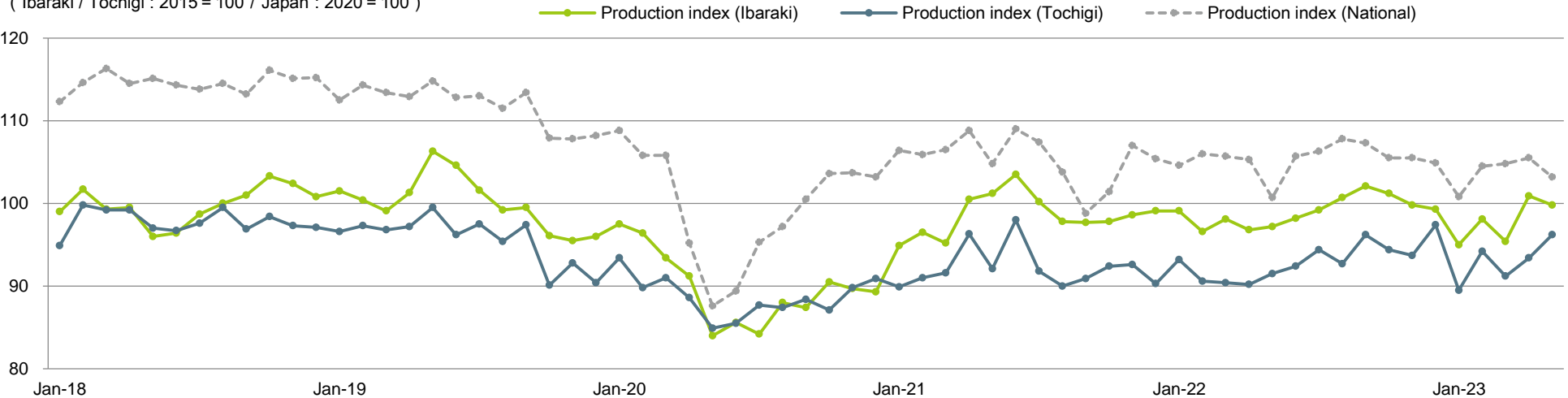


(Source) "Prefectural Accounts of Ibaraki in FY2020" by Statistics Division of Tochigi Prefecture, "National Accounts of Japan (GDP)" by Economic and Social Research Institute of Cabinet Office

# 【Data】 Product-related Indicators and Public Investments

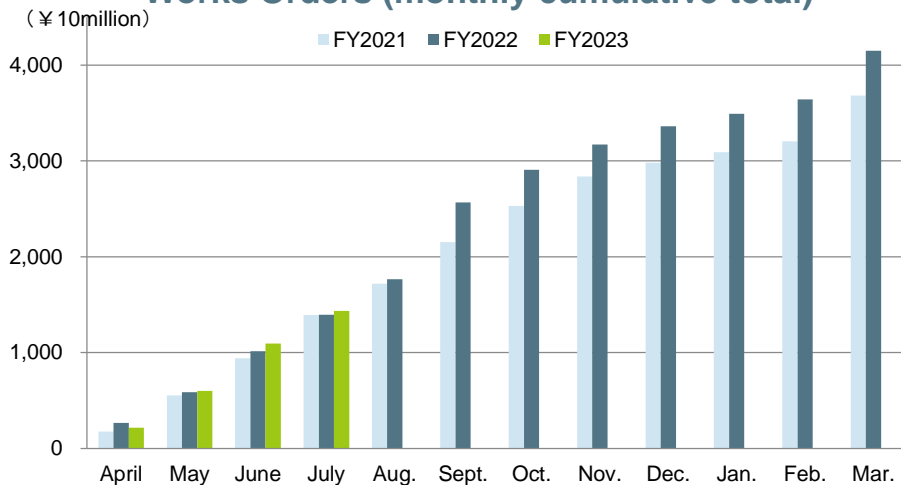
## Industrial Production Index of Ibaraki and Tochigi Prefectures (seasonally adjusted)

( Ibaraki / Tochigi : 2015 = 100 / Japan : 2020 = 100 )



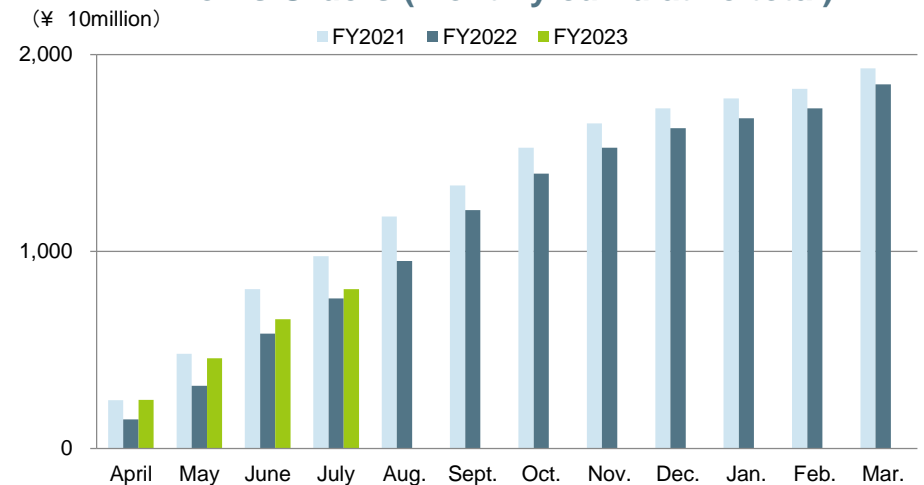
(Source) "Prefectural Industrial Production Index" by Ibaraki Prefecture and Tochigi Prefecture, "Industrial Production Index" by Ministry of Economy, Trade and Industry

## Ibaraki Pref. Contracted Value of Public Works Orders (monthly cumulative total)



(Source) By the Company based on the statistics on guarantees handled by client / by plant location of East Japan Construction Surety Co., Ltd.

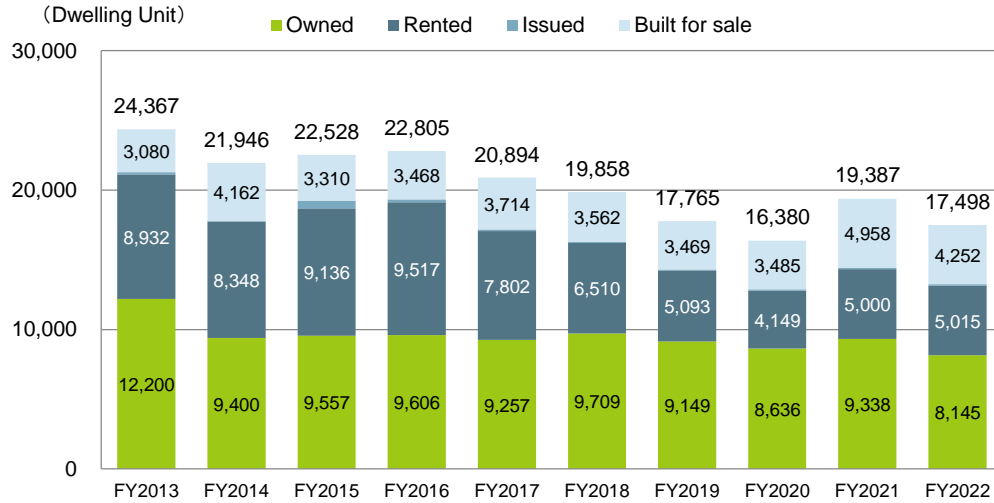
## Tochigi Pref. Contracted Value of Public Works Orders (monthly cumulative total)



(Source) By the Company based on the statistics on advance payment of public works of East Japan Construction Surety Co., Ltd.

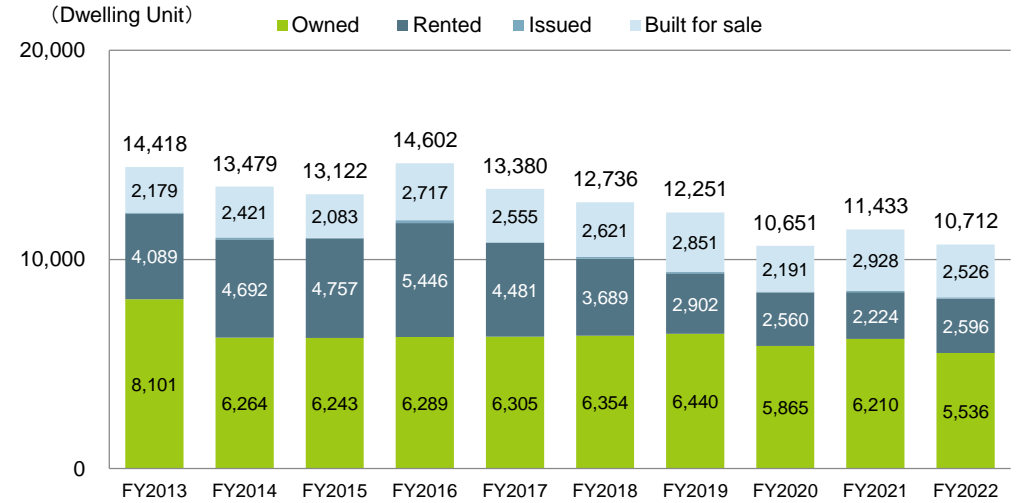
# 【Data】 Housing Starts

## Ibaraki Pref. Number of New Housing Starts (Yearly)



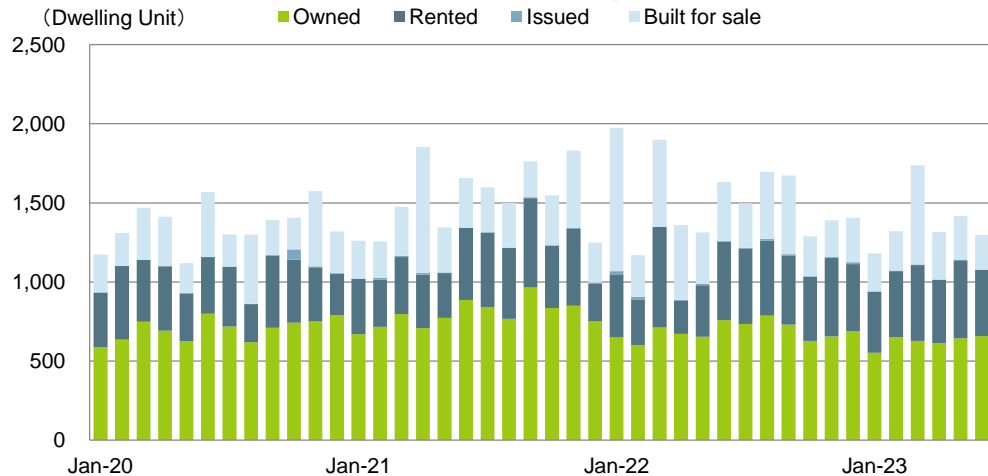
(Source) "Statics of Housing Starts" by Ministry of Land, Infrastructure, Transport and Tourism

## Tochigi Pref. Number of New Housing Starts (Yearly)



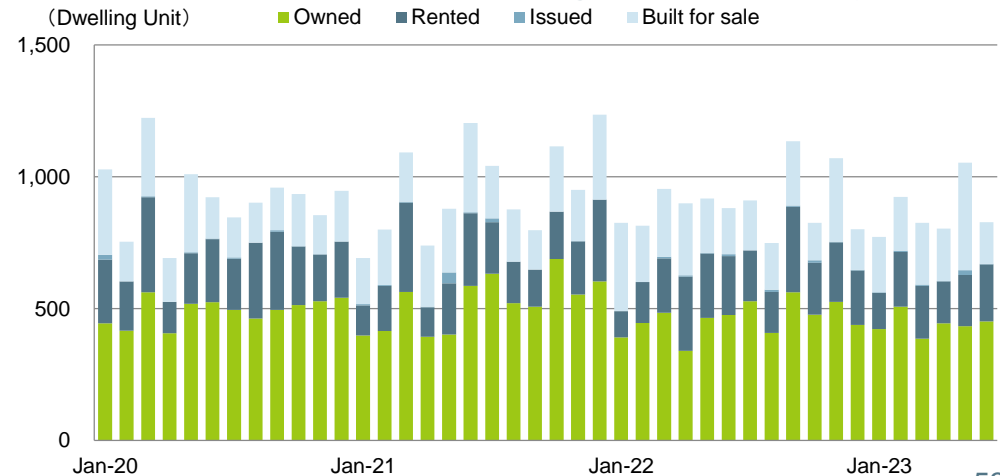
(Source) "Statics of Housing Starts" by Ministry of Land, Infrastructure, Transport and Tourism

## Ibaraki Pref. Number of New Housing Starts (Monthly)



(Source) "Statics of Housing Starts" by Ministry of Land, Infrastructure, Transport and Tourism

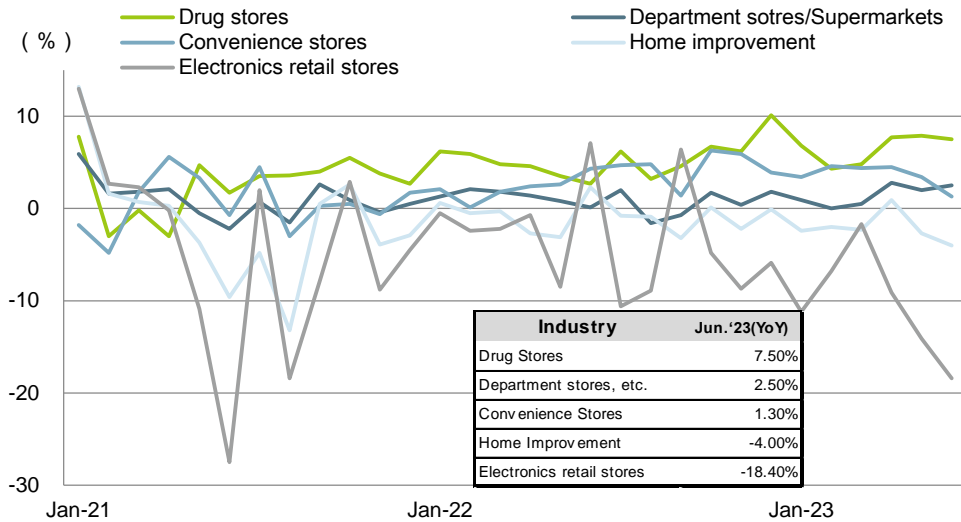
## Tochigi Pref. Number of New Housing Starts (Monthly)



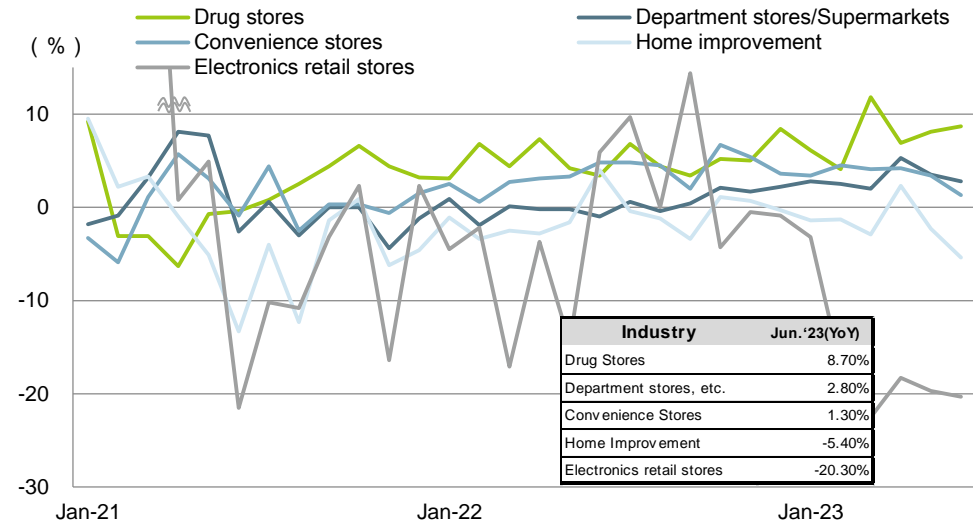
(Source) "Statics of Housing Starts" by Ministry of Land, Infrastructure, Transport and Tourism

# [Data] Indicators related to Private Consumption

## Ibaraki Pref. Monthly Retail Sales (YoY)

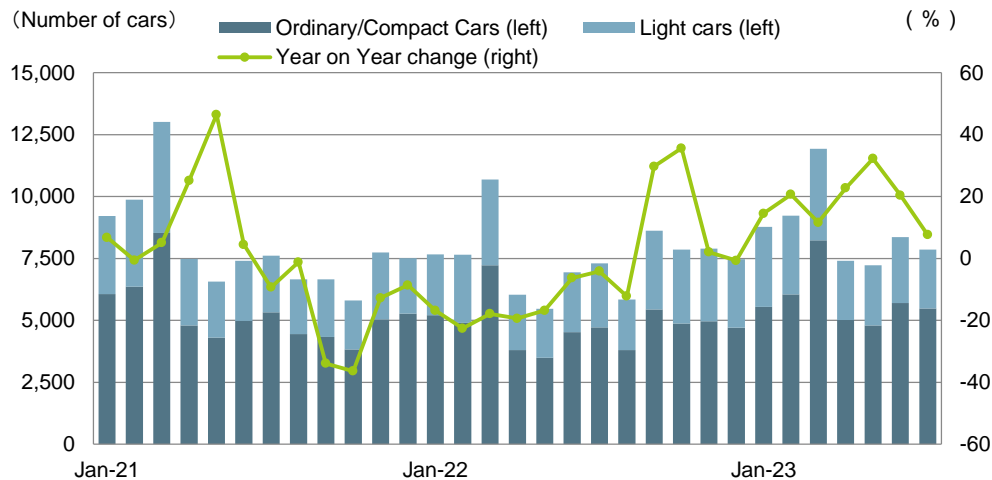


## Tochigi Pref. Monthly Retail Sales (YoY)



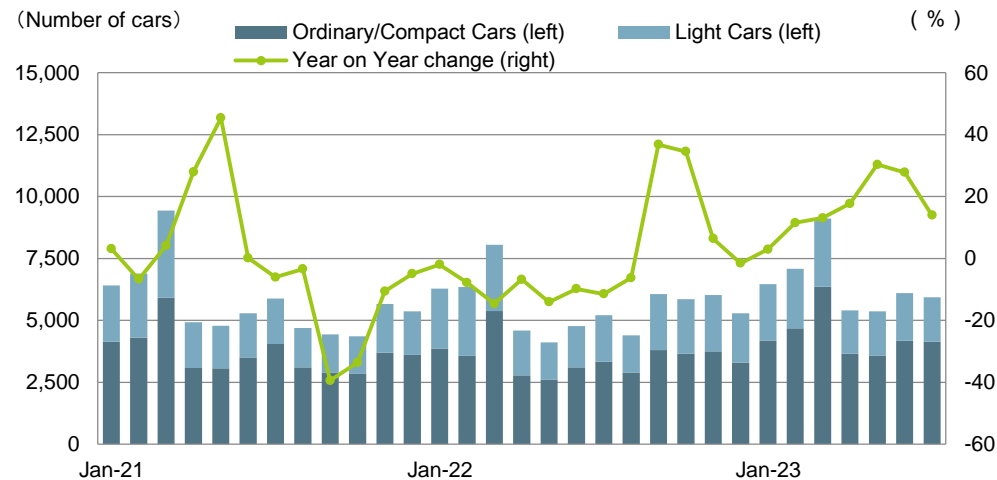
( Source ) "Survey of Commerce" by Ministry of Economy, Trade and Industry

## Ibaraki Pref. Number of New Passenger car Registration (monthly)



( Source ) Monthly report by Automobile Dealers Association of Ibaraki Prefecture

## Tochigi Pref. Number of New Passenger car Registration (monthly)



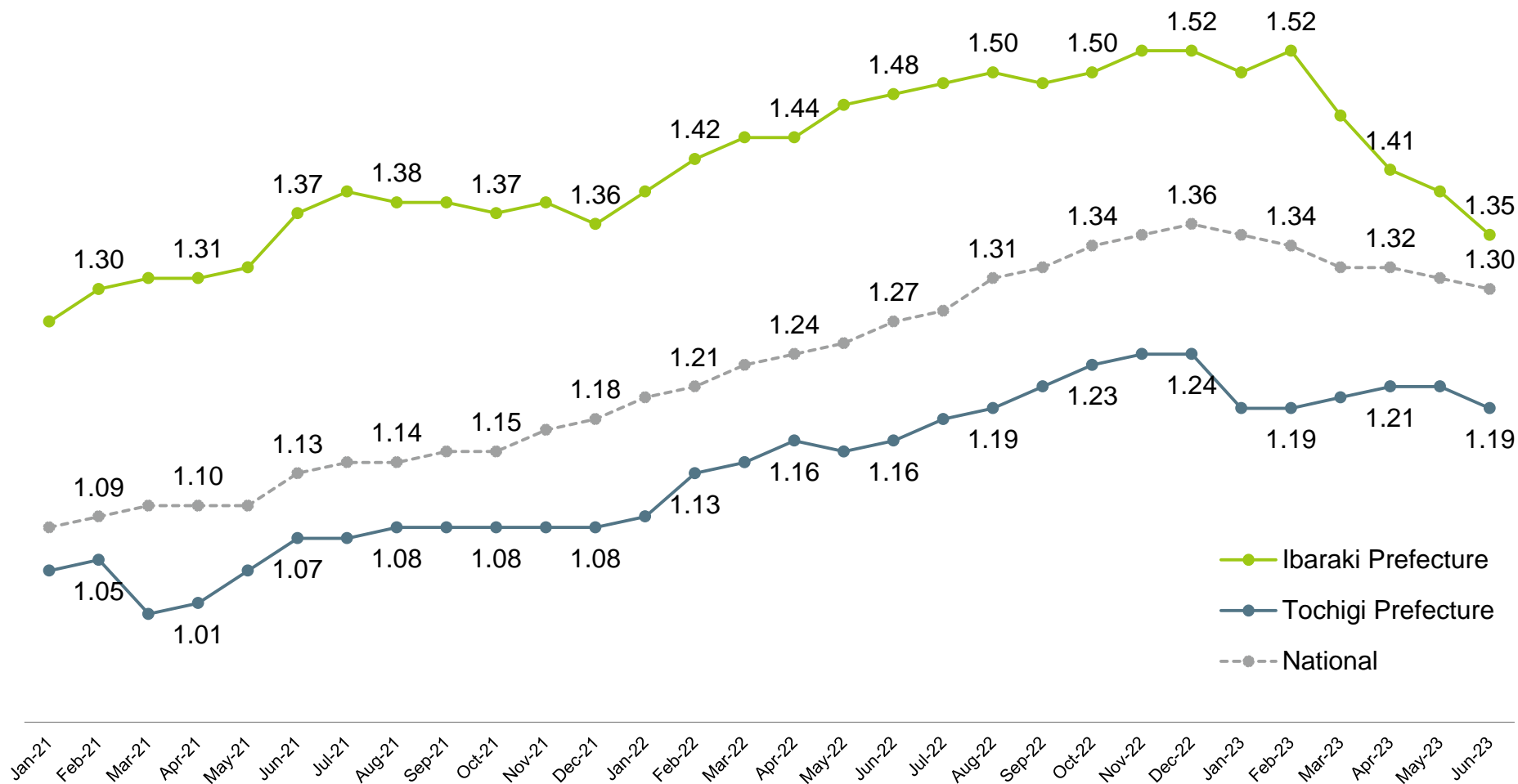
( Source ) Monthly report by Automobile Dealers Association of Tochigi Prefecture and Japan Light Motor Vehicle and Motorcycle Association

# 【Data】 Employment-related Indicators

## Jobs-to-applicants Ratio (seasonally adjusted)

※including part timers

(Unit: times)





## 【Data】 Breakdown of Banking subsidiaries

## 【Data】 Breakdown of Banking subsidiaries

( 1 ) P/L for 1Q23

( ¥ b n )

	J+A	YoY	Joyo	YoY	Ashikaga	YoY
Gross business profit	42.6	+6.7	23.4	+6.9	19.2	-0.1
(Core Gross business profit)	50.2	-1.5	27.3	-3.1	22.9	+1.5
Net interest income	36.3	-5.6	21.2	-2.8	15.1	-2.7
o/w Gains/losses on Cancellation of Investment trusts	1.2	-1.3	0.4	-0.9	0.8	-0.4
Net fees and commissions	9.0	-0.1	5.5	-0.4	3.5	+0.2
Net other business income and Net trading income	-2.7	+12.5	-3.3	+10.2	0.6	+2.3
(o/w gains/losses on bond transactions)	-7.5	+8.3	-3.9	+10.1	-3.6	-1.7
Expenses	26.6	+0.1	15.0	+0.2	11.5	-0.0
o/w Personnel expenses	14.2	-0.1	8.0	-0.0	6.1	-0.1
o/w Non-personnel expenses	10.1	+0.2	5.6	+0.2	4.5	+0.0
Net business income (before general allowance for loan losses)	16.0	+6.6	8.3	+6.6	7.7	-0.0
Core net business income	23.6	-1.7	12.2	-3.4	11.3	+1.6
Core net Business Income	22.3	-0.3	11.8	-2.5	10.5	+2.1
( exclu. Gains/losses on Cancellation of Investment trusts )						
( exclu. Gains/losses on "Cancellation of investment trusts", "Futures" and "Options" )	18.2	-4.8	11.8	-2.9	6.4	-1.9
Net transfer to general allowance for loan losses (a)	—	—	—	—	—	+0.1
Net business income	16.0	+6.6	8.3	+6.6	7.7	-0.2
Net non-recurrent gains/losses	4.9	-6.3	4.8	-7.2	0.1	+1.1
o/w Disposal of non-performing loans (b)	-0.1	-0.3	-0.3	-0.0	0.1	-0.5
o/w Gains/losses related to stocks, etc.	4.6	-6.5	4.1	-7.4	0.5	+0.8
Ordinary profit	21.0	+0.3	13.1	-0.6	7.8	+0.9
Extraordinary income/losses	0.0	-0.0	(0.0)	-0.0	0.0	+0.0
Net income	14.9	+0.2	9.3	-0.4	5.5	+0.6
Profit from customer services <sup>* 1</sup>	11.0	+1.3	7.2	+0.7	3.8	+0.5
Credit related costs (a)+(b)	-0.1	-0.3	-0.3	-0.0	0.1	-0.3

\*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	1Q23	YoY	1Q22
J+A	Domestics	0.99%	0.96%	0.93%	0.91%	0.90%	-0.01%
	Overseas	2.67%	1.29%	1.04%	3.02%	4.72%	+3.13%
	Total	1.02%	0.96%	0.94%	0.95%	0.97%	+0.03%
Joyo	Domestics	0.97%	0.93%	0.91%	0.90%	0.89%	-0.01%
	Overseas	2.69%	1.30%	1.05%	3.11%	4.89%	+3.27%
	Total	1.01%	0.94%	0.92%	0.96%	1.00%	+0.07%
Ashikaga	Domestics	1.02%	0.99%	0.96%	0.93%	0.92%	-0.02%
	Overseas	2.48%	1.19%	0.98%	2.23%	3.17%	+1.86%
	Total	1.03%	0.99%	0.96%	0.94%	0.93%	-0.01%

## 【Data】 Breakdown of Banking subsidiaries

### ( 3 ) Loans Term-end Balance ( ¥ b n )

		FYE19	FYE20	FYE21	FYE22	Jun-23	YoY	Jun-22
J+A	Individual	4,795.9	4,924.8	5,045.4	5,136.7	5,142.5	+85.9	5,056.6
	Corporate	5,181.3	5,369.6	5,347.4	5,694.8	5,717.0	+426.5	5,290.5
	Public	980.2	983.7	915.9	988.5	914.6	+86.3	828.3
	Total	10,957.5	11,278.1	11,308.8	11,820.1	11,774.3	+598.7	11,175.5
Joyo	Individual	2,624.6	2,687.7	2,740.2	2,786.4	2,785.2	+40.8	2,744.3
	Corporate	3,002.6	3,103.0	3,091.3	3,313.1	3,351.3	+283.7	3,067.6
	Public	612.8	562.7	498.1	548.8	569.7	+84.7	485.0
	Total	6,240.1	6,353.6	6,329.7	6,648.4	6,706.3	+409.4	6,296.9
Ashikaga	Individual	2,171.3	2,237.0	2,305.1	2,350.3	2,357.3	+45.0	2,312.3
	Corporate	2,178.6	2,266.5	2,256.0	2,381.6	2,365.7	+142.7	2,222.9
	Public	367.4	420.9	417.8	439.6	344.8	+1.5	343.3
	Total	4,717.3	4,924.5	4,979.0	5,171.6	5,067.9	+189.3	4,878.5

\* Not including borrowing from special account of MoF

Foreign Currency Denominated Loans ( ¥ b n )		FYE19	FYE20	FYE21	FYE22	Jun-23	YoY	Jun-22
J+A		164.2	162.6	150.6	151.0	165.3	+3.0	162.2
Joyo		146.8	150.0	139.5	140.4	153.8	+4.3	149.4
Ashikaga		17.3	12.6	11.0	10.5	11.4	-1.2	12.7

### ( 4 ) Loans Individual Housing Related Loans Term-end Balance ( ¥ b n )

		FYE19	FYE20	FYE21	FYE22	Jun-23	YoY	Jun-22
J+A	Housing Loans	3,546.5	3,711.7	3,860.8	3,972.9	3,981.8	+100.1	3,881.6
	Apartment Loans	933.6	902.3	871.2	845.2	838.9	-23.4	862.4
	Asset building loans	2.8	2.6	2.4	1.9	1.8	-0.5	2.3
	Total	4,483.0	4,616.7	4,734.5	4,820.2	4,822.6	+76.1	4,746.5
Joyo	Housing Loans	1,719.5	1,809.7	1,889.9	1,955.2	1,958.2	+56.5	1,901.7
	Apartment Loans	748.6	722.8	694.2	672.8	667.5	-19.3	686.9
	Asset building loans	2.8	2.6	2.4	1.9	1.8	-0.5	2.3
	Total	2,471.1	2,535.1	2,586.5	2,630.0	2,627.6	+36.6	2,591.0
Ashikaga	Housing Loans	1,826.9	1,902.0	1,970.9	2,017.6	2,023.5	+43.6	1,979.9
	Apartment Loans	185.0	179.5	177.0	172.4	171.4	-4.0	175.4
	Asset building loans	-	-	-	-	-	-	-
	Total	2,011.9	2,081.5	2,147.9	2,190.1	2,194.9	+39.5	2,155.4

### ( 5 ) Unsecured Loans Term-end Balance ( ¥ b n )

		FYE19	FYE20	FYE21	FYE22	Jun-23	YoY	Jun-22
J+A	Car Loans	52.0	63.3	71.4	79.0	82.5	+10.4	72.1
	Educational Loan	42.5	43.4	45.4	49.3	51.1	+4.8	46.2
	Free Loans	9.8	9.1	9.3	9.7	10.0	+0.7	9.3
	Card Loans	65.4	61.2	62.4	66.0	67.1	+3.8	63.2
	Total	169.9	177.1	188.6	204.2	210.9	+19.8	191.0
Joyo	Car Loans	35.2	45.4	50.6	53.2	54.2	+3.1	51.0
	Educational Loan	34.0	34.3	35.5	38.1	39.3	+3.2	36.1
	Free Loans	3.5	3.6	3.8	4.1	4.2	+0.3	3.8
	Card Loans	26.0	23.7	24.8	26.7	27.1	+1.9	25.2
	Total	98.8	107.1	114.8	122.2	124.9	+8.6	116.2
Ashikaga	Car Loans	16.8	17.8	20.8	25.8	28.3	+7.2	21.1
	Educational Loan	8.5	9.1	9.9	11.2	11.7	+1.6	10.1
	Free Loans	6.2	5.4	5.5	5.6	5.8	+0.3	5.4
	Card Loans	39.4	37.5	37.5	39.2	39.9	+1.9	38.0
	Total	71.0	70.0	73.8	82.0	85.9	+11.2	74.7

### ( 6 ) Loans Corporate Term-end Balance by Company Size ( ¥ b n )

		FYE19	FYE20	FYE21	FYE22	Jun-23	YoY	Jun-22
J+A	Large	1,635.4	1,688.2	1,674.3	1,890.4	1,926.3	+264.8	1,661.5
	Medium/SMEs	3,545.9	3,681.3	3,673.0	3,804.4	3,790.7	+161.7	3,628.9
	Total	5,181.3	5,369.6	5,347.4	5,694.8	5,717.0	+426.5	5,290.5
Joyo	Large	1,165.1	1,220.6	1,206.9	1,338.7	1,372.4	+161.8	1,210.5
	Medium/SMEs	1,837.4	1,882.3	1,884.3	1,974.3	1,978.9	+121.8	1,857.0
	Total	3,002.6	3,103.0	3,091.3	3,313.1	3,351.3	+283.7	3,067.6
Ashikaga	Large	470.2	467.6	467.3	551.6	553.9	+102.9	451.0
	Medium/SMEs	1,708.4	1,798.9	1,788.7	1,830.0	1,811.7	+39.8	1,771.9
	Total	2,178.6	2,266.5	2,256.0	2,381.6	2,365.7	+142.7	2,222.9

### ( 7 ) Loans Corporate Term-end Balance by Area ( ¥ b n )

		FYE19	FYE20	FYE21	FYE22	Jun-23	YoY	Jun-22
J+A	Tokyo	1,967.5	2,021.9	2,009.4	2,235.5	2,279.8	+280.3	1,999.5
	Local	3,213.8	3,347.6	3,337.9	3,459.3	3,437.2	+146.2	3,290.9
	Total	5,181.3	5,369.6	5,347.4	5,694.8	5,717.0	+426.5	5,290.5
Joyo	Tokyo	1,422.6	1,484.1	1,468.9	1,603.1	1,644.6	+168.9	1,475.7
	Local	1,579.9	1,618.9	1,622.4	1,709.9	1,706.7	+114.8	1,591.8
	Total	3,002.6	3,103.0	3,091.3	3,313.1	3,351.3	+283.7	3,067.6
Ashikaga	Tokyo	544.8	537.8	540.5	632.3	635.2	+111.3	523.8
	Local	1,633.8	1,728.7	1,715.5	1,749.3	1,730.4	+31.4	1,699.0
	Total	2,178.6	2,266.5	2,256.0	2,381.6	2,365.7	+142.7	2,222.9

## 【Data】 Breakdown of Banking subsidiaries

### ( 8 ) Deposits Term-end Balance

( ¥ b n )

		FYE19	FYE20	FYE21	FYE22	Jun-23	YoY	Jun-22
J+A	Individual	10,685.0	11,400.1	11,787.3	12,035.1	12,211.5	+219.5	11,991.9
	Corporate	3,364.1	3,887.4	3,953.5	4,009.7	4,114.5	+98.4	4,016.0
	Public	737.3	969.9	1,116.4	1,118.2	950.2	+2.4	947.7
	Total	14,786.5	16,257.4	16,857.3	17,163.1	17,276.2	+320.4	16,955.7
Joyo	Individual	6,633.6	7,053.1	7,272.7	7,412.6	7,522.9	+129.1	7,393.7
	Corporate	1,880.3	2,136.5	2,180.4	2,226.1	2,258.4	+51.0	2,207.4
	Public	459.2	515.8	600.7	612.5	612.0	+21.8	590.1
	Total	8,973.1	9,705.5	10,053.9	10,251.2	10,393.4	+202.1	10,191.3
Ashikaga	Individual	4,051.4	4,346.9	4,514.5	4,622.5	4,688.5	+90.3	4,598.1
	Corporate	1,483.8	1,750.8	1,773.1	1,783.5	1,856.1	+47.4	1,808.6
	Public	278.1	454.1	515.7	505.7	338.1	-19.4	357.5
	Total	5,813.4	6,551.9	6,803.3	6,911.8	6,882.7	+118.3	6,764.4

### Foreign Currency Deposit

( ¥ b n )

		FYE19	FYE20	FYE21	FYE22	Jun-23	YoY	Jun-22
J+A		219.7	180.0	168.2	96.5	103.5	-61.0	164.5
Joyo		176.4	151.9	139.6	76.1	86.1	-54.2	140.3
Ashikaga		43.2	28.0	28.5	20.3	17.4	-6.7	24.1

### ( 9 ) Customer Assets under Custody Balance

( ¥ b n )

		FYE19	FYE20	FYE21	FYE22	Jun-23	YoY	Jun-22
Group total	Investment trusts	463.7	547.7	632.5	654.0	712.6	+100.2	612.3
	Insurance	812.6	829.0	858.5	884.0	920.4	+40.7	879.6
	Foreign currency deposits	166.1	146.0	131.1	91.1	97.6	-28.6	126.3
	JGB etc.	156.2	162.4	154.5	131.7	129.4	-20.8	150.3
	Mebuki Securities	282.0	343.4	429.5	414.2	409.3	-25.0	434.3
	Total	1,880.9	2,028.7	2,206.3	2,175.1	2,269.5	+66.4	2,203.1
	Joyo	Investment trusts	214.7	249.8	302.6	318.7	340.7	+45.7
Insurance		471.9	488.5	511.5	519.7	537.1	+17.9	519.2
Foreign currency deposits		122.9	117.9	102.6	70.7	80.2	-21.8	102.1
JGB etc.		104.1	108.2	102.7	88.4	84.9	-14.8	99.8
Total		913.8	964.6	1,019.4	997.7	1,043.1	+26.9	1,016.1
Ashikaga	Investment trusts	249.0	297.8	329.8	335.2	371.8	+54.4	317.4
	Insurance	340.6	340.5	347.0	364.3	383.2	+22.8	360.4
	Foreign currency deposits	43.2	28.0	28.5	20.3	17.4	-6.7	24.1
	JGB etc.	52.1	54.2	51.7	43.2	44.4	-6.0	50.5
	Total	685.0	720.6	757.3	763.1	817.0	+64.4	752.5

### ( 10 ) Customer Assets under Custody Commissions

( ¥ b n )

		FYE19	FYE20	FYE21	FYE22	1Q23	YoY	1Q22
Group Total	Investment trusts(*1)	5.91	6.22	7.93	6.52	1.79	+0.11	1.68
	Insurance(*2)	4.26	3.25	3.25	5.59	1.25	+0.15	1.10
	Foreign currency deposits	0.68	0.55	0.61	0.68	0.10	-0.12	0.23
	JGB etc.	0.08	0.06	0.01	0.04	0.00	+0.00	0.00
	Financial instrument intermediary service	0.72	1.13	1.19	0.57	0.13	-0.09	0.23
	Total	14.66	14.93	16.90	15.41	3.83	-0.15	3.99
Joyo	Investment trusts(*1)	2.83	2.93	4.10	3.32	0.87	+0.05	0.82
	Insurance(*2)	2.61	2.06	2.00	3.53	0.79	+0.11	0.68
	Foreign currency deposits	0.50	0.39	0.39	0.39	0.07	-0.06	0.13
	JGB etc.	0.05	0.05	0.01	0.02	0.00	+0.00	0.00
	Financial instrument intermediary service	0.43	0.75	0.89	0.46	0.12	-0.06	0.18
	Total	6.44	6.20	7.41	7.74	1.87	+0.04	1.83
Ashikaga	Investment trusts(*1)	3.08	3.29	3.83	3.20	0.91	+0.05	0.85
	Insurance(*2)	1.64	1.18	1.25	2.06	0.45	+0.04	0.41
	Foreign currency deposits	0.18	0.15	0.22	0.28	0.03	-0.06	0.09
	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	0.01	-0.03	0.04
	Total	5.22	5.02	5.61	5.68	1.42	+0.00	1.41

\* 1 : Sales commission+ Trust fee

\* 2 : Excl. executive life insurance

### ( 11 ) Fees from Corporate Customers

( ¥ b n )

		FY19	FY20	FY21	FY22	1Q23	YoY	1Q22
J+A	Credit Related	8.20	7.55	8.08	11.81	1.72	-1.28	3.00
	Consulting Related	1.44	1.88	3.29	3.72	0.75	+0.05	0.70
	total	9.65	9.44	11.37	15.53	2.48	-1.22	3.71
Joyo	Credit Related	4.24	4.03	4.70	7.32	1.10	-0.86	1.97
	Consulting Related	0.80	1.18	2.14	2.02	0.39	-0.05	0.44
	total	5.05	5.21	6.84	9.35	1.50	-0.91	2.41
Ashikaga	Credit Related	3.95	3.52	3.38	4.48	0.61	-0.41	1.03
	Consulting Related	0.64	0.70	1.14	1.69	0.35	+0.10	0.25
	total	4.60	4.22	4.52	6.17	0.97	-0.31	1.29

## 【Data】 Breakdown of Banking subsidiaries

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

		FYE19	FYE20	FYE21	FYE22	Jun-23	YoY
Mebuki FG (Consolidated)	Domestic bonds	2,359.4	2,510.6	2,745.1	2,205.9	2,085.6	-120.2
	Foreign bonds	831.6	959.5	967.3	622.8	700.2	+77.4
	Stocks	226.0	265.8	254.1	211.3	237.5	+26.2
	Investment trusts, etc.	658.9	597.2	715.5	622.2	606.7	-15.4
	Total	4,076.1	4,333.2	4,682.3	3,662.3	3,630.2	-32.0
Joyo	Domestic bonds	1,746.7	1,822.0	2,002.5	1,438.8	1,401.1	-37.7
	Foreign bonds	505.3	595.5	597.9	319.1	377.7	+58.6
	Stocks	197.2	233.1	226.8	183.8	203.5	+19.6
	Investment trusts, etc.	388.1	373.9	439.9	401.3	395.9	-5.4
	Total	2,837.4	3,024.6	3,267.3	2,343.1	2,378.2	+35.0
Ashikaga	Domestic bonds	600.3	679.1	734.1	758.0	675.7	-82.2
	Foreign bonds	326.3	364.0	369.3	303.7	322.5	+18.8
	Stocks	64.2	39.1	33.6	34.4	39.7	+5.3
	Investment trusts, etc.	266.7	219.1	271.5	216.5	206.5	-10.0
	Total	1,257.5	1,301.5	1,408.8	1,312.7	1,244.6	-68.0

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

		FYE19	FYE20	FYE21	FYE22	Jun-23	YoY
Mebuki FG (Consolidated)	Stocks	9.2	2.4	-21.3	-34.4	-24.4	+9.9
	Domestic bonds	24.3	35.6	-14.2	-13.9	-22.4	-8.5
	Investment trusts, etc.	86.9	139.4	131.5	101.7	129.2	+27.4
	Foreign bonds	-21.3	33.1	32.9	-28.4	-15.7	+12.7
	Total	99.1	210.7	128.9	24.9	66.6	+41.6
Joyo	Stocks	9.0	3.0	-16.3	-19.2	-14.3	+4.8
	Domestic bonds	12.8	15.0	-12.8	-5.7	-8.6	-2.9
	Investment trusts, etc.	85.1	127.5	123.6	91.5	113.6	+22.0
	Foreign bonds	-8.3	26.0	27.4	-15.2	-7.7	+7.4
	Total	98.7	171.7	122.0	51.2	82.7	+31.5
Ashikaga	Stocks	11.5	8.5	1.9	-10.1	-5.5	+4.6
	Domestic bonds	13.8	22.4	-0.1	-8.0	-13.6	-5.5
	Investment trusts, etc.	20.8	25.0	21.0	22.1	27.4	+5.3
	Foreign bonds	-10.6	8.5	6.7	-11.8	-6.5	+5.2
	Total	35.6	64.5	29.7	-7.8	1.7	+9.6

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

		FY19	FY20	FY21	FY22	1Q23	YoY	1Q22
J+A	Stocks	-2.0	-6.2	-7.1	-87.3	-7.5	+8.3	-15.9
	Domestic bonds	0.4	10.0	3.5	45.0	4.6	-6.5	11.2
	Investment trusts, etc.	7.3	6.8	1.7	7.1	1.2	-1.3	2.6
	Total	5.6	10.6	-1.8	-35.1	-1.5	+0.4	-1.9
Joyo	Stocks	-0.9	-3.9	-4.8	-72.6	-3.9	+10.1	-14.0
	Domestic bonds	0.6	9.1	3.5	43.9	4.1	-7.4	11.6
	Investment trusts, etc.	5.2	4.9	1.7	5.0	0.4	-0.9	1.4
	Total	4.8	10.1	0.4	-23.6	0.7	+1.7	-0.9
Ashikaga	Stocks	-1.1	-2.3	-2.2	-14.7	-3.6	-1.7	-1.8
	Domestic bonds	-0.1	0.9	-0.0	1.1	0.5	+0.8	-0.3
	Investment trusts, etc.	2.0	1.9	0.0	2.1	0.8	-0.4	1.2
	Total	0.8	0.4	-2.3	-11.4	-2.2	-1.3	-0.9

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

	Currency	Interest rate type	Securities type	FYE21	FYE22	Jun-23	YoY	1Q23 gains/losses
Total	U.S. dollar	Fixed	Government, Government-guaranteed bonds, etc	1,844	750	936	+185	0
			Corporate bonds, etc	2,691	2,392	2,341	-51	
	Floating	CLO/Government-guaranteed bonds, etc	1,095	1,386	1,464	+78		
		Sub Total	5,631	4,529	4,742	+213		
	Euro	Fixed	Government, Government-guaranteed bonds, etc	1,815	0	0	±0	
AUD	Fixed	Corporate bonds, etc	161	96	96	-0	0	
Yen <sup>(*)</sup>	Fixed	Corporate bonds, etc	28.1	24.0	25.7	+1.6	0	
Joyo	U.S. dollar	Fixed	Government, Government-guaranteed bonds, etc	1,389	544	730	+185	0
			Corporate bonds, etc	564	266	235	-31	
	Floating	CLO/Government-guaranteed bonds, etc	1,095	1,386	1,464	+78		
		Sub Total	3,050	2,197	2,430	+232		
	Euro	Fixed	Government, Government-guaranteed bonds, etc	1,429	0	0	±0	
AUD	Fixed	Corporate bonds, etc	161	96	96	-0	0	
Yen <sup>(*)</sup>	Fixed	Corporate bonds, etc	27.2	23.1	24.8	+1.6	0	
Ashikaga	U.S. dollar	Fixed	Government, Government-guaranteed bonds, etc	454	205	206	+0	0
			Corporate bonds, etc	2,126	2,125	2,106	-19	
	Floating	CLO/Government-guaranteed bonds, etc	0	0	0	±0		
		Sub Total	2,581	2,331	2,312	-19		
	Euro	Fixed	Government, Government-guaranteed bonds, etc	385	0	0	±0	
AUD	Fixed	Corporate bonds, etc	0	0	0	±0	0	
Yen <sup>(*)</sup>	Fixed	Corporate bonds, etc	0.9	0.9	0.9	±0.0	0	

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

## 【Data】 Breakdown of Banking subsidiaries

### ( 16 ) Strategic shareholdings (Balance) ( ¥ b n )

		FYE19	FYE20	FYE21	FYE22	Jun-23	YoY
J+A	Balance	239.1	268.4	225.2	184.8	200.4	+15.5
Joyo	Balance	204.0	229.1	191.9	150.9	161.1	+10.1
Ashikaga	Balance	35.1	39.3	33.3	33.9	39.3	+5.3

### (17) Expenses ( ¥ b n )

		FY19	FY20	FY21	FY22	1Q23	YoY	1Q22
J+A	Personnel	61.2	59.9	58.2	57.2	14.2	-0.1	14.4
	Non-Personnel	46.7	43.4	43.4	40.0	10.1	+0.2	9.8
	Taxes	7.0	6.8	6.5	6.0	2.1	+0.0	2.1
	Total	115.0	110.1	108.1	103.3	26.6	+0.1	26.4
Joyo	Personnel	33.5	33.2	32.7	32.2	8.0	-0.0	8.1
	Non-Personnel	26.8	24.7	24.1	22.0	5.6	+0.2	5.4
	Taxes	3.8	3.7	3.6	3.3	1.2	+0.0	1.2
	Total	64.2	61.7	60.5	57.6	15.0	+0.2	14.7
Ashikaga	Personnel	27.6	26.6	25.4	24.9	6.1	-0.1	6.2
	Non-Personnel	19.9	18.6	19.2	18.0	4.5	+0.0	4.4
	Taxes	3.1	3.0	2.9	2.6	0.8	-0.0	0.9
	Total	50.7	48.4	47.6	45.6	11.5	-0.0	11.6

### ( 18 ) Credit related cost ( ¥ bn )

		FY19	FY20	FY21	FY22	1Q23	YoY	1Q22
J+A		19.0	22.4	19.6	9.1	-0.1	-0.3	0.1
Joyo		10.1	12.0	9.8	5.0	-0.3	-0.0	-0.3
Ashikaga		8.8	10.3	9.7	4.0	0.1	-0.3	0.4

### ( 19 ) Disclosed Claims under the Financial Revitalization Law (¥bn)

		FYE19	FYE20	FYE21	FYE22	Jun-23	YoY
J+A	Bankrupt claims	12.7	10.3	13.8	12.5	12.5	-0.0
	Doubtful claims	129.0	143.2	151.1	153.0	152.1	-0.8
	Claims requiring monitoring	27.9	27.4	27.6	31.5	31.1	-0.3
	(Loans past due 3 month or more)	-	0.1	0.0	0.2	0.0	-0.1
	(Restructured loans)	-	27.3	27.5	31.3	31.1	-0.1
	Total	169.8	181.0	192.6	197.1	195.9	-1.2
Joyo	Bankrupt claims	5.7	5.5	5.4	5.1	4.5	-0.6
	Doubtful claims	69.9	78.0	86.5	84.8	84.1	-0.6
	Claims requiring monitoring	12.5	13.0	13.3	12.1	11.5	-0.6
	(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	11.4	-0.5
	Total	88.2	96.7	105.2	102.1	100.2	-1.9
Ashikaga	Bankrupt claims	5.8	4.0	7.7	6.7	7.3	+0.6
	Doubtful claims	59.0	65.0	64.6	68.1	67.9	-0.1
	Claims requiring monitoring	15.4	14.4	14.2	19.4	19.6	+0.2
	(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	19.6	+0.4
	Total	80.2	83.5	86.7	94.2	94.9	+0.7

### ( 20 ) Non-accrual delinquent loans ( to Business ) (1 month or more) ( ¥ bn )

		FYE19	FYE20	FYE21	FYE22	Jun-23	YoY	Jun-22
J+A		1.2	2.0	1.3	1.0	1.8	+0.0	1.8
Joyo		0.3	0.0	0.8	0.7	0.7	-0.7	1.4
Ashikaga		0.9	2.0	0.5	0.2	1.1	+0.7	0.4

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