

Mebuki Financial Group, Inc.

# IR Presentation

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



## 1. Financial Results for 1H23 / Forecast for FY2023

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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 Half of FY 2023 / Forecast for FY 2023

# Highlights (1)

## (1) Results for 1H23

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

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

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

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

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

# Highlights (2)

## (3) Shareholders Return

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

### Revision of Shareholder Return Policy

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

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

### Share Acquisition

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

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

### Shareholder Return in FY2023 (scheduled)

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

# Main Points of 1 H23 Financial Results

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

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

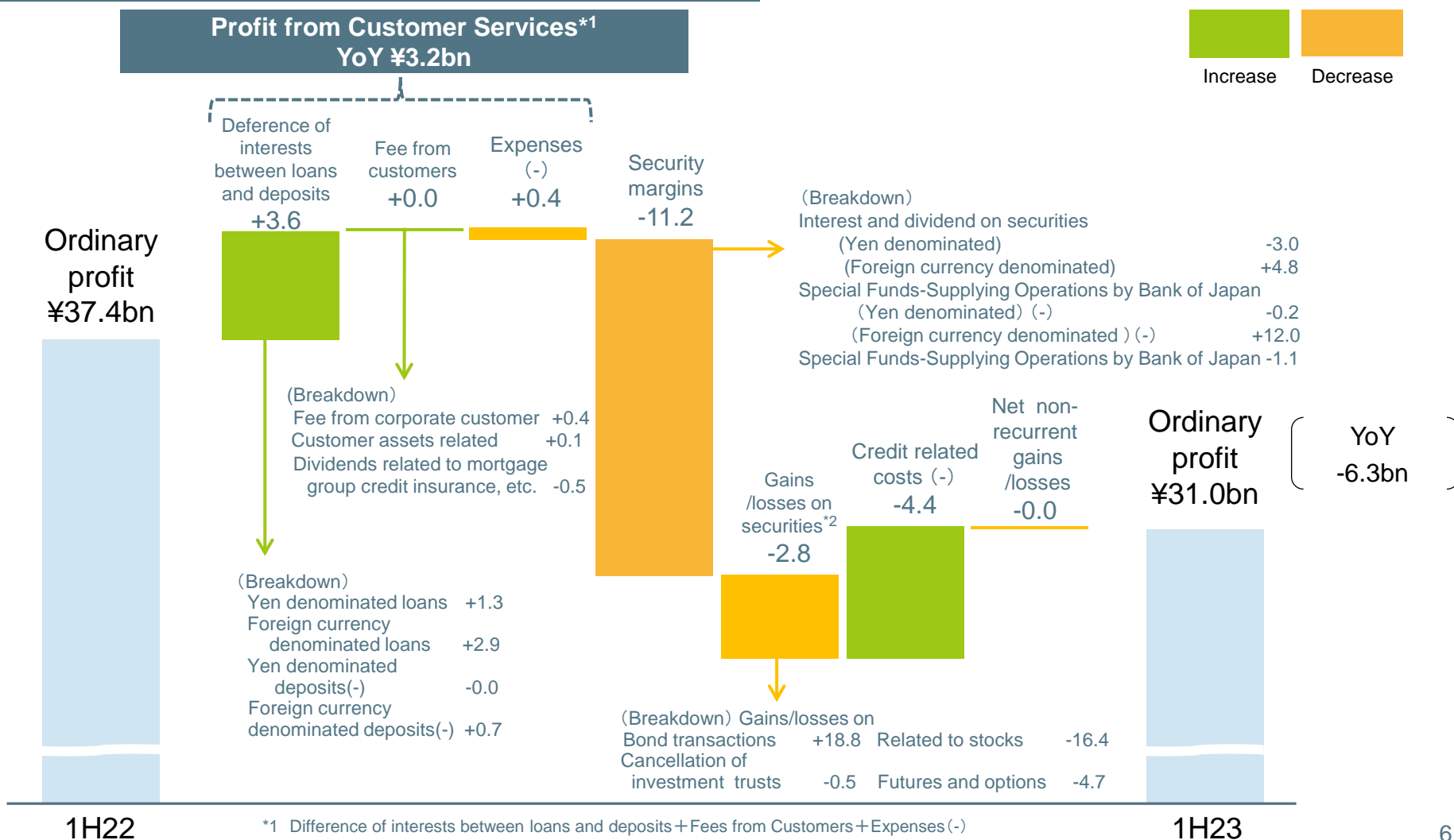
\*1 Adjustments related to securities, etc.

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

# Change of Ordinary Profit (Bank Total)

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

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



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

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

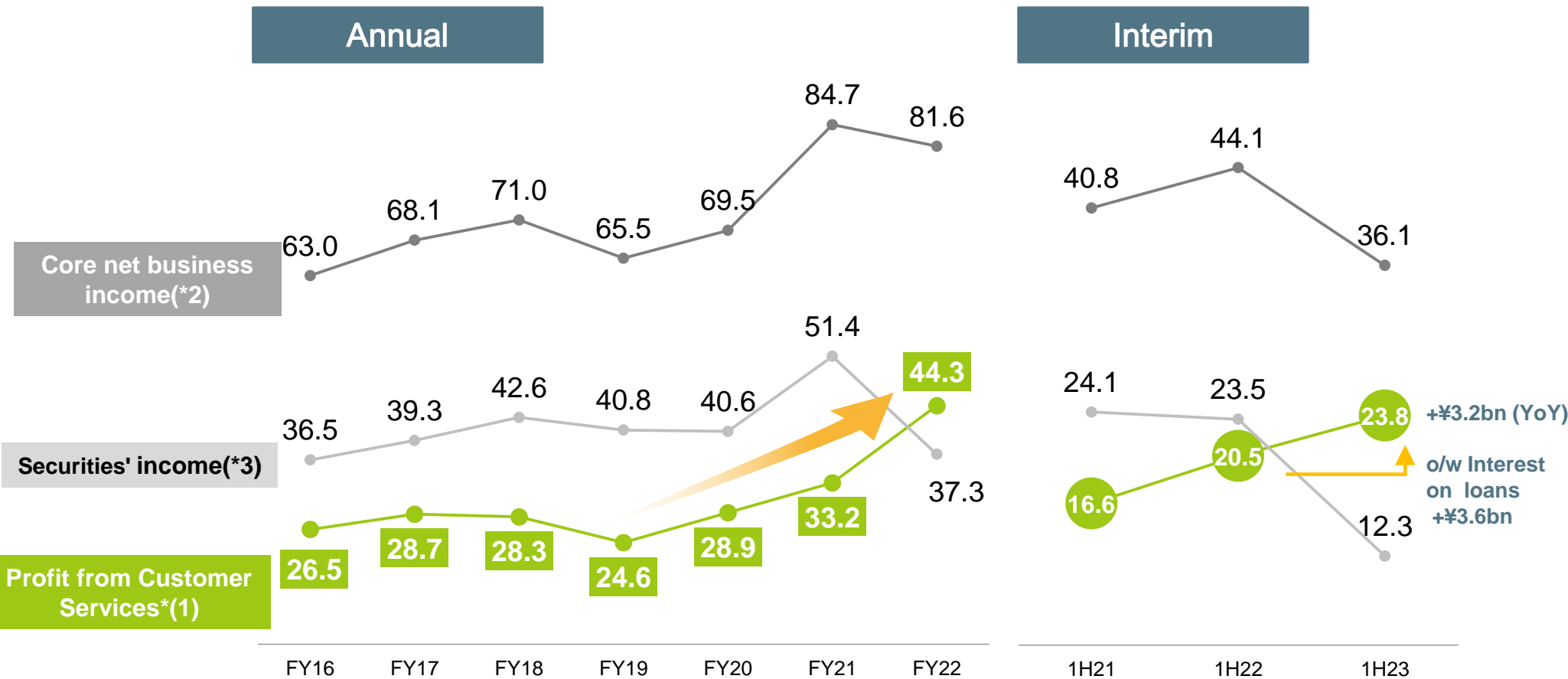
# Growth of Profit from Customer Services

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

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

## Annual

## Interim



FY16  
Business Integration

FY19  
System Integration

\*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



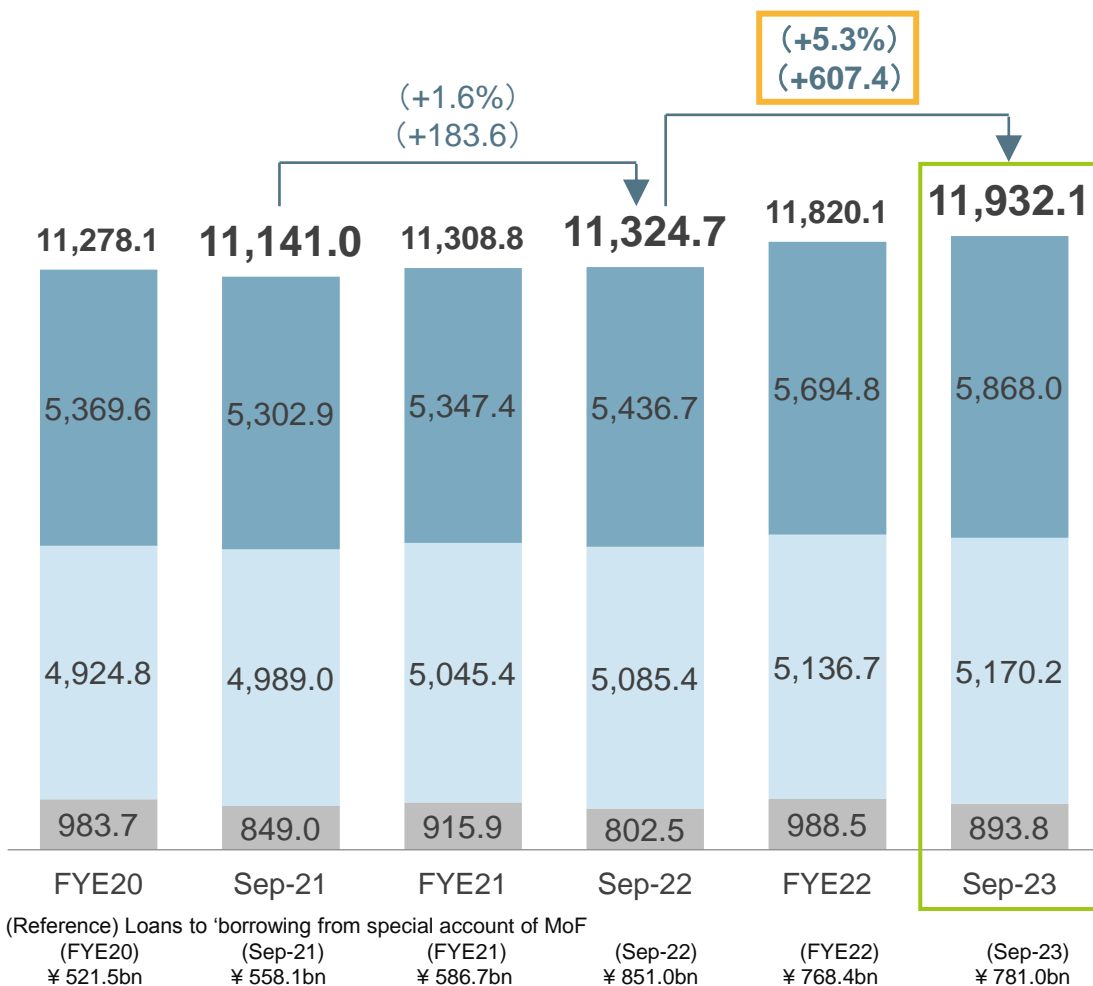
# Loans Term-end Balance

Amount of loans increased by ¥607.4bn YoY.

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

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

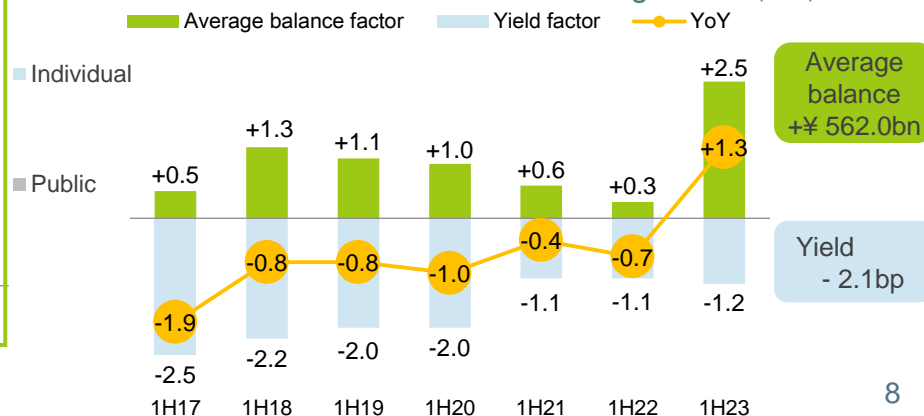
\* Not including borrowing from special account of MoF



## Year on Year Changes (¥bn)

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

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

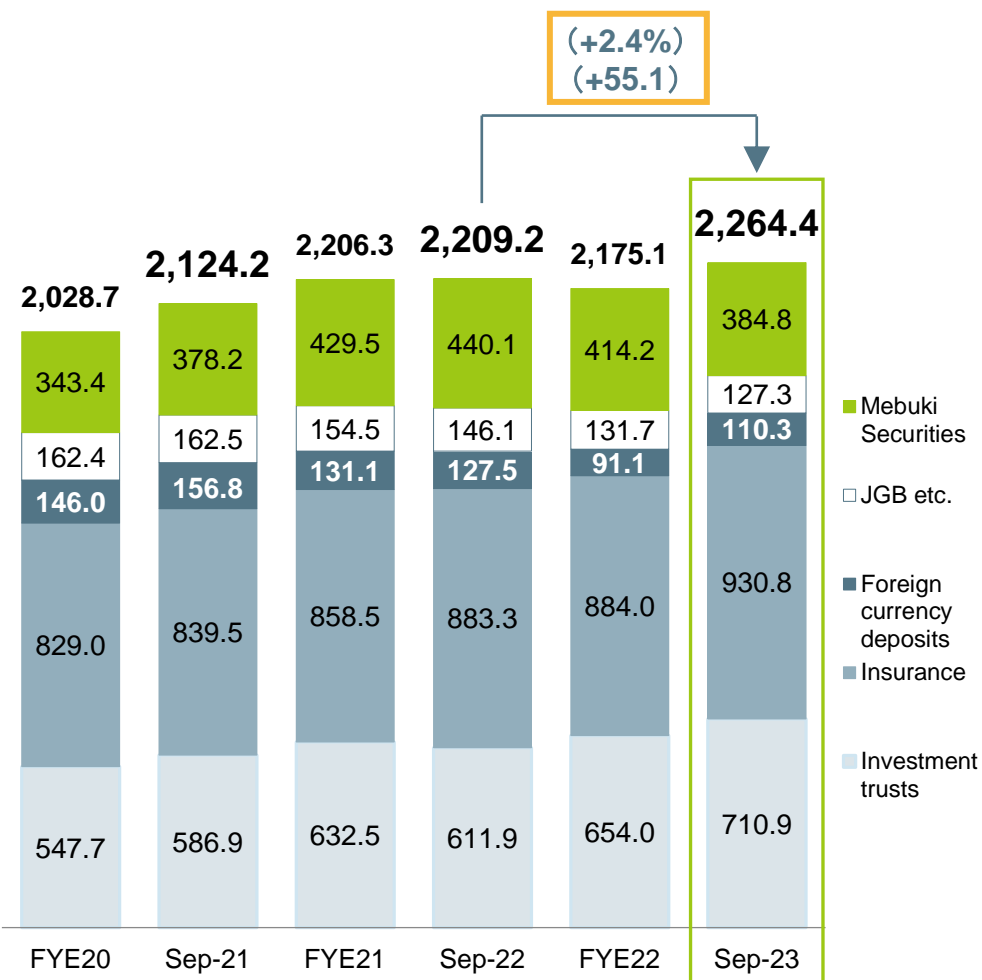


# Customer Assets under Custody

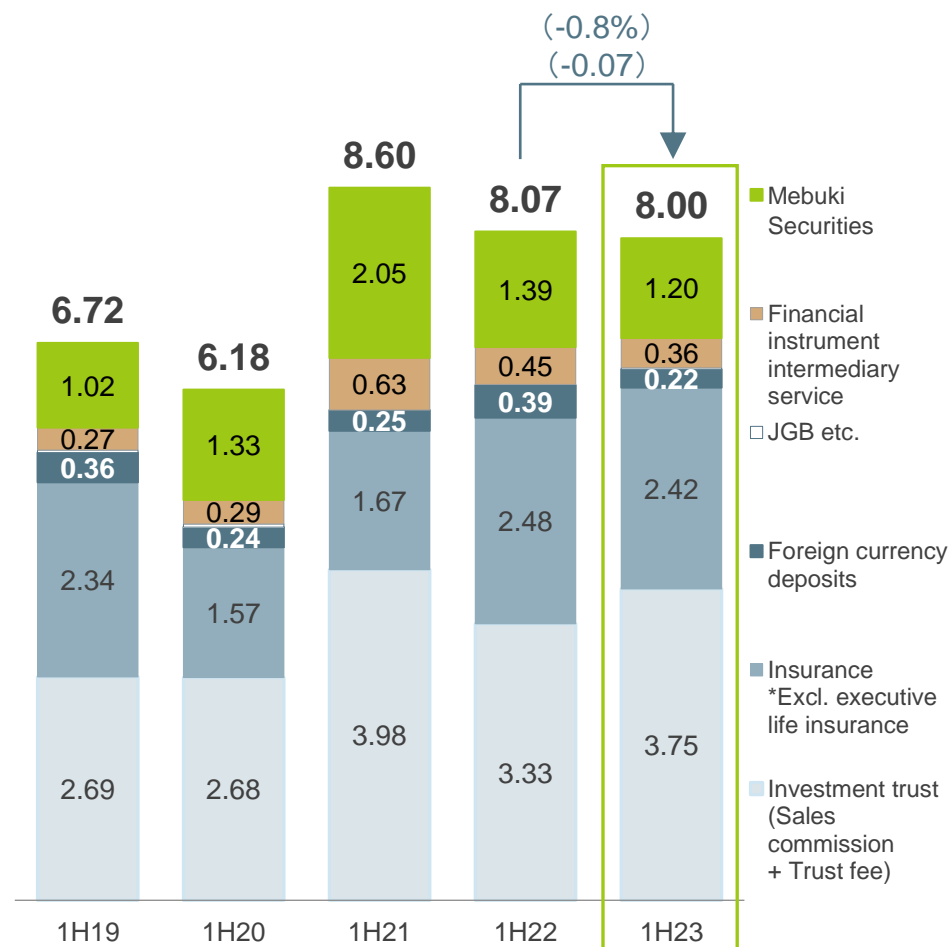
Balance of customer assets under custody increased by ¥55.1bn YoY (+2.4% annualized) due to the increase mainly in investment trusts and insurance.

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

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



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

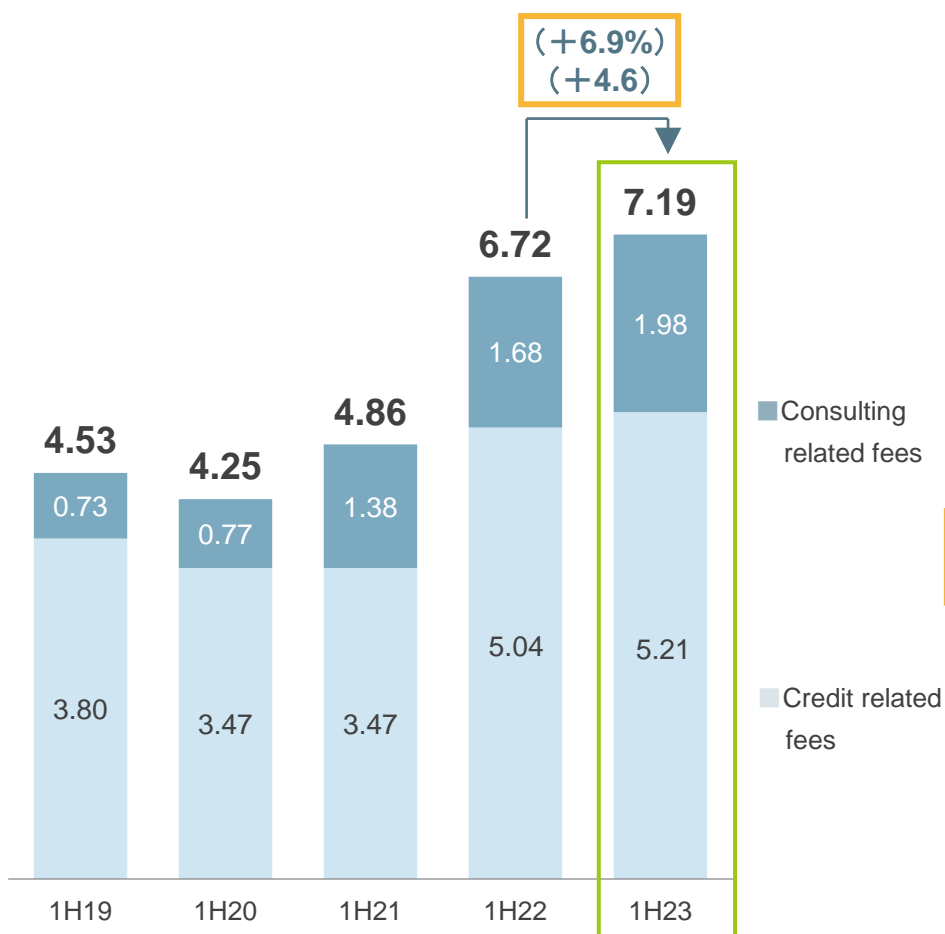


# Fees from Corporate Customers

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

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

Joyo Bank + Ashikaga Bank (¥bn)



## < Breakdown of Fees from Corporate Customers >

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

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

# Securities(1) Portfolio Overall

We continued to take a cautious approach to securities investment, judging that domestic and international monetary policy, economic trend, and geopolitical risks needed to be assessed and preceded to sell domestic bonds, foreign currency- denominated fixed bonds, stocks and other securities.

## Securities Portfolio (Bank Total, Book Value)

					( ¥ bn)	
	As of Mar.31, 2023 ①	As of Sep.30, 2023 ②	Change ②-①	1H23 Gains/losses on securities	1H23 Average balance	FY2023 Average balance (plan)
Yen-denominated bonds	2,250.4	2,133.1	-117.3	-5.9 *2	2,158.1	2,250.0
Foreign currency-denominated bonds	612.5	732.5	+120.0	-5.6	692.0	600.0
Investment trusts	610.8	582.3	-28.4	-2.0	730.9	850.0
Stocks	104.6	1,12.3	+7.6	+8.0		
<b>Total of securities (Including Future/ Options)*1</b>	<b>3,578.5 (28.5)</b>	<b>3,560.4 (23.3)</b>	<b>-18.1 (-5.2)</b>	<b>-5.6</b>	<b>3,581.0</b>	<b>3,700.0</b>

\*1 Available-for-sale securities + Future • Options

\*2 Including +¥3.8bn of Future • Options

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

Domestic bonds	Outlook	<ul style="list-style-type: none"> <li>Interest rates rise due to operational flexibility of yield curve control (YCC). Looking ahead to the lifting of negative interest rates, long-term interest rates are expected to search for room to rise.</li> <li>Negative interest rates are expected to be lifted in FY2023.</li> </ul>
	Investment Stance	<ul style="list-style-type: none"> <li>In response to the operational flexibility of YCC, we will purchase JGBs to rebalance our portfolio while keeping interest risk to a certain level.</li> </ul>
Foreign bonds	Outlook	<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 after summer 2024 at the earliest.</li> </ul>
	Investment Stance	<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>

## Securities(2) Domestic bonds

We restarted to purchase domestic bonds in stages capturing rising yields by the operational flexibility of YCC while keeping interest risk to a certain level. However, assuming the lifting of negative interest rates, we will continue to operate with a reasonable amount of investment capacity.

### Overview of Domestic Bonds (Bank Total)

(¥ bn)

		As of Mar.31, 2023 <sup>①</sup>	As of Sep.30, 2023 <sup>②</sup>	Change ②-①
Total of Domestic Bonds* <sup>1</sup>	Balance	2,250.4	2,133.1	-117.3
	Valuation gains/losses	-19.4	-41.4	-22.0
	Yield	0.42%	0.44%	+0.02%p
	10bpv	-¥11.4bn	-¥10.9bn	+¥0.5bn
	Duration	5.3years	5.1years	-0.2years

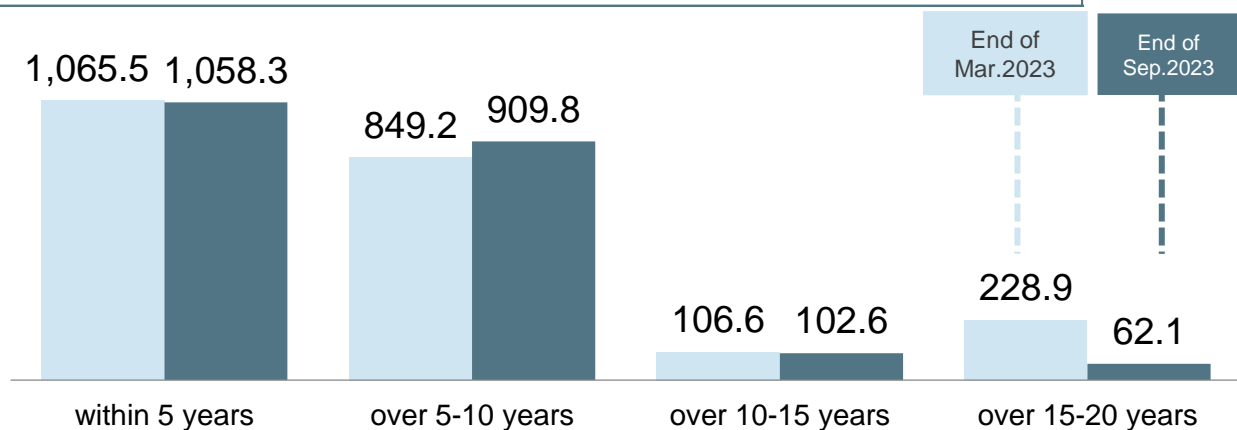
#### From October 2023

- Sold additional super-long term JGBs
- Restarted to purchase JGBs with terms within 10 years capturing rising yields by the operational flexibility of YCC

\*1 Including bear funds and hedged swaps, etc.

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

(¥ bn)



#### From October 2023

- Rebalance our portfolio in stages, mainly purchasing JGBs with terms within 10 years

# Securities(3) Foreign currency bonds

While keeping a close watch on policy interest rates' trend in U.S., we resumed investing in U.S. dollar denominated bonds, mainly floating rate bonds. 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 Sep.30, 2023 <sup>②</sup>	Change ②-①
USD-denominated	Balance	603.9	727.8	+123.8
	Valuation gains/losses	-13.4	-27.5	-14.1
Fixed bonds* <sup>1</sup>	Balance	384.1	414.1	+30.0
	Valuation gains/losses	-11.7	-25.7	-14.0
Floating bonds* <sup>1</sup>	Balance	219.8	313.6	+93.8
	Valuation gains/losses	-1.7	-1.7	-0.0
Euro denominated (Fixed bonds)	Balance	—	—	—
	Valuation gains/losses	—	—	—
Other currency (Fixed bonds)	Balance	8.6	4.7	-3.8
	Valuation gains/losses	-0.7	-0.2	+0.4
Total of foreign currency bonds	Balance	612.5	732.5	+120.0
	Valuation gains/losses	-14.1	-27.7	-13.6
USD-denominated foreign currency bonds	Ratio of floating bonds	36.4%	43.0%	+6.6%p
	10bpv	-1.9bn	-2.1bn	-0.2bn
	Duration	3.2years	3.2years	+0.0years
	Yield	4.68%	5.13%	+0.45%p
	Procurement Costs	4.28%	4.84%	+0.55%p
Interest margin	0.39%	0.29%	-0.10%p	
USD-denominated loans (Floating)	Balance	148.9	153.4	+4.5
	Yield	5.77%	6.39%	+0.61%p
Total of USD Assets* <sup>2</sup> (Bonds+Loans)	Balance	752.8	881.3	+128.4
	Yield	4.90%	5.35%	+0.45%p
	Ratio of floating rate	48.9%	53.0%	+4.0%p

FX factor  
Equivalent to  
+ ¥75.0bn

Balance factor  
Equivalent to  
+ ¥50.0bn

## 【Status of US Dollar Funding】

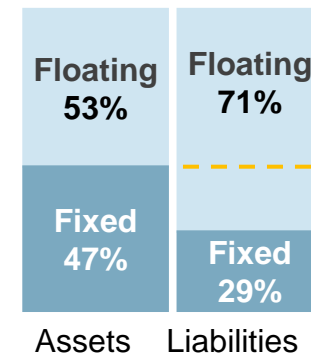
(¥bn)

		As of Sep.30, 2023 (Ratio)	
Deposit	Balance	108.2	(11%)
	Yield	4.01%	
Market Procurement (Floating)	Balance	555.0	(59%)
	Yield	5.66%	
Market Procurement (Fixed)	Balance	274.3	(29%)
	Yield	3.30%	
Total of Procurement* <sup>3</sup>	Balance	937.7	(100%)
	Yield	4.78%	

## 【Composition of Interests on US Dollar

Balance Sheets】

(As of Sep.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

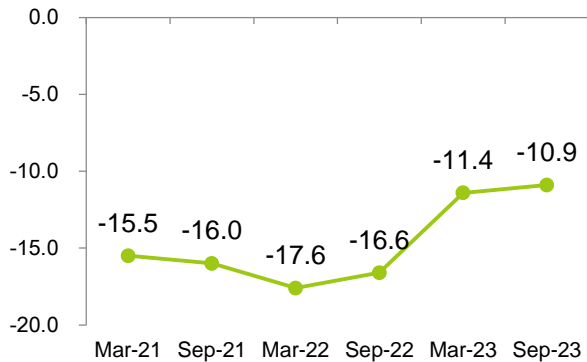
# Securities(4) Controlling interest rates risk

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

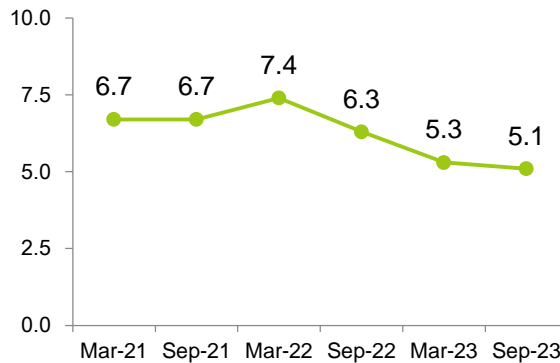
For foreign bonds, while paying attention to U.S. monetary policy and controlling interest rates risk, we have resumed investment in stages (raise yields).

## Yen-denominated Bonds\*1 (banks' total)

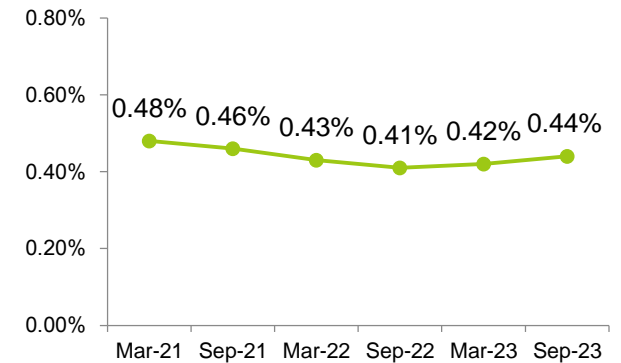
### 10bpv\*2 (¥bn)



### Duration\*3 (year)



### Yield (%)



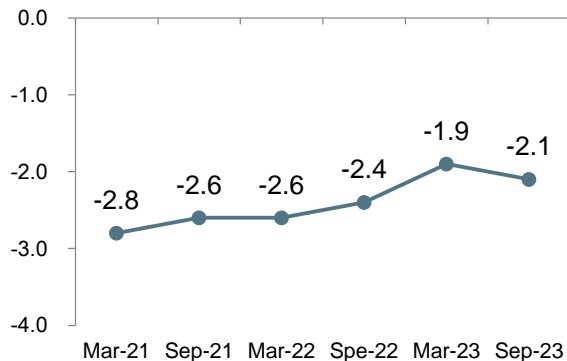
## Foreign Bonds\*1 (banks' total / USD-denominated)

\*1 After considering hedging by bear funds and swaps

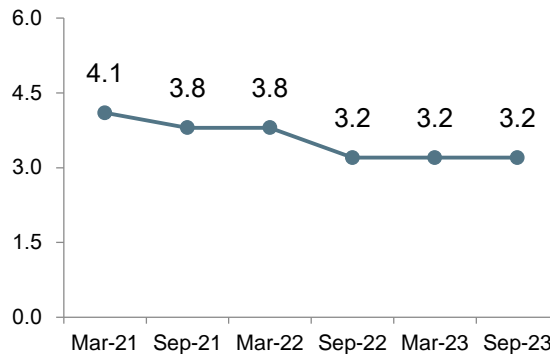
\*2 Decrease in the present value when assuming interest rates rise by 10bp (0.10%) for all periods

\*3 Average remaining period for principal in bonds investment

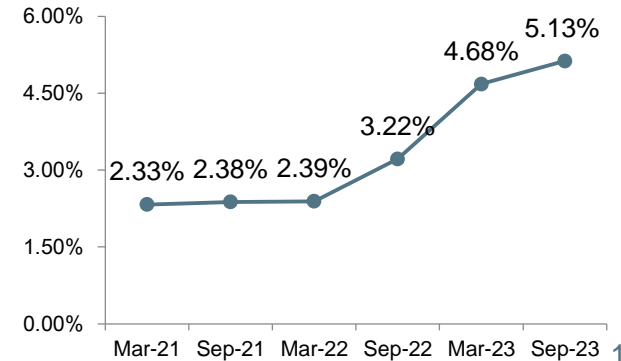
### 10bpv\*2 (¥bn)



### Duration\*3 (year)



### Yield (Total of fixed and floating bonds: %)



# Impact of domestic interest rates rising

Changes in monetary policy are expected to have a positive effect on interest on loans at a reasonable level. As for domestic bonds, we have secured the investment capacity. A certain level of increase in interest income will be expected by re-investment when the interest rate rises.

## Assets (Yen denominated / As of Sep.2023)

Loans	Floating rate	Market interest rate
	12.5 trillion (64%)	8.0 trillion (41%)
		Short-term prime rate 1.8 trillion
		For MoF 0.8 trillion
	Fixed rate	Maturity (within 5 years)
	4.5 trillion (23%)	3.1 trillion
		Maturity (5-10 years) 1.1 trillion
		Maturity (over 10 years) 0.3 trillion
Securities	Yen-dominated bonds	Maturity (within 5 years)
2.8 trillion (15%)	2.1 trillion (11%)	1.1 trillion
		Maturity (5-10 years) 0.9 trillion
		Maturity (over 10 years) 0.2 trillion
	Investment loans /stocks	-
	0.7 trillion	
Others	Deposits with BOJ	-
4.2 trillion (21%)	4.1 trillion (21%)	

Total Assets  
19.6 trillion

## Impact on net interest income

### Assets side

- Interest on yen denominated loans (annual・¥bn)

(Level of policy interest rate)	Negative interest rate lifted (0.00%)	Zero interest rate lifted (0.10%)
<b>Total of interest on loans (contribute to ROE)</b>	<b>+2.5 (+0.29%)</b>	<b>+6.0 (+0.69%)</b>
Interest on floating loans	+1.5	+3.5
Market-linked rate	(+1.5)	(+3.5)
Short-term prime rate	(0)	(0)
<b>Interest on fixed loans</b>	<b>+1.0</b>	<b>+2.5</b>

- Yen denominated bonds
  - We will restart to invest yen denominated bonds while paying attention to monetary policy and controlling interest rates risk to a certain level.
  - In addition to annual redemption of ¥200.0bn, we have sold yen denominated bonds of ¥700.0bn in FY22 and the first half of FY23. We will reinvest a portion of them in the event of rising interest rate.

### Liabilities side

- Yen denominated deposits
  - Interest rates on 5-year and 10-year time deposits increased in November 2023. Recently, there has been no significant movement such as the replacement of deposits with term deposits.
  - Interest rates on liquid deposits and term deposits of less than one year will be determined comprehensively, also taking into account policy rates and market interest rates.

## Liabilities (Yen denominated / As of Sep.2023)

Deposits	Floating rate	Liquid
17.5 trillion (89%)	15.3 trillion (78%)	13.1 trillion
		Fixed-term (less than 1year) 1.7 trillion
		Negotiable 0.5 trillion
	Fixed rate (Term deposits)	Fixed-term (1-less than 5years) 2.1 trillion
	2.2 trillion (11%)	Fixed-term (over 5years) 0.1 trillion
Market borrowing 0.2 trillion (1%)	Short-term borrowing 0.2 trillion (1%)	-
Others 1.9 trillion (10%)	Borrowing from BoJ 1.9 trillion (10%)	-
Total liabilities 19.6 trillion		

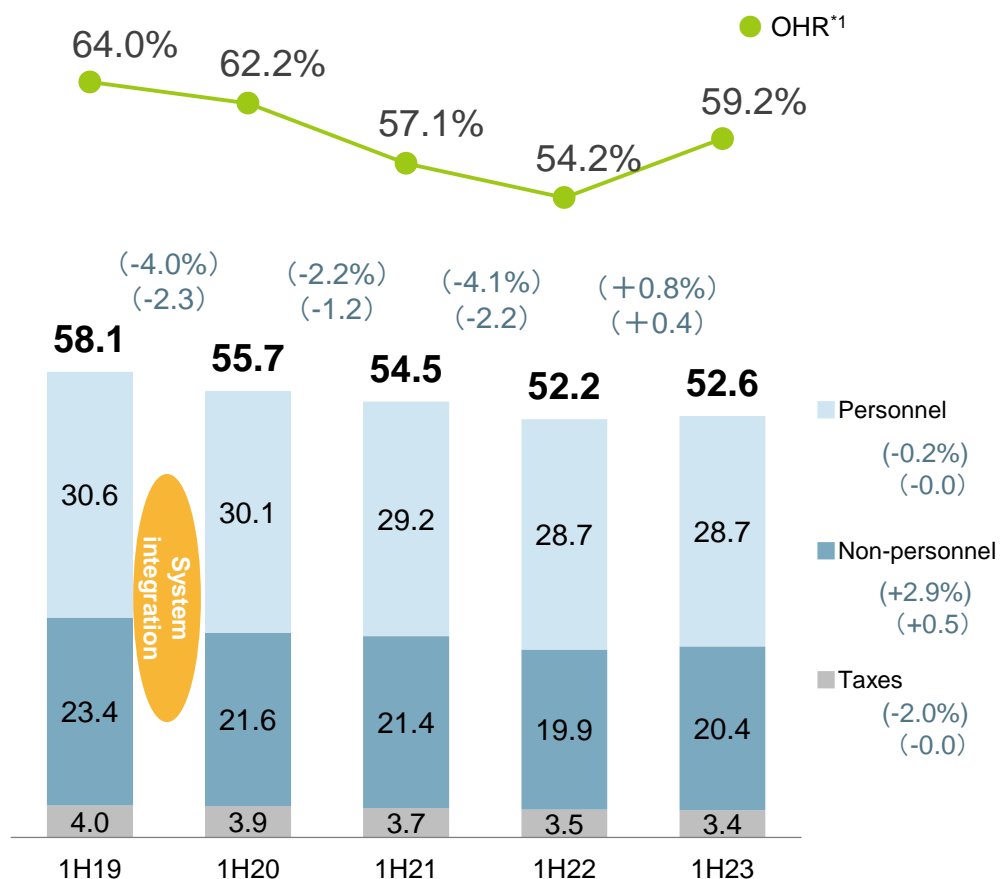


# Expenses / OHR

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

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

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)】

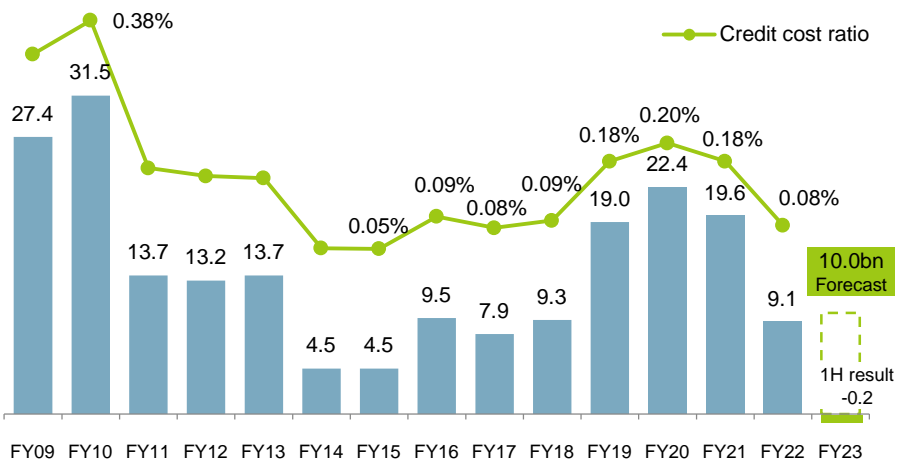
	1H23	YoY	Main factors
Personnel expenses	28.7	-0.0	<ul style="list-style-type: none"> <li>● Increase in salary and starting salary +0.2</li> <li>● Personnel reduction -0.2</li> </ul>
Non-personnel expenses	20.4	+0.5	<ul style="list-style-type: none"> <li>● DX related investments +0.2 (Investment trusts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

# Credit Related Costs

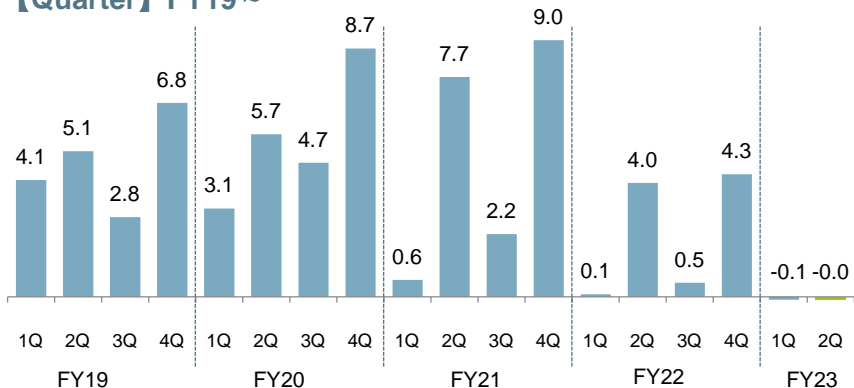
Credit related costs improved by ¥4.4bn (YoY) to - ¥0.2bn, due to a reversal of - ¥3.9bn in general allowance for loan losses. Repayments from loan borrowers based on the COVID-19 Special Loan Program have been made in accordance with their initial terms, and there are no circumstances under which credit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

Change of Credit Related Costs (¥bn)

## 【Annual】FY09 ~



## 【Quarter】FY19 ~



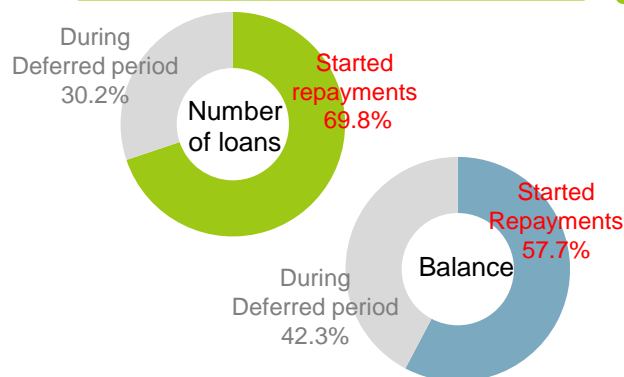
Breakdown on Credit Related Costs (¥bn)

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

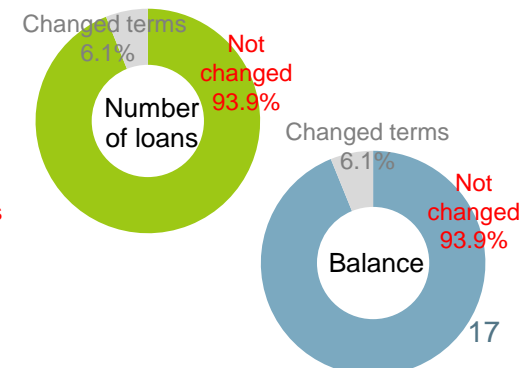
## Status of Repayments of Loans based on the COVID-19 Special Loan Program (as of September 30, 2023)

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

### Status of Contractual Repayments



### Status of Changes of Terms



# Forecast for FY2023 (1)

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

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

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

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

# Forecast for FY2023 (2)

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

## Breakdown of Forecast for FY2023

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

## Perspective at the end of 1H23

- Full-year forecasts remain unchanged since the uncertainty about financial policy, geopolitical risks, etc., has not been dispelled.
- While we will control the plan of credit related costs (within ¥10.0bn), loss on sales of securities will be recognized.

## 【Market Scenario】

(Assumption for FY23 Forecast as of May, 2023)

	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%

\*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"

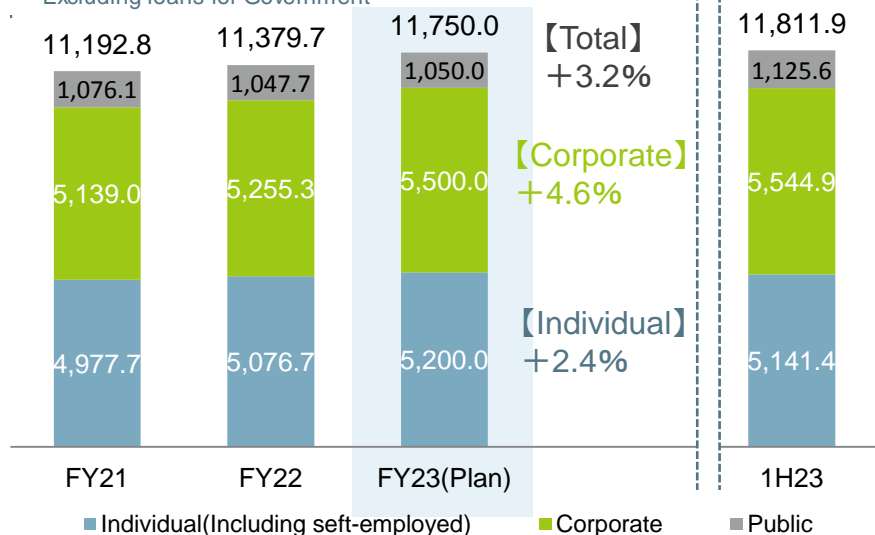
\*4 Not including dividends receivable of ¥12.0bn from The Joyo Credit Guarantee Co., Ltd. in FY22

# Forecast for FY2023 (3)

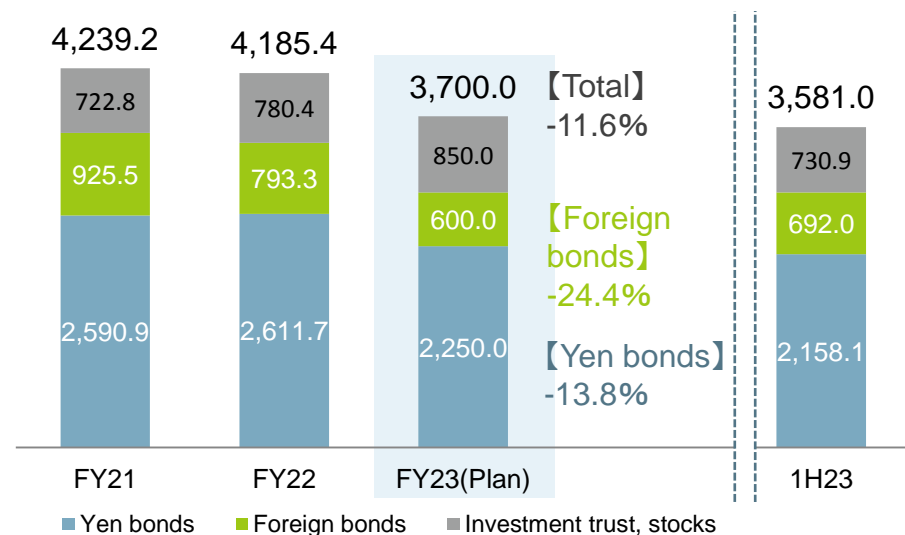
We plan to expand range of average balance of both corporate loans and individual loans, and to turn around interest on Yen- dominated loans. We plan to decrease average balance of securities by ¥500.0bn. Based on a medium- to long-term perspective of domestic and foreign monetary policies and market 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	1H23
Interest on loans	105.3	108.9	111.5	+2.6	57.6
Yen-denominated loans	103.2	102.5	103.5	+1.0	52.3
o/w Corporate	41.0	40.8	41.5	+0.7	21.2
o/w Individual	61.4	61.4	61.5	+0.1	30.9
Interest on deposits (-)	0.7	2.5	4.0	+1.5	1.6
Net interests between loans and deposits	104.5	106.4	107.5	+1.0	55.9

	FY21	FY22	FY23 (Plan)	YoY	1H23
Interest and dividends on securities *1	46.9	51.3	50.0	-1.3	27.7
o/w Foreign currency-denominated Bonds	17.6	24.3	27.0	+2.7	15.7
o/w Yen-denominated bonds	10.3	10.1	8.5	-1.6	4.4
Market borrowings, etc. (-)	1.8	18.3	28.0	+9.7	16.8
Special Funds-Supplying Operations by Bank of Japan	6.2	4.2	3.0	-1.2	1.5
Securities' Income*2	51.4	37.3	25.0	-12.3	12.3

\*1 Excluding gains on cancellation of Investment Trusts

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

## 2. Initiatives for Enhancing Corporate Value

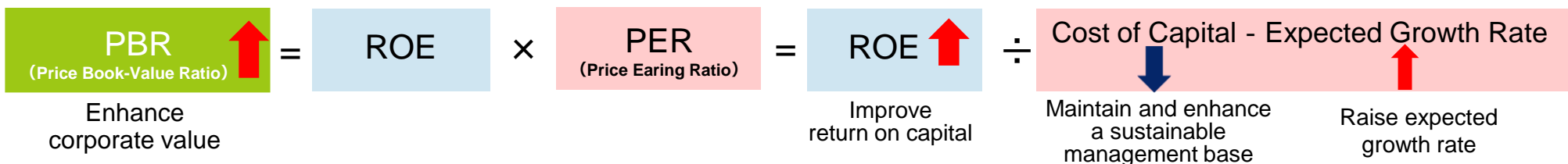
# Approach to Enhance Corporate Value

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

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

## ● Basic Approach

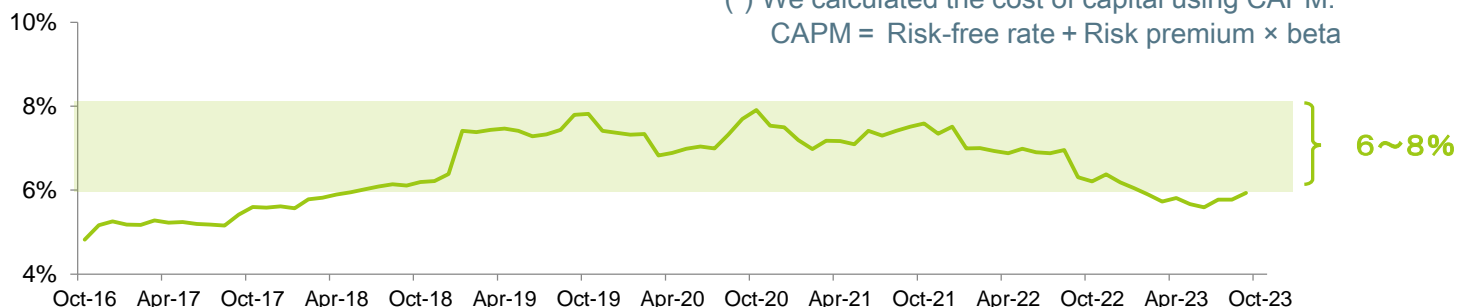
While promoting to improve return on capital and contributing to sustainable local communities through pursuing a business model to support local communities, we aim to maintain / enhance our sustainable management base, raise expected growth rate and **“enhance corporate value”** (improve PBR).



## ● Definition of Cost of Capital

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

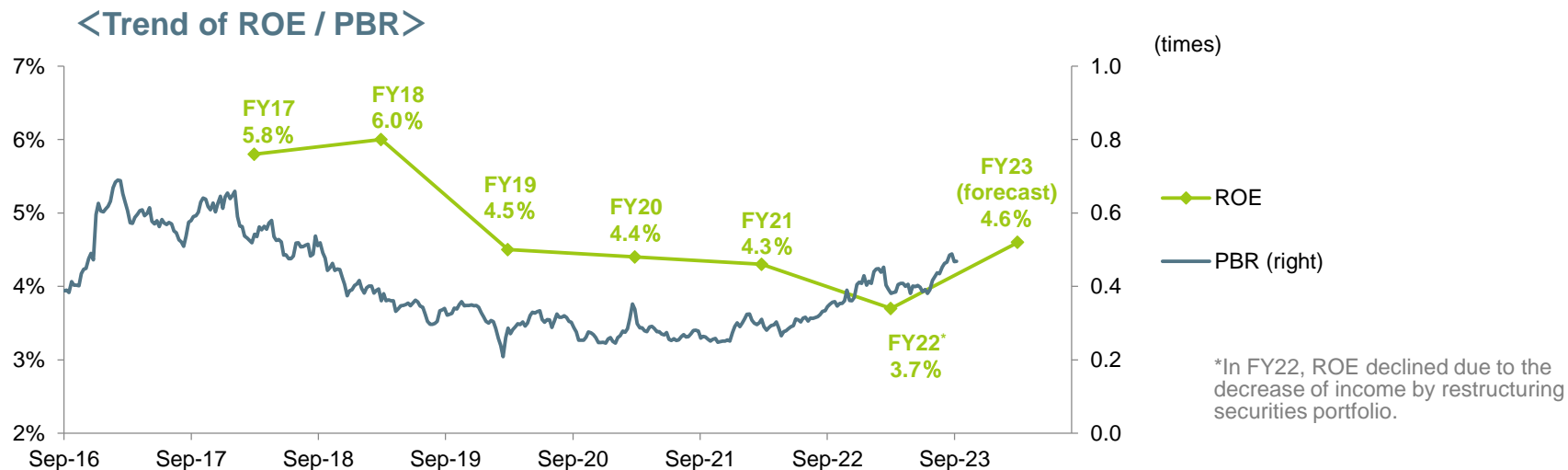
<Trend of Cost of Capital>



# Analysis of Current Situation / Targeted Level of ROE

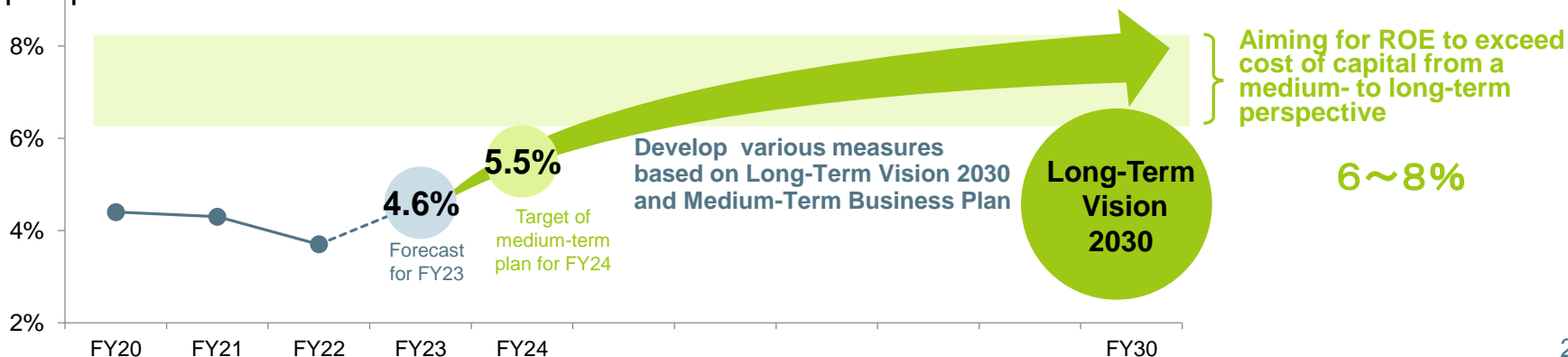
## ● Analysis of Current Situation

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



## ● Medium- to Long-Term Targeted Level of ROE

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





# Initiatives for Enhancing Corporate Value (1)

Based on “Long-Term Vision 2030”, “Third Medium-Term Group Business Plan” and “Group Sustainability Policy”, we will enhance to “raise ROE”, “lower the cost of capital” and “raise expected growth rate” and aim to “improve PBR = enhance corporate value”.

**Long-Term Vision 2030**

**【Vision】 A Value Creation Group Working Together with Local Communities**

**【Targeted Level】 Consolidated Fee Income Ratio : 50% or more Consolidated Ordinary Profit: ¥100 bn or more**

**Materiality**

**3rd Medium-Term Group Business Plan**

**Expected Effect / Creating Value**

**Improve PBR**

(Economy)  
Revitalization of the regional economy and local communities

(Environment)  
Response to climate change and environmental conservation

(DX)  
Promotion of digitalization

(Aging society)  
Response to aging society

(Diversity)  
Promotion of diversity

(Governance)  
Advanced corporate governance of Mebuki FG

**【 Basic Strategy 1 】**

Pursue a business model to support local communities

Innovating traditional banking

Deepening comprehensive financial services

Challenges to expand business areas

Diversification of securities Management / investments and financing

**【 Basic Strategy 2 】**

Build a sustainable management base

Promoting DX

Enhancing group management

**【 Basic Strategy 3 】**

Develop human resources and promote active participation

Developing and securing human resources who can create value

Implementing diversity / Initiatives for job satisfaction

Improve RORA

Control financial leverage

ESG-related initiatives

**Creating Economic Value**

- Increase in loans to local customers / market investments and financing
- Increase in consolidated fee income
- Expand customer base and customer assets under custody, etc.

**【Long-term KPI for Sustainability】**  
Sustainable finance (FY2021~FY2030)  
Cumulated total of “3 trillion yen”

**Our business growth by regional revitalization**  
**Regional revitalization through our core business**

**Creating Social Value**

- Revitalize regional industries
- Contribute to achieve sustainable local communities
- Contribute to realize safe, secure and prosperous life
- Promote diversity
- Improve employee engagement
- Improve social reputation (ESG-related evaluation), etc.

**【Long-term KPI for Sustainability】**  
CO2 emissions reduction of the group  
Target for FY2030 : Net zero

Improve return on capital

(ROE)

Raise expected growth rate

(Expected growth rate)

Maintain and enhance a sustainable management base

(Cost of Capital)

⇒ See next page for specific measures.

# Initiatives for Enhancing Corporate Value (2)

Based on the Third Medium-Term Group Business Plan, we will aim to “Improve return on capital”, “raise expected growth rate” and “maintain and enhance a sustainable management base” by realizing expected effect (value creation) through taking the following specific measures.

## 3rd Medium-Term Group Business Plan 【 Development of Specific Measures 】

<b>Strengthening core business in local regions</b>	<ul style="list-style-type: none"> <li>● Providing core business support, enhancing business succession</li> <li>● Life-plan consulting services including non-financial area</li> <li>● Improving convenience by expansion of digital transactions / non-face-to-face channel</li> <li>● SDGs support, strengthening sustainable finance</li> </ul>	P.27- 31
<b>Strengthening market investments / financing</b>	<ul style="list-style-type: none"> <li>● Strengthening efforts in structured finance</li> <li>● Restructuring securities portfolio</li> </ul>	P.32
<b>Investments / Expenses</b>	<ul style="list-style-type: none"> <li>● Promoting DX, strategic investments in new business areas</li> <li>● Improving productivity by digitalization and business Innovation</li> <li>● Diverse value creation by promoting human resources management</li> </ul>	P.33- 37
<b>Capital management</b>	<ul style="list-style-type: none"> <li>● Appropriate risk taking by ensuring an appropriate level of capital adequacy ratio</li> <li>● Enhancing shareholder returns</li> <li>● Reducing strategic shareholdings (reduction of ¥30.0 bn by end of FY2027)</li> </ul>	P.38

<b>Environment</b>	<ul style="list-style-type: none"> <li>● Responding to decarbonization / climate change-related risks in our group</li> <li>● Supporting for decarbonization / environmental conservation in local regions</li> </ul>	P.39- 40
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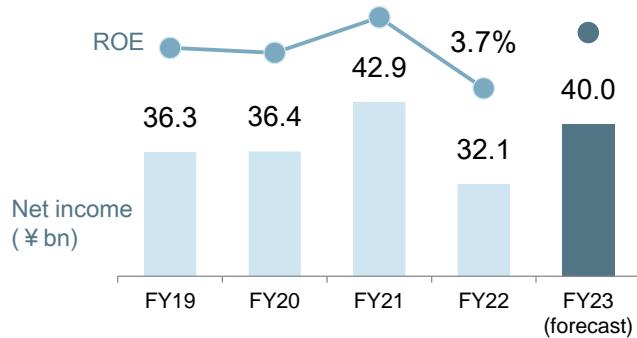
<b>Society</b>	<ul style="list-style-type: none"> <li>● Promoting regional industries, responding to changes in industrial structure</li> <li>● Dealing with aging of business owners, lack of human resources, securing local employment</li> <li>● Improving QOL of elderly and family members by responding to an aging society</li> <li>● Enhancing financial literacy in local regions</li> </ul>	P.41-42
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<b>Governance</b>	<ul style="list-style-type: none"> <li>● Strengthening and enhancing our corporate governance</li> <li>● Mitigating information asymmetry by enhancing dialogue with stakeholders</li> </ul>	P.43
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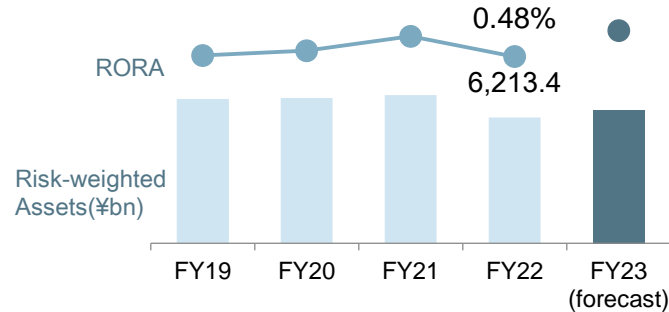
# Initiatives for Enhancing Corporate Value (3)

## Improve Return on Capital

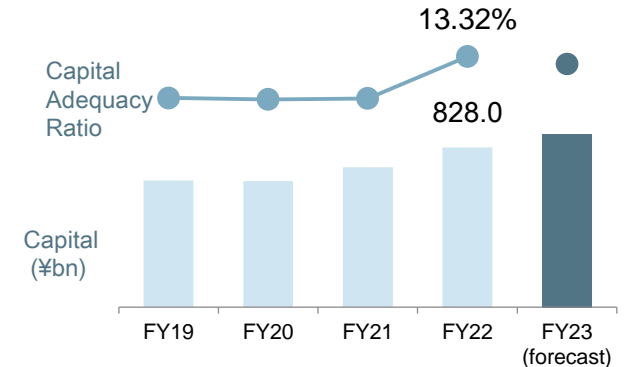
ROE / Net Income(¥bn)



RORA / Risk-weighted Assets(¥bn)



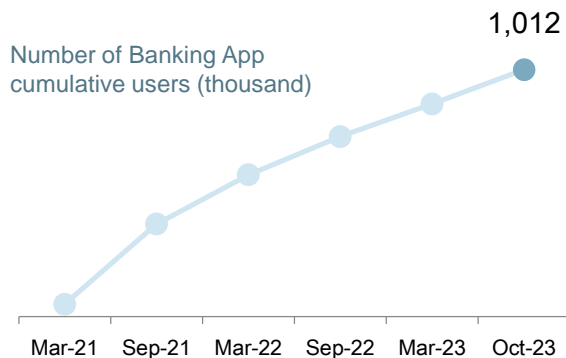
Capital Adequacy Ratio / Capital(¥bn)



## Raise Expected Growth Rate [ Initiatives for DX /ESG ]

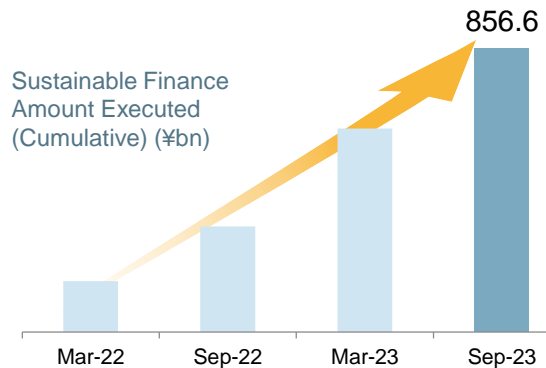
Banking App (P.29)

- Penetration of non-face-to-face channels



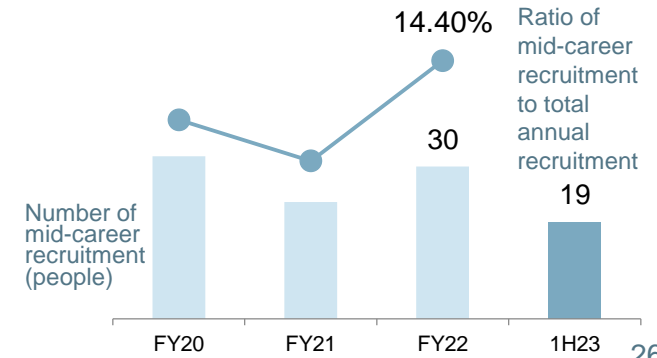
Sustainable Finance (P.31)

- Contribution to regional sustainable growth



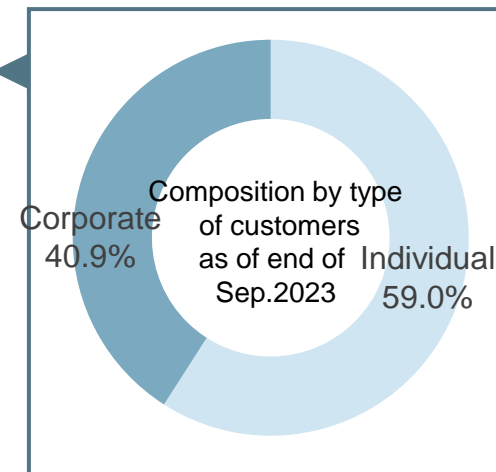
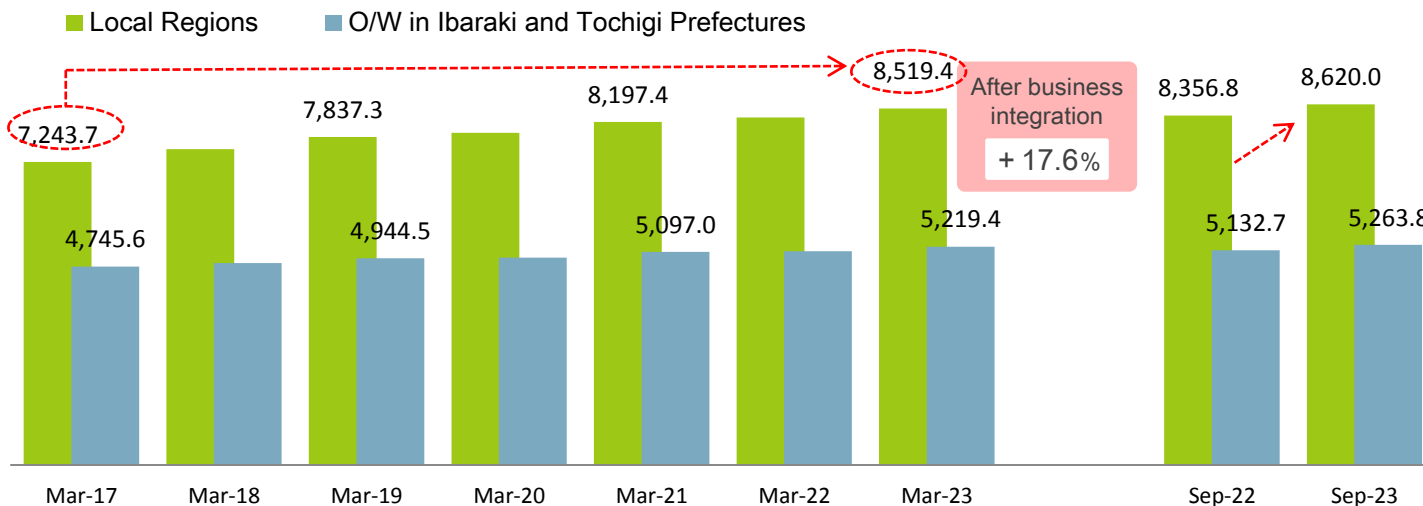
Mid-career recruitment (P.37)

- Securing mid-career professionals as immediate forces



# 【Core Business in Local Regions】 Core business support / Business succession

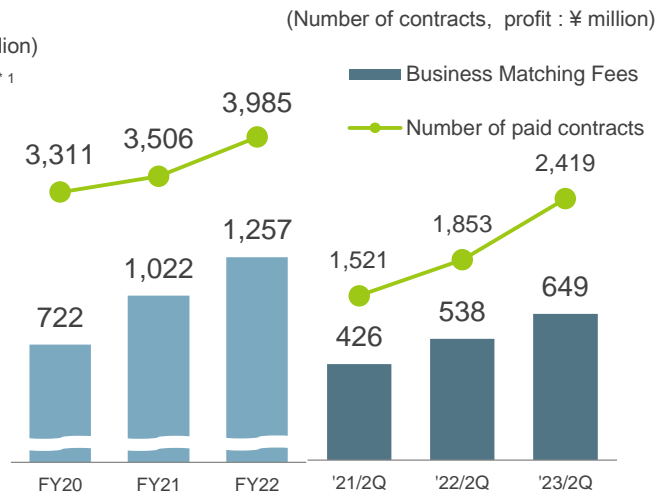
Loans in Local Regions (Bank total) (¥bn)



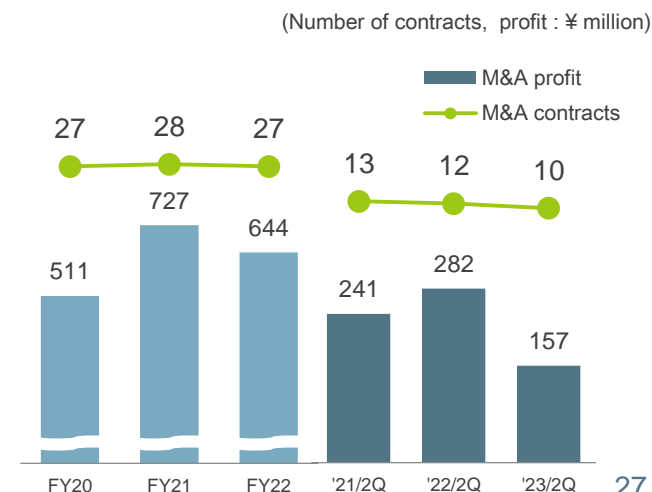
Support for Business Planning / Consulting for Business Succession



Business Matching



M&A Consultations

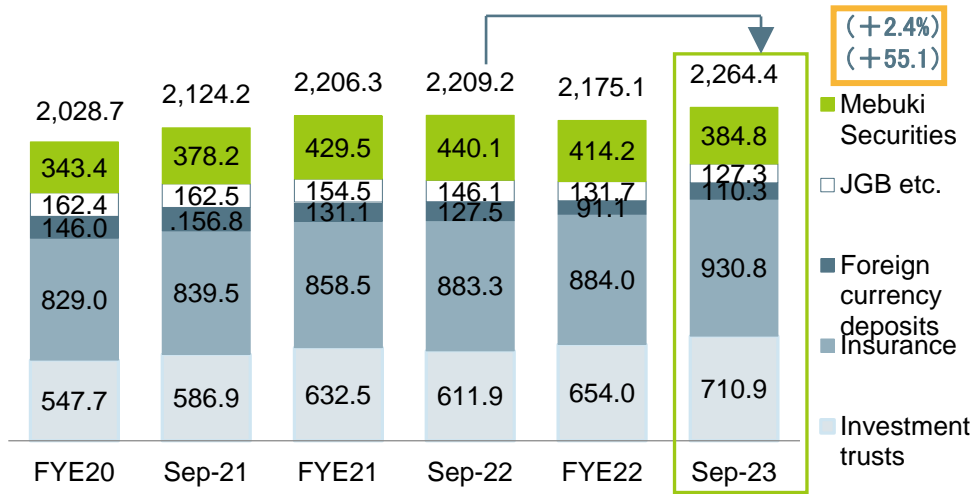


(\*1) Total of support for business planning, application of public support system, and business succession consulting

# 【Core Business in Local Regions】

# Life-plan consulting services

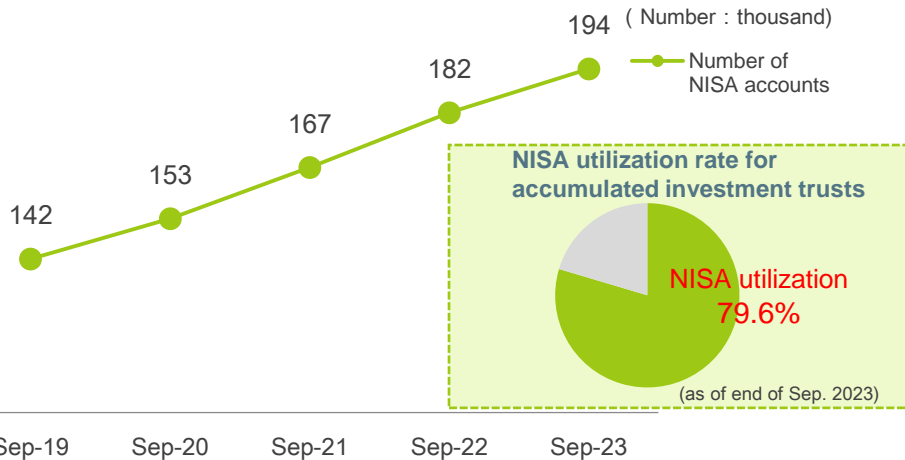
Customer Assets under custody  
Balance (Bank Total + Mebuki Securities) (¥bn)



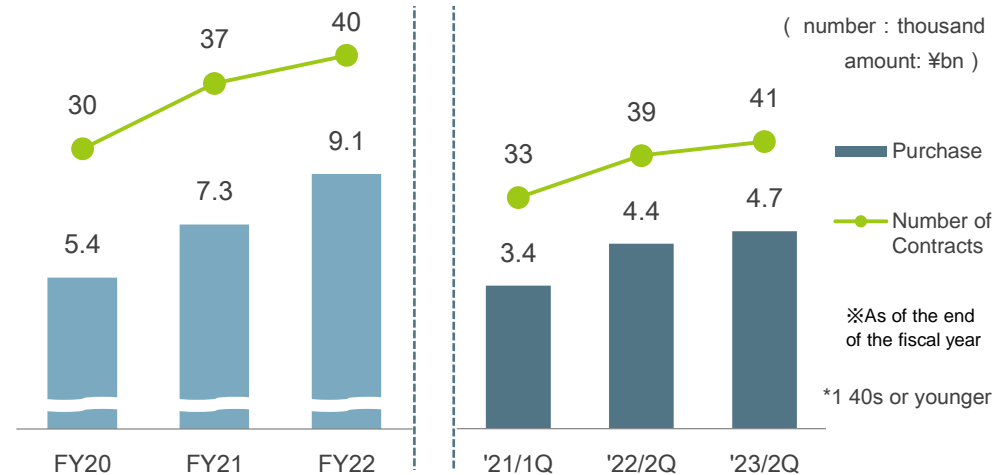
Commissions (Bank Total + Mebuki Securities) (¥bn)



Number of NISA accounts (Bank Total)



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

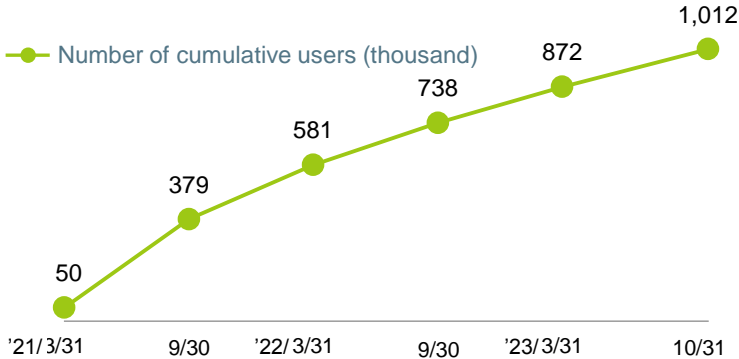


# 【Core Business in Local Regions】

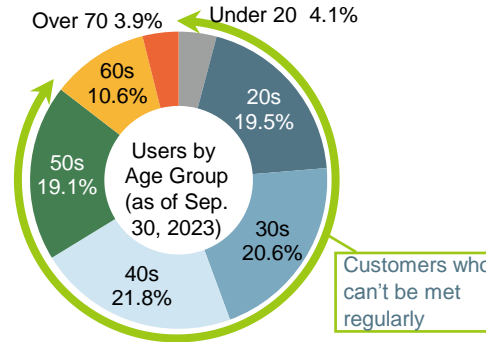
# Improving convenience by expansion of digital transactions / non-face-to-face

## Banking App

- The number of cumulative App users ("Joyo Banking App" and "Ashikaga Bank App") exceeded 1 million.

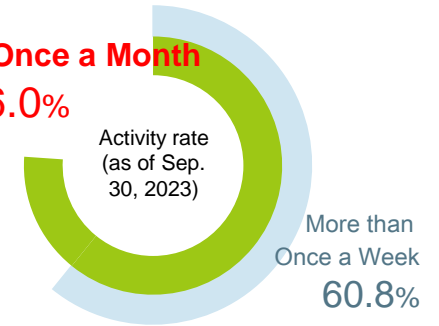


- The objective of the introduction, "Ensuring points of contact with customers", is being achieved steadily even for generations who can't be met regularly.



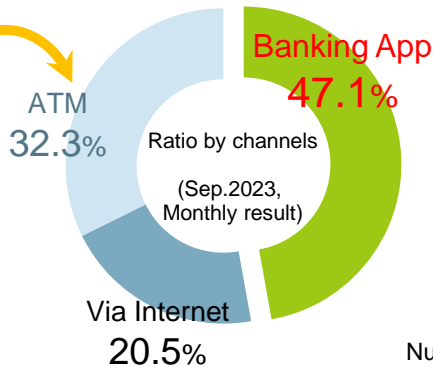
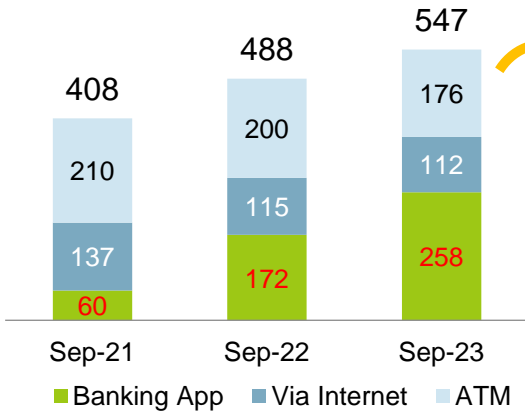
- Used by about 70% of customers more than once a month.
- It is permeating as a main banking channel.

More than Once a Month  
76.0%



## Number of transfers by non-face-to-face channel (Individual customers)

(Number : thousand)

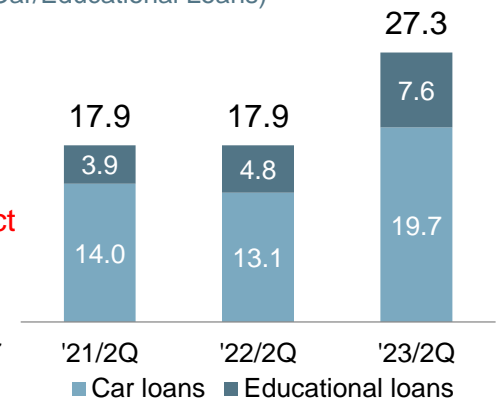
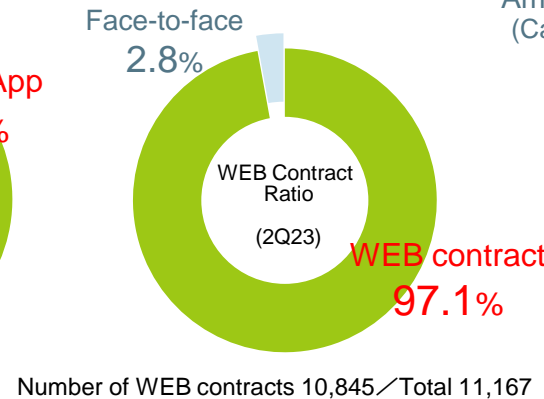


## Online(WEB) Contract of Car/Educational Loans (Banks total)

< Reference >

Amount of loans executed (Car/Educational Loans)

(¥bn)

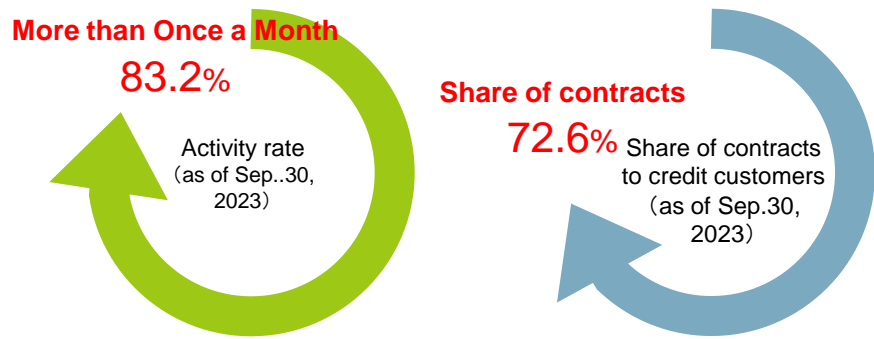


# 【Core Business in Local Regions】

# Improving convenience by expansion of digital transactions / non-face-to-face

## Corporate Internet Banking Services

- Number of service users (as of Sep.30, '23) : **65,617** companies



## Corporate Portal Site

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

Main function	Centralized managing multiple accounts and their deposit and withdrawal details	Cumulative users <b>12,500</b> companies (bank total)
	Managing work time and attendance, business communication, etc.	
	Billing and Preservation System for Invoice System and Law on Book and Record Keeping through Electronic Methods	
Merit	Customers <ul style="list-style-type: none"> <li>● Improved efficiency of accounting work</li> <li>● Paperless operations</li> </ul>	
	Our group <ul style="list-style-type: none"> <li>● Accumulation of transaction data</li> </ul>	

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

- Effect of digital contract

### <Customers>

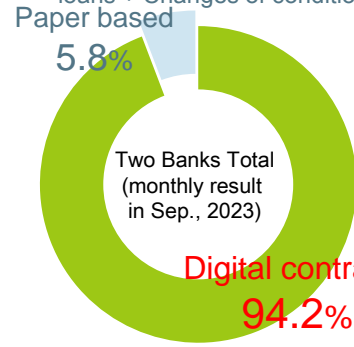
- ✓ No need to sign or stamp the contract
- ✓ No revenue stamps required
- ✓ Possible to contract via the internet by PC, tablet and Smartphone



### <Banks>

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

- Digital Contracts Ratio (Business\*1 and Housing Loans)  
\*1 Business loans: New certificate loans + Changes of conditions

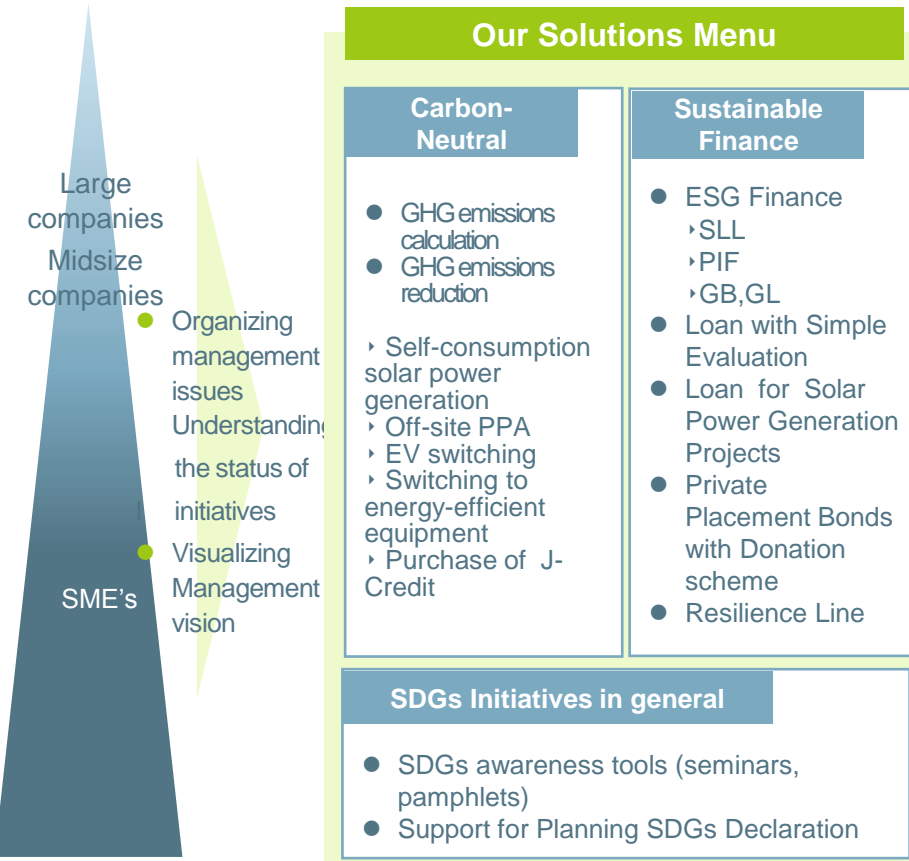


※Screen image of contract completion

# 【Core Business in Local Regions】

# SDGs support / Strengthening sustainable finance

## Support for Corporate Customers' Initiatives



## Sustainable Finance

### Definition of "Sustainable Finance"

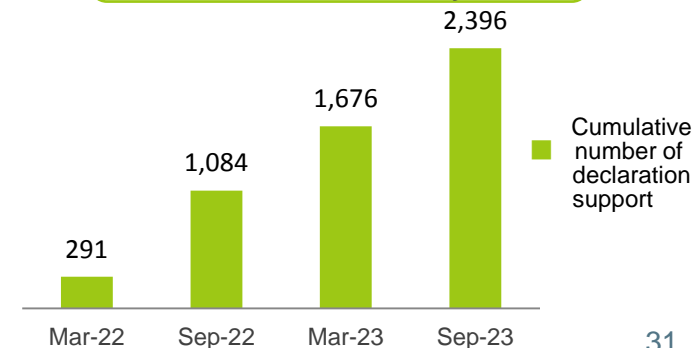
"Finance to support customers' activities aiming to realize a sustainable society through solving environmental and social issues", as referenced in related external standards (the Green Loan Principles, the Green Bond Principles, the Social Bond Principles, etc.)

	FY2030 Target	Results through 1Q23	( Reference )	
			Compared to end of FY22	Progress
Sustainable Finance	¥3 trillion	¥856.6 bn	+¥241.2bn	28.5%
O/W Environmental field	¥2 trillion	¥520.0 bn	+¥172.1bn	26.0%

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



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

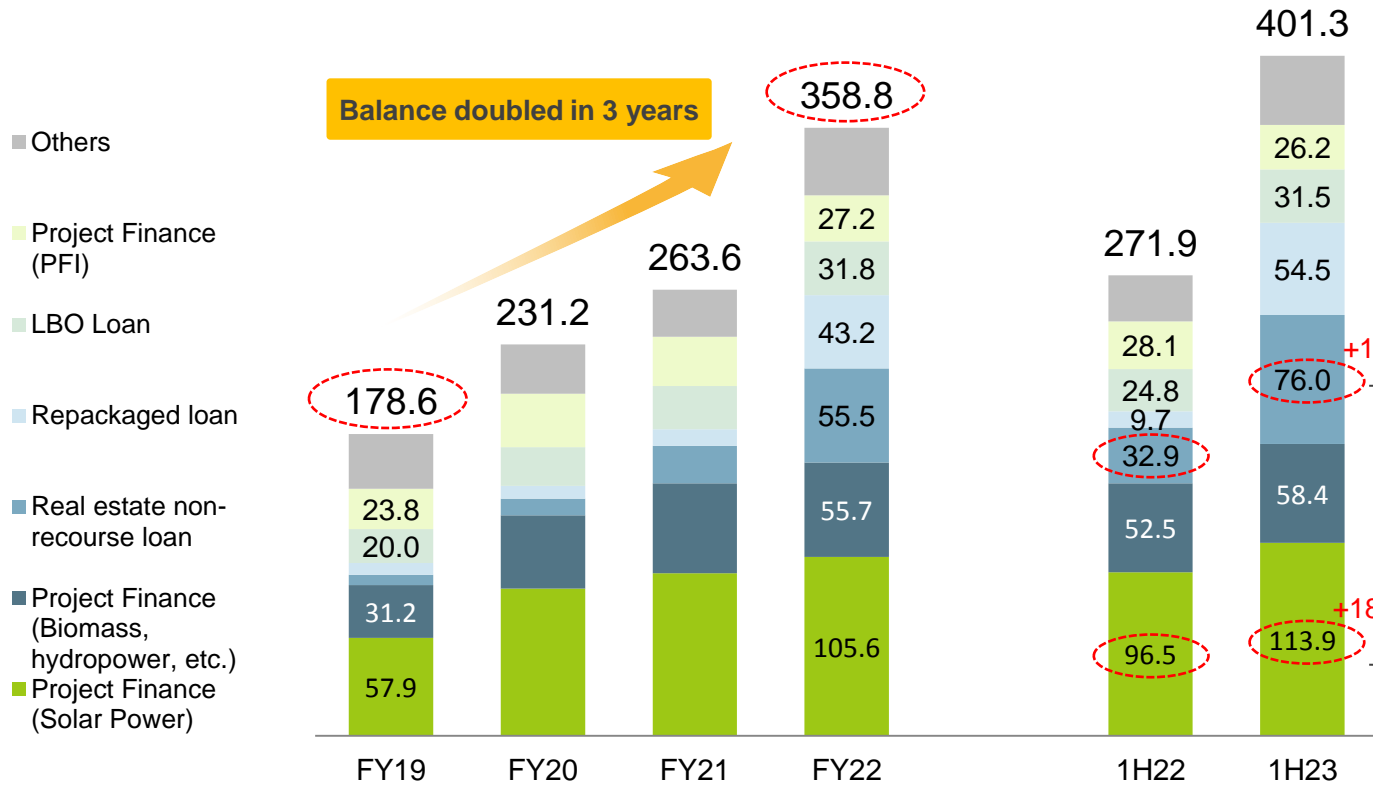




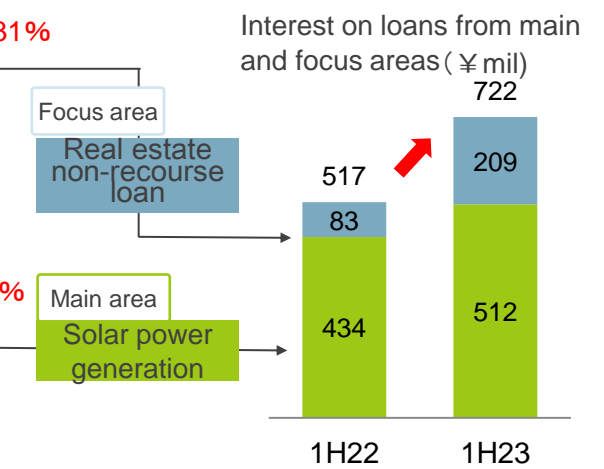
# 【Strengthening market investments/financing】

# Strengthening efforts in structured finance

Balance of Structured Finance (Bank Total) ( ¥ bn)



**Expanding profit opportunities by continuous personnel increase and development of new investment field**



<b>Interest on loans ( ¥ bn)</b>	¥ 2.0 bn	¥ 2.1 bn	¥ 2.2 bn	¥ 2.5 bn
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¥ 1.3 bn	¥ 2.2 bn <sup>*1</sup>
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<b>Headcount related to Structured Finance<sup>*2</sup></b>	17 people	21 people	23 people	26 people
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26 people	29 people
-----------	-----------

\*1 Interest on loans increased significantly due to foreign exchange factors, which increased the base rate for foreign currency denominated loans, such as those for ships and aircraft.

\*2 As of the end of fiscal year (Bank Total)

## IT Investments (3rd Medium-Term Group Business Plan Period)

Total IT investments (3-year cumulative) **¥15.0 bn**  
 O/W New Digitalization **¥7.0bn**

DX support for customers and local regions  
 Strengthening DX infrastructure

### 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>	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.
<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>	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.
<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>	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.
<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>	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.
<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>	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.

## DX Certified Business Operator



\*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.

## Challenges to Expand Business Areas

### Approach to New Business

High need for initiatives as a regional issue

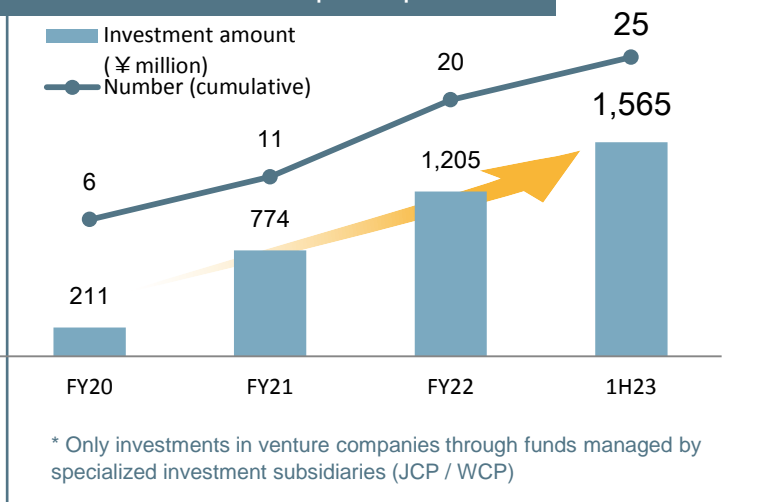
+

Affinity with our group's strengths

+

Use of strategic investments, alliances, etc.

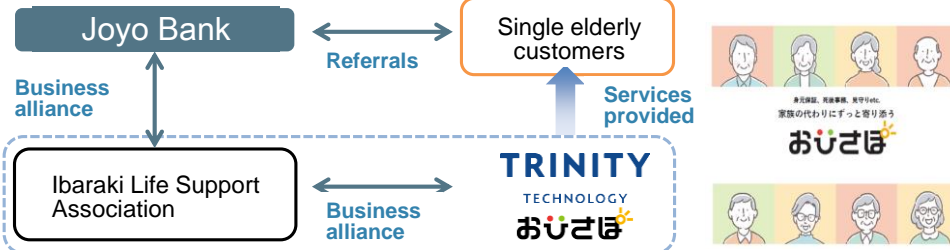
### Investments in start-up companies



### Collaboration with Investee Companies

#### Providing family trust services for elderly households utilizing digital technology

Based on the business alliance with the Ibaraki Life Support Association, Joyo Bank started to introduce the services "OHISAPO"<sup>(\*)</sup> provided by Trinity Technology Co., Ltd., a CVC fund investee. (in November 2023)



(\*1) Services to support asset management for single elderly customers, provided by the Company.

#### Diversifying funding methods / Offering new small financial products

#### デジタル証券準備株式会社 Digital Securities Preparatory Co., Ltd.



Digital Securities Preparatory Co., Ltd. is CVC fund investee and preparing a real estate STO business<sup>(\*)</sup>. It was the first in Japan<sup>(\*)</sup> to obtain certification for a new business activity plan. (in August 2023)

We have provided financing support to a real estate fund "renga pro first limited liability company (SPC)" by non-recourse loans. (in September 2023)

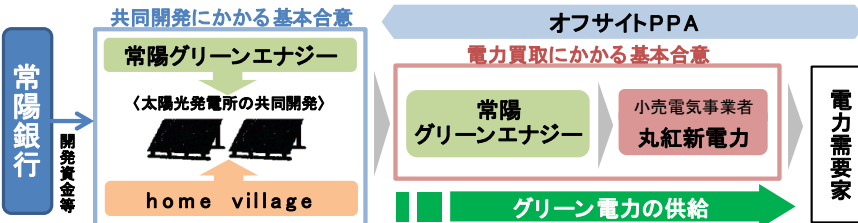
(\*2) Real estate STOs are digital securities whose underlying assets are real estate and related rights, and are attracting attention as a next-generation financial product that differs from conventional real estate securitized products.

(\*3) First in Japan with a new business activity plan for a special exception for the transfer of receivables using blockchain technology.

## Joyo Green Energy Co., Ltd.

### Renewable Energy Generation / Supply Business

We started collaboration with Home Village INC and Marubeni Power Retail Corporation for off-site PPA<sup>\*1</sup>.(in September 2023)



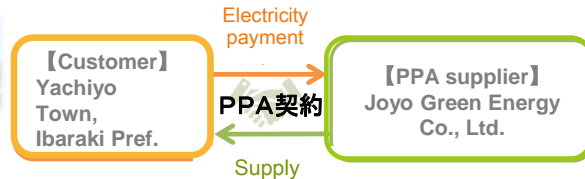
\*1 Green power is supplied to consumers through the power transmission and distribution network from remote solar power generation facilities installed by solar power generation companies.

Started to supply power to Yachiyo Town by PPA<sup>\*2</sup>(in April 2023)



A solar carport was installed in the staff parking lot of the Yachiyo Town Hall.

\*2 Power Purchase Agreement. An agreement to supply electricity generated by a specific power generation facility to a customer who wishes to purchase electricity.



PPA Business

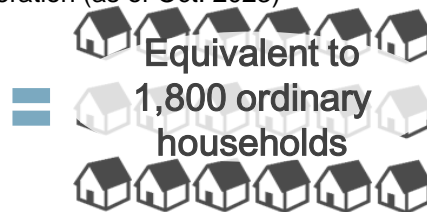
Power Generation

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

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



※Image of investment

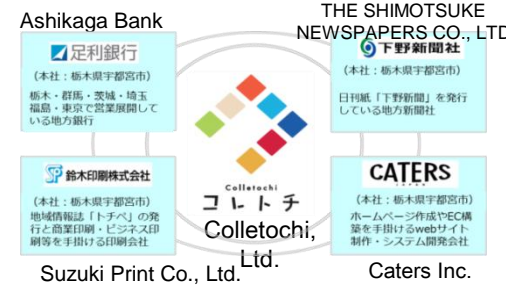


## Colletochi, Ltd.

### Local Trading Company

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 in Tochigi Prefecture



#### Businesses

- Sales of Local Products
- New product development support
- Managing EC Site
- Electric power business, etc.

Business Outline

#### Example of Initiatives

- Started sales of local products to nation-wide hotel chain and local inns
- Started business with major retail chain with approximately 130 stores mainly in the Tokyo metropolitan area.

Electric Power Business

#### Entry in Electric Power Business

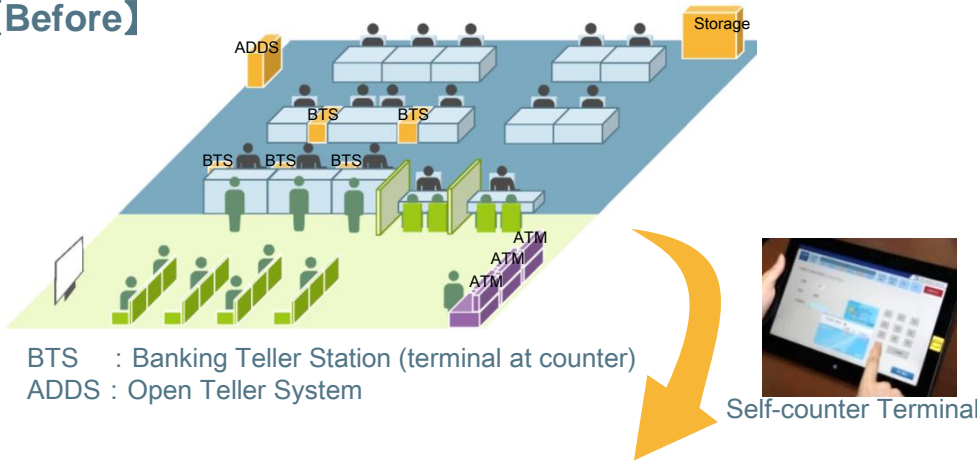
- We entered the electric power business as part of our efforts to revitalize local regions through support of its core business. (in September 2023)
- We will promote local production and local consumption of renewable energy and strongly support the efforts for decarbonization in local regions.

# 【Investments / Expenses】

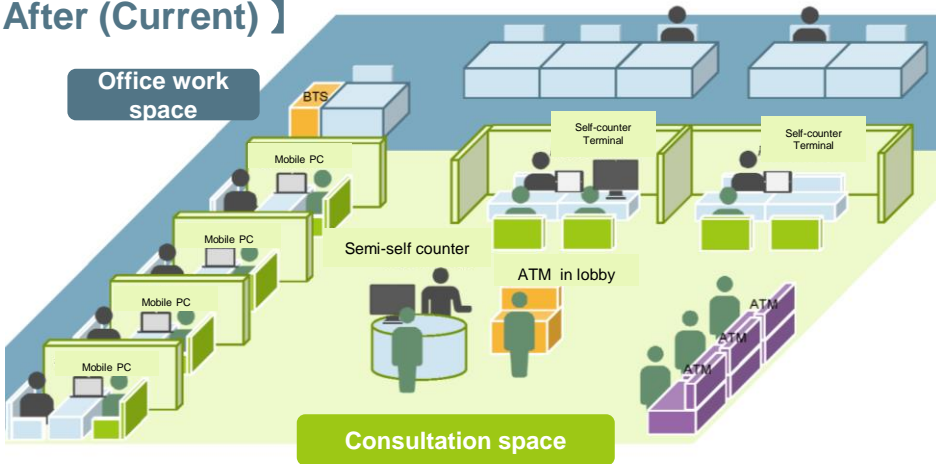
# Improving productivity by digitalization and business innovation

## Streamlined Branch Layout (example)

【Before】

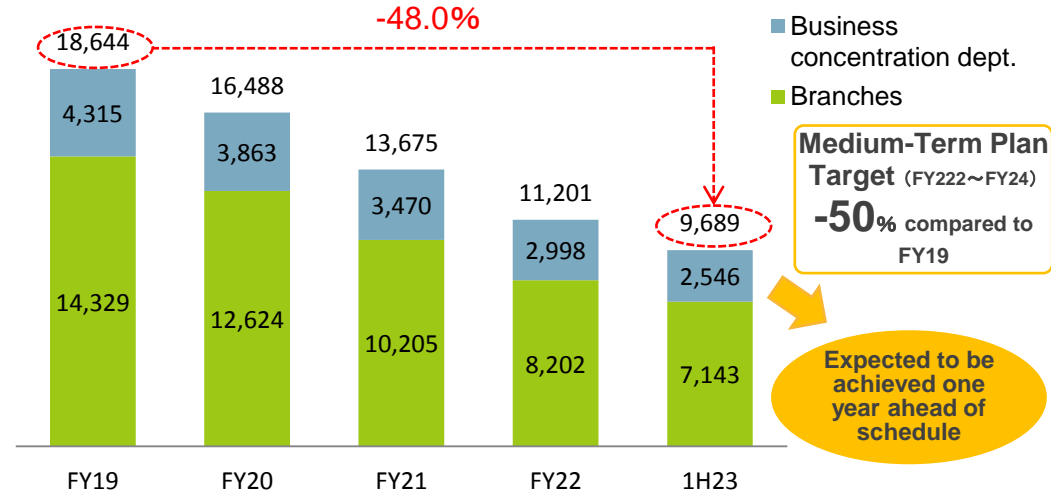


【After (Current)】



## Progress of Operational Efficiency in Branches

(Average volume (time) of operation per day (each fiscal year) : hours)



## Reallocation of Staff

### 3 Year Plan ( to March 2025)

#### Free-up -580people

- BPR and digitization of branch operations
- Use of digital technology in back-office operations
- Shift of personnel to consulting field through optimized personnel allocation, etc.

#### Invest +200people

- Enhancing consulting function, new business area
- Strengthening DX, Data utilization
- Strengthening securities investment, structured finance

net -380people

### 1H23 Achievement (1.5 years cumulative)

Freed-up  
-280people

Invested  
+150people  
(Consulting / new business area +110people)

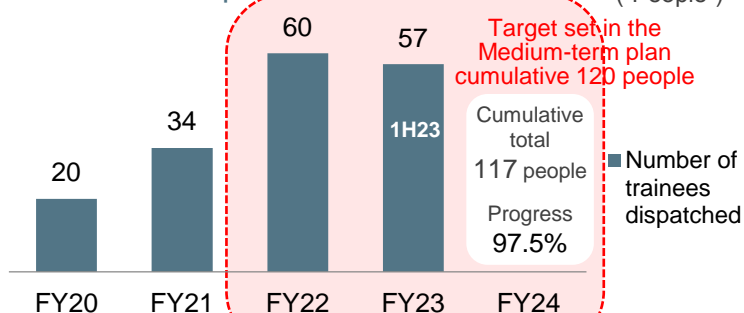
net -130people

# 【Investments / Expenses】

# Diverse value creation by promoting human resources management

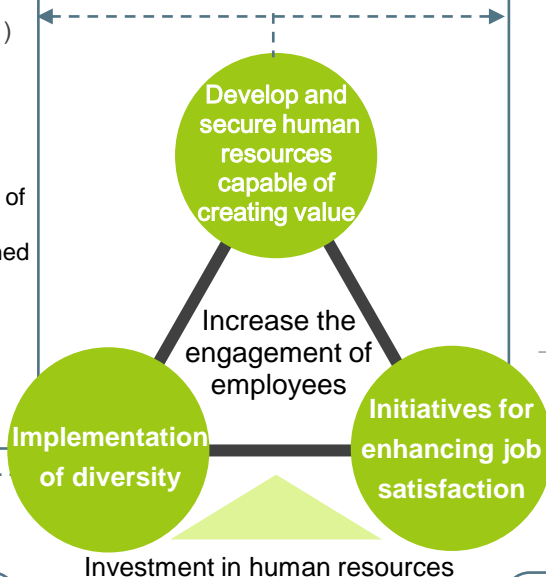
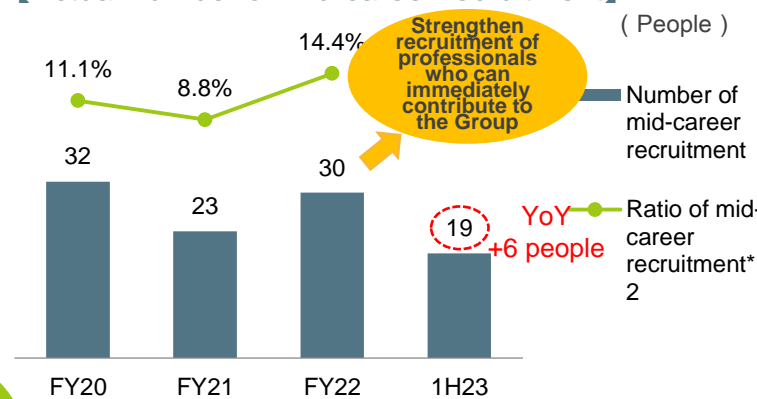
## Initiatives for Human Resources Management

【Actual number of trainees dispatched to inside and outside the Group\*1】 ( People )

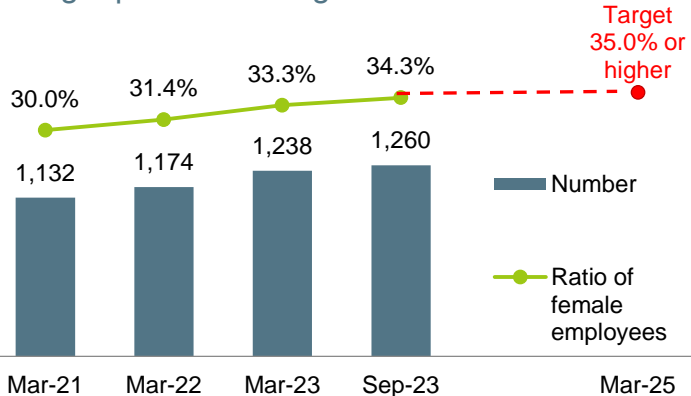


\*1 Trainees dispatched for more than one month for the purpose of human resource development

【Actual number of mid-career recruitment】 ( People )



【Actual ratio of female employees in assistant manager positions or higher】 ( People )



【External evaluation】

The Group was awarded the 3rd level "Eruboshi" certification as a general employer that conforms with the standards under the Act on the Promotion of Female Participation and Career Advancement in the Workplace.

"Platinum Kurumin" certification was granted as a company that provides superior support for childcare to its employees based on the Act on Advancement of Measures to Support Raising Next-Generation Children.

"The Group was recognized as an outstanding organization under the 2023 Certified Health & Productivity Management Outstanding Organizations Recognition Program (large enterprise category).

【Development of a pleasant and attractive working environment】

<b>Flexitime work system</b> Enabling employees more flexible work styles	<b>Working from home</b> Realizing efficient work styles
<b>Childcare leave at birth system</b> Encouraging male employees to take childcare leave.	<b>Fertility treatment leave system</b> Newly established system (for two years at maximum)
<b>Second job system</b> 45 people used the system (as of Sep.2023)	<b>Work in casual clothes</b> Introduced in the head offices of two subsidiary banks

# 【Capital Management】

## Capital adequacy ratio / Enhancing shareholder returns / Reducing strategic shareholdings

### Revision of Shareholder Return Policy

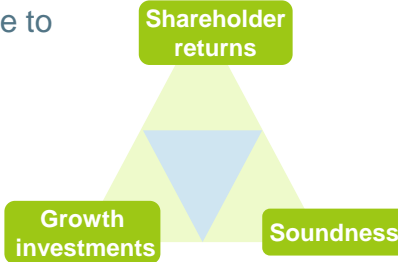
We will **target a Total Return Ratio<sup>(\*)</sup> of 40% or more** while taking into account both the maintenance of solid capital levels for future growth and the appropriate distribution of profits to our shareholders. We will continue to consider the dividend level.

<Target level>

Total return ratio  
30% or more

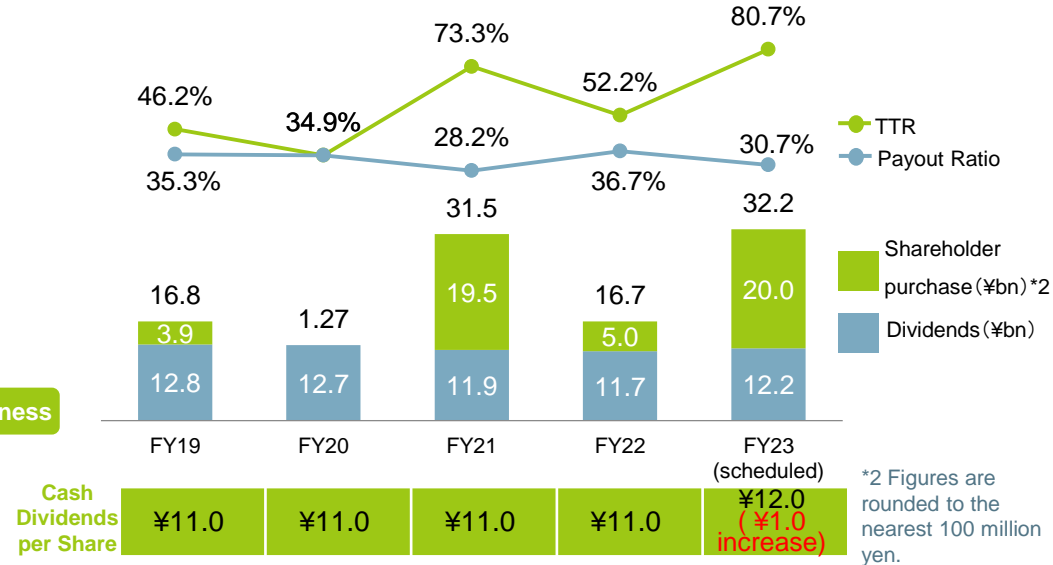


Total return ratio  
40% or more

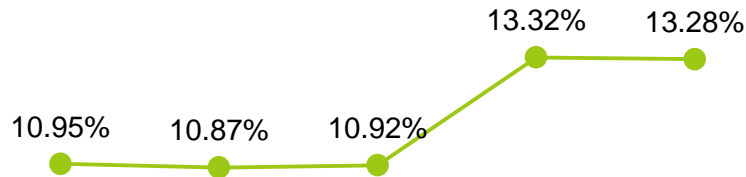


\*1 Total Return Ratio  
= (Total amount of dividends + Total amount of acquisition of own shares) / Net income

### Dividends, Shareholder Returns



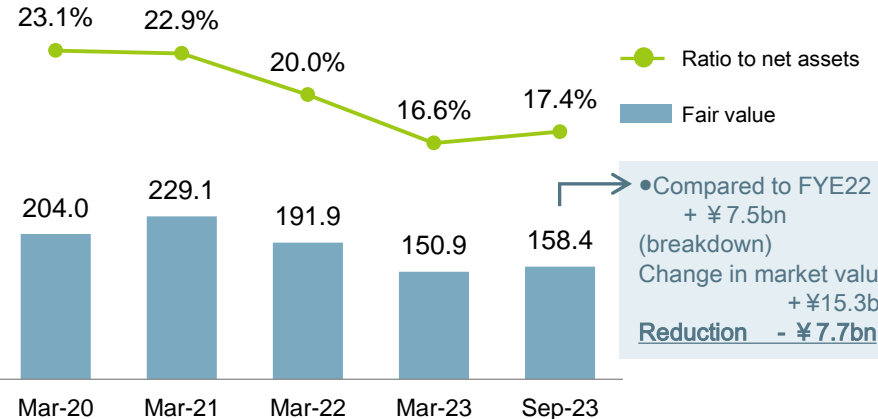
### Capital Adequacy Ratio (Mebuki FG consolidated)



	'FYE19	FYE20	FYE21	FYE22	Sep-23
Capital (¥ bn)	780.9	780.2	799.6	828.0	831.1
Risk-weighted Assets (¥ bn)	7,130.3	7,174.7	7,320.0	6,213.4	6,255.6

### Fair value of Strategic Shareholdings<sup>(\*)</sup> (¥bn)

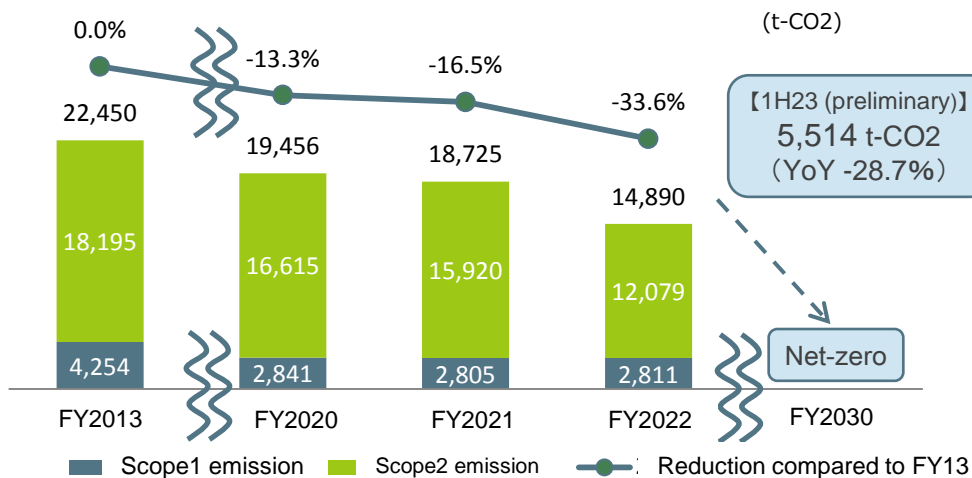
【Reduction target】 Reduction of ¥30.0bn in 5 years from the end of Mar.2023



\*3 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.

# 【ESG】 Initiatives for Creating Social Value (Environment)

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



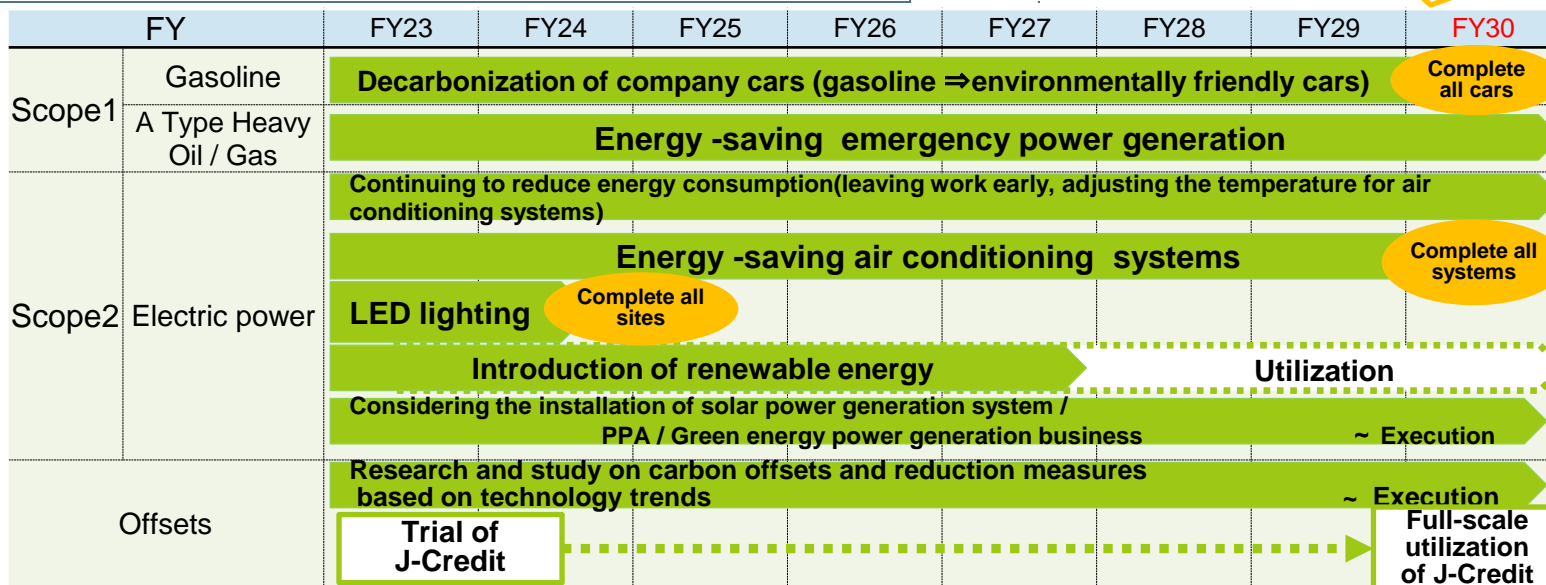
## Endorsement / Participation in Initiatives

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



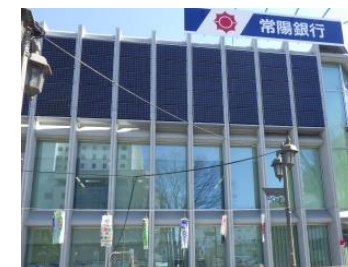
\* 1 From FY2022, total CO2 emissions of Scope 1 + Scope 2 for the entire company, including all group companies in addition to two subsidiary banks are counted and calculated using adjusted emission factor.

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



CO2 emission reduction to "Net-zero"

<Reference> Establishment of Environment-friendly Branches\*2



	As of Sep. 30, 2023
Number of branches (cumulative total)	227

\* 2 Branches with solar power generation systems installed and / or interior light switched to LED.



# 【ESG】 Initiatives for Creating Social Value (Environment)

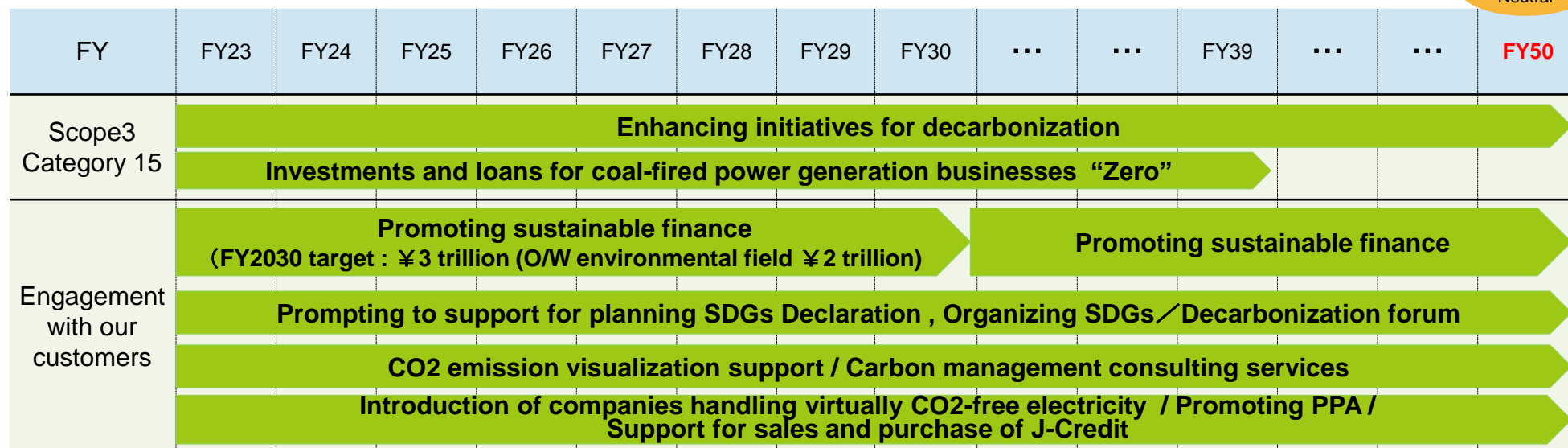
## CO2 Emissions including Supply Chain

(t-CO2)

	FY21	FY22	
			(Composition)
Scope1	2,805	2,811	0.01%
Scope2	15,920	12,079	0.05%
Scope3 Category 1~14	(not measured)	21,742	0.10%
Scope3 Category15 (Investments and loans)	(not measured)	20,498,197	99.82%
Total	—	20,534,829	100.00%

- We started to measure Scope 3 emissions from FY2022 and expanded the scope of disclosure.
- We measured Category15 (Investments and loans) of Scope 3 emissions of all the businesses to which Joyo Bank and Ashikaga Bank provided loans to.

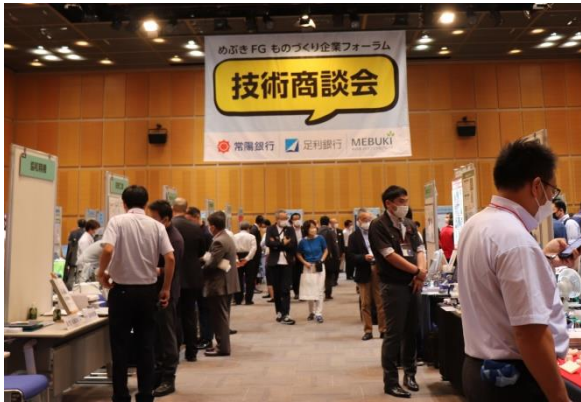
Carbon Neutral



# 【ESG】 Initiatives for Creating Social Value (Society)

## Manufacturing Business Forum

Providing participants an opportunity to have business conferences that may lead to finding new business partners



### Outline

- Appointments to have business meetings  
Providing effective opportunities for business negotiations through utilizing “technical proposals” (booklets that summarize companies' distinctive technologies and products).
- Panel exhibition business meetings
- Special seminars

## Mebuki Business Award



Call for and award innovative and creative business plans in the regions



After that...

- Making technical propositions
- Expanding sales channels
- Providing financial support using funds, etc.

Providing various types of support to commercialize their award-winning plans

## Mebuki Food Exhibition

Providing participants an opportunity to promote their products at exhibition booth and have individual business meetings with buyers



<Business meeting at exhibition booth>



<Individual business meetings with buyers>

Support for food-related business companies to expand their sales channels / suppliers and to encourage interactions among participants.

Initiatives to support food-related business companies in expanding their sales channels abroad

### Concept

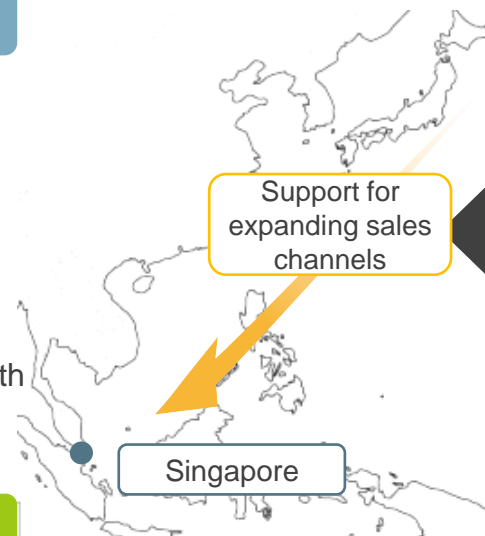
To allow the participating companies in Ibaraki Pref. to collect “real local voices” and to provide them an opportunity to use the voices for their future expansion of sales channels

### Main measures

- Business conference where participants met local buyers
- Tasting event where general consumers were invited
- Live commerce event

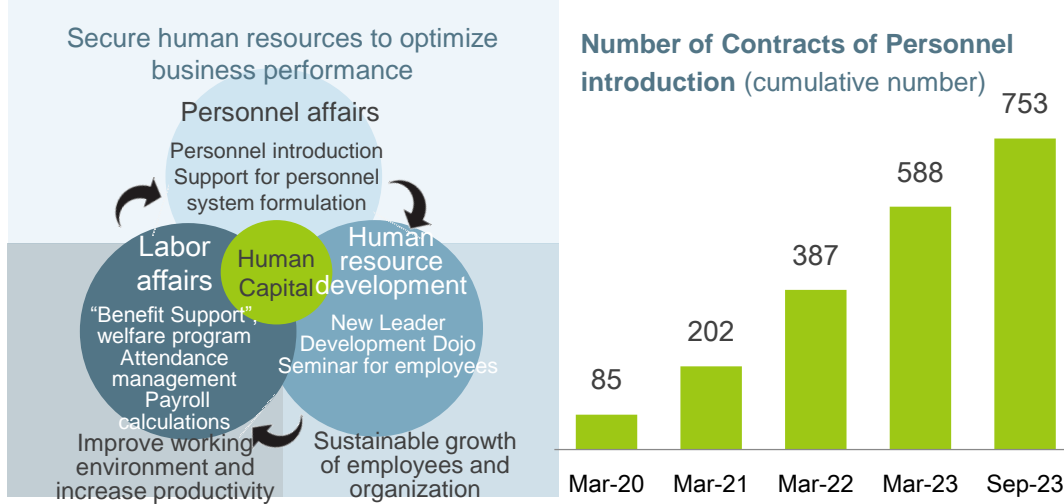
### Partners

Ibaraki Global Business Promotion Council (secretariat: Ibaraki Prefecture and others)



# 【ESG】 Initiatives for Creating Social Value (Society)

## Initiatives for human resources management / lack of human resources



## Enhancing financial literacy in local regions

### Holding Financial Lectures for Students (from elementary to high school) and Seminars for Working People



<Delivered financial lecture to high school students>

#### Financial lectures

We have provided lectures on finance for social education for children in local communities.  
FY2022 Number of participants : about 3,300 people

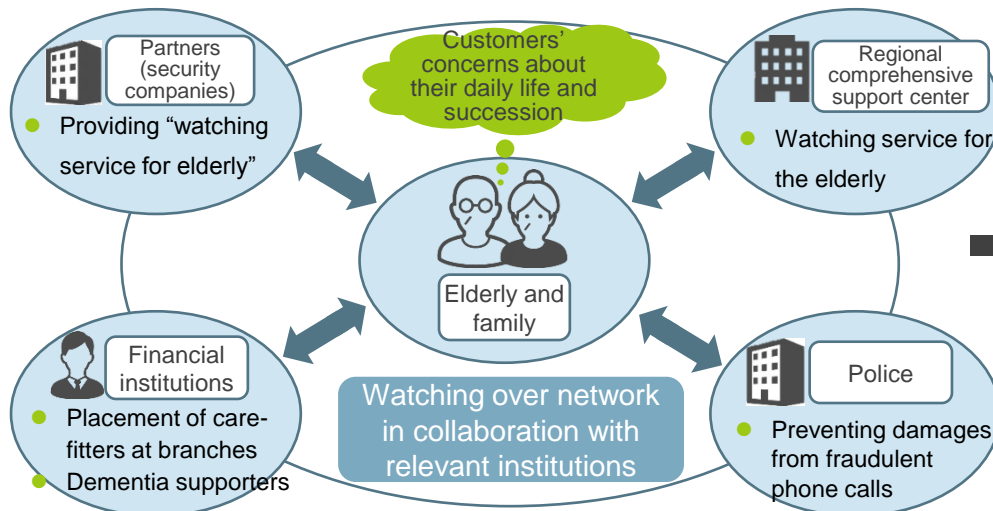
#### Seminars for working people

We have supported for stable asset building of regional customers through workplace seminars and online "asset management seminars".

FY2022 Number of participants : about 11,000 people

## Improving QOL of elderly and family members

### Support for living environment by strengthening collaboration with external institutions



### One-Stop Services by Specialized Staff

#### <Smileful Partner>



We have enhanced the placement of specialized staff who responds to concerns of elderly customers and their families.

#### <Holiday Wealth Salon>



An appointment-only salon providing inheritance consulting services that are available only on Saturdays and Sundays in which specialized staff supports customers in an easy-to-understand and careful manner.

Enhance and maintain customers' quality of life (QOL)

# 【ESG】 Initiatives for Creating Social Value (Governance)

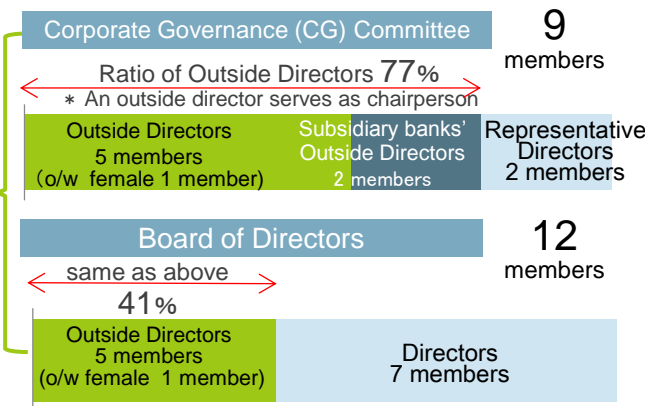
## Strengthening Corporate Governance

- Our Group's management takes initiative in analyzing the current situation, formulating policies and promoting initiatives to achieve sustainable growth and increase corporate value over the medium to long term .
- In formulating the policy, we actively utilize the opinions of independent outside directors and dialogue with shareholders to realize the value enhancement expected by various stakeholder.

### 【Status of Discussion for Enhancing Corporate Value】

Analysis	<ul style="list-style-type: none"> <li>Analysis was conducted on cost of capital, ROE, PBR, etc.</li> </ul>
Formulate and disclose policy	<ul style="list-style-type: none"> <li>The policy to improve return on capital and market valuation was formulated and disclosed.</li> <li>Decided to raise target of total return ratio, increase of dividends and repurchase own shares.</li> </ul>
Execution	<ul style="list-style-type: none"> <li>Monitored the progress of the policy and engaged in dialogue with stakeholders.</li> </ul>

In FY2023, discussions on enhancing corporate value and dialogue with shareholders were held seven times by the Board of Directors and one time by the CG Committee.



## Dialogue with Shareholders and Investors

- We actively relay the opinions of shareholders and other stakeholders collected from each dialogue to directors and executive officers. In addition, the status of dialogues and opinions received and future directions, etc. are reported to the Management Meeting, the Board of Directors, and the Corporate Governance Committee.

Dialogue partners	Dialogue meeting	Primary participants	FY2020	FY2021	FY2022
Individual investors and individual shareholders	Corporate information sessions	Director in charge of Corporate Planning	360 participants	86 participants	144 participants for 1 session
Institutional investors and analysts in Japan	Large meetings	Representative Director (President, Executive Vice President)	176 participants for 2 sessions	172 participants for 2 sessions	232 participants for 2 sessions
	Small meetings	Representative Director (President, Executive Vice President)	29 participants for 1 session	28 participants for 2 sessions	39 participants for 2 sessions
	Theme-based meetings	Representative Director (President, Executive Vice President), Outside Director (Attend meetings according to the theme)	—	—	21 participants for 1 session
	One-on-One meetings	General Manager in charge of Corporate Planning Department, Senior Manager, IR staff	56 companies	52 companies	50 companies
	Total		205 participants, 56 companies	200 participants, 52 companies	292 participants, 50 companies
Foreign investors and foreign shareholders	Conferences	Director in charge of Corporate Planning	1 companies for 1 session	—	5 companies for 1 session
	One-on-One meetings	General Manager in charge of Corporate Planning Department, Senior Manager, IR staff	4 companies	7 companies	10 companies
	Total		5 companies	7 companies	15 companies

\* Large meetings: Twice a year (May and November), Small meetings: Twice a year (August and February), One-on-one meetings: Quarterly

# 【Reference】 Details of Financial Results for the First Half of FY 2023

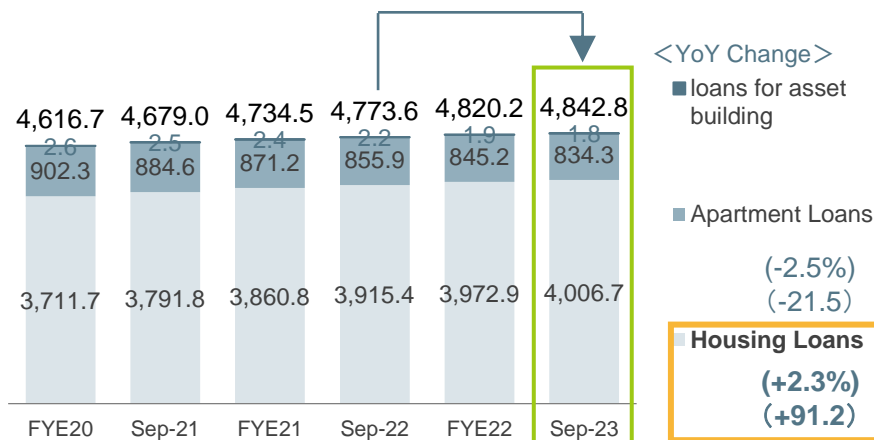
# Loans (1) Corporate / Individual

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

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

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

【Individual】Housing Related Loans (¥bn)

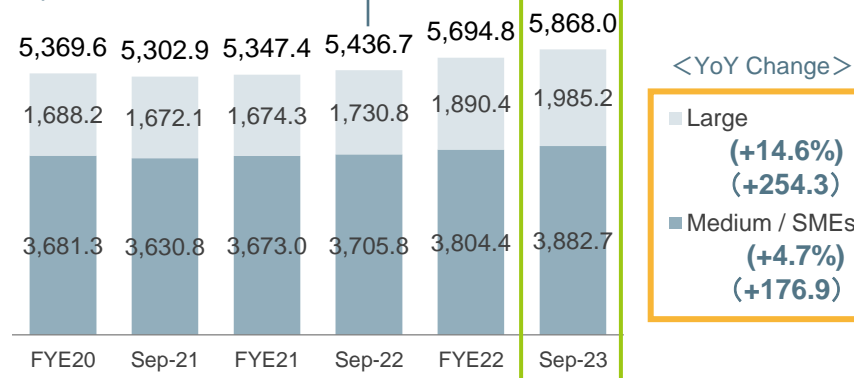


【Corporate】Term-end Balance by Company Size (¥bn)

Growth rate of Corporate Loans (YoY)

As of Sep.30, 2023 +7.9%

As of Sep.30, 2022 +2.5%

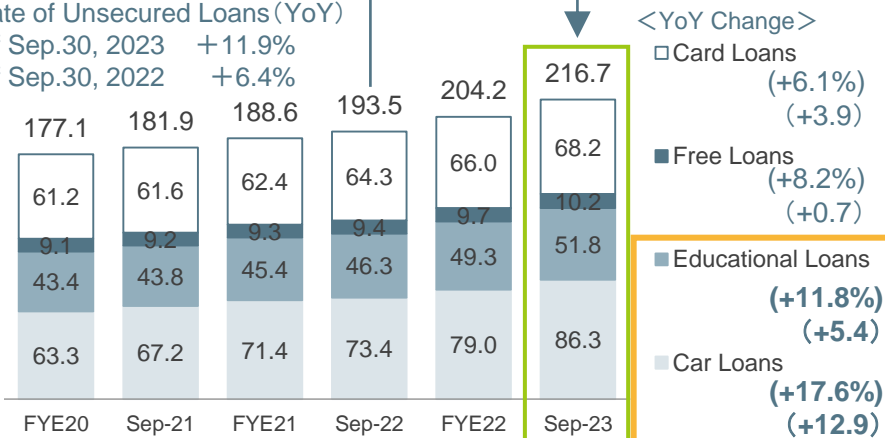


【Individual】Unsecured Loans (¥bn)

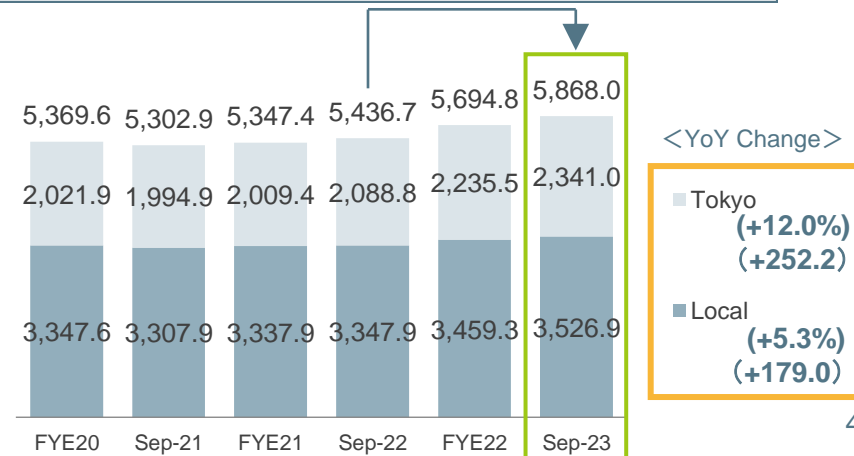
Growth rate of Unsecured Loans (YoY)

As of Sep.30, 2023 +11.9%

As of Sep.30, 2022 +6.4%



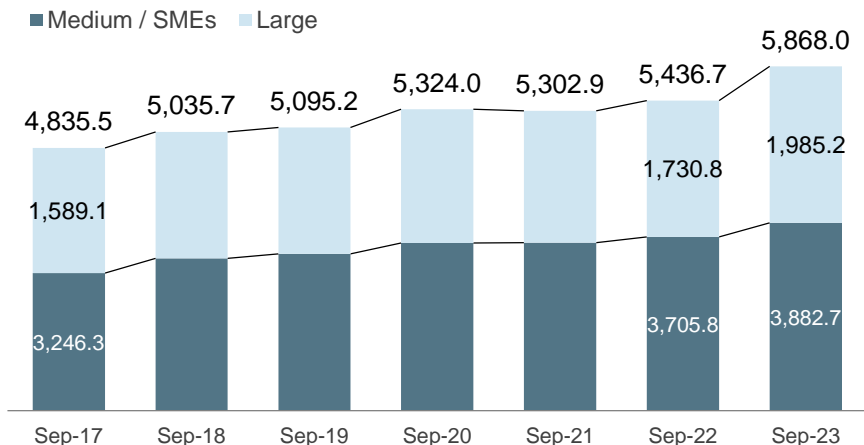
【Corporate】Term-end Balance by Area (¥bn)



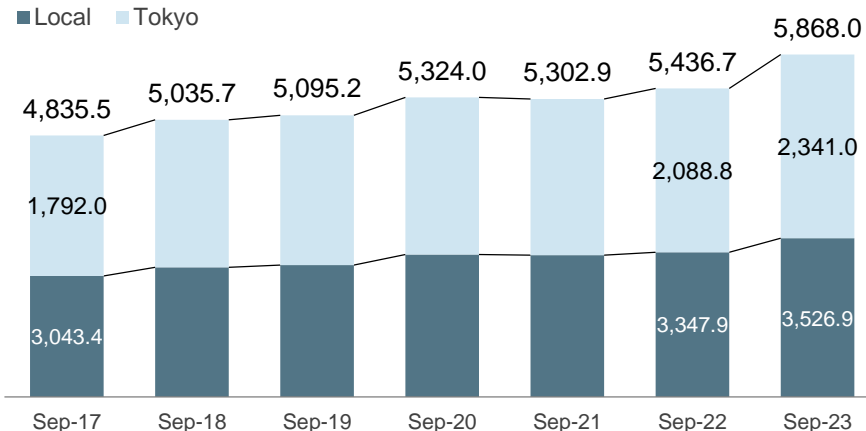
# Loans (2) Corporate Loans

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.

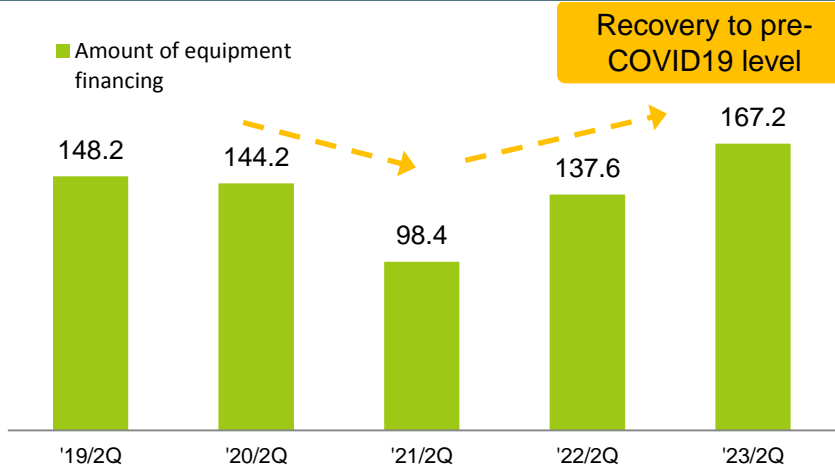
### Change of Balance by Corporate Size (¥bn)



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



### Amount of Equipment Financing<sup>\*1</sup> (¥bn)



\*1 Excluding housing loans and apartment loans

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

	Amount of increase/decrease (YoY) (Annual change ratio)			Balance Sep-23
	Sep-23	Sep-22	Sep-21	
Financial and insurance	+124.4 (+30.7%)	+6.8 (+1.7%)	+9.3 (+2.4%)	529.9
Manufacturing	+65.4 (+5.4%)	+11.1 (+0.9%)	-46.9 (-3.8%)	1,278.0
Electricity, gas and water	+63.7 (+4.2%)	+24.6 (+1.7%)	-34.0 (-2.2%)	1,567.4
Wholesale / Retail services	+43.0 (+4.2%)	+32.0 (+3.2%)	-27.4 (-2.7%)	1,072.1
Real estate	+39.4 (+13.6%)	+12.7 (+4.6%)	+28.9 (+11.6%)	329.7

# Average Yield of Loans / Net Interest Income

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

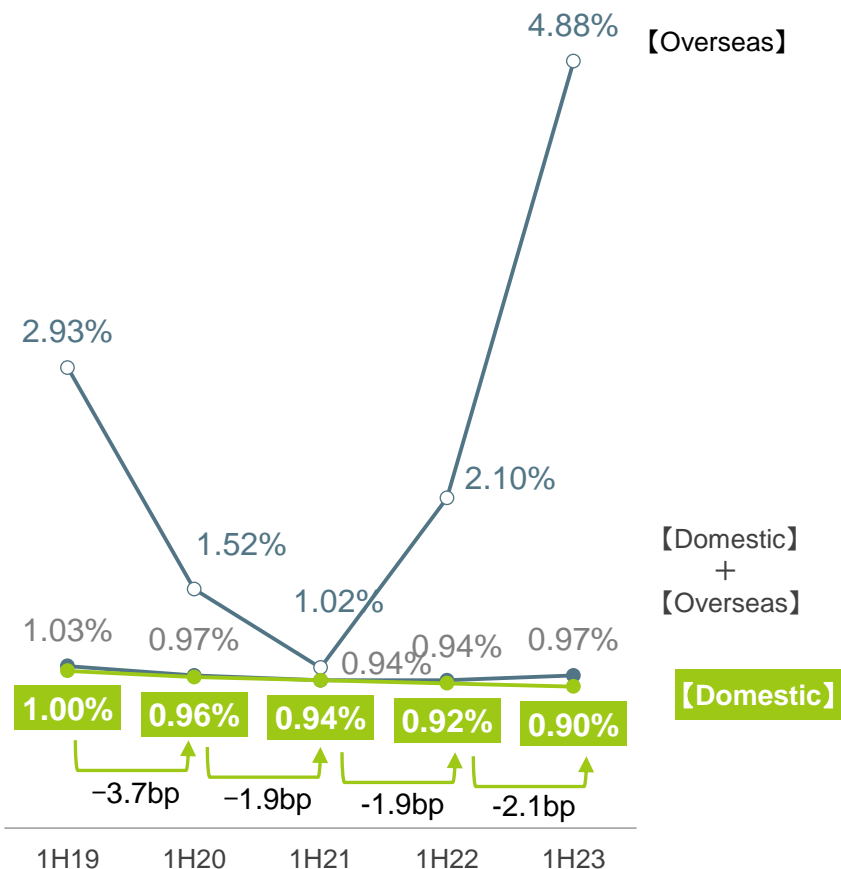
Securities' income (excluding gain on cancellation of investment trusts) decreased by ¥10.0bn YoY due to the increase of costs such as market borrowings.

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

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

(Domestic and Overseas)

\* Not including borrowing from special account of MoF



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

\* Not including borrowing from special account of MoF

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

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

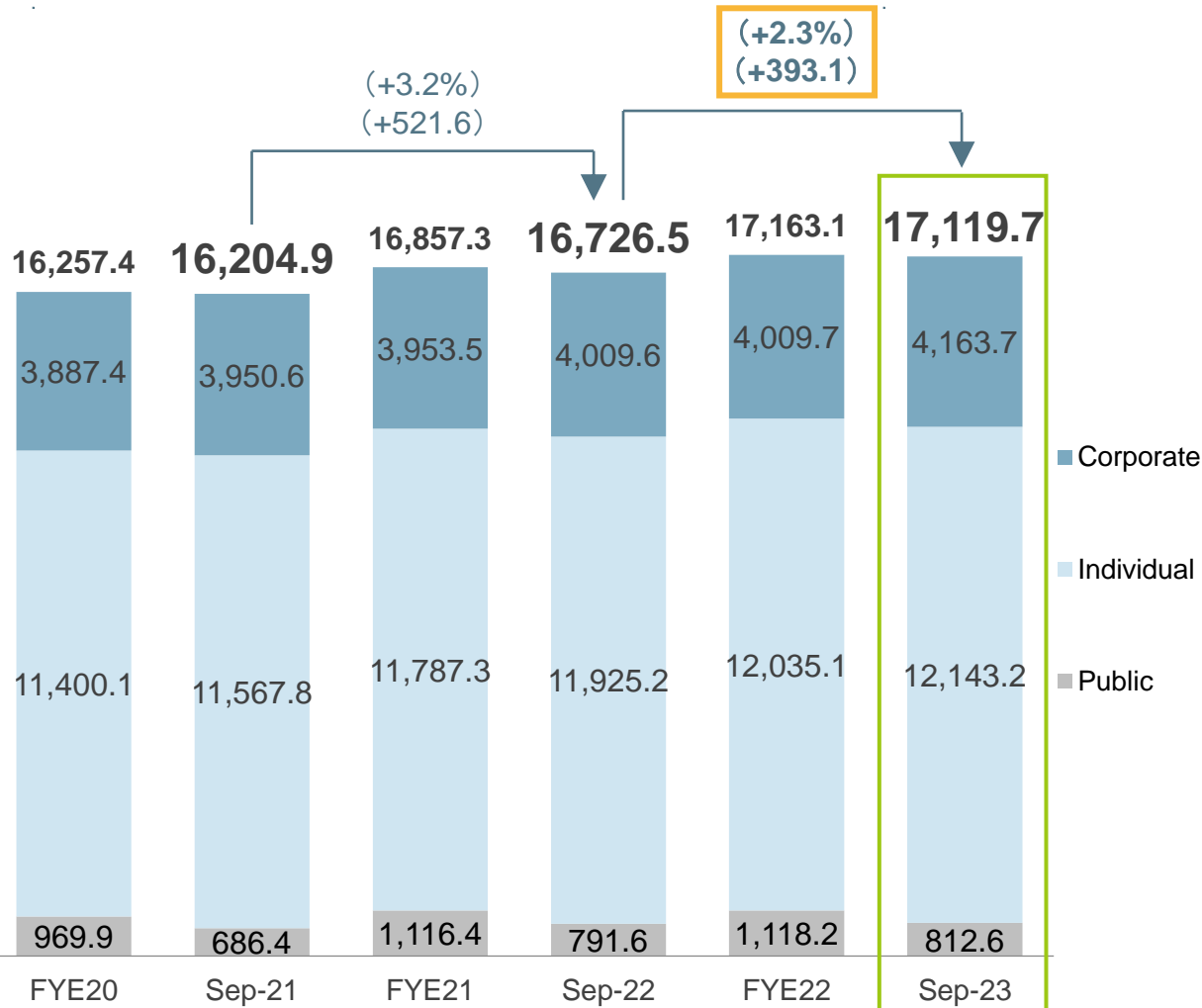


# Deposits Term-end Balance

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

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

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



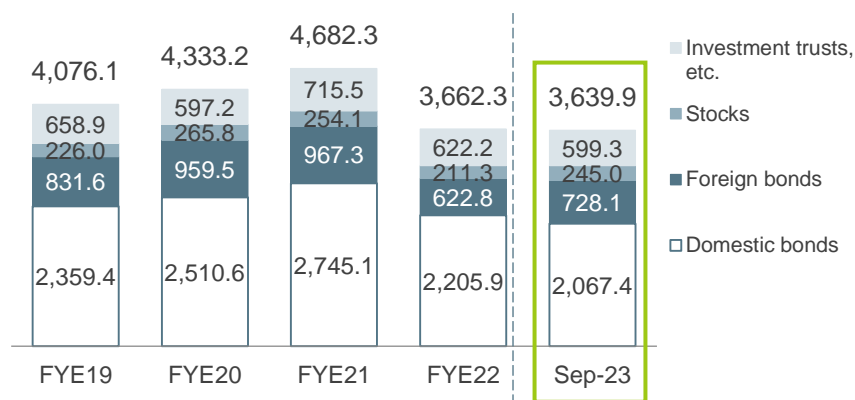
Year on Year Changes (¥bn)

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

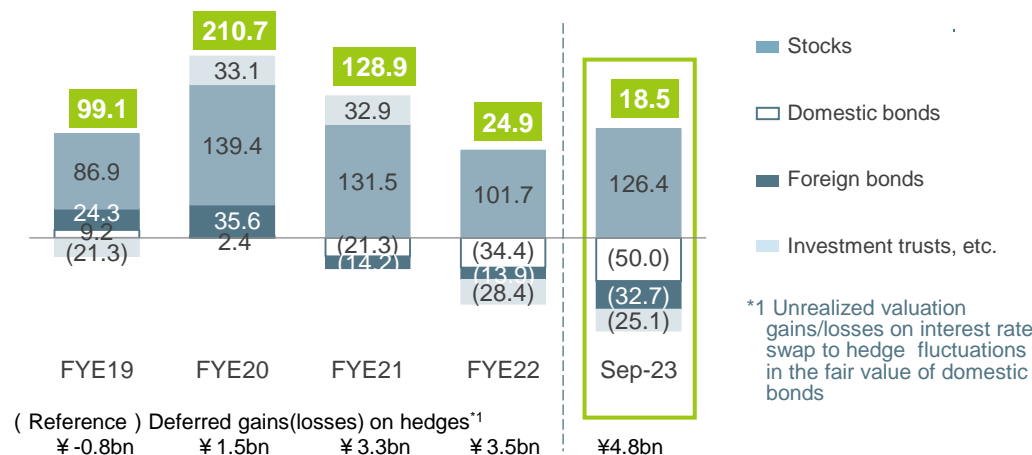
# Securities / Strategic Shareholdings

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

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

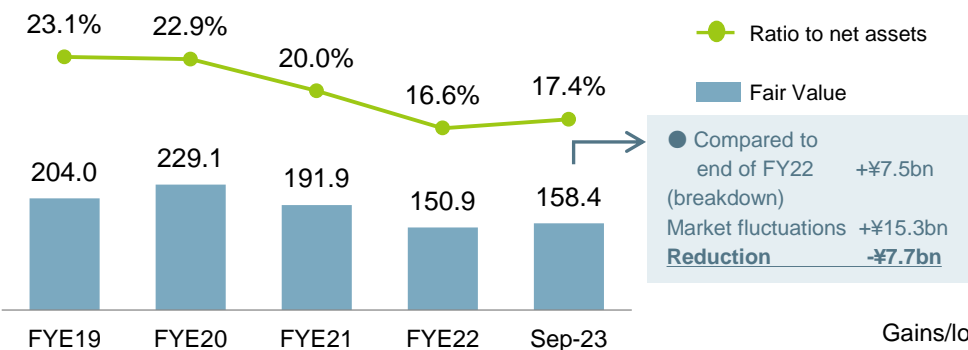


Unrealized valuation gains/losses on available for sales securities (Mebuki FG) (¥bn)



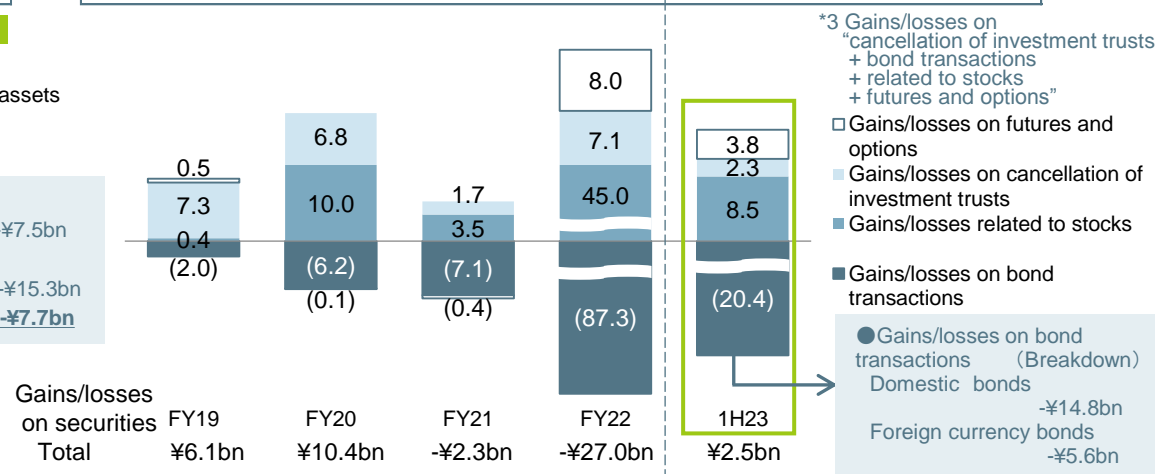
Strategic Shareholdings (Fair Value)<sup>\*2</sup> (¥bn)

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



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

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

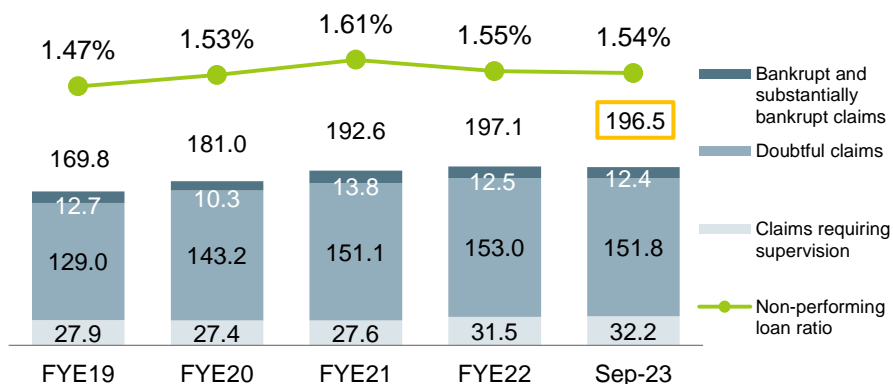


# Status of Non-performing Loans and Delinquent Loans

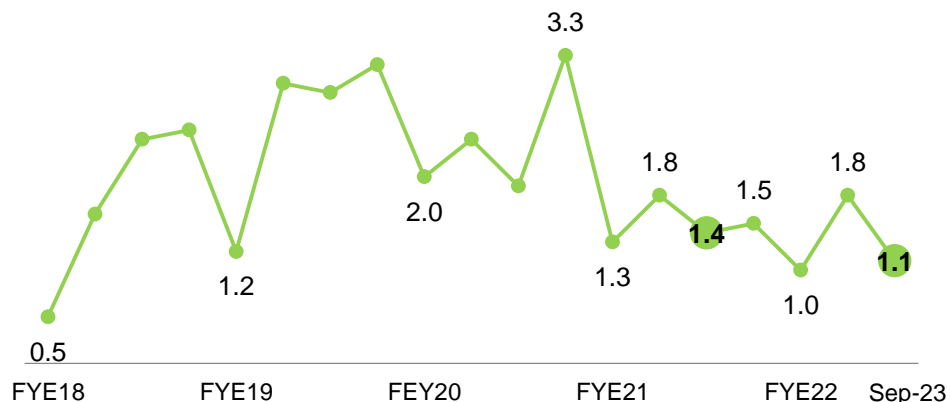
Non-performing loans based on financial revitalization law ratio to total amount of loans declined by 0.01% point from the end of previous fiscal year.

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

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

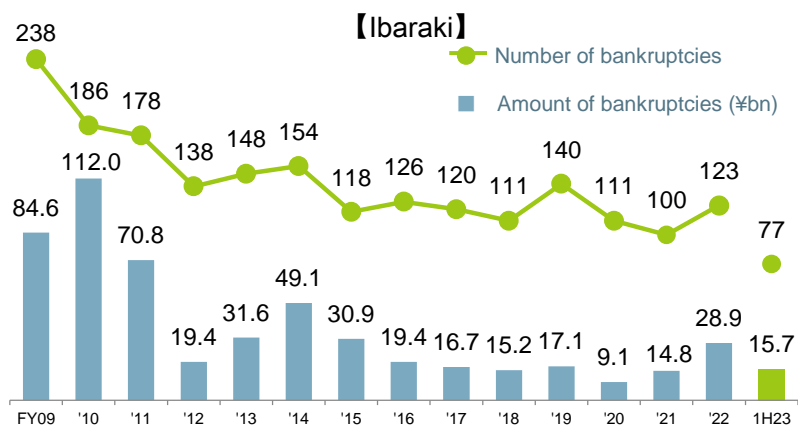


**Status of Delinquent Loans to Businesses** (¥bn)

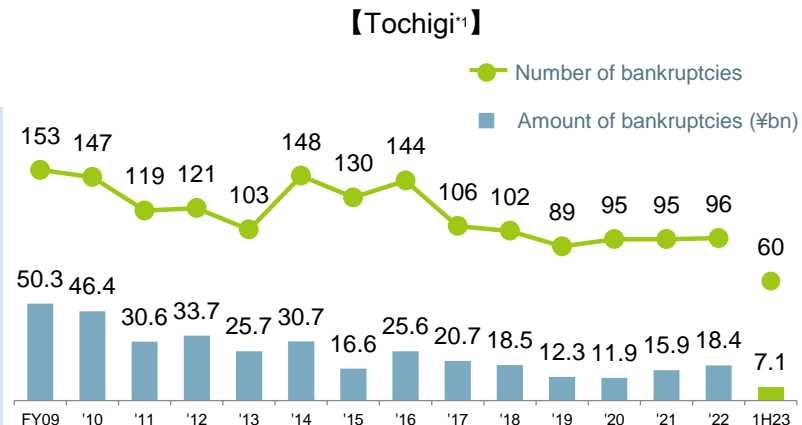


## 【Reference】Status of Bankruptcy

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



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



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

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

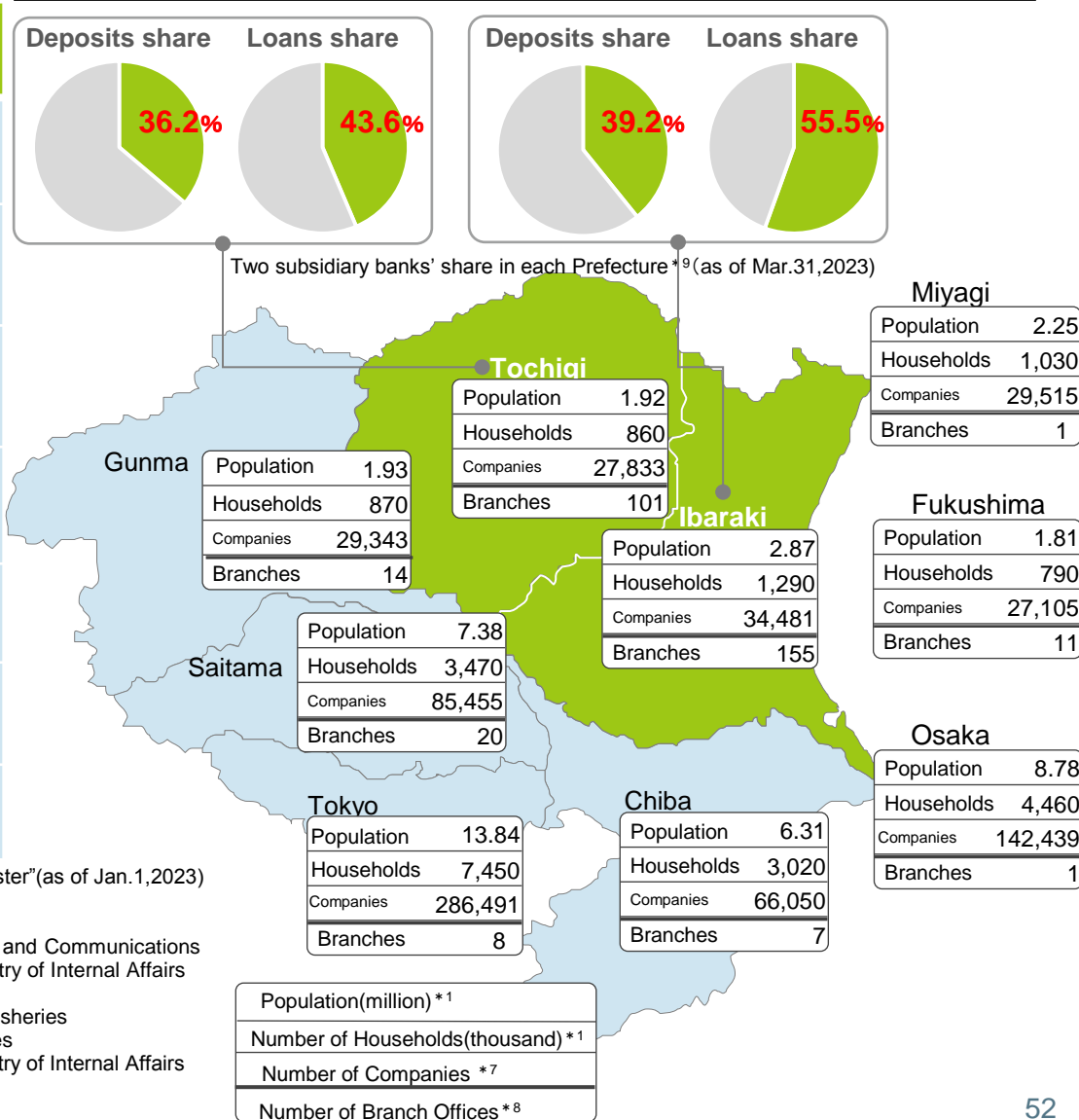
# 【Reference】 Basic Data of Ibaraki and Tochigi Prefectures

# 【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

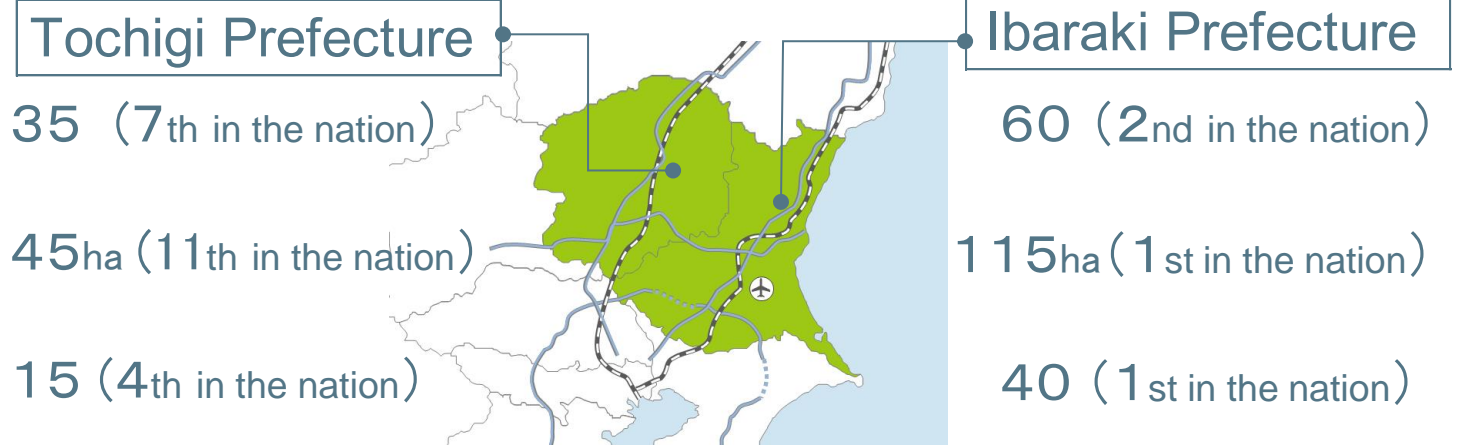
\* 9 Partially processed from "Financial Journal Dec.2022."

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

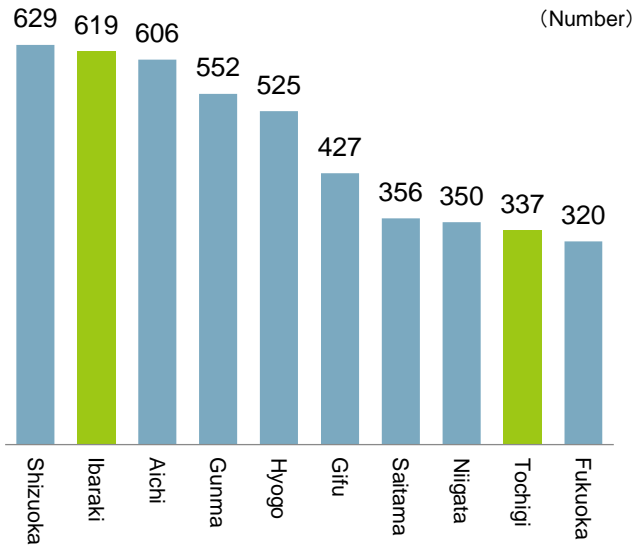
Number of new factory locations (2022)

Area of new factory locations (2022)

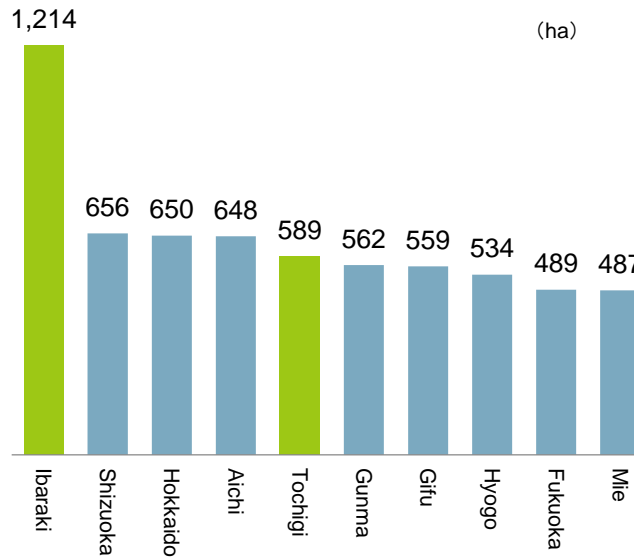
Number of new factory locations by companies outside the Prefecture (2022)



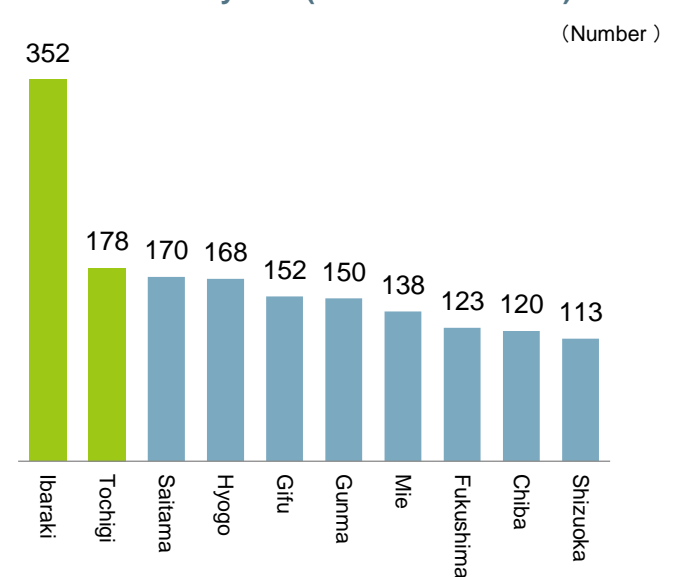
Number of new factory locations in last 10 years (from 2013 to 2022)



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



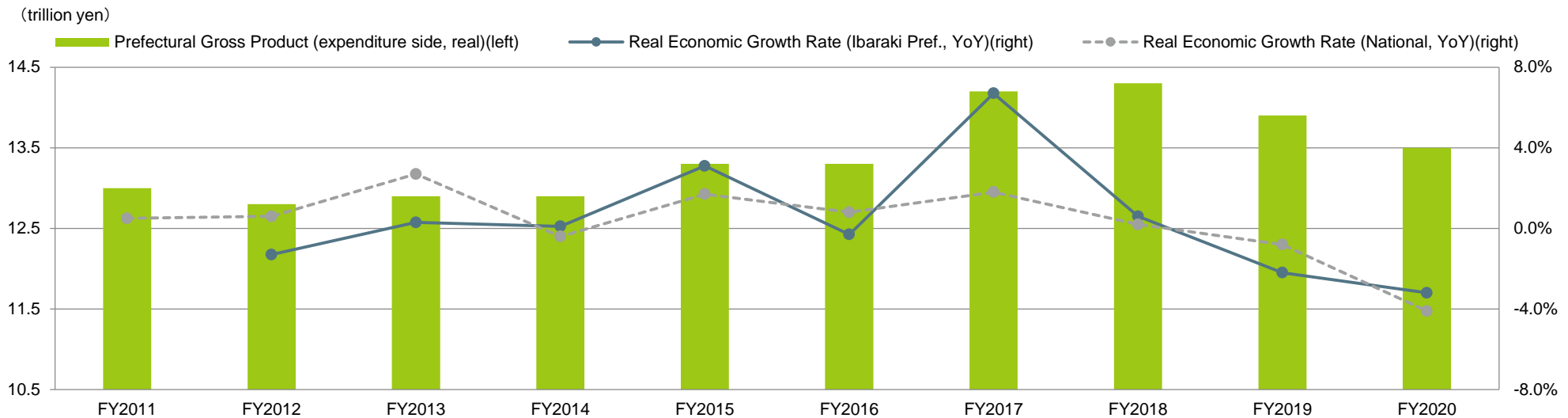
Number of new factory locations by companies outside the Prefecture in last 10 years (from 2013 to 2022)



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

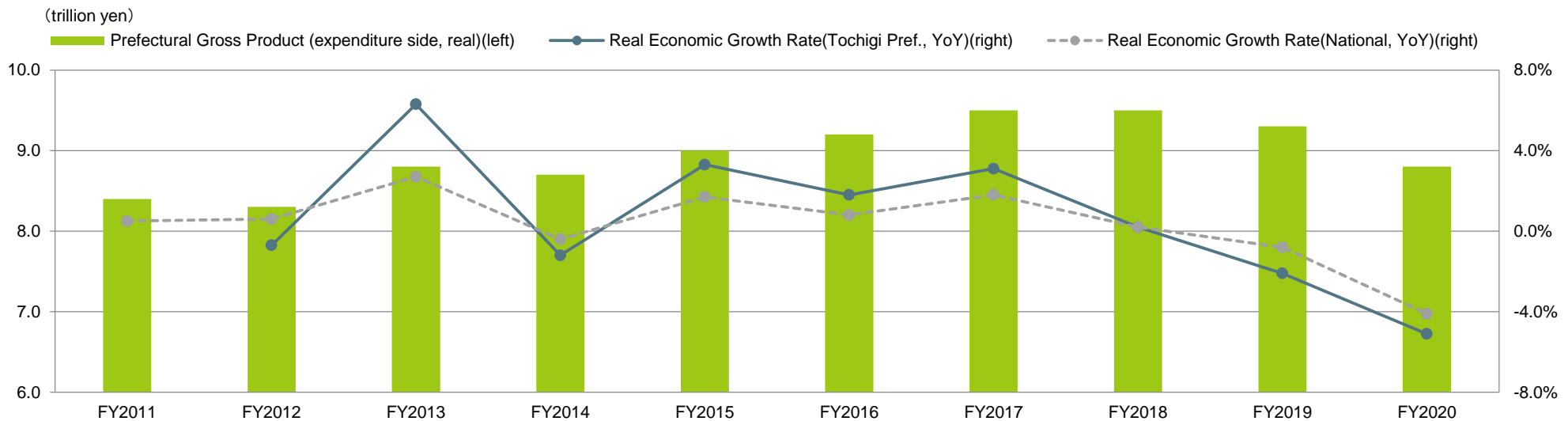
# 【Data】 Gross Prefectural Product and Real Economic Growth Rate

## 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

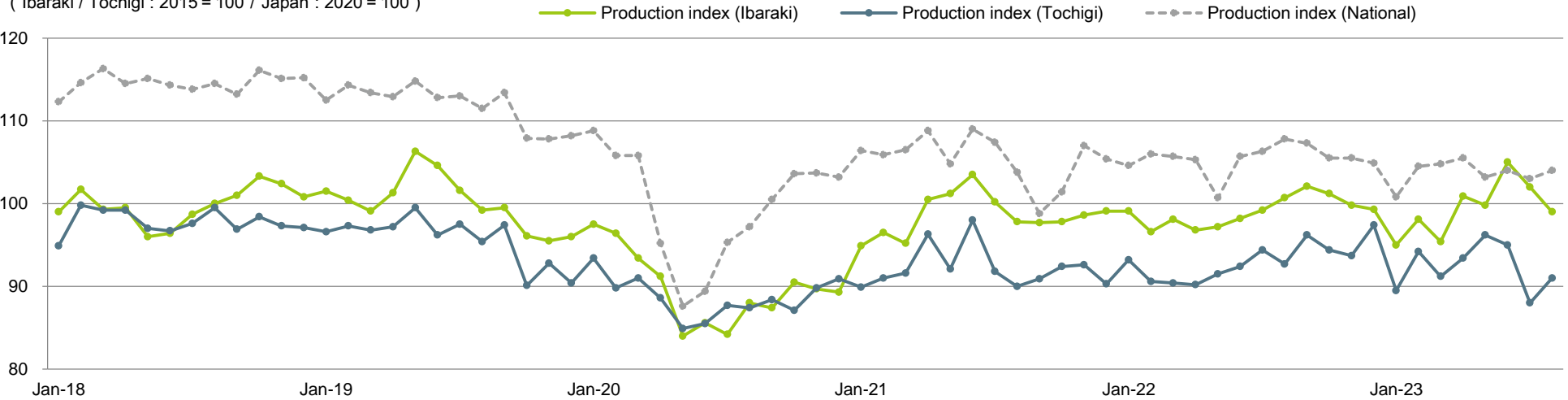


(Source) "Prefectural Accounts of Ibaraki in FY2020" by Statistics Division of Tochigi Prefecture, "National Accounts of Japan (GDP)" by Economic and Social Research Institute of Cabinet Office

# 【Data】 Product-related Indicators and Public Investments

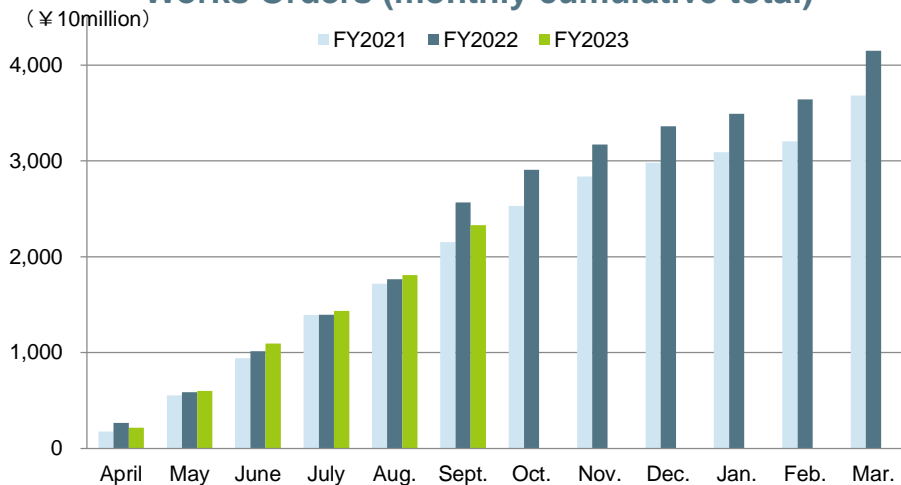
## Industrial Production Index of Ibaraki and Tochigi Prefectures (seasonally adjusted)

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



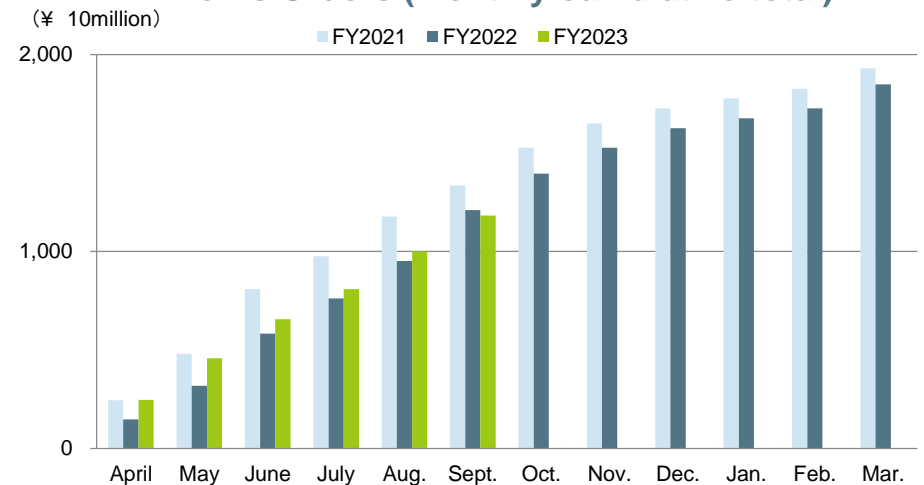
(Source) "Prefectural Industrial Production Index" by Ibaraki Prefecture and Tochigi Prefecture, "Industrial Production Index" by Ministry of Economy, Trade and Industry

## 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)

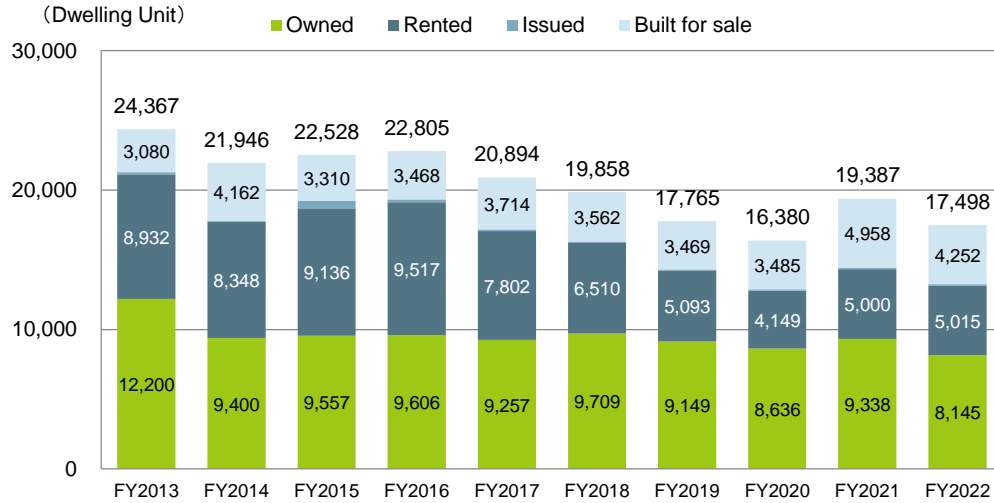


(Source) By the Company based on the statistics on advance payment of public works of East Japan Construction Surety Co., Ltd.



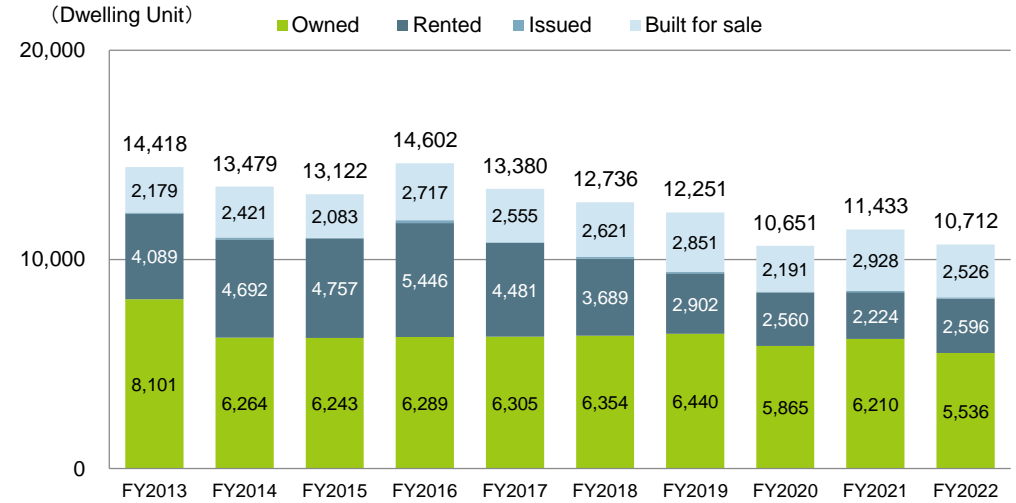
# 【Data】 Housing Starts

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



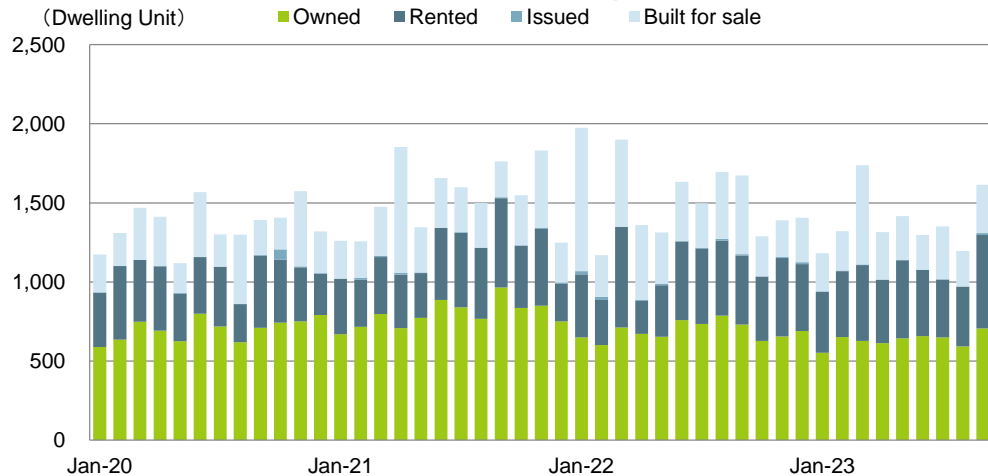
(Source) "Statics of Housing Starts" by Ministry of Land, Infrastructure, Transport and Tourism

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



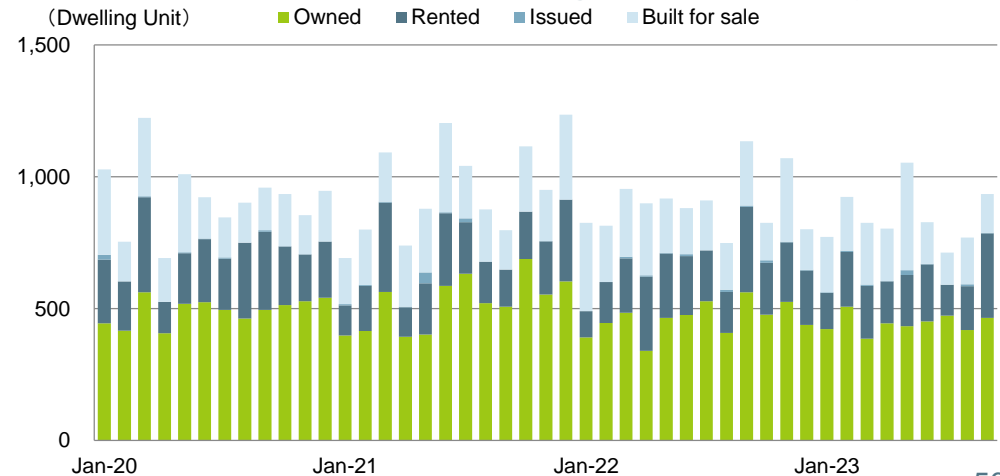
(Source) "Statics of Housing Starts" by Ministry of Land, Infrastructure, Transport and Tourism

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



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

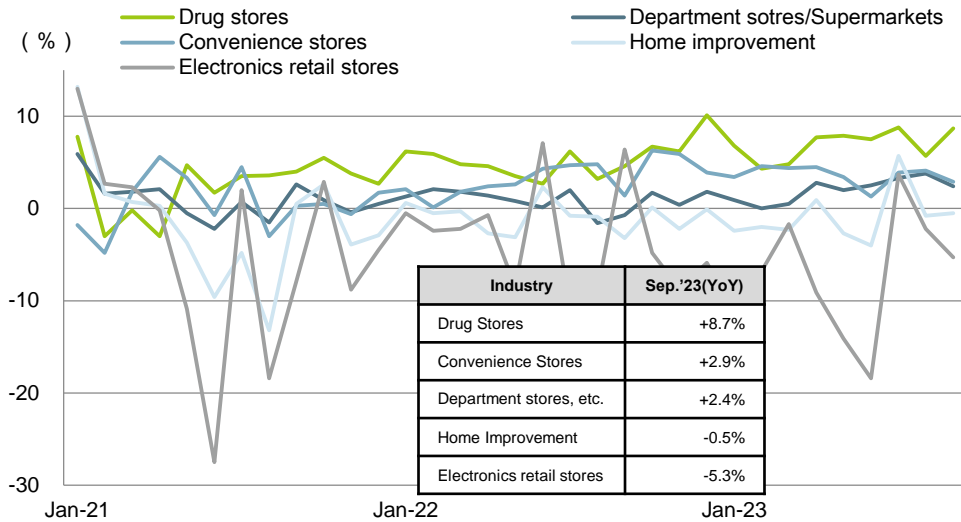
## Tochigi Pref. Number of New Housing Starts (Monthly)



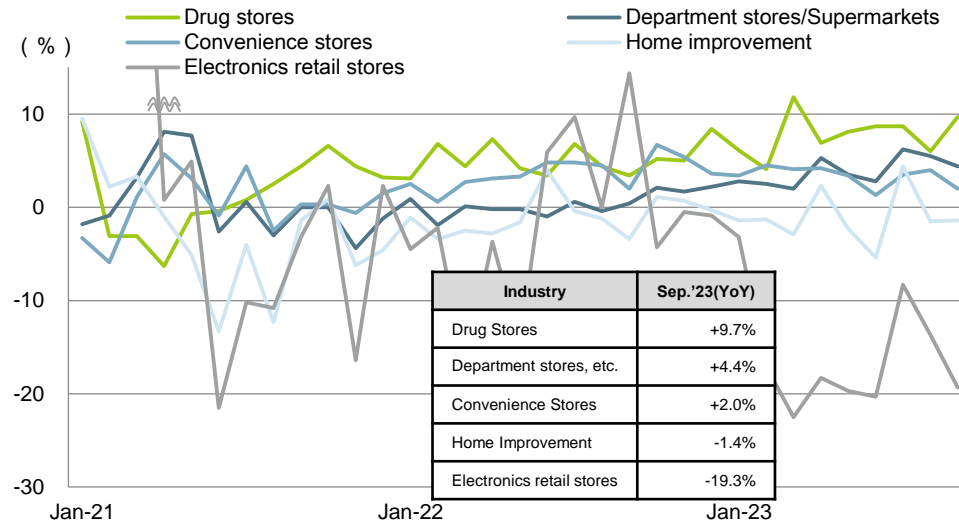
(Source) "Statics of Housing Starts" by Ministry of Land, Infrastructure, Transport and Tourism

# [Data] Indicators related to Private Consumption

## Ibaraki Pref. Monthly Retail Sales (YoY)

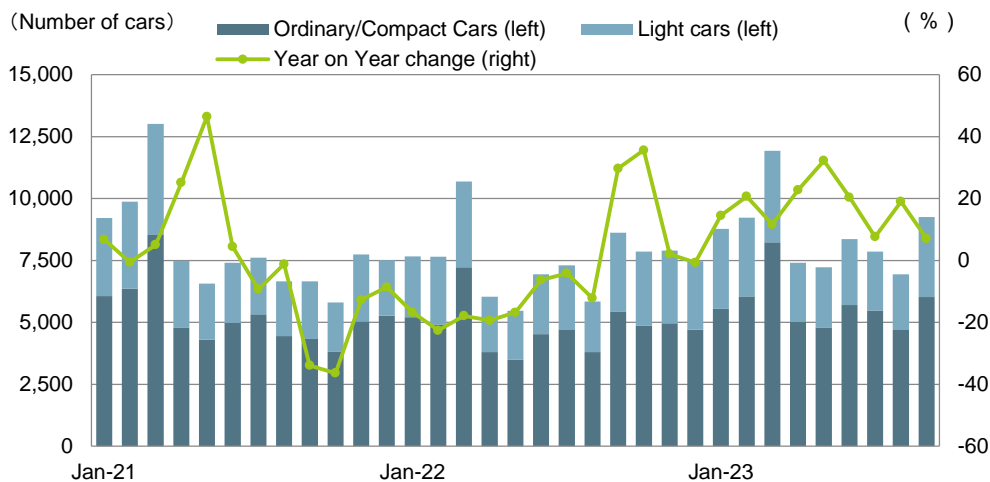


## Tochigi Pref. Monthly Retail Sales (YoY)



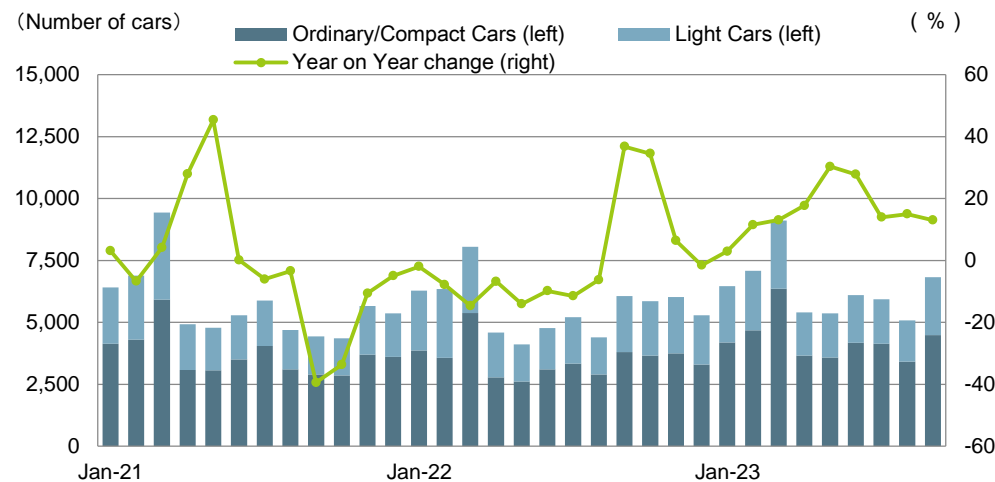
( Source ) "Survey of Commerce" by Ministry of Economy, Trade and Industry

## 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)



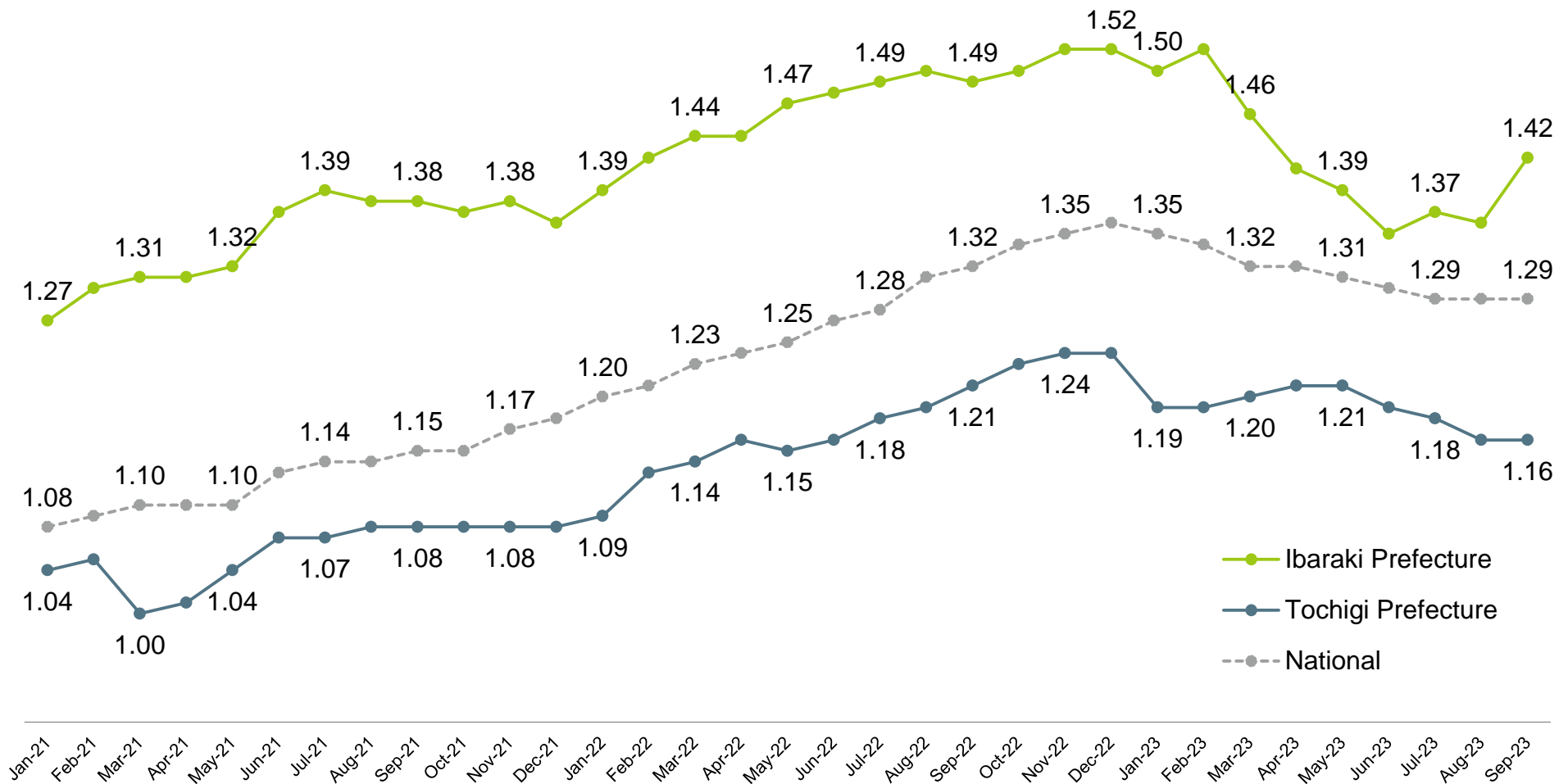
( Source ) Monthly report by Automobile Dealers Association of Tochigi Prefecture and Japan Light Motor Vehicle and Motorcycle Association

# 【Data】 Employment-related Indicators

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

※including part timers

(Unit::times)



# 【Financial Data】 Breakdown of Banking subsidiaries

## 【Data】 Breakdown of Banking subsidiaries

### ( 1 ) P/L for 1H23

( ¥ b n )

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

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

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

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

## 【Data】 Breakdown of Banking subsidiaries

### ( 3 ) Loans Term-end Balance

( ¥ b n )

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

\*Excluding borrowing from special account of MoF

### Foreign Currency Denominated Loans

( ¥ b n )

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

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

( ¥ b n )

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

### ( 5 ) Unsecured Loans Term-end Balance

( ¥ b n )

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

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

( ¥ b n )

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

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

( ¥ b n )

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

## 【Data】 Breakdown of Banking subsidiaries

### ( 8 ) Deposits Term-end Balance

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

### Foreign Currency Deposit

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

### ( 9 ) Customer Assets under Custody Balance

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

### ( 10 ) Customer Assets under Custody Commissions

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

\* 1 : Sales commission+ Trust fee

\* 2 : Excl. executive life insurance

### ( 11 ) Fees from Corporate Customers

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

\*1 Including Delivative CVA

## 【Data】 Breakdown of Banking subsidiaries

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

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

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

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

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

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

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

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

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



## 【Data】 Breakdown of Banking subsidiaries

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

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

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

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

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

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