

Mebuki Financial Group, Inc.

# IR Presentation

~Financial Results for the First Half of FY2024 /

Initiatives for Enhancing Corporate Value~



## 1. Financial Results for 1H24 / Forecast for FY2024

Highlights	3-4
Main Points of 1H24 Financial Results	5
Change of Ordinary Profit (Bank Total non-consolidated)	6
Growth of Profit from Customer Services	7
Loans (Balance/ Average Yield of Loans)	8-9
Deposit (Balance/ Implementing Measures)	10-11
Securities (Portfolio / Domestic bonds/ Foreign bonds/ Interest rate risks)	12-15
Forecast for FY2024 ~after upward revision ~	16-17
Impact of domestic interest rates rising	18

## 2. Initiatives for Enhancing Corporate Value

Approach to Enhancing Corporate Value / Current Analysis	20
Initiatives for Enhancing Corporate Value	21-22
Towards Improving ROE	23
【Improve RORA】 Accumulation of High-quality Operating Assets	24-25
【Improve RORA】 Increase in Services Profit	26-29
【Improve RORA】 Improvement in Cost Efficiency	30-34
【Financial Leverage】 Optimal Capital Control	35-36
【Raise Expected Growth Rate】 Revitalization of Home Market	37-38
【Raise Expected Growth Rate】 Promoting Sustainability Management	39-40
【Lower Cost of Capital】 Sustainable Management Base	41-43
【Reference】 Details of Financial Results for 1H24	45-52
【Reference】 Basic Data of Ibaraki and Tochigi Prefectures	54-60
【Data】 Breakdown of Banking subsidiaries	62-66

\*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 2024 / Forecast for FY 2024

# Highlights (1)

## ① Results for 1H24

		Results for 1H24	YoY Change	Progress toward forecast
Net income attributable to owners of the parent	(Consolidated )	¥32.0bn	+¥8.4bn	Initial forecast (¥52.0bn) 61.5% Revised forecast (¥56.0bn) 57.1%
Profit from customer services <sup>*1</sup>		¥26.3bn	+¥2.5bn	-
(o/w Deference of interests between loans and deposits)		(¥56.5bn)	(+¥4.1bn)	-
(o/w Fees from customers)	(Banks' total)	(¥22.4bn)	(+¥1.8bn)	-
Securities Income <sup>*2</sup>		¥17.4bn	+¥5.1bn	-
Gains/losses on securities <sup>*3</sup>		-¥0.9bn	+¥4.7bn	-

- Net income attributable to owners of the parent increased by ¥8.4bn YoY to ¥32.0bn, the highest interim profit since business integration.
- The increase in interest income on yen-denominated loans capturing the rise in domestic interest rates, and the improvement in securities income (interest margin) due to the maintenance effect of our securities portfolio, etc., have led to improve financial results.

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

\*2 Excl. gains/losses on cancelation of investment trusts, and incl. interest on Bank of Japan deposits.

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

## ② Forecast for FY24 (Revised on November 11, 2024)

		Initial forecast (announced in May 2024)	Revised forecast (announced in Nov.2024)	Compared to initial forecast
Net income attributable to owners of the parent	(Consolidated )	¥52.0bn	¥56.0bn	+¥4.0bn
ROE (on shareholders equity basis)		5.3%	5.6%	+0.3%pt

- Based on the results for 1H24 and future outlook, we revised the consolidated earnings forecast upward.

# Highlights (2)

## ③ Shareholders Return 【announced November 11, 2024】

- Considering the revision of the consolidated earnings forecast for FY24, we decided the increase in dividends and share acquisition.
- In FY24, total amount of shareholders return (scheduled) will be ¥35.8bn, and total return ratio is expected to be over 60%.

### Increase in Dividends

	Initial forecast (announced in May 2024)	Revised forecast (announced in Nov. 2024)	Change	( Reference ) Results for FY2023
Annual Dividends per Share	¥14.0	¥16.0	+ ¥2.0	¥12.0
( Interim )	( ¥7.0 )	( ¥7.0 )	( ± ¥0.0 )	( ¥6.0 )
( Year-end )	( ¥7.0 )	( ¥9.0 )	( + ¥2.0 )	( ¥6.0 )

### Share Acquisition

	1st (announced in May 2024)	2nd (announced in Nov. 2024)	Annual Total	( Reference ) Results for FY2023
Amount of purchase <sup>*1</sup>	¥10.0bn	maximum ¥10.0bn	¥20.0bn	¥20.0bn
Number of shares	16 million shares	maximum 20 million shares	—	48 million shares
Period of purchase	From May 13, 2024. to July 2, 2024	From Nov.12, 2024. to Feb.20, 2025	—	—

<sup>\*1</sup> Figures are rounded to the nearest 100 million yen.

### Shareholders Return

	FY2024 (scheduled)	
Payout ratio <sup>*2</sup>	28.2%	Total amount of dividends ¥ 15.8bn
Total return ratio <sup>*2</sup>	63.9%	Total amount ¥ 35.8bn = Dividends ¥ 15.8bn + Share acquisition ¥ 20.0bn

<sup>\*2</sup> Calculated based on the revised consolidated net profit of ¥56.0bn.

# Main Points of 1 H24 Financial Results

	(¥bn)		
【Mebuki FG (Consolidated)】	1H24 Results	YoY chg	Progress
Gross Business profit	99.3	+20.9	-
Net interest income	77.3	+7.4	-
(o/w Deference of interests between loans and deposits)	(58.3)	(+1.8)	-
Net fees and commissions	24.2	+1.1	-
Net trading income	0.2	-0.0	-
Net other business income	-2.4	+12.4	-
Expenses	54.0	+0.2	-
Credit related cost	2.5	+1.9	-
Gains/losses related to stocks	1.4	-7.2	-
Ordinary profit	46.0	+12.5	57.5%
Extraordinary income/losses	-0.1	-0.1	-
Net income attributable to owners of the parent	32.0	+8.4	57.1%

	1H24 Results	YoY chg
Bank Total Net income (a)	29.6	+7.6
Group Companies Net income (b)	3.2	+0.5
Mebuki Lease	0.4	-0.1
Mebuki Securities	0.2	-0.0
Mebuki Credit Guarantee	2.1	+0.6
Mebuki Card	0.2	-0.0
Total of banking subsidiaries	0.2	+0.0
Consolidation Adjustment*1 (c)	-0.8	+0.3
Net income attributable to owners of the parent (a)+(b)+(c)	32.0	+8.4

\*1 Adjustments related to securities, etc.

\*2 Excl. gains/losses on cancelation of investment trusts, and incl. interest on Bank of Japan deposits.

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

	(¥bn)		
【Joyo + Ashikaga (Non-consolidated)】	1H24 Results	YoY chg	Progress
Gross business profit	95.1	+20.4	-
Net interest income	77.6	+6.9	-
(o/w Gains/losses on cancellation of investment trusts)(1)	(2.4)	(+0.0)	-
Net interest income (excl. Gains/losses on cancellation of investment trusts)	75.1	+6.8	-
(o/w Deference of interests between loans and deposits(2))	(57.6)	(+1.7)	-
(o/w Securities Income*2)	(17.4)	(+5.1)	-
Net fees and commissions(3)	19.8	+1.2	-
Net other business income	-2.3	+12.3	-
(o/w gains/losses on bond transactions) (4)	(-4.7)	(+15.6)	-
(o/w gains/losses on futures and options) (5)	(-0.1)	(-4.0)	-
(o/w other income related to customers) (6)	(2.6)	(+0.6)	-
Expenses(7)	53.8	+1.1	-
Net business income (before general allowance for loan losses)	41.2	+19.3	-
Core net business income (excl. gains/losses on cancellation of investment trusts)	46.0	+3.6	-
(excl. gains/losses on cancellation of investment trusts)	43.6	+3.5	-
Core net business income (excl. gains/losses on cancellation of investment trusts and futures and options)	43.7	7.5	-
Net transfer to general allowance for loan losses (8)	-1.0	-1.0	-
Net business income	42.3	+20.3	-
Net non-recurrent gains/losses	-0.1	-9.2	-
(o/w Disposal of non-performing loans (9))	(3.9)	(+4.2)	-
(o/w Gains/losses related to stocks, etc. (10))	(1.5)	(-7.0)	-
Ordinary profit	42.1	+11.0	56.1%
Extraordinary income/losses	-0.1	-0.1	-
Net income	29.6	+7.6	56.9%

Profit from customer services (2)+(3)+(6)-(7)

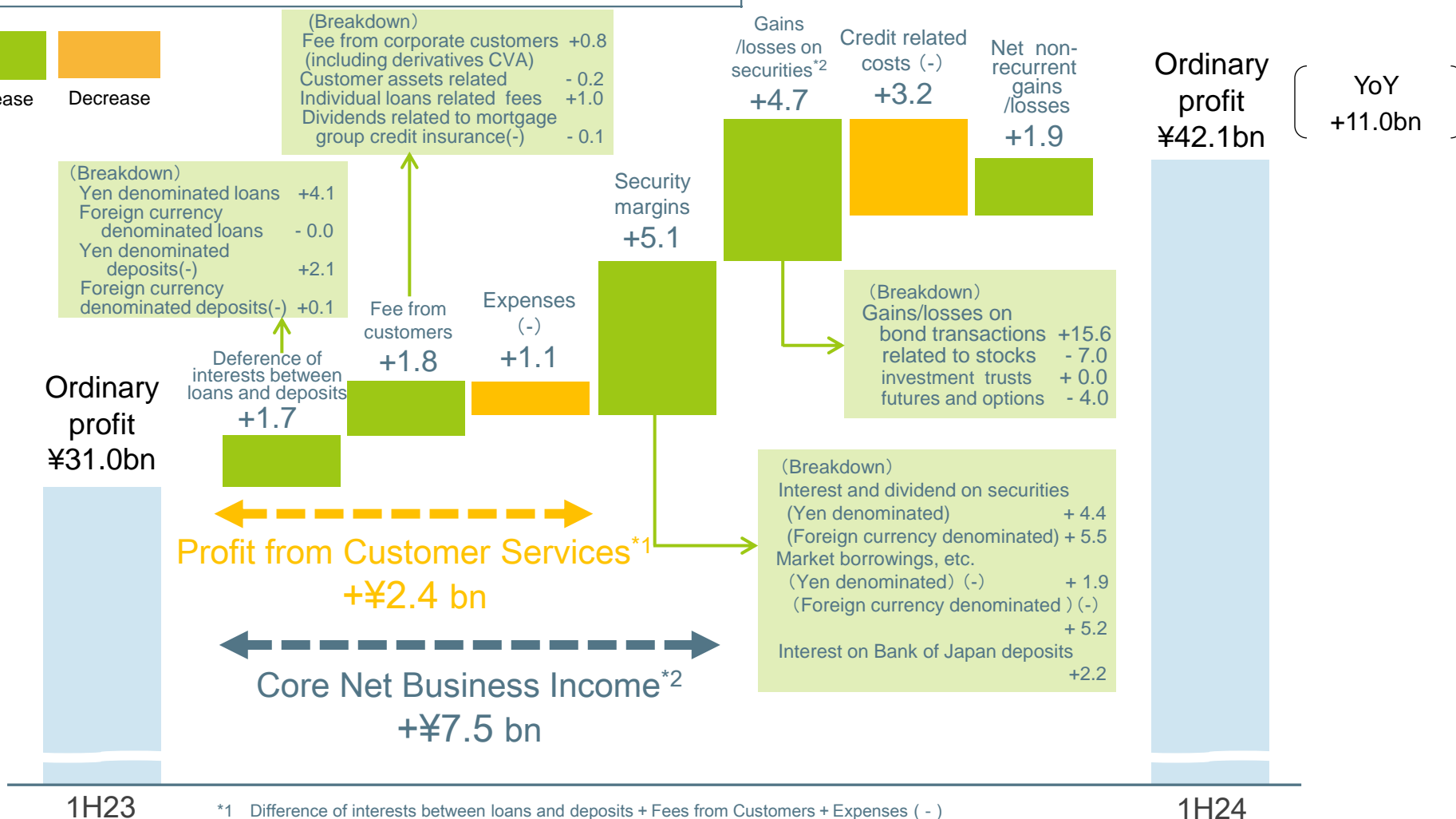
Credit related cost (8)+(9)

Gains/losses on securities\*3 (1)+(4)+(5)+(10)

# Change of Ordinary Profit (Bank Total non-consolidated)

The increase in interest income on yen-denominated loans capturing the rise in domestic interest rates, the improvement in securities income (interest margin) due to the maintenance effect of our securities portfolio and the expansion of fees from customers, etc., have led to improve financial results.

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



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

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

\*3 Gains/losses on "Bond transactions + Related to stocks + Cancellation of investment trusts + Futures and options"

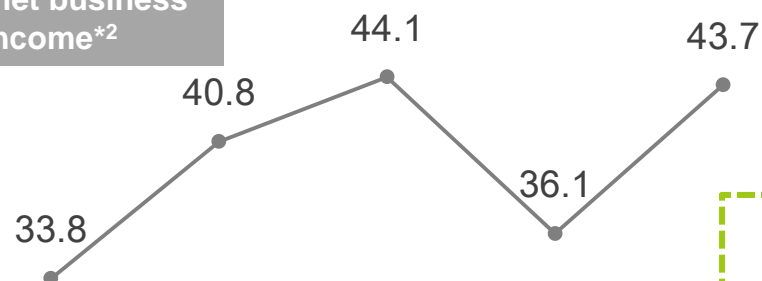
# Growth of Profit from Customer Services

Profit from customer services maintained an increasing trend.

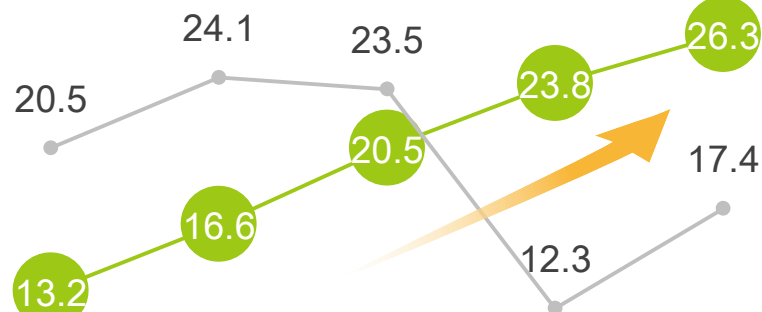
In the first half of FY24, it increased by + ¥2.4bn YoY, driven by the significant increase of interest on yen-denominated loans and fees from customers.

Changes of Profit from customer services<sup>\*1</sup>, Core net business income<sup>\*2</sup> and Securities income<sup>\*3</sup> (¥bn)

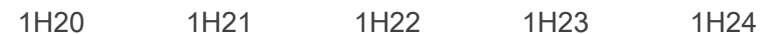
Core net business income<sup>\*2</sup>



Securities' income<sup>\*3</sup>



Profit from Customer Services<sup>\*1</sup>



【Factors of Change (¥bn)】

Profit from Customer Services<sup>\*(1)</sup>

YoY +¥2.4bn  
...① + ② - ③

Fees from Customers

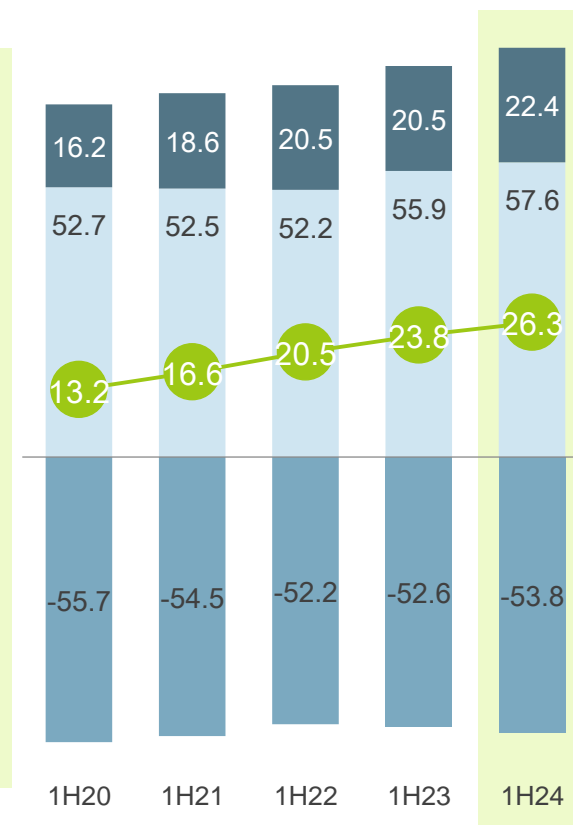
YoY +¥1.8bn ...①

Difference of interests between loans and deposits

YoY +¥1.7bn ...②  
O/W Interest on loans +¥4.1bn

Expenses (-)

YoY +¥1.1bn ...③



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

\*2 Excluding gains/losses on cancellation of investment trusts and futures and options \*3 Excluding gains/losses on cancellation of investment trusts

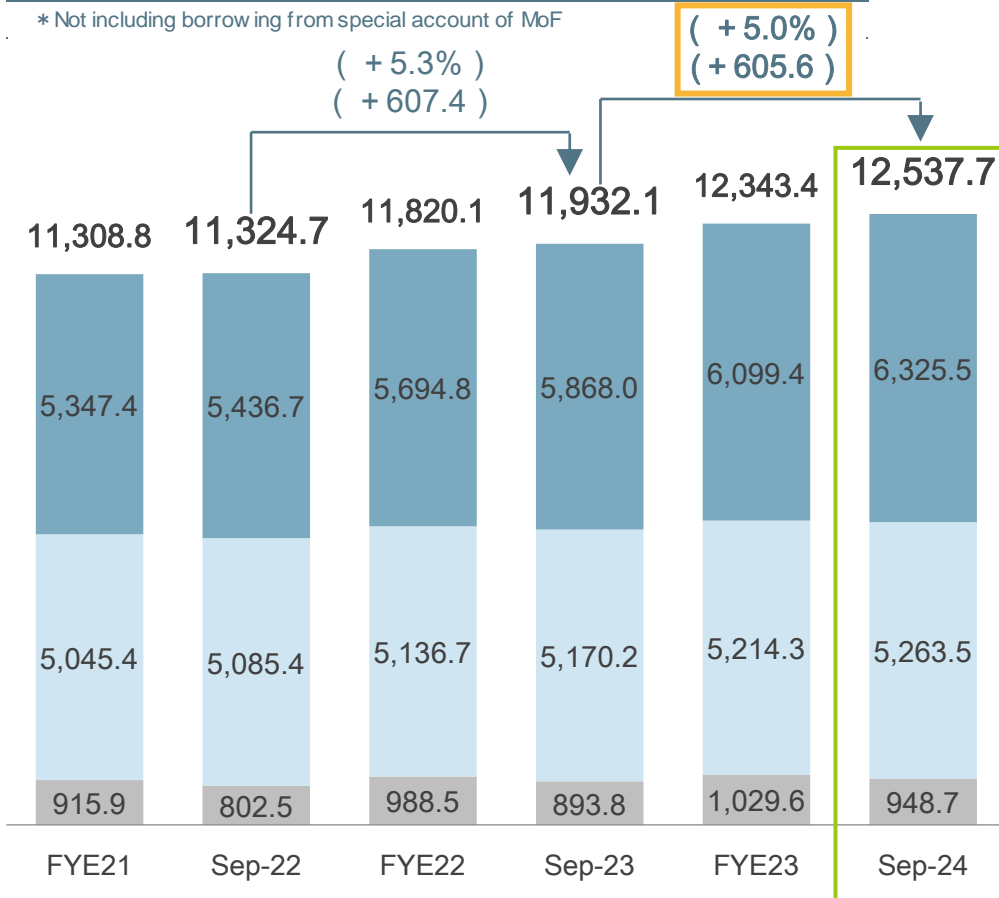


# Loans (1) Term-end Balance

Amount of loans increased by ¥605.6bn YoY. The growth rate continues to be in the range of +5% (annualized). Interest income on domestic loans increased by ¥4.1bn YoY. The interest yield also increased by 2.6 basis points, contributing to the increase in interest income from both the average balance factor and the interest yield factor.

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

\* Not including borrowing from special account of MoF



Loans to borrowing from special account of MoF

¥ 586.7bn	¥ 851.0bn	¥ 768.4bn	¥ 781.0bn	¥ 466.2bn	¥275.0bn
-----------	-----------	-----------	-----------	-----------	----------

Total loans

¥11,895.5bn	¥12,175.8bn	¥12,588.5bn	¥12,713.2bn	¥12,809.6bn	¥12,812.7bn
-------------	-------------	-------------	-------------	-------------	-------------

## Year on Year Changes (¥bn)

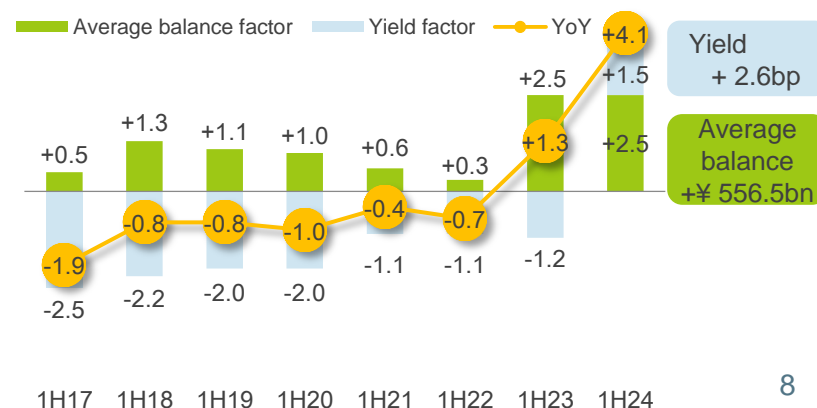
	Sep-22	Sep-23	Sep-24
Total	+183.6 +1.6%	+607.4 +5.3%	+605.6 +5.0%
Corporate	+133.8 +2.5%	+431.2 +7.9%	+457.4 +7.7%
Individual	+96.3 +1.9%	+84.8 +1.6%	+93.2 +1.8%
Public	-46.5 -5.4%	+91.3 +11.3%	+54.8 +6.1%

■ Corporate

■ Individual

■ Public

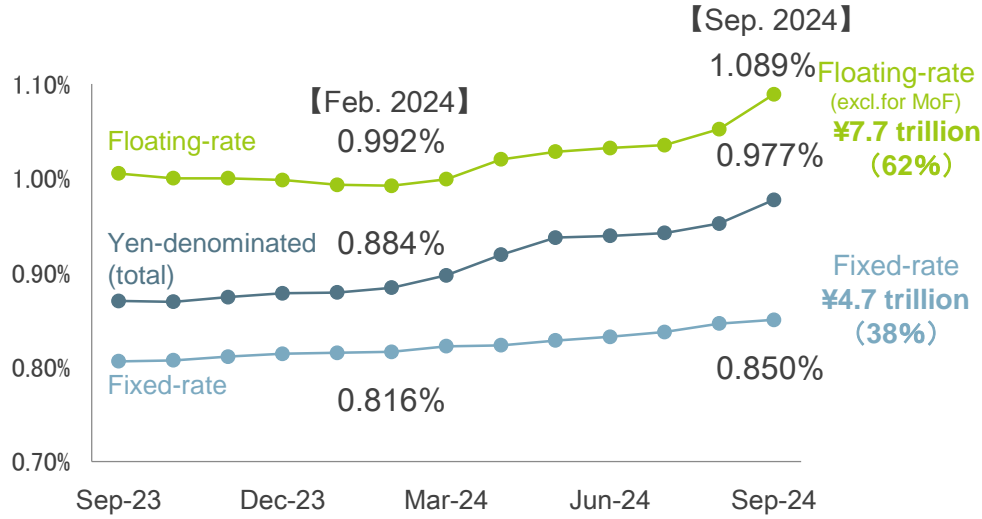
(Reference) YoY changes of interest of domestic loans since the business integration (¥bn)



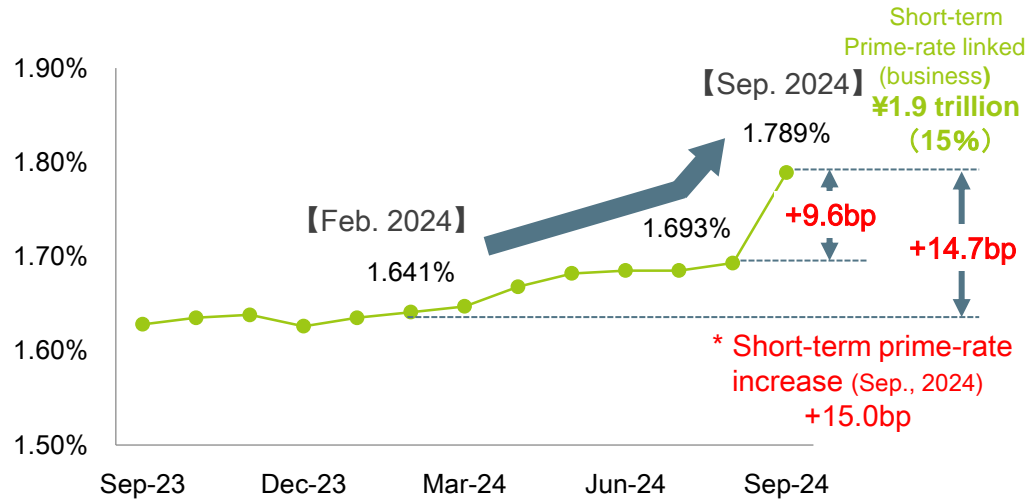
# Loans (2) Yield

Following the increase in domestic policy rate, both floating- and fixed-rates for yen-denominated loans have risen. The interest rate increase for short-term prime- and market-linked rates have been progressing smoothly. We expect housing loans will rise by 15 bp starting from January, 2025.

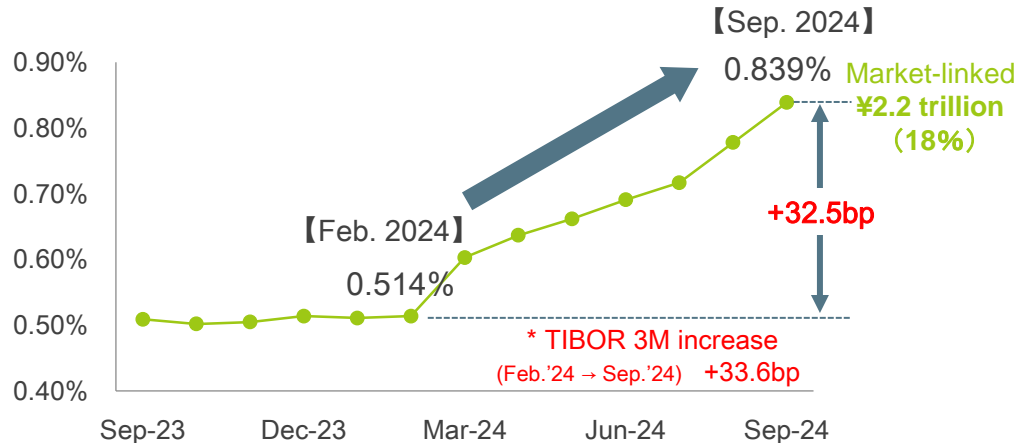
Yield in Yen-denominated Loans (Monthly Trend) (%)



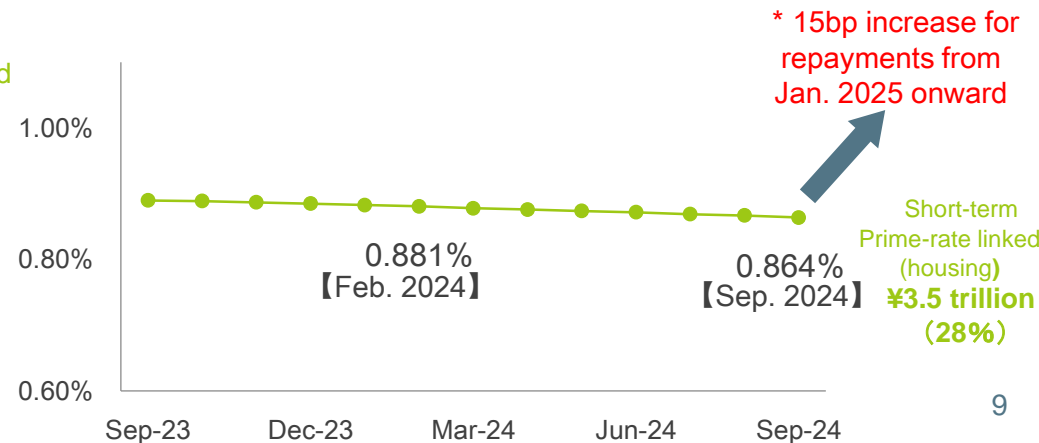
Yield in Short-term Prime-rate Linked Business Loans (Monthly Trend) (%)



Yield in Market-Linked Loans (Monthly Trend) (%)



Yield in Floating-rate Housing Loans (Monthly Trend) (%)

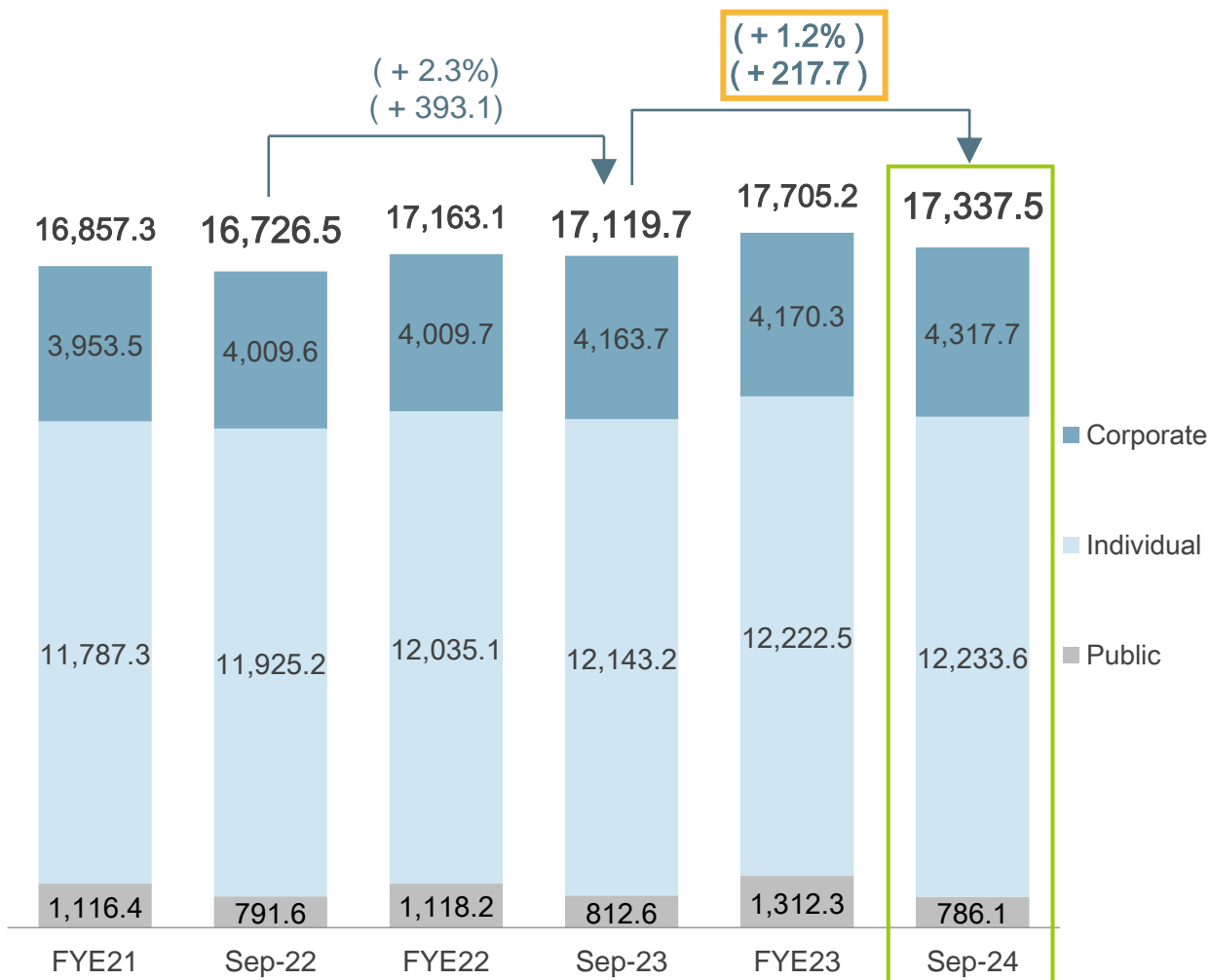


# Deposits (1) Term-end Balance

Balance of deposits increased by ¥217.7bn YoY (+1.2% annualized).

Deposits from corporate and individual customers have maintained an increasing trend.

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



Year on Year Changes (¥bn)

	22-Sep	23-Sep	24-Sep
Total	+521.6 +3.2%	+393.1 +2.3%	+217.7 +1.2%
Corporate	+59.0 +1.4%	+154.1 +3.8%	+153.9 +3.6%
Individual	+357.3 +3.0%	+218.0 +1.8%	+90.3 +0.7%
Public	+105.1 +15.3%	+21.0 +2.6%	-26.5 -3.2%

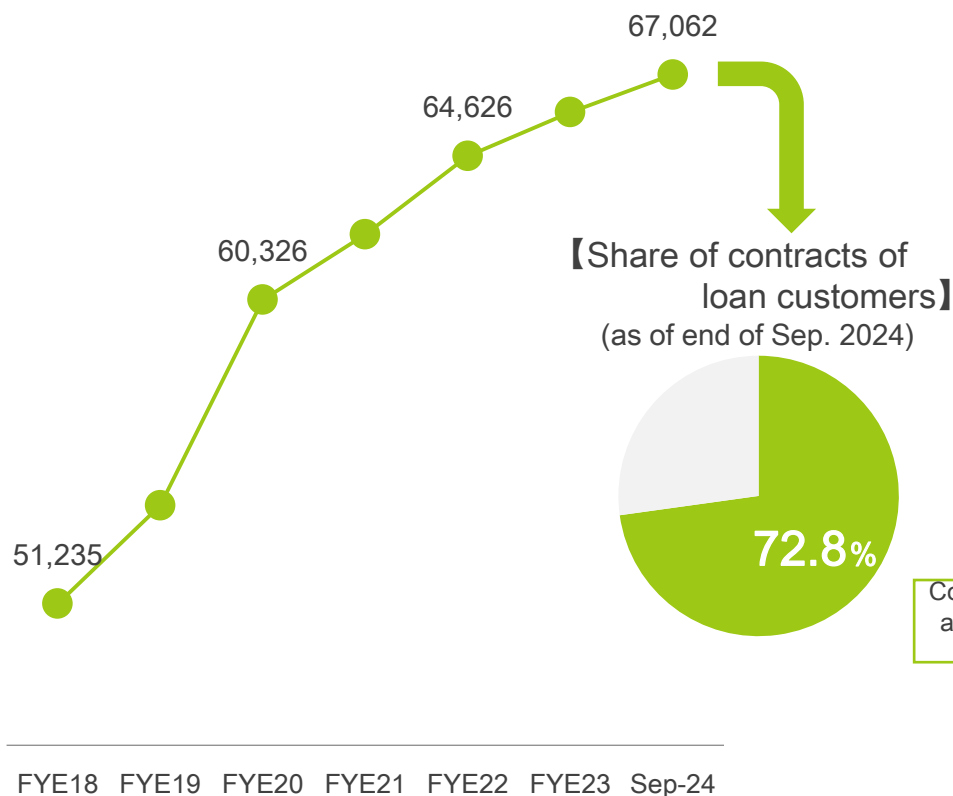
# Deposits (2) Implementing Measures

Recognizing deposits as a source of income in a world with interest rates, we work to acquire highly sticky deposits from both corporate and individual customers, aiming for a medium- to long-term retention and expansion of the balance of deposits.

## Measures for Corporate Customers

- Designation of account to receive sales proceeds
- Capturing the payment base through promoting corporate internet banking services

### Number of Corporate Internet Banking Services Users



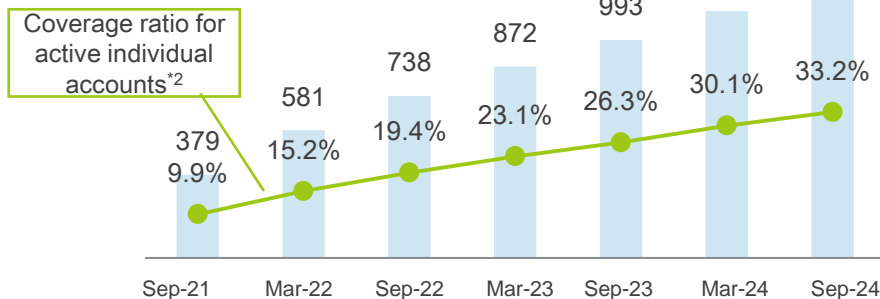
## Measures for Individual Customers

- Pursuit of convenience using Banking App
- Acquisition of salary direct and pension accounts

Store Rating\*1 **4.47**

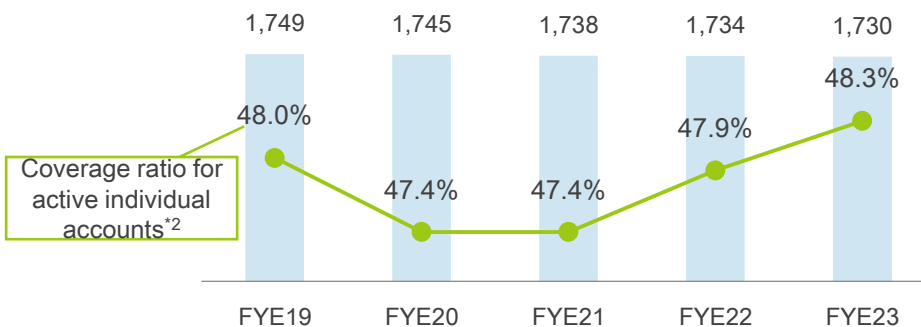


### Number of Banking App Users (thousand people)



\*1 Average of "Joyo Banking App" and "Ashikaga Banking App" ratings on the Apple Store and Google Play (as of November 2024)

### Number of Salary and Pension deposit accounts (thousand people)

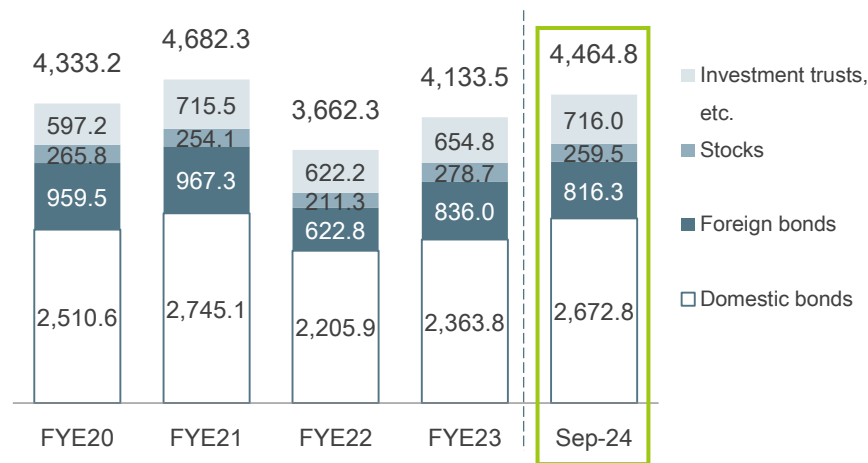


\*2 Accounts with a certain deposit balance (upper column: all age, lower column: aged 18 and above).

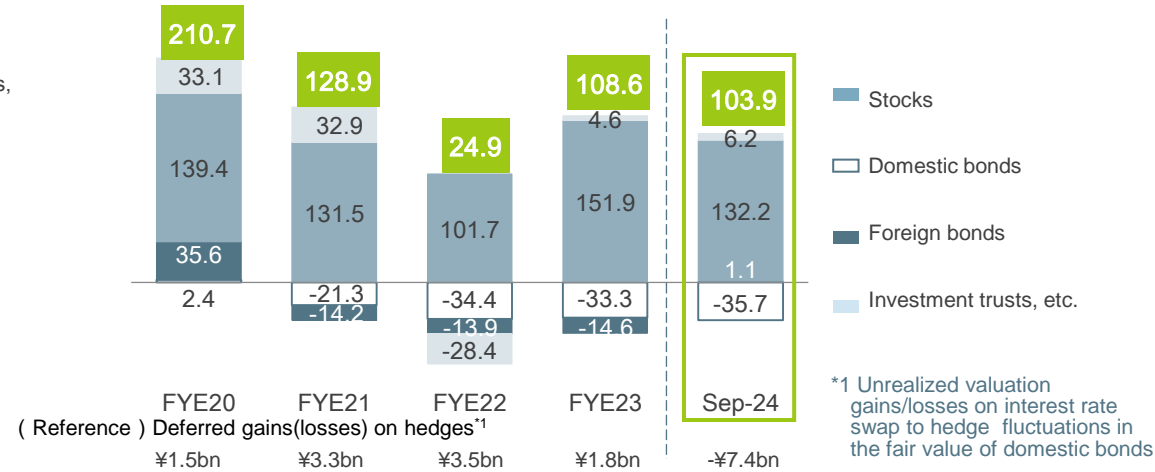
# Securities (1) Overall Portfolio

While monitoring interest rate trends, we proceeded with the purchase of securities, resulting in the balance (carrying amount) of ¥4,464.8bn. It has increased by ¥800.0bn since the end of March 2023, when the balance was reduced due to the sale of yen and foreign currency denominated bonds.

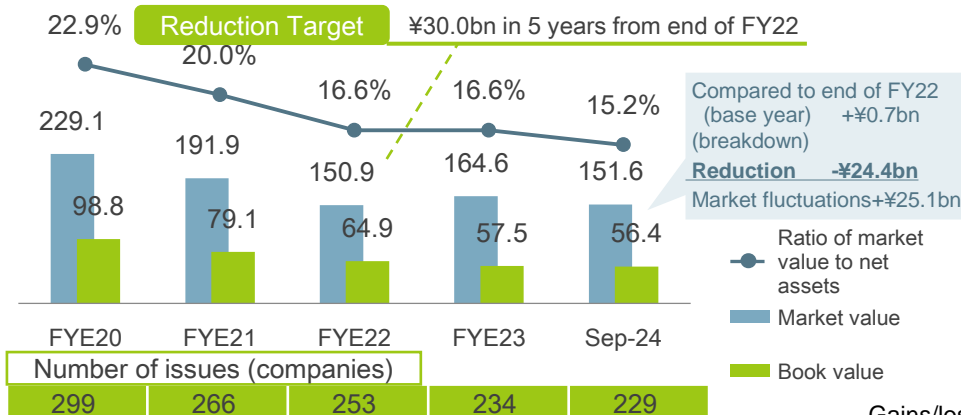
Balance(Carrying amount) (Mebuki FG) (¥bn)



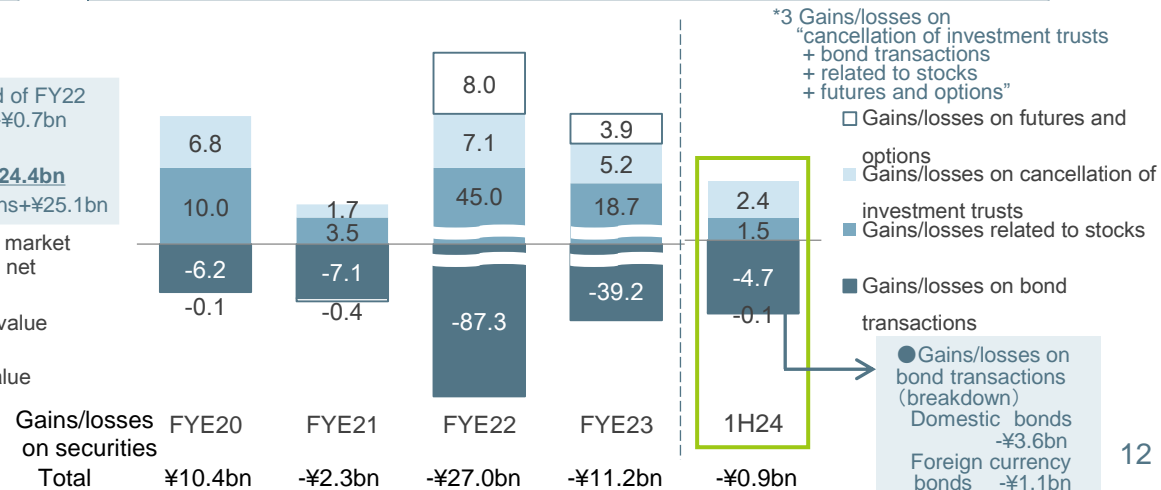
Unrealized valuation gains/losses on available for sales securities (Mebuki FG) (¥bn)



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



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



<sup>\*2</sup> Figures are strategic shareholdings (including listed or non-listed stocks, deemed holdings) held by Jojo Bank, which owns more than two-thirds stocks owned by Mebuki FG and subsidiaries.

## Securities (2) Domestic bonds

We gradually increased the balance of domestic bonds in stages while keeping interest risk to a certain level. Further, we increased the yield of our holdings, through new investments including floating-rate bonds, during a period of rising interest rates.

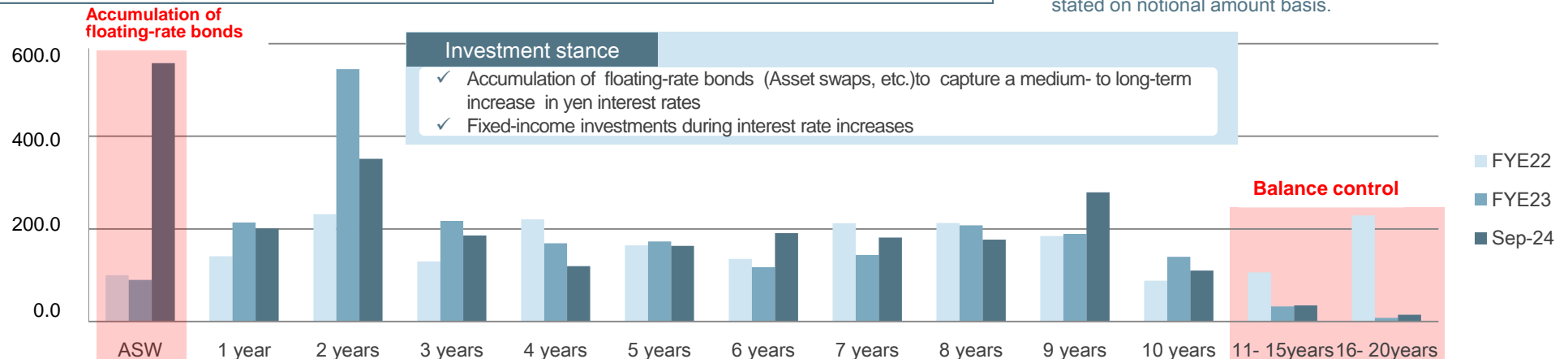
### Overview of Domestic Bonds<sup>\*1</sup> (Bank Total) (¥bn)

<sup>\*1</sup> Including bear funds and hedged swaps, etc. Asset swap(ASW) are stated on notional amount basis.

	FYE22	FYE23 ①		1Q24 (Apr.-Jun.)	2Q24 (Jul.-Sep.)	1H24 cumulative		Sep-24 ②	Change ② - ①
Balance	2,250.4 ( o/w ASW 100.0 )	2,412.4 ( o/w ASW 90.0 )	Purchase	+approx. 345.0 (o/w ASW 135.0)	+approx. 390.0 (o/w ASW 335.0)	+approx. 735.0 (o/w ASW 470.0)	Balance	2,724.3 ( o/w ASW 560.0 )	+311.9
Valuation gains/losses	-19.4	-26.6	Sale	-approx. 3.0	-approx. 247.0	-approx. 250.0	Valuation gains/losses	-35.2	-8.6
Yield	0.42%	0.45%	Redemption	-approx. 95.0	-approx. 75.0	-approx. 170.0	Yield	0.57%	+0.12%p
10bpv	-11.4	-9.5	Total	+approx. 247.0	+approx. 68.0	+approx. 315.0	10bpv	-9.7	-0.2
Duration	5.3 years	3.9 years	Gains/losses on securities (incl. cancellation of investment trust)	+0.1	-3.7	-3.6	Duration	3.5 years	-0.3 years

### Status of Domestic Bond's<sup>\*2</sup> Ladder (Bank Total) (¥bn)

<sup>\*2</sup> Excluding private placement investment trust. Asset swap(ASW) are stated on notional amount basis.



# Securities (3) Foreign currency bonds

In addition to building up the balance mainly in floating-rate U.S.dollar denominated bonds such as CLO, etc., we continued to invest in fixed-rate bonds at levels that allow us to secure interest margins in medium- to long-term, considering the transition to future interest rate reduction phases.

## Overview of Foreign Currency Bonds (Bank Total / USD Bonds <sup>\*1</sup>) (¥bn)

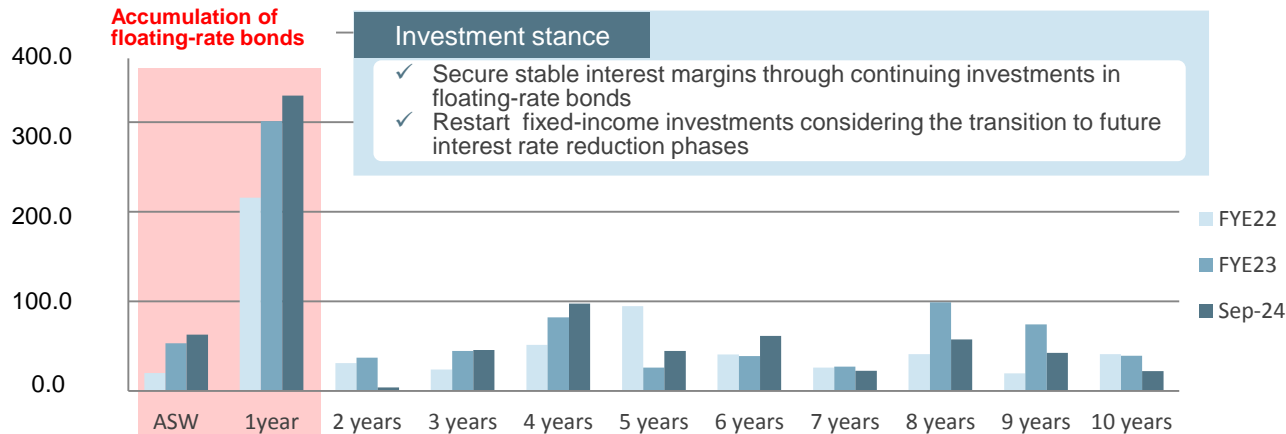
	FYE22	FYE23 ①
Balance	603.9	820.9
Yield	4.68%	5.41%
Funding cost	4.28%	5.03%
Interest margin	0.39%	0.37%
10bpv	-1.9	-2.4
Duration	3.2 years	3.0 years

	1Q24 (Apr. – Jun.)	2Q24 (Jul.-Sep.)	1H24 cumulative
Purchase	+approx. 63.0	+approx. 78.0	+approx. 141.0
Sale	-approx. 6.0	-approx. 60.0	-approx. 66.0
Redemption	-approx. 22.0	-approx. 38.0	-approx. 60.0
Total	+approx. 35.0	-approx. 20.0	+approx. 15.0
Foreign exchange factor	+approx. 54.0	-approx. 102.0	-approx. 48.0
Gains/losses on securities (Foreign Bonds Total <sup>*1</sup> )	-0.7 (-0.7)	-0.3 (-0.3)	-1.1 (-1.1)

<sup>\*1</sup> U.S. dollar and Australian dollar-denominated bonds

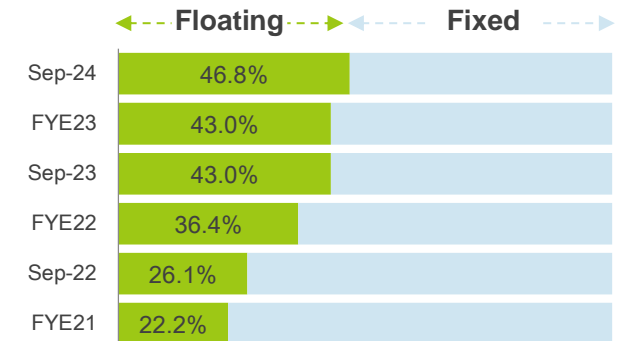
	Sep-24 ②	Change ② - ①
Balance	788.1	-32.8
Yield	5.40%	-0.01%p
Funding cost	4.88%	-0.15%p
Interest margin	0.51%	+0.14%p
10bpv	-2.0	+0.3
Duration	2.5 years	-0.5 year

## Status of Foreign Currency Bond's Ladder (Bank Total / USD Bonds <sup>\*2</sup>) (¥bn)



<sup>\*2</sup> Floating-rate bonds are recorded as 1 year.  
Asset swaps(ASW) are stated on notional amount basis.

(Reference) Floating/fixed Ratios of Foreign Bonds  
(Bank Total / USD Bonds <sup>\*3</sup>)



<sup>\*3</sup> Including asset swaps.

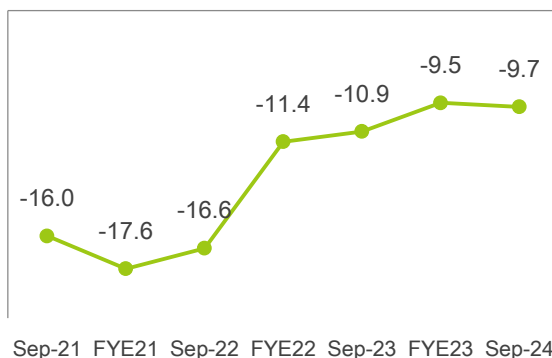
# Securities (4) Controlling interest rates risk

As for the investment in yen-denominated bonds, we increased the yield of our holdings, while controlling the risk amount (BPV) and duration, taking into account further interest rates increase.

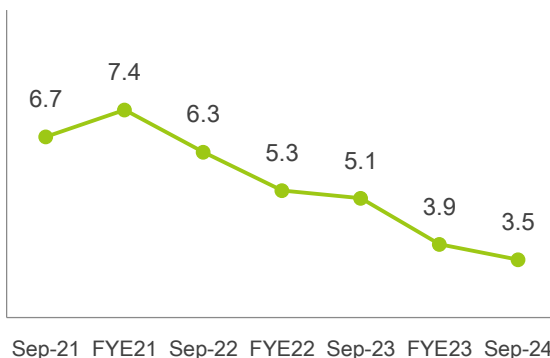
## Yen-denominated Bonds<sup>\*1</sup> (banks' total)

### Risk amount (10bpv)<sup>\*2</sup> (¥bn)

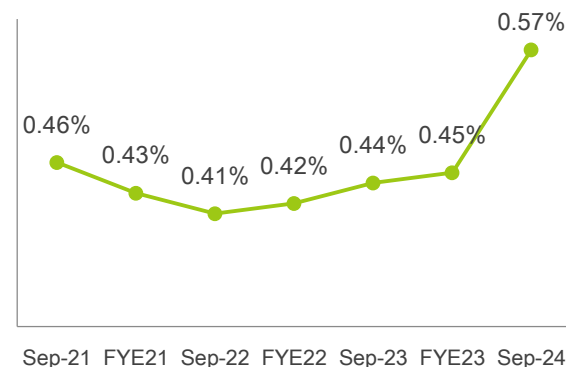
Small  
Risk amount  
Large



### Duration<sup>\*3</sup> (year)



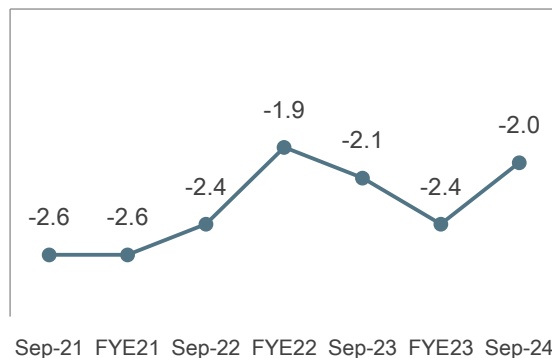
### Yield (%)



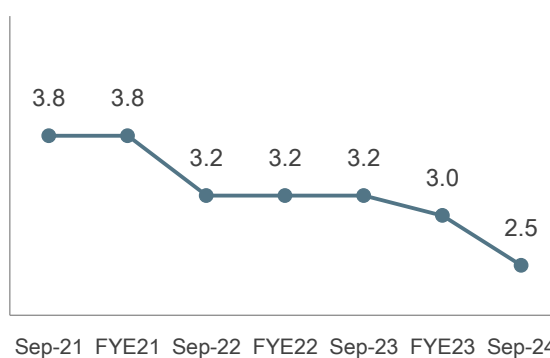
## Foreign Bonds<sup>\*1</sup> (banks' total / USD-denominated)

### Risk amount (10bpv)<sup>\*2</sup> (¥bn)

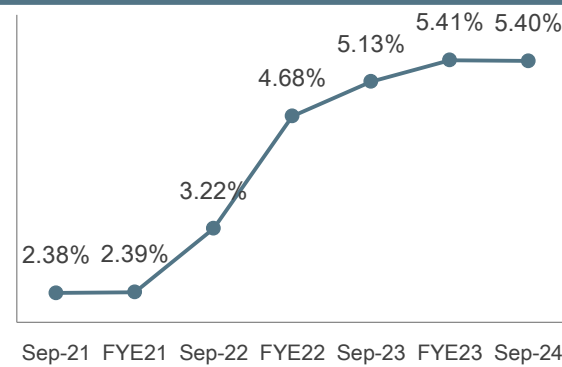
Small  
Risk amount  
Large



### Duration<sup>\*3</sup> (year)



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



<sup>\*1</sup> After considering hedging by bear funds and swaps

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

<sup>\*3</sup> Average remaining period for principal in bonds investment



# Forecast for FY2024 ~ after upward revision ~ (1)

## Mebuki FG

(consolidated)

(¥bn)

	Forecast for FY2024		1H24 Results	
	(Revised)	Change from initial forecast		Progress
Ordinary Profit	80.0	+5.0	46.0	57.5%
Net Income (Attributable to owners of the parent)	56.0	+4.0	32.0	57.1%

## Total of Two Banking Subsidiaries

(¥bn)

	Forecast for FY2024		1H24 Results	
	(Revised)	Change from initial forecast		Progress
Ordinary Profit	75.0	+6.0	42.1	56.1%
Net Income	52.0	+4.0	29.6	56.9%

## Subsidiary Banks

(Joyo)

(¥bn)

	Forecast for FY2024		1H24 Results	
	(Revised)	Change from initial forecast		Progress
Ordinary Profit	50.5	+4.5	27.9	55.4%
Net Income	35.0	+3.0	19.6	56.2%

(Ashikaga)

(¥bn)

	Forecast for FY2024		1H24 Results	
	(Revised)	Change from initial forecast		Progress
Ordinary Profit	24.5	+1.5	14.1	57.7%
Net Income	17.0	+1.0	9.9	58.5%

# Forecast for FY2024 ~ after upward revision ~ (2)

## Breakdown of Forecast for FY2024

(¥bn)				
【Joyo+Ashikaga】	Forecast for FY24		1H24	
		Compared to initial forecast	Results	Progress
Core gross business profit (Excluding gains/losses on cancellation of investment trusts)	189.5	+12.0	99.9	52.7%
Net interest income (Excluding gains/losses on cancellation of investment trusts)	148.0	+9.0	75.1	50.7%
Difference of interests between loans and deposits	113.5	+2.0	57.6	50.8%
Securities' income (Excluding gains/losses on cancellation of investment trusts)	34.5	+7.0	17.4	50.6%
(O/W Interest on Bank of Japan deposits)	8.0	+6.0	4.0	50.5%
Fees from customers *1	41.5	+3.0	22.4	54.1%
Expenses	110.0	+3.0	53.8	48.9%
Core net business income *2	79.5	+9.5	43.7	55.0%
Gains/losses on securities *3	-0.5	-6.0	-0.9	-
Credit related costs	6.0	-2.0	2.9	49.0%
Ordinary profit	75.0	+6.0	42.1	56.1%
Net income *4	52.0	+4.0	29.6	56.9%

## 【Mebuki FG Consolidated】

Profits of Group Companies	5.0	±0.0	3.2	65.3%
Consolidation adjustment (Adjustments related to securities, etc.)	-1.0	±0.0	-0.8	-
Net income attributable to owner of the parent	56.0	+4.0	32.0	57.1%
ROE (on shareholders equity basis)	5.6%	+0.3%	6.4%	-

\*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 "bond transactions + related to stocks + cancellation of investment trusts + futures and options"

## Market Scenario

Initial forecast	【 Japan 】Policy rate ... 0.00% (Negative interest rate release only)
	【 U.S.A 】Policy rate ... Interest rate cut 4 times (Initially in Jun.'24 -0.25% and -0.25% every 3 months thereafter)
Revised upward	【 Japan 】Policy rate ... 0.25% (remain unchanged)
	【 U.S.A 】Policy rate ... Interest rate cut 3 times (Initially in Sep.'24 -0.50% and -0.25% every 3 months thereafter)

	Policy rate ( End of fiscal year )	10 year government bond yield ( Annual average )
Japan	0.25%	From 0.70 to 1.50%
U.S.A.	From 4.25 to 4.50%	From 3.85 to 4.85%

## Main Reasons of Change (compared to initial forecast)

- ① Deference of interest between loans and deposits +¥2.0bn**
  - Yen-denominated : +¥0.0bn (Preceded rise of deposit rate offset an increase in interest on loans)
  - Foreign currency : +¥2.0bn (Rise in interest on loans due to high U.S. policy rate)
- ② Securities' income**  
(excl. gains/losses on cancellation of investment trusts) **+¥7.0bn**
  - Interest on BOJ deposits : +¥6.0bn (Not included in the initial forecast)
  - Increase the balance of floating bonds
- ③ Fees from Customers +¥3.0bn**
  - Increase in income related to FX derivative transactions
- ④ Expenses (-) +¥3.0bn**
  - Enhancing DX related investment (Infrastructure development to improve productivity, etc.)
- ⑤ Gains / losses on securities -¥6.0bn**
  - Additional maintenance of low-yield yen-denominated and foreign bonds
- ⑥ Credit related costs -¥2.0bn**
  - Remained stable

# Impact of domestic interest rates rising

Estimated impact on net interest income 5 years from now due to the further interest rate rising is expected to have a positive effect on net interest income, of about +¥37.0bn if the policy interest rate is 0.50%, and of about +¥530.0bn if the policy interest rate is 0.75%.

## Impact on net interest income (Simulation)

Yen denominated Balance Sheet / Composition of Assets by Interest type(As of Sep. 2024)

### ① Balance Sheet

(trillion yen)

Item	Balance	Item	Balance
Loans	12.7	Deposits	17.6
Short-term prime-rate linked	(5.5)	Liquid	(13.4)
Market-rate linked	(2.2)	Fixed-term	(4.2)
For MoF	(0.3)	Borrowing from BoJ	2.0
Fixed rate	(4.7)	Market borrowing	0.1
Securities	3.5	<b>Total Liabilities</b>	<b>19.7</b>
Bonds	(2.7)		
Investment trust / Stocks, etc.	(0.8)		
Others	3.4		
Deposits with BOJ	(3.2)		
<b>Total Assets</b>	<b>19.7</b>		

\* The average remaining maturity of fixed-rate loans is 4.3 years.

### ② Composition of Assets by Interest type

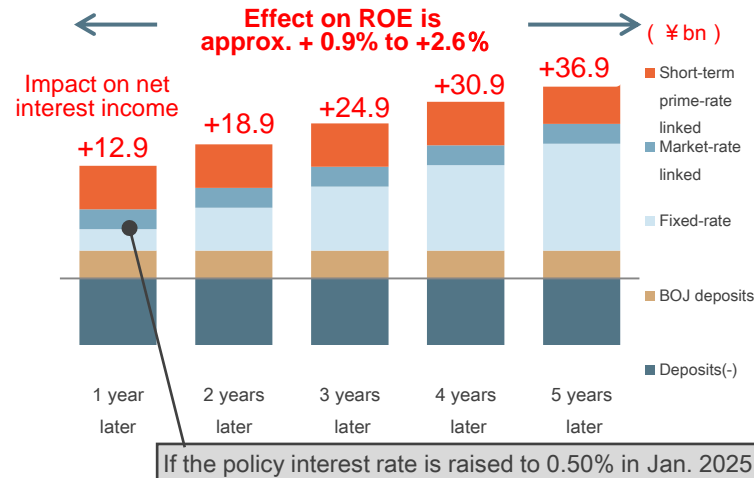
(trillion yen)

Total Assets	Balance	Ratio
Floating rate	11.2	57%
Fixed rate	7.4	38%
Others (Investment trust, etc.)	1.0	5%

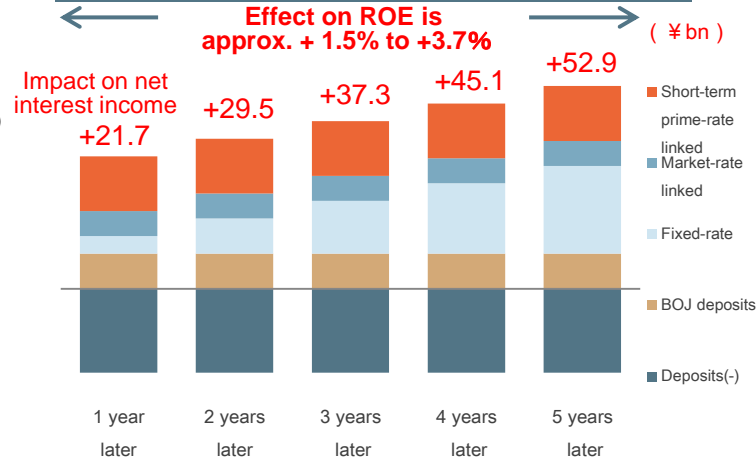
Loans	Balance	Ratio
Floating rate	8.0	63%
Fixed rate	4.7	37%

### Interest rate Scenario (1) ~Policy rate rise to 0.50%~



Impact on net interest income in FY24 ¥±0.0 bn

### Interest rate Scenario (2) ~Policy rate rise to 0.75%~



### Interest rate scenario (compared to current)

- Policy rate: 0.50% (+0.25%)
- TIBOR: (+0.25%)
- Short-term prime rate: 2.375% (+0.25%)
- 5-year swap rate (base rate for fixed-rate loans) : 1.00% (+0.25%)

### Assumption

- ① Balance of assets and liabilities will stay the same as the portfolio as of end of Sep.2024.
- ② The pass-through rate for housing loans to the short-term prime-rate is set at 100%. For businesses, at 70%.
- ③ Fixed-rate loans of 1 trillion yen will mature annually and be executed at the 5-year swap rate of the due date based on the above scenario. The pass-through rate is set at 70%.
- ④ Liquid deposit rate is set at 0.20% (with the pass-through rate of 40%). Time deposit rate is set at 0.25% (with the pass-through rate of 50%).

### Interest rate scenario (compared to current)

- Policy rate: 0.75% (+0.50%)
- TIBOR: (+0.50%)
- Short-term prime rate: 2.625% (+0.50%)
- 5-year swap rate (base rate for fixed-rate loans) : 1.25% (+0.50%)

### Assumption

- ① Balance of assets and liabilities will stay the same as the portfolio as of end of Sep.2024.
- ② The pass-through rate for housing loans to the short-term prime-rate is set at 100%. For businesses, at 70%.
- ③ Fixed-rate loans of 1 trillion yen will mature annually and be executed at the 5-year swap rate of the due date based on the above scenario. The pass-through rate is set at 70%.
- ④ Liquid deposit rate is set at 0.30% (with the pass-through rate of 40%). Time deposit rate is set at 0.375% (with the pass-through rate of 50%).

## 2. Initiatives for Enhancing Corporate Value

# Approach to Enhancing Corporate Value / Current Analysis

## Approach to Enhancing Corporate Value

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).

PBR  
(Price Book-Value ratio) ↑

=

ROE

×

PER  
(Price Earing Ratio)

=

ROE ↑

÷

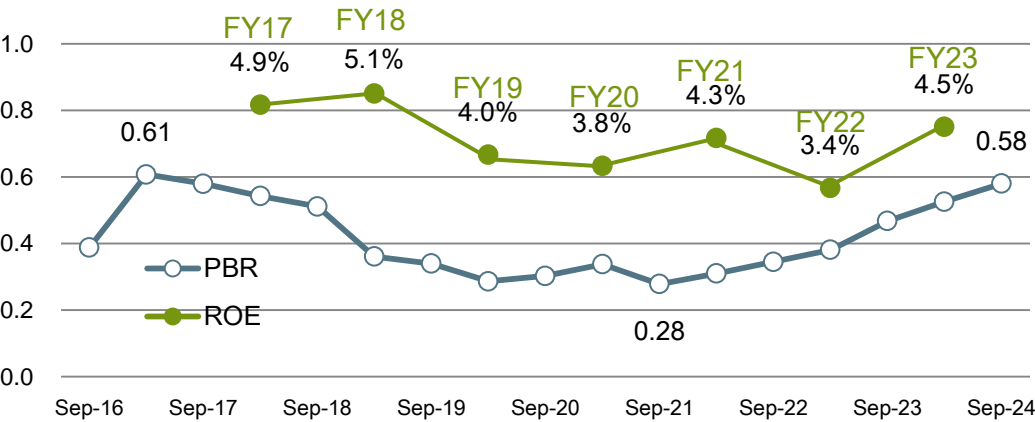
Cost of Capital ↓

−

Expected Growth Rate ↑

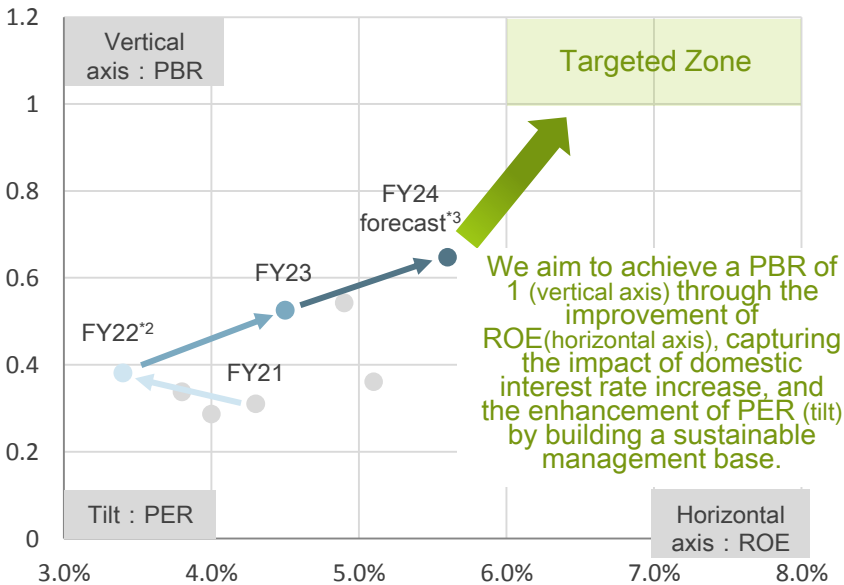
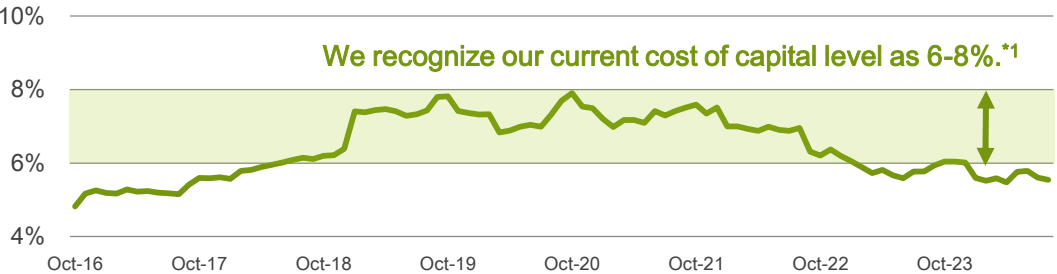
## Current analysis / Recognition of cost of capital

### < Trend of ROE / PBR >



### < Trend of Cost of Capital >

\*1 We calculated the cost of capital using CAPM.  
CAPM = Risk-free rate + Risk premium × beta



Average after integration	6.4%
Average last 5 years	6.7%
Average last 2 years	5.8%

\* 2 ROE decreased due to the reduced earnings resulting from the securities portfolio restructuring .

\* 3 ROE is calculated based on FG consolidated net profit of ¥56.0 billion (after upward revision)  
RBR is calculated based on the closing price of 642.6 yen on 11/17 and the net asset value per share as of Sep. 2024.

# 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

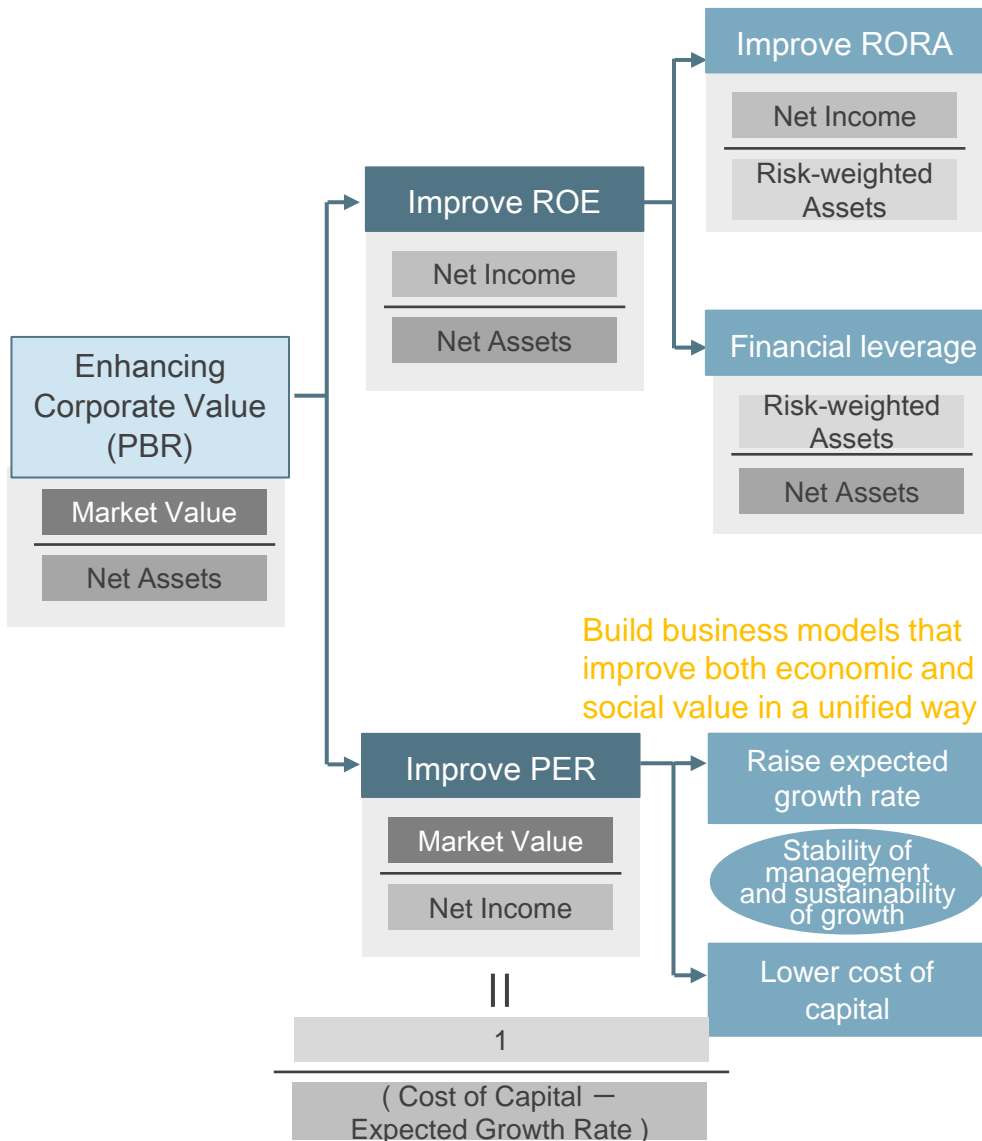
(Expected growth rate)

Maintain and enhance a sustainable management base

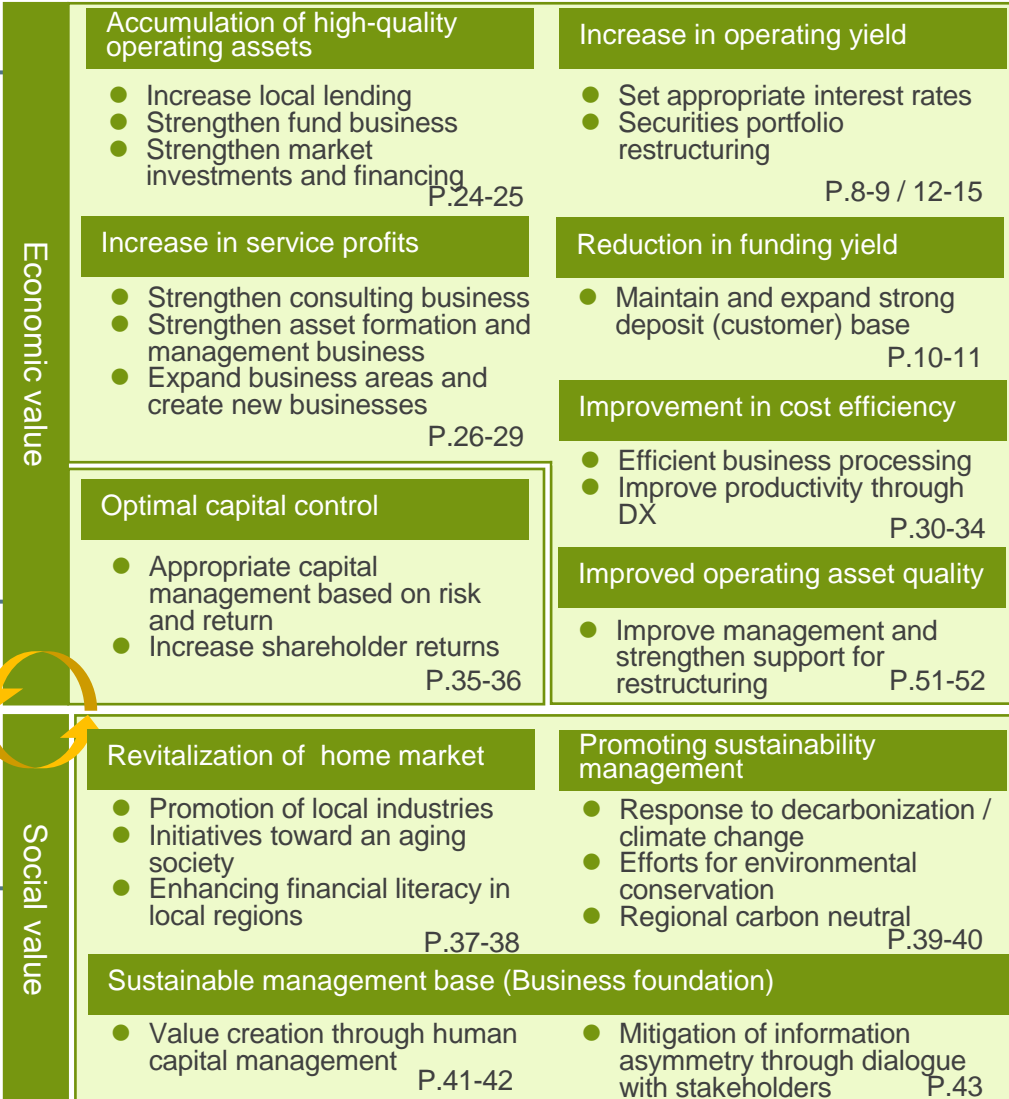
(Cost of Capital)

# Initiatives for Enhancing Corporate Value (2)

## Approach to Enhance Corporate Value



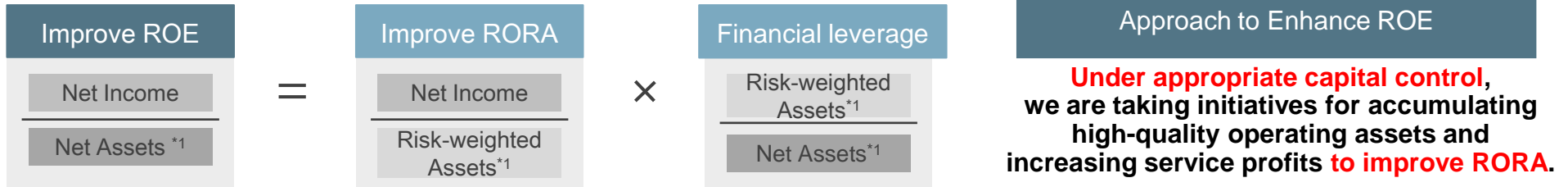
## 3rd Medium-Term Group Business Plan (Development of Specific Measures)



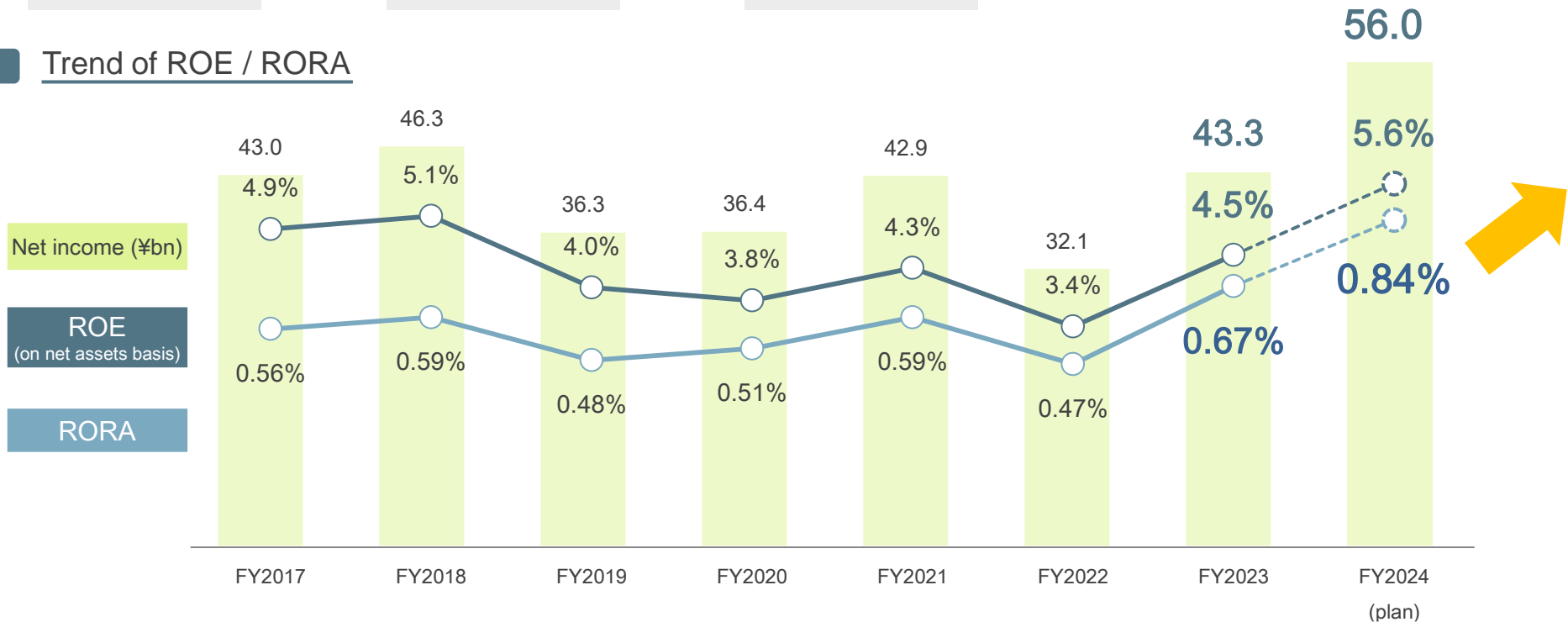


# Towards Improving ROE

## Decomposition of ROE



## Trend of ROE / RORA



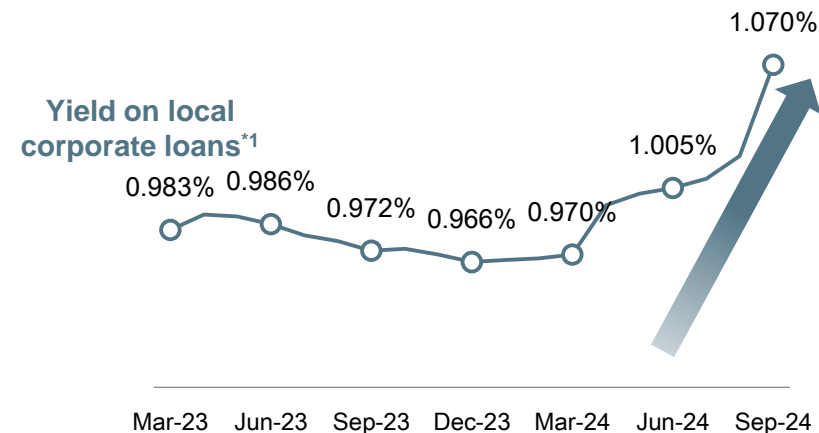
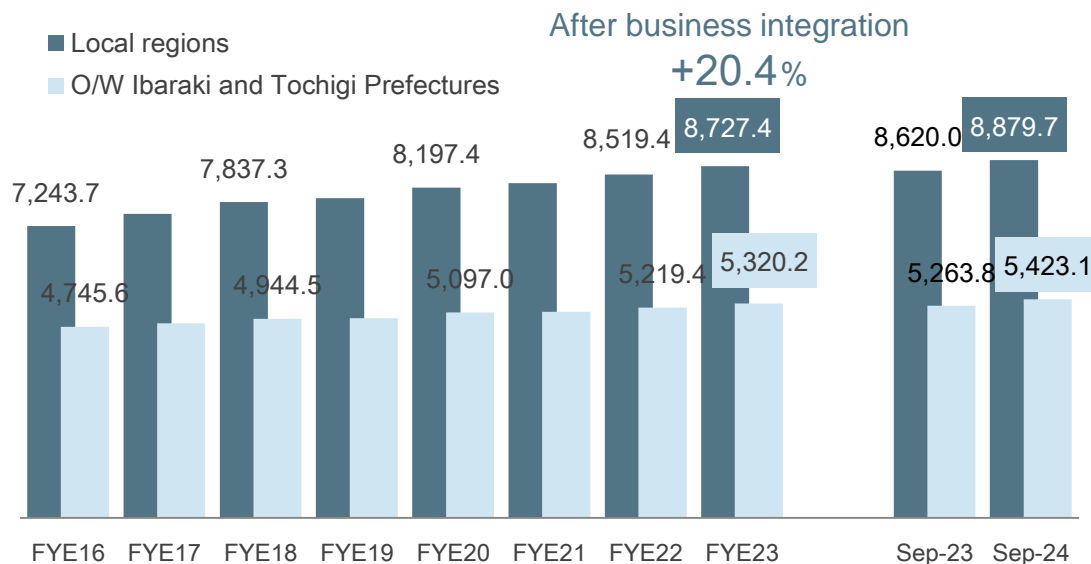
Financial leverage	8.6 times	8.6 times	8.3 times	7.6 times	7.4 times	7.2 times	6.7 times	6.5 times
Risk-weighted assets* <sup>2</sup> (¥bn)	7,730.1	7,955.7	7,130.3	7,174.7	7,320.0	6,213.4	6,548.5	Approx. 6,650.0
Net assets* <sup>2</sup> (¥bn)	888.1	919.5	882.2	998.9	959.0	904.7	989.3	Approx. 1,000.0

\* 1 The average value at the end of the previous and current periods \* 2 Risk-weighted assets and net assets at the end of the current period



# 【Improve RORA】 Accumulation of High-quality Operating Assets ( Increase local lending / Strengthen fund business )

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



\*1 Yield is calculated based on the contracted interest rate as of each month-end.

## Fund Business (Bank total)

### Approach to New Business

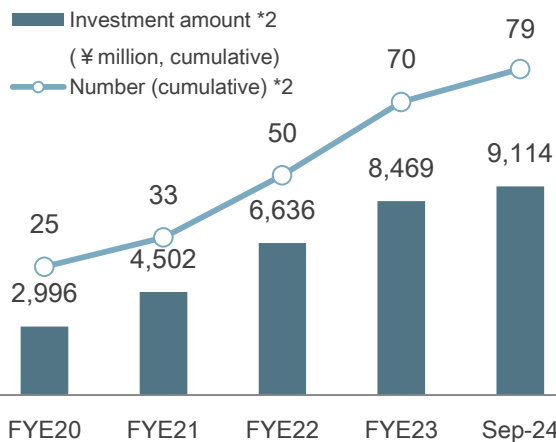
High need for initiatives as a regional issue



Affinity with our group's strengths



Use of strategic investments, alliances, etc.

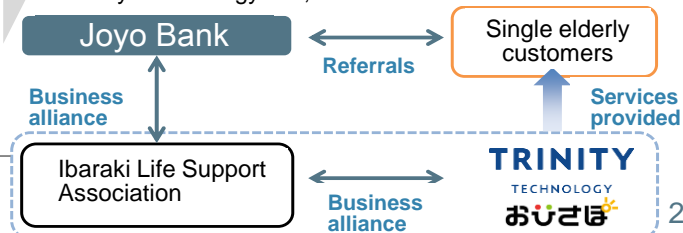


### New Value (new businesses/services) Creation by collaboration with Investee companies

<Example>

Providing wealth management / asset succession services for elderly customers

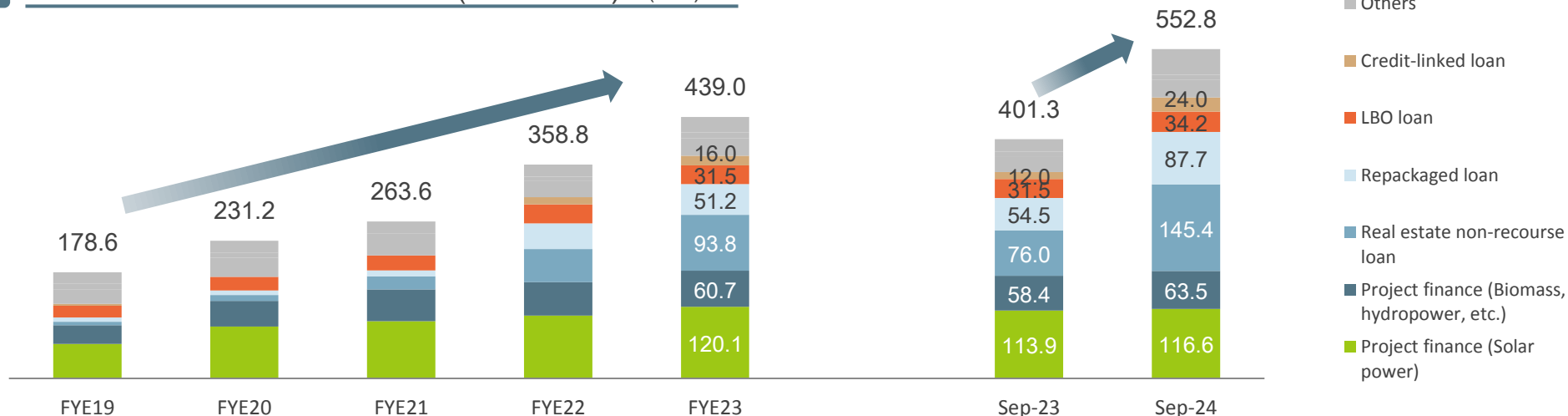
We introduce the services to support single elderly customers, including voluntary guardianship, monitoring, and asset management based on the business alliance with Trinity Technology Co., Ltd and local association.



\*2 Investments through funds managed by specialized investment subsidiaries (JCP / WCP), including investment in startup companies.

# 【Improve RORA】 Accumulation of High-quality Operating Assets ( Strengthen market investments and financing )

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

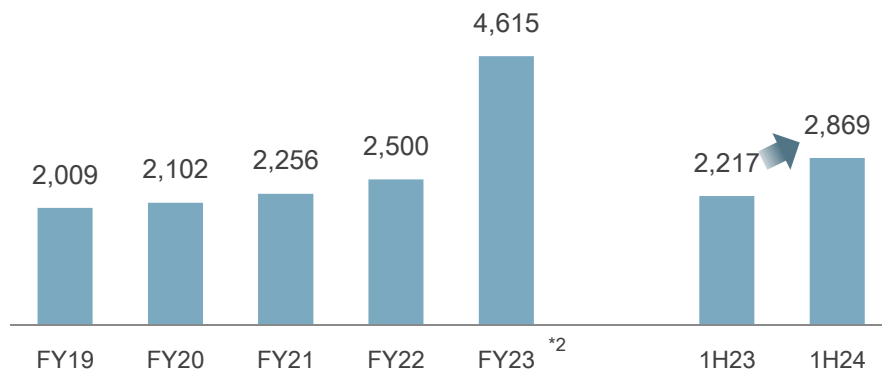


## Headcount related to Structured Finance\*1



\*1 As of the end of fiscal year  
(Bank Total)

## Interest on Structured Finance (Bank Total) (¥million)



\*2 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.

Continuous  
personnel increase

Development of  
new investment field

- Over the past four years, we have doubled the number of personnel involved in structured finance.
- Through the external dispatch of employees and our in-house trainee program, we have been able to accumulate expertise and know-how.
- Focusing on solar power generation, we strengthened our efforts in new fields such as real estate.  
Real Estate Non-recourse loan : +¥69.4 bn (YoY)  
Repackage loan : +¥33.2 bn (YoY)

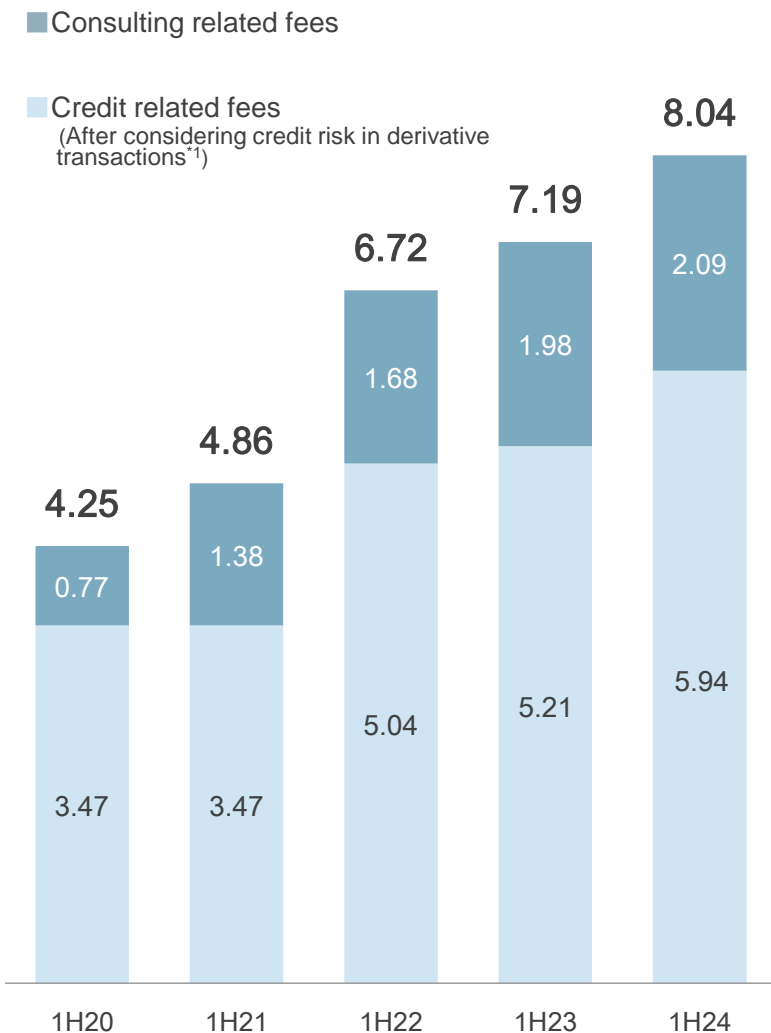
**Expanding profit opportunities** (Interest income : +¥0.6bn)

Interest income from structured finance has been increasing on an upward trend.

# 【Improve RORA】 Increase in Services Profit

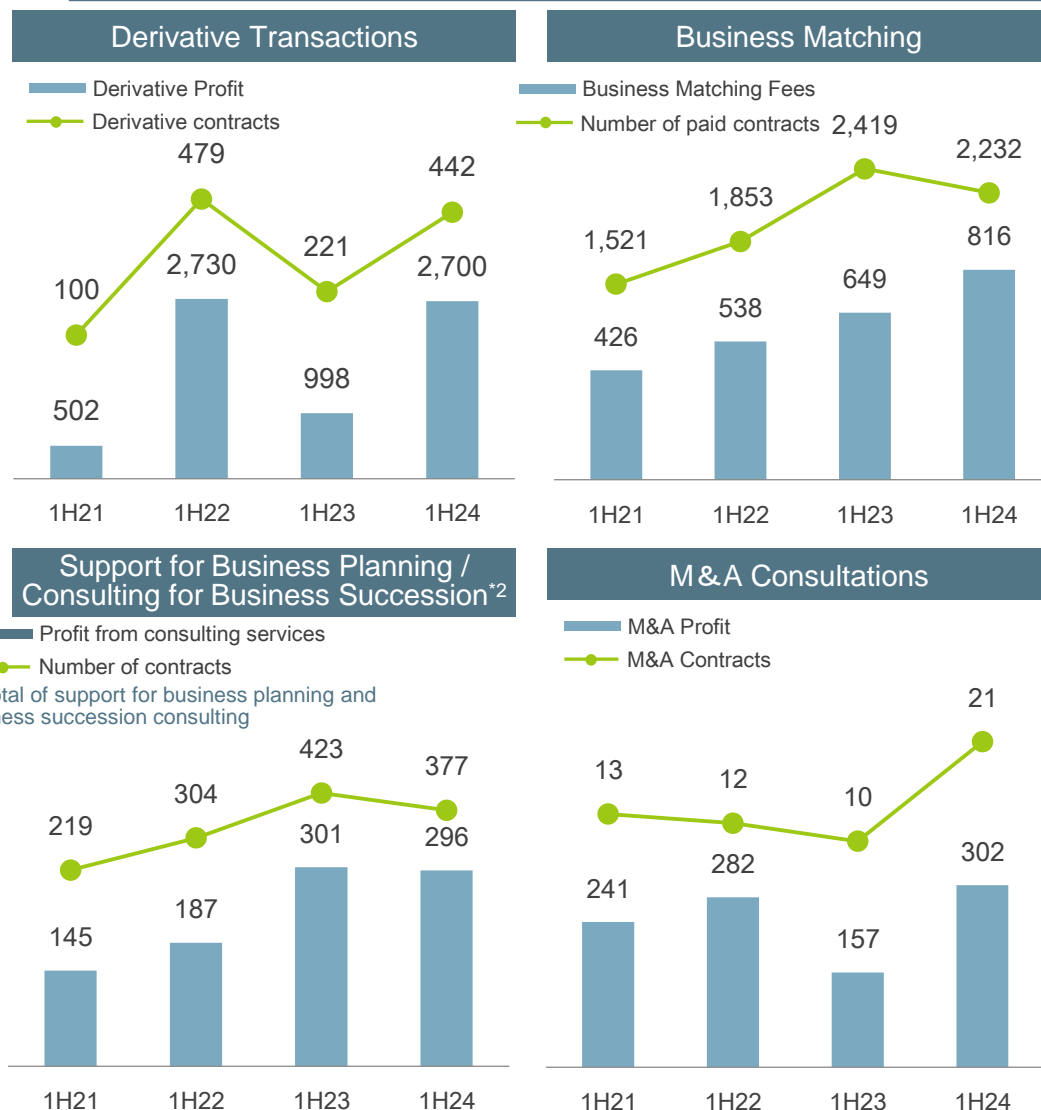
## ( 【Corporate Customers】 Strengthen Consulting Services )

### Fees from Corporate Customers (Bank Total) (¥bn)



### Status of Support by Solutions (Bank Total)

(Number of contracts, profit: ¥million)



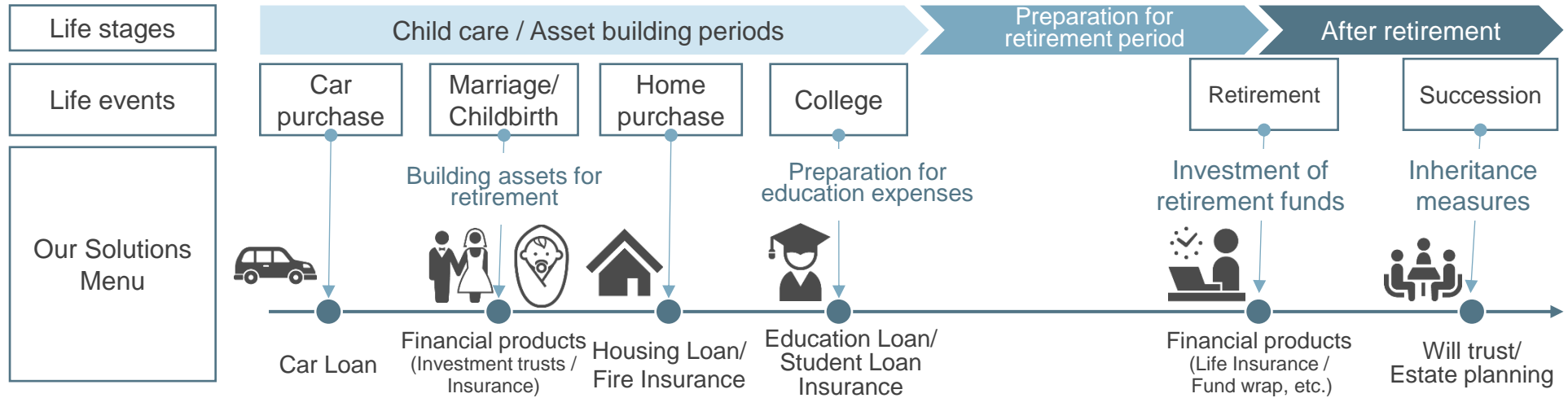
<sup>\*2</sup> Total of support for business planning and business succession consulting

<sup>\*1</sup> As credit risk in derivative transactions, we calculate the difference between CVA and DVA

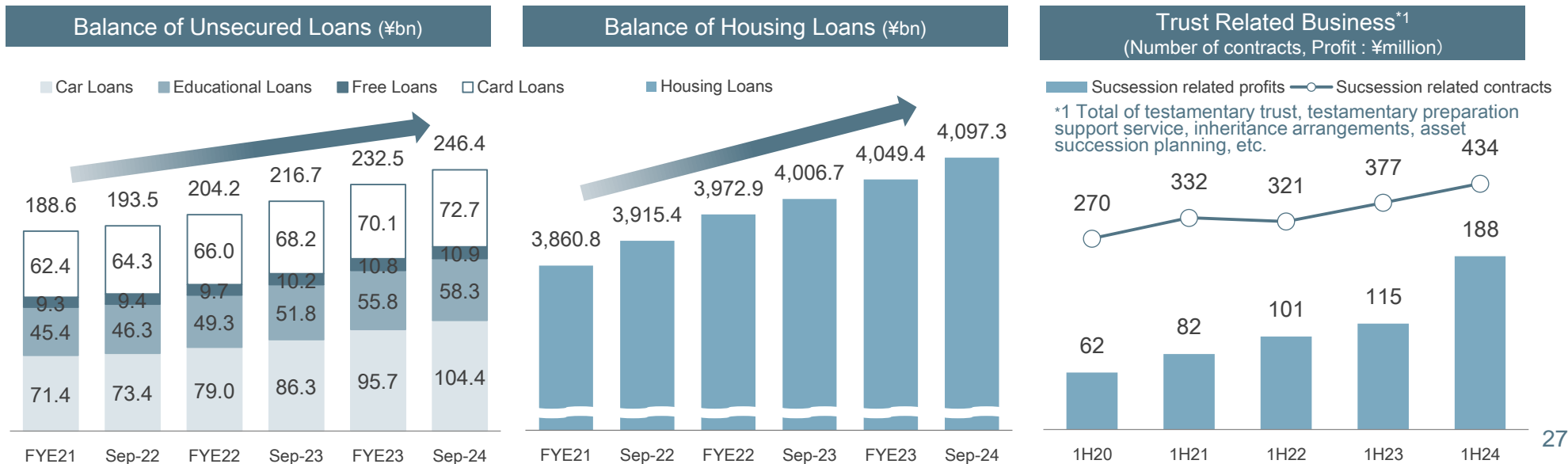
at the end of each first half of fiscal year, subtracting the difference between CVA and DVA at the end of the previous fiscal year. CVA(Credit Valuation Adjustment) reflects the credit risk of counterparties in derivative transactions in the market value. DVA(Debt Valuation Adjustment) reflects the credit risk of our two banking subsidiaries in the market value.

# 【Improve RORA】 Increase in Services Profit ( 【Individual Customers】 Strengthen Consulting Services )

## ■ Providing services tailored to life events

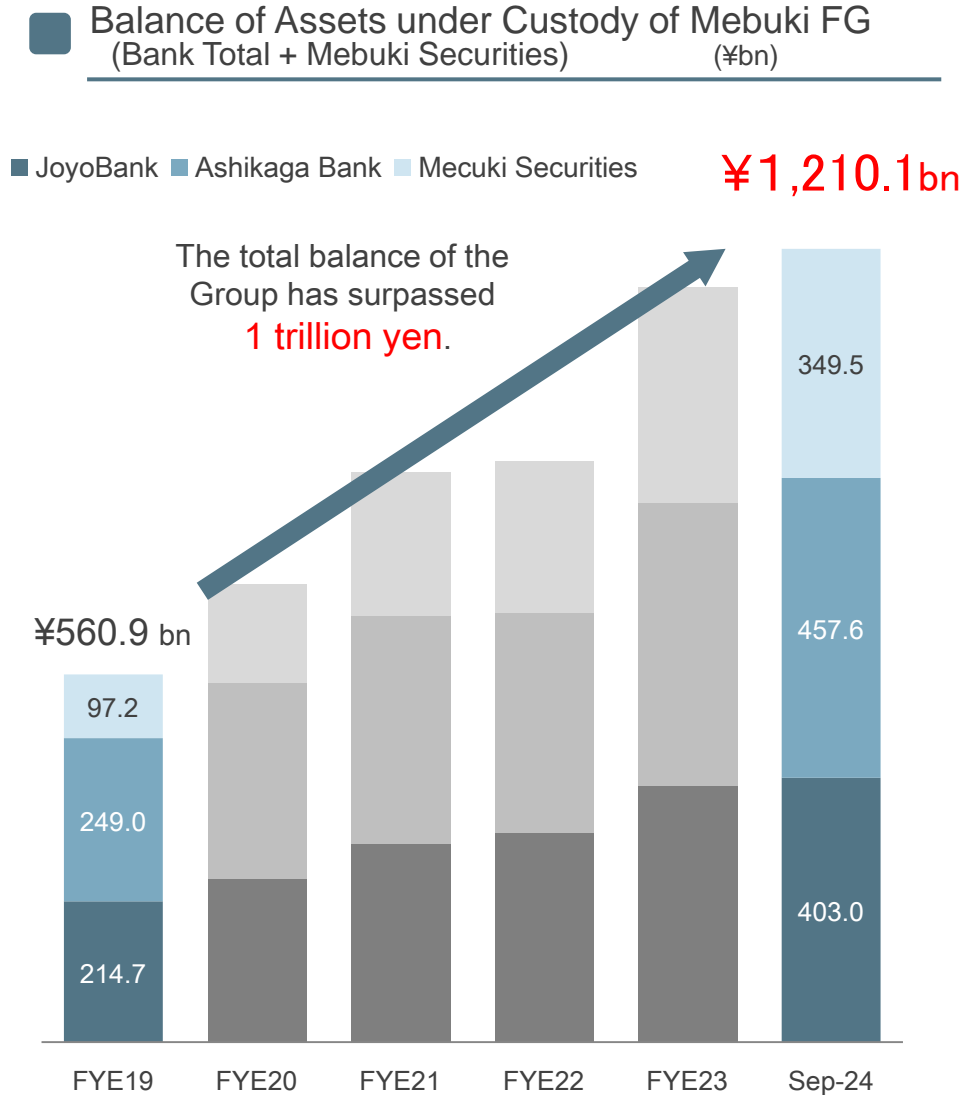


## ■ Status of Support by Solutions (Bank Total)



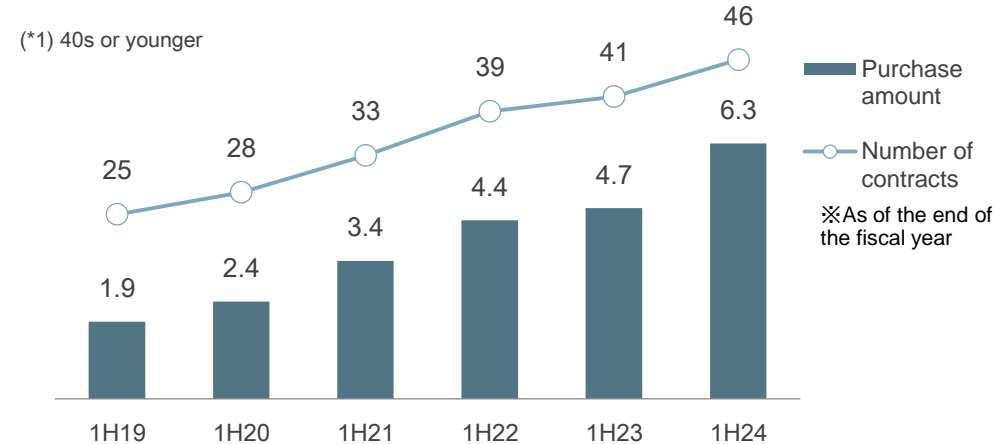
# 【Improve RORA】 Increase in Services Profit

## ( Strengthen asset formation and management business )



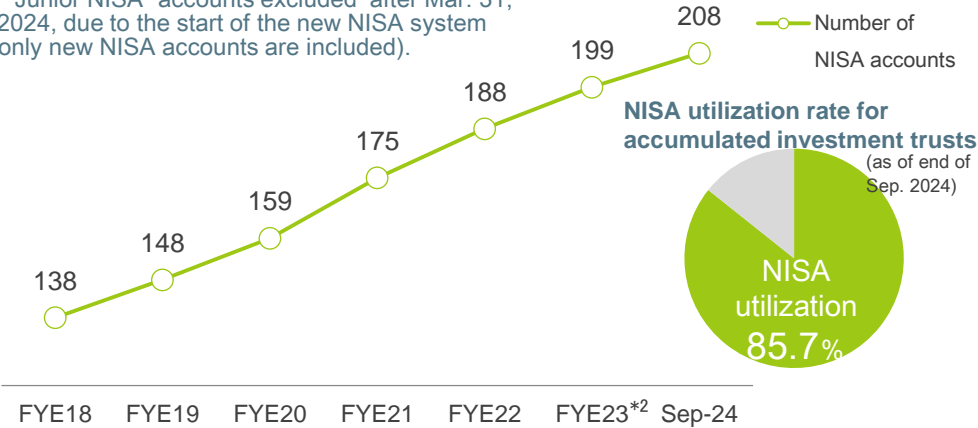
Expanding the customer base and increasing the balance  
through the utilization of the new NISA

### Purchase of Accumulated Investment Trusts by working-age customers\*1 (Bank Total) (Number of contracts : thousand, Amount: ¥bn)



### Number of NISA accounts (Bank Total) (number: thousand)

\*2 "Junior NISA" accounts excluded after Mar. 31, 2024, due to the start of the new NISA system (only new NISA accounts are included).



aiming for a medium- to long-term  
**Expansion of profit base**

# 【Improve RORA】 Increase in Services Profit ( Expand business areas and create new businesses )

## Developing New Business Areas by Leveraging the Group's Strengths

### Renewable Energy related Business

Joyo Green Energy Co., Ltd.  
(established in July 2022)

We have promoted to acquire solar power generation facilities to expand generation and supply capacity.  
Acquired approx. **7.8MW** of solar power generation (as of Sep. 2024)



※An example of investment

Equivalent to  
**2,350 ordinary households**

Power Generation

Derived business

Promoted regional carbon offset through J-Credit sales.  
Awarded the 3rd Regional Revitalization SDGs Finance Award  
(Joyo Bank and Ishioka City, Ibaraki Pref.)

- We have created support for regional businesses to decarbonize and fund flow to forests through the issuance of private placement bonds with the J-Credits purchase option..

### Local Trading Company / Electric Power Business

Colletochi, Ltd.  
(established in August 2022)

Engages in dissemination and monetization of local content as its "core business".

Local Trading Company



Established through joint investment

#### <Businesses>

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

#### <Example of initiatives>

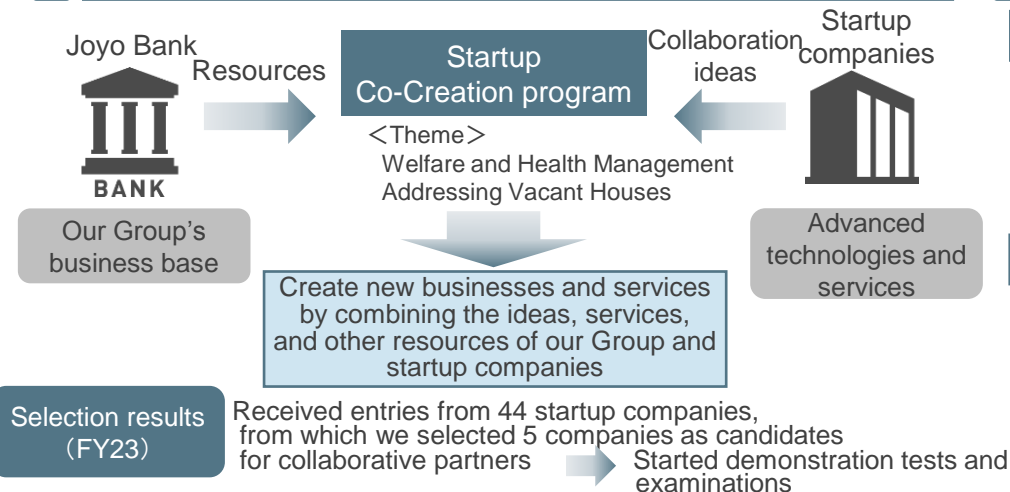
- Expanding sales channels to the Tokyo metropolitan area for regional products (to major retail chains)
- Supporting new product development (with local hotels' gift shops, etc.)

Electric Power Business

#### <Example of initiatives>

- We supported the introduction of self-consumption type solar power generation facilities through PPA schemes for local governments and regional companies.
- We signed electricity supply contracts with three prefectural facilities in Tochigi Prefecture (approximately 1.8 MW).

## Business expansion utilizing collaboration with startups



## Initiatives to Develop Human Resources for Business Expansion

### New business creation training program

#### <Objective>

- Develop human resources who will be charged with business expansion
- Improve skill of dialogue with corporate customers who are working on business development



### Employee participation in a business idea contest

#### <Example of submitted idea>

- Co-creation platform connecting local businesses and consumers
- Agricultural initiatives aimed at solving the issue of abandoned farmland



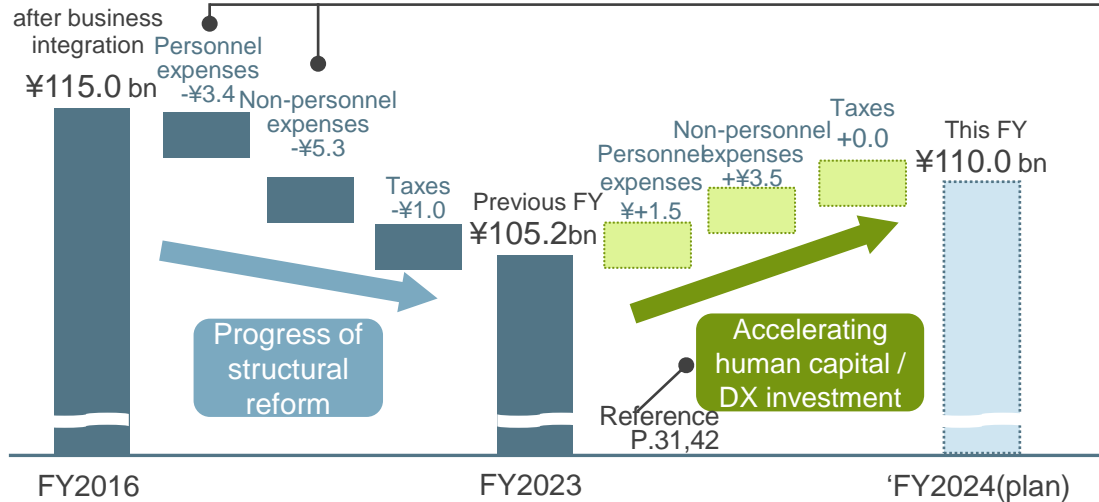
Appointment of the person who proposed the idea +  
We plan to implement the creation of a concrete business plan and demonstration tests.



# 【Improve RORA】 Improvement in Cost Efficiency ( Efficient business processing )

## Cost Comparison

(Compared to immediately after business integration) (¥bn)



## Progress of Structural Reform

### Relocation of staff (current medium-term plan : FY22 - FY24)

Freed-up -580 people

BPR and digitization of branch/ back office operations  
Enhancing consulting, new business area, DX, and structured finance

Invested +200 people

### Reorganization of branch network (bank Total )

Number of offices\*1

At the time of integration 322

End of Sep. '24 246

After business integration,

Branch consolidation 84 offices, Efficiency improvement 287 offices\*2

\*1 Domestic branches , excluding in-store branches / off-site offices

\*2 Changes in office format and functionality (including duplicate cases)

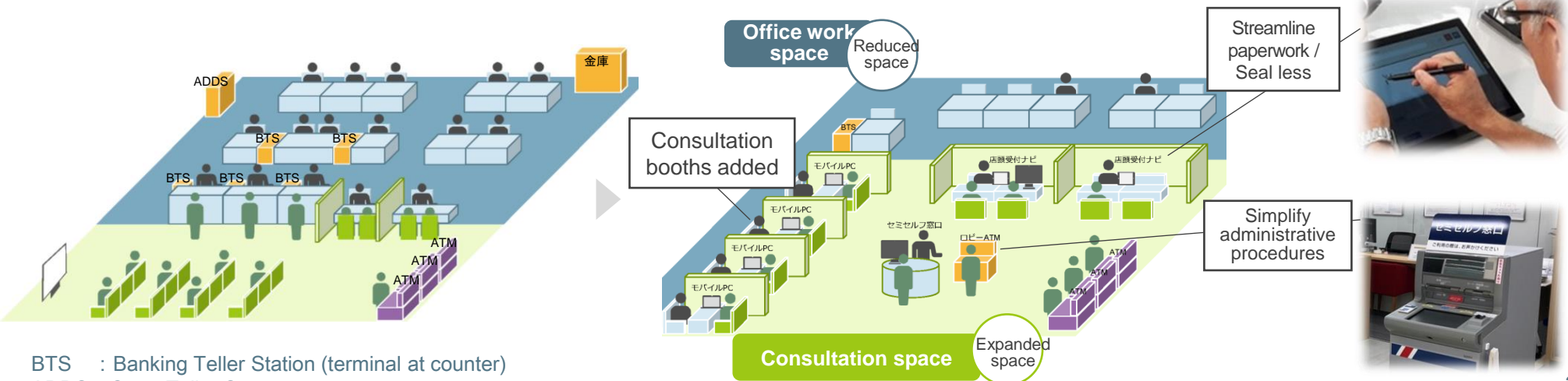
### Operational efficiency using digitalization

The daily administrative work (average for the fiscal year) has been **reduced by half** over the course of four years.

FY2019 18,644 hours ⇒ FY2023 9,510 hours (Bank total)

## Branch Layout utilizing Digitalization

Through the digitalization of over-the-counter operations, we aim to transform our branch offices from “transactional spaces” to “consultation spaces”.

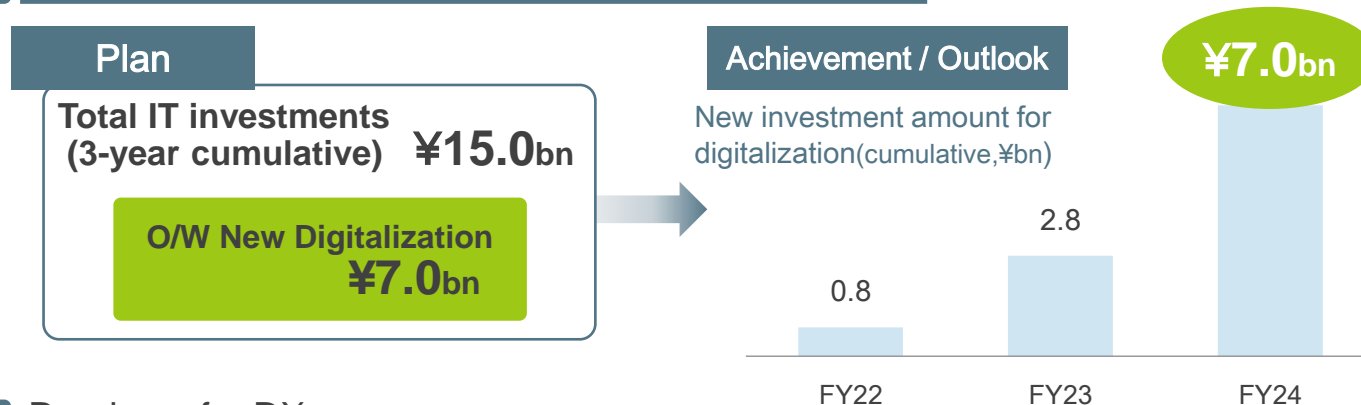


BTS : Banking Teller Station (terminal at counter)

ADDS : Open Teller System

# 【Improve RORA】 Improvement in Cost Efficiency ( Improve productivity through DX )

## IT Investments ( current medium-term plan : FY22 – FY24)



### 【Main measures】

- Unifying the investment trust system
- Enhancing Banking App functionalities
- Establishing a data utilization infrastructure
- Introducing marketing tools
- Automating internal operations related to loan applications

## Roadmap for DX

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

## DX Certified Business Operator



**Mebuki Financial Group**  
Certified in Nov. 2022 (revised Nov. 2024)

**Joyo Bank / Ashikaga Bank**  
Certified in Jan. 2024 / Nov. 2023

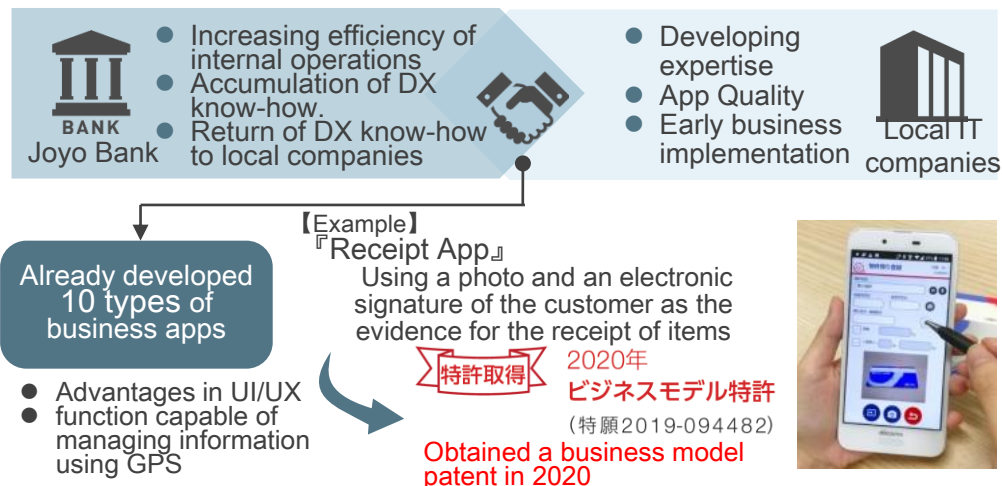
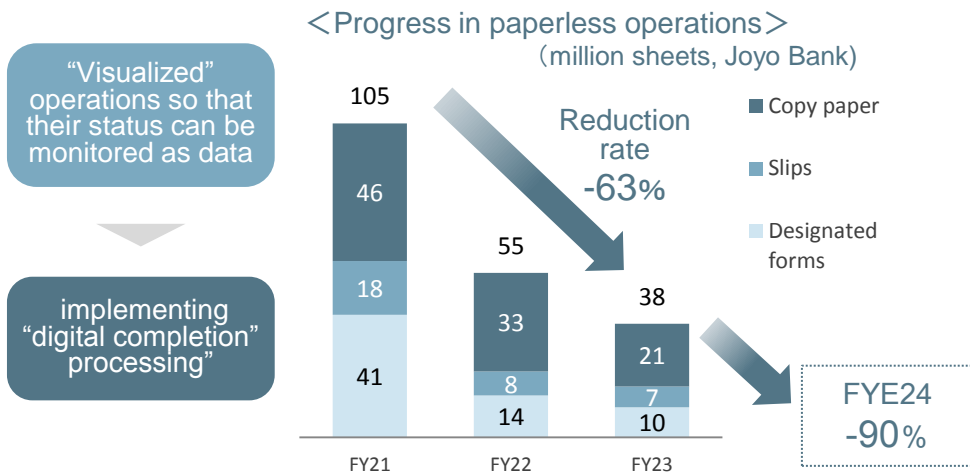


# 【Improve RORA】 Improvement in Cost Efficiency ( Improve productivity through DX )

## Measures based on DX roadmap (1) (Digitalization/innovation in traditional banking business)

Streamlined complicated operations requiring paper forms and seal

Development and utilization of apps for business smartphone



## Measures based on DX roadmap (2) (Improvement of digital channels/expansion of contact points with customers)

Number of Banking App Users (thousand)

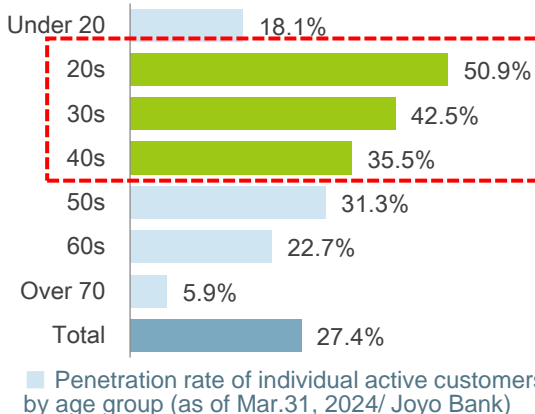
The number of cumulative App users exceeded 1 million.



\*1 Average of “Joyo Banking App and “Ashikaga Banking App” ratings on the Apple Store and Google Play ( as of Nov. 2024)

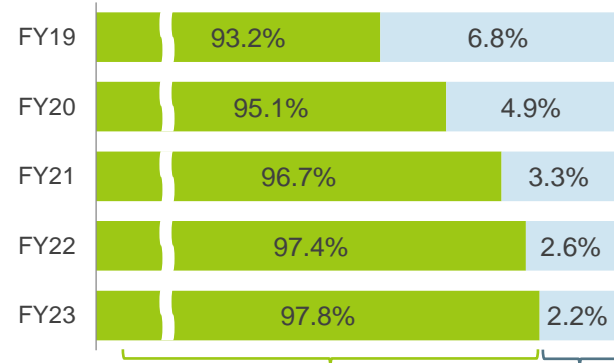
Banking App Penetration

Banking App are steadily gaining popularity among generations who can't be met regularly.



Composition of Money Transfer by Channel

Shift to non-face-to-face channels\*2 for money transfer procedures



By non-face-to-face channel At counter 32

\*2 ATM+Via Internet (Corporate/ Individual)+Banking App

# 【Improve RORA】 Improvement in Cost Efficiency ( Improve productivity through DX )

## Measures based on DX roadmap (3) (Strengthening data utilization)

### Development of data utilization infrastructure

We have developed and built an integrated cloud-based data warehouse (DWH)\*<sup>1</sup> for aggregating internal bank data

BI Tool\*<sup>2</sup> 「Tableau」

MA Tool\*<sup>3</sup> 「Salesforce Marketing Cloud」



\*1 DWH (data warehouse)

A specialized database for storing large amounts of data and efficiently aggregating and analyzing the data

\*2 BI tool (business intelligence tool)

Software for collecting, analyzing, and visualizing various data from within and outside the Company

\*3 MA tool (marketing automation tool)

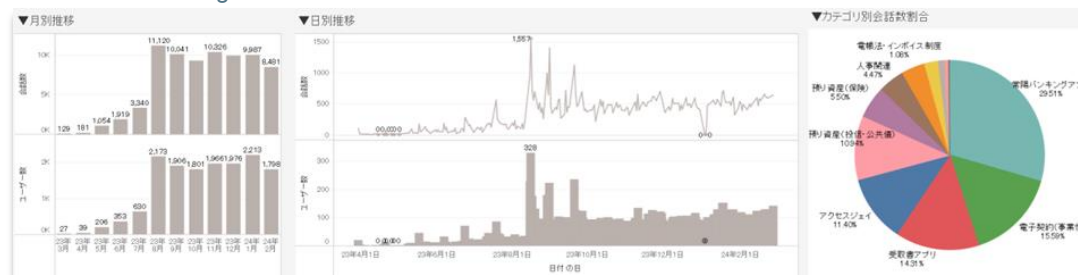
Software for automating and optimizing marketing activities (using emails, push notifications, etc.).

Shift to data-driven management and  
Raising our level of marketing  
by creating a unified data infrastructure

### < Reference > Operations using “Tableau”

- Management dashboard (quick and timely understanding of key metrics and performance indicators)
- Creating necessary graphs and tables for regular meeting materials
- Collecting, analyzing, and visualizing various data

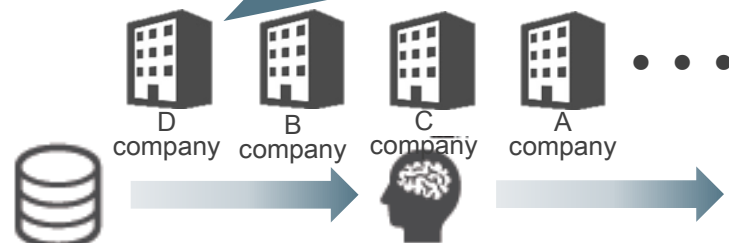
< Dashboard image >



### Utilizing machine learning and generative AI

#### Operating “Funding Needs AI” ( sales division for corporate customers )

Prioritize by AI score



- Account deposit/withdrawal data
- Financing data

Predict prospect's/retail customer's funding needs

- Predicted lists
- Visualize the basis for predictions

Sales staff  
(younger bank staff)

Customers

Presenting an action plan inferred from the contribution analysis

Use lists as a trigger for sales activities or for hypothesis

#### Future initiatives

- We are currently implementing trials for AI utilization to identify customers for whom we can provide business improvement support.
- We intend to adopt AI to read signs of worsening business conditions and provide support for improving their business.

# 【Improve RORA】 Improvement in Cost Efficiency ( Improve productivity through DX )

## Measures based on DX roadmap (4) (Enhanced DX Infrastructure)

### Target personnel of development

We aim to develop personnel who plan and drive new business creation and business innovation using digital technology.

Business skills	Primary targets	Required skills
Head office DX Planning	Head office staff	Business analysis skills, service design skills, software-related knowledge, project planning / management experience
DX and digitalization support	Sales staff for corporate customers	Analytical skills for identifying issues of customers, knowledge of DX solutions
System development	System Development Department	System design and development capabilities

DX personnel

### Definition and development status of DX personnel

Personnel who have DX-related practical experience and achievements and will be a driving force for DX promotion

Personnel with DX-related knowledge and perspectives that can be expected to be utilized in business operations



Developing DX personnel	Sep-24	Target	Compared to the target
DX Personnel	827 people	400 people ( ~ FYE24 )	+427 people
DX Basis Personnel	4,075 people	3,000 people ( ~ 'FYE23 )	+1,075 people

DX Personnel (Target : 400 people)

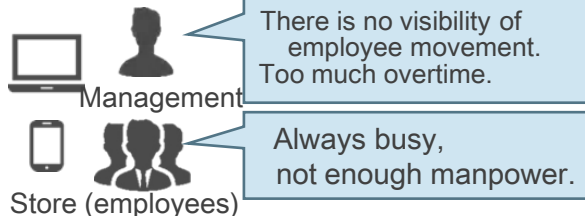
## Measures based on DX roadmap (4) (DX Support / Collaboration with Customers and Local Regions)

### Examples of DX support (visualization and improvement proposals for store operations)

#### Before the support

Need to identify on-site operations

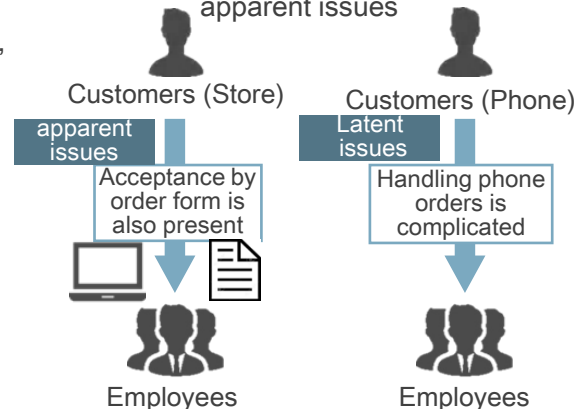
As needed, the necessary systems are implemented, but . . .



- Still mainly paper-based communication
- Unknown return on investment for order and inventory management system

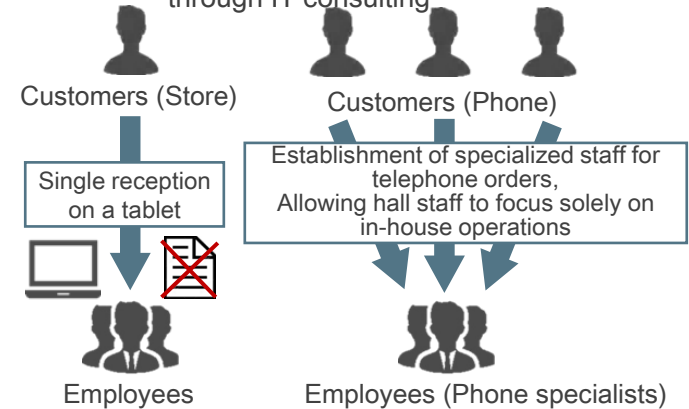
#### Visualization of operations

Visualization of latent as well as apparent issues



#### Improvement proposals

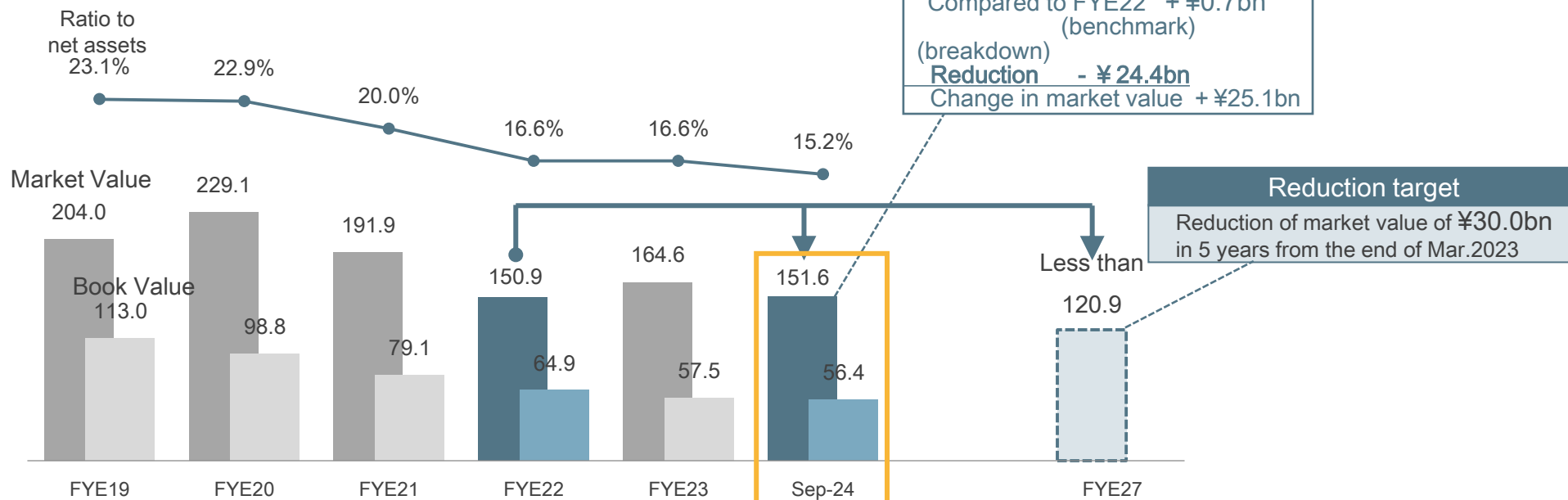
Reconstruction of bottle-necking operations through IT consulting



# 【Financial Leverage】 Optimal Capital Control

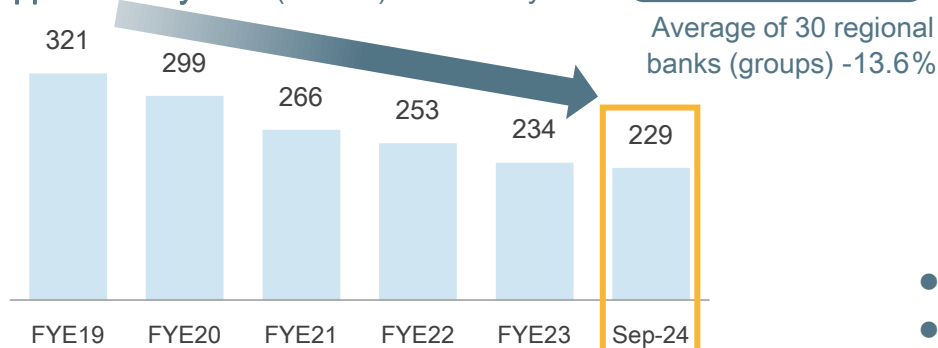
( Appropriate capital management based on risk and return )

## Reduction of Strategic Shareholdings\*1 (¥bn)

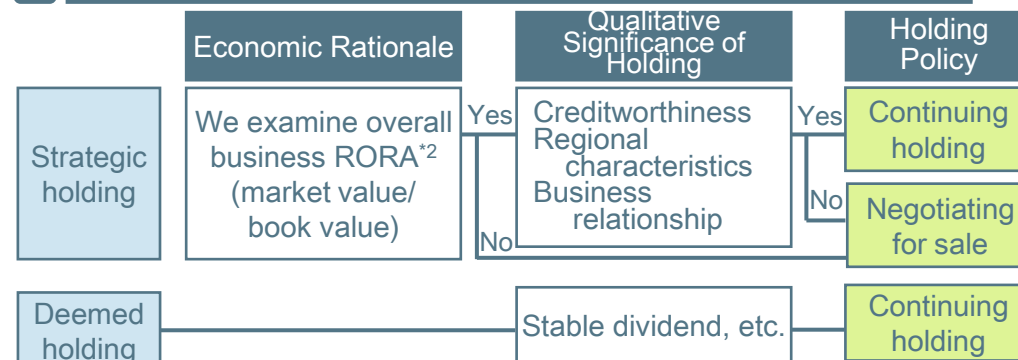


## Number of Issues of Strategic Shareholdings\*1

We actively engaged in early negotiations for sale, resulting in a decrease of **approximately 30% (-28.6%)** within 4.5 years.



## Assessing the Rationality of Strategic Shareholdings



- We have confirmed the holdings of all issues in accordance with their respective holding policies.
- The overall RORA for the total holdings of listed companies exceeds the benchmark value.

\*2 RORA= (Net interest margin on loans and deposits – expenses (incl. credit costs) + fee income + dividends) ÷ risk-weighted assets of loans and stocks

\*1 Figures are 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.

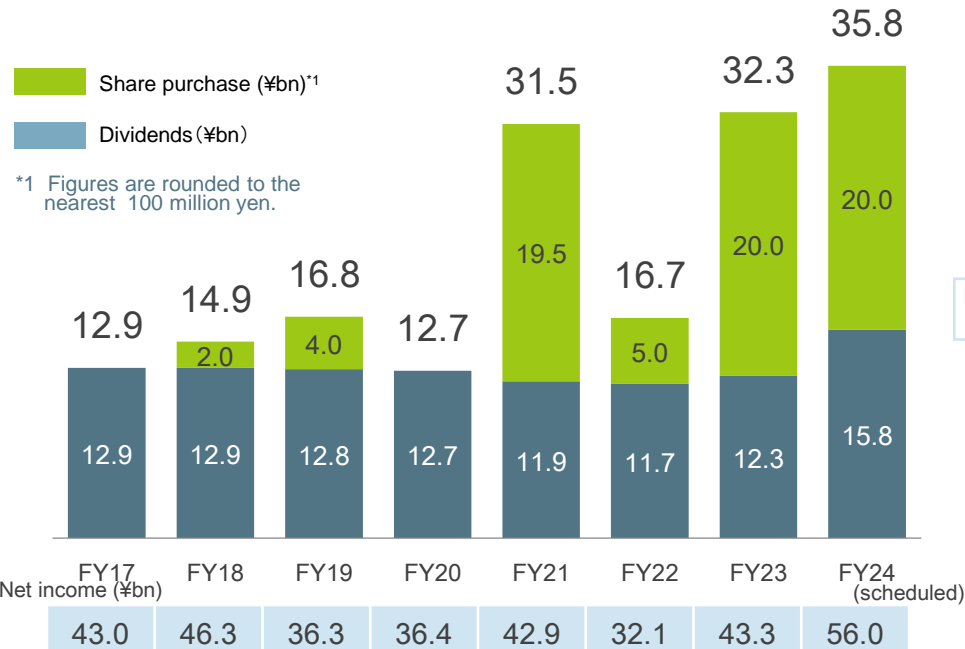
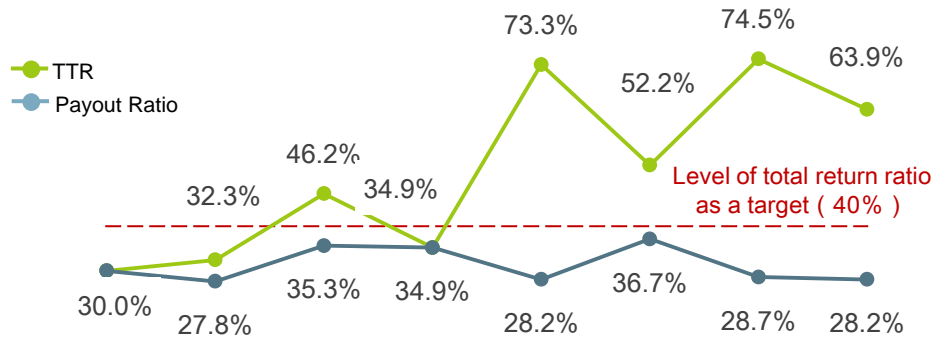
# 【Financial Leverage】 Optimal Capital Control

## ( Increase shareholder returns )

### Dividends / Shareholder Returns

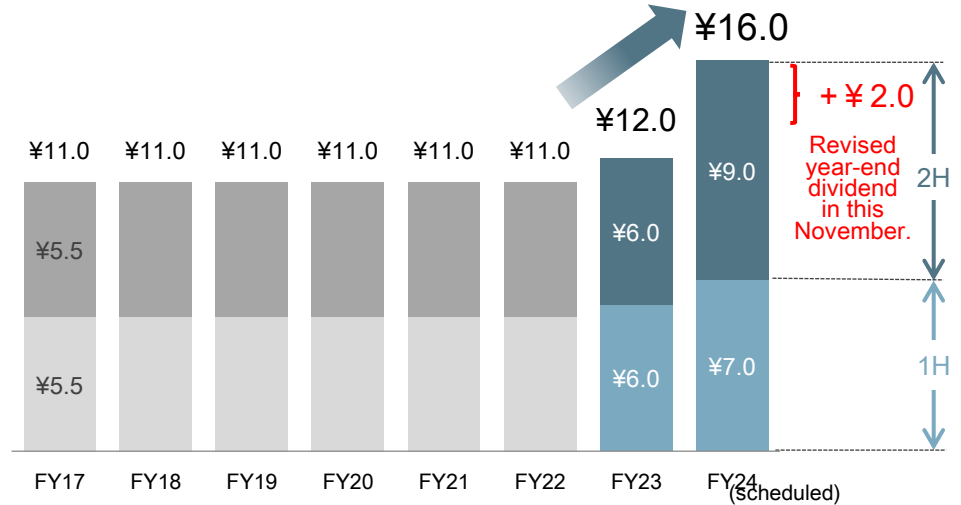
#### Shareholder Returns Policy

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

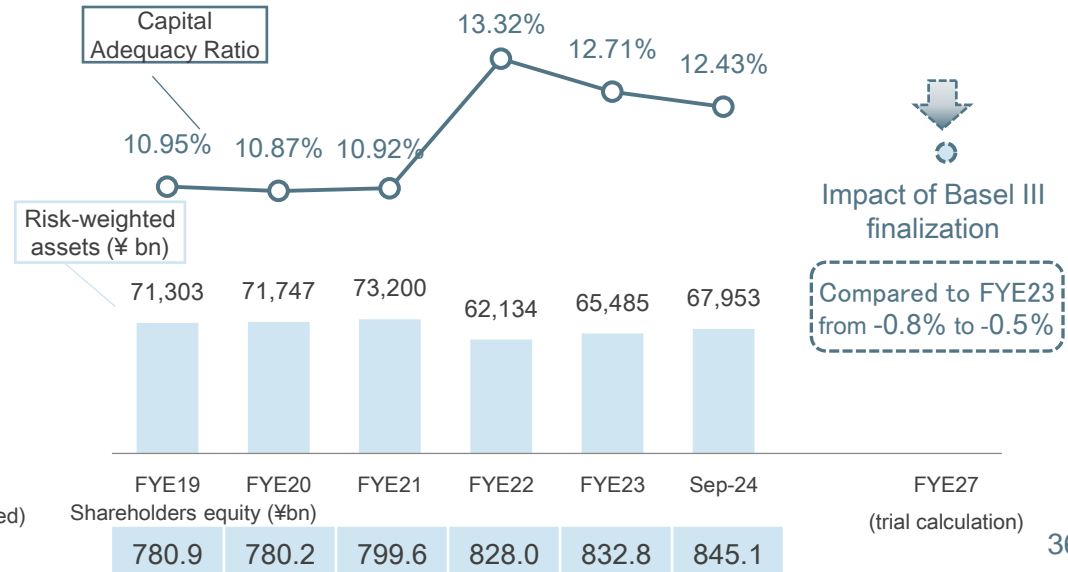


\*1 Figures are rounded to the nearest 100 million yen.

### Dividends per Share (Dividends Increase in Nov. 2024)



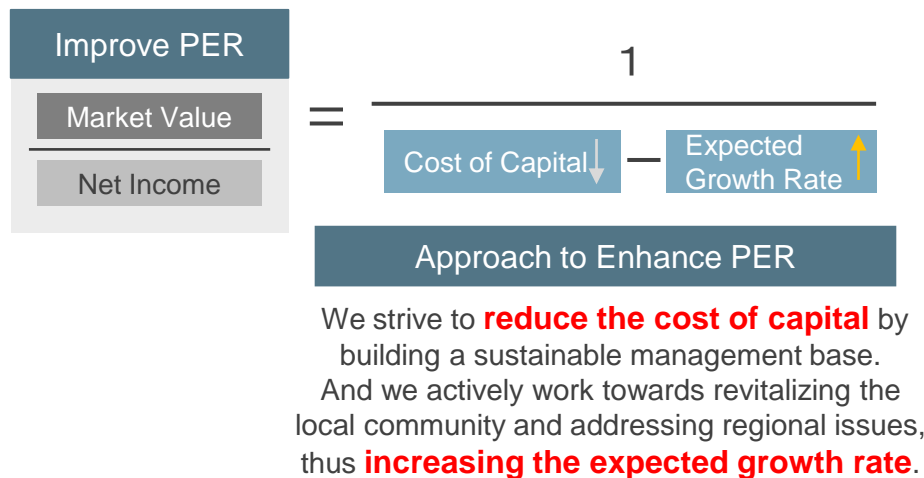
### Capital Adequacy Ratio (Mebuki FG consolidated)





# 【Raise Expected Growth Rate】 Revitalization of Home Market ( Promotion of local industries )

## Decomposition of PER



## Support for creating new businesses

### Mebuki Business Award



Total number of applications **206**  
(June 2024)

<Number of applications received by field>

Manufacturing	66
Social business	47
Agriculture / Food	28
Medical / Healthcare	18
Robotics / AI	17
Others	30

We award innovative and creative business plans in the regions, and also provide various types of support to winners to commercialize their award-winning plans.

## Discovery of local industries

### Manufacturing Business Forum



- 1 Individual business meetings
- 2 Panel display business meeting
- 3 Special seminar
- 4 technical propositions

Offering an opportunity for participating companies to have business meetings that may lead to finding new business partners

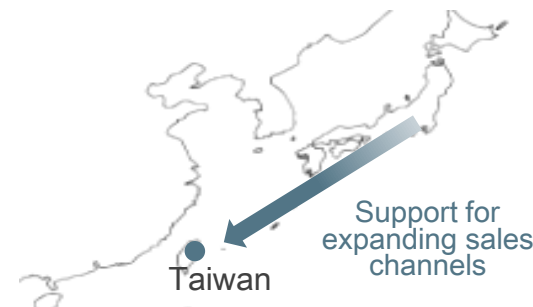
### Mebuki Food Exhibition



- 1 Exhibition business meeting
- 2 Individual business meetings with buyers
- 3 Special exhibition booth
- 4 Food Drive

Supporting food-related business companies for expanding their sales channels and procurement of foods and encouraging interactions among participants

### Support for expanding sales channels abroad ( Ibaraki Business Convention )



Held in Taiwan to expand exports and tourism with one another, and joined by 44 food business / tourism companies

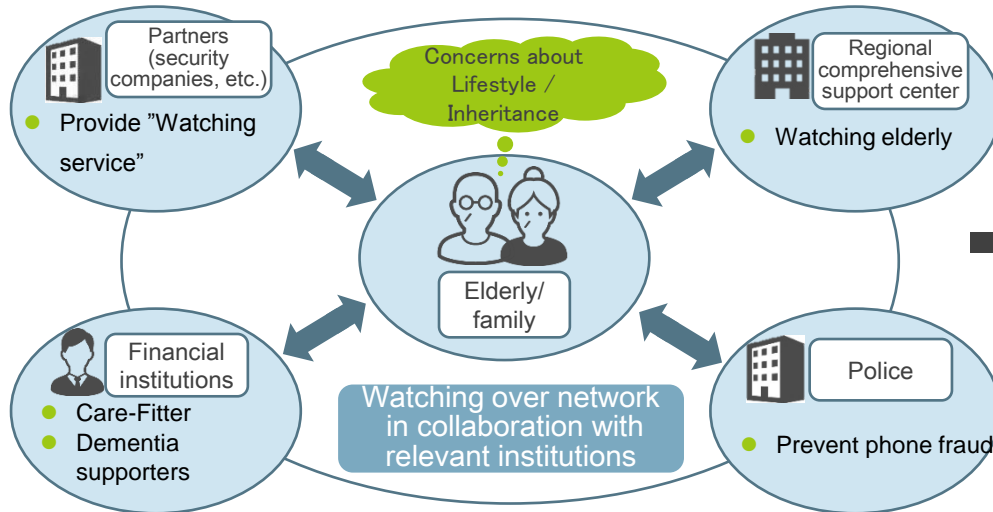
Creating an opportunity for participating companies to collect real local opinions and make use of them in their future activities

# 【Raise Expected Growth Rate】 Revitalization of Home Market

( Initiatives toward an aging society / Enhancing financial literacy in local regions )

## Enhancing quality of life (QOL) of elderly customers and their families

Support for living environment by strengthening collaboration with external institutions



One-Stop services by specialized staff

『Smileful Partner』



Enhancing the placement of specialized staff who can respond to the concerns of elderly customers

『Holiday Wealth Salon』

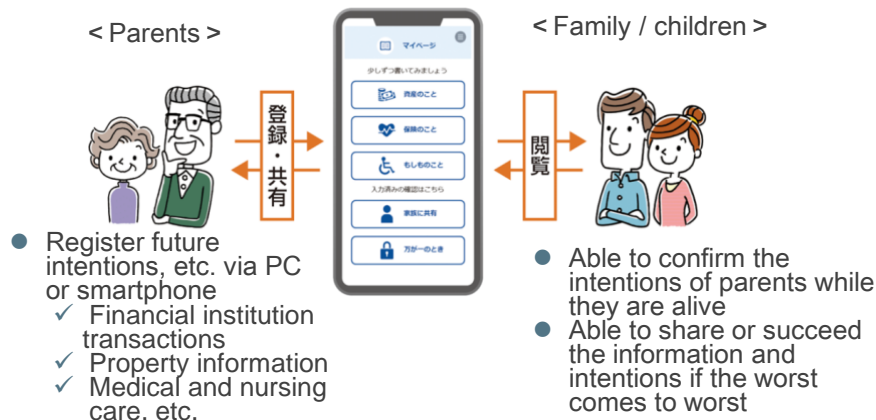


appointment-only salon providing inheritance consulting services in an easy-to-understand and careful manner, which are available only on Saturdays and Sundays

Enhance and maintain customers' quality of life (QOL)

## Enhancing services for elderly customers

Information succession service ("Anshin Note")



## Enhancing financial literacy in local regions

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

### 1 Financial lectures

- We have provided lectures on finance for social education for children in local communities.

Number of students (FY23)

approx. 1,700 people

### 2 Seminars for working people

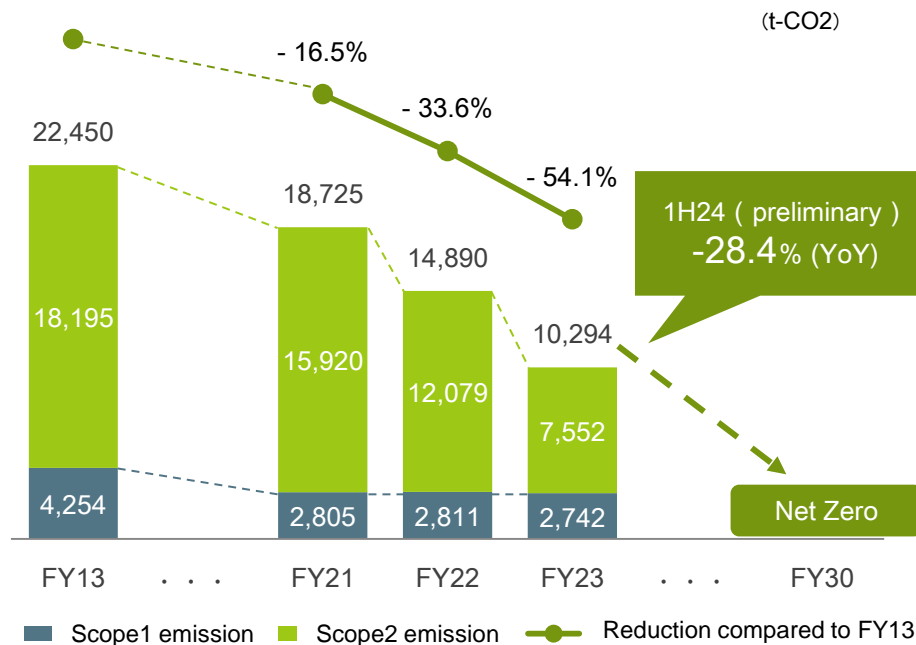
- We have supported for stable asset building of regional customers through workplace seminars and online "asset management seminars".

approx. 26,400 people

# 【Raise Expected Growth Rate】 Promoting Sustainability Management ( Response to decarbonization / climate change / Efforts for environmental conservation)

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

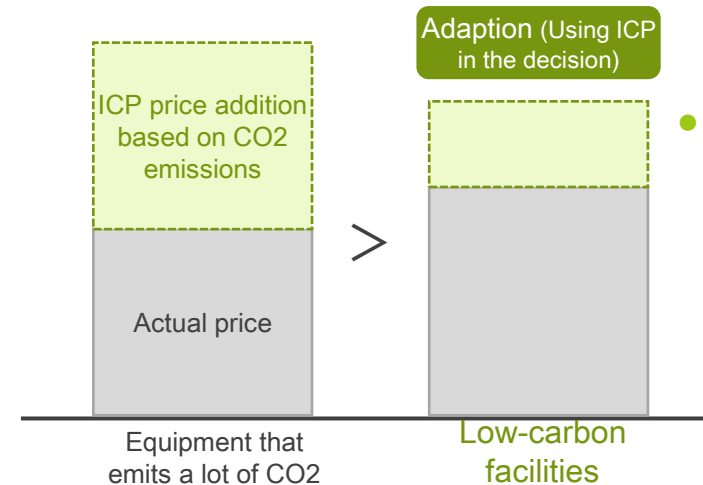
\* 1 Total CO2 emissions of Scope 1 + Scope 2 for the entire company, including all group companies. Figures are calculated using adjusted emission factor.



## Introduction of Internal Carbon Pricing (ICP) \*2

- When considering the introduction of equipment, we calculate the CO2 emissions from that equipment in monetary terms and incorporate them into investment decisions, which is used to reduce CO2 emissions and raise awareness within the Group.

### Image of ICP's use in investment decisions



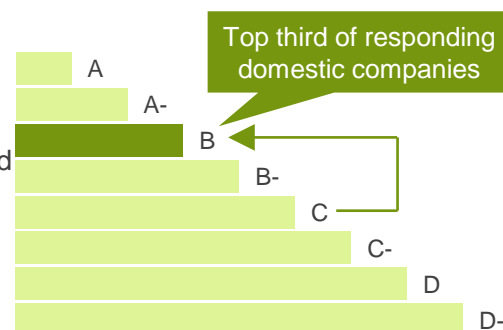
- The price was set with reference to the NZE Scenario (assuming the achievement of net zero CO2 emissions by 2050) by IEA, a public organization.

\*2 An initiative in which companies voluntarily assign a price to the amount of carbon dioxide they emit in the course of their business.

## External Evaluation and Endorsement / Participation in Initiatives



- In FY2023, we have been certified with a "B" rating, surpassing the previous year's performance by two notches, for our efforts in disclosing information related to CO2 emissions and climate change mitigation.



### < Examples of Endorsement / Participation in Initiatives >





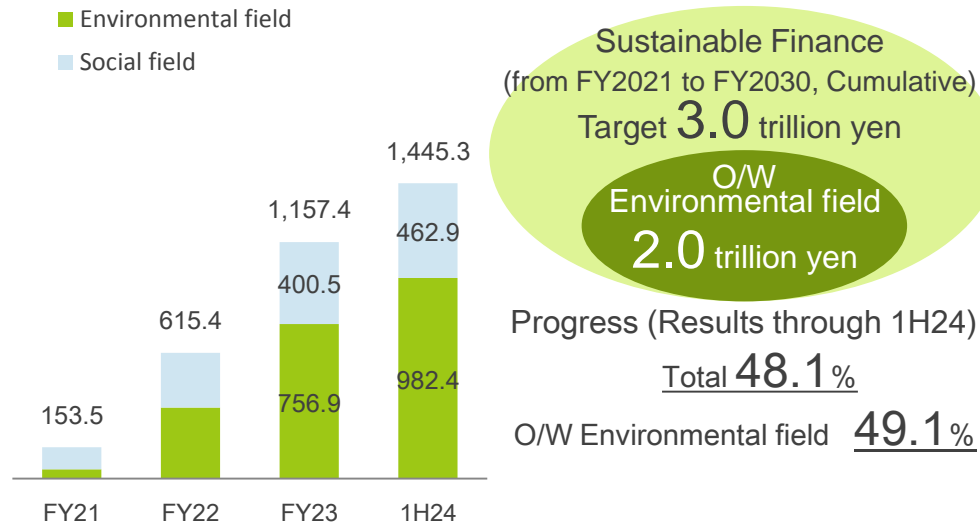
# 【Raise Expected Growth Rate】 Promoting Sustainability Management ( Regional carbon neutral )

## CO2 Emissions including Supply Chain (Scope3)

(t-CO2)

	FY2022	FY2023	
			(composition)
Scope1	2,811	2,742	0.01%
Scope2	12,079	7,552	0.04%
Scope3 Category 1 ~ 14	21,742	29,009	0.15%
Scope3 Category15 (Investments and loans)	20,498,197	19,337,643	99.80%
Total	20,534,830	19,376,946	100.00%

## Amount of Sustainable Finance Executed (¥bn, cumulative)



## Roadmap for reducing CO2 emissions (Scope3)

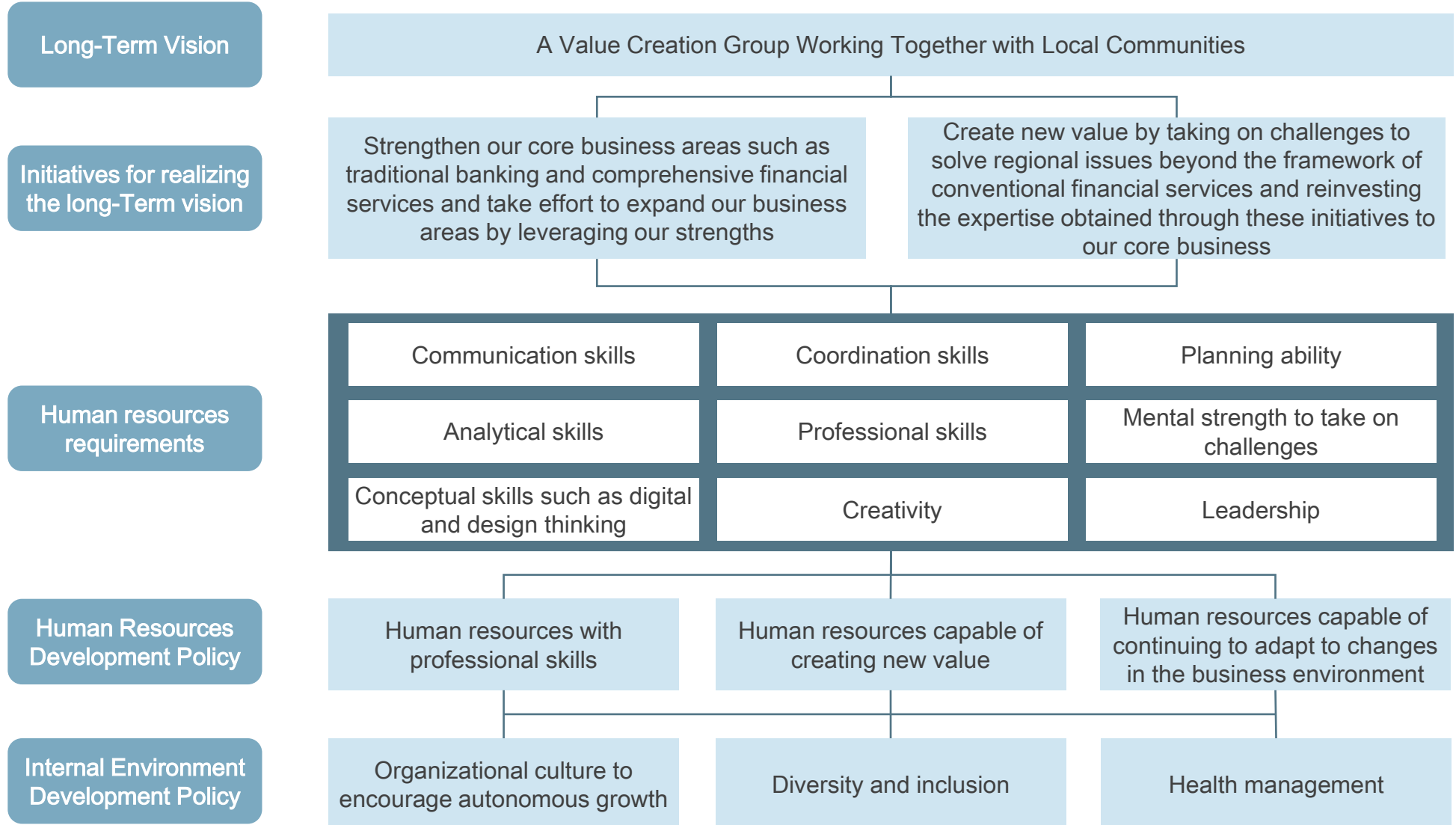
FY	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	...	...	FY39	...	...	Neutral FY50
Scope3 Category 15	Enhancing initiatives for decarbonization													
	Investments and loans for coal-fired power generation businesses “Zero”													
Engagement with our customers	Promoting sustainable finance (FY2030 target : ¥3 trillion (O/W environmental field ¥2 trillion))									Promoting sustainable finance				
	Prompting to support for planning SDGs Declaration , Organizing SDGs／Decarbonization forum													
	CO2 emission visualization support / Carbon management consulting services													
	Introduction of companies handling virtually CO2-free electricity / Promoting PPA / Support for sales and purchase of J-Credit													

Carbon  
Neutral

# 【Lower Cost of Capital】 Sustainable Management Base

( Value creation through human capital management )

## Human Capital for Achieving the Long-Term Vision



(\*) For more details, please refer to our website (<https://www.mebuki-fg.co.jp/eng/esg/diversity/>).

# 【Lower Cost of Capital】 Sustainable Management Base

## ( Value creation through human capital management )

### Practice of Human Capital Management

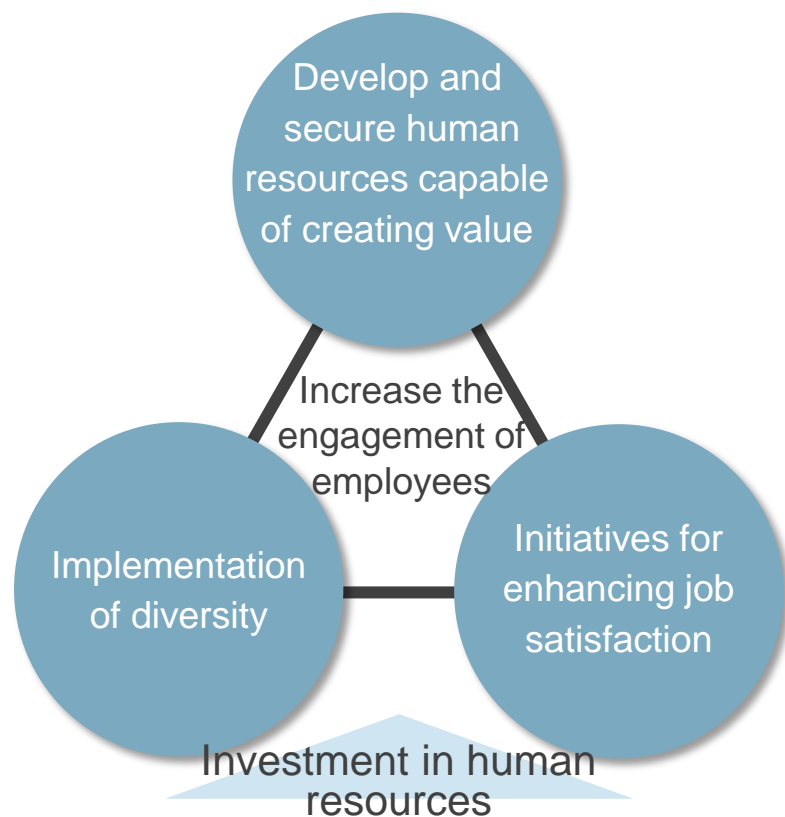
Based on the concept of regarding

**“Human resources”**

as the most important management resource

to improve our corporate value, we have been working

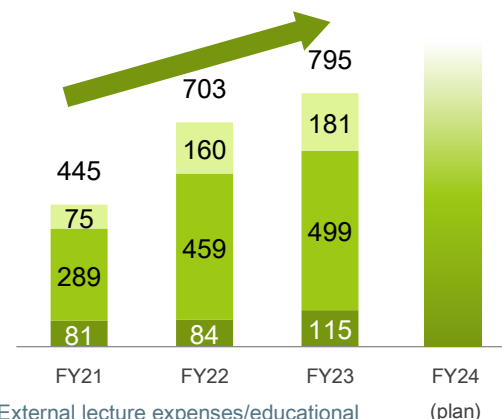
**to develop human resources  
and internal environment.**



### Indicators and Targets for Human Capital Management(Bank total)

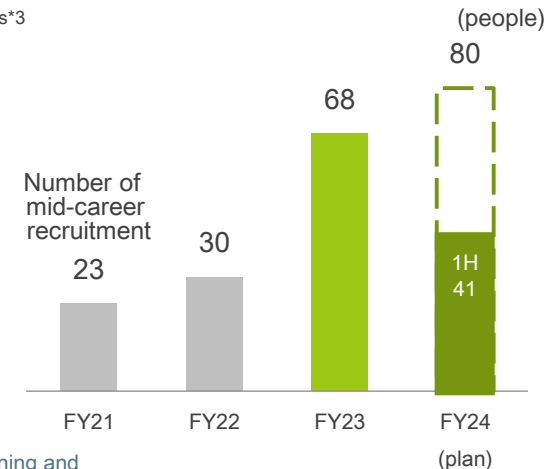
Human capital investment (million yen)

■ Internal trainee related\*1 ■ external trainee related\*2 ■ Others\*3

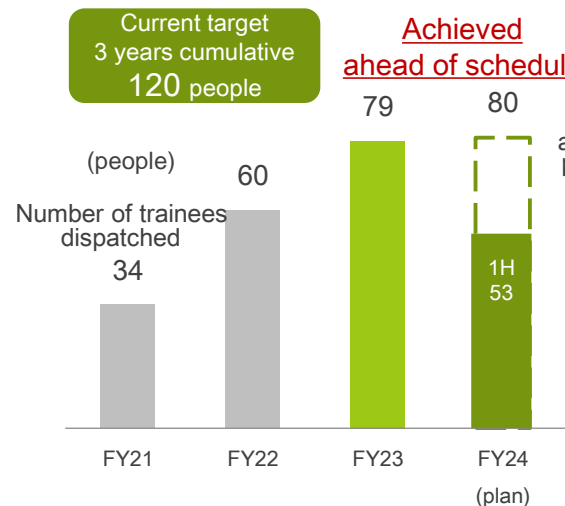


\*1 External lecture expenses/educational materials expenses \*2 Personnel expenses for external training and trainee dispatchers and payments to trainee destinations \*3 Training expenses other than the above (home study system, core learning course fees, qualification incentives, sales qualification examinations, etc.)

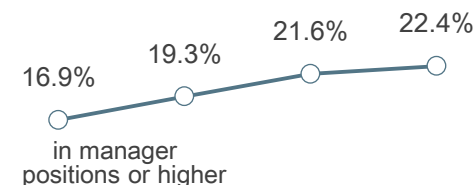
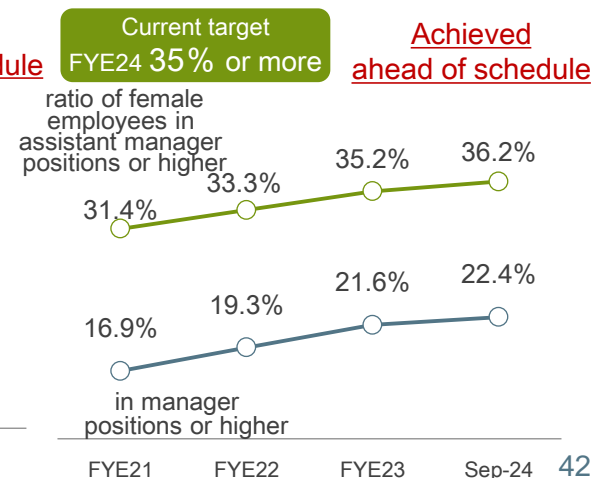
Actual number of mid-career recruitment



Actual number of trainees dispatched to inside and outside the Group



Actual ratio of female employees in assistant manager positions or higher



# 【Lower Cost of Capital】 Sustainable Management Base ( Dialogue with stakeholders )

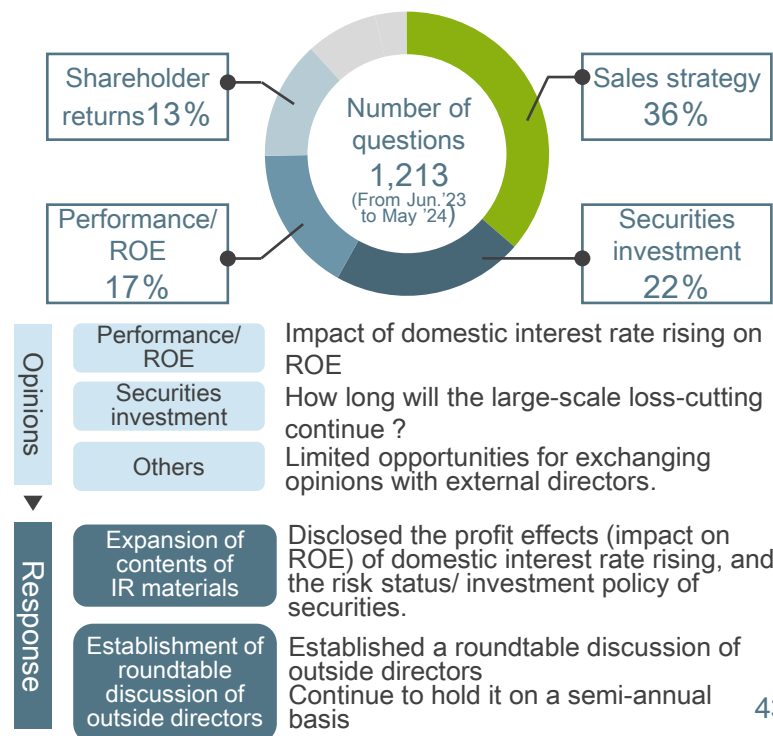
## Dialogue with employees / Improved engagement

### Employees and Management Discussion Meetings



## Dialogue with Shareholders and Investors・Theme・Response

Dialogue partners	Dialogue meeting	FY2021	FY2022	FY2023
Individual investors and Individual shareholders	Corporate information sessions	86 participants for 1 session	144 participants for 1 session	525 participants for 2 sessions
Institutional investors and analysts in Japan	Large meetings	172 participants for 2 sessions	232 participants for 2 sessions	234 participants for 2 sessions
	Small meetings	28 participants for 2 sessions	39 participants for 2 sessions	44 participants for 2 sessions
	Theme-based meetings	—	21 participants for 1 session	15 participants for 2 sessions
	One-on-One	52 companies	50 companies	62 companies
Foreign investors and shareholders	On-site visit	—	—	3 companies for 1 session
	Domestic conferences	—	5 companies for 1 session	—
	One-on-One	7 companies	10 companies	13 companies
Total of Individual investors and Individual shareholders		86 participants for 1 session	144 participants for 1 session	525 participants for 2 sessions
Total of Institutional investors and analysts in Japan		200 participants, 52 companies	292 participants, 50 companies	293 participants, 62 companies
Total of Foreign investors and shareholders		7 companies	15 companies	16 companies

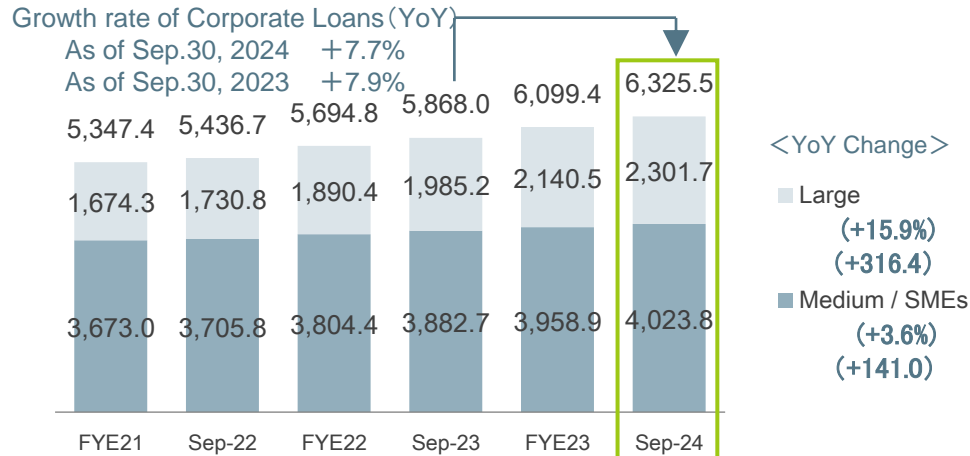


## 【Reference】 Details of Financial Results for the First Half of FY 2024

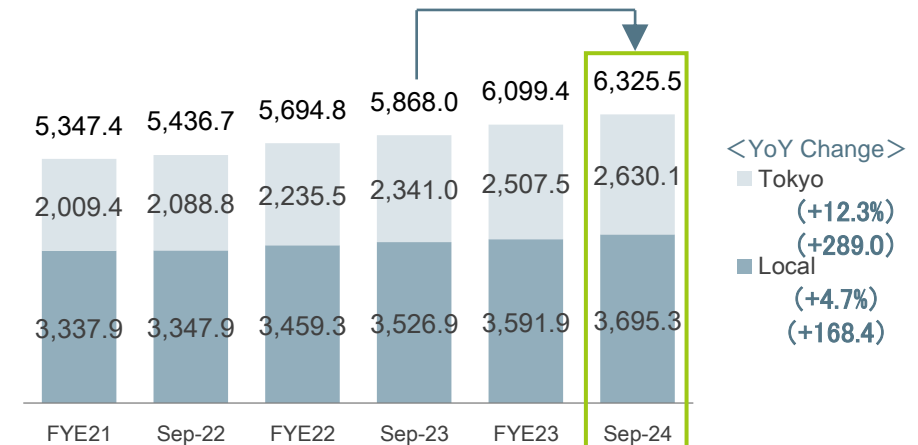
# Loans (1) Corporate Loans

Corporate loans continued to increase regardless of corporate size or area. Recently, we have acquired demand for operating capital due to a recovering demand for equipment financing and high resource and continued to grow at a high rate of 7%.

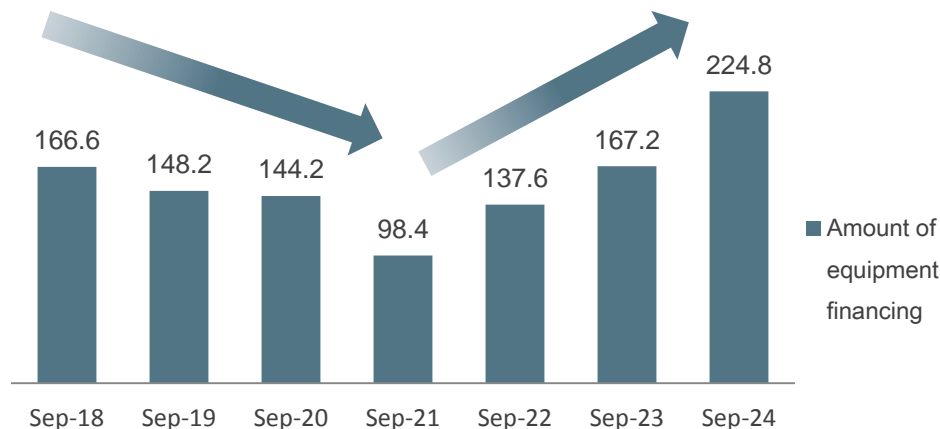
## Change of Balance by Corporate Size (¥bn)



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



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



\*1 Excluding housing loans and apartment loans

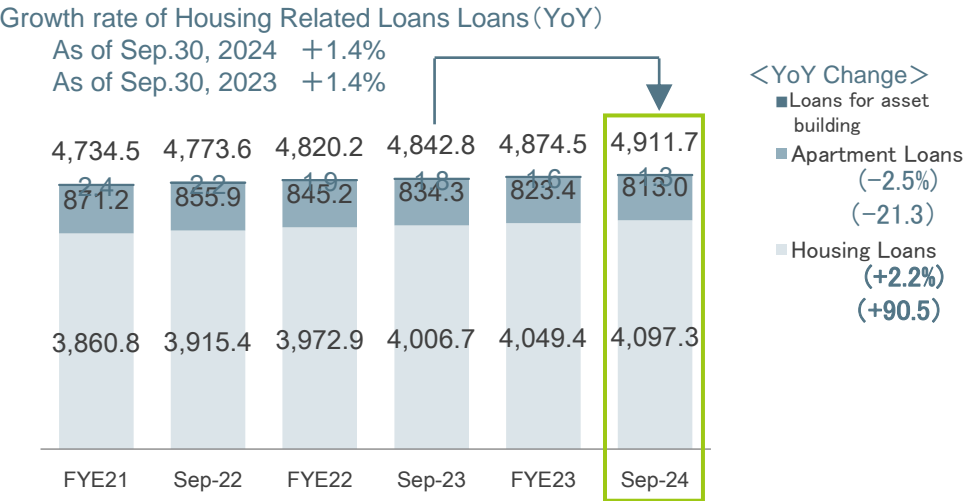
## Top 5 industries by Increase in loans (¥bn)

	Amount of increase/decrease (YoY) (Annual change ratio)			Balance Sep-24
	Sep-24	Sep-23	Sep-22	
Financial and insurance	+153.8 (+29.0%)	+124.4 (+30.7%)	+6.8 (+1.7%)	683.7
Manufacturing	+74.9 (+5.9%)	+65.4 (+5.4%)	+11.1 (+0.9%)	1,352.9
Real estate	+69.4 (+4.4%)	+63.7 (+4.2%)	+24.6 (+1.7%)	1,636.8
Goods Rental / leasing	+43.9 (+12.8%)	+18.7 (+5.8%)	+5.8 (+1.8%)	386.8
Wholesale / Retail services	+30.2 (+2.8%)	+43.0 (+4.2%)	+32.0 (+3.2%)	1,102.3

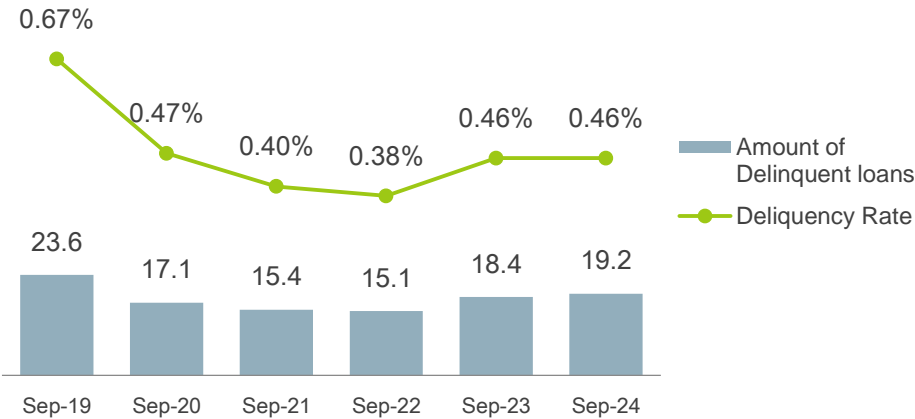
# Loans (2) Individual Loans

Housing related loans maintained increase trend, with a low delinquency rate.  
 The growth rate of unsecured loans has significantly increased from +11% to +13% (annualized).

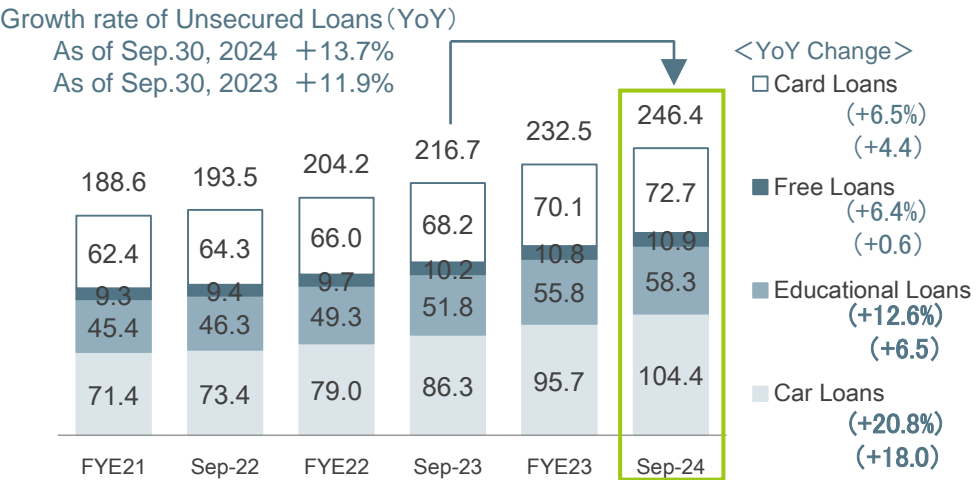
Housing Related Loans (¥bn)



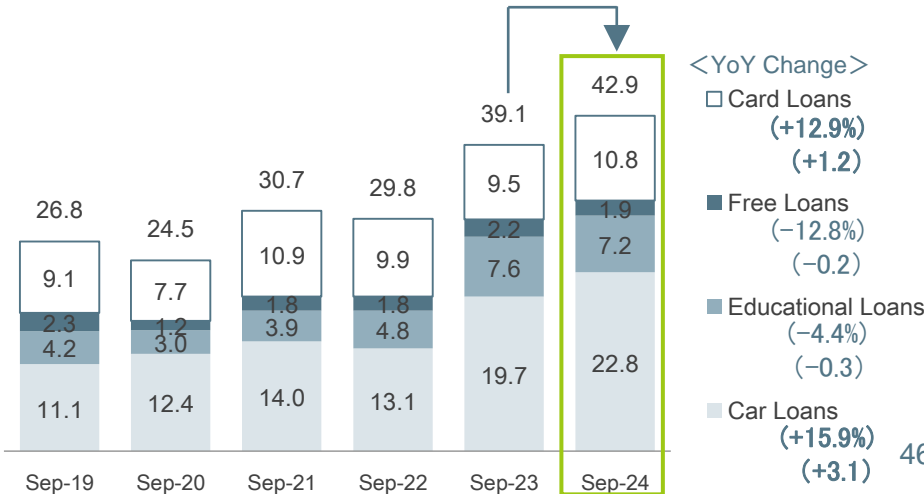
Delinquency Status of Housing Related Loans (¥bn)



Unsecured Loans (¥bn)



Amount of Unsecured Loans Executed (¥bn)





## Average Yield of Loans / Net Interest Income

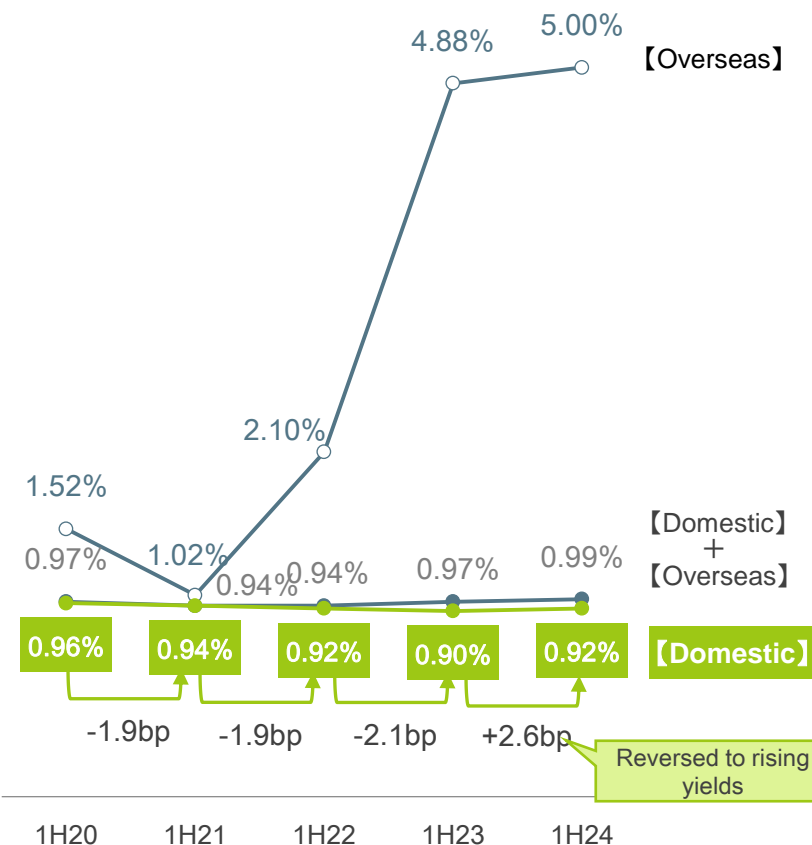
Difference of interests between loans and deposits increased by ¥1.7bn (YoY) due to the increase in interests on yen-denominated loans. Securities' income (excluding gain on cancellation of investment trusts) also reversed to an increase by ¥5.1bn (YoY) due to the effect of change in our securities portfolio.

As a result, net interest income increased by ¥6.8bn (YoY).

### 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)		YoY Change (Factor)			
		Domestic	Chg. in Factors	Overseas	Chg. in Factors		
Interest on loans and bills discounted	61.7	Avg Balance	+2.4	+2.5	(+556.5)	-0.1	(-5.8)
		Yield	+1.6	+1.5	(+2.6bp)	+0.1	(+12.1bp)
			+4.1	+4.1	—	-0.0	—
Interest on deposits (—)	4.0		+2.3	+2.1	—	+0.1	—
Difference of interests between loans and deposits ①	57.6		+1.7	+1.9	—	-0.2	—
Interest and dividend on securities	40.1	Avg Balance	+6.6	+2.9	(+554.5)	+3.6	(+160.5)
		Yield	+3.4	+1.5	(+9.7bp)	+1.9	(+47.8bp)
(o/w gains on cancellation of Investment Trusts)	2.4		+10.0	+4.4	—	+5.5	—
(excluding gains on cancellation of Investment Trusts)	37.7		+0.0	+0.0	—	±0.0	—
			+9.9	+4.4	—	+5.5	—
Market borrowings, etc. (—)	24.2		+7.1	+1.9	—	+5.2	—
Securities' Income (excluding gains on cancellation of Investment Trusts) ②	13.4		+2.8	+2.4	—	+0.3	—
Interest on Bank of Japan deposits ③	4.0		+2.2	+2.2	—	±0.0	—
Securities' Income* <sup>1</sup> ②+③=④	17.4		+5.1	+4.7	—	+0.3	—
Net Interest Income (excluding gains on cancellation of Investment Trusts) ①+④	75.1		+6.8	+6.7	—	+0.1	—

\*1 Excl. gains/losses on cancelation of investment trusts, and incl. interest on Bank of Japan deposits.

# Customer Assets under Custody

Balance of customer assets under custody increased by ¥185.5bn YoY (+8.1% annualized).

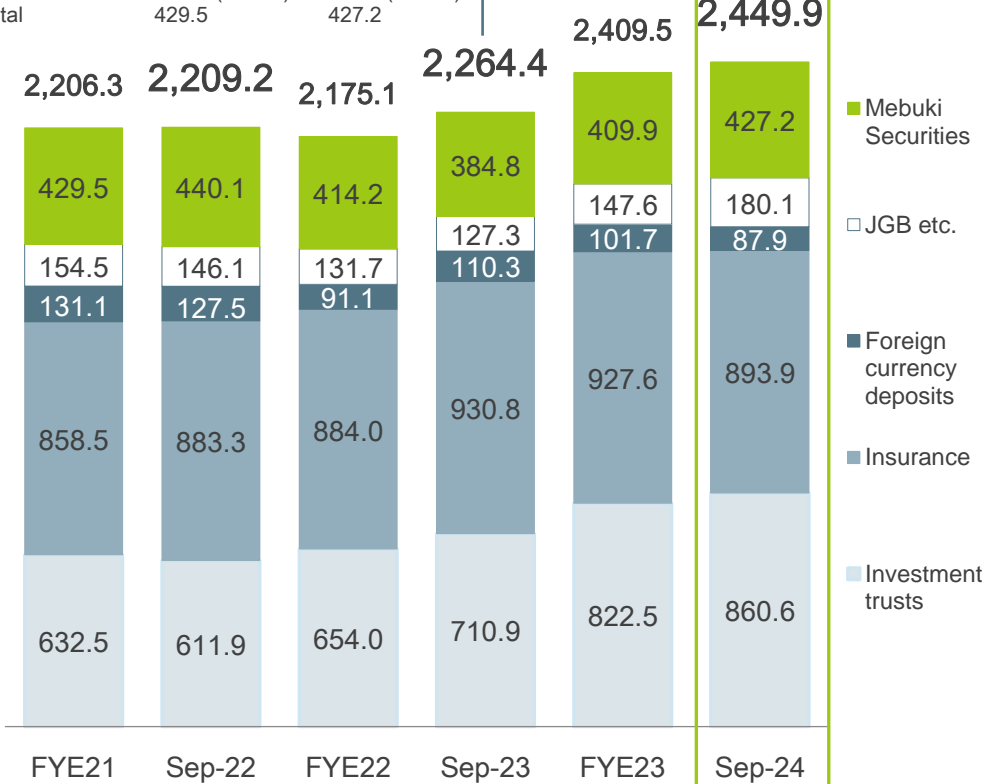
Particularly, investment trusts and JGBs have led an increase of the balance with the start of new NISA and the rise in the domestic interest rates, etc.

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

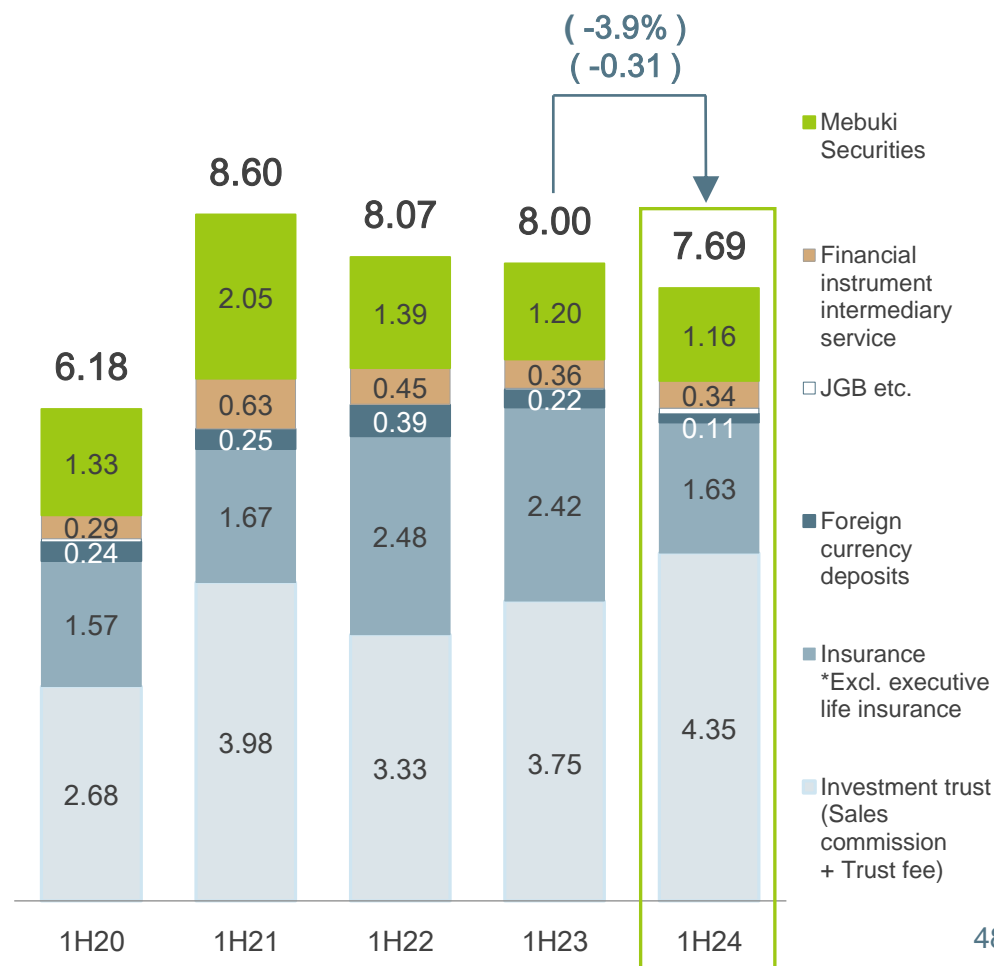
(Re) Balance of Mebuki Sec. by product (composition)

	FYE21	Sep-24
Investment trust	219.3 (51.0%)	349.5 (81.8%)
Structured bonds	149.3 (34.7%)	50.7 (11.8%)
Domestic/ Foreign bonds	35.4 ( 8.2%)	5.5 ( 1.2%)
Others	25.3 ( 5.8%)	21.3 ( 4.9%)
Total	429.5	427.2

(+ 8.1%)  
(+ 185.5)



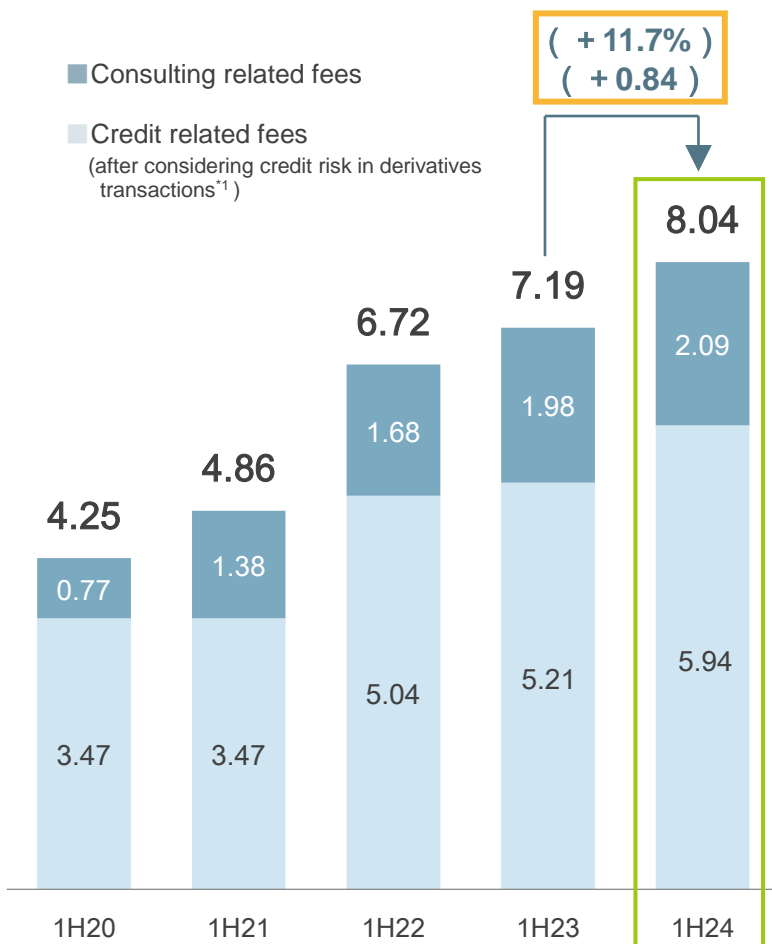
## Commissions (Bank Total + Mebuki Securities) (¥bn)



# Fees from Corporate Customers

Fees from corporate customers increased by ¥0.8bn YoY to ¥8.0bn, due to the increase of the fees related to derivatives, business matching and M&A, etc.

## Joyo Bank + Ashikaga Bank (¥bn)



## < Breakdown of Fees from Corporate Customers (¥bn) >

	1H22	1H23	1H24	YoY
<b>Credit related (1)</b>	<b>5.91</b>	<b>4.97</b>	<b>6.51</b>	<b>+1.53</b>
Derivatives	2.73	0.99	2.70	+1.70
Syndicate loans	2.50	3.35	3.28	-0.07
Private placement bonds	0.67	0.62	0.53	-0.09
<b>Consulting related (2)</b>	<b>1.68</b>	<b>1.98</b>	<b>2.09</b>	<b>+0.11</b>
Business Matching	0.53	0.64	0.81	+0.16
Support for business planning	0.54	0.88	0.60	-0.27
M&A	0.28	0.15	0.30	+0.14
Executive Insurance	0.25	0.22	0.29	+0.07
Trust・401K	0.06	0.06	0.07	+0.00
<b>Sub total (3) ((1)+(2))</b>	<b>7.59</b>	<b>6.96</b>	<b>8.60</b>	<b>+1.64</b>
Credit risk in derivative transactions*1 ( - ) (4)	0.86	-0.23	0.56	+0.80
<b>Total (3)+(4)</b>	<b>6.72</b>	<b>7.19</b>	<b>8.04</b>	<b>+0.84</b>

\*1 As credit risk in derivative transactions, we calculate the difference between CVA and DVA at the end of each first half of fiscal year, subtracting the difference between CVA and DVA at the end of the previous fiscal year.

CVA(Credit Valuation Adjustment) reflects the credit risk of counterparties in derivative transactions in the market value. DVA(Debt Valuation Adjustment) reflects the credit risk of our two banking subsidiaries in the market value.

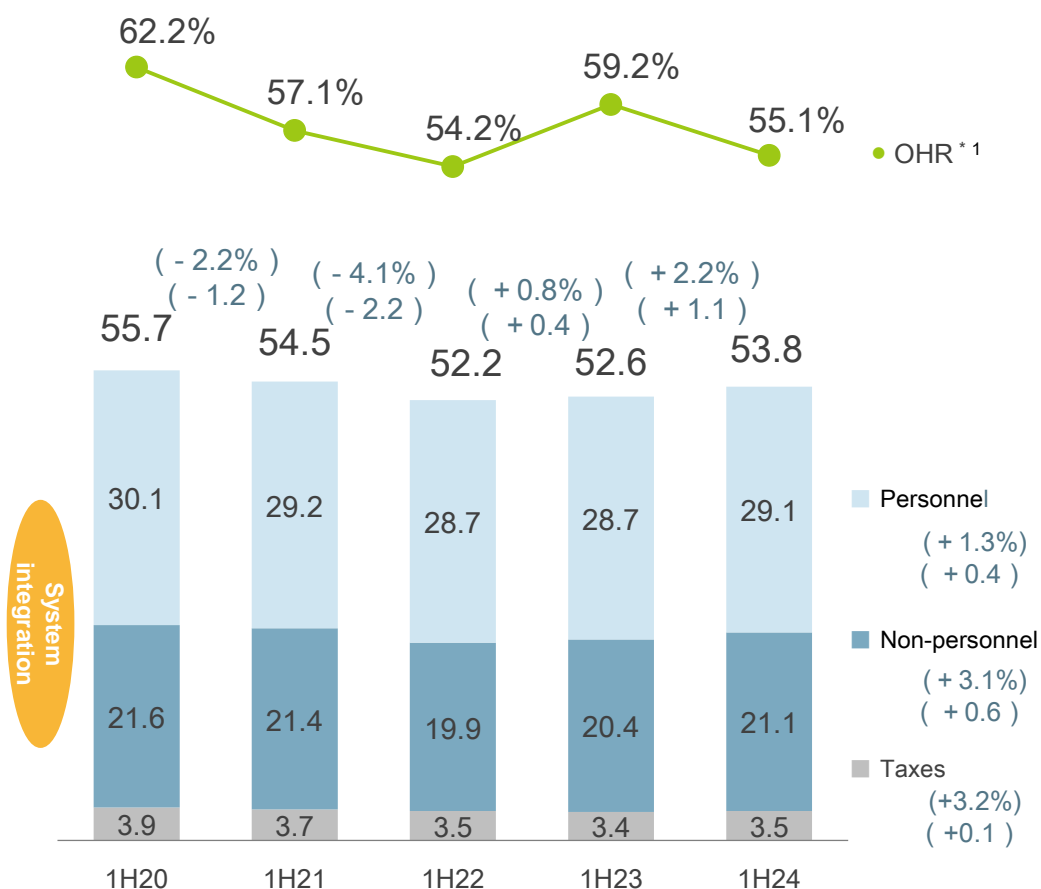
# Expenses / OHR

While reducing existing costs through efficiency improvements, we continued to make proactive investments such as human capital- and DX-related investments. As a result, total expenses increased by ¥1.1bn YoY to ¥53.8bn.

However, OHR decreased to the range of 55%, due to an increase in the top line including investments effect.

## Joyo Bank + Ashikaga Bank

(¥bn)



## 【Factors of Change (¥bn)】

	1H24	YoY	Main factors
Personnel expenses	29.1	+ 0.4	<ul style="list-style-type: none"> <li>● Increase in salary and starting salary +0.8</li> <li>● Personnel reduction -0.1</li> <li>● Retirement benefit expenses -0.3</li> </ul>
Non-personnel expenses	21.1	+ 0.6	<ul style="list-style-type: none"> <li>● Equipment replacement +0.2</li> <li>● Advertising and promotion expenses (Individual loans, Customer assets related) +0.2</li> </ul>
Taxes	3.5	+ 0.1	<ul style="list-style-type: none"> <li>● Size-based business tax +0.1</li> </ul>

\*1 Based on Core Gross Business Profit

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

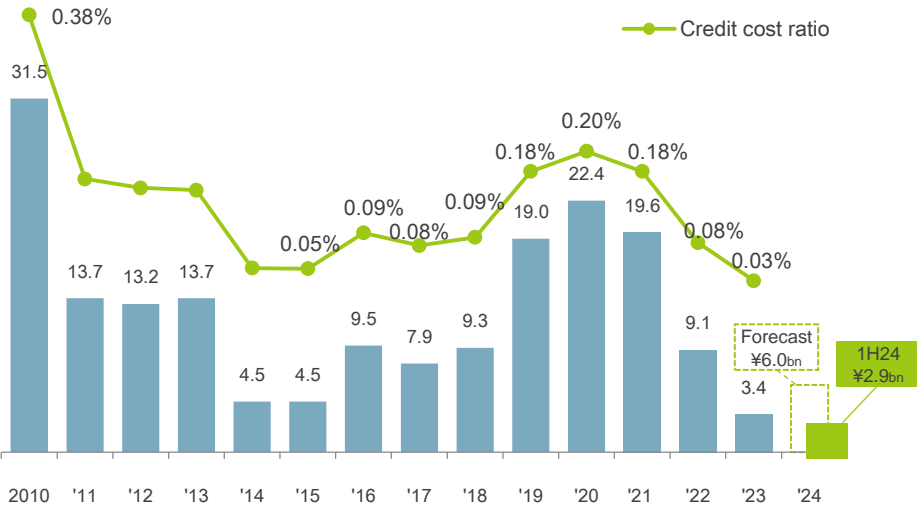
# Credit Related Costs

Credit related costs remained stable.

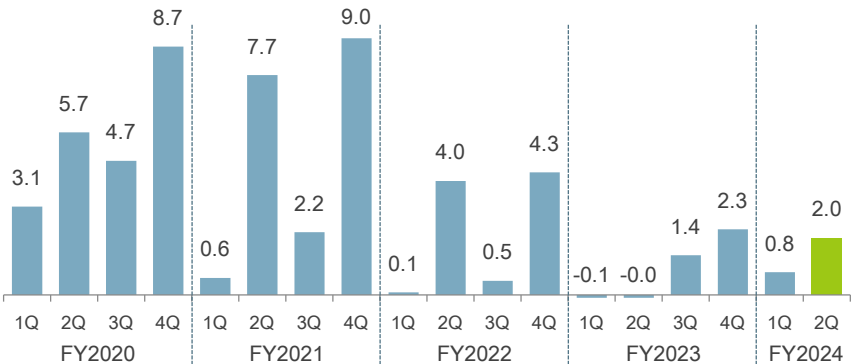
Compared to the same period of the previous year, it increased driven by the removal of special factors, such as the reversal of general allowance for loan losses (¥3.9bn) in the previous year's period.

Change of Credit Related Costs (¥ bn)

[Annual] FY2010~



[Quarter] FY2020~



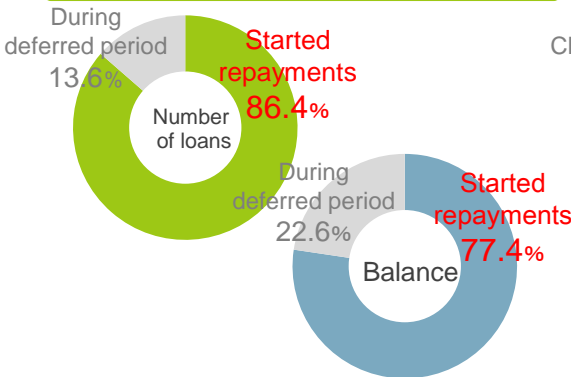
Breakdown on Credit Related Costs (¥ bn)

	1H23	1H24	YoY
Credit Related Costs	- 0.2	2.9	+3.2
Net transfer to general allowance for loan losses	(-3.9) -	- 1.0	- 1.0
Disposal of non-performing loans	- 0.2	3.9	+4.2
Write off of loans	1.4	1.9	+0.5
Transfer to specific allowance for loan losses	(3.0) -	2.5	+2.5
Transfer to provision for contingent losses	- 0.1	0.1	+0.3
Reversal of allowance for loan losses(-)	0.8	-	- 0.8
Recoveries of written-off claims(-)	0.9	1.0	+0.0
Other	0.2	0.2	- 0.0

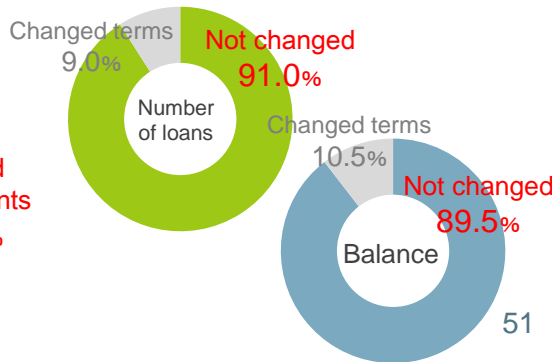
Status of Repayments of Loans based on the COVID-19 Special Loan Program ( as of Sep.30, 2024)

Balance of Loans by the Program (Bank total) 8,651 loans / ¥ 121.3bn

Status of Contractual Repayments



Status of Changes of Terms



# Status of Non-performing Loans and Delinquent Loans

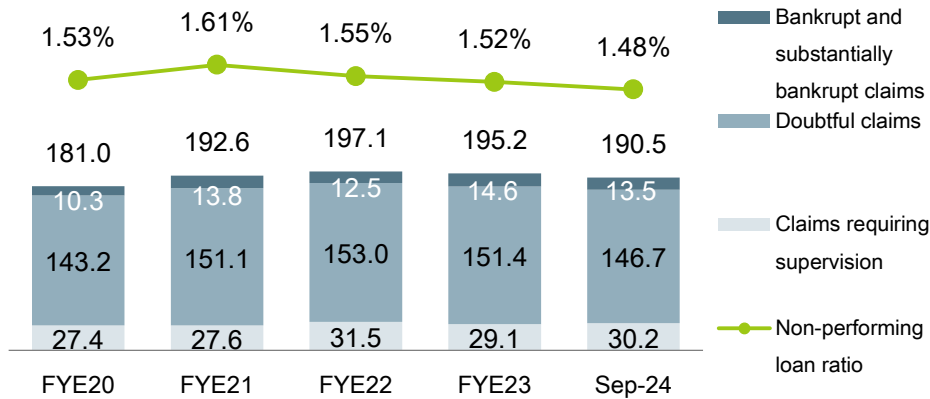
Non-performing loans based on financial revitalization law ratio to total amount of loans was 1.48% and decreased from the level as of end of the previous fiscal year.

The number of bankruptcies is on an increasing trend in both Ibaraki and Tochigi Prefectures, while the total amount of liabilities of bankrupt companies remains flat relatively.

## Non-performing Loans

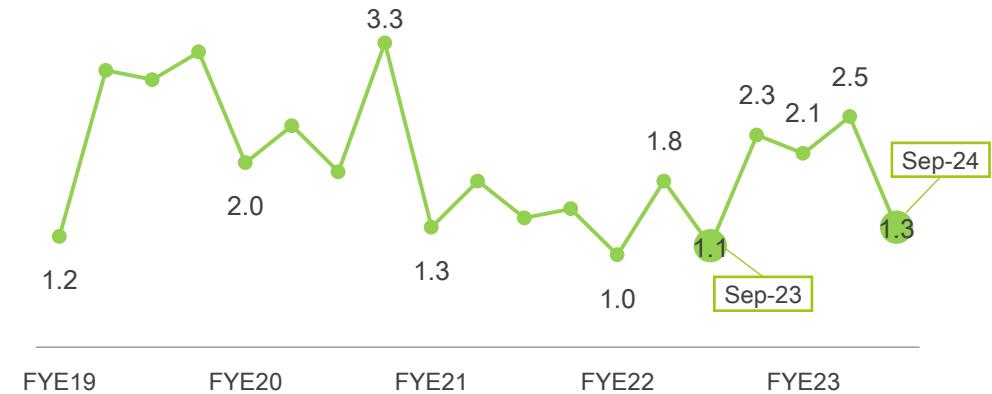
(¥bn)

(Financial Revitalization Law)



## Status of Delinquent Loans to Businesses

(¥bn)

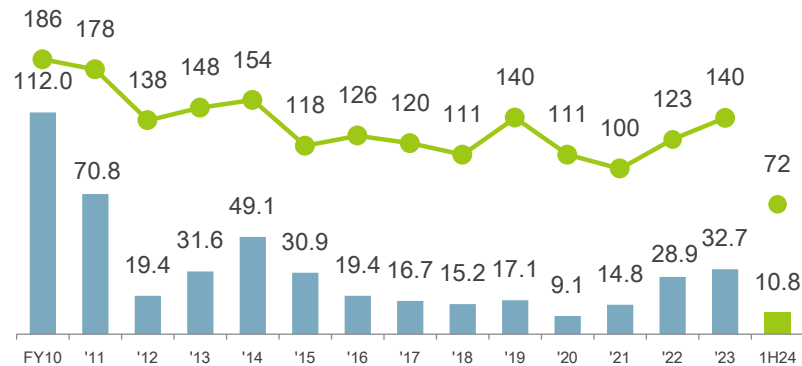


## 【Reference】Status of Bankruptcy

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

### 【Ibaraki】

Number of bankruptcies  
Amount of bankruptcies (¥bn)



(Number/  
Amount)

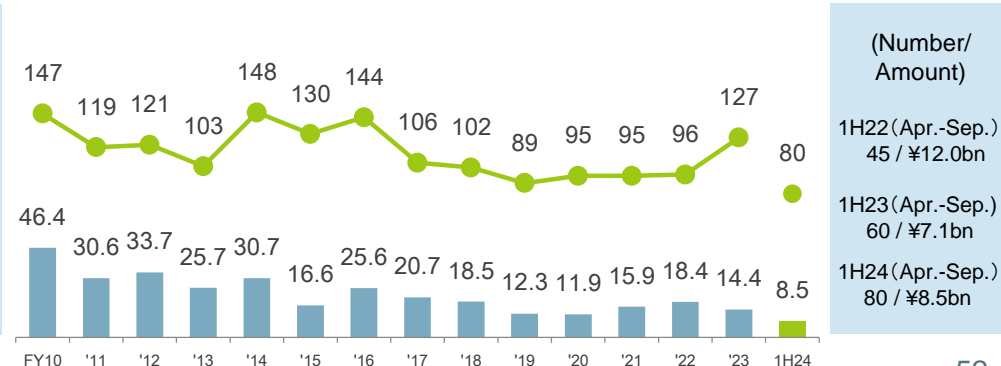
1H22 (Apr.-Sep.)  
64 / ¥10.2bn

1H23 (Apr.-Sep.)  
77 / ¥15.7bn

1H24 (Apr.-Sep.)  
72 / ¥10.8bn

### 【Tochigi】

Number of bankruptcies  
Amount of bankruptcies (¥bn)



(Number/  
Amount)

1H22 (Apr.-Sep.)  
45 / ¥12.0bn

1H23 (Apr.-Sep.)  
60 / ¥7.1bn

1H24 (Apr.-Sep.)  
80 / ¥8.5bn

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

## 【Reference】 Basic Data of Ibaraki and Tochigi Prefectures

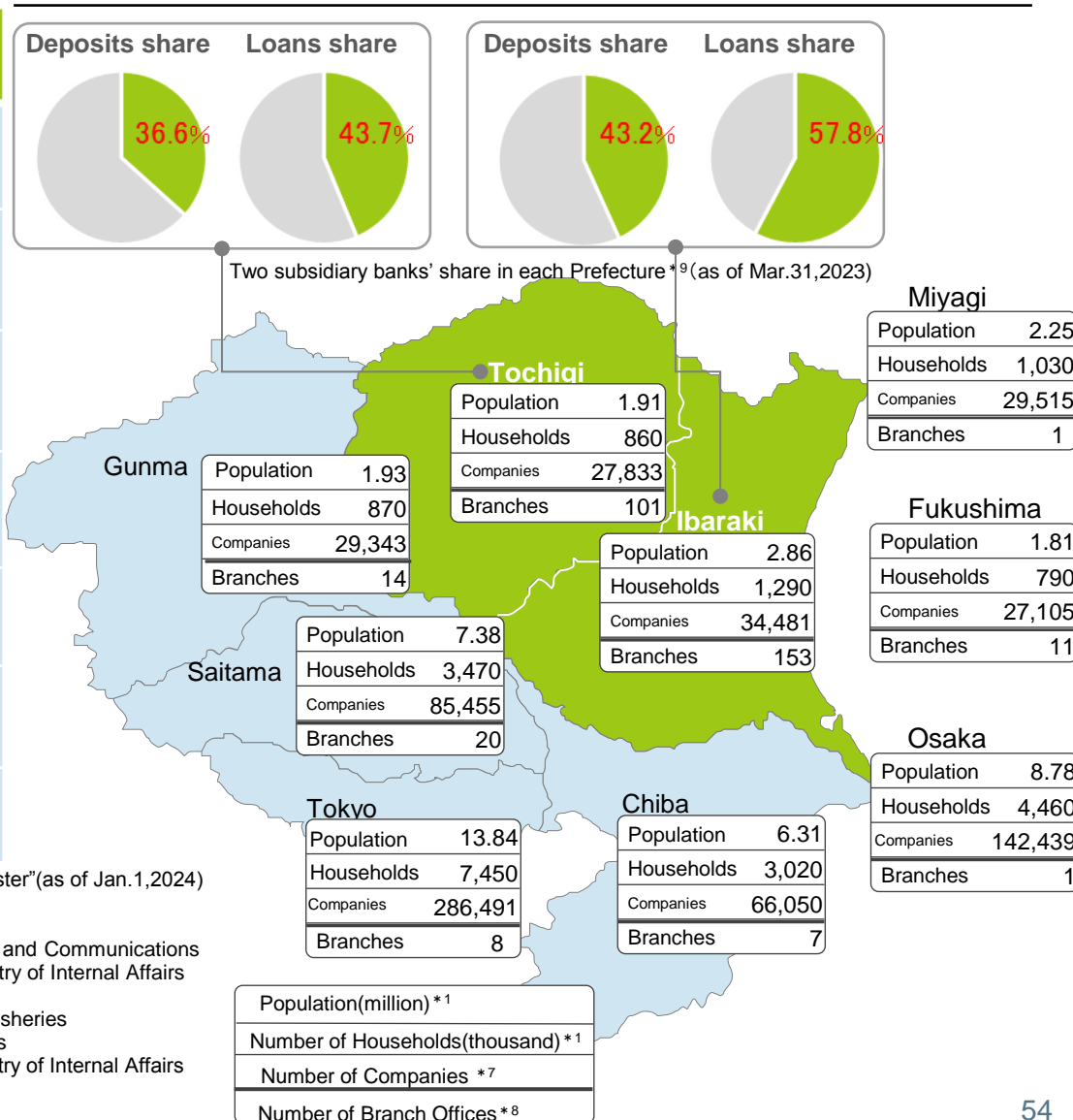


# 【Data】Main Business Areas of Mebuki FG

## 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	2.86million people	11th In the nation	1.91million people	19th In the nation
Nominal prefectural gross product * 2	14.5 trillion yen	11th	9.1 trillion yen	15th
Prefectural income per capita * 2	3.48million yen	3rd	3.30million yen	5th
Number of business establishments * 3	128 thousand establishments	13th	93 thousand establishments	21th
Manufactured goods shipped * 4	12.1trillion yen	7th	8.2 trillion yen	12th
Agricultural output * 5	440.9 billion yen	3rd	271.8 billion yen	9th
Catch * 6	285 thousand tons	2nd	-	-



\* 1 "Statics of population, demographics and number of and households based on the basic register"(as of Jan.1,2024) by Statistics Bureau, Ministry of Internal Affairs and Communications

\* 2 "Prefectural Accounts" by the Cabinet Office(2021)"

\* 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 "2022 Agricultural Production Income Statistics" by the Ministry of Agriculture, Forestry and Fisheries

\* 6 "2022 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, 2024

\* 9 Partially processed from "Financial Journal Nov.2023."

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

Number of new factory locations (2023)

Tochigi Prefecture

34 (5<sup>th</sup> in the nation)

Area of new factory locations (2023)

75ha (4<sup>th</sup> in the nation)

Number of new factory locations by companies outside the Prefecture (2023)

20 (2<sup>nd</sup> in the nation)

Ibaraki Prefecture

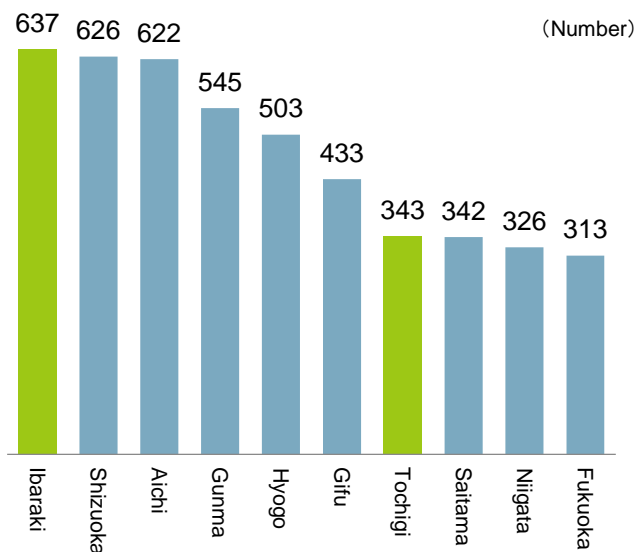
75 (1<sup>st</sup> in the nation)

165ha (2<sup>nd</sup> in the nation)

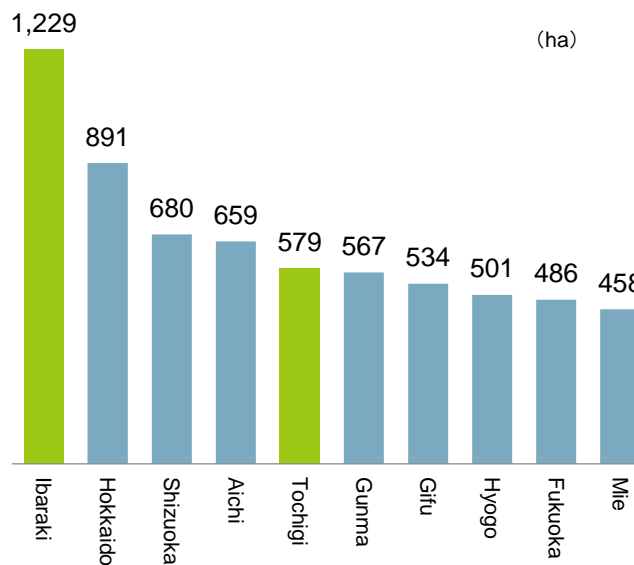
47 (1<sup>st</sup> in the nation)



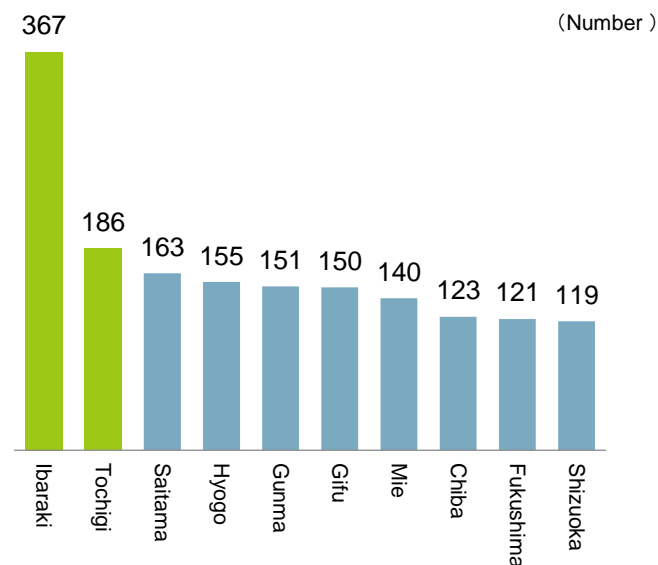
Number of new factory locations in last 10 years (from 2014 to 2023)



Area of new factory locations in last 10 years (from 2014 to 2023)



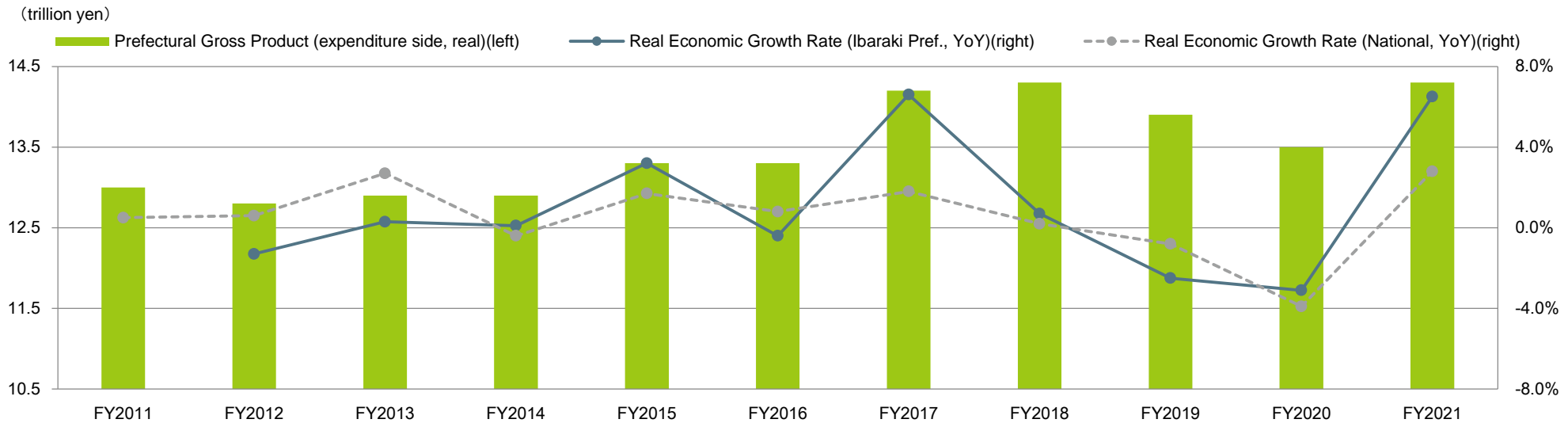
Number of new factory locations by companies outside the Prefecture in last 10 years (from 2014 to 2023)



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

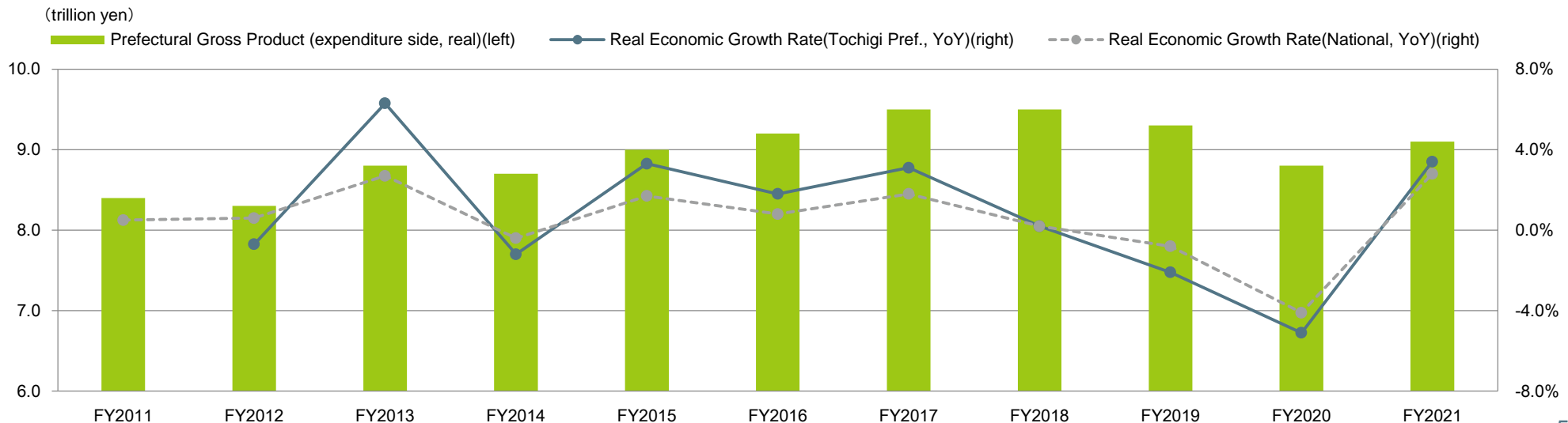
# 【Data】 Gross Prefectural Product and Real Economic Growth Rate

## 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

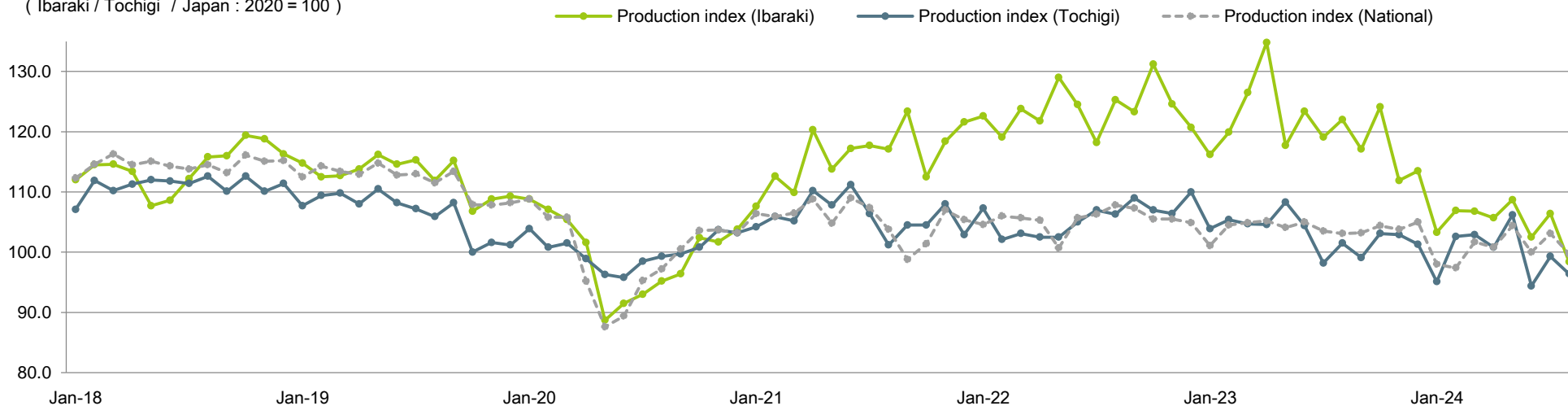


(Source) "Prefectural Accounts of Ibaraki in FY2020" by Statistics Division of Tochigi Prefecture, "National Accounts of Japan (GDP)" by Economic and Social Research Institute of Cabinet Office

# 【Data】 Product-related Indicators and Public Investments

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

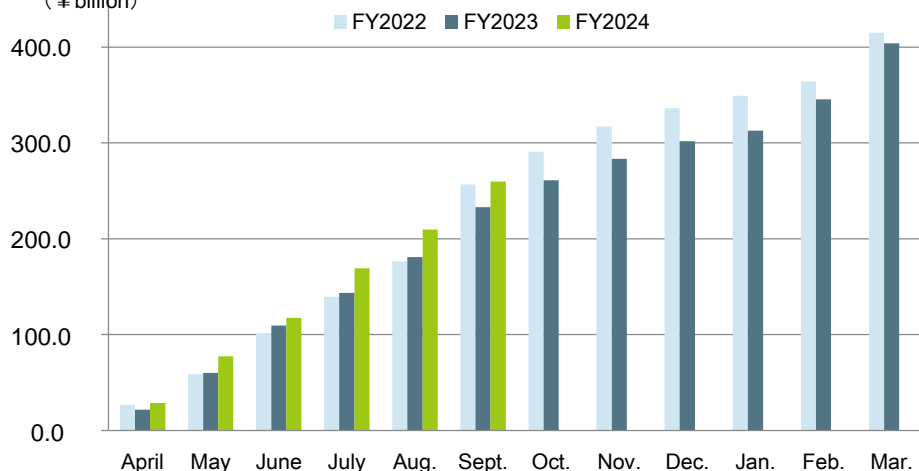
( Ibaraki / Tochigi / Japan : 2020 = 100 )



(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)

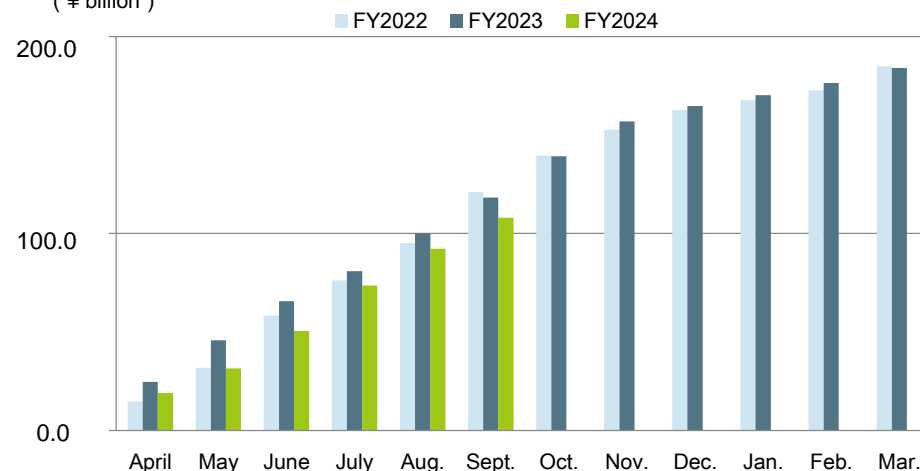
( ¥ billion )



(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)

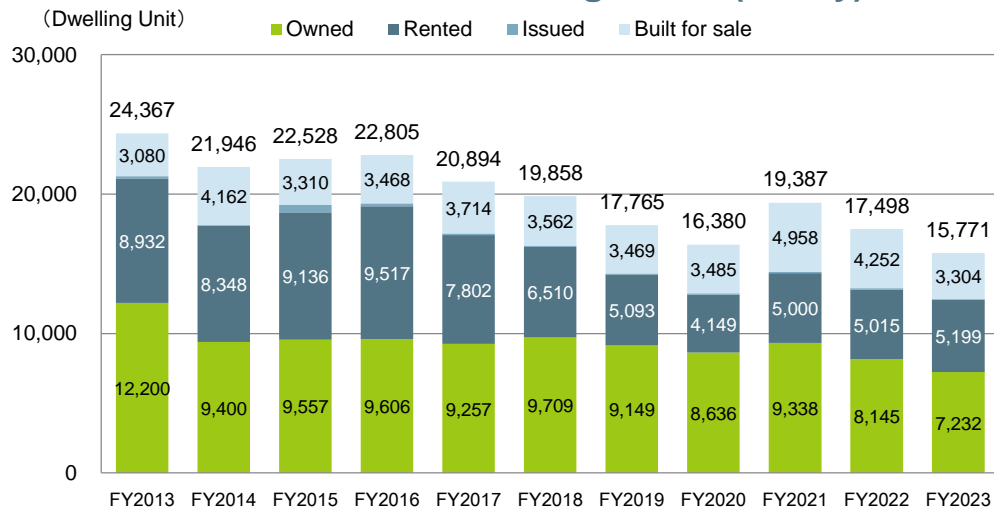
( ¥ billion )



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

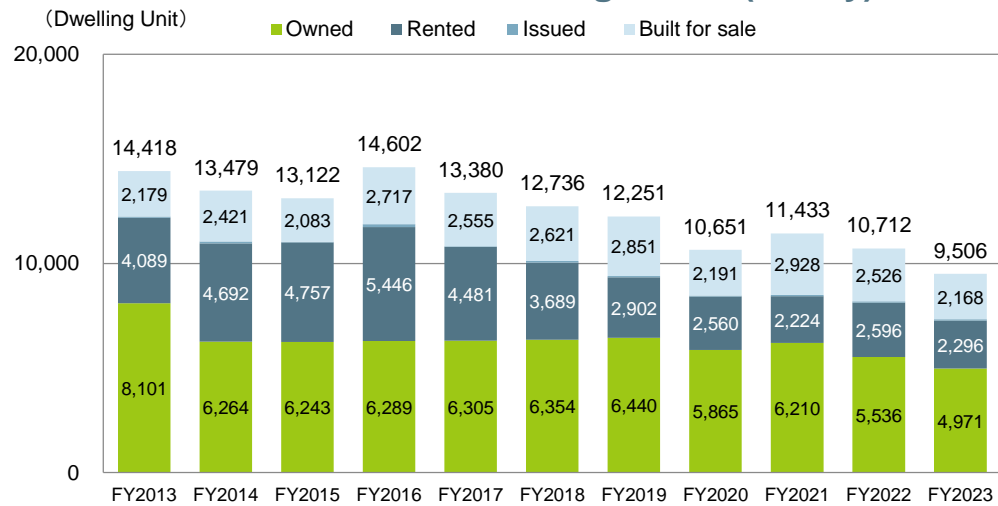
# 【Data】 Housing Starts

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



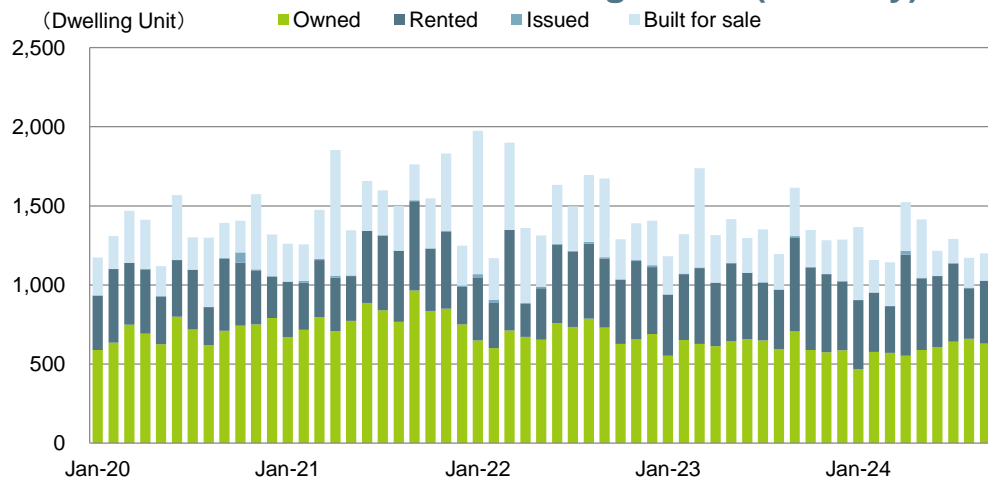
(Source) "Statics of Housing Starts" by Ministry of Land, Infrastructure, Transport and Tourism

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



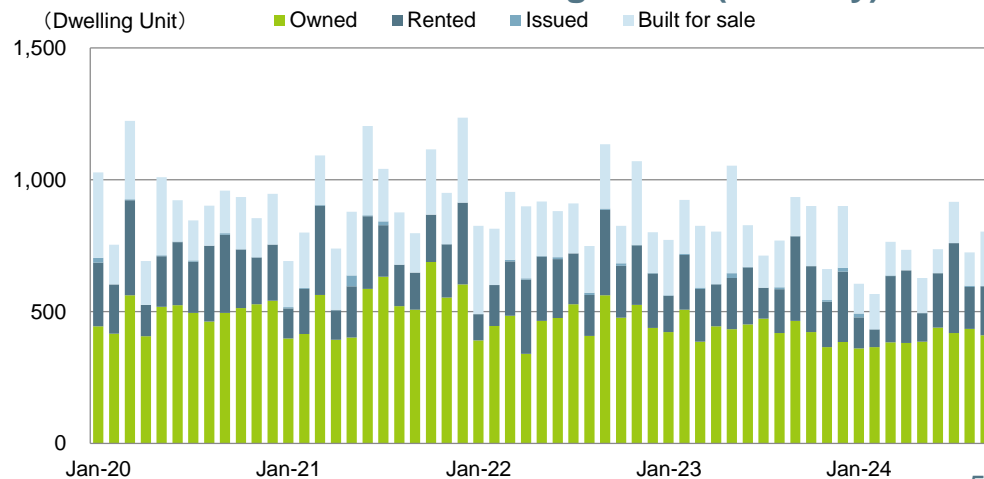
(Source) "Statics of Housing Starts" by Ministry of Land, Infrastructure, Transport and Tourism

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



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

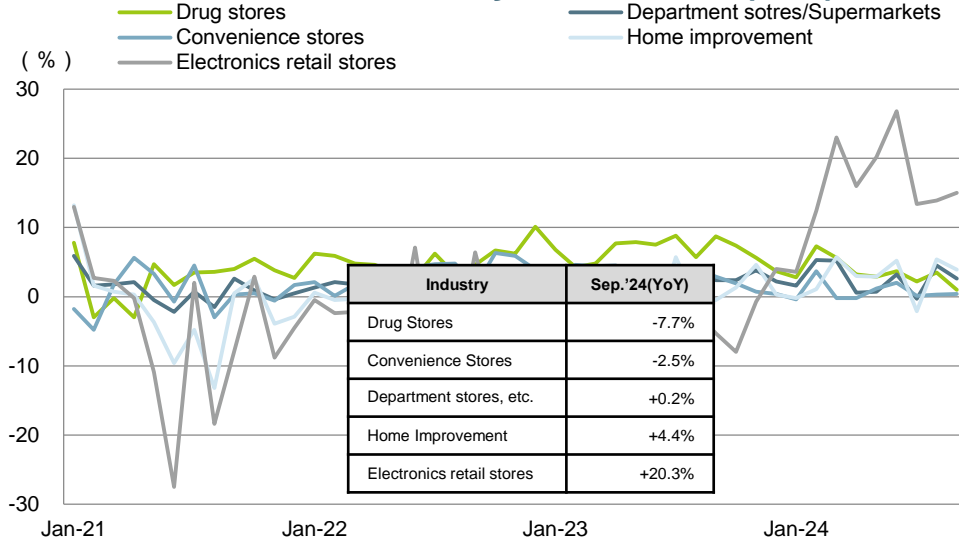
## Tochigi Pref. Number of New Housing Starts (Monthly)



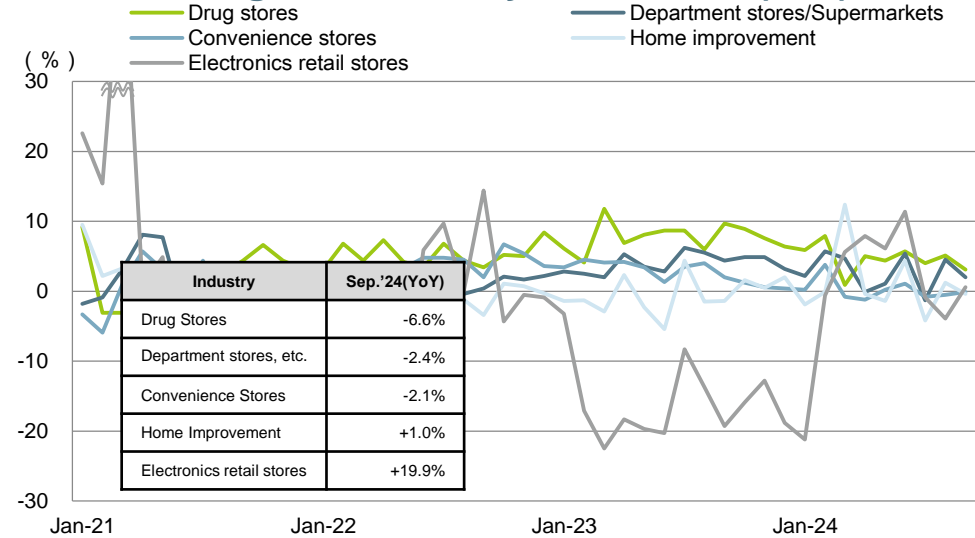
(Source) "Statics of Housing Starts" by Ministry of Land, Infrastructure, Transport and Tourism

# 【Data】Indicators related to Private Consumption

## Ibaraki Pref. Monthly Retail Sales (YoY)

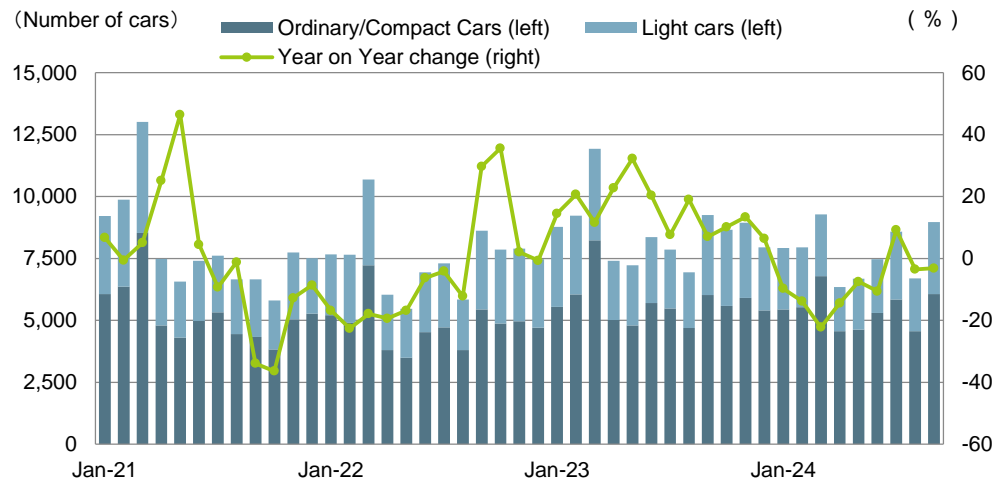


## Tochigi Pref. Monthly Retail Sales (YoY)



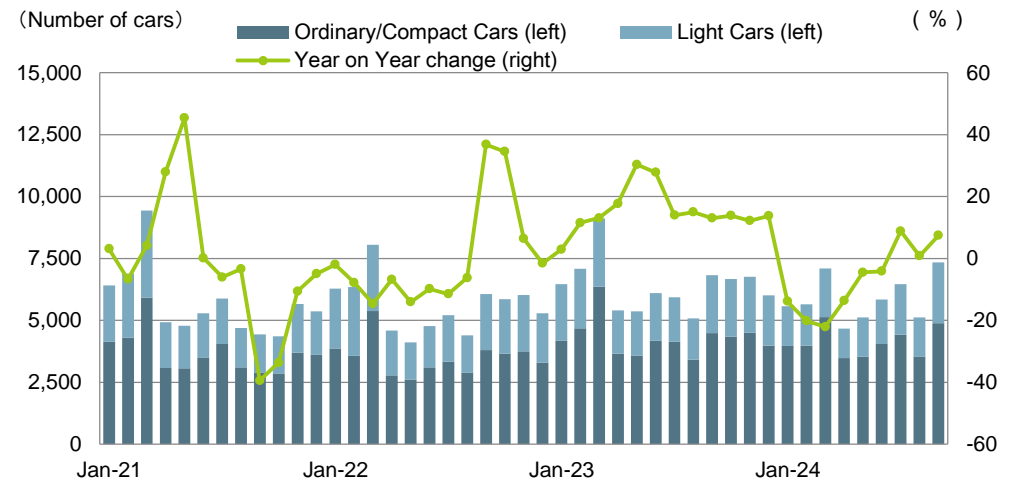
( Source ) "Survey of Commerce" by Ministry of Economy, Trade and Industry

## 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)



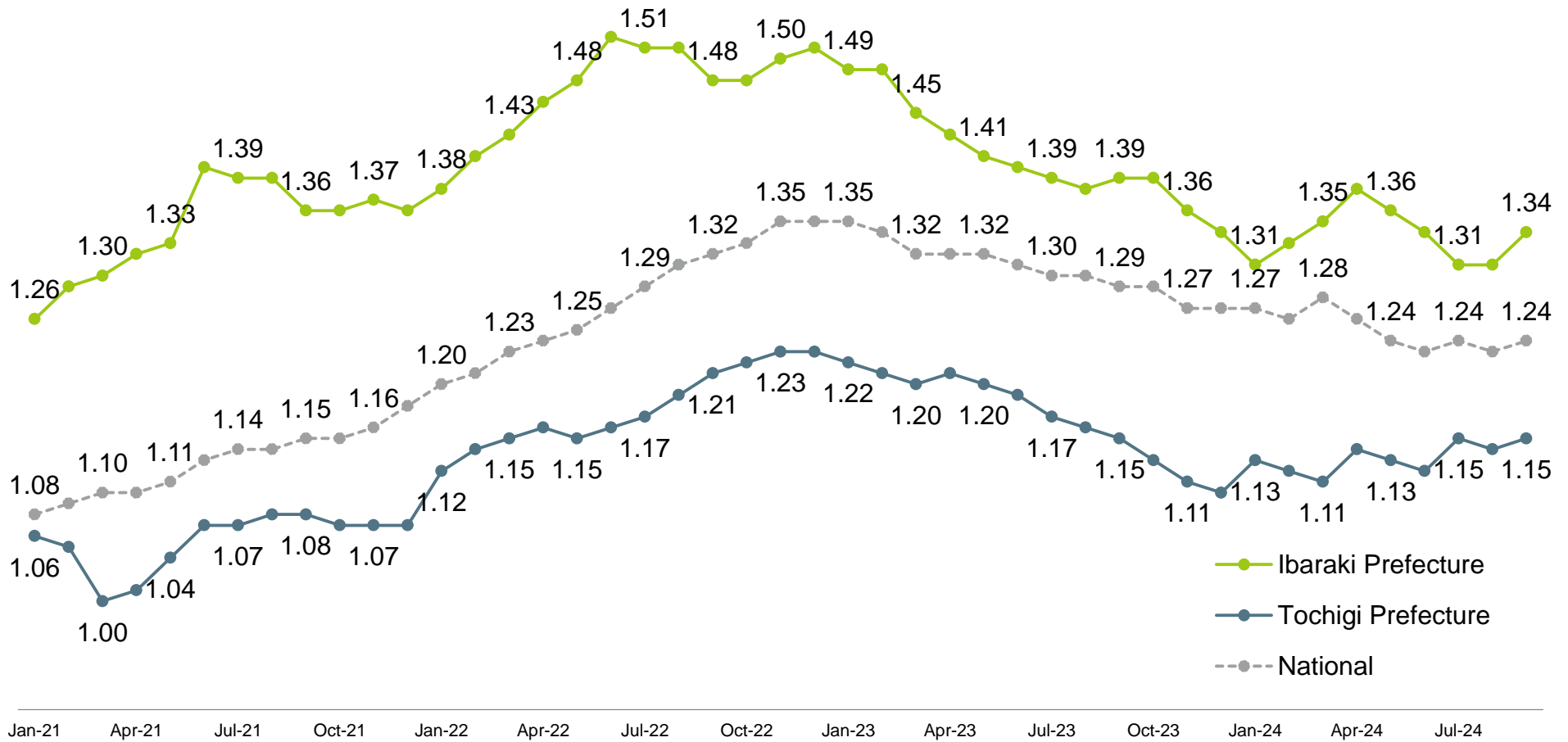
( Source ) Monthly report by Automobile Dealers Association of Tochigi Prefecture and Japan Light Motor Vehicle and Motorcycle Association

# 【Data】 Employment-related Indicators

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

※including part timers

(Unit::times)



※The data prior to Dec. 2023 has been revised based on the new seasonal index at the time of the Jan. 2024 release.

(Source) "General Employment Placement Situation" by Ministry of Health, Labor and Welfare's



## 【Data】 Breakdown of Banking subsidiaries

## 【Data】 Breakdown of Banking subsidiaries

( 1 ) P/L for 1H24

( ¥ b n )

	J+A	YoY	Joyo	YoY	Ashikaga	YoY
Gross business profit	95.1	+20.4	56.6	+17.4	38.4	+3.0
(Core Gross business profit)	99.9	+4.8	59.1	+5.6	40.8	-0.8
Net interest income	77.6	+6.9	46.5	+4.6	31.0	+2.2
o/w Gains/losses on Cancellation of Investment trusts	2.4	+0.0	1.6	+0.0	0.8	+0.0
Net fees and commissions	19.8	+1.2	10.9	+0.6	8.8	+0.5
Net other business income and Net trading income	-2.3	+12.3	-0.8	+12.0	-1.4	+0.2
(o/w gains/losses on bond transactions)	-4.7	+15.6	-2.4	+11.8	-2.3	+3.8
Expenses	53.8	+1.1	30.0	+0.5	23.7	+0.6
o/w Personnel expenses	29.1	+0.4	16.2	+0.0	12.8	+0.3
o/w Non-personnel expenses	21.1	+0.6	11.6	+0.3	9.4	+0.3
Net business income (before general allowance for loan losses)	41.2	+19.3	26.6	+16.9	14.6	+2.3
Core net business income	46.0	+3.6	29.0	+5.1	17.0	-1.4
Core net Business Income	43.6	+3.5	27.4	+5.0	16.1	-1.4
( exclu. Gains/losses on Cancellation of Investment trusts )	43.6	+3.5	27.4	+5.0	16.1	-1.4
( exclu. Gains/losses on Cancellation of investment trusts, etc. ) * 1	43.7	+7.5	27.5	+5.0	16.1	+2.5
Net transfer to general allowance for loan losses (a)	-1.0	-1.0	-0.1	-0.1	-0.8	-0.2
Net business income	42.3	+20.3	26.7	+17.1	15.5	+2.6
Net non-recurrent gains/losses	-0.1	-9.2	1.1	-8.3	-1.3	-0.3
o/w Disposal of non-performing loans (b)	3.9	+4.2	1.6	+3.2	2.3	+0.4
o/w Gains/losses related to stocks, etc.	1.5	-7.0	0.8	-6.6	0.6	-0.3
Ordinary profit	42.1	+11.0	27.9	+8.7	14.1	+2.3
Extraordinary income/losses	-0.1	-0.1	-0.1	-0.0	0.0	-0.0
Net income	29.6	+7.6	19.6	+5.9	9.9	+1.7
Profit from customer services	26.3	+2.4	16.1	+1.4	10.1	+0.9
Credit related costs (a)+(b)	2.9	+3.2	1.4	+3.0	1.4	+0.1

\*1 Excluding gains/losses on cancellation of investment trusts and futures and options

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

		FY20	FY21	FY22	FY23	1H24	YoY	1H23
J+A	Domestics	0.96%	0.93%	0.91%	0.90%	0.92%	+0.02%	0.90%
	Overseas	1.29%	1.04%	3.02%	5.02%	5.00%	+0.12%	4.88%
	Total	0.96%	0.94%	0.95%	0.97%	0.99%	+0.02%	0.97%
Joyo	Domestics	0.93%	0.91%	0.90%	0.88%	0.91%	+0.03%	0.88%
	Overseas	1.30%	1.05%	3.11%	5.21%	5.21%	+0.13%	5.07%
	Total	0.94%	0.92%	0.96%	1.00%	1.03%	+0.02%	1.00%
Ashikaga	Domestics	0.99%	0.96%	0.93%	0.92%	0.94%	+0.02%	0.91%
	Overseas	1.19%	0.98%	2.23%	3.17%	2.94%	-0.22%	3.16%
	Total	0.99%	0.96%	0.94%	0.93%	0.94%	+0.01%	0.92%

# 【Data】 Breakdown of Banking subsidiaries

( 3 ) Loans Term-end Balance

( ￥ b n )

		FYE20	FYE21	FYE22	FYE23	Sep-24	YoY	Sep-23
J+A	Individual	4,924.8	5,045.4	5,136.7	5,214.3	5,263.5	+93.2	5,170.2
	Corporate	5,369.6	5,347.4	5,694.8	6,099.4	6,325.5	+457.4	5,868.0
	Public	983.7	915.9	988.5	1,029.6	948.7	+54.8	893.8
	Total	11,278.1	11,308.8	11,820.1	12,343.4	12,537.7	+605.6	11,932.1
Joyo	Individual	2,687.7	2,740.2	2,786.4	2,823.7	2,857.2	+59.0	2,798.1
	Corporate	3,103.0	3,091.3	3,313.1	3,566.2	3,681.1	+238.3	3,442.8
	Public	562.7	498.1	548.8	591.5	608.3	+51.8	556.4
	Total	6,353.6	6,329.7	6,648.4	6,981.6	7,146.7	+349.3	6,797.4
Ashikaga	Individual	2,237.0	2,305.1	2,350.3	2,390.5	2,406.2	+34.1	2,372.0
	Corporate	2,266.5	2,256.0	2,381.6	2,533.2	2,644.3	+219.1	2,425.2
	Public	420.9	417.8	439.6	438.0	340.3	+3.0	337.3
	Total	4,924.5	4,979.0	5,171.6	5,361.8	5,390.9	+256.3	5,134.6

\* Not including borrowing from special account of MoF

Foreign Currency Denominated Loans

( ￥ b n )

		FYE20	FYE21	FYE22	FYE23	Sep-24	YoY	Sep-23
J+A		162.6	150.6	151.0	153.4	127.9	-27.8	155.7
Joyo		150.0	139.5	140.4	145.7	120.7	-24.7	145.4
Ashikaga		12.6	11.0	10.5	7.6	7.1	-3.1	10.2

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

( ￥ b n )

		FYE20	FYE21	FYE22	FYE23	Sep-24	YoY	Sep-23
J+A	Housing Loans	3,711.7	3,860.8	3,972.9	4,049.4	4,097.3	+90.5	4,006.7
	Apartment Loans	902.3	871.2	845.2	823.4	813.0	-21.3	834.3
	Asset building loans	2.6	2.4	1.9	1.6	1.3	-0.4	1.8
	Total	4,616.7	4,734.5	4,820.2	4,874.5	4,911.7	+68.8	4,842.8
Joyo	Housing Loans	1,809.7	1,889.9	1,955.2	2,001.6	2,042.0	+70.6	1,971.4
	Apartment Loans	722.8	694.2	672.8	653.3	641.7	-21.1	662.9
	Asset building loans	2.6	2.4	1.9	1.6	1.3	-0.4	1.8
	Total	2,535.1	2,586.5	2,630.0	2,656.6	2,685.2	+49.0	2,636.2
Ashikaga	Housing Loans	1,902.0	1,970.9	2,017.6	2,047.8	2,055.2	+19.9	2,035.2
	Apartment Loans	179.5	177.0	172.4	170.1	171.2	-0.1	171.3
	Asset building loans	-	-	-	-	-	-	-
	Total	2,081.5	2,147.9	2,190.1	2,217.9	2,226.4	+19.8	2,206.6

( 5 ) Unsecured Loans Term-end Balance

( ￥ b n )

		FYE20	FYE21	FYE22	FYE23	Sep-24	YoY	Sep-23
J+A	Car Loans	63.3	71.4	79.0	95.7	104.4	+18.0	86.3
	Educational Loans	43.4	45.4	49.3	55.8	58.3	+6.5	51.8
	Free Loans	9.1	9.3	9.7	10.8	10.9	+0.6	10.2
	Card Loans	61.2	62.4	66.0	70.1	72.7	+4.4	68.2
	Total	177.1	188.6	204.2	232.5	246.4	+29.7	216.7
Joyo	Car Loans	45.4	50.6	53.2	59.4	63.0	+7.3	55.6
	Educational Loans	34.3	35.5	38.1	41.9	43.3	+3.6	39.7
	Free Loans	3.6	3.8	4.1	4.3	4.3	+0.0	4.2
	Card Loans	23.7	24.8	26.7	28.4	29.5	+1.7	27.7
Ashikaga	Total	107.1	114.8	122.2	134.2	140.2	+12.8	127.4
	Car Loans	17.8	20.8	25.8	36.2	41.4	+10.6	30.7
	Educational Loans	9.1	9.9	11.2	13.9	14.9	+2.8	12.1
	Free Loans	5.4	5.5	5.6	6.4	6.5	+0.6	5.9
Ashikaga	Card Loans	37.5	37.5	39.2	41.6	43.2	+2.7	40.5
	Total	70.0	73.8	82.0	98.3	106.2	+16.8	89.3

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

( ￥ b n )

		FYE20	FYE21	FYE22	FYE23	Sep-24	YoY	Sep-23
J+A	Large	1,688.2	1,674.3	1,890.4	2,140.5	2,301.7	+316.4	1,985.2
	Medium/SMEs	3,681.3	3,673.0	3,804.4	3,958.9	4,023.8	+141.0	3,882.7
	Total	5,369.6	5,347.4	5,694.8	6,099.4	6,325.5	+457.4	5,868.0
Joyo	Large	1,220.6	1,206.9	1,338.7	1,475.8	1,565.0	+167.2	1,397.7
	Medium/SMEs	1,882.3	1,884.3	1,974.3	2,090.4	2,116.1	+71.0	2,045.0
	Total	3,103.0	3,091.3	3,313.1	3,566.2	3,681.1	+238.3	3,442.8
Ashikaga	Large	467.6	467.3	551.6	664.7	736.6	+149.1	587.4
	Medium/SMEs	1,798.9	1,788.7	1,830.0	1,868.5	1,907.6	+69.9	1,837.7
	Total	2,266.5	2,256.0	2,381.6	2,533.2	2,644.3	+219.1	2,425.2

( 7 ) Loans Corporate Term-end Balance by Area

( ￥ b n )

		FYE20	FYE21	FYE22	FYE23	Sep-24	YoY	Sep-23
J+A	Tokyo	2,021.9	2,009.4	2,235.5	2,507.5	2,630.1	+289.0	2,341.0
	Local	3,347.6	3,337.9	3,459.3	3,591.9	3,695.3	+168.4	3,526.9
	Total	5,369.6	5,347.4	5,694.8	6,099.4	6,325.5	+457.4	5,868.0
Joyo	Tokyo	1,484.1	1,468.9	1,603.1	1,760.2	1,804.4	+128.9	1,675.5
	Local	1,618.9	1,622.4	1,709.9	1,806.0	1,876.7	+109.4	1,767.2
	Total	3,103.0	3,091.3	3,313.1	3,566.2	3,681.1	+238.3	3,442.8
Ashikaga	Tokyo	537.8	540.5	632.3	747.2	825.7	+160.1	665.5
	Local	1,728.7	1,715.5	1,749.3	1,785.9	1,818.6	+58.9	1,759.6
	Total	2,266.5	2,256.0	2,381.6	2,533.2	2,644.3	+219.1	2,425.2

## 【Data】 Breakdown of Banking subsidiaries

### ( 8 ) Deposits Term-end Balance

( ￥ b n )

		FYE20	FYE21	FYE22	FYE23	Sep-24	YoY	Sep-23
J+A	Individual	11,400.1	11,787.3	12,035.1	12,222.5	12,233.6	+90.3	12,143.2
	Corporate	3,887.4	3,953.5	4,009.7	4,170.3	4,317.7	+153.9	4,163.7
	Public	969.9	1,116.4	1,118.2	1,312.3	786.1	-26.5	812.6
	Total	16,257.4	16,857.3	17,163.1	17,705.2	17,337.5	+217.7	17,119.7
Joyo	Individual	7,053.1	7,272.7	7,412.6	7,514.1	7,510.5	+36.8	7,473.7
	Corporate	2,136.5	2,180.4	2,226.1	2,348.2	2,410.1	+108.6	2,301.4
	Public	515.8	600.7	612.5	757.0	470.0	-47.8	517.8
	Total	9,705.5	10,053.9	10,251.2	10,619.5	10,390.6	+97.5	10,293.0
Ashikaga	Individual	4,346.9	4,514.5	4,622.5	4,708.3	4,723.0	+53.5	4,669.5
	Corporate	1,750.8	1,773.1	1,783.5	1,822.0	1,907.5	+45.2	1,862.2
	Public	454.1	515.7	505.7	555.3	316.1	+21.3	294.7
	Total	6,551.9	6,803.3	6,911.8	7,085.7	6,946.8	+120.2	6,826.6

### Foreign Currency Deposit

( ￥ b n )

		FYE20	FYE21	FYE22	FYE23	Sep-24	YoY	Sep-23
J+A		180.0	168.2	96.5	102.4	87.5	-30.0	117.5
Joyo		151.9	139.6	76.1	85.5	71.8	-28.3	100.2
Ashikaga		28.0	28.5	20.3	16.8	15.6	-1.6	17.2

### ( 9 ) Customer Assets under Custody Balance

( ￥ b n )

		FYE20	FYE21	FYE22	FYE23	Sep-24	YoY	Sep-23
Group total	Investment trusts	547.7	632.5	654.0	822.5	860.6	+149.6	710.9
	Insurance	829.0	858.5	884.0	927.6	893.9	-36.9	930.8
	Foreign currency deposits	146.0	131.1	91.1	101.7	87.9	-22.3	110.3
	JGB etc.	162.4	154.5	131.7	147.6	180.1	+52.7	127.3
	Mebuki Securities	343.4	429.5	414.2	409.9	427.2	+42.4	384.8
	Total	2,028.7	2,206.3	2,175.1	2,409.5	2,449.9	+185.5	2,264.4
Joyo	Investment trusts	249.8	302.6	318.7	391.2	403.0	+69.2	333.7
	Insurance	488.5	511.5	519.7	527.7	501.2	-37.8	539.1
	Foreign currency deposits	117.9	102.6	70.7	84.8	72.3	-20.7	93.0
	JGB etc.	108.2	102.7	88.4	101.6	131.0	+48.3	82.7
	Total	964.6	1,019.4	997.7	1,105.5	1,107.6	+58.9	1,048.7
Ashikaga	Investment trusts	297.8	329.8	335.2	431.3	457.6	+80.4	377.2
	Insurance	340.5	347.0	364.3	399.8	392.6	+0.9	391.6
	Foreign currency deposits	28.0	28.5	20.3	16.8	15.6	-1.6	17.2
	JGB etc.	54.2	51.7	43.2	45.9	49.0	+4.4	44.6
	Total	720.6	757.3	763.1	894.0	914.9	+84.1	830.8

### ( 10 ) Customer Assets under Custody Commissions

( ￥ b n )

		FY20	FY21	FY22	FY23	1H24	YoY	1H23
Group Total	Investment trusts(*1)	6.22	7.93	6.52	7.75	4.35	+0.59	3.75
	Insurance(*2)	3.25	3.25	5.59	4.26	1.63	-0.78	2.42
	Foreign currency deposits	0.55	0.61	0.68	0.39	0.11	-0.10	0.22
	JGB etc.	0.06	0.01	0.04	0.09	0.07	+0.04	0.02
	Financial instrument intermediary service	1.13	1.19	0.57	0.66	0.34	-0.01	0.36
	Mebuki Securities	3.70	3.87	1.98	2.15	1.16	-0.04	1.20
	Total	14.93	16.90	15.41	15.32	7.69	-0.31	8.00
Joyo	Investment trusts(*1)	2.93	4.10	3.32	3.69	2.24	+0.47	1.77
	Insurance(*2)	2.06	2.00	3.53	2.22	0.99	-0.40	1.40
	Foreign currency deposits	0.39	0.39	0.39	0.26	0.09	-0.06	0.15
	JGB etc.	0.05	0.01	0.02	0.07	0.06	+0.04	0.01
	Financial instrument intermediary service	0.75	0.89	0.46	0.61	0.32	-0.02	0.34
	Total	6.20	7.41	7.74	6.86	3.71	+0.02	3.69
Ashikaga	Investment trusts(*1)	3.29	3.83	3.20	4.06	2.10	+0.12	1.98
	Insurance(*2)	1.18	1.25	2.06	2.04	0.63	-0.38	1.02
	Foreign currency deposits	0.15	0.22	0.28	0.13	0.02	-0.04	0.07
	JGB etc.	0.01	0.00	0.01	0.02	0.00	+0.00	0.00
	Financial instrument intermediary service	0.38	0.29	0.10	0.04	0.02	+0.00	0.02
	Total	5.02	5.61	5.68	6.30	2.80	-0.29	3.10

\* 1 : Sales commission+ Trust fee

\* 2 : Excl. executive life insurance

### ( 11 ) Fees from Corporate Customers

( ￥ b n )

		FY20	FY21	FY22	FY23	1H24	YoY	1H23
J+A	Credit Related * 1	7.55	8.15	10.87	10.81	5.94	+0.73	5.21
	Consulting Related	1.88	3.29	3.72	4.26	2.09	+0.11	1.98
	total	9.44	11.44	14.59	15.08	8.04	+0.84	7.19
Joyo	Credit Related * 1	4.03	4.71	6.70	6.28	3.10	+0.07	3.02
	Consulting Related	1.18	2.14	2.02	2.31	1.23	+0.18	1.04
	total	5.21	6.86	8.73	8.59	4.33	+0.26	4.07
Ashikaga	Credit Related * 1	3.52	3.43	4.17	4.53	2.84	+0.65	2.18
	Consulting Related	0.70	1.14	1.69	1.94	0.86	-0.07	0.93
	total	4.22	4.57	5.86	6.48	3.70	+0.58	3.12

\* 1 : Incl. Derivative CVA

## 【Data】 Breakdown of Banking subsidiaries

( 12 ) Securities Balance(Balance Sheet Amount)

( ¥ b n )

		FYE20	FYE21	FYE22	FYE23	Sep-24	YoY
Mebuki FG (Consolidated)	Domestic bonds	2,510.6	2,745.1	2,205.9	2,363.8	2,672.8	+308.9
	Foreign bonds	959.5	967.3	622.8	836.0	816.3	-19.6
	Stocks	265.8	254.1	211.3	278.7	259.5	-19.2
	Investment trusts,etc.	597.2	715.5	622.2	654.8	716.0	+61.1
	Total	4,333.2	4,682.3	3,662.3	4,133.5	4,464.8	+331.2
Joyo	Domestic bonds	1,822.0	2,002.5	1,438.8	1,588.8	1,708.8	+119.9
	Foreign bonds	595.5	597.9	319.1	455.7	435.7	-19.9
	Stocks	233.1	226.8	183.8	243.4	228.9	-14.5
	Investment trusts,etc.	373.9	439.9	401.3	418.7	434.4	+15.6
	Total	3,024.6	3,267.3	2,343.1	2,706.8	2,807.9	+101.0
Ashikaga	Domestic bonds	679.1	734.1	758.0	766.5	955.5	+189.0
	Foreign bonds	364.0	369.3	303.7	380.3	380.6	+0.3
	Stocks	39.1	33.6	34.4	41.1	36.7	-4.3
	Investment trusts,etc.	219.1	271.5	216.5	231.8	277.2	+45.3
	Total	1,301.5	1,408.8	1,312.7	1,419.7	1,650.2	+230.4

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

( ¥ b n )

		FYE20	FYE21	FYE22	FYE23	Sep-23	YoY
Mebuki FG (Consolidated)	Domestic bonds	2.4	-21.3	-34.4	-33.3	-35.7	-2.3
	Foreign bonds	35.6	-14.2	-13.9	-14.6	1.1	+15.7
	Stocks	139.4	131.5	101.7	151.9	132.2	-19.6
	Investment trusts,etc.	33.1	32.9	-28.4	4.6	6.2	+1.5
	Total	210.7	128.9	24.9	108.6	103.9	-4.7
Joyo	Domestic bonds	3.0	-16.3	-19.2	-19.5	-23.3	-3.7
	Foreign bonds	15.0	-12.8	-5.7	-5.5	1.1	+6.6
	Stocks	127.5	123.6	91.5	133.7	118.3	-15.3
	Investment trusts,etc.	26.0	27.4	-15.2	3.5	4.7	+1.1
	Total	171.7	122.0	51.2	112.2	100.8	-11.3
Ashikaga	Domestic bonds	8.5	1.9	-10.1	-10.3	-9.4	+0.8
	Foreign bonds	22.4	-0.1	-8.0	-9.0	0.0	+9.1
	Stocks	25.0	21.0	22.1	29.9	25.6	-4.2
	Investment trusts,etc.	8.5	6.7	-11.8	2.4	2.8	+0.3
	Total	64.5	29.7	-7.8	12.9	18.9	+6.0

( 14 ) Gains/Losses on Securities

( ¥ b n )

		FY20	FY21	FY22	FY23	1H24	YoY	1H23
J+A	Domestic bonds	-6.2	-7.1	-87.3	-39.2	-4.7	+15.6	-20.4
	Stocks	10.0	3.5	45.0	18.7	1.5	-7.0	8.5
	Investment trusts,etc.	6.8	1.7	7.1	5.2	2.4	+0.0	2.3
	Total	10.6	-1.8	-35.1	-15.2	-0.8	+8.7	-9.5
Joyo	Domestic bonds	-3.9	-4.8	-72.6	-27.9	-2.4	+11.8	-14.2
	Stocks	9.1	3.5	43.9	16.9	0.8	-6.6	7.5
	Investment trusts,etc.	4.9	1.7	5.0	4.2	1.6	+0.0	1.5
	Total	10.1	0.4	-23.6	-6.7	0.0	+5.1	-5.1
Ashikaga	Domestic bonds	-2.3	-2.2	-14.7	-11.2	-2.3	+3.8	-6.2
	Stocks	0.9	0.0	1.1	1.7	0.6	-0.3	1.0
	Investment trusts,etc.	1.9	0.0	2.1	1.0	0.8	+0.0	0.8
	Total	0.4	-2.3	-11.4	-8.4	-0.8	+3.5	-4.3

( 15 ) Foreign Bonds

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

	Currency	Interest rate type	Securities type	FYE22	FYE23	Sep-24	YoY	1H24 gains/losses
Total	U.S. dollar	Fixed	Government, Government-guaranteed bonds, etc	750	1,528	1,670	+141	(8)
			Corporate bonds, etc	2,392	1,910	1,553	-357	
		Floating	CLO/Government-guaranteed bonds, etc	1,386	1,982	2,298	+315	
	Sub Total			4,529	5,422	5,521	+99	0
	Euro	Fixed	Government, Government-guaranteed bonds, etc	0	0	0	±0	
Joyo	AUD	Fixed	Corporate bonds, etc	96	30	0	-30	
	Yen <sup>(*)</sup>	Fixed	Corporate bonds, etc	24.0	26.7	27.1	+0.3	
	U.S. dollar	Fixed	Government, Government-guaranteed bonds, etc	544	1,071	1,212	+140	(4)
			Corporate bonds, etc	266	239	246	+6	
		Floating	CLO/Government-guaranteed bonds, etc	1,386	1,544	1,402	-142	
	Sub Total			2,197	2,856	2,861	+5	0
	Euro	Fixed	Government, Government-guaranteed bonds, etc	0	0	0	±0	
	AUD	Fixed	Corporate bonds, etc	96	30	0	-30	
	Yen <sup>(*)</sup>	Fixed	Corporate bonds, etc	23.1	25.8	26.2	+0.3	
Ashikaga	U.S. dollar	Fixed	Government, Government-guaranteed bonds, etc	205	456	457	+1	(3)
			Corporate bonds, etc	2,125	1,671	1,306	-364	
		Floating	CLO/Government-guaranteed bonds, etc	0	437	896	+458	
	Sub Total			2,331	2,565	2,660	+94	0
	Euro	Fixed	Government, Government-guaranteed bonds, etc	0	0	0	±0	
	AUD	Fixed	Corporate bonds, etc	0	0	0	±0	
	Yen <sup>(*)</sup>	Fixed	Corporate bonds, etc	0.9	0.9	0.9	±0.0	0

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

## 【Data】 Breakdown of Banking subsidiaries

( 16 ) Strategic shareholdings (Balance)

( ¥ bn)

		FYE20	FYE21	FYE22	FYE23	Sep-24	YoY
J+A	Balance	268.4	225.2	184.8	205.3	187.9	-17.3
Joyo	Balance	229.1	191.9	150.9	164.6	151.6	-13.0
Ashikaga	Balance	39.3	33.3	33.9	40.6	36.3	-4.3

(17) Expenses

( ¥ bn)

		FY20	FY21	FY22	FY23	1H24	YoY	1H23
J+A	Personnel	59.9	58.2	57.2	57.0	29.1	+0.4	28.7
	Non-Personnel	43.4	43.4	40.0	41.7	21.1	+0.6	20.4
	Taxes	6.8	6.5	6.0	6.4	3.5	+0.1	3.4
	Total	110.1	108.1	103.3	105.2	53.8	+1.1	52.6
Joyo	Personnel	33.2	32.7	32.2	32.1	16.2	+0.0	16.2
	Non-Personnel	24.7	24.1	22.0	22.7	11.6	+0.3	11.3
	Taxes	3.7	3.6	3.3	3.7	2.0	+0.0	1.9
	Total	61.7	60.5	57.6	58.5	30.0	+0.5	29.5
Ashikaga	Personnel	26.6	25.4	24.9	24.8	12.8	+0.3	12.4
	Non-Personnel	18.6	19.2	18.0	19.0	9.4	+0.3	9.1
	Taxes	3.0	2.9	2.6	2.7	1.5	+0.0	1.5
	Total	48.4	47.6	45.6	46.6	23.7	+0.6	23.1

( 18 ) Credit related cost

( ¥ bn)

		FY20	FY21	FY22	FY23	1H24	YoY	1H23
J+A		22.4	19.6	9.1	3.4	2.9	+3.2	-0.2
Joyo		12.0	9.8	5.0	0.6	1.4	+3.0	-1.5
Ashikaga		10.3	9.7	4.0	2.8	1.4	+0.1	1.3

( 19 ) Disclosed Claims under the Financial Revitalization Law

( ¥ bn)

		FYE20	FYE21	FYE22	FYE23	Sep-24	YoY
J+A	Bankrupt claims	10.3	13.8	12.5	14.6	13.5	-1.0
	Doubtful claims	143.2	151.1	153.0	151.4	146.7	-4.7
	Claims requiring monitoring	27.4	27.6	31.5	29.1	30.2	+1.1
	(Loans past due 3 month or more)	0.1	0.0	0.2	0.1	0.1	+0.0
	(Restructured loans)	27.3	27.5	31.3	28.9	30.0	+1.1
	Total	181.0	192.6	197.1	195.2	190.5	-4.7
Joyo	Bankrupt claims	5.5	5.4	5.1	4.9	5.3	+0.4
	Doubtful claims	78.0	86.5	84.8	82.6	76.9	-5.7
	Claims requiring monitoring	13.0	13.3	12.1	9.7	10.3	+0.6
	(Loans past due 3 month or more)	0.0	0.0	0.0	0.0	0.0	+0.0
	(Restructured loans)	13.0	13.2	12.0	9.6	10.2	+0.6
	Total	96.7	105.2	102.1	97.3	92.6	-4.6
Ashikaga	Bankrupt claims	4.0	7.7	6.7	9.2	7.4	-1.7
	Doubtful claims	65.0	64.6	68.1	68.7	69.7	+0.9
	Claims requiring monitoring	14.4	14.2	19.4	19.3	19.8	+0.5
	(Loans past due 3 month or more)	0.0	0.0	0.1	0.0	0.0	+0.0
	(Restructured loans)	14.3	14.2	19.2	19.3	19.8	+0.4
	Total	83.5	86.7	94.2	97.3	97.0	-0.3

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

( ¥ bn)

		FYE20	FYE21	FYE22	FYE23	Sep-24	YoY	Sep-23
J+A		2.0	1.3	1.0	2.1	1.3	+0.2	1.1
Joyo		0.0	0.8	0.7	1.6	1.1	+0.1	0.9
Ashikaga		2.0	0.5	0.2	0.4	0.2	+0.0	0.2

## Inquiries

Mebuki Financial Group, Inc. Corporate Planning Department

TEL +81-29-300-2600

E-mail [ir@mebuki-fg.co.jp](mailto:ir@mebuki-fg.co.jp)

URL <https://www.mebuki-fg.co.jp/>



This document has been prepared for information purposes only and does not form part of a solicitation to sell or purchase any securities.

Information contained herein may be changed or revised without prior notice.

This document may contain forward-looking statements as to future results of operations. No forward-looking statement can be guaranteed and actual results of operations may differ from those projected.