

February 5, 2024

Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Under Japanese GAAP)

Company name: The Gunma Bank, Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 8334
 URL: <https://www.gunmabank.co.jp/>
 Representative: Akihiko Fukai, President
 Inquiries: Hideyuki Saito, Managing Executive Officer and General Manager, Corporate Planning Department
 Scheduled date to file quarterly securities report: February 6, 2024
 Trading accounts: None
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the nine months ended December 31, 2023

(from April 1, 2023 to December 31, 2023)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Nine months ended	Ordinary income		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Dec.31, 2023	156,066	17.6	33,909	14.2	24,630	10.8
Dec.31, 2022	132,698	17.0	29,705	(10.6)	22,220	(5.1)

Note: Comprehensive income For the nine months ended Dec.31, 2023 : 37,314 million yen [— %]
 For the nine months ended Dec.31, 2022 : (39,060) million yen [— %]

Nine months ended	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Dec.31, 2023	61.84		—	
Dec.31, 2022	54.13		—	

(2) Consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
Dec.31, 2023	10,674,792	537,184	5.0
Mar.31, 2023	10,662,300	515,810	4.8

Reference: Equity As of Dec. 31, 2023 : 537,184 million yen As of Mar. 31, 2023 : 515,810 million yen

Note: "Equity-to-asset ratio" represents "Net assets"/"Total assets" at term end.

"Equity-to-asset ratio" stated above was not calculated based on the public notice of "Equity-to-asset ratio".

2. Cash dividends

Fiscal year	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
ended Mar. 31, 2023	—	8.00	—	10.00	18.00
ending Mar. 31, 2024	—	10.00	—	—	—
ending Mar. 31, 2024(Forecast)	—	—	—	12.00	22.00

Note: 1. Revisions to the forecast of cash dividends most recently announced: None

2. Fiscal year-end cash dividend of 10.00 yen for the fiscal year ended Mar. 31, 2023 includes a commemorative dividend of 1.00 yen for the 90th anniversary of the establishment of the Gunma Bank, Ltd.

3. Consolidated earnings forecast for fiscal year 2023 (from April 1, 2023 to March 31, 2024)

(Percentages indicate year-on-year changes.)

Fiscal year	Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Yen
ending Mar. 31, 2024	42,000	9.6	30,000	7.4	75.60

Note: Revisions to the forecast of earnings most recently announced: Yes

Notes

(1) Changes in significant subsidiaries during the period

(changes in specified subsidiaries resulting in the change in scope of consolidation): None

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements

None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

① Changes in accounting policies due to revisions to accounting standards and other regulations: None

② Changes in accounting policies due to other reasons: None

③ Changes in accounting estimates: None

④ Restatement: None

(4) Number of issued shares (common shares)

① Total number of issued shares at the end of the period (including treasury shares)

As of Dec. 31, 2023	425,888,177 shares
As of Mar. 31, 2023	425,888,177 shares

② Number of treasury shares at the end of the period

As of Dec. 31, 2023	33,398,309 shares
As of Mar. 31, 2023	19,344,421 shares

③ Average number of shares outstanding during the period

Nine months ended Dec. 31, 2023	398,294,846 shares
Nine months ended Dec. 31, 2022	410,529,674 shares

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

· The description of future performance of this report is based on information which is presently available and certain assumptions which are considered to be reasonable, and it does not guarantee future performance. Please take note that future performance may differ from forecasts depending on various future factors.

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1. Qualitative information related to the quarterly financial results

(1) Qualitative information related to the operating results

Operating results for the third quarter of the consolidated fiscal year under review were as follows.

Ordinary income amounted to 156,066 million yen, an increase of 23,367 million yen year on year, mainly due to increases in interest income, etc.

Ordinary expenses amounted to 122,156 million yen, an increase of 19,163 million yen year on year, mainly due to increases in interest expenses, etc.

As a result, ordinary profit amounted to 33,909 million yen, an increase of 4,204 million yen year on year.

Also, profit attributable to owners of parent amounted to 24,630 million yen, an increase of 2,409 million yen year on year.

(2) Qualitative information related to the financial position

The financial position as of the end of the third quarter of the consolidated fiscal year under review was as follows.

Total assets increased by 12.4 billion yen to 10,674.7 billion yen during the period under review, whereas total liabilities decreased by 8.8 billion yen to 10,137.6 billion yen during the period under review.

Also, net assets increased by 21.3 billion yen to 537.1 billion yen during the period under review.

As for the main accounts, loans and bills discounted increased by 272.8 billion yen to 6,264.1 billion yen during the period under review.

Securities decreased by 429.4 billion yen to 2,187.8 billion yen during the period under review.

Deposits increased by 88.3 billion yen to 8,133.1 billion yen during the period under review.

(3) Qualitative information related to the consolidated earnings forecasts, etc

Consolidated and non-consolidated earnings forecasts for the fiscal year ending March 31, 2024 has been revised as follows based on the performance up the third quarter, etc.

(Unit : Billions of yen)

	FY2023 ending Mar.31,2024 【Consolidated】 (a)	(a) - (b)	Previous Forecast (b)	FY2023 ending Mar.31,2024 【Non-Consolidated】 (c)	(c) - (d)	Previous Forecast (d)
Ordinary profit	42.0	2.0	40.0	37.5	1.5	36.0
(Attributable to owners of parent) Profit	30.0	2.0	28.0	27.0	2.0	25.0

Note: Earnings forecasts are based on information available at the present time.

Actual results may differ from the forecasts due to various of economic situation and stock price level, etc.

2. Quarterly consolidated financial statements and notes

(1) Quarterly consolidated balance sheets

(Unit: Millions of yen)

	As of Mar. 31, 2023	As of Dec. 31, 2023
Assets:		
Cash and due from banks	1,833,043	1,974,626
Trading securities	541	339
Money held in trust	9,854	11,854
Securities	2,617,250	2,187,848
Loans and bills discounted	5,991,297	6,264,100
Foreign exchanges	10,045	10,926
Lease receivables and investments in leases	60,554	62,146
Other assets	74,120	98,831
Tangible fixed assets	65,013	65,389
Intangible fixed assets	8,053	8,069
Retirement benefit asset	16,963	18,184
Deferred tax assets	13,003	6,879
Customers' liabilities for acceptances and guarantees	8,527	8,711
Allowance for loan losses	(45,967)	(43,114)
Total assets	10,662,300	10,674,792
Liabilities:		
Deposits	8,044,837	8,133,175
Negotiable certificates of deposit	199,419	218,803
Call money and bills sold	28,708	39,712
Securities sold under repurchase agreements	86,565	132,692
Cash collateral received for securities lent	723,449	357,275
Borrowed money	926,993	1,111,896
Foreign exchanges	338	468
Bonds payable	50,000	40,000
Borrowed money from trust account	12,988	13,397
Other liabilities	55,774	72,712
Provision for bonuses for directors (and other officers)	56	38
Retirement benefit liability	358	350
Provision for retirement benefits for directors (and other officers)	167	144
Provision for reimbursement of deposits	264	209
Provision for contingent loss	926	934
Reserves under special laws	0	0
Deferred tax liabilities for land revaluation	7,112	7,083
Acceptances and guarantees	8,527	8,711
Total liabilities	10,146,489	10,137,607

(Unit: Millions of yen)

	As of Mar. 31, 2023	As of Dec. 31, 2023
Net assets:		
Share capital	48,652	48,652
Capital surplus	29,581	29,587
Retained earnings	429,438	446,050
Treasury shares	(9,233)	(17,145)
Total shareholders' equity	498,439	507,144
Valuation difference on available-for-sale securities	(2,920)	10,016
Deferred gains or losses on hedges	250	389
Revaluation reserve for land	13,022	13,007
Remeasurements of defined benefit plans	7,018	6,626
Total accumulated other comprehensive income	17,370	30,040
Total net assets	515,810	537,184
Total liabilities and net assets	10,662,300	10,674,792

(2) Quarterly consolidated statements of income and comprehensive income

Quarterly consolidated statements of income

For the nine months ended

(Unit: Millions of yen)

	For the nine months ended Dec.31, 2022	For the nine months ended Dec.31, 2023
Ordinary income	132,698	156,066
Interest income	64,182	79,595
Interest on loans and discounts	43,050	50,791
Interest and dividends on securities	19,251	27,944
Trust fees	29	28
Fees and commissions	16,651	20,704
Other ordinary income	29,308	25,514
Other income	22,526	30,224
Ordinary expenses	102,993	122,156
Interest expenses	9,036	28,574
Interest on deposits	908	3,033
Fees and commissions payments	6,285	6,829
Other ordinary expenses	44,965	46,210
General and administrative expenses	39,279	38,858
Other expenses	3,427	1,683
Ordinary profit	29,705	33,909
Extraordinary income	1,529	1
Gain on disposal of non-current assets	1,529	1
Extraordinary losses	376	416
Loss on disposal of non-current assets	344	178
Impairment losses	32	237
Provision of reserve for financial instruments transaction liabilities	0	0
Profit before income taxes	30,857	33,494
Income taxes - current	6,420	8,173
Income taxes - deferred	2,216	691
Total income taxes	8,637	8,864
Profit	22,220	24,630
Profit attributable to owners of parent	22,220	24,630

Quarterly consolidated statements of comprehensive income
 For the nine months ended

(Unit: Millions of yen)

	For the nine months ended Dec.31, 2022	For the nine months ended Dec.31, 2023
Profit	22,220	24,630
Other comprehensive income	(61,280)	12,684
Valuation difference on available-for-sale securities	(60,960)	12,534
Deferred gains or losses on hedges	55	138
Remeasurements of defined benefit plans, net of tax	(404)	(391)
Share of other comprehensive income of entities accounted for using equity method	29	403
Comprehensive income	(39,060)	37,314
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	(39,060)	37,314

(3) Notes to the quarterly consolidated financial statements

(Note on going concern assumption)

Not applicable.

(Note on significant changes in the amounts of shareholders' equity)

Not applicable.

Supplementary Information

Financial Results for the Nine Months Ended December 31, 2023

1. Profit and Loss Conditions

- Core net business profit excluding gains (losses) on bonds and cancellation of investment trusts amounted to 33.5 billion yen, up 2.9 billion yen year-on-year due to increases in interest on loans and discounts, non-interest business profit, etc. as well as cutting down on expenses.
- Ordinary profit amounted to 33.9 billion yen, up 4.2 billion yen year-on-year, due to an increase in gains or losses on investment securities and a decrease in net credit cost.
- As a result, profit attributable to owners of parent amounted 24.6 billion yen, up 2.4 billion yen year-on-year. Based on the performance up to the nine months, earnings forecast for FY 2023, ending Mar. 2024 has been revised upward from 28.0 billion yen to 30.0 billion yen, a record-high.

【Consolidated】

(Unit : Millions of yen)

		Nine months ended Dec. 31, 2023 (a)		Nine months ended Dec. 31, 2022 (b)	FY2023 ending Mar. 31, 2024 forecast
			(a) - (b)		
Gross business profits	1	44,227	(5,658)	49,885	
Core gross business profits (1-14)	2	68,719	(2,143)	70,863	91,200
Net interest income	3	51,020	(4,125)	55,146	67,900
Of which, Interest on loans and discounts	4	50,791	7,740	43,050	
Of which, Interest and dividends on securities	5	27,944	8,693	19,251	
Of which, gains (losses) on cancellation of investment trusts	6	(4,214)	(4,643)	428	
Non-interest business profit (refer to marginal table)	7	17,698	1,981	15,717	23,300
Net fees and commissions income	8	13,902	3,506	10,396	
Profit from other business transactions	9	3,795	(1,525)	5,320	
Expenses (excluding non-recurrent expenses) [-]	10	39,349	(430)	39,780	52,700
Core net business profit excluding gains (losses) on bonds (2-10)	11	29,369	(1,713)	31,083	38,500
Core net business profit excluding gains (losses) on bonds and cancellation of investment trusts	12	33,584	2,930	30,654	43,300
Gains or losses on investment securities	13	2,949	3,255	(306)	
Gains (losses) on bonds	14	(24,492)	(3,514)	(20,978)	
Gains (losses) on stocks and other securities	15	27,441	6,769	20,671	
Net credit costs [-]	16	(698)	(2,670)	1,972	1,800
Provision of general allowance for loan losses	17	[(1,984)] -	26	(26)	
Disposal of non-performing loans	18	292	(1,709)	2,001	
Of which, Provision of specific allowance for loan losses	19	[1,003] -	(1,801)	1,801	
Reversal of allowance for loan losses	20	981	981	-	
Recoveries of written off receivables	21	8	6	2	
Others	22	892	(8)	901	
Ordinary profit	23	33,909	4,204	29,705	42,000
Extraordinary income (losses)	24	(415)	(1,568)	1,152	
Of which, gains (losses) on disposal of non-current assets	25	(177)	(1,362)	1,185	
Profit before income taxes	26	33,494	2,636	30,857	
Total income taxes [-]	27	8,864	226	8,637	
Profit	28	24,630	2,409	22,220	
Profit attributable to owners of parent	29	24,630	2,409	22,220	30,000 progress rate 82.1%

Note: Gains (losses) on bonds are excluded from "Profit from other business transactions" and included in "Gains or losses on investment securities".

(Breakdown of non-interest business profit by business)

(Unit : Millions of yen)

Non-interest business profit	30	17,698	1,981	15,717	23,300
Corporate service revenue	31	4,888	735	4,152	7,100
Deposit financial asset, etc. revenue	32	5,562	403	5,158	7,600
Others	33	7,247	842	6,405	8,600

(Related items regarding consolidated companies)

(Unit : Millions of yen)

Total profit of the Bank group companies	34	2,112	(559)	2,672
**Profit attributable to owners of parent" - "profit(non-consolidated)"				

(Various ratio)

Over head ratio(10 / 2)	35	57.2%	1.1%	56.1%
excluding cancellation of investment trusts(10 / (2-6))	36	53.9%	(2.5)%	56.4%
Return on equity (annualized rate)	37	6.2%	0.4%	5.8%

【Non-consolidated】

(Unit : Millions of yen)

		Nine months ended Dec. 31, 2023 (a)	(a) - (b)	Nine months ended Dec. 31, 2022 (b)	FY2023 ending Mar. 31,2024 forecast
Gross business profits	1	39,270	(5,580)	44,851	
Core gross business profits (1-20)	2	63,759	(2,067)	65,827	84,700
Net interest income	3	51,249	(4,097)	55,347	68,200
Domestic business	4	47,499	(3,919)	51,419	
Of which, Interest on loans and discounts	5	39,568	1,050	38,517	
Of which, Interest and dividends on securities	6	7,426	(3,956)	11,383	
Of which, gains (losses) on cancellation of investment trusts	7	(4,214)	(4,643)	428	
International business	8	3,749	(178)	3,927	
Non-interest business profit	9	12,510	2,030	10,479	16,500
Net fees and commissions income	10	10,828	2,331	8,496	
Profit from other business transactions	11	1,681	(301)	1,983	
Expenses (excluding non-recurrent expenses) [-]	12	37,955	(401)	38,356	50,800
Personnel expenses	13	21,013	(272)	21,285	
Non-Personnel expenses	14	14,773	(158)	14,931	
Taxes	15	2,168	29	2,138	
Core net business profit excluding gains (losses) on bonds (2-12)	16	25,804	(1,666)	27,470	33,900
Core net business profit excluding gains (losses) on bonds and cancellation of investment trusts	17	30,018	2,977	27,041	38,700
Real net business profit (16+20)	18	1,314	(5,179)	6,494	
Gains or losses on investment securities	19	2,952	3,256	(304)	
Gains (losses) on bonds	20	(24,489)	(3,513)	(20,975)	
Gains (losses) on stocks and other securities	21	27,441	6,769	20,671	
Net credit costs [-]	22	(1,105)	(2,991)	1,885	1,300
Other non-recurrent gains (losses)	23	657	10	647	
Ordinary profit	24	30,519	4,592	25,927	37,500
Extraordinary income (losses)	25	(415)	(1,615)	1,200	
Of which, gains(losses) on disposal of non-current assets	26	(177)	(1,362)	1,185	
Profit before income taxes	27	30,104	2,976	27,128	
Total income taxes [-]	28	7,587	6	7,580	
Profit	29	22,517	2,969	19,547	27,000

Note: Gains(losses) on bonds are excluded from "Profit from other business transactions" and included in "Gains or losses on investment securities".

(Reference) Gains or losses on investment securities conditions

(Unit : Millions of yen)

		Nine months ended Dec. 31, 2023 (a)	(a) - (b)	Nine months ended Dec. 31, 2022 (b)
Gains or losses on investment securities	30	2,952	3,256	(304)
Gains (losses) on bonds	31	(24,489)	(3,513)	(20,975)
Gain on sales	32	1,317	(1,902)	3,219
Gain on redemption	33	—	—	—
Loss on sales [-]	34	25,376	1,425	23,950
Loss on redemption [-]	35	429	184	245
Loss on devaluation [-]	36	0	0	—
Gains (losses) on stocks and other securities	37	27,441	6,769	20,671
Gain on sales	38	28,737	6,772	21,964
Loss on sales [-]	39	1,272	144	1,127
Loss on devaluation [-]	40	23	(141)	164

(Reference) Net credit costs conditions

(Unit : Millions of yen)

		Nine months ended Dec. 31, 2023 (a)	(a) - (b)	Nine months ended Dec. 31, 2022 (b)
Net credit costs (42+43-49-50) [-]	41	(1,105)	(2,991)	1,885
Provision of general allowance for loan losses [-]	42	[(1,706)] —	(216)	216
Disposal of non-performing loans [-]	43	262	(1,409)	1,671
Written-off of loans	44	—	—	—
Provision of specific allowance for loan losses	45	[347] —	(1,494)	1,494
Provision of accident loss	46	8	6	2
Losses on sales of loans	47	—	(4)	4
Cost born under joint responsibility system of guarantee corporations	48	253	82	170
Reversal of allowance for loan losses	49	▶ 1,359	1,359	—
Recoveries of written off receivables	50	8	6	2

2. Main Account Conditions

- Loans and bills discounted amounted to 6,324.2 billion yen, up 406.1 billion yen year on year, due to general increase in loans to retail, cross-boarder loans, structured finance, large enterprises.
- Deposits and negotiable certificates of deposit amounted to 8,392.4 billion yen, up 211.0 billion yen year on year, due to steadily increases individual deposits and corporation deposits.
- Deposit financial assets amounted to 1,103.7 billion yen, up 78.4 billion yen year on year, due to increases in the balance of investment trust and life insurance.
- Unrealized gains on valuation of other securities amounted to 11.5 billion yen.

(1) Loans 【Non-consolidated】

(Unit : Billions of yen)

	As of	(a) - (b)	(a) - (c)	As of	As of
	Dec.31, 2023 (a)			Sep.30, 2023 (b)	Dec.31, 2022 (c)
Loans and bills discounted	6,324.2	79.5	406.1	6,244.7	5,918.1
Retail loans	4,774.3	42.2	114.7	4,732.0	4,659.6
Small and medium- sized enterprises	2,367.0	29.5	64.4	2,337.4	2,302.5
Individuals	2,407.3	12.6	50.3	2,394.6	2,357.0
Of which, housing-related loans	2,318.5	10.9	42.9	2,307.6	2,275.5
Housing loans	1,409.2	10.7	34.8	1,398.4	1,374.4
Apartment loans	668.8	2.0	15.1	666.8	653.7
Others	240.3	(1.9)	(7.0)	242.2	247.3
Of which, unsecured consumer loans	68.5	1.8	8.6	66.6	59.8
Other loans	1,549.9	37.2	291.4	1,512.6	1,258.5
cross-boarder loans and structured finance	264.2	5.9	117.9	258.2	146.2
Corporations (large and second-tier enterprises, etc.)	1,082.8	20.6	157.0	1,062.2	925.8
Public sectors	111.0	7.4	(12.9)	103.6	124.0
Overseas branch	91.7	3.1	29.3	88.5	62.3

Note: Regional public corporations and Tokyo, Osaka Branch accounts are not included in "Small and medium- sized enterprises" but are classified into "Corporations".

(Reference)

(Unit : Billions of yen)

(cumulative total for 3 years during Medium-term business plan)	Nine months	Cumulative total	Medium-term business plan final year target cumulative total during 3 years (Apr.2022 - Mar.2025)
	ended December. 2023 (Apr.2023 - Dec.2023)	(Apr.2022 - Dec.2023)	
Amount of sustainable finance executed	254.1	520.3	800.0

Note 1: The medium-term business plan [Innovation for "Purpose"] targets a cumulative total of 800.0 billion yen for sustainable finance during three years.

Note 2: Sustainable finance targets financing that contributes to solving environmental and social issues such as renewable energy-related, start-up financing and business succession-related, etc (including investment by Gunma Regional Advanced Solution Partners, an investment specialized subsidiary) .

(2) Deposits and negotiable certificates of deposit 【Non-consolidated】

(Unit : Billions of yen)

	As of	(a) - (b)	(a) - (c)	As of	As of
	Dec.31, 2023 (a)			Sep.30, 2023 (b)	Dec.31, 2022 (c)
Deposits and negotiable certificates of deposit	8,392.4	38.7	211.0	8,353.6	8,181.3
Deposits	8,142.1	45.2	215.3	8,096.9	7,926.8
Of which, individuals	5,767.9	103.8	120.0	5,664.0	5,647.8
Of which, corporations	1,985.3	(30.9)	53.4	2,016.3	1,931.9
Negotiable certificates of deposit	250.2	(6.5)	(4.3)	256.7	254.5

(3) Deposit financial assets 【Consolidated】

(Unit : Billions of yen)

	As of	(a) - (b)	(a) - (c)	As of	As of
	Dec.31, 2023 (a)			Sep.30, 2023 (b)	Dec.31, 2022 (c)
Deposit financial assets	1,103.7	2.3	78.4	1,101.4	1,025.3
(Of which, individual deposit financial assets)	1,016.0	3.7	80.4	1,012.3	935.5
Bank, non-consolidated	859.7	1.3	73.9	858.4	785.8
Investment trust	265.6	(1.4)	28.5	267.0	237.0
Public bonds (Government bonds, etc.)	36.6	(0.8)	(2.9)	37.4	39.5
Life insurance	557.5	3.5	48.3	553.9	509.2
Gungin Securities (including intermediation)	244.0	1.0	4.4	242.9	239.5

(4) Unrealized gains and losses on valuation of other securities 【Non-consolidated】

(Unit : Billions of yen)

	As of Dec.31, 2023 (a)			As of Sep.30, 2023 (b)	As of Dec.31, 2022 (c)	As of Dec.31,2023 balance sheet value
		(a) - (b)	(a) - (c)			
Other securities	11.5	19.7	53.3	(8.2)	(41.8)	2,165.8
Stocks	55.0	(7.7)	5.5	62.7	49.5	151.6
Bonds	(24.0)	12.0	40.2	(36.0)	(64.2)	1,272.1
Others	(19.4)	15.5	7.6	(34.9)	(27.1)	741.9
Foreign securities	3.2	15.4	13.3	(12.1)	(10.1)	502.0
Investment trusts, etc.	(22.7)	0.0	(5.7)	(22.8)	(16.9)	239.9

3. Disclosed Claims under the Financial Reconstruction Law ("FRL") 【Non-consolidated】

With the implementation of the Cabinet Office Order to Amend the Ordinance for Enforcement of the Banking Act, etc. on March 31, 2022, the categories of Risk-monitored Loans under the Banking Act and the scope of claims subject to disclosure were aligned with the Disclosed Claims under the FRL stipulated under the Act on Emergency Measures for the Revitalization of Financial Functions.

(Unit : Billions of yen)

	As of Dec.31, 2023 (a)			As of Sep.30, 2023 (b)	As of Dec.31, 2022 (c)
		(a) - (b)	(a) - (c)		
Bankrupt and substantially bankrupt claims	29.7	(1.0)	5.9	30.7	23.8
Doubtful claims	35.9	(1.3)	(6.8)	37.2	42.7
Substandard claims	38.2	(0.3)	(8.7)	38.6	47.0
Loans past due three months or more	4.7	0.9	2.2	3.7	2.5
Restructured loans	33.5	(1.3)	(11.0)	34.8	44.5
Disclosed claims under the FRL ①	103.9	(2.7)	(9.6)	106.7	113.6
Normal claims	6,281.5	82.7	418.1	6,198.7	5,863.4
Total claims ②	6,385.4	80.0	408.4	6,305.4	5,977.0
Ratio to the total claims ①/②	1.62 %	(0.07)%	(0.28)%	1.69 %	1.90 %

Note: The Bank does not apply partial direct written-off. The below figures are presented if the Bank had applied the partial direct written-off.

Disclosed claims under the FRL	84.7	(3.0)	(13.7)	87.8	98.5
Ratio to the total claims	1.33 %	(0.06)%	(0.32)%	1.39 %	1.65 %

4. Interest Rate Spread 【Non-consolidated】

(All branches)

(Unit : %)

	Nine months ended Dec. 31, 2023 (a)			Nine months ended Dec. 31, 2022 (b)
		(a) - (b)		
Average yield on interest earning assets ①	1.22	0.24	0.98	
Average yield on loans and bills discounted	1.10	0.12	0.98	
Average yield on securities	1.56	0.51	1.05	
Average yield on interest bearing liabilities ②	0.86	0.23	0.63	
Average yield on deposits and negotiable certificates of deposit	0.05	0.03	0.02	
Average yield on external liabilities	0.37	0.22	0.15	
Average interest rate spread ①-②	0.36	0.01	0.35	

(Domestic segment)

(Unit : %)

	Nine months ended Dec. 31, 2023 (a)			Nine months ended Dec. 31, 2022 (b)
		(a) - (b)		
Average yield on interest earning assets ①	0.76	(0.06)	0.82	
Average yield on loans and bills discounted	0.89	(0.02)	0.91	
Average yield on securities	0.52	(0.21)	0.73	
Average yield on interest bearing liabilities ②	0.49	(0.02)	0.51	
Average yield on deposits and negotiable certificates of deposit	0.00	—	0.00	
Average yield on external liabilities	(0.00)	—	(0.00)	
Average interest rate spread ①-②	0.27	(0.04)	0.31	

5. Capital Ratio (International Standard)

【Consolidated】

(Unit : Billions of yen)

	As of			As of Sep.30, 2023 (b)	As of Dec.31, 2022 (c)
	Dec.31, 2023 (a)	(a) - (b)	(a) - (c)		
Total capital ratio	15.01 %	1.58 %	3.10 %	13.43 %	11.91 %
Tier1 ratio	13.88 %	1.51 %	3.19 %	12.37 %	10.69 %
Common equity Tier1 ratio	13.88 %	1.51 %	3.19 %	12.37 %	10.69 %
Total capital	547.1	23.1	49.4	523.9	497.6
Tier1 capital	505.9	23.1	59.4	482.8	446.5
Common equity Tier1 capital	505.9	23.1	59.4	482.8	446.5
Risk weighted assets	3,643.4	(257.9)	(532.2)	3,901.3	4,175.7
Total required capital	291.4	(20.6)	(42.5)	312.1	334.0

【Non-consolidated】

(Unit : Billions of yen)

	As of			As of Sep.30, 2023 (b)	As of Dec.31, 2022 (c)
	Dec.31, 2023 (a)	(a) - (b)	(a) - (c)		
Total capital ratio	14.39 %	1.57 %	3.28 %	12.82 %	11.11 %
Tier1 ratio	13.25 %	1.49 %	3.29 %	11.76 %	9.96 %
Common equity Tier1 ratio	13.25 %	1.49 %	3.29 %	11.76 %	9.96 %
Total capital	506.8	22.2	50.6	484.6	456.1
Tier1 capital	466.8	22.1	58.0	444.6	408.8
Common equity Tier1 capital	466.8	22.1	58.0	444.6	408.8
Risk weighted assets	3,522.0	(258.3)	(580.9)	3,780.3	4,103.0
Total required capital	281.7	(20.6)	(46.4)	302.4	328.2

Note 1: The Bank has early adopted the new "International convergence of capital measurement and capital standards (finalising BaselIII reforms)" from the end of Mar. 2023.

Note 2: " Total required capital " = " Risk weighted assets " × 8%

Note 3: Of the amount of "Risk weighted assets(as of Sep.30, 2023 and Dec. 31, 2023)", credit risk is calculated by the foundation internal rating-based approach, and operational risk is calculated by the standardized measurement approach "use conservative estimate for the internal loss multiplier

6. Earnings Forecasts

【Consolidated】

(Unit : Billions of yen)

		FY2023 ending			FY2023 ending Mar.31,2024 published in Nov. (b)	FY2022 ended Mar.31,2023 (c)
		Mar.31, 2024 forecast (a)	(a)-(b)	(a)-(c)		
Core gross business profits	1	91.2	2.9	(1.2)	88.3	92.4
Net interest income	2	67.9	2.4	(3.5)	65.5	71.4
Non-interest business profit	3	23.3	0.5	2.3	22.8	21.0
Of which, corporate service revenue	4	7.1	0.1	1.1	7.0	6.0
Of which, deposit financial assets, etc. revenue	5	7.6	0.1	0.8	7.5	6.8
Expenses (excluding non-recurrent expenses)[-]	6	52.7	(0.3)	0.5	53.0	52.2
Core net business profit	7	38.5	3.2	(1.7)	35.3	40.2
excluding gains(losses) on bonds (1-6)	8	43.3	1.9	3.4	41.4	39.9
excluding gains (losses) on bonds and cancellation of investment trusts	8	43.3	1.9	3.4	41.4	39.9
Net credit costs [-]	9	1.8	—	0.6	1.8	1.2
Ordinary profit	10	42.0	2.0	3.7	40.0	38.3
Profit attributable to owners of parent	11	30.0	2.0	2.1	28.0	27.9

【Non-consolidated】

(Unit : Billions of yen)

		FY2023 ending			FY2023 ending Mar.31,2024 published in Nov. (b)	FY2022 ended Mar.31,2023 (c)
		Mar.31, 2024 forecast (a)	(a)-(b)	(a)-(c)		
Core gross business profits	12	84.7	3.0	(1.2)	81.7	85.9
Net interest income	13	68.2	2.4	(3.5)	65.8	71.7
Non-interest business profit	14	16.5	0.6	2.3	15.9	14.2
Expenses (excluding non-recurrent expenses)[-]	15	50.8	(0.2)	0.6	51.0	50.2
Core net business profit	16	33.9	3.2	(1.7)	30.7	35.6
excluding gains (losses) on bonds (12-15)	16	33.9	3.2	(1.7)	30.7	35.6
excluding gains (losses) on bonds and cancellation of investment trusts	17	38.7	1.9	3.4	36.8	35.3
Net credit costs [-]	18	1.3	0.1	0.3	1.2	1.0
Ordinary profit	19	37.5	1.5	4.0	36.0	33.5
Profit	20	27.0	2.0	2.4	25.0	24.6

Note 1: Gains or losses on bonds are excluded from "Non-interest business profit".

Note 2: Earnings forecasts are based on information available at the present time. Actual results may differ from the forecasts due to various of economic situation, etc.