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Consolidated Financial Results for the Six Months Ended September 30, 2024 [Japanese GAAP]

November 11, 2024

Company name: The Shikoku Bank, Ltd.

Listing: Tokyo

Securities code: 8387

URL: <https://www.shikokubank.co.jp/>

Representative: Tatsuji Kobayashi

President

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Scheduled date to file semi-annual securities report: November 12, 2024

Scheduled date to commence dividend payments: December 6, 2024

Trading accounts: None

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: None

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

1. Consolidated Financial Results for the Six Months Ended September 30, 2024 (April 1, 2024 to September 30, 2024)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Ordinary revenues		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2024	25,914	(3.9)	6,215	33.0	4,290	5.4
September 30, 2023	26,982	(13.9)	4,671	7.3	4,070	32.6

(Note) Comprehensive income: Six months ended September 30, 2024: ¥ 534 million [(90.3)%]
Six months ended September 30, 2023: ¥ 5,557 million [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2024	102.85	102.76
September 30, 2023	97.68	97.57

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of September 30, 2024	3,379,463	167,858	4.9
March 31, 2024	3,309,612	168,229	5.0

(Reference) Equity: As of September 30, 2024: ¥ 167,678 million
As of March 31, 2024: ¥ 168,048 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	17.50	-	22.50	40.00
Fiscal year ending March 31, 2025	-	25.00			
Fiscal year ending March 31, 2025 (Forecast)			-	25.00	50.00

(Note) Revision to the forecast for dividends announced most recently: Yes

(Note) Breakdown of the 2nd quarter (interim) dividend for the fiscal year ending March 31, 2025 :

Commemorative dividend	- yen
Special dividend	- yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025(April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Ordinary revenues		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	46,900	(10.6)	9,900	6.2	6,400	(12.1)	153.37

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

Newly included:	-	(Company name:)
Excluded:	-	(Company name:)

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

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(3) Number of issued shares (common shares)

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

September 30, 2024:	42,900,000 shares
March 31, 2024:	42,900,000 shares

2) Number of treasury shares at the end of the period:

September 30, 2024:	1,161,572 shares
March 31, 2024:	1,192,086 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2024:	41,716,487 shares
Six months ended September 30, 2023:	41,674,157 shares

(Reference) Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Six Months Ended September 30, 2024 (April 1, 2024 to September 30, 2024)

(1) Non-consolidated Operating Results (Percentages indicate year-on-year changes.)

	Ordinary revenues		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2024	26,247	(3.1)	6,384	38.3	4,537	10.5
September 30, 2023	27,108	(14.1)	4,613	1.0	4,104	22.9

	Basic earnings per share
Six months ended	Yen
September 30, 2024	108.46
September 30, 2023	98.20

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
September 30, 2024	3,369,870	158,255	4.6
March 31, 2024	3,299,695	158,115	4.7

(Reference) Equity: As of September 30, 2024: ¥ 158,215 million
As of March 31, 2024: ¥ 158,075 million

2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025(April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Ordinary revenues		Ordinary profit		Net income		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	47,000	(10.3)	9,700	9.5	6,400	(9.1)	152.93

* Semi-annual financial results reports are exempt from interim audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

- 1.The Shikoku Bank, Ltd. falls under the category of “Specified Business Corporation” under Article 18-2 of the Cabinet Office Ordinance Concerning Disclosure of Public Companies; accordingly, it has prepared its semi-annual consolidated financial statements and semi-annual non-consolidated financial statements for the six months ended September 30, 2024.
- 2.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.

Semi-annual Consolidated Financial Statements
Semi-annual Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Cash and due from banks	217,360	188,556
Monetary claims bought	11,808	8,072
Money held in trust	2,906	2,674
Securities	912,223	1,030,630
Loans and bills discounted	2,085,795	2,085,730
Foreign exchanges	9,647	10,754
Other assets	34,414	17,769
Tangible fixed assets	34,118	33,711
Intangible fixed assets	2,222	1,955
Retirement benefit asset	9,884	10,143
Deferred tax assets	19	16
Customers' liabilities for acceptances and guarantees	4,396	4,278
Allowance for loan losses	(15,186)	(14,830)
Total assets	3,309,612	3,379,463
Liabilities		
Deposits	2,997,742	2,973,652
Negotiable certificates of deposit	42,314	39,360
Cash collateral received for securities lent	69	-
Borrowed money	66,380	143,836
Foreign exchanges	46	83
Other liabilities	19,743	41,129
Retirement benefit liability	77	65
Provision for retirement benefits for directors (and other officers)	7	5
Provision for reimbursement of deposits	299	246
Deferred tax liabilities	6,176	4,819
Deferred tax liabilities for land revaluation	4,128	4,128
Acceptances and guarantees	4,396	4,278
Total liabilities	3,141,382	3,211,604
Net assets		
Share capital	25,000	25,000
Capital surplus	9,702	9,710
Retained earnings	109,636	112,985
Treasury shares	(1,369)	(1,341)
Total shareholders' equity	142,968	146,354
Valuation difference on available-for-sale securities	12,975	9,344
Deferred gains or losses on hedges	(376)	(376)
Revaluation reserve for land	8,610	8,610
Remeasurements of defined benefit plans	3,871	3,745
Total accumulated other comprehensive income	25,079	21,323
Share acquisition rights	40	40
Non-controlling interests	140	139
Total net assets	168,229	167,858
Total liabilities and net assets	3,309,612	3,379,463

Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statements of Income (For the six months)

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Ordinary income	26,982	25,914
Interest income	16,016	19,369
Interest on loans and discounts	11,561	12,421
Interest and dividends on securities	4,338	6,684
Fees and commissions	4,559	4,750
Other ordinary income	3,261	286
Other income	3,145	1,509
Ordinary expenses	22,310	19,699
Interest expenses	614	1,739
Interest on deposits	343	702
Fees and commissions payments	1,156	1,306
Other ordinary expenses	8,572	4,098
General and administrative expenses	11,574	11,811
Other expenses	392	744
Ordinary profit	4,671	6,215
Extraordinary income	-	35
Gain on disposal of non-current assets	-	35
Extraordinary losses	51	15
Loss on disposal of non-current assets	24	15
Impairment losses	26	-
Profit before income taxes	4,620	6,235
Income taxes - current	204	1,713
Income taxes - deferred	345	230
Total income taxes	550	1,944
Profit	4,070	4,290
Loss attributable to non-controlling interests	(0)	(0)
Profit attributable to owners of parent	4,070	4,290

Semi-annual Consolidated Statements of Comprehensive Income (For the six months)

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Profit	4,070	4,290
Other comprehensive income	1,487	(3,755)
Valuation difference on available-for-sale securities	7	(3,528)
Deferred gains or losses on hedges	1,565	0
Remeasurements of defined benefit plans, net of tax	(64)	(125)
Share of other comprehensive income of entities accounted for using equity method	(21)	(101)
Comprehensive income	5,557	534
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,557	534
Comprehensive income attributable to non-controlling interests	(0)	(0)

Semi-annual Consolidated Statements of Changes in Equity

For the six months ended September 30, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	25,000	9,699	103,783	(1,418)	137,064
Changes during period					
Dividends of surplus			(731)		(731)
Profit attributable to owners of parent			4,070		4,070
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		2		50	52
Reversal of revaluation reserve for land			7		7
Net changes in items other than shareholders' equity					
Total changes during period	-	2	3,347	49	3,399
Balance at end of period	25,000	9,702	107,130	(1,368)	140,464

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	3,871	(1,145)	8,640	1,332	12,698	58	138	149,959
Changes during period								
Dividends of surplus								(731)
Profit attributable to owners of parent								4,070
Purchase of treasury shares								(0)
Disposal of treasury shares								52
Reversal of revaluation reserve for land								7
Net changes in items other than shareholders' equity	(13)	1,565	(7)	(64)	1,479	(17)	(1)	1,460
Total changes during period	(13)	1,565	(7)	(64)	1,479	(17)	(1)	4,859
Balance at end of period	3,857	419	8,632	1,268	14,178	40	137	154,819

For the six months ended September 30, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	25,000	9,702	109,636	(1,369)	142,968
Changes during period					
Dividends of surplus			(941)		(941)
Profit attributable to owners of parent			4,290		4,290
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		8		28	36
Net changes in items other than shareholders' equity					
Total changes during period	-	8	3,349	27	3,385
Balance at end of period	25,000	9,710	112,985	(1,341)	146,354

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	12,975	(376)	8,610	3,871	25,079	40	140	168,229
Changes during period								
Dividends of surplus								(941)
Profit attributable to owners of parent								4,290
Purchase of treasury shares								(0)
Disposal of treasury shares								36
Net changes in items other than shareholders' equity	(3,630)	0	-	(125)	(3,755)	-	(1)	(3,757)
Total changes during period	(3,630)	0	-	(125)	(3,755)	-	(1)	(371)
Balance at end of period	9,344	(376)	8,610	3,745	21,323	40	139	167,858

Semi-annual Non-consolidated Financial Statements
Semi-annual Non-consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Cash and due from banks	217,360	188,556
Monetary claims bought	11,808	8,072
Money held in trust	2,906	2,674
Securities	907,791	1,026,350
Loans and bills discounted	2,085,462	2,085,392
Foreign exchanges	9,647	10,754
Other assets	34,407	17,767
Other	34,407	17,767
Tangible fixed assets	33,976	33,572
Intangible fixed assets	2,219	1,953
Prepaid pension costs	4,318	4,758
Customers' liabilities for acceptances and guarantees	4,396	4,278
Allowance for loan losses	(14,600)	(14,259)
Total assets	3,299,695	3,369,870
Liabilities		
Deposits	2,999,784	2,975,469
Negotiable certificates of deposit	44,314	41,360
Cash collateral received for securities lent	69	-
Borrowed money	66,380	143,836
Foreign exchanges	46	83
Other liabilities	17,710	39,039
Income taxes payable	622	1,351
Lease liabilities	118	191
Asset retirement obligations	140	140
Other	16,828	37,355
Provision for reimbursement of deposits	299	246
Deferred tax liabilities	4,450	3,174
Deferred tax liabilities for land revaluation	4,128	4,128
Acceptances and guarantees	4,396	4,278
Total liabilities	3,141,580	3,211,615

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Net assets		
Share capital	25,000	25,000
Capital surplus	6,565	6,573
Legal capital surplus	6,563	6,563
Other capital surplus	2	10
Retained earnings	106,609	110,205
Legal retained earnings	18,436	18,436
Other retained earnings	88,172	91,768
General reserve	75,000	80,000
Retained earnings brought forward	13,172	11,768
Treasury shares	(978)	(950)
Total shareholders' equity	137,196	140,828
Valuation difference on available-for-sale securities	12,645	9,152
Deferred gains or losses on hedges	(376)	(376)
Revaluation reserve for land	8,610	8,610
Total valuation and translation adjustments	20,879	17,386
Share acquisition rights	40	40
Total net assets	158,115	158,255
Total liabilities and net assets	3,299,695	3,369,870

Semi-annual Non-consolidated Statements of Income

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Ordinary income	27,108	26,247
Interest income	16,295	19,791
Interest on loans and discounts	11,557	12,418
Interest and dividends on securities	4,621	7,110
Fees and commissions	4,434	4,622
Other ordinary income	3,261	286
Other income	3,117	1,547
Ordinary expenses	22,494	19,863
Interest expenses	614	1,739
Interest on deposits	343	702
Fees and commissions payments	1,417	1,554
Other ordinary expenses	8,572	4,098
General and administrative expenses	11,504	11,730
Other expenses	386	741
Ordinary profit	4,613	6,384
Extraordinary income	-	35
Extraordinary losses	51	15
Profit before income taxes	4,562	6,404
Income taxes - current	108	1,630
Income taxes - deferred	349	236
Total income taxes	457	1,866
Profit	4,104	4,537

Semi-annual Non-consolidated Statements of Changes in Equity

For the six months ended September 30, 2023

(Millions of yen)

	Shareholders' equity							
	Share capital	Capital surplus			Retained earnings			Total retained earnings
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		
					General reserve	Retained earnings brought forward		
Balance at beginning of period	25,000	6,563	-	6,563	18,436	70,000	12,558	100,995
Changes during period								
Dividends of surplus							(731)	(731)
Profit							4,104	4,104
Purchase of treasury shares								
Disposal of treasury shares			2	2				
Reversal of revaluation reserve for land							7	7
Provision of general reserve						5,000	(5,000)	-
Net changes in items other than shareholders' equity								
Total changes during period	-	-	2	2	-	5,000	(1,618)	3,381
Balance at end of period	25,000	6,563	2	6,565	18,436	75,000	10,940	104,377

	Shareholders' equity		Valuation and translation adjustments				Share acquisition rights	Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Total valuation and translation adjustments		
Balance at beginning of period	(1,027)	131,531	3,507	(1,145)	8,640	11,002	58	142,591
Changes during period								
Dividends of surplus		(731)						(731)
Profit		4,104						4,104
Purchase of treasury shares	(0)	(0)						(0)
Disposal of treasury shares	50	52						52
Reversal of revaluation reserve for land		7						7
Provision of general reserve		-						-
Net changes in items other than shareholders' equity			118	1,565	(7)	1,676	(17)	1,658
Total changes during period	49	3,433	118	1,565	(7)	1,676	(17)	5,091
Balance at end of period	(977)	134,964	3,626	419	8,632	12,678	40	147,683

For the six months ended September 30, 2024

(Millions of yen)

	Shareholders' equity							
	Share capital	Capital surplus			Legal retained earnings	Retained earnings		Total retained earnings
		Legal capital surplus	Other capital surplus	Total capital surplus		General reserve	Retained earnings brought forward	
Balance at beginning of period	25,000	6,563	2	6,565	18,436	75,000	13,172	106,609
Changes during period								
Dividends of surplus							(941)	(941)
Profit							4,537	4,537
Purchase of treasury shares								
Disposal of treasury shares			8	8				
Provision of general reserve						5,000	(5,000)	-
Net changes in items other than shareholders' equity								
Total changes during period	-	-	8	8	-	5,000	(1,403)	3,596
Balance at end of period	25,000	6,563	10	6,573	18,436	80,000	11,768	110,205

	Shareholders' equity		Valuation and translation adjustments				Share acquisition rights	Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Total valuation and translation adjustments		
Balance at beginning of period	(978)	137,196	12,645	(376)	8,610	20,879	40	158,115
Changes during period								
Dividends of surplus		(941)						(941)
Profit		4,537						4,537
Purchase of treasury shares	(0)	(0)						(0)
Disposal of treasury shares	28	36						36
Provision of general reserve		-						-
Net changes in items other than shareholders' equity			(3,493)	0	-	(3,493)	-	(3,493)
Total changes during period	27	3,632	(3,493)	0	-	(3,493)	-	139
Balance at end of period	(950)	140,828	9,152	(376)	8,610	17,386	40	158,255